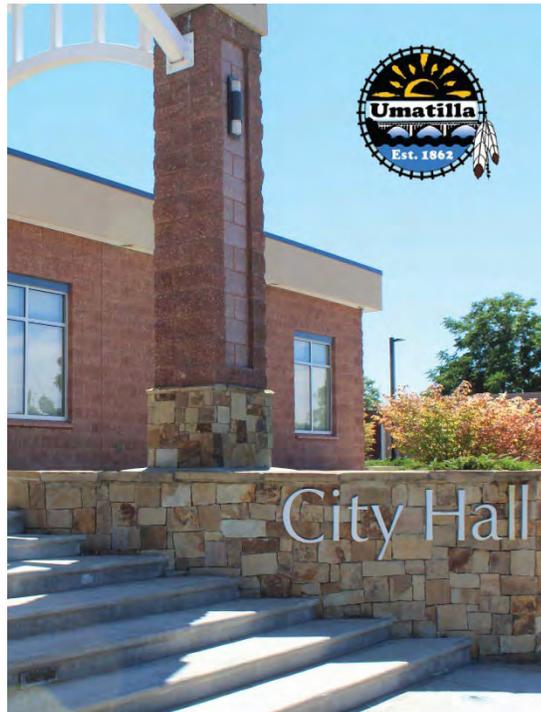


CITY OF UMATILLA, OREGON

ADOPTED 2023-2024 BUDGET

JULY 1, 2023 THROUGH JUNE 30, 2024



Budget Committee

MAYOR

Caden Sipe

COUNCIL MEMBERS

Corinne Funderburk
Daren Dufloth
Katie McMillan
Ashley Wheeler
Dennis McMillan
Roak TenEyck

CITIZEN MEMBERS

Bruce McLane, Chair
Richard Cotterell
Judy Simmons
Veronica Gutierrez
Leslie Smith
Josy Chavez

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

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GFOA Distinguished Budget Presentation Award

Fiscal Year 2022-2023



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Umatilla
Oregon**

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morrill

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, 2022. 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 18, 2023

Fiscal Year 2023-2024

It is with great excitement, and jaw-dropping amazement at the ambition of this proposed budget, that we provide you with the Fiscal Year 2023 – 2024 Proposed Budget for the City of Umatilla. We mention ambition in this year's introduction as we look at a nearly 60% (\$72 million) Capital Outlay budget and an FTE increase of more than 7.5 FTE (or more than 12%) across all funds. I continue to be gob-smacked at the continued exponential growth of our great community, and the hard work and collaboration of our residents, elected officials, volunteers, and excellent staff to manage it all... what a truly amazing accomplishment it all is! I wish to express, once again, my sincerest adoration and appreciation for our dedicated and hardworking staff that genuinely give of all their talents and experience to the community we all love so much! And wish to continue to express how fortunate we are to have the exceptional experience and expertise 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 the Budget Committee, and organized and made it possible for each of us to complete this Proposed Budget. This year's Budget was guided by the City Council's Adopted 2023-2025 Goals & Strategic Plan, general discussions and direction from the City Council, from direction from the Budget Committee from their March 21, 2023 Workshop, and from our various adopted or draft planning documents.



We thank each of our elected officials and the Umatilla 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 processes 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 are grappling with significant economic and other setbacks, including challenges with external migration, Umatilla is 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." Last year we realized investments in our marina and parks, water and waste water infrastructure, trail improvements, Landing Days and other community events and festivals, and in our local businesses. This year's Proposed Budget builds off of these investments and continues to implement a strategic, diversified, and well-managed approach to meet our growing community's needs and desires to for continued improvements to quality of life.

This Proposed Budget continues our business partnerships with our continued commitment to provide our local businesses with at least \$350,000 through our Downtown Facade Grant and Local Business Grant programs. These partnership investments will add to the more than \$1 million in funding that we have provided in the past four years through these programs. Umatilla is a business- friendly community and we are making intentional efforts to help support our businesses, encourage their growth, and remove barriers that might stand in the way of success.

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 over a decade, AWS has invested several billions of dollars into the development of their data centers, including millions of dollars of investments into the expansion of City infrastructure at little-to-no cost to the City. For the second year in a row, AWS has broken ground for two new data center campuses at an all-new industrial site, this time located south of Powerline Road near Exit 5. By spring of 2024, they anticipate having yet two more additional buildings operational at this site; which is in addition to the two new buildings they completed at the Port of Umatilla's Industrial Park along Wanapa Road this spring. Their partnerships with Eastern Oregon University, Blue Mountain Community College, local Chambers of Commerce, school districts, nonprofits, 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 and Strategic Investment Program (SIP) 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 receipt of federal or state 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 of taxes expire.

The need for immediate additional housing in Oregon is seemingly overwhelming, something that also rings true here in Umatilla. Recent state legislation passed several new funding packages and goals to address the housing need throughout Oregon. As a proactive response to these legislative measures and to meet our local need/demand, the Council Goals adopted Objective 1.13 "... to create housing at every economic level and provide investment and/or incentives to those levels of housing that are not being developed by the private sector," Objective 1.13.1 to "earnestly pursue housing development partnerships with private developers and nonprofits that provide low-income housing..." and Objective 1.13.2 to "continue to partner with neighboring communities on Project PATH." With the state's passage of funding to the Rural Continuum of Care for homelessness, with our remaining funds from House Bill 4123 for our Pilot Program (PATH), through our partnership with Stepping Stones Alliance, and our planned efforts to continue to mutually seek grant opportunities, we are making great strides toward sustainable funding of our new homelessness response strategies in Umatilla and the Western Umatilla County region. This Proposed Budget further includes infrastructure projects in new water and waste water pipelines along Lind Rd. (discussed later) that will bring permanent infrastructure to Project PATH, as well as allocates \$250,000 towards the goal of acquiring property for future construction of an all-new low-income housing development. On the opposite side of that "housing at every economic level" coin, this budget allocates \$40,000 for legal review and contract administration to issue a Request for Proposals for development of housing on the City-owned property located immediately adjacent to the Big River Golf Course. This future housing development is zoned medium-density and will feature a mix of single family and multi-family housing units. These focuses on low-income and higher-income developments, coupled with continuing to work with current housing developers who are focusing mostly on mid-level housing projects, and throughout our continued partnership with Project PATH, we are focused on working toward meeting our housing goals. With these combined efforts, we anticipate the construction of over 100 housing units over the next year.

The City's total taxable assessed value increased to \$930,973,166 or a 6% increase in from the prior year. This is more than an 86% 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 eleven years ago, was just over \$9 million, compared to this year's total proposed budget of nearly \$120.5 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 68.77 in FY24 (this Proposed Budget), nearly a 75% increase in just five years!

This budget continues to invest in the safety of our community by keeping pace with the growth by increasing the FTE in the police department by 2.25 FTE compared to the prior year. And, with the adoption of Council Goal Objective 1.2 to "... maintain the FY 23/24 Police Department staffing levels..." the residents of Umatilla should continue to experience a high level of public safety services. FY24 will see major investments in our small businesses with the construction of the Umatilla Business Center and significant investment in our parks through the construction of new trails, new playgrounds, new pavilions, the completion of the pedestrian bridge, 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 over \$3 million in this fiscal year in anticipation of procuring up to 7 cfs of additional water right in the John Day pool of the Columbia River. This purchase is anticipated to be fully paid for through a reimbursement agreement with private development partners. Furthermore, we continue to partner with the CTUIR and private developers on the construction of a new Point of Diversion (POD) in the McNary Pool as we continue to implement our recently adopted (August 2022) Water Master Plan and slowly begin the transition from reducing our reliance and use of critical ground water in the Lower Umatilla Basin Groundwater Management Area (LUBGWMA) to utilization of the City's 23 cfs Columbia River surface water right.

There can be no doubt that the City of Umatilla is experiencing exponential growth. This Proposed Budget establishes the basis by which the City stands ready to address the growth that is here.

Historic Growth... Historic Inflation... Reserves

The macro economics of inflation and rising costs due to supply shortages have impacted individuals and communities across the Oregon, the United States, and even throughout the world. This year, we anticipate significant increases in energy costs, sanitation (garbage), and our own water/sewer costs. These high inflation rates created a conundrum for the City as we had to work through the balancing act of attempting to continue to build-up reserves and to do our best to keep operations steady with minimal financial impacts to the public. Though this Proposed Budget is slightly below the goal of a General Fund with a 20% reserve, we were able to keep the fund reserve level steady at 18.75%, which is a realized increase of over \$929,000 in reserves. The Water Fund reserves are down slightly (from 10% to just under 9%) from the previous year and the Sewer reserves have also decreased. The reductions in Water/Sewer reserves, however, are due to using those funds to leverage more than \$7.1 million in water/sewer grant funding and to procure more than \$2.7 million in related water/sewer loan funding we were required to take on in order to receive some of those grants. It is easy, then, to understand the justification of the reduction of these reserves when considering the substantial revenue received through the utilization of these reserves. This is one of the main goals of maintaining a healthy reserve is to take advantage of opportunistic funding programs that align with our system needs and goals.

Debt Services

The other side of the prudent fiscal management coin (the first being reserves) is debt services. Last year the City paid 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 and was also able to pay it off early last fiscal year.

When the interest rates were dropping between 2013 and 2021, the City took full advantage and refinanced other loans to very low rates, nearly all below 2%. 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 are 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. 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.

Continuation in Planning & Design for some not-too-distant Capital Projects, Construction of 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, Transportation System Plan, Public Works Standards, System Development Charges, Comprehensive Plan amendments, and Zoning Ordinance updates, to name a few. With each of these major plans completed (or scheduled to be completed by the end of FY23), we are well prepared to pursue implementation strategies of those plans. In addition, this year we will update/create our new Public Transit Master Plan, additional Comprehensive Plan updates, an all-new Public Art Master Plan, complete the Hazardous Pipeline GIS project, and a Community Outreach and Communication Strategy.

This Proposed Budget includes \$487,300 for design of an all-new marina as envisioned in our now adopted Marina & RV Park Master Plan. We have pending grant applications for funding and will work to obtain all permits necessary for construction this year, with the hope of starting construction of the new marina the following fiscal year with completion in fall 2026.

This budget also includes \$500,000 to fund the design of the adopted Hash Park Master Plan. This facility includes a variety of amenities including a baseball/softball sports complex, playground, splash pad, dog park, pavilions and open space. We anticipate the full design cost of the facility to be approximately \$1 million, with the remainder to be allocated next fiscal year. If a construction grant is awarded later, a portion of \$1 million design costs would be eligible for reimbursement at that time.

The current Police Department Building does not meet the needs required for future growth of the department in relation to growth of the community. This fiscal year we contracted with Mackenzie, Inc. for design of a new Police Department facility that will meet the demands of the police department for approximately 20 years. The design contract is approximately \$1.3 million. We anticipate the construction project cost at \$14 million. We have \$400,000 for design allocated in the previous budget and will carry forward the remaining \$900,000 this year.

We have received multiple grants from the Community Development Block Grant (CDBG) and Bipartisan Infrastructure Law Grant (BIL) grant have both been awarded to the City for more than \$5 million to bring City potable 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.

The sun of good fortune, both as a matter of circumstance and backbreaking hard work, has and continues to shine 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, Project PATH (Practical Assistance through Transitional Housing), co-adoption of the Construction Excise Tax for the Umatilla School District, and new bonding language in our Enterprise Zone Agreements to help taxing districts when passing a General Obligation Bond. The City wishes to continue our Community Support Commitments to find ways to partner with our neighboring districts. We continue to coordinate with the Umatilla Hospital District on their efforts to construct a new clinic to meet the community's needs and demands. In addition to providing the City's contracted grant writer at no cost to the District, this budget includes a one-time contribution of \$500,000 toward this project. We will also be making a one-time \$1 million contribution to the Port of Umatilla for the support of and investment in economic development with the Port's boundaries.

A Big Year for Capital Project & Infrastructure Improvements

Umatilla Business Center. The Umatilla Business Center is more than seven 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, \$1.4 million in federal Economic Development Administration funds, \$1.6 million in ARPA funds, and \$2.6 million from City Capital Reserves.

Construction anticipated to begin August 2023 with completion estimated in spring 2025.

Powerline to Pedestrian Bridge Trail. Thanks to help of a grant from the Recreational Trails Program (RTP) in the amount of \$164,000 we will complete 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 major improvements to the little league field that included the installation of a new bathroom, new loam, new fencing, new scoreboard, and a beautiful concession/broadcast building. 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. After a 9-month delay due to an unexpected cultural resource study requirement, this project is scheduled to get started summer of 2023.

Nugent Park Boat Ramp. The Nugent Park boat ramp was damaged in the flooding that occurred in 2020. Projects that occurred under that FEMA declared disaster are eligible for 90% reimbursement. This project includes a boat dock, non-motorized boat ramp, launch staging area upgrades, lower parking area, site lighting, utility connection, addition of a lift station, restroom facility and fish cleaning station. The total design and construction cost of the project is \$3.5 million. FEMA will cover \$.7 million, we have applied for an OSMB grant for \$2.1 million and the City will be responsible for the remaining \$700,000. If successful with the grant application, we anticipate design completion in early 2024 with construction beginning late spring.

Outdoor Shooting Range. Last year we were able to construct a temporary range to meet our public safety need. This budget includes the carry forward of \$175,000 towards the procurement or development of a permanent range location to meet the recreational need.

Pedestrian Bridge. This \$6.2 million project is more than four 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. Construction started last fiscal year and is scheduled for completion in fall 2023.

Umatilla Falls Replacement. Sadly, bids for this project came in more than double our budget in the last fiscal year. This year includes an increase with the hope that we will be successful in obtaining grant funding as well as looking to create some cost savings while we rework some of the utility design and pre-construction costs. If we're successful with both, construction is anticipated to February 2024 with completion in summer 2024.

Sunset Hills Cemetery. We will complete several improvements at the cemetery this year. These include a materials storage shed, relocations of the gate and repairs to damaged fence areas, new landscaping, and a new set of flag poles.

Big River Golf Course Cart Sheds. This \$80,000 project will add, yet again, an additional twelve cart sheds to the 24 new sheds we have purchased over the past two years.

New Big River Golf Course Carts. We will purchase eleven new golf carts to help keep up with the increasing demand of use at the course and in anticipation of the likely increase of use that will come with the incorporation of online tee time reservations, course improvements, and operational policy updates that look to decrease the impacts of tournament play.

New Golf Course Maintenance Shop. We will set aside \$75,000 this year into reserves with the anticipation of purchasing and installing a new maintenance shop in the following fiscal year.

A Strong Year for Capital Outlay Replacement and Upgrades

Beginning in FY19 and each year since, the City has identified those fleet vehicles or fleet equipment that need immediate replacement. We've also implemented a more strategic replacement plan of our police and public works vehicles and equipment, and incorporated a higher level of maintenance standards. This Proposed Budget includes continued efforts to replace aging police vehicles, parks mowers and equipment, water and sewer vehicles, and road equipment. Additionally, significant investments are being made to purchase and install video camera equipment throughout the City, including on our roads, parks, at City Hall, in police vehicles, and police body cameras.

Expansion in Recreation Programs, Parks Facilities, and City-sponsored Events

We have been steadily increasing our Parks & Recreation services and programs for the past five years. This year will see these funds increase to \$136,500 (a nearly 50% increase from the previous year) to meet the demands for recreational programming in the City. These additional programs are anticipated to also result in an increase in corresponding revenue that will help offset some of these additional expenses. We will also expand our river access and recreational programming by purchasing new sit-on-top kayaks, and a corresponding trailer to move them around, to expand the type of use. And, in summer of 2023 we will install and construct our first community garden located nearby the tennis courts in McNary.

We continue to invest in the expansion of our long-cherished Landing Days celebration. This event now features local and national music artists, food vendors, sports tournaments, kids corner, and fireworks. New to the events schedule this year is the Rock the Locks Music Festival scheduled for the first weekend in October at the Big River Golf Course. This is a multi-day music festival that will feature ZZ Top, Collective Soul, and Night Ranger as this year's headliners, with several other national and local bands. It will also feature food and craft vendors, three beer gardens, an on-site small convenience store, and overnight camping. This \$1.5 million event is anticipated to come at a net cost to the City of approximately \$120,000 for this first year. It is hoped that the economic benefits to our local businesses, restaurants, hotels, and others is worth the net cost. The goal is to host this event annually with the event breaking even in Year 3 and then operating at a revenue surplus in all subsequent years with proceeds to be reinvested into the event, Parks & Recreation, and the Big River Golf Course.

Summary

This is an exceptionally ambitious budget. 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. Many in the community have commented that “we are spending a lot of money.” They’re not wrong. Though our expenditures have increased, nearly 60% (over \$72 million) of this year’s Proposed Budget is going toward Capital Projects or Capital Outlay! Only 7% of our entire budget is allocated to Personnel Services. It includes nearly \$18 million in grants/forgivable loans and several million more in funds provided by private developers. We have been blessed with good financial fortune and have further leveraged that through successful grant awards and prudent policies that continue to build up strong reserves. 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,



David Stockdale, City Manager

Budget Overview

Fiscal Year 2023-24

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.

The previous budget was significantly impacted by the historic inflation levels. Umatilla felt the effects as the costs of construction projects soared and every day expenses such as fuel and electricity costs continued to rise. Fortunately, the U.S. inflation rate dropped from 9.1% in June 2022 to 3.0% in June 2023 which will hopefully have a leveling effect on this year's expenditures.

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.

Although our overall reserve percentage has dropped from 24% to 14%, the actual dollar amount in reserves increased by over \$850,000. This budget is unique in that nearly 60% (over \$72 million) of the adopted budget is going towards Capital Projects or Capital Outlay.

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.

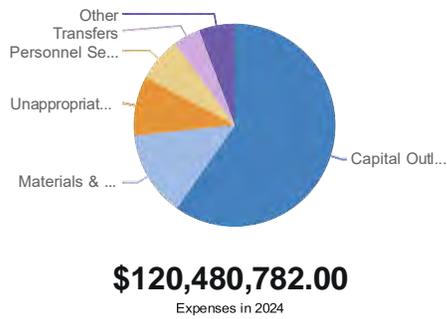
The budget matches the financial, material, and human resources available with the requirements to complete the strategic goals set by the City Council.



BUDGET DEVELOPMENT TIMELINE | FISCAL YEAR BEGINS JULY 1ST



FY23-24 Budget by Expenditure Type



The City of Umatilla's annual budget for fiscal year 2023-24 totals **\$120,480,782**.

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

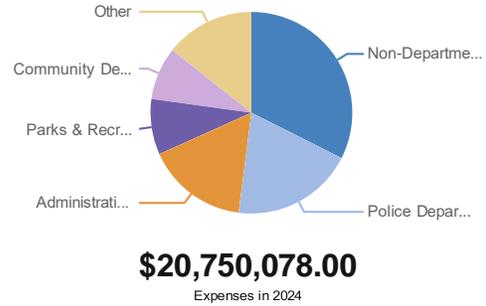
FY2023-24 CAPITAL BUDGET BY PROJECT TYPE | TOTAL \$72.0M



Where does the money go?

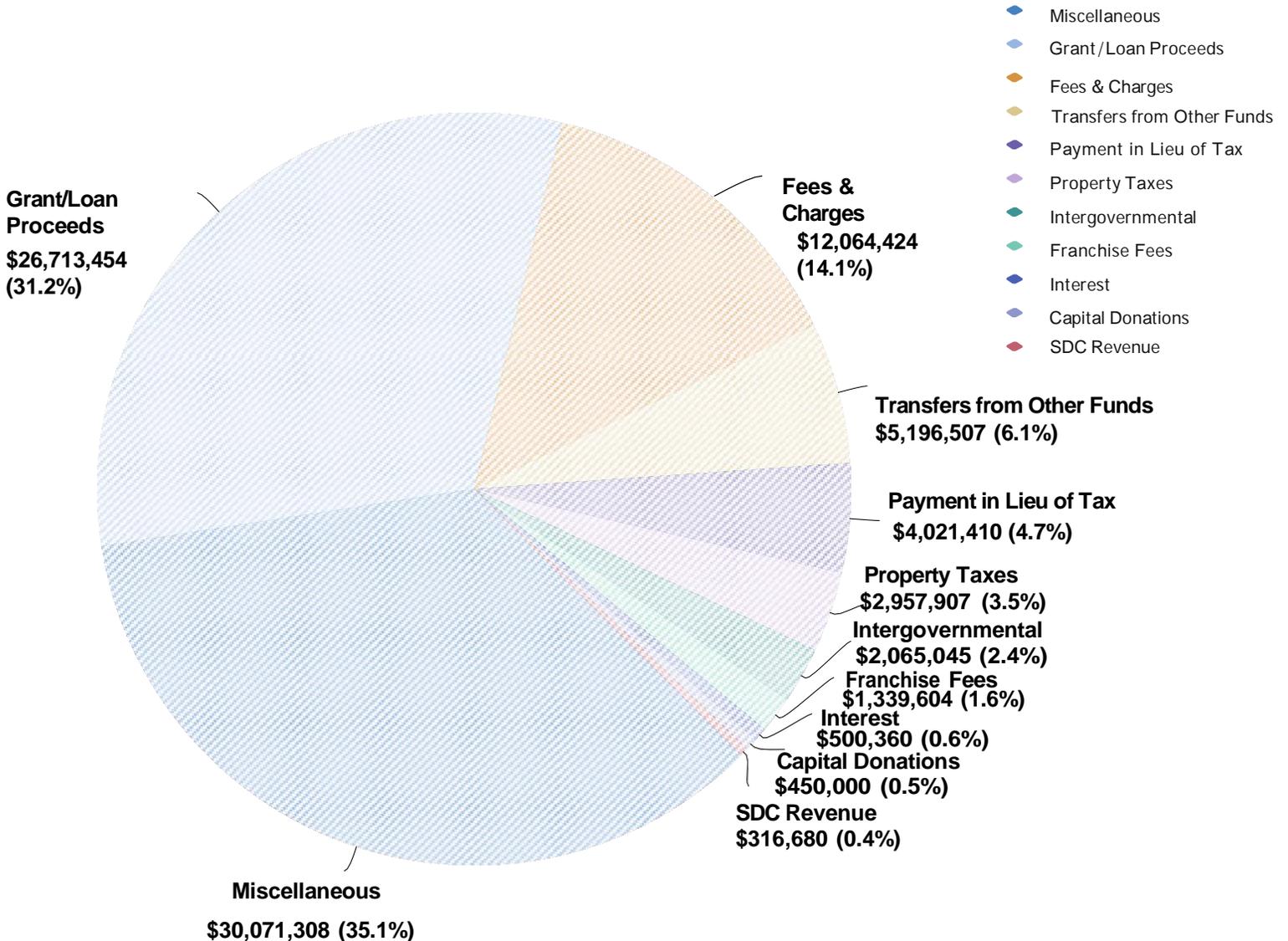
FY2023-24 **GENERAL FUND BUDGET**
Total \$20.8M

FY23-24 General Fund Budget by Department



How do we pay for our services?

FY2023-24 **PROJECTED REVENUES** TOTAL \$85.7M



FY2023-24 **STAFFING BY FUNCTION** (FULL-TIME EQUIVALENT CITY EMPLOYEES)



City Overview: About Umatilla

Fiscal Year 2023-24



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
Katie McMillan



Council Position 4
Ashley Wheeler



Council Position 5
Dennis McMillan



Council Position 6
Council President
Roak TenEyck





Mayor

Photo: Mayor Caden Sipe

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 2023-24

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 or adoption. The budget committee shall also approve a rate of total a 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 2023-24

January - February

- ② Hold informal department discussions
- ② Gather next fiscal year revenue and expense predictions

March

- ② Department directors submit formal budget requests
- ② Working session with Budget Committee to discuss projects to be included in budget, funding sources, priorities, goals and expectations
- ② Preliminary budget drafts prepared

April

- ② Final budget review meetings with departments
- ② Advertise notice of state revenue sharing uses
- ② Budget Committee meetings are advertised
- ② Finance performs final review and reconciliations and print proposed budgets
- ② City Manager presents budget message and budget at the first Budget Committee meeting
- ② Budget Committee discusses, deliberates and approves the budget
- ② Budget is updated to reflect Committee changes

May

- ② Prepare and publish Financial Summary and Notice of Budget Hearing
- ② If necessary, publish Notice of Supplemental Budget Hearing

June

- ② Council passes current year budget resolutions
- ② Council passes resolution for state revenue sharing eligibility and proposed uses
- ② 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 2023-24



City of Umatilla
City Council Goals
July 1, 2023 - June 30, 2025

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 2023 - 2025 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 FY23/24 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 1.7.2: Develop a concept plan for Big River Golf Course that includes: new pro shop and club house, possible restaurant, new on-course restroom facilities, new putting greens, updated paved pathways, and other improvements recommended by the Parks & Recreation Committee.
- 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 carry out 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.

Objective 1.13: Work to create housing at every economic level and provide investment and/or incentives

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- Objective 1.13.1: Earnestly pursue housing development partnerships with private developers and nonprofits that provide low-income housing. Negotiate incentives with such developers that will

entice them to construct their product in Umatilla. Consider constructing infrastructure, reducing fees, providing grants, density bonuses, etc. as possible means to produce such housing.

- Objective 1.13.2: Continue to partner with neighboring communities on Project PATH. Earnestly pursue grant and private funding to help ensure the program continues past the funding provided by HB4123 (June 2024).
- Objective 1.13.3: Work to construct/develop housing on city-owned residential property located along Big River Golf Course that is inline with housing traditionally located along golf courses (single family, condos, multi-family, etc.).
- Objective 1.13.4: City-owned property near the downtown should be developed to into multi-use housing that matches the traditionally and historical character of the downtown; with commercial buildings on the ground floor and apartment/condos on the 2nd and 3rd floors. Whenever possible, encourage as much density as reasonable as part of the City's downtown revitalization strategies.
- Objective 1.14: Work to expand high-speed internet and broadband services throughout the city. Whenever possible, pursue federal and state funding opportunities towards this effort. Solicit additional communication franchises to expand their services to Umatilla.

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: Explore the feasibility of a city-owned industrial facility that would be available for lease to industrial customers. If viable, purchase industrial land and construct such a facility that will be no less than 40,000 square feet. If possible, do so with at a time when a commitment from a prospective leaseholder is obtained.
- Objective 2.13: Grow the city's inventory of large industrial parcels, 50 acres or more, to meet the industrial demand of the region. If necessary, pursue urban growth boundary expansion according to land use law and best practices.

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 student’s 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, no later than April, have City staff provide a City tour to elected officials and their invited guests.
- 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 recently adopted Transportation System Plan (2023) was developed to guide the management of existing transportation facilities as well as the development of future facilities. The plan was developed to forecast growth in population, employment and traffic in the next 20 years and identify improvements to meet the forecasted growth.

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 2023-24

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 (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 onetime 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. 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.

11.10 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.

11.11 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 2023-24

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	385
Umatilla School District	Education	220
City of Umatilla	Government	78
JM Manufacturing Co.	Plastic Products Manufacturing	65
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 67 people in the past year and the City has seen 8.9% population growth since 2010.

The chart on the next page shows the ten-year historical new construction value based off of building permit activity.

Calendar Year Ending	Value (\$)	Description
12/31/2022	133,137,181.00	New Construction Value
12/31/2021	71,486,266.00	New Construction Value
12/31/2020	56,248,051.00	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

Largest Property Taxpayers in the City of Umatilla

Taxpayer	Type of Business	Total Taxes	Current Assessed Value
Amazon Data Services	Data Center	\$ 10,002,634	\$ 681,541,960
Zayo Group LLC	Telecommunications	\$ 74,520	\$ 5,170,840
Pacificorp	Electrical Utility	\$ 35,706	\$ 2,478,000
Khera Brother LLC	Hotel/Motel	\$ 34,269	\$ 2,378,270
Baustert John W Etal	Unknown	\$ 31,616	\$ 2,025,590
Ness Investments LLC	Real Estate	\$ 30,984	\$ 1,985,070
Simplot Industries	Agricultural Products	\$ 29,851	\$ 2,069,600
Quinones Properties	Hotel/Motel	\$ 26,901	\$ 1,866,930
Devin Oil Company	Fueling Station	\$ 26,702	\$ 1,823,750
Century Link/Lumen	Telecommunications	\$ 25,850	\$ 1,794,000

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 7,587.

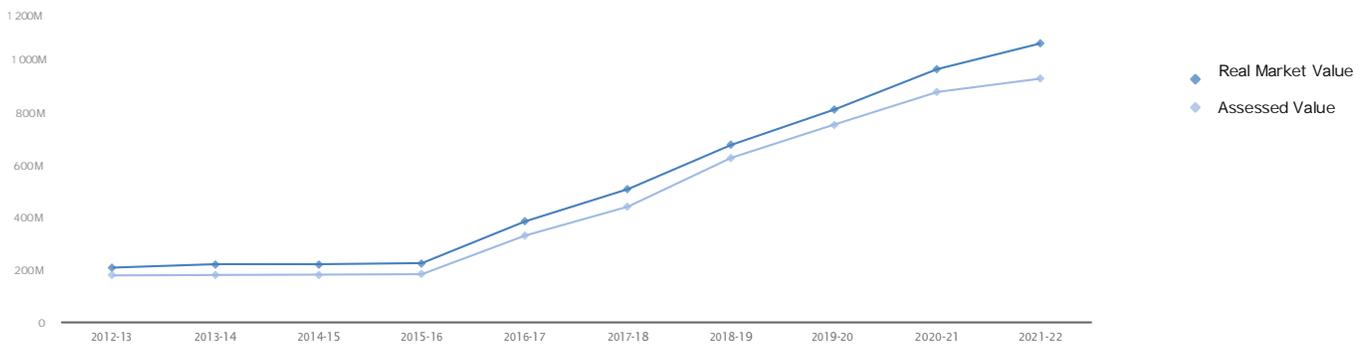
According to the 2019 American Community Survey results, the median age in the city was 33.9 years. 27.2% of residents were under the age of 20; 6.1% were between the ages of 20 and 24; 36.6% were between 25 and 44; 22.8% were between 45 and 64; and 7.3% were 65 years of age or older. The city is comprised 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



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.



City Overview:

Short Term Factors Impacting Overall Budget Development

Fiscal Year 2023-24

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 2023-24 budget.

Property Taxes and Payments in Lieu of Taxes

Total taxable assessed value for 2022-23 is \$930,973,166 (a 6% increase in value from the prior year), resulting in nearly \$2.7 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 7% in property tax receipts in the next fiscal year, for a total projected revenue of \$2.9 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 \$2.7 million in Community Service Fee (CSF) revenue related to the enterprise zone agreements on the first four buildings of PDX2, which includes \$435,000 from 2022-23. We allocated approximately \$1.8 million of those funds over the past three fiscal years on items such as land acquisition, the 6th Street project addition from L to Switzler, Umatilla Falls improvements, the future Business Center land payoff and a cash contribution on the golf course purchase. There are only two more years of exempt property remaining on those agreements. We anticipate the CSF payment next year to be significantly less at \$107,000. This leaves a total balance of just over \$1 million.

In the current fiscal year, we received the fourth 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 2022-23. 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 \$386,000 and allocated \$235,000 of these funds towards marina and RV park improvements and city camera upgrades. We anticipate our full payment of \$91,197 in 2023-24 which would leave us with a total of \$242,000 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. In the current fiscal year, our distribution increased from \$2 million to \$2.75 million due to the addition of two buildings at the Westland Road campus. To date we have received \$8.75 million and we have appropriated approximately \$5.4 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 expect to receive our first payments related to the PDX130 campus in 2023-24. These payments will consist of a \$1 million Annual Improvement Payment and the equivalent of tax on the first \$25 million building value, which is equivalent to \$73,000. These payments will continue for 15 years and will increase as more buildings are added.

In the 2022-23 fiscal year, the City received a \$2.5 million Community Development Contribution related to the PDX194 campus. This is a one-time payment intended to assist with costs of capital improvement projects within the City. \$1.5 million of this payment has been allocated toward the temporary water infrastructure project at the PDX121 and 130 campuses. The remaining \$1 million will carry forward to the next budget. We do not anticipate receiving any other payments related to that campus until the fiscal year ending June 30, 2025.

There are two additional campuses, PDX121 and PDX260, that have approved Enterprise Zone A agreements. We do not anticipate any payments in lieu of tax from PDX121 until the fiscal year ending June 30, 2026. We anticipate a \$2.5 million Community Development Contribution from PDX260 in the fiscal year ending June 30, 2025 and then additional payments in the fiscal year ending June 30, 2027.

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 13.04% on behalf of Sanitary Disposal. The average residential customer, using 7,500 gallons, will see a 8% increase in their utility bill, or a \$9.00 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 2023-24 fiscal year.

Personnel Expenses

When considering COLA proposals, the city usually looks at many numbers, including the consumer price index 12-month percentage change (6% as of February 2023), annual inflation rate (6.5% for 2022) and SSA COLA (8.7% in 2023). In order to balance personnel expenses with other rising costs, City Council approved a cost-of-living-adjustment (COLA) of 5% for non-union employees.

We are nearing the end of the second 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.

We are nearing the end of the first year of the current public works collective bargaining agreement that is in effect through June 30, 2025. The agreement grants a salary increase of 1.75% in the upcoming year, and 2% for the final year.

Our current PERS rates are effective until June 30, 2023. For the next biennium our rates will increase from 20.63% to 25.30% for Tier 1 and Tier 2, from 13.86% to 17.29% for OPSRP General Schedule and from 18.22% to 22.08% 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 insurance costs will increase by 5% for the next budget cycle. Delta Dental insurance costs will remain flat for the next budget cycle. The Willamette Dental plan premiums will increase by 6% and vision premiums will increase by 9%. The lower cost items such as life insurance and accidental death and disability will remain flat.

New Full Time Employee (FTE)

- Approvals Police Officer
- Dispatch/Administrative Assistant
- Senior Accountant
- One Additional Recreation Coordinator
- Three Additional Maintenance Worker I
- Deputy City Recorder / Executive Assistant

*Not all new employees are approved for a July 1 start date to alleviate first year budget impact.

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 secured 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. In the current fiscal year we contracted with Mackenzie, Inc. for design of a new facility that will meet the demands of the police department for approximately 20 years. The design contract is approximately \$1.3 million. We anticipate the construction project cost at \$14 million. We have \$400,000 for design allocated in the 2022-23 budget and are allocating the remaining \$900,000 in the 2023-24 budget. Once funding is secured, we will begin construction, likely occurring in two years, starting in FY25/26. 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 \$440,900 which is made up of City cash match of \$276,900 and a grant of \$164,000.

Umatilla Falls

The City has been working on 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. We currently have \$965,000 allocated to the project. When we put the project out to bid, the results came in much higher than anticipated due to the complexity of the fountain, power and traffic control at a busy highway intersection. We anticipate the total cost

at \$2.4 million. Staff would like to continue to explore grant opportunities to secure at least \$600,000 while we also rework some of the utility design and pre-construction costs.

Umatilla Marina & RV Park 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 current fiscal year, we allocated \$400,000 towards design 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 and other highly buoyant materials, well-spaced navigable fairways, reliable and safe potable water, electrical hookups, updated sewer pumping system(s), high speed internet, new gangways and entries, replaced abutments, and other features and amenities. The City secured a grant from the Oregon State Marine Board (OSMB) to complete phase 1 of the design which includes surveying, environmental permitting, geotechnical investigations, cultural evaluations, hydraulic investigations and sediment transport analysis. The total cost of phase 1 is \$487,300 and the City's match is approximately \$357,000 which will be funded through the already allocated design funding.

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 2022-23 budget and will roll forward to the next year.

Nugent Park Boat Ramp Replacement

The Nugent Park boat ramp was damaged in the flooding that occurred in 2020. Projects that occurred under that FEMA declared disaster are eligible for 90% reimbursement. After a deeper evaluation of that area, staff has determined it would be in the City's best interest to pursue design and completion of the other desired site improvements at the same time to realize economy of scale savings by only having to do the work once. The expanded scope includes a boat dock, launch staging area upgrades, site lighting, and upper parking lot improvements. The total design and construction cost of the project is \$1.7 million. FEMA will cover \$662,000, and the City has secured an OSMB grant for \$466,000 and the City will be responsible for the remaining \$572,000. We anticipate design completion in early 2024 with construction beginning late spring.

Hash Park Improvements

Last 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, splash pad, dog park, pavilions and open space. We anticipate the full design cost of the facility to be at least \$1 million. In the 2023-24 budget, we allocated \$500,000 to start design and will continue to pursue grant funding.

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. The city set aside \$400,000 towards an outdoor gun range in the current fiscal year to meet both a public safety training need and a recreational need. While we work towards a permanent solution, we have secured a

temporary range that will meet the public safety need for the next five years. That location that will require approximately \$100,000 in site improvements. The total annual maintenance cost is projected at \$10,000. We would like to roll forward \$175,000 towards procurement or development of a permanent range location to meet the recreational need.

Water and Sewer Extension to the Power City and Brownell Areas

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

- \$6,000,000 - Bipartisan Infrastructure Law (BIL) Funds administered by Business Oregon's Safe Drinking Water Revolving Loan Fund (SDWRLF). This will be comprised of a loan for \$2.7 million that will carry interest at 2.83% for 30 years and a \$3.3 million forgivable loan.
- \$1,906,500 - Community Development Block Grant (CDBG) Construction Funds
- \$180,000 - City Funds: Accumulated System Development Charge improvement revenue.

The City 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. We estimate that the Power City/Brownell Sewer Service Project will cost approximately \$11,315,305. The City intends to fund the project with a \$500,000 contribution from a private industrial customer and the remainder with a DEQ Clean Water State Revolving Fund (CWSRF) Loan.

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 \$25.2 million. For design, the city is taking out a loan for 40%, or approximately \$1 million from Business Oregon. The remainder will be funded with an upfront capital reimbursement from an industrial developer. For construction, the city will be applying for a \$10 million loan from Business Oregon and funding the remainder of the project with an upfront capital reimbursement from an industrial developer. 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.

Community Support & Commitments

The City has been coordinating with the Umatilla Hospital District since early 2022 to assist them in their efforts to construct a new clinic to meet our community's needs and demands. In addition to providing the City's contracted grant writer at no cost to the District, Council has communicated their support, including financial support of the project. We have pledged \$500,000 toward this project from the City's General Fund in the upcoming fiscal year.

In June 2022, City Council approved a payment of \$1 million to the Port of Umatilla for the support of and investment in economic development within the Port's boundaries. These funds are to be paid from the City's General Fund in the upcoming fiscal year to be used at the Port's sole discretion to support economic development.

Other Expense Factors

Insurance costs will increase for the 2023-24 fiscal year. Property and auto rates are increasing by 23% and liability rates are increasing by 9%.

Debt Outstanding: Long-Term Debt

Fiscal Year 2023-24

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.

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 2023-24

Long-Term Debt Outstanding

Long-Term Debt Outstanding

As of June 30, 2023, the City will have \$5,414,457 outstanding in notes payable and no outstanding bond debt, for a total of \$5,414,457 in long-term debt outstanding.

Legal Debt Limit Measures

Pursuant to Oregon Revised Statue 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 \$31.2 million, of which, the City has zero outstanding.

Computation of Legal Debt Margin

Real Market Value (RMV)	\$1,065,332,103
Debt Limit Rate	3%
Debt Limit	\$ 31,959,963

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

Debt Service Obligations

NOTES PAYABLE

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, 2023, the City has requested \$485,409 in project reimbursements. We do not anticipate any loan payments due in the 2023-24 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 minimis 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.

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. In March 2023, the City executed a loan amendment increasing the amount to \$260,500. The project was completed in the 2022-23 fiscal year so as of June 30, 2023, the City has requested the full \$260,500 in project reimbursements. The first loan payment is due in the 2023-24 fiscal year.

Long-Term Debt Activity for FY 2022-23

	Balance as of June 30, 2022	Additions	Reductions	Balance as of June 30, 2023
<u>Governmental Activities:</u>				
Notes Payable:				
Banner Bank - City Hall	\$ 284,503	\$ -	\$ (284,503)	\$ -
Banner Bank - Golf Course	\$ 1,653,137	\$ -	\$ (71,380)	\$ 1,581,757
Umatilla Museum & Historical Foundation	\$ 93,750	\$ -	\$ (31,250)	\$ 62,500
IFA Pedestrian Bridge Replacement	\$ 64,429	\$ 420,980	\$ -	\$ 485,409
Total Governmental Activities	\$ 2,095,819	\$ 420,980	\$ (387,133)	\$ 2,129,666
<u>Business-Type Activities:</u>				
Bonds Payable:				
Sewer Refunding Bonds	\$ 250,000	\$ -	\$ (250,000)	\$ -
Notes Payable:				
IFA Final Design	\$ 258,740	\$ -	\$ (63,531)	\$ 195,209
CWSRF IWW Construction	\$ 2,338,214	\$ -	\$ (31,360)	\$ 2,306,854
IFA 6th St Waterline Imp	\$ 534,259	\$ -	\$ (12,031)	\$ 522,228
CWSRF Wastewater Planning Loan	\$ 177,757	\$ 82,743	\$ -	\$ 260,500
Total Business-Type Activities	\$ 3,558,970	\$ 82,743	\$ (356,922)	\$ 3,284,791
Total Long-Term Debt Obligations	\$ 5,654,789	\$ 503,723	\$ (744,055)	\$ 5,414,457

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 \$25.2m, will be funded and constructed by a private industrial customer.

For design, the city is taking out a loan for 40%, or approximately \$1 million from Business Oregon. The remainder will be funded with an up-front capital reimbursement from an industrial developer. For construction, the city anticipates obtaining a \$10 million loan from Business Oregon and funding the remainder of the project with an upfront capital reimbursement from an industrial developer.

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:

- \$10,815,305 - DEQ Clean Water State Revolving Fund (CWSRF) Loan
- \$500,000 - Private Donation

Debt Outstanding: Future Principal and Interest Payments Due

Fiscal Year 2023-24

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 - Golf Course		Umatilla Museum Installment Note		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 70,520	\$ 44,383	\$ 31,250	\$ -	\$ 101,770	\$ 44,383
2025	\$ 73,247	\$ 41,656	\$ 31,250	\$ -	\$ 104,497	\$ 41,656
2026-2030	\$ 398,283	\$ 176,232	\$ -	\$ -	\$ 398,283	\$ 176,232
2031-2035	\$ 457,464	\$ 117,051	\$ -	\$ -	\$ 457,464	\$ 117,051
2036-2040	\$ 525,439	\$ 49,076	\$ -	\$ -	\$ 525,439	\$ 49,076
2041-2045	\$ 56,804	\$ 792	\$ -	\$ -	\$ 56,804	\$ 792
Total	\$ 1,581,757	\$ 429,191	\$ 62,500	\$ -	\$ 1,644,257	\$ 429,191
Due within one year	\$ 70,520	\$ 44,383	\$ 31,250	\$ -	\$ 101,770	\$ 44,383
Due after one year	\$ 1,511,237	\$ 384,808	\$ 31,250	\$ -	\$ 1,542,487	\$ 384,808
Total	\$ 1,581,757	\$ 429,191	\$ 62,500	\$ -	\$ 1,644,257	\$ 429,191

Debt Service Schedule

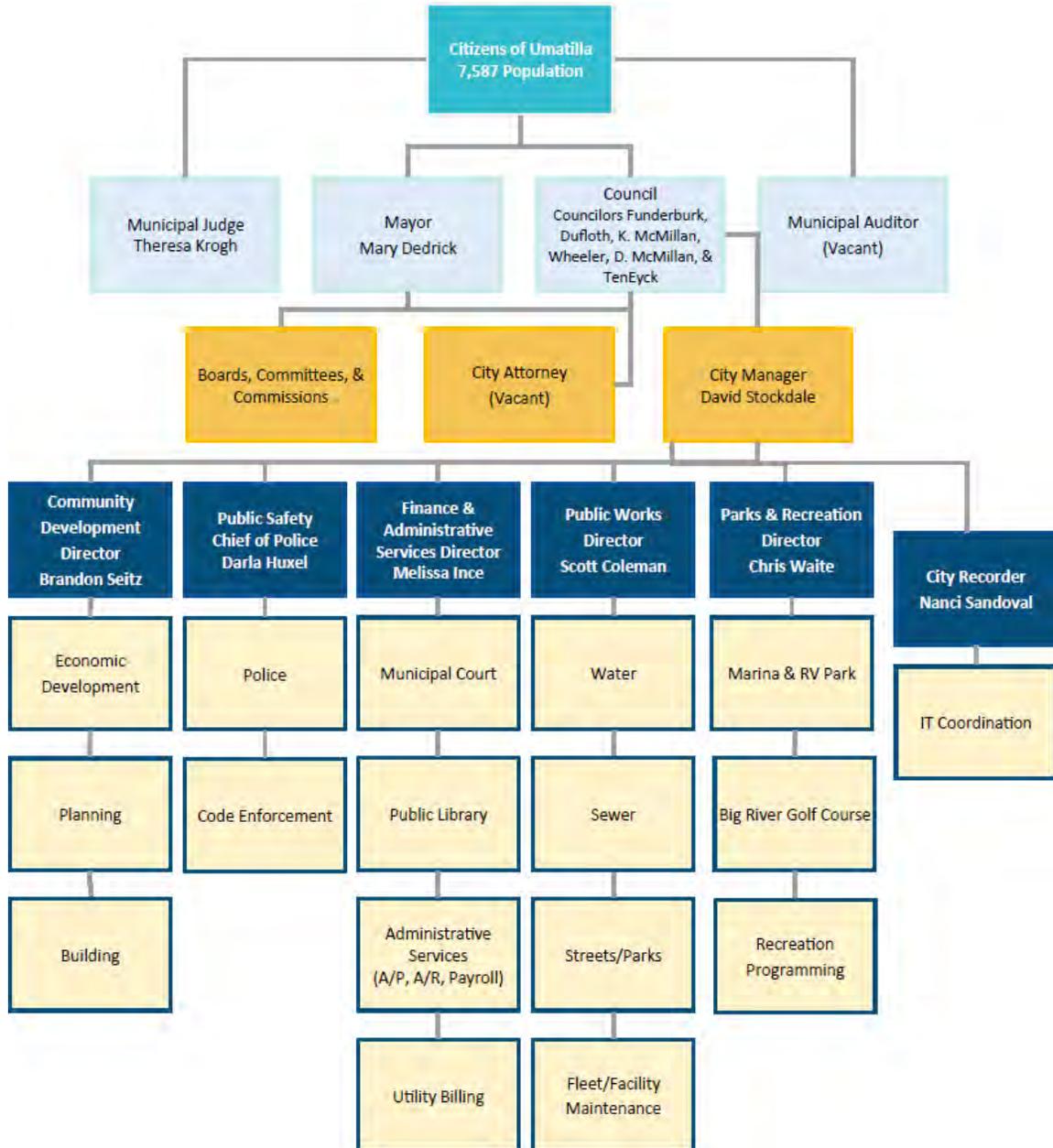
Enterprise (Business-Type)

Year Ending June 30,	Enterprise Activities					
	CWSRF Industrial Wastewater Line Construction Project Loan		IFA Final Design Loan		IFA 6th Street Waterline Improvement Project Refunding Note	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 63,456	\$ 47,116	\$ 64,433	\$ 2,772	\$ 12,132	\$ 22,867
2025	\$ 64,449	\$ 45,803	\$ 65,348	\$ 1,857	\$ 12,239	\$ 22,260
2026-2030	\$ 337,706	\$ 208,583	\$ 65,428	\$ 929	\$ 77,990	\$ 101,254
2031-2035	\$ 364,991	\$ 172,518	\$ -	\$ -	\$ 101,578	\$ 79,416
2036-2040	\$ 394,482	\$ 133,539	\$ -	\$ -	\$ 126,159	\$ 51,285
2041-2045	\$ 426,353	\$ 91,413	\$ -	\$ -	\$ 156,355	\$ 20,389
2046-2050	\$ 460,802	\$ 45,880	\$ -	\$ -	\$ 35,775	\$ 1,073
2051-2055	\$ 194,615	\$ 4,789	\$ -	\$ -	\$ -	\$ -
Total	\$ 2,306,854	\$ 749,641	\$ 195,209	\$ 5,558	\$ 522,228	\$ 298,544
Due within one year	\$ 63,456	\$ 47,116	\$ 64,433	\$ 2,772	\$ 12,132	\$ 22,867
Due after one year	\$ 2,243,398	\$ 702,525	\$ 130,776	\$ 2,786	\$ 510,096	\$ 275,677
Total	\$ 2,306,854	\$ 749,641	\$ 195,209	\$ 5,558	\$ 522,228	\$ 298,544

Year Ending June 30,	CWSRF Wastewater Planning Loan			
	Loan		Total	
	Principal	Interest	Principal	Interest
2024	\$ 28,634	\$ 2,100	\$ 168,655	\$ 74,855
2025	\$ 57,499	\$ 1,175	\$ 199,535	\$ 71,095
2026-2030	\$ 174,367	\$ 1,652	\$ 655,491	\$ 312,418
2031-2035	\$ -	\$ -	\$ 466,569	\$ 251,934
2036-2040	\$ -	\$ -	\$ 520,641	\$ 184,824
2041-2045	\$ -	\$ -	\$ 582,708	\$ 111,802
2046-2050	\$ -	\$ -	\$ 496,577	\$ 46,953
2051-2055	\$ -	\$ -	\$ 194,615	\$ 4,789
Total	\$ 260,500	\$ 4,927	\$ 3,284,791	\$ 1,058,670
Due within one year	\$ 28,634	\$ 2,100	\$ 168,655	\$ 74,855
Due after one year	\$ 231,866	\$ 2,827	\$ 3,116,136	\$ 983,815
Total	\$ 260,500	\$ 4,927	\$ 3,284,791	\$ 1,058,670

Personnel: Organizational Chart

Fiscal Year 2023-24



Personnel: Position & Salary Ranges

Fiscal Year 2023-24

Positions & Salary Ranges

					Compensation Plan (pay range by position)		
FY 20-21	FY 21-22	FY 22-23	Increase (Decrease)	FY 23-24	Position Title	Low Step	High Step
1	1	1		1	City Administration		
1	1	1		1	City Manager	168,444	
0	0	0	0.75	0.75	City Recorder	76,296	91,668
0.5	0.25	0.25		0.25	Deputy City Recorder	51,396	65,568
2.5	2.25	2.25	0.75	3	Office Interns	\$13/hr	\$15/hr
1	1	1		1	Finance & Administrative Services		
1	1	1		1	Finance & Administrative Services Director	114,996	155,760
0	0	0	1	1	Administrative Services Manager	84,588	99,432
0	0	0	1	1	Human Resources Manager	84,588	99,432
0	1	0		0	Senior Accountant	84,588	99,432
0	1	0		0	Golf Course Administrative Supervisor	*	*
0	1	1	-1	0	Human Resources Analyst	72,912	89,196
0	0	0		0	Accounting Tech	51,396	65,568
1	1	1		1	Utility Billing Clerk	51,396	65,568
0	1	0		0	RV Park Office Clerk	*	*
0	0.5	0		0	Part Time Office Clerk	*	*
0	2	0		0	Pro Shop Attendants	*	*
3	8.5	4		5			
0.25	0.25	0.25		0.25	Municipal Court		
1	1	1		1	Municipal Judge	30,015	30,015
1.25	1.25	1.25	0	1.25	Court Clerk	51,396	65,568
1	1	1		1	Library		
1	1	1		1	Library Director	76,296	91,668
1	1	1		1	Library Aide	43,584	55,620
1	1.5	1		1	Part Time Library Aide	\$20.95/hr	\$26.74/hr
0	0	0	.08	.08	Library Intern	\$13/hr	\$15/hr
3	3.5	3	.08	3.08			
1	1	1		1	Community Development		
1	1	1		1	Community Development Director	106,176	130,032
0	0	0		0	Building Official	97,668	114,804
1	1	1		1	Principal Planner	91,020	106,992
0	1	1		1	Development Manager	84,588	99,432
1	1	1		1	Senior Planner	84,588	99,432
0	0	0		0	Associate Planner	72,912	89,196
0	1	1		1	Building Inspector	78,564	95,724
1	1	1		1	Community Development Coordinator		
0	0	0	1	1	Building Permit Lead	60,252	76,860
0	1	1	-1	0	Building Permit Specialist	51,396	65,568
0	0.25	0		0	Recreation Team Member	*	*
0	0	0		0	Planning and Code Specialist	-	-
5	6.25	6	0	6			
0	0	1		1	Parks & Recreation		
0	0	1		1	Parks & Recreation Director	104,544	122,256
0	0	1		1	Golf Course Administrative Supervisor	76,296	91,668
0	0	2	1	3	Recreation Coordinator	60,252	76,860
0	0	1.5		1.5	RV Park Office Clerk	43,584	55,620
0	0	1.5		1.5	Pro Shop Attendants	43,584	55,620
0	0	1	.44	1.44	Recreation Team Member	\$13/hr	\$15/hr
0	0	0.5		0.5	Seasonal RV Park Office Clerk	\$13/hr	\$15/hr
0	0	0.5		0.5	Seasonal Pro Shop Attendants	\$13/hr	\$15/hr
0	0	9	1.44	10.44			
1	1	1		1	Public Works		
1	1	1		1	Public Works Director	106,176	130,032
1	1	1		1	Public Works Superintendent	91,020	106,992
1	0	1	-1	0	Public Works Supervisor	84,588	99,432
0	1	1		1	Golf Course Superintendent	76,296	91,668
4	3	3		3	Public Works Lead	57,540	73,416
3	5	3		3	Maintenance Worker II	49,080	62,616
2	5	7	2.5	9.5	Maintenance Worker I	46,392	59,184
0.5	1.25	2.25	.5	2.75	Seasonal Worker	\$15.50/hr	\$17.50/hr
0	0.5	0		0	Public Works Intern	-	-
12.5	17.75	19.25	2	21.25			
1	1	1		1	Police		
1	1	1		1	Police Chief	114,996	155,760
2	2	2.5	0.5	3	Police Lieutenant	104,544	122,256
8.5	8.5	8	1	9	Police Sergeant	91,020	106,992
1	1	1		1	Police Officer	61,440	86,434
1	1	1		1	School Resource Officer	61,440	86,434
1	1	1		1	Code Enforcement Officer	61,440	86,434
1	1	1		1	Dispatcher	61,440	86,434
1	1	1	.75	1.75	Police Office Clerk	51,072	71,892
16.5	16.5	16.5	0	18.75			
43.75	56	61.25	7.52	68.77	Total Full-Time Equivalent (FTEs)		

* Indicates position moved to the Parks & Recreation Department

Summary of Changes

Parks & Recreation

Towards the end of the 2021-22 FY, City Council approved the addition of a new Parks & Recreation Department. This budget converts a part-time recreation aid position into a full time Recreation Coordinator to assist with the demands of the events, programs and administrative tasks of the department.

Finance

This budget includes the creation of a Senior Accountant position that will assist with loan and grant reporting and management, financial forecasting and assisting with budget preparation and monitoring.

Administration

This budget includes the creation of a Deputy City Recorder / Executive Assistant position. This position will help with administrative tasks such as filing, schedule coordination, preparation of correspondence, etc. as well as serve as a backup for the City Recorder during routine leave.

Public Works

Public Works is adding three maintenance worker I positions and eliminating the Public Works Supervisor position that the City has been unable to fill.

Police Department

This budget plans for two new positions in the Police Department. The first is an additional police officer. The second is the conversion of a part time administrative assistant to full time, resulting in an overall FTE increase of .75 FTE.

Budget Summary: Description of Funds

Fiscal Year 2023-24

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

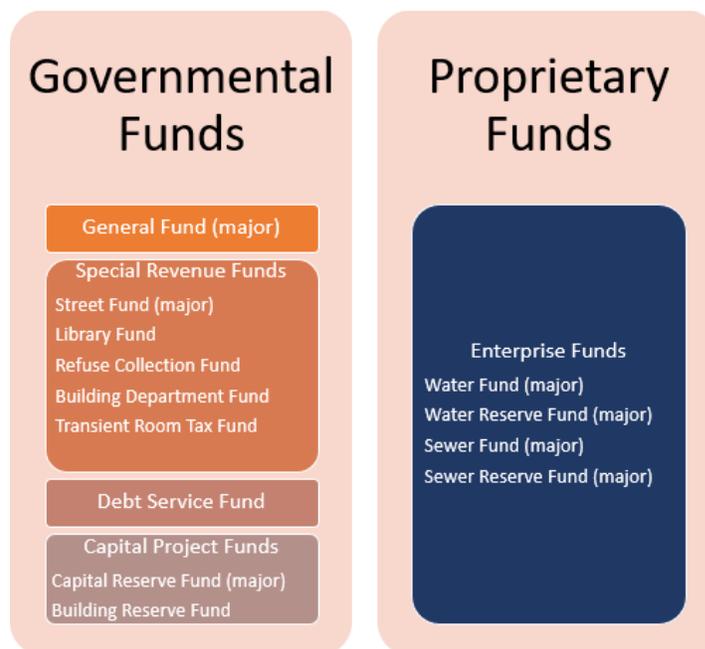
Governmental Funds are used to account for most of the city's functions and include general, special revenue, debt service, and capital project funds.

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 fund structure are appropriated in the FY24 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 2023-24 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.)

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). City Council moved to dissolve the fund after the City Hall loan was paid off in April 2023.

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 2023-24 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
Administration - City Manager's Office - City Council - City Recorder - Finance - Human Resources - Information Technology - City Hall Facility	Street Fund - Street Maintenance - Street Construction - Sidewalks - Bike Paths - Bridges - Street Lighting - Street Fleet Maintenance	Debt Service Fund - Debt Service	Capital Reserve Fund - Vehicle Purchases - Land Acquisition - Equipment Purchases - Capital Projects <ul style="list-style-type: none"> ▪ Parks ▪ Downtown ▪ City-wide 	Water Fund - Administration - Engineering - Systems Operation - Water Fleet Maintenance - Debt Service
Community Development - Economic Development - Planning - Zoning - Recreation - Transportation	Library Fund - Collection Management - Material Distribution - Programming			Water Reserve Fund - Water Infrastructure Expansion - Capital Projects - Major Infrastructure Repairs
Municipal Court	Refuse Collection Fund - Administration			Sewer Fund - Administration - Engineering - Systems Operation - Sewer Fleet Maintenance - Debt Service
Parks - Park Maintenance - Trail Maintenance - Marina & RV Park	Building Department Fund			Sewer Reserve Fund - Sewer Infrastructure Expansion - Capital Projects - Major Infrastructure Repairs
Public Safety - Police - School Resource Officer - Code Enforcement - Emergency Management	Transient Room Tax Fund - Motel Tax Collection - Tourism Promotion			

Budget Summary: Understanding the Budget Format

Fiscal Year 2023-24

	Historical Data			Next FY Budget		
	Actual FY 2020-21	Actual FY 2021-22	Budget FY 2022-23	Proposed FY 2023-24	Approved FY 2023-24	Adopted FY 2023-24
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 2023-24

FY2023-24 Consolidated Financial Schedule by Fund Type

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	ENTERPRISE FUND	2023-24 BUDGET
	FY2024	FY2024	FY2024	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$7,305,987	\$6,489,209	\$12,224,937	\$4,200	\$8,759,750	\$34,784,083
Property Taxes	\$2,957,882	–	–	\$25	–	\$2,957,907
Payment in Lieu of Tax	\$4,021,410	–	\$0	–	–	\$4,021,410
Franchise Fees	\$1,339,604	–	–	–	–	\$1,339,604
Fees & Charges	\$1,338,840	\$5,298,573	\$102,216	–	\$5,324,795	\$12,064,424
Intergovernmental	\$900,460	\$1,164,585	–	–	–	\$2,065,045
Capital Donations	–	–	\$450,000	–	–	\$450,000
Capital Grants	–	\$3,562,123	\$2,622,022	–	\$20,529,309	\$26,713,454
SDC Revenue	–	–	–	–	\$316,680	\$316,680
Interest	\$85,000	\$89,100	\$225,000	\$60	\$101,200	\$500,360
Miscellaneous	\$2,605,513	\$33,450	\$0	–	\$27,432,345	\$30,071,308
Transfers from Other Funds	\$195,382	\$233,525	\$2,757,600	\$0	\$2,010,000	\$5,196,507
REVENUES TOTAL	\$20,750,078	\$16,870,565	\$18,381,775	\$4,285	\$64,474,079	\$120,480,782
Expenses						
Personnel Services	\$5,815,006	\$1,272,480	–	–	\$1,373,942	\$8,461,428
Materials & Services	\$8,204,532	\$4,249,682	\$0	–	\$3,813,100	\$16,267,314
Debt Service	–	–	\$146,154	\$0	\$1,800,005	\$1,946,159
Transfers	\$2,839,625	\$547,615	\$16,417	–	\$1,792,850	\$5,196,507
Capital Outlay	\$0	\$3,695,365	\$17,958,257	–	\$50,381,166	\$72,034,788
Operating Contingency	\$1,500,000	\$1,495,000	–	–	\$1,950,000	\$4,945,000
CWSRF Loan Reserve	–	–	–	–	\$76,859	\$76,859
Unappropriated Fund Balance	\$2,390,915	\$5,610,423	\$260,947	\$4,285	\$3,286,157	\$11,552,727
EXPENSES TOTAL	\$20,750,078	\$16,870,565	\$18,381,775	\$4,285	\$64,474,079	\$120,480,782
Revenues Less Expenses	\$0	\$0	\$0	\$0	\$0	\$0

Changes in Fund Balance

Fund Title	7/1/2023	FY2023-24 Budget		Change in Fund Balance	Budgeted 6/30/24	% Change
	Fund Balance	Revenues	Expenditures		Fund Balance	
General Fund	7,305,987	13,444,091	16,859,163	(3,415,072)	3,890,915	-46.7%
Special Revenue Funds						
Street Fund	955,056	4,473,073	4,833,611	(360,538)	594,518	-37.8%
Library Fund	219,964	282,410	380,984	(98,574)	121,390	-44.8%
Refuse Collection Fund	93,233	1,122,289	1,122,576	(287)	92,946	-0.3%
Building Department Fund	4,929,281	2,691,084	1,356,343	1,334,741	6,264,022	27.1%
Transient Room Tax Fund	291,675	1,812,500	2,071,628	(259,128)	32,547	-88.8%
Debt Service Fund	4,200	85	-	85	4,285	2.0%
Capital Project Funds						
Capital Reserve Fund	12,208,520	6,156,838	18,104,411	(11,947,573)	260,947	-97.9%
Building Reserve Fund	16,417	-	16,417	(16,417)	-	-100.0%
Enterprise Funds						
Water Fund	1,775,995	3,994,200	5,271,483	(1,277,283)	498,712	-71.9%
Water Reserve Fund	1,776,565	37,399,429	38,118,101	(718,672)	1,057,893	-40.5%
Sewer Fund	628,060	2,467,495	2,573,413	(105,918)	522,142	-16.9%
Sewer Reserve Fund	4,579,130	11,853,205	13,198,065	(1,344,860)	3,234,270	-29.4%
TOTALS	34,784,083	85,696,699	103,906,195	(18,209,496)	16,574,587	-52.4%

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 projects, Project PATH capital expenditures, city sponsored festivals and public works equipment purchases.

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. City Council has approved a resolution to dissolve the fund and transfer the remaining balance to the General Fund.

Water Fund - Large temporary water infrastructure project carrying over from previous fiscal year.

Water Reserve Fund - Planned Capital Projects: Umatilla River Bridge Waterline Replacement Project, Power City and Brownell Water Utility Expansion 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 2023-24

Four Year Consolidated Revenues and Expenditures by Fund

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
General						
General Fund	\$13,342,149	\$15,213,070	\$15,707,700	\$20,750,078	\$20,750,078	\$20,750,078
GENERAL TOTAL	\$13,342,149	\$15,213,070	\$15,707,700	\$20,750,078	\$20,750,078	\$20,750,078
Special Revenue Fund						
Street Fund	\$2,996,689	\$3,898,102	\$7,104,570	\$5,428,129	\$5,428,129	\$5,428,129
Library Fund	\$403,348	\$443,127	\$479,037	\$502,374	\$502,374	\$502,374
Refuse Fund	\$1,115,391	\$1,038,219	\$1,116,203	\$1,215,522	\$1,215,522	\$1,215,522
Building Department Fund	\$3,634,504	\$5,162,241	\$5,999,975	\$7,620,365	\$7,620,365	\$7,620,365
Transient Room Tax Fund	\$350,405	\$572,179	\$848,737	\$2,104,175	\$2,104,175	\$2,104,175
SPECIAL REVENUE FUND TOTAL	\$8,500,337	\$11,113,869	\$15,548,522	\$16,870,565	\$16,870,565	\$16,870,565
Debt Service						
Debt Service Fund	\$3,869	\$4,111	\$4,280	\$4,285	\$4,285	\$4,285
DEBT SERVICE TOTAL	\$3,869	\$4,111	\$4,280	\$4,285	\$4,285	\$4,285
Capital Projects						
Capital Reserve Fund	\$7,347,969	\$15,285,947	\$18,995,856	\$18,365,358	\$18,365,358	\$18,365,358
Building Reserve	\$278,739	\$295,580	\$312,079	\$16,417	\$16,417	\$16,417
CAPITAL PROJECTS TOTAL	\$7,626,708	\$15,581,526	\$19,307,935	\$18,381,775	\$18,381,775	\$18,381,775
Enterprise						
Water Fund	\$1,961,378	\$1,923,106	\$1,990,803	\$5,770,195	\$5,770,195	\$5,770,195
Sewer Fund	\$2,490,229	\$3,111,192	\$3,355,423	\$3,095,555	\$3,095,555	\$3,095,555
Water Reserve Fund	\$1,256,196	\$2,069,501	\$6,496,517	\$39,175,994	\$39,175,994	\$39,175,994
Sewer Reserve Fund	\$2,647,931	\$3,547,484	\$4,407,848	\$16,432,335	\$16,432,335	\$16,432,335
ENTERPRISE TOTAL	\$8,355,733	\$10,651,283	\$16,250,591	\$64,474,079	\$64,474,079	\$64,474,079
REVENUES TOTAL	\$37,828,796	\$52,563,859	\$66,819,028	\$120,480,782	\$120,480,782	\$120,480,782
Expenses						
General						
General Fund	\$9,034,640	\$10,157,158	\$15,707,700	\$20,750,078	\$20,750,078	\$20,750,078
GENERAL TOTAL	\$9,034,640	\$10,157,158	\$15,707,700	\$20,750,078	\$20,750,078	\$20,750,078
Special Revenue Fund						
Street Fund	\$2,411,473	\$2,932,925	\$7,104,570	\$5,428,129	\$5,428,129	\$5,428,129
Library Fund	\$316,250	\$244,356	\$479,037	\$502,374	\$502,374	\$502,374
Refuse Fund	\$1,096,982	\$1,057,348	\$1,116,203	\$1,215,522	\$1,215,522	\$1,215,522
Building Department Fund	\$1,104,446	\$1,247,753	\$5,999,975	\$7,620,365	\$7,620,365	\$7,620,365
Transient Room Tax Fund	\$122,347	\$157,128	\$848,737	\$2,104,175	\$2,104,175	\$2,104,175
SPECIAL REVENUE FUND TOTAL	\$5,051,497	\$5,639,511	\$15,548,522	\$16,870,565	\$16,870,565	\$16,870,565
Debt Service						
Debt Service Fund	-	-	\$4,280	\$4,285	\$4,285	\$4,285
DEBT SERVICE TOTAL	-	-	\$4,280	\$4,285	\$4,285	\$4,285

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Capital Projects						
Capital Reserve Fund	\$3,637,072	\$4,757,090	\$18,995,856	\$18,365,358	\$18,365,358	\$18,365,358
Building Reserve	\$121,317	\$117,326	\$312,079	\$16,417	\$16,417	\$16,417
CAPITAL PROJECTS TOTAL	\$3,758,389	\$4,874,416	\$19,307,935	\$18,381,775	\$18,381,775	\$18,381,775
Enterprise						
Water Fund	\$1,890,577	\$1,933,906	\$1,990,803	\$5,770,195	\$5,770,195	\$5,770,195
Sewer Fund	\$1,971,351	\$2,194,672	\$3,355,423	\$3,095,555	\$3,095,555	\$3,095,555
Water Reserve Fund	\$143,204	\$557,333	\$6,496,517	\$39,175,994	\$39,175,994	\$39,175,994
Sewer Reserve Fund	\$276,948	\$322,741	\$4,407,848	\$16,432,335	\$16,432,335	\$16,432,335
ENTERPRISE TOTAL	\$4,282,080	\$5,008,652	\$16,250,591	\$64,474,079	\$64,474,079	\$64,474,079
EXPENSES TOTAL	\$22,126,605	\$25,679,737	\$66,819,028	\$120,480,782	\$120,480,782	\$120,480,782
Revenues Less Expenses	\$15,702,191	\$26,884,123	\$0	\$0	\$0	\$0

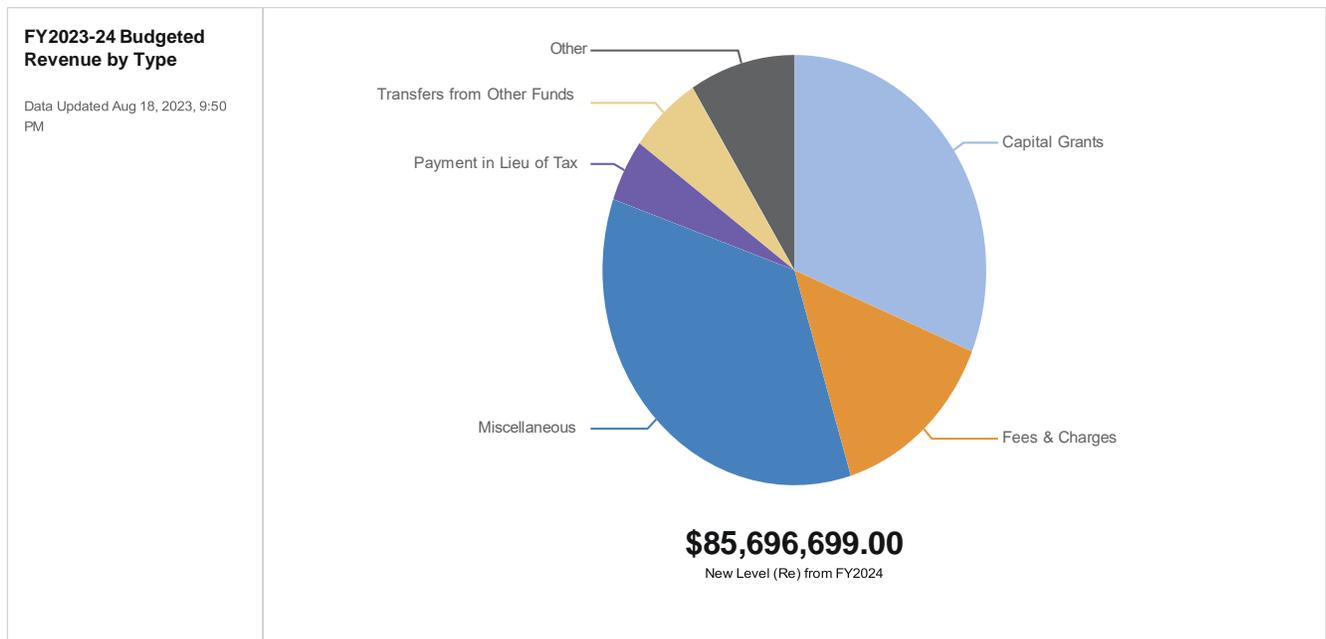
Budget Summary: Sources and Uses of Funds

Fiscal Year 2023-24

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 2023-24, over 95 percent of the total is represented by these seven revenue categories: Property Taxes (3.5%), Payment in Lieu of Tax (4.7%), Fees & Charges (14.1%), Intergovernmental (2.4%), Miscellaneous (35.1%), Capital Grants (31.2%) and Transfers from Other Funds (6.1%).



MAJOR REVENUES

Fees & Charges (14.1%)

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 FY2023-24 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

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
General						
General Fund	\$893,322	\$1,345,860	\$1,163,005	\$1,338,840	\$1,338,840	\$1,338,840
GENERAL TOTAL	\$893,322	\$1,345,860	\$1,163,005	\$1,338,840	\$1,338,840	\$1,338,840
Special Revenue Fund						
Refuse Fund	\$953,329	\$933,066	\$993,000	\$1,122,289	\$1,122,289	\$1,122,289
Building Department Fund	\$1,410,897	\$2,479,301	\$2,833,000	\$2,589,884	\$2,589,884	\$2,589,884
Transient Room Tax Fund	\$83,348	\$130,823	\$343,000	\$1,586,400	\$1,586,400	\$1,586,400
SPECIAL REVENUE FUND TOTAL	\$2,447,574	\$3,543,191	\$4,169,000	\$5,298,573	\$5,298,573	\$5,298,573
Capital Projects						
Capital Reserve Fund	–	\$38,594	–	\$102,216	\$102,216	\$102,216
CAPITAL PROJECTS TOTAL	–	\$38,594	–	\$102,216	\$102,216	\$102,216
Enterprise						
Water Fund	\$1,579,165	\$1,735,457	\$1,862,000	\$2,872,300	\$2,872,300	\$2,872,300
Sewer Fund	\$1,958,803	\$2,116,117	\$2,364,690	\$2,452,495	\$2,452,495	\$2,452,495
ENTERPRISE TOTAL	\$3,537,968	\$3,851,574	\$4,226,690	\$5,324,795	\$5,324,795	\$5,324,795
REVENUES TOTAL	\$6,878,864	\$8,779,219	\$9,558,695	\$12,064,424	\$12,064,424	\$12,064,424

Property Taxes (3.5%) and Payment in Lieu of Tax (4.7%)

Total taxable assessed value for 2022-23 is \$930,973,166 (a 6% increase in value from the prior year), resulting in nearly \$2.7 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 7% in property tax receipts in the next fiscal year, for a total projected revenue of \$2.9 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 \$2.7 million in Community Service Fee (CSF) revenue related to the enterprise zone agreements on the first four buildings of PDX2, which includes \$435,000 from 2022-23. We allocated approximately \$1.8 million of those funds over the past three fiscal years on items such as land acquisition, the 6th Street project addition from L to Switzler, Umatilla Falls improvements, the future Business Center land payoff and a cash contribution on the golf course purchase. There are only two more years of exempt property remaining on those agreements. We anticipate the CSF payment next year to be significantly less at \$107,000. This leaves a total balance of just over \$1 million.

In the current fiscal year, we received the fourth 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 2022-23. 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 \$386,000 and allocated \$235,000 of these funds towards marina and RV park improvements and city camera upgrades. We anticipate our full payment of \$91,197 in 2023-24 which would leave us with a total of \$242,000 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. In the current fiscal year, our distribution increased from \$2 million to \$2.75 million due to the addition of two buildings at the Westland Road campus. To date we have received \$8.75 million and we have appropriated approximately \$5.4 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.

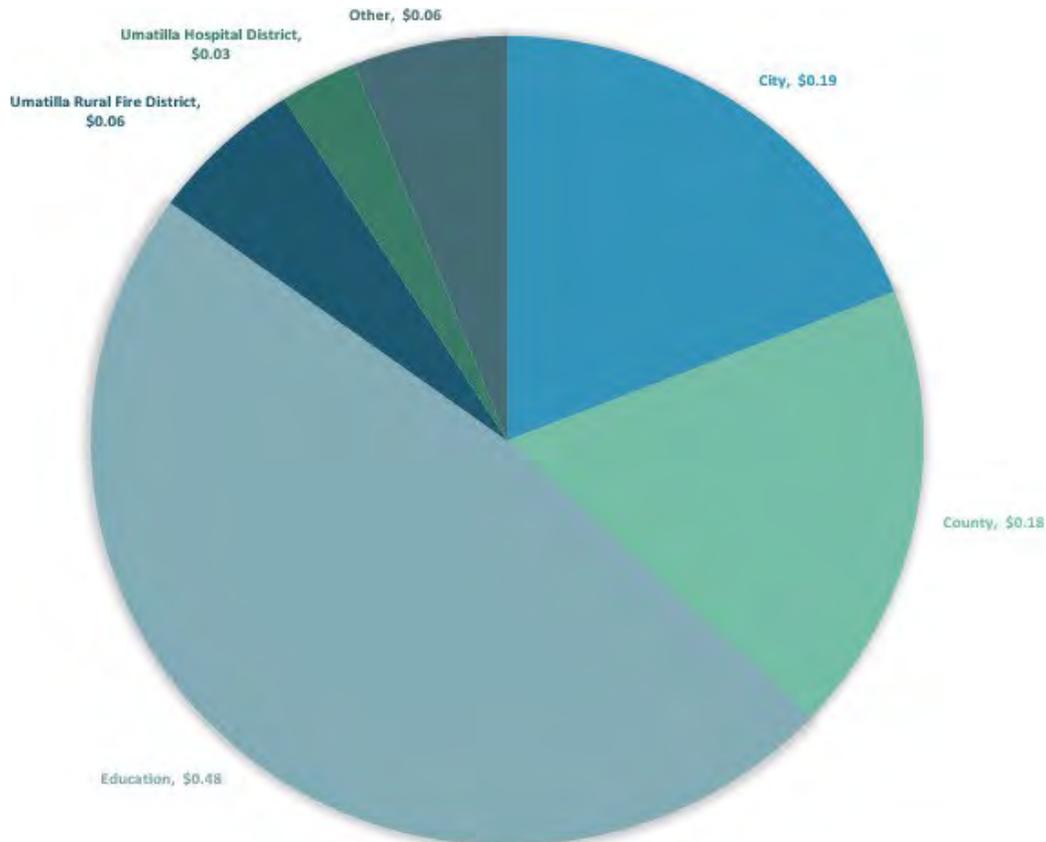
We expect to receive our first payments related to the PDX130 campus in 2023-24. These payments will consist of a \$1 million Annual Improvement Payment and the equivalent of tax on the first \$25 million building value, which is equivalent to \$73,000. These payments will continue for 15 years and will increase as more buildings are added.

In the 2022-23 fiscal year, the City received a \$2.5 million Community Development Contribution related to the PDX194 campus. This is a one-time payment intended to assist with costs of capital improvement projects within the City. \$1.5 million of this payment has been allocated toward the temporary water infrastructure project at the PDX121 and 130 campuses. The remaining \$1 million will carry forward to the next budget. We do not anticipate receiving any other payments related to that campus until the fiscal year ending June 30, 2025.

There are two additional campuses, PDX121 and PDX260, that have approved Enterprise Zone Agreements. We do not anticipate any payments in lieu of tax from PDX121 until the fiscal year ending June 30, 2026. We anticipate a \$2.5 million Community Development Contribution from PDX260 in the fiscal year ending June 30, 2025 and then additional payments in the fiscal year ending June 30, 2027.

Umatilla County assesses property taxes on behalf of the county, schools, special districts and the City of Umatilla. Of this tax bill, 19% of the total is allocated to the City of Umatilla. Of every dollar paid, \$0.19 goes to the City. The remaining \$0.81 of that paid dollar is divided as follows: \$0.18 Umatilla County; \$0.48 Education; \$0.06 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

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
General						
General Fund	\$4,715,513	\$5,261,143	\$5,711,839	\$6,979,292	\$6,979,292	\$6,979,292
GENERAL TOTAL	\$4,715,513	\$5,261,143	\$5,711,839	\$6,979,292	\$6,979,292	\$6,979,292
Debt Service						
Debt Service Fund	\$380	\$221	\$175	\$25	\$25	\$25
DEBT SERVICE TOTAL	\$380	\$221	\$175	\$25	\$25	\$25
Capital Projects						
Capital Reserve Fund	\$56,437	\$66,662	\$71,652	-	-	-
CAPITAL PROJECTS TOTAL	\$56,437	\$66,662	\$71,652	-	-	-
REVENUES TOTAL	\$4,772,329	\$5,328,026	\$5,783,666	\$6,979,317	\$6,979,317	\$6,979,317

Intergovernmental Revenue (2.4%)

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

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
General						
General Fund	\$976,533	\$901,472	\$889,050	\$900,460	\$900,460	\$900,460
GENERAL TOTAL	\$976,533	\$901,472	\$889,050	\$900,460	\$900,460	\$900,460
Special Revenue Fund						
Street Fund	\$542,667	\$603,697	\$771,152	\$888,175	\$888,175	\$888,175
Library Fund	\$216,339	\$239,654	\$267,434	\$276,410	\$276,410	\$276,410
SPECIAL REVENUE FUND TOTAL	\$759,006	\$843,351	\$1,038,586	\$1,164,585	\$1,164,585	\$1,164,585
REVENUES TOTAL	\$1,735,539	\$1,744,823	\$1,927,636	\$2,065,045	\$2,065,045	\$2,065,045

Transfers from Other Funds (6.1%)

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

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
General						
General Fund	\$976,533	\$901,472	\$889,050	\$900,460	\$900,460	\$900,460
GENERAL TOTAL	\$976,533	\$901,472	\$889,050	\$900,460	\$900,460	\$900,460
Special Revenue Fund						
Street Fund	\$542,667	\$603,697	\$771,152	\$888,175	\$888,175	\$888,175
Library Fund	\$216,339	\$239,654	\$267,434	\$276,410	\$276,410	\$276,410
SPECIAL REVENUE FUND TOTAL	\$759,006	\$843,351	\$1,038,586	\$1,164,585	\$1,164,585	\$1,164,585
REVENUES TOTAL	\$1,735,539	\$1,744,823	\$1,927,636	\$2,065,045	\$2,065,045	\$2,065,045

Miscellaneous Revenue (35.1%)

Miscellaneous revenue makes up a large percentage of the City's total revenue. The majority of these fees are reflected in the Water Reserve Fund and includes a large capital project reimbursement from an industrial customer. The General Fund also reflects repayment of the interfund operating loan from the Water Fund.

Miscellaneous Revenue by Fund

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
General						
General Fund	\$778,861	\$1,060,878	\$2,247,595	\$2,605,513	\$2,605,513	\$2,605,513
GENERAL TOTAL	\$778,861	\$1,060,878	\$2,247,595	\$2,605,513	\$2,605,513	\$2,605,513
Special Revenue Fund						
Street Fund	\$1,819,634	\$2,450,691	\$5,449,386	\$5,250	\$5,250	\$5,250
Library Fund	\$3,883	\$2,375	\$2,250	\$2,000	\$2,000	\$2,000
Building Department Fund	\$59,735	\$83,160	\$55,000	\$26,200	\$26,200	\$26,200
Transient Room Tax Fund	-	\$15,750	-	-	-	-
SPECIAL REVENUE FUND TOTAL	\$1,883,252	\$2,551,976	\$5,506,636	\$33,450	\$33,450	\$33,450
Capital Projects						
Capital Reserve Fund	\$2,104,016	\$5,133,915	\$1,600,000	-	-	-
Building Reserve	\$132,922	\$132,922	\$132,922	-	-	-
CAPITAL PROJECTS TOTAL	\$2,236,938	\$5,266,837	\$1,732,922	-	-	-
Enterprise						
Water Fund	\$73,428	\$4,258	\$4,000	\$370,700	\$370,700	\$370,700
Sewer Fund	\$32,365	\$293,102	\$60,000	\$5,000	\$5,000	\$5,000
Water Reserve Fund	\$26,116	\$273,905	\$4,156,700	\$27,056,645	\$27,056,645	\$27,056,645
Sewer Reserve Fund	\$181,448	\$248,401	\$200,000	-	-	-
ENTERPRISE TOTAL	\$313,357	\$819,666	\$4,420,700	\$27,432,345	\$27,432,345	\$27,432,345
REVENUES TOTAL	\$5,212,407	\$9,699,357	\$13,907,853	\$30,071,308	\$30,071,308	\$30,071,308

Grant/Loan Proceeds by Fund (31.2%)

Grant and loan proceeds for capital projects make up a large percentage of the City's total revenue. For example, the Water Reserve Fund includes Community Development Block Grant proceeds and loan proceeds for the Power City and Brownell Water Utility Extension project and FEMA and emergency grant proceeds for the Waterline Replacement project. The Sewer Reserve Fund includes loan proceeds for the Power City and Brownell Sewer Utility Extension project. The Street Fund includes the Umatilla Bridge Replacement Project FEMA and loan proceeds. The Capital Reserve Fund includes the RTP Trail Project, Nugent Park Playground and Pavilion replacement grant funds.

Grant/Loan Proceeds by Fund

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Special Revenue Fund						
Street Fund	-	-	-	\$3,562,123	\$3,562,123	\$3,562,123
	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
SPECIAL REVENUE FUND TOTAL	-	-	-	\$3,562,123	\$3,562,123	\$3,562,123
Capital Projects						
Capital Reserve Fund	\$68,974	\$1,900,000	\$3,521,722	\$2,622,022	\$2,622,022	\$2,622,022
CAPITAL PROJECTS TOTAL	\$68,974	\$1,900,000	\$3,521,722	\$2,622,022	\$2,622,022	\$2,622,022
Enterprise						
Water Reserve Fund	-	-	-	\$9,714,004	\$9,714,004	\$9,714,004
Sewer Reserve Fund	-	-	-	\$10,815,305	\$10,815,305	\$10,815,305
ENTERPRISE TOTAL	-	-	-	\$20,529,309	\$20,529,309	\$20,529,309
REVENUES TOTAL	\$68,974	\$1,900,000	\$3,521,722	\$26,713,454	\$26,713,454	\$26,713,454

General Fund & Departments Within: General Fund Overview

Fiscal Year 2023-24

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 \$300,000 higher than in the previous fiscal year.

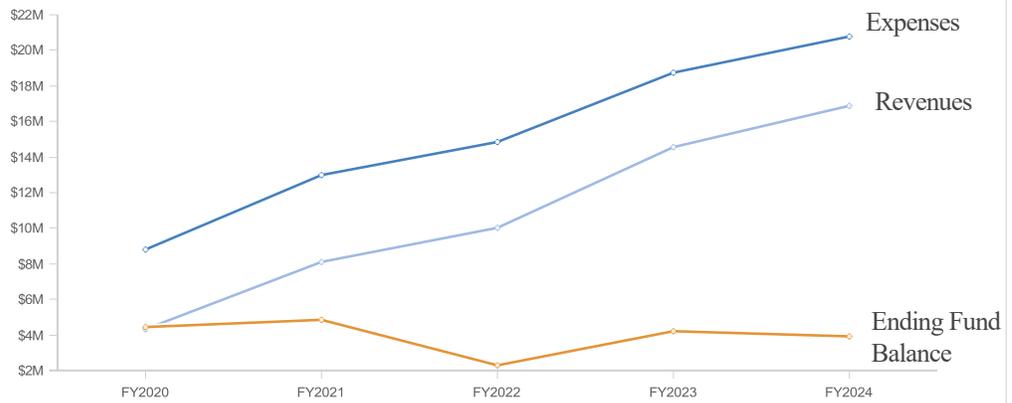
The fourth year of revenue from the Strategic Investment Program (SIP) was received in the 2022-23 FY. These payments, combined with the Enterprise Zone Community Service Fee (CSF) and new Enterprise Zone Payments, will result in total Payment in Lieu of Taxes of \$4 million for the 2023-24 FY.

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 administration, finance, parks and recreation, public works and the police department and account for the PERS rate changes.

General Fund Revenue and Expenditure Trends by Fiscal Year

Data Updated Sep 26, 2023, 10:55 PM



General Fund

2023-24 General Fund Budget Summary

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$4,448,495	\$4,867,577	\$4,295,281	\$7,305,987	\$7,305,987	\$7,305,987
Property Taxes	\$2,135,515	\$2,512,394	\$3,060,642	\$2,957,882	\$2,957,882	\$2,957,882
Payment in Lieu of Tax	\$2,579,998	\$2,676,721	\$2,651,197	\$4,021,410	\$4,021,410	\$4,021,410
Franchise Fees	\$1,410,211	\$1,643,167	\$1,294,650	\$1,339,604	\$1,339,604	\$1,339,604
Fees & Charges	\$893,322	\$1,156,210	\$1,163,005	\$1,338,840	\$1,338,840	\$1,338,840
Intergovernmental	\$976,533	\$882,683	\$889,050	\$900,460	\$900,460	\$900,460
Interest	\$30,914	\$29,290	\$25,000	\$85,000	\$85,000	\$85,000
Miscellaneous	\$778,861	\$967,018	\$2,247,595	\$2,605,513	\$2,605,513	\$2,605,513
Transfers from Other Funds	\$88,300	\$88,480	\$81,280	\$195,382	\$195,382	\$195,382
REVENUES TOTAL	\$13,342,149	\$14,823,540	\$15,707,700	\$20,750,078	\$20,750,078	\$20,750,078
Expenses						
Personnel Services	\$3,566,278	\$3,702,175	\$4,592,985	\$5,815,006	\$5,815,006	\$5,815,006
Materials & Services	\$2,002,596	\$2,624,969	\$5,032,740	\$8,204,532	\$8,204,532	\$8,204,532
Transfers	\$3,409,900	\$3,702,794	\$3,094,964	\$2,839,625	\$2,839,625	\$2,839,625
Capital Outlay	\$55,866	\$19,683	\$50,000	-	-	-
Operating Contingency	-	-	\$1,000,000	\$1,500,000	\$1,500,000	\$1,500,000
Unappropriated Fund Balance	-	-	\$1,937,011	\$2,390,915	\$2,390,915	\$2,390,915
EXPENSES TOTAL	\$9,034,640	\$10,049,621	\$15,707,700	\$20,750,078	\$20,750,078	\$20,750,078

General Fund & Departments Within: Administration

Fiscal Year 2023-24



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	FY 2020-21	FY 2021-22	FY 2022-23
Regular City Council Meetings Held	12	12	12
City Council Work Sessions/Special Meetings Held	12	12	10
City Council Executive Sessions Held	26	25	21
Ordinances Adopted	2	10	15
Resolutions Adopted	62	48	51

Measure	FY 2020-21	FY 2021-22	FY 2022-23
Social Media Outlets Managed by the City	3	14	18
City Facebook Followers	1,203	3,567	15,916
City Twitter Followers	34	81	98
City Instagram Followers	533	790	1,411
City Newsletter Editions	4	4	4
Website Sessions	63,291	6,277	73,232
Unique Website Users	43,328	42,945	47,765

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	FY 2020-21	FY 2021-22	FY 2022-23
Independent Auditor Opinion	Unmodified	Unmodified	Unmodified (Projected)
GFOA Distinguished Budget Presentation Award	Yes	Yes	Yes
Credit Rating	A	A	A

Administration Budget Highlights

Staffing

This budget includes the creation of a Senior Accountant position that will assist with loan and grant reporting and management, financial forecasting and assisting with budget preparation and monitoring.

This budget also includes the mid-year creation of a Deputy City Recorder / Executive Assistant position. This position will help with administrative tasks such as filing, schedule coordination, preparation of correspondence, etc. as well as serve as a backup for the City Recorder during routine leave.

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. Below is a list of several planned technology upgrades:

- Citywide camera upgrades.
- New copy machines for the police department and library and a new plotter for the building department.
- Server upgrades for City Hall and the police department.

The computer licenses and support line item is also increasing to expand the weekly service level of our contracted IT services with the City of Hermiston.

Community Support & Commitments

The City has been coordinating with the Umatilla Hospital District since early 2022 to assist them in their efforts to construct a new clinic to meet our community's needs and demands. In addition to providing the City's contracted grant writer at no cost to the District, Council has communicated their support, including financial support of the project. We have pledged \$500,000 toward this project from the City's General Fund in the upcoming fiscal year.

In June 2022, City Council approved a payment of \$1 million to the Port of Umatilla for the support of and investment in economic development within the Port's boundaries. These funds are to be paid from the City's General Fund in the upcoming fiscal year to be used at the Port's sole discretion to support economic development.

General Fund: Administration Department

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Personnel Services						
Regular Earnings	\$217,957	\$543,761	\$315,986	\$480,357	\$480,357	\$480,357
Overtime Earnings	\$1,447	\$3,472	\$7,500	\$7,500	\$7,500	\$7,500
FICA	\$25,211	\$40,756	\$24,675	\$36,774	\$36,774	\$36,774
Health Insurance	\$94,550	\$117,453	\$66,064	\$112,824	\$112,824	\$112,824
Retirement	\$56,362	\$107,351	\$71,049	\$124,957	\$124,957	\$124,957
Workers Compensation	\$792	\$1,542	\$1,054	\$1,388	\$1,388	\$1,388
Life Insurance	\$79	\$120	\$59	\$95	\$95	\$95
Unemployment Tax	\$326	\$534	\$323	\$2,306	\$2,306	\$2,306
Disability Insurance	\$453	\$658	\$270	\$430	\$430	\$430
PERSONNEL SERVICES TOTAL	\$397,177	\$815,649	\$486,982	\$766,631	\$766,631	\$766,631
Materials & Services						
City Attorney	\$24,438	\$81,421	\$50,000	\$50,000	\$50,000	\$50,000
Engineering	\$2,119	\$63,390	\$206,000	\$136,000	\$136,000	\$136,000
Minor Computer Equipment	\$30,767	\$90,243	\$40,000	\$57,400	\$57,400	\$57,400
Supplies	\$6,848	\$12,529	\$8,000	\$10,000	\$10,000	\$10,000
Postage	\$58	\$1,060	\$2,100	\$2,500	\$2,500	\$2,500
Heat/Light	\$3,169	\$11,868	\$5,300	\$750	\$750	\$750
Telephone	\$3,723	\$15,116	\$7,500	\$11,000	\$11,000	\$11,000
Printing/Advertising	\$17,990	\$25,819	\$20,500	\$15,000	\$15,000	\$15,000
Training/Travel	\$5,286	\$30,386	\$37,600	\$60,350	\$60,350	\$60,350
Insurance	\$3,159	\$8,716	\$4,935	\$6,370	\$6,370	\$6,370
Audit	\$26,200	\$55,930	\$30,000	\$40,800	\$40,800	\$40,800
Elections	-	-	\$1,000	\$1,000	\$1,000	\$1,000
Umatilla Promotion	\$2,307	\$17,980	\$10,000	\$10,000	\$10,000	\$10,000
City Merchandise	\$2,270	\$8,665	\$17,500	\$15,000	\$15,000	\$15,000
Dues and Fees	\$11,958	\$37,390	\$16,090	\$17,500	\$17,500	\$17,500
COVID-19 Relief	\$231,868	-	-	-	-	-
Building Maintenance	\$9,132	\$31,566	\$40,000	\$52,500	\$52,500	\$52,500
Safety Committee	\$268	\$211	\$2,500	\$2,500	\$2,500	\$2,500
Lease/Easement Renewals	-	-	\$8,000	\$8,000	\$8,000	\$8,000
Miscellaneous	\$28,494	\$809,767	\$25,000	\$60,000	\$60,000	\$60,000
Mayor & Council Expenses	\$1,326	\$7,770	\$17,400	\$17,400	\$17,400	\$17,400
City Manager Expenses	\$3,125	-	\$5,000	\$5,000	\$5,000	\$5,000
Neighborhood Cleanups	\$366	-	-	-	-	-
Employee Education Assistance	\$380	\$4,800	\$10,000	\$20,000	\$20,000	\$20,000
Computer Licenses/Support	\$144,420	\$292,671	\$327,630	\$472,000	\$472,000	\$472,000
Staff Support/Meetings	\$7,570	\$23,653	\$20,000	\$30,000	\$30,000	\$30,000
Community Support/Commitments	-	-	-	\$1,500,000	\$1,500,000	\$1,500,000
MATERIALS & SERVICES TOTAL	\$567,241	\$1,630,949	\$912,055	\$2,601,070	\$2,601,070	\$2,601,070
EXPENSES TOTAL	\$964,418	\$2,446,598	\$1,399,037	\$3,367,701	\$3,367,701	\$3,367,701

General Fund & Departments Within: Community Development

Fiscal Year 2023-24

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

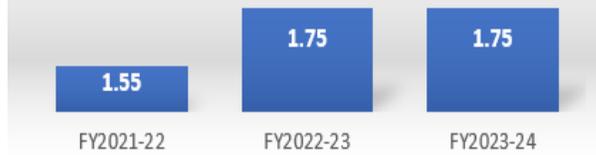
Citizen Involvement

- 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.

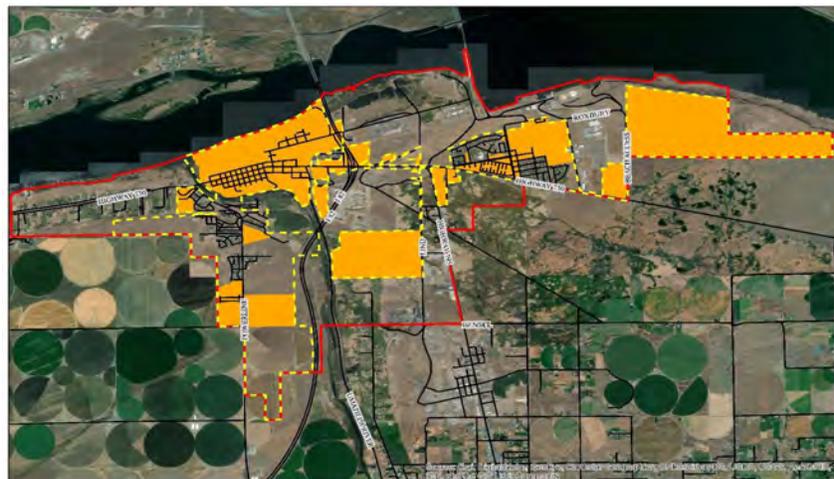
Outcomes

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
Zoning Permit	7
Site Plan Review	7
Partitions	4
Subdivision	3
Plan Amendment	3
Other	4

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

FY22-23 Planning Applications	
Category	2023
Zoning Permit	7
Site Plan Review	7
Conditional Use Permit	6
Partitions	5
Annexations	3
Other	7



Legend

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



Miles
0 0.5 1 1.5 2

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, produce for legal use. Created by Brandon Schir, 08/2019

Community Development Budget Highlights

Consultants

The planning department has budgeted \$412,000 in consulting fees to include a GIS consultant, a public transit master plan update, a comprehensive plan update, a public art master plan and other minor engineering or consulting needs.

New Business Grant and Downtown Façade Grant Programs

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 remaining flat at \$275,000. The Downtown Façade Grant allocation is also remaining flat at \$175,000.

6x26 Project

Through the past few budget cycles, City Council has approved a mural project “6x26” which will add six murals throughout the City by 2026. This budget allocates \$70,000 next year to complete two murals, one at the Umatilla Museum and another on the McClannahan building.

Project PATH

City staff has been working with the surrounding cities and Umatilla County on a regional homeless solution, called Project PATH (Practical Assistance through Transitional Housing). The City is the fiscal agent for the \$1m grant that Umatilla County received for this pilot program. The full amount of the grant was received in FY2022- 23, but we will carry forward the unspent funds of approximately \$724,000 and allocate \$399,000 towards materials and services to cover monthly operating expenses and \$325,000 towards capital outlay to cover site and utility improvements.



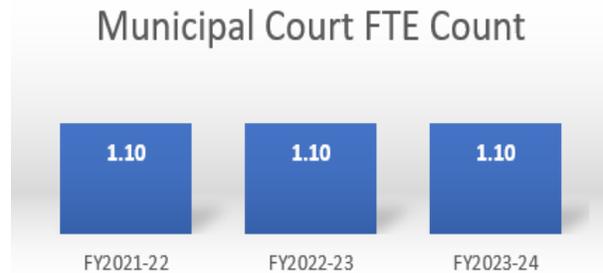
General Fund: Community Development Department

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Personnel Services						
Regular Earnings	\$92,888	\$251,575	\$161,631	\$179,180	\$179,180	\$179,180
Overtime Earnings	–	\$72	\$1,000	\$1,000	\$1,000	\$1,000
FICA	\$10,948	\$18,883	\$12,441	\$13,784	\$13,784	\$13,784
Health Insurance	\$56,182	\$64,377	\$39,082	\$38,642	\$38,642	\$38,642
Retirement	\$23,373	\$56,397	\$37,147	\$47,339	\$47,339	\$47,339
Workers Compensation	\$894	\$2,101	\$1,675	\$1,256	\$1,256	\$1,256
Life Insurance	\$51	\$67	\$35	\$35	\$35	\$35
Unemployment Tax	\$139	\$243	\$163	\$901	\$901	\$901
Disability Insurance	\$262	\$387	\$160	\$160	\$160	\$160
PERSONNEL SERVICES TOTAL	\$184,736	\$394,100	\$253,334	\$282,297	\$282,297	\$282,297
Materials & Services						
Project PATH	–	–	–	\$399,000	\$399,000	\$399,000
City Attorney	\$7,200	\$75,238	\$50,000	\$40,000	\$40,000	\$40,000
Engineering/Consultants	\$62,194	\$195,399	\$723,500	\$498,320	\$498,320	\$498,320
Capital Improvement Planning	–	–	\$72,000	\$72,000	\$72,000	\$72,000
Supplies	\$1,034	\$9,992	\$5,200	\$5,000	\$5,000	\$5,000
Printing/Advertising	\$5,593	\$8,005	\$5,000	\$5,000	\$5,000	\$5,000
Training/Travel	\$877	\$5,650	\$15,900	\$29,100	\$29,100	\$29,100
Dues and Fees	\$599	\$4,501	\$2,200	\$2,500	\$2,500	\$2,500
Downtown Facade Grants	\$54,943	\$199,941	\$175,000	\$175,000	\$175,000	\$175,000
6X26 Mural Project	–	–	\$35,000	\$70,000	\$70,000	\$70,000
Miscellaneous	\$496	\$3,659	\$2,500	\$2,500	\$2,500	\$2,500
Planning Commission Expenses	\$4,421	\$867	\$1,000	\$4,000	\$4,000	\$4,000
Computer Support	\$1,177	–	–	–	–	–
New Business Grant Program	–	\$252,131	\$275,000	\$175,000	\$175,000	\$175,000
MATERIALS & SERVICES TOTAL	\$138,535	\$755,382	\$1,362,300	\$1,477,420	\$1,477,420	\$1,477,420
EXPENSES TOTAL	\$323,271	\$1,149,482	\$1,615,634	\$1,759,717	\$1,759,717	\$1,759,717

General Fund & Departments Within: Municipal Court

Fiscal Year 2023-24

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

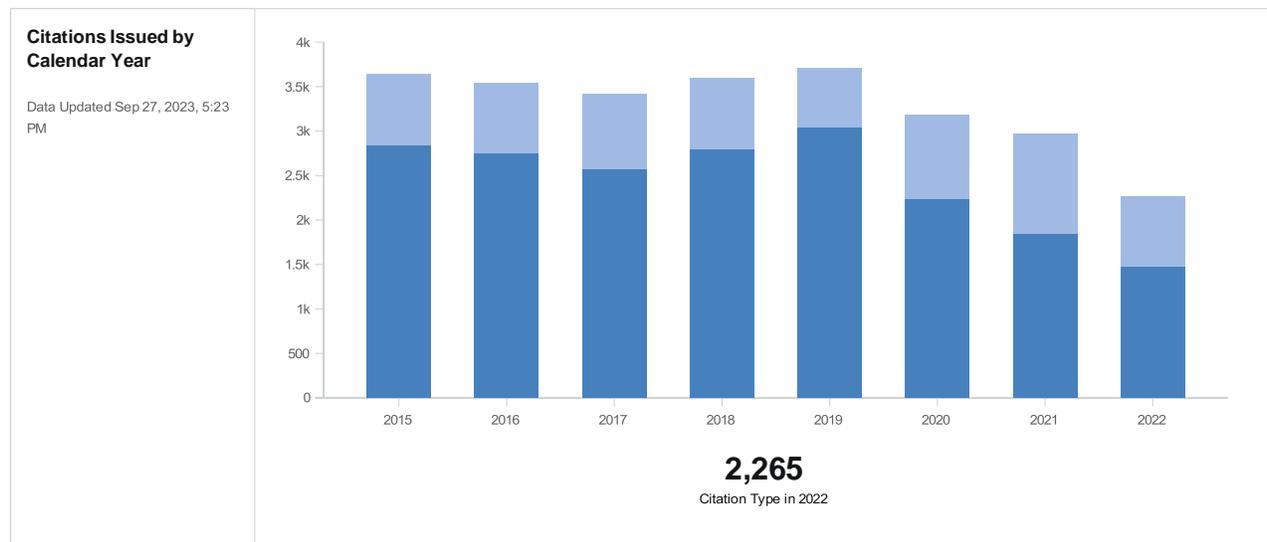
Priority

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.

Pass-Through Funds

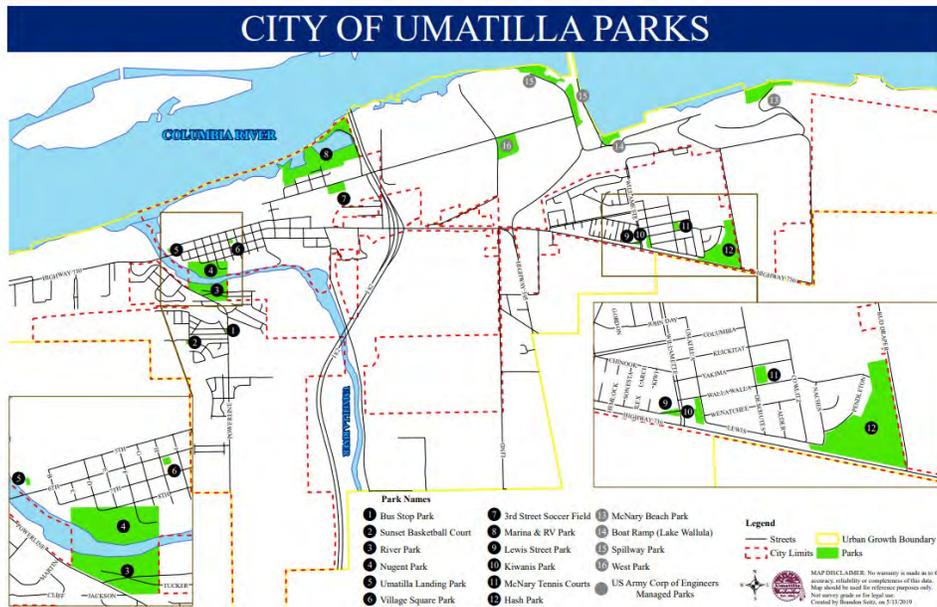
Municipal Court collections are expected to decrease by approximately 6% in the upcoming fiscal year. The number of citations issued by the Oregon Department of Transportation (ODOT) at the Port of Entry has steadily declined over the past few years. It has been several years since the rules changed about having a trip permit prior to entering Oregon and now trucking companies are more prepared, causing less violations.

General Fund: Municipal Court Department

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Personnel Services						
Regular Earnings	\$69,635	\$130,521	\$78,692	\$83,692	\$83,692	\$83,692
FICA	\$8,261	\$9,914	\$6,020	\$6,394	\$6,394	\$6,394
Health Insurance	\$39,006	\$37,627	\$20,828	\$21,784	\$21,784	\$21,784
Retirement	\$11,835	\$17,831	\$11,360	\$14,112	\$14,112	\$14,112
Workers Compensation	\$67	\$104	\$71	\$81	\$81	\$81
Life Insurance	\$34	\$40	\$17	\$17	\$17	\$17
Unemployment Tax	\$108	\$129	\$79	\$412	\$412	\$412
Disability Insurance	\$123	\$143	\$78	\$78	\$78	\$78
PERSONNEL SERVICES TOTAL	\$129,070	\$196,307	\$117,144	\$126,570	\$126,570	\$126,570
Materials & Services						
Officiation Services	\$900	\$3,078	\$1,200	\$2,000	\$2,000	\$2,000
Attorney Fees	-	-	\$2,000	\$2,000	\$2,000	\$2,000
NSF Checks	\$750	\$3,178	\$1,500	\$1,500	\$1,500	\$1,500
Supplies	\$2,330	\$4,288	\$2,250	\$2,250	\$2,250	\$2,250
Postage	-	-	\$100	\$100	\$100	\$100
Telephone	\$534	\$576	\$300	\$300	\$300	\$300
Training/Travel	\$624	-	\$6,750	\$6,800	\$6,800	\$6,800
Insurance	\$2,049	\$4,638	\$2,750	\$3,250	\$3,250	\$3,250
Refunds	\$21,827	\$53,200	\$24,000	\$20,000	\$20,000	\$20,000
Dues and Fees	\$440	\$880	\$600	\$600	\$600	\$600
State and County Assessments	\$321,263	\$581,164	\$315,000	\$299,997	\$299,997	\$299,997
Miscellaneous	\$75	\$36,478	\$5,000	\$25,000	\$25,000	\$25,000
MATERIALS & SERVICES TOTAL	\$350,793	\$687,481	\$361,450	\$363,797	\$363,797	\$363,797
EXPENSES TOTAL	\$479,862	\$883,788	\$478,594	\$490,367	\$490,367	\$490,367

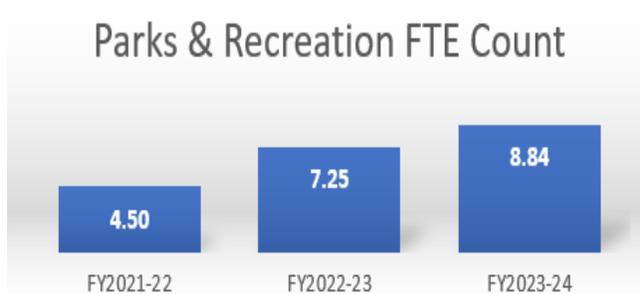
General Fund & Departments Within: Parks & Recreation

Fiscal Year 2023-24



The Parks and Recreation Department was created in 2022 and 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 16 parks in total, 12 are owned and operated by the City and 4 are US Army Corps properties. The maintenance portion of the city park facilities currently falls under the supervision of Public Works.



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	FY2022-23
Acres of City Park Land	230	230	230
Number of City Parks	18	18	17
Miles of Trails Maintained	34	34	34
Miles of Sidewalks	17	17	17

Measure	FY2020-21	FY2021-22	FY2022-23
Recreation Programs Offered	10	29	30



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

Staffing

This budget converts a part-time recreation aid position into a full time Recreation Coordinator to assist with the demands of the events, programs and administrative tasks of the department.

Consulting

Last 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, splash pad, dog park, pavilions and open space. We anticipate the full design cost of the facility to be at least \$1 million. In the 2023-24 budget, we allocated \$500,000 to start design and will continue to pursue grant funding.

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 large programmable kiln and additional kayaks.

Maintenance

The parks crew will be focusing on several maintenance projects in the 2023-24 fiscal year, including improvements to Sunset Hills Cemetery at an estimated cost of \$26,000 and paving the 10,500 square foot Pioneer Memorial Cemetery lot at an estimated cost of \$33,600.



General Fund: Parks & Recreation Department

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Personnel Services						
Regular Earnings	\$210,102	\$638,463	\$460,796	\$573,041	\$573,041	\$573,041
Overtime Earnings	\$1,114	\$8,770	\$10,000	\$10,000	\$10,000	\$10,000
FICA	\$24,727	\$48,359	\$36,002	\$44,507	\$44,507	\$44,507
Health Insurance	\$120,004	\$139,311	\$111,229	\$119,555	\$119,555	\$119,555
Retirement	\$59,535	\$127,621	\$101,630	\$137,621	\$137,621	\$137,621
Workers Compensation	\$6,019	\$12,170	\$10,268	\$12,532	\$12,532	\$12,532
Life Insurance	\$121	\$207	\$116	\$139	\$139	\$139
Unemployment Tax	\$320	\$627	\$471	\$2,898	\$2,898	\$2,898
Disability Insurance	\$556	\$1,493	\$526	\$631	\$631	\$631
PERSONNEL SERVICES TOTAL	\$422,498	\$977,021	\$731,038	\$900,924	\$900,924	\$900,924
Materials & Services						
Ice Rink Maintenance	-	-	-	\$7,500	\$7,500	\$7,500
Minor Recreation Equipment	-	-	\$16,000	\$15,500	\$15,500	\$15,500
Community Garden	-	-	\$50,000	\$60,000	\$60,000	\$60,000
Engineering	\$69,153	\$55,680	\$95,000	\$500,000	\$500,000	\$500,000
Contracted Services	-	-	-	\$17,250	\$17,250	\$17,250
Supplies	\$533	\$3,734	\$600	\$2,000	\$2,000	\$2,000
Training/Travel	\$895	\$30,523	\$28,950	\$39,000	\$39,000	\$39,000
Insurance	\$1,019	\$4,320	\$2,550	\$3,590	\$3,590	\$3,590
Uniform Allowance	\$984	\$2,146	\$1,550	\$5,000	\$5,000	\$5,000
Gas/Oil	\$8,566	\$32,414	\$19,500	\$19,500	\$19,500	\$19,500
Electricity	\$4,267	\$7,631	\$4,750	\$3,500	\$3,500	\$3,500
Dues and Fees	\$2,232	\$9,005	\$4,500	\$8,000	\$8,000	\$8,000
Equipment Operation	\$9,283	\$35,883	\$17,500	\$30,000	\$30,000	\$30,000
Park Maintenance	\$49,453	\$109,117	\$93,600	\$80,000	\$80,000	\$80,000
Recreation Programs	\$23,042	\$104,384	\$61,500	\$136,500	\$136,500	\$136,500
Tree Maintenance/Program	\$5,893	\$40,277	\$15,000	\$15,000	\$15,000	\$15,000
Miscellaneous	\$1,791	\$21,707	\$7,500	\$7,500	\$7,500	\$7,500
Park & Rec Committee Expenses	\$33	-	\$1,000	\$1,000	\$1,000	\$1,000
MATERIALS & SERVICES TOTAL	\$177,144	\$456,820	\$419,500	\$950,840	\$950,840	\$950,840
Capital Outlay						
Equipment	\$5,088	\$3,396	-	-	-	-
Recreation Equipment	\$42,108	\$11,623	-	-	-	-
CAPITAL OUTLAY TOTAL	\$47,196	\$15,019	-	-	-	-
EXPENSES TOTAL	\$646,838	\$1,448,859	\$1,150,538	\$1,851,764	\$1,851,764	\$1,851,764

General Fund & Departments Within: Umatilla Marina & RV Park

Fiscal Year 2023-24



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.



Marina & RV Park Budget Highlights

Maintenance

The main maintenance project identified for the RV park in this budget cycle is an update to the restrooms at the campground. The project includes removing the existing materials and fixtures (toilets, sinks and light fixtures) and replacing them with wall tile, epoxy flooring, new fixtures and stalls at an estimated cost of \$60,000.

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 current fiscal year, we allocated \$400,000 towards design 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 and other highly buoyant materials, well-spaced navigable fairways, reliable and safe potable water, electrical hookups, updated sewer pumping system(s), high speed internet, new gangways and entries, replaced abutments, and other features and amenities. The City secured a grant from the Oregon State Marine Board (OSMB) to complete phase 1 of the design which includes surveying, environmental permitting, geotechnical investigations, cultural evaluations, hydraulic investigations and sediment transport analysis. The total cost of phase 1 is \$487,300 and the City's match is approximately \$357,000 which will be funded through the already allocated design funding.



Current Marina and RV Park Rates:

RV Sites \$46/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

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Personnel Services						
Regular Earnings	\$11,017	\$237,093	\$147,977	\$157,921	\$157,921	\$157,921
Overtime Earnings	\$53	\$3,291	\$5,000	\$5,000	\$5,000	\$5,000
FICA	\$829	\$17,956	\$11,703	\$12,463	\$12,463	\$12,463
Health Insurance	\$1,917	\$103,054	\$48,980	\$40,237	\$40,237	\$40,237
Retirement	-	\$17,525	\$31,025	\$32,912	\$32,912	\$32,912
Workers Compensation	\$6	\$7,201	\$4,033	\$4,626	\$4,626	\$4,626
Life Insurance	\$4	\$123	\$50	\$50	\$50	\$50
Unemployment Tax	\$11	\$231	\$153	\$815	\$815	\$815
Disability Insurance	\$15	\$415	\$229	\$229	\$229	\$229
PERSONNEL SERVICES TOTAL	\$13,850	\$386,889	\$249,150	\$254,253	\$254,253	\$254,253
Materials & Services						
Boyd's Place	-	-	-	\$20,000	\$20,000	\$20,000
Uniform Allowance	-	-	\$2,000	\$2,000	\$2,000	\$2,000
Training/Travel	-	-	-	\$11,000	\$11,000	\$11,000
Attorney Fees	-	-	\$25,000	\$25,000	\$25,000	\$25,000
Contracted Services	\$97,940	\$95,282	\$434,600	\$520,350	\$520,350	\$520,350
Supplies	\$5,943	\$16,257	\$7,500	\$7,500	\$7,500	\$7,500
Postage	\$312	\$674	\$375	\$375	\$375	\$375
Fuel/Oil/Ice for Resale	\$24,332	\$54,322	\$35,000	\$27,500	\$27,500	\$27,500
Telephone	\$4,343	\$6,864	\$4,000	\$3,500	\$3,500	\$3,500
Printing/Advertising	\$8,614	\$26,015	\$14,000	\$14,000	\$14,000	\$14,000
Insurance	\$11,798	\$28,763	\$16,975	\$19,525	\$19,525	\$19,525
Refunds	\$1,952	\$10,062	\$5,000	\$5,000	\$5,000	\$5,000
Electricity	\$35,665	\$62,651	\$37,800	\$37,800	\$37,800	\$37,800
Dues and Fees	\$21,052	\$42,910	\$22,000	\$22,000	\$22,000	\$22,000
Park Maintenance	\$59,328	\$209,808	\$83,000	\$158,000	\$158,000	\$158,000
Transient Room Tax	\$18,831	\$37,144	\$19,000	\$23,600	\$23,600	\$23,600
MATERIALS & SERVICES TOTAL	\$290,109	\$590,753	\$706,250	\$897,150	\$897,150	\$897,150
Capital Outlay						
Equipment	-	\$18,300	-	-	-	-
CAPITAL OUTLAY TOTAL	-	\$18,300	-	-	-	-
EXPENSES TOTAL	\$303,959	\$995,942	\$955,400	\$1,151,403	\$1,151,403	\$1,151,403

General Fund & Departments Within: Police Department

Fiscal Year 2023-24

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	FY 2020-21	FY 2021-22	FY 2022-23
Police Training Hours	842	1128	1167

Category	Jun 2021
Traffic Citations	1,318
Code	917
Criminal	663
Assists	363
Arrests	310

Category	Jun 2022
Traffic Citations	981
Code	894
Criminal	835
Assists	396
Arrests	311

Category	Jun 2023
Code	921
Criminal	748
Assists	411
Traffic Citations	391
Arrests	228

Police Department Budget Highlights:

Staffing

This budget captures year three 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.

This budget plans for two new positions in the Police Department. The first is an additional police officer. The second is the conversion of a part time administrative assistant to full time, resulting in an overall FTE increase of .75 FTE.

Dispatch Fees

The City continues to contract with Umatilla County for dispatch services. The amount due for the 2022-23 fiscal year is \$171,000, which is a 25% increase from the previous year.

Equipment

The police department submitted several equipment requests for FY2023-24 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 \$114,400
- Patrol radar units \$12,000
- AED's in patrol vehicles \$8,600
- Taser replacement \$11,000
- Training simulator library expansion and recoil system \$12,100

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. The city set aside \$400,000 towards an outdoor gun range in the current fiscal year to meet both a public safety training need and a recreational need. While we work towards a permanent solution, we have secured a temporary range that will meet the public safety need for the next five years. That location that will require approximately \$100,000 in site improvements. The total annual maintenance cost is projected at \$10,000. We would like to roll forward \$175,000 towards procurement or development of a permanent range location to meet the recreational need.

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. In the current fiscal year we contracted with Mackenzie, Inc. for design of a new facility that will meet the demands of the police department for approximately 20 years. The design contract is approximately \$1.3 million. We anticipate the construction project cost at \$14 million. We have \$400,000 for design allocated in the 2022-23 budget and are allocating the remaining \$900,000 in the 2023-24 budget. Once funding is secured, we will begin construction, likely occurring in two years, starting in FY25/26. These plans are the key to initialize this process.



General Fund: Police Department

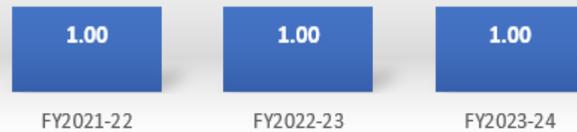
	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Personnel Services						
Regular Earnings	\$1,063,961	\$2,238,291	\$1,304,575	\$1,572,104	\$1,572,104	\$1,572,104
Overtime Earnings	\$12,163	\$35,147	\$30,000	\$30,000	\$30,000	\$30,000
FICA	\$127,813	\$172,488	\$102,095	\$122,465	\$122,465	\$122,465
Health Insurance	\$614,185	\$531,669	\$281,626	\$358,383	\$358,383	\$358,383
Retirement	\$382,267	\$620,474	\$357,221	\$485,647	\$485,647	\$485,647
Workers Compensation	\$20,659	\$38,518	\$27,310	\$30,336	\$30,336	\$30,336
Life Insurance	\$773	\$904	\$400	\$452	\$452	\$452
Unemployment Tax	\$1,669	\$2,260	\$1,335	\$7,895	\$7,895	\$7,895
Disability Insurance	\$2,846	\$3,220	\$1,372	\$1,608	\$1,608	\$1,608
PERSONNEL SERVICES TOTAL	\$2,226,336	\$3,642,970	\$2,105,932	\$2,608,890	\$2,608,890	\$2,608,890
Materials & Services						
Range Operation	-	-	-	\$10,000	\$10,000	\$10,000
Engineering	-	-	\$400,000	\$926,375	\$926,375	\$926,375
Minor Equipment	\$1,956	\$5,104	\$5,000	\$10,000	\$10,000	\$10,000
Supplies	\$8,004	\$14,741	\$10,000	\$11,500	\$11,500	\$11,500
Postage	\$368	\$881	\$500	\$700	\$700	\$700
Heat/Light	\$8,058	\$15,113	\$8,250	\$9,000	\$9,000	\$9,000
Telephone	\$16,047	\$29,790	\$19,250	\$20,000	\$20,000	\$20,000
Training/Travel	\$13,449	\$25,969	\$20,000	\$20,000	\$20,000	\$20,000
Insurance	\$10,776	\$24,199	\$14,300	\$16,900	\$16,900	\$16,900
Uniform Allowance	\$9,287	\$14,454	\$12,000	\$16,000	\$16,000	\$16,000
Physicals	\$1,331	\$1,100	\$3,600	\$3,600	\$3,600	\$3,600
Gas/Oil	\$26,977	\$79,983	\$48,000	\$42,000	\$42,000	\$42,000
Legal Services	-	-	\$1,000	\$50,000	\$50,000	\$50,000
Dues and Fees	\$3,279	\$5,700	\$3,500	\$3,500	\$3,500	\$3,500
Equipment Operation	\$8,855	\$41,772	\$16,000	\$54,855	\$54,855	\$54,855
Building Maintenance	\$16,660	\$64,310	\$17,000	\$15,000	\$15,000	\$15,000
Vehicle Maintenance	\$17,938	\$44,488	\$21,850	\$21,850	\$21,850	\$21,850
Interpreters	-	-	\$200	-	-	-
School Resource Officer	\$4,840	\$7,378	\$10,000	\$10,000	\$10,000	\$10,000
Dispatch Fees/Coverage	\$103,880	\$247,760	\$136,810	\$171,000	\$171,000	\$171,000
Miscellaneous	\$27,173	\$10,363	\$24,000	\$20,000	\$20,000	\$20,000
Accrued Police Dept/Lexipol	\$7,467	\$16,301	\$7,700	\$7,700	\$7,700	\$7,700
Computer Support	\$60	-	-	-	-	-
Reserve Officers	\$276	-	\$1,500	\$1,500	\$1,500	\$1,500
Contractual Services	-	\$18,077	\$10,000	\$10,000	\$10,000	\$10,000
Dog Holding Facility	\$1,365	\$2,800	\$2,600	\$5,200	\$5,200	\$5,200
MATERIALS & SERVICES TOTAL	\$288,046	\$670,283	\$793,060	\$1,456,680	\$1,456,680	\$1,456,680
Capital Outlay						
Safety Equipment	-	\$9,443	\$5,000	-	-	-
Equipment	\$8,670	-	\$45,000	-	-	-
CAPITAL OUTLAY TOTAL	\$8,670	\$9,443	\$50,000	-	-	-
EXPENSES TOTAL	\$2,523,053	\$4,322,696	\$2,948,992	\$4,065,570	\$4,065,570	\$4,065,570

General Fund & Departments Within: Code Enforcement

Fiscal Year 2023-24

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.

Category	Jun 2021
Vehicles	330
Animals	299
Property	288

Category	Jun 2022
Animals	328
Property	306
Vehicles	259

Category	Jun 2023
Animals	389
Property	288
Vehicles	244

Free Community Cleanup Event



General Fund: Code Enforcement Department

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Personnel Services						
Regular Earnings	\$72,705	\$155,762	\$85,289	\$91,147	\$91,147	\$91,147
Overtime Earnings	\$50	-	\$1,000	\$1,000	\$1,000	\$1,000
FICA	\$8,815	\$11,916	\$6,601	\$7,049	\$7,049	\$7,049
Health Insurance	\$39,716	\$34,804	\$17,408	\$18,116	\$18,116	\$18,116
Retirement	\$25,286	\$42,398	\$23,414	\$28,561	\$28,561	\$28,561
Workers Compensation	\$659	\$1,152	\$889	\$1,038	\$1,038	\$1,038
Life Insurance	\$53	\$62	\$27	\$27	\$27	\$27
Unemployment Tax	\$115	\$156	\$86	\$461	\$461	\$461
Disability Insurance	\$210	\$248	\$91	\$91	\$91	\$91
PERSONNEL SERVICES TOTAL	\$147,609	\$246,498	\$134,805	\$147,490	\$147,490	\$147,490
Materials & Services						
Code Enforcement/Abatement	\$135	\$3,011	\$15,000	\$15,000	\$15,000	\$15,000
Neighborhood Cleanups	\$13,885	\$10,163	\$15,000	\$15,000	\$15,000	\$15,000
City Attorney	-	-	\$1,000	\$1,000	\$1,000	\$1,000
Supplies	\$245	\$41	\$1,000	\$500	\$500	\$500
Postage	-	-	\$150	\$150	\$150	\$150
Training/Travel	-	-	\$3,000	\$3,000	\$3,000	\$3,000
Clothing Allowance	-	\$164	\$300	\$300	\$300	\$300
Gas/Oil	-	-	\$3,750	\$2,500	\$2,500	\$2,500
Dues and Fees	\$128	\$300	\$250	\$250	\$250	\$250
Equipment Operation	\$643	-	\$2,000	\$2,000	\$2,000	\$2,000
Miscellaneous	\$62	-	\$500	\$500	\$500	\$500
MATERIALS & SERVICES TOTAL	\$15,097	\$13,679	\$41,950	\$40,200	\$40,200	\$40,200
EXPENSES TOTAL	\$162,707	\$260,176	\$176,755	\$187,690	\$187,690	\$187,690

General Fund & Departments Within: Transportation

Fiscal Year 2023-24

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

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Materials & Services						
Supplies	-	-	\$750	\$750	\$750	\$750
Taxi Program	\$1,071	\$8,330	\$4,500	\$4,500	\$4,500	\$4,500
MATERIALS & SERVICES TOTAL	\$1,071	\$8,330	\$5,250	\$5,250	\$5,250	\$5,250
EXPENSES TOTAL	\$1,071	\$8,330	\$5,250	\$5,250	\$5,250	\$5,250

General Fund & Departments Within: Golf Course

Fiscal Year 2023-24



Golf Course FTE Count



Golf Course Budget Highlights

Staffing

Public Works is receiving three new Maintenance Worker I position in this budget. Two of the three will be assigned primarily to the golf course and are reflected in the increased personnel expense below.

Equipment

The golf course requested a new John Deere 1500 series front deck mower for use in cutting the rough at an estimated cost of \$27,000.

The golf course routinely has to rent golf carts for tournaments as our fleet is not big enough. Over the past few years we have not been able to purchase any carts due to supply issues and lack of available inventory. Now that carts are back in stock, we are requesting \$100,000 to purchase 11 carts.

The golf course currently has 84 golf cart sheds that are available to rent out on an annual basis. This budget allocates \$80,000 to place an additional 12 cart sheds that we could immediately fill. We anticipate that we will recover \$7,000 per year in revenue on the new sheds.

Maintenance

The current HVAC system at the pro shop is broken. This budget allocates \$10,000 to add 2 HVAC wall units at the pro shop.



General Fund: Golf Course

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Personnel Services						
Regular Earnings	\$33,625	\$267,936	\$340,542	\$471,559	\$471,559	\$471,559
Overtime Earnings	\$327	\$5,533	\$10,000	\$10,000	\$10,000	\$10,000
FICA	\$2,597	\$20,916	\$26,816	\$36,839	\$36,839	\$36,839
Health Insurance	\$7,766	\$52,823	\$60,791	\$96,215	\$96,215	\$96,215
Retirement	\$556	\$28,651	\$71,685	\$104,528	\$104,528	\$104,528
Workers Compensation	\$19	\$8,257	\$3,886	\$5,677	\$5,677	\$5,677
Life Insurance	\$13	\$96	\$96	\$131	\$131	\$131
Unemployment Tax	\$34	\$271	\$351	\$2,408	\$2,408	\$2,408
Disability Insurance	\$64	\$424	\$434	\$594	\$594	\$594
PERSONNEL SERVICES TOTAL	\$45,001	\$384,906	\$514,601	\$727,951	\$727,951	\$727,951
Materials & Services						
Insurance	–	\$7,562	\$8,950	\$10,600	\$10,600	\$10,600
Printing/Advertising	–	\$1,512	\$10,000	\$10,000	\$10,000	\$10,000
Electricity	–	\$24,082	\$37,100	\$32,000	\$32,000	\$32,000
Telephone	\$1,150	\$1,911	\$1,500	\$1,500	\$1,500	\$1,500
Postage	–	\$58	\$250	\$250	\$250	\$250
Pro Shop Lease	–	\$16,800	\$18,450	\$18,900	\$18,900	\$18,900
Fuel	–	\$10,237	\$10,000	\$18,000	\$18,000	\$18,000
Training/Travel	\$44	\$181	\$8,150	\$8,500	\$8,500	\$8,500
Attorney Fees	–	–	\$5,000	\$5,000	\$5,000	\$5,000
Miscellaneous	–	\$350	\$5,000	\$5,000	\$5,000	\$5,000
Dues and Fees	–	\$4,885	\$5,000	\$8,000	\$8,000	\$8,000
Uniform Allowance	–	–	\$1,525	\$1,525	\$1,525	\$1,525
Contracted Services	\$78,280	\$6,959	\$100,000	\$30,350	\$30,350	\$30,350
Golf Course Operations	\$93,976	\$234,902	\$220,000	\$262,500	\$262,500	\$262,500
MATERIALS & SERVICES TOTAL	\$173,450	\$309,439	\$430,925	\$412,125	\$412,125	\$412,125
EXPENSES TOTAL	\$218,452	\$694,344	\$945,526	\$1,140,076	\$1,140,076	\$1,140,076

General Fund & Departments Within: 911 Emergency Service Center

Fiscal Year 2023-24

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 moved this expense to the Police Department budget in the 2022-23 fiscal year as we have with the dispatch services expense.

General Fund: 911 Emergency Service Center Department

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Materials & Services						
T1 Line for CIS Software	\$1,110	\$1,824	-	-	-	-
MATERIALS & SERVICES TOTAL	\$1,110	\$1,824	-	-	-	-
EXPENSES TOTAL	\$1,110	\$1,824	-	-	-	-

General Fund & Departments Within: Non-Departmental

Fiscal Year 2023-24

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

Transfers Out for the 2023-24 fiscal year include:

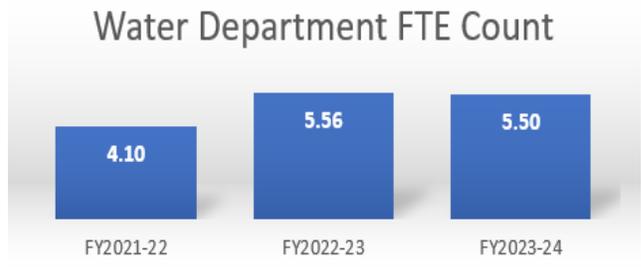
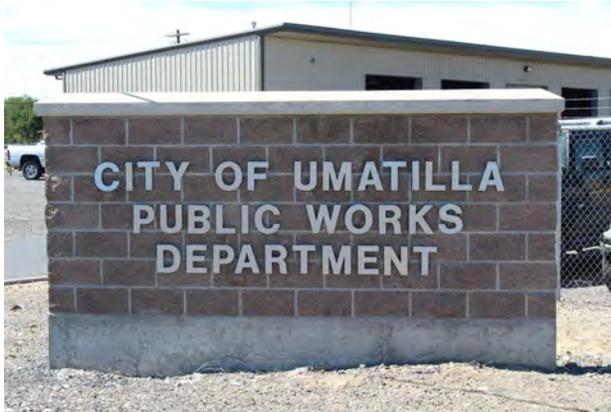
Purpose	Amount	To
Nugent Boat Ramp & Site Improvement Project	\$200,000	Capital Reserve Fund
Community Development Vehicle Contribution	\$17,500	Capital Reserve Fund
Range Construction	\$75,000	Capital Reserve Fund
Golf Course Improvements	\$155,000	Capital Reserve Fund
Golf Course Equipment	\$210,000	Capital Reserve Fund
Police Computer Equipment	\$21,000	Capital Reserve Fund
Police Vehicle	\$125,000	Capital Reserve Fund
Police Equipment Reserve	\$12,000	Capital Reserve Fund
Shop Bldg Reserve	\$10,000	Capital Reserve Fund
Minor Property Improvements	\$90,000	Capital Reserve Fund
Cemetery Improvements	\$44,100	Capital Reserve Fund
City Computer Equipment / Camera Upgrades	\$105,000	Capital Reserve Fund
Park Equipment	\$176,000	Capital Reserve Fund
Recreation Equipment	\$20,000	Capital Reserve Fund
Umatilla Falls	\$200,000	Capital Reserve Fund
Marina Improvements	\$60,000	Capital Reserve Fund
City Hall Vehicle	\$10,500	Capital Reserve Fund
PATH - Capital	\$325,000	Capital Reserve Fund
Interfund Loan Renewal	\$750,000	Water Fund
Street Light Maintenance	\$12,525	Street Fund
Chamber & Museum Support	\$21,000	Transient Room Tax Fund
City Sponsored Festivals	\$200,000	Transient Room Tax Fund
Total Transfers Out	\$2,839,625	

General Fund: Non-Departmental

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Transfers						
Transfers	\$3,409,900	\$7,405,588	\$3,094,964	\$2,839,625	\$2,839,625	\$2,839,625
TRANSFERS TOTAL	\$3,409,900	\$7,405,588	\$3,094,964	\$2,839,625	\$2,839,625	\$2,839,625
Operating Contingency						
Operating Contingency	-	-	\$1,000,000	\$1,500,000	\$1,500,000	\$1,500,000
OPERATING CONTINGENCY TOTAL	-	-	\$1,000,000	\$1,500,000	\$1,500,000	\$1,500,000
Unappropriated Fund Balance						
Unappropriated Fund Balance	-	-	\$1,937,011	\$2,390,915	\$2,390,915	\$2,390,915
UNAPPROPRIATED FUND BALANCE TOTAL	-	-	\$1,937,011	\$2,390,915	\$2,390,915	\$2,390,915
EXPENSES TOTAL	\$3,409,900	\$7,405,588	\$6,031,975	\$6,730,540	\$6,730,540	\$6,730,540

Water Fund

Fiscal Year 2023-24



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.

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.

Measure	FY2020-21	FY2021-22	FY2022-23
Total water produced (in millions of gallons)	508	526	559
Number of water utility accounts	1,729	1,806	1,882
Number of wells maintained	4	4	4
Number of pumps maintained	11	11	11
Number of reservoirs maintained	6	6	6
Miles of distribution pipe	47	47	47

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, 2023. 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 \$2.50 monthly increase. These increases have allowed us to significantly increase the annual transfer to reserve to save for future infrastructure replacement and expansion.

Staffing

Public Works is receiving three new Maintenance Worker I position in this budget. One of the three will be assigned primarily to the water department and is reflected in the increased personnel expense below.

Maintenance

The city previously 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.

Other small scale maintenance projects funded are (a) adding chlorine scales to the well houses that will monitor and control gas feed as a safety precaution at an estimated cost of \$5,000, (b) updating and upgrading valves at the McFarland Well at an estimated cost of \$10,000, (c) well house fence repairs at all locations to improve safety and security at an estimated cost of \$20,000, (d) installing an inserta valve at the medical clinic to be able to isolate the clinic during their anticipated construction at an estimated cost of \$15,000 and (e) replacing the HMI (human machine interface) touch screen for well controls at an estimated cost of \$40,000. The existing touch screen is out of date and the display is very hard to read.

We have been working with Umatilla Rural Fire District on a hydrant maintenance program so that every hydrant gets serviced once every five years. In order to implement this program, we have allocated an additional \$5,000 per year to department maintenance. This program is in addition to our current replacement schedule of two hydrants per year.

Several improvement projects have been identified in our Water Master Plan. In fiscal year 2022-23, we budgeted to replace sacrificial anodes in the Port Reservoir (\$22,000) but that project will not be completed prior to the end of the fiscal year so we will carry that forward. The plan calls out three 8-inch water main installations for the Port of Entry, Locust Street and Division Street. We have allocated design funding for these projects which is anticipated at \$91,600. The construction estimated at \$702,400 will be completed in a future budget cycle.

Equipment

Over the past two years, we transferred \$150,000 into reserves for a Golf well backup generator which is critical to the infrastructure of the city. Without the generator, we would be down to about half of our capacity of water. We have determined that we need to upgrade the switching and electrical to accommodate the generator at an estimated cost of \$100,000. We will carry forward the \$150,000 and have allocated the full \$250,000 in the fiscal year 2023-24 budget.

We also allocated \$5,000 to purchase a portable water trash pump to replace the broken one that is currently on the truck.



Water Fund

2023-24 Water Fund Budget Summary

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$141,857	\$182,434	\$123,603	\$1,775,995	\$1,775,995	\$1,775,995
Fees & Charges	\$1,579,165	\$1,642,467	\$1,862,000	\$2,872,300	\$2,872,300	\$2,872,300
Interest	\$1,427	\$958	\$1,200	\$1,200	\$1,200	\$1,200
Miscellaneous	\$73,428	\$4,138	\$4,000	\$370,700	\$370,700	\$370,700
Transfers from Other Funds	\$165,500	–	–	\$750,000	\$750,000	\$750,000
REVENUES TOTAL	\$1,961,378	\$1,829,997	\$1,990,803	\$5,770,195	\$5,770,195	\$5,770,195
Expenses						
Personnel Services	\$696,599	\$539,204	\$672,842	\$700,384	\$700,384	\$700,384
Materials & Services	\$695,186	\$825,682	\$590,800	\$2,255,000	\$2,255,000	\$2,255,000
Debt Service	\$14,015	\$28,897	\$35,499	\$1,591,250	\$1,591,250	\$1,591,250
Transfers	\$484,250	\$362,920	\$487,470	\$724,850	\$724,850	\$724,850
Capital Outlay	\$527	–	–	–	–	–
Operating Contingency	–	–	\$100,000	\$300,000	\$300,000	\$300,000
Unappropriated Fund Balance	–	–	\$104,192	\$198,711	\$198,711	\$198,711
EXPENSES TOTAL	\$1,890,577	\$1,756,703	\$1,990,803	\$5,770,195	\$5,770,195	\$5,770,195

Transfers Out for the 2023-24 fiscal year include:

Purpose	Amount	To
Shop Bldg Reserve	\$10,000	Capital Reserve Fund
Jet Rodder Trailer Reserve	\$41,000	Capital Reserve Fund
Water Dept Equipment	\$165,000	Capital Reserve Fund
Building Maintenance City Hall	\$3,700	General Fund
Computer Support	\$35,250	General Fund
City Hall Staff Rent	\$9,900	General Fund
Water Project Reserve	\$440,000	Water Reserve Fund
Electronic Meter Replacement	\$15,000	Water Reserve Fund
Hydrant Replacement	\$5,000	Water Reserve Fund
Total Transfers Out	\$724,850	

Water Reserve Fund

Fiscal Year 2023-24

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

Water Extension to the Power City and Brownell Areas

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

- \$6,000,000 - Bipartisan Infrastructure Law (BIL) Funds administered by Business Oregon's Safe Drinking Water Revolving Loan Fund (SDWRLF). This will be comprised of a loan for \$2.7 million that will carry interest at 2.83% for 30 years and a \$3.3 million forgivable loan.
- \$1,906,500 - Community Development Block Grant (CDBG) Construction Funds
- \$180,000 - City Funds: Accumulated System Development Charge improvement revenue.

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 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 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 \$25.2 million. For design, the city is taking out a loan for 40%, or approximately \$1 million from Business Oregon. The remainder will be funded with an upfront capital reimbursement from an industrial developer. For construction, the city will be applying for a \$10 million loan from Business Oregon and funding the remainder of the project with an upfront capital reimbursement from an industrial developer. 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.

Water Reserve Fund

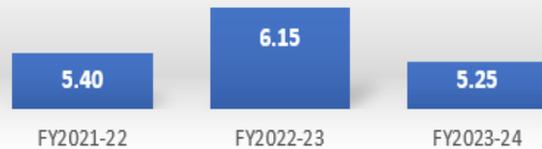
	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance						
Beginning Fund Balance	\$727,477	\$2,215,032	\$1,633,817	\$1,776,565	\$1,776,565	\$1,776,565
BEGINNING FUND BALANCE TOTAL	\$727,477	\$2,215,032	\$1,633,817	\$1,776,565	\$1,776,565	\$1,776,565
Capital Grants						
Federal Grant Proceeds	–	–	–	\$2,656,107	\$2,656,107	\$2,656,107
Grant/Loan Proceeds	–	–	–	\$7,057,897	\$7,057,897	\$7,057,897
CAPITAL GRANTS TOTAL	–	–	–	\$9,714,004	\$9,714,004	\$9,714,004
SDC Revenue						
SDC For Water System Improvements	\$81,041	\$553,655	\$360,000	\$143,780	\$143,780	\$143,780
SDC REVENUE TOTAL	\$81,041	\$553,655	\$360,000	\$143,780	\$143,780	\$143,780
Interest						
Interest Earnings	\$6,561	\$12,505	\$6,000	\$25,000	\$25,000	\$25,000
INTEREST TOTAL	\$6,561	\$12,505	\$6,000	\$25,000	\$25,000	\$25,000
Miscellaneous						
Other Revenue	\$26,116	\$547,810	\$4,156,700	\$27,056,645	\$27,056,645	\$27,056,645
MISCELLANEOUS TOTAL	\$26,116	\$547,810	\$4,156,700	\$27,056,645	\$27,056,645	\$27,056,645
Transfers from Other Funds						
Transfers	\$415,000	\$810,000	\$340,000	\$460,000	\$460,000	\$460,000
TRANSFERS FROM OTHER FUNDS TOTAL	\$415,000	\$810,000	\$340,000	\$460,000	\$460,000	\$460,000
REVENUES TOTAL	\$1,256,196	\$4,139,002	\$6,496,517	\$39,175,994	\$39,175,994	\$39,175,994
Expenses						
Materials & Services						
Legal	\$1,680	–	\$27,850	–	–	–
Engineering	\$27,297	\$627,988	\$340,000	–	–	–
MATERIALS & SERVICES TOTAL	\$28,977	\$627,988	\$367,850	–	–	–
Capital Outlay						
Well & Pump Repairs/SDC Funded	\$100,228	\$59,325	\$114,480	\$79,194	\$79,194	\$79,194
Water Improvements/SDC Funded	–	–	\$686,608	\$657,880	\$657,880	\$657,880
Water Systems Imp or Repairs	\$2,672	\$411,664	\$1,121,350	\$462,520	\$462,520	\$462,520
Develop Water Right	–	–	\$116,519	\$3,100,000	\$3,100,000	\$3,100,000
Replace Electronic Meters	\$4,320	\$10,035	\$84,982	\$77,000	\$77,000	\$77,000
Replace Hydrants	\$7,007	\$5,654	\$11,772	\$16,772	\$16,772	\$16,772
PC/Brownell Water Project	–	–	–	\$8,086,500	\$8,086,500	\$8,086,500
Waterline Replacement Project	–	–	–	\$831,590	\$831,590	\$831,590
POD/Pump Station Imp Project	–	–	\$3,000,000	\$24,806,645	\$24,806,645	\$24,806,645
CAPITAL OUTLAY TOTAL	\$114,227	\$486,679	\$5,135,711	\$38,118,101	\$38,118,101	\$38,118,101
Operating Contingency						
Operating Contingency	–	–	\$300,000	\$500,000	\$500,000	\$500,000
OPERATING CONTINGENCY TOTAL	–	–	\$300,000	\$500,000	\$500,000	\$500,000
Unappropriated Fund Balance						
Unappropriated Fund Balance	–	–	\$692,956	\$557,893	\$557,893	\$557,893
UNAPPROPRIATED FUND BALANCE TOTAL	–	–	\$692,956	\$557,893	\$557,893	\$557,893
EXPENSES TOTAL	\$143,204	\$1,114,667	\$6,496,517	\$39,175,994	\$39,175,994	\$39,175,994

Sewer Fund

Fiscal Year 2023-24



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	FY2022-23
Design capacity of WWTP (in millions of gallons per day)	3.2	3.2	3.2
Total amount of wastewater treated (in millions of gallons)	254.8	232.2	238
Number of sewer utility accounts	1,705	1,717	1,794
Number of lift stations maintained	6	6	6
Number of pumps maintained	12	12	12
Miles of sewer lines	35	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, 2023. This is higher than the study proposed due to the historic inflation we are experiencing. The average residential customer will see a \$3.66 monthly increase.

Maintenance

There are a few plant and equipment maintenance issues that were budgeted for in fiscal year 2022-23. 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. We ordered the pump about a year ago and still haven't received it so will carry those funds forward. We also allocated \$10,000 to asphalt areas of the treatment plant that have to be cleaned up but are currently gravel and dirt. Our crew has not had the capacity to complete that project and is requesting we carry forward those funds.

Public works has identified the need to replace the storm water basins on Willamette Street. The current basins are plugged and do not drain, causing flooding during storm weather. This project is anticipated to cost \$100,000.

The draft Wastewater Facilities Plan that is undergoing DEQ review will go to City Council in fall 2023. The plan calls out several improvements needed at the WWTP. These include UV disinfection, headworks screen and sludge drying. These projects can be de-coupled but it would be more cost efficient to complete them at once. The total design cost is \$824,500. The preliminary construction estimate is \$8.6 million. The construction funding would not be allocated in this budget. The City will work to secure as much grant funding as possible, with a target of 30%, to complete the projects in a future year. The plan also calls for correcting an inverse pipe slope issue at Switzler Ave. The design for that project is \$110,500.



Sewer Department Fund

2023-24 Sewer Fund Budget Summary

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$495,735	\$698,798	\$928,133	\$628,060	\$628,060	\$628,060
Fees & Charges	\$1,958,803	\$2,110,902	\$2,364,690	\$2,452,495	\$2,452,495	\$2,452,495
Interest	\$3,326	\$3,175	\$2,600	\$10,000	\$10,000	\$10,000
Miscellaneous	\$32,365	\$197,757	\$60,000	\$5,000	\$5,000	\$5,000
REVENUES TOTAL	\$2,490,229	\$3,010,633	\$3,355,423	\$3,095,555	\$3,095,555	\$3,095,555
Expenses						
Personnel Services	\$647,761	\$520,690	\$757,357	\$673,558	\$673,558	\$673,558
Materials & Services	\$396,336	\$556,090	\$511,575	\$623,100	\$623,100	\$623,100
Debt Service	\$335,004	\$338,603	\$461,303	\$208,755	\$208,755	\$208,755
Transfers	\$592,250	\$762,920	\$803,270	\$1,068,000	\$1,068,000	\$1,068,000
Operating Contingency	–	–	\$150,000	\$150,000	\$150,000	\$150,000
CWSRF Loan Reserve	–	–	\$49,598	\$76,859	\$76,859	\$76,859
Unappropriated Fund Balance	–	–	\$622,320	\$295,283	\$295,283	\$295,283
EXPENSES TOTAL	\$1,971,351	\$2,178,303	\$3,355,423	\$3,095,555	\$3,095,555	\$3,095,555

Transfers Out for the 2023-24 fiscal year include:

Purpose	Amount	To
Sewer Dept Equipment	\$213,325	Capital Reserve Fund
Shop Bldg Reserve	\$10,000	Capital Reserve Fund
Building Maintenance City Hall	\$3,700	General Fund
Computer Support	\$31,075	General Fund
City Hall Staff Rent	\$9,900	General Fund
Sewer Project Reserve	\$800,000	Sewer Reserve Fund
Total Transfers Out	\$1,068,000	

Sewer Reserve Fund

Fiscal Year 2023-24

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

Sewer Extension to the Power City and Brownell Areas

The City 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. We estimate that the Power City/Brownell Sewer Service Project will cost approximately \$11,315,305. The City intends to fund the project with a \$500,000 contribution from a private industrial customer and the remainder with a DEQ Clean Water State Revolving Fund (CWSRF) Loan.



Sewer Reserve Fund

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance						
Beginning Fund Balance	\$1,858,013	\$4,730,453	\$3,095,048	\$4,579,130	\$4,579,130	\$4,579,130
BEGINNING FUND BALANCE TOTAL	\$1,858,013	\$4,730,453	\$3,095,048	\$4,579,130	\$4,579,130	\$4,579,130
Capital Grants						
Grant/Loan Proceeds	–	–	–	\$10,815,305	\$10,815,305	\$10,815,305
CAPITAL GRANTS TOTAL	–	–	–	\$10,815,305	\$10,815,305	\$10,815,305
SDC Revenue						
SDC For Sewer System Improvements	\$83,304	\$662,082	\$435,000	\$172,900	\$172,900	\$172,900
SDC REVENUE TOTAL	\$83,304	\$662,082	\$435,000	\$172,900	\$172,900	\$172,900
Interest						
Interest Earnings	\$15,166	\$25,630	\$12,000	\$65,000	\$65,000	\$65,000
INTEREST TOTAL	\$15,166	\$25,630	\$12,000	\$65,000	\$65,000	\$65,000
Miscellaneous						
Other Revenue	\$181,448	\$496,802	\$200,000	–	–	–
MISCELLANEOUS TOTAL	\$181,448	\$496,802	\$200,000	–	–	–
Transfers from Other Funds						
Transfers	\$510,000	\$1,180,000	\$665,800	\$800,000	\$800,000	\$800,000
TRANSFERS FROM OTHER FUNDS TOTAL	\$510,000	\$1,180,000	\$665,800	\$800,000	\$800,000	\$800,000
REVENUES TOTAL	\$2,647,931	\$7,094,967	\$4,407,848	\$16,432,335	\$16,432,335	\$16,432,335
Expenses						
Materials & Services						
Legal	\$19,262	\$54,613	\$25,000	–	–	–
Engineering & UIC Permitting	\$11,952	\$300,128	\$200,000	\$935,000	\$935,000	\$935,000
MATERIALS & SERVICES TOTAL	\$31,214	\$354,741	\$225,000	\$935,000	\$935,000	\$935,000
Capital Outlay						
PC/Brownell Improvements	–	–	–	\$11,315,305	\$11,315,305	\$11,315,305
Sewer Improvements/SDC Funded	–	–	\$552,838	\$524,700	\$524,700	\$524,700
Sewer Repairs/SDC Funded	\$39,781	\$152,178	\$348,522	\$313,060	\$313,060	\$313,060
Sewer Imp/Repairs	\$205,953	\$138,562	\$29,500	\$110,000	\$110,000	\$110,000
CAPITAL OUTLAY TOTAL	\$245,733	\$290,740	\$930,860	\$12,263,065	\$12,263,065	\$12,263,065
Operating Contingency						
Operating Contingency	–	–	\$400,000	\$1,000,000	\$1,000,000	\$1,000,000
OPERATING CONTINGENCY TOTAL	–	–	\$400,000	\$1,000,000	\$1,000,000	\$1,000,000
Unappropriated Fund Balance						
Unappropriated Fund Balance	–	–	\$2,851,988	\$2,234,270	\$2,234,270	\$2,234,270
UNAPPROPRIATED FUND BALANCE TOTAL	–	–	\$2,851,988	\$2,234,270	\$2,234,270	\$2,234,270
EXPENSES TOTAL	\$276,948	\$645,481	\$4,407,848	\$16,432,335	\$16,432,335	\$16,432,335

Street Fund

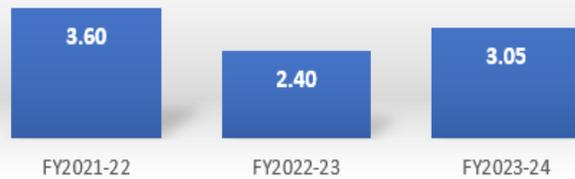
Fiscal Year 2023-24

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.



Street Department FTE Count



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

City revenues from the State Highway Trust Fund have seen significant per capita dollar increases over the past several years 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 2023-24, with estimates coming in just 1% higher than the 2022-23 levels. This results in a total apportionment for 2023-24 of approximately \$603,000.

The Surface Transportation Block Grant (STBG) exchange fund program for Street Projects is undergoing extensive revisions. The City has an allocation of approximately \$300,000 that we must exchange by the end of 2023. We plan to use those funds, along with the money we have already put into capital reserve to purchase a new street sweeper in the 2023-24 fiscal year. The exchange rate is \$.90 state funds for every \$1 federal funds that is exchanged.

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 likely require more costly full grinding and overlay projects. Based upon our recent asphalt condition assessment, the City should be allocating a minimum of \$260,000 per year with the understanding that more would be needed to fix roads that are in poor or very poor condition.

In fiscal year 2022-23 we allocated \$25,000 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. Public works has not completed this project yet and we have rolled the funds forward into the next budget. This budget also allocates \$10,000 for thermal striping to repair sidewalk and railroad crossing markings, \$20,000 for annual pothole repair, and \$20,000 to replace several out-of-date street signs and posts City wide.

In anticipation of construction of the new intermediate school in South Hill, the City has identified necessary street improvements to Grant St., Madison St., and Powerline Rd. The school district will be responsible for the cost of the improvements to Grant St. and Madison St., as well as identified areas along Powerline Rd. The City will pursue partnership opportunities to assist the school district with cost reduction efforts from either one or a combination of city funds, grant funds or private funds.

The recently adopted Transportation System Plan (TSP) calls for design of three projects in the upcoming year. The first, is the US730/I-82 northbound ramps, add signal and westbound right turn lane at a cost of \$135,000. Construction is estimated at \$1.3 million and should occur the following year. In anticipation of following a similar cost share as we did for the 6th Street Improvement Project, we can expect the City to cover 12% of the cost, with ODOT covering the remainder. The City will pursue efforts to get this project into ODOT's next five-year plan.

The second project is the US730/Willamette intersection improvements – add southbound left turn lane at a cost of \$27,000. Construction is estimated at \$80,000 and should occur in the following year. The City will be responsible for the entire cost of this project.

The third project is design of a single lane roundabout at the Powerline/US-730 intersection. This is another project that the City will cost share with ODOT on at an anticipated split of 80% ODOT/20% City. We are working with ODOT and our City engineers to come up with a cost estimate on this project. We currently have \$200,000 set aside for improvements to Powerline Rd. and anticipate using those funds towards this design project.



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 2023-24 fiscal year.

Street Fund

2023-24 Street Fund Budget Summary

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$594,450	\$830,690	\$870,307	\$955,056	\$955,056	\$955,056
Intergovernmental	\$542,667	\$603,697	\$771,152	\$888,175	\$888,175	\$888,175
Grant/Loan Proceeds	–	–	–	\$3,562,123	\$3,562,123	\$3,562,123
Interest	\$3,038	\$500	\$1,200	\$5,000	\$5,000	\$5,000
Miscellaneous	\$1,819,634	\$2,450,191	\$5,449,386	\$5,250	\$5,250	\$5,250
Transfers from Other Funds	\$36,900	\$12,525	\$12,525	\$12,525	\$12,525	\$12,525
REVENUES TOTAL	\$2,996,689	\$3,897,602	\$7,104,570	\$5,428,129	\$5,428,129	\$5,428,129
Expenses						
Personnel Services	\$322,395	\$325,072	\$271,404	\$369,083	\$369,083	\$369,083
Materials & Services	\$331,908	\$228,178	\$210,325	\$492,195	\$492,195	\$492,195
Transfers	\$46,950	\$136,900	\$166,250	\$410,210	\$410,210	\$410,210
Capital Outlay	\$1,710,147	\$2,240,722	\$5,730,112	\$3,562,123	\$3,562,123	\$3,562,123
Operating Contingency	–	–	\$462,200	\$400,000	\$400,000	\$400,000
Unappropriated Fund Balance	\$72	–	\$264,279	\$194,518	\$194,518	\$194,518
EXPENSES TOTAL	\$2,411,473	\$2,930,872	\$7,104,570	\$5,428,129	\$5,428,129	\$5,428,129

Transfers Out for the 2023-24 fiscal year include:

Purpose	Amount	To
Street Sweeper	\$300,175	Capital Reserve Fund
Shop Bldg Reserve	\$10,000	Capital Reserve Fund
Bike Paths	\$6,000	Capital Reserve Fund
Street Dept Equipment	\$75,000	Capital Reserve Fund
Computer Support	\$16,975	General Fund
Building Maintenance City Hall	\$560	General Fund
City Hall Staff Rent	\$1,500	General Fund
Total Transfers Out	\$410,210	

Capital Reserve Fund

Fiscal Year 2023-24

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 2023-24 fiscal year include two patrol vehicles for the Police Department, a wide area mower and deck over equipment trailer for the Parks Department, a backup generator for the Golf Well, a one-ton diesel pickup for the Sewer Department, a rough mower and new golf carts for the Golf Course, a high efficiency sprayer, turfco seeder and aerator for shared use between parks and the golf course, and a dump truck to be shared by 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 server upgrades, new copy machine purchases and upgrades to 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 2022-23 budget and will roll forward to the next year.

Nugent Park Boat Ramp Replacement: The Nugent Park boat ramp was damaged in the flooding that occurred in 2020. Projects that occurred under that FEMA declared disaster are eligible for 90% reimbursement. After a deeper evaluation of that area, staff has determined it would be in the City's best interest to pursue design and completion of the other desired site improvements at the same time to realize economy of scale savings by only having to do the work once. The expanded scope includes a boat dock, launch staging area upgrades, site lighting, and upper parking lot improvements. The total design and construction cost of the project is \$1.7 million. FEMA will cover \$662,000, and the City has secured an OSMB grant for \$466,000 and the City will be responsible for the remaining \$572,000. We anticipate design completion in early 2024 with construction beginning late spring.

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 \$440,900 which is made up of City cash match of \$276,900 and a grant of \$164,000.

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 secured 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: The City has been working on 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. We currently have \$965,000 allocated to the project. When we put the project out to bid, the results came in much higher than anticipated due to the complexity of the fountain, power and traffic control at a busy highway intersection. We anticipate the total cost at \$2.4 million. Staff would like to continue to explore grant opportunities to secure at least \$600,000 while we also rework some of the utility design and pre-construction costs.

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. The city set aside \$400,000 towards an outdoor gun range in the current fiscal year to meet both a public safety training need and a recreational need. While we work towards a permanent solution, we have secured a temporary range that will meet the public safety need for the next five years. That location that will require approximately \$100,000 in site improvements. The total annual maintenance cost is projected at \$10,000. We would like to roll forward \$175,000 towards procurement or development of a permanent range location to meet the recreational need.

Capital Reserve Fund

2023-24 Budget Tables Detail - Capital Reserve

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$1,522,079	\$3,752,048	\$10,386,293	\$12,208,520	\$12,208,520	\$12,208,520
Payment in Lieu of Tax	\$56,437	\$66,662	\$71,652	-	-	-
Fees & Charges	-	\$38,594	-	\$102,216	\$102,216	\$102,216
Capital Donations	\$200	-	-	\$450,000	\$450,000	\$450,000
Grant/Loan Proceeds	\$68,974	\$1,900,000	\$3,521,722	\$2,622,022	\$2,622,022	\$2,622,022
Interest	\$16,613	\$21,417	\$17,000	\$225,000	\$225,000	\$225,000
Miscellaneous	\$2,104,016	\$5,133,915	\$1,600,000	-	-	-
Transfers from Other Funds	\$3,579,650	\$4,373,310	\$3,399,189	\$2,757,600	\$2,757,600	\$2,757,600
REVENUES TOTAL	\$7,347,969	\$15,285,947	\$18,995,856	\$18,365,358	\$18,365,358	\$18,365,358

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Expenses						
Debt Service						
Principal Payments	\$149,978	\$46,863	\$100,547	\$102,494	\$102,494	\$102,494
Interest Payments	\$6,128	\$68,040	\$45,607	\$43,660	\$43,660	\$43,660
DEBT SERVICE TOTAL	\$156,106	\$114,903	\$146,154	\$146,154	\$146,154	\$146,154
Capital Outlay						
Range Project	–	–	\$400,000	\$175,000	\$175,000	\$175,000
FEMA Park Repairs	–	–	\$14,099	\$344,600	\$344,600	\$344,600
Minor Property Improvements	–	\$68,374	\$125,000	\$135,000	\$135,000	\$135,000
Downtown Revitalization	\$649,516	\$17,642	–	–	–	–
Park Equipment	\$8,434	\$73,586	\$4,500	\$218,250	\$218,250	\$218,250
Shop Building Reserve	–	\$13,300	–	\$329,108	\$329,108	\$329,108
Sewer Dept Equip & Jet Truck	–	\$26,047	\$79,500	\$289,275	\$289,275	\$289,275
Water Department Equipment	\$57,729	\$26,044	\$154,500	\$333,750	\$333,750	\$333,750
Police Computer Reserve	\$77,103	–	\$15,000	\$32,250	\$32,250	\$32,250
Library Equipment Reserve	\$26,989	\$0	–	\$9,250	\$9,250	\$9,250
City Hall Computer Reserve	\$12,207	\$14,384	\$55,000	\$124,000	\$124,000	\$124,000
Marina Computer Reserve	\$1,082	–	\$55,000	–	–	–
Code Enforcement Equipment	\$32,835	–	–	–	–	–
Police Equip Reserve	\$4,590	–	–	\$12,000	\$12,000	\$12,000
Land Acquisition	\$2,255,841	\$3,072,668	\$3,825,000	\$2,405,000	\$2,405,000	\$2,405,000
Park Expansion & Improvements	\$165,571	\$243,870	\$946,000	\$576,000	\$576,000	\$576,000
Office Equipment Replacement	\$4,232	–	\$10,000	\$20,000	\$20,000	\$20,000
Streets Equipment	\$2,750	\$36,938	\$164,500	\$81,750	\$81,750	\$81,750
Police Cars	\$77,054	\$84,136	\$97,200	\$114,400	\$114,400	\$114,400
Bike Paths/Pedestrian Improve	–	\$2,590	\$205,000	\$410,400	\$410,400	\$410,400
Cemetery Improvements	–	–	–	\$59,600	\$59,600	\$59,600
Street Sweeper	–	–	–	\$380,000	\$380,000	\$380,000
Building Dept Equipment	\$25,443	–	\$26,000	\$12,000	\$12,000	\$12,000
TIF Powerline/730	–	–	–	\$182,470	\$182,470	\$182,470
TIF Powerline/Tyler	–	–	–	\$30,975	\$30,975	\$30,975
Regional Homeless Solution	–	–	\$500,000	\$325,000	\$325,000	\$325,000
Golf Course Improvements	–	\$146,178	\$595,000	\$80,000	\$80,000	\$80,000
Golf Course Equipment	–	\$49,543	\$115,000	\$176,500	\$176,500	\$176,500
Street Improvement Reserve CVE	\$577	–	\$16,150	\$15,574	\$15,574	\$15,574
Mobile Stage	–	\$254,678	–	–	–	–
City Hall Vehicle	\$40,661	\$0	\$65,000	–	–	–
Marina Equipment	\$10,502	\$4,942	\$14,000	–	–	–
Marina Improvements	–	\$23,673	\$270,000	\$630,211	\$630,211	\$630,211
Recreation Equipment	\$5,743	\$334,597	\$65,000	\$25,500	\$25,500	\$25,500
Business Center	–	–	\$8,456,394	\$8,206,394	\$8,206,394	\$8,206,394
Umatilla Falls Improvements	\$5,784	\$73,769	\$965,000	\$2,224,000	\$2,224,000	\$2,224,000
Office Remodel	\$16,322	–	–	–	–	–
CAPITAL OUTLAY TOTAL	\$3,480,966	\$4,566,960	\$17,237,843	\$17,958,257	\$17,958,257	\$17,958,257
Unappropriated Fund Balance						
Unappropriated Fund Balance	–	–	\$1,611,859	\$260,947	\$260,947	\$260,947
UNAPPROPRIATED FUND BALANCE TOTAL	–	–	\$1,611,859	\$260,947	\$260,947	\$260,947
EXPENSES TOTAL	\$3,637,072	\$4,681,863	\$18,995,856	\$18,365,358	\$18,365,358	\$18,365,358

Library Fund

Fiscal Year 2023-24



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.

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.

Library FTE Count



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: Three-Year Comparison

Foot Traffic Count	2020-21	2021-22	2022-23	Total
Indoor	2,372	5,802	3,659	11,833
Computers	0	0	900	900
Curbside	343	157	0	500
Delivery	36	74	51	161
Study Rooms	0	0	117	117
Total	2,751	6,033	4,727	13,511

Library Circulation Report: Three-Year Comparison

Category	2020-21	2021-22	2022-23	Total
Juvenile Fiction	1,800	1,576	706	4,082
Adult Fiction	1,613	1,410	955	3,978
E-Books	980	817	636	2,433
Movies	626	550	336	1,512
Audiobooks	404	647	290	1,341
Adult Non-Fiction	398	267	131	796
Large Print	328	247	120	695
Graphic Novel	194	225	84	503
Young Adult	195	122	47	364
E-books	0	147	133	280
Juvenile Non-Fiction	58	90	70	218
Magazines	71	75	43	189
Equipment	60	58	23	141
Spanish	27	50	29	106
Total	6,754	6,281	3,603	16,638

Library Fund Budget Highlights

Revenues

Estimates from the Umatilla County Special Library District show that the library will receive an increase of approximately \$7,500 in tax distribution revenue in the next fiscal year. This is based on current year assessed valuation increases and the new distribution formula.

Staffing

Last summer, we received a teen internship grant and it was wonderful to have our intern help develop our Anime Club and reach other teens in the community. The total cost of the internship for a teen working 20 hours a week for eight weeks is approximately \$2,500. This budget allocates personnel funds to hire another teen intern.

Programming

This budget incorporates a \$10,000 increase for a total allocation of \$25,000 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

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$147,074	\$158,117	\$188,353	\$219,964	\$219,964	\$219,964
Intergovernmental	\$216,339	\$239,654	\$267,434	\$276,410	\$276,410	\$276,410
Interest	\$1,052	\$972	\$1,000	\$4,000	\$4,000	\$4,000
Miscellaneous	\$3,883	\$2,375	\$2,250	\$2,000	\$2,000	\$2,000
Transfers from Other Funds	\$35,000	\$40,000	\$20,000	-	-	-
REVENUES TOTAL	\$403,348	\$441,118	\$479,037	\$502,374	\$502,374	\$502,374
Expenses						
Personnel Services	\$227,592	\$186,726	\$219,815	\$277,959	\$277,959	\$277,959
Materials & Services	\$48,366	\$43,132	\$65,740	\$75,800	\$75,800	\$75,800
Transfers	\$30,500	\$10,000	\$10,000	\$27,225	\$27,225	\$27,225
Capital Outlay	\$9,793	\$3,116	\$5,000	-	-	-
Operating Contingency	-	-	\$15,000	\$20,000	\$20,000	\$20,000
Unappropriated Fund Balance	-	-	\$163,482	\$101,390	\$101,390	\$101,390
EXPENSES TOTAL	\$316,250	\$242,974	\$479,037	\$502,374	\$502,374	\$502,374

Transfers Out for the 2023-24 fiscal year include:

Purpose	Amount	To
Computer Support	\$18,725	General Fund
Library Equipment - Copy Machine	\$8,500	Capital Reserve Fund
Total Transfers Out	\$27,225	

Refuse Collection Fund

Fiscal Year 2023-24

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

2023-24 Refuse Fund Budget Summary

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$162,062	\$105,153	\$123,203	\$93,233	\$93,233	\$93,233
Fees & Charges	\$953,329	\$929,941	\$993,000	\$1,122,289	\$1,122,289	\$1,122,289
REVENUES TOTAL	\$1,115,391	\$1,035,093	\$1,116,203	\$1,215,522	\$1,215,522	\$1,215,522
Expenses						
Materials & Services	\$944,379	\$792,980	\$835,320	\$1,122,576	\$1,122,576	\$1,122,576
Transfers	\$152,603	\$147,580	\$158,880	-	-	-
Operating Contingency	-	-	\$50,000	\$75,000	\$75,000	\$75,000
Unappropriated Fund Balance	-	-	\$72,003	\$17,946	\$17,946	\$17,946
EXPENSES TOTAL	\$1,096,982	\$940,560	\$1,116,203	\$1,215,522	\$1,215,522	\$1,215,522

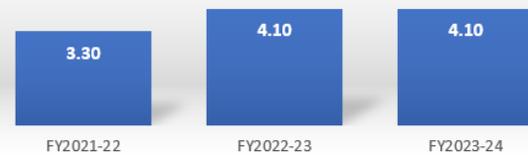
Building Department Fund

Fiscal Year 2023-24



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

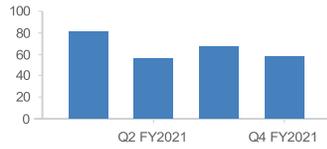
Provide professional and timely building inspection and permitting services for developers, business and property owners.

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: Three-Year Comparison

Permits Issued by Quarter FY2020-21



58

Quantity in Q4 FY2021

Permits Issued by Quarter FY2021-22



130

Quantity in Q4 FY2022

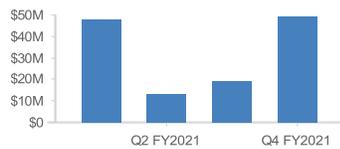
Permits Issued by Quarter FY2022-23



168

Permits Issued in Q4 FY2023

Value of Permits Issued by Quarter FY2020-21



\$49,070,639.17

Value in Q4 FY2021

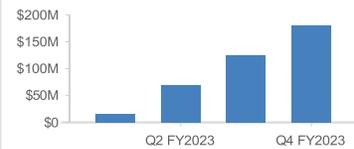
Value of Permits Issued by Quarter FY2021-22



\$61,751,119.23

Value in Q4 FY2022

Value of Permits Issued by Quarter FY2022-23

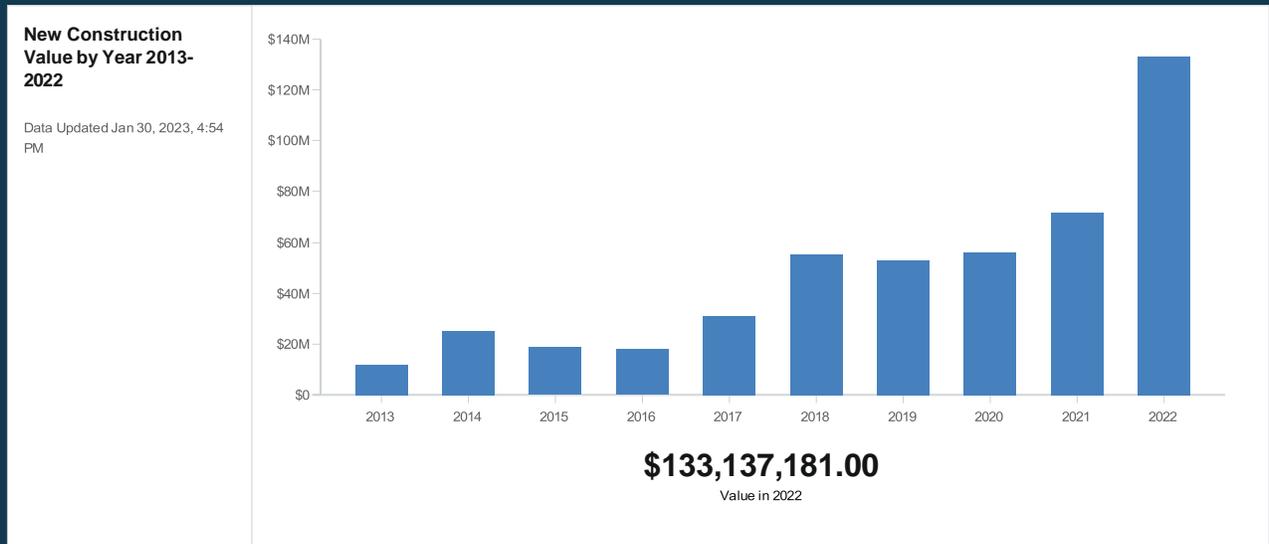


\$180,146,996.03

Job Value in Q4 FY2023



10 Year Development Analysis



Building Department Fund Budget Highlights

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.

Expenses

The building department requests are similar to the current year for training and supplies, with a slight increase to account for inflation. Our building inspectors continue to test for more certifications. In the meantime, we are contracting for plan review and will budget \$100,000 for consulting. This is very low in comparison to what we were historically paying Hermiston or Boardman since it is just a flat hourly rate, rather than hourly plus a percentage of fees collected.

Building Department Fund

2023-24 Building Dept Fund Budget Summary

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$2,147,184	\$2,586,023	\$3,099,975	\$4,929,281	\$4,929,281	\$4,929,281
Fees & Charges	\$1,410,897	\$2,165,663	\$2,833,000	\$2,589,884	\$2,589,884	\$2,589,884
Interest	\$16,688	\$13,757	\$12,000	\$75,000	\$75,000	\$75,000
Miscellaneous	\$59,735	\$74,894	\$55,000	\$26,200	\$26,200	\$26,200
REVENUES TOTAL	\$3,634,504	\$4,840,337	\$5,999,975	\$7,620,365	\$7,620,365	\$7,620,365
Expenses						
Personnel Services	\$369,091	\$375,760	\$544,657	\$617,613	\$617,613	\$617,613
Materials & Services	\$415,855	\$303,947	\$572,500	\$628,550	\$628,550	\$628,550
Transfers	\$319,500	\$557,281	\$32,840	\$110,180	\$110,180	\$110,180
Operating Contingency	–	–	\$800,000	\$1,000,000	\$1,000,000	\$1,000,000
Unappropriated Fund Balance	–	–	\$4,049,978	\$5,264,022	\$5,264,022	\$5,264,022
EXPENSES TOTAL	\$1,104,446	\$1,236,987	\$5,999,975	\$7,620,365	\$7,620,365	\$7,620,365

Transfers Out for the 2023-24 fiscal year include:

Building Maintenance City Hall	\$4,700	General Fund
Building Equipment	\$62,500	Capital Reserve Fund
Computer Support	\$30,380	General Fund
City Hall Staff Rent	\$12,600	General Fund
Total Transfers Out	\$110,180	

Debt Service Fund

Fiscal Year 2023-24

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

2023-24 Debt Service Fund Budget Summary

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$3,470	\$3,874	\$4,090	\$4,200	\$4,200	\$4,200
Property Taxes	\$380	\$222	\$175	\$25	\$25	\$25
Interest	\$19	\$20	\$15	\$60	\$60	\$60
REVENUES TOTAL	\$3,869	\$4,115	\$4,280	\$4,285	\$4,285	\$4,285
Expenses						
Unappropriated Fund Balance	-	-	\$4,280	\$4,285	\$4,285	\$4,285
EXPENSES TOTAL	-	-	\$4,280	\$4,285	\$4,285	\$4,285

Transient Room Tax Fund

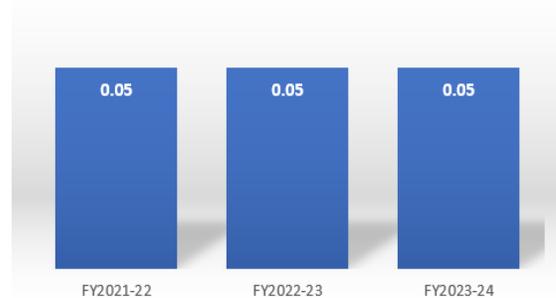
Fiscal Year 2023-24



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

City Sponsored Festivals

Over the past few years, City staff has heard an overwhelming desire from the community for more events. This budget includes funding for two major events.

Landing Days – We anticipate \$43,000 in revenue from Landing Days from sources such as vendors, the beer garden, 3 on 3 tournament and sponsorships. The total event expense is estimated at \$76,000 (not including the additional payment to the Umatilla Chamber of Commerce). The bulk of the cost is generated by the entertainment, kids' corner and fireworks but we also have expenses related to the 3 on 3 tournament, equipment and beer garden.

Rock the Locks – We anticipate \$1.4 million in revenue from Rock the Locks. This includes ticket sales, camping passes, merchandise sales, sponsorships, parking and vendor revenue sharing. The total event expense is estimated at \$1.5 million. The bulk (approximately 1/3) is attributable to entertainment. There are many other expenses to consider such as security, advertising, sound barriers, ticketing vendor, cashless technology fees, lighting and audio, our event consultant and many other lower cost items. These levels assume attendance of 4,800 on Friday, 5,200 on Saturday and 4,600 on Sunday. Each additional 500 attendees are expected to increase revenue by \$100,000.

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

2023-24 Transient Room Tax Fund Budget Summary

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$210,899	\$225,488	\$428,437	\$291,675	\$291,675	\$291,675
Fees & Charges	\$83,348	\$130,823	\$343,000	\$1,586,400	\$1,586,400	\$1,586,400
Interest	\$1,659	\$1,617	\$1,300	\$5,100	\$5,100	\$5,100
Miscellaneous	–	\$15,750	–	–	–	–
Transfers from Other Funds	\$54,500	\$198,500	\$76,000	\$221,000	\$221,000	\$221,000
REVENUES TOTAL	\$350,405	\$572,179	\$848,737	\$2,104,175	\$2,104,175	\$2,104,175
Expenses						
Personnel Services	\$14,844	\$6,378	\$7,071	\$7,825	\$7,825	\$7,825
Materials & Services	\$106,003	\$137,359	\$708,174	\$1,930,561	\$1,930,561	\$1,930,561
Transfers	\$1,500	–	–	–	–	–
Capital Outlay	–	–	\$106,275	\$133,242	\$133,242	\$133,242
Unappropriated Fund Balance	–	–	\$27,217	\$32,547	\$32,547	\$32,547
EXPENSES TOTAL	\$122,347	\$143,738	\$848,737	\$2,104,175	\$2,104,175	\$2,104,175



Umatilla Landing Days 2023

Building Reserve Fund

Fiscal Year 2023-24

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). City Council moved to dissolve the fund after the City Hall loan was paid off in April 2023.



Building Reserve Fund Detail

2023-24 Building Reserve Fund Budget Summary

	2020-21 ACTUALS	2021-22 ACTUALS	2022-23 ADOPTED BUDGET	2023-24 PROPOSED BUDGET	2023-24 APPROVED BUDGET	2023-24 ADOPTED BUDGET
	FY2021	FY2022	FY2023	FY2024	FY2024	FY2024
Revenues						
Beginning Fund Balance	\$144,393	\$161,517	\$178,157	\$16,417	\$16,417	\$16,417
Interest	\$1,424	\$1,140	\$1,000	-	-	-
Miscellaneous	\$132,922	\$132,922	\$132,922	-	-	-
REVENUES TOTAL	\$278,739	\$295,580	\$312,079	\$16,417	\$16,417	\$16,417
Expenses						
Debt Service	\$121,317	\$117,221	\$312,079	-	-	-
Transfers	-	-	-	\$16,417	\$16,417	\$16,417
EXPENSES TOTAL	\$121,317	\$117,221	\$312,079	\$16,417	\$16,417	\$16,417

Transfers Out for the 2023-24 fiscal year include:

Purpose	Amount	To
Building Reserve Fund Balance	\$16,417	General Fund
Total Transfers Out	\$16,417	

Interfund Transfer Detail

Fiscal Year 2023-24

Interfund Transfer Detail FY 2023-24

PURPOSE	BUDGET	FROM	TO
Nugent Boat Ramp & Site Improvement Project	\$200,000	General Fund	Capital Reserve Fund
Community Development Vehicle Contribution	\$17,500	General Fund	Capital Reserve Fund
Range Construction	\$75,000	General Fund	Capital Reserve Fund
Golf Course Improvements	\$155,000	General Fund	Capital Reserve Fund
Golf Course Equipment	\$210,000	General Fund	Capital Reserve Fund
Police Computer Equipment	\$21,000	General Fund	Capital Reserve Fund
Police Vehicle	\$125,000	General Fund	Capital Reserve Fund
Police Equipment Reserve	\$12,000	General Fund	Capital Reserve Fund
Shop Bldg Reserve	\$10,000	General Fund	Capital Reserve Fund
Minor Property Improvements	\$90,000	General Fund	Capital Reserve Fund
Cemetery Improvements	\$44,100	General Fund	Capital Reserve Fund
City Computer Equipment / Camera Upgrades	\$105,000	General Fund	Capital Reserve Fund
Park Equipment	\$176,000	General Fund	Capital Reserve Fund
Recreation Equipment	\$20,000	General Fund	Capital Reserve Fund
Umatilla Falls	\$200,000	General Fund	Capital Reserve Fund
Marina Improvements	\$60,000	General Fund	Capital Reserve Fund
City Hall Vehicle	\$10,500	General Fund	Capital Reserve Fund
PATH - Capital	\$325,000	General Fund	Capital Reserve Fund
Interfund Loan Renewal	\$750,000	General Fund	Water Fund
Street Light Maintenance	\$12,525	General Fund	Street Fund
Chamber & Museum Support	\$21,000	General Fund	Transient Room Tax Fund
City Sponsored Festivals	\$200,000	General Fund	Transient Room Tax Fund
Shop Bldg Reserve	\$10,000	Water Fund	Capital Reserve Fund
Jet Rodder Trailer Reserve	\$41,000	Water Fund	Capital Reserve Fund
Water Dept Equipment	\$165,000	Water Fund	Capital Reserve Fund

Budget Publications

Fiscal Year 2023-24

FORM
LB-1

NOTICE OF BUDGET HEARING

Republication

A public meeting of the Umatilla City Council will be held on June 6, 2023 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, 2023 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 melissa@umatilla-city.org
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FINANCIAL SUMMARY--RESOURCES

TOTAL OF ALL FUNDS	Actual Amounts 2021-2022	Adopted Budget This Year 2022-2023	Approved Budget Next Year 2023-2024
1. Beginning Fund Balance/Net Working Capital	17,044,461	25,913,697	34,784,083
2. Fees, Licenses, Permits, Fines, Assmts & Other Svs charges	19,045,413	18,885,081	8,896,104
3. Federal, State & all Other Grants, Gifts, Allocations & Donations	6,848,094	16,820,389	49,805,473
4. Revenue from Bonds & Other Debt	209,888	965,055	19,090,348
5. Interfund Transfers/Internal Service Requirements	5,680,695	6,403,674	4,446,507
6. All Other Resources Except Property Taxes	91,914	80,315	500,360
7. Property Taxes Estimated to be Received	2,512,816	3,060,817	2,957,907
8. Total Resources (add lines 1 thru 7)	51,432,881	72,129,028	120,480,782

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

9. Personnel Services	5,656,006	7,066,132	8,461,427
10. Materials and Services	6,003,699	10,860,024	16,267,314
11. Capital Outlay	7,219,189	29,815,801	72,034,788
12. Debt Service	599,624	955,035	1,946,159
13. Interfund Transfers	5,680,395	6,403,674	5,196,507
14. Contingencies		4,577,200	4,945,000
15. Special Payments		0	0
16. Unappropriated Ending Balance & Reserved for Future Expense	26,273,968	12,451,162	11,629,587
17. Total Requirements - add lines 9-16	51,432,881	72,129,028	120,480,782

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	2021-2022	2022-2023	2023-2024
Name: Administration	1,211,732	1,399,034	3,367,701
FTE	3.20	3.20	4.95
Name: Planning/Community Development	570,978	1,615,634	1,759,717
FTE	1.55	1.75	1.75
Name: Court	441,096	478,595	490,367
FTE	1.10	1.10	1.10
Name: Parks	705,057	1,185,538	1,851,764
FTE	4.69	7.25	8.84
Name: Code Enforcement	130,035	176,755	187,690
FTE	1.00	1.00	1.00
Name: Marina and RV Park	489,041	1,010,400	1,151,403
FTE	3	3.50	3.50
Name: Police	2,152,651	2,948,994	4,065,570
FTE	15.50	15.50	17.75
Name: Golf Course	641,100	945,526	1,140,076
FTE	6	6.50	8.75
Name: Water	3,703,958	9,987,320	44,946,189
FTE	3.10	5.65	5.50
Name: Sewer	6,533,417	8,263,271	19,527,890
FTE	5.40	6.15	5.25
Name: Streets	3,897,602	7,104,570	5,428,129
FTE	3.60	2.40	3.05
Name: Library	441,118	479,037	502,374
FTE	3.60	3.10	3.18
Name: Building	4,840,337	5,999,975	7,620,365
FTE	3.50	4.10	4.10
Non-Departmental/Non-Program	26,315,859	31,479,905	29,581,623
FTE	0.05	0.05	0.05
Total Requirements	51,432,881	72,129,028	120,480,782
Total FTE	55.20	61.25	68.77

STATEMENT OF CHANGES IN ACTIVITIES AND SOURCES OF FINANCING

No notable reduction or changes in services for the upcoming year. The City does have two loan applications pending final contract documents for the Power City/Brownell water and sewer extension projects. These loans total \$17,315,305. The City will be completing many capital projects including the Umatilla Business Center, Point of Direction upgrades and the Pedestrian Bridge Replacement causing a significant increase in capital outlay.

PROPERTY TAX LEVIES

	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	\$0	\$0
Other Bonds	\$0	\$0
Other Borrowings	\$5,214,335	\$17,315,305
TOTAL	\$5,214,335	\$17,315,305

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

**FORM OR-LB-50
2023-2024**

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
District name
 on the tax roll of Umatilla County. The property tax, fee, charge, or assessment is categorized as stated by this form.
County name

<u>PO Box 130</u> <small>Mailing address of district</small>	<u>Umatilla</u> <small>City</small>	<u>OR</u> <small>State</small>	<u>97882</u> <small>ZIP code</small>	<u>06/19/2023</u> <small>Date submitted</small>
<u>Melissa Ince</u> <small>Contact person</small>	<u>Finance Director</u> <small>Title</small>	<u>541-922-3226 x 104</u> <small>Daytime telephone number</small>	<u>melissa@umatilla-city.org</u> <small>Contact person e-mail address</small>	

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

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

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. Estimated permanent rate limit for newly merged/consolidated 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.

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

PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES*

<small>Description</small>	<small>ORS Authority**</small>	<small>Subject to General Government Limitation</small>	<small>Excluded from Measure 5 Limitation</small>
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

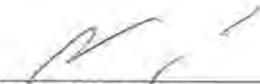
Fiscal Year 2023-24

RESOLUTION NO. 45-2023

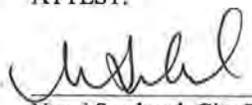
A RESOLUTION ADOPTING THE 2023-2024 BUDGET

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 2023-2024, in the total sum of \$120,480,782. now on file at Umatilla City Hall, 700 Sixth Street, Umatilla, Oregon 97882.

PASSED by the City Council and **SIGNED** by the Mayor this 6th day of June, 2023.



Caden Sipe, Mayor

ATTEST:


Nanci Sandoval, City Recorder



RESOLUTION NO. 46-2023

**A RESOLUTION APPROPRIATING BUDGET AMOUNTS
FOR FISCAL YEAR 2023-2024**

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2023 and for the purposes shown below are hereby appropriated as follows:

GENERAL FUND

Administration	\$ 3,367,701
Community Development Department	1,759,717
Municipal Court Department	490,367
Parks and Recreation Department	1,851,764
Marina and RV Park	1,151,403
Police Department	4,065,570
Code Enforcement	187,690
Transportation	5,250
Golf Course	1,140,076
Non-Departmental:	
Operating Contingency	1,500,000
Transfers	2,839,625
Reserves	<u>2,390,915</u>
GENERAL FUND TOTAL	\$ 20,750,078

WATER FUND

Personnel Services	\$ 700,383
Material & Services	2,255,000
Operating Contingency	300,000
Debt Service	1,591,250
Transfers	724,850
Reserves	<u>198,712</u>
WATER FUND TOTAL	\$ 5,770,195

SEWER FUND

Personnel Services	\$ 673,558
Material & Services	623,100
Operating Contingency	150,000
Debt Service	208,755
Transfers	1,068,000
Reserves	<u>372,142</u>
SEWER FUND TOTAL	\$ 3,095,555

RES NO. 46-2023

STREET FUND

Personnel Services	\$ 369,083
Material & Services	492,195
Capital Outlay	3,562,123
Operating Contingency	400,000
Transfers	410,210
Reserves	<u>194,518</u>
STREET FUND TOTAL	\$ 5,428,129

CAPITAL RESERVE FUND

Capital Outlay	\$ 17,958,257
Debt Service	146,154
Reserves	<u>250,947</u>
CAPITAL RESERVE TOTAL	\$ 18,365,358

LIBRARY FUND

Personnel Services	\$ 277,959
Material & Services	75,800
Transfers	27,225
Contingency	20,000
Reserves	<u>101,390</u>
LIBRARY FUND TOTAL	\$ 502,374

REFUSE FUND

Material & Services	\$ 1,122,576
Operating Contingency	75,000
Reserves	<u>17,946</u>
REFUSE FUND TOTAL	\$ 1,215,522

BUILDING DEPARTMENT FUND

Personnel Services	\$ 617,613
Materials and Services	628,550
Transfers	110,180
Contingency	1,000,000
Reserves	<u>5,264,022</u>
BUILDING DEPARTMENT FUND TOTAL	\$ 7,620,365

DEBT SERVICE FUND

Reserves	\$ 4,285
DEBT SERVICE FUND TOTAL	\$ 4,285

RES NO. 46-2023

TRANSIENT ROOM TAX FUND

Personnel Services	\$ 7,825
Material & Services	1,930,561
Capital Outlay	133,242
Reserves	<u>32,547</u>
TRANSIENT TAX FUND TOTAL	\$ 2,104,175

BUILDING RESERVE FUND

Transfers	\$ <u>16,417</u>
BUILDING RESERVE FUND TOTAL	\$ 16,417

WATER RESERVE FUND

Capital Outlay	\$ 38,118,101
Contingency	500,000
Reserves	<u>557,893</u>
WATER RESERVE FUND TOTAL	\$ 39,175,994

SEWER RESERVE FUND

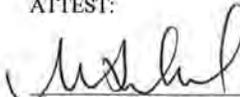
Materials and Services	\$ 935,000
Capital Outlay	12,263,065
Contingency	1,000,000
Reserves	<u>2,234,270</u>
SEWER RESERVE FUND TOTAL	\$ 16,432,335

PASSED by the City Council and **SIGNED** by the Mayor this 6th day of June, 2023.



Caden Sipe, Mayor

ATTEST:



Nanci Sandoval, City Recorder



RES NO. 46-2023

RESOLUTION NO. 47-2023

**A RESOLUTION LEVYING AD VALOREM TAXES AND CATEGORIZING TAXES
FOR THE 2023-2024 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, 2023. The following allocation and categorization, subject to the limits of Section 11b Article XI of the Oregon Constitution, make up the above levy:

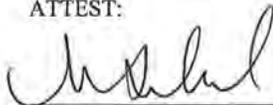
	GENERAL GOVERNMENT LIMITATION	EXCLUDED FROM LIMITATION
GENERAL FUND	\$2.9191/\$1,000	
DEBT SERVICE FUND	_____	\$0
CATEGORY TOTAL	\$2.9191/\$1,000	\$0

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 6th day of June, 2023.



Caden Sipe, Mayor

ATTEST:


Nanci Sandoval, City Recorder





RESOLUTION 48-2023
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 2023-2024.

Passed by the City Council the 6th day of June, 2023.

Approved by the Mayor this 6th day June, 2023.

Mayor [Signature]
Attest [Signature]

I *certify that a public hearing before the Budget Committee was held on April 18, 2023 and a public hearing before the City Council was held on June 6, 2023, giving citizens an opportunity to comment on use of State Revenue Sharing.

[Signature]
City Recorder



Mission: We support state government to serve the people of Oregon.

Overview of Capital Improvement Projects

Fiscal Year 2023-24

The City does not currently have an approved Capital Improvement Plan. City Council recently approved an updated Water Master Plan and Transportation System Plan and the City is in the process of updating the Wastewater Facilities 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 FY2023-24 that align with the City Council Goals for 2023-2025. 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 \$85 million in project costs, with more than \$5 million in grants received, \$1.8 million in legislative funding received and \$15.6 million in loans secured. Some of these projects will cross fiscal years and are not fully accounted for in the 2023-24 budget.

Total Projects Costs: \$85,006,005

Total Grants Received:	\$5,104,800
Total Loan Funds Secured:	\$15,665,305
Total Loan Funds Pending:	\$10,000,000
Total City Funds:	\$7,848,900
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
Private Contributions:	\$17,200,000



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 early 2023 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: \$2.4 million
City Funds: \$1.6 million
TBD: \$800,000

Timeline: The City originally planned on completing this project in FY2022-23. Bids came in much higher than anticipated and staff is exploring grant opportunities and cost saving options. Construction TBD.

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: \$440,900
Oregon Parks & Recreation RTP Grant: \$164,000
City Funds: \$276,900

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, to be completed by the end of January 2024.

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: This project will be completed in spring 2024.

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. We have secured a temporary range that will meet the public safety need for the next five years and will continue to work on procurement or development of a permanent range.

Total Project Cost: \$400,000
City Funds: \$175,000 in FY2023- 24
Remainder: TBD

Timeline: The City does not have an identified location for the outdoor shooting range and hopes to identify a location to purchase or lease in the next fiscal year.

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: \$15.3 million

City Funds: \$1.3 million allocated for design.
Construction: TBD - Grant funds, capital improvement loans, anticipated legislative appropriations.

Timeline: Design currently underway. Exploring funding options. Construction likely starting in FY2025-26.

Nugent Park Boat Ramp Replacement



Project Scope: Replace the Nugent Park boat ramp destroyed by flooding in 2020 and add a new boat dock, launch staging area upgrades, site lighting and upper parking lot improvements.

Total Project Cost: \$1.7 million

FEMA Funds: \$662,000
Oregon State Marine Board Grant: \$466,000
City Funds: \$572,000

Timeline: Design completion in Spring 2024.
Construction Spring 2024 - Spring 2025.

Hash Park Improvements



Project Scope: Design project including a variety of amenities including a baseball/softball sports complex, playground, splash pad, dog park, pavilions and open space

Total Project Cost: \$1 million
City Funds:
\$500,000 Remainder: TBD

Timeline: This project is estimated to begin fall 2023. Completion date winter 2024.

Umatilla Marina & RV Park Improvements - Design Phase



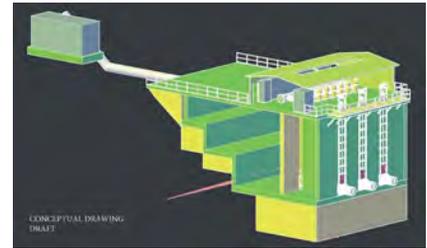
Project Scope: Design of an all-new state-of-the-art marina. The new marina will include covered single-berth slips, uncovered single-berth slips, aluminum or steel framed docks, engineered decking or concrete, encapsulated floats, well-spaced navigable fairways, electrical hookups at each slip, high speed internet, and other features and amenities. Phase 1 of the design which includes surveying, environmental permitting, geotechnical investigations, cultural evaluations, hydraulic investigations and sediment transport analysis.

Total Phase 1 Project Cost:
\$487,300

Oregon State Marine Board Grant:
\$130,300
City Funds: \$357,000

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: \$27.7 million
Business Oregon Loan: \$11 million
Contribution from Private Industrial Customer: \$16.7 million

Timeline: Design commenced in August 2022 and will take approximately one year. We estimate construction to occur between Spring 2025 - Spring 2026.

Power City & Brownell Area Water Utility Expansion



Project Scope: To construct 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.

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

Timeline: Design is complete. The City anticipates bidding the construction project late 2023 with an 18-month construction window.

Power City & Brownell Area Sewer Utility Expansion

Community Development Block Grant
2023 State Fiscal Application

business oregon

Section I: General Application Information

Section I.A: Applicant	
Eligible Entity Name: City of Umatilla	Organization Type: [Blank]
Street Address: 700 W. 1st St. Umatilla, Oregon 97882	Mailing Address: 700 W. 1st St. #100, 1st Umatilla, Oregon 97882
Office Phone: (503) 852-2328	Block & Lot: [Blank]
Section I.B: Project Contact	
Name: [Blank]	Title: [Blank]
Phone: (503) 852-2328	Email: [Blank]
Phone: (503) [Blank]	Authorized Signer Name: [Blank]
Authorized Signer Email: [Blank]	Authorized Signer Title: [Blank]
Section I.C: State Representation	
House District Number: [Blank]	Senator's Name: [Blank]
House District Number: [Blank]	Representative's Name: [Blank]
Section I.D: Project Overview	
Project Name: [Blank]	
Project Location: [Blank]	
Project Type: [Blank]	

Page 1 of 10 - 2023 Application (2/20/2023)

Project Scope: To construct 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.

Construction Project Cost: \$11,315,305

DEQ Clean Water State Revolving Fund Loan
\$10,815,305
Contribution from Private Industrial Customer:
\$500,000

Timeline: Design is complete. The City anticipates bidding the construction project late 2023 with an 18-month construction window.

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, 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 2023-24

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.

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.

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.

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 47/50: A 1997 voter approved initiative which rolled back assessed values to 90 percent of their levels in fiscal year 1995-96 and limits future annual increases to three percent, except for major improvements. 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.

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.

Permanent Tax Rate: Under Measure 47/50, each taxing district such as school districts, city governments, 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 stormwater 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
DLCD Oregon Department of Land Conservation and Development
EDA Economic Development Administration
EDU Equivalent Dwelling Units
EMMA Electronic Municipal Market Access
EPA Environmental Protection Agency
FASB Financial Accounting Standards Board
FEMA Federal Emergency Management Agency
FICA Federal Income Contributions Act
FTE Full-Time Equivalent
FY Fiscal Year
GAAP Generally Accepted Accounting Principles
GASB Governmental Accounting Standards Board
GFOA Government Finance Officers Association
GIS Geographic Information Systems
HB House Bill
HR Human Resources
IFA Oregon Infrastructure Financing Authority
IT Information Technology
LCWF Oregon Parks and Recreation Land and Water Conservation Fund
LGGP Oregon Parks and Recreation Local Government Gran Program
LOC League of Oregon Cities
MGD Million Gallons per Day

MSRB Municipal Securities Rulemaking Board
NIC Net Interest Cost
NPDES National Pollutant Discharge Eliminating System
OAR Oregon Administrative Rules
OBDD Oregon Business Development Department
ODOT Oregon Department of Transportation
OEM Oregon Emergency Management
OMA Oregon Mayors Association
OR Oregon
ORS Oregon Revised Statutes
OSMB Oregon State Marine Board
OTC Oregon Tourism Commission
OWRD Oregon Water Resources Department
PATH Practical Assistance through Transitional Housing
PERS Public Employees Retirement System
POD Point of Diversion
PW Public Works
RMV Real Market Value
ROW Right-of-way
RTP Recreational Trails Program
RV Recreational Vehicle
S&P Standard & Poors
SAIF State Accident Insurance Fund
SCADA Supervisory Control and Data Acquisition
SEC Securities and Exchange Commission
SIP Strategic Investment Program
SRO School Resource Officer
SPWF Special Public Works Fund
STBG Surface Transportation Block Grant S
TF Surface Transportation Fund
TCV True Cash Value
TIC True Interest Cost
TGM Traffic Growth Management
TPA Tourism Promotion Assessment
TRCI Two Rivers Correctional Institution
TRT Transient Room Tax
TSP Transportation System Plan
UAL Unfunded Accrued Liability
UCSLD Umatilla County Special Library District
UEC Umatilla Electric Cooperative
UGB Urban Growth Boundary
UIC Underground Injection Control Device
UPD Umatilla Police Department
USACE United States Army Corps of Engineers
WTF Water Treatment Facility
WWTP Wastewater Treatment Plant



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