



Budget in Brief
July 1, 2023 - June 30, 2025

Budget in Brief BN 25

City of Prineville, Oregon



City Council Members

Mayor Jason Beebe
Shane Howard
Janet Hutchison
Ray Law
Gail Merritt
Scott Smith
Steve Uffelman

Citizen Budget Committee Members

Marty Bailey
Jerry Brummer
John Charles
Casey Daly
Jeff Papke
Dr. Paul Slater
Marv Sumner

City Staff

Steve Forrester - City Manager
Kelly Coffelt - Airport Manager
Larry Seymour - Police Chief
Casey Kaiser - Public Works Director
Zach Lampert - Head Golf Pro / Facility Manager
Karee Miller - Human Resource Director
Lori Hooper - Finance Director
Josh Smith - Planning Director
Matt Wiederholt - Railroad General Manager
James Wilson - IT Director

This Budget in Brief is intended to demonstrate how the City's services are paid for. Detailed financial reports, required audited financial statements and budget documents can be found at the City's website, <https://www.cityofprineville.com>.

Citizens of the City of Prineville,

On behalf of the City staff and leadership team, we present to you the biennial 2022-2023 budget for the City of Prineville.

The total balanced budget for next biennium 2024-2025 is \$120,735,730. The General Fund portion of the budget is \$20,942,481, with capital spending at \$23,092,700.

Each year the Prineville City Council holds multiple workshops to review and update our mission statement and council goals. The City Council and staff regularly review quarterly financials and City projects. The budget planning process is supported by input from 10 active committees made up of elected officials, citizens and staff. The finance team and department leaders strategically update our long-range models for City operations and services, and align our budget with adopted council goals that are tied directly to budgeted departmental goals.

The City of Prineville's budget for 2024-2025 continues to gain in financial strength and stability, while providing our customers with essential City services. We are proactively identifying challenges and developing solutions to position our community for future success.

The Budget in Brief provides an overview of key components of the approved budget document. We encourage you to learn more by reviewing the entire budget on our web page at <https://www.cityofprineville.com>. We are also available to you for any questions, and can be reached at city hall (541) 447-5627.

Sincerely,

Steve Forrester



City Manager Steve Forrester



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Prineville
Oregon

For the Biennium Beginning

July 01, 2021

Christopher P. Merrill
Executive Director



Mayor Jason Beebe

Councilor Shane Howard

Councilor Janet Hutchison

Councilor Ray Law

Councilor Gail Merritt



Councilor Scott Smith

Councilor Steve Uffelman

Mission Statement

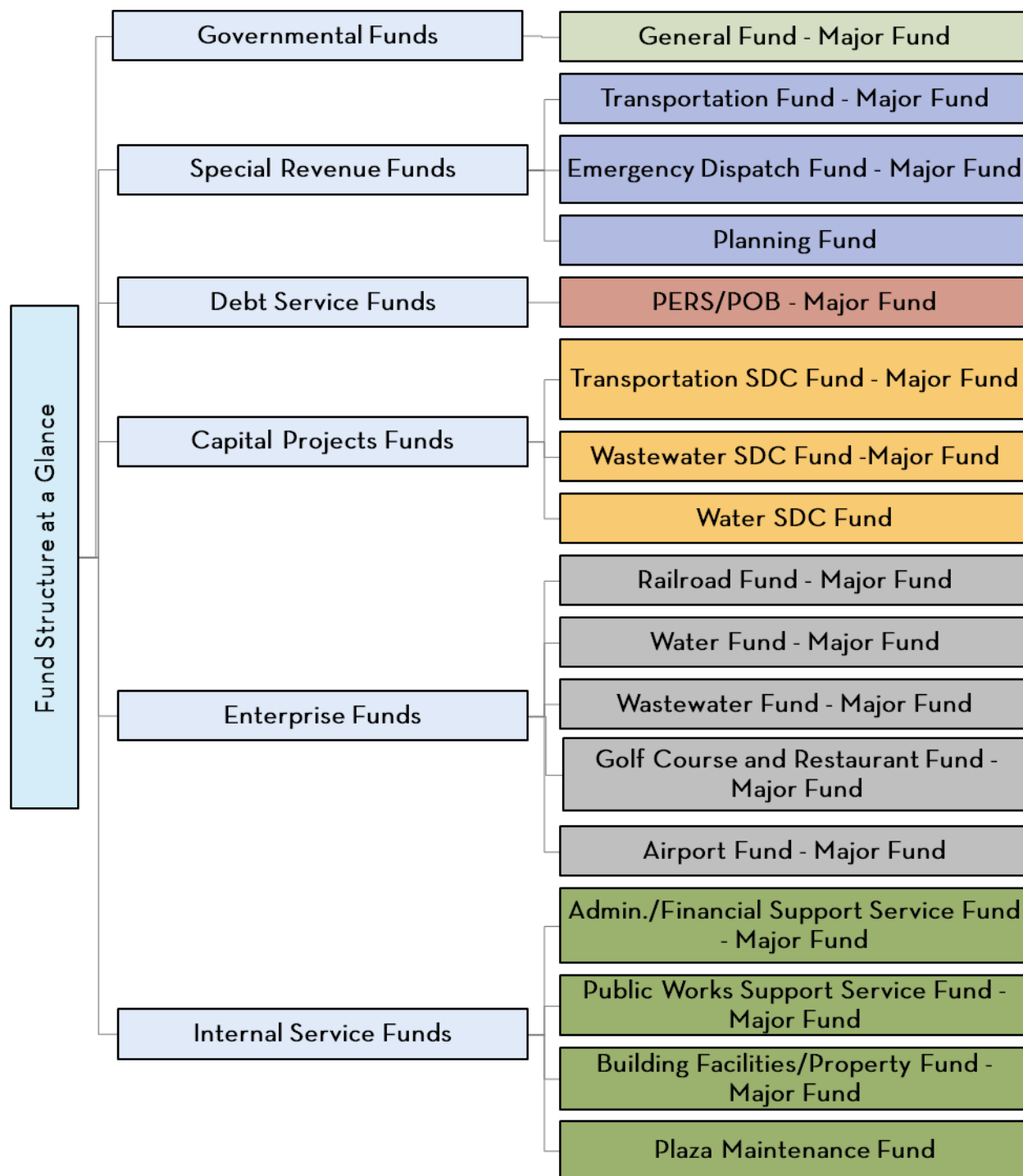
Adopted February 9, 2016

The City of Prineville provides quality municipal services and programs which contribute to our reputation as a desirable place to live, work and play.

We strive to improve our quality of life through transparency; open communication; investment in essential infrastructure; public safety; community programs; and business, while staying within the constraints of fiscally responsible government.

Beginning in fiscal year 2020, the City of Prineville began a biennial budget process. Budget totals, revenues and expenditures by fund, and amounts shown by type of expenditure are shown for a two-year period. This budget period begins July 1, 2023 and goes through June 30, 2025 (BN 25). This process allows for more effective use of staff time to focus on long-range strategic planning and modeling, processes and policy.

Fund Structure



The City's fund structure includes six different fund types and 17 funds. All funds in the fund structure are appropriated funds in the BN 25 budget.

City Council Goals



Fiscal Responsibility

Explanation of the Goal

The ability for a city to provide services for its citizens is highly dependent on fiscal responsibility. Managing public assets and leveraging those assets to create a community in which the public wants to live, work and play is the objective.



Provide Quality Municipal Services and Programs

Explanation of the Goal

The purpose of a local government is to supply goods and services necessary for the citizens it serves. The City of Prineville aims to provide quality services and programs through employee training and consistent evaluation, as well as working collaboratively and forming relationships with other local and state agencies. This provides a holistic approach to maintaining and improving the livability, desirability and reliability of the city.



Transparency and Effective Communication

Explanation of the Goal

The City of Prineville and its council are committed to practicing Equity, Diversity and Inclusion (EDI) principals to best serve the citizens of its community. Transparency and open communication are necessary in all the City does to inform citizens of its ability to deliver services and manage public assets. Transparency can be accomplished through effective communication, which enhances public relations and retains community trust.



Position City for the Future

Explanation of the Goal

In order to best serve the citizens of Prineville, the City must position itself for the future. By collaborating with its partners, the City sets objectives to anticipate and meet the community's needs for future growth, services and infrastructure.

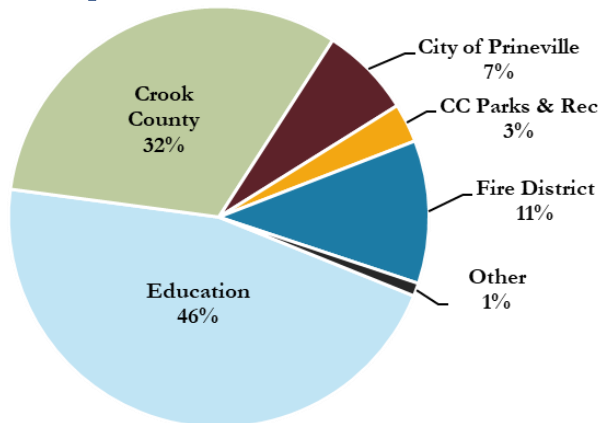


Community Safety

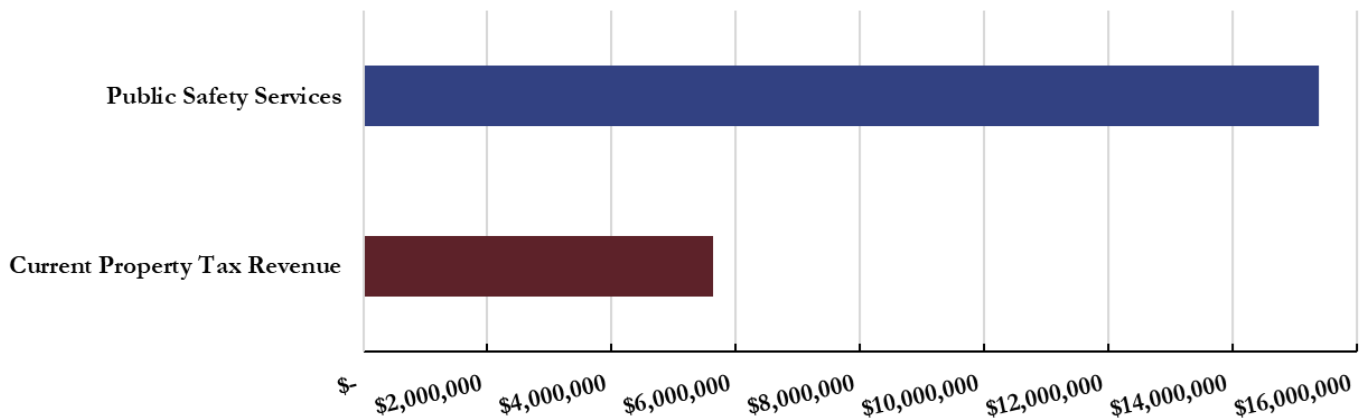
Explanation of the Goal

Ensuring the safety of the public is one of the City's highest priorities. The largest responsibility of this goal falls on the Police Department and Emergency Dispatch. It requires highly skilled officers, community trust and citizen involvement.

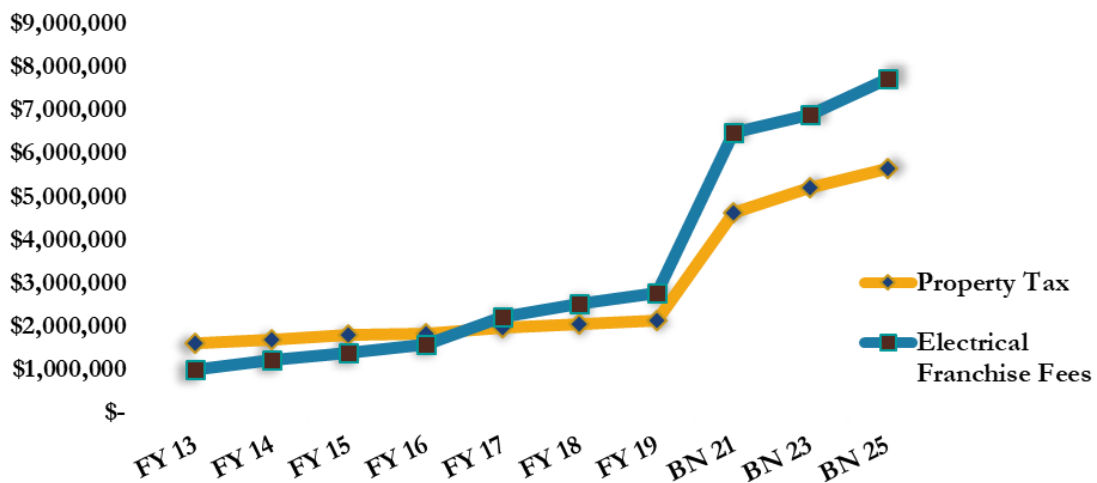
Where Do My Property Taxes Go?



Seven percent of your property tax dollars go to the City of Prineville. The City's current property tax revenue is projected to be \$5.6 million for the biennium 2024-2025 budget.

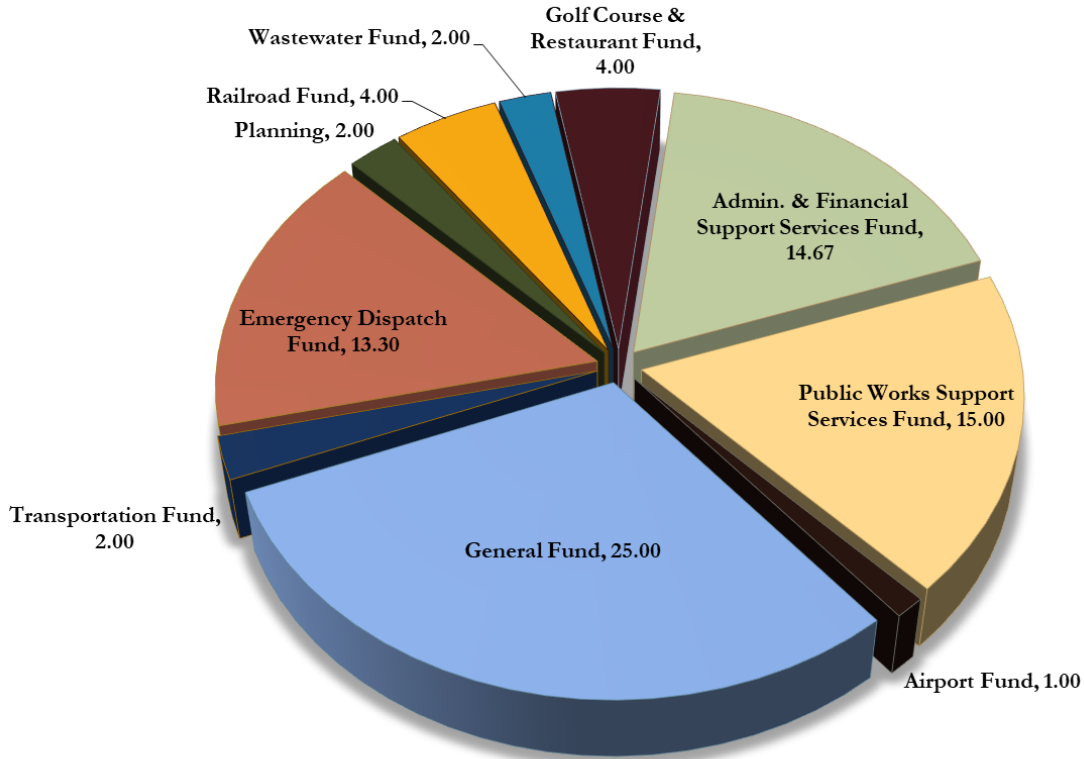


The remaining funding needed to pay for public safety services comes from franchise fees, intergovernmental sources, transient room taxes, and other fees and charges.



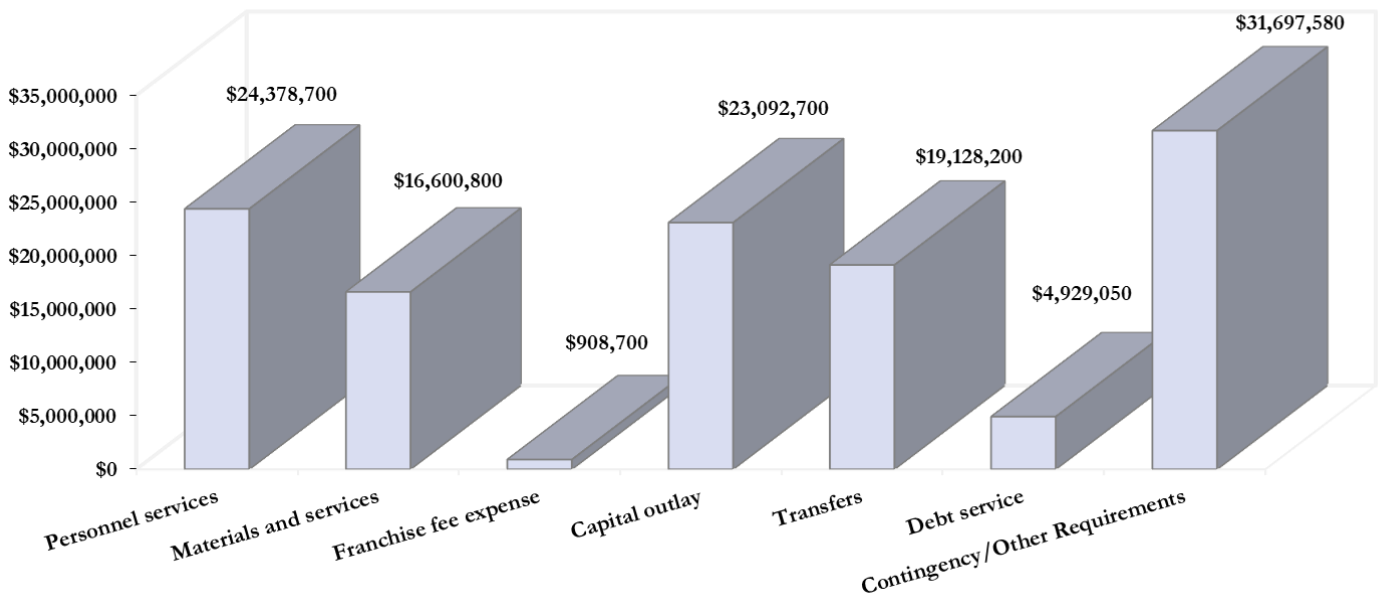
In the next biennium, franchise fees are estimated to increase roughly \$800,000. This is made possible by the expansion of the data center projects in our community.

Full-time Equivalent Employees



Full-time equivalent (FTE) for BN 25 totals 82.97, an increase of 5.00 FTEs over the prior biennium.

Expenditures By Type

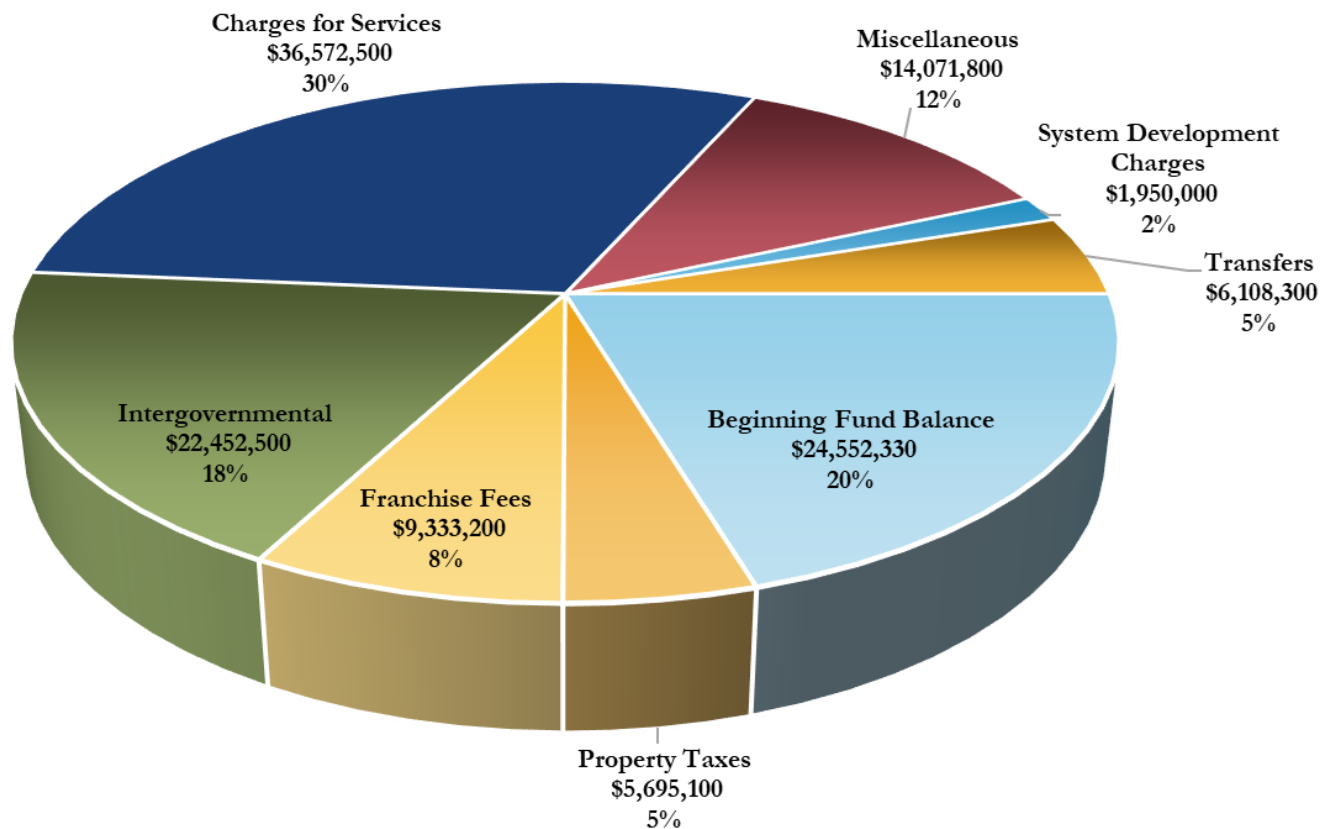


Approved budget for BN 25 totals \$120,735,730.

City of Prineville - Budget Summary (All Funds)

Fund	Beginning Fund Balance	Current Biennial Resources	Total Resources
General	\$ 2,610,081	\$ 18,332,400	\$ 20,942,481
Transportation	487,198	4,100,400	4,587,598
Emergency Dispatch	1,107,340	4,871,000	5,978,340
Planning	218,351	950,400	1,168,751
PERS / POB	1,427,357	1,500,100	2,927,457
Transportation SDC	11,054,372	15,075,000	26,129,372
Water SDC	180,913	11,765,000	11,945,913
Wastewater SDC	7,710	302,000	309,710
Railroad	1,354,624	2,061,000	3,415,624
Airport	100,068	1,732,000	1,832,068
Water	1,491,817	7,488,700	8,980,517
Wastewater	1,752,887	9,217,000	10,969,887
Golf Course and Restaurant	1,018,692	3,392,000	4,410,692
Admin/Financial Support Services	639,699	7,358,400	7,998,099
Public Works Support Services	520,752	5,206,200	5,726,952
Building Facilities Fund	551,197	2,791,400	3,342,597
Plaza Maintenance	29,273	40,400	69,673
Total	\$ 24,552,330	\$ 96,183,400	\$ 120,735,730

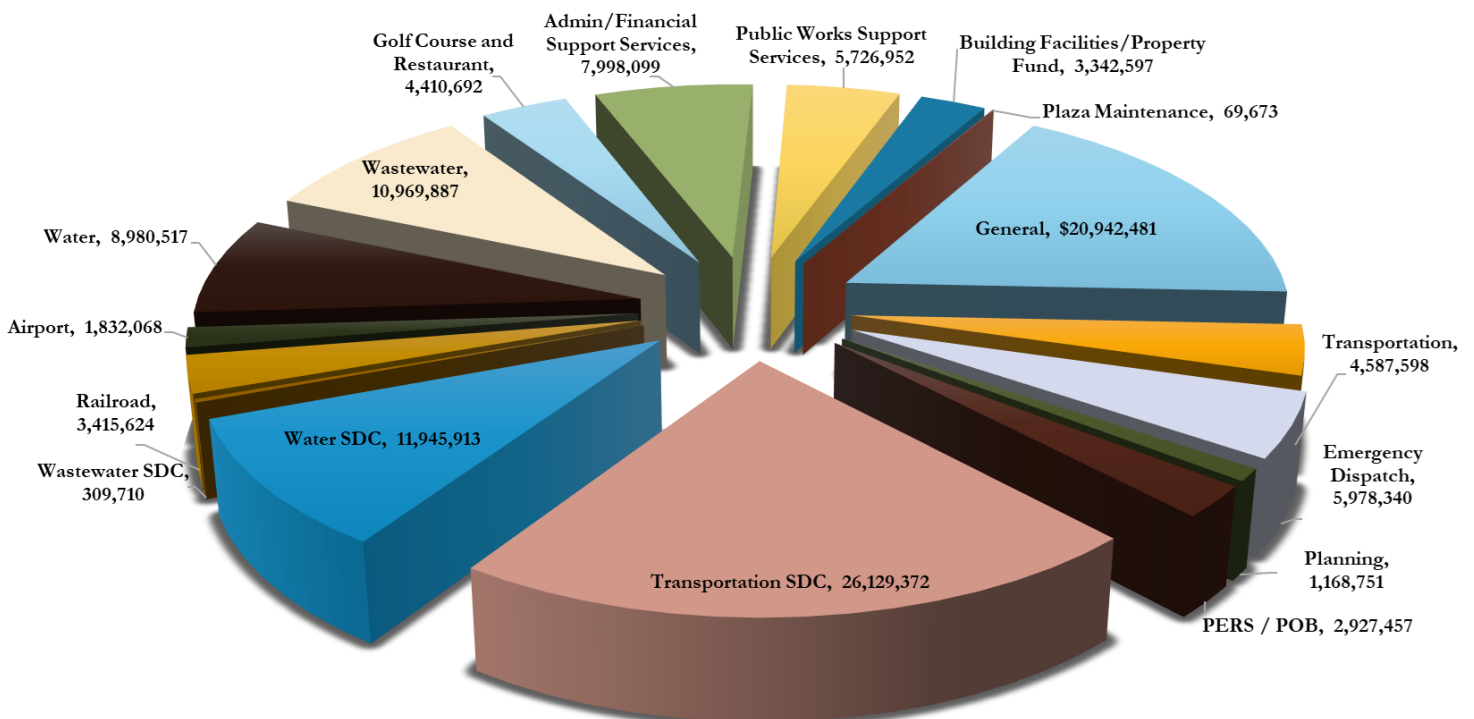
Current Biennial Resources



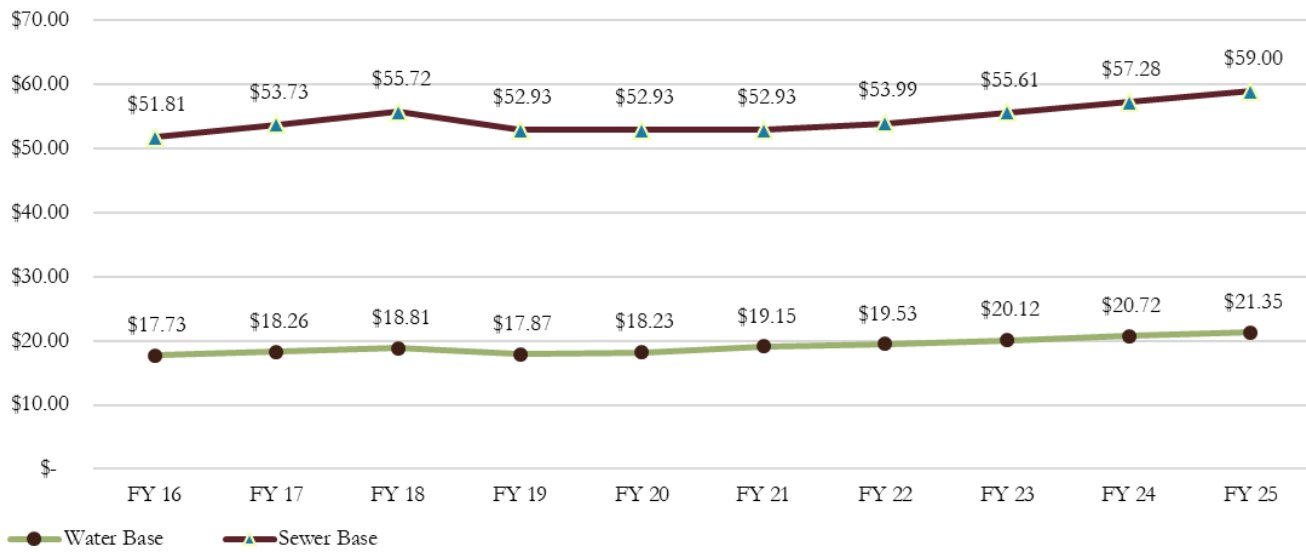
Biennium 2024-2025

	Current Biennial Requirements		Contingency/Reserves		Total Expenditures & Ending Fund Balance
\$	19,433,550	\$	1,508,931	\$	20,942,481
	4,273,900		313,698		4,587,598
	5,567,000		411,340		5,978,340
	1,026,800		141,951		1,168,751
	674,800		2,252,657		2,927,457
	5,565,000		20,564,372		26,129,372
	11,601,800		344,113		11,945,913
	278,000		31,710		309,710
	2,051,900		1,363,724		3,415,624
	1,723,500		108,568		1,832,068
	7,975,700		1,004,817		8,980,517
	9,666,200		1,303,687		10,969,887
	3,834,700		575,992		4,410,692
	7,458,300		539,799		7,998,099
	5,205,800		521,152		5,726,952
	2,654,000		688,597		3,342,597
	47,200		22,473		69,673
\$	89,038,150	\$	31,697,580	\$	120,735,730

Current Biennial Expenditures



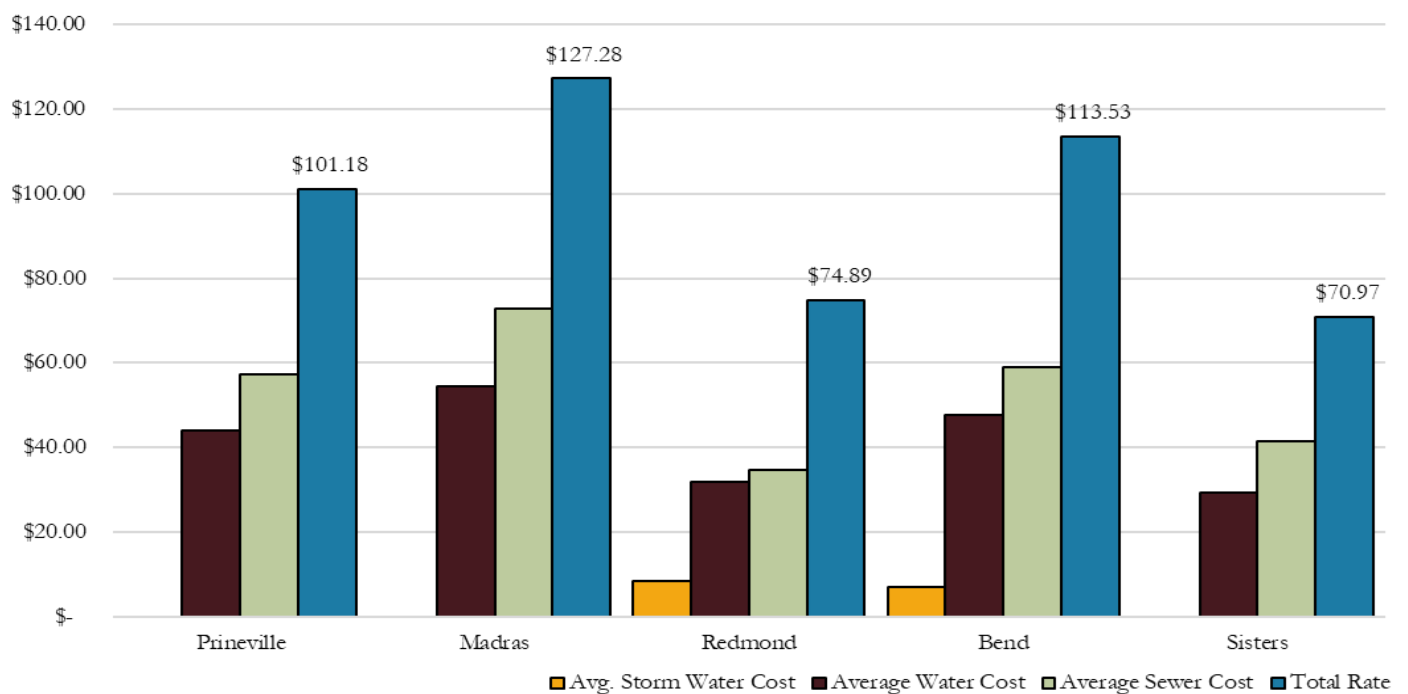
Water and Sewer Rates for BN 25



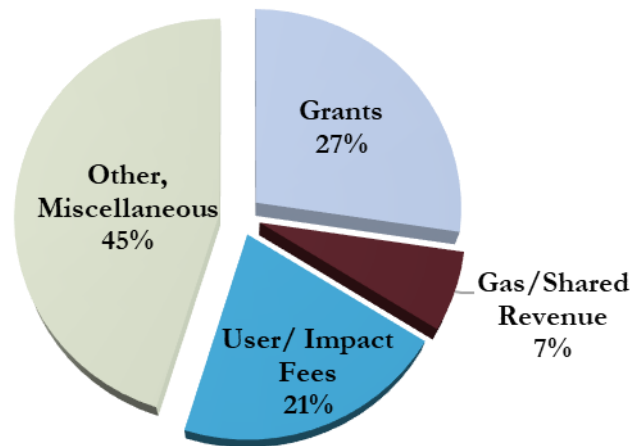
In FY 24 and FY 25, base and commodity water and sewer rates are budgeted to increase by 3 percent. Sewer commodity rate increases will not affect residential customers.

Regional Utility Rate Comparison

Rates for FY 24—Average 7,500 Gallons of Water Use

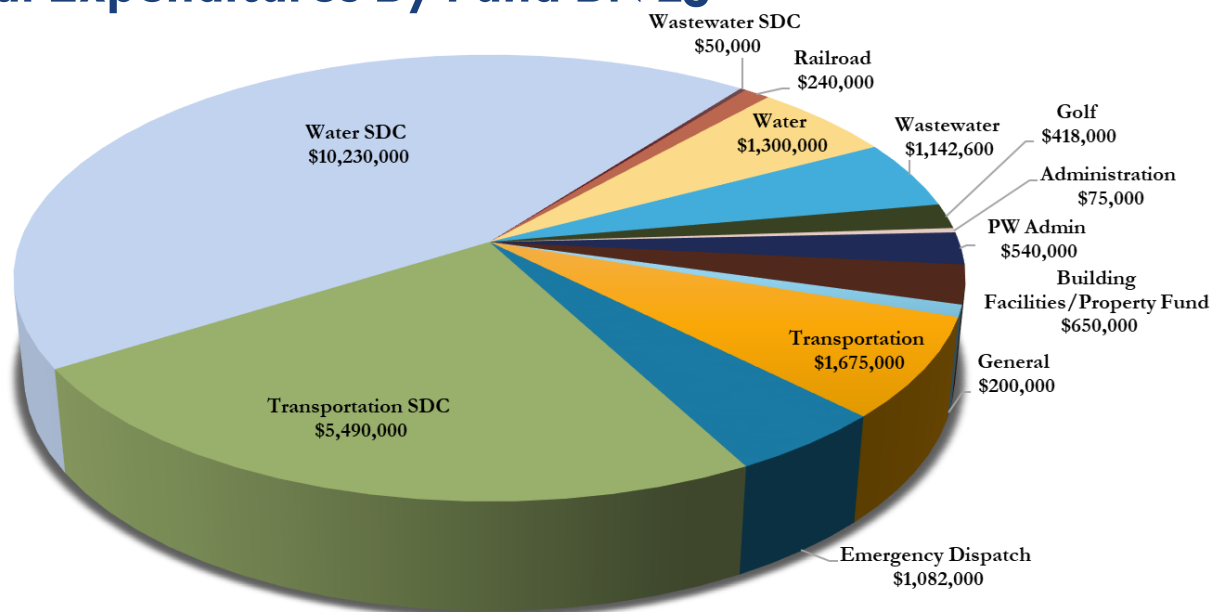


Capital Resources By Type BN 25



Of the \$23.1 million in capital improvements, \$6.3 million will be paid for through grants, \$1.5 million through intergovernmental revenue, \$4.8 million from user fees and fund balance, and \$10.4 million from franchise and other miscellaneous fees.

Capital Expenditures By Fund BN 25



The largest capital project in BN 25 is in the Water SDC Fund, totaling approximately \$10.2 million for the construction of a new water storage tank and distribution line. The second largest project is in the Transportation SDC Fund totaling \$4.5 million for the Combs Flat Road to Peters Road extension project. Emergency Dispatch is getting a phone system upgrade budgeted at \$842,000. In the Building Facilities Fund, significant projects are budgeted in the Barnes Butte Department for trail paving and paving the parking lot. Other budgeted capital amounts are primarily for recurring infrastructure maintenance and upgrades. Details on capital expenditures can be found online in the City of Prineville Adopted Budget BN 25 at <https://www.cityofprineville.com/finance>.

BN 25 Significant Capital Projects

Project Title: Airport Storage Tank & Distribution Line
Department: Water SDC



Project Description

The Airport Area Tank and Waterline Resiliency Project will provide increases to both the storage and distribution capacity of the City's water system. The project will increase storage capacity and provide increased fire flows serving the airport industrial area of the city. It will include an additional 1,000,000 gallon above ground storage reservoir and additional water distribution lines.

Budget Information and Projected Costs (In Thousands)

Actual FY 22	Projected FY 23	Budget FY 24	Budget FY 25	Projected FY 26	Projected FY 27	Projected FY 28	Projected FY 29	Projected FY 30	Total
\$ -	\$ 350	\$ 10,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,580

Total Projected Cost Breakdown (In Thousands)

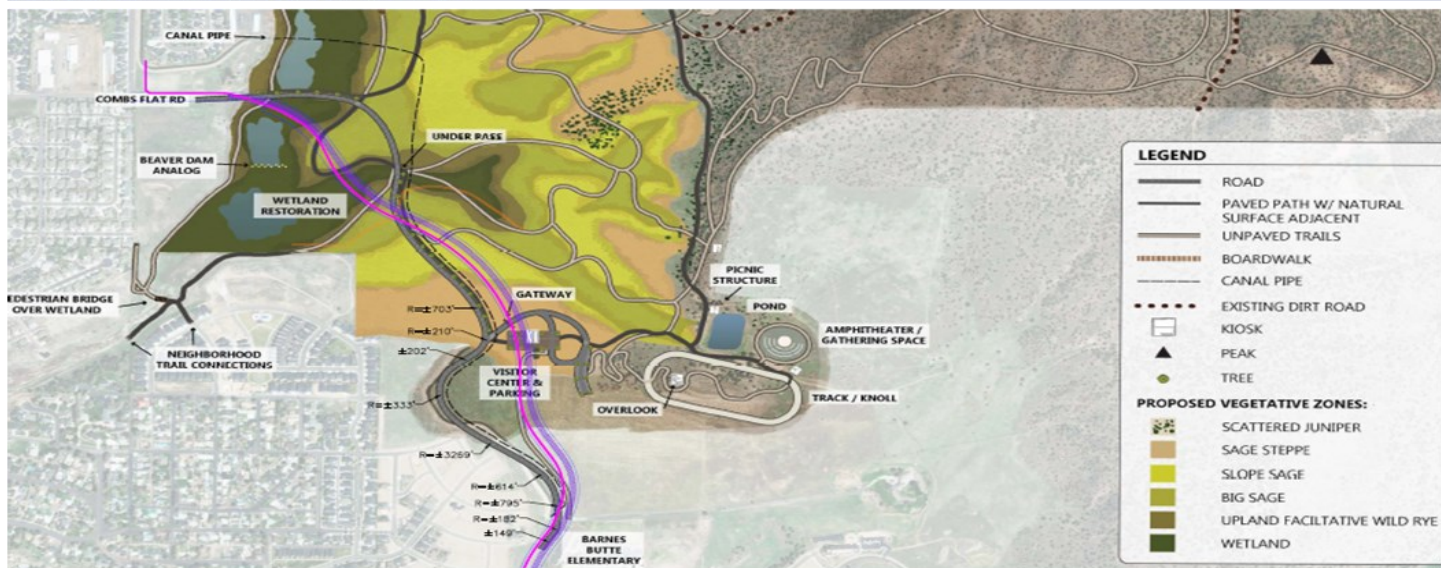
Design / Engineering	\$ 812
Construction	\$ 9,430
Right of Way Acquisition	\$ 338
Total	\$ 10,580

Funding Sources		Future Operating Cost Impact
Fund Balance	No	Increases in costs associated with maintenance and electricity are anticipated.
Intergovernmental	No	
Grant	No	
Debt Proceeds	No	
Other	Yes	

Key Drivers for CIP Project / Analysis of Need

As the City of Prineville grows, demands on the water system increase. This project was identified as necessary for serving the airport industrial area. That area has grown significantly in the last several years.

Project Title: NE Combs Flat Rd. Extension to Peters Road
Department: Transportation SDC



Project Description

The adopted 2013 City of Prineville Transportation System Plan identified the need to create an additional north/ south connection within the City transportation network. To accomplish this, the extension of NE Combs Flat Rd. to NE Peters Rd. was identified. In 2017, the City purchased 460 acres from Brooks Resources which now allows for this connection to be made. The facility is currently under design with the hope that stimulus funds may become available to construct.

Budget Information and Projected Costs (In Thousands)

Actual FY 20	Actual FY 21	Actual FY 22	Projected FY 23	Budget FY 24	Budget FY 25	Projected FY 26	Projected FY 27	Projected FY 28	Total
\$ 5	\$ 185	\$ 207	\$ 152	\$ 4,500	\$ -	\$ 17,500	\$ -	\$ -	\$ 22,549

Total Projected Cost Breakdown (In Thousands)

Design / Engineering	\$ 1,300
Construction	\$ 21,249
Equipment	\$ -
Total	\$ 22,549

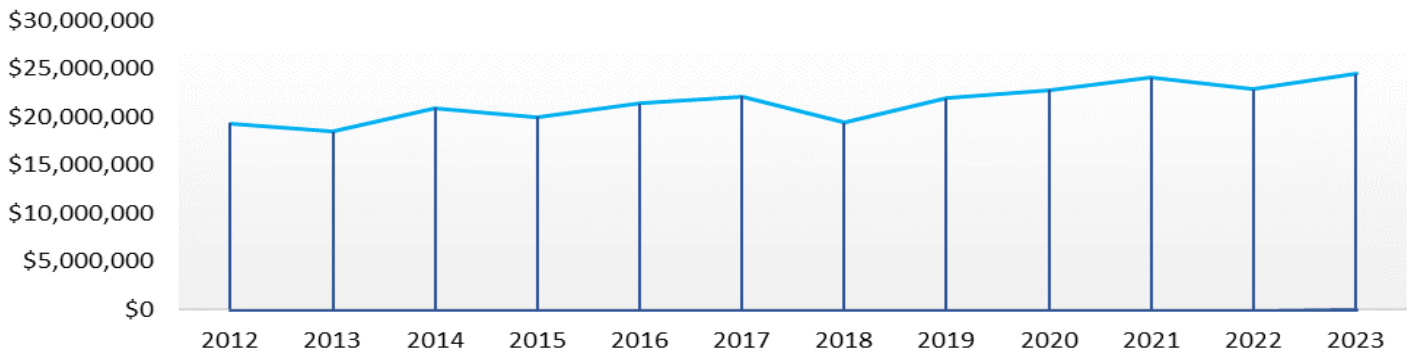
Funding Sources		Future Operating Cost Impact
Fund Balance	Yes	With the construction of new roads, future maintenance costs are incurred. The Transportation Fund will need to budget approximately 1 percent of the construction cost of the road every five years to maintain it in its optimum condition.
Intergovernmental	Yes	
Grant	Yes	
Debt Proceeds	No	
Other	Yes	

Key Drivers for CIP Project / Analysis of Need

The extension of NE Combs Flat Rd. to NE Peters Rd. will greatly increase north/ south connectivity within our community. Currently, only N Main St. provides this connectivity. If N Main St. is closed, a five mile detour is required. This road extension will alleviate this issue and is identified in the adopted City of Prineville Transportation System Plan.

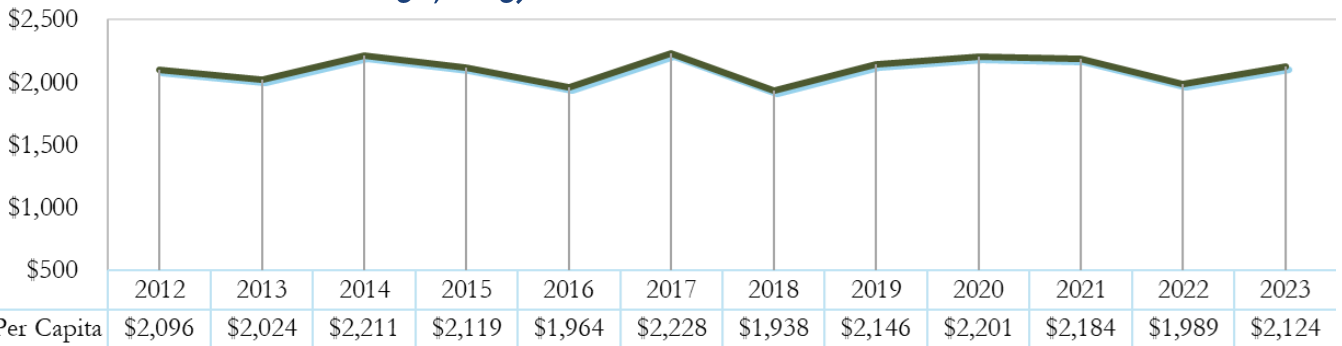
Total Outstanding Debt

(Unaudited and estimated as of June 30, 2023)

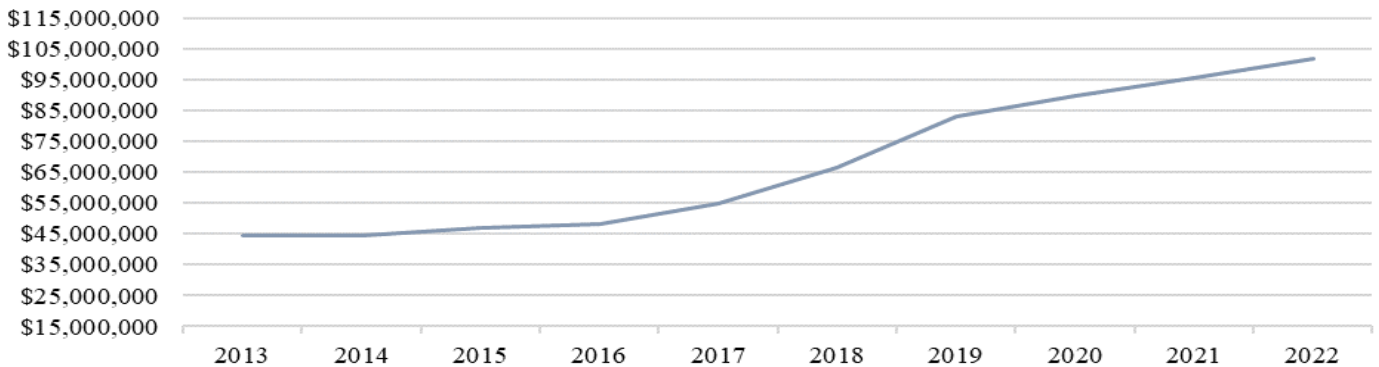


City's Total Debt Per Capita History

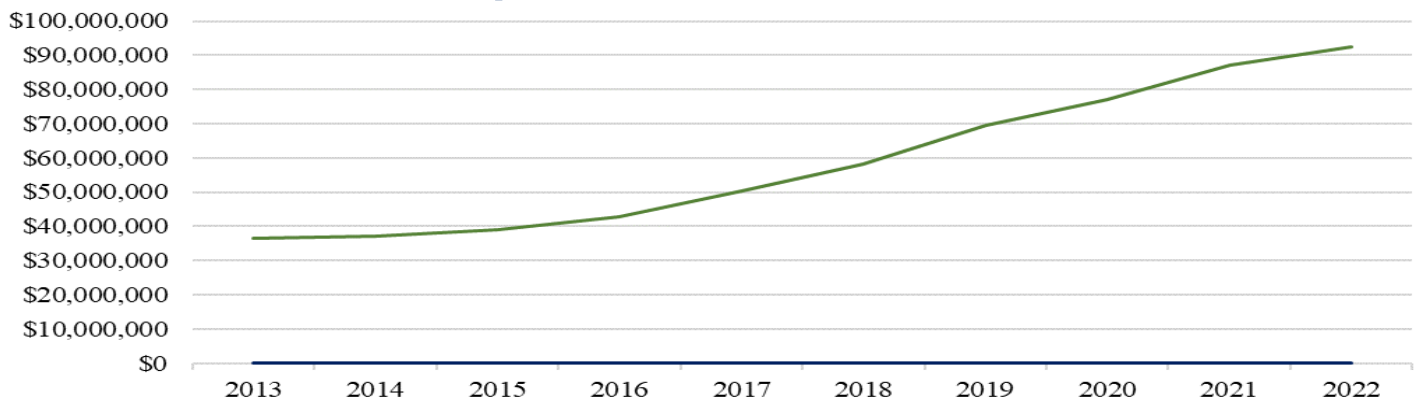
(Unaudited and estimated as of June 30, 2023)



Total Net Position



Net Investment in Capital Assets



Questions and Answers

Is the BN 25 budget balanced?

Yes, the City of Prineville's BN 25 budget is balanced at \$120,735,730.

What is the City's permanent tax rate?

\$3.0225/\$1000 of taxable assessed value.

What type of citizen oversight is provided during the budget process?

The Prineville Budget Committee approves the budget, comprised of an equal number of citizen members and elected officials. Citizen members have a number of votes equal to the elected mayor and city councilors.

How can I learn more about the City of Prineville budget?

Please contact Finance Director Lori Hooper at (541) 447-5627 or lhooper@cityofprineville.com.

Did You Know?

- The Transportation Department supports not only City departments, but also outside partners such as Crook County Parks and Recreation. In the last biennium, the department assisted in the paving of the basketball courts at Ochoco Creek Park.
- The Aquifer Storage and Recovery project, completed in BN 23, will store water during periods of cooler temperatures and low demands in the airport industrial area aquifer. This water will later be recovered during periods of higher temperatures and higher demands.
- The City's debt to total assets ratio is roughly 17 percent as of June 30, 2022. This means that only 17 percent of the historical costs of all the City-owned assets are currently leveraged with long-term debt.

Budget Document Facts

- The City of Prineville submits its budget annually to the Government Finance Officer Association (GFOA) for the Distinguished Budget Presentation Award Program.
- The budget is reviewed by three different reviewers, giving us suggestions on how to create a document that communicates better, is a better operations and financial guide, and a better policy document.
- For the 17th consecutive year, the City of Prineville was awarded the Distinguished Budget Presentation Award.
- The budget incorporates best practices that are recognized throughout the United States and Canada.
- To view the entire budget document please visit our website at <https://www.cityofprineville.com/finance>.



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