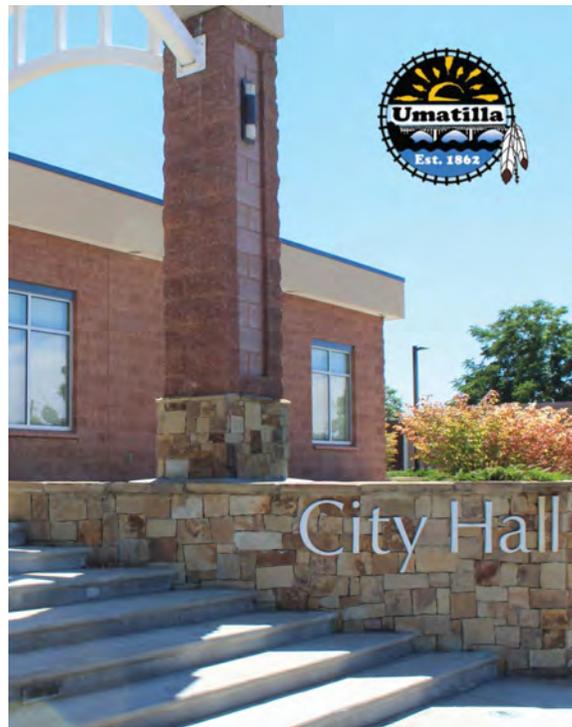


# ADOPTED 2022-2023 BUDGET

JULY 1, 2022 THROUGH JUNE 30, 2023



## Budget Committee

### MAYOR

Mary Dedrick

### COUNCIL MEMBERS

Corinne Funderburk  
Daren Dufloth  
Leslie Smith  
Ashley Wheeler  
Josy Chavez  
Roak TenEyck

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Judy Simmons  
Wendi Damerval  
Roger Condie  
Robert Hojaboom

## City Staff

David Stockdale, City Manager  
Melissa Ince, Finance & Administrative Services Director  
Darla Huxel, Police Chief  
Brandon Seitz, Community Development Director  
Scott Coleman, Public Works Director  
Christopher Waite, Parks & Recreation Director

# TABLE OF CONTENTS

GFOA Distinguished Budget Presentation Award FY2021-22	3			
		<b>BUDGET SUMMARY</b>	<b>OTHER FUNDS</b>	
<b>BUDGET MESSAGE</b>		Description of Funds	69	Water Fund 115
City Manager's Budget Message	4	Understanding the Budget Format	73	Water Reserve Fund 118
Budget Overview	12	2022-23 Consolidated Financial Schedule by Fund Type	74	Sewer Fund 120
<b>CITY OVERVIEW</b>				Sewer Reserve Fund 123
About Umatilla	17	Four Year Consolidated Revenues & Expenditures by Fund	76	Street Fund 125
Budget Process	22	Sources and Uses of Funds	78	Capital Reserve Fund 129
Budget Calendar	25			Library Fund 132
City Council Strategic Goals and Other Planning Documents	26	<b>GENERAL FUND &amp; DEPARTMENTS WITHIN</b>		Refuse Collection Fund 135
Financial Policies	34	General Fund Overview	83	Building Department Fund 136
Demographics & Financial Trends	50	Administration	85	Debt Service Fund 140
Short Term Factors Impacting Overall Budget Development	53	Community Development	90	Transient Room Tax Fund 141
		Municipal Court	94	Building Reserve Fund 144
<b>DEBT OUTSTANDING</b>		Parks & Recreation	96	
Long-Term Debt	58	Umatilla Marina & RV Park	100	<b>APPENDICES:</b>
Long-Term Debt Outstanding	59	Police Department	103	<b>TRANSFERS</b>
Future Principal and Interest Payments Due	64	Code Enforcement	107	Interfund Transfer Detail 145
		Transportation	109	<b>BUDGET PUBLICATIONS</b> 147
<b>PERSONNEL</b>		Golf Course	110	<b>BUDGET RESOLUTIONS</b> 150
Organizational Chart	66	911 Emergency Service Center	113	<b>OVERVIEW OF CAPITAL IMPROVEMENT PROJECTS</b> 156
Position & Salary Ranges	67	Non-Departmental	114	<b>GLOSSARY &amp; ACRONYMS</b> 162

# GFOA Distinguished Budget Presentation Award

Fiscal Year 2021-2022



GOVERNMENT FINANCE OFFICERS ASSOCIATION

## *Distinguished Budget Presentation Award*

PRESENTED TO

**City of Umatilla  
Oregon**

For the Fiscal Year Beginning

**July 01, 2021**

*Christopher P. Morill*

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Umatilla, Oregon, for its Annual Budget for the fiscal year beginning July 01, 2021. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

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

# City Manager's Budget Message

April 19, 2022

Fiscal Year 2022-2023

It is with great excitement, and visually drained countenances, that we provide you with the Fiscal Year 2022 – 2023 Proposed Budget for the City of Umatilla. We mention drained countenances in this year's introduction as the amount of outputs from the City, our continued growth, and the amount of energy and staff resources required to manage it all is truly an accomplishment and one that comes only from the dedicated and hardworking staff that genuinely give of all their talents and experience to the community we all love so much! Once again, as it has been for her now 10th annual budget, we are exceptionally fortunate to have the experience and talented efforts of our Finance Director, Melissa Ince, to guide the City in the development of this Proposed Budget. Melissa incorporated requests from Department Directors, under the direction of the City Manager, and organized and made it possible for each of us to complete this budget. This year's Budget was, once again, guided by the City Council's Adopted 2021-2023 Goals, general discussions and direction from City Council, from direction from the Budget Committee from their March 15, 2022 Workshop, and from our various adopted or draft planning documents.



We thank each member of the City Council and Budget Committee and especially thank our community members for their direction on this significantly important document. This message highlights some of the major projects or changes this year, some of the ongoing efforts of the City, and some of our decision-making process to incorporate these proposals, but certainly doesn't capture every detail. I am so very enthusiastic to share with you what we hope to achieve this upcoming year through this Proposed Budget.

## Historical Growth, Diversified Growth, Strategic Growth

While many communities across Oregon and throughout the country realized significant economic and other setbacks, including challenges with external migration, Umatilla was not one of them. Umatilla continues to be a leader in Eastern Oregon in growth, both in population and in economic and community development.

The City Council's adopted Goal 1 states to "promote a vibrant and growing community by investing in and support of Quality of Life improvements." Growth for growth's sake nearly always results in several significant community problems; but, diversified, strategic, and well-managed growth nearly always results in the opposite. Our Council's adopted goals and corresponding objectives have provided the strategic guidance for our community to enjoy efficiently managing our growth, while also maintaining our community's charm... and continued to do so, even through a worldwide pandemic.

Last fiscal year, we followed Objective 1.9.2 to "create an all-new grant program to assist businesses with costs associated with locating their business into Umatilla..." This new program, the Local Business Grant, awarded \$225,000 in grant funds last year. The results were incredible, new businesses arrived in town and existing businesses expanded their products or services offered. This Proposed Budget increases these funds by \$50,000 to \$275,000. At a time when businesses are looking for ways to get back on their feet, the City stands by their side with resources to help make that happen. This program, coupled with the Façade Grant Program of \$175,000, will bring a \$450,000 investment to our local businesses and adds to the more than \$650,000 the City has invested through these programs over the past three years. Umatilla is a business-friendly community and we're not shy to show it.

City Council Goal 2 states to "promote economic development and job growth." Objective 2.1 states to "continue to strongly support and encourage the development of data centers." The City enjoys a valuable partnership with Amazon Web Services (AWS). For a decade now, AWS has invested several billions of dollars into the development of their data centers, including investments in the expansion of City infrastructure. This past fiscal year, AWS has started construction of two new buildings at a new site in the Port of Umatilla's industrial park, which will be operational in spring of 2023. Their partnerships with Eastern Oregon University, Blue Mountain Community College, local Chambers of Commerce, and other workforce partnerships have significantly changed the City's economic portfolio of jobs that we have to offer our residents. The revenue received from Enterprise Zone programs associated with these facilities continues to be steady and significant and has played a major role in our ability to leverage these funds even further through grant programs. Those agreements ensure that revenue continues to increase as more facilities are built and will eventually lead to even more revenue for the City and our local taxing districts as those payments in lieu taxes expire.

The jobs created by AWS and other businesses throughout our community, have also led to a significant increase in housing and the need for housing. Umatilla, for the 3rd year in a row, is the 2nd fastest growing City in Umatilla County, with nearly 100 housing units each of the past three years. Between growing businesses and growing residential development, the City's total taxable assessed value increased to \$879,061,548 or a 16% increase in from the prior year and we anticipate this rate to hold steady at approximately 15% this upcoming year. This is more than an 80% increase in assessed value in just three years! To truly have a clear understanding of our City's historical growth, in addition to the incredible rapid increase to our total assessed value, consider that the City's total budget, across all funds, just ten years ago, was just over \$9 million, compared to this year's total proposed budget of nearly \$64.7 million! Also, consider that in order to keep up with the demand in services in our community, the City's FTE count has increased from 39.25 FTE in FY19 to 62.25 in FY23 (this Proposed Budget), nearly a 59% increase in just four years!

The numbers are truly astounding, but it is all for naught if we fail to invest in the quality of life improvements that our long-time and new residents deserve. Access to parks, libraries, and community events, while keeping our residents safe with a properly funded police department are vital to a healthy and vibrant community. This budget continues to invest in the safety of our community by maintaining police officer numbers and financially supporting increases in trainings and police programs. Last year saw the construction of new restrooms and dugouts at Nugent Park, expansion to golf cart storage at Big River Golf Course and kicked off planning for the expansion of the Marina & RV Park and for a new sports complex at Hash Park. This year will see the construction of new trails, new playgrounds, new pavilions, and continued expansion of services at Big River Golf Course, to name a few.

We also need to account for the need to invest in our most precious natural resource: water. As we continue to grow the use and demand for water grows with it. Water is at the heart of all city services, especially economic development, housing, and public health and safety. We have budgeted \$1.75 million in this fiscal year in anticipation of procuring up to 5 cfs of additional water right in the John Day pool of the Columbia River. This will be paid for by an interfund loan from the General Fund to the Water Fund according to terms to be determined later in the year. We are confident that we will be able to pass the majority of this cost on to some known and planned commercial and industrial developments.

As our community grows, we stand prepared to implement our recently adopted master plans to greet that growth with a warm and friendly hug.

### **Historic Growth... Historic Inflation... Reserves**

Growth at any time can be a monumental effort to manage, but managing that growth while coming out of a worldwide pandemic and while the country is experiencing the highest inflation rate in more than 40 years, is something else all-together. Power costs are increasing by more than 12% in some areas within the City, while fuel/energy costs are up more than 50% from the previous year. Sanitation (garbage) costs are up nearly 6%. Our own water/sewer costs are up 7%. These high inflation rates left the City with a few decision-making choices: do we continue to build-up reserves to get closer to meeting our goal of 20% reserve levels in the General Fund/Water Fund/Sewer Fund, or do we do our best to keep operations steady with minimal financial impacts to the public at the sacrifice of not building reserves? We ultimately settled somewhere in the middle. If not for historic inflation, we would have likely reached our goal of 20% reserves in the General Fund this year. But, even still, this Proposed Budget realizes a 24% reserve across all funds, with an 18.8% reserve in the General Fund (up from 18.4% last year), a 10% reserve in the Water Fund (same as last year), and a 23% reserve in the Sewer Fund (up from 21% last year). This proposed budget continues to exercise prudent and sound stewardship of the public's resources by continuing to maintain healthy reserves.

### **Debt Services**

The other side of the prudent fiscal management coin (the first being reserves) is debt services. This year the City will pay off the City Hall loan six years early, making the final payment in April 2023. The City was able to refinance a Sewer loan in 2013, which resulted reducing our annual interest by half and accelerated our ability to payoff that loan three years early. The remaining \$500,000 balance will be paid off in November 2024 with the 2nd to last payment occurring this fiscal year. This tale of low rates or smaller duration repayment schedules occurs several more times throughout several different funds. Our debt amounts continue to be decidedly low and is better than nearly all our peers. Our ability to take on an \$8.4 million Business Center project without taking out any debt is a true testament of our fiscal policies to be good stewards of the public's resources and to properly manage debt. The next identified project that will require debt services will be the construction of the new Police Department facilities. But, even still, our residents can look at our operational policies and our relationship with debt and be reassured that we will do all we can to make that indebted amount the smallest it can be by leveraging funding from other sources.

### **Continued Investment in Emergency Preparedness and Public Safety**

In addition to a worldwide pandemic, Umatilla also experienced severe windstorms, fires, and snow in 2020. We were fortunate that damages were limited to property only and no one was significantly injured. These forces of nature, in addition to the 2019 and 2018 floods, have exposed a few gaps in our Emergency Preparedness. Council has adopted Objective 1.12 of their 2021-2023 Goals:

"... establish Umatilla as a community that emphasizes emergency preparedness... ensure that all City functions can operate during times of crisis or if power or other core utilities were to temporarily be unavailable... coordinate and carryout a 'table top' exercise with all other emergency service organizations in the area..."

We are happy that this proposed budget implements this Objective immediately. The Police Department purchased a new generator two years ago and installed the updated new power panel this past year to fully utilize the generator and is now equipped to operate their department building during emergency situations

where power is otherwise not available. The Golf Well has been identified as a critical piece of the City's infrastructure, delivering approximately half of the City's water supply. Its generator has reached the end of its useful life. This proposed budget utilizes reserves set aside last year and an additional \$75,000 this year to replace the old generator to ensure uninterrupted water services during times of emergency. City Hall, identified as a key emergency management location and safety gathering area, is currently not set up to accommodate emergency backup generator power. Over the past few years we have been putting money into reserves for electrical improvements at City Hall to accommodate a generator in emergency situations. We currently have \$60,000 set aside and will transfer the remaining \$30,000 to make the electrical improvements and purchase the generator this year. This budget will upgrade City Hall's power to be able to run off of generator power, if needed. In all, the City is investing \$229,500 in generators, switches and cables, and power upgrades in this fiscal year.

City staff completed a tabletop exercise in the past fiscal year to review our emergency protocols and to identify gaps for updates to our procedures. That exercise proved exceptionally helpful and the City has taken and will continue to take measures towards improving our ability to provide high quality emergency services when the community needs us most.

### **Getting Started on Planning & Design for some not-to-distant Capital Projects, and our Commitment to Share our Good Fortune**

The City has made significant investments into updating many of our planning documents in the past few years, including our Trails Master Plan, Parks Master Plan, Water Master Plan, Waste Water Master Plan, Public Works Standards, System Development Charges, Comprehensive Plan amendments, and Zoning Ordinance updates, to name a few. This year will see us wrapping up some of these plans that are nearly completed and the continued implementation of those recently adopted.

The City has an early draft of a new **Marina & RV Park Concept**. We will continue to host public meetings to work toward the finalization of this concept so that we can move the project forward to design, with the help of grant funding. It is our intention to begin to design the marina this year, apply for and obtain all permits and any grant funding the following year (FY23/24), and construct the new marina in FY24/25, with the new marina in operation by late-summer 2025.

We also have an early draft of an **all-new sports complex at Hash Park**. This facility will include a four-field softball/baseball center, two rectangle fields for soccer/lacrosse/football, a new playground, incorporated trails, a small-breed/large-breed dog park, a community garden, and pavilions. We will continue to host public meetings to work toward the finalization of this concept and plan to apply for grants in March 2023 for design of this park. The intention is to design the facility in 2023, apply for grant funding for construction in 2024 and construct the first phase (the baseball/softball fields and parking areas) in 2025.

Our **Police Department Building** is showing its age and has been for quite some time. As our community continues to grow at these historic rates, the need to continue to hire additional officers and provide suitable modern police facilities with enough space and training areas is critical to the success of keeping our community safe. We will continue to work on the design process of replacing our existing Police Department this year and begin seeking grant funding and putting together a final funding package for the City Council and Budget Committee to consider. The desire is to complete construction of this estimated \$8 million new police department facility in spring 2026. We have allocated \$400,000 towards design of this new facility in this fiscal year, utilizing \$200,000 from last year plus \$200,000 this year.

We have received multiple grants from the **Community Development Block Grant (CDBG) program** to design water and waste water infrastructure to the Brownell Road and Power City areas. These key infrastructure projects will provide a stable drinking water supply to these residents as well as a sustainable sewer option. These projects are fully grant funded and will continue into this fiscal year.

It was Jane Austen that provided the insight that "it is a truth universally acknowledged, that a single man in possession of good fortune, must be in want of a wife." I add this subtle but significant twist that, as it relates to <sup>7</sup>

healthy City: “It is a truth that must be understood, that a City in possession of good fortune is prone to crumble like the ancient Romans, unless that City reaches out to share at least a portion of that good fortune with their neighbors.” The sun of good fortune, both as a matter of circumstance and backbreaking hard work, has and continues to shine down on Umatilla. The City has adopted good-neighbor policies like assisting the City of Echo with their planning, partnering with Hermiston on legislative affairs, partnering with Umatilla County on regional planning efforts, and the co-adoption of the Construction Excise Tax for the Umatilla School District. Though there is no significant funding set aside for some of their desired large capital projects in this Proposed Budget, it is hereby notated that discussions with how the City might be able to help the Umatilla School District, Umatilla Hospital District, and others is underway with some long-term significant mutual benefits. The School District is working on efforts to meet the demand of growing enrollment at their schools, including the consideration of a possible construction levy for a new school and expansions at existing schools. The Hospital District has hired a consulting firm to design and create bid documents for the construction of an all-new health facility and they’re going to need financial help from the City and others to make that project happen. The City has donated grant writing services to them toward that effort. The Fire Department is also growing and is in need of new administrative space to support their public safety efforts. They too will need some financial support from the City and others. We’re sure there are several others and it will be our pleasure to partner with each of them, as much as we reasonably can, to help them achieve their goals... which are our goals too. As our Enterprise Zone agreements continue to grow, or even expire, so too do the revenues associated with them grow. This City Council and this Budget Committee, and our community are excited at what the future holds throughout the community and we stand prepared to play our respective part in working to help them reach their highest successes.

## **A Big Year for Capital Project & Infrastructure Improvements**

**Umatilla Business Center.** The Umatilla Business Center is more than six years in the making and has an anticipated total project cost of \$8.4 million. This incredible project will support our new business incubator program, a community room, conference rooms, commercial kitchen, City Community Development offices, outdoor areas for food vendors, and much more will become an incredible complement to City Hall and to our downtown business corridor. This project is funded without incurring any debt, and is paid for through the combination of a \$1 million contribution from Umatilla County, \$1.8 million in legislative funding, anticipated \$1.4 million in federal Economic Development Administration funds, \$1.6 million in ARPA funds, and \$2.6 million from City Capital Reserves. Construction will begin around November 2022 with completion estimated in spring 2024.

**Powerline to Pedestrian Bridge Trail.** Thanks to help of a grant from the Recreational Trails Program (RTP) this year will see the construction of Trail 2 from the Trails Master Plan, that section from the west side of the Pedestrian Bridge up to Powerline Road.

**Nugent Park.** This park was recently rehabilitated with improvements to the little league field and installation of a new bathroom. The City was awarded a 50% grant from the Land and Water Conservation Fund for a \$576,000 project at Nugent Park that will replace the more than 40-year-old playground, replace the small pavilion with a new larger pavilion with increased amenities, and install new sidewalks and improve the parking lot. We will also replace the concession/announcer booth building that was damaged in recent wind storms.

**Marina & RV Park.** This budget carries over the \$300,000 we had in last year’s budget and adds an additional \$100,000 towards the design of the new marina.

**Outdoor Shooting Range.** The Master Parks Plan identifies an outdoor shooting range as the 2nd most desired amenity. This budget sets aside \$240,000 in anticipation as match funds of total \$400,000 project to identify property, design, and construct the range this fiscal year.

**Pedestrian Bridge.** This \$6.2 million project is more than three years in the making. Doing all we can to mitigate the risk of this strategic piece of City infrastructure being damaged by flood again, the City worked with FEMA and others through the risk mitigation process, which caused significant delays. With approvals now in-hand from FEMA, together with an emergency grant from Business Oregon, we are ready to begin reconstruction of the bridge. The new bridge will increase its east/west span by more than 100 feet and be approximately 6-8

feet higher in elevation. It will also exhibit modern truss features and designated seating areas for users to enjoy the incredible beauty of the confluence of the Umatilla/Columbia Rivers. Removal of remaining debris in the river will occur in July 2022, with construction scheduled to begin in December 2022 and completion in mid-fall 2023.

**Umatilla Falls Replacement.** With so many other projects currently underway, the Umatilla Falls Replacement Project necessarily was rolled into this fiscal year from the previous year. This Proposed Budget utilizes Capital Reserve funds to construct this \$950,000 project. Construction is anticipated to begin late-fall 2022 with completion in spring of 2023.

**Pioneer Memorial Cemetery.** This \$33,600 project paves an approximate 10,500 square feet lot and will be completed before Memorial Day 2023.

**Big River Golf Course Cart Sheds.** This \$70,000 project will add, yet again, an additional twelve cart sheds.

**5th Street Alley Waterline Improvements.** As a follow-up to the 6th St. Waterline Project from 2019, we will design a waterline extension in the 5th St. Alley between G and H Streets. This \$75,000 project will have us ready for a planned partnership with a private developer to construct new commercial and residential property along 6th St. and 5th St. respectively.

**Big River Golf Course Power Improvements.** The back-9 of the Big River Golf Course has been identified and approved by the City Council for use as a large outdoor concert venue.

## **A Strong Year for Capital Outlay Replacement and Savings**

In 2019 the City completed an assessment of the condition of the city-wide fleet. In December of 2020, the City inherited additional maintenance fleet equipment as part of the purchase of the Big River Golf Course. The underlying consistency of the existing fleet and the new fleet: deferred replacement or deferred maintenance. This can be understood as it wasn't until approximately 2018 until the City started to realize the exponential growth that we have been experiencing these past five years. Beginning in FY19 and each year since, the City has identified those fleet vehicles or fleet equipment that needs immediate replacement. We've also implemented a more strategic replacement plan of our police vehicles and incorporated a higher level of maintenance standards. Those years of savings and the recent years of updated operations and maintenance policies have led to a big year this fiscal year for the purchase and replacement many fleet vehicles and equipment.

**Police Vehicles.** The police department will purchase two Dodge Durango vehicles for \$48,600 each, including outfitting, to replace two Dodge Chargers with significant miles.

**Savings for new Park Mower.** This will be the first year of a three-year savings plan to save for the replacement of a wide area mower that is used for our large parks open spaces. This will replace a mower that already has 3,700 hours. We will set aside \$25,000 this year for the \$75,000 purchase in FY25.

**New John Deere Gator.** The utility vehicle at the Marina & RV Park is coming to the end of its useful life. This new \$14,000 Gator will assist in the daily maintenance needs for the park as well as being available for use for other staff to carry out some of the other services (like pumping fuel, hanging site slips, assisting at the pavilions, etc.) and be used for our community events at the park.

**Golf Course Mowers.** This year we will purchase a new John Deere 2550 E-Cut hybrid greens mower for \$40,000 to replace the existing mower with more than 4,500 hours on it. We will also purchase a John Deere 7500A precision cut fairway mower for \$60,000 to replace the existing mower with more than 4,900 hours on it. These two new mowers will significantly reduce equipment maintenance times while also reducing the total amount of seat-time necessary to accomplish the necessary work.

**Golf Course Field Rake.** This is a new \$15,000 equipment item that would allow work to be done from equipment, rather than by hand. Not only will this piece of equipment significantly streamline the work at a higher standard level, it will also help mitigate risk of on-the-job injuries associated with vegetation removal.

**Boom Truck Replacement.** We will make the 2nd of 3 savings deposits of \$25,000 this year toward the purchase of a new boom truck in FY24 (the following fiscal year).

**Grit Pump Replacement.** The existing grit pump at the Waste Water Treatment Plant has reached the end of its useful life and continues to be a maintenance nightmare. We will replace this \$28,000 pump this year. This replacement also keeps the plant in compliance with health and safety requirements.

**Street Sweeper Replacement.** We will be making our 6th installment out of 10 of \$15,000 to replace our street sweeper in FY28.

**Crack Sealer.** Our current crack sealer is from the 1980s and has more than outlived its useful life. The new \$90,000 crack sealer will allow us to do nearly three-times as much area in the same amount of time, allowing us to significantly improve our overall street maintenance program.

**Ford F350 Crew Truck and Snow Plow.** This will replace a 2003 crew truck and will be able to more efficiently plow snow in the winter and be available to tow our new crack sealer and other equipment for street maintenance.

**Radio System Upgrades.** We've been updating our radio controls at our well sites and the wastewater treatment plant. These controls allow us to remotely view what is happening throughout our systems. We will complete these upgrades this year with the final \$39,000 investment into the system.

**12-Yard Dump Truck.** We will make the first of three \$75,000 savings transfers this year to replace our 1984 dump truck with purchase of the new vehicle in FY25.

**Jet Rodder Trailer.** We will make our 2nd of 3 \$40,000 transfer payments of a Jet Rodder Trailer this year. This trailer is used to clean out pipelines that become plugged or obstructed by waste or hard water. This trailer also allows us to flush from manhole locations throughout the city to keep our pipes in good condition. The trailer will be purchased in the following fiscal year, FY24.

**Tandem Axel Dump Trailer.** This \$18,000 trailer will be used by all departments to remove debris and stockpile to haul to the landfill. This trailer will provide the operational efficiency needed by being able to be hauled behind a standard 1-ton pickup so that a CDL is not required.

**Tesla Model Y (City Hall Vehicle).** With fuel costs on the rise and with the planned installation of electric vehicle charging stations at City Hall and the Business Center, City Hall will replace our old Chrysler with a new \$65,000 Tesla Model Y crossover SUV. This vehicle will have the range necessary to travel roundtrip to Pendleton or further and can make it to Salem on a single charge. This vehicle has the highest safety ratings in its class and should result in some fuel/energy savings to the City.

**Ford Escape.** The building department will be adding a new Building Inspector this FY and that position will require the use of an official city vehicle. This \$26,000 small SUV will meet all the needs of this position.

**12-Passenger Van.** We will purchase a new \$30,000 12-passenger van to provide us the ability to transport patrons to events, haul kayaks/paddleboards to-and-from launch and pick-up locations, and for anticipated use for other community events (like support for the museum or tours of the old town site).

## **New Parks Department, Expansion in Recreation Programs, and Parks Facilities**

We have been steadily increasing our Parks & Recreation services and programs for the past four years. This year will see a 15% increase in programming budget (from \$53,500 to \$61,500) to incorporate the addition of the City's new synthetic ice rink, kayaks/paddleboards, and several other planned programs. We will also purchase

a new \$16,000 outdoor cinema system with noise cancellation to be used for our Movies in the Park events. To add to our highly successful Waterpalooza event from last year and our community events in general, we will also purchase \$19,000 of new inflatables that include a new water slide, climbing wall, and others.

## Housing

Though there is no one specific line item in this budget associated with housing, the City will take a direct hands-on approach to housing once again this year. This will come mostly in partnering with housing developers to develop both low-income and high-income housing units on city owned land. Middle income housing is going strong and needs very little assistance from the City. The City owns Big River Golf Course, which is zoned medium density housing, as well as several adjacent properties to the east of the course. This Proposed Budget includes funds to begin the efforts of partitioning this residential property around the golf course to prepare to work with developers to build a product of high-end condos and single-family homes. The City also owns several parcels in and around the downtown that are an excellent candidate for multi-use commercial and high-density housing that is affordable. We are working with developers to construct both affordable new townhouses and to design low-income housing.

The new project this year will be Project PATH (Practical Assistance through Transitional Housing). The City, in partnership with Hermiston/Stanfield/Echo/Umatilla County, received one of eight pilot program \$1 million awards from the state legislature to create a regional housing solution for our residents who are transitioning from homelessness toward permanent housing. Project PATH will provide the most basic housing unit for the site's tenants while also providing them common areas and access to basic medical and mental health services. The intent of the program is to provide stability in housing for these tenants while we work with them to help them into permanent housing. Tenants will have twelve months to make the transition, which may be extended if they are clearly showing efforts toward achieving permanent housing. We believe it to be a basic human right for anyone to have a roof over their head, food to eat, and access to the most basic health services. Project PATH will also provide access to job skills training, networking, substance abuse counseling, and other general services.

Investing in our housing development is a critical piece of economic development and quality of life to our community. From Project PATH to golf course high-end housing and everything in-between, Umatilla can expect to see housing opportunities at every economic level!

## Summary

This is an exceptionally ambitious budget and comes at a time where we hope the pandemic is in the rearview mirror and while inflation is staring at us in the face. The City has been highly responsible with its budget and reserves in the past and it is those prudent and forward-thinking fiscal policies of the past that have provided us this important opportunity today to make significant investments into our community. We are proud of our steady role we play in our local economy to ensure that it maintains local jobs, provides high quality of life improvements and amenities, and makes significant investments in housing.

This budget invests in park improvements, trail improvements, public safety, public works, housing, the local economy, our businesses, and new and necessary equipment and technology. This budget will strongly continue to revitalize the downtown and strongly support our current and new businesses. It is an incredibly exciting time for Umatilla! Once again, I am proud to provide you with this proposed budget.

Sincerely,



Dave Stockdale, City Manager

# Budget Overview

Fiscal Year 2022-23

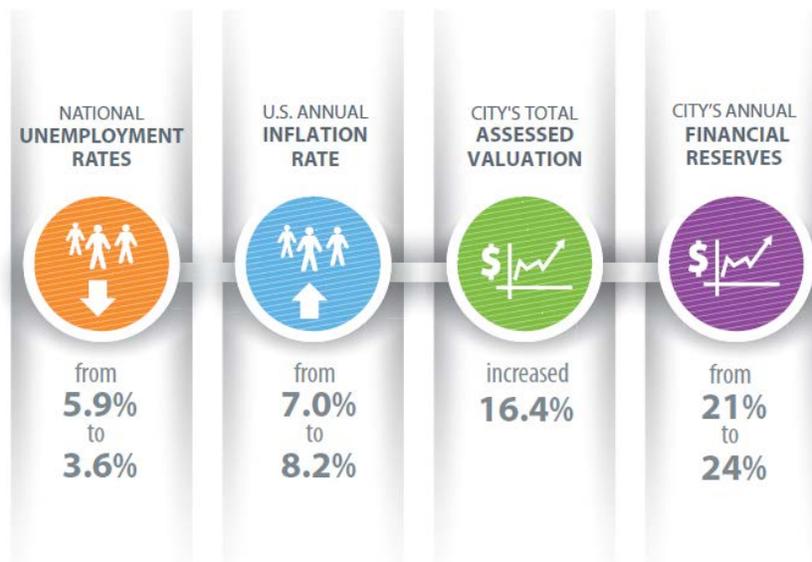
This section is meant to provide an overview of the City’s Annual Budget Document. It includes a snapshot of revenue, expenses, priorities, and other important and interesting information. The resources available and the priorities of the community define how the city operates, the services provided to residents and businesses, and the decisions made by City Council during the FY2023 budget adoption process.

While many communities across Oregon and throughout the country realized significant economic and other setbacks, including challenges with external migration, Umatilla was not one of them. Umatilla continues to be a leader in Eastern Oregon in growth, both in population and in economic and community development. Growth at any time can be a monumental effort to manage, but the city’s elected officials and staff have done an excellent job managing that growth while coming out of a worldwide pandemic.

After a 40-year break from high inflation, Americans are rediscovering what it means when the prices of goods and services rise rapidly. City government can’t entirely avoid this national shock. With 8.3 percent inflation in April, Umatilla is feeling the effects as the costs of construction projects soar and every day expenses such as fuel and electricity costs continue to rise.

Fortunately, the City has been highly responsible with its budget and reserves in the past and it is those prudent and forward-thinking fiscal policies of the past that have provided us this important opportunity today to make significant investments into our community. It is during these uncertain and hard times that it makes the most sense for our City to play well our vital role of steadying the local economy to ensure that it maintains local jobs and provides high quality of life improvements and amenities... especially if we are still able to maintain healthy reserves.

## CURRENT ECONOMIC CLIMATE



The development of the budget is guided by City Council strategic goals, budget policies, financial policies, legal mandates, and service level prioritization.



**Goal 1: Promote a Vibrant and Growing Community by Investing in and Support of Quality of Life Improvements.**



**Goal 2: Promote Economic Development and Job Growth**



**Goal 3: Enhance and Cultivate Relationships, Partnerships, and Community Perceptions**



**Goal 4: Increase Public Involvement, Increase Transparency, and Enhance Cultural Diversity**



**Goal 5: Perform at the Highest Levels of Operational Excellence**

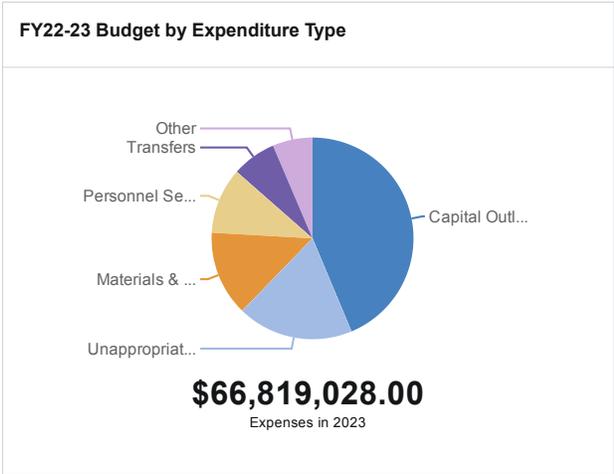
**THE CITY BUDGET IS...**

A process to allocate resources to programs, services, and infrastructure.

The budget matches the financial, material, and human resources available with the requirements to complete the strategic goals set by the City Council.



# BUDGET DEVELOPMENT TIMELINE | FISCAL YEAR BEGINS JULY 1ST



The City of Umatilla’s annual budget for fiscal year **2022-23** totals **\$66,819,028**.

The budget continues to balance stable, recurring revenue sources with ongoing operations and utilizes new revenue as leverage to complete valuable capital projects.

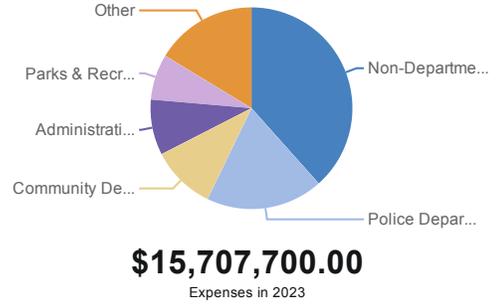
## FY2022-23 CAPITAL BUDGET BY PROJECT TYPE | TOTAL \$29.2M



# Where does the money go?

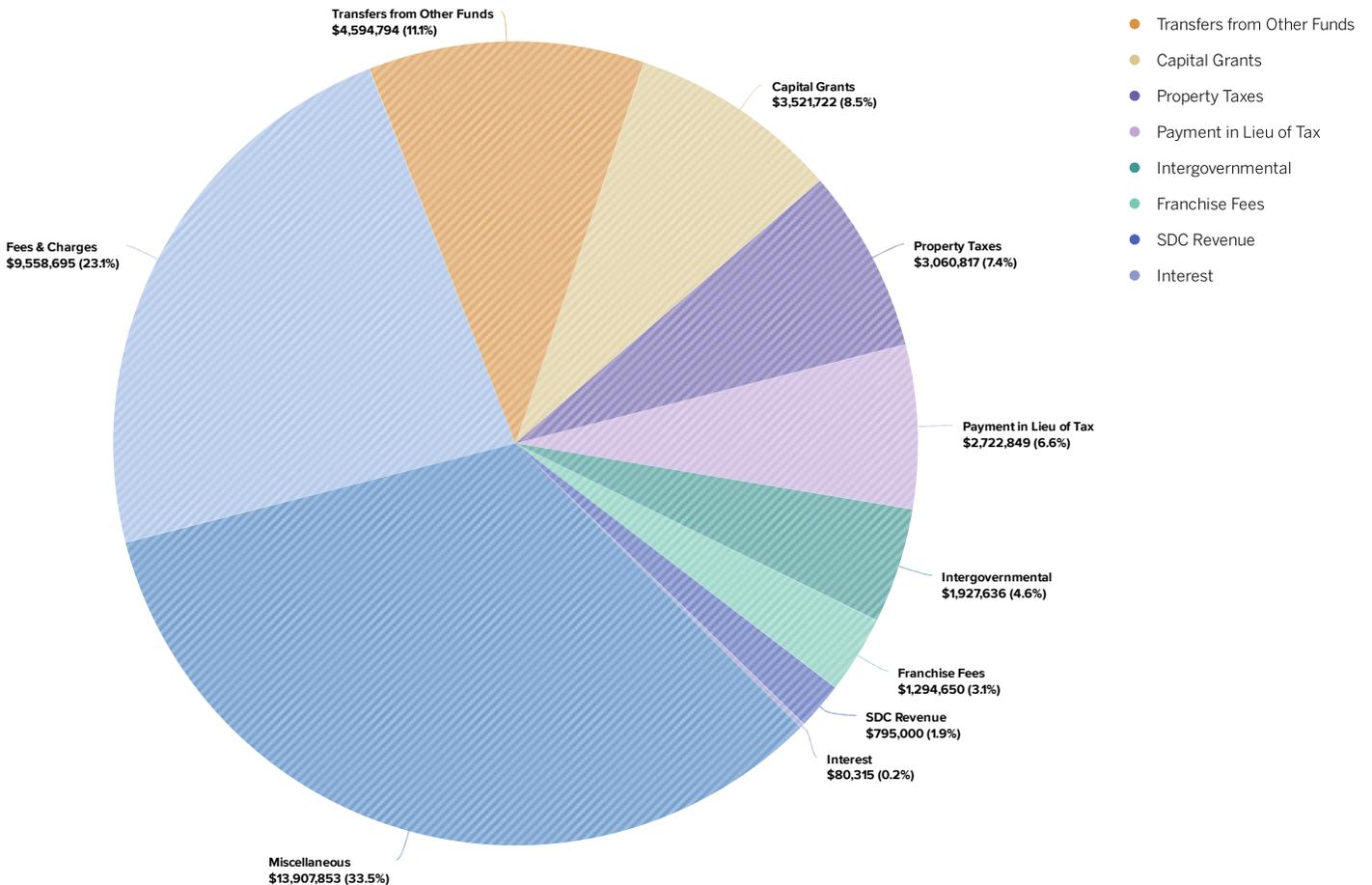
FY2022-23 **GENERAL FUND**  
**BUDGET** Total \$15.7M

FY22-23 General Fund Budget by Department

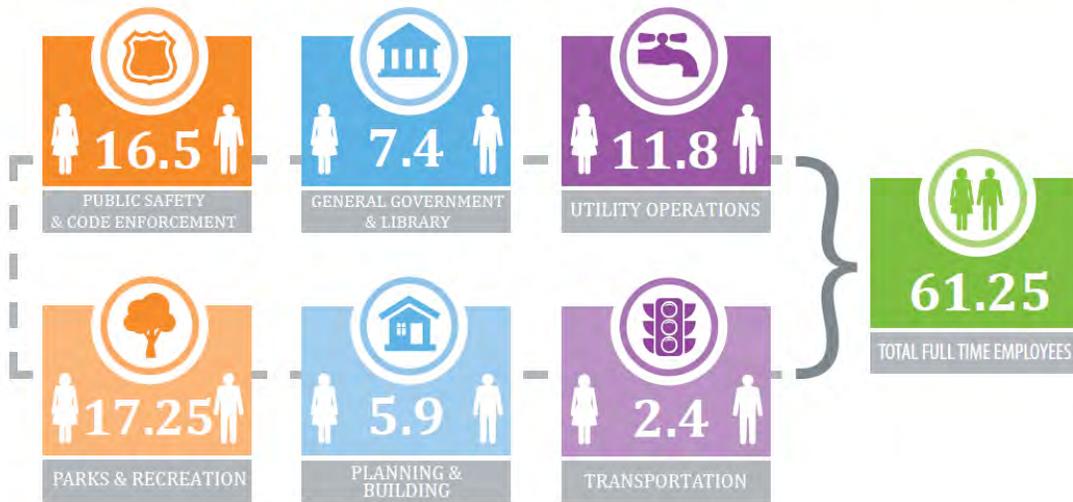


# How do we pay for our services?

FY2022-23 **PROJECTED REVENUES** TOTAL \$41.5M



FY2022-23 **STAFFING BY FUNCTION** (FULL-TIME EQUIVALENT CITY EMPLOYEES)



# City Overview: About Umatilla

Fiscal Year 2022-23



## The City

The City of Umatilla is surrounded by rolling hills, sitting at the confluence of the Columbia and Umatilla Rivers. The natural beauty of eastern Oregon and abundant waterways have had an unmistakable influence on the development of the city over the years. The relationship between the built environment and natural landscape has been deeply intertwined, crafting a distinct identity over the years and providing the background for a vibrant and unique sense of place. Preserving and enhancing the scenery, while also embracing the rich heritage of the city will distinguish Umatilla as a city brimming with opportunity, shaping its growth over the coming years.

## Form of Government

The municipal government provided by the Charter of the City of Umatilla is a Council-Manager form of government. Pursuant to the provisions of the Constitution of the State of Oregon and subject only to limitations imposed therein and by the Charter of the City of Umatilla, all powers of the City are vested in an elected City Council.

# City Council

## Membership

The Council is composed of six Councilors elected in the City at large and by position number. All are elected for a four-year term in staggered elections, three councilors being elected every two years. The Mayor is elected for a term of four years at alternate biennial election.

## General Powers

- A. The Council interprets the needs and desires of the local community;
- B. The Council appoints and removes the City Manager;
- C. The Council approves preliminary and final plans and specifications, as well as, acquisition and disposal of City property;
- D. The Council determines the compensation and salary schedules of all employees of the City in accordance with procedures established by law and City policy;
- E. The Council provides for keeping the public informed of the purposes, needs and conditions of the City Government;
- F. The Council evaluates the programs of the City and appraises the efficiency of executive personnel;
- G. The Council formulates and approves ordinances, resolutions and policies for the City;
- H. The Council implements all actions required by law;
- I. The Council considers specific actions recommended by the Administrator;
- J. The Council adopts the budget of the city

### Council Position 1

**Corinne Funderburk**



### Council Position 2

**Daren Dufloth**



### Council Position 3

**Leslie Smith**



### Council Position 4

**Ashley Wheeler**



### Council Position 5

**Josy Chavez**



### Council Position 6

**Council President Roak TenEyck**





## Mayor

Photo: Mayor Mary Dedrick

### Duties at Council Meetings

The Mayor is the presiding officer of the Council. He or she has no vote except in case of a tie vote of the members of the Council present at the meeting. He or she has the authority to preserve order, enforce the rules of the Council, and determine the order of business under the rules of the Council.

### General Powers

- A. The Mayor appoints or provides for the election of all committees of the Council;
- B. The Mayor calls special meetings of the Council;
- C. The Mayor signs official City documents that require the signature of the office;
- D. The Mayor has no veto power, and signs all ordinances passed by the City Council within 3 days of their passage;
- E. The Mayor is deemed a Council member for the purpose of constituting a quorum.

## City Manager

The City Manager is the Chief Administrative Officer of the city and is responsible to the Council for proper administration of all of the city's affairs. To that end, he or she has power and is required to:

- A. Attend all meetings of the Council, unless excused therefrom; attend meetings of the Council committees; keep the Council advised of the affairs and needs of the City, and make reports, upon request of the Council, or all the affairs and departments of the City.
- B. General supervision and control over appointive City officers and employees and their work, except as otherwise designated by Charter;
- C. Act as purchasing agent for all departments of the City;
- D. Ensure all laws and ordinances are enforced, except criminal offenses, which are the duty of the Chief of Police;
- E. Meet with private citizens and interested groups seeking information or bringing complaints and attempt to resolve problems and complaints fairly or report same to the Council;
- F. Supervise the operation of all public utilities owned and operated by the City and have general supervision over all City property;
- G. Sit with Council at all meetings and have the right to take part in all discussions of the Council, but shall have no vote.

## History & Heritage

### Rippling Water

“Water was created first, life and land were created next, land promised to take care of all life, all life promised to take care of the land.” The Old Town waterfront property, at the confluence of the Umatilla River and the Columbia River, is of national and regional significance dating back over 8,000 years of use. It was a permanent village site for the Umatilla Tribe for thousands of years, and then became the location for the city of Umatilla in 1864. When the John Day Dam was constructed in the middle of the 20th century, the Army Corps of Engineers condemned the site as a floodplain, and downtown Umatilla was moved just south of where it once stood.



### The Saloon Days and Gold Rush

During the days of the commercial supremacy of Umatilla Landing, there was something to do every day and every night. In the 1860s, the town had a population of 1,500 & a floating population - those staying for short periods of time - of about the same. In those times, Umatilla was the largest city in Eastern Oregon. The men who resided in Umatilla, most of which were gold speculators, who made their way along the Columbia River in search of riches, were by no means Sunday school teachers.

Umatilla was projected to be the successful rival of Walla Walla until the gold rush subsided and the town lost its county seat. The area's fertile land then opened it up to a largely agricultural economy based on dryland wheat farming. Fruit, grain, timber, cattle, and sheep were all important agricultural products. The population of towns in nearby Grant and Union County gradually increased and subsequently decreased the population of Umatilla Landing.

Even after losing much of its population to towns further east, Umatilla was still the rendezvous for all the freighters from Grand Ronde, Powder River, and the Idaho country. When the railroad was completed in 1883, the town joined the vast throng of industrial centers. In the mining days, Umatilla rose to great prominence only to quickly decline due to changing conditions resulting from an increased population and the extension of railway lines. The railroad spurred Umatilla County's economy to boom, but this time the boom was based on grain and wool instead of from the pursuit of gold.

## All-Woman Administration

In 1912, women won the right to vote in Oregon. In 1916, an all-woman administration was elected in Umatilla, when the wife of the former Mayor E.E. Starcher, Laura Starcher, pictured to the right, ran against and defeated an all-male ticket. She defeated her husband by a majority of 28 votes out of 174 ballots cast. The all-female administration included a woman Mayor, four Councilwomen, a woman Recorder, and a woman Treasurer. From 1916 to 1920, women officially governed Umatilla. In addition to routine work, the women installed water heaters and established the first city library. In her victory speech, Starcher stated, "We will not leave the enforcement of our laws to any man because past experience has proven the laws will not be strictly enforced."



# City Overview: Budget Process

Fiscal Year 2022-23

## Budgeting in the City of Umatilla

The budget process for the city involves teamwork and cooperation among many groups and individuals within the city, including: citizens; elected officials; other government entities; Council-appointed boards and commissions; and city staff. The process provides opportunities for the public to gain information and understanding about the city's budget and operations. In addition, citizens are given a forum to provide input regarding how the city allocates its resources.

## Oregon Local Budget Law

Chapter 294 of the Oregon Revised Statutes (ORS) governs budgeting in Oregon. The objectives are as follows:

- Provide standard procedures for preparing, presenting, and administering local budgets
- Ensure citizen involvement in the preparation of the budget

ORS 294 requires all taxing districts to file their budgets with the county no later than July 15 of the new fiscal year.

As an aid to taxing districts, the Oregon State Department of Revenue has broken down the budget process into nine steps. They are as follows:

1. **Appoint Budget Officer** - Every local government is required to have a budget officer, either appointed by the governing body or designated in its charter. The Umatilla City Council has chosen to designate the City's finance director as the budget officer.
2. **Prepare Proposed Budget** - With much of the groundwork laid by the city council in various work sessions, management and staff meet and prepare an estimate of revenues and expenditures for the upcoming fiscal year. The city manager and budget officer meet with various departments in order to "balance" the budget as required by the Oregon Revised Statutes.
3. **Public Notice of Meeting** - Upon completion of the budget reviews, the proposed budget is prepared, and a "Notice of Budget Committee Meeting" is advertised in the local newspaper. ORS 294 requires the notice to be published at least twice, five to 30 days before the scheduled budget committee meeting date, separated by at least seven days.
4. **Budget Committee Meets** - At the first formal budget committee meeting, the city manager presents the budget message and the proposed budget document to the committee for review. The budget committee also hears all public comment in the first meeting and may continue the public hearing to subsequent meetings as needed.
5. **Budget Committee Approves Budget** - When the budget committee is satisfied that the budget will meet the needs of the citizens of Umatilla, it will approve the document and forward it to the city council for adoption. The budget committee shall also approve a rate of total ad valorem property taxes to be certified for collection.

6. Notice of Hearing and Financial Summary - After approval of the budget, a budget hearing must be held. The city council must publish, by one or more of the methods described in ORS 294.311, a summary of the recommended budget and a notice of budget hearing five to 25 days before the scheduled hearing date. If the notice is posted instead of published in the newspaper, then a second posted notice is required eight to 14 days prior to the budget hearing. Included in the notice shall be a summary of the budget comparing the most recent preceding year's actual expenditures and budget resources, the current annual budget summary with detail for each expenditure category (personnel services, materials & services, capital outlays, debt service, transfers, and operating contingencies), the major resources for financing activities and significant changes from the current year, the estimated tax levy necessary to balance the budget and an analysis of tax levy and special levies for the ensuing years and current year, the time and place of the budget hearing, the basis of accounting used in the preceding and current years, and the place where the complete budget document can be inspected by the general public.

7. Budget Hearing Held - The budget hearing must be held on the date advertised in the newspaper and must allow for public testimony on any aspect of the approved budget.

8. Adopt Budget, Make Appropriations, Levy Taxes - The city council may make changes to the budget during the budget hearing; however, there are limitations to these changes:

- a. Taxes rates and tax amounts may not be increased over the amount approved by the budget committee.
- b. Estimated expenditures in any fund may not be increased by more than \$5,000 or 10 percent, whichever is greater.

The city council may do either of these only after publishing a revised financial summary and holding another budget hearing. After considering any public testimony, the city council will then adopt a resolution that appropriates expenditures, levies the ad valorem tax rate, and categorizes the levy. The resolution must be adopted by June 30 before the next fiscal year.

9. Submit Budget to Assessor - The final step in the budget process is to file the budget and certify any necessary property tax levy to the Umatilla County assessor.

## **Budget Monitoring and Adjustments**

During each year, expenditures and revenues are monitored for compliance with the adopted budget and state law. Monthly revenue and expenditure status reports, are provided to Management and quarterly financial reports are provided to City Council. Annually, an audit is performed and filed with the State of Oregon by an independent certified public accountant. This report includes comparisons of budgeted to actual revenues and expenditures and documents the City's budgetary compliance.

Oregon Budget Law allows for changes to the City's budget for reasons unforeseen at the time of adoption. For instance, a transfer from one appropriation category to another can be adopted by resolution of the City Council. On the other hand, certain changes, such as appropriation increases, require a supplemental budget. A supplemental budget must be adopted and appropriated before any additional money can be spent. Supplemental budgets are good only through June 30 of the fiscal year in which they are adopted. Preparing a supplemental budget does not authorize the governing body to levy additional ad valorem taxes. When the estimated expenditures contained in a supplemental budget differ by less than 10 percent of any one of the individual funds contained in the regular budget for that fiscal year, then the process used to adopt the supplemental budget is as follows:

1. The supplemental budget may be adopted by the council at a regularly scheduled council meeting. The budget committee is not required to convene.
2. Notice of the regular meeting at which the supplemental budget will be adopted must be published not less than five days before the meeting. The notice must include the name of each fund being adjusted and the amount of change in each fund's revenues and expenditures.

3. At the council meeting a resolution adopting the supplemental budget and making appropriations may be approved.

When the supplemental budget will adjust any one of the individual funds in the current budget by 10 percent or more, then a different process must be used to adopt the supplemental budget. This process is described below:

1. A public hearing must be held to discuss and adopt the supplemental budget. The city council holds the hearing. The budget committee is not required.

2. A "Notice of Hearing" of the proposed supplemental budget and a summary of the proposed supplemental budget must be published and posted not less than 5 days and not more than 30 days prior to the hearing.

3. The city council may resolve to adopt and appropriate the supplemental budget at the hearing.

## Accounting and Budgetary Basis

"Basis of Accounting" refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

For both budgeting and auditing purposes, the City of Umatilla uses a modified cash basis of accounting. Under this method, revenues are recognized when they become measurable and available. Measurable means that the dollar value of the revenue is known. Available means that it is collectible within the current period, or soon enough after the end of the current period to pay off liabilities of the current period.



# City Overview: Budget Calendar

Fiscal Year 2022-23

## January - February

- ④ Hold informal department discussions
- ④ Gather next fiscal year revenue and expense predictions

## March

- ④ Department directors submit formal budget requests
- ④ Working session with Budget Committee to discuss projects to be included in budget, funding sources, priorities, goals and expectations
- ④ Preliminary budget drafts prepared

## April

- ④ Final budget review meetings with departments
- ④ Advertise notice of state revenue sharing uses
- ④ Budget Committee meetings are advertised
- ④ Finance performs final review and reconciliations and print proposed budgets
- ④ City Manager presents budget message and budget at the first Budget Committee meeting
- ④ Budget Committee discusses, deliberates and approves the budget
- ④ Budget is updated to reflect Committee changes

## May

- ④ Prepare and publish Financial Summary and Notice of Budget Hearing
- ④ If necessary, publish Notice of Supplemental Budget Hearing

## JUNE

- ④ Council passes current year budget resolutions
- ④ Council passes resolution for state revenue sharing eligibility and proposed uses
- ④ Council holds Budget Hearing and adopts the Budget, makes appropriations and declares tax rate and bond levies

# City Overview: City Council Strategic Goals and other Planning Documents

Fiscal Year 2022-23



# City of Umatilla

## City Council Goals

### July 1, 2021 - June 30, 2023

#### **Purpose:**

To sufficiently and appropriately manage and meet the community's expectations for high quality services, provide a general vision to manage growth and improvements, and to strengthen and diversify Umatilla's economic vitality and increase quality of life to our residents and visitors.

#### **Guiding Principles:**

The City Council sets policy direction to guide staff implementation of these goals. The 2021 – 2023 City Council Goals are to serve as a vision for the City during this set duration and is not intended to be an exhaustive list of goals. This list of goals is representative in nature and without a hierarchy of priorities. Council members will be a positive and resourceful representative for Umatilla and communicate well with residents, businesses, and our partners. City Council will support the City Manager to implement the operational aspects of these adopted goals.

### **Goal 1: Promote a Vibrant and Growing Community by Investing in and Support of Quality of Life Improvements.**

#### **Desired Outcome:**

To sustain, grow, and enhance the City's Livability and Quality of Life by supporting and increasing public safety; encouraging increases in public health initiatives like community and private investments in medical facilities, wellness programs, and recreational activities; and emboldening a local culture that supports, encourages, promotes, and solicits events, festivals, and public gathering opportunities.

- Objective 1.1: Support proactive and alternative community policing efforts that promote prevention, rehabilitation, and substance abuse circumvention. When possible, invest in early prevention services and programs.
- Objective 1.2: At a minimum, maintain the FY20/21 Police Department staffing levels and funding and support a department with a high emphasis on officer training and purchasing of state-of-the-art police technologies and equipment.
- Objective 1.3: Coordinate all major community events with the Police Department to help ensure public safety. Whenever possible, encourage officer presence at all major events as appropriate and as resources allow.
- Objective 1.4: Financially and otherwise support the creation of new city-sponsored recreation programs for people of all ages. Increase and expand partnerships with other public facilities, like the Umatilla School District and others, for public use to support such programs.
- Objective 1.5: Partner with other jurisdictional public health programs and private health providers in efforts to reduce tobacco use, marijuana use, substance abuse, reduce alcoholism, and reduce obesity. Seek grant opportunities to do so and give priority use of city-owned facilities to organizations that support these efforts.
- Objective 1.6: Recognize the high benefit and resolve that one of the highest priorities to our community is to provide a city-wide trail and pathway system that encourages walking, jogging, biking, and mobile leisure as well as enhances public safety by reducing the risk of pedestrian/vehicle accidents.

- Objective 1.6.1: While ensuring to be good stewards of the public’s lands, every effort should be made to maximize river front trails and public access to our rivers and beautiful natural landscapes and views that includes our rivers, mountains, hills, wetlands, and desert features.
- Objective 1.7: Continue to research the acquisition and eventual development of an all-new outdoor community festival and events facility with the capacity to host large events of at least 7,500 people. If possible, attempt to procure property with river front features.
  - Objective 1.7.1: Until an outdoor community festival facility is developed or determined to be nonviable, use of Big River Golf Course to host large events, especially during shoulder seasons (March/April or October/November), should be strongly considered.
- Objective 1.8: Continue to cultivate professional relationships and partner with the Umatilla Chamber of Commerce. Work collaboratively to promote events, work to increase businesses, and encourage community memberships and participation. Determine the best use of city facilities that both supports the partnership and supports the community overall.
- Objective 1.9: Invest in, support, and encourage commercial revitalization, with an emphasis in the downtown.
  - Objective 1.9.1: Increase city grant program funding to financially support and encourage facade improvements. If possible, work to increase the total amount available and the amount available for each applicant project.
  - Objective 1.9.2: If resources allow, create an all-new City grant program to assist businesses with costs associated with locating their business into Umatilla commercial buildings throughout the City (does not include home-based businesses). Additional incentives should be made available to those businesses looking to locate in any downtown building that has been vacant for at least two years or any other commercial building that has been vacant for at least three years.
  - Objective 1.9.3: Procure, through purchase and/or condemnation, unsafe, chronically vacant, or run-down buildings. Rehabilitate and/or refurbish such newly acquired buildings or work closely with developers and investors to do so. When appropriate, keep as publicly owned buildings; otherwise, make every effort to get the newly refurbished buildings back into private ownership to encourage business and economic growth.
  - Objective 1.9.4: Follow best practices and principles for downtown urban beautification; at a minimum, encourage tree plantings, flowers, ornamental lighting and fixtures, natural and manicured landscapes, and the like. If necessary, do so through code revisions.
- Objective 1.10: Invest in at least one all-new large (more than 3,000 people per day) multi-day city-sponsored event/festival that will occur annually.
- Objective 1.11: Construct the Umatilla Business Center: rehabilitation of the old post office and all-new construction, Village Square Park improvements, alley improvements, parking lot, I Street improvements, and 7th St. improvements. Make every effort to achieve a “Festival Street” concept. Continue to explore the possible procurement of the Umatilla School District’s maintenance building to eventually be converted into a Community Recreation Center or other City facility.
- Objective 1.12: Make efforts to establish work place safety. Work to establish Umatilla as a community that emphasizes emergency preparedness. Make any effort possible to ensure that all City functions can operate during times of crisis or if power or other core utilities were to temporarily be unavailable. At least once during 2021-2023, coordinate and carryout a “table-top” exercise with all other emergency service organizations in the area and work to remedy any gaps that may have been identified from this exercise.

## **Goal 2: Promote Economic Development and Job Growth**

### **Desired Outcome:**

Achieve economic stability and sustained job growth, build a highly skilled and flexible local workforce, concentrate on retaining and expanding existing local businesses, recruit new businesses that are well-suited for

success in our region, encourage education, strengthen tourism, promote and encourage the preservation of our historic assets and history, support residential and commercial developers, invest in infrastructure and technology, ensure adequate supply of development-ready lands for commercial/residential/industrial use, and encourage development that is environmentally sensitive.

- Objective 2.1: Continue to strongly support and encourage the development of data centers.
- Objective 2.2: Promote diversification of the commercial/industrial base.
- Objective 2.3: Reduce barriers to economic growth. Listen to commercial and industrial developers, partners, staff, and the public to reduce such barriers.
- Objective 2.4: Cooperate with local educational institutions to coordinate training/skill requirements to meet the needs of local employers. Reduce barriers to obtaining necessary or upgraded job skills.
- Objective 2.5: Cooperate with business, educational institutions, community organizations, and government to provide information to local businesses.
- Objective 2.6: Assist local and non-local firms in finding appropriate development sites for expansion and encourage local employers to grow in-place.
- Objective 2.7: Cooperate with other agencies and institutions to identify programs and services to assist in the creation of new small businesses.
- Objective 2.8: Promote start-up businesses with both financial and technical assistance. Create a city-run business incubator program that helps new businesses off-set some of the risks of starting a new business.
- Objective 2.9: Partner with the Chamber of Commerce and other organizations to create local programs which provide business development, information, and technical assistance.
- Objective 2.10: Partner with other jurisdictions and/or private organizations whenever possible to pool resources and leverage funds.
- Objective 2.11: Improve in the city's economic vitality and competitiveness by investing in our utility infrastructure, transportation systems, and recreational opportunities.
- Objective 2.12: Adopt updated Commercial Design Standards no later than August 31, 2021.

### **Goal 3: Enhance and Cultivate Relationships, Partnerships, and Community Perceptions**

#### **Desired Outcome:**

To enhance already positive local, regional, and state-wide relationships and to strengthen or improve poor relationships. To cultivate current partnerships and to expand partnerships that will help achieve Goals 1 and 2.

- Objective 3.1: Strengthen community relations and improve public perception through proactive community engagement.
  - Objective 3.1.1: Create opportunities for residents to build relationships within their neighborhoods to foster social cohesion, sense of community, and broaden understanding.
- Objective 3.2: Actively promote positive actions the City is providing in our community. Promotions may include, but are not limited to: events, parks programs, festivals, city services provided, City staff achievements, elected officials' achievements, completed projects, partnership achievements, etc.

- Objective 3.3: Continue to build upon positive Police Community Engagement activities, especially in socio-economically challenged areas to create meaningful engagement opportunities.
- Objective 3.4: Expand public involvement opportunities. Make every effort possible to ensure to provide the public the ability to participate in-person or remotely through utilization of technology. Whenever possible, use live-streaming services of Council or Committee meetings. Post recordings to the City’s website to be viewed on-demand.
  - Objective 3.4.1: Actively solicit and encourage the community to become committee members, task force members, and to join advisory committees. Each position should be advertised prior to any appointment or re-appointment.
  - Objective 3.4.2: Whenever possible, provide opportunities for the public to provide feedback on strategic plans, master plans, improvements plans, etc. Participation should be made as accessible as possible and should utilize traditional methods such as town halls or in-person comment opportunities; and should utilize technology whenever possible.
  - Objective 3.4.3: Encourage city-wide “Community Honor” activities such as Community Clean Up Days, Community Day of Service, Community Historical Celebrations, and similar.
  - Objective 3.4.4: Create a Mayor’s Choice: Citizen of the Year Award to be presented at either a major Community appreciation event or during a City Council meeting. The recipient of this award will have a day declared in their honor via Mayoral Proclamation.
  - Objective 3.4.5: Create programs in partnership with the School District and/or other education organizations to have students Pre-K through high school to come and lead City Council in the Pledge of Allegiance at each Regular Council Meeting.

## **Goal 4: Increase Public Involvement, Increase Transparency, and Enhance Cultural Diversity**

### **Desired Outcome:**

To develop and implement highly efficient and transparent communication methods with the public, encourage public participation through each of our processes, and welcome and engage all members of our community by eliminating barriers of participation. Promote a higher sense of community spirit and inclusiveness through celebrating culture, tradition, history, holidays, and community achievements.

- Objective 4.1: Invest in and utilize videoconferencing or webinar technology that will allow the public to interact with City Council or their appointed commissions/committees from anywhere with connection to the internet.
- Objective 4.2: Create and continue to increase on-demand city information and data available to the public on the City’s website.
- Objective 4.3: At least quarterly, publish a City newsletter to be circulated in print and online.
- Objective 4.4: At least once a year, host “town hall” or informational sessions for the public to come interactively discuss topics that are important to them.
- Objective 4.5: Expand outreach to and engagement with residents who have limited English proficiency by developing and executing strategies specifically designed to build relationships and encourage participation with this citizen group.
- Objective 4.6: Seek opportunities to partner with organizations that celebrate or teach about our diverse heritage. These may include education seminars, dances, festivals, trainings, or similar. Whenever possible, provide venue space to host such activities.
- Objective 4.7: Whenever possible, Council members or city officials should accept invitations or seek opportunities to speak/present in neighborhood groups, businesses, or other local boards or outside

organizations to share information about City affairs and share these goals.

## **Goal 5: Perform at the Highest Levels of Operational Excellence**

### **Desired Outcome:**

Provide exceptional customer service that exceeds the public's expectations, invest in staff development, and sustain and improve the City's financial positions.

- Objective 5.1: Continue to invest in staff's professional development.
- Objective 5.2: At least twice a year, offer training to elected officials. Topics may include at least the following: use of City technology, public official ethics, public meetings, public records, roles and responsibilities, basic budgeting, media relations, or use of social media.
  - Objective 5.2.1: Each year, in April and October, have City staff provide a City tour to elected officials.
- Objective 5.3: Integrate a Customer Service element to annual employee performance evaluations.
- Objective 5.4: At least annually, poll the community regarding their level of satisfaction with any recent service they have received from the City.
- Objective 5.5: Increase the number of customer self-service options for those who wish to limit their direct interaction with staff or elected officials.
- Objective 5.6: Focus efforts on retention of employees. Ensure that wages and benefits are competitive, frequency of trainings are appropriate, and employee recognition and morale is a priority.
- Objective 5.7: Expand the City's social media presence being sure to utilize multiple platforms to engage with the community "where they are." Use social media as part of our overall communication efforts and to also create opportunities to bolster our sense of community, celebrate our history and diversity, and create excitement for the work we are doing and events we are sponsoring.
- Objective 5.8: Receive the Government Finance Officers Association (GFOA) Distinguished Budget Award annually.
- Objective 5.9: At a minimum, maintain a prudent operational reserve of at least 20% in each of the following funds: General Fund, Street Fund, Water Fund, and Sewer Fund. Whenever possible, all major capital purchases should be planned utilizing a multi-year savings approach.



## **Transportation System Plan**

The City's Transportation System Plan was developed to guide the management of existing transportation facilities as well as the development of future facilities. The Plan was adopted in 1999. This plan will be updated in the 2022-23 fiscal year.

## **Water System Master Plan**

The City's recently adopted Water Master Plan (2022) focuses on the overall water system, including the water supply, storage and distribution systems. The study includes an analysis of the existing system and its performance, evaluation of system needs, evaluation of improvement alternatives, prioritization of improvements, and development of an implementation schedule.

## **Wastewater System Study**

The City's Wastewater System Study (1997) provides an evaluation of the City's existing collection, treatment, and outfall system, and provides improvement alternatives to address deficiencies in these areas of the wastewater system. The study also provides funding alternatives and an implementation plan for the selected improvement alternatives.

The City is currently updating the Wastewater System Study. The project is funded from a technical assistance grant and loan from Oregon Department of Environmental Quality's Clean Water State Revolving Loan Fund (CWSRF).

# City Overview: Financial Policies

Fiscal Year 2022-23

## SUMMARY OF FINANCIAL POLICIES

### Accounting, Auditing and Financial Reporting

- Sets guidelines for reporting financial transactions and preparing financial reports.

### Budgeting - Operations

- Relates to budgeting guidelines and preparation.

### Budgeting - Capital Outlay

- Relates to establishing capital improvement plans for all major equipment and infrastructure systems provided and maintained by the City.

### Long-Range Financial Plan

- Addresses longer term financial forecasting to help inform decisions.

### Cash Management and Investments

- Relates to using cash flow projections to minimize debt service and investment guidelines.

### Expenditures

- Addresses the City's efforts to ensure spending is consistent with the City's fiscal plans.

### Revenues

- Deals with taxes, user fees and other revenues by which the City generates income to fund programs and services.

### Fund Balance and Reserves

- For establishing reserves and contingency funding as needed for the various activities of the City.

### Pension Funding Policies

- Addresses the funding policies of the City's pension obligations.

### Debt Management

- Addresses long-term financing of the City's capital needs.

### Inter-Fund Loan Policies

- Addresses loans from one fund to another.

### Grants and Intergovernmental Revenues

- Establishes policies and processes for administration of grants that support the City's current priorities and policy objectives.

### Financial Consultants

- Outlines the selection of auditors, bond counsel and other financial advisors.

# Financial Management Policies

## 1. Purpose

The Comprehensive Financial Management Policies are the tools used to ensure that the City is financially able to meet its current and future service needs. The individual policies contained herein set a basis for both the financial planning, reporting and internal financial management of the City.

Municipal resources must be wisely used to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet immediate and long-term needs. These policies safeguard the fiscal stability required to achieve the City's objectives and ensure long-term financial health.

## 2. Accounting, Auditing, and Financial Reporting

### 2.1 *Accounting Practices and Principles*

The City will maintain accounting practices in accordance with state and federal law and regulations, and annual financial reporting that conforms to Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB), the authoritative standard setting body for units of local government. The City's monthly and quarterly interim financial reports will be reported on the budgetary basis. At year-end, the general ledger and financials will be converted to GAAP, and the Comprehensive Annual Financial Reports and continuing disclosure statements will meet these standards.

### 2.2 *Financial and Management Reporting*

2.2.1 Monthly Financial Reports will be provided to management containing department revenues and expenditures actual to date with comparison to the budget. These reports will be distributed within fifteen working days of the end of each month.

2.2.2 Quarterly summary financial reports will be provided to management and city council members within approximately 45 days of the end of the quarter, usually coinciding with city council workshop dates. The quarterly report will contain revenues and expenditures in summary form for each operating fund with explanations of significant financial variations to budget.

2.2.3 Annually, a comprehensive annual financial report subjected to independent audit will be prepared in a format that conforms to the standards of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. The report shall be shared with the City Manager, City Council, and the Secretary of State. In accordance with state law the report shall be distributed no later than December 31st of the following fiscal year.

### 2.3 *Annual Audit*

#### 2.3.1 Comprehensive Annual Financial Report

Pursuant to state law, the City shall have an annual financial and compliance audit, and prepare financial statements based on the audited financial information. The audit shall be performed by certified public accounting (CPA) firm, licensed to practice as Municipal Auditors in the State of Oregon. The annual financial report, including the auditor's opinion and specific reports as required by Oregon state regulations, shall be filed no later than six (6) months following the end of the fiscal year. The audit firm shall also provide a Single Audit of Federal and State grants, when necessary. The Director of Finance shall be responsible for establishing a process to ensure timely resolution of audit recommendations, if any.

#### 2.3.2 Annual Financial Disclosure

As required by the Securities and Exchange Commission (SEC) Rule 15c2-12, the City will provide certain annual financial information to the Municipal Securities Rulemaking Board (MSRB). This will include any periodic materials event notices as required by the MSRB or SEC.

#### *2.4 Signature of Checks*

Pursuant to City Charter, all checks shall have two signatures, signed by the City Manager or City Recorder, and the Mayor or City Council President.

#### *2.5 Compliance with Council Policies*

The Financial Management Policies will be reviewed annually and updated, revised or refined as deemed necessary. Occasionally exceptions to the policies adopted by City Council may be appropriate and required. Exceptions will be identified, documented, and explained to City Council and/or the City Manager.

### **3. Budgeting - Operations**

#### *3.1 Budget Committee*

In accordance with ORS 294.414 the City Budget Committee shall consist of the seven elected members of Council and an equal number of appointed citizens. Among the responsibilities of the Budget Committee shall be the review of the annual proposed budget and financial forecasts.

#### *3.2 Oregon State Budget Regulations*

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 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.

#### *3.3 Proposed Budget Document*

In accordance with ORS 294.426 the Finance Director shall file a Proposed Budget document and budget message with the City Budget Committee approximately one week prior to the first formal Budget Committee meeting.

#### *3.4 Use of Non-Recurring Revenues*

Non-recurring revenue sources, such as a one-time revenue or carryover of prior year unrestricted/unassigned balance should only be budgeted and used to fund non-recurring expenditures, such as capital purchases or capital improvement projects. The City shall avoid using non-recurring revenues for recurring program expenditures.

#### *3.5 Budget Preparation*

3.5.1 Department Directors have primary responsibility for formulating program proposals. New or expanded services should support City Council goals, City Manager priority direction and department goals. Departments are charged with implementing them once the budget is adopted.

3.5.2 All competing requests for City resources will be weighted within the formal annual budget process.

3.5.3 Actions on items that come up throughout the year with significant financial impacts should be withheld until they can be made in the full context of the annual budget process and long-range plan, unless unforeseen circumstances present themselves.

3.5.4 Annually, the City will seek to obtain the Government Finance Officers Association Distinguished Budget Presentation Award. The Budget Document will be presented in a way that clearly communicates the budget to the public and provides financial goals.

### *3.6 Full Cost Recovery and Overhead*

Program budgets should be prepared in a manner to reflect the full cost of providing services. General support program (e.g. Administration, Legal, Finance, etc.) costs shall be allocated to the benefiting programs and funds via a method that is both fair and reasonable.

### *3.7 Budget Management*

The City Council shall delegate authority to the City Manager in managing the budget after it is formally adopted by the City Council, including the transfer of budgeted line-items within a program. The City Manager may further delegate levels of authority for the daily operations of the budget. Expenditures/expenses are legally established at the program level within each fund. Expenditures/expenses should not exceed the adopted budget, plus supplemental changes approved by the City Council.

### *3.8 Amended Budget*

In accordance with ORS 294.471-473 the City Council may approve changes to the adopted budget via Resolution.

### *3.9 Monitoring*

Actual revenues and expenditures/expenses shall be monitored by the respective program manager each month. Financial reports shall be prepared within fifteen working days of the end of each month by the Finance Department and distributed to the responsible manager and City Manager. The Finance Director shall periodically review the reports and report significant variances to the City Manager. The goal of the monitoring shall be to identify potential budget and actual variances and to take corrective action soon as possible.

### *3.10 Operating Deficits*

The City shall take immediate corrective action if at any time during the fiscal year financial monitoring indicates that an operating fund's anticipated expenditures are expected to exceed its anticipated revenues. Corrective actions may include:

- Deferral of capital equipment purchases
- Deferral of pay-as-you go capital improvements
- Expenditure reductions
- Deferral of certain positions
- Hiring freezes
- Freeze non-represented employee merit increases
- Use of fund balance
- Use of volunteers
- Increase fees
- Reduce work hours with subsequent reduction in pay
- Eliminate positions which may require laying-off employees if there are no other vacant positions for which they are qualified.

Short-term loans as a means to balance the budget shall be avoided.

The use of fund balance, which is a one-time revenue source, may be used to fund an annual operating deficit, only with a subsequent approval of a plan to replenish the fund balance if it is brought down below policy level<sup>37</sup>

(see Fund Balance and Reserves Policy).

## **4. Budgeting - Capital Outlay**

### *4.1 Definitions*

#### 4.1.1 Capital Outlay – Operating

Operating programs need certain furniture, equipment, vehicles, software, etc. to carry out the intended services. By definition such items costing \$2,500 or more, per item, shall be budgeted and accounted as capital outlay and shall be tracked in the City's fixed assets records. Significant repair or maintenance that extends the useful life of existing assets shall be included here provided the dollar threshold is met. The \$2,500 limit shall apply to individual items unless a group of items are intended to function together as a unified system (e.g. street lighting system).

#### 4.1.2 Capital Outlay – Projects (also known as Capital Projects)

This category includes infrastructure projects meeting the capitalization threshold and development of master plans and design and engineering/architectural work leading to construction or repair of capital assets. Generally, the total capitalization threshold shall be not less than \$50,000. Budgets and capitalization records shall include applicable project management and administrative overhead costs.

### *4.2 Preparation*

As part of the annual proposed budget the City shall include a list of capital projects that are necessary to preserve existing infrastructure or to expand to meet growth demands of the community. The list of projects shall embrace those included in the most recent long-range capital improvement forecast, master plans, development agreements and direction from City Council on current demands. This ensures that the City's capital improvement program includes the embodiment of the citizens and Council recommendations and the officially stated direction contained within the Comprehensive Plan.

Separate estimates for each project shall be prepared. Additionally, future annual operating and maintenance cost impacts shall be estimated.

### *4.3 Financing*

For each project one or more resource shall be identified to pay for such costs. Prior to construction award all identified resources shall be readily available for expenditure.

Pay-As-You-Go – The city will strive to pay cash for capital improvement within the financial affordability of each fund versus issuance of debt. This necessitates advanced planning and setting aside resources for future use. This type of funding saves interest and debt issuance costs and in many cases reduces utility rate impacts on citizens and business of the City.

Grant revenues shall be sought for capital construction when determined to be advantageous to the City.

Certain assets may best be funded via debt. Refer to Debt Management Policy for discussion on when debt may be considered for projects.

### *4.4 Monitoring*

Each capital project shall have a project manager associated with it. The project manager shall monitor the progress and assure the project is completed according to standards, on a timely basis and within budgeted levels. Monthly financial reports detailing budget-to-actual for each project shall be provided to the project

manager and City Manager. City Council will receive an update on the larger (\$100,000 minimum expended to date) projects on a quarterly basis.

#### 4.5 *Infrastructure Evaluation and Replacement/Rehabilitation*

Water, wastewater, drainage, street lighting, streets and sidewalks, municipal facilities and parks infrastructure are fundamental and essential functions for public health and safety, environmental protections and the economic well-being of the City. As a result, the City's CIP should be focused on ensuring that infrastructure is replaced as necessary to protect the City's investment, to minimize future replacement and maintenance costs, and to maintain existing levels of service and accommodate growth.

4.5.1 High priority should be given to replacing/rehabilitating capital improvements prior to the time that assets have deteriorated to the point where they are hazardous, require high maintenance costs, negatively affect property values, or no longer serve their intended purpose. The decision on whether to repair, replace or to rehabilitate an existing capital asset will be based on which alternative is most cost-effective, which would include life-cycle costing, and provides the best value to the City.

## **5. Long-Range Financial Plan**

### 5.1 *Purpose*

The goal of the Long-Range Plan is to provide the Budget Committee, City Manager and department heads with long-term goals and objectives for the City as well as the strategies needed to achieve these goals and objectives. City staff will use these goals and objectives to guide them in the development of the City's annual budget.

### 5.2 *Operating*

5.2.1 The City shall develop and maintain a financial forecast for each operating fund. The first year shall be the current year's adopted budget and the ensuing five years shall be forecasted. The forecast and report shall be prepared within six months following adoption of the budget. The most recent forecast shall be included in the proposed and adopted budget documents. The results of the forecast shall be presented to the Budget Committee.

5.2.2 The City operating forecast should enable current service levels provided to be sustained over the forecast period. The forecast shall determine if revenues need to be increased and/or expenditures/expenses reduced in order to maintain operations on a Current Funding Basis.

5.2.3 Major financial decisions should be made in the context of the Long-Range Plan.

### 5.3 *Capital Outlay – Projects*

5.3.1 The City shall annually prepare a five-year forecast of capital projects. Projects should be based upon master plans, development agreements, input from applicable Commissions and Committees and Council directed improvements. Included projects shall meet the definition of capital projects as defined earlier.

5.3.2 The primary responsibility for development of the capital project forecast shall rest with the Finance Director. The City Manager is charged with reviewing the proposed forecast and determining actions to balance needs with available resources.

5.3.3 High priority should be given to rehabilitating and replacing prior to the point when such action is critical. The decision on whether to repair or replace an existing capital asset will be based on which alternative is most cost-effective and provides the best value to the City.

5.3.4 The forecast shall coincide with the annual citywide budget process. The first year of the forecast shall be the fiscal year under budget.

5.3.5 Estimated costs shall include acquisition, design, construction, project management, equipment and furnishing and administrative charges. That is, all costs to complete the project shall be included. Multi-year projects shall clearly disclose both the components of costs as well as the total estimated cost over the life of the project.

5.3.6 Funding resource(s) shall be identified for each project. The forecast shall make every effort to balance needed improvements with resources available. Projects that exceed the projected available resources shall be identified and recommendations on alternative funding shall be incorporated in the forecast report.

5.3.7 The forecast shall be presented to the Budget Committee during the annual budget process.

## **6. Cash Management and Investments**

### *6.1 Cash Flow Analysis and Projections*

6.1.1 The Finance Director will forecast the City's cash inflows and outflows that will allow the City to keep its debt service costs to a minimum and to maximize the yield on temporary investments.

6.1.2 Revenue and expenditure projections will be reviewed by the Finance Director on a monthly basis to determine the validity of assumptions, new information and accuracy of seasonal or periodic fluctuations.

6.1.3 The City's cash flow shall be managed with the goal of maximizing the total return on investments.

### *6.2 Investments*

#### 6.2.1 Responsibility and Control:

Management responsibility for the investment program shall rest with the City's Investment Officer who shall be the Finance Director or delegate. The Investment Officer shall adhere to ORS 294.145 (Prohibited Conduct for Custodial Officer) in managing the investment program for the City.

#### 6.2.2 Eligible Investments:

The Investment Officer will invest the City's surplus funds only in those investments authorized by ORS 294.035 to 294.046, and 294.135 to 294.155, which includes the requirement that investments shall mature within 18 months of the acquisition date. The City will not invest in stocks nor shall it speculate or deal in futures or options.

#### 6.2.3 Eligible Financial Institutions:

The City will conduct business only with financial institutions such as banks investment brokers, investment bankers, trustees, paying agents and registrants that are deemed credit worthy.

#### 6.2.4 Objectives:

6.2.4.1 Safety: Safety of principal is the foremost objective of the City. Each investment transaction shall be undertaken in a manner which seeks to ensure preservation of capital and avoidance of capital losses through securities defaults, erosion of market value or other risks.

6.2.4.2 Liquidity: The City's Investment Officer shall match the investment portfolio with cash flow requirements. Due to the changing requirements of cash flow caused by factors not totally within the control of the City's Investment Officer, the ability to convert a security into cash must be considered.

6.2.4.3 Yield: Investments of the City shall be acquired in a manner designed to attain the maximum rate of return through all budget and economic cycles while taking into account constraints on investment instruments.

cash flow characteristics of transactions and safety of principal.

6.2.4.4 Reporting: The Investment Officer shall maintain detail records of each investment in a form that allows for periodic reporting. On a quarterly basis, the City's outstanding investments and fiscal year to date investment income will be presented to City Council by the Finance Director or Investment Officer.

## **7. Expenditures**

### *7.1 Purpose*

Identify services, establish appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of those services.

### *7.2 Maintenance of Capital Assets*

Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to maintain service levels.

### *7.3 Periodic Program/Services Reviews*

The City Manager and staff shall undertake periodic reviews of City programs and services for both efficiency and effectiveness. Programs or services determined to be inefficient and/or ineffective shall be recommended through the annual budget process to be reduced in scope or eliminated.

### *7.4 Purchasing*

All City purchases of goods and services shall be made in accordance with the City's current purchasing manual and procedures.

## **8. Revenues**

### *8.1 Purpose*

Design, maintain and administer a revenue system that will assure reliable, equitable, diversified and sufficient revenue stream to support desired City services.

### *8.2 Balance and Diversification in Revenue Sources*

The City shall strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to changes in local economic conditions, which may adversely impact that source.

### *8.3 User Fees – Non-Enterprise Funds*

8.3.1 For services that benefit specific users, the City shall establish and collect fees to recover the costs of those services. Where services provide a general public benefit, the City may recover the costs of those services through property taxes, privilege fees and other unrestricted resources.

8.3.2 At a minimum, the user fees will strive to cover direct costs. Preferably the fees will cover direct plus indirect costs.

8.3.3 User fees should be reviewed, at a minimum, every two to three years and adjusted to avoid sharp changes. If the Finance Department does not initiate the fee review it shall at least analyze the changes proposed from departments and comment upon them to the City Manager.

8.3.4 Factors in setting fees shall include, but not be limited to: market and competitive pricing, effect of demand for services, and impact on users, which may result in recovering something less than direct and indirect costs.

8.3.5 The City may set a different fee for residents versus non-residents.

8.3.6 User fees not regulated by state statute should be set via the City Manager. The intent of administratively set charges is to allow flexibility and ease to establish charges that cover actual costs or discourage abuse of city assets. Fees regulated by statute shall be presented to City Council via resolution or ordinance. All fees should be included in the Master Fee Schedule.

#### 8.4 *User Fees – Enterprise Funds*

8.4.1 Utility rates shall be set at levels sufficient to cover operating expenditures (direct and indirect), meet debt obligations and debt service coverage requirements, provide pay-as-you-go funding for capital improvements, and provide adequate levels of working capital.

8.4.2 The City may set a different fee for residents versus non-residents.

8.4.3 The Five-Year Financial Plan (or separate rate model study) and proposed operating budget shall serve as the basis for rate change considerations.

8.4.4 When necessary, the Five-Year Financial Plan (or separate rate model study) will be built around small rate increases annually versus higher rate increases periodically.

8.4.5 Non-consumption based charges within Enterprise Funds may be set administratively by the City Manager. Such charges include insufficient funds, late payment penalties, charges for meters, service turn-on and turn-off, etc. The intent of administratively set charges is to allow flexibility and ease to establish charges that cover actual costs or discourage abuse of city assets. All fees should be included in the Master Fee Schedule.

8.4.6 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).

8.4.6.1 The Council will determine what amount of SDCs to impose.

#### 8.5 *One-Time/Unpredictable Revenue Sources*

One-time, unpredictable revenue sources should not be used for ongoing expenses/expenditures. Instead, such revenue sources will be used for one-time purchases such as increase in fund balance requirements, capital equipment purchase, capital improvements, etc.

#### 8.6 *Revenue Collection*

The City shall maintain high collection rates for all revenues by monitoring monthly receivables. The City shall follow an aggressive, consistent, yet reasonable approach to collecting revenues to the fullest extent allowed by law for all delinquent rate payers and others overdue in payments to the City.

#### 8.7 *Write-Off of Uncollectible Receivables (excludes court fines)*

8.7.1 Receivables shall be considered for write-off as follows:

8.7.1.1 State statute authorizing the release of extinguishment, in whole or in part, of any indebtedness, liability, or obligation, if applicable.

8.7.1.2 Accounts outstanding for 3 years, identified as uncollectible, and all attempts to collect including use of a collection agency when appropriate have been taken.

8.7.2 Accounts shall be written-off annually near fiscal year-end. The Finance Director shall prepare a list of receivables determined to be uncollectible and include notation on collection efforts for each item. The list shall be submitted to the City Manager for review and approval. The City may report uncollected items to one or more credit reporting entities.

8.7.3 The write-off of uncollected accounts is a bookkeeping entry only and does not release the debtor from any debt owed to the City.

8.7.4 Municipal court fines shall follow a process established by the municipal court judge and reviewed by the City Attorney.

## **9. Fund Balance and Reserves**

9.1 To maintain a high level of credit worthiness and to establish a financial position that can weather emergencies and economic fluctuations the City shall set aside cash reserves and contingencies within its fund balances. The Governmental Accounting Standards Board has created several categories of fund balance.

9.1.1 Nonspendable – Nonliquid assets (e.g. inventory, prepayments) and liquid assets that have legal constraints preventing their use (e.g. principal of an endowment).

9.1.2 Restricted – Assets which are constrained by an external entity (e.g. covenants in bond contracts).

9.1.3 Committed – Constraints created by the governing body on itself at its highest level of decision making. For example, the governing board might like to commit a portion of the fund balance to a “stabilization reserve” to provide cushion against unknown economic shocks and revenue declines. Constraints are enacted via resolution and must be in place prior to the end of the fiscal year.

9.1.4 Assigned – Similar to Committed except constraint is not legally binding, may be created by staff or the governing board and can be created after the end of a fiscal period. This may be used to earmark a portion of the fund balance for an intended use. For example, it could be assigned to pay for a special project.

9.1.5 Unassigned – This represents any excess of total fund balance after the prior four categories are deducted.

The order in which categories are expended can affect future financial flexibility. Generally, more restricted resources shall be expended prior to less restricted resources. As restricted balances decline from their stated goal they shall be replenished from the Assigned or Unassigned category within five years of the initial decline. The Budget Committee or City Council can designate certain revenues to be used to rebuild reserves, such as non-recurring revenues, budget surpluses or specific revenues above a certain level.

Use of dedicated resources shall be clearly disclosed within the budget document. Such use shall coincide with the intended restrictions on the dedicated resource. Generally, such use shall be for infrequent and non-recurring costs.

### *9.2 General Fund*

9.2.1 Restricted - Reserves shall be created for any legally mandated or restricted resource which is received in the General Fund and not wholly expended by the end of the fiscal year.

9.2.2 Committed - The City may plan for and set aside cash reserves for a variety of significant infrequent outlays. Commitments may include but are not limited to building a reserve for economic sustainability, expansion and relocation costs, emergency management and response and future planning area costs. For each

committed resource the City Council shall adopt a resolution specifying the purpose, dollar amount and duration for existence of the committed amount. Committed amounts can be extended via amending resolution.

The City shall build up operational contingencies until they reach 15% of operating expenditures (personal services and material and services) to be used for unanticipated expenditures of a non-recurring nature, to meet unexpected increases in service delivery costs and for cash flow purposes. Once the target contingency has been reached, it shall be maintained.

9.2.3 Assigned - The City shall plan for and set aside cash reserves for a variety of short-term and recurring purposes. These assignments can be created by the City Council, the City Manager or the Finance Director for purposes that create a sound financial operating environment. Assignments may include but are not limited to building cash reserves for one-time or limited duration purchases such as equipment replacement, building modification and major repairs, park structure replacements, capital improvements, major software/hardware replacement, loans to other funds, etc.

9.2.4 Unassigned - By definition this is the amount remaining after provision for the above noted items. Balance in this category may be used to replenish deficiencies in the prior categories and create a resource for unforeseen financial needs.

### 9.3 *Special Revenue Funds*

9.3.1 Restricted - Certain funds may have restricted balances, such as building fees within the Building Fund that restricted under Oregon law.

9.3.2 Committed - The City shall build up operational contingencies until they reach 15% of operating expenditures (personal services and material and services) to be used for unanticipated expenditures of a non-recurring nature, to meet unexpected increases in service delivery costs and for cash flow purposes. Once the target contingency has been reached, it shall be maintained. This policy does not apply to debt service, internal service or certain special purpose funds.

9.3.3 Assigned - Assigned balances may be created as necessary under the same policy as for the General Fund. Any remaining resources not identified as restricted, committed or assigned for specific purpose shall be categorized as undesignated.

### 9.4 *Enterprise Operating Funds (Water, Sewer)*

9.4.1 Restricted - Any debt service reserve balance shall be categorized as restricted. Terms of such reserves are generally specified in the associated bond documents and covenants. It shall be the City's policy to fully comply with bond documents and covenants.

9.4.2 Committed - The City shall build up operational contingencies until they reach a minimum working capital (current assets less current liabilities) of forty-five (45) Once the target contingency has been reached, it shall be maintained.

9.4.3 Assigned - Assigned balances may be created as necessary under the same policy as for the General Fund. Provisions for rate stabilization, future capital improvements and major repairs and replacements not part of the restricted balance are typical components of assigned balances. Any remaining resources not identified as restricted, committed or assigned for specific purpose shall be categorized as undesignated.

### 9.5 *Debt and Capital Project Funds*

Balances in the General Obligation debt service fund are restricted by state statute and thus are always categorized as restricted. The balance should be nominal.

Balances in capital project funds (general government or enterprise) should be nominal and sufficient to cover any near-term liabilities of the fund. Larger balances may occur if the City receives cash for restricted purposes to be expended in future years. Examples include proceeds from debt issuance and receipts from developers in lieu of current construction of infrastructure.

## **10. Pension Funding Policies**

10.1 The City participates in the State of Oregon Public Employees Retirement System (PERS) and is a member of the State and Local Government Rate Pool. The City will fund its required pension contribution requirements timely.

## **11. Debt Management**

### *11.1 Purpose*

To establish policies for debt financing that will provide needed facilities, land, capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future tax and rate payers. The City is given authority to borrow under various provisions in Oregon law and the City Charter. A debt, except certain lease purchase agreements, must be authorized pursuant to a resolution of the City Council.

### *11.2 Use of Debt Financing*

Debt financing may be considered when purchase or construction of assets cannot be prudently acquired from current revenues or accumulated committed fund balances. Debt types are limited by Oregon statutes and may include general obligation bonds, limited tax obligation bonds, local improvement district bonds, bond anticipation notes, certificates of participation, lease/purchase agreements, full faith and credit bonds and revenue backed bonds. Any combination of debt may be used to finance an asset. Debt will not be used to fund current operating expenditures.

The City will pay cash for capital improvements within the financial affordability of each fund versus issuing debt. Cash resources may include system development charges, developer fees, inter-agency agreements, grants and accumulation of resources within operating funds.

The Finance Director shall perform a cost benefit analysis with the goal of minimizing the cost of financing to the City prior to presenting debt recommendations to the City Council.

### *11.3 Debt Margins*

The City shall ensure that its debt margins are within the 3% TCV (true cash value) limitation as set forth in ORS 287A.050.

### *11.4 Debt Structures*

The City may issue long term or short term debt. Long term debt life shall normally not exceed 20 years for general obligation bonds and 25 years for revenue bonds, but in no case longer than the useful life of the asset. Shorter repayment terms shall be considered when financially prudent.

Balloon or term payments may be considered provided financial analysis indicates such terms may be met financially without further rate or tax increases to satisfy the future large payments and without refinancing the balloon amount. Sinking funds (a committed fund balance) shall be established as necessary to provide for timely retirement of debt.

The City shall strive to begin principal reduction within a year after issuance but in no event shall a repayment structure contain more than three years of interest-only payments. Interest only years shall not extend the maximum debt life as noted above.

Short-term or interim financing are exceptions to this policy. These debt instruments are issued in anticipation of future long term debt and may be interest only and refinanced as is prudent and required for the construction of the asset. Nevertheless, the City shall strive to minimize the use and life of such debt. Except for short-term or interim financing, the City will issue debt based on a fixed rate.

#### 11.5 *Debt Refunding*

The City may consider advanced refunding outstanding debt (as defined for federal tax law purposes) when it is financially advantageous to do so and complies with all limitations set forth in ORS 287A, the state statutes pertaining to authority to issue debt. At a minimum (a) the new debt shall not be longer than the remaining life of the retiring debt, (b) the net present value savings of a refunding should exceed 3.0% of the refunded maturities unless (1) a debt restructuring is necessary or (2) bond covenant revisions are necessary to facilitate the ability to provide services or to issue additional debt or (3) the refunding is combined with a new debt issuance.

The City may issue current refunding bonds (as defined for federal tax purposes) when financially advantageous, legally permissible and net present value saving equal or exceed \$100,000.

#### 11.6 *Interest Earnings on Debt Proceeds*

Bond proceeds shall be promptly invested in accordance with the Investment Policy. Focus shall be on safety and maturity of investments to pay construction costs.

Use of investment interest on bond proceeds will be limited to funding changes to the bond financed project, as approved by City Council, or be applied to debt service payment on the bonds issued for such project.

#### 11.7 *Sale Process*

The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated or private placement sale. The City will utilize a negotiated process when the issue is, or contains, a refinancing that is dependent on market/interest rate timing, if the interest rate environment or market/economic factors may affect the bond issue, or if the nature of the debt is unique and requires particular skills from the underwriters involved. Private placement (debt sold directly to a commercial bank) may be used when anticipated to result in cost savings or provide other advantages when compared to other methods of sale, or if it is determined that access to the public market is unavailable. The City shall award the bonds based on a true interest costs (TIC) basis. However, the City may award bonds based on a net interest cost (NIC) basis as long as the financial advisor agrees that the NIC basis can satisfactorily determine the lowest and best bid.

#### 11.8 *Financial Advisor*

The City shall employ an independent financial advisor registered with the Municipal Securities Rulemaking Board (MSRB) for all competitive and negotiated issuances. The advisor shall attempt to involve qualified and experienced firms, which consistently submit competitive bids on local government bond underwritings. For negotiated issuances the advisor shall review the offered amortization schedule, interest scale and TIC/NIC and provide guidance on the competitiveness compared to similar issues traded currently. The advisor may also be involved with preparation of bond prospectus, rating presentations, communication with legal counsel and other services necessary for the timely and prudent issuance of debt.

#### 11.9 *Bond Ratings*

Full disclosure of operations and open lines of communications shall be maintained with the rating agencies. Credit ratings on publicly traded issues will be sought from one or more of the nationally recognized municipal bond rating agencies, as recommended by the City's financial advisor.

The City will continually strive to maintain or increase the City's current bond ratings by prudently managing its funds and by reviewing and monitoring financial policies, budgets, forecasts and the financial health of the City.

### 11.10 *Covenant Compliance and Annual Disclosure*

The City will comply with all covenants stated in the bond ordinance, including providing for annual disclosure information and providing for material event notices. The Finance Director shall be responsible for maintaining the City's relationship with the rating agencies and investors. The Finance Director shall oversee the preparation of official statements, disclosure documents, annual filing under MSRB and any special notices of certain "material events," in connection with its borrowings.

### 11.11 *Debt Security*

Debt may be secured by various funding sources including:

- General Obligation Bonds, secured by property taxes
- Revenue Bonds, secured by specified revenue(s)
- Limited Tax General Obligation, secured by resources within the General Fund
- Local Improvement District Bonds, secured by liens on affected property
- Other types of debt approved by the City Council including bank line of credit and leases.

### 11.12 *Lease/Purchase Agreements*

The City may use lease/purchase agreements for the acquisition of equipment when it is cost-effective and provides for attractive terms. All lease purchase agreements will be reviewed by the Finance Director who shall determine whether a lease purchase is appropriate given the circumstances. Agreements under \$100,000 may be approved by the City Manager and larger amounts must be approved by the City Council. City purchasing policy rules are to be followed for the selection of the purchase.

## **12. Inter-Fund Loan Policies**

12.1 In accordance with ORS 294.468 the City may loan money from one fund to another, provided the loan is authorized by an official resolution or ordinance of the City Council. In addition, the City will comply with the requirements and limitations of ORS 294.468 as follows:

12.1.1 Loans may not be made from debt service funds.

12.1.2 Loans made from debt service reserve funds created to provide additional security for outstanding bonds or other borrowing obligations are limited to amounts in the fund that are in excess of the amount the City has covenanted to maintain in reserve.

12.1.3 Loans may not be made from moneys credited to any fund when there are constitutional provisions that restrict those moneys to specific uses, unless the purpose for which the loan is made is a use allowed under such constitutional provisions.

12.1.4 The resolution or ordinance must state the fund from which the loan is made, the fund to which the loan is made, the purpose of the loan, and the principal amount of the loan.

12.1.5 If the loan is an operating loan (a loan to cover operating expenses) it must be repaid to the fund from which it is borrowed by the end of the fiscal year, or the repayment must be budgeted and made in the next fiscal year.

12.1.6 If the loan is a capital loan (a loan for the purpose of financing the design, acquisition, construction, installation or improvement of real or personal property), it must be repaid in full within 10 years of the date of the loan. The resolution or ordinance must set forth a schedule under which the principal and interest is to be budgeted and repaid. It must also state the rate of interest. The rate of interest may be the current rate of return on monies invested in the Local Government Investment Pool (LGIP) or such other rate as the governing body determines.

12.1.7 If the loan is to be repaid in the current fiscal year, no action by the City Council is necessary in regard to the budget. The budget does not need to be adjusted to show the loan transaction.

12.1.8 If the loan will be repaid in one or more future fiscal year(s), the loan repayment must be budgeted and a separate debt service appropriation made for the expenditure.

### **13. Grants and Intergovernmental Revenues**

#### *13.1 Purpose*

The City will seek, apply for, and effectively administer federal, state and local grants, which support the City's current priorities and policy objectives. The City should take advantage of opportunities to enhance service delivery through intergovernmental cooperation, shared revenues, and grants. However, grants shall not be pursued if the administrative and program burden is determined to exceed the benefit of outside resources.

#### *13.2 Grant Policies*

13.2.1 The City shall apply and facilitate the application for only those grants that are consistent with the objectives and high priorities identified by Council and management.

13.2.2 Determination shall be made prior to application if the City has sufficient available resources for cash match requirements.

13.2.3 Grant funding will be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs and services.

13.2.4 The potential for incurring ongoing costs, to include assumptions of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.

#### *13.3 Grant Review Process*

13.3.1 A uniform grants pre-application process will be utilized to assure the City has all the information necessary to make a decision regarding a potential grant. Information to be provided should include, but not be limited to:

- The grant being pursued and the use to which it would be placed.
- The objectives or goals of the City which will be achieved through the use of the grant.
- The local match required, if any, plus the source of the local match.
- The increased cost to be locally funded upon termination of the grant.

13.3.2 All grant agreements will be reviewed by the appropriate City staff, including Finance, Legal, and the sponsoring department, to ensure compliance with state, federal, and City regulations.

13.3.3 The City Manager shall approve all grant submissions on behalf of the City and the City Council shall approve all grant acceptances over \$100,000 or any grant requiring the authorization of the elected body.

#### *13.4 Budgeting for Grant Expenditures*

Departments seeking or receiving grant proceeds shall be responsible for including the proper amount in the budget. Only known grant awards or pending requests with a high level of assurance of award shall be budgeted. Budget amendments may be processed for grants not included in the budget but awarded and received during the fiscal year.

#### *13.5 Grant Termination and/or Reduced Grant Funding*

The City shall terminate grant-funded programs and associated positions when grant funds are no longer available, and it is determined that the program no longer supports City goals and/or is no longer in the best interest of the City, unless the City has obligated itself through the terms of the grant to maintain the positions, services, or equipment. Exceptions may be made when it is not in the City's best interest to terminate a program of service.

## **14. Financial Consultants**

14.1 The City will employ qualified financial advisors and consultants as needed in the administration and management of the City's financial function. These areas include but are not limited to audit services, debt administration, utility rate studies, and financial modeling. The principal factors in the selection of these consultants will be experience/expertise, ability to perform the services offered, references, and methodology to name a few. In no case should price be allowed to serve as the sole criterion for the selection.

### *14.2 Selection of Auditors*

At least every five years, the City shall request proposals from qualified firms, including the current auditors if their past performance has been satisfactory. The City Council shall select an independent firm of certified public accountants to perform an annual audit of the accounts and records, and render an opinion on the financial statements of the City.

### *14.3 Bond Counsel*

Bond Counsel to the City has the role of an independent expert who provides an objective legal opinion concerning the issuance and sale of bonds and other debt instruments. As bond counsel are specialized attorneys who have developed necessary expertise in a broad range of practice areas, the City will always use a consultant for these services. Generally, bonds are not marketable without an opinion of a nationally recognized bond counsel stating that the bonds are valid and binding obligations stating the sources of payment and security for the bonds and that the bonds are exempt from federal and state income taxes.

Due to the complexity of the City's financial structure and the benefits that come with the history and knowledge of the City and prior debt issuances, there is no requirement for rotation.

### *14.4 Financial Advisory Services*

The City may issue various types of securities to finance its capital improvement program. Debt structuring and issuance requires a comprehensive list of services associated with municipal transactions, including but not limited to: method of sale; analysis of market conditions; size and structure of the issue; coordinating rating agency relations; evaluation of and advice on the pricing of securities, assisting with closing and debt management; calculation of debt service schedules; and advising on financial management. As financial advisors to governmental entities have developed the necessary expertise in a broad range of services, the City will use a consultant for these services.

Due to the complexity of the City's financial structure and the benefits that come with the history and knowledge of the City, the contract with the Financial Advisor is not required to be rotated.

# City Overview: Demographics and Financial Trends

Fiscal Year 2022-23

## General Economic Information

Umatilla is located in northeastern Oregon, just across from the Washington border, at the confluence of the Columbia and Umatilla Rivers. The City has a total area of 4.63 square miles, of which, 4.42 square miles is land and 0.21 square miles is water. The local economy is heavily reliant on agriculture and supporting services. The City has also seen significant industrial investment in recent years through data center development.



## Major Employers in the City of Umatilla

Company	Service	No. Employees
Two Rivers Correctional Institution	Correctional Facility	420
Amazon Data Services	Data/Technology	300
Umatilla School District	Education	220
JM Manufacturing Co.	Plastic Products Manufacturing	65
City of Umatilla	Government	56
Simplot Grower Solutions	Agricultural Products	50
South Basin Packing	Vegetable Packing Services	30
Columbia Harvest Foods	Grocery Store	30
Federal Employees	Government	25

\* Some of these figures are estimates.

## Growth, Growth and More Growth!

Interest in industrial and residential development continues in Umatilla. Data center facility construction continues and several new subdivisions are under construction. At this rate, it appears that our housing is likely to grow at a larger rate than the previous year, our largest of recent record. The City's population numbers grew by 124 people in the past year and the City has seen 8.9% population growth since 2010.

The chart below shows the historical new construction value based off of building permit activity.

Data

Records

Calendar Year Ending	Value (\$)	Description
12/31/2021	71,486,266.00	New Construction Value
12/31/2020	56,245,051.00	New Construction Value
12/31/2019	52,745,249.00	New Construction Value
12/31/2018	55,243,364.00	New Construction Value
12/31/2017	31,032,255.00	New Construction Value
12/31/2016	17,783,986.00	New Construction Value
12/31/2015	18,568,536.00	New Construction Value
12/31/2014	25,227,705.00	New Construction Value
12/31/2013	11,771,353.00	New Construction Value
12/31/2012	7,972,529.00	New Construction Value
12/31/2011	9,007,825.00	New Construction Value
12/31/2010	307,076.00	New Construction Value

### Largest Property Taxpayers in the City of Umatilla

Taxpayer	Type of Business	Total Taxes	Current Assessed Value
Amazon Data Services	Data Center	\$ 9,412,657	\$ 647,996,770
Zayo Group LLC	Telecommunications	\$ 71,214	\$ 4,958,560
Khera Brother LLC	Hotel/Motel	\$ 33,522	\$ 2,334,480
Baustert John W Etal	Unknown	\$ 30,599	\$ 1,966,690
Pacificorp	Electrical Utility	\$ 30,306	\$ 2,110,000
Ness Investments LLC	Real Estate	\$ 29,986	\$ 1,927,270
Lumen Technologies	Telecommunications	\$ 27,642	\$ 1,925,000
Simplot Industries	Agricultural Products	\$ 27,312	\$ 1,902,030
Quinones Properties	Hotel/Motel	\$ 26,301	\$ 1,831,580
Verizon Communications	Telecommunications	\$ 22,272	\$ 1,551,000

### Demographics

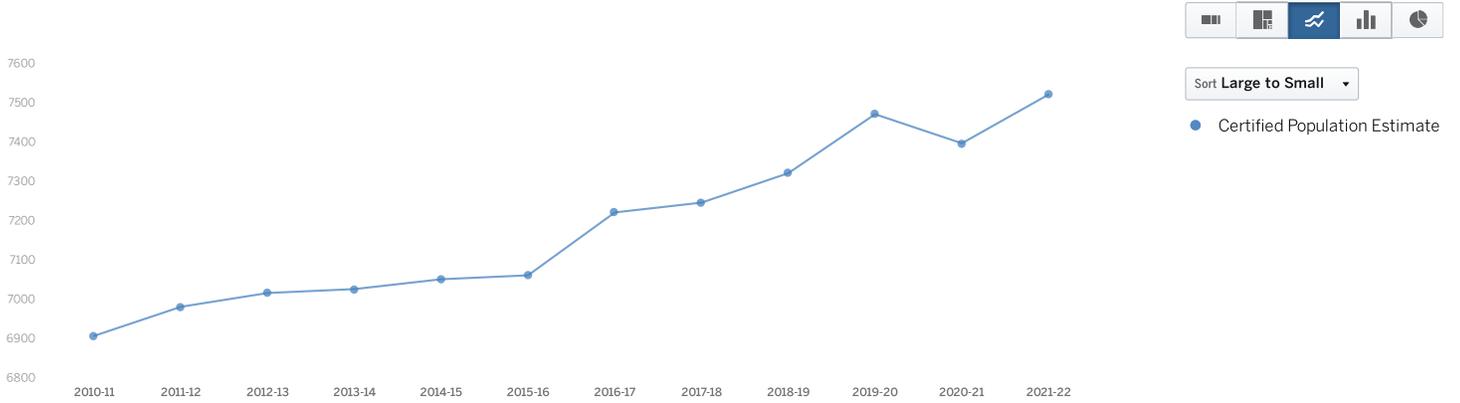
As of the census of 2020, the total population of the city was 7,363 and the racial makeup of the city is 47.5% Hispanic or Latino, 45.4% White, 2.6% African American, 1.6% Native American, 0.6% Asian, 0.3% from other races, and 2.0% from two or more races. The most recent population estimate from Portland State University is 7,520.

According to the 2019 American Community Survey results, the median age in the city was 33.9 years. 27.2% of residents were under the age of 20; 6.1% were between the ages of 20 and 24; 36.6% were between 25 and 44; 22.8% were between 45 and 64; and 7.3% were 65 years of age or older. The city is comprised of 1,748 households, with an average household size of 2.88 and average family size of 3.56. The median income for a household in the city was \$41,995, and the median income for a family was \$44,191. The per capita income for the city was \$20,998. Approximately 26.1% of the population were below the poverty line.

## CITY OF UMATILLA POPULATION

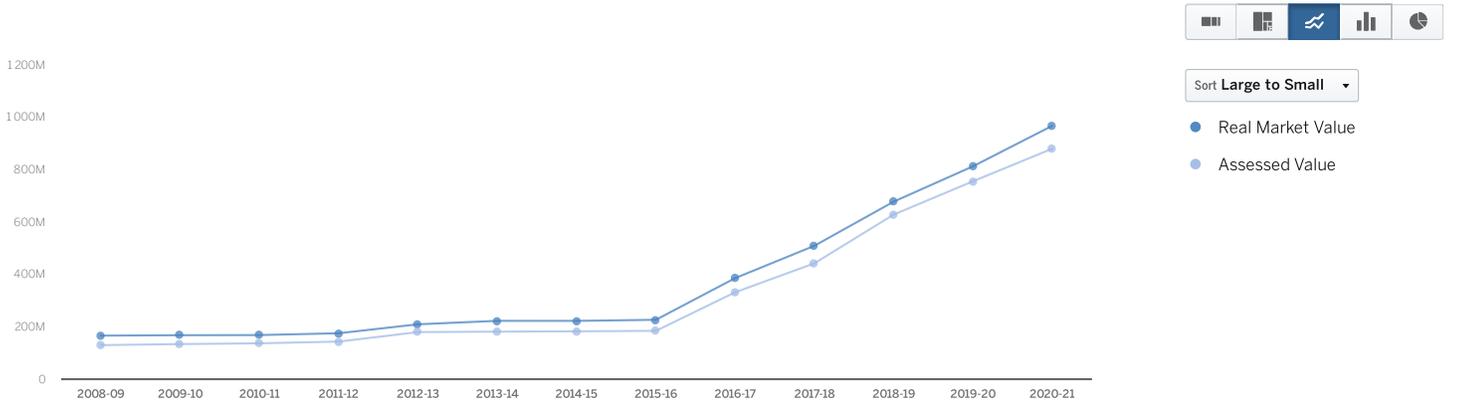
Source: Portland State Population Research Center Certified Population Estimates

### Visualization



The graph of Real Market Values (RMV) versus Assessed Values (AV) shows below, the City's overall RMV has more than quintupled over the past ten years due to the significant industrial and residential growth that the City is experiencing.

### Visualization



# City Overview:

## Short Term Factors Impacting Overall Budget Development

Fiscal Year 2022-23

During the preparation of the budget for the ensuing fiscal year, the short-term impacts of the local economy were examined in conjunction with business decisions made by the City. The following are the major assumptions used in developing the 2022-23 budget.

### ***Property Taxes and Payments in Lieu of Taxes***

Total taxable assessed value for 2021-22 is \$879,061,548 (a 16% increase in value from the prior year), resulting in nearly \$2.6 million of property tax for the current year. The major increase is due to the consumable property at the data centers (racks and servers) that have passed the three-year abatement as established in the enterprise zone agreements. We anticipate an increase of 15% in property tax receipts in the next fiscal year, for a total projected revenue of \$3 million. The limit under Measure 50 is a 3% annual increase in existing value. Our current permanent tax rate is \$2.9191 per \$1,000 of assessed value.

To date, we have received nearly \$2.3 million in Community Service Fee (CSF) revenue related to the enterprise zone agreements on the first four buildings of PDX2, which includes \$564,000 from 2021-22. We allocated approximately \$1.8 million of those funds over the past two fiscal years on items such as land acquisition, the 6th Street project addition from L to Switzler, Kiwanis Falls improvements, the future Business Center land payoff and a cash contribution on the golf course purchase. We anticipate this amount to be relatively flat next year and will budget \$560,000 to be conservative. This leaves a total available balance of just over \$1,000,000.

In the current fiscal year, we received the third set of payments resulting from the SIP agreement on the fifth building of PDX2 and the PDX63 campus. The first category of payments is ad valorem taxes in which the first \$25 million in real market value shall be taxable at its assessed value. We received the full \$73,000 in additional annual property tax revenue for 2021-22. The second category is the Community Service Fee (CSF) in an amount equal to 25% of the property taxes that would be due on the exempt property, not exceeding \$500,000 in any year for 15 years. An agreement was made in July 2018 to distribute the \$500,000 among the city and the special taxing districts. The City's maximum annual distribution will be \$91,197 and the full amount was received in this fiscal year. This payment will remain the same for the full 15-year period. To date, we have received \$295,000 and allocated \$235,000 of these funds towards marina and RV park improvements and city camera upgrades in the current fiscal year. We anticipate our full payment of \$91,197 in 2022-23 which would leave us with a total of \$150,800 in reserve. The third category is the Additional Annual Improvement Payment of \$4 million per year for 15 years. This payment is to be split between the City and Umatilla County. Both entities will receive \$2 million annually with the second payment received in the current fiscal year. So far, we have appropriated approximately \$4.4 million of those funds on items such as our water master plan update, Business Center reserve, capital expansion reserve, golf course improvements, and marina and police department facility design. We anticipate allocating the 2022-23 payment on land acquisition, park expansion, golf course improvements, a mobile stage, shooting range and more. We expect to have approximately \$1.7 million remaining in reserve at the end of next fiscal year.

## ***Utility Rates***

Council approved a monthly water and sewer rate increase of 7% each as a result of the utility rate study completed by FCS Group in spring 2020. Council also approved a refuse rate increase of 5.49% on behalf of Sanitary Disposal. The average residential customer, using 7,500 gallons, will see a 6.7% increase in their utility bill, or a \$6.80 increase monthly.

## ***Other Revenue Factors***

The City's electrical franchise agreement cap with UEC was renegotiated in March 2020. The cap increased from \$500,000 annually to \$1 million in 2020-2024 and \$1.5 million in 2025-2029. It is anticipated the full \$1 million will be collected in the 2022-23 fiscal year.

Interest rates on investments will be 0.2%.

## ***Personnel Expenses***

When considering COLA proposals, the city usually looks at many numbers, including the consumer price index 12-month percentage change (7.5%), annual inflation rate (7.04%) and SSA COLA (5.9%). These are the highest numbers seen since 1982. In order to balance personnel expenses with other rising costs, City Council approved a cost-of-living-adjustment (COLA) of 3.5% for non-union employees.

We are nearing the end of the first year of the current police collective bargaining agreement that is in effect through June 30, 2024. The agreement grants a salary increase of 3.5% per year.

In the 2021-22 fiscal year, the City engaged in initial labor negotiations with the recently formed public works union. The three year agreement grants a salary increase of 2% through June 30, 2023 followed by subsequent increases of 1.75% and 2%.

Our current PERS rates are effective until June 30, 2023. Rates are 20.63% for Tier 1 and Tier 2, 13.86% for OPSRP General Schedule and 18.22% for OPSRP Police. In addition to the employer's portion, the City currently pays the employee's 6% required match.

The City continues to offer the One America deferred compensation plan rolled out last year. Participation in the plan is voluntary, but allows for a 50% employer match of up to 3% of an employee's salary to encourage employees to save for their retirement and make up for the amount redirected from their IAP.

Medical and Delta Dental insurance costs will remain flat for the next budget cycle. The Willamette Dental plan premiums will increase by 1.6% and vision premiums will increase by 9.5%. The lower cost items such as life insurance and accidental death and disability will remain flat.

### **New Full Time Employee (FTE) Approvals**

- Parks & Recreation Director
- Additional Recreation Coordinator
- Building Inspector
- Additional Maintenance Worker I

## ***Capital Improvement Projects***

### ***Umatilla Business Center***

City staff has been working with Seder Architecture & Urban Design on a renovation and expansion project of the old post office building into the new City of Umatilla Business Center. This Business Center will house the Community Development Department and a multi-use room and kitchen for events and meetings in the existing

building and will have a two-story expansion that will serve as a business incubator for new business owners on the lower level, while providing long term rental space on the second floor. We estimate this project will cost \$8.4 million which includes the building, parking lot and street improvements. City staff recently submitted a \$1.4 million EDA grant application and will fund the remainder of the project from a contribution from Umatilla County of \$1 million, \$1.8 million in legislative funding and the remainder from the City's ARPA allocation and capital reserves.

### *Police Department - New Facility Design*

Our Police Department building is showing its age and has been for quite some time. As our community continues to grow at these historic rates, the need to continue to hire additional officers and provide suitable modern police facilities with enough space and training areas is critical to the success of keeping our community safe. We have allocated \$400,000 to begin the design process of replacing our existing Police Department this year and will aggressively pursue grant funding to construct the building next year. Once funding is secured, we will begin construction, likely occurring in three years, starting in FY24/25. These plans are the key to initialize this process.

### *Trail Projects*

This budget continues to implement our newly adopted Trails Master Plan. In 2020, CDD was successful at securing an Oregon Parks and Recreational Regional Trails Program grant for completion of the Master Trails Plan Project 2 which will include design and construction of a section of path that will connect the South Hill region to the west side of the pedestrian bridge, and ultimately to the downtown area. The new ADA-compliant paved path will be approximately 1,000 feet in length running from Powerline Road to Stephens Avenue to connect to the reconstructed footbridge discussed later in the packet. The project will also include demolishing and removing the existing substandard asphalt path. The total project budget is \$205,000 which is made up of City cash match of \$41,000 (20%) and a grant of \$164,000. We have been waiting on necessary archeological reports to proceed so these funds will carry into the next fiscal year.

### *Umatilla Falls*

This budget includes \$965,000 to finalize design and construct a new entryway at the intersection of US-730 and Highway 395. This will be a great artistic and beautiful gateway project for the City. The new project will feature ornamental hardscapes and landscapes that put our local arid beauty on display, water features that will enhance the design and represent our historical two rivers, artist created pieces that highlight our rivers and our history, and light features to create a beautiful and urban evening display.

### *Umatilla Marina & RV Park Improvements*

Marina Improvements: The Umatilla Marina was completed spring 1991. The average lifespan of a marina built in the 1990s is 15-20 years due to the technologies/engineering of marinas during this time. The Umatilla Marina has reached the end of its useful life and is needing a full replacement. We have missing floatation, twisted fingers, splintering boards, missing hardware, and both significant potable water and electrical issues, not to mention an entire dock that has been decommissioned for more than 5 years.

The Umatilla Marina is a well-used marina with seemingly countless potential. In the 2021-2022 fiscal year we allocated \$300,000 to design an all-new state-of-the-art marina. We only spent approximately \$10,000 of that allocation. This budget carries over the unused funds and adds another \$100,000 to the design allocation, for a total of \$390,000. The new marina would include: covered single-berth slips, uncovered single berth slips, aluminum or steel framed docks, engineered decking or concrete, encapsulated floats and other highly buoyant materials, well-spaced navigable fairways, reliable and safe potable water, electrical hookups at each slip, updated sewer pumping system(s), high speed internet, new gangways and entries, replaced abutments, and other features and amenities.

The design process would include utilization of a marina design contractor in close consultation with the United States Army Corps of Engineers (USACE), the Oregon State Marine Board (OSMB), the Oregon Department of State Lands (DSL) and others. USACE prefers and often requires designed/engineered site plans in order to apply for their required permits. The permitting process can take several months to a year. In a lighting quick scenario, it will take a minimum of three years (most likely 4-5) from start today to ribbon cut in the future.

Restroom and Parking Lot Improvements: Last year, the city submitted a grant application to OSMB for installation of a pre-fabricated restroom, corresponding utilities and installation of new sidewalk to the restroom near the fish cleaning station. We did not receive the grant but OSMB provided great feedback. They support the project and want to see a master plan of the entire park. We have been working on the conceptual design in this fiscal year and would like to have OSMB assist with design of the parking lot improvements and ramp relocation in the next fiscal year. OSMB will provide design assistance at no cost and we will allocate \$35,000 for our city engineer to provide consultation as well as associated permitting expenses.

#### *Big River Golf Course*

As the City prepares for an all new music festival at the golf course in 2023, we must address the utility improvements necessary to accommodate this type of gathering. The improvements are estimated at \$520,000 and include installing multiple 400AMP services and extending potable water service to the proposed festival location.

#### *Nugent Park Playground Improvements*

The City was recently awarded a grant from the Oregon Parks and Recreation Land and Water Conservation Fund (LCWF) for the rehabilitation of Nugent Park. The scope of work will include replacement of playground equipment, replacement of the pavilion and sidewalk and parking lot improvements. The project is estimated at \$576,000 with a 50%, or \$288,000, matching requirement. This project was included in the 2021-22 budget and will roll forward to the next year.

#### *Bluffs Subdivision Park*

The city will be submitting a grant application to the Oregon Parks and Recreation Local Government Grant Program (LGGP) large grant program for construction of a neighborhood park in the Bluff's subdivision that will include a playground, half basketball court, swings, open space and a restroom. The total project is estimated at \$400,000 with a 40%, or \$160,000, matching requirement. We had matching funds allocated for a trail project not funded in the current fiscal year that will be re-appropriated towards this match and have transferred an additional \$28,000 into reserves.

#### *Outdoor Shooting Range*

The Master Parks Plan is anticipated to be adopted this summer. Second only to an Indoor Aquatic Center, the draft plan has identified an Outdoor Shooting Range as one of the community's most desired amenities. This project will require the purchase or lease of land and development of the range. We have allocated \$400,000 and will actively seek grant funding to assist with the project.

#### *Final Design of Water and Sewer Extension to the Power City and Brownell Areas*

Power City and Brownell are two communities that lie within the City of Umatilla's Urban Growth Boundary, but are not provided with water or sewer service by the City. The City was recently awarded a Community Development Block Grant (CDBG) in the amount of \$734,000 for the final design of water utility extension to these areas and \$372,500 for the final design of sewer utility extension to these areas. These projects will be the first step towards closing these identified "donut holes" in the City and bringing compliant drinking water and sewer to these communities. The projects commenced in FY2021-22. This budget reflects the carryover of the unused grant funds and related expenditures. The City anticipates applying for the follow up construction projects in the 2022-23 fiscal year.

### *Umatilla River Bridge & Waterline Replacement Projects*

In spring 2019, flooding caused severe damage to the Umatilla River Bridge and the potable waterline that was attached to it. The following year, additional flooding caused more damage, rendering the bridge unrepairable. The bridge is an important strategic piece of City infrastructure. The bridge has multiple utility uses; it is used as a major walking path for students and community members to cross the Umatilla River. It also holds a major fiber optic conduit and is the major potable water line for the South Hill neighborhoods. The South Hill area of Umatilla is seeing tremendous residential development and the City is concerned about adequate water supply and fire flow to that side of town. The City is currently utilizing a smaller waterline that had been previously shut off to provide water in the interim period but the pipeline is not viable as a permanent option. The City has worked with FEMA and JUB Engineers to develop a replacement project for both the bridge and waterline. To mitigate future damages to the bridge and waterline, the City will be installing a clear span arched steel truss pedestrian bridge with the same size of waterline mounted to the underside of the bridge. This bridge will be raised 5-10' from its' previous height.

The bridge replacement is a \$6.2 million-dollar project. FEMA will be covering \$4.7 million, insurance proceeds will cover \$100,000, and we anticipate a \$500,000 emergency grant and \$1 million loan from Business Oregon's Special Public Works Fund. We do not anticipate any loan payments due in the 2022-23 fiscal year. The waterline replacement is a \$1,000,000 project. FEMA will be covering approximately \$750,000 and we anticipate a \$250,000 emergency grant from Business Oregon's Special Public Works Fund for the remainder of the project costs.

### *CTUIR Point of Diversion and Pump Station Improvement Project*

The city is currently working on an engineering and permitting project to enlarge and upgrade the surface water diversion and related pipeline transmission facilities located on the south bank of the Columbia River, which is owned by the CTUIR. This system will allow the city to supply the data centers with raw water to meet their cooling needs, increase the flexibility of our potable water system by adding the ability to divert water at a second site and allow CTUIR's water to be discharged to maintain the Wanaket Wildlife Refuge and Wetlands. The design portion of this project is anticipated at \$2.5 million and the city's portion of the construction is estimated at \$30 million. We will construct an interim water pipeline in the upcoming fiscal year to provide water to the data centers until the permanent infrastructure is in place the following year. The city will be applying for a loan from Business Oregon and actively pursuing grants to offset as much of the capital cost as possible.

### ***Other Expense Factors***

Insurance costs will increase for the 2022-23 fiscal year. Property rates are increasing by 20% and liability/auto rates are increasing by 15%.

### **Post Pandemic - Historic Inflation**

After a 40-year break from high inflation, Americans are rediscovering what it means when the prices of goods and services rise rapidly. City government can't entirely avoid this national shock. With 8.3 percent inflation in April, Umatilla is feeling the effects as the costs of construction projects soar and every day expenses such as fuel and electricity costs continue to rise. According to the US Energy Information Administration, regular gasoline prices on the west coast (excluding California) are up 31% from a year ago. On-highway diesel prices for the same area are up 75% from a year ago.

# Debt Outstanding: Long-Term Debt

Fiscal Year 2022-23

## Long-Term Debt

### Overview of Long-Term Debt

Cities issue long-term debt to pay for long-term capital improvements. The number of years the debt is outstanding is equal to or less than the useful life of the capital investment. As set by policy, long-term debt shall not be used for operating purposes. Refer to the Financial Policies section of this document for a summary of the City of Umatilla's debt policy.

Payments on outstanding debt are referred to as debt service payments. These debt service payments are appropriated to cover the principal and interest. Historically, the City has issued general obligation bonds, full faith and credit obligations, revenue bonds and notes payable.

General obligation bonds are secured by property taxes and therefore must be pre-approved by the voters. Full faith and credit obligations are backed by the City's General Fund; however, they may be repaid from any other available resources. Revenue bonds are used to finance enterprise-related capital improvements and are repaid from their respective utility fees and charges.

### Continuing Disclosure and the S.E.C.

The City of Umatilla fulfills its obligation for continuing disclosure requirements under the Securities and Exchange Commission Rule 15c2-12 by filing its audited financial reports and other required disclosures with the Municipal Securities Rulemaking Board Electronic Municipal Market Access (EMMA) database service which is available at [www.emma.msrb.org](http://www.emma.msrb.org).

### City Credit Ratings

In February 2014, Standard & Poor's Rating Services (S&P) assigned its 'A' long-term rating to the City of Umatilla's series 2014 general obligation bonds. In their opinion the outlook was stable. The rating reflected the assessment of the following factors for the city:

- Strong budgetary flexibility, with 2013 audited reserves at 22.3% of expenditures;
- Adequate budgetary performance, which is partly driven by increased revenues and expenditures associated with data center development;
- Very strong liquidity, providing very strong cash levels to cover both debt service and expenditures;
- Adequate management, with standard financial policies; and
- Very strong debt and contingent liabilities position, with low debt levels and rapid amortization.

# Debt Outstanding: Long-Term Debt Outstanding

Fiscal Year 2022-23

## Long-Term Debt Outstanding

### Long-Term Debt Outstanding

As of June 30, 2022, the City will have \$250,000 outstanding in one full faith and credit obligation and \$5,404,789 outstanding in notes payable, for a total of \$5,654,789 in long-term debt outstanding.

### Legal Debt Limit Measures

Pursuant to Oregon Revised Statute 223.295, outstanding general obligation debt for cities in Oregon cannot exceed three percent of the real market value of all properties within city limits. For Umatilla, this maximum is \$29.0 million, of which, the City has zero outstanding.

#### *Computation of Legal Debt Margin*

Real Market Value (RMV)	\$967,369,367
Debt Limit Rate	3%
Debt Limit	\$ 29,021,081

*\*Source of RMV: Umatilla County Assessor's Office*

## Debt Service Obligations

### FULL FAITH & CREDIT OBLIGATIONS

#### *Series 2014 Sewer Revenue Refunding Bonds*

The City issued sewer revenue refunding bonds (labeled as Full Faith & Credit Obligations) in March of 2014 for \$2,160,000 to retire bonds issued in 2000. This refunding was performed to obtain a more favorable interest rate for the taxpayers of the City of Umatilla. Due to the favorable rate, the reduction in total debt service payments over ten years was approximately \$668,000. The present value of those savings were approximately \$603,000. The 2000 series bonds had required the City to restrict \$271,750, an amount equal to one payment. The City used those restricted assets to pay down the 2000 series bond prior to the refunding. Thus making the net present value savings approximately \$331,000. The refunding bonds carry a fixed interest rate of 2% and mature annually through October 1, 2024. These bonds are reported as a debt of the sewer utility fund.

### NOTES PAYABLE

#### *Banner Bank - City Hall*

The City borrowed \$1,500,000 from Banner Bank in April 2009. The note proceeds were used to construct the new City Hall building. The note carries interest at 4.9% and matures in 2029. This loan is paid using Calpine enterprise zone payments in lieu of tax. Those payments end in 2022. In order to pay off the loan early, the City

has set aside an additional \$15,700 each year and will make the final payment in the 2022-23 fiscal year. This note is recorded as a debt of the governmental funds.

#### *Banner Bank - Big River Golf Course*

The City borrowed \$1,700,000 from Banner Bank in December 2020. The note proceeds were used to purchase Big River Golf Course. The note carries interest at 2.79% and matures in 2040. The loan is paid using General Fund revenue. This note is recorded as a debt of the governmental funds.

#### *Umatilla Museum Building*

The City purchased the building located at 911 6th Street from the Umatilla Museum and Historical Foundation in June 2022 and have entered into a long-term lease with the Museum to lease the building back to them. The total purchase price was \$125,000 set up as a zero interest installment note with four equal payments of \$31,250 per year. The first payment was due at closing and the note will mature in FY2025.

#### *Umatilla Pedestrian Bridge Replacement*

In spring 2019, flooding caused severe damage to the Umatilla River Bridge and the potable waterline that was attached to it. The following year, additional flooding caused more damage, rendering the bridge unrepairable. The bridge is an important strategic piece of City infrastructure. The bridge has multiple utility uses; it is used as a major walking path for students and community members to cross the Umatilla River. It also holds a major fiber optic conduit and is the major potable water line for the South Hill neighborhoods. The South Hill area of Umatilla is seeing tremendous residential development and the City is concerned about adequate water supply and fire flow to that side of town. The City is currently utilizing a smaller waterline that had been previously shut off to provide water in the interim period but the pipeline is not viable as a permanent option. The City has worked with FEMA and JUB Engineers to develop a replacement project for both the bridge and waterline. To mitigate future damages to the bridge and waterline, the City will be installing a clear span arched steel truss pedestrian bridge with the same size of waterline mounted to the underside of the bridge. This bridge will be raised 5-10' from its' previous height.

The bridge replacement is a \$5.9 million-dollar project. FEMA will be covering \$4.3 million, insurance proceeds will cover \$100,000, and we anticipate a \$500,000 emergency grant and \$1 million loan from Business Oregon's Special Public Works Fund. As of June 30, 2022, the City has requested \$64,429 in project reimbursements. We do not anticipate any loan payments due in the 2022-23 fiscal year.

The waterline replacement is a \$700,000 project. FEMA will be covering approximately \$500,000 and we anticipate a \$200,000 emergency grant from Business Oregon's Special Public Works Fund for the remainder of the project costs.

#### *IFA Final Design*

The City borrowed \$444,815 from Oregon Infrastructure Finance Authority (IFA) in November 2016. The note proceeds were used to complete final design and execute bid documents for a discharge pipeline which enables the City to separate industrial wastewater from the data centers and re-use that water for irrigation purposes. Repayment commenced in December 2019. The loan is due in seven payments and will carry interest at 1.42% from the date of disbursement. This note is reported as a debt of the enterprise funds.

#### *CWSRF Industrial Wastewater Line Construction Project*

The City borrowed \$2,342,420 from the State of Oregon Department of Environmental Quality Clean Water State Revolving Loan Fund in November 2017. The note proceeds were used to construct the industrial wastewater line and outfall structure. The project has reached substantial completion and a loan amendment was recently executed increasing the amount by \$550,000 to \$2,892,420. The City received the final loan disbursement in FY2022, bringing the final project cost to \$2,838,214. The note agreement allows for \$500,000 principal

forgiveness upon project completion (which is reflected in the reductions column) and requires the City to restrict one half of the average annual debt service, or \$50,284. The note will be due in thirty annual payments and will carry interest at 1.56% from the date of disbursement. The note is reported as a debt of the enterprise funds.

*IFA 6th Street Waterline Improvement Project Refunding Note*

The City executed an interim financing agreement \$667,378 from IFA in February 2019. The note proceeds were used to complete a waterline improvement project which included relocating water mains and services out of the ODOT right-of-way, upsizing approximately 1,000 feet of water mains to 8-inch, replacing 11 fire hydrants, demolishing or abandoning failing or undersized pipes and looping the new 8-inch water main at the corner of 6th and B Streets. The loan will be due February 12, 2022 or upon receipt of the refunding proceeds and will carry interest at 2.10% from the date of disbursement.

The refunding note beginning balance of \$546,193 reflects a reduction in the original loan amount to reflect (a) the de minimus rounding amount on the State Bonds passed on to all State Bond borrowers, and (b) the premium paid by the purchaser of the State Bonds in exchange for a higher nominal interest rate. After accounting for the reduction in principal and the higher nominal interest rate, the effective interest rate on the refunding is 2.485%. The note matures in December 2045. This note is reported as a debt of the enterprise funds.

*CWSRF Planning Loan for Wastewater Facilities Plan Update*

In February 2021, the City entered into a \$234,000 planning loan from the DEQ Clean Water State Revolving Fund with a 5-year repayment term at an interest rate of 0.54%. The City needs a new planning document that considers the residential, commercial and industrial growth over the last 20 years and future growth that will eventually create discharge quality issues. The plan will include a description of existing sewer treatment and collection systems, capacity and compliance analysis, anticipated needs for future facilities, and a description of future facilities including schedule, cost and financing. As of June 30, 2022, the City has requested \$177,757 in project reimbursements. The first loan payment is not anticipated until the 2023-24 fiscal year.

## Long-Term Debt Activity for FY 2021-22

	Balance as of June 30, 2021	Additions	Reductions	Balance as of June 30, 2022
<b>Governmental Activities:</b>				
Notes Payable:				
Banner Bank - City Hall	\$ 382,810	\$ -	\$ (98,307)	\$ 284,503
Banner Bank - Golf Course	\$ 1,700,000		\$ (46,863)	\$ 1,653,137
Umatilla Museum & Historical Foundation	\$ -	\$ 125,000	\$ (31,250)	\$ 93,750
IFA Pedestrian Bridge Replacement	\$ -	\$ 64,429	\$ -	\$ 64,429
<b>Total Governmental Activities</b>	<b>\$ 2,082,810</b>	<b>\$ 189,429</b>	<b>\$ (176,420)</b>	<b>\$ 2,095,819</b>
<b>Business-Type Activities:</b>				
Bonds Payable:				
Sewer Refunding Bonds	\$ 510,000	\$ -	\$ (260,000)	\$ 250,000
Notes Payable:				
IFA Final Design	\$ 321,382	\$ -	\$ (62,642)	\$ 258,740
CWSRF IWW Construction *	\$ 2,806,282	\$ 31,932	\$ (500,000)	\$ 2,338,214
IFA 6th St Waterline Imp	\$ 546,193	\$ -	\$ (11,934)	\$ 534,259
CWSRF Wastewater Planning Loan	\$ -	\$ 177,757	\$ -	\$ 177,757
<b>Total Business-Type Activities</b>	<b>\$ 4,183,857</b>	<b>\$ 209,689</b>	<b>\$ (834,576)</b>	<b>\$ 3,558,970</b>
<b>Total Long-Term Debt Obligations</b>	<b>\$ 6,266,667</b>	<b>\$ 399,118</b>	<b>\$ (1,010,996)</b>	<b>\$ 5,654,789</b>

\*See loan note details for balance reduction information.

## Future Debt Plans

### *City of Umatilla Intake and Pipeline Project*

The City has a 23 cfs Columbia River Water right in the McNary Pool. The Confederated Tribes of the Umatilla Indian Reservation (CTUIR) have a Point of Diversion (“POD”) also on the Columbia River in the McNary Pool. This POD is only used seasonally – the water is untreated and pumped a short distance via pipeline into an open canal system that feeds water into a CTUIR managed wildlife area (“Wanaket”) east of the Port’s Umatilla Industrial Park. CTUIR has water rights of 16 cfs at this POD. The City and CTUIR would like to collaborate on a water project that would continue to serve the wildlife area, serve industrial tenants at the Port of Umatilla, serve future industrial tenants at the adjacent CTUIR industrial property and serve as the City’s potable water supply (pipeline capacity to be installed today, but up to 9 years to transition from groundwater to surface water). The project includes the following components:

1. Design an enlarged and upgraded (or replacement) CTUIR POD intake and pump station.
2. Design a new transmission pipeline that would convey raw water from the CTUIR POD to new pipelines that (a) continue to serve the wildlife area, (b) serve industrial tenants at the Port of Umatilla, (c) serve future industrial tenants at the adjacent CTUIR industrial property (“District 7”), and (d) serve as the City’s potable water supply (pipeline capacity to be installed today, but up to 9 years to transition from groundwater to surface water)
3. Install a new Water Treatment Facility (WTF) to house ultra-filtration to serve industrial tenants and also house the City’s future new surface water treatment for domestic water use (the building will include space for both of these functions, but only the ultra-filtration system will be constructed at this time). This portion of the project, approximately \$20m, will be funded and constructed by a private industrial customer.

The City will be applying for a loan from Business Oregon’s Special Public Works Fund for approximately \$30 million and will actively pursue grant opportunities to offset a portion of the project.

### *Power City & Brownell Area Water Extension - Construction Project*

The City of Umatilla intends to extend water service to Power City and construct a new, compliant and reliable water distribution service to the residents of the Power City and Brownell Communities. This is a follow up to the design project currently underway (funded by a \$593,000 Community Development Block Grant). Both areas are located within the City’s Urban Growth Boundary. Power City Co-Op’s water system has been out of compliance since 1986 when the EPA revised water quality standards. The largest compliance issue is the status of their storage tank, that features a bitumastic (tar) lining when it was installed in 1972 and cannot meet water quality standards adopted in 1986. Additionally, the tank is severely corroded. The system as a whole is outside of its useful life and is the only well, which could fail at any time, leaving the residents without water. In both 2021 and 2022, the system failed and the City of Umatilla temporarily trucked in water to the residents. The Brownell area, which is located north of the ODOT weigh station on Hwy 730/I-82, is served by a combination of City service, a local Water Association, and on-site well systems. The Brownell area water system does not meet public works standards and is undersized. Additionally, because of the varied sources of water service in the area, maintenance costs are exceptionally high and service is unreliable.

The City of Umatilla estimates that the Power City/Brownell Water Service Project will cost approximately \$8,086,500. The City intends to fund the project as follows:

- \$6,000,000 - Bipartisan Infrastructure Law (BIL) Funds administered by Business Oregon’s Safe Drinking Water Revolving Loan Fund (SDWRLF). These funds have the potential for approximately 50% of principal forgiveness.
- \$1,906,500 - Community Development Block Grant (CDBG) Construction Funds
- \$180,000 - City Funds: Accumulated System Development Charge improvement revenue.

*Power City & Brownell Area Sewer Extension - Construction Project*

The City of Umatilla also intends to extend sewer service to the Power City and Brownell Communities. This is a follow up to the design project currently underway (funded by a \$372,500 Community Development Block Grant). The Power City area is currently served by individual septic systems. The Brownell area is served by a mixture of private septic systems (27) and 8 customers that are already connected to the City's wastewater system. The residential members of these two communities have discussed connection to the City of Umatilla's wastewater system to increase reliability for the property owners and remove the maintenance responsibilities associated with private septic tanks. Waiting for the septic systems to fail, and create an environmental problem, or mandating the residents to connect in the future, will only increase the capital costs to the low-and-moderate income residents of this area.

The City of Umatilla estimates that the Power City/Brownell Sewer Service Project will cost approximately \$11,315,305. The City intends to fund the project as follows:

- \$9,177,805 - DEQ Clean Water State Revolving Fund (CWSRF) Loan
- \$2,137,500 - Community Development Block Grant (CDBG) Construction Funds

# Debt Outstanding: Future Principal and Interest Payments Due

Fiscal Year 2022-23

Refer to the tables below for the Governmental and Enterprise Debt Service Schedules.

**Debt Service Schedule****Governmental**

Year Ending June 30,	Governmental Activities					
	Banner Bank - City Hall		Banner Bank - Golf Course		Umatilla Museum Installment Note	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 103,010	\$ 14,212	\$ 70,689	\$ 44,214	\$ 31,250	\$ -
2024	\$ 108,180	\$ 9,041	\$ 71,246	\$ 43,657	\$ 31,250	\$ -
2025	\$ 73,313	\$ 3,642	\$ 73,248	\$ 41,655	\$ 31,250	\$ -
2026-2030	\$ -	\$ -	\$ 398,288	\$ 176,227	\$ -	\$ -
2031-2035	\$ -	\$ -	\$ 457,470	\$ 117,045	\$ -	\$ -
2036-2040	\$ -	\$ -	\$ 525,446	\$ 49,069	\$ -	\$ -
2041-2045	\$ -	\$ -	\$ 56,749	\$ 792	\$ -	\$ -
<b>Total</b>	<b>\$ 284,503</b>	<b>\$ 26,895</b>	<b>\$ 1,653,137</b>	<b>\$ 472,658</b>	<b>\$ 93,750</b>	<b>\$ -</b>
Due within one year	\$ 103,010	\$ 14,212	\$ 70,689	\$ 44,214	\$ 31,250	\$ -
Due after one year	\$ 181,493	\$ 12,683	\$ 1,582,448	\$ 428,444	\$ 62,500	\$ -
<b>Total</b>	<b>\$ 284,503</b>	<b>\$ 26,895</b>	<b>\$ 1,653,137</b>	<b>\$ 472,658</b>	<b>\$ 93,750</b>	<b>\$ -</b>

Year Ending June 30,	Total	
	Principal	Interest
2023	\$ 204,949	\$ 58,426
2024	\$ 210,676	\$ 52,698
2025	\$ 177,811	\$ 45,297
2026-2030	\$ 398,288	\$ 176,227
2031-2035	\$ 457,470	\$ 117,045
2036-2040	\$ 525,446	\$ 49,069
2041-2045	\$ 56,749	\$ 792
<b>Total</b>	<b>\$ 2,031,390</b>	<b>\$ 499,553</b>
Due within one year	\$ 204,949	\$ 58,426
Due after one year	\$ 1,826,441	\$ 441,127
<b>Total</b>	<b>\$ 2,031,390</b>	<b>\$ 499,553</b>

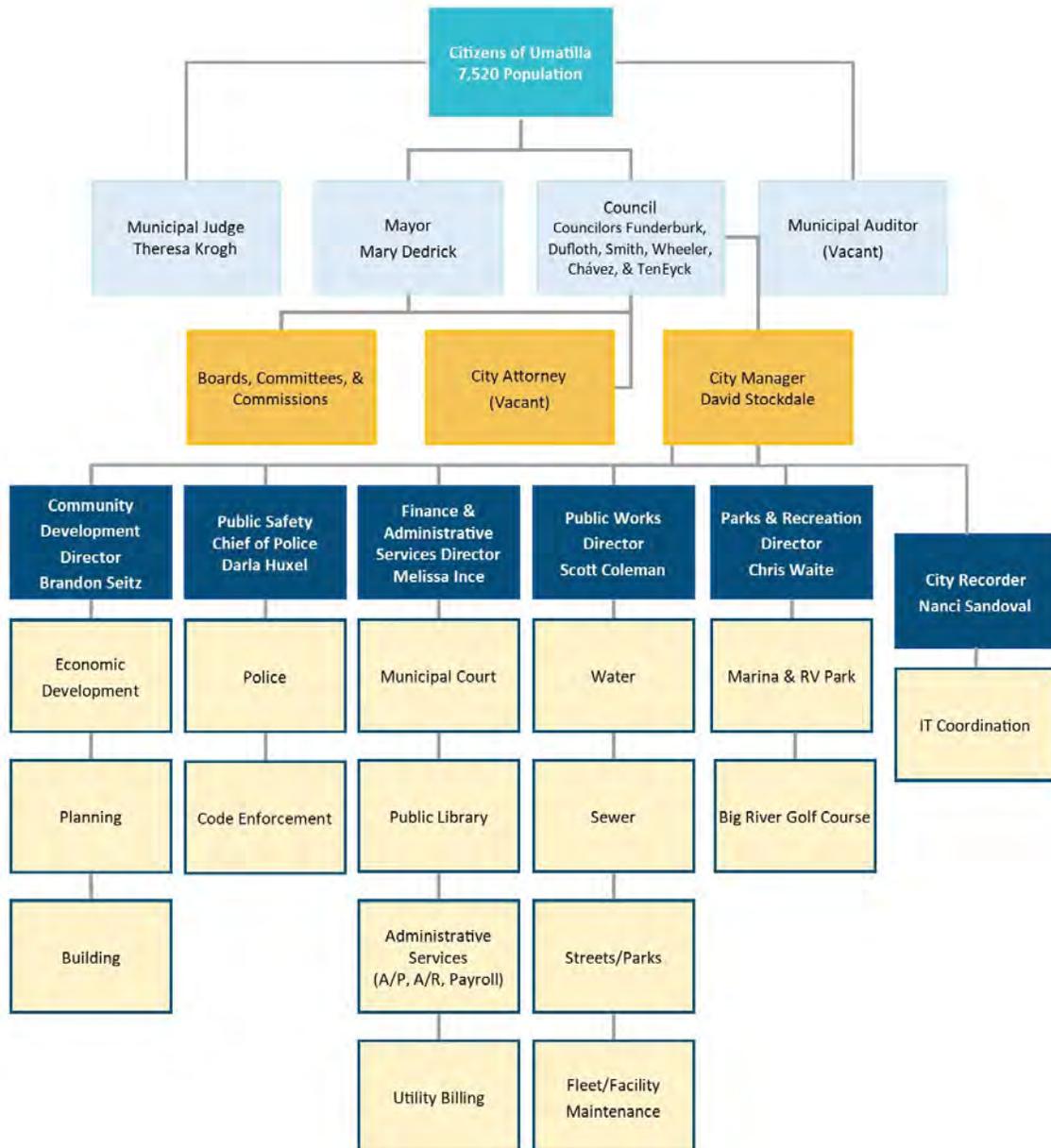
Debt Service Schedule  
Enterprise (Business-Type)

Year Ending June 30,	Enterprise Activities					
	Series 2014 Full Faith and Credit Refunding Bonds		IFA Final Design Loan		IFA 6th Street Waterline Improvement Project Refunding Note	
	Principal	Interest	Principal	Interest	Principal	Interest
	2023	\$ 250,000	\$ 3,750	\$ 63,531	\$ 3,674	\$ 12,031
2024	\$ -	\$ -	\$ 64,433	\$ 2,772	\$ 12,132	\$ 22,867
2025	\$ -	\$ -	\$ 65,348	\$ 1,857	\$ 12,239	\$ 22,260
2026-2030	\$ -	\$ -	\$ 65,428	\$ 929	\$ 77,990	\$ 101,254
2031-2035	\$ -	\$ -	\$ -	\$ -	\$ 101,578	\$ 79,416
2036-2040	\$ -	\$ -	\$ -	\$ -	\$ 126,159	\$ 51,285
2041-2045	\$ -	\$ -	\$ -	\$ -	\$ 156,355	\$ 20,389
2046-2050	\$ -	\$ -	\$ -	\$ -	\$ 35,775	\$ 1,073
2051-2055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 250,000</b>	<b>\$ 3,750</b>	<b>\$ 258,740</b>	<b>\$ 9,232</b>	<b>\$ 534,259</b>	<b>\$ 322,012</b>
Due within one year	\$ 250,000	\$ 3,750	\$ 63,531	\$ 3,674	\$ 12,031	\$ 23,468
Due after one year	\$ -	\$ -	\$ 195,209	\$ 5,558	\$ 522,228	\$ 298,544
<b>Total</b>	<b>\$ 250,000</b>	<b>\$ 3,750</b>	<b>\$ 258,740</b>	<b>\$ 9,232</b>	<b>\$ 534,259</b>	<b>\$ 322,012</b>

Year Ending June 30,	CWSRF Industrial Wastewater Line			
	Principal		Interest	
	Principal	Interest	Principal	Interest
2023	\$ 31,360	\$ 120,677	\$ 356,922	\$ 151,569
2024	\$ 63,456	\$ 47,116	\$ 140,021	\$ 72,755
2025	\$ 64,449	\$ 45,803	\$ 142,036	\$ 69,920
2026-2030	\$ 337,706	\$ 208,583	\$ 481,124	\$ 310,766
2031-2035	\$ 364,991	\$ 172,518	\$ 466,569	\$ 251,934
2036-2040	\$ 394,482	\$ 133,539	\$ 520,641	\$ 184,824
2041-2045	\$ 426,353	\$ 91,413	\$ 582,708	\$ 111,802
2046-2050	\$ 460,802	\$ 45,880	\$ 496,577	\$ 46,953
2051-2055	\$ 194,615	\$ 4,789	\$ 194,615	\$ 4,789
<b>Total</b>	<b>\$ 2,338,214</b>	<b>\$ 870,318</b>	<b>\$ 3,381,213</b>	<b>\$ 1,205,312</b>
Due within one year	\$ 31,360	\$ 120,677	\$ 356,922	\$ 151,569
Due after one year	\$ 2,306,854	\$ 749,641	\$ 3,024,291	\$ 1,053,743
<b>Total</b>	<b>\$ 2,338,214</b>	<b>\$ 870,318</b>	<b>\$ 3,381,213</b>	<b>\$ 1,205,312</b>

# Personnel: Organizational Chart

Fiscal Year 2022-23



# Personnel: Position & Salary Ranges

Fiscal Year 2022-23

## Positions & Salary Ranges

FY 19-20	FY 20-21	FY 21-22	Increase (Decrease)	FY 22-23	Position Title	Compensation Plan (pay range by position)		
						Low Step	High Step	
<b>City Administration</b>								
1	1	1		1	City Manager		155,000	
1	1	1		1	Certified City Recorder	67,092	82,080	
0	0	0		0	City Recorder	65,440	70,728	
0	0	0		0	Deputy City Recorder	47,292	60,336	
0.5	0.5	0.25		0.25	Office Interns	\$13/hr	\$15/hr	
2.5	2.5	2.25		0	2.25			
<b>Finance &amp; Administrative Services</b>								
1	1	1		1	Finance & Administrative Services Director	105,816	143,328	
1	1	1		1	Administrative Services Manager	77,832	91,488	
0	0	0		0	Human Resources Manager	77,832	91,488	
0	0	1		-1	Golf Course Administrative Supervisor	*	*	
0	0	1		1	Human Resources Analyst	67,092	82,080	
0	0	0		0	Accounting Tech	47,292	60,336	
1	1	1		1	Utility Billing Clerk	44,700	57,024	
0	0	1		-1	RV Park Office Clerk	+	+	
0	0	0.5		-0.5	Part Time Office Clerk	+	+	
0	0	2		-2	Pro Shop Attendants	*	*	
3	3	8.5		-4.5	4			
<b>Municipal Court</b>								
1	0.25	0.25		0.25	Municipal Judge	29,000	29,000	
0.5	1	1		1	Court Clerk	44,700	57,024	
1.5	1.25	1.25		0	1.25			
<b>Library</b>								
1	1	1		1	Library Director	55,440	70,728	
1	1	1		1	Library Aide	33,216	42,384	
1	1	1.5		-0.5	1	Part Time Library Aide	\$13/hr	\$15/hr
3	3	3.5		-0.5	3			
<b>Community Development</b>								
1	1	1		1	Community Development Director	96,192	112,500	
0	1	1		1	Building Official	89,868	105,636	
0	0	0		0	Principal Planner	83,760	98,448	
1	1	1		1	Development Manager	77,832	91,488	
1	0	1		1	Senior Planner	77,832	91,488	
1	1	0		0	Associate Planner	67,092	82,080	
0	0	0		1	Building Inspector	72,288	88,080	
0	1	1		-1	Community Development Coordinator	65,440	70,728	
0	0	1		1	Building Permit Specialist	47,292	60,336	
0	0	0.25		-0.25	0	Recreation Team Member	+	+
1	0	0		0	Planning and Code Specialist	-	-	
5	5	6.25		-0.25	6			

					<b>Parks &amp; Recreation</b>			
0	0	0	1	1	Parks & Recreation Director	89,868	105,636	
0	0	0	1	1	Golf Course Administrative Supervisor	70,200	84,348	
0	0	0	2	2	Recreation Coordinator	55,440	70,728	
0	0	0	1.5	1.5	RV Park Office Clerk	40,104	51,180	
0	0	0	1.5	1.5	Pro Shop Attendants	40,104	51,180	
0	0	0	1	1	Recreation Team Member	\$13/hr	\$15/hr	
0	0	0	0.5	0.5	Seasonal RV Park Office Clerk	\$13/hr	\$15/hr	
0	0	0	0.5	0.5	Seasonal Pro Shop Attendants	\$13/hr	\$15/hr	
0	0	0	9	9				
					<b>Public Works</b>			
1	1	1		1	Public Works Director	97,704	119,652	
1	1	1		1	Public Works Superintendent	83,760	98,448	
1	1	0	1	1	Public Works Supervisor	77,832	91,488	
0	0	1		1	Golf Course Superintendent	70,200	84,348	
3	4	3		3	Public Works Lead	54,636	69,708	
0	3	5	-2	3	Maintenance Worker II	46,608	59,460	
5	2	5		2	Maintenance Worker I	44,052	56,196	
1	0.5	1.25	1	2.25	Seasonal Worker	\$14.50/hr	\$16.50/hr	
0	0	0.5	-0.5	0	Public Works Intern	-	-	
12	12.5	17.75	1.5	19.25				
					<b>Police</b>			
1	1	1		1	Police Chief	105,816	143,328	
1	1	1		1	Police Lieutenant	96,192	112,500	
2	2	2	0.5	2.5	Police Sergeant	83,760	98,448	
8.5	8.5	8.5	-0.5	8	Police Officer	57,360	80,736	
0	1	1		1	School Resource Officer	57,360	80,736	
0	1	1		1	Code Enforcement Officer	57,360	80,736	
1	1	1		1	Dispatcher	57,360	80,736	
1	1	1		1	Police Office Clerk	\$20/hr	\$30/hr	
14.5	16.5	16.5	0	16.5				
41.5	43.75	56	5.25	61.25	Total Full-Time Equivalent (FTEs)			

\* Indicates position moved to the new Parks & Recreation Department

## Summary of Changes

### *New Parks & Recreation Department*

Towards the end of the 2021-22 FY, City Council approved the addition of a new Parks & Recreation Department. This budget incorporates the Parks & Recreation Director position, additional Recreation Coordinator position and moved the other Parks & Recreation employees out of Finance & Administrative Services and Community Development Departments.

### *Community Development*

This budget includes the creation of a Building Inspector position. As the building activity continues to grow, the Building Inspector will assist the Building Official and Community Development Director with routine inspections.

### *Public Works*

This personnel schedule reflects changes in Maintenance Worker I and II numbers due to staff turnover. It also reincorporates the Public Works Supervisor position at the wastewater treatment plant.

### *Police Department*

This budget plans for the mid-year promotion of one of the City's police officers to a sergeant.

# Budget Summary: Description of Funds

Fiscal Year 2022-23

## Budgeting in Umatilla

The City of Umatilla budgets at the "fund" level. A fund is a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, and balances and changes, which are segregated for specific activities and objectives. Funds are grouped into three types:

### 1. Governmental Funds

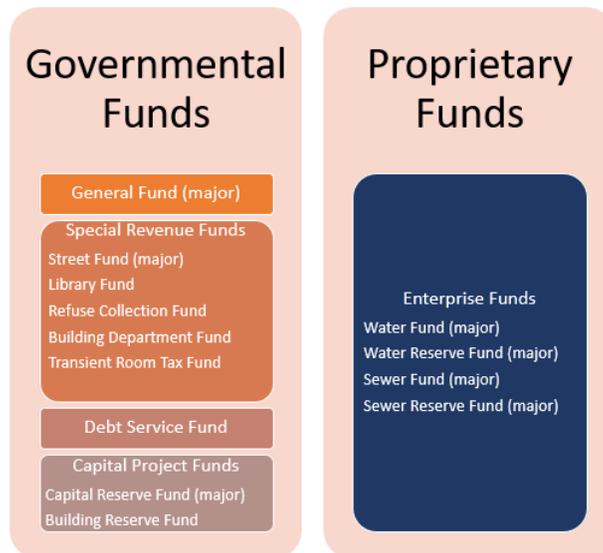
Governmental Funds are used to account for most of the city's functions and include general, special revenue, debt service, and capital project funds.

### 2. Proprietary Funds

Enterprise funds are used to account for city activities that are similar to those found in the private sector.

### 3. Fiduciary Funds

Fiduciary funds account for resources received and held by the city in a fiduciary capacity. The City of Umatilla does not currently have any fiduciary funds.



All funds in the funds structure are appropriated in the FY 21 Budget.

**Major Fund:** A fund whose revenues or expenditures are at least ten percent of the total for their fund category (governmental or proprietary).

**Note:** The audited financial statements also list the Debt Service Fund, Refuse Collection Fund and Building Department Fund as major funds in an attempt to keep reporting consistent from year to year.

## DESCRIPTION OF FUNDS

### Governmental Funds:

The City of Umatilla has four types of governmental funds, all of which are appropriated in the 2021-22 budget. The general fund is a government's basic operating fund and accounts for everything not accounted for in another fund. Special revenue funds are intended to be used to report specific revenue sources that are limited to being used for a particular purpose. Debt service funds account for the repayment of debt. Capital projects funds account for the construction, rehabilitation, and acquisition of capital assets, such as buildings, equipment and roads. Here is a listing of all governmental funds.

#### GENERAL FUND

The General Fund is the City's general operating fund, and it accounts for the administrative, planning, municipal court, cemetery and park maintenance, marina, police protection, code enforcement and golf course functions of the City. Principal sources of cash consist of licenses, permits and fees, franchise fees, fines and forfeitures, investment income, and tax base levy.

#### SPECIAL REVENUE FUNDS

##### *Street Fund*

The Street Fund accounts for the City's share of the State of Oregon's special gas tax revenues. This revenue is restricted to street related maintenance, repair, and construction, streetlights, and maintaining bike paths.

##### *Library Fund*

The Library Fund accounts for the City's library. Revenue is derived from the Umatilla County Special Library District tax base levy, as well as a transfer from the General Fund. Expenditures are for the cost of operations and salaries of personnel. The city council appoints five members to the library board. The board meets once a month to review the library's activities. Libraries, within the district, can access each other's book inventory lists. The libraries can exchange and borrow books from each other. This is important to our small library because of the limited space and funds for books.

##### *Refuse Collection Fund*

The Refuse Collection Fund is a pass-through fund. The City contracts with Sanitary Disposal, Inc. for waste management services. The City bills for the garbage services and retains 16% of the total collected which is split between a franchise fee (5%) and administrative fee (11%).

##### *Building Department Fund*

The Building Department Fund accounts for all revenue generated from building and electrical permit activity. The City of Umatilla collects the permit applications and fees. We have historically contracted with the City of Hermiston for inspection services based upon an hourly rate, plus 50% of plan review fees collected. In the previous fiscal year we were able to hire our own dedicated Building Inspector which has created a huge cost savings in contracted work.

##### *Transient Room Tax Fund*

The Transient Room Tax Fund accounts for motel tax revenues the City receives from motel customers. The expenditure division is in accordance with state law with 70% of receipts going to tourism related projects and 30% to the general city projects. The city collects 3.5% as a tax on rooms as set by vote of the people. The City also collects a Tourism Promotion Assessment of \$2.00 per hotel room rented per night and \$1.00 per RV/Tent Site rented per night. This money is remitted quarterly and split equally between the Eastern Oregon Trade and Event Center (to promote tourism in the region) and the City of Umatilla (to fund tourism promotion, facility design and construction of the Umatilla Marina & RV Park, Big River Golf Course and the Umatilla Community Center.)70

## **CAPITAL PROJECT FUNDS**

### ***Capital Reserve Fund***

The Capital Reserve Fund was established for the purpose of replacing public works, police and city hall equipment as needed. Revenue is derived from transfers from the water, sewer, street, and general funds.

### ***Building Reserve Fund***

The Building Reserve Fund was established for the purpose of purchasing and retiring debt on City Hall. Revenue is derived from the enterprise fund payments in lieu of taxes made by Calpine (formerly US Generating).

## **DEBT SERVICE FUND**

The Debt Service Fund was established to account for principal and interest transactions on the City's general obligation bonds. The Debt Service Fund receives a portion of the property tax levy and acts as a reserve and sinking fund for bonded debt liability. This fund is used to pay general obligation bonds. These bonds are voter approved and paid with property taxes. Each year the city figures out how much it needs to pay bonds for that year and through December of the following year. The city then levies that amount plus an amount for uncollected taxes.

General obligation bonds are not subject to the property tax limitation, if they are voter approved and used for capital construction.

With the payoff of the 1978 Water Bond in December 2018, there was no need to levy any additional taxes for Debt Service this year.

## **Proprietary Funds:**

The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in government-wide financial statements. The City uses enterprise funds to account for its local water and sewer services, all of which are appropriated in the 2022-23 budget.

## **ENTERPRISE FUNDS**

### ***Water Fund***

The Water Fund accounts for operating the water system of the City. Revenue is derived from charges for services to water users and expenditures are for costs of personnel salaries, and operations and maintenance of the city's water system.

### ***Sewer Fund***

The Sewer Fund accounts for operating the City's sewer system and treatment facility. Revenue is derived from charges for services to sewer users and expenditures are for personnel, operation and maintenance costs and payment on the loan for the sewer plant.

### ***Water & Sewer Reserve Funds***

The Water and Sewer Reserve Funds were established for the purpose of replacing major capital improvements in the water and sewer department. Revenue is derived from transfers from the water and sewer departments, System Development Charges on new construction and reimbursements received from financing capital projects.

## Functional Units

This table provides where the City's functional units are accounted for by fund type and fund.

Functional Units				
Governmental Funds				Proprietary Funds
General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds
<b>Administration</b> - City Manager's Office - City Council - City Recorder - Finance - Human Resources - Information Technology - City Hall Facility	<b>Street Fund</b> - Street Maintenance - Street Construction - Sidewalks - Bike Paths - Bridges - Street Lighting - Street Fleet Maintenance	<b>Debt Service Fund</b> - Debt Service	<b>Capital Reserve Fund</b> - Vehicle Purchases - Land Acquisition - Equipment Purchases - Capital Projects <ul style="list-style-type: none"> <li>▪ Parks</li> <li>▪ Downtown</li> <li>▪ City-wide</li> </ul>	<b>Water Fund</b> - Administration - Engineering - Systems Operation - Water Fleet Maintenance - Debt Service
<b>Community Development</b> - Economic Development - Planning - Zoning - Recreation - Transportation	<b>Library Fund</b> - Collection Management - Material Distribution - Programming			<b>Water Reserve Fund</b> - Water Infrastructure Expansion - Capital Projects - Major Infrastructure Repairs
<b>Municipal Court</b> - Administration	<b>Refuse Collection Fund</b> - Administration			<b>Sewer Fund</b> - Administration - Engineering - Systems Operation - Sewer Fleet Maintenance - Debt Service
<b>Parks</b> - Park Maintenance - Trail Maintenance - Marina & RV Park	<b>Building Department Fund</b>			<b>Sewer Reserve Fund</b> - Sewer Infrastructure Expansion - Capital Projects - Major Infrastructure Repairs
<b>Public Safety</b> - Police - School Resource Officer - Code Enforcement - Emergency Management	<b>Transient Room Tax Fund</b> - Motel Tax Collection - Tourism Promotion			

# Budget Summary: Understanding the Budget Format

Fiscal Year 2022-23

	Historical Data			Next FY Budget		
	Actual FY 2019-20	Actual FY 2020-21	Budget FY 2021-22	Proposed FY 2022-23	Approved FY 2022-23	Adopted FY 2022-23
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7

The City of Umatilla presents budgeted financial information in tables by fund, and for the General Fund, by department. Each table includes several columns.

### Column 1 – Description

Resources are grouped by revenue type; requirements are grouped by expenditure type.

### Column 2, 3 & 4 – Actual historical data for prior three years

Revenues and expenditures for the prior fiscal years are shown in the second, third and fourth columns of the budget detail for each fund.

### Column 5, 6 & 7 – Next fiscal year budget figures

Revenues and expenditures for the next fiscal year are shown on a proposed, approved and adopted basis.

# Budget Summary: Consolidated Financial Schedule by Fund Type

Fiscal Year 2022-23

## FY2022-23 Consolidated Financial Schedule by Fund Type

Collapse All	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Enterprise Fund	2022-23 Budget
▼ Revenues	31,415,400	31,097,044	38,615,870	8,560	32,501,182	133,638,056
▶ Beginning Fund Balance	8,590,562	9,420,550	21,128,900	8,180	11,561,202	50,709,394
▶ Property Taxes	6,121,284	0	0	350	0	6,121,634
▶ Payment in Lieu of Tax	5,302,394	0	143,304	0	0	5,445,698
▶ Franchise Fees	2,589,300	0	0	0	0	2,589,300
▶ Fees & Charges	2,326,010	8,338,000	0	0	8,453,380	19,117,390
▶ Intergovernmental	1,778,100	2,077,172	0	0	0	3,855,272
▶ Capital Grants	0	0	7,043,444	0	0	7,043,444
▶ SDC Revenue	0	0	0	0	1,590,000	1,590,000
▶ Interest	50,000	31,000	36,000	30	43,600	160,630
▶ Miscellaneous	4,495,190	11,013,272	3,465,844	0	8,841,400	27,815,706
▶ Transfers from Other Funds	162,560	217,050	6,798,378	0	2,011,600	9,189,588
▼ Expenses	31,415,400	31,097,044	38,615,870	8,560	32,501,182	133,638,056
▶ Personnel Services	9,185,972	2,085,892	0	0	2,860,400	14,132,264
▶ Materials & Services	10,065,480	4,784,118	0	0	3,390,450	18,240,048
▶ Debt Service	0	0	916,466	0	993,604	1,910,070
▶ Transfers	6,189,928	735,940	0	0	2,581,480	9,507,348
▶ Capital Outlay	100,000	11,682,774	34,475,686	0	12,133,142	58,391,602
▶ Operating Contingency	2,000,000	2,654,400	0	0	1,900,000	6,554,400
▶ CWSRF Loan Reserve	0	0	0	0	99,196	99,196
▶ Unappropriated Fund Balance	3,874,020	9,153,920	3,223,718	8,560	8,542,910	24,803,128
Revenues Less Expenses	0	0	0	0	0	0

## Changes in Fund Balance

Fund Title	7/1/2022	FY2022-23 Budget		Change in	Budgeted 6/30/23	%
	Fund Balance	Revenues	Expenditures	Fund Balance	Fund Balance	Change
<b>General Fund</b>	4,295,281	11,412,419	12,770,690	(1,358,271)	2,937,010	-31.6%
<b>Special Revenue Funds</b>						
Street Fund	870,307	6,234,263	6,378,091	(143,828)	726,479	-16.5%
Library Fund	188,353	290,684	300,554	(9,870)	178,483	-5.2%
Refuse Collection Fund	123,203	993,000	994,200	(1,200)	122,003	-1.0%
Building Department Fund	3,099,975	2,900,000	1,149,997	1,750,003	4,849,978	56.5%
Transient Room Tax Fund	428,437	420,300	821,520	(401,220)	27,217	-93.6%
<b>Debt Service Fund</b>	4,090	190	-	190	4,280	4.6%
<b>Capital Project Funds</b>						
Capital Reserve Fund	10,564,450	8,743,485	17,696,076	(8,952,591)	1,611,859	-84.7%
Building Reserve Fund	178,157	133,922	312,079	(178,157)	-	-100.0%
<b>Enterprise Funds</b>						
Water Fund	123,603	1,867,200	1,786,612	80,588	204,191	65.2%
Water Reserve Fund	1,633,817	4,862,700	5,503,561	(640,861)	992,956	-39.2%
Sewer Fund	928,133	2,427,290	2,533,505	(106,215)	821,918	-11.4%
Sewer Reserve Fund	3,095,048	1,312,800	1,155,860	156,940	3,251,988	5.1%
<b>TOTALS</b>	25,532,854	41,598,253	51,402,745	(9,804,492)	15,728,362	-38.4%

The most common reason for a budgeted decrease in fund balance is the use of reserves for capital projects. For most funds, this is a planned use of funds. Funds with a decrease of more than 10% are discussed below.

**General Fund** - Large, non-routine transfers to the Capital Reserve Fund from payments in lieu of tax that have accumulated over the past several years. These transfers will fund items such as park expansion/improvement, golf course improvements and public works equipment purchases. There is also a large one time transfer of the City's ARPA allocation that has been committed as match for the Umatilla Business Center construction project.

**Street Fund** - Planned Capital Project: Umatilla Bridge Replacement Project

**Transient Room Tax Fund** - Use of City Funds for all new City Sponsored Festival

**Capital Reserve Fund** - High levels of one time capital purchases/projects including the Umatilla Business Center, Outdoor Shooting Range, public works equipment, land acquisition, park expansion and improvements, trail improvement projects, golf course improvements, marina improvements and the Umatilla Falls project.

**Building Reserve Fund** - The Building Reserve Fund was established for the purpose of purchasing and retiring debt on City Hall. Revenue is derived from the enterprise fund payments in lieu of taxes made by Calpine (formerly US Generating). Loan reserves have been set aside to make the final loan payment in 2023, the same year that the final tax deferral payments are received.

**Water Reserve Fund** - Planned Capital Projects: Umatilla River Bridge Waterline Replacement Project and CTUIR Point of Diversion and Pump Station Improvement Project. We have also allocated the full amount set in reserve for developing our water right and improving/repairing our water system. It is unlikely that all of those funds will be spent this fiscal year so the fund balance change will likely be much lower than ten percent.

**Sewer Fund** - The City is committed to increasing the amount of reserves in the Sewer Reserve Fund in anticipation of a wastewater treatment plant expansion project. To prepare, the Council approved a substantial transfer into reserves which will lower the ending fund balance in the regular Sewer Fund by slightly more than ten percent.

# Budget Summary:

## Four Year Consolidated Revenues & Expenditures by Fund

Fiscal Year 2022-23

### City Wide Consolidated Revenues by Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ General	8,798,738	12,977,316	15,425,146	31,415,400	31,415,400	31,415,400
General Fund	8,798,738	12,977,316	15,425,146	31,415,400	31,415,400	31,415,400
▼ Special Revenue Fund	5,902,673	8,470,561	15,015,800	31,097,044	31,097,044	31,097,044
Street Fund	1,261,363	2,996,489	9,294,563	14,209,140	14,209,140	14,209,140
Library Fund	379,604	403,348	423,306	958,074	958,074	958,074
Refuse Fund	925,803	1,110,936	985,322	2,232,406	2,232,406	2,232,406
Building Department Fund	3,010,652	3,619,861	3,583,028	11,999,950	11,999,950	11,999,950
Transient Room Tax Fund	325,252	339,926	729,581	1,697,474	1,697,474	1,697,474
▶ Debt Service	3,470	3,874	4,020	8,560	8,560	8,560
▼ Capital Projects	2,792,134	7,626,708	13,968,075	38,615,870	38,615,870	38,615,870
Capital Reserve Fund	2,530,520	7,347,969	13,671,060	37,991,712	37,991,712	37,991,712
Building Reserve	261,615	278,739	297,015	624,158	624,158	624,158
▼ Enterprise	8,881,868	8,266,272	12,285,654	32,501,182	32,501,182	32,501,182
Water Fund	1,444,565	1,892,204	1,966,980	3,981,606	3,981,606	3,981,606
Sewer Fund	2,143,010	2,486,015	3,100,254	6,710,846	6,710,846	6,710,846
Water Reserve Fund	806,492	1,250,720	3,573,376	12,993,034	12,993,034	12,993,034
Sewer Reserve Fund	4,487,801	2,637,333	3,645,044	8,815,696	8,815,696	8,815,696
<b>Total</b>	<b>26,378,884</b>	<b>37,344,729</b>	<b>56,698,695</b>	<b>133,638,056</b>	<b>133,638,056</b>	<b>133,638,056</b>

## City Wide Consolidated Expenditures by Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ General	4,347,883	8,109,739	15,425,146	31,415,400	31,415,400	31,415,400
General Fund	4,347,883	8,109,739	15,425,146	31,415,400	31,415,400	31,415,400
▼ Special Revenue Fund	2,642,035	4,565,090	15,015,800	31,097,044	31,097,044	31,097,044
Street Fund	666,560	2,165,799	9,294,563	14,209,140	14,209,140	14,209,140
Library Fund	232,620	245,231	423,306	958,074	958,074	958,074
Refuse Fund	763,741	1,005,784	985,322	2,232,406	2,232,406	2,232,406
Building Department Fund	864,761	1,033,838	3,583,028	11,999,950	11,999,950	11,999,950
Transient Room Tax Fund	114,353	114,438	729,581	1,697,474	1,697,474	1,697,474
▶ Debt Service	0	0	4,020	8,560	8,560	8,560
▼ Capital Projects	1,125,662	3,713,143	13,968,075	38,615,870	38,615,870	38,615,870
Capital Reserve Fund	1,008,441	3,595,921	13,671,060	37,991,712	37,991,712	37,991,712
Building Reserve	117,221	117,221	297,015	624,158	624,158	624,158
▼ Enterprise	5,655,090	3,912,298	12,285,654	32,501,182	32,501,182	32,501,182
Water Fund	1,301,466	1,709,771	1,966,980	3,981,606	3,981,606	3,981,606
Sewer Fund	1,644,821	1,787,217	3,100,254	6,710,846	6,710,846	6,710,846
Water Reserve Fund	79,015	143,204	3,573,376	12,993,034	12,993,034	12,993,034
Sewer Reserve Fund	2,629,788	272,106	3,645,044	8,815,696	8,815,696	8,815,696
<b>Total</b>	<b>13,770,671</b>	<b>20,300,269</b>	<b>56,698,695</b>	<b>133,638,056</b>	<b>133,638,056</b>	<b>133,638,056</b>

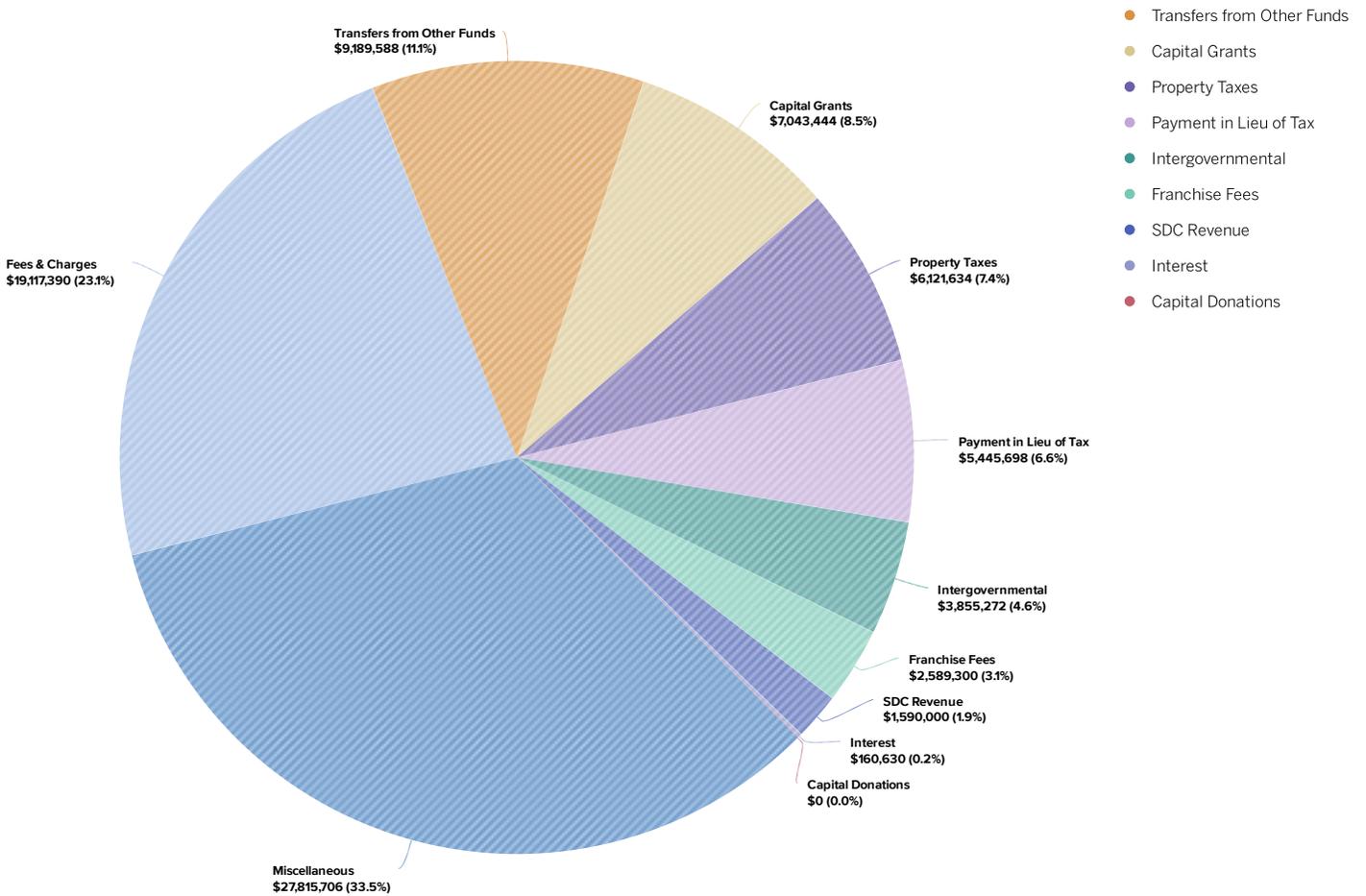
# Budget Summary: Sources and Uses of Funds

Fiscal Year 2022-23

## Revenue Trends & Assumptions

This section describes the City's major revenue sources, explains the underlying assumptions for the revenue estimates, and discusses significant revenue trends.

The revenue sources and assumptions used in this budget are summarized below. Of the available revenues anticipated in 2022-23, over 90 percent of the total is represented by these seven revenue categories: Property Taxes (7.4%), Payment in Lieu of Tax (6.6%), Fees & Charges (23.1%), Intergovernmental (4.6%), Miscellaneous (33.5%), Capital Grants (8.5%) and Transfers from Other Funds (11.1%).



## MAJOR REVENUES

### Fees & Charges (23.1%)

Charges for water, sewer, industrial wastewater, refuse, building permits and many other minor fees are charged to all users in the City of Umatilla. These fees are set by resolution and are evaluated and updated on an annual basis. The City Council approves water, sewer, and industrial wastewater rates based on costs to provide services, and within City Charter limitations. For FY2022-23 the City Council approved a 7% water and sewer rate increase that is factored into the budget based upon a comprehensive rate study completed by FCS Group in FY2020 and the historical levels of inflation we are experiencing.

### Fees and Charges by Fund, FY2020 - FY2023

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Enterprise	2,906,798	3,464,730	3,961,415	8,453,380	8,453,380	8,453,380
Sewer Fund	1,611,348	1,954,589	2,157,802	4,729,380	4,729,380	4,729,380
Water Fund	1,295,451	1,510,142	1,803,613	3,724,000	3,724,000	3,724,000
▼ Special Revenue Fund	2,166,035	2,427,211	2,328,540	8,338,000	8,338,000	8,338,000
Building Department Fund	1,244,221	1,396,968	1,088,540	5,666,000	5,666,000	5,666,000
Refuse Fund	828,034	948,874	935,000	1,986,000	1,986,000	1,986,000
Transient Room Tax Fund	93,781	81,369	305,000	686,000	686,000	686,000
▼ General	489,021	764,434	994,975	2,326,010	2,326,010	2,326,010
General Fund	489,021	764,434	994,975	2,326,010	2,326,010	2,326,010
<b>Total</b>	<b>5,561,855</b>	<b>6,656,376</b>	<b>7,284,930</b>	<b>19,117,390</b>	<b>19,117,390</b>	<b>19,117,390</b>

### Property Taxes (7.4%) and Payment in Lieu of Tax (6.6%)

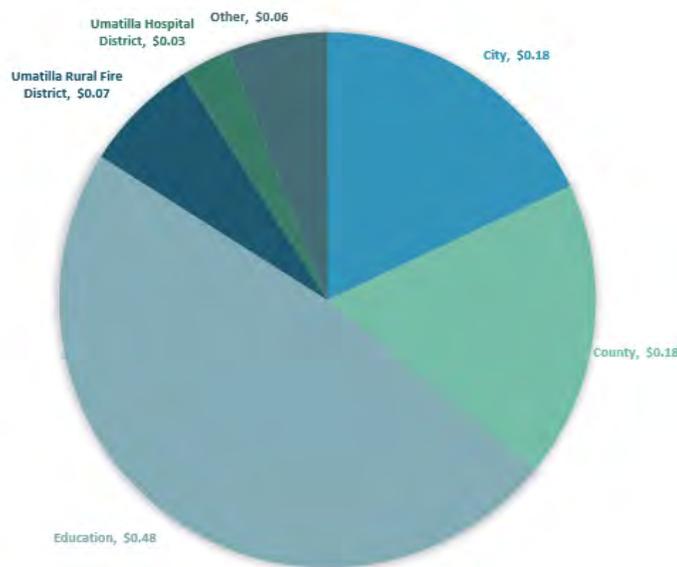
To date, we have received nearly \$2.3 million in Community Service Fee (CSF) revenue related to the enterprise zone agreements on the first four buildings of PDX2, which includes \$564,000 from 2021-22. We allocated approximately \$1.8 million of those funds over the past two fiscal years on items such as land acquisition, the 6th Street project addition from L to Switzler, Kiwanis Falls improvements, the future Business Center land payoff and a cash contribution on the golf course purchase. We anticipate this amount to be relatively flat next year and will budget \$560,000 to be conservative. This leaves a total available balance of just over \$1,000,000.

In the current fiscal year, we received the third set of payments resulting from the SIP agreement on the fifth building of PDX2 and the PDX63 campus. The first category of payments is ad valorem taxes in which the first \$25 million in real market value shall be taxable at its assessed value. We received the full \$73,000 in additional annual property tax revenue for 2021-22. The second category is the Community Service Fee (CSF) in an amount equal to 25% of the property taxes that would be due on the exempt property, not exceeding \$500,000 in any year for 15 years. An agreement was made in July 2018 to distribute the \$500,000 among the city and the special taxing districts. The City's maximum annual distribution will be \$91,197 and the full amount was received in this fiscal year. This payment will remain the same for the full 15-year period. To date, we have received \$295,000 and allocated \$235,000 of these funds towards marina and RV park improvements and city camera upgrades in the current fiscal year. We anticipate our full payment of \$91,197 in 2022-23 which would leave us with a total of \$150,800 in reserve. The third category is the Additional Annual Improvement Payment of \$4 million per year for 15 years. This payment is to be split between the City and Umatilla County. Both entities will

receive \$2 million annually with the second payment received in the current fiscal year. So far, we have appropriated approximately \$4.4 million of those funds on items such as our water master plan update, Business Center reserve, capital expansion reserve, golf course improvements, and marina and police department facility design. We anticipate allocating the 2022-23 payment on land acquisition, park expansion, golf course improvements, a mobile stage, shooting range and more. We expect to have approximately \$1.7 million remaining in reserve at the end of next fiscal year.

Umatilla County assesses property taxes on behalf of the county, schools, special districts and the City of Umatilla. Of this tax bill, 18% of the total is allocated to the City of Umatilla. Of every dollar paid, \$0.18 goes to the City. The remaining \$0.82 of that paid dollar is divided as follows: \$0.18 Umatilla County; \$0.48 Education; \$0.07 Umatilla Rural Fire Protection District; \$0.03 Umatilla Hospital District; and \$0.06 Other.

See chart below for property tax allocation per \$1.00 paid.



### Property Taxes and Payment in Lieu of Tax by Fund, FY2020 - FY2023

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ General	4,405,180	4,715,513	5,441,472	11,423,678	11,423,678	11,423,678
General Fund	4,405,180	4,715,513	5,441,472	11,423,678	11,423,678	11,423,678
▼ Capital Projects	54,390	56,437	61,171	143,304	143,304	143,304
Capital Reserve Fund	54,390	56,437	61,171	143,304	143,304	143,304
▼ Debt Service	566	380	200	350	350	350
Debt Service Fund	566	380	200	350	350	350
<b>Total</b>	<b>4,460,135</b>	<b>4,772,329</b>	<b>5,502,843</b>	<b>11,567,332</b>	<b>11,567,332</b>	<b>11,567,332</b>

## Intergovernmental Revenue (4.6%)

State revenues are distributed to cities based on state statute, which defines formulas incorporating population and per capita income. The League of Oregon Cities provides the source data for State Revenue Sharing projections. Pursuant to ORS 221.770, the City of Umatilla must elect to receive its proportionate share of the revenues to be apportioned to the cities by the State of Oregon for the fiscal year.

### Intergovernmental Revenue by Fund, FY2020 - FY2023

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ General	901,829	969,786	919,280	1,778,100	1,778,100	1,778,100
General Fund	901,829	969,786	919,280	1,778,100	1,778,100	1,778,100
▼ Special Revenue Fund	731,370	759,006	901,230	2,077,172	2,077,172	2,077,172
Street Fund	523,493	542,667	674,136	1,542,304	1,542,304	1,542,304
Library Fund	207,878	216,339	227,094	534,868	534,868	534,868
<b>Total</b>	<b>1,633,199</b>	<b>1,728,792</b>	<b>1,820,510</b>	<b>3,855,272</b>	<b>3,855,272</b>	<b>3,855,272</b>

## Transfers from Other Funds (11.1%)

Transfers from Other Funds occur when revenues are transferred between funds. For example, revenue is received by a fund providing an internal service such as information technology services from a fund receiving the service, where the cost of the service is shown as an expense. These transfers also occur when one fund transfers revenue to a dedicated future capital purchase or reserve account.

### Transfers from Other Funds by Fund, FY2020 - FY2023

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ General	161,781	88,300	88,480	162,560	162,560	162,560
General Fund	161,781	88,300	88,480	162,560	162,560	162,560
▼ Special Revenue Fund	50,957	117,900	251,025	217,050	217,050	217,050
Street Fund	7,000	36,900	12,525	25,050	25,050	25,050
Library Fund	22,957	35,000	40,000	40,000	40,000	40,000
Transient Room Tax Fund	21,000	46,000	198,500	152,000	152,000	152,000
▼ Capital Projects	789,596	3,579,650	4,373,310	6,798,378	6,798,378	6,798,378
Capital Reserve Fund	789,596	3,579,650	4,373,310	6,798,378	6,798,378	6,798,378
▼ Enterprise	414,107	1,090,500	820,000	2,011,600	2,011,600	2,011,600
Water Fund	3,885	165,500	0	0	0	0
Sewer Fund	4,722	0	0	0	0	0
Water Reserve Fund	155,500	415,000	230,000	680,000	680,000	680,000
Sewer Reserve Fund	250,000	510,000	590,000	1,331,600	1,331,600	1,331,600
<b>Total</b>	<b>1,416,441</b>	<b>4,876,350</b>	<b>5,532,815</b>	<b>9,189,588</b>	<b>9,189,588</b>	<b>9,189,588</b>

## Miscellaneous Revenue (33.5%)

Miscellaneous revenue makes up a large percentage of the City's total revenue. The majority of these funds reflects loan or grant reimbursements on various capital projects. For example, in the Water Reserve Fund the Other Revenue line item is comprised of Community Development Block Grant proceeds, Waterline Replacement grant proceeds and IFA loan proceeds to fund the Point of Diversion and Pump Station Upgrade project. In the General Fund, the Other Revenue line item is comprised of the City's second ARPA allocation and anticipated Enterprise Zone application revenue. In the Street Fund, the Other Revenue line item includes the Umatilla Bridge Replacement Project FEMA and loan proceeds.

### Miscellaneous Revenue by Fund, FY2020 - FY2023

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ General	63,207	549,662	1,741,289	4,495,190	4,495,190	4,495,190
General Fund	63,207	549,662	1,741,289	4,495,190	4,495,190	4,495,190
▼ Special Revenue Fund	365,992	1,882,338	7,717,098	11,013,272	11,013,272	11,013,272
Street Fund	328,304	1,819,434	7,700,348	10,898,772	10,898,772	10,898,772
Library Fund	967	3,883	1,750	4,500	4,500	4,500
Building Department Fund	36,721	59,021	15,000	110,000	110,000	110,000
▼ Capital Projects	147,521	2,236,938	3,172,922	3,465,844	3,465,844	3,465,844
Capital Reserve Fund	14,599	2,104,016	3,040,000	3,200,000	3,200,000	3,200,000
Building Reserve	132,922	132,922	132,922	265,844	265,844	265,844
▼ Enterprise	2,691,022	306,561	2,628,650	8,841,400	8,841,400	8,841,400
Water Fund	4,567	73,278	4,000	8,000	8,000	8,000
Sewer Fund	1,706	32,365	244,000	120,000	120,000	120,000
Water Reserve Fund	35,049	26,116	2,018,650	8,313,400	8,313,400	8,313,400
Sewer Reserve Fund	2,649,700	174,802	362,000	400,000	400,000	400,000
<b>Total</b>	<b>3,267,742</b>	<b>4,975,498</b>	<b>15,259,959</b>	<b>27,815,706</b>	<b>27,815,706</b>	<b>27,815,706</b>

# General Fund & Departments Within: General Fund Overview

Fiscal Year 2022-23

The General Fund is a governmental fund used to account for the City's administrative, planning, municipal court, cemetery and park maintenance, marina, police protection, code enforcement and golf course functions of the City.

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



## General Fund Budget Highlights

### *Significant Revenue Factors*

Property taxes continue to increase as a result of industrial and residential development, particularly related to the data centers. We anticipate that property tax collections will be approximately \$400,000 higher than in the previous fiscal year.

The third year of revenue from the Strategic Investment Program (SIP) was received in the 2021-22 FY. These payments, combined with the Enterprise Zone Community Service Fee (CSF), will result in total Payment in Lieu of Taxes of over \$2.7 million for the 2022-23 FY.

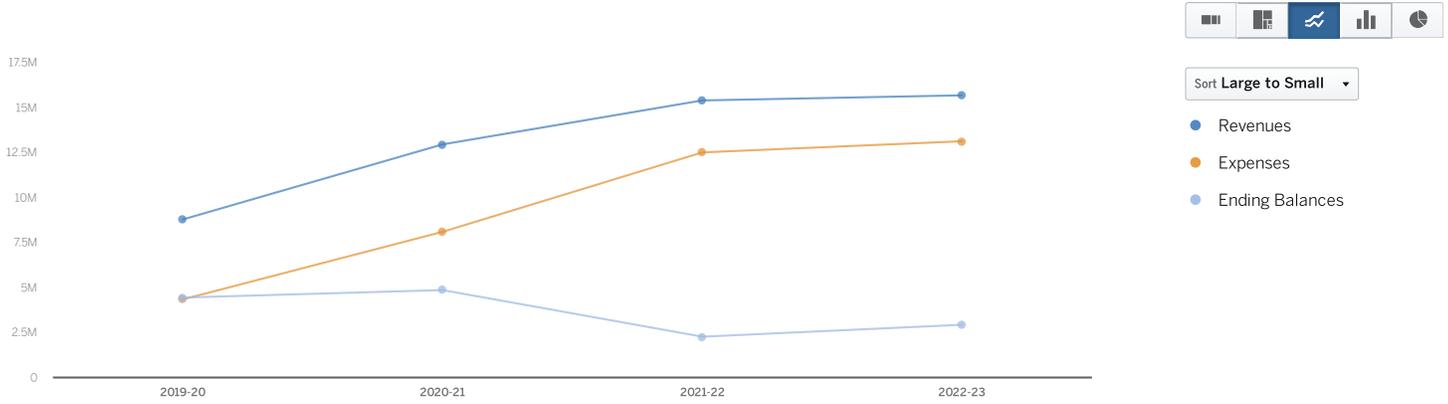
The electrical franchise cap with Umatilla Electric Cooperative was re-negotiated in March 2020 and increased to \$1 million through 2024.

Although we are very fortunate to see increased revenue, we must recognize that with significant growth, comes increased costs. Personnel costs will see increases as we implement a modest COLA, increase the total FTE count in the marina and golf course, and account for the PERS rate changes.

# General Fund Revenue and Expenditure Trends by Fiscal Year

Broken down by  
Description

Visualization



## General Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
<b>Revenues</b>	8,798,738	12,977,316	15,425,146	31,415,400	31,415,400	31,415,400
▶ Beginning Fund Balance	1,906,137	4,448,495	4,866,700	8,590,562	8,590,562	8,590,562
▶ Property Taxes	1,781,064	2,135,515	2,786,100	6,121,284	6,121,284	6,121,284
▶ Payment in Lieu of Tax	2,624,116	2,579,998	2,655,372	5,302,394	5,302,394	5,302,394
▶ Franchise Fees	811,223	1,410,211	1,337,950	2,589,300	2,589,300	2,589,300
▶ Fees & Charges	489,021	764,434	994,975	2,326,010	2,326,010	2,326,010
▶ Intergovernmental	901,829	969,786	919,280	1,778,100	1,778,100	1,778,100
▶ Interest	60,362	30,914	35,000	50,000	50,000	50,000
▶ Miscellaneous	63,207	549,662	1,741,289	4,495,190	4,495,190	4,495,190
▶ Transfers from Other Funds	161,781	88,300	88,480	162,560	162,560	162,560
<b>Expenses</b>	4,347,883	8,109,739	15,425,146	31,415,400	31,415,400	31,415,400
▶ Personnel Services	2,293,619	2,726,941	4,035,285	9,185,972	9,185,972	9,185,972
▶ Materials & Services	1,552,222	1,935,293	5,343,559	10,065,480	10,065,480	10,065,480
▶ Transfers	493,596	3,401,400	3,702,794	6,189,928	6,189,928	6,189,928
▶ Capital Outlay	8,447	46,105	83,500	100,000	100,000	100,000
▶ Operating Contingency	0	0	877,517	2,000,000	2,000,000	2,000,000
▶ Unappropriated Fund Balance	0	0	1,382,491	3,874,020	3,874,020	3,874,020
<b>Revenues Less Expenses</b>	4,450,855	4,867,577	0	0	0	0

# General Fund & Departments Within: Administration

Fiscal Year 2022-23



The Administration Department consists of the five main sections as listed below. These sections define the Administration Department for operating and budget adoption purposes.

## **City Manager's Office**

The City Manager is in charge of day-to-day operations of the city, ensuring that all functions of the city perform in an effective and efficient manner. This is done through planning, review and evaluation of services. The Manager also works to implement the policies and goals established by the City Council through resolutions, ordinances and budget.

## **City Hall**

Includes maintenance expenditures for City Hall and City owned property not otherwise assigned to a specific fund or department such as the Umatilla Community Center.

## **Mayor and City Council**

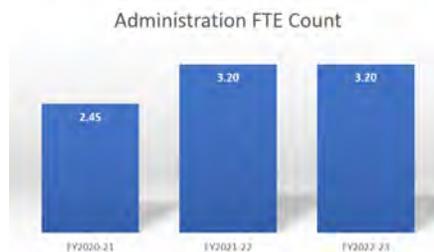
We continue to budget for training opportunities for the Mayor and City Council members including funds for the Oregon Mayors Association Conference and the League of Oregon Cities Conference. We also include funds for an annual goal setting retreat and local training opportunities.

## Finance & Administrative Services

The Finance & Administrative Services Department coordinates the preparation of the City’s annual budget and provides valuable financial information to the City’s Budget Committee and City Council. It is essential that the City’s decision makers have current, accurate financial information when determining budgetary priorities and levels of service. This department provides accounting services for all City financial operations, including payroll and fringe benefits, accounts payable, accounts receivable and general ledger accounting. The department also performs all Human Resources functions such as administering labor relations, classification and compensation and employee benefits. The department provides policy guidance and acts as an internal consultant on human resources-related issues; implements and manages the attraction and selection of City employees; maintains and equitable and competitive salary and benefits structure; coordinates required and career development training programs for City employees; and strives to promote and maintain a positive labor relations climate between the employee bargaining unit and the City.

### City Recorder

The City Recorder is responsible for the maintenance of all city records and documents, as well as the public notification process. The recorder performs a variety of duties supporting the City Council, City Manager and Committees, Boards, and Commissions and maintains responsibility for the City's municipal codes for resolutions and ordinance and serves as the City's Election Officer. The City Recorder also coordinates all Information Technology (IT) requests with the City's contracted IT Service Providers.



## Priorities & Performance Measures - City Council

### Priority

Hold regular City Council meetings to discuss and set policy direction.

### Outcomes

The Umatilla City Council holds a regular City Council meeting once per month, as well as a work session once per month. When necessary, the City Council holds executive sessions per ORS 192.660. The City Council is committed to professional and transparent public meetings where they set policy direction for the City.

Measure	FY2020-21	FY2021-22
Regular City Council Meetings Held	12	12
City Council Work Sessions/Special Meetings Held	12	12
City Council Executive Sessions Held	26	25
Ordinances Adopted	2	10
Resolutions Adopted	62	48

Measure	FY2020-21	FY2021-22
Social Media Outlets Managed by the City	3	14
City Facebook Followers	1,203	3,567
City Twitter Followers	34	81
City Instagram Followers	533	790
City Newsletter Editions	4	4
Website Sessions	63,291	6,277
Unique Website Users	43,328	42,945

## Priorities & Performance Measures - City Recorder

### Priority

Maintain open and transparent communication with the public to keep them informed on City business.

### Outcomes

The City of Umatilla strives to provide open and transparent communications to the community and the media. The City Recorder serves as the Public Information Officer and provides oversight of the outward facing communications in order to provide a clear and consistent message to the public. Providing the information on a variety of outlets and platforms allows the message to reach a diverse population.

## Priorities & Performance Measures - Finance & Administrative Services

### Priority

Maintain professional financial management of the City's operations.

### Outcomes

The City of Umatilla strives to provide professional financial management for all City operations. Maintaining the integrity of our financial positioning is important to keep our operations sustainable, efficient, effective and stable.

Measure	FY2020-21	FY2021-22
Independent Auditor Opinion	Unmodified	Unmodified (projected)
GFOA Distinguished Budget Presentation Award	Yes	Yes
Credit Rating	A	A

## Administration Budget Highlights

### *Training*

This budget continues to demonstrate a strong emphasis on training. Employees will be attending trainings such as the League of Oregon Cities Conference, CityCounty Insurance Services Conference, Caselle Conference, Oregon Association of Municipal Records Conference, Government Finance Officers Association Conference and International City/County Management Association Conference.

### *Technology*

There are several technology upgrades incorporated into this budget. These are reflected in the increased line items for minor computer equipment and computer licenses/support. Below is a list of several planned technology upgrades:

- Citywide camera upgrade and Wi-Fi upgrade at the Umatilla Marina & RV Park.
- The City Recorder will be implementing a document management module to help with our electronic recordkeeping and contract management.
- The Finance & Administrative Services Department will be implementing an online W-2 and paystub module.

### *COVID-19*

The American Rescue Plan Act of 2021 (ARPA) was signed into law by President Biden on March 11, 2021. The ARPA is a \$1.9 trillion economic stimulus bill. Within ARPA, the Coronavirus State and Local Fiscal Recovery Fund provides \$350 billion for states, municipalities, counties, tribes, and territories, including \$130.2 billion for local governments split evenly between municipalities and counties. The City's ARPA distribution will be approximately \$1.6 million, to be received in two equal payments one year apart from each other. The second payment will be received in the 2022-23 fiscal year and the entire allocation has been earmarked towards the Umatilla Business Center construction project.



# General Fund: Administration Department

Data

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Personnel Services	209,393	311,509	468,687	973,958	973,958	973,958
Salaries & Wages	154,085	219,404	312,892	646,972	646,972	646,972
Employee Benefits	55,308	92,106	155,795	326,986	326,986	326,986
▼ Materials & Services	317,199	542,941	2,166,399	1,824,110	1,824,110	1,824,110
City Attorney	37,249	24,438	50,000	100,000	100,000	100,000
Engineering	0	0	10,000	412,000	412,000	412,000
Minor Computer Equipment	0	29,090	35,600	80,000	80,000	80,000
Supplies	7,203	6,844	9,100	16,000	16,000	16,000
Postage	2,177	34	2,100	4,200	4,200	4,200
Heat/Light	0	3,169	5,200	10,600	10,600	10,600
Telephone	2,264	3,707	3,300	15,000	15,000	15,000
Printing/Advertising	8,618	17,646	20,500	41,000	41,000	41,000
Training/Travel	14,051	4,575	31,420	75,200	75,200	75,200
Insurance	2,756	3,159	4,000	9,870	9,870	9,870
Audit	16,505	26,200	30,000	60,000	60,000	60,000
Elections	0	-20	1,000	2,000	2,000	2,000
Umatilla Promotion	3,848	2,307	5,000	20,000	20,000	20,000
City Merchandise	0	2,270	15,000	35,000	35,000	35,000
Dues and Fees	12,248	11,958	14,090	32,180	32,180	32,180
COVID-19 Relief	0	230,026	1,625,189	0	0	0
Building Maintenance	12,722	6,949	18,000	80,000	80,000	80,000
Safety Committee	0	268	2,500	5,000	5,000	5,000
Lease/Easement Renewals	1,923	0	8,000	16,000	16,000	16,000
Miscellaneous	30,837	14,147	25,000	50,000	50,000	50,000
Mayor & Council Expenses	6,871	1,243	17,400	34,800	34,800	34,800
City Manager Expenses	347	3,125	5,000	10,000	10,000	10,000
Employee Education Assistance	236	380	10,000	20,000	20,000	20,000
Computer Licenses/Support	120,889	144,420	201,500	655,260	655,260	655,260
Staff Support/Meetings	7,219	7,006	17,500	40,000	40,000	40,000
Enterprise Zone CSF Funds	29,235	0	0	0	0	0
<b>Total</b>	<b>526,592</b>	<b>854,450</b>	<b>2,635,086</b>	<b>2,798,068</b>	<b>2,798,068</b>	<b>2,798,068</b>

# General Fund & Departments Within: Community Development

Fiscal Year 2022-23

The Community Development Department was created in 2017. For operational purposes, this department includes Planning, Economic Development and Building. For budget purposes, this section includes the Planning and Economic Development divisions. The Building division has its own budget section.

The Community Development/Planning Department, under the direction of the Community Development Director, provides four primary services: current planning, long-range planning, citizen involvement, and economic development. They also initiate and facilitate community dialogues about how the community would like to see Umatilla grow now and in the future.

## **Core Services**

### *Current Planning*

- Direct and administer the day to day land use, development and zoning related activities of the City.
- Respond to citizen issues regarding alleged land-use offenses.

### *Long Range Planning*

- Maintain and update the comprehensive plan; analyze and forecast economic growth related trends; and, assist in the preparation of utility master plans (i.e., transportation, water, sewer and parks) as per local, state or federal dictates.
- Initiate strategic long-range plans that reflect the community's values and opportunities.
- Inform the City Council on matters of land use policy that affect Umatilla

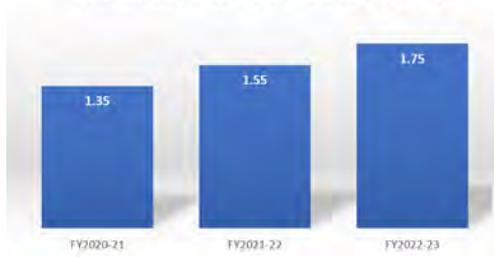
### *Citizen Involvement*

- Support the Umatilla Planning Commission.
- Ensure that the City is reaching out and allowing opportunities for public input and engagement in city planning activities.
- Continue to promote public outreach as the hallmark of city programs and projects.

### *Economic Development*

- Advise and assist public, business and industry, and other agencies directly or indirectly involved in Umatilla's economic development.
- Work as a partner in collaboration with the Umatilla Chamber of Commerce and Port of Umatilla to promote economic development within the city.

### Community Development FTE Count



## Priorities & Performance Measures

### Priority

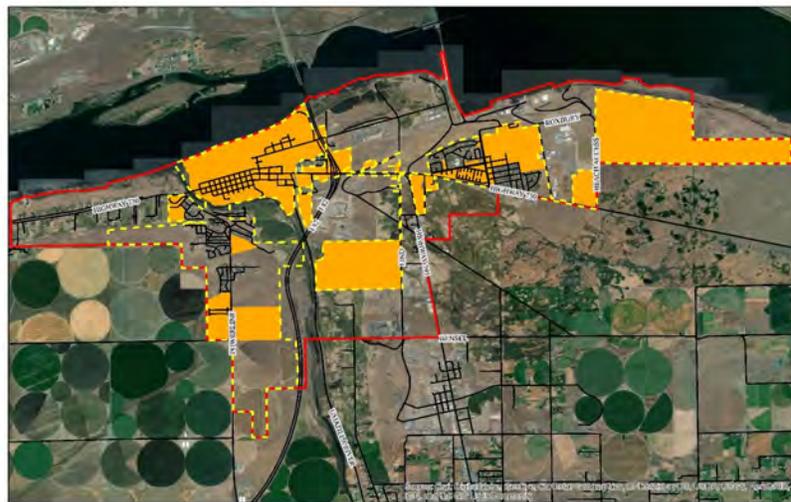
Provide professional and timely land use and application processing services for developers, business, and property owners.

### Outcomes

The Planning Division of Community Development is committed to assisting the public, business owners, and developers navigate the land use process. Through pre-development meetings, over-the-counter contacts, and processing applications, they work with applicants to make their projects successful.

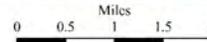
FY20-21 Planning Applications	
Category	Jun 2021
Site Plan Review	7
Zoning Permit	7
Partitions	4
Subdivision	3
Plan Amendment	3
Other	4

FY21-22 Planning Applications	
Category	2022
Zoning Permit	13
Partitions	8
Site Plan Review	5
Property Line Adjustment	5
Subdivision	2
Other	11



**Legend**

- Umatilla City Limits
- Urban Growth Boundary
- Streets
- Greater Umatilla Enterprise Zone



**MAP DISCLAIMER:** No warranty is made as to the accuracy, reliability, or completeness of this data. Map should be used for reference purposes only. Not survey grade or for legal use. Created by Brandon Nicks, on 7/8/2019

# Community Development Budget Highlights

## *Staffing*

The 2022-23 budget incorporates several staff changes in the Community Development Department. With the creation of the new Parks & Recreation Department, the Community Development Coordinator has been eliminated and converted to two Recreation Coordinator positions outside of the department. The Development & Recreation Manager will be staying in Community Development but taking on more economic development duties and transferring her recreation duties to Parks & Recreation. This budget also includes the creation of a second Building Inspector position to increase efficiency in the Building Department.

## *Consultants*

The planning department has budgeted \$723,500 in consulting fees to include a homeless solution consultant, a GIS consultant, a Transportation System Plan update and other minor engineering or consulting needs.

## *New Business Grant Program*

In the 2021-22 fiscal year, the City created an all-new Local Business Grant program which was very successful. This grant provides funding to new or existing businesses looking to expand their business or make needed facility improvements. It can also be combined with the Downtown Façade Grant if the business is located in the downtown. For the upcoming year, the allocation is increasing by \$50,000, for a total of \$275,000. The Downtown Façade Grant allocation is remaining flat at \$175,000.



## General Fund: Community Development Department

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Personnel Services	142,011	140,398	211,911	506,668	506,668	506,668
Salaries & Wages	102,584	92,888	136,445	325,262	325,262	325,262
Employee Benefits	39,427	47,510	75,466	181,406	181,406	181,406
▼ Materials & Services	211,891	133,361	873,500	2,724,600	2,724,600	2,724,600
City Attorney	49,808	7,200	50,000	100,000	100,000	100,000
Engineering/Consultants	96,390	62,194	301,000	1,447,000	1,447,000	1,447,000
Capital Improvement Planning	0	0	66,000	144,000	144,000	144,000
Supplies	1,813	1,048	4,500	10,400	10,400	10,400
Printing/Advertising	5,895	5,593	6,500	10,000	10,000	10,000
Training/Travel	4,811	867	21,800	31,800	31,800	31,800
Dues and Fees	2,117	599	2,200	4,400	4,400	4,400
Downtown Facade Grants	50,484	54,943	170,000	350,000	350,000	350,000
6X26 Mural Project	0	0	23,000	70,000	70,000	70,000
Miscellaneous	440	496	2,500	5,000	5,000	5,000
Planning Commission Expenses	135	600	1,000	2,000	2,000	2,000
Computer Support	0	-180	0	0	0	0
New Business Grant Program	0	0	225,000	550,000	550,000	550,000
<b>Total</b>	<b>353,902</b>	<b>273,759</b>	<b>1,085,411</b>	<b>3,231,268</b>	<b>3,231,268</b>	<b>3,231,268</b>

# General Fund & Departments Within: Municipal Court

Fiscal Year 2022-23

The Umatilla Municipal Court is part of the integrated judicial system for Oregon and serves as the judicial system for the City of Umatilla. This court handles traffic and criminal misdemeanor violations, Port of Entry citations and City ordinance violations.



## Priorities & Performance Measures

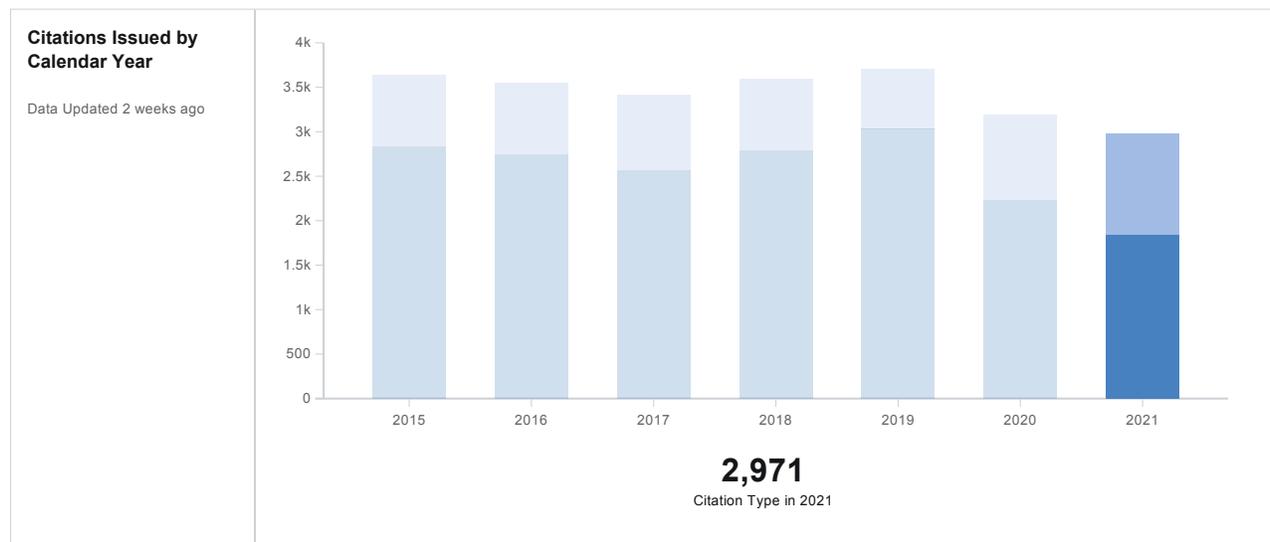
### Priority

Management and processing of citations submitted to the Municipal Court.

### Outcomes

Effectively managing the citations submitted to the Umatilla Municipal Court allows defendants to work through the local judicial system in an efficient manner, while providing a high level of service and care.

## Citations issued by the Oregon Department of Transportation (ODOT) and the Umatilla Police Department (UPD) by year.



# Municipal Court Budget Highlights

## Staffing

Judge Krogh continues to contract with the City part-time and the Court Clerk has taken over the daily administrative functions of the Municipal Court.

## Training

The 2021-22 budget allocated additional funds to court training for the Court Clerk to begin the Oregon Association for Court Administration (OACA) Certification Program. Due to COVID protocols, there was no training offered last year but this budget continues to allocate those funds so that the Court Clerk can attend the in person conference scheduled for October 2022.

## Pass-Through Funds

Municipal Court collections are expected to decrease by approximately 15% in the upcoming fiscal year. The number of citations issued by the Oregon Department of Transportation (ODOT) at the Port of Entry has steadily declined over the past few years. It has been several years since the rules changed about having a trip permit prior to entering Oregon and now trucking companies are more prepared, causing less violations.

## General Fund: Municipal Court Department

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Personnel Services	89,630	99,472	109,247	234,290	234,290	234,290
Salaries & Wages	64,486	69,635	75,876	157,384	157,384	157,384
Employee Benefits	25,144	29,837	33,371	76,906	76,906	76,906
▼ Materials & Services	366,204	347,427	438,150	722,900	722,900	722,900
Officiation Services	500	900	1,000	2,400	2,400	2,400
Attorney Fees	0	0	2,000	4,000	4,000	4,000
NSF Checks	1,140	550	1,500	3,000	3,000	3,000
Supplies	2,180	2,330	2,250	4,500	4,500	4,500
Postage	19	0	50	200	200	200
Telephone	574	534	600	600	600	600
Training/Travel	1,600	622	6,750	13,500	13,500	13,500
Insurance	1,872	2,049	2,300	5,500	5,500	5,500
Refunds	22,312	21,552	24,000	48,000	48,000	48,000
Dues and Fees	827	440	600	1,200	1,200	1,200
State and County Assessments	335,099	318,375	382,500	630,000	630,000	630,000
Miscellaneous	81	75	14,600	10,000	10,000	10,000
<b>Total</b>	<b>455,833</b>	<b>446,899</b>	<b>547,397</b>	<b>957,190</b>	<b>957,190</b>	<b>957,190</b>

# General Fund & Departments Within: Parks & Recreation

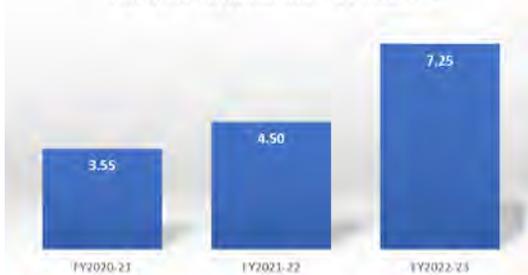
Fiscal Year 2022-23



The 2022-23 budget incorporates the creation of an all new Parks and Recreation Department which is responsible for providing recreation activities and special events to the community, as well as oversight of the office operations at the Umatilla Marina & RV Park and Big River Golf Course.

The Parks and Recreation Department is also responsible for the maintenance and operation of the city’s parks and open space. The City has more than 227 acres of parkland including the Umatilla Marina & RV Park and Big River Golf Course. There are 18 parks in total, 12 are owned and operated by the City and 5 are US Army Corps properties. The maintenance portion of the city park facilities currently falls under the supervision of Public Works.

Parks & Recreation FTE Count



## Priorities & Performance Measures

### Priority

Support and maintain parks and natural areas, and provide public facilities that enhance the quality of life for all residents of Umatilla.

### Outcomes

Utilizing established and proven maintenance standards and construction practices, the City of Umatilla is able to provide efficient and effective methods for maintaining the parks program.

Measure	FY2021-22	FY2021-22
Acres of City Park Land	230	230
Number of City Parks	18	18
Miles of Trails Maintained	34	34
Miles of Sidewalks	17	17

Measure	FY2020-21	FY2021-22
Recreation Programs Offered	10	29

### Priority

To sustain, grow, and enhance the City's Livability and Quality of Life by supporting and increasing public safety; encouraging increases in public health initiatives like community and private investments in medical facilities, wellness programs, and recreational activities; and emboldening a local culture that supports, encourages, promotes, and solicits events, festivals, and public gathering opportunities.

### Outcomes

Participating in recreational activities provides a wide variety of benefits for our community and its' residents. These benefits include promoting physical health, reducing stress, connecting families, developing strong communities, increasing community pride and reducing vandalism and crime.



# Parks and Recreation Budget Highlights

## *Consulting*

This budget includes \$37,500 in consulting fees for engineering assistance on conceptual designs of neighborhood parks and assistance with grant applications.

## *Recreation*

This budget continues to emphasize recreation and events. The approved budget includes a significant increase to the programming budget as well as funding for recreation equipment such as a new outdoor cinema system for the annual Movies in the Park series.

## *Maintenance*

The parks crew will be focusing on several maintenance projects in the 2022-23 fiscal year, including installing power from the McFarland wellhouse to the cemetery grounds for night and flag lighting at an estimated cost of \$5,000 and paving the 10,500 square foot Pioneer Memorial Cemetery lot at an estimated cost of \$33,600.



## General Fund: Parks & Recreation Department

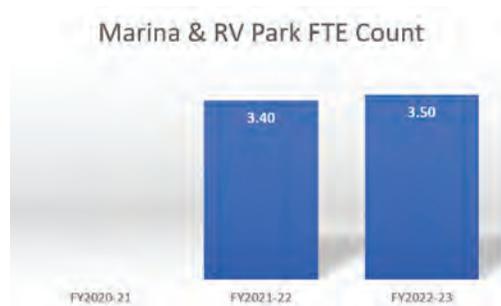
Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Personnel Services	304,568	322,116	496,367	1,462,076	1,462,076	1,462,076
Salaries & Wages	208,176	211,216	327,250	941,592	941,592	941,592
Employee Benefits	96,391	110,900	169,117	520,484	520,484	520,484
▼ Materials & Services	115,003	166,990	294,250	839,000	839,000	839,000
Minor Recreation Equipment	0	0	0	32,000	32,000	32,000
Community Garden	0	0	25,000	100,000	100,000	100,000
Engineering	19,775	69,153	70,000	190,000	190,000	190,000
Supplies	869	553	600	1,200	1,200	1,200
Training/Travel	9,134	809	21,450	57,900	57,900	57,900
Insurance	931	1,019	1,200	5,100	5,100	5,100
Uniform Allowance	669	984	1,200	3,100	3,100	3,100
Gas/Oil	8,684	8,566	7,800	39,000	39,000	39,000
Electricity	4,165	4,267	4,300	9,500	9,500	9,500
Dues and Fees	146	2,182	2,000	9,000	9,000	9,000
Equipment Operation	10,702	9,212	15,000	35,000	35,000	35,000
Park Maintenance	36,039	47,489	75,000	187,200	187,200	187,200
Recreation Programs	12,407	15,426	53,200	123,000	123,000	123,000
Tree Maintenance/Program	10,000	5,526	15,000	30,000	30,000	30,000
Miscellaneous	1,415	1,770	1,500	15,000	15,000	15,000
Park & Rec Committee Expenses	67	33	1,000	2,000	2,000	2,000
▼ Capital Outlay	0	37,495	40,000	0	0	0
Equipment	0	1,698	25,000	0	0	0
Recreation Equipment	0	35,797	15,000	0	0	0
<b>Total</b>	<b>419,571</b>	<b>526,602</b>	<b>830,617</b>	<b>2,301,076</b>	<b>2,301,076</b>	<b>2,301,076</b>

# General Fund & Departments Within: Umatilla Marina & RV Park

Fiscal Year 2022-23



The City of Umatilla operates the Umatilla Marina & RV Park under a long-term lease with the US Army Corps of Engineers. The RV Park offers 35 spacious RV and tent sites with incredible views of the Columbia River. The Umatilla Marina offers berthing for up to 97 boats ranging in length from 24 to 60 feet.



Note: Prior to the 2021-22 fiscal year, the Umatilla Marina & RV Park was managed through the use of independent contractors.

# Marina & RV Park Budget Highlights

## *Maintenance*

We have allocated \$8,000 towards aquatic plant and algae management in the marina next year. Currently, the milfoil is negatively impacting boat traffic.

## *Marina Improvements*

The Umatilla Marina was completed spring 1991. The average lifespan of a marina built in the 1990s is 15-20 years due to the technologies/engineering of marinas during this time. The Umatilla Marina has reached the end of its useful life and is needing a full replacement. We have missing floatation, twisted fingers, splintering boards, missing hardware, and both significant potable water and electrical issues, not to mention an entire dock that has been decommissioned for more than 5 years.

The Umatilla Marina is a well-used marina with seemingly countless potential. In the 2021-2022 fiscal year we allocated \$300,000 to design an all-new state-of-the-art marina. We only spent approximately \$10,000 of that allocation. This budget carries over the unused funds and adds another \$100,000 to the design allocation, for a total of \$390,000. The new marina would include: covered single-berth slips, uncovered single berth slips, aluminum or steel framed docks, engineered decking or concrete, encapsulated floats and other highly buoyant materials, well-spaced navigable fairways, reliable and safe potable water, electrical hookups at each slip, updated sewer pumping system(s), high speed internet, new gangways and entries, replaced abutments, and other features and amenities.

The design process would include utilization of a marina design contractor in close consultation with the United States Army Corps of Engineers (USACE), the Oregon State Marine Board (OSMB), the Oregon Department of State Lands (DSL) and others. USACE prefers and often requires designed/engineered site plans in order to apply for their required permits. The permitting process can take several months to a year. In a lightning quick scenario, it will take a minimum of three years (most likely 4-5) from start today to ribbon cut in the future.

## *Restroom and Parking Lot Improvements*

Last year, the city submitted a grant application to OSMB for installation of a pre-fabricated restroom, corresponding utilities and installation of new sidewalk to the restroom near the fish cleaning station. We did not receive the grant but OSMB provided great feedback. They support the project and want to see a master plan of the entire park. We have been working on the conceptual design in this fiscal year and would like to have OSMB assist with design of the parking lot improvements and ramp relocation in the next fiscal year. OSMB will provide design assistance at no cost and we will allocate \$35,000 for our city engineer to provide consultation as well as associated permitting expenses.



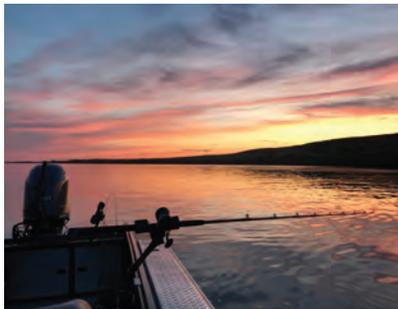
## Current Marina and RV Park Rates:

RV Sites \$40/night

Tent Sites \$20/night

Moorage ranges \$75-\$180/month depending on dock and maximum boat length

Dry Storage \$50/month with discount available for moorage customers



## General Fund: Marina & RV Park Department

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▶ Personnel Services	0	13,851	217,647	498,300	498,300	498,300
▼ Materials & Services	292,289	275,311	533,925	1,412,500	1,412,500	1,412,500
Uniform Allowance	0	0	0	4,000	4,000	4,000
Attorney Fees	580	0	10,000	50,000	50,000	50,000
Contracted Services	112,008	84,370	300,000	869,200	869,200	869,200
Supplies	4,448	5,943	7,000	15,000	15,000	15,000
Postage	312	312	325	750	750	750
Fuel/Oil/Ice for Resale	22,819	24,332	25,000	70,000	70,000	70,000
Telephone	3,675	4,343	4,800	8,000	8,000	8,000
Printing/Advertising	8,895	8,614	10,000	28,000	28,000	28,000
Insurance	12,718	11,798	14,000	33,950	33,950	33,950
Refunds	2,107	1,952	2,500	10,000	10,000	10,000
Electricity	33,081	35,665	37,800	75,600	75,600	75,600
Dues and Fees	26,641	21,052	30,000	44,000	44,000	44,000
Park Maintenance	50,573	58,920	75,000	166,000	166,000	166,000
Transient Room Tax	14,433	18,011	17,500	38,000	38,000	38,000
▼ Capital Outlay	0	0	10,000	0	0	0
Equipment	0	0	10,000	0	0	0
<b>Total</b>	<b>292,289</b>	<b>289,162</b>	<b>761,572</b>	<b>1,910,800</b>	<b>1,910,800</b>	<b>1,910,800</b>

# General Fund & Departments Within: Police Department

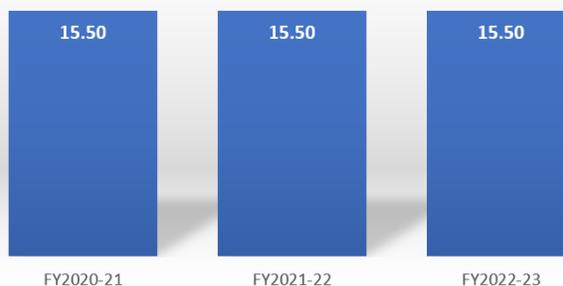
Fiscal Year 2022-23

It is the mission of the Umatilla Police Department to provide a fast, effective and professional service to the citizens and guests of the City of Umatilla. We strive to accomplish our 3 R's of policing: Doing the RIGHT thing, For the RIGHT reason, At the RIGHT time. All to protect constitutional guarantees and create an environment of safety, security and respect while maintaining partnerships between the community and police.

Members of the Umatilla Police Department value integrity, honesty, teamwork, respect, interagency relationships, dedication to the protections and preservation of life, harmonious relations with the public, commitment to the guidance of our youth and the success and safety of our fellow officers.



Police FTE Count



## Priorities & Performance Measures

### Priority

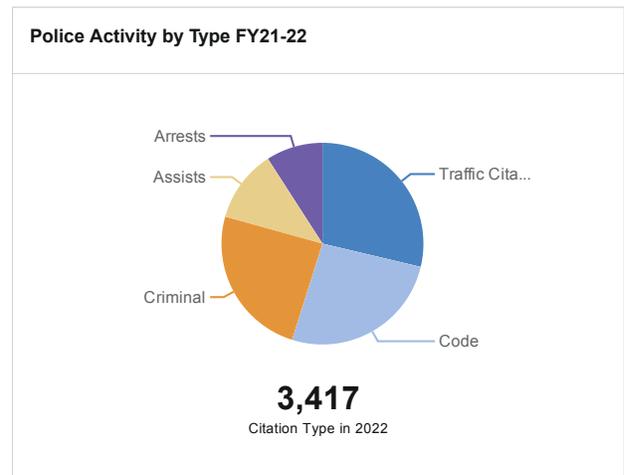
Increase public safety by professionally promoting safety and livability through education and enforcement.

### Outcomes

The Umatilla Police Department utilizes best practices and frequent training to ensure that patrol operations meet a high professional standard. Education and enforcement of laws helps ensure the livability and quality of life that is a priority for the City of Umatilla.

Measure	FY2020-21	FY2021-22
Police Training Hours	842	1128

Police Activity by Type FY21-22	
Category	Jun 2022
Traffic Citations	981
Code	894
Criminal	835
Assists	396
Arrests	311



## Police Department Budget Highlights:

### Staffing

This budget captures year two of the current police collective bargaining agreement that is in effect through June 30, 2024. The agreement grants a salary increase of 3.5% per year.

### Dispatch Fees

The City continues to contract with Umatilla County for dispatch services. The amount due for the 2022-23 fiscal year is \$136,810, which is a 10% increase from the previous year.

## Equipment

The police department submitted several equipment requests for FY2023 that were funded. These expenditures are funded through transfers to the Capital Reserve Fund and include:

- The cost to purchase and outfit two new patrol vehicles \$97,200
- Taser replacement \$7,950
- Milo training simulator \$40,000

## Capital Projects

### Outdoor Shooting Range

The Master Parks Plan is anticipated to be adopted this summer. Second only to an Indoor Aquatic Center, the draft plan has identified an Outdoor Shooting Range as one of the community's most desired amenities. This project will require the purchase or lease of land and development of the range. We have allocated \$400,000 and will actively seek grant funding to assist with the project.

### Design of new Police Department Building

Our Police Department building is showing its age and has been for quite some time. As our community continues to grow at these historic rates, the need to continue to hire additional officers and provide suitable modern police facilities with enough space and training areas is critical to the success of keeping our community safe. We have allocated \$400,000 to begin the design process of replacing our existing Police Department this year and will aggressively pursue grant funding to construct the building next year. Once funding is secured, we will begin construction, likely occurring in three years, starting in FY24/25. These plans are the key to initialize this process.



## General Fund: Police Department

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Personnel Services	1,443,165	1,682,295	1,960,740	4,211,868	4,211,868	4,211,868
Salaries & Wages	938,295	1,076,125	1,241,615	2,669,150	2,669,150	2,669,150
Employee Benefits	504,870	606,170	719,125	1,542,718	1,542,718	1,542,718
▼ Materials & Services	242,962	281,665	613,775	1,586,120	1,586,120	1,586,120
Engineering	0	0	200,000	800,000	800,000	800,000
Minor Equipment	3,656	1,956	5,000	10,000	10,000	10,000
Supplies	6,122	7,514	10,000	20,000	20,000	20,000
Postage	285	368	300	1,000	1,000	1,000
Heat/Light	7,401	8,058	8,550	16,500	16,500	16,500
Telephone	17,089	16,047	20,000	38,500	38,500	38,500
Training/Travel	12,176	11,008	15,000	40,000	40,000	40,000
Insurance	8,048	10,776	12,000	28,600	28,600	28,600
Uniform Allowance	6,917	7,747	10,000	24,000	24,000	24,000
Physicals	2,166	1,331	3,600	7,200	7,200	7,200
Gas/Oil	24,615	26,977	28,000	96,000	96,000	96,000
Legal Services	0	0	1,000	2,000	2,000	2,000
Dues and Fees	2,238	3,244	3,500	7,000	7,000	7,000
Equipment Operation	7,548	8,855	16,000	32,000	32,000	32,000
Building Maintenance	18,839	16,643	35,500	34,000	34,000	34,000
Vehicle Maintenance	22,219	17,575	21,850	43,700	43,700	43,700
Interpretors	0	0	200	400	400	400
School Resource Officer	0	4,840	10,000	20,000	20,000	20,000
Dispatch Fees/Coverage	83,880	103,880	144,180	273,620	273,620	273,620
Miscellaneous	9,656	26,640	24,000	48,000	48,000	48,000
Accred Police Dept/Lexipol	5,523	6,567	6,900	15,400	15,400	15,400
Reserve Officers	331	276	1,500	3,000	3,000	3,000
Contractual Services	1,674	0	34,095	20,000	20,000	20,000
Dog Holding Facility	2,580	1,365	2,600	5,200	5,200	5,200
▼ Capital Outlay	8,447	8,610	33,500	100,000	100,000	100,000
Safety Equipment	3,334	0	8,500	10,000	10,000	10,000
Equipment	5,113	8,610	25,000	90,000	90,000	90,000
<b>Total</b>	<b>1,694,574</b>	<b>1,972,570</b>	<b>2,608,015</b>	<b>5,897,988</b>	<b>5,897,988</b>	<b>5,897,988</b>

# General Fund & Departments Within: Code Enforcement

Fiscal Year 2022-23

The City’s Code Enforcement Officer is responsible for maintaining city code ordinances regarding vehicles (i.e. parking complaints, abandoned vehicles), domesticated animals (i.e. dogs running at large, nuisance animals) and properties (i.e. nuisance violations, noxious uncontrolled vegetation, junk nuisances). This department also funds the free community cleanup events that the City hosts several times each year.

Code Enforcement FTE Count



## Priorities & Performance Measures

### Priority

Provide professional and timely code enforcement services supporting an attractive, clean and safe community for Umatilla residents and businesses.

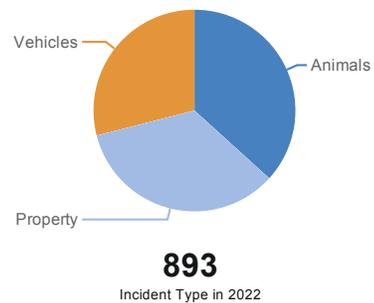
### Outcomes

The Code Enforcement Division of the Police Department is committed to assisting the public in improving the livability and quality of life in Umatilla. The Code Enforcement Officer responds to complaints in the community related to City Code, as well as works in coordination with the Police Department and Municipal Court to address violations.

Code Activity by Type FY21-22

Category	Jun 2022
Animals	328
Property	306
Vehicles	259

Code Activity by Type FY21-22



## Free Community Cleanup Event



## General Fund: Code Enforcement Department

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Personnel Services	104,852	112,320	126,976	269,610	269,610	269,610
Salaries & Wages	68,246	72,755	81,033	172,578	172,578	172,578
Employee Benefits	36,606	39,565	45,943	97,032	97,032	97,032
▼ Materials & Services	5,075	15,097	90,800	83,900	83,900	83,900
Code Enforcement/Abatement	593	135	65,000	30,000	30,000	30,000
Neighborhood Cleanups	2,109	13,885	15,000	30,000	30,000	30,000
City Attorney	0	0	1,000	2,000	2,000	2,000
Supplies	500	245	1,000	2,000	2,000	2,000
Postage	0	0	250	300	300	300
Training/Travel	827	0	3,000	6,000	6,000	6,000
Clothing Allowance	266	0	300	600	600	600
Gas/Oil	0	0	2,500	7,500	7,500	7,500
Dues and Fees	75	128	250	500	500	500
Equipment Operation	704	643	2,000	4,000	4,000	4,000
Miscellaneous	0	62	500	1,000	1,000	1,000
<b>Total</b>	<b>109,927</b>	<b>127,417</b>	<b>217,776</b>	<b>353,510</b>	<b>353,510</b>	<b>353,510</b>

# General Fund & Departments Within: Transportation

Fiscal Year 2022-23

## Subsidized Taxi Ride Service

In November 2018, the City entered into an agreement with Umatilla Cab Company to provide curb-to-curb senior and disabled transportation service to Umatilla residents anywhere within the incorporated boundaries of the City of Umatilla and City of Hermiston. The cost to the rider of a one-way ride is \$8.00 from Umatilla to Hermiston or vice versa. This program is growing in ridership each year.



## General Fund: Transportation Department

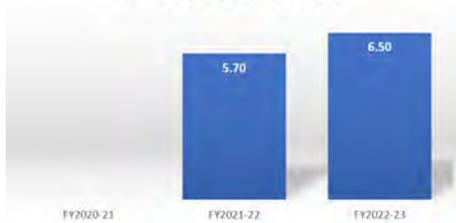
Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Materials & Services	476	1,071	5,260	10,500	10,500	10,500
Supplies	0	0	660	1,500	1,500	1,500
Taxi Program	476	1,071	4,600	9,000	9,000	9,000
<b>Total</b>	<b>\$ 476</b>	<b>\$ 1,071</b>	<b>\$ 5,260</b>	<b>\$ 10,500</b>	<b>\$ 10,500</b>	<b>\$ 10,500</b>

# General Fund & Departments Within: Golf Course

Fiscal Year 2022-23



Golf Course FTE Count



In this section, you can go into further detail. Make your content more accessible by writing short sentences, choosing words and phrases you'd use when talking to a neighbor, and avoiding jargon.

## Golf Course Budget Highlights

### *Equipment*

The golf course requested two new mowers. The first is a new John Deere 2550 E-Cut hybrid greens mower at an estimated cost of \$40,000. The newest greens mower we currently own has 4,500 hours on it. The typically trade in shelf life is 3,000 hours. The second is a John Deere 7500A precision cut fairway mower at an estimated cost of \$60,000. Our existing mower has 4,900 hours and the normal shelf life is 4,000 hours. This will cut down on mowing time and staff time needed for frequent repairs. They have also requested a John Deere 1200A bunker and field rake at an estimated cost of \$15,000 that would allow work to be done from equipment and not by hand.

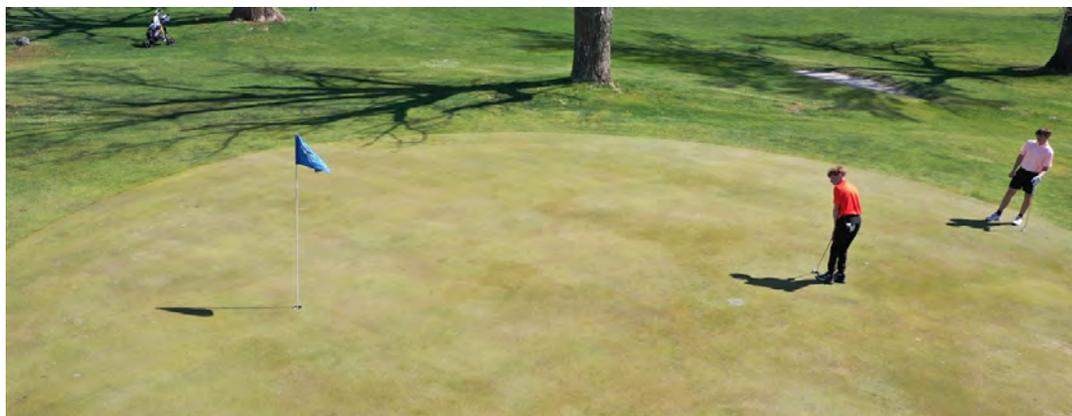
The golf course currently has 72 golf cart sheds that are available to rent out on an annual basis. This budget allocates \$70,000 to place an additional 12 cart sheds that we could immediately fill. We anticipate that we will recover \$6,500 per year in revenue on the new sheds.

### *Maintenance*

This budget allocates funds to install a new wash station to clean off and repair mowers and equipment in a safe and clean manner at an estimated cost of \$5,000. This would include installing an oil catch basin for cleanout.

### *Planning*

In the current fiscal year, our engineers put together a conceptual plan for the development of Hash Park that includes a variety of amenities including a baseball/softball sports complex, playground, dog park and open space. This budget carry forward the unused planning funds (approximately \$100,000) to develop similar concept drawings for the Golf Course and to begin design of both facilities. The City owns approximately 15 acres of residential property immediately adjacent to the golf course. We would like to sell these properties for development to meet multiple goals, including housing, funding for improvements to the golf course (which would include pro shop and club house, irrigation improvements, putting green, etc.) and other recreation amenities and features.



## General Fund: Golf Course

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Personnel Services	0	44,978	443,710	1,029,202	1,029,202	1,029,202
Salaries & Wages	0	33,952	292,509	701,084	701,084	701,084
Employee Benefits	0	11,026	151,201	328,118	328,118	328,118
▼ Materials & Services	0	170,320	326,250	861,850	861,850	861,850
Training/Travel	0	44	0	16,300	16,300	16,300
Dues and Fees	0	0	2,500	10,000	10,000	10,000
Electricity	0	0	35,000	74,200	74,200	74,200
Printing/Advertising	0	0	15,000	20,000	20,000	20,000
Pro Shop Lease	0	0	18,000	36,900	36,900	36,900
Miscellaneous	0	0	5,000	10,000	10,000	10,000
Telephone	0	1,150	2,500	3,000	3,000	3,000
Insurance	0	0	5,000	17,900	17,900	17,900
Postage	0	0	250	500	500	500
Fuel	0	0	8,000	20,000	20,000	20,000
Uniform Allowance	0	0	0	3,050	3,050	3,050
Attorney Fees	0	0	10,000	10,000	10,000	10,000
Contracted Services	0	78,280	115,000	200,000	200,000	200,000
Golf Course Operations	0	90,846	110,000	440,000	440,000	440,000
<b>Total</b>	<b>0</b>	<b>215,299</b>	<b>769,960</b>	<b>1,891,052</b>	<b>1,891,052</b>	<b>1,891,052</b>

# General Fund & Departments Within: 911 Emergency Service Center

Fiscal Year 2022-23

The Police Department has historically accounted for a dedicated T1 transmission line that is used to communicate with Umatilla County for emergency services under a 911 Emergency Service Center Department. The City has moved this expense to the Police Department budget in for the 2022-23 fiscal year as we have with the dispatch services expense.

## General Fund: 911 Emergency Service Center Department

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Materials & Services	1,122	1,110	1,250	0	0	0
T1 Line for CIS Software	1,122	1,110	1,250	0	0	0
<b>Total</b>	1,122	1,110	1,250	0	0	0

# General Fund & Departments Within: Non-Departmental

Fiscal Year 2022-23

Non-Departmental activities of the General Fund include the Operating Contingency, Transfers Out and the Unappropriated Fund Balance.

Transfers Out for the 2022-23 fiscal year include:

Purpose	Amount	To
ARPA Transfer - Business Center	\$1,625,189	Capital Reserve Fund
Park Expansion/Improvements	\$205,000	Capital Reserve Fund
Range Construction	\$40,000	Capital Reserve Fund
Golf Course Improvements	\$127,000	Capital Reserve Fund
Golf Course Equipment	\$125,000	Capital Reserve Fund
Police Vehicle	\$94,000	Capital Reserve Fund
Shop Bldg Reserve	\$10,000	Capital Reserve Fund
Minor Property Improvements	\$120,000	Capital Reserve Fund
City Camera Upgrades	\$20,000	Capital Reserve Fund
Park Equipment	\$48,250	Capital Reserve Fund
Recreation Equipment	\$41,000	Capital Reserve Fund
Marina Equipment	\$15,000	Capital Reserve Fund
City Hall Vehicle	\$16,000	Capital Reserve Fund
Regional Homeless Capital Transfer	\$500,000	Capital Reserve Fund
Library Operating Expense	\$20,000	Library Fund
Street Light Maintenance	\$12,525	Street Fund
Chamber & Museum Support	\$21,000	Transient Room Tax Fund
City Sponsored Festivals	\$55,000	Transient Room Tax Fund
<b>Total Transfers Out</b>	<b>\$3,094,964</b>	

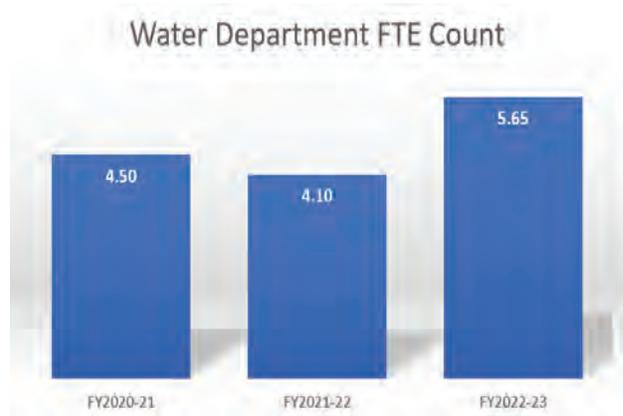
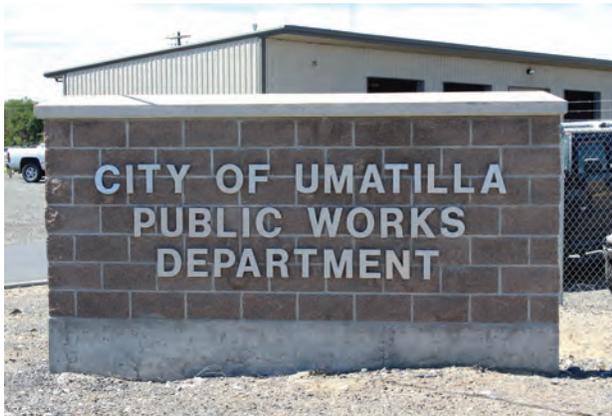
## General Fund: Non-Departmental

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Transfers	\$ 493,596	\$ 3,401,400	\$ 3,702,794	\$ 6,189,928	\$ 6,189,928	\$ 6,189,928
Transfers	493,596	3,401,400	3,702,794	6,189,928	6,189,928	6,189,928
▼ Operating Contingency	0	0	877,517	2,000,000	2,000,000	2,000,000
Operating Contingency	0	0	877,517	2,000,000	2,000,000	2,000,000
▼ Unappropriated Fund Balance	0	0	1,382,491	3,874,020	3,874,020	3,874,020
Unappropriated Fund Balance	0	0	1,382,491	3,874,020	3,874,020	3,874,020
<b>Total</b>	<b>\$ 493,596</b>	<b>\$ 3,401,400</b>	<b>\$ 5,962,802</b>	<b>\$ 12,063,948</b>	<b>\$ 12,063,948</b>	<b>\$ 12,063,948</b>

# Water Fund

Fiscal Year 2022-23

In this section, you can go into further detail. Make your content more accessible by writing short sentences, choosing words and phrases you'd use when talking to a neighbor, and avoiding jargon.



The City of Umatilla Public Works Department achieved the Oregon Health Authority's Oregon Drinking Water Services Outstanding Performance certification in 2015.

To achieve this certification, the City's water system received an onsite survey to review water system sources, treatment, storage facilities, distribution system, operation and maintenance procedures, monitoring, and management for the purpose of evaluating the system's capability of providing safe water to the public.

## Priorities & Performance Measures

### Priority

Efficiently maintain and professionally operate the City's water utility.

Measure	FY2020-21	FY2021-22
Total water produced (in millions of gallons)	508	526
Number of water utility accounts	1,729	1,806
Number of wells maintained	4	4
Number of pumps maintained	11	11
Number of reservoirs maintained	6	6
Miles of distribution pipe	47	47

### Outcomes

Providing a continuously maintained water utility system through needed repairs, maintaining reservoirs, pressure reducing valves, and pump station management ensures the highest quality of water, uninterrupted water service, and needed fire protection to the residents of Umatilla.

## Water Fund Budget Highlights

### *Rates*

Staff and FCS Group completed a water and sewer utility rate and system development charge (SDC) study in fiscal year 2019-20. The study called for a large up front increase and then three 6% annual increases, followed by 2% annual increases. Council approved a monthly water rate increase of 7% effective July 1, 2022. This is higher than the study proposed due to the historic inflation we are experiencing. The average residential customer, using 7,500 gallons, will see a \$2.32 monthly increase. These increases have allowed us to significantly increase the annual transfer to reserve to save for future infrastructure replacement and expansion.

### *Maintenance*

In the previous fiscal year, we implemented a clay valve maintenance program to replace 4 per year at an estimated cost of \$12,000. The clay valves are systematic valves that regulate and sustain water pressure throughout the city. This program will carry forward annually so that all valves are replaced every five years.

According to our recently adopted Water Master Plan, the City needs to complete several projects in the upcoming year including replacing sacrificial anodes in the Port Reservoir (\$22,000) and installing pressure relief valves (PRV) at Eagle Avenue and Powerline Road (\$113,000 each).

### *Equipment*

The water department has a small equipment request totaling \$5,000 for upgrading harnesses and equipment to safely perform their duties.

A Golf well backup generator is critical to the infrastructure of the city. Without the generator, we would be down to about half of our capacity of water. The 2021-22 budget included a \$75,000 transfer into reserves and this budget allocated the additional \$75,000 transfer needed to make the purchase in the 2022-23 fiscal year.



## Water Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	\$ 1,444,565	\$ 1,892,204	\$ 1,966,980	\$ 3,981,606	\$ 3,981,606	\$ 3,981,606
▶ Beginning Fund Balance	136,620	141,857	156,967	247,206	247,206	247,206
▶ Fees & Charges	1,295,451	1,510,142	1,803,613	3,724,000	3,724,000	3,724,000
▶ Interest	4,043	1,427	2,400	2,400	2,400	2,400
▶ Miscellaneous	4,567	73,278	4,000	8,000	8,000	8,000
▶ Transfers from Other Funds	3,885	165,500	0	0	0	0
▼ Expenses	1,301,466	1,709,771	1,966,980	3,981,606	3,981,606	3,981,606
▶ Personnel Services	528,186	519,400	548,419	1,345,686	1,345,686	1,345,686
▶ Materials & Services	575,092	691,579	897,440	1,181,600	1,181,600	1,181,600
▶ Debt Service	5,240	14,015	32,523	70,998	70,998	70,998
▶ Transfers	192,250	484,250	362,920	974,940	974,940	974,940
▶ Capital Outlay	698	527	0	0	0	0
▶ Operating Contingency	0	0	22,500	200,000	200,000	200,000
▶ Unappropriated Fund Balance	0	0	103,178	208,382	208,382	208,382
Revenues Less Expenses	\$ 143,099	\$ 182,434	\$ 0	\$ 0	\$ 0	\$ 0

Transfers Out for the 2022-23 fiscal year include:

Purpose	Amount	To
Shop Bldg Reserve	\$10,000	Capital Reserve Fund
Jet Rodder Trailer Reserve	\$20,000	Capital Reserve Fund
Golf Well Generator Reserve	\$75,000	Capital Reserve Fund
Water Dept Equipment	\$23,250	Capital Reserve Fund
Building Maintenance City Hall	\$500	General Fund
Computer Support	\$10,000	General Fund
Capital Improvement Plan	\$2,000	General Fund
City Hall Staff Rent	\$6,720	General Fund
Water Project Reserve	\$320,000	Water Reserve Fund
Electronic Meter Replacement	\$15,000	Water Reserve Fund
Hydrant Replacement	\$5,000	Water Reserve Fund
<b>Total Transfers Out</b>	<b>\$487,470</b>	

# Water Reserve Fund

Fiscal Year 2022-23

The Water Reserve Fund accounts for major capital improvement projects and infrastructure replacement of the water department. Revenue is derived from transfers from the water department, System Development Charges on new construction and reimbursements received from financing capital projects.

## Water Reserve Fund Budget Highlights

### *Final Design of Water and Sewer Extension to the Power City and Brownell Areas*

Power City and Brownell are two communities that lie within the City of Umatilla's Urban Growth Boundary, but are not provided with water or sewer service by the City. The City was recently awarded a Community Development Block Grant (CDBG) in the amount of \$734,000 for the final design of water utility extension to these areas. This project will be the first step towards closing these identified "donut holes" in the City and bringing compliant drinking water to these communities. The project commenced in FY2021-22. This budget reflects the carryover of the unused grant funds and related expenditures. The City anticipates applying for the follow up construction projects in the 2022-23 fiscal year.

### *Umatilla River Bridge - Waterline Replacement Project*

In spring 2019, flooding caused severe damage to the Umatilla River Bridge and the potable waterline that was attached to it. The following year, additional flooding caused more damage, rendering the bridge unreparable. The bridge is an important strategic piece of City infrastructure. The bridge has multiple utility uses; it is used as a major walking path for students and community members to cross the Umatilla River. It also holds a major fiber optic conduit and is the major potable water line for the South Hill neighborhoods. The South Hill area of Umatilla is seeing tremendous residential development and the City is concerned about adequate water supply and fire flow to that side of town. The City is currently utilizing a smaller waterline that had been previously shut off to provide water in the interim period but the pipeline is not viable as a permanent option. The City has worked with FEMA and JUB Engineers to develop a replacement project for both the bridge and waterline. To mitigate future damages to the bridge and waterline, the City will be installing a clear span arched steel truss pedestrian bridge with the same size of waterline mounted to the underside of the bridge. This bridge will be raised 5-10' from its' previous height.

The waterline replacement is a \$1,000,000 project. FEMA will be covering approximately \$750,000 and we anticipate a \$250,000 emergency grant from Business Oregon's Special Public Works Fund for the remainder of the project costs.

## CTUIR Point of Diversion and Pump Station Improvement Project

The city is currently working on an engineering and permitting project to enlarge and upgrade the surface water diversion and related pipeline transmission facilities located on the south bank of the Columbia River, which is owned by the CTUIR. This system will allow the city to supply the data centers with raw water to meet their cooling needs, increase the flexibility of our potable water system by adding the ability to divert water at a second site and allow CTUIR's water to be discharged to maintain the Wanaket Wildlife Refuge and Wetlands. The design portion of this project is anticipated at \$2.5 million and the city's portion of the construction is estimated at \$30 million. We will construct an interim water pipeline in the upcoming fiscal year to provide water to the data centers until the permanent infrastructure is in place the following year. The city will be applying for a loan from Business Oregon and actively pursuing grants to offset as much of the capital cost as possible.

## Water Reserve Fund

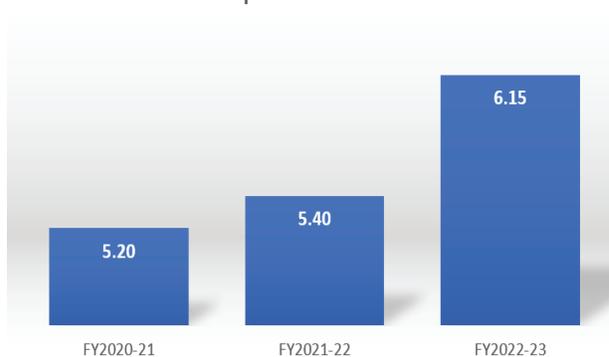
Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	\$ 806,492	\$ 1,250,720	\$ 3,573,376	\$ 12,993,034	\$ 12,993,034	\$ 12,993,034
▶ Beginning Fund Balance	536,203	727,477	1,113,326	3,267,634	3,267,634	3,267,634
▶ SDC Revenue	67,779	75,565	205,400	720,000	720,000	720,000
▶ Interest	11,961	6,561	6,000	12,000	12,000	12,000
▶ Miscellaneous	35,049	26,116	2,018,650	8,313,400	8,313,400	8,313,400
▶ Transfers from Other Funds	155,500	415,000	230,000	680,000	680,000	680,000
▼ Expenses	79,015	143,204	3,573,376	12,993,034	12,993,034	12,993,034
▼ Materials & Services	1,592	28,977	580,850	735,700	735,700	735,700
Legal	0	1,680	27,850	55,700	55,700	55,700
Engineering	1,592	27,297	553,000	680,000	680,000	680,000
▼ Capital Outlay	77,423	114,227	2,041,801	10,271,422	10,271,422	10,271,422
Well & Pump Repairs/SDC Funded	27,155	100,228	49,052	228,960	228,960	228,960
Water Improvements/SDC Funded	0	0	416,280	1,373,216	1,373,216	1,373,216
Water Systems Imp or Repairs	39,944	2,672	610,350	2,242,700	2,242,700	2,242,700
Develop Water Right	0	0	116,519	233,038	233,038	233,038
Replace Electronic Meters	6,911	4,320	75,000	169,964	169,964	169,964
Replace Hydrants	3,414	7,007	9,600	23,544	23,544	23,544
Hydraulic Test Well	0	0	765,000	0	0	0
POD/Pump Station Imp Project	0	0	0	6,000,000	6,000,000	6,000,000
▶ Operating Contingency	0	0	300,000	600,000	600,000	600,000
▶ Unappropriated Fund Balance	0	0	650,725	1,385,912	1,385,912	1,385,912
Revenues Less Expenses	\$ 727,477	\$ 1,107,516	\$ 0	\$ 0	\$ 0	\$ 0

# Sewer Fund

Fiscal Year 2022-23



Sewer Department FTE Count



The Sewer Fund is an enterprise fund used to account for the maintenance and operation of the city sewer utility. A new sewer plant was built down by the Columbia River in 1999 and is operated by the Public Works Department. The Wastewater Division employs certified professionals who operate and maintain the City's Wastewater/Sewer operations. Wastewater Operations Division is responsible for the operation and oversight of the City of Umatilla Wastewater Treatment Plant (WWTP). The plant operates 24/7 and treats an average of 700 thousand gallons of waste water per day.

Wastewater that enters the treatment plant (influent) is about 99% water and 1% solids. The wastewater flows through a series of treatment processes that screen out large solids, remove smaller solids that sink or float, and then removes smaller materials that are dissolved in the wastewater. This treatment process involves physical, chemical and biological treatment techniques.

The Wastewater Treatment Plant is a state-of-the-art wastewater treatment plant that utilizes many complex processes to produce treated wastewater and recycled water. Wastewater undergoes primary, secondary and tertiary treatment and disinfection before being released into the Columbia River.

## Performance Measures

### Priority

**Efficiently maintain and professionally operate the City's wastewater utility infrastructure.**

### Outcomes

**Providing a continuously maintained wastewater system through needed system repairs, maintaining pump stations, maintaining manholes, performing line cleaning, video inspection of sewer lines, and operation and maintenance of the wastewater treatment plant to our best ability ensures compliance with our NPDES permit and uninterrupted service at all times for the residents of Umatilla.**

Measure	FY2020-21	FY2021-22
Design capacity of WWTP (in millions of gallons per day)	3.2	3.2
Total amount of wastewater treated in 2020 (in millions of gallons)	254.8	232.2
Number of sewer utility accounts	1,705	1,717
Number of lift stations maintained	6	6
Number of pumps maintained	12	12
Miles of sewer lines	35	35

\*The decrease in wastewater treated by year is attributable to the Industrial Wastewater Discharge Facility that began operating in 2021. The City is now able to divert non-contact cooling water from data centers and discharge it into a nearby irrigation canal for re-use.

## Sewer Fund Budget Highlights

### *Rates*

Staff and FCS Group completed a water and sewer utility rate and system development charge (SDC) study in fiscal year 2019-20. The study called for a large up front increase and then six 6% annual increases, followed by 2% annual increases. Council approved a monthly water rate increase of 7% effective July 1, 2022. This is higher than the study proposed due to the historic inflation we are experiencing. The average residential customer will see a \$3.42 monthly increase.

### *Maintenance*

There are several plant and equipment maintenance issues that need to be addressed in the upcoming fiscal year. The first is the replacement of the grit pump at the wastewater treatment plant at an estimated cost of \$28,000. This is required in order for us to keep the plant in compliance.

The sewer department has also budgeted to asphalt areas of the treatment plant that have to be cleaned up but are currently gravel and dirt and an estimated cost of \$10,000.

### *Wastewater Facilities Plan*

Umatilla has not updated its Wastewater Facility Plan in over 20 years (1997) and has experienced a significant amount of development and growth throughout the city. The City was awarded a \$20,000 technical assistance grant from Business Oregon to help cover a portion of the \$254,000 plan update. The remainder will be funded with a low interest planning loan from DEQ's Clean Water State Revolving Loan Fund. This study commenced at the end of FY2020-21 and the remaining loan/grant revenue and associated engineering expenses are carried forward into this budget.



## Sewer Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	\$ 2,143,010	\$ 2,486,015	\$ 3,100,254	\$ 6,710,846	\$ 6,710,846	\$ 6,710,846
▶ Beginning Fund Balance	517,693	495,735	694,452	1,856,266	1,856,266	1,856,266
▶ Fees & Charges	1,611,348	1,954,589	2,157,802	4,729,380	4,729,380	4,729,380
▶ Interest	7,541	3,326	4,000	5,200	5,200	5,200
▶ Miscellaneous	1,706	32,365	244,000	120,000	120,000	120,000
▶ Transfers from Other Funds	4,722	0	0	0	0	0
▼ Expenses	1,644,821	1,787,217	3,100,254	6,710,846	6,710,846	6,710,846
▶ Personnel Services	569,421	482,389	602,926	1,514,714	1,514,714	1,514,714
▶ Materials & Services	435,695	377,574	711,690	1,023,150	1,023,150	1,023,150
▶ Debt Service	334,955	335,004	475,777	922,606	922,606	922,606
▶ Transfers	304,750	592,250	762,920	1,606,540	1,606,540	1,606,540
▶ Operating Contingency	0	0	0	300,000	300,000	300,000
▶ CWSRF Loan Reserve	0	0	60,389	99,196	99,196	99,196
▶ Unappropriated Fund Balance	0	0	486,552	1,244,640	1,244,640	1,244,640
Revenues Less Expenses	\$ 498,188	\$ 698,798	\$ 0	\$ 0	\$ 0	\$ 0

Transfers Out for the 2022-23 fiscal year include:

Purpose	Amount	To
Reserve for Sewer Jet Truck Repl	\$15,000	Capital Reserve Fund
Jet Rodder Trailer Reserve	\$20,000	Capital Reserve Fund
Reserve for Sewer Boom Truck	\$25,000	Capital Reserve Fund
Sewer Generator	\$25,000	Capital Reserve Fund
Sewer Dept Equipment	\$23,250	Capital Reserve Fund
Shop Bldg Reserve	\$10,000	Capital Reserve Fund
Capital Improvement Plan	\$2,000	General Fund
Building Maintenance City Hall	\$500	General Fund
Computer Support	\$10,000	General Fund
City Hall Staff Rent	\$6,720	General Fund
Sewer Project Reserve	\$665,800	Sewer Reserve Fund
<b>Total Transfers Out</b>	<b>\$803,270</b>	

# Sewer Reserve Fund

Fiscal Year 2022-23

The Sewer Reserve Fund accounts for major capital improvement projects and infrastructure replacement of the sewer department. Revenue is derived from transfers from the sewer department, System Development Charges on new construction and reimbursements received from financing capital projects.

## Sewer Reserve Fund Budget Highlights

### *Transfers In*

One major goal of the approved sewer rate increase was to allow for a larger transfer into reserve in anticipation of future capital projects. In FY 2023 the transfers into Sewer Reserve total \$665,800, in comparison to the FY 2022 amount of \$590,000.

### *Final Design of Water and Sewer Extension to the Power City and Brownell Areas*

Power City and Brownell are two communities that lie within the City of Umatilla's Urban Growth Boundary, but are not provided with water or sewer service by the City. The City was recently awarded a Community Development Block Grant (CDBG) in the amount of \$372,5000 for the final design of sewer utility extension to these areas. The project commenced in FY2021-22. This budget reflects the carryover of the unused grant funds and related expenditures. The City anticipates applying for the follow up construction projects in the 2022-23 fiscal year.



## Sewer Reserve Fund

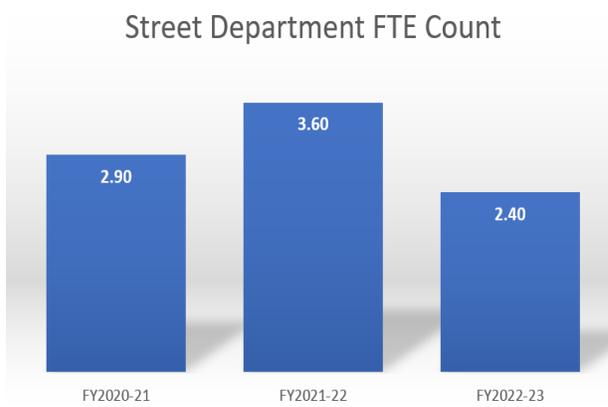
Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	4,487,801	2,637,333	3,645,044	8,815,696	8,815,696	8,815,696
▶ Beginning Fund Balance	1,509,734	1,858,013	2,431,044	6,190,096	6,190,096	6,190,096
▶ SDC Revenue	48,918	79,352	247,000	870,000	870,000	870,000
▶ Interest	29,450	15,166	15,000	24,000	24,000	24,000
▶ Miscellaneous	2,649,700	174,802	362,000	400,000	400,000	400,000
▶ Transfers from Other Funds	250,000	510,000	590,000	1,331,600	1,331,600	1,331,600
▼ Expenses	2,629,788	272,106	3,645,044	8,815,696	8,815,696	8,815,696
▼ Materials & Services	210,713	31,214	362,000	450,000	450,000	450,000
Legal	0	19,262	25,000	50,000	50,000	50,000
Engineering & UIC Permitting	210,713	11,952	337,000	400,000	400,000	400,000
▼ Capital Outlay	2,419,075	240,892	610,961	1,861,720	1,861,720	1,861,720
Sewer Improvements/SDC Funded	0	0	340,930	1,105,676	1,105,676	1,105,676
Sewer Repairs/SDC Funded	17,289	34,939	210,681	697,044	697,044	697,044
Sewer Imp/Repairs	2,401,787	205,953	59,350	59,000	59,000	59,000
▶ Operating Contingency	0	0	400,000	800,000	800,000	800,000
▶ Unappropriated Fund Balance	0	0	2,272,083	5,703,976	5,703,976	5,703,976
<b>Revenues Less Expenses</b>	<b>1,858,013</b>	<b>2,365,226</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Street Fund

Fiscal Year 2022-23

The Street Fund is a special revenue fund used to account for the maintenance and operation of the city’s streets, sidewalks, signage, medians, and rights-of-way.

The Street Department is in charge of snow removal and minor preventative maintenance of over 18.5 miles of roadway. These responsibilities include striping, roadway signage, and maintenance of oversight of City-owned curb, gutter, and street lighting.



## Performance Measures

### Priority

Maintain roads and right of way to the highest quality standards.

### Outcomes

Continuously maintaining the 18.5 street lane miles and right of way in the City's street system to the highest possible standard within the available budget enhances the quality and livability of the community.

## Street Fund Budget Highlights

### *Revenues*

The majority of street funding comes from the State Highway Apportionment. These revenues have seen significant per capita dollar increases over the past several years leading up to COVID. This is due to the passage of the transportation package, HB 2017, during the 2017 legislative session. The COVID-19 pandemic affected driving behavior, but initial projections of a sharp decline and slow recovery have proven to be incorrect. There was a significant drop in gas taxes in 2020, but it was followed by a much quicker recovery than anticipated, and revenues are just a few points below the 2019 highs. Long term growth in this revenue source will be tied to external factors such as how the pandemic plays out, teleworking trends, population growth, and moves toward more fuel efficient and electric vehicles. This revenue is expected to remain more or less flat for 2022-23, with estimates coming in just 2% below 2021-22 levels. This results in a total apportionment for 2022-23 of approximately \$575,000.

Surface Transportation Block Grant (STBG) exchange funds for Street Projects has a remaining balance from prior years of \$106,604 and a new allotment for next year of approximately \$89,548, making \$196,152 available for streets projects. The exchange rate is \$.90 state funds for every \$1 federal funds that is exchanged.

The federal COVID-19 relief package signed into law at the end of 2020 provided an allocation of transportation funding to every state. The allocation for Oregon was \$123 million. Out of the total, \$32.8 million was distributed between cities and counties. We received a distribution of \$112,000 in FY2022 that will carry over towards future street projects.

### *Maintenance*

There are several areas in town that need attention. Some areas could benefit from chip/fog/slurry sealing, oiling and crack sealing. Other areas, such as Columbia St. in McNary likely require a full grinding and overlay project that would cost near \$250,000. In the 2022-23 fiscal year, we have allocated funds to slurry seal, crack seal and stripe Brownell to Switzler, Switzler to 6th St. and Quincy Ave. from 3rd St. to the marina parking lot at an estimated cost of \$25,000.

### *Equipment*

We are currently transferring \$15,000 per year for a 10-year replacement schedule on the street sweeper (anticipated replacement date of 2027).

In the current fiscal year, we started saving for a new crack sealer machine and air compressor that will allow us to replace our 1980s machine and will allow us to do approximately three times as much area in the same amount of time. So far, we have \$57,500 and will transfer the additional \$32,500 in the 2022-23 fiscal year to make the purchase.

The street department also requested an allocation of \$70,000 to purchase a 2022 F-350 crew truck and snow plow. This will replace a 2003 crew truck. In addition to plowing snow in the winter, it will be able to tow our crack sealer and other equipment for street maintenance.



**FIGURE 6 TRUSS WITH OUTBOARD PLATFORM**

## ***Umatilla Bridge/Waterline Replacement Project***

In spring 2019, flooding caused severe damage to the Umatilla River Bridge and the potable waterline that was attached to it. The following year, additional flooding caused more damage, rendering the bridge unrepairable. The bridge is an important strategic piece of City infrastructure. The bridge has multiple utility uses; it is used as a major walking path for students and community members to cross the Umatilla River. It also holds a major fiber optic conduit and is the major potable water line for the South Hill neighborhoods. The South Hill area of Umatilla is seeing tremendous residential development and the City is concerned about adequate water supply and fire flow to that side of town. The City is currently utilizing a smaller waterline that had been previously shut off to provide water in the interim period but the pipeline is not viable as a permanent option. The City has worked with FEMA and JUB Engineers to develop a replacement project for both the bridge and waterline. To mitigate future damages to the bridge and waterline, the City will be installing a clear span arched steel truss pedestrian bridge with the same size of waterline mounted to the underside of the bridge. This bridge will be raised 5-10' from its' previous height.

The bridge replacement is a \$6.2 million-dollar project. FEMA will be covering \$4.7 million, insurance proceeds will cover \$100,000, and we anticipate a \$500,000 emergency grant and \$1 million loan from Business Oregon's Special Public Works Fund. We do not anticipate any loan payments due in the 2022-23 fiscal year.

## Street Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	1,261,363	2,996,489	9,294,563	14,209,140	14,209,140	14,209,140
▶ Beginning Fund Balance	394,627	594,450	903,804	1,740,614	1,740,614	1,740,614
▶ Intergovernmental	523,493	542,667	674,136	1,542,304	1,542,304	1,542,304
▶ Interest	7,939	3,038	3,750	2,400	2,400	2,400
▶ Miscellaneous	328,304	1,819,434	7,700,348	10,898,772	10,898,772	10,898,772
▶ Transfers from Other Funds	7,000	36,900	12,525	25,050	25,050	25,050
▼ Expenses	666,560	2,165,799	9,294,563	14,209,140	14,209,140	14,209,140
▶ Personnel Services	251,490	251,401	377,403	542,808	542,808	542,808
▶ Materials & Services	155,320	174,301	294,000	420,650	420,650	420,650
▶ Transfers	48,950	46,950	136,900	332,500	332,500	332,500
▶ Capital Outlay	210,801	1,693,147	7,884,857	11,460,224	11,460,224	11,460,224
▶ Operating Contingency	0	0	347,500	924,400	924,400	924,400
▶ Unappropriated Fund Balance	0	0	253,903	528,558	528,558	528,558
Revenues Less Expenses	594,803	830,690	0	0	0	0

Transfers Out for the 2022-23 fiscal year include:

Purpose	Amount	To
Street Sweeper	\$15,000	Capital Reserve Fund
Shop Bldg Reserve	\$10,000	Capital Reserve Fund
Bike Paths	\$6,000	Capital Reserve Fund
Street Dept Equipment	\$123,250	Capital Reserve Fund
Computer Support	\$10,000	General Fund
Capital Improvement Plan	\$2,000	General Fund
<b>Total Transfers Out</b>	<b>\$166,250</b>	

# Capital Reserve Fund

Fiscal Year 2022-23

The Capital Reserve Fund was established for the purpose of replacing equipment, land acquisition and funding shared capital projects as needed. Revenue is derived from transfers from the water, sewer, street, library, building and general funds.

## Capital Reserve Budget Highlights

### *Equipment*

Major equipment purchases to be made in the 2022-23 fiscal year include two patrol vehicles for the Police Department, a John Deere Gator UTV for the Umatilla Marina & RV Park, a backup generator for the Golf Well, a crack sealer and a one-ton diesel with snow plow for the Street Department, a greens and fairway mower for the Golf Course, a vehicle for shared use at City Hall, and a trailer for shared use among all public works departments.

### *Technology Upgrades*

This budget continues to emphasize technology. In addition to the routine computer support and annual license fees paid out of the General Fund, this budget includes Wi-Fi upgrades and the addition of a new kiosk at the Marina & RV Park to assist with after hours activity. This budget also includes funds to upgrade the city's camera system.

### *Capital Projects*

**Nugent Park:** The city was recently awarded a grant from the Oregon Parks and Recreation Land and Water Conservation Fund (LCWF) for the rehabilitation of Nugent Park. The scope of work will include replacement of playground equipment, replacement of the pavilion and sidewalk and parking lot improvements. The project is estimated at \$576,000 with a 50%, or \$288,000, matching requirement. This project was included in the 2021-22 budget and will roll forward to the next year.

**Bluffs Subdivision Park:** The city will be submitting a grant application to the Oregon Parks and Recreation Local Government Grant Program (LGGP) large grant program for construction of a neighborhood park in the Bluff's subdivision that will include a playground, half basketball court, swings, open space and a restroom. The total project is estimated at \$400,000 with a 40%, or \$160,000, matching requirement. We had matching funds allocated for a trail project not funded in the current fiscal year that will be re-appropriated towards this match and have transferred an additional \$28,000 into reserves.

**Trail Projects:** This budget continues to implement our newly adopted Trails Master Plan. In 2020, the city was successful at securing an Oregon Parks and Recreational Regional Trails Program grant for completion of the Master Trails Plan Project 2 which will include design and construction of a section of path that will connect the South Hill region to the west side of the pedestrian bridge, and ultimately to the downtown area. The new ADA-compliant paved path will be approximately 1,000 feet in length running from Powerline Road to Stephens Avenue to connect to the reconstructed footbridge discussed later in the packet. The project will also include demolishing and removing the existing substandard asphalt path. The total project budget is \$205,000 which is made up of city cash match of \$41,000 (20%) and a grant of \$164,000. We have been waiting on necessary archeological reports to proceed so these funds will carry into the next fiscal year.

**Umatilla Business Center:** City staff has been working with Seder Architecture & Urban Design on a renovation and expansion project of the old post office building into the new City of Umatilla Business Center. This Business Center will house the Community Development Department and a multi-use room and kitchen for events and meetings in the existing building and will have a two-story expansion that will serve as a business incubator for new business owners on the lower level, while providing long term rental space on the second floor. We estimate this project will cost \$8.4 million which includes the building, parking lot and street improvements. City staff recently submitted a \$1.4 million EDA grant application and will fund the remainder of the project from a contribution from Umatilla County of \$1 million, \$1.8 million in legislative funding and the remainder from the city's ARPA allocation and capital reserves.

**Umatilla Falls:** This budget includes \$965,000 to finalize design and construct a new entryway at the intersection of US-730 and Highway 395. This will be a great artistic and beautiful gateway project for the city. The new project will feature ornamental hardscapes and landscapes that put our local arid beauty on display, water features that will enhance the design and represent our historical two rivers, artist created pieces that highlight our rivers and our history, and light features to create a beautiful and urban evening display.

**Outdoor Shooting Range:** The city recently adopted a new Master Parks Plan. Second only to an Indoor Aquatic Center, the plan has identified an Outdoor Shooting Range as one of the community's most desired amenities. This project will require the purchase or lease of land and development of the range. We have allocated \$400,000 and will actively seek grant funding to assist with the project.

**Golf Course Utility Improvements:** As the city prepares for an all new music festival at the golf course in 2023, we must address the utility improvements necessary to accommodate this type of gathering. The improvements are estimated at \$520,000 and include installing multiple 400AMP services and extending potable water service to the proposed festival location.

## Capital Reserve Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	2,792,134	7,626,708	13,968,075	19,307,935	19,307,935	19,307,935
▶ Beginning Fund Balance	1,753,342	1,666,472	3,839,047	10,564,450	10,564,450	10,564,450
▶ Payment in Lieu of Tax	54,390	56,437	61,171	71,652	71,652	71,652
▶ Capital Donations	6,500	200	0	0	0	0
▶ Capital Grants	5,776	68,974	2,502,625	3,521,722	3,521,722	3,521,722
▶ Interest	35,010	18,037	19,000	18,000	18,000	18,000
▶ Miscellaneous	147,521	2,236,938	3,172,922	1,732,922	1,732,922	1,732,922
▶ Transfers from Other Funds	789,596	3,579,650	4,373,310	3,399,189	3,399,189	3,399,189
▼ Expenses	1,125,662	3,713,143	13,968,075	19,307,935	19,307,935	19,307,935
▶ Debt Service	117,221	273,097	263,376	458,233	458,233	458,233
▶ Transfers	85,045	0	0	0	0	130
						0

▼ Capital Outlay	923,396	3,440,045	12,091,841	17,237,843	17,237,843	17,237,843
Range Project	0	0	100,000	400,000	400,000	400,000
FEMA Park Repairs	0	0	14,099	14,099	14,099	14,099
Minor Property Improvements	0	0	75,000	125,000	125,000	125,000
Downtown Revitalization	199,775	646,505	180,000	0	0	0
Park Equipment	33,000	8,434	153,400	4,500	4,500	4,500
Shop Building Reserve	4,550	0	0	0	0	0
Sewer Dept Equip & Jet Truck	10,443	0	104,400	79,500	79,500	79,500
Water Department Equipment	35,600	57,729	29,400	154,500	154,500	154,500
Police Computer Reserve	6,924	76,103	17,500	15,000	15,000	15,000
Library Equipment Reserve	444	26,989	0	0	0	0
City Hall Computer Reserve	20,552	11,125	52,000	55,000	55,000	55,000
Marina Computer Reserve	0	1,082	55,000	55,000	55,000	55,000
Code Enforcement Equipment	0	32,835	0	0	0	0
Police Equip Reserve	0	4,590	0	0	0	0
Land Acquisition	495,871	2,254,815	3,650,000	3,825,000	3,825,000	3,825,000
Park Expansion & Improvements	36,077	165,571	895,227	946,000	946,000	946,000
Office Equipment Replacement	9,970	4,232	30,000	10,000	10,000	10,000
Streets Equipment	34,000	2,750	29,400	164,500	164,500	164,500
Police Cars	31,049	46,332	85,500	97,200	97,200	97,200
Bike Paths/Pedestrian Improve	0	0	2,752,782	205,000	205,000	205,000
Building Dept Equipment	1,099	25,443	0	26,000	26,000	26,000
Regional Homeless Solution	0	0	0	500,000	500,000	500,000
Golf Course Improvements	0	0	150,000	595,000	595,000	595,000
Golf Course Equipment	0	0	40,000	115,000	115,000	115,000
Street Improvement Reserve CVE	0	577	16,150	16,150	16,150	16,150
Mobile Stage	0	0	260,000	0	0	0
City Hall Vehicle	0	40,661	45,000	65,000	65,000	65,000
Marina Equipment	0	10,502	0	14,000	14,000	14,000
Marina Improvements	0	0	448,500	270,000	270,000	270,000
Recreation Equipment	0	5,707	24,000	65,000	65,000	65,000
Business Center	0	0	2,609,483	8,456,394	8,456,394	8,456,394
Kiwanis Falls Improvements	0	5,784	275,000	965,000	965,000	965,000
Office Remodel	4,042	12,280	0	0	0	0
► Unappropriated Fund Balance	0	0	1,612,858	1,611,859	1,611,859	1,611,859
Revenues Less Expenses	1,666,472	3,913,565	0	0	0	0

# Library Fund

Fiscal Year 2022-23



The Library Fund accounts for the City's library. Revenue is derived from the Umatilla County Library District tax base levy, as well as a transfer from the General Fund. Expenditures are for the cost of operations and salaries of personnel. The City Council appoints five members to the Library Advisory Committee which meets quarterly to review the library's activities. Libraries, within the district, can access each other's book inventory lists. The libraries can exchange and borrow books from each other.

Library FTE Count



The mission of the Umatilla Public Library is to provide quality materials and services that fulfill educational, informational, cultural and recreational needs of the entire community in an atmosphere that is welcoming, respectful and business like.



## Priorities & Performance Measures

### Priority

Provide a variety of books to reach patrons of all ages, while shifting circulation needs due to the pandemic.

### Outcomes

Offering a variety of books allows us to reach children, teens and adults in our community. This priority will also apply to programming offerings post pandemic.

## Library Foot Traffic: Two-Year Comparison

Data

Summary Details

Foot Traffic Count	2020-21	2021-22	Total
Indoor	2,372	5,802	8,174
Curbside	343	157	500
Delivery	36	74	110
Total	2,751	6,033	8,784

## Library Circulation Report: Two-Year Comparison

Data

Summary Details

Category	2020-21	2021-22	Total
Juvenile Fiction	1,800	1,576	3,376
Adult Fiction	1,613	1,410	3,023
E-Books	980	817	1,797
Movies	626	550	1,176
Audiobooks	404	647	1,051
Adult Non-Fiction	398	267	665
Large Print	328	247	575
Graphic Novel	194	225	419
Young Adult	195	122	317
Juvenile Non-Fiction	58	90	148
E-books	0	147	147
Magazines	71	75	146
Equipment	60	58	118
Spanish	27	50	77
Total	6,754	6,281	13,035

# Library Fund Budget Highlights

## Revenues

Estimates from the Umatilla County Special Library District show that the library will receive an increase of approximately \$38,000 in tax distribution revenue in the next fiscal year. This is based on current year assessed valuation increases and the new distribution formula.

## Programming

This budget incorporates a \$3,000 increase for a total allocation of \$15,000 towards library programming. Since the library was able to reopen in January 2022, we have seen a steady increase in attendance at library events. Programming offerings include the Little Readers Program, Story Walk, Wine & Art, BINGO, family movie days, Teen Anime Club and the Summer Reading Program.

## Library Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	\$ 379,604	\$ 403,348	\$ 423,306	\$ 479,037	\$ 479,037	\$ 479,037
▶ Beginning Fund Balance	144,818	147,074	153,262	188,353	188,353	188,353
▶ Intergovernmental	207,878	216,339	227,094	267,434	267,434	267,434
▶ Interest	2,984	1,052	1,200	1,000	1,000	1,000
▶ Miscellaneous	967	3,883	1,750	2,250	2,250	2,250
▶ Transfers from Other Funds	22,957	35,000	40,000	20,000	20,000	20,000
▼ Expenses	232,620	245,231	423,306	479,037	479,037	479,037
▶ Personnel Services	183,973	161,107	219,940	219,814	219,814	219,814
▶ Materials & Services	38,647	43,832	70,965	65,740	65,740	65,740
▶ Transfers	10,000	30,500	10,000	10,000	10,000	10,000
▶ Capital Outlay	0	9,793	5,000	5,000	5,000	5,000
▶ Operating Contingency	0	0	15,000	15,000	15,000	15,000
▶ Unappropriated Fund Balance	0	0	102,401	163,483	163,483	163,483
Revenues Less Expenses	\$ 146,984	\$ 158,117	\$ 0	\$ 0	\$ 0	\$ 0

Transfers Out for the 2022-23 fiscal year include:

Purpose	Amount	To
Computer Support	\$10,000	General Fund
<b>Total Transfers Out</b>	<b>\$10,000</b>	

# Refuse Collection Fund

Fiscal Year 2022-23

The Refuse Collection Fund is a pass-through fund. The City contracts with Sanitary Disposal, Inc. for waste management services. The City bills for the garbage services and retains 16% of the total collected which is split between a franchise fee (5%) and administrative fee (11%).



## Refuse Collection Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	\$ 925,803	\$ 1,110,936	\$ 985,322	\$ 1,116,203	\$ 1,116,203	\$ 1,116,203
▶ Beginning Fund Balance	97,769	162,062	50,322	123,203	123,203	123,203
▶ Fees & Charges	828,034	948,874	935,000	993,000	993,000	993,000
▼ Expenses	763,741	1,005,784	985,322	1,116,203	1,116,203	1,116,203
▶ Materials & Services	629,632	853,181	799,400	835,320	835,320	835,320
▶ Transfers	134,109	152,603	161,800	158,880	158,880	158,880
▶ Operating Contingency	0	0	0	50,000	50,000	50,000
▶ Unappropriated Fund Balance	0	0	24,122	72,003	72,003	72,003
Revenues Less Expenses	\$ 162,062	\$ 105,153	\$ 0	\$ 0	\$ 0	\$ 0

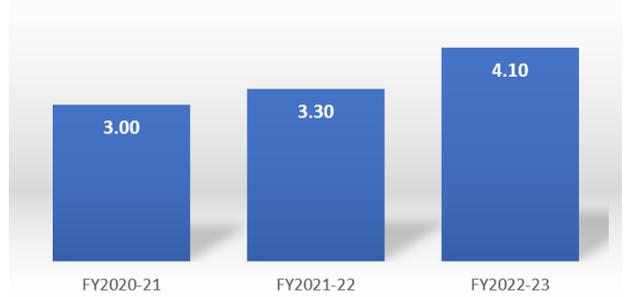
# Building Department Fund

Fiscal Year 2022-23



The Building Department Fund accounts for all revenue generated from building and electrical permit activity. The City of Umatilla collects the permit applications and fees.

Building Department FTE Count



## Performance Measures

### Strategy

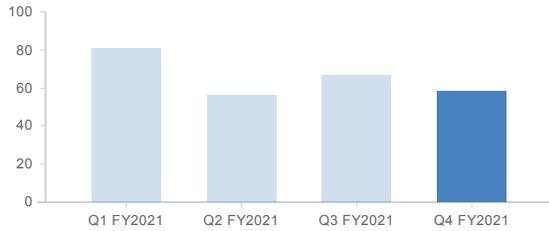
Provide professional and timely building inspection and permitting services for developers, business and property owners.

### Outcomes

The Building Division of Community Development is committed to assisting the public, business owners, and developers navigate the inspection and permitting process. Through pre-development meetings, over-the-counter contacts, and processing applications, they work with citizens and contractors to make their projects successful, while following established City and Building Codes.

# Building Permit Activity: Two-Year Comparison

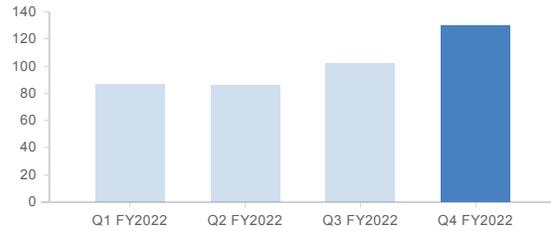
Permits Issued by Quarter FY2020-21



**58**

Quantity in Q4 FY2021

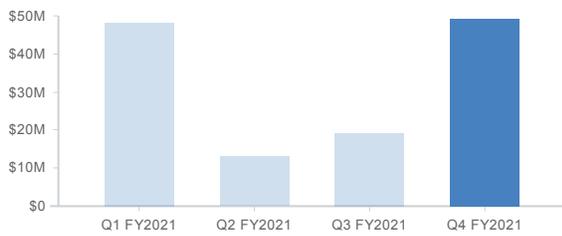
Permits Issued by Quarter FY2021-22



**130**

Quantity in Q4 FY2022

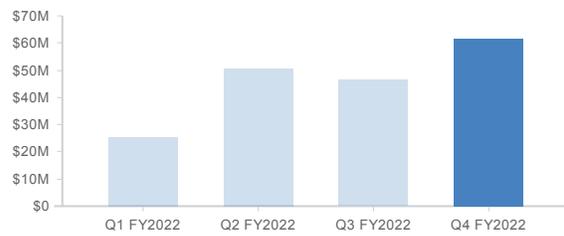
Value of Permits Issued by Quarter FY2020-21



**\$49,070,639.17**

Value in Q4 FY2021

Value of Permits Issued by Quarter FY2021-22

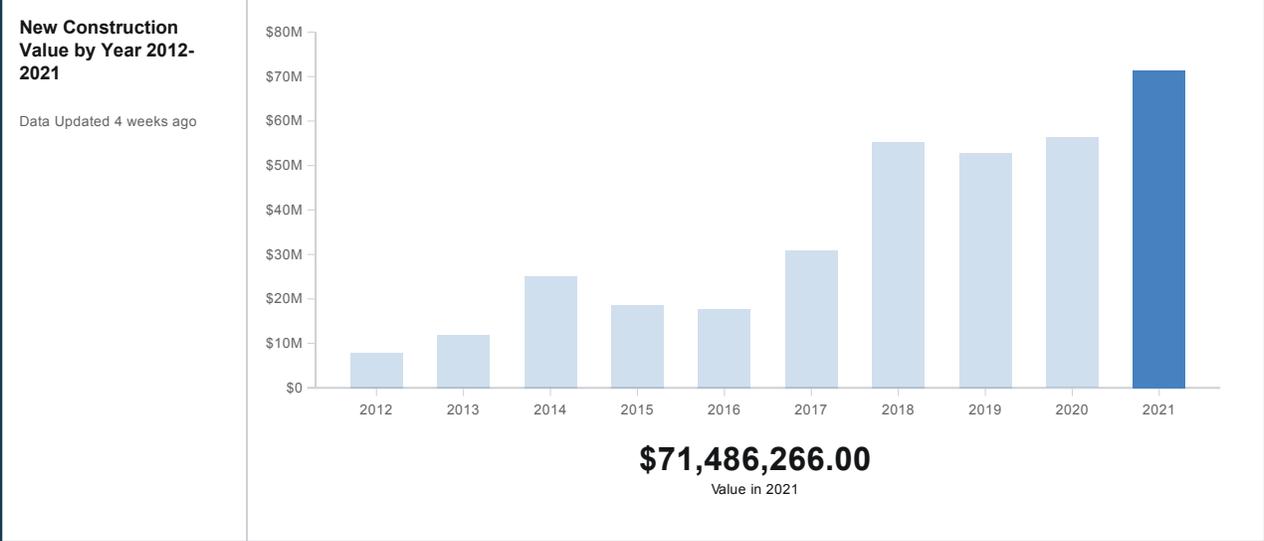


**\$61,751,119.23**

Value in Q4 FY2022



# 10 Year Development Analysis



## Building Department Fund Budget Highlights

### Staffing

This budget includes the creation of a Building Inspector position. As the building activity continues to grow, the Building Inspector will assist the Building Official and Community Development Director with routine inspections.

### Revenues

The Building Department Fund is thriving. Both residential and industrial development remain steady and we anticipate this activity to continue into next year. This is reflected in the rising level of permit and plan review revenue.

### Equipment

With the addition of a second Building Inspector, the department has requested \$26,000 to purchase a 2022 Ford Escape hybrid SUV and \$5,000 for miscellaneous tools needed to perform the required job duties of the position.

## Building Department Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	3,010,652	3,619,861	3,583,028	5,999,975	5,999,975	5,999,975
▶ Beginning Fund Balance	1,691,610	2,147,184	2,459,488	3,099,975	3,099,975	3,099,975
▶ Fees & Charges	1,244,221	1,396,968	1,088,540	2,833,000	2,833,000	2,833,000
▶ Interest	38,101	16,688	20,000	12,000	12,000	12,000
▶ Miscellaneous	36,721	59,021	15,000	55,000	55,000	55,000
▼ Expenses	864,761	1,033,838	3,583,028	5,999,975	5,999,975	5,999,975
▶ Personnel Services	245,783	298,794	442,001	544,657	544,657	544,657
▶ Materials & Services	338,628	415,544	374,100	572,500	572,500	572,500
▶ Transfers	280,350	319,500	557,281	32,840	32,840	32,840
▶ Operating Contingency	0	0	357,759	800,000	800,000	800,000
▶ Unappropriated Fund Balance	0	0	1,851,887	4,049,978	4,049,978	4,049,978
Revenues Less Expenses	2,145,891	2,586,023	0	0	0	0

Transfers Out for the 2022-23 fiscal year include:

Building Maintenance City Hall	\$1,000	General Fund
Computer Support	\$10,000	General Fund
City Hall Staff Rent	\$9,840	General Fund
Building Vehicle Purchase	\$12,000	Capital Reserve Fund
<b>Total Transfers Out</b>	<b>\$32,840</b>	

# Debt Service Fund

Fiscal Year 2022-23

The Debt Service Fund was established to account for principal and interest transactions on the City's general obligation bonds. The Debt Service Fund receives a portion of the property tax levy and acts as a reserve and sinking fund for bonded debt liability. This fund is used to pay general obligation bonds. These bonds are voter approved and paid with property taxes. Each year the city figures out how much it needs to pay bonds for that year and through December of the following year. The city then levies that amount plus an amount for uncollected taxes.

General obligation bonds are not subject to the property tax limitation, if they are voter approved and used for capital construction.

With the payoff of the 1978 Water Bond in December 2018, there was no need to levy any additional taxes for Debt Service this year. The fund continues to collect past year taxes and a small amount of interest.

## Debt Service Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	3,470	3,874	4,020	4,280	4,280	4,280
▶ Beginning Fund Balance	2,847	3,470	3,795	4,090	4,090	4,090
▶ Property Taxes	566	380	200	175	175	175
▶ Interest	57	24	25	15	15	15
▼ Expenses	0	0	4,020	4,280	4,280	4,280
▶ Unappropriated Fund Balance	0	0	4,020	4,280	4,280	4,280
Revenues Less Expenses	3,470	3,874	0	0	0	0

# Transient Room Tax Fund

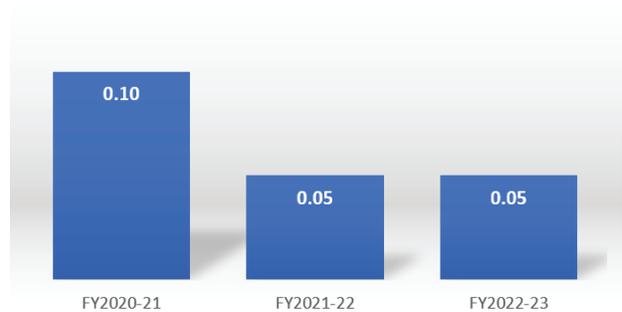
Fiscal Year 2022-23



Umatilla Landing Days Fireworks over the Columbia River.

The Transient Room Tax Fund accounts for motel tax revenues the City receives from motel customers. The expenditure division is in accordance with state law with 70% of receipts going to tourism related projects and 30% to the general city projects. The city collects 3.5% as a tax on rooms as set by vote of the people. The City also collects a Tourism Promotion Assessment of \$2.00 per hotel room rented per night and \$1.00 per RV/Tent Site rented per night. This money is remitted quarterly and split equally between the Eastern Oregon Trade and Event Center (to promote tourism in the region) and the City of Umatilla (to fund tourism promotion, facility design and construction of the Umatilla Marina & RV Park, Big River Golf Course and the Umatilla Community Center.)

## Transient Room Tax FTE Count



# Transient Room Tax Budget Highlights

## *Impact of COVID-19*

Transient room tax (TRT) collections saw a dip last year as a result of reduced travel from COVID-19 but receipts have bounced back as many of our hotels are full of construction workers working on the data center facilities and other local projects.

## *City Sponsored Festival*

Over the past few years, City staff has heard an overwhelming desire from the community for more events. This budget includes \$375,000 for a City sponsored major food and music festival which includes the cost of contracting with a professional event planner. We anticipate \$200,000 in event proceeds to offset some of the cost. The remainder of the festival will be funded through a transfer from the General Fund.

## *Chamber Support*

The City continues to allocate fifty percent of the Transient Room Tax collected, as well as a \$21,000 General Fund contribution, to cover the Umatilla Chamber of Commerce's operating expenses.

## Umatilla Landing Days Parade



# Transient Room Tax Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	\$ 325,252	\$ 339,926	\$ 729,581	\$ 848,737	\$ 848,737	\$ 848,737
▶ Beginning Fund Balance	206,214	210,899	224,331	428,437	428,437	428,437
▶ Fees & Charges	93,781	81,369	305,000	343,000	343,000	343,000
▶ Interest	4,257	1,659	1,750	1,300	1,300	1,300
▶ Transfers from Other Funds	21,000	46,000	198,500	76,000	76,000	76,000
▼ Expenses	114,353	114,438	729,581	848,737	848,737	848,737
▶ Personnel Services	11,127	11,485	8,877	7,071	7,071	7,071
▶ Materials & Services	101,726	101,453	632,060	708,174	708,174	708,174
▶ Transfers	1,500	1,500	0	0	0	0
▶ Capital Outlay	0	0	60,715	106,275	106,275	106,275
▶ Unappropriated Fund Balance	0	0	27,929	27,217	27,217	27,217
Revenues Less Expenses	\$ 210,899	\$ 225,488	\$ 0	\$ 0	\$ 0	\$ 0



Umatilla Landing Days 2022

# Building Reserve Fund

Fiscal Year 2022-23

The Building Reserve Fund was established for the purpose of purchasing and retiring debt on City Hall. Revenue is derived from the enterprise fund payments in lieu of taxes made by Calpine (formerly US Generating). Loan reserves have been set aside to make the final loan payment in 2023, the same year that the final tax deferral payments are received.



## Building Reserve Fund

Collapse All	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2022-23 Proposed Budget	2022-23 Approved Budget	2022-23 Adopted Budget
▼ Revenues	\$ 261,615	\$ 278,739	\$ 297,015	\$ 312,079	\$ 312,079	\$ 312,079
▶ Beginning Fund Balance	125,079	144,393	162,093	178,157	178,157	178,157
▶ Interest	3,614	1,424	2,000	1,000	1,000	1,000
▶ Miscellaneous	132,922	132,922	132,922	132,922	132,922	132,922
▼ Expenses	117,221	117,221	297,015	312,079	312,079	312,079
▶ Debt Service	117,221	117,221	117,222	312,079	312,079	312,079
▶ Unappropriated Fund Balance	0	0	179,793	0	0	0
Revenues Less Expenses	\$ 144,393	\$ 161,517	\$ 0	\$ 0	\$ 0	\$ 0

# Interfund Transfer Detail

Fiscal Year 2022-23

## Interfund Transfer Detail FY 2022-23

PURPOSE	BUDGET	FROM	TO
ARPA Transfer - Business Center	\$1,625,189	General Fund	Capital Reserve Fund
Park Expansion/Improvements	\$205,000	General Fund	Capital Reserve Fund
Range Construction	\$40,000	General Fund	Capital Reserve Fund
Golf Course Improvements	\$127,000	General Fund	Capital Reserve Fund
Golf Course Equipment	\$125,000	General Fund	Capital Reserve Fund
Police Vehicle	\$94,000	General Fund	Capital Reserve Fund
Shop Bldg Reserve	\$10,000	General Fund	Capital Reserve Fund
Minor Property Improvements	\$120,000	General Fund	Capital Reserve Fund
City Camera Upgrades	\$20,000	General Fund	Capital Reserve Fund
Park Equipment	\$48,250	General Fund	Capital Reserve Fund
Recreation Equipment	\$41,000	General Fund	Capital Reserve Fund
Marina Equipment	\$15,000	General Fund	Capital Reserve Fund
City Hall Vehicle	\$16,000	General Fund	Capital Reserve Fund
Regional Homeless Capital Transfer	\$500,000	General Fund	Capital Reserve Fund
Library Operating Expense	\$20,000	General Fund	Library Fund
Street Light Maintenance	\$12,525	General Fund	Street Fund
Chamber & Museum Support	\$21,000	General Fund	Transient Room Tax Fund
City Sponsored Festivals	\$55,000	General Fund	Transient Room Tax Fund
Shop Bldg Reserve	\$10,000	Water Fund	Capital Reserve Fund
Jet Rodder Trailer Reserve	\$20,000	Water Fund	Capital Reserve Fund
Golf Well Generator Reserve	\$75,000	Water Fund	Capital Reserve Fund
Water Dept Equipment	\$23,250	Water Fund	Capital Reserve Fund
Building Maintenance City Hall	\$500	Water Fund	General Fund
Computer Support	\$10,000	Water Fund	General Fund
Capital Improvement Plan	\$2,000	Water Fund	General Fund

City Hall Staff Rent	\$6,720	Water Fund	General Fund
Water Project Reserve	\$320,000	Water Fund	Water Reserve Fund
Electronic Meter Replacement	\$15,000	Water Fund	Water Reserve Fund
Hydrant Replacement	\$5,000	Water Fund	Water Reserve Fund
Reserve for Sewer Jet Truck Repl	\$15,000	Sewer Fund	Capital Reserve Fund
Jet Rodder Trailer Reserve	\$20,000	Sewer Fund	Capital Reserve Fund
Reserve for Sewer Boom Truck	\$25,000	Sewer Fund	Capital Reserve Fund
Sewer Generator	\$25,000	Sewer Fund	Capital Reserve Fund
Sewer Dept Equipment	\$23,250	Sewer Fund	Capital Reserve Fund
Shop Bldg Reserve	\$10,000	Sewer Fund	Capital Reserve Fund
Capital Improvement Plan	\$2,000	Sewer Fund	General Fund
Building Maintenance City Hall	\$500	Sewer Fund	General Fund
Computer Support	\$10,000	Sewer Fund	General Fund
City Hall Staff Rent	\$6,720	Sewer Fund	General Fund
Sewer Project Reserve	\$665,800	Sewer Fund	Sewer Reserve Fund
Street Sweeper	\$15,000	Street Fund	Capital Reserve Fund
Shop Bldg Reserve	\$10,000	Street Fund	Capital Reserve Fund
Bike Paths	\$6,000	Street Fund	Capital Reserve Fund
Street Dept Equipment	\$123,250	Street Fund	Capital Reserve Fund
Computer Support	\$10,000	Street Fund	General Fund
Capital Improvement Plan	\$2,000	Street Fund	General Fund
Computer Support	\$10,000	Library	General Fund
Building Maintenance City Hall	\$1,000	Building Dept Fund	General Fund
Building Vehicle Purchase	\$12,000	Building Dept Fund	Capital Reserve Fund
Computer Support	\$10,000	Building Dept Fund	General Fund
City Hall Staff Rent	\$9,840	Building Dept Fund	General Fund
<b>TOTAL TRANSFERS \$4,594,794</b>			

# Budget Publications

Fiscal Year 2022-23

**FORM  
LB-1**

**NOTICE OF BUDGET HEARING**

Reproduction

A public meeting of the Umatilla City Council will be held on June 7, 2022 at 7:00 p.m. at 700 6th Street, Umatilla Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2022 as approved by the Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at Umatilla City Hall 700 6th Street, Umatilla, Oregon between the hours of 8:00 a.m. and 5:00 p.m. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year. Major changes, if any, and their effect on the budget, are explained below

Contact M. Ince	Telephone Number 541-922-3226	E-mail <a href="mailto:melissa@umatilla-city.org">melissa@umatilla-city.org</a>
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**FINANCIAL SUMMARY-RESOURCES**

TOTAL OF ALL FUNDS	Actual Amounts 2020-2021	Adopted Budget This Year 2021-2022	Approved Budget Next Year 2022-2023
1. Beginning Fund Balance/Net Working Capital.....	12,603,188	17,262,227	25,354,697
2. Fees, Licenses, Permits, Fines, Assmts & Other Svs charges.....	12,192,834	14,926,445	16,284,081
3. Federal, State & all Other Grants, Gifts, Allocations & Donations....	3,401,780	10,564,253	10,320,389
4. Revenue from Bonds & Other Debt.....	1,872,359	4,621,855	965,055
5. Interfund Transfers/Internal Service Requirements.....	5,029,403	5,274,905	4,753,674
6. All Other Resources Except Property Taxes.....	109,271	108,125	80,315
7. Property Taxes Estimated to be Received.....	2,135,895	2,786,300	3,060,817
8. Total Resources (add lines 1 thru 7)	37,344,730	55,544,110	66,819,028

**FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION**

9. Personnel Services.....	4,451,515	6,155,851	7,066,132
10. Materials and Services.....	4,652,948	9,489,175	9,120,024
11. Capital Outlay.....	5,544,736	22,383,965	29,195,801
12. Debt Service.....	822,118	771,078	955,035
13. Interfund Transfers.....	5,028,953	5,121,205	4,753,674
14. Contingencies.....		2,790,000	3,277,200
15. Special Payments.....		0	0
16. Unappropriated Ending Balance & Reserved for Future Expense	17,044,482	8,832,538	12,451,162
17. Total Requirements - add lines 9-16.....	37,344,730	55,544,410	66,819,028

**FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM**

Name of Organizational Unit or Program (FTE for Unit or Program)			
Name: Administration	854,450	888,935	1,399,034
FTE	2.45	3.20	4.20
Name: Planning/Community Development	273,759	600,357	1,615,634
FTE	1.35	1.55	1.75
Name: Court	446,899	539,064	478,595
FTE	1.10	1.10	1.10
Name: Parks	526,602	667,911	1,150,538
FTE	3.55	4.69	7.25
Name: Code Enforcement	127,417	150,066	176,755
FTE	1.00	1.00	1.00
Name: Marina and RV Park	289,182	380,545	955,400
FTE	0	3	3.50
Name: Police	1,972,570	2,085,027	2,948,994
FTE	15.50	15.50	15.50
Name: Golf Course	0	260,960	945,526
FTE	0	6	6.50
Name: Water	1,892,204	1,991,989	1,990,803
FTE	4.50	3.10	5.65
Name: Sewer	2,486,015	2,853,334	3,355,423
FTE	5.20	5.40	6.15
Name: Streets	2,995,499	2,998,419	7,104,570
FTE	2.90	3.60	2.40
Name: Library	403,348	411,617	479,037
FTE	3.10	3.60	3.10
Name: Building	3,619,861	2,622,540	5,999,975
FTE	3.00	3.50	4.10
Non-Departmental/Non-Program	21,455,954	39,254,706	39,164,270
FTE	0.10	0.05	0.05
Total Requirements	37,344,730	55,544,410	66,819,028
Total FTE	43.75	55.20	62.25

**STATEMENT OF CHANGES IN ACTIVITIES AND SOURCES OF FINANCING**

No notable reduction or changes in services for the upcoming year. The City does have one pending loan in underwriting for the Umatilla Pedestrian Bridge Replacement Project for \$965,055. The remainder of the project will be funded using FEMA and SPWF emergency grant funds.

<b>PROPERTY TAX LEVIES</b>			
	Rate or Amount Imposed	Rate or Amount Imposed	Rate or Amount Approved
Permanent Rate Levy (Rate Limit 2.9191 Per \$1000)	2.9191	2.9191	2.9191
Local Option Levy			
Levy for General Obligation Bonds	0	0	0

**STATEMENT OF INDEBTEDNESS**

Long Term Debt	Estimated Debt Outstanding on July 1	Estimated Debt Authorized but not Incurred on July 1
General Obligation Bonds.....	\$250,000	\$0
Other Bonds.....	\$0	\$0
Other Borrowings.....	\$5,067,649	\$965,055
<b>TOTAL.....</b>	<b>\$5,317,649</b>	<b>\$965,055</b>

**Notice of Property Tax and Certification of Intent to Impose  
a Tax, Fee, Assessment, or Charge on Property**

**FORM OR-LB-50  
2022-2023**

To assessor of Umatilla County

Check here if this is an amended form.

• Be sure to read instructions in the current Notice of Property Tax Levy Forms and Instructions.

The City of Umatilla has the responsibility and authority to place the following property tax, fee, charge, or assessment on the tax roll of Umatilla County. The property tax, fee, charge, or assessment is categorized as stated by this form.

PO Box 130 Umatilla OR 97882 06/22/2022  
Mailing address of district City State ZIP code Date submitted

Melissa Ince Finance Director 541-922-3226 x 104 melissa@umatilla-city.org  
Contact person Title Daytime telephone number Contact person e-mail address

**CERTIFICATION**— You **must** check one box if you are subject to Local Budget Law.

- The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.  
 The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

**PART I: TAXES TO BE IMPOSED**

	Subject to General Government Limits		
	Rate	— or — Dollar Amount	
1. Rate per \$1,000 or total dollar amount levied (within permanent rate limit) ... 1	2.9191		
2. Local option operating tax ..... 2			Excluded from Measure 5 Limits
3. Local option capital project tax ..... 3			
4. City of Portland Levy for pension and disability obligations ..... 4			Dollar Amount of Bond Levy
5a. Levy for bonded indebtedness from bonds approved by voters <b>prior</b> to October 6, 2001 ..... 5a			0
5b. Levy for bonded indebtedness from bonds approved by voters <b>after</b> October 6, 2001 ..... 5b			0
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) ..... 5c			0

**PART II: RATE LIMIT CERTIFICATION**

6. Permanent rate limit in dollars and cents per \$1,000 ..... 6	2.9191
7. Election date when your new district received voter approval for your permanent rate limit ..... 7	
8. <b>Estimated</b> permanent rate limit for newly <b>merged/consolidated</b> district ..... 8	

**PART III: SCHEDULE OF LOCAL OPTION TAXES**— Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount — or — rate authorized per year by voters

**PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES\***

Description	ORS Authority**	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1			
2			

\*If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.

\*\* The ORS authority for putting these assessments on the roll must be completed if you have an entry in Part IV.

(see the back for worksheet for lines 5a, 5b, and 5c)  
**File with your assessor no later than JULY 15, unless granted an extension in writing.**

# Budget Resolutions

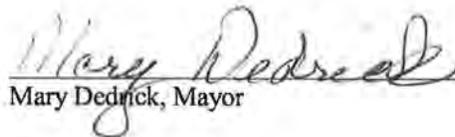
Fiscal Year 2022-23

## RESOLUTION NO. 35-2022

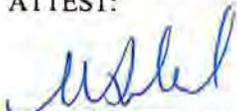
### A RESOLUTION ADOPTING THE 2022-2023 BUDGET

**BE IT RESOLVED**, that the City Council of the City of Umatilla hereby adopts the budget approved by the budget committee for the fiscal year 2022-2023, in the total sum of \$66,819,028 now on file at Umatilla City Hall, 700 Sixth Street, Umatilla, Oregon 97882.

**PASSED** by the City Council and **SIGNED** by the Mayor this 7<sup>th</sup> day of June, 2022.

  
Mary Dedrick, Mayor

ATTEST:

  
Nanci Sandoval, City Recorder



RESOLUTION NO. 36-2022

A RESOLUTION APPROPRIATING BUDGET AMOUNTS  
FOR FISCAL YEAR 2022-2023

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2022 and for the purposes shown below are hereby appropriated as follows:

**GENERAL FUND**

Administration	\$ 1,399,034
Community Development Department	1,615,634
Municipal Court Department	478,595
Parks and Recreation Department	1,150,538
Marina and RV Park	955,400
Police Department	2,948,994
Code Enforcement	176,755
Transportation	5,250
Golf Course	945,526
Non-Departmental:	
Operating Contingency	1,000,000
Transfers	3,094,964
Reserves	<u>1,937,010</u>
<b>GENERAL FUND TOTAL</b>	<b>\$ 15,707,700</b>

**WATER FUND**

Personnel Services	\$ 672,843
Material & Services	590,800
Operating Contingency	100,000
Debt Service	35,499
Transfers	487,470
Reserves	<u>104,191</u>
<b>WATER FUND TOTAL</b>	<b>\$ 1,990,803</b>

**SEWER FUND**

Personnel Services	\$ 757,357
Material & Services	511,575
Operating Contingency	150,000
Debt Service	461,303
Transfers	803,270
Reserves	<u>671,918</u>
<b>SEWER FUND TOTAL</b>	<b>\$ 3,355,423</b>

**STREET FUND**

Personnel Services	\$ 271,404
Material & Services	210,325
Capital Outlay	5,730,112
Operating Contingency	462,200
Transfers	166,250
Reserves	<u>264,279</u>
<b>STREET FUND TOTAL</b>	<b>\$ 7,104,570</b>

**CAPITAL RESERVE FUND**

Capital Outlay	\$ 17,237,843
Debt Service	146,154
Reserves	<u>1,611,859</u>
<b>CAPITAL RESERVE TOTAL</b>	<b>\$ 18,995,856</b>

**LIBRARY FUND**

Personnel Services	\$ 219,814
Material & Services	65,740
Capital Outlay	5,000
Transfers	10,000
Contingency	15,000
Reserves	<u>163,483</u>
<b>LIBRARY FUND TOTAL</b>	<b>\$ 479,037</b>

**REFUSE FUND**

Material & Services	\$ 835,320
Operating Contingency	50,000
Transfers	158,880
Reserves	<u>72,003</u>
<b>REFUSE FUND TOTAL</b>	<b>\$ 1,116,203</b>

**BUILDING DEPARTMENT FUND**

Personnel Services	\$ 544,657
Materials and Services	572,500
Transfers	32,840
Contingency	800,000
Reserves	<u>4,049,978</u>
<b>BUILDING DEPARTMENT FUND TOTAL</b>	<b>\$ 5,999,975</b>

**DEBT SERVICE FUND**

Reserves	\$ 4,280
<b>DEBT SERVICE FUND TOTAL</b>	<b>\$ 4,280</b>

**TRANSIENT ROOM TAX FUND**

Personnel Services	\$ 7,071
Material & Services	708,174
Capital Outlay	106,275
Reserves	<u>27,217</u>
<b>TRANSIENT TAX FUND TOTAL</b>	<b>\$ 848,737</b>

**BUILDING RESERVE FUND**

Debt Service	\$ <u>312,079</u>
<b>BUILDING RESERVE FUND TOTAL</b>	<b>\$ 312,079</b>

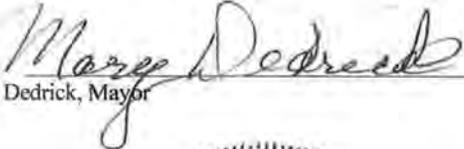
**WATER RESERVE FUND**

Materials and Services	\$ 367,850
Capital Outlay	5,135,711
Contingency	300,000
Reserves	<u>692,956</u>
<b>WATER RESERVE FUND TOTAL</b>	<b>\$ 6,496,517</b>

**SEWER RESERVE FUND**

Materials and Services	\$ 225,000
Capital Outlay	930,860
Contingency	400,000
Reserves	<u>2,851,988</u>
<b>SEWER RESERVE FUND TOTAL</b>	<b>\$ 4,407,848</b>

**PASSED** by the City Council and **SIGNED** by the Mayor this 7<sup>th</sup> day of June, 2022.

  
Mary Dedrick, Mayor

ATTEST:

  
Nanci Sandoval, City Recorder



RES 36-2022 Page 3

**RESOLUTION NO. 37-2022**

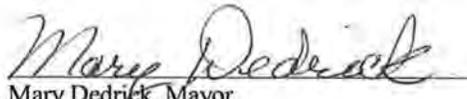
**A RESOLUTION LEVYING AD VALOREM TAXES AND CATEGORIZING TAXES  
FOR THE 2022-2023 FISCAL YEAR**

**BE IT RESOLVED**, that the City Council of the City of Umatilla hereby levies the taxes provided for in the adopted budget at the permanent tax rate of 2.9191 per \$1,000 by rate for the General Fund and that these taxes are levied upon all taxable property within the City of Umatilla as of 1:00 a.m. July 1, 2022. The following allocation and categorization, subject to the limits of Section 11b Article XI of the Oregon Constitution, make up the above levy:

	<b>GENERAL GOVERNMENT LIMITATION</b>	<b>EXCLUDED FROM LIMITATION</b>
<b>GENERAL FUND</b>	\$2.9191/\$1,000	
<b>DEBT SERVICE FUND</b>	_____	<u>\$0</u>
<b>CATEGORY TOTAL</b>	<b>\$2.9191/\$1,000</b>	<b>\$0</b>

**TOTAL LEVY: \$2.9191 per \$1,000 of taxable value to the General Fund**

**PASSED** by the City Council and **SIGNED** by the Mayor this 7<sup>th</sup> day of June, 2022.

  
Mary Dedrick, Mayor

ATTEST:

  
Nanci Sandoval, City Recorder





RESOLUTION NO. 38-2022

A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES

The City of Umatilla ordains as follows:

Section 1. Pursuant to ORS 221.770, the city hereby elects to receive state revenues for fiscal year 2022-2023.

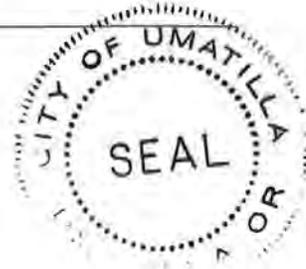
Passed by the Common Council the 7th day of June, 2022.

Approved by the Mayor this 7th day of June, 2022.

Mayor [Signature]
Attest [Signature]

I \*certify that a public hearing before the Budget Committee was held on April 19, 2022 and a public hearing before the City Council was held on June 7, 2022, giving citizens an opportunity to comment on use of State Revenue Sharing.

[Signature]
City Recorder



# Overview of Capital Improvement Projects

Fiscal Year 2022-23

The City does not currently have an approved Capital Improvement Plan. City Council recently approved an updated Water Master Plan and the City is in the process of updating the Wastewater Facilities Plan and Transportation System Plan. These, along with the Master Park Plan and Master Trails Plan, will ultimately be compiled together into a Capital Improvement Plan that will provide a multi-year plan for major capital expenditures that matches available resources with project needs. In the meantime, the City Council and Budget Committee have approved the following comprehensive list of capital projects for FY2022-23 that align with the City Council Goals for 2021-2023. Many of these are also discussed within the individual fund pages.

The City of Umatilla is actively working on projects that bring to our community exciting new services and updates to keep up with the demand for growth. We currently have nearly \$70 million in project costs, with more than \$3.5 million in grants received, \$1.8 in legislative funding received and \$4.2 million in pending grant applications.

**Total Projects Costs: \$69,833,305**

Total Grants Received:	\$ 3,567,500
Total Grants Pending:	\$ 4,284,000
Total Loan Funds Secured:	\$ 850,000
Total Loan Funds Pending:	\$ 42,177,805
Total City Funds:	\$ 5,954,000
Total FEMA Allocation	\$ 5,500,000
Total Insurance Proceeds	\$ 100,000
Legislative Funds Received	\$ 1,800,000
County Funds Committed	\$ 1,000,000
COVID Related Funding	\$ 4,600,000



## Umatilla Business Center



**Project Scope:** Renovation and expansion project of the old post office building into the new City of Umatilla Business Center. This Business Center will house the Community Development Department and a multi-use room and kitchen for events and meetings in the existing building and will have a two-story expansion that will serve as a business incubator for new business owners on the lower level, while providing long term rental space on the second floor. The project also includes parking lot and street improvements.

**Total Project Cost:** \$8.4 million.  
 State Legislature: \$1.8 million  
 County Funds: \$1 million  
 EDA Grant: \$1.4 million  
 City Funds: \$4.2 million (\$1.6m ARPA allocation, remainder City reserves)

**Timeline:** Design to be completed in 2022. Anticipated to bid late 2022 with an 18 month construction period.

## Umatilla Falls



**Project Scope:** To deconstruct existing Kiwanis Falls (art/rock feature in meridian of Hwy 730 & Hwy 395) and replace with all-new Kiwanis Falls to feature artwork, real water features, ornamental hardscapes and landscapes, and lighting.

**Total Project Cost: \$965,000**  
 City Funds: \$965,000

**Timeline:** The City will begin deconstruction in late 2022. A Request for Proposals for a design/bid/build project will go out by fall 2022, with construction to occur spring 2023.

## Umatilla Pedestrian Bridge & Waterline Replacement



**Project Scope:** To reconstruct an all-new pedestrian bridge over the Umatilla River to replace the bridge that was damaged by the 2019 and 2020 floods. Includes raising the bridge by approximately 5' and extending it by approximately 120' in length. Also includes replacing the 18" waterline that was damaged .

**Total Project Cost: \$7.2 million**

FEMA Funds: \$5.5 million  
 Insurance Funds: \$100,000  
 Special Public Works Grant Funds (Business Oregon Grant): \$750,000  
 City Funds (loan): \$850,000

**Timeline:** The City has been working with FEMA since February 2019. Design of the new bridge is estimated for completion in summer 2022, with construction of the new bridge and installation of the new waterline estimated to begin in fall 2022, with completion of the project by the end of 2023.

## Trail: Umatilla Footbridge to Powerline Road



**Project Scope:** Planning, design, and construction of a section of path that will connect the South Hill region to the west side of the pedestrian bridge, and ultimately to the downtown area. The new ADA-compliant paved path will be approximately 1,000 feet in length running from Powerline Road to Stephens Avenue to connect to the reconstructed footbridge discussed later in the packet. The project will also include demolishing and removing the existing substandard asphalt path.

**Total Project Cost: \$205,000**

Oregon Parks & Recreation RTP Grant: \$164,000  
City Funds: \$41,000

**Timeline:** The City was awarded the RTP grant in FY2020-21. Design for the project will begin winter 2022 with construction to begin in summer 2023, with the hope that the project will be completed by November 15, 2023. (these dates are subject to change).

## Nugent Park Playground Replacement



**Project Scope:** Replacement of playground equipment, replacement of the pavilion and sidewalk and parking lot improvements at Nugent Park.

**Total Project Cost: \$576,000**

LCWF Grant: \$288,000  
City Funds: \$288,000

**Timeline:** The project was originally scheduled for the 2021-22 fiscal year. LCWF recommended the project be expanded to include sidewalk and parking lot improvements so the project was rolled into the 2022-23 fiscal year to allow for allocation of additional matching funds.

## Outdoor Shooting Range



**Project Scope:** To purchase or lease land and construct an outdoor shooting range to meet the needs of users of handguns, rifles, shotguns, and archery.

**Total Project Cost: \$400,000**

City Funds: \$400,000

**Timeline:** The City does not have an identified location for the outdoor shooting range. The plan is to purchase or lease land in the 2022-23 fiscal year and construct the range by the end of 2023.

## Power City & Brownell Area Water Design & Construction



**Project Scope:** To design an all-new City water services pipeline out to the Power City area down Lind Rd. and area behind the Port of Entry off Brownell Road. This is part of an overall water utility project to construct the pipeline in 2023.

**Design Project Cost: \$593,000**

Community Development Block Grant: \$593,000  
City Funds: \$0

**Construction Project Cost: \$8,086,500**

Bipartisan Infrastructure Law Funds Loan \$6,000,000 (~50% principal forgiveness)  
Community Development Block Grant: \$1,906,500  
City Funds: \$180,000

\*Note: Construction funding applications still pending

**Timeline:** The City was awarded the grant from CDBG in June 2020. Work on design began in December 2020 with completion of design anticipated in summer-2022. The City will apply for a corresponding construction grant in fall-2022 in hopes of award that winter and construction to begin in spring-2023 with completion in fall or early winter 2023.

## Power City & Brownell Area Sewer Design & Construction



**Project Scope:** To design an all-new City sewer services pipeline out to the Power City area down Lind Rd. and area behind the Port of Entry off Brownell Road. This is part of an overall sewer utility project to construct the pipeline in 2023.

**Total Project Cost: \$372,500**

Community Development Block Grant: \$372,500  
City Funds: \$0

**Construction Project Cost: \$11,315,305**

DEQ Clean Water State Revolving Fund Loan \$9,177,805  
Community Development Block Grant: \$2,137,500  
\*Note: Construction funding applications still pending

**Timeline:** The City was awarded the grant from CDBG in December 2020. Work on design began in January 2021 with completion of design anticipated in summer-2022. The City will apply for a corresponding construction grant in fall-2022 in hopes of award that winter and we hope that construction will begin in spring-2023, together with the waterline project, with completion in fall or early winter 2023.

## Golf Course Site Improvements



**Project Scope:** As the City prepares for an all new music festival at the golf course in 2023, we must address the utility improvements necessary to accommodate this type of gathering. The improvements include installing multiple 400AMP services and extending potable water service to the proposed festival location.

**Total Project Cost: \$520,000**  
City Funds: \$520,000

**Timeline:** This project is estimated to begin early 2023. Completion date summer 2023.

## Umatilla Marina & RV Park Improvements - Design Phase

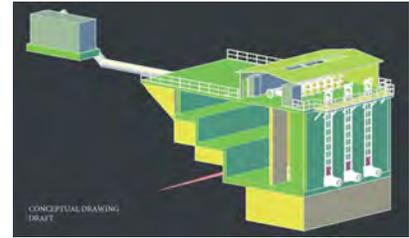


**Project Scope:** Design of an all-new state-of-the-art marina. The new marina will include covered single-berth slips, uncovered single-berth slips, aluminum or steel framed docks, engineered decking or concrete, encapsulated floats, well-spaced navigable fairways, electrical hookups at each slip, high speed internet, and other features and amenities.

**Total Project Cost: \$400,000**  
City Funds: \$400,000

**Timeline:** This project is anticipated to start early 2023. It will take a minimum of three years, most likely four to five, from start of design to construction completion.

## CTUIR Point of Diversion and Pump Station Improvement Project



**Project Scope:** Enlarge and upgrade the surface water diversion and related pipeline transmission facilities located on the south bank of the Columbia River, which is owned by the CTUIR. This system will allow the city to supply the data centers with raw water to meet their cooling needs, increase the flexibility of our potable water system by adding the ability to divert water at a second site and allow CTUIR's water to be discharged to maintain the Wanaket Wildlife Refuge and Wetlands.

**Total Project Cost: \$30 million**  
Business Oregon Loan: \$30 million

Note: The City will be actively pursuing grants to offset as much of the capital cost as possible.

**Timeline:** Design commenced in August 2022 and will take approximately one year. We estimate construction to occur between October 2023 and March 2025.

## Police Department - New Facility Design



**Project Scope:** Design a suitable modern police facility with enough space and training areas is critical to the success of keeping our community safe. The project will include design and bid document preparation.

**Total Project Cost: TBD**

City Funds: \$400,000 allocated in current budget. May need additional funding based upon RFQ results.

**Timeline:** This project will begin November 2022 with an estimated completion date of April 2024. The construction portion will follow immediately (pending funding).

## The Bluffs Subdivision Park



**Project Scope:** Construction of a neighborhood park in the Bluff's Subdivision that will include a playground, half basketball court, swings, open space and restroom.

**Total Project Cost: \$400,000**

LGGP Grant: \$240,000

City Funds: \$160,000

**Timeline:** Spring-Summer 2023

## Impact of Capital Improvement Projects on the Operating Budget

As you can see, the City has done a tremendous job at securing grants and legislative funding to minimize the impact of these capital projects on our operating budget.

For the enterprise funds, projects such as extending water and sewer service to the Power City and Brownell areas and completing the CTUIR point of diversion upgrade project will add costs to the operating budget through increased debt service. These projects, along with several major improvements on the horizon, were all accounted for in the comprehensive utility rate study which is driving our annual 6% rate increase in water and sewer to be able to keep up with the operating and capital improvement projects.

Other projects, such as the Trail project, Umatilla Falls updates, both park improvement projects, and the outdoor shooting range project will not result in any additional debt service, but will generate additional maintenance costs that will only have a minor impact on the operating budget.

In some instances, as is the case with our recently completed Industrial Wastewater Pipeline project, you will see increases in certain costs and decreases in others. In that project, the City incurred approximately \$140,000 of additional debt service per year but was able to divert non-contact cooling water from data centers and discharge it into a nearby irrigation canal for re-use. This project freed up significant capacity in our wastewater treatment plant and the debt service will be covered entirely by users of the system.

# Glossary & Acronyms

Fiscal Year 2022-23

## Glossary

**Accrual:** An accounting entry made to ensure revenues are reported on the income statement when they are earned and expenses are reported when the expense occurred, as matched with the related revenues, regardless of when cash is received or spent.

**Actual:** Actual, as used in the fund summaries, revenue summaries and department and division summaries within the budget document, represents the actual financial results. This category is presented on a budgetary basis, and thus excludes full-accrual audit items such as depreciation and amortization.

**Ad Valorem Tax:** A tax based on the assessed value of taxable property.

**Adoption:** Formal action by the City Council which sets the spending limits for the fiscal year.

**Amortization:** The process of paying off debt through a series of fixed payments over time.

**Appropriations:** The legal authorization granted by the City Council to make expenditures and incur obligations.

**Approved Budget:** The financial plan agreed upon by the Budget Committee.

**Assessed Valuation (AV):** The value set by the county assessor on real and personal taxable property as a basis for levying taxes. A tax initiative passed in 1997 that reduced AV below real market value and set a 3% maximum annual growth rate in the AV, exclusive of certain improvements.

**Audit:** An objective examination and evaluation of the financial statements of an organization to make sure that the financial records are a fair and accurate representation of the transactions they claim to represent.

**Balanced Budget:** A situation in the budgeting process where total authorized expenses are less than or equal to total resources available.

**Beginning Fund Balance:** The amount of unexpended funds carried forward from one fiscal year to another.

**Bond:** A written promise to pay a sum of money (principal or face value) at a future date (maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used to finance long-term capital improvements.

**Budget:** A financial operating plan with estimated expenditures and expected revenues for a given period.

**Budget Calendar:** The schedule of key dates which a government follows to prepare and adopt the budget.

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

**Budget Document:** A written report showing a government's comprehensive financial plan for a specified period, typically one or two years, that includes both capital and operations.

**Budget Message:** The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal year, and recommendations regarding the financial policy for the coming period.

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

**Capital Improvement Project:** Any project having improvements of significant value and having a useful life of five 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 or construction of buildings, structures, and facilities of all types, plus machinery and equipment. It includes expenditures that result in the acquisition or addition of a capital asset or increase the capacity, efficiency, span of life, or economy of operating as an existing capital asset. For an item to qualify as a capital outlay expenditure it must meet all of the following requirements: (1) have an estimated useful life of more than one year; (2) have a cost of \$2,500 or more per item; and (3) be a betterment or improvement. Replacement of a capital item is classified as capital outlay under the same code as the original purchase. Replacement or repair parts are classified under materials and services.

**Cash Basis Accounting:** Recording revenues and expenditures at the time they are received or paid.

**Contingency:** An appropriation of funds to cover unforeseen events which occur during the budget year. City Council must approve all contingency transfers.

**COVID-19:** A respiratory disease caused by SARS-CoV-2, a coronavirus discovered in 2019. The virus spreads mainly from person to person through respiratory droplets produced when an infected person coughs, sneezes, or talks. Some people who are infected may not have symptoms.

**Debt Service:** Payment of principal and interest on borrowed funds.

**Debt Service Fund:** The fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Deficit:** (1) The excess of the liabilities of a fund over its assets; (2) The excess of expenditures over revenues during an accounting period, or in the case of proprietary (enterprise) funds, the excess of expenses over revenues during an accounting period.

**Encumbrances:** The formal accounting recognition of commitments to expend resources in the future.

**Ending Fund Balance:** The residual non-restricted funds that are spendable or available for appropriation after the end of the fiscal year, or during the fiscal year, if a state of emergency is declared by the City Manager.

**Enterprise Funds:** The funds established to account for operations, including debt service, that are financed and operated similarly to private businesses - where the intent is the service is self-sufficient, with all costs supported predominantly by user charges.

**Expenditures:** Decreases in net financial resources, including current operating expenses, debt service and capital outlays.

**Fiduciary Funds:** Fiduciary Funds are either Trust Funds or Agency Funds. Trust Funds are used to account for assets held by the government in a trustee capacity. Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, and other governments and/or funds.

**Fiscal Year:** The time period designated by the city signifying the beginning and ending period for recording financial transactions. The fiscal year begins July 1 and ends June 30.

**Franchise Fee:** Charged to all utilities operating within the City and is a reimbursement to the General Fund for the utility's use of City streets and right-of-ways.

**Fund:** A division in the budget with independent fiscal and accounting requirements.

**Fund Balance:** The net ending balance of a Fund's financial resources that are spendable or available for appropriation.

**Full-Time Equivalent:** The budgetary equivalent of one position, continuously filled full-time for the entire fiscal year and which may be comprised of any combination of part-time and full-time positions.

**General Fund:** The general operating fund of the city. It is used to account for all financial resources except those required to be accounted for in other fund.

**Generally Accepted Accounting Principles (GAAP):** A collection of commonly-followed accounting rules and standards for financial reporting. The specifications of GAAP, which is the standard adopted by the U.S. Securities and Exchange Commission (SEC), include definitions of concepts and principles, as well as industry-specific rules. The purpose of GAAP is to ensure that financial reporting is transparent and consistent from one organization to another.

**Governmental Fund:** One of the three groups of funds for which financial statements are prepared, the others including Proprietary and Fiduciary. Activity not explicitly accounted for as Proprietary or Fiduciary activity are reported in the Governmental Fund type. Governmental Funds include special revenue funds, debt service funds, capital project funds, permanent funds, and the General Fund.

**Interfund Transfer:** Amounts transferred from one fund to another, shown as an expenditure in the originating fund and a revenue in the receiving fund.

**Line Item:** A specific group of similar items defined by detail in a unique account in the financial records.

**Major Fund:** Funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds. Any other fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users. Funds that do not fall into these categories are considered non-major.

**Measure 5:** A constitutional limit on property taxes passed by voters in the State of Oregon in November 1990. The new law sets maximum tax rates on individual properties of no more than \$5 per real market value for education taxing districts and \$10 for general government taxing districts.

**Measure 47/50:** A 1997 voter approved initiative which rolled back assessed values to 90 percent of their levels in fiscal year FY 1995-96 and limits future annual increases to three percent, except for major improvements. Property tax rates are now considered permanent and not subject to change. Voters may approve local initiatives above permanent rates provided a majority of voters approves.

**Permanent Tax Rate:** Under Measure 47/50, each taxing district such as school districts, city governments, counties, and special districts were assigned a permanent tax rate maximum in fiscal year 1997-98. This permanent tax rate applies to property taxes for core operations. The permanent tax rate for the City of Umatilla was set at \$2.9191 per \$1,000 of assessed value.

**Personnel Services:** Includes the compensation paid to employees plus the City's contribution for employee benefits such as retirement, social security, health and dental insurance, and workers' compensation costs.

**Property Tax:** Based off of the assessed value of property (which in Oregon is much lower than the real market value) times the permanent tax rate and are used as the source of monies to pay general obligation debt and core city services.

**Proposed Budget:** Financial and operating program prepared by the budget officer and staff, submitted to the budget committee for consideration.

**Proprietary Fund:** Proprietary Fund is one of the three groups of funds for which financial statements are prepared, along with the Governmental and Fiduciary Funds. Proprietary funds are employed to report on business-like activities, financed primarily by revenues generated by the activities themselves, such as water, sewer and storm water utilities.

**Real Market Value (RMV):** The estimated value of property as if it were sold. Within the City, the average real market value exceeds the assessed value by just about half. This disparity is the result of voter approved tax Measure 47/50 passed in 1997.

**Reserve Funds:** Established to accumulate resources from one fiscal year to another for a specific purpose.

**Revenues:** Monies received or anticipated during the year to finance city services.

**Supplemental Budget:** Prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. The supplemental budget cannot be used to increase a tax levy.

**Systems Development Charges (SDCs):** Charges paid by developers and builders to fund expansion of infrastructure systems necessary due to increased usage. Such charges may be collected for water, sewer, surface water, streets and parks and are paid by developers and builders as part of the permit process.

**Tax Base:** In Oregon, a designated amount of property tax which can be levied for operating expenses without annual voter approval. The original base must be established by the voters at a general or primary election. Thereafter, the base can be increased by 6% annually without the approval of the voters.

**Tax Rate:** The amount of property tax paid by property owners for each \$1,000 of their property's assessed value. This rate is computed by dividing the total amount of the tax levies by the total assessed value for the city.

**Unappropriated Ending Fund Balance:** Represents the portion of the ending fund balance that is not appropriated to be spent in the current year. It must be segregated for future use and is not available for current appropriation or expenditure, except in the event when the City Manager declares an emergency.

**Working Capital:** Capital used for day-to-day operations, calculated as the current assets minus the current liabilities.

## Acronyms

ADA Americans with Disabilities Act

ADS Amazon Data Services

APA American Planning Association

ARPA American Rescue Plan Act of 2021

AV Assessed Value

BLM Bureau of Land Management

BRGC Big River Golf Course

CAD Computer-Aided Dispatch

CAFR Comprehensive Annual Financial Report

CBA Collective Bargaining Agreement

CDBG Community Development Block Grant

CDD Community Development Department

CET Construction Excise Tax

CFS Cubic Feet per Second

CIP Capital Improvement Plan

CIS Citycounty Insurance Service

COLA Cost of Living Adjustment

CPA Certified Public Accountant

CPI Consumer Price Index

CSF Community Service Fee

CTUIR Confederated Tribes of the Umatilla Indian Reservation

CWSRF Clean Water State Revolving Fund

DEQ Oregon Department of Environmental Quality	MSRB Municipal Securities Rulemaking Board
DLCD Oregon Department of Land Conservation and Development	NIC Net Interest Cost
DSL Oregon Department of State Lands	NPDES National Pollutant Discharge Eliminating System
EDA Economic Development Administration	OAR Oregon Administrative Rules
EDU Equivalent Dwelling Units	OBDD Oregon Business Development Department
EMMA Electronic Municipal Market Access	ODOT Oregon Department of Transportation
EPA Environmental Protection Agency	OEM Oregon Emergency Management
FASB Financial Accounting Standards Board	OMA Oregon Mayors Association
FEMA Federal Emergency Management Agency	OR Oregon
FICA Federal Income Contributions Act	ORS Oregon Revised Statutes
FTE Full-Time Equivalent	OSMB Oregon State Marine Board
FY Fiscal Year	OTC Oregon Tourism Commission
GAAP Generally Accepted Accounting Principles	OWRD Oregon Water Resources Department
GASB Governmental Accounting Standards Board	PATH Practical Assistance through Transitional Housing
GFOA Government Finance Officers Association	PERS Public Employees Retirement System
GIS Geographic Information Systems	POD Point of Diversion
HB House Bill	PW Public Works
HR Human Resources	RMV Real Market Value
IFA Oregon Infrastructure Financing Authority	ROW Right-of-way
IT Information Technology	RTP Recreational Trails Program
LCWF Oregon Parks and Recreation Land and Water Conservation Fund	RV Recreational Vehicle
LGGP Oregon Parks and Recreation Local Government Grant Program	S&P Standard & Poors
LOC League of Oregon Cities	SAIF State Accident Insurance Fund
MGD Million Gallons per Day	SCADA Supervisory Control and Data Acquisition

SDC System Development Charges	TRT Transient Room Tax
SEC Securities and Exchange Commission	TSP Transportation System Plan
SIP Strategic Investment Program	UAL Unfunded Accrued Liability
SRO School Resource Officer	UCSLD Umatilla County Special Library District
SPWF Special Public Works Fund	UEC Umatilla Electric Cooperative
STBG Surface Transportation Block Grant	UGB Urban Growth Boundary
STF Surface Transportation Fund	UIC Underground Injection Control Device
TCV True Cash Value	UPD Umatilla Police Department
TIC True Interest Cost	USACE United States Army Corps of Engineers
TGM Traffic Growth Management	WTF Water Treatment Facility
TPA Tourism Promotion Assessment	WWTP Wastewater Treatment Plant
TRCI Two Rivers Correctional Institution	



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