

City of Amity
Adopted
Annual Budget
Fiscal Year July 1, 2022 – June 30, 2023
www.cityofamityoregon.org



Budget Committee Members

<u>Council</u>	<u>Term Expires</u>
Mayor Rachel King	December 2024
Council President April Dyche (5)	December 2024
Councilor Melissa Bojorquez (3)	December 2024
Councilor Sandy McArthur (1)	December 2024
Councilor Cody Goings (2)	December 2022
Councilor Acie Dunlap (4)	December 2022
Councilor Denis Saucier (6)	December 2022

Members

Sean Fitzgerald	December 2024
Rose Lorenzen	December 2024
Richard Lorenzen	December 2024
Vacant	December 2024
Vacant	December 2024
Vacant	December 2024
Vacant	December 2024

Budget Officer & Finance Department

Michael Thomas, City Administrator
Natasha Johnson, City Recorder/Treasurer

Department Heads

Gary Mathis, Public Works Superintendent
Anne Jenkins, Head Librarian

Mission Statement

The City of Amity will cultivate a sense of community and improved quality of life. The City will provide municipal services with quality customer service, proactive management, mindful stewardship, and fiscal responsibility.

Our Vision

The City of Amity is a welcoming community where people choose to live and visit. The City has a diverse mixture of thriving businesses supporting the residents and regional industry. Citizens are actively engaged in government and community activities/events. The City provides infrastructure to support continued growth and maintains strong and stable funding and reserves. Neighborhoods are family-friendly, walkable, and well-maintained. The City is recognized for its sense of community, parks, public art, and wine. Amity continues to be known for being friendly.

Adopted June 7, 2017 by the Amity City Council

2022 CITY OF AMITY COUNCIL GOALS

1. INFRASTRUCTURE

- Water Infrastructure Improvements
 - Finish the on-going water system project by 2024
 - Complete 8" loop on Goucher by 2024
 - Replace 8" transmission pipe to reservoir by 2024
- Sewer Infrastructure Improvements
 - Complete the sewer rate study by 06/2023
 - Complete the Wastewater Facilities Plan by 12/2023
- Street & Sidewalk Repair
 - Educate the public on their responsibilities regarding sidewalks and ditches
 - Continue to fill potholes throughout town
 - Work with staff to setup schedule to maintain storm drainage & ditches
 - Secure grant funding to accomplish road paving and sidewalk repair in 2022 & 2023

2. COMMUNITY ENGAGEMENT

- Improve Community Outreach
 - Utilize the Newsletter more
 - Make improvements to city website and social media by 06/2023
 - Establish Instagram & place meetings to YouTube
 - Continue to host 2x yearly Town Hall meetings
 - Install a community suggestion box
- Involve community to plan an Amity Day

3. PUBLIC SAFETY

- Future Law Enforcement Funding
 - Pay for YCSO services
 - Negotiate YCSO Contract
- Engage with partners to establish funding options regarding public safety
- Provide information, education and enforcement involving health and safety codes and community concerns

4. PARKS

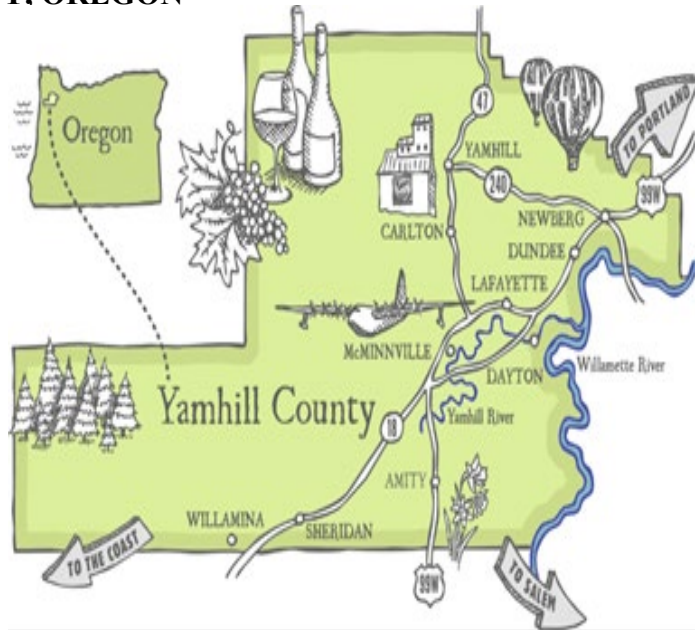
- Establish dog waste stations throughout town
- Replace bark chips in park playground by 06/2023
- Work with local and regional partners to add / create new park spaces in Amity in the next 3-5 years

Continue 2022 City of Amity Council Goals

5. CITY SERVICES

- Improve Library
 - Within 3-5 years complete a renovation, rebuilding, or expansion of our Library's
- Address Community Concerns Regarding City Operations and Utilities

AMITY, OREGON



COMMUNITY HIGHLIGHT

Established in 1848 by two brothers who immigrated to the Willamette Valley in Yamhill County, Amity prides itself for community and friendship. The City is nestled within the Eola-Amity Hills American Viticultural Area (AVA) and is located about an hour away from both Portland and the Oregon Coast. Eola-Amity Hills AVA is famous for its warm days and ocean breeze cooled nights that help produce ultra-premium pinot noir grapes. Amity offers a unique mix of dining options, whether you are looking for local specialties or a casual dining experience.

Amity is a charming rural town that offers local artisan shops, great restaurants and wine tasting. Amity is a place where friendships begin and where residents enjoy the simplicity of a relaxed lifestyle in small town Oregon.

QUICK FACTS

Population (est. 2021).....	1,809
Labor Force.....	835
Median Household Income.....	\$66,901
Median Home Value.....	\$189,600
High School Graduates.....	91.3%
Bachelor's Degree or Higher.....	11.9%
Total Housing Units.....	700

DISTANCES TO CITY

McMinnville	7 miles
Salem	18 miles
Monmouth	19 miles
Oregon Coast	45 miles
Corvallis	40 miles
Portland	54 miles
Eugene	86 miles
Seattle, WA	215 miles

Source: Portland State University and 2010 U.S. Census Bureau information

ACCESS

Automobile and truck transportation is the dominant method of mobility in the area. Highway 99W provides access to Portland, Interstate 5 and other points to the south. The Newberg Dundee Bypass has been completed and reduces travel time between Yamhill County and Portland.

- Air:** Portland International Airport (PDX) provides commercial air service. McMinnville Municipal Airport (MMV) serves General Aviation and Corporate Jet Aircraft.
- Ground:** Passenger rail service by Amtrak is available in Portland and Salem. Willamette and Pacific Railroad provides freight services and a number of motor freight and truck lines service the area.
- Transit:** Yamhill County Transit Area (YCTA) provides bus service throughout Yamhill County with Link Routes to Hillsboro/MAX, Sherwood/TriMet and Salem/SAMT.

Amity City Map

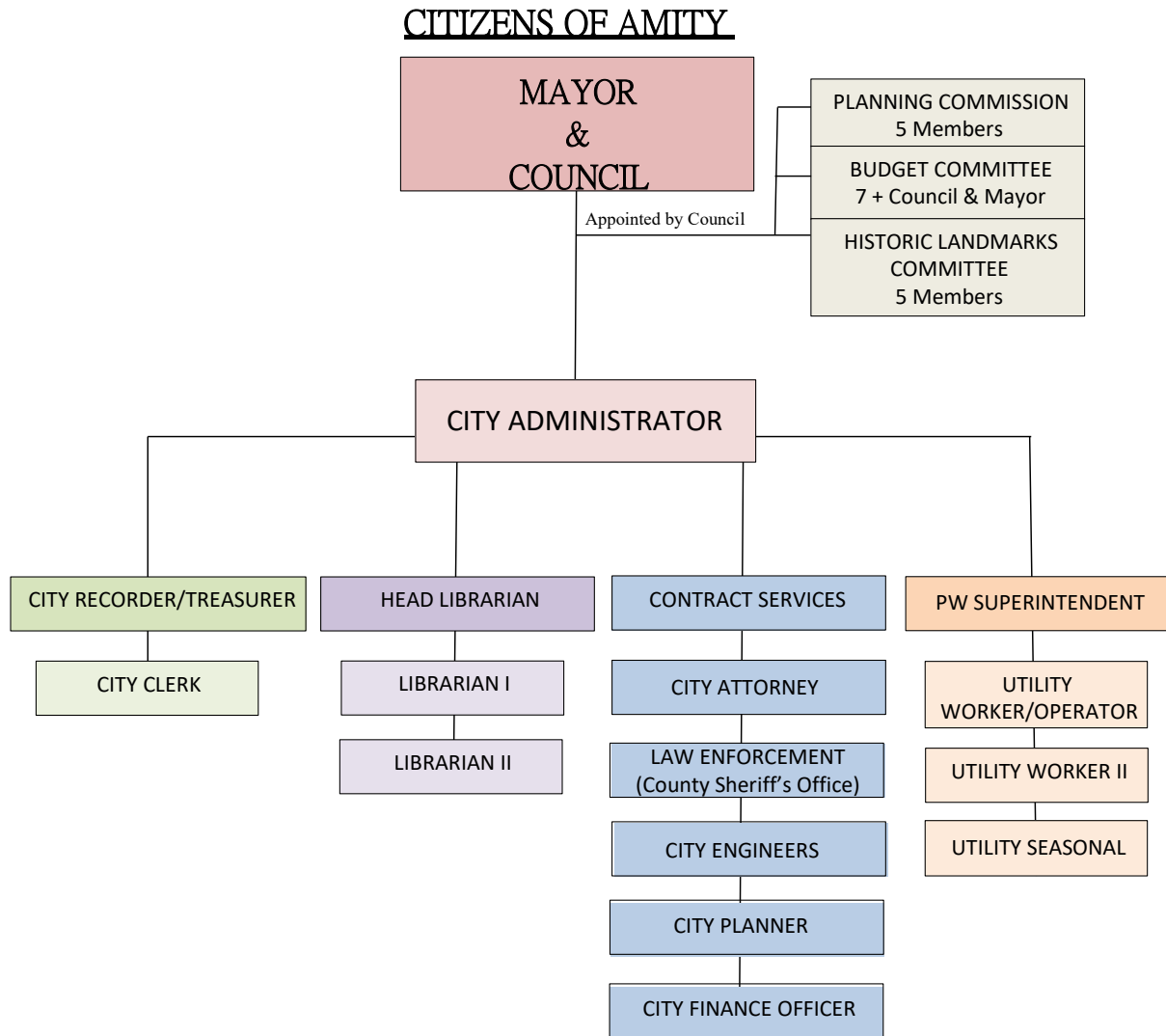
Population: 1,809



POPULATION

Population has moderately increased in Amity. According to Portland State University's Center for Population Research and the City's 2021 US Census data, Amity's population estimate is 1,809. This is another increase in population from last year. Considering that infill is regularly occurring (development of vacant lots within a built-up area) and the number of pre-application discussions held with builders it is anticipated that population will experience another uptick during FY 2022-2023. We expect new housing to continue to be built in the UGB, including a new subdivision, along with growing business and commercial development. We expect an increase in population of another 1 – 3% during FY 2022-2023. Population affects estimates for state shared revenues (cigarette and liquor taxes) and state gas taxes which are distributed on a per capita basis.

Organizational Chart



Budget Message

To: Budget Committee Members and Citizens

From: Michael D. Thomas, Budget Officer and City Administrator

Date: June 1, 2022

Memorandum: Budget Message for the Adopted Budget for Fiscal Year 2022-23

We are pleased to present to you the adopted budget for fiscal year (FY) 2022-23 for your consideration. The purpose of the budget message is to provide a summary of the next fiscal year's budget proposal and to advise the Council and Budget Committee of the City's state of fiscal affairs. This proposal was composed after completing a thorough evaluation of the City's projected expenses and revenue for the current fiscal year as well as analyzing the estimates for proposed projects and services for FY 2022-23. As required by Chapter 294, Sections 294.305 to 294.565 of Oregon Revised Statutes, the 2022-2023 Budget is presented. Below is a guide to the budget.

EXPLANATION OF BUDGET DOCUMENT

A budget as defined by Oregon State Law is a "financial plan containing estimates of revenues and requirements for a single fiscal year." Local governments have the option of budgeting on a 24-month biennial budget period, or by fiscal year. The City of Amity operates on a fiscal year beginning on July 1 and ending the following June 30. Budgeting is critical to cities because it requires local governments to evaluate plans and establish priorities in relation to available financial resources. Also, under ORS, a legally adopted budget is necessary to establish and justify a given rate and or amount of property taxes to be levied on a property within the city.

It is important to note that while past budgets were audited using a "modified cash" method of accounting, the City plans its budgets and runs its finances on a modified accrual basis. This budget and all of those going forward will be on a modified accrual basis and audited as such. This aligns the City with the most current accounting practices and will make the audit and budget cycle smoother in the long-term.

The City's budget is an annual business plan. It organizes the City's activities according to costs and allocates available resources among those activities. The overall purpose of a budget is to communicate and document how the city intends to use the financial resources entrusted to it by the people. The budget consists of 5 funds: General Funds (General and Streets), Enterprise Funds (Water and Sewer), and System Development Charge Funds, also known as, SDC Funds.

Enterprise funds are funds established to account for operations 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. The City maintains two enterprise funds established for Water and Sewer activities. Enterprise fund revenues are restricted to be spent only on enterprise activities relating to their revenue source. For example, water rate revenue can only be spent on water activities and projects. Fiscal requirements for these funds include operation, administration, maintenance, system betterments and expansion of the system.

The City's basic budget structure is organized into the following programs:

GENERAL FUND: The General Fund comprises one fund, and provides for expenditures of general government, including Administration, Law Enforcement through the County, Municipal Court, Parks, Library, Community Development and Building. The General Fund has multiple revenue sources, but it is the only fund which includes property taxes.

STREET FUND: This fund provides for the maintenance, repair or reconstruction of streets, sidewalks, streetlights, and street sweeping. Its primary source of revenue is the State gasoline tax distribution.

WATER FUND: The Water Fund is our main enterprise fund; handling expenditures for the City's water infrastructure. This includes the treatment, storage and distribution system, daily operations, maintenance, regulatory compliance, facility expansion and replacement, and capital reserves pertaining to our water service. The primary revenue source for the Water Fund is user fees.

SEWER FUND: The Sewer Fund comprises the other enterprise fund in the budget. This fund covers the expenditures for the City's sewer treatment and disposal system, including daily operations, maintenance, regulatory compliance, facility expansion and replacement and capital reserves. The primary revenue source for the Sewer Fund is user fees.

SDC FUND: This fund was established for the purpose of tracking and controlling money collected under the system development charges ordinance to be used for capital improvements to the Park System, Street System, Storm System, Water System, Sewer System. This fund is funded directly by the income received from, Park SDCs, Street SDCs, Storm SDCs, Water SDCs and Sewer SDCs.

SIGNIFICANT ISSUES:

- Inflation over the last year has increased our expenses across all funds and operations. Despite having strong revenues, our finances are tight because of higher costs.
- Our Water System Improvement project (intake, water treatment plant) should begin in 1st Quarter FY 22-23, but the total project cost is now estimated at \$9 million
 - Our water rates may need another adjustment to accommodate our loan payback
- We were able to secure \$600,000 in grant funds to offset the cost of the Salt Creek Bridge project
 - The estimated project cost also dropped by approximately \$200,000
- Results of a new sewer rate study to go into effect in by December 2022
 - New rates should stabilize sewer fund, despite increasing operating & maintenance costs

FUTURE ISSUES:

- Sewer and wastewater infrastructure will need improvements within 3-5 years
- Library will need significant renovations in 3-5 years, likely by FY 25-26
- City needs to seek ways to diversify and expand its business base to better weather future economic downturns

Budget Process

The financial integrity of Amity City government is very important. City government is accountable to its citizens for the use of public dollars. Resources should be used wisely to ensure adequate funding for the services, public facilities and infrastructure necessary to meet the community's present and future needs.

The City will prepare an annual budget with the participation of all city departments. All budgetary procedures will conform to existing state and local regulations. Oregon Budget Law requires each local government to prepare a balanced budget and Oregon Administrative Rules state: 1) the budget must be constructed in such a manner that the total resources in a fund equal the total of expenditures and requirements for that fund and 2) the total of all resources of the budget must equal the total of all expenditures and all requirements.

Budget Document

City staff works from January through March to compile the proposed budget. The Department Heads draft department material & services along with capital outlay figures. The City Recorder/Treasure prepares personnel services, debt services and transfers. Capital projects expenditures planned during the fiscal year are incorporated into the budget. With input from individual Department Heads, the Budget Officer writes department narratives. The City Recorder/Treasurer compiles the budget document.

The initial draft is reviewed by the Budget Officer, who directs any changes needed. The Budget Officer makes sure the budget document is consistent with Council goals, priorities, and policies. The operating budget shall serve as the annual financial plan for the City. It will serve as the policy document of the City Council for implementing Council goals and objectives. The budget shall provide staff the resources necessary to accomplish City Council determined service levels. The Budget Officer shall annually prepare and present a proposed operating budget to the Budget Committee no later than May 30 of each year. Funds may not be expended or encumbered for the following fiscal year until the budget has been adopted by the City Council. The City's annual budget will be presented by fund, with a logical breakdown of programs and expenditures. The budget will focus on policy issues and will summarize expenditures at the Personnel, Materials & Services, Capital, Debt Service, and Interfund Transfer levels.

Adopting Budget

Once the proposed budget is approved by the Budget Committee, it is forwarded to the City Council for adoption and a budget hearing is held. A "Notice of Budget Hearing" is published in the local newspaper. The City Council will hold the Budget Hearing on the date specified on the public notice and must allow for public testimony. City Council has the discretion to adopt the approved budget or to make changes. The budget must be adopted no later than June 30 of each year. The budget and tax levy certification are then filed with the County.

Budget Changes after Adoption

Oregon Law requires all City funds to be appropriated. Appropriations may be changed during the fiscal year, within the limitations imposed by budget law. City staff monitors actual events and recommends changes as needed. The City Council makes changes by resolution transfers or supplemental budgets.

A resolution transfer decreases an existing appropriation and increases another by the same amount. A supplemental budget typically creates a new appropriation, funded by increased revenues. Supplemental budgets are used for occurrences or conditions which were not known at the time the budget was prepared which require a change in financial planning. Supplemental budgets require a public hearing; resolution transfers do not. Department Heads may amend their budgets for individual accounts without Council approval so long as appropriations at the legal level of control are not changed.

Budget Calendar

Appoint Budget Officer (January)	
City Council Goal-Setting Session (February)	<ul style="list-style-type: none"> • Council reviews Annual Survey • Council sets goals for upcoming year
Budget Preparation (Jan-March)	<ul style="list-style-type: none"> • Forecasts Updated • Department Head meets with Budget Officer • Finance will create proposed budget document for Budget Committee
Appoint Budget Committee Members (7) (Early April)	<ul style="list-style-type: none"> • If any applications are received and meet requirements, the Council will appoint Budget Committee Members.
Budget Committee Meets (Apr-May)	<ul style="list-style-type: none"> • Distribute Proposed Budget • Committee Deliberates • Committee Approves Budget
Adopt Budget (June)	<ul style="list-style-type: none"> • Budget Hearing • City Council Adopts Budget

Beginning and Ending Fund Balance – Budgetary Only

Beginning fund balance is equal to the prior year's ending fund balance.

Ending fund balance is the difference between total estimated sources and total estimated uses. Ending fund balance is budgeted in three categories:

1. *Operating Contingency* is budgeted into the General, Street, Sewer, and Water Funds. The General and Street Funds are set at 9% and Water at 14% based on the financial condition of the fund and the economic trends in the City, County, and State. The Sewer fund has not historically possessed a contingency, but it is now also set at 9%. Contingency Funds can be spent once authorized by a supplemental budget or transfer appropriation.
2. *Un-appropriated* ending fund balance can only be spent in an emergency created by civil disturbance or natural disaster.
3. *Reserved for future years* are total sources less total expenses, contingency, and un-appropriated ending balance. Reserved for future years funds can only be spent if authorized by a supplemental budget.

Service Fees

The City currently charges services fees for the water, sewer, waterline replacement, street maintenance, and public safety. The water and sewer fees are charged to customers based on usage of the systems. The rates collected for each fund can only be used to support that individual fund's operational and capital needs. Annual revenue projections are based on historical average increases, while considering any planned rate increases.

Property Taxes

Each local government's tax rate was determined by the state. Amity's permanent property tax rate is \$3.6105 per \$1000 of assessed value. No action of the City can increase the permanent tax rate.

System Development Charges

A System Development Charge (SDC) is a one-time fee imposed on new development and some types of redevelopment. The fee is intended to recover the costs of existing and planned future improvements to the water, sewer, storm water, transportation, and park systems that provide capacity needed to serve new growth. Oregon law (ORS 223.27-223.314) defines SDCs and specifies how they shall be calculated, applied, and accounted for by local government.

Franchise Fees/Privilege Taxes

Fees are collected from utilities (Water and Sewer Funds) as compensation for use of the City's rights of way. These fees are based on utility revenue, so they generally increase with population growth. Franchise fee revenue is estimated based on prior year actuals plus an inflationary increase. These are currently running 5%.

Fines and Forfeitures

These fines are for traffic infractions and municipal code violations. Revenue estimates are based on the prior year actuals.

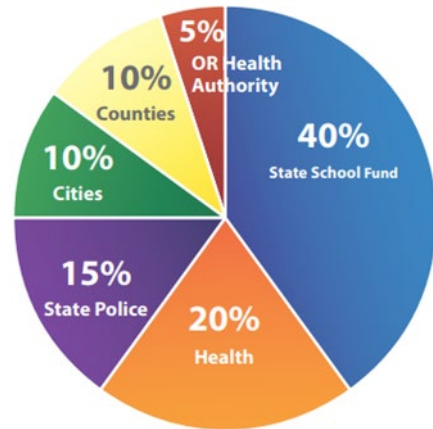
Intergovernmental Revenue

These include fees and taxes that are collected by other government agencies and passed through to the City.

- State shared revenue, marijuana, liquor, and cigarette tax estimates are provided by the State.
- County distribution of gas tax
- Federal and State grants

Marijuana Revenue Distributions to Cities

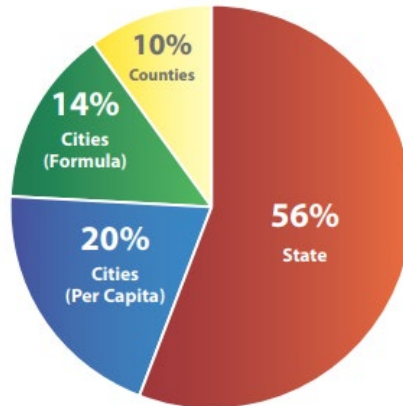
	Marijuana Tax Revenues (75% of City's Share)	Marijuana Tax Revenues (Based on Licenses, 25% of City's Share)
2017-18 Estimates	N/A	N/A
2018-19 Estimates	\$2.63	\$6,660,984
2019-20 Estimates	\$2.97	\$7,599,817
2020-21 Estimates	\$3.55	\$9,074,181



NOTE: The State's marijuana sales tax is currently distributed as seen here. Local governments can add a marijuana sales tax of up to 3%. While this municipal tax will not change, the State sales tax that has been going to cities and counties has been reduced to ~4% to help fund Measures 109 and 110, so when that ~4% portion is divided up among all the cities and counties, each city and county will see a significant revenue shortage in the coming fiscal year(s).

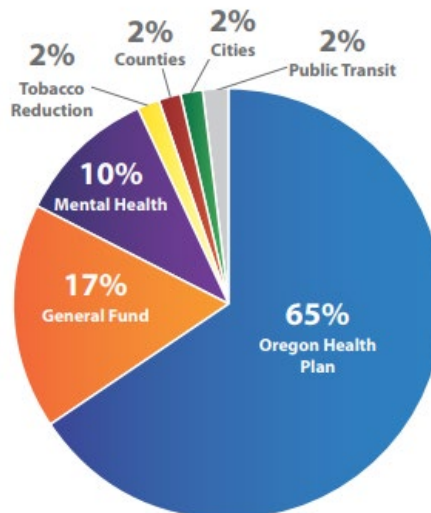
Liquor Revenue Estimated Disbursements

Distribution of Liquor Tax Revenues

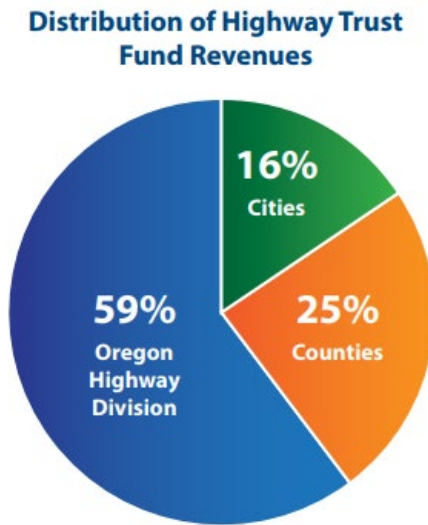


Cigarette Tax Revenue Estimated Disbursements

Distribution of Cigarette Tax Revenues



Gas Tax Revenue Estimated Disbursements



Charges for Services/Other Revenue

- Building and Planning revenue estimates are based on projected development activity.
- Business and liquor license revenue estimates are based on prior year actuals.
- Other revenue consists of interest earned on bank accounts, recreation fees, donations, local grants, and unperceived income. The increase in this fiscal year is from the Special City Allotment Grant for street improvements and SIPP Grant to conduct a leak detection study and GIS mapping of City infrastructure.

Transfers

Transfers in from other funds.

Capital Outlay

Capital outlay is recorded in the General Street, Water, and Sewer Fund.

Capital projects are for the acquisition and construction of major capital projects. The principal revenue sources are bond sale proceeds, and intergovernmental grants.

Debt Service

The City's debt is separated into two categories: governmental activities and business-type activities.

Governmental activities include general obligation debt for the purchase of 407 S. Trade Street property in Amity.

Business-type activities include obligations for a 2002 Safe Drinking Water Revolving Fund, a 2009 Water/Wastewater Revolving Fund for improvements to the sewer treatment plant, and a Full Faith and Credit Refunding Obligation to refund the City's outstanding Oregon Bond Bank Loan, dated December 4, 2002. In the future, the City will be obligated to repay the debt incurred for the Water System Improvement Project, this repayment will begin in the Fiscal Year after completion of the project.

	Jul 2018 - Jun 2019	Jul 2019 - Jun 2020	Jul 2020 - Jun 2021	Adopted Budget as Adjusted FY 21-22	Proposed Budget FY 22-23	Budget Committee Change	Approved Budget FY 22-23	Changes	Adopted Budget FY 22-23
20 General Fund	87,970	16,535	25,821	-	-	-	-	-	-
1 Revenue	656,091	727,161	648,489	845,400	700,730	-	700,730		700,730
2 Expense	(568,121)	(661,626)	(622,667)	(732,408)	(709,163)	(6,000)	(715,163)	1,100	(714,063)
2 Expense Transfer out	-	(49,000)	-	(300,000)		-	-		-
3 Fund Balance, beg				290,417	103,408	-	103,408		103,408
3 Fund Balance, ending				(103,409)	(94,975)	6,000	(88,975)	(1,100)	(90,075)
30 Street Fund	(19,527)	138,560	(63,195)	-	-	-	-	-	-
1 Revenue	238,421	315,704	156,082	246,600	255,000	-	255,000		255,000
1 Revenue Transfer In		49,000		-		-	-		-
2 Expense	(257,948)	(226,144)	(219,277)	(224,798)	(271,150)	-	(271,150)	(300)	(271,450)
3 Fund Balance, beg				178,010	199,812	-	199,812		199,812
3 Fund Balance, ending				(199,812)	(183,662)	-	(183,662)	300	(183,362)
40 Water Fund	44,773	(102,440)	303,640	-	-	-	-	-	-
1 Revenue	695,591	1,349,251	953,529	1,806,011	9,968,200	-	9,968,200	1,538,300	11,506,500
1 Revenue Transfer In				200,000		-			-
2 Expense	(650,817)	(1,451,690)	(649,889)	(947,611)	(9,409,250)	-	(9,409,250)	(2,248,100)	(11,657,350)
3 Fund Balance, beg				209,372	1,267,772	-	1,267,772		1,267,772
3 Fund Balance, ending				(1,267,772)	(1,826,722)	-	(1,826,722)	709,800	(1,116,922)
50 Sewer Fund	79,393	54,906	92,699	-	-	-	-	-	-
1 Revenue	514,347	496,659	309,584	592,700	594,500	-	594,500		594,500
1 Revenue Transfer In			155,000	100,000		-	-		-
2 Expense	(434,955)	(441,753)	(371,885)	(598,558)	(578,350)	-	(578,350)	(4,900)	(583,250)
3 Fund Balance, beg				80,094	174,236	-	174,236		174,236
3 Fund Balance, ending				(174,236)	(190,386)	-	(190,386)	4,900	(185,486)
75 Govt SDC	165,534	101,645	77,237	-	-	-	-		-
1 Revenue	165,534	101,645	77,237	6,500	45,000	-	45,000		45,000
3 Fund Balance, beg				447,832	454,332	-	454,332		454,332
3 Fund Balance, ending				(454,332)	(499,332)	-	(499,332)		(499,332)
76 Enterprise SDC	145,776	163,998	(126,445)	-	-	-	-		-

1 Revenue	145,776	163,998	28,555	6,000	35,000	-	35,000	35,000
2 Expense Transfer out	-	-	(155,000)	-	-	-	-	-
3 Fund Balance, beg				370,157	376,157	-	376,157	376,157
3 Fund Balance, ending				(376,157)	(411,157)	-	(411,157)	(411,157)
Grand Total	503,919	373,205	309,757	-	-	-	-	-

	Jul 2019 - Jun 2020	Jul 2020 - Jun 2021	Adjusted Budget FY 21-22	Proposed Budget FY 22-23	Budget Committee Change	Approved Budget FY 22-23	Changes	Adopted Budget FY 22-23
20 General Fund	16,535	25,821	-	-	-	-	-	-
1 Revenue	727,161	648,489	845,400	700,730	-	700,730		700,730
20 4006 Property Tax Current	296,020	283,242	285,100	315,000	-	315,000		315,000
20 4007 Property Tax Prior	6,434	3,686	15,400	10,000	-	10,000		10,000
20 4011 State Revenue Sharing	21,784	18,812	24,600	25,000	-	25,000		25,000
20 4015 Liquor Tax	26,791	25,112	28,700	32,000	-	32,000		32,000
20 4016 Cigarette Tax	1,846	1,272	2,300	2,000	-	2,000		2,000
20 4018 Marijuana Tax	5,944	4,177	3,900	3,000	-	3,000		3,000
20 4031 Franchise Fee NW Natural Gas	10,000	9,722	9,200	10,000	-	10,000		10,000
20 4032 Franchise Fee Comcast	13,540	10,902	13,800	14,000	-	14,000		14,000
20 4033 Franchise Fee Recology	5,704	3,996	5,100	6,000	-	6,000		6,000
20 4035 Franchise Fees PGE	58,299	55,118	52,300	61,000	-	61,000		61,000
20 4036 Franchise Fee Zipley	513	1,050	500	2,000	-	2,000		2,000
20 4037 Franchise Fee Telecom	1,505	1,255	900	500	-	500		500
20 4038 Franchise Fee Online NW			2,600	2,500	-	2,500		2,500
20 4051 Business License	2,950	1,530	1,300	2,500	-	2,500		2,500
20 4056 Dog License			-		-	-		-
20 4081 Rental Income 407 S Trade	10,200	8,530	11,500	15,000	-	15,000		15,000
20 4084 Gen Other Income	1,308	927	1,000	1,000	-	1,000		1,000
20 4085 Gen Interest Income	20,574	7,698	11,800	10,000	-	10,000		10,000
20 4860 Oregon Main Street Grant		1,180	-		-	-		-
23 4362 Public Safety Fee	76,712	53,561	80,700	80,000	-	80,000		80,000
23 4364 Public Safety Restitution				250	-	250		250
23 4366 Municipal Court Fines	15,598	11,410	22,600	15,000	-	15,000		15,000
23 4383 Sale of Police Assets	9,975		-		-	-		-
24 4473 Grants Ready-to-read	1,000	1,113	1,000	1,000	-	1,000		1,000
24 4474 Library Building Donation			-	-	-	-		-
24 4481 Library Donations & Fees	1,045	208	1,000	1,000	-	1,000		1,000
24 4875 Library Grant Revenue		6,000	-	-	-	-		-
25 4571 Park User Fees	1,610	760	1,000	1,000	-	1,000		1,000
25 4572 CIS Insurance Proceeds	28,711	60,553	-	-	-	-		-
25 4576 Chemeketa Community College	6,817	4,881	5,100	8,480	-	8,480		8,480
25 4577 Community Center Rentals	1,580	425	500	1,500	-	1,500		1,500
26 4650 Dev Building Permits	11,456	4,937	10,000	8,000	-	8,000		8,000
26 4670 Dev Planning Fees	11,546	12,668	21,800	12,000	-	12,000		12,000
26 4681 Dev Community Donations	2,400		500	1,000	-	1,000		1,000
27 4701 Transient Lodging Tax	5,187	2,867	2,600	5,000	-	5,000		5,000
27 4780 Grant - Travel Oregon	18,000	895	-	-	-	-		-
28 4034 Franchise Fee Public Works 5%	50,607		53,600	55,000	-	55,000		55,000
28 4870 Grant Income Oregon CRF	1,505	50,000	175,000		-	-		-

	Jul 2019 - Jun 2020	Jul 2020 - Jun 2021	Adjusted Budget FY 21-22	Proposed Budget FY 22-23	Budget Committee Change	Approved Budget FY 22-23	Changes	Adopted Budget FY 22-23
2 Expense	(661,626)	(622,667)	(732,408)	(709,163)	(6,000)	(715,163)	1,100	(714,063)
20 5010 Adm Shared Payroll Expense	(108,280)	(91,837)	(125,048)	(130,313)	-	(130,313)		(130,313)
20 5590 Adm Workers Comp	(75)	(168)	(200)	(200)	-	(200)		(200)
20 6010 Adm Shared Expense	(60,219)	(45,925)	(52,300)	(55,000)	-	(55,000)		(55,000)
20 6260 Adm Contract Services	(32,282)	(9,660)	(25,000)	(10,000)	-	(10,000)		(10,000)
20 6261 Adm Rental Exp 407 S Trade	(8,413)	(5,535)	(10,300)	(5,000)	-	(5,000)		(5,000)
20 6265 Special Project - Code Codification	-	(3,118)	(10,000)		-	-		-
20 6270 Adm Materials & Supplies	(4,506)	(2,341)	(3,500)	(3,500)	-	(3,500)		(3,500)
20 6280 Adm Repair & Maintenance	(1,719)	(245)	(5,000)	(5,000)	-	(5,000)		(5,000)
20 6281 Adm Donations	(1,005)	(815)	(1,000)	(1,000)	-	(1,000)		(1,000)
20 6282 Adm Employee Recruitment and Retention			-	(10,000)	(5,000)	(15,000)		(15,000)
20 6283 Adm Yamhill County Transit Authority			-	(2,000)	-	(2,000)		(2,000)
20 6290 Adm Utilities	(4,154)	(4,569)	(5,800)	(6,000)	-	(6,000)		(6,000)
20 6292 Adm Council & Staff Expense	(7,733)	(1,929)	(8,200)	(8,000)	-	(8,000)		(8,000)
23 50 05 Police Payroll	-	-	-		-	-		-
23 6235 Police Expenses	-	-	-		-	-		-
23 6304 Ps Yamhill Deputy Contract	(243,711)	(231,521)	(307,500)	(305,000)	-	(305,000)		(305,000)
23 6305 Ps YCOM Dispatch Service	(20,006)	(17,388)	(17,758)	(20,000)	-	(20,000)		(20,000)
23 6345 Court Interpreter	(360)	(280)	(500)	(500)	-	(500)		(500)
23 6350 Court Judge	(2,016)	(1,568)	(2,800)	(4,000)	-	(4,000)		(4,000)
23 6355 Court Assessments	(4,190)	(1,880)	(6,200)	(6,000)	-	(6,000)		(6,000)
23 6385 Court Refunds	(220)	(190)	(500)	(500)	-	(500)		(500)
24 5724 Library Shared Payroll Expense	(15,046)	(8,615)	(13,331)	(13,500)	-	(13,500)		(13,500)
24 6450 Lib Ready to Read Purchases	(469)	(1,130)	(1,000)	(1,000)	-	(1,000)		(1,000)
24 6470 Lbr Materials & Supplies	(2,362)	(1,329)	(1,800)	(2,500)	-	(2,500)		(2,500)
24 6475 Library Grant Expense			-		-	-		-
24 6480 Lbr Repair & Maintenance	(2,564)	(324)	(3,100)	(2,500)	-	(2,500)		(2,500)
24 6492 Lbr Staff Expense	(279)	-	(500)	(500)	-	(500)		(500)
25 5501 Parks PW Shared Payroll	(25,013)	(18,657)	(19,371)	(21,000)	-	(21,000)		(21,000)
25 5560 Prk Contract Labor	(1,000)	-	(1,000)	(1,000)	-	(1,000)		(1,000)
25 5563 Prk Maintenance			(1,000)	(1,000)	-	(1,000)		(1,000)
25 5590 Prk Workers Comp	(869)	(1,385)	(1,400)	(1,500)	-	(1,500)	1,100	(400)
25 5677 Community Center Refund	(750)	(300)	(800)	(1,500)	-	(1,500)		(1,500)
25 5679 Com Center Maintenance			(1,000)	(1,000)	-	(1,000)		(1,000)
25 6135 Prk Utilities	(4,196)	(3,107)	(4,900)	(5,000)	-	(5,000)		(5,000)
25 6296 Prk Equipment	(6,416)	-	(6,700)	(7,500)	-	(7,500)		(7,500)
25 6570 Prk Material & Supplies	(604)	(399)	(500)	(750)	-	(750)		(750)
25 6580 Prk Repair & Maintenance	(4,331)	(379)	(2,500)	(3,500)	-	(3,500)		(3,500)
25 6581 Park Pavillion Repair	(12,785)	(81,023)	-	-	-	-		-
25 6585 Prk Rental Refunds	(1,500)	(300)	(1,200)	(1,200)	-	(1,200)		(1,200)
26 6661 Dev Planner	(28,176)	(17,146)	(20,000)	(20,000)	-	(20,000)		(20,000)
26 6662 Dev Consulting	(14,325)	(10,411)	(15,000)	(17,500)	-	(17,500)		(17,500)
26 6665 RARE Student Expense			-		-	-		-

	Jul 2019 - Jun 2020	Jul 2020 - Jun 2021	Adjusted Budget FY 21-22	Proposed Budget FY 22-23	Budget Committee Change	Approved Budget FY 22-23	Changes	Adopted Budget FY 22-23
26 6667 Oregon Main Street Grant Expense	-	(1,180)	-	-	-	-		-
26 6668 Dev City-Wide Clean-Up	-	(200)	(500)	(500)	-	(500)		(500)
26 6669 Dev Community Events	(2,247)	(320)	(2,400)	(3,000)	-	(3,000)		(3,000)
26 6670 Dev Materials & Supplies	(1,559)	(600)	(500)	(500)	-	(500)		(500)
26 6685 Dev Refunds	(95)	(100)	-	(500)	-	(500)		(500)
26 6700 Dev Building Inspector	(165)	-	-	-	-	-		-
26 6705 Nuisance Abatement			-	(5,000)	-	(5,000)		(5,000)
26 6710 Community Assistance					(1,000)	(1,000)		(1,000)
27 6710 TLT Project	(23,500)	-	-	-	-	-		-
27 6727 Tourism Expense	(119)	(488)	(15,400)	(10,000)	-	(10,000)		(10,000)
28 8810 General Principal 407 S Trade	(10,000)	(10,000)	(10,300)	(10,000)	-	(10,000)		(10,000)
28 8812 General Interest 407 S Trade	(2,643)	(2,438)	(5,000)	(4,500)	-	(4,500)		(4,500)
28 8814 General Trustee Fee 407 S Trade	(220)	(200)	-	(700)	-	(700)		(700)
28 8860 Grant Expense Oregon CRF	(1,505)	(45,033)	-	-	-	-		-
29 5002 Admin Payroll2	(136,147)	(115,806)	(171,000)	(178,200)	-	(178,200)		(178,200)
29 5006 Admin Payroll Tax2	(10,602)	(8,981)	(13,261)	(14,050)	-	(14,050)		(14,050)
29 5007 Admin PERS	(10,352)	(15,658)	(23,085)	(25,000)	-	(25,000)		(25,000)
29 5008 Admin Benefits2	(37,200)	(28,925)	(42,750)	(44,550)	-	(44,550)		(44,550)
29 5009 Admin Workers Comp	(9,891)	-	-	(5,500)	-	(5,500)	5,500	-
29 5010 Admin Allocated Payroll	204,192	170,727	250,096	267,300	-	267,300	(5,500)	261,800
29 5043 Library Payroll	(13,733)	(8,106)	(11,760)	(12,000)	-	(12,000)		(12,000)
29 5044 Lib Payroll Tax	(1,078)	(636)	(922)	(1,000)	-	(1,000)		(1,000)
29 5047 Library PERS	-	(447)	(649)	-	-	-		-
29 5049 Lib Allocated Payroll	14,811	8,850	13,331	13,000	-	13,000		13,000
29 5405 Pub Works Payroll	(148,599)	(117,050)	(170,650)	(177,000)	(5,000)	(182,000)		(182,000)
29 5406 Pub Works Payroll Tax	(12,907)	(9,104)	(13,272)	(14,000)	-	(14,000)		(14,000)
29 5407 Pub Works PERS	(21,582)	(15,006)	(21,878)	(23,000)	-	(23,000)		(23,000)
29 5408 Pub Works Benefits2	(43,660)	(30,115)	(43,905)	(45,000)	-	(45,000)		(45,000)
29 5409 Pub Works Workers Comp	-	-	-	(7,000)	-	(7,000)	7,000	-
29 5499 Pub Works Allocated Payroll	226,747	171,622	249,705	266,000	5,000	271,000	(7,000)	264,000
29 6102 Shared Contract Labor	(21,777)	(4,511)	-	(10,000)	-	(10,000)		(10,000)
29 6110 Shared Organizational Dues	(1,775)	(4,040)	(7,200)	(7,000)	-	(7,000)		(7,000)
29 6115 Shared Telecom	(9,318)	(2,562)	(3,100)	(3,000)	-	(3,000)		(3,000)
29 6136 Shared Office Expense	(1,566)	-	(4,100)	-	-	-		-
29 6155 Shared Attorney	(16,626)	(11,017)	(15,000)	(15,000)	-	(15,000)		(15,000)
29 6160 Shared Audit	(17,350)	(22,250)	(25,000)	(20,000)	-	(20,000)		(20,000)
29 6170 Shared Materials & Supplies	(5,269)	(2,389)	(9,000)	(10,000)	-	(10,000)		(10,000)
29 6185 Shared Business Insurance	(29,884)	(31,419)	(37,000)	(40,000)	-	(40,000)		(40,000)
29 6199 Shared Expense Allocated	103,565	78,188	78,800	105,000	-	105,000		105,000
2 Expense Transfer out	(49,000)	-	(300,000)		-	-		-
29 9930 Gen Transfer Out to Streets	(49,000)	-	-	-	-	-		-
29 9940 Gen Transfer Out to Water			(200,000)	-	-	-		-

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29 9950 Gen Transfer Out to Sewer			(100,000)		-	-		-
3 Fund Balance, beg			290,417	103,408	-	103,408		103,408
20 9019 Tourism, Beg Fund Balance			-	-	-	-		-
20 9020 General, Beg Fund Balance			290,417	103,408	-	103,408		103,408
3 Fund Balance, ending			(103,409)	(94,975)	6,000	(88,975)	(1,100)	(90,075)
20 9510 General, Ending Fund Balance			(103,409)	(94,975)	6,000	(88,975)	(1,100)	(90,075)
30 Street Fund	138,560	(63,195)	-	-	-	-	-	-
1 Revenue	315,704	156,082	246,600	255,000	-	255,000		255,000
30 4340 Str Street Fee	21,190	13,424	19,500	20,000	-	20,000		20,000
30 4341 Str Sidewalk Fee	101		-	-	-	-		-
30 4360 Str State Gas Tax	119,839	88,232	127,100	135,000	-	135,000		135,000
30 4804 Str Grant Income SCA	174,574	54,426	100,000	100,000	-	100,000		100,000
1 Revenue Transfer In	49,000		-		-	-		-
30 4920 Transfer in from General	49,000		-		-	-		-
2 Expense	(226,144)	(219,277)	(224,798)	(271,150)	-	(271,150)	(300)	(271,450)
30 5009 Str Pub Works Payroll	(43,240)	(32,226)	(21,793)	(51,000)	-	(51,000)		(51,000)
30 5010 Str Admin Payroll	(13,517)	(11,951)	(12,505)	(20,150)	-	(20,150)		(20,150)
30 5090 Str Workers Comp	(2,830)	(4,553)	(4,600)	(4,600)	-	(4,600)	(300)	(4,900)
30 6100 Str Shared Expense	(6,240)	(4,691)	(5,200)	(5,500)	-	(5,500)		(5,500)
30 6360 Str Contract Services	(5,605)	(4,175)	(5,900)	(6,200)	-	(6,200)		(6,200)
30 6361 Str Engineer	(535)	(409)	(1,000)	(5,000)	-	(5,000)		(5,000)
30 6370 Str Materials & Supplies	(1,171)	(360)	(1,300)	(1,500)	-	(1,500)		(1,500)
30 6373 Str Repair & Maintenance	(13,681)	(9,630)	(51,300)	(61,200)	-	(61,200)		(61,200)
30 6375 Str Street Maintenance Project	-	-	(7,700)	(7,000)	-	(7,000)		(7,000)
30 6377 Str Storm Drain Maintenance	(225)	-	(2,200)	(2,000)	-	(2,000)		(2,000)
30 6390 Str Utilities/Street Lighting	(10,795)	(8,731)	(11,300)	(7,000)	-	(7,000)		(7,000)
30 7001 Str Grant Expense SCA	(125,741)	(140,236)	(100,000)	(100,000)	-	(100,000)		(100,000)
30 7409 Str Grant Expense ODOT	(2,564)	(2,315)	-		-	-		-
3 Fund Balance, beg			178,010	199,812	-	199,812		199,812
30 9030 Streets, Beg Fund Balance			178,010	199,812	-	199,812		199,812
3 Fund Balance, ending			(199,812)	(183,662)	-	(183,662)	300	(183,362)
30 9530 Streets, Ending Fund Balance			(199,812)	(183,662)	-	(183,662)	300	(183,362)
40 Water Fund	(102,440)	303,640	-	-	-	-	-	-
40 4440 Wtr Fees	539,754	360,132	517,500	535,000	-	535,000		535,000
40 4450 Wtr Line Replacement Fee	11,120	8,112	10,800	-	-	-		-
40 4460 Wtr Deposits	2,034	4,550	3,100	3,500	-	3,500		3,500
40 4484 Wtr Misc Income	1,410	5,145	-	1,000	-	1,000		1,000
40 4801 Wtr SIPP GIS Grant Proceeds	433		-		-	-		-
40 4850 Wtr USDA RUS Interim Loan Proceeds			335,000	1,300,000	-	1,300,000	1,994,000	3,294,000
40 4852 Wtr CDBG Grant Proceeds	789,861	575,590	-		-	-		-
40 4853 WTR SDWRLF Grant Proceeds				1,128,700	-	1,128,700	71,300	1,200,000
40 4854 Wtr USDA Grant -Loan Proceeds			339,611	7,000,000	-	7,000,000	(527,000)	6,473,000
40 8503 Wtr SDWRLF Grant Proceeds	4,639		600,000		-			-

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1 Revenue Transfer In			200,000		-			-
40 4940 Transfer in from General			200,000		-			-
40 4940 Wtr Transfer in from General			-		-			-
2 Expense	(1,451,690)	(649,889)	(947,611)	(9,409,250)	-	(9,409,250)	(2,248,100)	(11,657,350)
40 5004 Wtr Pub Works Payroll	(102,275)	(76,326)	(111,385)	(119,200)	-	(119,200)		(119,200)
40 5010 Wtr Admin Payroll	(48,211)	(42,682)	(62,524)	(65,200)	-	(65,200)		(65,200)
40 5090 Wtr Workers Comp	(3,600)	(5,601)	(5,700)	(5,700)	-	(5,700)	(6,100)	(11,800)
40 6100 Wtr Shared Expense	(23,552)	(17,983)	(26,100)	(26,100)	-	(26,100)		(26,100)
40 6405 Wtr Analysis	(2,670)	(1,498)	(3,500)	(3,700)	-	(3,700)		(3,700)
40 6408 Wtr Utility Postage	(2,514)	(1,970)	(3,100)	(3,100)	-	(3,100)		(3,100)
40 6415 Wtr License/Permit/Cert	(3,814)	(2,362)	(5,800)	(5,800)	-	(6,000)		(6,000)
40 6450 Wtr Meter Reading	(4,079)	(2,927)	(4,200)	-	-	-		-
40 6451 Wtr Meter Replacement	(9,590)	(1,718)	(5,100)	(1,000)	-	(1,000)		(1,000)
40 6460 Wtr Contract Services	(7,444)	(5,392)	(9,900)	(16,000)	-	(16,000)		(16,000)
40 6461 Wtr Engineer	-	-	(6,500)	-	-	-		-
40 6470 Wtr Materials & Supplies	(6,834)	(2,725)	(4,500)	(4,500)	-	(4,500)		(4,500)
40 6471 Wtr Chemicals	(32,375)	(20,839)	(27,500)	(27,500)	-	(27,500)		(27,500)
40 6480 Wtr Repair & Maintenance	(12,502)	(9,040)	(16,500)	(16,500)	-	(16,500)		(16,500)
40 6482 Wtr System Maintance	(42,691)	(31,587)	(49,500)	(52,000)	-	(52,000)		(52,000)
40 6485 Wtr Deposit Refunds	(4,200)	(1,890)	(900)	(1,500)	-	(1,500)		(1,500)
40 6490 Wtr Utilities	(31,192)	(24,400)	(35,100)	(37,000)	-	(37,000)		(37,000)
40 6492 Wtr Staff Expense	(2,364)	(817)	(2,600)	(2,750)	-	(2,750)		(2,750)
40 6495 Wtr Franchise Fee	(26,664)	-	(25,900)	(27,500)	-	(27,500)		(27,500)
40 7001 Wtr System	(600,717)	(159,279)	(175,000)	(200,000)	-	(200,000)		(200,000)
40 7006 Wtr Reservoir	(395,687)	(165,956)	-	-	-	-		-
40 7008 Wtr Capital	(1,820)	-	-	(4,000)	-	(4,000)		(4,000)
40 7009 Wtr Salt Creek Bridge	-	(10,860)	(100,000)	(1,725,000)	-	(1,725,000)	525,000	(1,200,000)
40 7010 Wtr Capital CDBG Grant Exp	-	-	-	-	-	-		-
40 7012 Wtr Capital USDA Loan Expense	-	-	-	(7,000,000)	-	(7,000,000)	(2,767,000)	(9,767,000)
40 7042 Wtr Property	-	(7,473)	(13,300)	(12,000)	-	(12,000)		(12,000)
40 7045 Wtr Meters	-	-	(200,000)	-	-	-		-
40 7055 Wtr Utility Vehicle	(21,411)	(2,675)	-	-	-	-		-
40 7150 Wtr SDC Impr Major Improvements	(8,940)	-	-	-	-	-		-
40 7506 Wtr John Deere Loan	(3,543)	(888)	-	-	-	-		-
40 8235 Wtr S99008 Safe Drkg Wtr Principal	(46,110)	(46,571)	(47,037)	(47,500)	-	(47,500)		(47,500)
40 8236 Wtr S99008 Safe Drkg Wtr Interest	(6,892)	(6,431)	(5,965)	(5,500)	-	(5,500)		(5,500)
40 8237 Wtr OBDD Loan Payment	-	-	-	-	-	-		-
40 8500 Water Debt Service	-	-	-	-	-	-		-
3 Fund Balance, beg			209,372	1,267,772	-	1,267,772		1,267,772
40 9040 Water, Beg Fund Balance			209,372	1,267,772	-	1,267,772		1,267,772
3 Fund Balance, ending			(1,267,772)	(1,826,722)	-	(1,826,722)	709,800	(1,116,922)
40 9540 Water, Ending Fund Balance			(1,267,772)	(1,826,722)	-	(1,826,722)	709,800	(1,116,922)
50 Sewer Fund	54,906	92,699	-	-	-	-	-	-
1 Revenue	496,659	309,584	592,700	594,500	-	594,500		594,500
50 4550 Swr User Fees	488,951	302,309	586,800	590,000	-	590,000		590,000
50 4560 Swr Deposits	7,708	5,040	3,300	3,500	-	3,500		3,500
50 4584 Swr Misc Income		2,235	2,600	1,000	-	1,000		1,000
1 Revenue Transfer In		155,000	100,000		-	-		-

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50 4991 Swr Transfer in from Swr SDC		155,000	-		-	-		-
50 4992 Swr Transfer in from General			100,000		-	-		-
2 Expense	(441,753)	(371,885)	(598,558)	(578,350)	-	(578,350)	(4,900)	(583,250)
50 5005 Swr Pub Works Payroll	(57,049)	(42,403)	(89,592)	(95,900)	-	(95,900)		(95,900)
50 5010 Swr Admin Payroll	(25,176)	(22,195)	(50,019)	(52,100)	-	(52,100)		(52,100)
50 5090 Swr Workers Comp	(2,517)	(2,696)	(2,800)	(2,800)	-	(2,800)	(4,900)	(7,700)
50 6100 Swr Shared Expense	(13,480)	(10,164)	(20,900)	(20,900)	-	(20,900)		(20,900)
50 6275 Swr Lift Station Maint	(85)	-	(10,000)	(12,000)	-	(12,000)		(12,000)
50 6505 Swr Analysis	(1,331)	(868)	(2,600)	(2,750)	-	(2,750)		(2,750)
50 6508 Swr Utility Postage	(2,475)	(2,027)	(2,900)	(3,100)	-	(3,100)		(3,100)
50 6515 Swr License/Permit/Cert	(1,223)	(2,834)	(3,000)	(3,150)	-	(3,150)		(3,150)
50 6550 Swr Meter Reading	(4,079)	(2,927)	(4,200)	-	-	-		-
50 6560 Swr Contract Services	(6,882)	(4,681)	(7,200)	(7,500)	-	(7,500)		(7,500)
50 6570 Swr Materials & Supplies	(5,943)	(4,753)	(7,300)	(7,700)	-	(7,700)		(7,700)
50 6571 Swr Chemicals	(6,890)	(6,285)	(10,300)	(10,500)	-	(10,500)		(10,500)
50 6580 Swr Repair & Maintenance	(18,799)	(7,025)	(16,500)	(17,500)	-	(17,500)		(17,500)
50 6582 Swr System Maintenance	(34,846)	(14,681)	(48,000)	(50,500)	-	(50,500)		(50,500)
50 6585 Swr Deposit Refund	(3,671)	(2,160)	(2,600)	(2,600)	-	(2,600)		(2,600)
50 6590 Swr Utilities	(46,136)	(42,292)	(51,300)	(53,800)	-	(53,800)		(53,800)
50 6592 Swr Staff Expense	(470)	(290)	(2,600)	(2,600)	-	(2,600)		(2,600)
50 6595 Swr Franchise Fee	(23,943)	-	(23,700)	(27,500)	-	(27,500)		(27,500)
50 7020 Swr Rate Study			(7,500)	(7,500)	-	(7,500)		(7,500)
50 7055 Swr Utility Vehicle	-	(2,620)	-	-	-	-		-
50 7101 Swr Vehicle Acquisition	(10,000)	(55)	-	-	-	-		-
50 7115 Swr Grant Project			(70,000)	-	-	-		-
50 7506 Swr John Deere Loan	(3,543)	(888)	-	-	-	-		-
50 7510 Swr Master Plan	-	(45,001)	-	(34,750)	-	(34,750)		(34,750)
50 8245 Swr G03001 OECD Principal	(105,000)	(105,000)	(105,000)	(105,000)	-	(105,000)		(105,000)
50 8246 Swr G03001 OECD Interest	(32,750)	(14,575)	(25,081)	(22,500)	-	(22,500)		(22,500)
50 8335 Swr Y10001 OECD Principal	(18,098)	(18,666)	(19,254)	(20,000)	-	(20,000)		(20,000)
50 8336 Swr Y10001 OECD Interest	(17,368)	(16,800)	(16,212)	(15,700)	-	(15,700)		(15,700)
3 Fund Balance, beg			80,094	174,236	-	174,236		174,236
50 9050 Sewer, Beg Fund Balance			80,094	174,236	-	174,236		174,236
3 Fund Balance, ending			(174,236)	(190,386)	-	(190,386)	4,900	(185,486)
50 9550 Sewer, Ending Fund Balance			(174,236)	(190,386)	-	(190,386)	4,900	(185,486)
75 Govt SDC	101,645	77,237	-	-	-	-		-
1 Revenue	101,645	77,237	6,500	45,000	-	45,000		45,000
75 4002 Park SDC Revenue	24,174	11,907	1,500	10,000	-	10,000		10,000
75 4003 Street SDC Revenue	59,148	53,561	3,500	25,000	-	25,000		25,000
75 4004 Storm SDC Revenue	18,323	11,769	1,500	10,000	-	10,000		10,000
3 Fund Balance, beg			447,832	454,332	-	454,332		454,332
75 9270 SDC Govt ,Park, Beg Fund Balance			113,516	115,016	-	115,016		115,016
75 9270 SDC Govt, Storm, Beg Fund Balance			63,368	102,068	-	102,068		102,068
75 9270 SDC Govt, Street, Beg Fund Balance			270,948	237,248	-	237,248		237,248
3 Fund Balance, ending			(454,332)	(499,332)	-	(499,332)		(499,332)
75 9570 SDC Govt, Park, Ending Fund Balance			(115,016)	(125,016)	-	(125,016)		(125,016)
75 9570 SDC Govt, Storm, Ending Fund Balance			(102,068)	(112,068)	-	(112,068)		(112,068)

	Jul 2019 - Jun 2020	Jul 2020 - Jun 2021	Adjusted Budget FY 21-22	Proposed Budget FY 22-23	Budget Committee Change	Approved Budget FY 22-23	Changes	Adopted Budget FY 22-23
75 9570 SDC Govt, Street, Ending Fund Balance			(237,248)	(262,248)	-	(262,248)		(262,248)
76 Enterprise SDC	163,998	(126,445)	-	-	-	-		-
1 Revenue	163,998	28,555	6,000	35,000	-	35,000		35,000
76 4101 Sewer SDC Revenue	104,004	20,223	6,000	10,000	-	10,000		10,000
76 4104 Water SDC Revenue	59,994	8,332	-	25,000	-	25,000		25,000
2 Expense Transfer out	-	(155,000)	-		-	-		-
76 9001 Transfer Out Sewer SDC to Sewer	-	(155,000)	-		-	-		-
3 Fund Balance, beg			370,157	376,157	-	376,157		376,157
76 9270 SDC Entrprs, Sewer, Beg Fund Balance			209,926	41,046	-	41,046		41,046
76 9270 SDC Entrprs, Water, Beg Fund Balance			160,231	335,111	-	335,111		335,111
3 Fund Balance, ending			(376,157)	(411,157)	-	(411,157)		(411,157)
76 9570 SDC Entrprs, Sewer, Ending Fund Balance			(41,046)	(51,046)	-	(51,046)		(51,046)
76 9570 SDC Entrprs, Water, Ending Fund Balance			(335,111)	(360,111)	-	(360,111)		(360,111)
Grand Total	373,205	309,757	-	-	-	-	-	-

Appendix

Financial Management Policies

I. PURPOSE

These Comprehensive Financial Management Policies are the tools used to ensure that the City of Amity is financially able to meet its current and future service needs. The 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, operations, public facilities, and infrastructure necessary to meet immediate and long-term needs of the City. These policies safeguard the fiscal stability required to achieve the City Council's objectives and ensure the long-term financial health of the City.

These policies are adopted by City Council as the basic framework for overall financial management of the City, to guide day-to-day and long-range fiscal planning and decision making, and to achieve the following general financial goals.

1. Provide an adequate financial base to sustain a sufficient level of municipal services to maintain the social well-being and physical conditions of the City.
2. Deliver cost effective and efficient services to citizens.
3. Provide and maintain essential services, public facilities, utilities, and capital equipment.
4. Provide the financial stability needed to navigate through economic downturns, adjust to changes in the service requirements of the community and respond to other changes as they affect the city's residents.
5. Protect and enhance the City's credit rating so as to obtain the lowest cost of borrowing and also to assure taxpayers and the financial community that the City is well managed and financially sound.
6. Adhere to the highest standards of financial management and reporting practices as set by the Government Finance Officers Association, the Governmental Accounting Standards Board and other professional standards.
7. Fully comply with finance related legal mandates, laws and regulations including Oregon Revised Statutes and Oregon Budget Law.

To achieve these goals, fiscal policies generally cover areas of revenue management, operating and capital budgeting, financial planning and forecasting, investment and asset management, debt management, accounting and financial reporting, reserves and internal controls. These policies shall be reviewed every year as part of the annual budget preparation process.

II. OBJECTIVES

1. To guide the City Council and management policy decisions that has significant fiscal impact.
2. To employ balanced revenue policies that provides adequate funding for services and service levels.
3. To maintain appropriate financial capacity for present and future needs.
4. To maintain sufficient reserves so as to maintain services levels during periods of economic downturn.
5. To promote sound financial management by providing accurate and timely information on the City's financial condition.
6. To ensure the legal use of financial resources through an effective system of internal controls.
7. To protect the City's credit rating and provide for adequate resources to meet the provisions of the City's debt obligation on all municipal debt.
8. To promote cooperation and coordination with other governments and the private sector in financing and delivery of services.

III. MANAGEMENT OF FISCAL POLICY

The City Administrator is responsible for overseeing the management of the City's fiscal policies and monitor compliance. If the City Administrator discovers a material variation from policy, the City Administrator shall report it in writing to the City Council in a timely manner. The report will explain the impact of the material variation on the City's operations, service levels and/or finances and substantive impact of all recommendations to changes in fiscal policy.

As a part of the City's annual budget document, the City Administrator's budget message will identify (a) all major changes in policy since the previous budget year and (b) any material variations from policy in the ensuing year's budget. Fiscal policies and changes in policies will be approved by the City Council and adopted by resolution.

IV. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICY

The City will maintain accounting practices in accordance with state and federal law and regulations, and financial reporting that conforms to Generally Accepted Accounting Principles (GAAP). Provide for, prepare and present regular reports that analyze and evaluate the City's financial performance and economic condition.

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 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 financial reports will be reported on the budgetary basis. At year-end, the general ledger and financials will be adjusted to GAAP, and the annual financial reports and continuing disclosure statements will meet these standards.

2. A system of internal controls and procedures will be maintained to provide reasonable assurance of the safeguarding of assets and proper recording of financial transactions and compliance with applicable laws and regulations. When staffing limitations require it, staff duties will be assigned to maximize a system of financial checks and balances.

3. Annual Audit

- a. Pursuant to state law, the City will have an annual financial and compliance audit, and prepare financial statements based on the audited financial information. The audit will be performed by a 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, will be filed no later than six (6) months following the end of the fiscal year and will be presented to the City Council in that same time frame. The audit firm will also provide a Single Audit of Federal and State grants, when necessary. The City Administrator will be responsible for establishing a process to ensure timely resolution of audit recommendations, if any.
- b. As required by the Securities and Exchange Commission (SEC) Rule 15c2-12, when the City issues bonds with a principal amount greater than \$1 million, 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. This requirement allows investors to have current information about issuers in order to decide whether to hold, sell or buy securities on the secondary market.

4. Financial and Management Reporting

- a. Monthly financial reports will be provided to the City Council, the City Administrator and department heads. These reports will include department revenues and expenditures actual to date with comparison to the budget. These reports will be distributed within thirty working days of the end of each month.
- b. A goal of the City is to eventually prepare a comprehensive annual financial report subjected to independent audit and 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 Administrator, City Council, Budget Committee 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.

V. REVENUE POLICY

1. The City will estimate its annual revenues by an objective, analytical process. Because most revenues are sensitive to conditions outside the City's control, estimates will be conservative.
2. The City should take advantage of every revenue-generating opportunity authorized by Oregon Revised Statutes and the Oregon Constitution.
3. The City shall pursue an aggressive policy of collecting delinquent accounts, including the use of collection agencies as authorized by the City Council.
4. Charges provided utility services will be sufficient to finance all operating, capital outlay and debt service expenses including operating contingency and reserve requirements. Rates will be adjusted as needed to account for major changes in consumption, capital improvements and cost increases.
5. System development charges will be established to pay for new capacity in infrastructure systems such as street, water, sewer, parks and stormwater facilities.
6. User fees and charges will be established for services provided that benefit specific individuals or organizations. User fees and charges will be set at a level sufficient to recover the full cost of service whenever practical to minimize subsidization by taxpayers. The City will systematically review user fees and charges to take into account the effects of additional service costs and inflation.
7. The City will maintain a current schedule of fees which will be reviewed annually and adopted by resolution.

VI. EXPENDITURE POLICY

Expenditures will be controlled through appropriate internal controls, procedures, and regular monitoring of monthly budget reports. Management must ensure expenditures comply with the legally adopted budget. Each department head will be responsible for the administration of their department program budget. This includes accomplishing the goals and objectives incorporated into the budget and monitoring each department program budget for compliance with spending limitations.

1. The City Council will approve the budget by fund at the category or program level. Expenditures anticipated to be in excess of these levels require approval of the City Council resolution (i.e. supplemental budget process).
2. The City will follow the employee compensation practices that are consistent with the City's adopted Personnel Handbook and approved collective bargaining agreements.

3. The operation of City utilities and streets and City property maintenance must have adequate funds to procure needed supplies and parts.
4. The City will maintain a purchasing ordinance for public procurements and improvements and set expenditure authorization levels for City staff.
5. Vendor expenditures must be reviewed and approved by the City Administrator, and/or the appropriate department head. Supporting documents, such as invoices, contracts, credit card charge receipt, debt agreements, will be available in either electronic or paper form. After approval, payments may be issued electronically via the bank or authorized service provider or paper check. Two signatures are currently required on City checks if an amount that exceeds \$999.99, but we intend to raise this limit.

The following disbursements are handled as direct bank withdrawals and will be included on the list of vendor expenditures above, but no paper check will be issued:

- Employee compensation will be direct deposited into employee authorized accounts. Paper checks may be requested and would be included for signature with vendor payable above.
 - Payroll tax payments
 - Automatic withdrawal for contractual payments such as debt service
 - Bank fees
 - Insurance payments
 - Other contractual withdrawals.
6. The City will make every effort to control expenditures to ensure City services and programs provided to its citizens and taxpayers are cost effective and efficient.
 7. Physical assets such as land, building, equipment, and vehicles with a useful life exceeding three years and costing \$5,000 or more may 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 will be included here provided the dollar threshold is met. The \$5,000 limit will apply to individual items unless a group of items are intended to function together as a unified system.

VII. CAPITAL IMPROVEMENT POLICY

The City will prepare a five-year Capital Improvement Plan (CIP) encompassing all City facilities annually with the budget. The CIP will be composed of projects identified in the City's adopted facility master plans (e.g. parks, sewer, stormwater, transportation, water). The five-year CIP will be incorporated into the City's budget and long-range financial planning processes.

1. The City will maintain its physical assets at a level adequate to protect the City's capital investment and to minimize future operating maintenance and replacement costs. The City recognizes that deferred maintenance increases future capital costs, thus placing a burden on

future residents. Therefore, the budget will provide for adequate maintenance and the orderly replacement of capital plant and equipment from current revenues when possible.

2. The City will determine the least costly funding method for its capital projects and will obtain grants, contributions and low-cost state or federal loans whenever possible.
3. The City will establish capital equipment reserves to provide for funding of vehicles and equipment. The City will also establish major repairs and replacement reserves to provide for funding of major repairs and replacements.
4. The City may utilize “pay-as-you-go” funding for capital improvements when current revenues and adequate fund balances are available for when issuing debt would adversely affect the City’s credit rating or put the City in violation of its debt limitation provision in the City Charter.
5. The City will consider the use of debt financing for capital projects under the following circumstances:
 - a. When the project’s useful life will exceed the terms of the financing.
 - b. When resources are deemed sufficient and reliable to service the long-term debt.
 - c. When market conditions present favorable interest rates for City financing.
 - d. When the issuance of debt will not adversely affect the City’s credit rating, coverage ratios or City Charter limitation.
6. Special funds dedicated for capital improvements will be segregated in the accounting system and used only for the intended capital purposes.

VIII. OPERATING BUDGET POLICY

The City will prepare an annual budget with the participation of all City departments. All budgetary procedures will conform to existing state and local regulations. Oregon Budget Law requires each local government to prepare a balanced budget and Oregon Administrative Rules state: 1) the budget must be constructed in such a manner that the total resources in a fund equal the total of expenditures and requirements for that fund and 2) the total of all resources of the budget must equal the total of all expenditures and all requirements.

1. A Budget Committee will be appointed in conformance with the City Charter and state statutes. The Budget Committee’s chief purpose is to review the City Administrator’s proposed budget and recommend a budget and tax levy for the City Council to adopt.
2. The City budget will support City Council goals and priorities and long-range needs of the City.
3. The City budget process will incorporate the proposed Capital Improvement Plan for the upcoming fiscal year.

4. Multi-year projections may be prepared in conjunction with the proposed budget to determine if adjustments in expenditures or revenues are needed.
5. The City will manage each fund as an independent entity in accordance with applicable statutes and with generally accepted accounting principles.
6. The City will allocate direct and administrative costs to each fund based upon the cost of providing these services.
7. The City will take immediate corrective action if at any time during the fiscal year financial monitoring indicates that an operating fund's anticipated expenditure are expected to exceed its anticipated revenues.
8. The use of fund balance, which is a one-time revenue source, may be used to fund an annual operating deficit only with approval of a plan to replenish the fund balance if its brought down below policy level (See Reserve Policy).
9. The City will work towards the goal of preparing a budget document which complies with the standards necessary to obtain the *Award for Distinguished Budget Presentation* from the Government Finance Officers Association (GFOA). The City will submit its budget for award consideration annually.

IX. LONG-RANGE FINANCIAL PLANNING POLICY

The City should prepare a long-term financial plan to promote responsible planning for the use of its resources. The long-term financial plan will protect revenues, expenditures and reserve balances for the next five years. The analysis will incorporate the City's approved Capital Improvement Plan.

Long-term projections of revenues and expenditures will be realistic, conservative and based on best practices established by the Government Finance Officers Association.

X. DEBT MANAGEMENT POLICY

1. Capital projects, financed through the issuance of bonds or other notes, will be financed for a period not to exceed the useful life of the project.
2. The City will use the most prudent methods of acquiring capital outlay items, including the use of lease-purchase agreements.
3. The City will not use long-term debt to fund current operations, to balance the budget or to fund projects that can be funded from current resources.
4. All bond issuances and promissory notes will be authorized by resolution of the City Council.

5. The City will comply with all statutory debt limitations imposed by the Oregon Revised Statutes and the City Charter.
6. The City will maintain its bond rating at the highest level fiscally prudent, so that future borrowing costs are minimized and access to the credit market is preserved.
7. The City will obtain and maintain a good credit rating.

XI. RESERVE AND CONTINGENCY POLICY

Reserves and contingencies are an important indicator of the City's financial position and its ability to withstand adverse events. Maintaining reserves and contingencies are a prudent management practice. The following are examples of their use:

Operating Contingency – A budgetary account used to appropriate resources that can be used to address events or services needs that were unanticipated during budget development.

Capital Asset Reserve – A reserve established to accumulate resources that will be used to replace capital assets and to provide for major customer service enhancements, where procurement will be budgeted in a future year. The City will maintain equipment and infrastructure capital reserves sufficient to replace assets at the end of their useful lives.

Debt Service Reserve – A reserve established as a requirement of a bond covenant, or covenant in another debt instrument.

The City will maintain sufficient contingency and reserves in each fund to be able to:

1. Mitigate short-term volatility in revenue.
2. Absorb unanticipated operating needs that arise during the fiscal year but were not anticipated during the budget process.
3. Sustain City services in the event of an emergency.
4. Meet operating cash flow requirements before the collection of property taxes, grant proceeds and other operating revenues.
5. Meet major facility and equipment repair and maintain needs.
6. Meet future capital projects needs so as to minimize future debt obligations and burden on future citizens.

The City will maintain a contingency of no less than 15% of total operating expenses for the General Fund and no less than 15% of total operating expenses for the other operational (Sewer, Street, and Water) funds.

In the event that reserves and contingencies decrease to levels below the levels established by this policy, the City will develop a plan to restore reserves and contingencies to the required levels.

XII. INVESTMENTS

All City funds shall be invested to provide safety of principal and a sufficient level to meet cash flow needs. One hundred percent of all idle cash will be continuously invested in the Local Government Investment Pool maintained by the State Treasurer.

Appendix

Glossary and Acronyms

(Adapted from the Local Budgeting Manual published by the Oregon Department of Revenue. Oregon Revised Statutes (ORS) are referenced here and are available on line at www.oregon.gov.

Adopted budget. Financial plan that is the basis for appropriations. It is adopted by the governing body (ORS 294.435).

Ad valorem tax. A property tax computed as a percentage of the assessed value of taxable property.

Appropriation. Authorization to spend a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body [ORS 294.311(3)].

Approved budget. The budget that is approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing (ORS 294.406).

Assessed value. The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property's maximum assessed value or real market value.

Assessment date. The date on which the value of property is set, January 1 (ORS 308.210, 308.250)

Audit. The annual review and appraisal of a municipal corporation's accounts and fiscal affairs conducted by an accountant under contract (ORS 297.425).

Audit report. A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government's financial statements, and compliance with requirements, orders and regulations.

Budget. Written document showing the local government's comprehensive financial plan for one fiscal year or biennium. It must include a balanced statement of actual revenues and expenditures during each of the last two years and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(4)].

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters appointed from the city (ORS 294.336).

Budget message. Written explanation of the budget and the local government's financial priorities. It is prepared and presented by the executive officer or chairperson of the governing body (ORS 294.391).

Budget officer. Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget (ORS 294.331).

Budget transfers. Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.

Capital outlay. Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings [ORS 294.352(6)].

Capital projects fund. A fund used to account for resources, such as bond sale proceeds, to be used for major capital item purchase or construction [OAR 150-294.352(1)].

Cash basis. System of accounting under which revenues are accounted for only when received in cash, and expenditures are accounted for only when paid [ORS 294.311(9)]. The City of Amity uses cash basis accounting.

Cash Carryover. The accumulated unspent resources carried forward from the prior year into the next fiscal year. These can be used to support the appropriations for the next fiscal year.

Consolidated billing tax rate. The combined total of the billing rates for all taxing Districts in a code area. Does not include the billing rate for any urban renewal special levies or non-ad valorem taxes, fees, or other charges.

Constitutional limits. The maximum amount of tax on property that can be collected from an individual property in each category of limitation (Art. XI, sect. 11b, OR Const.).

Contingency. An amount appropriated in anticipation that some operating expenditures will become necessary which cannot be foreseen and planned in the budget. A general operating fund may contain one line for operating contingency. (ORS 294.352)

Debt service fund. A fund established to account for payment of general long-term debt principal and interest [OAR 150-294.352(1)].

Division of tax. Division of tax refers to the process of and revenue from, apportioning tax to urban renewal agencies based on the relationship of the excess to frozen value, a.k.a. tax increment revenue.

Double majority. A term that refers to an election where at least 50 percent of the registered voters eligible to vote in the election cast a ballot and more than 50 percent voting approve the question.

Education category. The category for taxes that will be used to support the public school system and are not used to pay exempt bonded indebtedness [ORS 310.150(2)].

Encumbrance. An obligation chargeable to an appropriation and for which part of the appropriation is reserved [ORS 294.311(10)].

Enterprise fund. A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. They are usually self-supporting. Examples of enterprise funds are those for water, gas, and electric utilities, swimming pools, airports, parking garages, transit systems, and ports [OAR 150-294.352(1)].

Estimate. (v) To arrive at a rough calculation or an opinion formed from imperfect data. (n) The resulting amount.

Excluded from limitation category. The category for taxes used to pay principal and interest on exempt bonded indebtedness [ORS 310.150(2)].

Exempt bonded indebtedness. 1) Bonded indebtedness authorized by a specific provision of the Oregon Constitution, or 2) bonded indebtedness issued as a general obligation on or before November 6, 1990, incurred for capital construction or capital improvements, or 3) bonded indebtedness issued as a general obligation after November 6, 1990, incurred for capital construction or capital improvements with the approval of the electors of the local government. Bonded indebtedness issued to refund or refinance any bonded indebtedness described above is also included [ORS 310.140(15)].

Expenditures. Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis [ORS 294.311(16)].

Fiscal year (FY). A 12-month period to which the annual operating budget applies. The fiscal year is July 1 through June 30 for local governments [ORS 294.311(17)].

Fund. A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives.

Fund balance. The fund equity of government funds.

Fund type. One of nine fund types: General, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and agency, and reserve [OAR 150-294.352(1) and ORS 280.100].

General fund. A fund used to account for most fiscal activities except for those activities required to be accounted for in another fund [OAR 150-294.352(1)].

General government category. The category for taxes used to support general government operations other than schools that are not for the purposes of paying exempt bonded indebtedness [ORS 310.150(1)].

Good Faith. The standard for estimating budget resources and requirements. Good faith estimates are reasonable and are reasonably likely to prove accurate, based on the known facts at the time.

Governing body. County court, board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit [ORS 294.311(15)].

Grant. A donation or contribution in cash by one governmental unit to another unit which may be made to support a specified purpose or function, or general purpose [ORS 294.311(19)].

Interfund loans. Loans made by one fund to another and authorized by resolution or ordinance (ORS 294.460).

Interfund transfer. Transfer from an existing appropriation category in one fund to another existing appropriation category in another fund. (ORS 294.450)

Intrafund transfer. Transfer from one existing appropriation category to another within the same fund. (ORS 294.450)

Internal service fund. A fund used to account for fiscal activities when goods or services are provided by one department or agency to other departments or agencies on a cost-reimbursement basis (ORS 294.470).

Legal opinion. The opinion as to legality rendered by an authorized official, such as the Oregon attorney general or city attorney.

Levy. (v) To impose a property tax. (n) Ad valorem tax certified by a local government.

Liability. Debt or other legal obligation arising from transactions in the past which must be liquidated, renewed, or refunded at a future date; does not include encumbrances.

Local government. Any city, county, port, school district, education service district, community college, special district, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipality or municipal corporation under ORS 294.311(25).

Local option tax. Voter-approved taxing authority that is in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose or capital projects. It is limited to five years unless it is for a capital project, then it is limited to the useful life of the project or 10 years, whichever is less [Art. XI, section 11(4)].

Maximum assessed value (MAV). A constitutional limitation on the taxable value of real or personal property. It can increase a maximum of 3 percent each year. The 3 percent limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction.

Measure 5. A constitutional amendment (Art. XI, section 11b) passed in 1990 that limits the amount of operating tax that can be imposed on a property to \$5 per \$1,000 of real market value for education and \$10 per 1,000 for general government.

Measure 50. A constitutional amendment (Art. XI, section 11) passed in 1997 that limits the growth in a property's assessed value to 3% per year. It also limits a local government's taxing authority by creating permanent rate limits.

Object classification. A grouping of expenditures, such as personal services, materials and services, capital outlay, debt services, and other types of requirements [ORS 294.311(28)].

Operating rate. The rate determined by dividing the local government's operating tax amount by the estimated assessed value of the local government. This rate is needed when a local government wants to impose less tax than its permanent rate will raise.

Ordinance. A formal legislative enactment by the governing board of a local government.

Organizational unit. Any administrative subdivision of the local government, especially one charged with carrying on one or more specific functions (such as a department, office or division) [ORS 294.311(30)].

Personal services expenses. Expenses related to the compensation of salaried employees, such as, health and accident insurance premiums, Social Security and retirement contributions, civil service assessments.

Permanent rate limit. The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government or its voters can change a permanent rate limit.

Principal act. The Oregon Revised Statutes that describe how a certain type of municipal corporation is formed and selects its governing body, and the powers it may exercise and the types of taxing authority that its voters may authorize.

Prior years' tax levies. Taxes levied for fiscal years preceding the current one.

Property taxes. Ad valorem tax certified to the county assessor by a local government unit.

Proposed budget. Financial plan prepared by the budget officer. All funds must balance. It is submitted to the public and the budget committee for review.

Publication. Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by first class mail to each street address within the boundaries of the local government; and hand delivery to each street address within the boundaries of the local government [ORS 294.311(34)].

Real Market Value (RMV). The amount in cash which could reasonably be expected by an informed seller from an informed buyer in an arm's-length transaction as of the assessment date. For most properties, the value used to test the constitutional limits (ORS 308.205).

Reserve fund. Established to accumulate money from year to year for a specific purpose, such as purchase of new equipment (ORS 294.525).

Reserve for Future Expenditure. An amount budgeted, but not appropriated, that is not anticipated to be spent in the fiscal year, but rather carried forward into future fiscal years. The correct way to "save" money under Local Budget Law.

Resolution. A formal order of a governing body; lower legal status than an ordinance.

Resource. Estimated beginning funds on hand plus anticipated receipts (ORS 294.361).

Special levy. A special levy is an ad valorem tax, imposed for an urban renewal plan on the entire municipality that adopted the plan. It is not a result of a division of tax.

Special revenue fund. A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditure for specific purposes [OAR 150-294.352(1)].

Special payment. A budget expenditure category for pass-through payments, grants made to other organizations and other one-time or unusual expenditures that do not fall into the other categories of personal services, materials and services, capital outlay, etc.

State revenue sharing. A share of certain State revenues that is distributed to the City for general purposes as provided in this section. [Adapted from ORS 221.770]

Supplemental budget. A financial plan adopted during a budget period to meet unexpected needs or to appropriate revenues not anticipated when the regular budget was adopted. It cannot be used to authorize a tax (ORS 294.480).

Tax increment financing. A financial mechanism for urban renewal plans which captures the tax from the growth in property value within a designated geographical area by dividing the taxes of local governments.

Tax on property. Any tax, fee, charge or assessment imposed by any government unit upon property or upon a property owner as a direct consequence of ownership of that property [ORS 310.140(1)].

Tax rate. The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

Tax roll. The official listing of the amount of taxes imposed against each taxable property.

Tax year. The fiscal year from July 1 through June 30.

Trust fund. A fund used to account for fiscal activities of assets held in trust by a local government.

Unappropriated. An amount set aside in the budget to be used as a cash carryover to the next year's budget to provide needed cash flow until other money is received.

Unappropriated ending fund balance. Amount set aside in the budget to be carried over to the next year's budget. It provides the local government with cash until tax money or other revenues are received later in the year. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency (ORS 294.398, renumbered from 294.371; ORS 294.481, renumbered from 294.455).