



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Prineville  
Oregon**

For the Biennium Beginning

**July 01, 2021**

*Christopher P. Morill*

Executive Director



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# City of Prineville Elected Officials

## 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.



Mayor Jason Beebe



Councilor Janet Hutchison



Councilor Shane Howard



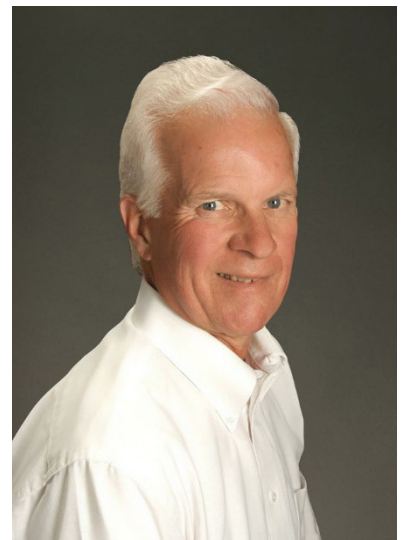
Councilor Raymond Law



Councilor Gail Merritt



Councilor Scott Smith



Councilor Steve Uffelman

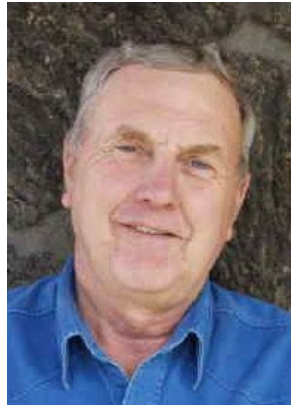
# City of Prineville Budget Committee



Marty Bailey



John Charles



Jerry Brummer



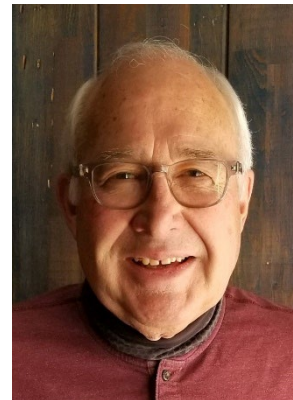
Casey Daly



Jeff Papke



Dr. Paul Slater



Marv Sumner

The City of Prineville would like to thank its city councilors and citizen members of the budget committee for their participation in the budget process for the BN 2024 – 2025. Without their time and input, crafting a budget with citizens’ best interests in mind would not be possible.

## Special Thanks



A special thanks goes to the Crook County Historical Society and the A.R. Bowman Memorial Museum for generously providing many of the photographs illustrating the history and growth of Prineville shown within this document. Citizens can visit the A.R. Bowman Memorial Museum at 246 North Main Street.



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## Attention

**If you are reading this budget in its PDF format, there are links included within the document to make navigation easier.**

- Page numbers and headings within the table of contents are linked to take readers to the appropriate page
- Starting in the “City Manager’s Budget Message” section, a table of contents button is located on the upper right hand corner of each page to take readers back to the table
- Referenced pages within body text are linked to their stated page numbers
- Each icon representing a Prineville City Council goal is linked to take readers back to page 39 within the “Strategic Planning” section that explains the goal
- Bookmarks are utilized in the document for all major headings and topics. If a bookmark has a + next to it, it can be clicked to open up a list of subheadings for that section
- Several external links are included to items referenced within the document, such as a YouTube video and regional rate comparisons

**If you wish to skip to information on individual funds and departments, but first want information on how to read these sections, please see the included documentation on the format on pages 147 - 152.**

Tip: If readers want to move back to the original page they were on before clicking a link and don’t want to have to scroll back, it is helpful to enable the previous view button within Adobe Acrobat. If it isn’t available on the navigation bar within the program, it can be enabled by right clicking the bar and selecting “page navigation” and clicking on “previous view.” A new button on the bar will appear that can be clicked to return to the previous view. Alternatively, pressing Alt + Left Arrow (Windows) or Command + Left Arrow (Mac OS) will accomplish the same thing.



City Manager's Budget Message



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# City Manager's Budget Message

Mayor Beebe, Prineville City Council members, Citizen Budget Committee members, and Citizens of Prineville,

On behalf of the City of Prineville's management team, Finance Director Lori Hooper and her team, and every City of Prineville team member, I present the biennial budget for the City of Prineville. This marks our third biennial budget. A biennial budget period is a 24-month period beginning July 1 and ending June 30 of the second succeeding year. For this biennial budget, the period commences July 1, 2023 and ends June 30 2025. The budget is presented by fund and department categories for a biennial period, during the transition from fiscal year budget to biennial budget the detail sheets will show a mixture of single-year budget data and two-year budget data, and the actual or estimated data from fiscal year budgets. Our team has worked to develop the financial stability that allowed us to move to a two-year format, allowing more effective use of staff time to focus on long-range strategic planning and modeling, processes and policy, and being able to extend project timing into a second year.



*City Manager Steve Forrester*

The City's budget is a working document utilized each day that provides our team with guidance to efficiently leverage every taxpayer dollar for the benefit of our community. We use the budget to measure efficiency, effectiveness, financial performance, strategic planning and continuous improvement opportunities. We compare our budget to the best award-winning budgets in the country to learn about what worked well for others in our efforts to develop "best practices" for the City of Prineville. We are very pleased to announce we received the Governmental Finance Officers Association (GFOA) Distinguished Budget Presentation Award for the seventeenth consecutive year. In addition, the City has also received the prestigious Certificate of Achievement for Excellence in Financial Reporting for the sixth year consecutively. The proposed Biennial Budget for 2024-2025 (BN 25) totals \$120,757,730. The General Fund total for BN 25 is \$20,942,481.

Each year the City Council and city staff updates the City's mission, principles and council goals, which serve as the foundation for strategic planning and our long-term financial modeling. We review our successes and build upon them and learn from our failures as we continuously improve processes to prepare for our future.

## Strategic Planning Process

The City's strategic planning process is developed from input and policies coming from the following committees:

- Finance
- Public Works
- Downtown Strategic Planning
- Railroad
- Public Safety
- Transportation
- Air Quality
- Economic Development
- Planning
- Community Fund



Our committees are made up of citizens, city staff and council members. Each committee reports directly to the City Council with recommendations. The City Council then develops strategic policy, goals and project priorities. Each City department aligns their resources with our City Council's goals. In addition to our committees, the City works strategically with Crook County, Crook County Fire and Rescue, Ochoco Irrigation District and many local nonprofit agencies. For more information on the City of Prineville's strategic planning process, please see page 33.

## Mission Statement

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 quality of life through transparency, open communication, investment in essential infrastructure, public safety, community programs and business, all while staying within the constraints of a fiscally responsible government.

## Council Goals

- Fiscal responsibility
- Provide quality municipal services and programs
- Transparency and effective communication
- Position the City for the future
- Community safety

## State of Local Economy

The City's economy is linked with that of the entire Central Oregon region. Within the last 15 years Meta and Apple constructed major data centers in Prineville, helping to diversify the economy. Prineville serves as a hub-community for residents of Crook County, with significant commercial and industrial development. The top 10 largest employers in Prineville include Les Schwab Distribution Facility, Rosendin Electric Inc., Crook County School District, Meta Data Center, Crook County, Ochoco National Forest, St. Charles Health Systems, Endura Products, Bureau of Land Management and Western Heavy Haul / SMAF. Additionally, agriculture plays a significant cultural and economic role in Prineville.

Our city and county, along with all of Central Oregon, continue to be one of the fastest growing regions in the nation. We remain focused on strengthening our business environment to recruit new businesses, as well as, retain and grow existing businesses bringing new family wage job opportunities.

The City has 14 companies taking advantage of tax abatements as of June 30, 2022, which has affected the local economy in a positive way. These tax abatements offer a long-term benefit to the community through capital investments, higher wage jobs and community investment. Since the program was initiated, there were 2,418 jobs created, \$10 billion in capital investments and any agreement over three years must pay employees at least 130 percent of the county's average wage. As of June 30, 2022, 9 of the 14 active agreements qualified for the wage requirement.

Oregon's unemployment rate ended FY 22 at 3.9 percent with Crook County ending at 4.7 percent according to the Oregon Employment Department. As of March 2023, Oregon unemployment increased roughly half a percent with Crook County increasing nearly one and a quarter percent as the United States Federal Reserve raises interest rates to counter historically high inflation. While unemployment has increased slightly, demand for goods and services remain steady. Supply chain issues seem to be waning and inflation is showing signs of slowing.

According to reports from the Central Oregon Association of Realtors, real estate sales volume for Crook County has been fairly consistent and predictable from 2016 through 2022. A significant drop in sales in Q3 of FY 20 was due to the COVID-19 pandemic. The pandemic generated a significant increase in home sales starting in Q4 of FY 20 and continued through FY 22 but peaked in FY 21. These sales also significantly drove up the median sales price. The median sales price from FY 20 to FY 21 saw a 51 percent increase from \$273,000 to \$411,000. Sales price in FY 21 to the end FY 22 saw an increase of 35 percent. This increase is due to material costs associated with supply issues and

continued high demand. As of November 2022, housing prices seem to have peaked and are starting to adjust downward with the rapid rise in interest rates. With demand still relatively high for the region, we are unlikely to see a collapse of the market. Housing prices in Central Oregon through FY 23 may find a new floor that is significantly higher than pre-COVID prices. Dwelling approvals for FY 22 include 112 single family and 347 multifamily for a total of 459 units. This smashed the previous record of 229 units set in FY 19. The increase is attributed to a single multifamily project of 328 units as well as a healthy increase of single family from 82 dwellings approved in FY 21 to 112. Dwelling approvals for FY 16 – FY 22 were 38, 76, 114, 229, 111, 88 and 459 respectively. The expectation is that single-family development will slow in FY 23 to around 60 single-family units as the market absorbs homes currently being built and adjusts to interest rate increase; with a high potential of another large multifamily development. With additional data center development, other small manufacturing industries moving into the community and an increase of retirees, the City will continue to feel housing pressure.

Continued data center development, as well as a noticeable increase in commercial and industrial development, has the potential to keep residential development stable even in an era of high interest rates needed to combat inflation. In the event of a national market downturn, it is possible that Prineville may be somewhat insulated due to the local and regional demand. Meta has completed nine data centers buildings totaling approximately 4.5 million square feet and are finishing construction of the last two roughly one million sq. ft. buildings. Apple is currently working on the construction of its third building and there are plans being developed for three more.

New commercial construction has seen a significant increase with several new buildings on the Ochoco Mill site including a large retailer (Wilco). There are still a few vacant structures such as the bank building at the corner of NW 3rd and N Main, but the old Brothers Restaurant is now fully occupied, the old bowling alley has been removed for the construction of the Justice Center, and the old Han's Pharmacy building has been removed to expand the Bowman Museum. With continued residential development, even at a slower pace, we can expect to see additional commercial development to serve those residences.

Industrial development continues in the Tom McCall Business Park, with continued interest in the Baldwin Industrial Park and Murphy Court Industrial Park. A zoning change to add a commercial node on Tom McCall Road was approved with development expected in late FY 23.

## City Financial Condition

For the biennial budget 2024-2025, 11 out of 13 funds are fully funded to policy levels in working capital and 11 out of 14 funds are meeting other emergency appropriation, capital project and debt service reserves. The City of Prineville's financial condition is based in stability and strength. In FY 15, the City was given a credit rating of A+ from Standard and Poor's, since that time we have refunded or paid off most of the City debt with private funding. Our lending institution has commented they are impressed with financial management and high credit quality. We remain committed to financial responsibility across all funds. We measure, compare and adjust as needed throughout the year.

## Financial Policies

The Prineville City Council approved changes to the financial policies in FY 19. No changes are proposed to the policies for BN 25. In FY 19, reserve policies were increased in the General Fund from five months working capital to six months and raised the 10 percent emergency reserve to 20 percent. Debt service reserve requirements were also added to all funds with debt service payments equal to one full year's debt service. Fund balance and reserve policies are an important indicator of the City's financial position. The policies establish the amounts the City will strive to reach and maintain. These amounts are expressed as goals, recognizing that fund balance levels can fluctuate from year to year in the normal course of operations for any local government. A more detailed description of policy reserve requirements can be found on page 63.

## Policy Analysis - Reserves by Fund for BN 25

Fund	Proposed Budget Reserves Amount	Working Capital Reserve Amount	Proposed Budget/Over (Under) Policy	Meets Working Capital Reserve Requirements	Five Percent Appropriation Reserve Amount	Debt Service Reserve	Total Policy Reserve Amount	Proposed Budget/Over (Under) Policy	Meets both Working and Appropriation Reserve
General *	1,508,931	1,668,875	-159,945	No	1,887,300	N/A	3,556,175	-2,047,245	No
Transportation	313,698	211,775	101,923	Yes	101,915	N/A	313,690	8	Yes
Emergency Dispatch	411,340	284,550	126,790	Yes	120,820	N/A	405,370	5,970	Yes
Planning	141,951	65,525	76,426	Yes	N/A	N/A	65,525	76,426	Yes
PERS/POB Fund	2,252,657	N/A	N/A	N/A	N/A	358,900	358,900	1,893,757	Yes
Transportation SDC	20,564,372	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water SDC	344,113	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater SDC	31,710	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Railroad *	1,363,724	835,300	528,424	Yes	460,405	N/A	1,295,705	68,019	Yes
Airport *	108,568	142,882	-34,314	No	43,460	N/A	186,342	-77,774	No
Water	1,004,817	486,740	518,077	Yes	196,535	317,415	1,000,690	4,127	Yes
Wastewater	1,303,687	537,230	766,457	Yes	239,003	976,315	1,752,548	-448,861	No
Golf Course and Restaurant	575,992	265,504	310,488	Yes	97,088	124,000	486,592	89,400	Yes
Admin/Financial Support Services	539,799	536,235	3,564	Yes	N/A	N/A	536,235	3,564	Yes
Public Works Support Services	521,152	362,850	158,302	Yes	N/A	N/A	362,850	158,302	Yes
Building Facilities/Property Fund	688,597	74,070	614,527	Yes	N/A	533,000	607,070	81,527	Yes
Plaza Maintenance	22,473	3,240	19,233	Yes	N/A	N/A	3,240	19,233	Yes
<b>Total</b>	<b>31,697,580</b>	<b>5,474,777</b>	<b>3,029,952</b>	<b>11 out of 13</b>	<b>3,146,525</b>	<b>2,309,630</b>	<b>10,930,931</b>		<b>11 out of 14</b>

\* General Fund maintains 20 percent of current year estimated revenue as appropriation reserve.

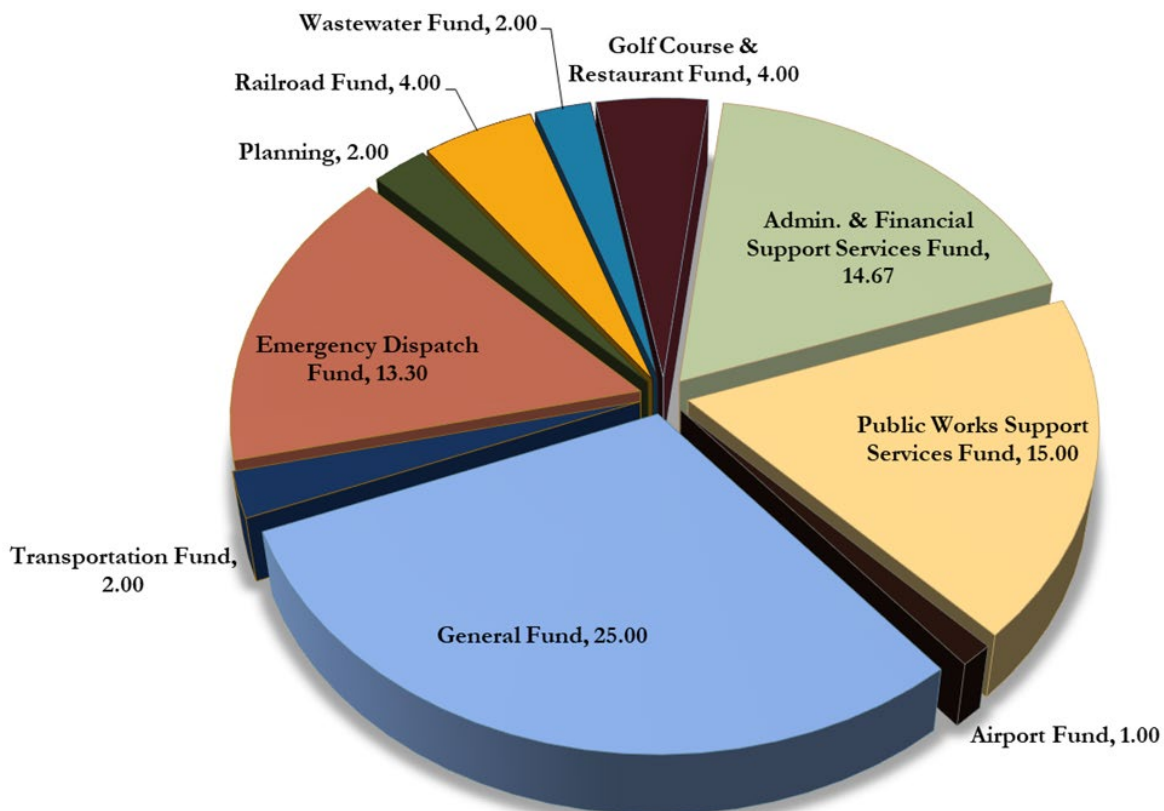
\* Railroad Fund shall maintain one year's operating expense and twenty (20) percent of total budget for capital reserve.

\* Airport is a joint venture with the City of Prineville and Crook County. Intergovernmental agreement states both parties will contribute annually any deficit to funding.

## City Team Members (FTE)

The City's most valuable asset is our team members. The City continues our heritage of investing in our staff with opportunities for education and certifications. We remain focused on health, wellness and safety for our team members. In the next biennium, we are adjusting our employment from 77.97 full-time equivalents (FTE) to 82.97. This is an increase of 5 FTEs. Changes include an increase of 1.0 in the Police Department, 2.0 FTE in Emergency Dispatch, an increase of 1.0 FTE at the golf course and the Public Works Department will add 1.0 FTE.

## FTE by Fund



The BN 25 budget reflects the City of Prineville’s commitment to all stakeholders in our community depending on us for safety and services. We are ever mindful of respecting the fact taxpayer dollars are an investment entrusted to our stewardship in order to provide effective and valuable services to our customers.

Our strategic planning, modeling and culture of continuous improvement guides the City for today and prepares us for our future needs. Working relationships with local, state and federal partners continue to develop and strengthen. We look forward to presenting to you the City of Prineville’s BN 25 adopted budget.

## Changes and Challenges in BN 25

1. Maintaining a financial position that allows for the capital to maintain City-owned assets and provide City services effectively.
2. Maintaining fund balances within adopted City policy levels.
3. Stabilize operational funding for public safety/911 dispatch.
4. Legislative initiatives to combat housing and homelessness.
5. Significant infrastructure needs for future development within the urban growth boundary (UGB).
6. Reduce staff turnover, increase training and secession planning including developing out the box ideas on both recruitment and retention of police officers and dispatchers to avoid long stretches of low staffing and maintaining staff certifications to meet the demands of increasingly technologically advanced infrastructure monitoring and control systems.
7. Code enforcement has been and will continue to be difficult with current staffing levels and unfilled open positions.
8. Managing the increasing costs and administrative burden on large projects associated with the expanding permitting and regulatory requirements.
9. Identify additional, sustainable revenue sources to fund street maintenance and improvements.

## Strategic Action Plan to Address Challenges

1. Have the discipline to manage reserve and contingency balances at or above policy levels, adjusting reserves for debt and capital coverage provides the City with stability.
2. Continue to increase the PERS/POB Fund, manage unfunded liability, reduce bonded debt and offset future State of Oregon Public Employee Retirement System (PERS) rate increases. This will further strengthen the City’s financial position.
3. Proactively update System Master Plans and system development charge (SDC) methodology to keep SDC fees competitive while effectively funding infrastructure expansions needed to serve growth.
4. Expedite the land use process to facilitate increasing low-cost and entry-level housing opportunities.
5. Continue to develop an investment grade municipal biomass energy project that leverages the need for more energy capacity in Central Oregon, active treatment of forest land, air and water quality, forest health, and community resiliency as related to a wildfire, Cascadia event and/or other natural disasters.
6. Update and improve the 911 dispatch five-year plan to facilitate providing 911 services to additional counties in the Central Oregon region.
7. Maintain Air Quality Committee programs and continue to monitor air quality to ensure our local air quality remains well above the DEQ PM 2.5 threshold for healthy air. Keeping the Air Quality index below DEQ threshold provides health benefits to our citizens and provides pathway for air permits to be issued for responsible economic development.
8. Seek out new ways to address retention and recruitment by teaching and recruiting those that graduate Crook County High school, attend local colleges, and are part of our military and utilize internships.

## Significant Accomplishments for BN 23

1. Prineville was labeled the [14<sup>th</sup> safest city in Oregon](#) in 2023 by safewise.com, moving up from number 25 in the previous year.
2. Prineville was ranked 9<sup>th</sup> as the [Most Dynamic Micropolitan](#) in the nation by Heartlandforward.org in 2022.
3. The City was Awarded the League of Oregon Cities Award for Excellence for the Aquifer Storage and Recovery Project and the Project of the Year Award from the American Public Works Association for the state-of-the-art Aquifer Storage and Recovery Water Treatment Facility.

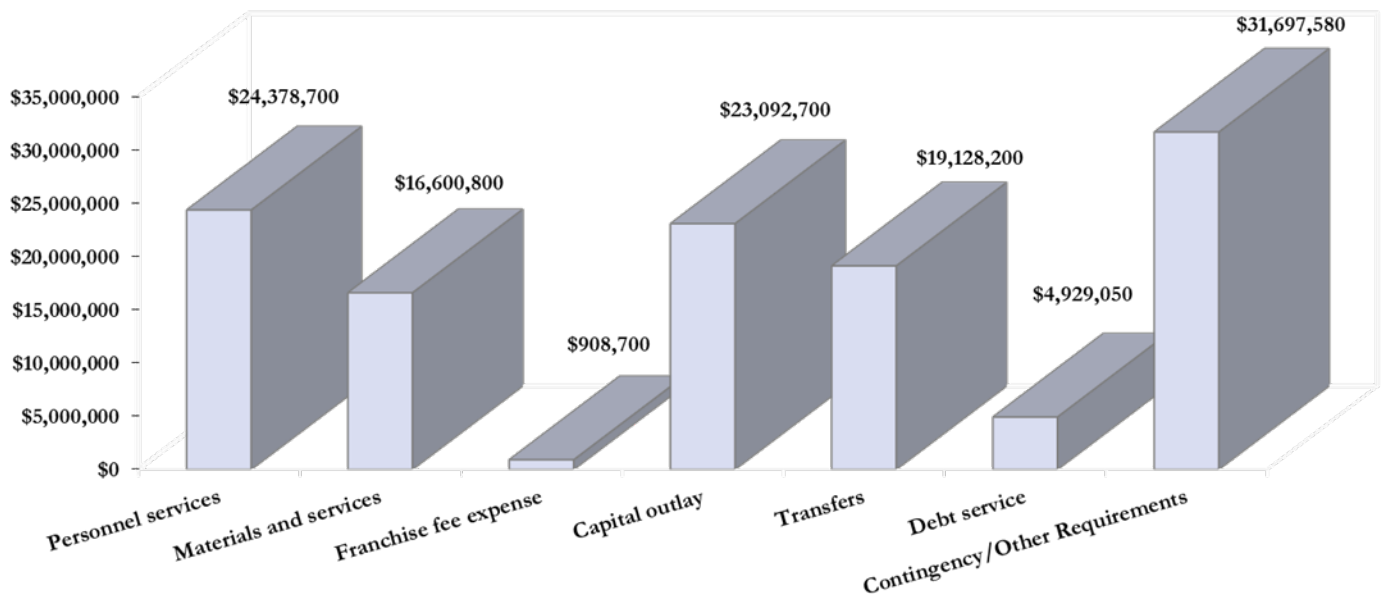
4. Inspected and evaluated the entire street network in accordance with Metropolitan Transportation Standards. The inspection showed the City has successfully increased the pavement condition index (PCI) rating of its street network through efficient investment of street maintenance and repair funds.
5. Completed improvements to the storm water collection system on NW 2nd St. mitigating local flooding issues.
6. Completed the installation of the “Maverick” horses and Prineville sign at the Tom McCall Roundabout along with site landscaping and lighting successfully providing the City with a welcoming feature representing the history and culture of the community.
7. Completed the construction of a 5k paved loop path at the Barnes Butte Recreation Area.
8. Assisted the Prineville Downtown Association in completing the installation of the new downtown arch.
9. Developed the downtown streetscape plan and secured funding for the first phase of improvements to enhance the sidewalk streetscape and increase pedestrian safety in the downtown core.
10. Completed the design of the Downtown Enhancement project funded by a \$3 million grant from State of Oregon House Bill 2017 and in partnership with ODOT. The project will greatly improve pedestrian safety, repair an aging storm water collection system and beautify the downtown core.
11. Completed the design of the critical NE Combs Flat Rd. to NE Peters Rd. extension project.
12. Completed the reconstruction of the traffic signal and intersection improvements at N Main St. and 10th St. which will greatly increase pedestrian safety.
13. The City updated the Water System Master Plan, Wastewater Facilities Master Plan and the corresponding system development charge (SDC) methodologies. The plan and SDC methodology updates provide the basis for keeping SDC fees and utility rates competitive while effectively funding infrastructure expansions needed to serve existing customers and projected growth.
14. Completed a wastewater re-use study that proved the viability of utilizing treated wastewater for certain industrial needs. The City will continue to pursue the development of a wastewater re-use project that will conserve water and reduce industrial demands on the City’s potable water system.
15. Rehabilitated and upgraded the capacity of three key municipal wells increasing the City’s source capacity, efficiency of operation and system resiliency. These system upgrades continue to strengthen the City’s water system providing the capacity to more reliably serve the existing customers and accommodate future growth.
16. The City continued the process of improving the efficiency of the water distribution system with replacement of approximately 3,450 feet of aging and undersized water lines and 400 outdated water meters. The City has now updated the majority of its water meters allowing more efficient monitoring of water usage throughout the City.
17. Completed a two-year industrial pretreatment study as required by Oregon Department of Environmental Quality (DEQ) and updated City Code of Ordinances to adopt the newly developed Industrial Pre-Treatment Program allowing the City to more equitably charge for industrial and commercial wastewater use as well as require wastewater meet certain standards before entering the public collections system.
18. Advance the knowledge and certifications of Public Works Department staff allowing the City to expand its capacity to manage advanced infrastructure. The City obtained Certified Erosion and Sediment Control Lead (CESCL) certifications for four of the public works team members increasing the City’s level of expertise.
19. Adopted a tiered rate structure for water and wastewater to more equitably allocate the costs of maintaining and improving the City water and wastewater systems.
20. Completed \$2.6 million dollars of airport improvement projects that included parking, taxiway and lighting upgrades.
21. Four new aircraft hangars built adding over 16,000 sq.ft. of building space.
22. Secured over \$6 million in funding in next two years for an aircraft storage hangar, to fill the demand and create revenue source for the airport, and a runway reconstruction project that renews and upgrades the Prineville-Crook County Airport’s second runway.
23. The Prineville Police Department received reaccreditation through the Oregon Accreditation Alliance.
24. A Health and Wellness Board was created at the Police Department and almost all of the department participated in health and wellness checks which revealed the need for immediate life altering changes for several employees.
25. The City of Prineville Railway completed its seventh and eighth consecutive year of financial stability allowing for reinvestment into capital projects that maintain this critical City-owned asset.
26. The City of Prineville Railway leased the last available track to Ed Staub Propane at Prineville Junction.

27. Railway continues to increase jobs in the Prineville/Crook County area through new business development and recruitment.

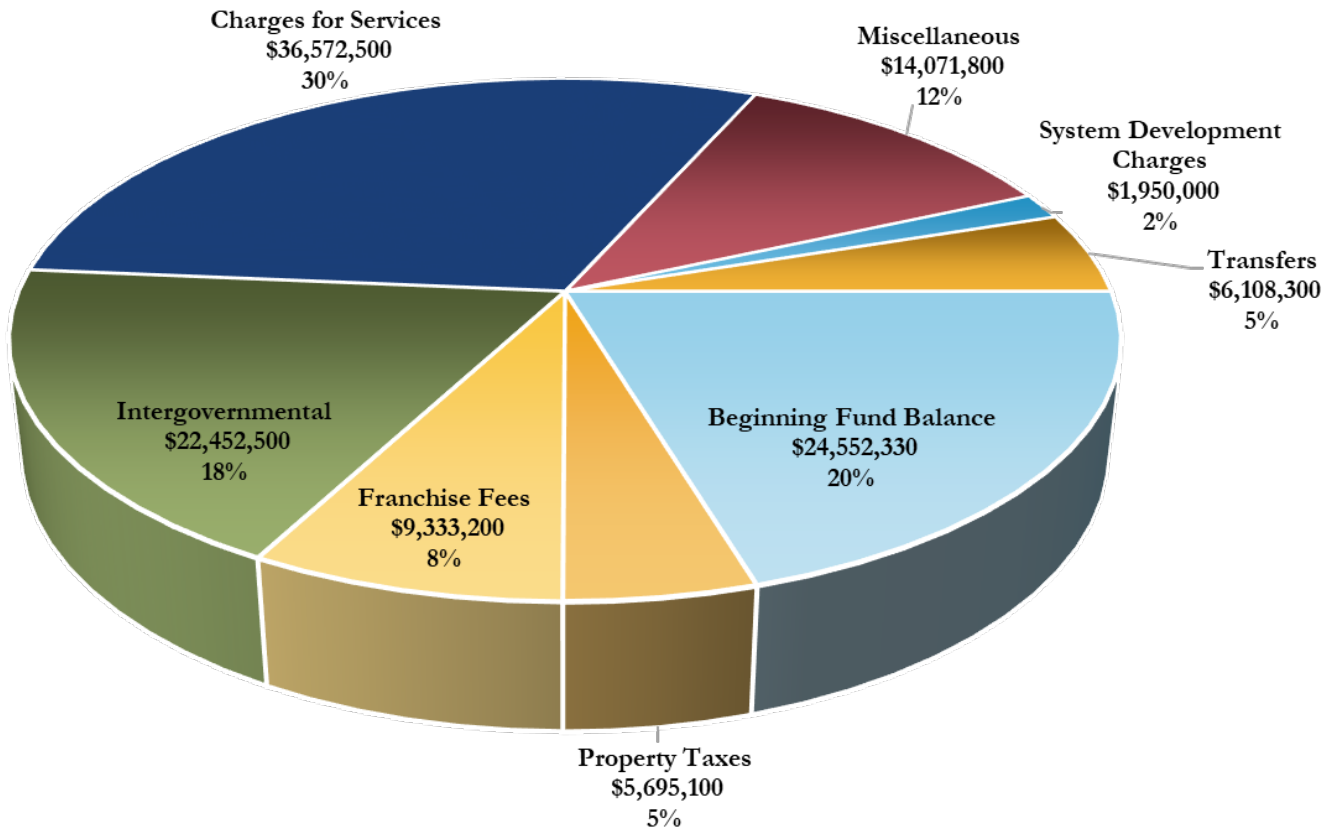


*The newest mural beautifying downtown completed the summer of 2023*

## Budget Overview



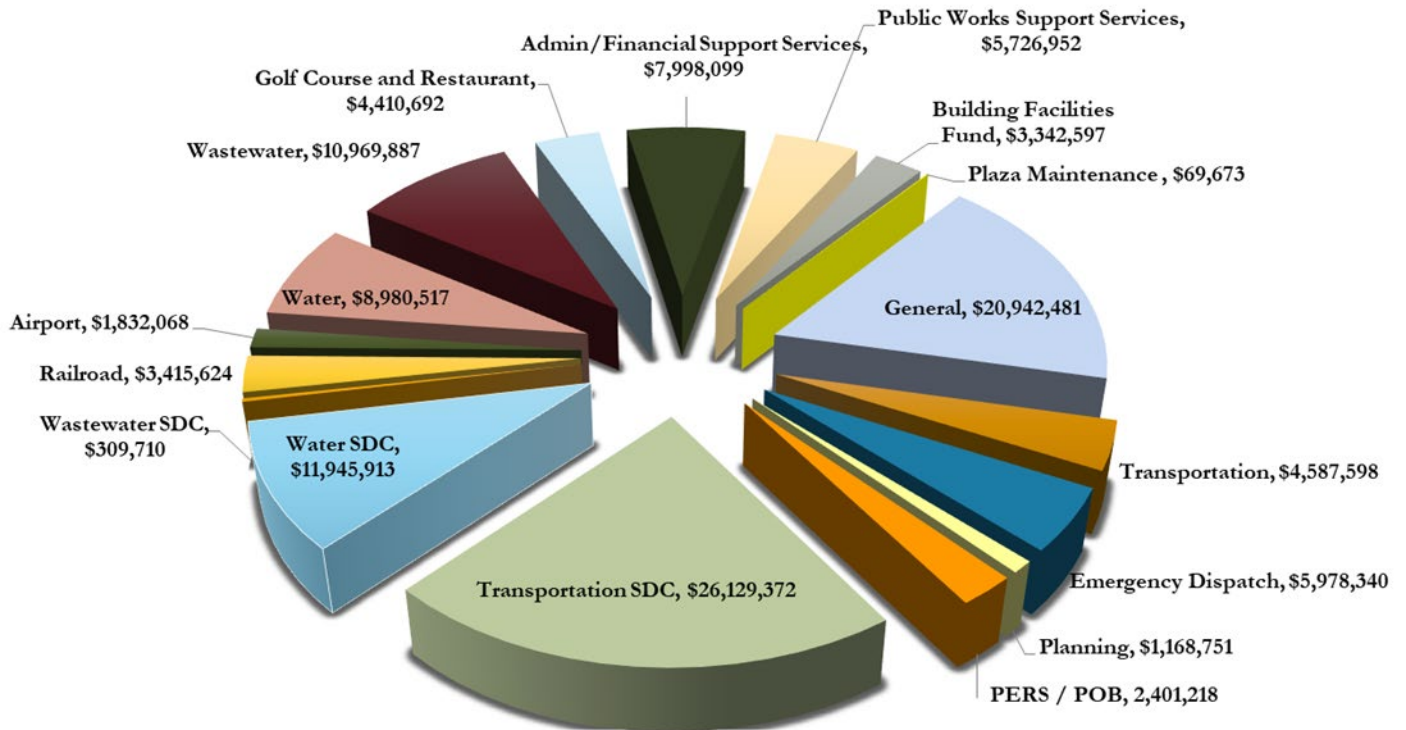
## Revenue Sources by Type



## Revenue Assumptions

Overall, charges for service in BN 25 total 30 percent of budget, or roughly \$36.6 million. BN 23 estimated revenue for charges for services is \$33.9 million and was 35 percent of budget. Beginning fund balance for BN 25 is 20 percent of budgeted resources, totaling \$24.6 million. In the prior biennium, balances totaled \$13.9 million, or 15 percent of budget. The increase is primarily the result of grant revenue budgeted for the Combs Flat Extension project that will be in progress over the next several years. The Crook County Assessor's Office is predicting property taxes to increase by approximately 3 to 4 percent, and the City is estimating 3 percent over the previous biennium. Franchise fees total 8 percent of revenue compared to 9 percent of budget in the prior biennium. Electrical franchise fee collection is budgeted to increase \$279,200 in the first year and \$185,000 in the second year of BN 25 with the continued build out of the data centers and price increases from the electrical utilities. Intergovernmental revenue for BN 25 is approximately 18 percent of the budget between grants, revenue sharing and other agency funds. Collection projections for the biennium for SDCs are based on 150 residential equivalent dwelling units and additional commercial assumptions throughout the community. For both years of the biennium, water and sewer customers will see their base rates increase by 3 percent. Commodity charges will also increase by 3 percent in both water and sewer. In January 2023, tiered rates were implemented to incentivize conservation. No debt is anticipated to be issued in BN 25.

## Total Requirements by Fund

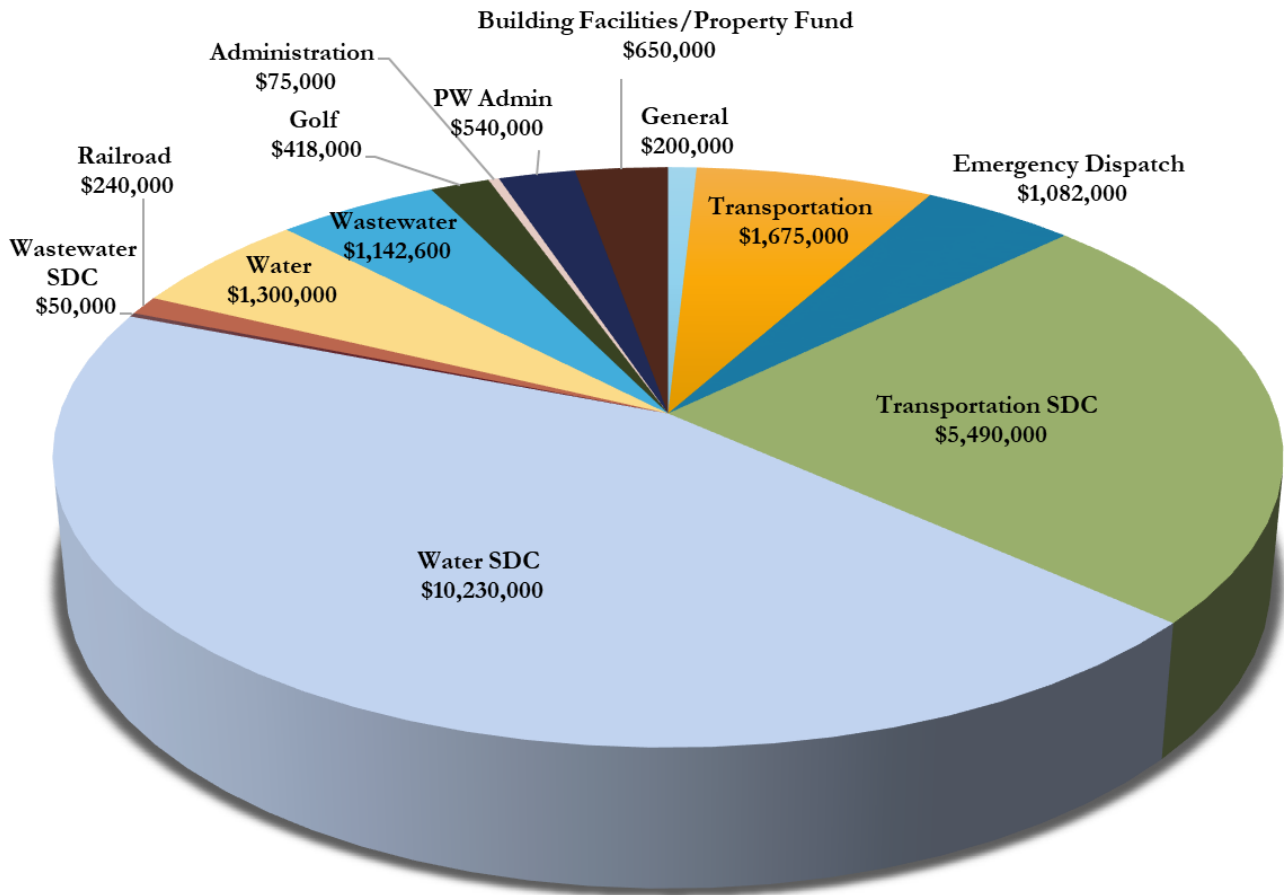


## Expenditure Assumptions

For the BN 25 adopted budget, personnel services increased approximately 19 percent over BN 21. Combined total personnel FTEs will increase by five in BN 25. The City of Prineville will meet union contract obligations and provide a modest increase for non-represented employees. Health insurance costs are estimated to increase 8 percent the first year and 10 percent the second year of the biennium. Retirement (PERS) increased for BN 25 between two and three percentage points, depending on the tier. Materials and services requirements are increasing roughly 5 percent over the next biennium. The increase in BN 25 is largely due to the increase in activity in the community, specifically affecting the City's enterprise funds and additional maintenance of equipment. Debt service requirements decreased approximately 63 percent for BN 25 due to City debt of \$8.1 million being refunded in September 2021 with additional dollars needed to fund the purchasing of new golf carts. The refunding with the additional dollars of roughly \$329,000 was secured at an interest rate of 1.21 percent resulting in significant saving in future interest payments. No new debt is proposed for BN 25. In BN 25, transfers decreased roughly 4 percent over the prior biennium. This is largely due to dollars being transferred from the General Fund to the Wastewater Fund for the Peoples Irrigation Ditch project and to the Water SDC Fund to support the ASR Construction project during the prior biennium. Contingency and reserve funds for the City total \$31.7 million at the end of the biennium, an increase over BN 23 of roughly \$7.1 million largely due to grant funding expected for capital projects that are expected to take several years to complete.



## Capital Improvements



The adopted budget for BN 25 includes approximately \$23.1 million in capital improvements to maintain or increase capabilities. Thirteen funds have budgeted capital improvements. The largest projects for BN 25 are budgeted in the Water SDC Fund in the amount of \$10.2 million, the Transportation SDC Fund totaling \$5.5 million and the Transportation Fund for \$1.7 million. Detailed descriptions of the capital outlay projects can be found in the Short- and Long-term Strategic Forecasting and Capital Improvement Plans section starting on page 107.

## Department Overview

### **General Fund**

General Fund budget total for BN 25 is \$20,942,481. The General Fund includes \$15,397,550 for police services for the next two-year period, compared to \$13,311,000 in the prior biennium. Also budgeted in the General Fund is non-departmental funding of \$4,036,000, and a contingency balance of \$1,508,931. This fund does not meet policy guidelines for City operating policy or the 20 percent emergency reserve policy that was increased in FY 19. Management was aware the target for reserve funds would take time to obtain when the policy was changed for the General Fund.

### **Public Safety and Dispatch**

Our citizen's safety is foundational to our community. Leadership of our Police Department consists of the Chief of Police Larry Seymour, Capitan Rob Gray and recently promoted Lieutenant Shane Wilson. The Prineville Police Department and 911 Dispatch are fully accredited through the Oregon Accreditation Alliance. The accreditation process insures the Police Department is using "best practices" in law enforcement, furthering our ability to continuously improve customer service to our community.

Chief Seymour and his management team deployed an environment of “procedural justice” principles as our foundation both internally and externally with the public. Although we have recently worked through the lowest staffing we have had in over 20 years, we are ending this fiscal year with a vast improvement to staffing. The Police Department is on par to be close to fully staffed (22 certified positions) by the end of 2023. We are still strongly committed and focused on filling our open mental health crisis officer to work with local health care professionals for those citizens that are in crisis and/or homeless. Having that officer is key to getting citizens who are temporarily struggling, the services they need to get back on their feet. When this position was filled we saw great improvements on getting subjects into drug/mental health court and had fewer issues in regard to livability type crimes around our city parks. The Police Department continues to be successful in strengthening the team by recruiting experienced law enforcement personnel into the ranks. We are well positioned with both leadership and staff officers for succession into the next generation of public safety professionals. Due to the numerous promotions and new hires, we are now more than ever committed to professional development through professional training. We have to continue to have outside the box thinking on the topic of recruitment, retention, technology and wellness.

Sam McKenzie leads our Emergency Dispatch Department, providing emergency communications and 911 services to the Prineville Police Department, Crook County Sheriff's Office, Crook County Fire and Rescue, and other local, state and federal agencies. The Emergency Dispatch Department has begun making to changes in staffing and processes to be able to provide 911 service to additional counties in the future.

As our community continues to grow – and demographics change – we are experiencing increased demand for calls and service.

### ***Planning***

Josh Smith is our planning director. Casey Kaiser, formerly our senior planner, has moved into the public works director position leaving a vacancy in the Planning Department. It is hopeful this vacancy will be filled by an associate planner in the new fiscal year. With support and guidance from our citizen member Prineville Planning Commission, the planning team continues to prepare our community for the present and the future. The planning team receives, reviews and facilitates all applications for new development within the City. In the last biennium, the development and construction of housing saw a significant increase in single family construction primarily in FY 22 over previous peaks, adding much needed housing availability to the market. The last biennium also saw an increase in potential new housing with the approval of two large apartment complexes of just over 300 units each and the approval of a 149-unit subdivision. As housing starts cooled in FY 23, commercial and industrial construction increased to fill the needs of our growing community as well as those of the Central Oregon region. It is expected the upcoming biennium will see steady commercial and residential development with industrial being the main driver of growth.

The Planning Department works with local and state agencies to insure the City keeps an adequate inventory of appropriately zoned land for future needs, updates comprehensive plans, facility plans and other ordinances vital to the operations of the City. The Planning Department, maintains a lead role in the continued revitalization of our downtown including supporting the Downtown Association in efforts to redevelop the downtown business core.

### ***Public Works***

Public Works Director Casey Kaiser leads our Public Works Department and team. The Public Works team is tasked with efficiently providing the community with water, wastewater and transportation services. The team is also responsible for operating and maintaining the City's technologically advanced infrastructure facilities such as the Aquifer Storage and Recovery System, including its state-of-the-art water treatment facility, and a 180-acre effluent disposal wetland.

During BN 23, the team successfully met the challenge of expanding the City's infrastructure to accommodate the rapid commercial, industrial and residential growth. The rapid growth also drove the need to update the City's long-term plan documents. The Public Works Department, with support from the Planning Department, completed updates to the Water Master Plan, Wastewater Facilities Master Plan and corresponding SDC methodologies. Our SDC fees remained competitive throughout BN 23 and we are well positioned to remain so into the future. We continue to focus on innovative technology, efficient use of resources and advancing the training and education of our team members to provide high quality municipal services at competitive rates to the citizens of our community.

Highlights for the biennium include:

- Implemented a tiered rate structure to more equitably divide the costs of operating and maintaining the water and wastewater infrastructure among rate payors.
- Updated the Water Master Plan and Wastewater Facilities Master Plan.
- Won the League of Oregon Cities Project of the Year Award for the ASR Water Treatment Facility.
- Won the American Public Works Association Project of the Year Award for the ASR Project.

### ***Transportation***

Street Superintendent Scott Smith retired after serving the City for 34 years. Scott helped the City in transitioning Justin Severance into the role of street supervisor. Justin and his team continue to maintain the City of Prineville street network in an acceptable condition with limited funds. The street network is the City's largest asset with a current value of 111 million dollars. All planned maintenance activities were completed in BN 23 and the City's PCI was increased from an average of 74 to 75. The City has been consistently raising the PCI rating since its initial rating of 71 when the first comprehensive pavement conditioning inspection was completed in 2008. Further inspections have occurred every other year with the last inspection done early 2023. The goal of the Transportation Department is to maintain a reasonable PCI rating with the amount of available funds, which is ideally a calculated overall PCI average of 82 to 85. This level provides the optimum longevity of the wearing surfaces with the minimum investment level.

In the budget biennium, the design of the critical NE Combs Flat Rd. to NE Peters Rd. extension project was completed and funding was secured for the first phase of the project which includes piping the currently open Ochoco Irrigation District canal running adjacent to the road. The Transportation Department also completed the installation of the "Maverick" bronze statue in the Tom McCall Roundabout, the 2nd Street Stormwater Improvement project, a 5K paved loop trail at Barnes Butte Recreation Area, and a streetscape and sidewalk improvement plan for the downtown core.

### ***Water and Wastewater***

The City continued to make improvements to the water system capabilities and capacity to meet both current and future needs. Construction was completed on the water Aquifer Storage and Recovery project which included a state-of-the-art water treatment facility and advanced well field. The City continues to develop innovative and sustainable projects to expand the capacity of the water system. In 2022, the City was awarded the Project of the Year Award from both League of Oregon Cities and the American Public Works Association for the groundbreaking ASR Water Treatment Plant.

The City's effluent disposal wetland has provided inspiration for other cities to pursue similar projects to expand their wastewater treatment capacity effectively influencing positive environmental impacts well beyond the Prineville City limits. The Crooked River Wetlands Complex has not only provided the capacity to serve the current needs and future growth of the City, but has also become a recreation destination for locals and visitors who enjoy the many trails and wildlife viewing activities. In an effort to employ another innovative solution to disposing of treated wastewater and meeting industrial water needs, the City conducted an initial feasibility study on re-using treating wastewater for certain industrial water applications.

Highlights for the biennium include:

- Rehabilitated and upgraded the capacity of three key municipal wells, increasing the City's source capacity and efficiency of operation.
- Installed approximately 3,450 feet of new waterline to replace existing aging and undersized water lines.
- Continued water conservation activities. Allowing the Water Department to serve more customers with existing infrastructure.
- Replaced approximately 400 aging and outdated water meters continuing the implementation of remote operation and allowing more efficient monitoring of water usage throughout the city.

With the City's thoughtful planning of innovative projects, rates are projected to remain stable for our customers while capacity needs are met well into the future.

### ***System Development Funds***

The City is forecasting and planning SDC funding to develop our infrastructure to meet projected future demands. The City continues to be successful in leveraging SDC funds to obtain grant revenue for large projects to expand the capacity of the water and wastewater infrastructure. This strategy has allowed the City to accomplish projects such as the Crooked River Wetlands Complex, wastewater reuse, aquifer storage and recovery, and significant transportation projects.

### ***Railroad and Freight Depot***

General Manager Matt Wiederholt and the City of Prineville Railway team moved this strategic fund to operational stability for the seventh and eighth consecutive budget year. The railway received the JAKE award for no reportable injuries from the American Short line association for the 18<sup>th</sup> consecutive year. To achieve this honor, each member trains 80 hours per year on Railroad specific crafts. Investing in maintenance and personnel development is allowing the Railway to keep this key asset in compliance with the Federal Railroad Administration (FRA) and to meet the increasing needs of our customers and business development. Currently the railway has over 50 customers utilizing the asset with over 200 direct jobs attributed to the railway. Safety and railroad preservation will continue to be the top focus moving into the next budget cycle.

### ***Prineville-Crook County Airport***

Airport Manager Kelly Coffelt and his team continue to develop the Prineville-Crook County Airport into a major transportation and economic engine for our community. In partnership with Crook County, activity at the airport continues to grow. New land leases have been established, four new hangars were constructed in BN 23 and rental hangar occupancy remains near 100 percent.

The goal continues to be to support and encourage new business interest and hangar space development. In BN 25 there are construction plans for an 11,500 sq. ft. hangar storage building, reconstruction plans for the airport's crosswind runway and to complete the planning and design of the north side development area of the airport property.

### ***Meadow Lakes Golf Course and Restaurant***

Led by Golf Manager Zach Lampert, the Meadow Lakes team continues to provide Prineville residents and visitors with one of the best public golf experiences in the State of Oregon. Meadow Lakes Golf Course has been recognized by a number of local and national media outlets for its staff friendliness, course conditions and value. *Golf Pass* ranked Meadow Lakes #13 for "Top Courses in Oregon" in 2023. The course was also recognized as an "environmental leader" by Golf Digest and "Central Oregon's best golf value" by the Bend Bulletin. Meadow Lakes celebrated its 30<sup>th</sup> Anniversary in 2023.

Meadow Lakes also offers one of Prineville's most scenic dining venues. In 2019, restaurant operations were leased out to a third party in an effort to provide financial stability for the Golf Course Fund. To date, the lease saved the operation nearly \$100,000 per year. This number is expected to increase over the next biennium as the lease structure shifts from a flat monthly fee for the initial term of the agreement to a revenue-based payment moving forward.

Calendar year 2022 and FY 22 marked new revenue highs in all major golf course revenue streams. Total revenue increased by 8 percent in FY 22 over FY 21 and ending fund balance increased approximately 41 percent through the biennium. The increase in revenue coupled with the savings from the restructuring of the restaurant allowed management to focus on capital improvement projects totaling \$135,000 in FY 22 and address deferred maintenance of the facility in order to keep this asset for the City in top condition. This was the most spent in one year on capital improvement projects that did not require a loan or transfer.

Meadow Lakes Golf Course and Restaurant is truly one of Prineville's featured amenities for local residents, civic organizations as well as golfers from all over the Pacific Northwest to enjoy.

### ***Financial and Administrative Services***

Finance Director Lori Hooper and her staff continue to adapt to changes and challenges to the City's financial performance. The team embraces continuous improvement to practices and continues to recruit and develop a multi-functional, cross-trained staff that is providing the City Council and community with timely and accurate financial information and award-winning budget presentations. The City – for the seventeenth consecutive year – received the prestigious Distinguished Budget Presentation Award from the Government Finance Officers Association. For the sixth consecutive year, the City received the coveted Certificate of Achievement for Excellence in Financial Reporting for the annual comprehensive financial report for FY 21 and is awaiting results for FY 22. Although the award recognition is appreciated, the City applies for these awards to have the budget and comprehensive financial statements critiqued by experts from around the country to help improve the documents for its citizens. The City's commitment to fiscal responsibility, short- and long-term strategic planning, and modeling allows the City of Prineville to maintain its high credit quality.

### ***Human Resources and Safety***

Human Resources Director Darla Rhoden provides guidance and support to all City departments in recruiting and retaining a diverse workforce that is committed to providing quality service to our community. Through policy direction and training efforts, Human Resources helps reduce the risk of employment-related legal claims and work-related injuries. Human Resources promotes positive labor-management relations through collaboration, open communications, and fair and inclusive employment practices.

Safety continues to be a priority for our entire team at the City. City Recorder Lisa Morgan, the City's risk manager and safety coordinator, along with our Safety & Wellness Committee has developed and implemented a Safety & Wellness Incentive Policy. This is intended to keep our team members actively engaged and focused in the practice of safety and wellness with fun department challenges. The Safety & Wellness Committee also reviewed and updated all emergency action plans for each facility.

On the risk management side, we have completed a best practices analysis of all City operations with a score of 91 out of 100 percent, an 8 percent increase. We are in the process of developing a continuity of operations which is very time consuming and requires input from every department. This process is anticipated to span several years.

### ***Information Technology***

The City's Information Technology (IT) Department led by James Wilson and team continues to provide the City with a stable IT platform to conduct City business. IT's responsibility increased significantly since the beginning of the CV-19 pandemic and increased staffing was needed. In BN 23, the IT Department restructured and increased its FTEs by .66.

Much of the IT Department's resources have been directed to adapting many City work processes to paperless and virtual workflows while implementing diverse technology platforms to support remote workers and provide citizen engagement. Work continued on migration to a P25 next generation radio system while facing supply chain delays. The IT Department also successfully consolidated infrastructure and migrated to a hyper converged technology platform. This system provides stability and predictable growth for digital assets into the future.

## **Budget Summary**

The City's commitment to continuous improvement in budgeting, strategic planning and long-range modeling provides the foundation to develop this proposed BN 25 budget. Our team is ever mindful of our city's history and culture. Our work reflects a commitment to protect our heritage while we move forward in time. We believe that Prineville is a place where the "future meets the frontier." We remind ourselves each day that every citizen is our customer and stakeholder, and our citizens' tax dollars are entrusted to us to provide City services effectively and responsibly.

Over the last several years our community experienced unprecedented challenges. We have successfully managed to keep our community safe and maintained operational effectiveness, providing continuity of City government and delivery of critical City services to our citizens and visitors to Prineville. Prineville continues to benefit from continued

investment and growth and expansion of new and existing businesses. We take great pride in managing Prineville in a responsible way, allowing our community to move forward through continued investments that provide additional job opportunities and an improved quality of life all while improving the City's position in the future.

The budget process is a team effort, and on behalf of every City of Prineville employee, I am honored to present the budget committee with the proposed BN 25 budget.

The budget will be distributed on May 8, 2023 at 5:00 p.m., with the first budget meeting scheduled on May 22, 2023 at 5:30 p.m.

Sincerely,



Steve Forrester

City Manager



*The sunset as seen from the plaza on an August evening*

## Council Goals

	<h3>Fiscal Responsibility</h3>	<p><b>Explanation of the Goal</b>          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.</p>
	<h3>Provide Quality Municipal Services and Programs</h3>	<p><b>Explanation of the Goal</b>          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.</p>
	<h3>Transparency and Effective Communication</h3>	<p><b>Explanation of the Goal</b>          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.</p>
	<h3>Position City for the Future</h3>	<p><b>Explanation of the Goal</b>          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.</p>
	<h3>Community Safety</h3>	<p><b>Explanation of the Goal</b>          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.</p>

## Council Goals Addressed by Department / Fund in BN 25

	Fiscal Responsibility	Quality Municipal Services and Programs	Transparency and Effective Communication	Position City for the Future	Community Safety
Police					
Emergency Dispatch					
Transportation Operations					
Planning					
Railway / Freight Depot					
Airport					
Water					
Wastewater					
Golf Course					
City Council					
Administration					
Finance					
Information Technology					
Public Works Support					





PRINEVILLE CITY HALL



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



Welcome to Prineville



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



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# Welcome to Prineville

## Community Profile



*View of Meadow Lakes Golf Course from the trail above the grade*

The City of Prineville is a unique small town with a current population of 11,513 (July 1, 2022), an increase of nearly 1,503 people over the certified population estimate from July 1, 2018. Prineville is located within Central Oregon and nestled in an ancient volcanic basin that is over 3 million years old. The rim rock plateaus lend their scenic beauty to an extraordinary backdrop. Saturated in a rich historical atmosphere, Prineville is a recreational playground managing to keep its friendly, small town character and appeal. It is truly a beautiful place to live and work.

Not only is Prineville one of Oregon's first incorporated cities under its establishment in 1868, but it's also the oldest community in Central Oregon. Crook County, named after General George Crook, claims Prineville as its only city. Originally part of Wasco County, Crook County separated in 1882. Barney Prine founded the city when he settled on the banks of the Crooked River, where he established a blacksmith shop and a store/saloon. Prineville sat as the primary place of trade in Central Oregon until 1911.

City hall administrative facilities are located downtown across the street from the historic county courthouse and old city police department. The city hall plaza proudly displays a full-size bucking, famous rodeo prize winning horse known as War Paint, complete with a cowboy holding on. War Paint was created by a local artist, using materials specific to our ranching and rodeo heritage that were donated from many community members. The city and county co-hosted a dedication of the War Paint sculpture and included special guests from the Klamath Tribes and Confederated Tribes of Warm Springs who were familiar with the successful career of War Paint. Many visitors and tourists stop by to snap a picture with this intricate statue and to admire the creativity of all the different materials used. The City maintains its presence on social media and utilizes it to communicate with our citizens. Two of our main corridors are state highways which run north, south, east and west. Regardless of what direction one travels,

within minutes they are located among some of the most beautiful scenery and wildlife the northwest has to offer. Main Street, also known as State Highway 27, is recognized by Oregon State Parks and Recreation as a scenic bike way. It travels to the south and as it meanders along the Crooked River, it eventually meets with Bowman Dam. Obtaining this designation was a lengthy competitive process and we are honored to finally have it approved.

One of the unique features of this unusual town is Prineville's ownership of the oldest continuously operated municipal short-line railroad in the United States. The City established the City of Prineville Railway after Union Pacific and Oregon Trunk Railways developed an extension line running south from the Columbia River to Bend. Prineville built its own railroad in 1918 to join the Oregon Trunk and the Columbia River Railways just north of Redmond. These railways helped the lumber industry grow and remain profitable in Prineville for almost 50 years. Today, the City of Prineville Railway is a customer-oriented, short-line railroad. It connects with the Burlington Northern Santa Fe and Union Pacific Railroads at the Prineville Junction just north of Redmond.



In the last several years, the City of Prineville Railway has reached out nationwide to market the railroad to large rail users. This effort, along with positive word of mouth regarding the Railway's excellent customer service, has developed into two long-term anchor tenants at the railroad junction, one of which is already expanding and is a nationally known company. Fifteen years ago, the railroad only had a handful of jobs. Today, between the railroad and its customers, they have created over 100 jobs tied directly to it. There are currently over 32 companies utilizing either railroad or railroad-owned facilities. The result is an increase in car traffic, as well as, the variety of cargo. Businesses are taking advantage of the award winning, multi-modal freight depot and junction. The City had several activities to celebrate the 100<sup>th</sup> anniversary in 2018, all of which were very successful.

In addition to managing its own municipal railroad, Prineville also owns a municipal golf course. Meadow Lakes Golf Course is associated with wastewater management for Prineville. This makes Meadow Lakes an important asset to the community by serving the dual purpose of recreation and wastewater treatment. The golf course maintains a golf cart



fleet with modern features to get players from hole to hole in style. The clubhouse offers spectacular, almost panoramic outdoor views showcasing the surrounding mountains, rim rocks, beautifully manicured greens, the Crooked River and deer grazing along the river. Customers can take in this picturesque scene while enjoying a fantastic selection of some of the best cuisine in Central Oregon. Meadow Lakes is having its 30<sup>th</sup> anniversary in 2023.

The Prineville-Crook County Airport is managed by the City in collaboration with Crook County. The airport manager continues to successfully increase business and

*Locals at the cattle drive and block party rodeo kick off in downtown Prineville in June 2022*

recreational activities. The existing hangars continue to be completely occupied, and new hangars are being constructed. The automated weather observation service (AWOS), allows pilots anywhere to get all possible weather conditions in Prineville at any time. With this addition and expanded runways, it allows private commercial planes to fly in, take care of business, and fly back home.

The Airport Master Plan is completed and the review with Federal Aviation Administration (FAA) was approved and adopted by the Prineville City Council. With the Master Plan approved and in place, the airport is now able to move forward with an exciting, years-in-the-making heliport project that the U.S. Forest Service will occupy. Much like the railroad, the airport has gone from a couple of airport-related jobs to over 30 in the last couple of years.



*Enhancements being made to Stryker Park in June of 2023.*

As part of Central Oregon, Prineville offers many recreational activities for the outdoor enthusiast. It's geographically located near several waterways and reservoirs, as well as mountains and many other natural landscapes providing opportunities for outdoor activity year-round. The City recently added to these recreational

opportunities by purchasing 461 acres now known as the Barnes Butte Recreation Area to the east that is adjacent to land owned by the Bureau of Land Management (BLM). It features 360-degree views of the surrounding rim rocks and wildlife. This area was purchased by the City primarily for water rights and has become a favorite place to visit in the community. The City was successfully awarded two grants to master plan the Barnes Butte property and has partnered with Crook County Parks and Recreation to incorporate all parks and trails within the city into the master plans. There is also a paved 5k path which attracts many marathon groups and state-wide bicycle groups. If you make it to the top of the butte you can see for miles in any direction.

Completion of the national award-winning Crooked River Wetland Complex added to Prineville's extensive network of paths with five more miles of trails. The complex is a refreshing, well-utilized area for jogging, bike riding and dog walking. Additionally, it offers educational opportunities, dramatic views of Grizzly Mountain, abundant wildlife and ample bird watching opportunities. Citizens and visitors nationwide – and even internationally – come to enjoy the wetlands from dusk to dawn. All visitors are greeted with smiles and area facts by several dedicated community volunteers inspired to help watch over the property. Students from around the region use both the Crooked River Wetland Complex and Barnes Butte Recreation Area for learning opportunities. The wetlands benefited from amazing student and Eagle Scout projects since opening.



*A sunny February afternoon at the Crooked River Wetland Complex in 2019*

Prineville also borrows from its strong agricultural heritage to lend flair to community events. One popular attraction is a traditional live cattle drive, which occurs right down the main commerce area of town. This kicks off the Crooked River Roundup, a popular annual rodeo event. Additionally, there’s the annual county fair and horse races, as well as several other rodeo events throughout the year.

Affordable residential housing rentals continue to be a challenge statewide. Construction of residential homes is currently underway, so this challenge is beginning to balance out. Development for multiple family dwelling units is starting to take place.

Prineville also caters to a variety of job markets. Between construction, manufacturing, retail, government, health and the tech sector, the City touches on all types of employment. The presence of Facebook and Apple with their expansions continue to be positive for the community; bringing numerous construction and other service-related jobs. These employees continue to visit local gas stations, restaurants, stores and hotels. Another strong employer and presence in the community is St. Charles Health System. In 2015, the construction of a beautiful, \$30 million facility was completed in order to better serve the community’s needs and an expansion is already underway. Growth continues in all sectors, and will, for the foreseeable future. Many smaller businesses have decided to “set up shop” in Prineville adding to the variety of jobs available in the community.

Prineville once held the highest unemployment rate in the state at over 20 percent, but now sits at 5.0 percent, up 0.1 percent from this time last year.

## Government

The City of Prineville uses a council/manager form of government. The council is composed of a mayor and six councilors elected from the city at-large. Three councilors are elected at each biennial election and serve a term of four years. At each biennial general election, a mayor is elected for a term of two years.

Government Services						
The table below identifies the provider of government services within the City of Prineville						
Services	City of Prineville	Crook County	Crook County Fire District	Crook County School District	Crook County Parks and Recreation	Other / Private
AG Extension Office						X
Airport Services	X	X				
Cemetery		X				
Code Compliance	X	X				
Education				X		X
Fire/Rescue Services			X			
Health/Social Services		X				
Museum		X				
Landfill		X				
Library		X				
Municipal Golf Course	X					
Parks and Recreation					X	
Police/Dispatch Services	X					
Industrial Rail Services	X					
Streets and Highways	X	X				X
Water Utilities	X					
Sewer Utilities	X					
Transportation Services						X
Vector Control						X

## City of Prineville Services

The table below provides information about the City of Prineville services

Public Safety	
Sworn Officers	21
School Resource Officers	2
Dispatchers	11
Proactive Contacts	5,859
Calls for Police Assistance	22,444
Dispatch Emergency Calls	6,537
Dispatch Non-Emergency Calls	54,075

Community Development	
Residential Applications	58
Commercial Applications	9
SDC Fees Collected in FY 2023	\$ 1,318,149

Railroad	
Diesel Locomotives	3
Steam Locomotives	1
Cars	8
Main Track Miles	18.01
Yard Track Miles	2.46
Industrial Track Miles	2.45
Transload Facilities	2
Public Team Track (Acres)	1.45

Airport	
Runways	2
Terminal	1

Golf	
Club House	1
18 Hole Course	1
Rounds of Play	32,899

Sanitary Sewer	
Service Connections	4,236
Avg. Daily Sewage Treatment (MGD)	1.17
Sewer Rates	\$ 57.28
Lineal Miles of System	65
Treatment Capacity (MGD)	2.60

Streets	
Street (Centerline Miles)	58.9
Sidewalks	38.6
Traffic Signals	6
ADA Ramps (Downtown Area)	74

Water	
Service Connections	4,346
Avg. Monthly Consumption (Units)	76,200
Water Rates (Average usage)	\$ 43.92
Lineal Miles of System	80
Water Wells	12
Wells Capacity (MGD)	6
Storage Tanks	6
Treatment Capacity (MGD)	6.00
ASR Treatment Capacity (MGD)	2.88

## Schools in Crook County



*Barnes Butte Elementary opened for the 2015-16 school year*

The Crook County School District is one of four school districts located in Central Oregon. Current enrollment is at 2,946 students, an increase of 39 since this time last year. The district consists of one high school, one middle school (grades 6 – 8), two in-town elementary schools (grades K – 5), and one rural school in Paulina (grades K – 8). The Crook County School District is served by the High Desert Educational Service District. Additionally, there is Crook County Christian School in Prineville (grades preschool – 12), Insight Charter (online) as an alternative educational opportunity, and the charter school in Powell Butte (grades K – 6).



Crook County Open Campus, a partner of Central Oregon Community College in Prineville, continues to increase enrollment numbers. The campus offers a variety of credit classes and a degree partnership program with Oregon State University. This is yet another increasingly popular addition to the community that the City supported to provide higher educational opportunities to citizens. A technical institute offering a variety of skilled training opportunities is also available.

## City Demographics

City of Prineville Natural Resources	
Crook County area (in miles)	2,982
Crook County area (in acres)	1,900,000
Elevation at the courthouse	2,864 feet
Climate	Semi-arid, cool nights
Climate zone	Climate division 7
Mean temperature in January – High	41.9
Mean temperature in January – Low	21.0
Mean temperature in July – High	85.8
Mean temperature in July – Low	42.8
Annual precipitation (in inches)	10.6

Prineville Area Top Employers		
Employer	Employees 2021	Employees 2022
Les Schwab Prineville Operations	436	444
Rosendin Electric Inc.	609	415
Crook County School District	395	408
Meta Data Center	350	350
Brasada Ranch	250	280
Crook County	223	234
Ochoco National Forest	191	219
St. Charles Health Systems	223	217
Endura Products	200	206
Bureau of Land Management (BLM)	164	182
Western Heavy Haul & SMAF	155	171

*Source: Economic Development of Central Oregon – Preliminary 2022 numbers as of March 27, 2023*

Age, Education and Wage Data	
Oregon’s average household income	\$56,119
Prineville’s average household income	\$48,721
Median age	40
Percent aged 65 years old and over	20.3%
Percent aged 18 years old and under	22.0%
High school graduate or higher, age of at least 25 years	84.9%
Bachelor’s degree or higher, age of at least 25 years	13.7%
Persons in poverty	24.2%

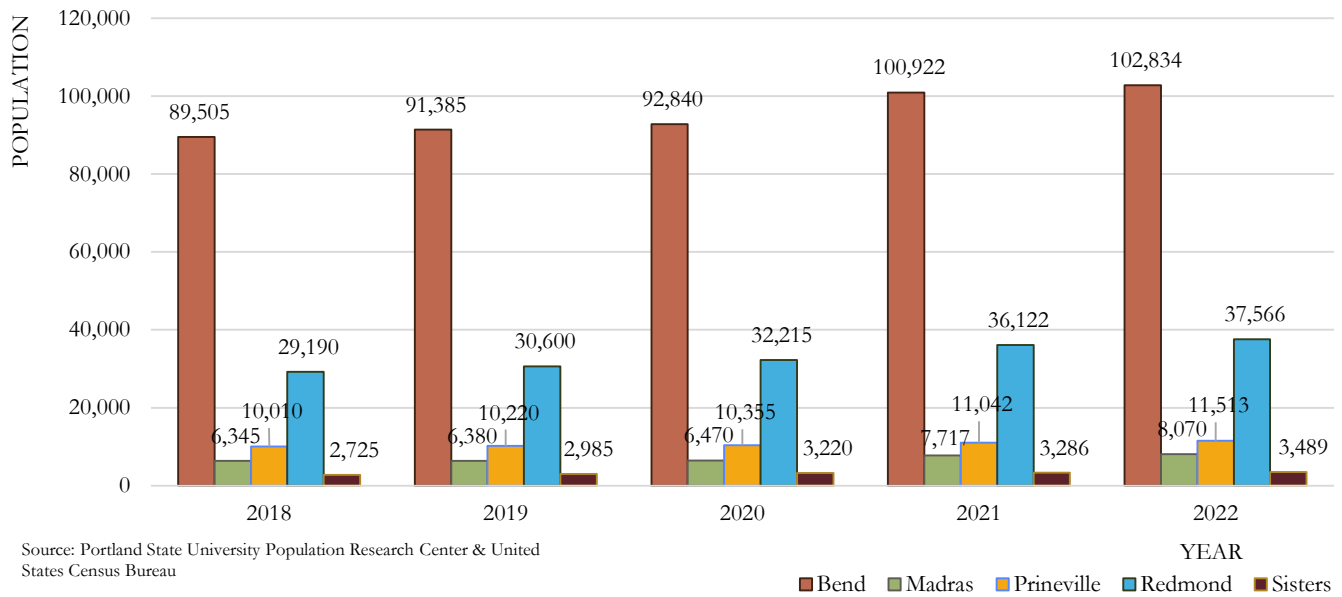
*Source: Portland State University Population Research Center & United States Census Bureau*

Housing Data	
Total housing units	4,399
Median value of owner-occupied housing units	\$133,000
Median home price	\$369,265
Owner-occupied housing unit rate	55.2%
Average monthly rent for a three-bedroom house	\$880

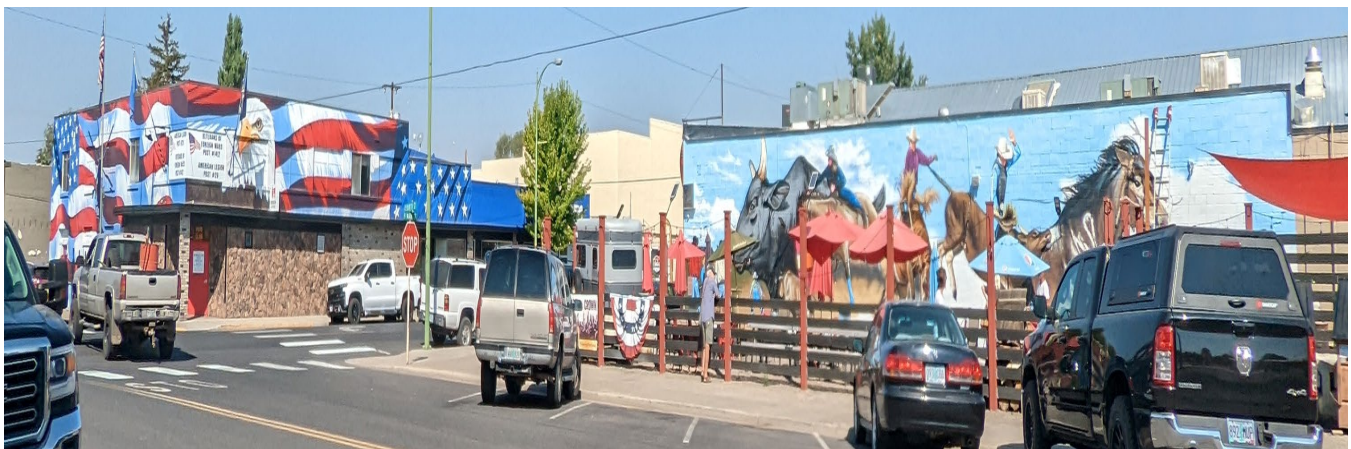
Source: United States Census Bureau and Economic Development of Central Oregon

## Regional Comparisons

### Regional Population Comparison Comparison Against Largest Local Cities by Year



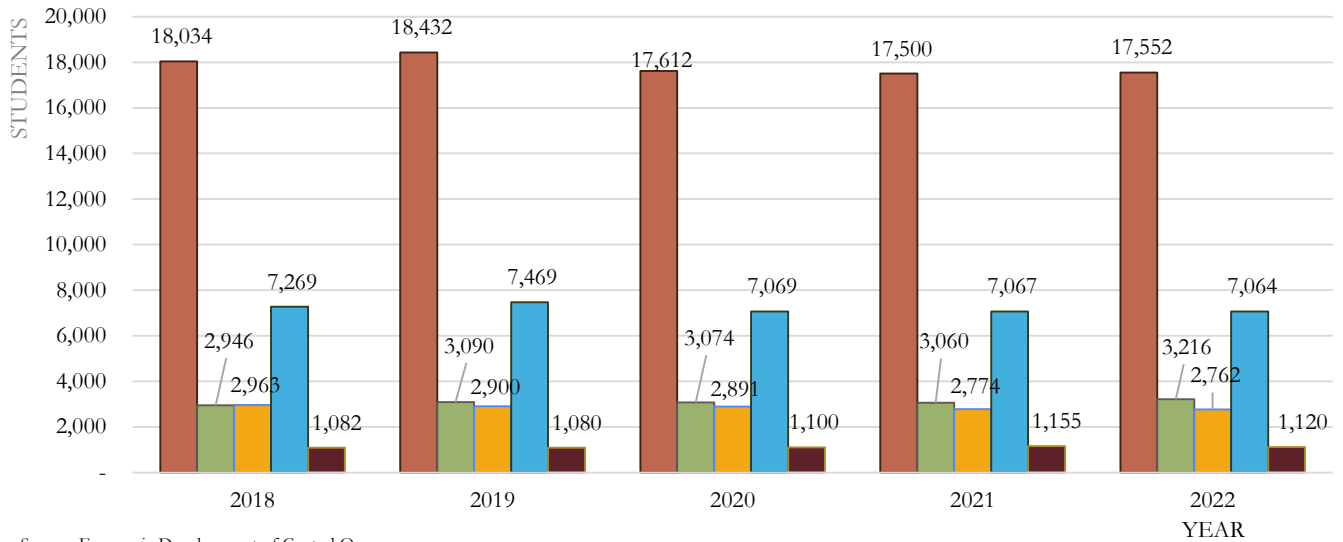
The following charts provide a snapshot of how Prineville compares to other cities in the region in terms of population, student enrollment and unemployment. Population growth continues year over year for the region. Counts increased by 9.6 percent from 2020 to 2021 and 2.7 percent over that from 2021 to 2022. Growth within Prineville city limits increased by 687 (6.6 percent) and 471 (4.2 percent) respectively. Madras and Redmond led population growth with 19.3 and 12.1 percent respectively for 2021. Sisters saw the largest increase from 2021 to 2022 with 6.2 percent, while Madras came in second with 4.6 percent.



Two new murals were completed in the downtown core during the summer of 2022

Student enrollments for the region declined from 2020 to 2021, but saw a slight increase in 2022. Central Oregon Overall decreases were less than 0.1 percent in 2021, but reversed to a 0.4 percent increase the following year. Sisters School District experienced a 5.0 percent increase in 2021, while all other districts decreased between less than 0.1 percent and 0.6 percent. Crook County School District experienced only a small 0.46 percent shrinkage in enrollments for 2021 and an increase of 5.1 percent in 2022. Crook County led all other districts in enrollments for 2022.

## Student Enrollment Students Registered with Local Districts by Year



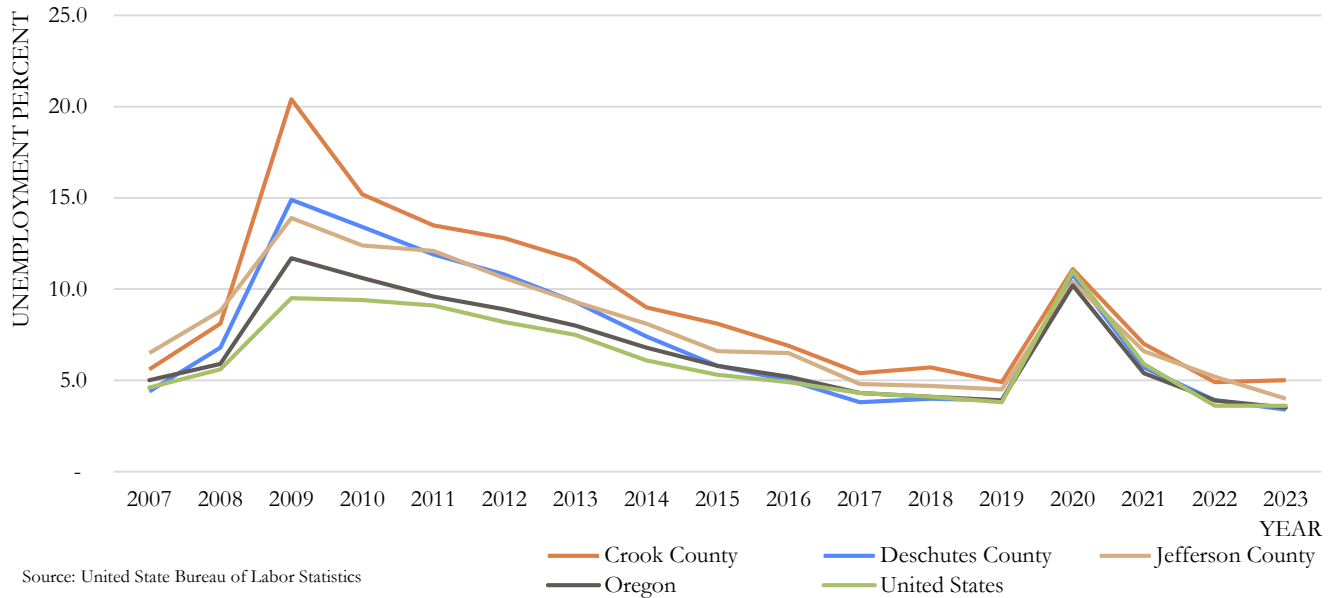
Source: Economic Development of Central Oregon & School Districts

■ Bend-La Pine SD      ■ Crook County SD      ■ Jefferson County SD  
■ Redmond SD      ■ Sisters SD



*Community racing fans watch the annual horse races from the stands in July 2022*

## Unemployment Trends Regional Unemployed Workforce Comparison



Crook County held the highest unemployment rate in the region in 2020, hitting 11.1 percent. This has since decreased significantly since that time, but Crook County still has the highest the region with a current rate of 5.0 percent as of June 2023. Manufacturing jobs, primarily in the wood products industry, have significantly declined. Other jobs, such as warehousing, utilities, retail trade, professional and business services, construction (both residential and commercial), education, health services, leisure and hospitality continue to increase.



*Wild Ride Brewing selected Prineville for its second location, opening in May 2022*



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



Strategic Planning



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



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# Strategic Planning

## Strategic Planning Process

Each year the Prineville City Council and city staff update the City’s mission, principles and council goals, which serve as the foundation for strategic planning and long-term financial modeling. Successes are reviewed and built upon while failures are learned from as processes are continuously improved to prepare for the future. In BN 25, dollars are budgeted for community outreach to help recruit more citizen involvement to ensure that the City’s goals align with the citizens.



The City’s strategic planning process is developed from input and policies coming from City departments and committees. Committees are made up of citizens, City staff and council members. Each committee reports directly to the Prineville City Council with recommendations. The City Council then develops strategic policy, goals and project priorities with the help of staff. Each City department aligns their resources with the City Council’s goals. The staff reports, created for council, identify all council goals that every decision is aligned with. In addition to the committees, the City works strategically with Crook County, Crook County Fire and Rescue, Ochoco Irrigation District and many local nonprofit agencies. The City Council members serve on many committees and boards to help them have a better understanding of the community’s needs and wants. A list of City departments, committees and community partners with a short description, that are involved in the development of the City’s strategic planning process are as follows:

- Finance Department*
- Public Works Department*
- Public Safety*
- Transportation*
- Community Development*

**Economic Development** - Founded in 1981, Economic Development of Central Oregon is a non-profit corporation supported by private and public members and stakeholders. Their mission is to create a diversified local economy and a strong base of middle-class jobs in Central Oregon. Currently, the Prineville Area Director, attends weekly City of Prineville department manager meetings advising of opportunities and challenges being faced in regards to economic development in Prineville.

**Planning Commission** - The [Planning Commission](#) is a group of volunteers that advise the City Council on long and short-range, comprehensive planning and land use issues within the city. The Commission works closely with city planning staff to interpret and apply land use law to their decisions and act as a liaison between City planners, local political interests, land owners, the City Council, and the general public. Prineville has 7 Planning Commissioners who voluntarily apply for the position. Commissioners are from all walks of life with various backgrounds and experience. The Commissioners serve a four-year term without compensation.



**Railroad Commission** - The [Railroad Commission](#) is an advisory committee of seven members. The members of the committee are made up of the city manager, the railroad manager, a City Council member, and a user of the railroad. Up to three other members who are citizens of Crook County may be appointed. The purpose of the commission is to discuss and examine problems relative to railroad operations and report to the City Council with findings, potential solutions, and/or recommendations for the railroad. Members of the commission are appointed by the Mayor and serve a two-year term.



*City of Prineville Railway / Freight Depot*

**Chamber of Commerce** - The [Crook County Chamber of Commerce](#) is the City of Prineville visitor center and community partner. Additionally, the Chamber offers community grants, internships and support the local businesses in Prineville. Currently, Public Works Director Casey Kaiser serves on the board as Vice President and Councilor Scott Smith is also a board member.

**Barnes Butte Focus Committee** - A community committee to focus on the thoughtful master planning and development of 460 acres purchased by the City initially for the water rights opportunities. The added benefit to this property is the abundance of natural resources and endless recreational opportunities.

**Downtown Strategic Planning Committee** - A committee formed of City staff and business owners to act as a catalyst to improve the aesthetics and livability of the downtown core to attract community members and tourism. The group also reviews annual applications to award a grant to help in costs associated with improving façade.

**Air Quality Committee** - A community committee that looks at actions that can be taken to help maintain healthy clean air. Some activities include free yard debris disposal day and implementing safe burn day programs and policies. Crooked River Watershed - The Crooked River Watershed Council, their partners, employees and volunteer board members promote stream health, education outreach and upland awareness.

**Central Oregon Area Commission on Transportation (COACT)** - COACT was formed in 1998 to serve as a forum for the discussion, understanding, and coordination of transportation issues affecting the Central Oregon region. COACT membership includes representatives from each Central Oregon City and County government, ODOT, the Confederated Tribes of Warm Springs, the private sector and various regional organizations.

**Central Oregon Intergovernmental Council (COIC)** - Provides services in the following areas: employment and training, alternative high school education, business loans, transportation, and community and economic development. The majority of the COIC Board is comprised of elected officials appointed by each of these member governments.

**Central Oregon Cities Organization (COCO)** - A group of nine cities in central Oregon comprised of mayors, councilors and city management that collaborates on projects, issues each city may be facing and provides stronger unified voice in Salem in favor of or against potential laws that would have an impact east of the Cascades.

**Community Renewable Energy Association (CREA)** - The [Community Renewable Energy Association](#) (CREA), an ORS Chapter 190 organization formed to promote, foster and advance the economic application and public understanding of community-based renewable energy.



*Large rocks like the one pictured here welcome citizens and visitors as they enter the east and west sides of town*

**Diversity, Equity and Inclusion Citizen/Community**

**Committee** - This is a new committee created in FY 21 by [Resolution No. 1457](#). This committee assists in the review and development of policies and procedures to move forward the City's mission. This committee also provides City Council and staff guidance on identifying social justice priorities, enhancing community participation, review and develop professional training, and review and develop policies and procedures that rejects discrimination based on race, color, national origin, religion, sex, gender identity, sexual orientation, veteran status, mental, emotional and physical ability, age or economic status.

**Crook County Fair Board** - Oversees activities and operations of the [Crook County Fairgrounds](#).

**Finance Committee** - The finance committee assists City staff and the City Council with the City's financial policies, financial strategies, fees and charges, serve as the City's audit committee and such other matters as the Council may request. This committee, that is made of both staff and City Council members, helps in determining project priorities, timing, costs of implementation and possible funding sources.

**Habitat Conservation Plan (HCP)** - HCPs are planning documents required as part of an application for an incidental take permit. They describe the anticipated effects of the proposed taking; how those impacts will be minimized or mitigated; and how the HCP is to be funded. The City is a partner with regional irrigation districts to produce an HCP for approximately the last 10 years. The Habitat Conservation Plan will ensure that the City, Crook County and the local irrigation district are making improvements to the environment that will ensure the success of the Steelhead and Salmon reintroduction effort. By committing to make these improvements, the agencies will be protected from penalties assessed by the federal government.

**NeighborImpact** - Whether preparing children for kindergarten, distributing over 3 million pounds of food, or supporting a young couple purchasing their first home, [NeighborImpact](#) helps meet the needs of more than 55,000 neighbors each year right here in Central Oregon.

**County Natural Resources Committee** - A Crook County Committee formed to engage in coordination with federal agencies in the appropriate management of natural resources in the county and provide for the health, safety, welfare, use and access for the citizens.

**Local Intergovernmental Committee** - This committee consists of members from the City, Crook County, Crook County School District, Crook County Fire & Rescue District, Crook County Parks & Recreation District, Economic Development for Central Oregon, Prineville/Crook County Airport, Crook County Sheriff's Office and Prineville Police Department. The committee meets quarterly to discuss the needs of each of the organizations and the community. The purpose is to make sure efforts to meet the needs are not duplicated and can be addressed as efficiently as possible in a cohesive manner.

**School District Facilities Committee** - A committee formed to evaluate the current and long-term needs of the school district facilities and make recommendations to prepare for meeting those needs.

## Mission Statement

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

## Vision Statement

The City of Prineville strives to improve quality of life through transparency, open communication, investment in essential infrastructure, public safety, community programs and businesses, all while staying within the constraints of a fiscally responsible government.

## Values/Representation

The City Council was asked during a workshop to give one word for each of the letters of the word Prineville that best represents the city and its values. Here are the top answers:

P	Progressive
R	Resilience
I	Innovative
N	Neighborly
E	Efficient
V	Visionary
I	Integrity
L	Livability
L	Leaders
E	Environment



*The splash pad grand opening in August 2019. This Prineville Kiwanis Club community project was partially funded through the General Fund with over \$82,000 in contributions in FY 19.*

## Council Goals

	<h3>Fiscal Responsibility</h3>	<p><b>Explanation of the Goal</b>          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.</p>
	<h3>Provide Quality Municipal Services and Programs</h3>	<p><b>Explanation of the Goal</b>          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.</p>
	<h3>Transparency and Effective Communication</h3>	<p><b>Explanation of the Goal</b>          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.</p>
	<h3>Position City for the Future</h3>	<p><b>Explanation of the Goal</b>          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.</p>
	<h3>Community Safety</h3>	<p><b>Explanation of the Goal</b>          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.</p>

## Council Goals Addressed by Department / Fund in BN 25

	Fiscal Responsibility	Quality Municipal Services and Programs	Transparency and Effective Communication	Position City for the Future	Community Safety
Police					
Emergency Dispatch					
Transportation Operations					
Planning					
Railway / Freight Depot					
Airport					
Water					
Wastewater					
Golf Course					
City Council					
Administration					
Finance					
Information Technology					
Public Works Support					




## Department Goals Linked to Council Goals in BN 25 Police

Department Goals		Council Goals
A	Emphasize health and wellness of employees	
B	Serve the community in innovative ways	
C	Stay connected through social media	
D	Staff, train and retain current positions	





*Chief of Police Larry Seymour helping with the Crooked River Round up in June of 2022*

## Emergency Dispatch

Department Goals		Council Goals
A	Contribute to a safe and secure community, utilizing best practices and coordinated public safety services.	
B	Deliver quality service to the community through the use of innovative technology, best practices and systems.	
C	Provide evolving and refined recruiting and training practices for a dynamically changing workforce to improve effectiveness.	






## Transportation

Department Goals		Council Goals
A	Improve the transportation network to serve new customers	
B	Research pavement preservation techniques to lengthen and/ or maintain the useful life of Prineville's streets and protect pavement quality	



*Downtown archway being installed on June 30, 2022*

## Planning

Department Goals		Council Goals
A	Provide staff support to and implement initiatives created by the Air Quality Committee and other City sanctioned organizations	
B	Identify, evaluate and recommend potential property acquisitions for economic development, downtown development, future public infrastructure projects, or natural resource and hazard protection	
C	Complete, update and adopt master plans as needed by the City for managing land use, development projects, and parks and recreation facilities	
D	Develop plans and initiate projects to reduce negative impacts of environmental hazards on the community such as floodplain impact areas and air quality	
E	Seek funding opportunities from state and federal agencies to advance community projects and facilities that increase quality of life for residents and visitors	



*Aerial view of the Railroad and Freight Depot facilities*

## Railroad



Department Goals		Council Goals
A	Increase revenue: COPR can increase revenue by attracting new customers, expanding existing services, and implementing innovative pricing strategies.	
B	Enhance safety: Safety is a top priority for the City of Prineville. To enhance safety, the railway will invest in training and education programs for employees, implement safety procedures and protocols, and regularly inspect equipment and infrastructure.	
C	Improve customer satisfaction: Customer satisfaction is critical for the success of a short line railroad. To improve customer satisfaction, the COPR will provide reliable and efficient service, respond promptly to customer inquiries and concerns, and improve service quality.	
D	Invest in infrastructure: Investing in infrastructure is key to the long-term success. This includes upgrading track, bridges, and other critical infrastructure, as well as investing in new equipment to improve efficiency and service quality.	
E	Foster positive relationships with stakeholders: Building positive relationships with employees, and the local community, is essential. This can be achieved by engaging in open and transparent communication, addressing employee concerns and needs, and participating in community events and initiatives.	





## Airport

Department Goals		Council Goals
A	Become a fiscally self-sustaining airport	
B	Build and support a safe operating environment	
C	Aviation-related business and industry growth	


## Water

Department Goals		Council Goals
A	Replace all aging and undersized water mains to meet current and future requirements.	
B	Retain resources for needed maintenance programs to ensure high-quality service to customers.	



## Wastewater

Department Goals		Council Goals
A	To provide a friendly and responsive source of information and coordinated services	
B	Maintain an effective and dependable wastewater system at a value to citizens, planning for city growth and environmental changes	

## Information Technology

Department Goals		Council Goals
A	Provide and support stable technology platform for City operations.	







## Golf Course

Department Goals		Council Goals
A	Make Meadow Lakes the premiere entertainment venue in Crook County	
B	Self-fund all recurring/routine capital expenditures while increasing the fund balance	







*Meadow Lakes Golf Course in October 2022*





## Administration

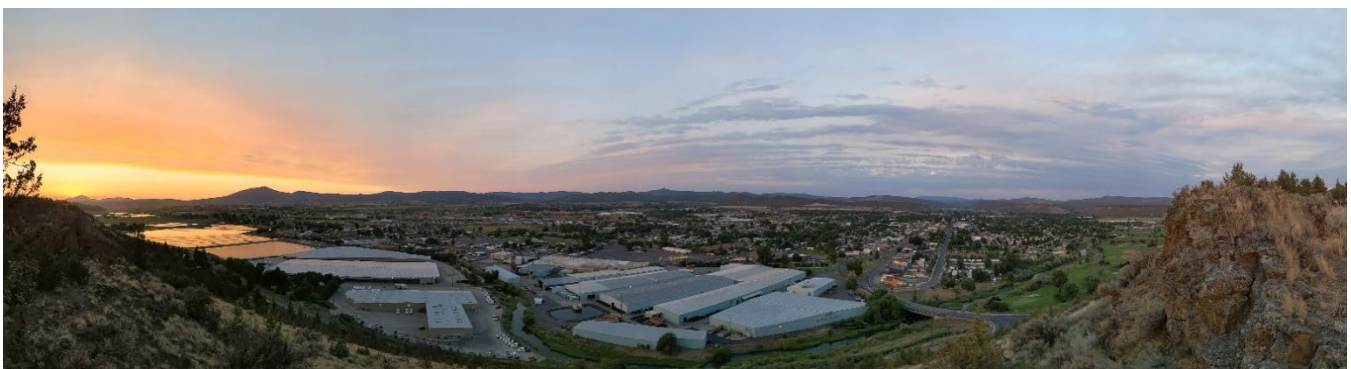
Department Goals		Council Goals
A	Follow the ever-changing world of employment laws and how the City will adapt policies and procedures to comply with them	
B	Assure the City's compensation and benefits structure provides a fair and competitive pay rate and benefits program	
C	Encourage continuous leadership/professional development opportunities of valued team members	
D	Hire highly qualified employees with appropriate knowledge, skills and abilities, while being vigilant about retention and succession planning	
E	Implement and strengthen programs, including the safety committee, in order to reduce exposure to liability and hazards in the field and evolving workplace city-wide	
F	Carefully monitor national, state and regional trends for insurance claims and workers' compensation claims, striving to reduce claims and costs associated with them in the process	

## Finance

Department Goals		Council Goals
A	Maintain the fiscal health and sustainability of the City of Prineville.	
B	Invest in employees through continued education, cross training for department versatility, and other development opportunities as available.	
C	Obtain GFOA budget and COA awards, with an eye on special awards, while continuously improving the documents to meet changing needs and priorities.	
D	Be responsive to the needs of the City and its constituents by providing great levels of service to all customers, external citizens and internal partners.	

## Public Works Support

Department Goals		Council Goals
A	Support projects in the system development charge funds	
B	Provide technical support to the Water Fund by developing a long-term water right management plan	
C	Provide technical support to the Transportation Operations Fund via the development of future pavement maintenance activities as well as traffic management plans	
D	Manage all city infrastructures in a proactive manner, with consistent delivery and professional oversight of the fund, thereby extending their useful life at the lowest cost possible	



*Evening view of the City of Prineville in July 2021*

## Significant Strategic Accomplishments from BN 23

**Police** - Led or participated in several community outreach programs and events including, Shop with a Cop, Coffee with a Cop, Random Acts of Kindness and the Crooked River Roundup. The department was able to do this even though it was short staffed for most of BN 23. This accomplishment is aligned with the council goal of providing quality municipal services and programs.

**Emergency Dispatch** - The dispatch center met all compliance for ProQA in the biennium. Staff was increased to six qualified dispatchers, with another two members awaiting qualification. The department also updated its policies and procedures to reflect current practicing while also developing a five year plan to manage the growth of the dispatch center and plan for the future development of dispatchers. This accomplishment is aligned with the council goal of providing quality municipal services and programs.

**Transportation Operations** - Completed the installation of the “Maverick” horses and Prineville sign at the Tom McCall Roundabout along with site landscaping and lighting successfully providing the City with a welcoming feature representing the history and culture of the community. This accomplishment is aligned with the council goal of providing quality municipal services and programs.

**Planning** - Received a grant from Pacific Power to install EV charging stations. These charging stations will be located near the downtown core and installation will start prior to June 30, 2023. This accomplishment is aligned with the council goal of positioning the City for the future.

**Railway / Freight Depot** - Started an asset replacement plan that keeps the Railway within established fiscal policy which included utilized a third party to evaluate mainline and sidings to determine tie condition for capital planning. This accomplishment is aligned with the council goal of positioning the City for the future.

**Airport** - Completed \$2.6 million dollars of airport improvement projects that included parking, taxiway and lighting upgrades. These projects were grant funded through the Federal Aviation Administration. This accomplishment is aligned with the council goal of positioning the City for the future.

**Water** - Rehabilitated and upgraded the capacity of 3 key municipal wells increasing the City’s source capacity and efficiency of operation. The accomplishment supports growth, positioning the City for the future and helps to ensure quality municipal services and programs.

**Wastewater** - Installed a new aeration system at the wastewater treatment plant #2. This accomplishment is in line with the council goal of providing quality municipal services and programs.



*City Engineer Eric Klan, Crook County Judge Seth Crawford, Public Works Director Casey Kaiser and Councilor Steve Uffelman in Washington D.C. to lobby for the biomass project in September 2022*

**Golf Course** - Purchased a new fleet of E-Z-GO golf carts. The new fleet has a number of advantages over the old fleet including, 60 carts (6 more than the previous fleet), up to 50 percent reduction in energy costs to charge carts annually, zero-maintenance on the batteries, less turf compaction and unlimited use battery warranty. This accomplishment is aligned with the council goal of providing quality municipal services and programs and fiscal responsibility.

**Administrative Services** - Established a Safety & Wellness Incentive Policy and program. This program incentivizes employees to make suggestions on ways to improve safety and wellness. The hope is that the program will help to reduce workplace injuries and lower the Cities worker compensation rates and claims which is aligned with the council goal of fiscal responsibility.

**Human Resources** - Remained committed to Diversity, Equality, and Inclusion which included refresher training for staff and management throughout the biennium. This accomplishment aligns with the council goals of positioning the City for the future and providing quality municipal services and programs.



*New golf cart fleet at the golf course in the fall of 2022*



*Planning Director Josh Smith, Finance Assistant Karee Miller and Public Works Director Casey Kaiser before heading to the League of Oregon Cities award ceremony where the City won Project of the Year for the ASR project in October 2022*

**Finance** - Training was a significant focus for the Finance Department in BN 23 with the retirement of the Finance Director, Liz Schuette after over 20 years of service and staff turnover. The Finance team completed trainings including: payroll, accounts receivable and finance officer certifications. This accomplishment is aligned with the council goal of providing quality municipal services and programs.

**Information Technology** - Migrated virtual services to a new hyper converged solution. This accomplishment is aligned with the council goal of positioning the City for the future.

**Public Works Support Services** - Updated the City water and wastewater rate structure including the adoption of a tiered rate structure to more equitably allocate the costs of maintaining and improving the City water and wastewater systems. This accomplishment aligns with the council goals of positioning the City for the future and providing quality municipal services and program.

## Performance Measure Process

The City of Prineville focuses performance measures that align with the strategic planning and goals set by Prineville City Council. Each department is expected to create long-term, meaningful department/unit goals. These goals are to tie back to the mission statement crafted for each staffed department, granting greater depth to the current “responsibilities to the community” sections found in each fund section as a bonus. Additionally, unit goals are expected to tie to the city-wide organization goals set by the City Council.

After the creation of unit goals, performance measures are made that are impactful to those goals. It’s important they be measurable, easy to track and tracked routinely, with data that is easily repeatable. It isn’t expected for a department’s performance measures to be matched up to every department goal, nor any be made merely to cover every one. However, any measure utilized is expected to be matched to a goal. Otherwise, the measure isn’t reflecting what the department is trying to do. Like unit goals, performance measures are meant to be crafted for the long term, but should be routinely evaluated for validity.

Without tying back to an objective or goal, a performance measure is merely an indicator. While indicators are important for giving context into the outputs of a specific department (or workload) on a routine basis, they don’t expand on what the unit sets out to do. When only indicators are reported, it neglects to shine light on accountability of public resources. That said, workloads (or indicators) will still be stated along with inputs to give readers insight into the type of work a department is responsible for.

The implementation of this performance measure approach will continue to evolve as the City refines the process to best fit its strategic needs.

## Understanding the Budget Format

The City of Prineville uses many tables, charts and graphs to present budget information. Budgeted financial information is presented in tables by fund and by department in each of the sections. Each table includes several columns:

Resources	BN		Adopted BN Budget 2019-2021	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Proposed Budget 2023-2024	Proposed Budget 2024-2025	Proposed Total Budget 2024-2025
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8

**Column 1** - Resource and Requirement Description: Resources are grouped by the different revenue types and requirements are grouped by the different expenditure types or appropriation level.

**Columns 2 and 3** - Actual data for the prior two budget timeframes: Revenues and expenditures for FY 19 and BN 21 are shown in the second and third columns of the budget detail for each fund.

**Column 4** - Budget for the current biennium: Revenues and expenditures for the current biennium are shown on a budgeted basis in the fourth column of the detail budget.

**Column 5** - Estimates for the current biennium data: Revenue and expenditure for the current biennium end are shown on an estimated basis in the fifth column of the budget detail for each fund. The estimates are as of the end of April when the department heads sign off on their proposed budget and narrative.

**Column 6 and 7** - Proposed budget for each year: Revenues and expenditures for fiscal years 2024 and 2025 are shown on a proposed basis in the sixth and seventh columns of the budget detail for each fund. Budgeted ending fund balance equals contingency plus other requirements.

**Column 8** - Biennial budget total: The biennial total for 2024 and 2025 proposed budgets are added together: this is the appropriation level at which the budget is approved and adopted. Below is an example of the General Fund’s budget table for reference:

Resources	Actual	BN	Adopted BN	Estimated	Proposed	BN 2025	Proposed
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Budget 2023-2024	Proposed Budget 2024-2025	Proposed Total Budget 2024-2025
Beginning fund balance	\$ 1,918,886	\$ 2,153,326	\$ 2,760,579	\$ 2,689,901	\$ 2,610,081	\$ 1,957,481	\$ 2,610,081
Current year resources							
Property taxes	\$ 2,194,108	\$ 4,762,773	\$ 5,160,000	\$ 5,298,020	\$ 2,805,900	\$ 2,889,200	\$ 5,695,100
Transient lodging tax	432,343	712,036	700,000	1,081,451	600,000	600,000	1,200,000
Franchise fees	3,031,496	7,040,823	7,834,400	7,656,307	4,116,100	4,308,400	8,424,500
Licenses and permits	8,039	13,520	15,900	11,481	6,100	6,100	12,200
Intergovernmental revenues	387,007	920,962	2,387,800	3,665,182	929,300	1,184,300	2,113,600
Charges for services	66,315	290,194	580,000	888,263	340,000	350,000	690,000
Interest	45,856	60,761	20,000	(60,318)	35,000	35,000	70,000
Miscellaneous	362,659	681,409	126,000	155,768	63,500	63,500	127,000
Transfers	-	-	280,000	623,757	-	-	-
Total current year resources	\$ 6,527,823	\$ 14,482,478	\$ 17,104,100	\$ 19,319,911	\$ 8,895,900	\$ 9,436,500	\$ 18,332,400
Total resources	\$ 8,446,709	\$ 16,635,804	\$ 19,864,679	\$ 22,009,813	\$ 11,505,981	\$ 11,393,981	\$ 20,942,481
Expenditures	Actual 2018-2019	BN Actual 2019-2021	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Proposed Budget 2023-2024	Proposed Budget 2024-2025	Proposed Total Budget 2024-2025
Police	\$ 5,118,604	\$ 10,867,525	\$ 13,598,400	\$ 13,311,036	\$ 7,655,500	\$ 7,742,050	\$ 15,397,550
Non-departmental	1,174,780	3,078,378	5,870,800	6,088,696	1,893,000	2,143,000	4,036,000
Contingency		-	395,479	-	1,957,481	1,508,931	1,508,931
Total expenditures	\$ 6,293,384	\$ 13,945,903	\$ 19,864,679	\$ 19,399,732	\$ 11,505,981	\$ 11,393,981	\$ 20,942,481
Ending fund balance	\$ 2,153,326	\$ 2,689,901	\$ -	\$ 2,610,081	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs) Police</b>		<b>22.70</b>		<b>24.00</b>		<b>25.00</b>	
Policy 6 months working capital						1,668,875	
20% of revenue budget emergency reserve						1,887,300	
Total Policy						3,556,175	

In addition to the budget detail tables for each fund, information about each fund and the services provided by each department are shown, including additional detail on:

- Number of full-time equivalent employees (FTEs)
- Fund policy requirements
- Beginning fund balance and ending fund balance comparisons
- Types of revenues and expenditures
- Description of services provided
- A listing of accomplishments, initiatives and goals
- Capital expenditure data
- Performance measure data



*Crooked River Round Up Cattle Drive in June of 2023.  
Photo: Kelsey Rickart of Rickart Photography*



Budgeting in the City of Prineville



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025





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# Budgeting in the City of Prineville

## Budget Committee

Budget Committee Members	
Council Members	Citizen Members
Mayor Jason Beebe	Marty Bailey
Janet Hutchison	Jerry Brummer
Shane Howard	John Charles
Ray Law	Casey Daly
Gail Merritt	Jeff Papke
Scott Smith	Dr. Paul Slater
Steve Uffelman	Marv Sumner

## The Budget Process

A budget is defined by Oregon State Law (Oregon Revised Statutes, Chapter 294), as a financial plan containing estimates of revenues and expenditures for a given period or purpose, such as the fiscal year or a biennium. The City is required to budget all funds and for each fund to have a balanced budget.

*As a rule, local governments in Oregon may budget on a one-year or a two-year cycle. The biennial budget period begins July 1 and ends June 30 of the second following calendar year.*

The State of Oregon defines balanced budgets as one in which total resources, including beginning resources, current resources and debt proceeds, equal total requirements, including current year expenditures, capital outlay, transfers, debt service, and any other requirements such as debt service reserves. Budgeting is critical to cities because it requires local governments to evaluate plans and establish priorities in relation to available financial resources. Also, under Oregon Revised Statutes (ORS), a legally adopted budget is necessary to establish and justify a given rate and or amount of property taxes to be levied on the property within the city.

The City of Prineville prepares and adopts its annual budget in accordance with the city charter and Oregon Local Budget Law (ORS 294.305-294.555, and 294.565). Beginning with FY 2020 and FY 2021, the City of Prineville started using a biennial budgeting process. A biennial budget period is a 24-month period beginning July 1 and ending June 30 of the second succeeding year. For this biennial budget, the period commences July 1, 2021 and ends June 30 2023. The budget is presented by fund and department categories for a biennial (two-year) period. The city manager has responsibility for management of the overall city budget and maintaining budgetary control at the approved appropriation level. Finance and the respective operating department directors perform ongoing review and monitoring of revenues and expenditures. The Citizens' Budget Committee consists of the governing body plus an equal number of legal voters appointed by the Prineville City Council. Accordingly, the City of Prineville has 14 budget committee members, in which the votes of all members are equal.

## ***Oregon Budget Law Related to Biennial Budgeting***

In brief the differences between fiscal year budgeting and biennial budgeting are:

1. Members of a budget committee reviewing a biennial budget are appointed to four-year terms. The terms of the members should be staggered so that one-fourth of the terms end each year.
2. The budget estimate sheets containing the estimates of resources and expenditures in a biennial budget must show:
  - actual expenditures for the two budget periods preceding the current budget period,
  - the estimated expenditures for the current budget period, and
  - the estimated expenditures for the ensuing budget period.
3. The summary of the budget as approved by the budget committee that is published along with the notice of the budget hearing will show the proposed budget for the two-year biennium.
4. If a taxing district adopts biennial budgeting, the budget committee must approve the amount or rate of ad valorem property taxes for each year of the biennium.
5. After the budget committee approves a biennial budget and before the budget is adopted, the governing body may not increase the amount of estimated expenditures for the biennium in any fund by more than \$10,000 or 10 percent, whichever is greater, and may not increase the amount or rate of the tax levies approved by the budget committee for either year of a biennial budget unless the amended budget document is republished and another budget hearing is held. Once the budget is adopted, the tax amount cannot be increased in the second year.
6. If a district adopts a biennial budget, then after the budget hearing and before the June 30 that precedes the start of the budget period, the governing body must pass a resolution or ordinance to adopt the budget and make appropriations for the ensuing biennium. The governing body must also pass a resolution or ordinance to levy and categorize property taxes for each year of the ensuing biennium.
7. Whether a budget is for a fiscal year or for a biennium, certification of property tax levies and a copy of a resolution or ordinance levying and categorizing taxes for the ensuing year must be submitted to the county assessor every year by July 15.

Oregon budget law states during the transition from fiscal year to biennial budgets, the detail sheets should show a mixture of single-year budget data and two-year budget data, not to attempt “doubling” of the actual or estimated data from fiscal year budget to make it comparable to the proposed budget. Explanation of discrepancy between fiscal year and biennial figures will be mentioned in a footnote, narrative, and the budget message.

The first review of the budget occurs when the budget is presented to the committee. At that time the budget is made publicly available, and the committee begins their review. The committee may approve the proposed budget intact, or change part or all of it prior to final approval. After notices and publications are filed according to local budget law, the budget is forwarded to the council for formal adoption prior to June 30. Budget amendments may be made during the biennium through adoption of a supplemental budget. Supplemental budgets are adopted through a similar process used for the regular budget (including the use of public hearings but excluding Citizens’ Budget Committee meetings) and shall not extend beyond the end of the biennium. Supplemental budgets cannot be used to authorize a tax levy.

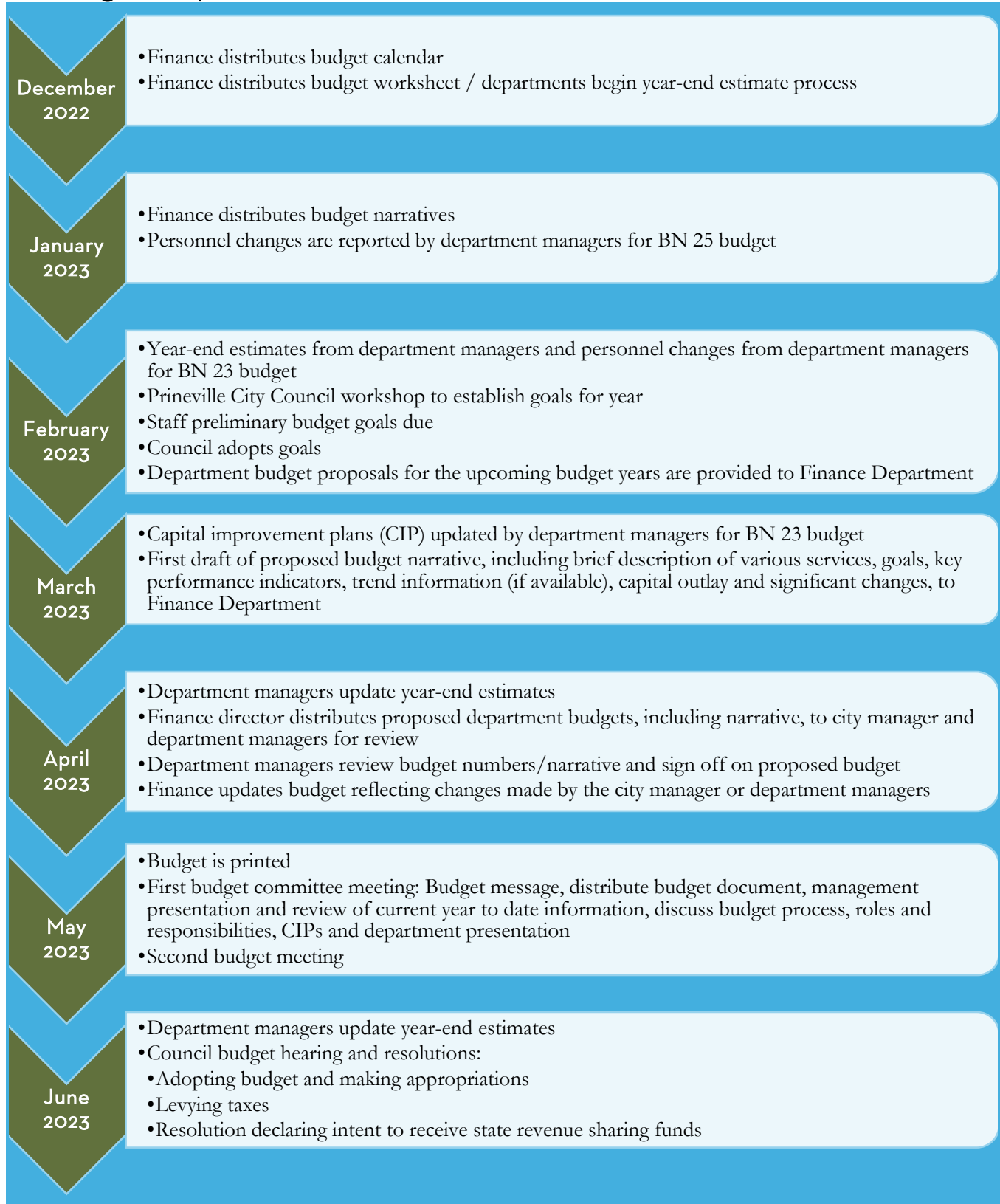
By transferring appropriations, the City usually has enough flexibility to carry out the programs prescribed in its adopted budget. There will be times, however, when an adopted budget has no authority to make certain expenditures or when revenues are received for which the City had no prior knowledge. In those cases, it is possible to use a supplemental budget to authorize expenditures and/or appropriate additional revenues in the current budget period.



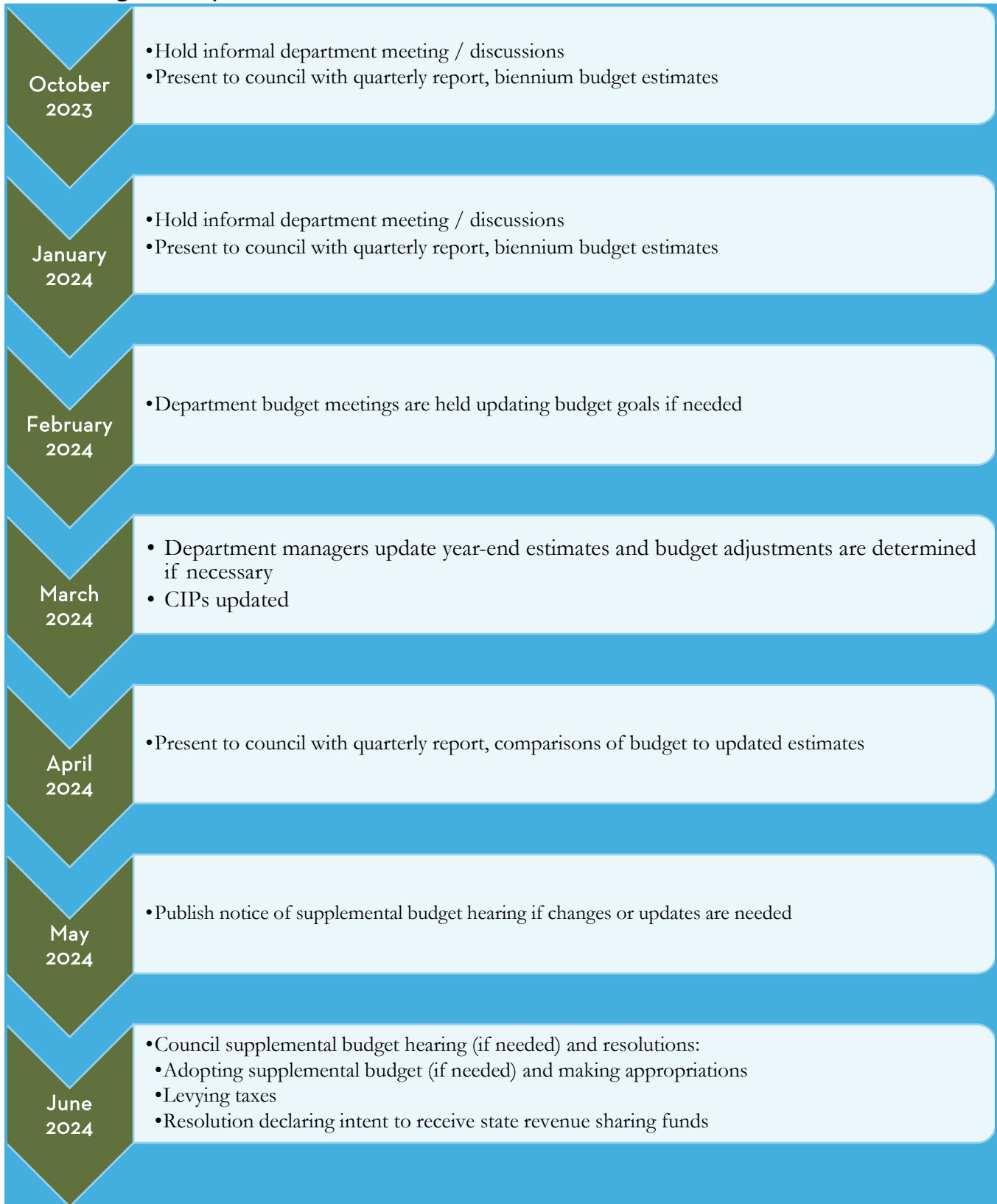
*Completed budgets, ready for the first budget meeting in BN 21*

# Biennial Budget Calendar

## Pre-Budget Adoption



## Post Budget Adoption



# Fiscal Policies

## Basis of Budgeting Policy

The City maintains accounting records on a generally accepted accounting principles (GAAP) basis and for budgeting purposes also recognizes capital outlay and debt service as expenditure requirements. Prior to FY 06, the City utilized the cash method of accounting for budgeting purposes. For financial reporting purposes, governmental funds use the modified accrual basis of accounting and proprietary funds use full accrual. Under the modified accrual basis, revenues are recognized when they are both measurable and available, and expenditures are recognized when incurred. Under the full accrual method, revenues are recorded when earned and expenses are recorded when the liability is incurred.

Budgets for all City funds are prepared on a modified accrual basis consistent with GAAP. For transactions, which were initially recorded in compliance with Oregon's Local Budget Law, adjustments may be required for GAAP-basis financial reporting. Examples of these adjustments include the acquisition of proprietary fund fixed assets which are considered expenditures under Oregon Local Budget Law, but are not reported as current year expenditures under GAAP. Receipt of proceeds of proprietary fund debt financing and principal payments received on interfund loans are considered budgetary resources, but are not reported as revenues under GAAP. Depreciation, amortization, and non-cash contributions are also examples of transactions not reported under the budget basis, but are reported in GAAP-basis financial reporting.

## Fiscal Management Policies

The City of Prineville is committed to responsible fiscal management through financial integrity, prudent stewardship of public assets, planning, accountability, and full disclosure. The broad purpose of the fiscal policies is to enable the City to achieve and maintain a long-term stable and positive financial condition. These policies are adopted by the City Council as the basic framework for the 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:

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

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, pension funding, accounting and financial reporting, reserves and internal controls. These policies are reviewed bi-annually by management, the City of Prineville Finance Committee and the City Council and amended as necessary as part of the budget process.

Policies are addressed in 10 areas:

- **Revenue**, which deals with taxes, user fees, and other revenues by which the City generates income to fund programs and services.
- **Operating expenditures**, which relates to budgeting guidelines.

- **Expenditure control**, which addresses the City’s efforts to ensure spending is consistent with the City’s fiscal plans.
- **Capital equipment and improvements**, which relates to establishing five-year capital equipment and improvement plans for all major equipment and infrastructure systems provided and maintained by the City.
- **Accounting and financial reporting**, which relates to accounting and reporting financial transactions and preparing financial reports.
- **Financial planning**, which addresses long-term financial forecasting to help inform decisions.
- **Debt**, which addresses long-term financing of the City’s capital needs and maintaining its bond rating.
- **Pension funding**, which addresses the short and long-term funding policies of the City’s pension obligations.
- **Reserves**, which establish minimum working capital balances, required reserves, and operating contingency as needed for routine cash flow, emergency reserves to allow the City to respond to an economic downturn or unanticipated event, and planned or scheduled one-time capital expenditures.
- **Management of fiscal policy**, which sets forth the administration of fiscal policies on a continuing basis.

## 1. Revenue Policies

- 1.1. The City will strive for and maintain diversified and stable revenue sources to prevent undue or unbalanced reliance on any one source of funds. Revenue diversity will also reduce risk to the City from short-term fluctuations in any one revenue source.
- 1.2. Significant one-time and/or temporary revenues will not be used to fund continuing programs and services, but rather to fund one-time expenditures or fund reserves.
  - 1.2.1. Revenue from sources that increase substantially of time relative to population changes, inflation, and current service levels costs, such as electrical franchise fees, will be evaluated and considered on a periodic basis for the following purpose, as allowed:
    - 9.1.3.1. Funding services traditionally not funded with the revenue source
    - 9.1.3.1. Funding increased service levels
    - 9.1.3.1. Funding reserves
    - 9.1.3.1. Funding capital projects and or debt associated with capital projects that may otherwise require general obligation debt
    - 9.1.3.1. Funding pension obligations
 Allocations may be on a percentage of revenue basis or fixed dollar amount. Any such allocations made should not infringe on the sustainability of existing service delivery and any new services provided.
- 1.3. The maximum allowable system development charges (SDC), for each of the public infrastructure systems the City operates and is allowed by state law to impose, shall be determined on a periodic basis (approximately each five years).
- 1.4. The City Council will determine what amount of SDCs to impose.
- 1.5. The City will maximize the use of users’ charges in lieu of ad valorem taxes and subsidies from other City funds, for services that can be identified and where costs are directly related to the level of service provided.
- 1.6. Charges for providing utility services shall be sufficient to finance all operating, capital outlay, and debt service expenses of the City’s enterprise funds, including operating contingency, reserve requirements, and capital replacement. Consideration will be given to return on investment and existing and or anticipated debt to ensure a debt coverage ratio of no less than 1.25 for debt issued in public markets and 1.1 for debt issued to federal and state agencies.

- 1.7. User charges shall be sufficient to finance all city costs to perform development review and building activities. User charges include, but are not limited to, land use, engineering inspection, building permit, and building inspection fees.
- 1.8. Other reimbursable work performed by the City (labor, meals, contracted services, equipment, and other indirect expenses) shall be billed at total actual or estimated total actual cost.
- 1.9. Charges for services shall accurately reflect the total actual or estimated total cost of providing a specific service. The cost of providing specific services shall be recalculated periodically, and the fee adjusted accordingly. The City shall maintain a current schedule of fees, indicating when the fees were last reviewed and/or recalculated.
- 1.10. The City shall pursue an aggressive policy of collecting delinquent accounts. When necessary, the City may discontinue service, present a case at small claims court, send accounts to collection agencies, foreclose on property, assign liens, and use other methods of collection, such as imposing penalties, collection fees, and late charges.
- 1.11. The city manager shall approve all grant applications before their submission. Additionally, all potential grants that require matching funds, on-going resource requirements, or include new or additional continuing compliance requirements shall be evaluated and considered before submittal of the application. The City Council will be provided the evaluation with the request for their acceptance of the grant.
- 1.12. Revenues will be estimated realistically and prudently. Revenues of a volatile nature will be estimated conservatively. The City will estimate its revenues by an objective, analytical process using best practices as defined by the GFOA.

## 2. Operating Budget Policies

- 2.1. The City will prepare an annual budget with the participation of all departments that incorporates GFOA recommendations relative to budgeting for results and outcomes.
  - 2.1.1. Determine how much money is available. The budget should be built on expected revenues. This includes base revenues, any new revenue sources, and the potential use of fund balance.
  - 2.1.2. Conduct analysis to determine what strategies, programs, and activities will best achieve desired results.
  - 2.1.3. Budget available dollars to the most significant programs and activities. The objective is to maximize the benefit of the available resources.
  - 2.1.4. The City shall maintain a budget system to monitor expenditures and revenues on a monthly basis, with a thorough analysis and adjustment (if required) at least at mid-year.
- 2.2. All budgetary procedures will conform to existing state regulations. Oregon budget law requires each local government to prepare a balanced budget, and Oregon Administrative Rules state: (1) the budget must be constructed in such a manner that the total resources in a fund equal the total of expenditures and requirements for that fund, and (2) the total of all resources of the entity must equal the total of all expenditures and all requirements for the entity.
- 2.3. The budget process will be coordinated so that major policy issues and department goals and objectives are identified and incorporated into the budget.
- 2.4. The cost allocation plan, previously developed, will be reviewed annually and serve as the basis for distributing general government and internal service costs to other funds and capital projects.



- 2.5. The City Council shall adopt the budget at the fund, departmental, or program level as a total dollar amount for all appropriations except contingency, unappropriated ending fund balance and reserves, which shall be stated separately.
- 2.6. Long-term debt or bond financing shall only be used for the acquisition of capital improvements or specialized equipment with a cost greater than \$100,000. Long-term debt or bond financing shall not be used to finance current operating expenditures.
- 2.7. Every City fund, department, program or activity shall start each year's budget cycle with no predetermined appropriation amount. Budget appropriation decisions and the allocation of resources shall be based on direction provided by the City Council and implementation of that direction by the city manager.
- 2.8. The City will submit the adopted budget document to the GFOA annually for review.
- 2.9. A budget calendar will be prepared detailing the key elements in the development of the budget.

### 3. Expenditure Control Policies

- 3.1. Expenditures will be controlled through appropriate internal controls and procedures. Management must ensure expenditures comply with the legally adopted budget. Each department, division manager or director will be responsible for the administration of his/her department/division budget. This includes accomplishing the goals and objectives incorporated into the budget and monitoring each department/division budget for compliance with spending limitations.
- 3.2. The city manager will administer expenditure control at the category level and program or divisional level. Additionally, the city manager may give authorization to mandate this level of control down to any line item level. Expenditures anticipated to be in excess of these levels require approval of the city manager, or finance director. Any increase in a budget category anticipated to exceed \$50,000 will require council approval.
- 3.3. All purchases of goods and services must comply with the City's purchasing policies, guidelines, and procedures, as well as with state laws and regulations.
- 3.4. All compensation planning and collective bargaining will include analyses of total cost of compensation, which includes analysis of salary increases, health benefits, pension contributions, and other fringe benefits. The City will only propose operating personnel costs that can be supported by continuing operating revenues.
- 3.5. City staff are to make every effort to control expenditures to ensure city services and programs provided to its citizens and taxpayers are cost effective and efficient. Expenditures that will reduce future costs will be encouraged.

### 4. Capital Improvement Policies

- 4.1. Annually, the City will approve a five-year CIP, congruent with the adoption of its annual budget. The CIP shall provide details on each capital project: Its estimated costs, sources of financing and a description, including a statement identifying: (a) the needs, conditions, and circumstances that have caused the project's creation, and (b) the expected results if the project is approved and implemented, or (c) if no action is taken.

### 5. Accounting and Financial Reporting Policies

- 5.1. The City shall establish and maintain its accounting systems according to generally accepted accounting practices and shall adhere to generally accepted accounting principles and standards promulgated by the GFOA and GASB.

- 5.2. Consistent with GASB Statement 54, the City will report fund balances in the following categories:
- 5.2.1. **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by the City Charter, external resource providers, or through enabling legislation.
  - 5.2.2. **Committed** fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Council.
  - 5.2.3. **Assigned** fund balance classification is intended to be used by the City for specific purposes, but does not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed.
  - 5.2.4. **Unassigned** fund balance is the residual classification for the City's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification will be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.
  - 5.2.5. The City will disclose information about the processes through which constraints are imposed on amounts in the committed and assigned classifications.
  - 5.2.6. Authority to classify portions of ending fund balance as assigned is hereby granted to the city manager and the finance director.
  - 5.2.7. The City Council considers the spending of restricted fund balances on purposes for which such funds can be used to occur first when funds are spent for restricted and unrestricted purposes. When unrestricted classifications of fund balance are spent, the council will consider what committed amounts will be reduced first, followed by assigned amounts and then unassigned amounts.
- 5.3. An annual audit shall be performed by an independent public accounting firm, which will issue an opinion on the annual financial statements, along with a management letter identifying areas needing improvement, if necessary.
- 5.4. Full disclosure shall be provided in the financial statements and bond representations.
- 5.4.1. Upon request, all departments will provide notice of all significant events and financial and related matters to the finance director for the City's annual disclosures to the municipal markets as required by United States Securities and Exchange Commission Rule 15c2-12. Full disclosure will be provided in the financial statements and bond representations. Significant events include delinquencies and defaults related to the City's bonds, adverse tax opinions or events affecting the tax-exempt status of bonds, the release, substitutions or sale of property securing repayment of bonds, and other events having a significant impact on the City's finances and outstanding bonds. The finance director will notify all nationally recognized municipal securities information repositories of these significant events.
  - 5.4.2. The City's asset capitalization policy is to capitalize and depreciate assets greater than \$10,000 with a useful life beyond one year. Capital assets costing less than \$10,000 or having a useful life of one year or less will be treated as operating expenditures.
- 5.5. Up-to-date accounting and budgeting information is available online to all management and authorized support staff. Quarterly actual-to-budget reports showing the current status of revenues and expenditures shall be prepared and distributed to appropriate legislative, staff, and management personnel in a timely manner and made available for public inspection.

## 6. Financial Planning Policies

- 6.1. The Finance Department, collaborating with other departments, will prepare a long-term financial plan for each fund, phased in so that all funds are planned by June 30 of each budget year, to promote responsible planning for the use of resources. The long-term financial plans will include projected revenues, expenditures, and reserve balances for the next five years for all funds, except the Golf Course Fund, which shall include a 10-year financial plan, and the Water and Wastewater Funds, which shall include 20-year financial plans.
- 6.2. The City's financial plan should be strategic, reflecting the City Council and community priorities for service while providing resources that fund desired service levels.
- 6.3. Long-term projections of revenues and expenditures will be based upon disclosed assumptions, and prepared consistent with best practices established by the GFOA.
- 6.4. The long-term financial plans will be integral to the development of the annual budget.

## 7. Debt Policy

- 7.1. The City may use debt proceeds to finance costs associated with capital infrastructure, equipment, vehicles and other purposes that provide long-term benefits to the community, i.e., benefits that extend more than one year.
- 7.2. Capital projects financed through the issuance of bonds shall not be financed for a period which (a) exceeds the expected useful life of the project, and (b) is less than 30 percent of the expected useful life of the improvements.
- 7.3. Financing for non-capital purposes shall not extend beyond the amortization period available for the respective type of obligation, e.g., retirement unfunded liabilities include an amortization period of 25 years.
- 7.4. The finance director will structure all debt issuances and oversee the on-going management of all city debt. Debt includes general obligation bonds, lease purchase obligations, revenue bonds, special assessment obligations, promissory notes, equipment financing agreements, and any other contractual arrangements that obligate the City to make future principal and interest payments.
- 7.5. No debt shall be issued for which the City has not identified specific revenue sources sufficient for repayment. Such revenue sources can include internal sources, such as charges to personnel costs that are transferred to a debt service fund for debt repayment. The finance director shall prepare an analysis of the source of repayment prior to issuance of any debt.
- 7.6. The City will not use long-term debt to fund current operations, to balance the budget or to fund projects that can be funded from current resources, unless the use of debt is otherwise determined to be in the best interest of the City.
- 7.7. The City may utilize short-term debt or interfund loans as permitted; to cover temporary cash flow deficiencies due to timing of cash flows, such as may result from delay in receipting grant proceeds or other revenues or delay in issuance of long-term debt.
- 7.8. When issuing long-term debt, the City will ensure that the debt is soundly financed by:
  - 7.8.1. Incurring debt only when necessary for capital improvements too large to be financed from current available resources,

- 7.8.2. Ensuring that capital projects financed through long-term debt shall be financed for a period not to exceed the useful life of the project,
- 7.8.3. Determining that the benefits of the project financed exceed the cost of financing including interest costs,
- 7.8.4. Analyzing the source of repayment, debt coverage ratios, and the impact of debt service on annual fixed costs prior to issuance of long-term debt.
- 7.9. All bond issuances, promissory notes, and capital leases will be authorized by resolution of the City Council.
- 7.10. The City shall maintain its bond rating at the highest level fiscally prudent, so that future borrowing costs are minimized and access to the credit market is preserved.
- 7.11. The city will commit funds and maintain a debt reserve that equals the annual debt service payments in all funds that include debt.

## 8. Pension Funding Policies

- 8.1. The City participates as an Individual Employer in the Oregon Public Employees Retirement System (PERS). The City will use its best efforts to fund its pension obligations in an equitable and sustainable manner. The following principles and objectives shall guide the City:
  - 8.1.1. PERS provides no less than biennially an actuarially determined contribution rate (ADC) to serve as the basis for minimum contributions;
  - 8.1.2. Although the PERS ADC is calculated in a manner that fully funds the long-term costs of promised benefits, while balancing the goals of (1) keeping contributions relatively stable, and (2) equitably allocating the costs over the employees' period of active service; financial impacts due to significant compensation in the last three years above historical earnings may not be;
  - 8.1.3. The City implemented of a PERS rate stabilization plan in 2014 to more equitably fund PERS costs on a sustainable basis, with a goal of ensuring its funding status is between 90 percent and 110 percent of its actuarially determined liability.
  - 8.1.4. The City commits to fund the full amount of the ADC each period, together with contributions to the Pension Obligation Bond (POB) Fund to cover debt service, debt service reserve, stabilize PERS rates, and fund other accrued liabilities the city may incur related to payroll.
  - 8.1.5. The City commits to evaluate annually and utilize electrical franchise fees collected to fund additional PERS contributions as needed to retain funded status between 90 and 110 percent.

## 9. Reserve Policies

- 9.1. Fund balance and reserve policies are an important indicator of the City's financial position. The policies establish the amounts the City will strive to reach and maintain, these amounts are expressed as goals, recognizing that fund balance levels can fluctuate from year to year in the normal course of operations for any local government.
  - 9.1.1. The General Fund shall maintain six (6) months working capital to allow the City to adequately fund operations until property taxes are received in November of each year without borrowing, and shall maintain a goal of twenty (20) percent reserve of its revenue budget. It is the intent of the City to limit the use of the General Fund reserves to non-recurring needs, to ensure the City has the flexibility to respond and mitigate short-term economic downturns, short-term volatility in

revenues, and unforeseen emergency situations or circumstances, fund other capital needs or other such non-recurring needs. Additionally, the City will maintain a debt service reserve equal to the annual debt service payment for all debt paid by the general fund.

- 9.1.2. The City's business-like funds, excluding the rail road, shall maintain a minimum working capital balance sufficient for sixty (60) days of operating expenses, together with a five (5) percent of budgeted revenue for an emergency repair reserve. Additionally, the City will seek to stabilize utility rates by setting aside funds (capital projects reserve), as funding is available from existing resources, for scheduled capital maintenance programs to reduce future borrowing. Where resources from rates and other sources are insufficient to fund scheduled capital projects, long-term debt may be utilized. Evaluation of future debt service requirements will be incorporated into the financial analysis noted above, including funding and maintaining debt service reserves equal to the annual debt service payment for all debt within the funds.
  - 9.1.3. The City's Transportation fund shall maintain at a minimum working capital balance sufficient for sixty (60) days of operating expenses, together with an emergency reserve of five percent (5.0%) of current year revenue. Additionally, the City will set aside funds (capital projects reserve), as funding is available from existing resources, for scheduled capital maintenance programs, and one-time capital improvements that are identified in the master plan.
    - 9.1.3.1. The City commits to evaluate annually and utilize electrical franchise fees collected to fund additional capital contributions as needed for projects, and to retain and maintain the pavement condition index (PCI) at the level approved by the City Council.
  - 9.1.4. The City's internal service funds shall maintain, at minimum, a working capital balance of fifteen (15) percent of operating expenses and the city will commit funds and maintain a debt service reserve equal to the annual debt service payment for all debt within the funds.
  - 9.1.5. The City's debt service funds shall maintain adequate working capital to pay required debt service without borrowing and fund debt service reserves in an amount equal to the annual debt service payment.
  - 9.1.6. Due to the variability in revenues resulting from business cycles for the City's rail road operation, the City's rail road fund shall maintain one year's operating expense and twenty (20) percent of total budget for capital reserve. The City will strive to maintain combined total reserves of not less than \$1 million with a target of \$2 million, increased annually by the percent change in the CPI.
  - 9.1.7. The City's other operating funds shall maintain a minimum working capital balance sufficient for 45 days of operating expenses, for non-recurring capital projects the City will review annually the five year CIP, estimate the impact to the budgets and target an appropriate reserve amount to fund the projects or maintain a debt service payment should the project be too large to fund with current resources, and the City will commit funds and maintain a debt service reserve equal to the annual debt service payment for all debt within the funds.
- 9.2. The policies establish the amounts the City will strive to maintain. They set forth the guidelines for both current activities and long-range planning. The policies are reviewed annually to assure the highest standards of fiscal management. The City may use the unassigned fund balances on a one-time or temporary basis for purposes described above, committed funds may be spent with approval of the city council on a one-time basis. The City will develop a plan to restore unassigned and committed reserves to the desired levels.

Fund	Adopted Budget Reserves Amount	Working Capital Reserve Amount	Adopted Budget/Over (Under) Policy	Meets Working Capital Reserve Requirements	Five Percent Appropriation Reserve Amount	Debt Service Reserve	Total Policy Reserve Amount	Adopted Budget/Over (Under) Policy	Meets both Working and Appropriation Reserve
General *	1,508,931	1,668,875	-159,945	No	1,887,300	N/A	3,556,175	-2,047,245	No
Transportation	313,698	211,775	101,923	Yes	101,915	N/A	313,690	8	Yes
Emergency Dispatch	411,340	284,550	126,790	Yes	120,820	N/A	405,370	5,970	Yes
Planning	141,951	65,525	76,426	Yes	N/A	N/A	65,525	76,426	Yes
PERS/POB Fund	2,252,657	N/A	N/A	N/A	N/A	358,900	358,900	1,893,757	Yes
Transportation SDC	20,564,372	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water SDC	344,113	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater SDC	31,710	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Railroad *	1,363,724	835,300	528,424	Yes	460,405	N/A	1,295,705	68,019	Yes
Airport *	108,568	142,882	-34,314	No	43,460	N/A	186,342	-77,774	No
Water	1,004,817	486,740	518,077	Yes	196,535	317,415	1,000,690	4,127	Yes
Wastewater	1,303,687	537,230	766,457	Yes	239,003	976,315	1,752,548	-448,861	No
Golf Course and Restaurant	575,992	265,504	310,488	Yes	97,088	124,000	486,592	89,400	Yes
Admin/Financial Support Services	539,799	536,235	3,564	Yes	N/A	N/A	536,235	3,564	Yes
Public Works Support Services	521,152	362,850	158,302	Yes	N/A	N/A	362,850	158,302	Yes
Building Facilities/Property Fund	688,597	74,070	614,527	Yes	N/A	533,000	607,070	81,527	Yes
Plaza Maintenance	22,473	3,240	19,233	Yes	N/A	N/A	3,240	19,233	Yes
Total	31,697,580	5,474,777	3,029,952	11 out of 13	3,146,525	2,309,630	10,930,931		11 out of 14

\* General Fund maintains 20 percent of current year estimated revenue as appropriation reserve.

\* Railroad Fund shall maintain one year's operating expense and twenty (20) percent of total budget for capital reserve.

\* Airport is a joint venture with the City of Prineville and Crook County. Intergovernmental agreement states both parties will contribute annually any deficit to funding.

## 10. Management of Fiscal Policy

10.1. Fiscal policies and changes in policies shall be approved by the City Council and adopted by resolution after a public hearing is held (the approval may be inclusive of the annual budget adoption process and the associated resolutions to that process).

10.1.1. The city manager or designee shall prepare a report explaining the substantive impact of all recommendations and their impact on the City's operations, service levels, and/or finances.

10.1.2. The finance/audit committee shall review the City's fiscal policies annually.

10.2. The city manager shall implement fiscal policies and monitor compliance.

10.2.1. If the city manager discovers a material deviation from policy, he/she shall report it in writing to the City Council in a timely manner.

10.2.2. As a part of the City's annual budget document, the city manager's budget message shall identify: (a) all major changes in policy since the previous budget year, and (b) any material variations from policy in the ensuing year's budget, and (c) fund's that do not meet reserve requirements and provide the developed plan to restore the reserves to the desired levels.

Policies will be reviewed biennially starting BN 21 as part of the budget process, they were last updated and adopted by the City Council in FY 19. No Changes have been made for the BN 25 budget.

## Definition of Terms

*Budget committee* – is a committee consisting of the mayor and six city councilors and an equal number of citizen members appointed by the City Council.

*Government Finance Officers Association (GFOA)* – is the national finance officers' organization whose purpose is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices, while promoting their use through education, training, facilitation of member networking, and leadership.

*Category level* – for budget control purposes, categories include personnel services, materials and services, capital outlay, debt service, transfers, contingency, reserves, and unappropriated.

*Program level* – for budget control purposes, programs may include library services, community services, administration, finance, human resources, etc.

*Divisional level* – for budget control purposes, divisional level would include water, street, storm water, and wastewater divisions within the Public Works Department. Other divisions may include the police field services, police administration, and police support services within the Police Department.

*Capital improvement plan (CIP)* – the CIP is a schedule of capital projects including estimated cost and timing. There is a separate CIP for each major infrastructure system in the City, e.g., water, streets, sidewalks, stormwater, wastewater, information technology, city facilities, and vehicles.

*Debt coverage ratio (DCR)* – represents the ratio of net revenues available to pay scheduled debt service. A ratio of 1.0 reflects “net revenues” equal to scheduled debt service. A ratio greater than 1.0 reflects net revenues in excess of scheduled debt services and a ratio less than 1.0 indicates net revenue is less than scheduled debt service.

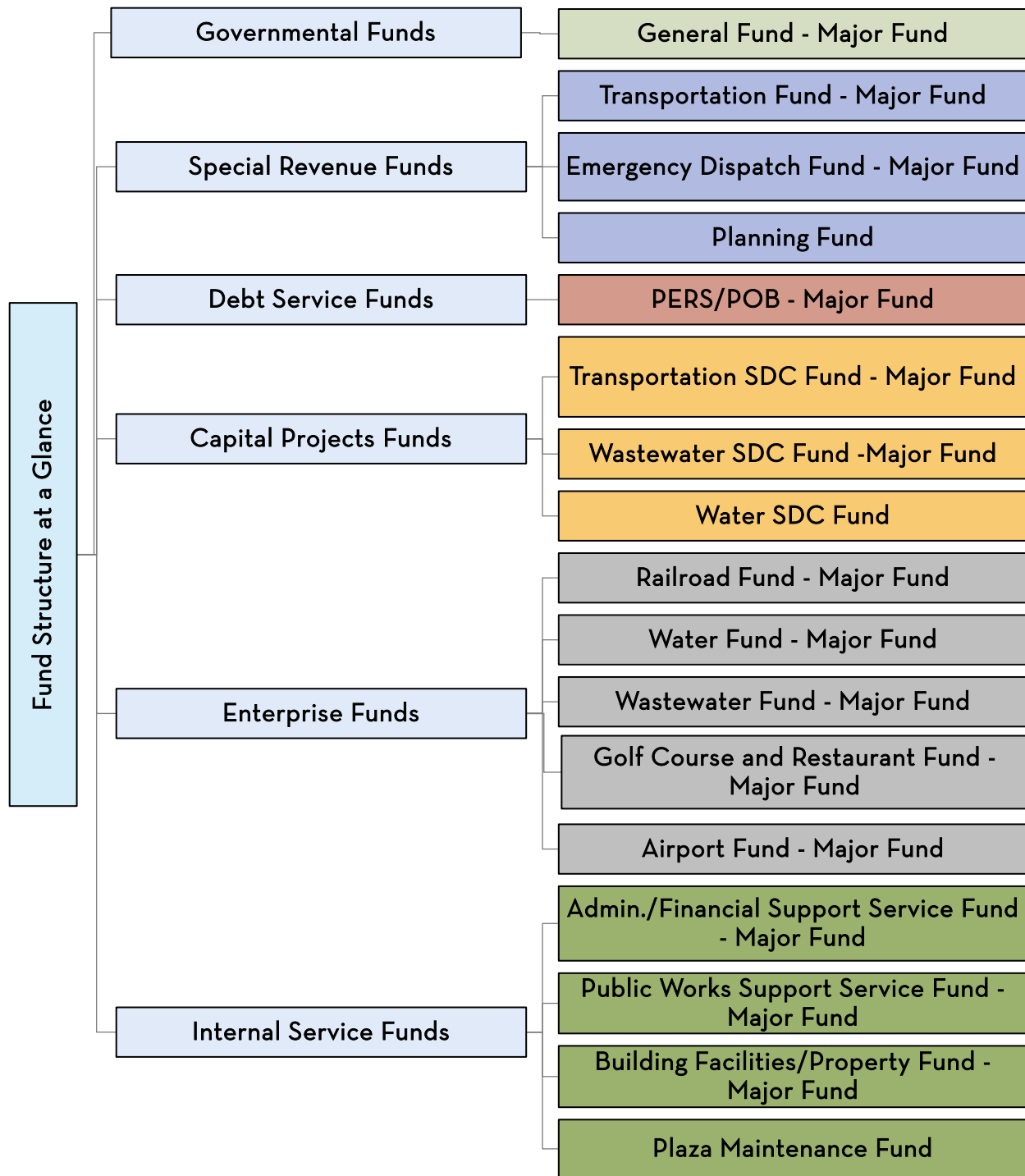
*Oregon Revised Statutes (ORS)* – Oregon’s compilation of state laws including rules of civil procedure.

For additional terms and acronyms used in this document, please refer to the glossary section starting on page 299.



*The view from the south end of Prineville in 2020*

## Fund Structure



All funds in the fund structure are appropriated funds in the BN 25 Budget.



## Fund Accounting

For accounting purposes, a local government is not treated as a single, integral entity. Rather, a local government is viewed instead as a collection of smaller, separate entities known as “funds.” A fund is 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 activities and objectives. All of the funds used by a government must be classified into one of seven fund types within:

### Governmental-type (Governmental funds)

- General
- Special revenue
- Debt service
- Capital projects

### Business-type (Proprietary funds)

- Enterprise
- Internal service

### Fiduciary-type

- Fiduciary



*People pack the stands at the annual horse races in the summer of 2021*

## Governmental Funds

Many government services are financed through taxes and intergovernmental revenues. These are often called non-exchange revenues because there is not normally a direct relationship between the cost of the service provided and the amounts being paid by either individual tax payers or other government agencies. When a service is largely funded through non-exchange revenues it can be called a governmental-type activity. The accounting for a governmental-type activity focuses on available spendable resources and the near-term demands upon them.

### ***General Fund***

The General Fund accounts for police services provided by the City and council directed funding of outside agencies or other activities. General administrative costs for city hall are paid through internal charges to internal service funds for the following services based upon the cost to the department for using these services: Administrative and financial services, risk management, computer and phone services, and building usage. The costs of these services are at full cost, including replacement cost, thereby providing more accurate costs of providing services.

## Special Revenue Fund

The special revenue fund is a fund type used when certain revenues have been earmarked or are legally restricted to expenditure for a specific purpose.

### ***Transportation Operations Fund***

The Transportation Operations Fund provides the accounting of the City's street, bike lane, right of way, and storm water maintenance. Funding sources include state highway gas tax, county contributions, and state revenue sharing. Heavy equipment, vehicles and maintenance, engineering, project oversight, and public works administration and support services costs, are accounted for through transfers to internal service funds for the estimated costs of the provision of these services.

### ***Emergency Dispatch Fund***

The Emergency Dispatch Fund accounts for the activities of the area's emergency services dispatching. The operation is managed by the chief of police and serves the Crook County Sheriff's Department, Crook County Rural Fire District, Bureau of Land Management, and the Prineville Police Department. Funds are provided by 911 telephone taxes and payments from entities served.



*New Elm St. Bridge completed seen in early 2020 after its completion*

### ***Planning Fund***

The Planning Fund accounts for the planning activities of the City. A transfer of funds from the General Fund to the Planning Fund helps support the short-term planning needs of the City. General administrative costs are paid through internal charges to internal service funds for the following services based upon the cost to the department for using these services: Administrative and financial services, risk management, and computer and phone services. The costs of these services are at full cost, including replacement cost, thereby providing a more accurate cost of providing services.



*A cloudy day at the Crooked River Wetland Complex in December 2020*

## **Debt Service Fund**

This fund type accounts for the accumulation of resources for the payment of debt principal and interest.

### ***LID Debt Service Fund***

This fund accounts for the debt service associated with special assessment debt with governmental commitment incurred to fund local improvement district projects. The principal source of revenue is payments from the property owners on bonded and un-bonded assessments. Expenditures are for debt service requirements.

### ***PERS/POB Fund***

This fund accounts for the potential issuance of pension obligation bonds (POB) to fund the City's existing unfunded actuarial liability (UAL) and associated debt repayment. The principal source of revenue is charges to other funds with salaries subject to PERS via a surcharge. Expenditures are for payments to PERS for the UAL and for debt service requirements.

## **Capital Project Fund**

This fund type accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

### ***Transportation SDC Fund***

This fund accounts for the receipt and expenditures of transportation system development charge improvement fees. SDCs are charged to builders to provide a source of income to pay for the expansion of the City's transportation system.

### ***Water SDC Fund***

This fund accounts for the receipt and expenditures of water system development charge improvement fees. SDCs are charged to builders to provide a source of income to pay for the expansion of the City's water system.

### ***Wastewater SDC Fund***

This fund accounts for the receipt and expenditures of wastewater system development charge improvement fees. SDCs are charged to builders to provide a source of income to pay for the expansion of the City's wastewater system.

## **Proprietary Fund**

Other government services are financed through user charges for which the cost to the individual is proportionate to the benefit received by the individual. When a fund receives a significant portion of its funding through user charges,

it can be referred to as a business-type activity. The accounting for a proprietary fund focuses on cost and long-term cost recovery.

## Enterprise Funds

Enterprise funds are used to account for operations financed and operated in a manner similar to private enterprises.

### ***Railroad Fund***

This fund accounts for the operation of the City's railroad and freight warehousing operation. The principal sources of revenue include rail access fees, rail car fees and customers needing storage, loading, or unloading services for freight shipping. Expenditures are for the operation, administration, maintenance, and improvement of the railroad and freight depot facilities.



*A view of the Freight Depot including its new office in October 2022*

### ***Airport Fund***

This fund accounts for the operation of the Prineville-Crook County Airport. The principal sources of revenue include aircraft fuel sales, hanger rents, and lease agreements. Expenditures are for the operation, administration, maintenance, and improvement of airport facilities

### ***Water Fund***

This fund accounts for the operation of the City's water utility. The principal sources of revenue are user fees. Expenditures are for the operation, administration, maintenance, system betterments, and expansion of the system.

### ***Wastewater Fund***

This fund accounts for the operation of the City's sewage utility. The principal sources of revenue are user fees. Expenditures are for operation, administration, maintenance, system betterments, and expansion of the system.

### ***Golf Course Fund***

This fund accounts for the operation of the City's municipal golf course, Meadow Lakes Golf Course and Restaurant, and the effluent disposal site of the wastewater treatment plant. The principal sources of revenue are user fees, food and beverage sales, facility rental, and transfers from the Wastewater Fund for disposal site related services. Expenditures are for operation, administration, maintenance, and improvements of the Meadow Lakes Golf Course including the effluent disposal site and operation and administration of the restaurant.



*A view from the greens at Meadow Lakes Golf Course – Photo: Corinne Phinney*

## Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, on a cost-reimbursement basis. Effective with the fiscal year beginning July 1, 2005, the City established funds to account for general administrative, finance, information technology, public works administration, vehicle and equipment, and building facilities.

### ***Administrative and Financial Services Fund***

Activity for the City Council, administration and team services, financial services and information technology services are accounted for in this fund. Revenues are generated through user charges for the cost of providing the services. Expenditures are for personnel services, material and services, and transfers.

### ***Building Facilities/Property Fund***

This division accounts for the operation of the city hall building, police facility, public works facilities, and the Barnes Butte property. Revenue is generated by rent charges to other funds and tenants. Expenditures include repairs and maintenance, debt service, and improvements.



*The city hall plaza looking towards the Crook County Court*

### ***Plaza Maintenance Fund***

This fund accounts for the maintenance of the plaza. Crook County and the City maintain the plaza in a joint effort. Revenues are generated through a transfer from the City and with matching funds from the County. Expenditures are for maintaining the landscaping, sidewalks, and lighting.

### ***Public Works Support Services Fund***

Public works administration and support services are provided through this operation. Additionally, activity associated with vehicles and heavy equipment utilized by more than one public works division is accounted for in this activity. Revenues are generated through user charges for the cost of providing the services. Expenditures are for vehicle and equipment maintenance, acquisition, and replacement. Revenue is generated by user charges to funds utilizing these services. Expenditures include the personnel services, material and services, and capital requirements.

## **Fiduciary Fund**

Assets held in a trustee capacity for others and not used to support the City's own programs qualify as fiduciary. The City does not have any Fiduciary Funds.

## **Park Development Account**

The City collects SDCs on behalf of the Crook County Parks and Recreation District. Funds collected are paid to the Crook County Parks and Recreation District for capital improvement expenditures on a yearly basis. The City retains an administrative charge.



*Wildland Firefighters Monument at Ochoco Creek Park in the fall of 2021*

## Debt Overview

The City of Prineville utilizes short- and long-term debt to provide financing for essential capital projects. The following debt types and policies provide the objectives needed to meet the City’s fiscal goals to provide and maintain essential public facilities, utilities, and capital equipment; and to protect and enhance the City’s credit rating.

## Types of Borrowing

There are several types of long-term debt issued by the City including:

- General obligation bonds, full faith and credit bonds – these bonds are typically issued for finance improvements benefiting the community as a whole. The City, as issuer, pledges to levy the necessary taxes on all assessable property within its jurisdiction to provide timely repayment of the debt. ORS 287.004 provides that the City may not issue or have outstanding at any one-time general obligation bonds in excess of 3 percent of the real market value of all taxable property within its boundaries. This statute makes specific exception to bonds issued for water, sewage disposal plants, and off-street parking facilities, as well as special assessment bonds.
- Pension obligation bonds – the City issued these bonds to fund their unfunded actuarial accrued liability with PERS.
- Revenue bonds – these bonds are issued to finance facilities with a definable user or revenue base. These debt instruments are secured by a specific source of funds, either from the operations of the project being financed or from a dedicated revenue stream, rather than the general taxing powers of the City.
- Federal agency long-term debt – the City has issued several long-term debt obligations with federal agencies to fund wastewater treatment plant improvements.
- Bank notes payable – the City has utilized tax-exempt bank notes payable to fund various local improvement district projects, utility infrastructure improvements, and working capital at its golf course.

## Debt Management Policies

- Capital projects financed through bond proceeds shall be financed for a period not to exceed the useful life of the project.
- Long-term borrowing will be confined to capital improvements too large to be financed from current available resources.
- Issuance of assessment bonds or use of bank notes payable, secured by the benefited property, will be pursued to finance local improvement projects and repay interim financing approved by the City Council.
- The City will use its credit line, as needed, to provide interim funds for the construction of local improvements approved by the City Council and other projects as deemed appropriate.
- Notes payable – the City also has outstanding, agreements with the Oregon Economic and Planning Department. Proceeds from these notes provided financing for water and water reclamation system improvements to expand services to new and existing manufacturing facilities.

ORS 287.004(2) states: “Unless a lesser limitation upon the issuance of bonds has otherwise been provided by law or charter, no city shall issue or have outstanding at any one-time bonds in excess of 3 percent of real market value of all taxable property within its boundaries, computed in accordance with ORS 308.297, after deducting from outstanding bonds such cash funds and sinking funds as are applicable to the payment of principal thereof.”

Real market value	\$	1,857,475,547
Debt limit: 3% of real market value	\$	55,724,266
Less outstanding debt subject to legal limit (net)	\$	3,834,105
Legal debt margin	\$	51,809,161

## Current and Future Debt Planning

No new debt is being proposed for BN 25. Standard and Poor's Ratings Services affirmed the City's A+ long-term rating in FY 15. Some of the reasons and assumptions cited for affirming this rating level from the rating company were:

- Very strong management practices and policies
- Notable management practices with long-term planning models
- Very strong budgetary flexibility
- Very strong liquidity
- Strong budgetary performance
- Adequate debt and contingent liabilities
- Strong institutional framework

The City refunded the majority of its outstanding debt in FY 18, FY 19, and FY 22 through private lenders, comments from the lender included, "We are once again impressed with the City's management and high credit quality." These refinancing's saved the City roughly \$850,000 in interest over the lives of the loans and have had the biggest impacts on the Wastewater, Water and Golf funds.

The City has \$3,834,105 of debt subject to the legal limit (ORS 287.004 (2)) as of June 30, 2022. This includes a full faith & credit borrowing in 2017 for the Barnes Butte property \$720,000, full faith and credit borrowing for pension related costs in 2018 \$2,549,000, refunding of the United States Department of Agriculture (USDA) city hall loan dated 2017 for \$1,208,000, and a full faith and credit refunding with additional dollars for the new police building totaling \$5,958,000 in 2020. The City does not currently have plans to seek voter approval of general obligation bonds.



*View of Prineville in May 2021*



## Total Outstanding City Debt June 30, 2023

Fiscal Year	Principal	Interest	Total	Balance
2023				20,588,925
2024	1,834,731	366,473	2,201,204	18,754,194
2025	1,890,922	334,198	2,225,120	16,863,273
2026	2,044,470	300,559	2,345,030	14,818,802
2027	1,762,383	264,375	2,026,758	13,056,419
2028	1,339,766	230,804	1,570,570	11,716,654
2029	1,197,150	206,816	1,403,966	10,519,503
2030	1,235,589	189,241	1,424,830	9,283,914
2031	1,287,627	171,062	1,458,689	7,996,288
2032	686,884	152,107	838,991	7,309,404
2033	713,383	140,269	853,652	6,596,021
2034	739,945	127,953	867,898	5,856,076
2035	767,573	115,156	882,729	5,088,503
2036	221,267	101,860	323,127	4,867,236
2037	224,030	97,993	322,023	4,643,206
2038	226,864	94,055	320,919	4,416,343
2039	229,770	90,045	319,815	4,186,573
2040	232,750	85,961	318,710	3,953,823
2041	235,806	81,800	317,606	3,718,017
2042	238,941	77,561	316,502	3,479,076
2043	250,769	73,242	324,011	3,228,306
2044	211,485	68,754	280,239	3,016,821
2045	214,528	64,606	279,135	2,802,292
2046	217,655	60,376	278,031	2,584,637
2047	220,868	56,059	276,927	2,363,769
2048	224,169	51,654	275,823	2,139,600
2049	227,561	47,158	274,719	1,912,040
2050	231,046	42,569	273,615	1,680,994
2051	234,627	37,884	272,510	1,446,367
2052	238,306	33,100	271,406	1,208,061
2053	242,087	28,215	270,302	965,974
2054	245,971	23,227	269,198	720,003
2055	249,963	18,131	268,094	470,040
2056	153,234	12,926	166,160	316,806
2057	157,448	8,712	166,160	159,359
2058	159,359	4,382	163,741	-
	<u>20,588,926</u>	<u>3,859,284</u>	<u>24,448,210</u>	

**Total Outstanding Debt**  
**June 30, 2023**  
**Governmental-type Funds**

**Total Outstanding Debt**  
**June 30, 2023**  
**Business-type Funds**

Fiscal Year	Governmental			Balance	Fiscal Year	Enterprise			Balance
	Principal	Interest	Total			Principal	Interest	Total	
2023				7,347,857	2023				13,241,068
2024	688,776	151,564	840,340	6,659,081	2024	1,145,955	214,909	1,360,864	12,095,113
2025	728,679	134,673	863,352	5,930,402	2025	1,162,243	199,525	1,361,768	10,932,871
2026	775,123	116,659	891,782	5,155,279	2026	1,269,347	183,901	1,453,248	9,663,524
2027	822,016	97,322	919,339	4,333,262	2027	940,367	167,052	1,107,419	8,723,157
2028	683,339	76,666	760,005	3,649,923	2028	656,426	154,138	810,564	8,066,731
2029	511,214	61,548	572,762	3,138,709	2029	685,936	145,268	831,205	7,380,794
2030	533,662	53,230	586,892	2,605,047	2030	701,927	136,011	837,938	6,678,867
2031	556,047	44,532	600,579	2,049,000	2031	731,580	126,530	858,110	5,947,288
2032	476,000	35,448	511,448	1,573,000	2032	210,884	116,659	327,543	5,736,404
2033	500,000	27,213	527,213	1,073,000	2033	213,383	113,056	326,439	5,523,021
2034	524,000	18,563	542,563	549,000	2034	215,945	109,390	325,335	5,307,076
2035	549,000	9,498	558,498	-	2035	218,573	105,658	324,231	5,088,503
2036	-	-	-	-	2036	221,267	101,860	323,127	4,867,236
2037	-	-	-	-	2037	224,030	97,993	322,023	4,643,206
2038	-	-	-	-	2038	226,864	94,055	320,919	4,416,343
2039	-	-	-	-	2039	229,770	90,045	319,815	4,186,573
2040	-	-	-	-	2040	232,750	85,961	318,710	3,953,823
2041	-	-	-	-	2041	235,806	81,800	317,606	3,718,017
2042	-	-	-	-	2042	238,941	77,561	316,502	3,479,076
2043	-	-	-	-	2043	250,769	73,242	324,011	3,228,306
2044	-	-	-	-	2044	211,485	68,754	280,239	3,016,821
2045	-	-	-	-	2045	214,528	64,606	279,135	2,802,292
2046	-	-	-	-	2046	217,655	60,376	278,031	2,584,637
2047	-	-	-	-	2047	220,868	56,059	276,927	2,363,769
2048	-	-	-	-	2048	224,169	51,654	275,823	2,139,600
2049	-	-	-	-	2049	227,561	47,158	274,719	1,912,040
2050	-	-	-	-	2050	231,046	42,569	273,615	1,680,994
2051	-	-	-	-	2051	234,627	37,884	272,510	1,446,367
2052	-	-	-	-	2052	238,306	33,100	271,406	1,208,061
2053	-	-	-	-	2053	242,087	28,215	270,302	965,974
2054	-	-	-	-	2054	245,971	23,227	269,198	720,003
2055	-	-	-	-	2055	249,963	18,131	268,094	470,040
2056	-	-	-	-	2056	153,234	12,926	166,160	316,806
2057	-	-	-	-	2057	157,448	8,712	166,160	159,359
2058	-	-	-	-	2058	159,359	4,382	163,741	-
	7,347,857	826,915	8,174,772			13,241,069	3,032,369	16,273,438	

## Total Outstanding City Debt by Fund June 30, 2023

Governmental Type Funds	Principal	Interest	Total
City Hall - Rural Development	794,294	43,860	838,154
Pension Obligation Bond - 2018	1,450,563	156,758	1,607,321
The Commerce Bank - Police Facility	5,103,000	626,296	5,729,296
<b>Business Type Funds</b>			
Water - 2021 FFCO	1,588,955	93,117	1,682,072
Water - 2021 IFA - ASR	3,024,900	579,647	3,604,547
Wastewater - 2021 FFCO	3,782,738	161,907	3,944,644
Wastewater - USDA Wetlands	3,703,325	2,109,856	5,813,181
Wastewater - IFA Wetlands	621,601	68,113	689,714
Golf - 2021 FFCO	369,555	8,932	378,487
Public Works - KS St Bank Note Payable	149,994	10,799	160,793
	<b>\$ 20,588,926</b>	<b>\$ 3,859,284</b>	<b>\$ 24,448,210</b>

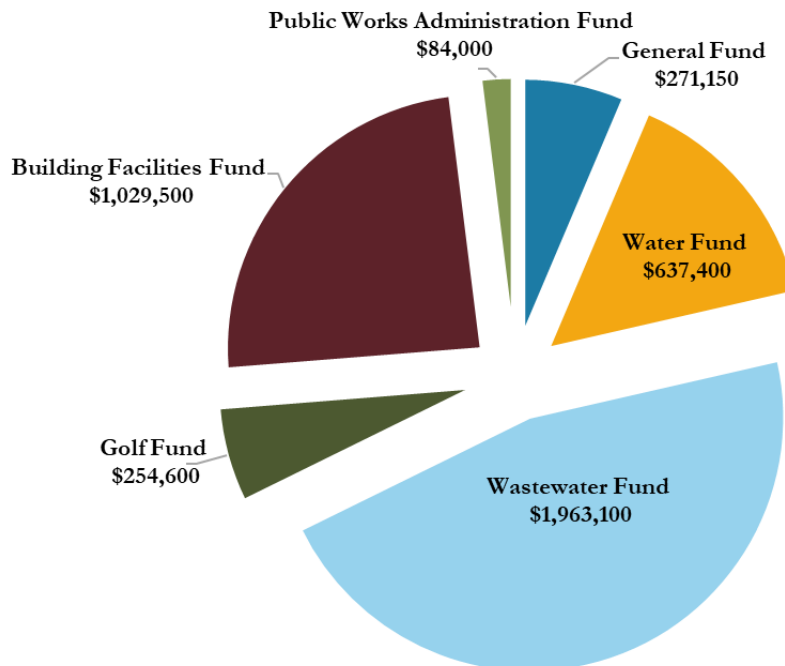


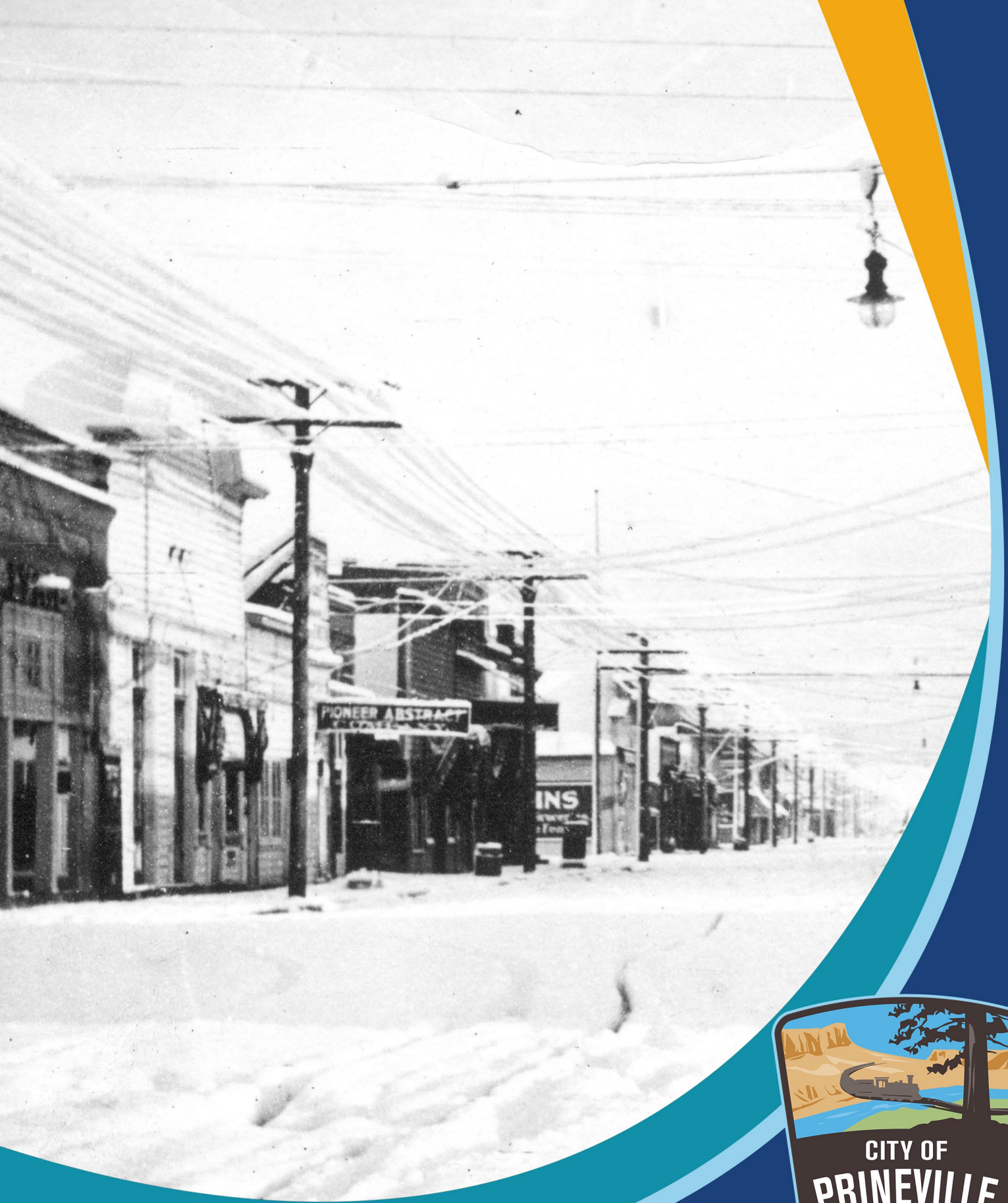
*The Crooked River Wetlands Complex*

## Summary of Debt Service Payments BN 25

	Principal	Interest	Total	
General Fund				
Police Vehicles (Internal Borrowing)	253,400	17,750	271,150	\$ 271,150
Water Fund				
2021 FFCO	322,500	36,600	359,100	\$ 637,400
2021 IFA - ASR*	147,000	131,300	278,300	
Wastewater Fund				
2021 FFCO	1,479,600	82,700	1,562,300	\$ 1,963,100
2017 USDA	130,500	202,000	332,500	
2017 State of Oregon IFA	56,100	12,200	68,300	
Golf Fund				
2021 FFCO	247,100	7,500	254,600	\$ 254,600
Golf Carts Loan				
Building Facilities Fund				
City Hall	191,100	18,200	209,300	\$ 1,029,500
Police Facility	649,000	171,200	820,200	
Barnes Butte Property			-	
POB Fund				
Pension Obligation Bond	577,700	97,100	674,800	\$ 674,800
Public Works Administration Fund				
New Street Sweeper	79,000	5,000	84,000	\$ 84,000

*\*Budgeted Estimates - amounts could change once financing is finalized*





Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



Consolidated Budgets & Analysis



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025

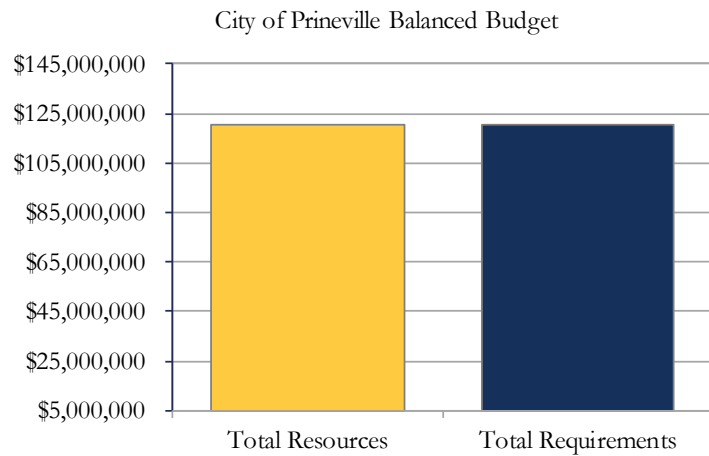


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# Balanced BN 25 Budget Summary

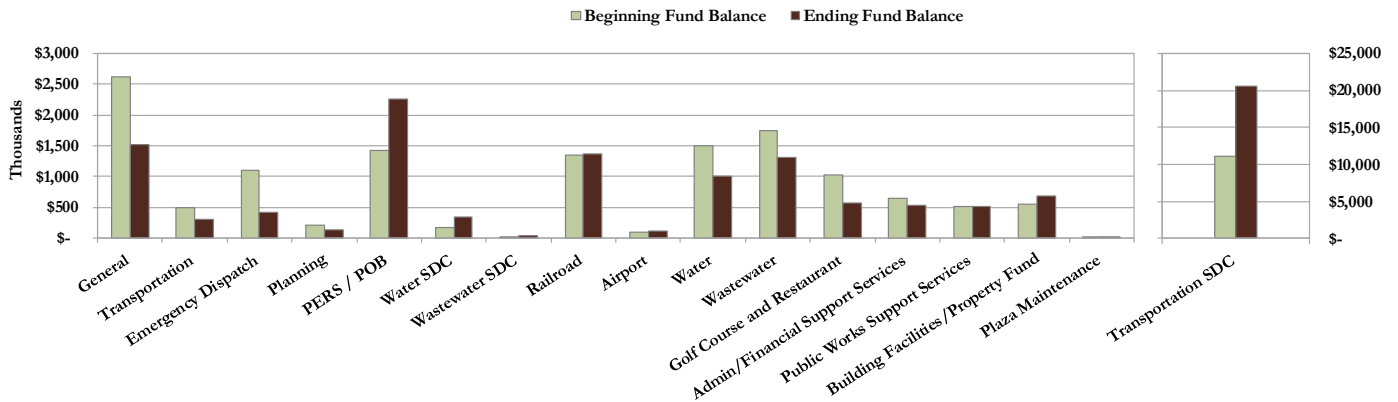
Balanced Budget Summary	
Beginning Fund Balance	\$24,552,330
Other Resources	-
Current Year Resources	96,183,400
<b>Total Resources</b>	<b>\$ 120,735,730</b>
Requirements	\$89,038,150
Contingency	29,387,950
Other Requirements	2,309,630
<b>Total Requirements</b>	<b>\$ 120,735,730</b>
Difference	-



The biennial budget for 2025 will show charts and graphs that include data for the biennium – a two-year period – and information from the previous biennial budget of 2023.

## Charts and Graphs

### BN 25 Beginning and Ending Fund Balance Comparison

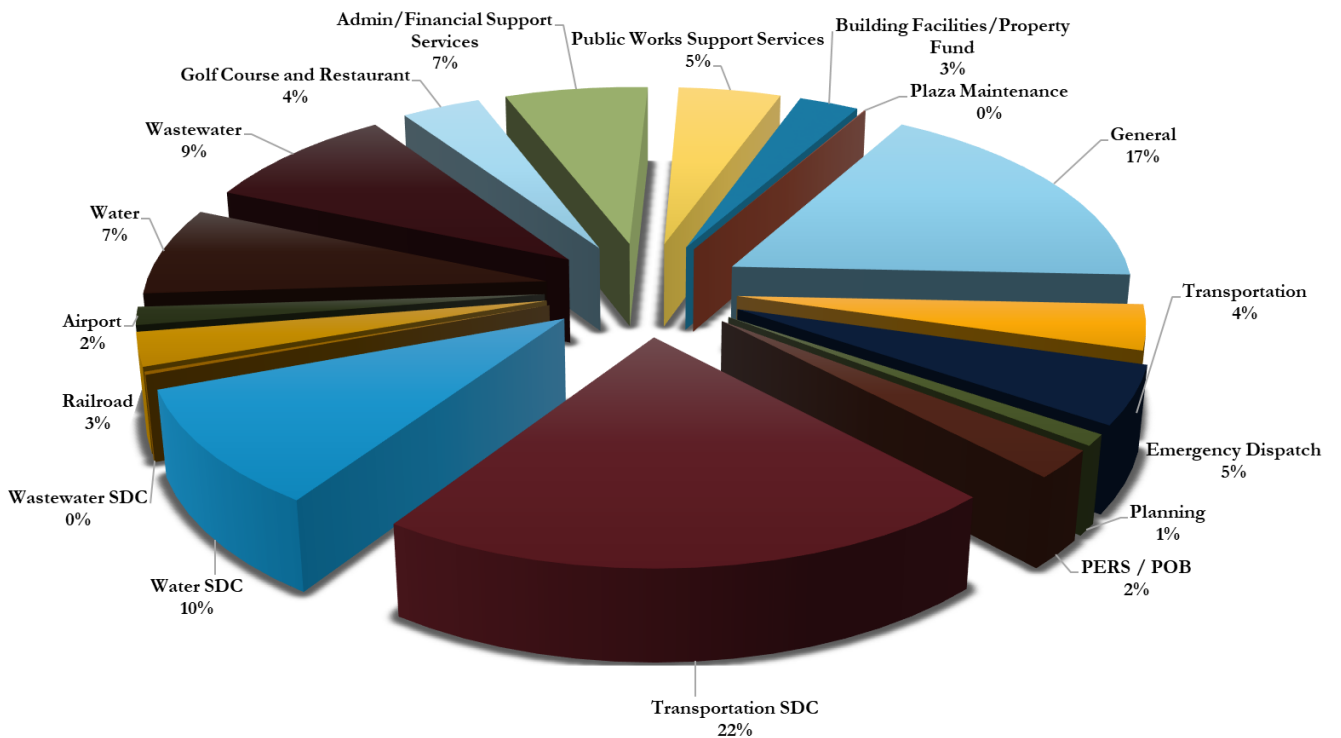
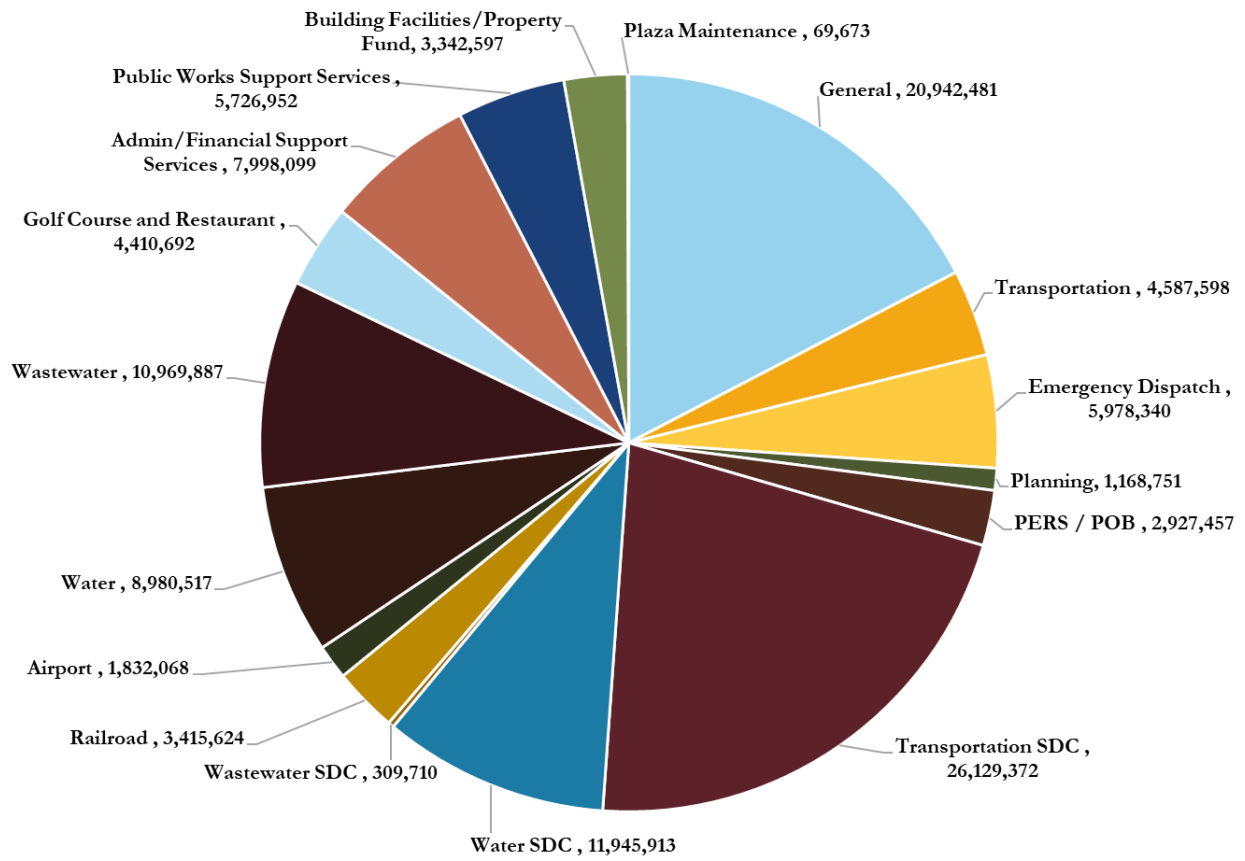


\*Detailed discussion of changes in beginning and ending fund balance included in specific fund detail pages of the budget document.

Fund balance is defined as the balance of net financial resources that is spendable or available for appropriation.



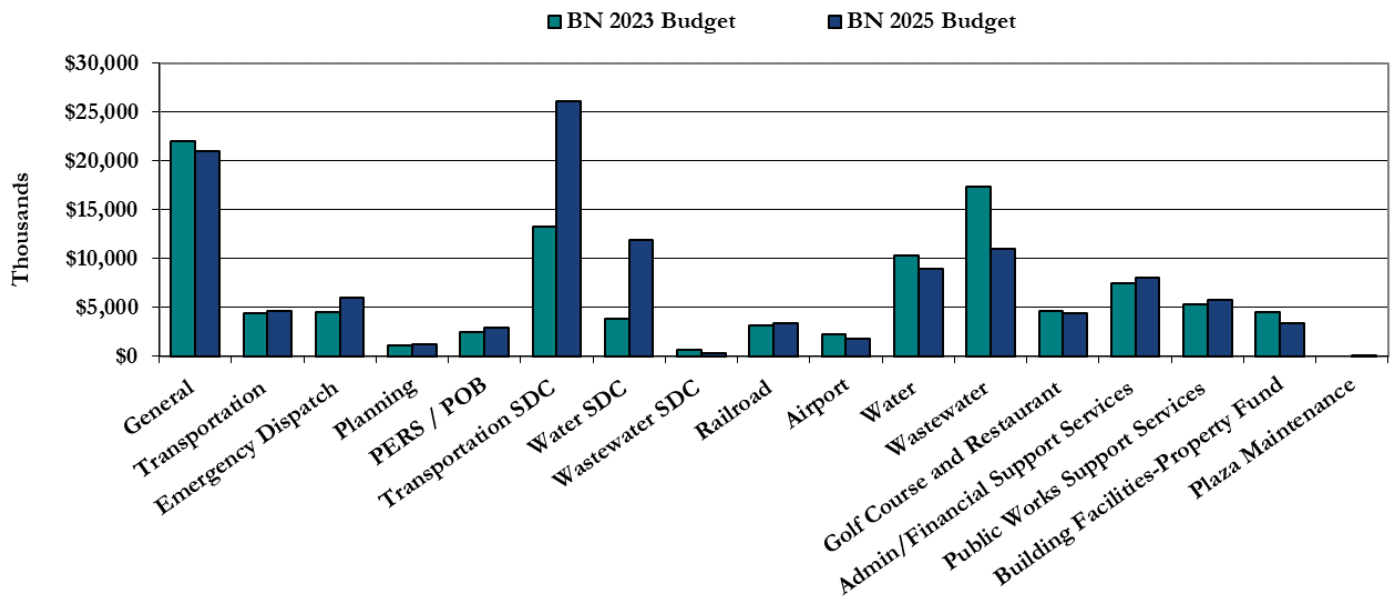
# Total Current Year Requirements by Fund



## BN 23 & BN 25 Budget Comparison

Fund	BN 2023 Budget	BN 2025 Budget	Percent Change
General	\$22,009,813	\$20,942,481	-5%
Transportation	\$4,340,589	\$4,587,598	6%
Emergency Dispatch	\$4,453,904	\$5,978,340	34%
Planning	\$1,068,250	\$1,168,751	9%
PERS / POB	\$2,440,142	\$2,927,457	20%
Transportation SDC	\$13,290,899	\$26,129,372	97%
Water SDC	\$3,807,885	\$11,945,913	214%
Wastewater SDC	\$642,208	\$309,710	-52%
Railroad	\$3,171,566	\$3,415,624	8%
Airport	\$2,219,196	\$1,832,068	-17%
Water	\$10,289,488	\$8,980,517	-13%
Wastewater	\$17,352,055	\$10,969,887	-37%
Golf Course and Restaurant	\$4,591,076	\$4,410,692	-4%
Admin/Financial Support Services	\$7,450,451	\$7,998,099	7%
Public Works Support Services	\$5,331,622	\$5,726,952	7%
Building Facilities-Property Fund	\$4,486,517	\$3,342,597	-25%
Plaza Maintenance	\$61,807	\$69,673	13%
Total	\$107,007,467	\$120,735,730	13%

## BN 23 & BN 25 Budget Comparison



## Fund Use by Department

The following table shows which funds each department is a part of:

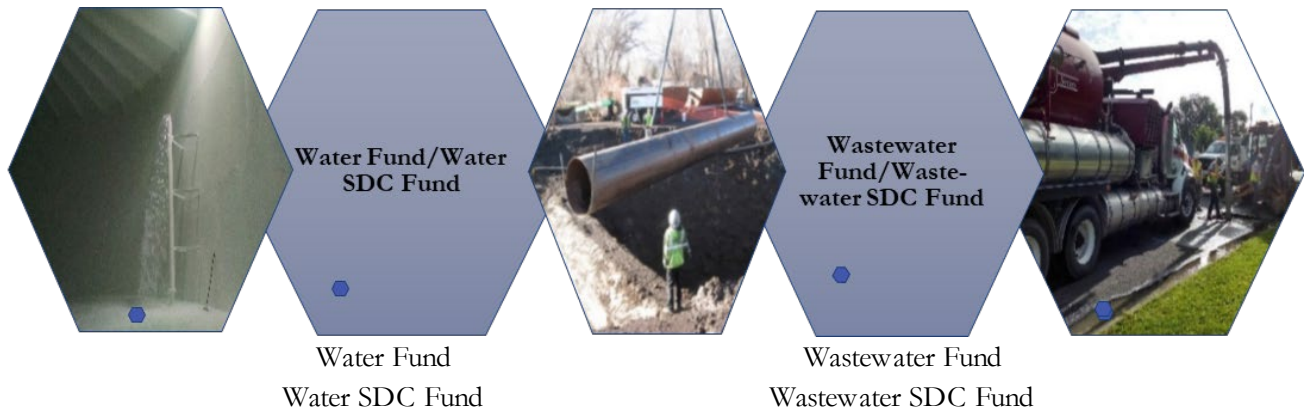
Department	Fund														
	General Fund	Transportation	Emergency Dispatch	Planning	PERS/POB	SDC Funds	Railroad	Airport	Water	Wastewater	Golf	Admin. Services	Plaza	Building Facilities	Public Works Service
Police	*		*								*			*	
Police Facility														*	
Non-Departmental	*	*		*				*						*	
Emergency Dispatch	*		*								*			*	
Transportation	*	*		*		*					*			*	*
Planning	*	*		*		*			*	*	*			*	
PERS/POB	*	*	*	*	*			*		*	*			*	*
Railroad / Freight Depot	*						*				*			*	*
Airport	*							*			*			*	
Water		*		*		*			*		*			*	*
Wastewater		*		*		*				*	*			*	*
Golf Course										*	*			*	
Council	*										*			*	
City Manager											*			*	
Finance											*			*	
Information Technology											*			*	
Plaza Maintenance												*	*	*	
Building Facilities	*										*	*	*	*	*
Public Works Support services		*							*	*	*	*	*	*	*

# Department/Fund Relationships

## Governmental Funds



## Enterprise Funds/Capital Projects Funds



## Enterprise Funds - Continued



Meadow Lakes Golf Course

Airport Fund

Railroad Fund



- Departments
- Restaurant
- Course Maintenance
- Golf Operations

## Internal Service Funds



Admin / Financial Support Services

Building Facilities Fund

Public Works Administration Fund



- Departments
- Council
- City Manager
- Finance
- Information Technology



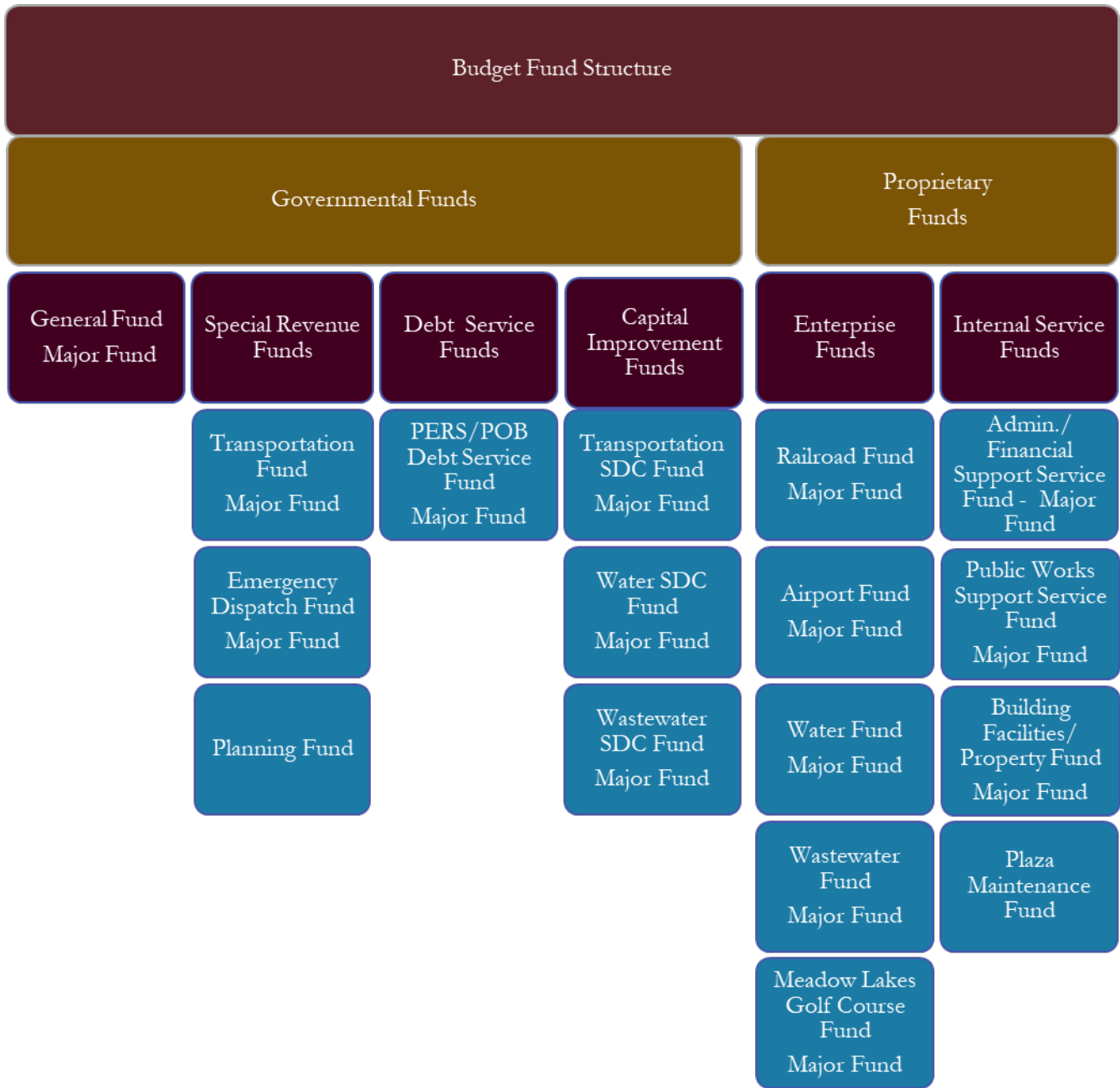
- Departments
- City Hall
- Police Facilities
- Public Works Facilities
- Barnes Butte



- Departments
- Support Services
- Fleet Maintenance and operations

Plaza Maintenance Fund

# Fund Structure



All funds in the fund structure are appropriated funds in the BN 2025 Budget.

# Consolidated Budget BN 25

Fund	Beginning Fund Balance	Other Resources	Total Biennial Resources	Total Biennial Requirements	Contingency	Other Requirements	Total Biennial Requirements	Ending Fund Balance
General	\$ 2,610,081	\$ -	\$ 18,332,400	\$ 19,433,550	\$ 1,508,931	\$ -	\$ 20,942,481	\$ 1,508,931
Transportation	487,198	-	4,100,400	4,273,900	313,698	-	4,587,598	313,698
Emergency Dispatch	1,107,340	-	4,871,000	5,567,000	411,340	-	5,978,340	411,340
Planning	218,351	-	950,400	1,026,800	141,951	-	1,168,751	141,951
PERS / POB	1,427,357	-	1,500,100	674,800	1,893,757	358,900	2,927,457	2,252,657
Transportation SDC	11,054,372	-	15,075,000	5,565,000	20,564,372	-	26,129,372	20,564,372
Water SDC	180,913	-	11,765,000	11,601,800	344,113	-	11,945,913	344,113
Wastewater SDC	7,710	-	302,000	278,000	31,710	-	309,710	31,710
Railroad	1,354,624	-	2,061,000	2,051,900	1,363,724	-	3,415,624	1,363,724
Airport	100,068	-	1,732,000	1,723,500	108,568	-	1,832,068	108,568
Water	1,491,817	-	7,488,700	7,975,700	687,402	317,415	8,980,517	1,004,817
Wastewater	1,752,887	-	9,217,000	9,666,200	327,372	976,315	10,969,887	1,303,687
Golf Course and Restaurant	1,018,692	-	3,392,000	3,834,700	451,992	124,000	4,410,692	575,992
Admin/Financial Support Services	639,699	-	7,358,400	7,458,300	539,799	-	7,998,099	539,799
Public Works Support Services	520,752	-	5,206,200	5,205,800	521,152	-	5,726,952	521,152
Building Facilities/Property Fund	551,197	-	2,791,400	2,654,000	155,597	533,000	3,342,597	688,597
Plaza Maintenance	29,273	-	40,400	47,200	22,473	-	69,673	22,473
<b>Total</b>	<b>\$ 24,552,330</b>	<b>\$ -</b>	<b>\$ 96,183,400</b>	<b>\$ 89,038,150</b>	<b>\$ 29,387,950</b>	<b>\$ 2,309,630</b>	<b>\$ 120,735,730</b>	<b>\$ 31,697,580</b>

*Ending fund balance is equal to contingency and other requirements.*



*The view over the north side of Prineville from the trails at the Barnes Butte Recreation Area – October 2021*

# Consolidated Budget BN 23

Fund	Beginning Fund Balance	Other Resources	Current Year Resources	Current Year Requirements	Contingency	Other Requirements	Total Current Year Requirements
General	\$ 2,760,579	\$ -	\$ 17,104,100	\$ 19,469,200	\$ 395,479	\$ -	\$ 19,864,679
Transportation	309,692	-	3,665,700	3,889,300	86,092	-	3,975,392
Emergency Dispatch	1,079,426	-	3,123,900	3,866,700	336,626	-	4,203,326
Planning	105,620	-	857,600	899,000	64,220	-	963,220
PERS/POB Fund	1,376,018	-	1,025,200	632,900	1,444,818	323,500	2,401,218
Transportation SDC	1,006,745	-	2,758,000	3,495,000	269,745	-	3,764,745
Water SDC	678,559	-	4,004,000	4,092,200	590,359	-	4,682,559
Wastewater SDC	108,660	-	644,000	739,000	13,660	-	752,660
Railroad	1,185,460	-	2,000,600	1,857,500	1,328,560	-	3,186,060
Airport Fund	35,436	-	2,505,000	2,446,300	94,136	-	2,540,436
Water	1,051,618	-	8,301,700	8,501,300	515,818	336,200	9,353,318
Wastewater	2,554,024	-	14,675,500	15,837,300	602,224	790,000	17,229,524
Golf Course and Restaurant	420,025	-	3,391,000	3,607,620	72,405	131,000	3,811,025
Admin/Financial Support Services	642,949	-	6,200,600	6,838,500	5,049	-	6,843,549
Public Works Support Services	208,638	-	5,060,300	4,830,200	438,738	-	5,268,938
Building Facilities	362,428	-	4,288,300	4,086,600	21,828	542,300	4,650,728
Plaza Maintenance	25,402	-	40,400	47,000	18,802	-	65,802
<b>Total</b>	<b>\$ 13,911,279</b>	<b>\$ -</b>	<b>\$ 79,645,900</b>	<b>\$ 85,135,620</b>	<b>\$ 6,298,559</b>	<b>\$ 2,123,000</b>	<b>\$ 93,557,179</b>

# Consolidated Estimated Budget BN 23

Fund	Beginning Fund Balance	Other Resources	Current Year Resources	Current Year Requirements	Contingency	Other Requirements	Total Current Year Requirements
General	\$ 2,689,901	\$ -	\$ 19,319,911	\$ 19,399,732	\$ -	\$ -	\$ 22,009,813
Transportation	345,857	-	3,994,732	3,853,391	-	-	4,340,589
Emergency Dispatch	1,059,703	-	3,394,201	3,346,564	-	-	4,453,904
Planning	135,505	-	932,745	849,899	-	-	1,068,250
PERS/POB Fund	1,377,472	-	1,062,670	1,012,785	-	-	2,440,142
Transportation SDC	894,283	-	12,396,616	2,236,527	-	-	13,290,899
Water SDC	163,653	-	3,644,232	3,626,972	-	-	3,807,885
Wastewater SDC	153,715	-	488,493	634,498	-	-	642,208
Railroad	1,166,597	-	2,004,969	1,816,942	-	-	3,171,566
Airport Fund	60,483	-	2,158,713	2,119,128	-	-	2,219,196
Water	1,090,792	-	9,198,696	8,797,671	-	-	10,289,488
Wastewater	2,853,603	-	14,498,452	15,599,168	-	-	17,352,055
Golf Course and Restaurant	518,550	-	4,072,526	3,572,384	-	-	4,591,076
Admin/Financial Support Services	693,898	-	6,756,553	6,810,752	-	-	7,450,451
Public Works Support Services	375,558	-	4,956,064	4,810,870	-	-	5,331,622
Building Facilities	448,426	-	4,038,090	3,935,319	-	-	4,486,516
Plaza Maintenance	23,339	-	38,468	32,534	-	-	61,807
<b>Total</b>	<b>\$ 14,051,336</b>	<b>\$ -</b>	<b>\$ 92,956,132</b>	<b>\$ 82,455,136</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 107,007,466</b>





Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



Resource Requirements & Analysis



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



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# Resources and Requirements Overview

Resources	Actual FY 19	Actual BN 21	Budgeted BN 23	Estimated BN 23	Adopted Budget BN 25
Charges for services	14,974,052	25,394,103	32,582,600	33,943,505	36,572,500
Debt proceeds	4,000,000	8,958,000	8,410,300	8,644,306	-
Franchise fees	3,461,496	7,705,823	8,543,400	8,301,307	9,333,200
Intergovernmental revenue	4,697,535	9,244,652	9,129,200	20,184,361	22,452,500
Miscellaneous	2,163,542	3,358,319	4,931,400	5,634,809	14,071,800
Property taxes	2,194,108	4,762,773	5,160,000	5,298,020	5,695,100
System development charges	13,153,602	9,740,992	2,840,000	2,764,897	1,950,000
Transfers	4,838,868	13,605,566	8,049,000	8,184,927	6,108,300
Beginning Fund Balance	14,218,312	20,352,182	13,911,279	14,051,336	24,552,330
<b>Total</b>	<b>\$ 63,701,515</b>	<b>\$ 103,122,409</b>	<b>\$ 93,557,179</b>	<b>\$ 107,007,467</b>	<b>\$ 120,735,730</b>

Expenditures	Actual FY 19	Actual BN 21	Budgeted BN 23	Estimated BN 23	Adopted Budget BN 25
Personnel services	9,088,827	17,653,836	21,597,200	20,526,664	24,378,700
Materials and services	5,686,585	11,592,933	15,894,200	15,828,009	16,600,800
Franchise fee expense	177,000	693,000	693,000	693,000	908,700
Capital outlay	16,818,326	32,769,509	13,571,500	12,148,241	23,092,700
Transfers	9,469,152	18,375,965	19,962,300	20,007,493	19,128,200
Debt service	2,109,442	7,985,828	13,417,420	13,251,730	4,929,050
Contingency/Other Requirements	-	-	8,421,559	24,552,330	31,697,580
<b>Total</b>	<b>\$ 43,349,332</b>	<b>\$ 89,071,072</b>	<b>\$ 93,557,179</b>	<b>\$ 107,007,467</b>	<b>\$ 120,735,730</b>

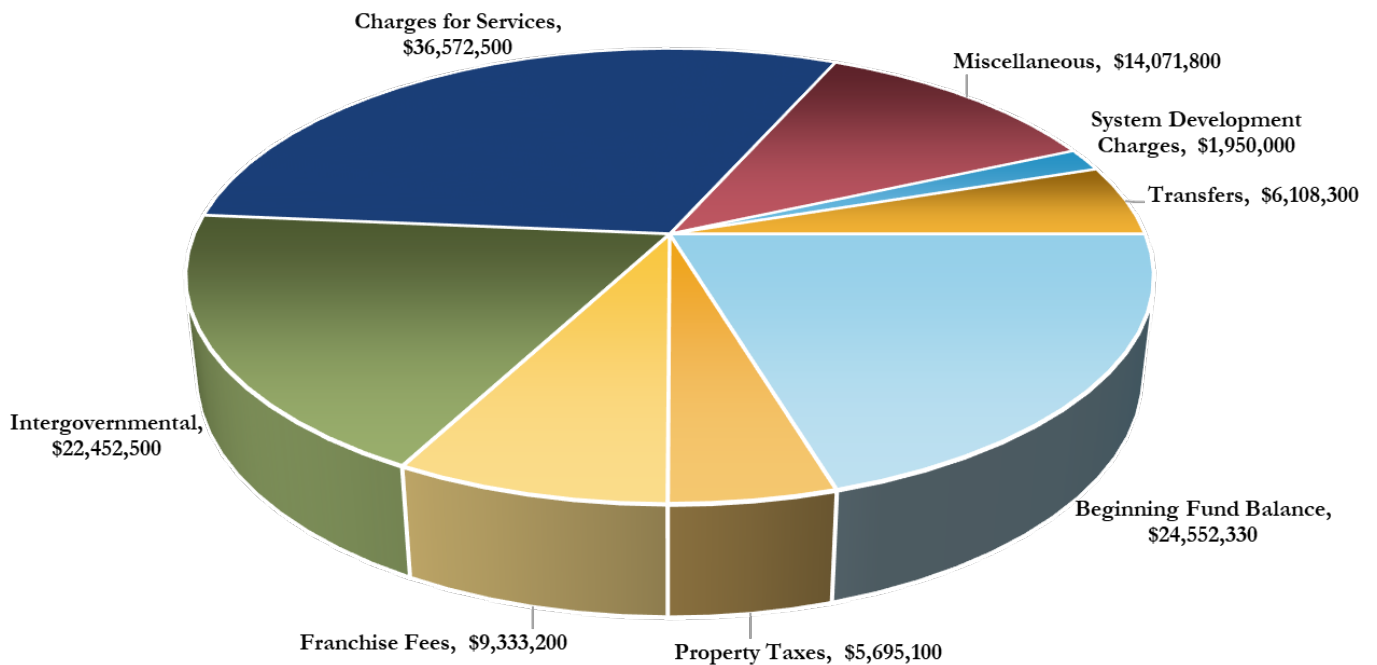
The comparisons in the charts and graphs from BN 21 to BN 25 will show two years of budget data compared to one fiscal year during the transition from a fiscal year to a biennial budget in FY 19 to BN 21.

# Types of Resources and Requirements

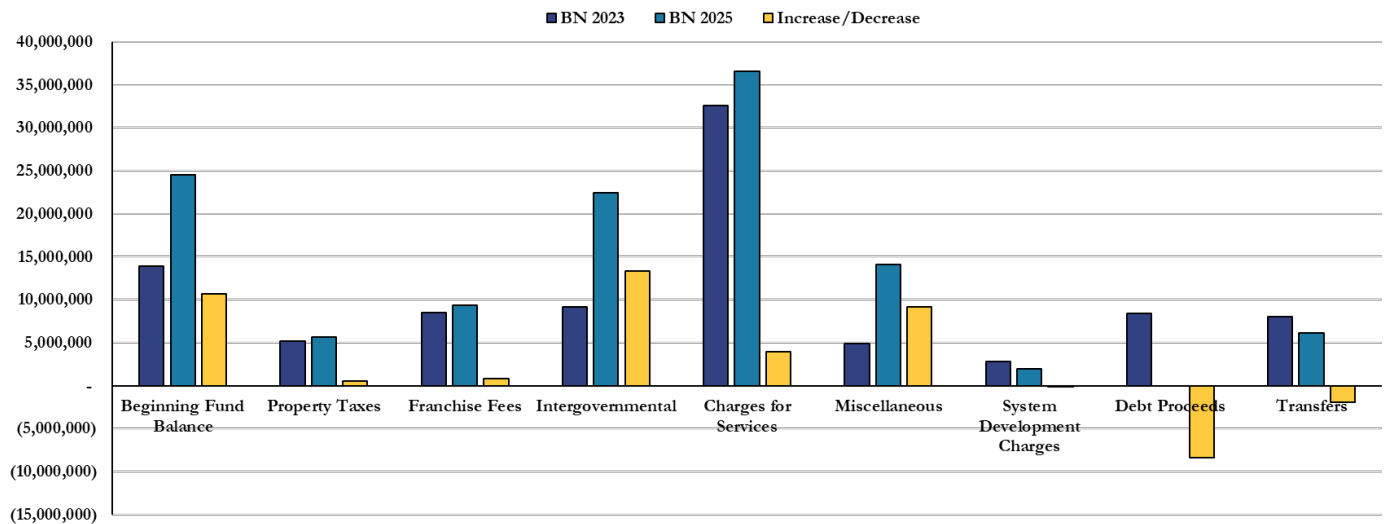
## All Revenue Sources

Nine main revenue categories comprise the revenue sources for the BN 25 budget. Of these nine categories, charges for service is the largest at 30 percent, beginning fund balance at 20 percent, franchise fees are 8 percent, intergovernmental revenue at 19 percent, transfers 8 percent, property taxes at 6 percent, miscellaneous income 12 percent, system development charges fees (SDC) 2 percent, and debt proceeds are at 0 percent. The top six sources comprise 97 percent of total revenues. This section will examine these revenue sources, as well as property taxes.

Revenue Summary	
	Percent of Total
Beginning Fund Balance	20%
Property Taxes	6%
Franchise Fees	8%
Intergovernmental	19%
Charges for Services	30%
Miscellaneous	12%
System Development Charges	2%
Debt Proceeds	0%
Transfers	8%

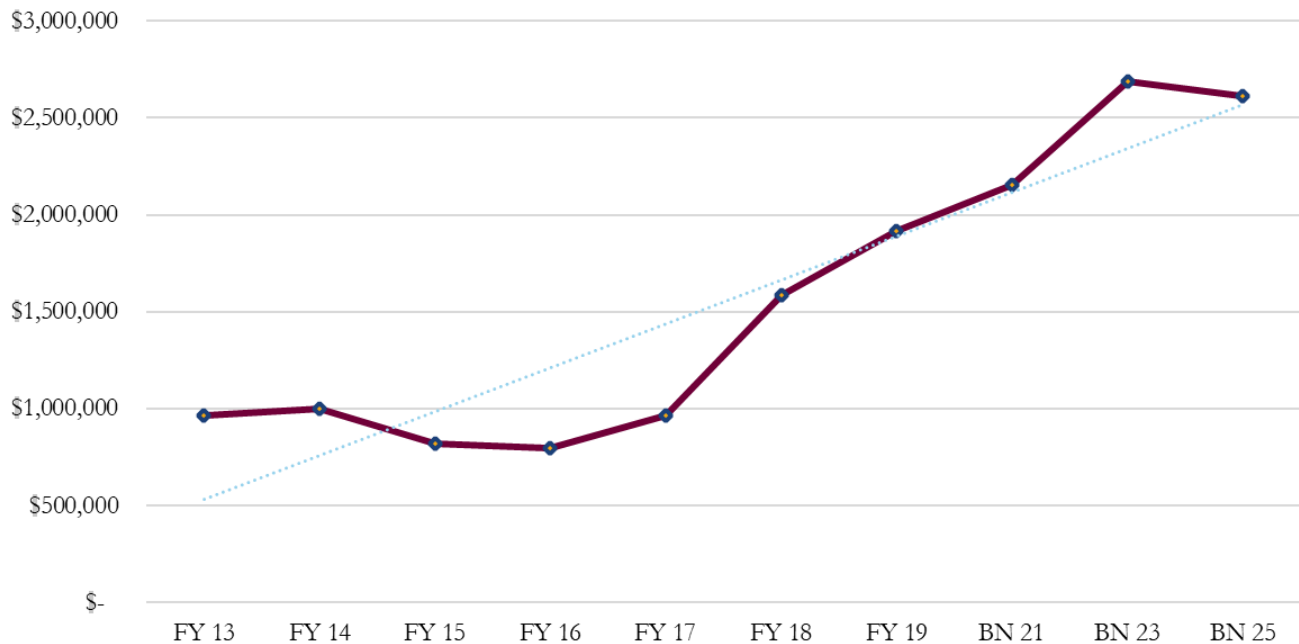


## All Revenue Sources Comparison City of Prineville, FY 13 - BN 25



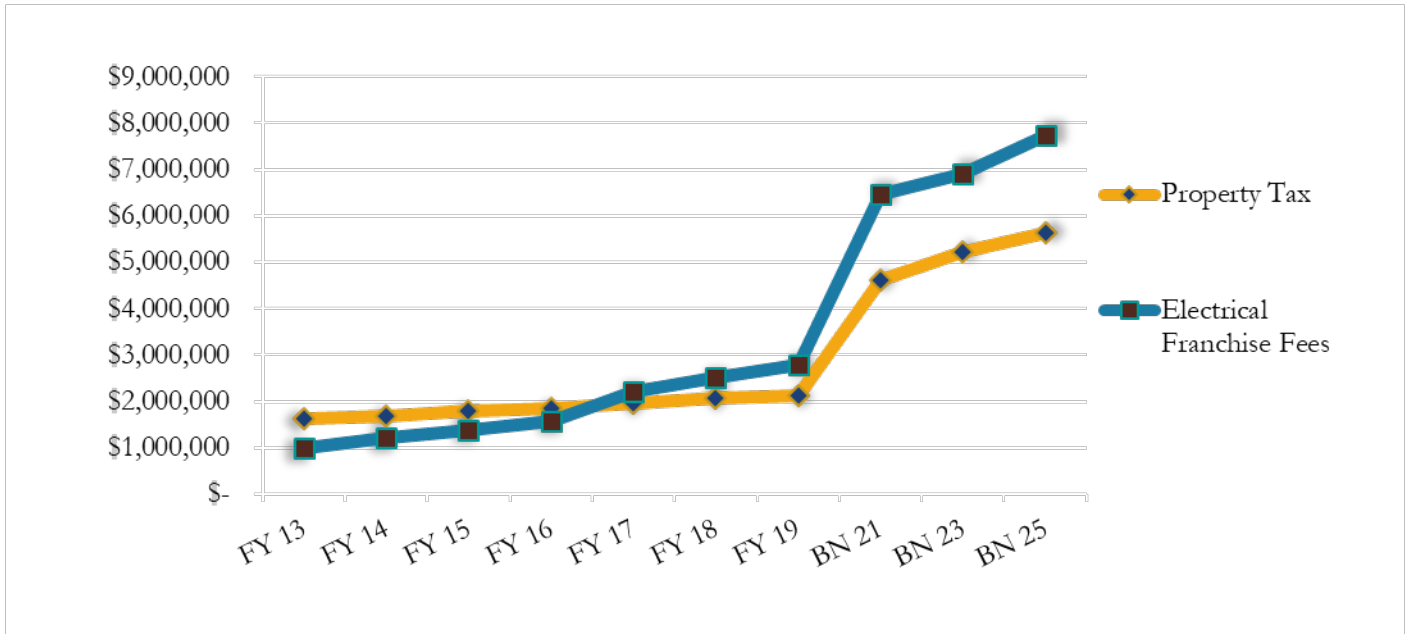
Decreases to revenue sources for BN 25 are only associated with debt proceeds due to the City not planning on issuing debt in the coming biennium. Overall revenue sources in BN 25 are budgeted to increase approximately \$13.7 million from BN 23. Intergovernmental revenue increases are largely associated with funding opportunities currently being explored to complete the Combs Flat Road to Peters Road project.

## Beginning/Ending Fund Balance General Fund BN 25



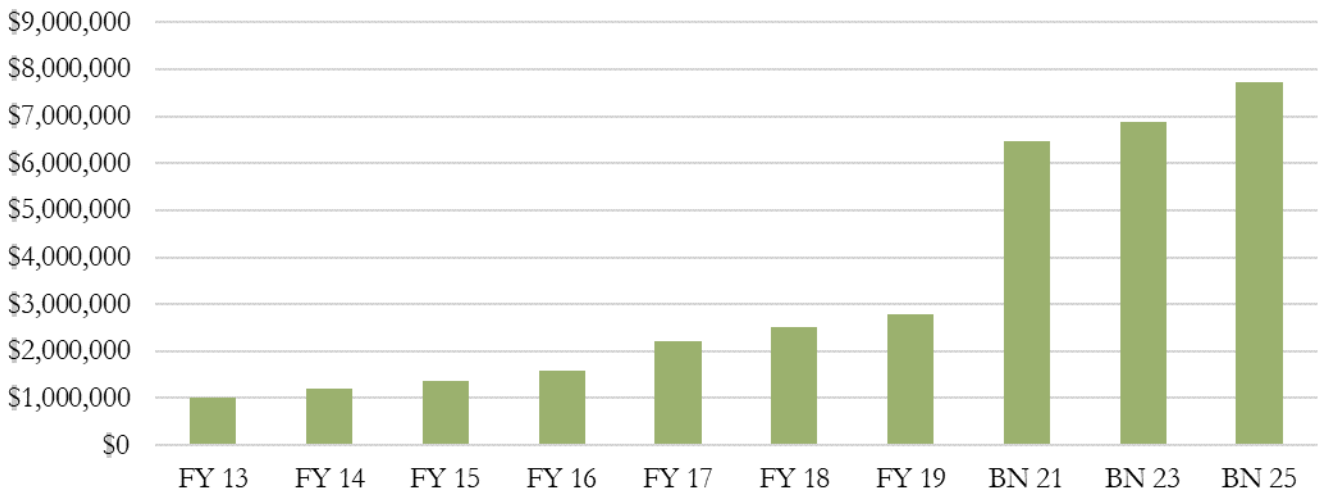
General Fund beginning fund balance in FY 13 was \$963,998 and has grown over the years starting BN 23 at \$2.69 million. Year-end estimates project beginning fund balance for BN 25 to be \$2.61 million, a decrease of roughly \$80,000.

## Revenue Collection Trend



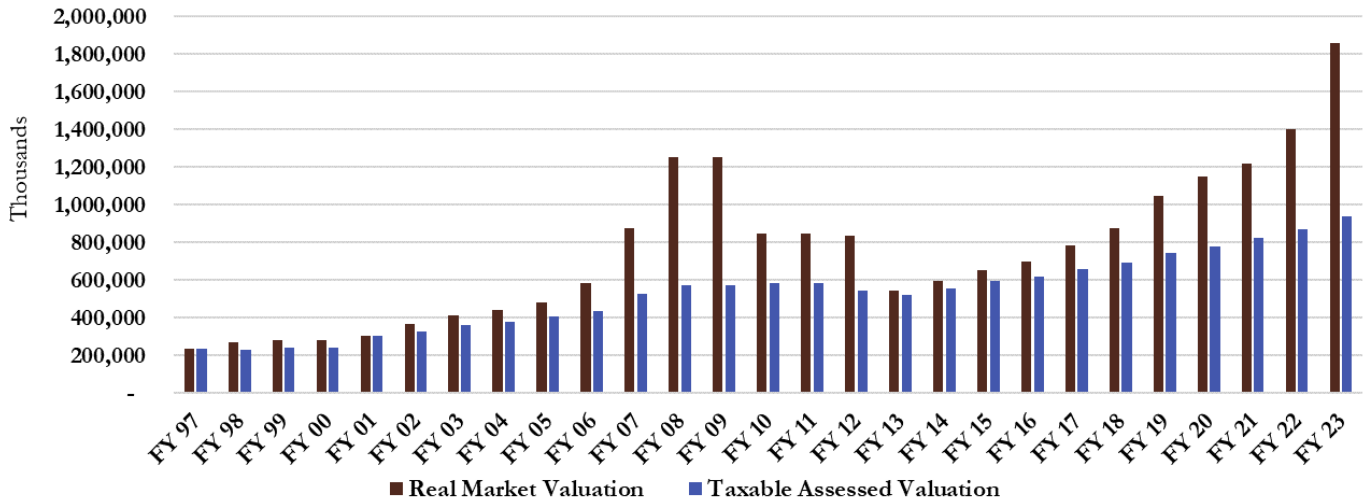
Property taxes have been increasing, for the most part, since FY 13 with significant increases happening over the last several years. Prior to data centers, the electrical franchise fees were roughly \$350,000 annually. From 2011 to 2016, the City collected roughly \$6.6 million in electrical franchise fees filling the gap of lost property tax collection from the [Great Recession](#). In FY 17 through FY 19, actual collections have franchise fees exceeding the amount of property tax. Property tax is estimated to increase roughly \$427,000 over the coming biennium, franchise fees are projected to increase roughly \$831,000 through BN 25.

Electrical Franchise Fees



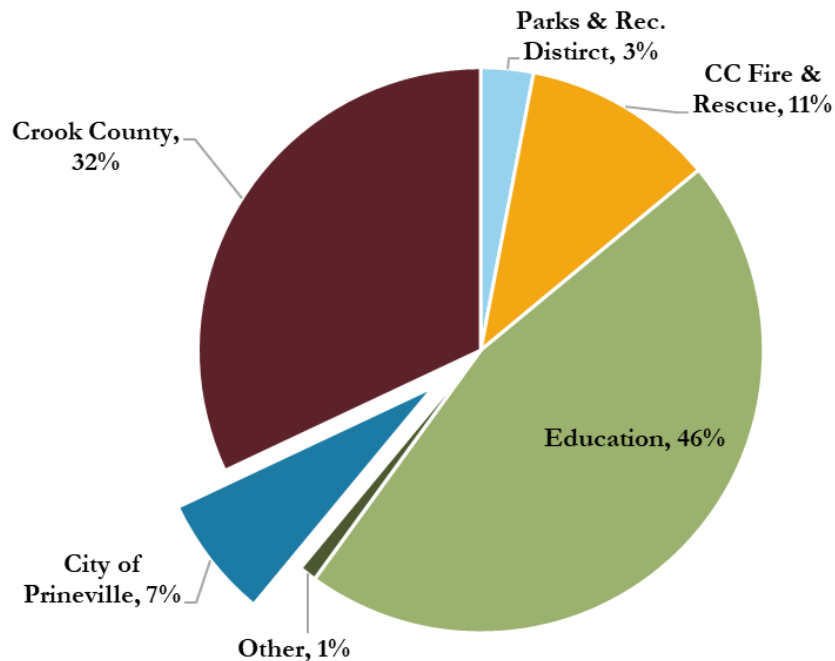
Electrical franchise fees are estimated for BN 25 at roughly \$7.7 million. [Data center construction](#) continued through BN 23 and there is anticipated additional electrical franchise fee revenue expected for when these buildings come online. With the timing of this being unknown at this time, the City decided to take a conservative approach when budgeting.

## Real Market Value / Taxable Assessed Value City of Prineville, FY 97 - FY 23



The permanent tax rate of \$3.0225 per thousand is applied to the projected taxable assessed value of property to generate property tax revenues. Property taxes are shown as revenues in the General Fund.

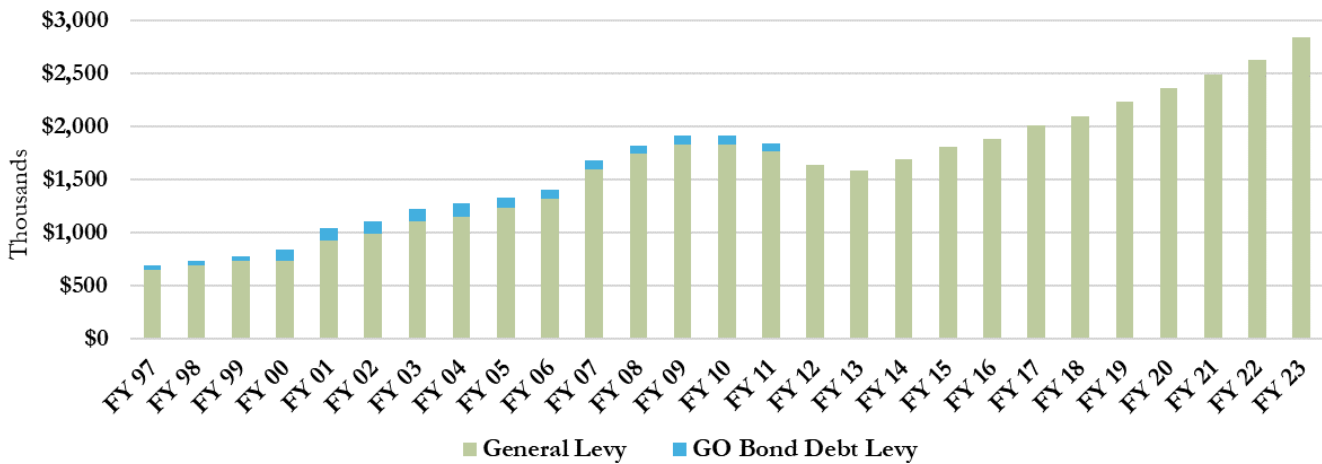
## Taxing Districts Percentages BN 25



Approximately 7 percent of your property tax dollars come to the City of Prineville. They help fund a portion of public safety and the other 93 percent of your tax dollars go to the other taxing districts as shown in the chart above. The other one percent would include vector control and AG extension service.

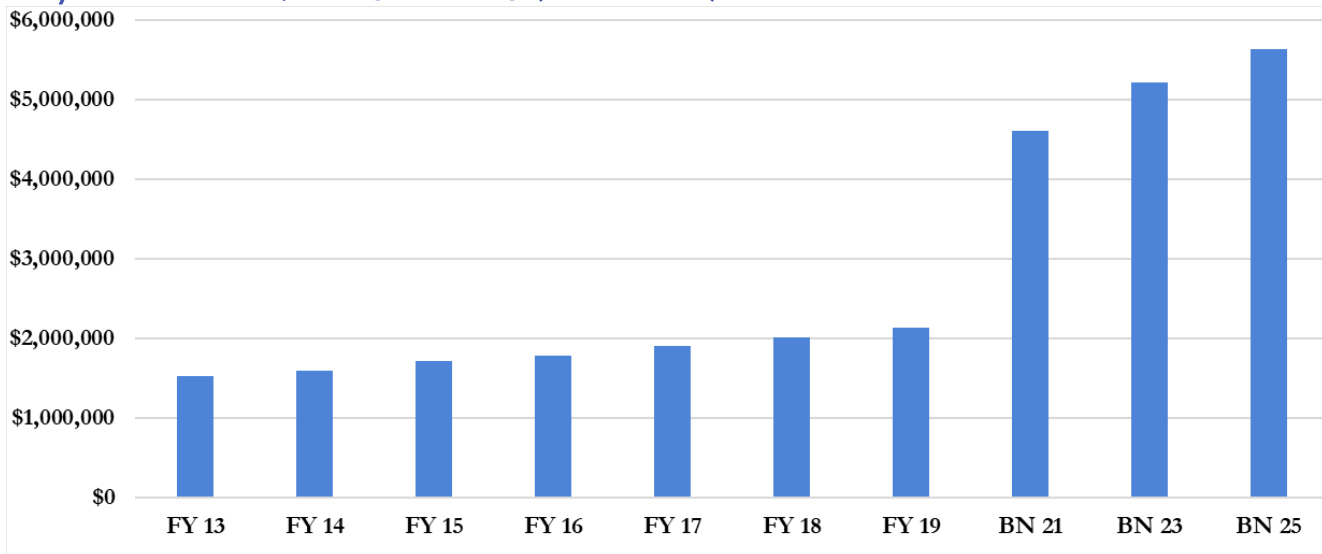


## Property Taxes Levied City of Prineville, FY 97 - FY 23



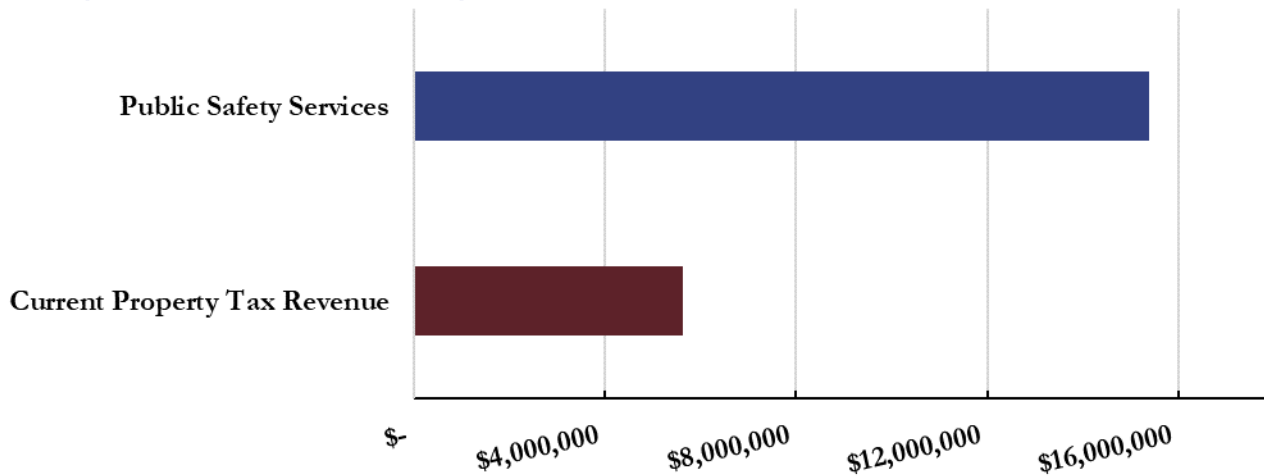
Taxable assessed value of property and the permanent property tax rate are used to calculate property taxes in the City of Prineville. Taxable assessed values of existing property are limited to an increase of 3 percent per year. Value added to a community via new construction increases the assessed value over the 3 percent growth rate limited by Measure 50. For FY 24, taxable assessed value is projected by the Crook County Assessor’s Office to increase approximately 3-4 percent over last year’s-imposed tax. The City is taking a conservative approach and estimated roughly a 3 percent increase over the prior year for the biennial period. The general obligation bond for water improvement matured in FY 11.

## Current Property Tax Collection City of Prineville, FY 13 - BN 25 (Estimated)



Property tax collection is estimated at \$2.78 million in the first year of BN 25 and \$2.86 million in the second year, an increase of roughly \$427,000 for the biennium.

## Current Property Tax Collection Comparison to Public Safety Costs

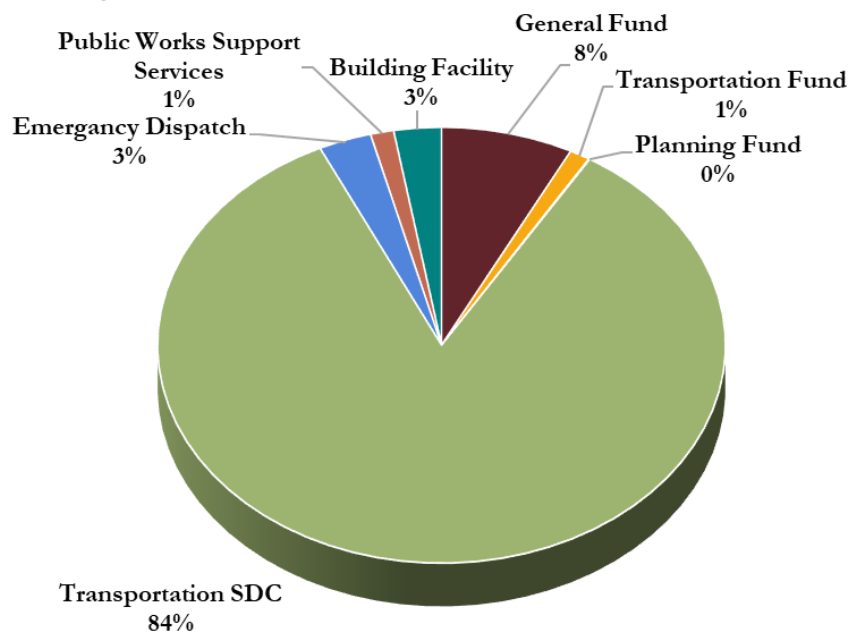


Public safety services proposed biennial budget totals \$15.4 million for the BN 25 budget, with property tax revenue estimated at roughly \$5.6 million.

## Intergovernmental Revenue

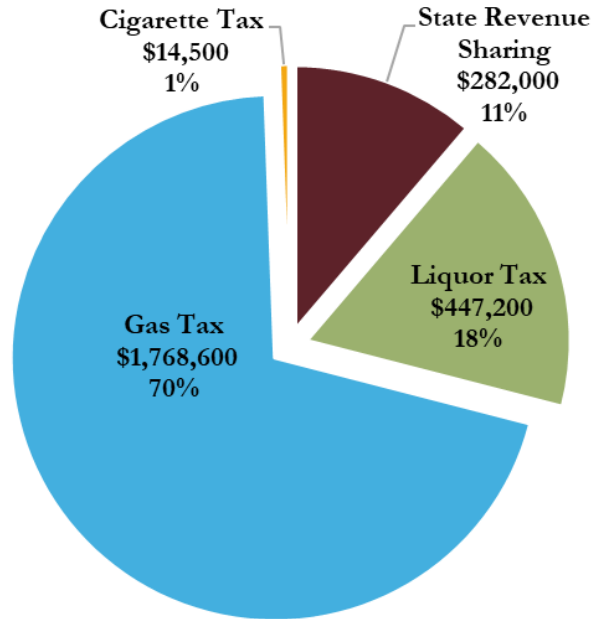
Intergovernmental revenue is budgeted at roughly \$22.4 million for BN 25 with grant revenue at \$16.6 million of that total, state shared revenue estimates total \$2.5 million, and other agency revenues making up the remaining total of roughly \$3.3 million.

## Grant Revenue BN 25



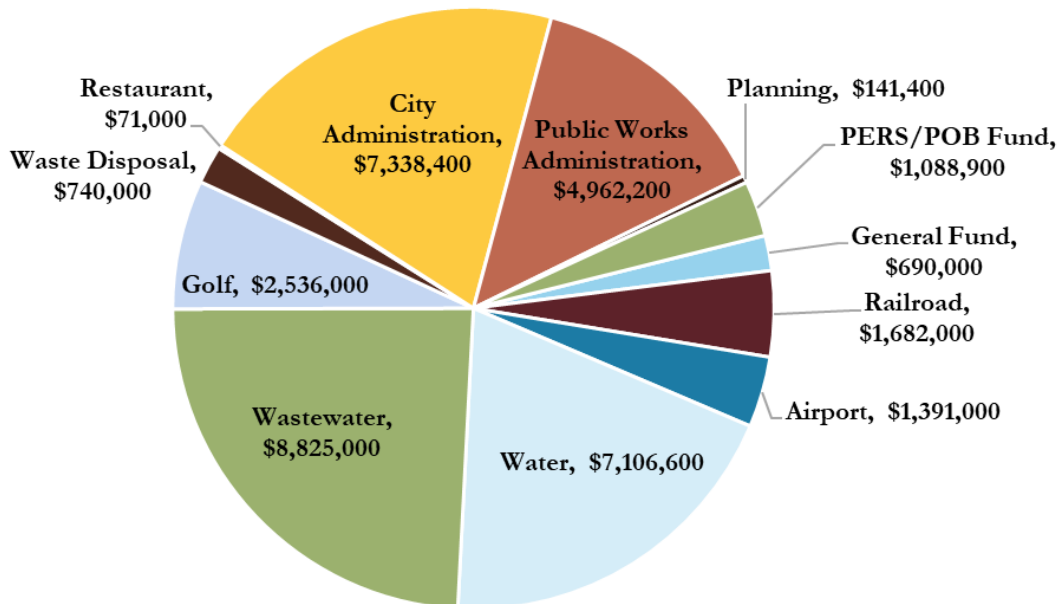
Grant revenue totals approximately \$16.6 million for BN 25, with the largest portion of dollars going to the Transportation SDC Fund at \$14 million for the Combs Flat Road extension to Peters Road project. In the General Fund, there is \$1.3 million budgeted for the biomass project. Other funds budgeted to receive grant dollars include: the Emergency Dispatch Fund in the amount of \$500,000 for upgrading the phone system; a \$192,800 pass through grant in the Transportation Fund for the transit project; \$10,000 from the Oregon Department of Environmental Quality (DEQ) air quality grant in the Planning Fund; State Transportation Improvement Program (STIP) funds from the Oregon Department of Transportation (ODOT) in the Public Works Support Services Fund; and in the Building Facility Fund a recreational grant totaling \$450,000.

## State Shared Revenue, BN 25



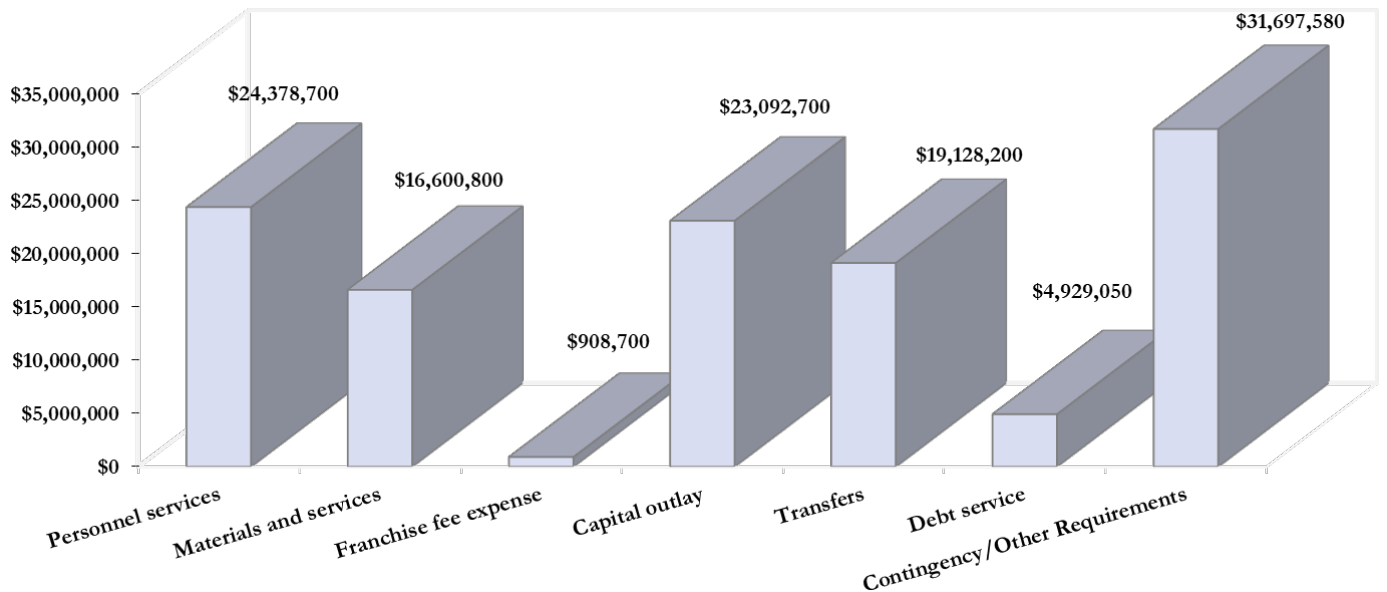
State shared revenues are projected at \$2,512,300 for BN 25. State revenues are distributed to cities based on state statute, which defines formulas incorporating population and per capita income. The League of Oregon Cities provides the source data for state [revenue sharing projections](#). In Prineville, liquor and cigarette tax revenues are shown in the General Fund. Gas tax and state revenue sharing are shown in the Transportation Operations Fund.

## Charges for Services City of Prineville, BN 25



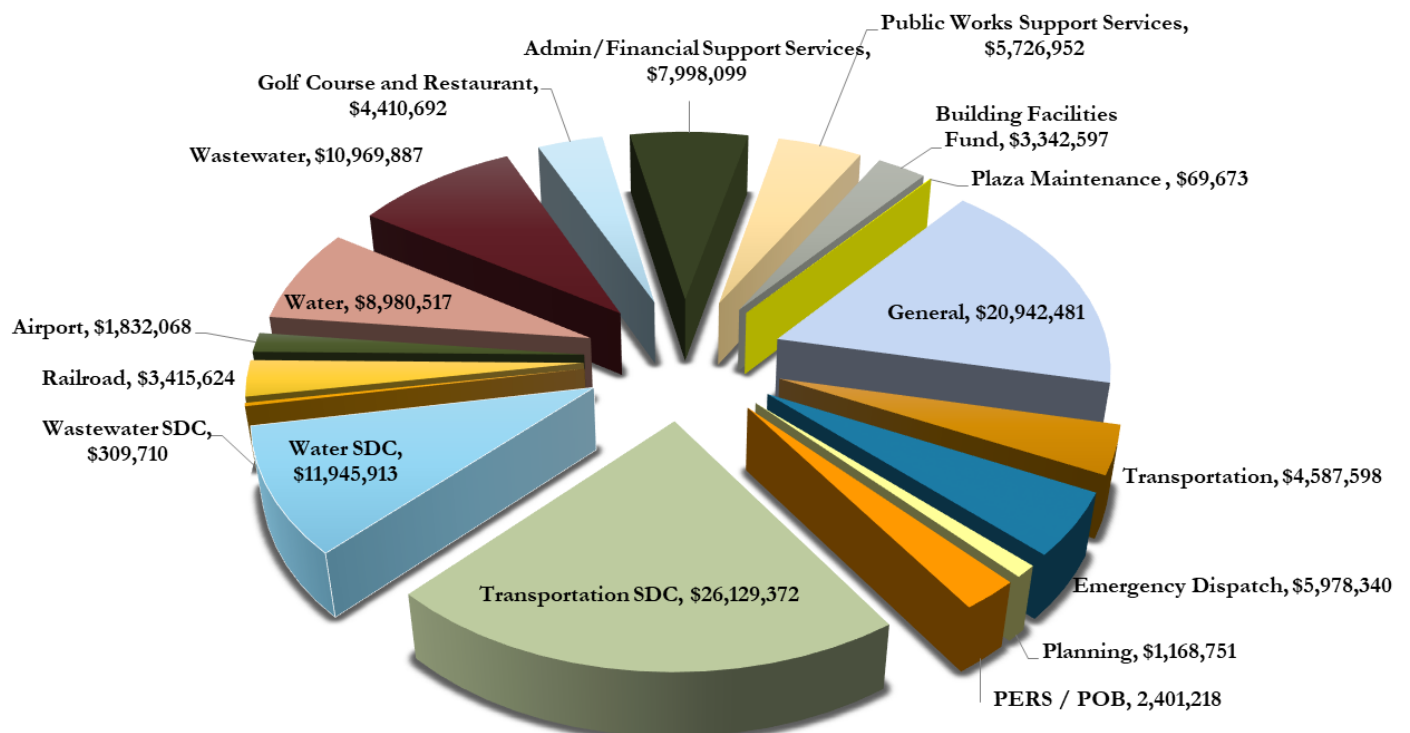
Charges for services total \$36,572,500 for BN 25. Charges for water, wastewater, airport, rail service, engineering and golf are charged to users in the City of Prineville and with certain services throughout the region. The fees for utility services and governmental funds are established through the City's fees and charges resolution, updated yearly. Internal customers are charged for provided services in administration, finance, information technology and human resources. The fees are based on a percent of personnel, operating and direct costs. Revenue for wastewater is the largest in this category at \$8,825,000 for BN 25.

## Requirements Budget by Major Category BN 25



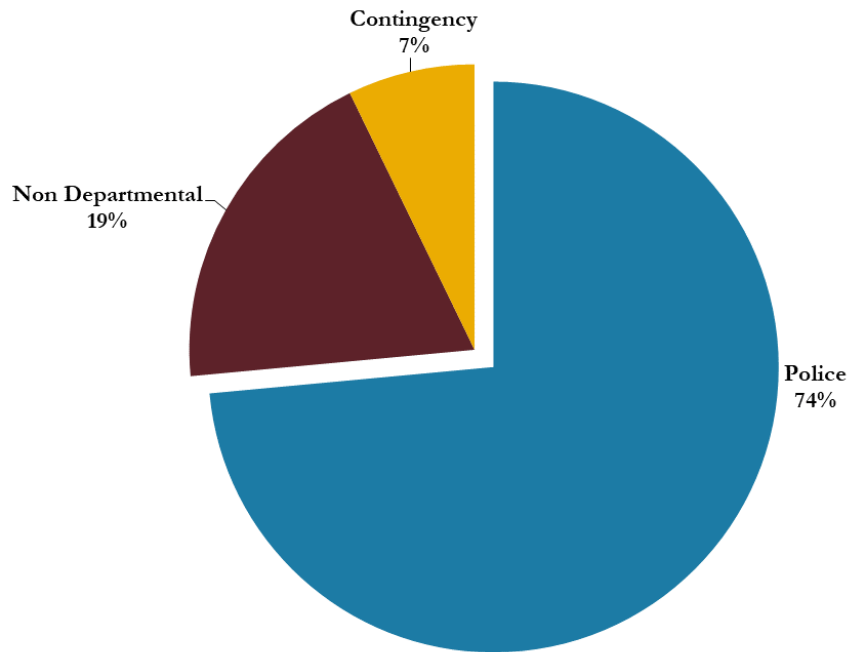
Operational requirements total approximately 51 percent of the budget for BN 25. These categories include personnel services, materials and services, franchise fees and transfers.

## Total Requirements by Fund BN 25



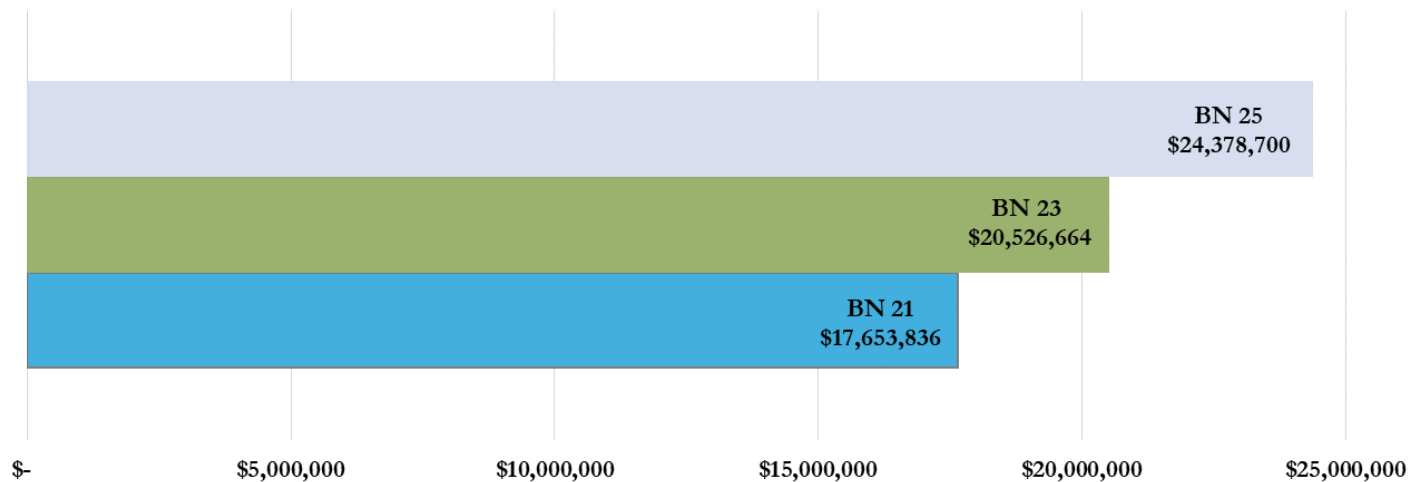
All funds total requirements equal \$120,735,730 for BN 25. The City's largest fund in BN 25 is the Transportation SDC Fund at \$26,129,372, followed by the General Fund at \$20,942,481. The third largest fund is the Water SDC Fund totaling \$11,945,913.

## General Fund Requirements in Total and By Department BN 25



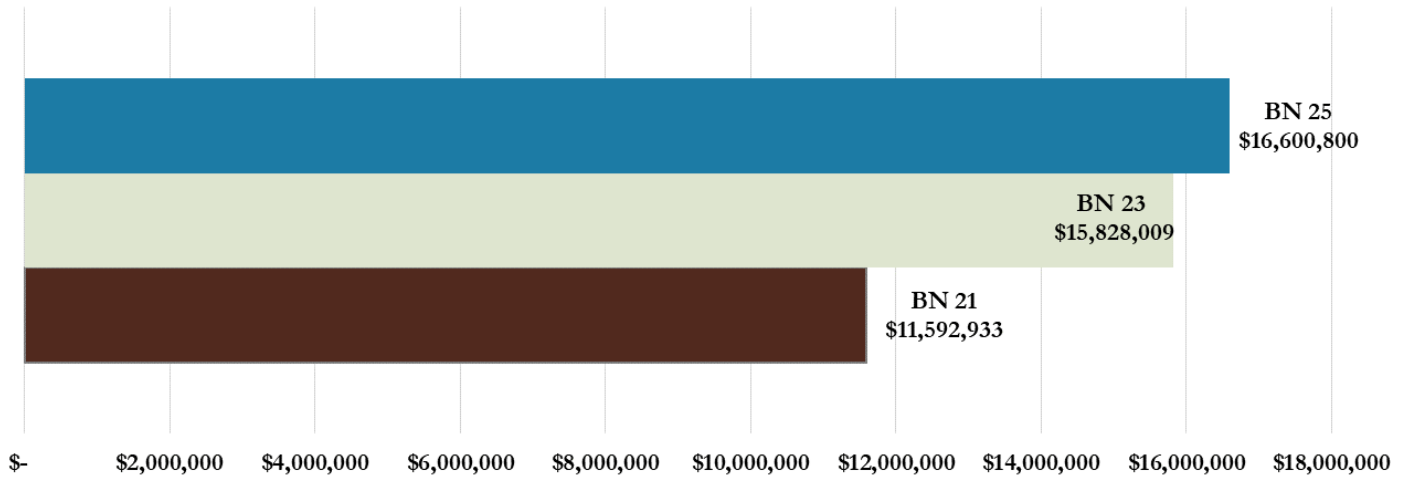
For BN 25, the requirements for the Police department total 74 percent of the General Fund, Non-departmental requirements are 19 percent and Contingency/reserves total 7 percent of the total requirements.

## Personnel Services Requirement Trends BN 21 - BN 25



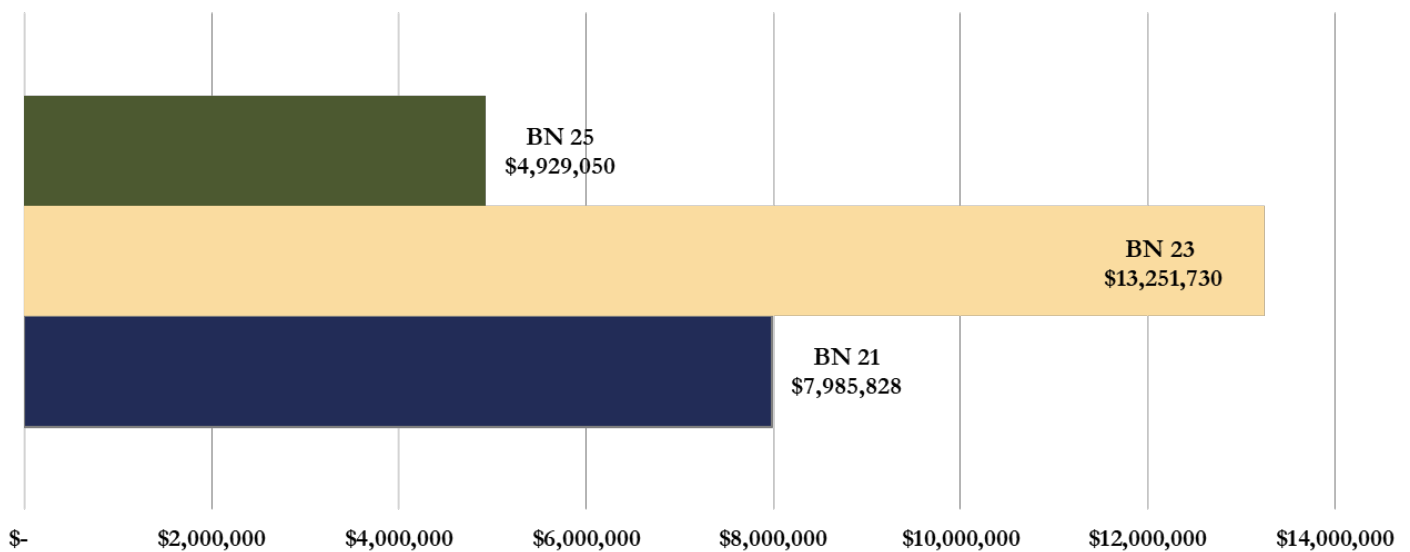
The proposed personnel services budget for BN 25 increased approximately 19 percent over BN 23. Full-time equivalents (FTE) will increase by five additional FTE in BN 25 bringing the total FTE count to 82.97. One additional police officer is budgeted, two new call taker positions are added in the Emergency Dispatch Fund, one utility worker position in Public Works Support Services and one new assistant superintendent position will be added for the Golf Course. Prineville will meet union contract obligations and provide a modest increase for non-represented employees based a cost of living adjustment (COLA) and performance. Health insurance costs are estimated to increase 8 percent the first year and 10 percent the second year of the biennium. Retirement (PERS) increased for BN 25 between 2 and 3 percentage points, depending on the tier. The City is charging an additional 8 percent estimated rate on all subject payroll sufficient to repay debt service on the pension note. The City will also transfer \$50,000 annually from the General Fund to the POB Fund for future liabilities.

## Materials & Services Requirement Trends BN 21 - BN 25



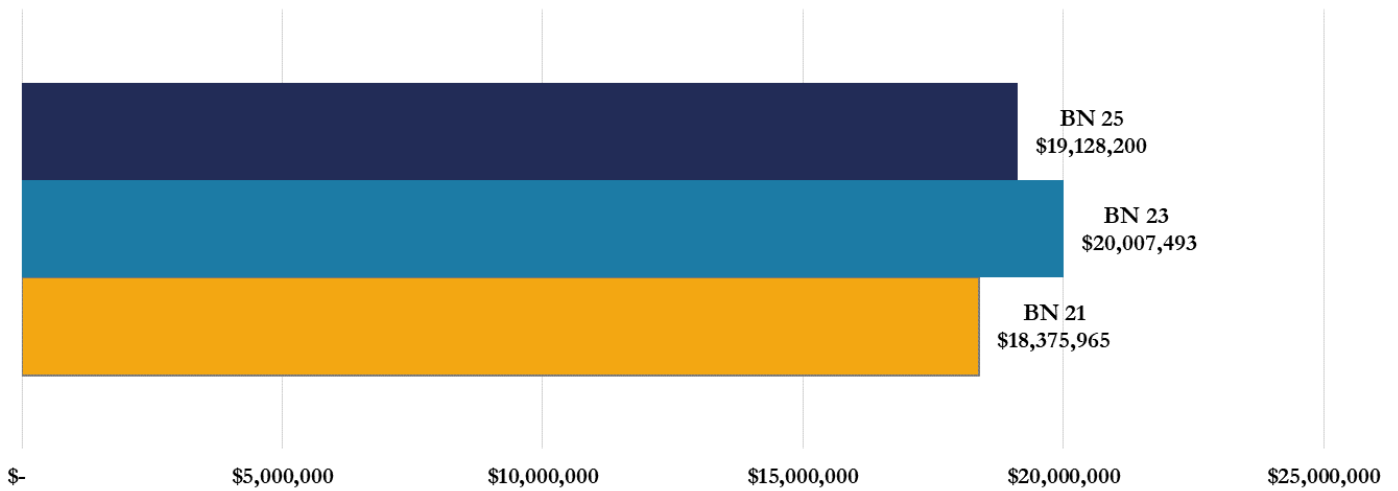
Materials and services requirements are increasing roughly 5 percent over the next biennium. The increase in BN 25 is largely due to the increase in activity in the community, inflation in the cost of fuel and other products specifically affecting the City’s enterprise funds and additional maintenance of equipment. The growth in activity also affects the administration materials and service as far as legal fees for contracts, single audits for larger projects and IT projects for expansions.

## Debt Service Requirement Trends BN 21 - BN 25



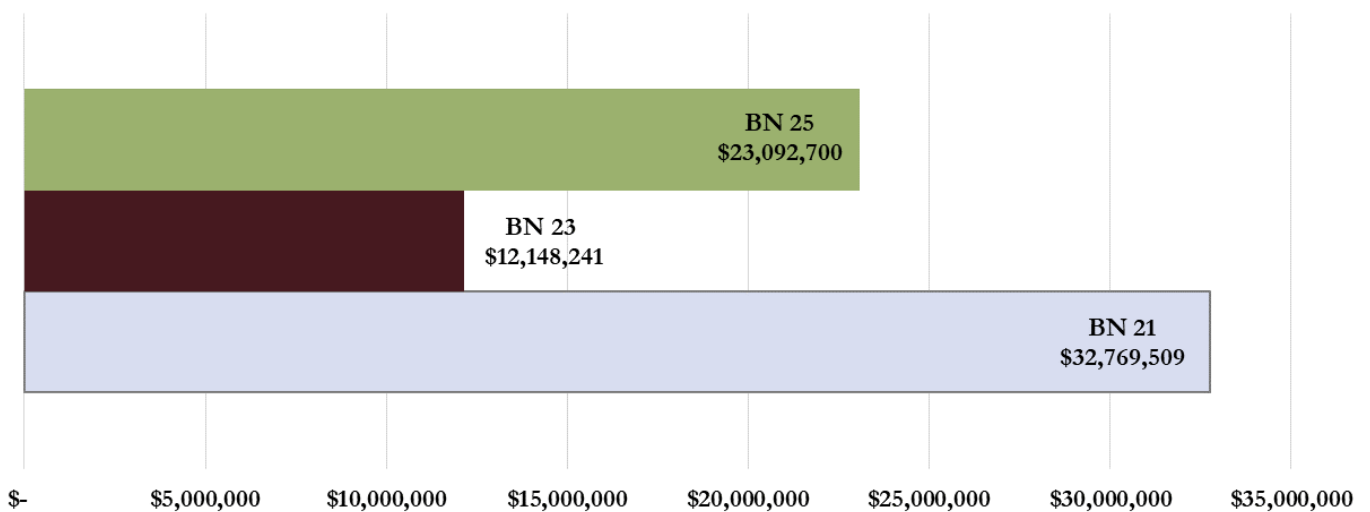
Debt service requirements decreased 63 percent in BN 25 compared to BN 23. City debt of \$8.1 million was refunded in September 2021 with additional dollars needed to fund the purchasing of new golf carts. The refunding with the additional dollars of roughly \$329,000 was secured at an interest rate of 1.21 percent resulting in significant saving in future interest payments. No new debt is proposed for BN 25.

## Transfer Requirement Trends BN 21 - BN 25

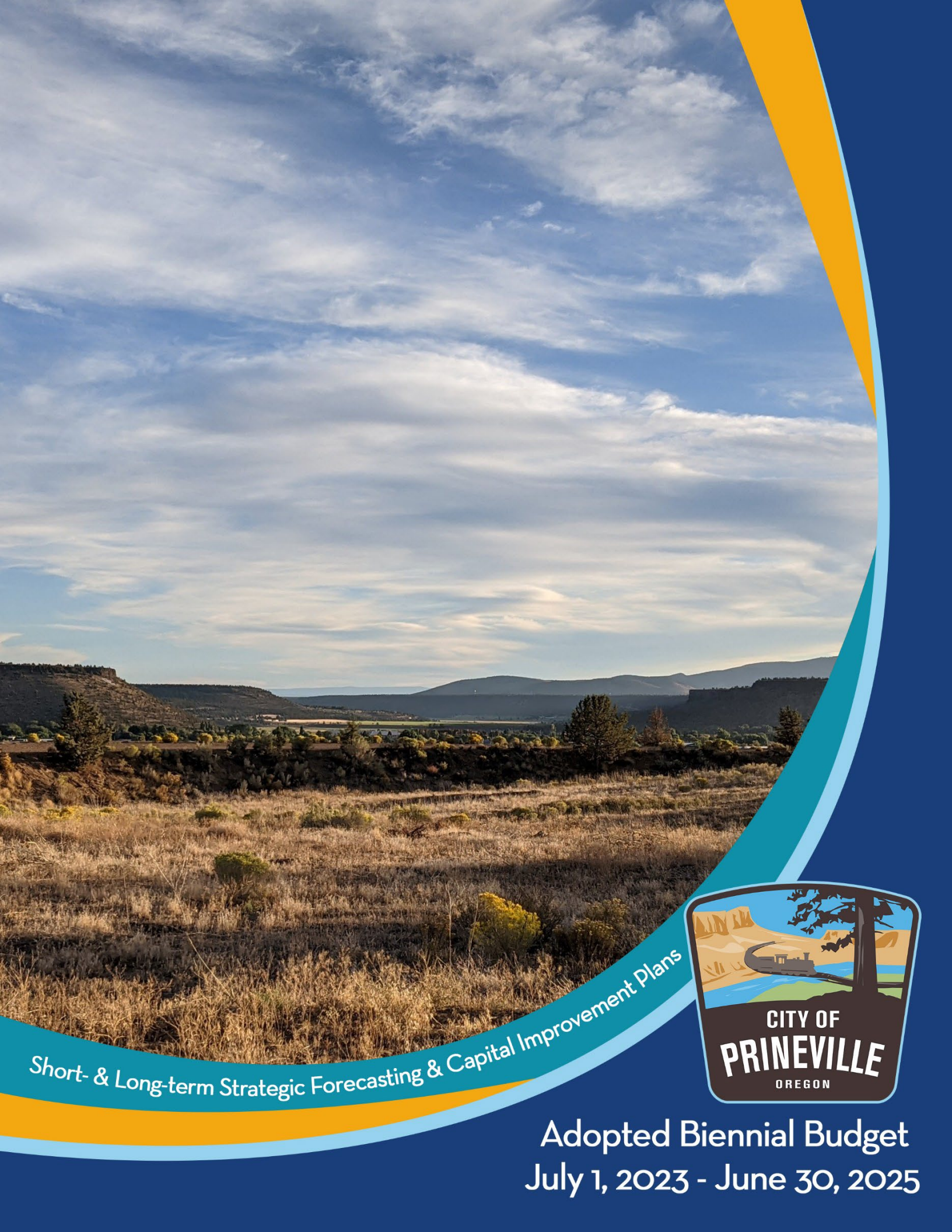


In BN 25, transfers decreased roughly four percent over prior BN 23. This is largely due to dollars being transferred from the General Fund to the Wastewater Fund for the Peoples Irrigation Ditch project and to the Water SDC Fund to support the Aquifer Storage Recovery project construction during the prior biennium. Total transfer amount for BN 25 is \$19,128,200.

## Capital Outlay Requirement Trends BN 21 - BN 25



Capital outlay for BN 25 totals approximately \$23,092,700. Capital project expenditures for the previous BN 23 totaled approximately \$12.1 million. The largest projects for BN 25 are budgeted in the Water SDC Fund in the amount of \$10.2 million, the Transportation SDC Fund totaling \$5.5 million and the Transportation Fund for \$1.7 million. A more detailed description of all the capital projects can be found in the Short- & Long-term Strategic Forecasting & Capital Improvement Plan section beginning on page 107.



Short- & Long-term Strategic Forecasting & Capital Improvement Plans



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025





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# Long-range Strategic Financial Planning Process

The City of Prineville prepared 20-year, long-range planning models for the FY 13 budget process in Water, Wastewater, and Golf and Restaurant Funds. In FY 14, the City completed the General Fund long-range planning model. These models are updated and used by staff to strategically plan, develop and educate the Prineville City Council and various committees about current and future needs, as well as the resource assumptions to fund these needs. The forecasting models consider projected increases and decreases in revenues and expenditures.

Budget assumptions include rate adjustments, consumer price index (CPI) adjustments, estimates for population growth, personnel service adjustments, debt service, future financing, and capital improvement plans (CIP). The model analysis examines the effect on debt coverage ratio, available fund balance, reserve policies and funding gaps. Master plans for water, sewer and transportation are updated approximately every five years. They are currently in the process of being updated, along with the system development charges (SDC) methodology, with the estimated completion in early FY 24. These master plan documents provide long-range planning (20 years) for necessary capital improvements and investments in the City's infrastructure and have the potential to drive project priorities, depending on the growth. Five-year capital improvement plans are updated and reviewed in this process for nonrecurring and recurring projects. The results of these plans are essential in keeping an updated financial forecasting model.

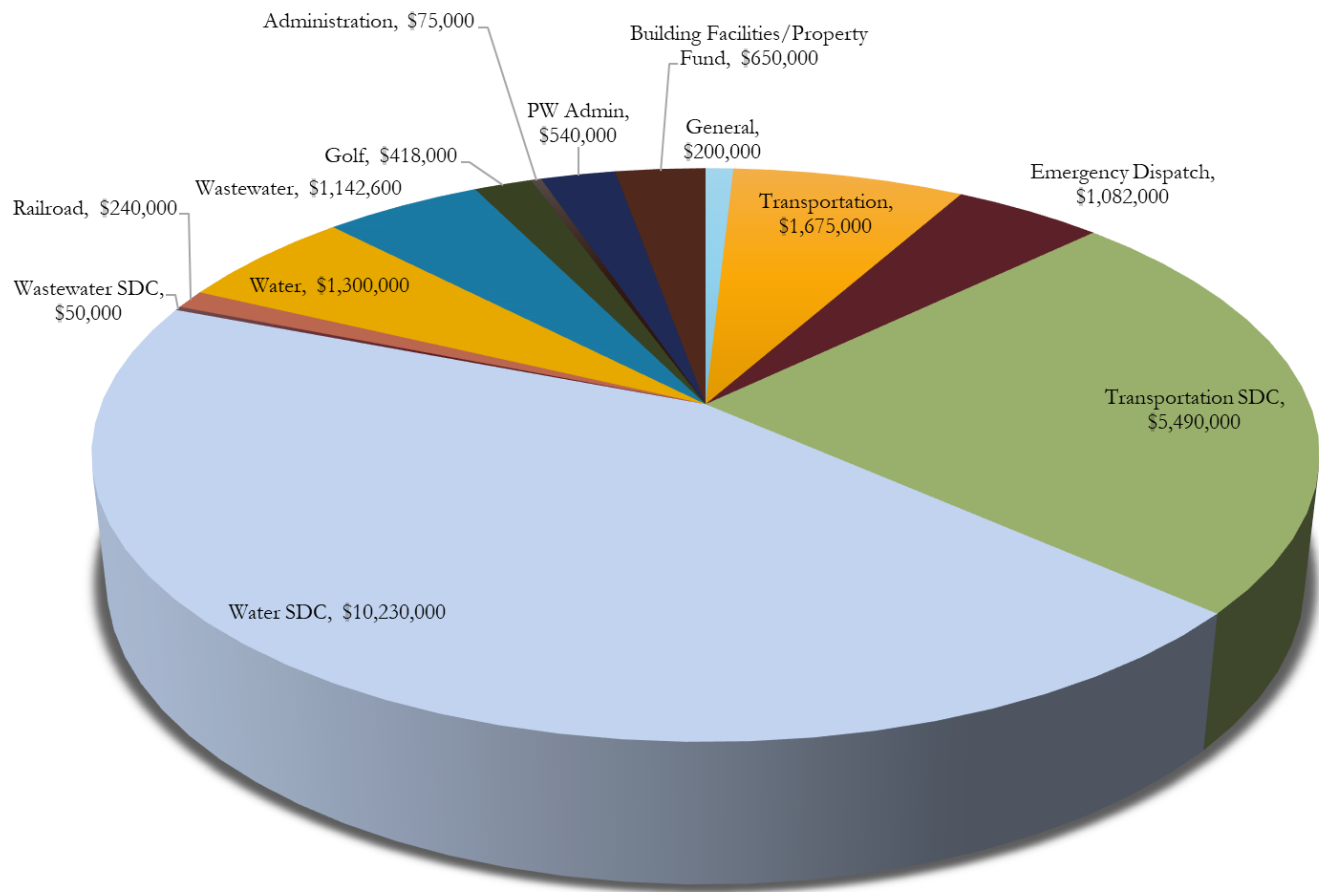
A review of the pavement condition index (PCI), master plans for water and sewer, and the financial forecasts are reviewed annually. Findings are then presented to the Prineville Budget Committee during the budget process prior to the committee's approval of the budget. The long-range planning models are the key to strategizing, studying different financial outcomes, determining feasibility on timelines for financial goal setting, modeling demographic trends, anticipating changes in revenue streams, and forecasting utility rates. They are essential to the decision and development process of the budget document.

The City is working towards establishing a long-range model for each fund. A copy of the latest version of the City's updated projections for Water, Wastewater, Golf and Restaurant, and General Funds (showing only 5 of the 20-year plans) are placed in the back of this chapter.



*View of the Crooked River from Rimrock Park*

## Capital Outlay Summary



The City defines a capital expenditure as using the following three criteria: (I) relatively high monetary value (equal to or greater than \$10,000), (II) long asset life (equal to or greater than five years of useful life), and (III) results in the creation of a fixed asset or the revitalization of a fixed asset.

The total overall capital outlay budget for BN 25 is \$23,092,600. Thirteen programs have budgeted capital improvements with the largest being in the Water SDC Fund with approximately \$10.2 million budgeted. Also, significant projects are budgeted in the Transportation SDC Fund totaling roughly \$5.5 million and the Transportation Fund totaling \$1.7 million.

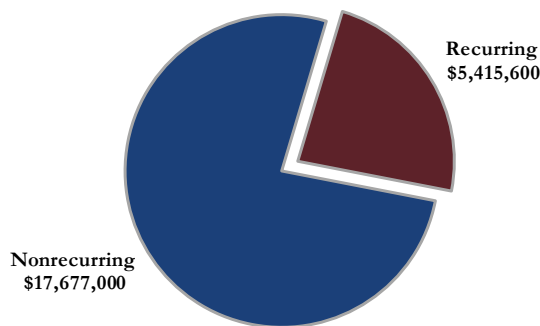
## Capital Resources

The City of Prineville's funding for capital projects comes from a variety of sources for BN 25, but generally falls into one of several categories – grants, debt proceeds, gasoline taxes, shared revenue, impact fees, franchise fees, user fees or reserves. Grants covering projects are roughly \$6.3 million, intergovernmental revenue totals \$1.5 million, impact and user fees along with fund balance will cover approximately \$4.8 million, and franchise fees/other will cover the largest portion at \$10.4 million.

# Summary of Capital Improvement

Capital Improvement Summary City of Prineville Biennial 2025										
Expenditures				Resources						
Department/Project Description	Capital Outlay	Recurring	Non-recurring	Taxes AD Valorem	Revenue Sharing/ Intergovernmental	Debt Proceeds	Grants	User/Impact Fees Fund Balance	Franchise Fees/Other	
General Fund										
Equipping new Police Vehicles	200,000	*								200,000
Emergency Dispatch										
Phone System Upgrade	842,000		*				500,000			342,000
Viper Phone Position for Backup Center	35,000		*							35,000
RMS CAD Update	35,000		*							35,000
Tower Upgrades	150,000		*							150,000
Workstation Replacement	20,000		*							20,000
Transportation Fund										
Capital Rehabilitations	1,113,090	*			1,113,090					
Capital Maintenance	135,000	*			135,000					
Seal Coat / Slurry Seal	251,910	*			251,910					
Electric Vehicle Charging Station	175,000		*				175,000			
Transportation SDC Fund										
Combs Flat Extension to N. Peters Rd	4,500,000		*				4,500,000			
N. Main St and Peters Rd Intersection	690,000		*				690,000			
Combs Flat Widening Project	200,000		*							200,000
ADA Transition Plan	100,000		*							100,000
Water Fund										
Transmission	1,300,000	*								1,300,000
Water SDC Fund										
Airport Storage Tank and Distribution Line	10,230,000		*							10,230,000
Wastewater SDC Fund										
Collection System and Lift Station Improvements	50,000		*							50,000
Wastewater Fund										
Sanitary Sewer - Collection Improvements	120,000	*								120,000
Treatment Plant Upgrades	720,000	*								720,000
SLARRA/USDA Requirement (Short-Lived Asset Replacement Reserve Account)	302,600	*								302,600
Railroad Fund										
Bridges	60,000	*								60,000
Track	180,000	*								180,000
Golf Course Fund										
Parking Lot Paving and improvements	165,000	*								165,000
Grinding Equipment	68,000	*								68,000
Clubhouse Improvements	45,000	*								45,000
Rough Mower	40,000	*								40,000
Cart Path Paving	80,000	*								80,000
Fairway Aerator	20,000	*								20,000
Administrative Services										
Technology	75,000	*								75,000
Building Facilities / Property Fund										
City Hall	50,000		*							50,000
Police Facility Upgrades	150,000		*							150,000
Barnes Butte Property Improvements	450,000		*				450,000			
Public Works Administration Services Fund										
Fleet/Equipment Management	540,000	*								540,000
<b>Total Capital Outlay</b>	<b>\$ 23,092,600</b>			<b>\$ -</b>	<b>\$ 1,500,000</b>	<b>\$ -</b>	<b>\$ 6,315,000</b>	<b>\$ 4,847,600</b>	<b>\$ 10,430,000</b>	

## Capital Expenditures by Category



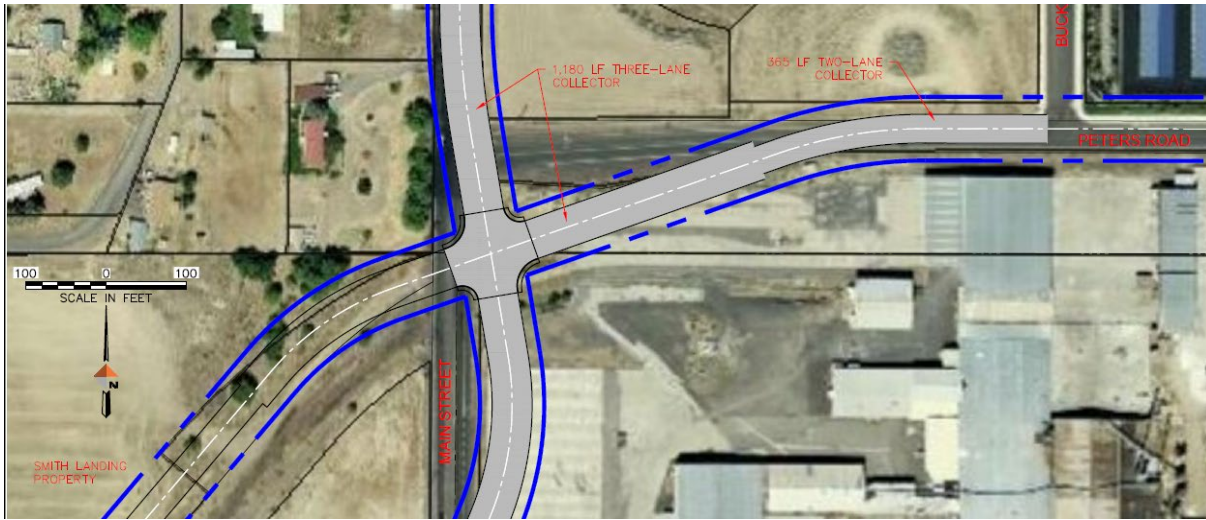
### Capital Improvement Plan

Nonrecurring	
Roads.....	\$ 5,490,000
Wastewater .....	50,000
Water .....	10,230,000
Alternative Transportation...	175,000
Buildings.....	650,000
Other.....	1,082,000
<b>Total CIP Expenditures ....</b>	<b>\$ 17,677,000</b>
Recurring	
Vehicles.....	\$ 780,000
Major Maintenance.....	4,182,600
Other.....	453,000
<b>Total Routine.....</b>	<b>\$ 5,415,600</b>
<b>Total Capital.....</b>	<b>\$ 23,092,600</b>

# Major Nonrecurring Capital Improvements by Project

## Transportation SDC Fund

**Project Title:** NE Peters Rd. & N Main St. Intersection Improvements  
**Department:** Transportation SDC



### Project Description

This project involves realignment of NE Peters Road and the addition of a traffic signal to achieve the following goals:

- 1) Improve public safety
- 2) Improve transportation infrastructure to support vehicular travel and rail services that stimulate economic development
- 3) Increase the number of home sites available (160 new sites) and support development of 44 affordable apartment units

### Budget Information and Projected Costs (In Thousands)

Actual FY 21	Actual FY 22	Projected FY 23	Budget FY 24	Budget FY 25	Projected FY 26	Projected FY 27	Projected FY 28	Projected FY 29	Total
\$ 7	\$ 19	\$ 808	\$ 690	\$ -	\$ -	\$ 2,639	\$ -	\$ -	\$ 4,163

### Total Projected Cost Breakdown (In Thousands)

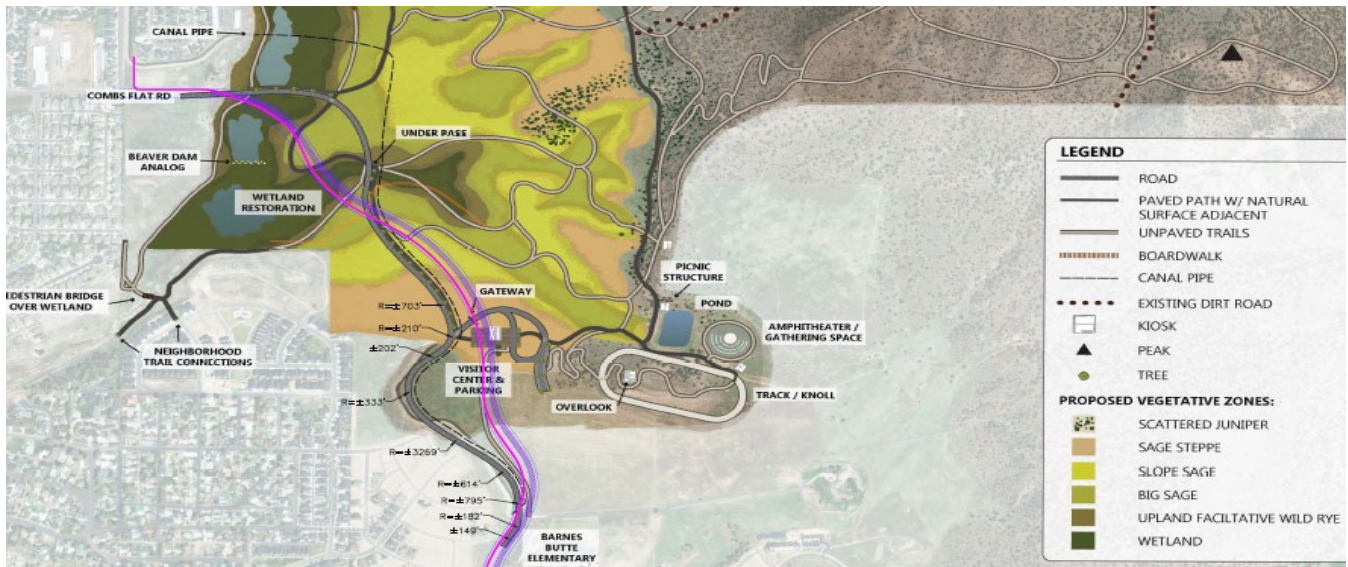
Design / Engineering	\$ 821
Construction	\$ 2,508
Right of Way Acquisition	\$ 834
<b>Total</b>	<b>\$ 4,163</b>

Funding Sources		Future Operating Cost Impact
Fund Balance	Yes	This project is anticipated to increase annual electricity and maintenance costs for the new traffic signal.
Intergovernmental	Yes	
Grant	Yes	
Debt Proceeds	No	
Other	Yes	

### Key Drivers for CIP Project / Analysis of Need

The current intersection of NE Peters Rd. and NE Main St. is nearing failure and is preventing continued residential and industrial growth in the area as well as creating safety concerns. This work is important to complete now to provide transportation infrastructure that will support continued residential and industrial growth, improve safety at the intersection, and increase available home site/affordable housing units. Housing demand in Prineville is currently out pacing available supply and there is an immediate need for more housing inventory.

**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	\$ -
<b>Total</b>	<b>\$ 22,549</b>

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.

## Water SDC Fund

**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
<b>Total</b>	<b>\$ 10,580</b>

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.



# Nonrecurring Five-year Capital Improvement Plans by Fund

## Emergency Dispatch Fund

City of Prineville  
 Emergency Dispatch Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	Current Year Construction Estimate	2024	2025	2026	2027	2028
Phone System Upgrade		\$ 842,000				
Viper Phone Position for Backup Center			\$ 35,000			
RMS CAD Update			\$ 35,000			
Tower Upgrades	\$ 100,000		\$ 50,000	\$ 35,000	\$ 35,000	\$ 35,000
Workstation replacement			\$ 20,000			
<b>Total</b>	\$ -	\$ 942,000	\$ 140,000	\$ 35,000	\$ 35,000	\$ 35,000

### Project Description

The City of Prineville’s Emergency Dispatch Department, also known as Crook County 911, needs upgrades to current phone equipment during FY 24 of the biennial budget. The initial cost is budgeted for the Crook County public safety answering points (PSAP), with the expectation the cost will be reimbursed by Oregon Emergency Management once the update is complete. Additionally, the department’s current workstations are out of date and scheduled for replacement during the 2025 budget year.

The City of Prineville Police Department, Crook County Sheriff’s Office and Crook County 911 all use a shared records management system created by Executive Information Services. The company notified the City of a major software upgrade to the system due out in 2023. Funds are allocated to prepare for the costs associated with the update.

The department will be setting up a backup center in Crook County’s Emergency Operations Center building to ensure in instances of extreme emergencies or where evacuation of the main center must occur essential services can continue. In order to reach full operational status, additional radio equipment and a phone position will be purchased.

For the next four years, a recurring cost for tower upgrades is anticipated. These costs are for the expansion of the 700/800 MHz system and are nonrecurring in nature. This improvement began in fiscal 2018 in order to provide better coverage in city for first responders. The CIP budget allows for expansion of the system and will improve it in areas identified as areas of weakness as the project moves forward.

## Transportation Fund

City of Prineville  
 Transportation Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	Current Year Construction Estimate	2024	2025	2026	2027	2028
<b>Transit</b>						
Electric Vehicle Grant	\$ 200,000	\$ 175,000				
<b>Total</b>		\$ 175,000	\$ -	\$ -	\$ -	\$ -

### Project Description

The City of Prineville was awarded a grant from Pacific Power to install an electric vehicle charging station. There are currently no direct current fast charger (DCFC) stations available in Crook County, leaving a large gap in service between Redmond and John Day. The City Council accepted a construction bid to fill this need and the Transportation Department is moving forward with the project.



# Transportation SDC Fund

City of Prineville  
 Transportation SDC Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description (SDC Eligible Projects, Short- and Medium-term)	Current Year Construction Estimate	2024	2025	2026	2027	2028
Combs Flat Extension to NE Peters Rd.	\$ 22,200,000	\$ 4,500,000		\$ 17,500,000		
N Main St. and NE Peters Rd. Intersection	\$ 3,329,000	\$ 690,000			\$ 2,639,000	
Combs Flat Widening Project	\$ 200,000	\$ 200,000				
ADA Transition Plan	\$ 100,000		\$ 100,000			
Peters Rd. Connection to Lamonta	\$ 4,000,000					\$ 4,000,000
Roundabout Turn Lanes	\$ 600,000				\$ 600,000	
<b>Total</b>		\$ 5,390,000	\$ 100,000	\$ 17,500,000	\$ 3,239,000	\$ 4,000,000

## Project Description

There are four projects budgeted in the Transportation SDC Fund for BN 25.

The City secured American Rescue Plan Act funding to apply towards the construction of the NE Combs Flat to NE Peters Rd. extension project which will provide a much needed alternative to N. Main connecting residents in the northern developments with the commercial centers of the city. The initial phases of the project including final design, rough grading, and constructing road bed crossing the wetland are all budgeted to be completed within BN 25.



*Completed realignment of the intersection of 10<sup>th</sup>/N Main in 2021*

The City budgeted to complete the initial phases of the N. Main and NE Peters Rd. intersection improvements which will significantly increase the efficiency and capacity of the intersection. In BN 25, the City will complete the full design of the intersection and begin site preparation within the right of way.

As the Oregon Department of Transportation (ODOT) is completing pedestrian safety improvements to the US 26/3<sup>rd</sup> St. corridor, the City will complete a project widening Combs Flat Rd. for approximately one block north from 3<sup>rd</sup> St.

The Transportation System Plan (TSP) will be updated in BN 25 utilizing grant funds from ODOT. The TSP update informs the City of the needed improvements to the street network to keep pace with the projected growth of the city. TSP update will be completed in BN 25.

The City will also complete an updated Americans with Disabilities Act (ADA) Transition Plan within the budget biennium. The City places a high priority on providing accessible facilities and has been devoting resources consistently to meeting ADA standards. The ADA Transition plan will identify the remaining needed updates to ADA facilities within the City and determine the plans and timelines for making the improvements.

## Water SDC Fund

City of Prineville  
 Water SDC Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	Current Year Construction Estimate	2024	2025	2026	2027	2028
<b>Source</b>						
SDC 6 - ASR Injection and Recovery Wells #2 & #3	\$ 5,051,500			\$ 2,500,000		\$ 2,551,500
<b>Storage</b>						
Airport Storage Tank 1.0MG Steel Tank and Distribution Line	\$ 11,000,000	\$ 10,230,000				
SDC 7 - Ochoco Tank and Booster Pump Upgrades	\$ 7,229,400				\$ 7,229,400	
<b>Transmission</b>						
SDC 9 - Combs Flat Water Line Extension	\$ 3,020,500			\$ 3,020,500		
<b>Total</b>	\$ 26,301,400	\$ 10,230,000	\$ -	\$ 5,520,500	\$ 7,229,400	\$ 2,551,500

### Project Description

In BN 23, the City’s aquifer storage and recovery (ASR) system proved its success in meeting the growing water demands of the City. With an ASR system, water is collected in the aquifer during periods of cooler temperatures, higher streamflow and lower demands. The stored water is then recovered and used during periods of hotter temperatures and higher water demands, thereby easing peak demand stress on native water sources and reducing the need to build expensive storage facilities. Following the success of the ASR project, the City will add storage and distribution system improvements in BN 25.

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.



*Completed ASR building as seen in November 2021*

# Wastewater SDC Fund

City of Prineville  
 Wastewater SDC Capital Improvement Plan  
 Fiscal Years 2024 2028

Project Description (SDC Eligible Projects, Short- and Medium-term)	Current Year Construction Estimate	2024	2025	2026	2027	2028
<b>Capital Rehabilitation</b>						
SDC 1 - Wastewater Treatment Plant Chlorine Conversion	\$ 652,000			\$ 652,000		
Collection System and Lift Station Improvements	\$ 550,000		\$ 50,000			
SDC 2 - Upsize Mainline from 10th to Lamonta (Pinckard)	\$ 932,500				\$ 500,000	\$ 432,500
<b>Total</b>	\$ 2,134,500	\$ -	\$ 50,000	\$ 652,000	\$ 500,000	\$ 432,500

## Project Description

Projects planned for BN 25 to be funded by system development charges (SDC) include upgrades to the wastewater collection system and lift stations within the city. The improvements are identified in the City’s Wastewater Facilities Master Plan.



*Newly constructed fish screen off the Crooked River*

## Airport Fund

City of Prineville  
 Airport Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	Current Year Construction Estimate	2024	2025	2026	2027	2028
Placeholder		\$ 100				
<b>Total</b>		\$ 100	\$ -	\$ -	\$ -	\$ -
<b>County Funded Projects-Not part of the City's Budget</b>						
Aircraft Hangar		\$ 900,000				
Road/Asphalt Maintenance		\$ 75,000				
Hangar Purchase		\$ 250,000				
Runway 33/15 Engineering, Design & Construction		\$ 500,000	\$ 4,806,000			
Runway 11/29 Rehabilitation				\$ 300,000	\$ 3,932,500	
<b>Total</b>		\$ 1,725,000	\$ -	\$ -	\$ -	\$ -

## Project Description

The Prineville/Crook County Airport continues to see increased activity and interest by many in the aviation industry. To enable the airport to maintain and provide economic opportunities, capital projects are essential. The airport is owned by Crook County and the City of Prineville provides management and accounting for the operations. Over time the structure changed in which Crook County now has oversight on all capital projects. Above are the airport nonrecurring capital projects that Crook County will be administering. For more information contact [Airport Manager Kelly Coffelt](#) or [Crook County](#).



*Aerial photo of the Prineville/Crook County Airport taken in April 2021*

# Building Facilities Fund

City of Prineville  
 Building Facilities Fund / Property Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	Current Year Construction Estimate	2024	2025	2026	2027	2028
<b>City Hall Facilities</b>						
Flooring Repairs		\$ 50,000				
<b>Police Facilities</b>						
Finish Upstairs Room Leftover from Building Remodel	75-110K	\$ 85,000				
Vehicle Carports	\$ 50,000	\$ 50,000				
New Evidence Fridge and Freezers	\$ 15,000	\$ 15,000				
<b>Barnes Butte</b>						
Paved Track Area Trails	\$ 200,000	\$ 200,000				
Paved Parking Area w/ ADA Parking	\$ 250,000		\$ 250,000			
Paved East Side Parking Area	\$ 250,000			\$ 250,000		
Seal Coat Trail and Parking Area Paving	\$ 250,000					\$ 50,000
<b>Total</b>		\$ 400,000	\$ 250,000	\$ 250,000	\$ -	\$ 50,000

## Project Description

At the City Hall facilities, the carpet has exceeded its useful life and will be replaced in the next biennium.

In FY 24, the Prineville Police Department will partially finish, with a 5-year goal of complete finish, the top floor of the police department building, for future use in training, health and wellness. Additional projects for police facilities include a carport for patrol vehicles. The new structure will help keep vehicle temperatures moderately controlled to encourage less idle time, longer life/protection of electronics and to maintaining paint and graphics. Evidence storage requires a refrigeration and freezer upgrade to a larger Systems with alarms to better organize and preserve vital evidence.

In BN 23, the City received grant funds to pave some of the trails at Barnes Butte. The City will continue the development of the site in FY 24 with grant-funded projects, paving additional trails on and in the immediate vicinity of the old Hudspeth horse racing track. Additional budgeting for paving and ADA improvements to the main parking area at the south entrance to the Barnes Butte Recreation Area are allocated for FY 25.



*Barnes Butte Recreational Complex as seen in March 2021*

# Recurring/Routine Five-year Capital Improvement Plans by Fund

## General Fund

City of Prineville Police Capital Improvement Plan Fiscal Years 2024 - 2028						
Project Description	Current Year Construction Estimate	2024	2025	2026	2027	2028
Police Vehicles and Equipment		\$ 200,000		\$ 600,000		\$ 20,000
Radios					\$ 90,000	
Body Cameras						
<b>Total</b>	\$ -	\$ 200,000	\$ -	\$ 600,000	\$ 90,000	\$ 20,000

## Project Description

The scheduled rotations of vehicles in the Prineville Police Department’s fleet in FY 24 and FY 26 will complete a much-needed rotation of the old fleet. These vehicles are all 10 years old or older and long overdue for cycling out of use. After FY 26’s rotation, all police vehicles will be on a more standardized rotation schedule. All the officers’ body worn cameras need replacement in FY 27. Body worn cameras have a regular replacement schedule due to the wear they receive, as well as the fact that technology continues to improve at a substantial rate. In FY 28, portable radio upgrades are necessary due to reasons similar to those listed for body cameras.



*Police presence during an October 2020 patrol at the viewpoint enjoying the sunset*

## Administration Fund

City of Prineville  
 Information Technology Department Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	Current Year Construction Estimate	2024	2025	2026	2027	2028
	Software Technology		\$ 35,000	\$ 40,000		
<b>Total</b>	\$ -	\$ 35,000	\$ 40,000	\$ -	\$ -	\$ -

### Project Description

The core network serving City of Prineville government facilities was installed in 2008. This network, consisting primarily of dark fiber and microwave radio, has operated in continuous use since it was placed in service. As technology grows and expands and the number of devices connected to the City’s network services increases, the bandwidth requirements between facilities also increase. Core switch and edge router replacement is included in this biennium’s budget request



*Arron Tavernia, the IT operations lead, installing new equipment in police vehicles in FY 23*

# Transportation Fund

City of Prineville  
 Transportation Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	Current PCI	2024	2025	2026	2027	2028
<b>Capital Rehabilitation</b>						
NE 6th - Main to Holly		\$ 132,100				
NE Belknap - 6th to End		\$ 58,350				
NE Court - 5 1/2 to 10th		\$ 84,350				
NE Dunham - 7th to End		\$ 31,990				
NE Fairview - 6th to 7th		\$ 18,990				
NE Garner - 7th to End		\$ 27,050				
NE Holly - 6th to End		\$ 8,820				
NE 8th - Main to Belknap		\$ 16,140				
NE 8th - Oregon to End		\$ 48,650				
NE Holly - 7th to 8th		\$ 27,100				
NE Hillside Ct. - 8th to End		\$ 13,600				
SE Fairgrounds Rd.		\$ 30,000				
SW Deer - 3rd to 5th Pl.			\$ 161,900			
SW Ewen - 1st to 5th Pl.			\$ 77,400			
SW 1st Pl. - Deer to Ewen			\$ 14,300			
SW 5th Pl. - Deer to Ewen			\$ 16,400			
SW 4th - Deer to Main			\$ 63,200			
SW Claypool - 2nd to 4th			\$ 49,700			
SW Beaver - 2nd to 4th			\$ 35,100			
SW 3rd - Deer to Claypool			\$ 15,200			
SW 2nd - Deer to Claypool			\$ 15,200			
SW 3rd - Claypool to Beaver			\$ 24,100			
SW 2nd - Claypool to Beaver			\$ 24,100			
NW Harwood - 3rd to 2nd			\$ 23,200			
NW Maple - 3rd to 2nd			\$ 16,150			
W 1st St. - Deer to Main			\$ 50,000			
Ochoco and Elm Intersection Redesign			\$ 30,000			
NE Ochoco - Elm to Hudspeth				\$ 243,000		
NE Oregon - Ochoco to Loper				\$ 63,900		
NE Lookout - Elm to Oregon				\$ 123,400		
NE Jordan - Hudspeth to Ochoco				\$ 29,000		
Ochoco and Elm Intersection Reconstruction				\$ 100,000		
Main St - NW 9th to SE Lynn					\$ 410,000	
NE Mariposa - Clearview to Cobblestone Ct.					\$ 105,300	
NE Alabama - Mariposa to End					\$ 27,600	
NE Bailey - Mariposa to End					\$ 26,970	
NE Clearview - Mariposa to End					\$ 27,320	
NE Lisa Ct. - Mariposa to End					\$ 24,200	
NE Deedie Ct. - Mariposa to End					\$ 24,700	
NE Larry Ct. - Mariposa to End					\$ 24,300	
NW 7th - Main to Fairmont						\$ 144,480
NW 8th - Main to Fairmont						\$ 133,100
NW Beaver - 10th to End						\$ 85,660
NW Claypool - 10th to 7th						\$ 85,000
NW Ewen - 10th to 7th						\$ 87,870
NW Fairmont - 10th to End						\$ 114,790
NW Nelson Ct. - Fairmont to End						\$ 13,700
NW Creeks Edge - Fairmont to End						\$ 9,350
<b>Capital Maintenance</b>						
Crack Seal		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Chip Seal		\$ 35,000				
<b>Seal Coat/Slurry Seal</b>						
Seal Coat Recent Upgrades		\$ 167,860	\$ 84,050	\$ 140,700	\$ 29,610	\$ 26,050
<b>Total</b>		\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000



## Project Description

The recurring CIPs listed above are expenditures primarily related to the rehabilitation of existing transportation facilities to serve the citizens of the City of Prineville. A new street begins to deteriorate as soon as construction is complete. However, this deterioration is not linear. If a street is allowed to deteriorate significantly, maintenance activities become significantly more expensive than if the street is maintained in better condition. An example of these rehabilitation activities would be overlays and reconstruction. The City employs pavement preservation activities such as slurry seals, crack seals and seal coats. By preserving the pavement asset before a significant decrease in quality, the economic efficiency of the investment can be maximized. The BN 25 proposed capital improvements are not expected to require additional staffing; however, due to pricing increases, the budget anticipates increased maintenance dollars.



*And overhead view of Highway 26 / 3<sup>rd</sup> street in the downtown corridor*

# Railroad Fund

City of Prineville  
 Railroad Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	Current Year Construction Estimate	2024	2025	2026	2027	2028
<b>Plant</b>						
Yard Paving Replacement					\$ 150,000	
Roundhouse Relocation				\$ 750,000		
<b>Rolling Stock</b>						
Locomotive Rebuild/Upgrade EMD GP Units					\$ 40,000	
Pickup					\$ 40,000	
Lift Truck XL80					\$ 45,000	
Hyrail Excavator/Rail Maintenance Equipment						\$ 280,000
<b>Signals / Crossing</b>						
O'Neil Signal					\$ 11,000	
Gardner Signal					\$ 11,000	
Bus Evans Signal				\$ 11,000		
Long Lamonta Crossing Signal						\$ 11,000
Long Lamonta Crossing						\$ 110,000
<b>Bridges</b>						
MP 13.8 (Madras Highway Overpass)		\$ 20,000				
MP 16 (McKay Creek Bridge)		\$ 30,000				
MP 11.7 (Crooked River Bridge)		\$ 10,000		\$ 10,000		
<b>Track</b>						
MP 0.01 - 33rd		\$ 60,000.00				
MP 3.3 - Lone Pine Crossing		\$ 60,000.00				
33rd - MP 3.3		\$ 60,000.00				
<b>Total</b>	\$ -	\$ 240,000	\$ -	\$ 771,000	\$ 297,000	\$ 401,000

## Project Description

During the next biennium, several railway capital improvements planned for the FY 24. The work outlined for BN 25 will bid and complete as one large project during the first half of the biennium budget as some projects complement each other in addition to doing all planned items will help save money on mobilization. No CIP projects are scheduled for FY 25.

The Railway scales each defect found regarding bridges on a rating of 1 through 5: a rating of 1 being of very low importance and a rating of 5 as needing repair before the next inspection. Identified in the annual bridge inspection, engineer and staff has determined the McKay Bridge, Madras Highway Overpass and the Crooked River Bridge all had level 4 and 5 defect items. This include defective caps, three broken stringers, a pile and an expired bridge deck. Work will take place at milepost (MP) 16 (McKay Creek Bridge), MP 13.8 (Madras Highway Bridge) and MP 11.7 (Crooked River Bridge). Listed bridge repairs will



Railway crossing work completed in 2023

complete all level 3, 4 and 5 defects identified in the bridge program. Finishing this part of the project will cost the railway \$60,000.

Track lining, surfacing and tamping is scheduled as part of the capital projects during the first part of the biennium budget. Surfacing and lining is needed to prevent rail bending along with other excessive wear that occurs with out of level track conditions. When completed, the project will bank each corner, straighten areas where track is not tangent and fix cross level issues. This part of the project will cost \$120,000.

Ballast rock along with tie purchases and installation of \$60,000 will occur from MP 0.001 to MP 18. Ballast and ties will include purchasing 350 ties and 400 ton of rock used to repair problem areas identified after the tamping and surfacing takes place.



*Laying down new cross-ties at a railroad crossing in 2023*

## Water Fund

City of Prineville  
 Water Improvement / Repair and Maintenance (R&P) Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	2024	2025	2026	2027	2028
<b>Transmission</b>					
NW Fairmont - 7th to 9th	\$ 199,248				
NW 7th - Fairmont to Beaver	\$ 366,240				
NE 5 1/2 St. East of Dunham	\$ 64,512				
NE Jordan into Allen	\$ 20,000				
S Main - 1st to SE 5th		\$ 460,000			
NW 8th - Fairmont to Deer		\$ 190,000			
NW Ewen - 7th to 9th			\$ 227,500		
NW Beaver - 10th to 7th			\$ 319,500		
NE 2nd - Dunham to Fairview			\$ 103,000		
NE 2nd - Main to Court				\$ 194,000	
NE Court- Hwy 26 to 1st				\$ 219,000	
NE 10th - Court to Elm				\$ 188,000	
NW 12th - Harwood to Seahale				\$ 60,000	
Loper Ave. Tanks to Powell					\$ 665,000
<b>Total</b>	\$ 650,000	\$ 650,000	\$ 650,000	\$ 661,000	\$ 665,000

### Project Description

Most of the projects in the Water Fund are recurring in nature and are associated with the repair and maintenance of the water infrastructure. The capital improvements shown above are primarily related to maintenance activities needed to support and improve the City of Prineville water system.



*Waterline installation project from BN 21*

# Wastewater Fund

City of Prineville  
 Wastewater Repair and Maintenance (R&P) Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	2024	2025	2026	2027	2028
<b>Treatment Plant</b>					
<b>SLARRA</b>					
Wetland Projects	\$ 10,200	\$ 45,400	\$ 76,000	\$ 76,000	\$ 50,000
Seal Wetland Parking Area and Paths	\$ 47,000				\$ 50,000
Sludge Survey		\$ 10,000			
Irrigation Pump Rebuilds	\$ 20,000	\$ 20,000			
New Flyte Pumps at Headworks	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 36,000
New Irrigation Pump Screen	\$ 30,000				
<b>Treatment Plant Upgrades</b>					
SCADA Upgrades	\$ 200,000	\$ 100,000	\$ 100,000	\$ 27,000	
Treatment Plant Upgrades Misc.	\$ 185,000	\$ 235,000	\$ 300,000	\$ 300,000	\$ 300,000
<b>Sanitary Sewer</b>					
Collection Improvements	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Lift Station Upgrades			\$ 21,000	\$ 45,100	\$ 84,500
Infiltration and Inflow Reduction Improvements				\$ 50,000	
<b>Total</b>	<b>\$ 612,200</b>	<b>\$ 530,400</b>	<b>\$ 617,000</b>	<b>\$ 618,100</b>	<b>\$ 580,500</b>

## Project Description

Most of the projects in the Wastewater Fund are recurring in nature and associated with repair and maintenance of the wastewater infrastructure. The capital improvements shown above are primarily related to maintenance activities needed to support the aging City of Prineville wastewater collection and treatment system. These projects, once complete, will lower costs associated with nonscheduled downtime (breakdowns). Unscheduled downtime can be quite expensive in overtime and “rush” repair costs.



*Peoples Irrigation Ditch project - October 2021*

# Golf Course Fund

City of Prineville  
 Meadow Lakes Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	Current Year Cost Estimate	2024	2025	2026	2027	2028
Parking Lot Paving		\$ 150,000				
Reel Grinding Equipment		\$ 30,000				
Bedknife Grinding Equipment		\$ 38,000				
Cart Path Paving			\$ 80,000			
Rough Mower			\$ 40,000			
New Carpet in Clubhouse			\$ 30,000			
Fairway Aerator			\$ 20,000			
Windows, Seals and Doors for Clubhouse			\$ 15,000			
Split-rail and Parking Lot Fence			\$ 15,000			
Replace Restrooms on Course				\$ 50,000		
Utility Vehicles				\$ 20,000		
Cart Barn Siding				\$ 10,000		
Paint Clubhouse Exterior				\$ 10,000		
Replace Kitchen Floor				\$ 10,000		
Fairway Mower					\$ 40,000	
Pro Gator					\$ 15,000	
Banquet Room Furniture/Equipment					\$ 10,000	
Kitchen Equipment					\$ 10,000	
Golf Cart Fleet Replacement						\$ 150,000
Greens Mowers						\$ 80,000
Bunker Sand						\$ 15,000
<b>Total</b>	\$ -	\$ 218,000	\$ 200,000	\$ 100,000	\$ 75,000	\$ 245,000

## Project Description

Over the next several years, there will be a number of capital expenditure projects designed to enhance the efficiency, profitability and curb appeal of Meadow Lakes Golf Course. With the improvements in overall fund balance due to record revenues during the past biennium, the Golf Department is planning an aggressive capital improvement plan to address a number of needed projects and equipment upgrades.

In FY 24, the parking lot will be re-surfaced and the additional gravel space on the north end of the property will be paved. A new 2” overlay is necessary due to the deterioration of the existing parking lot. Additionally, the graveled space at the north end of the lot for overflow parking will be paved to accommodate extra customers from the increase in golf and restaurant activity, adding approximately 55 parking spaces. In the same year, the course maintenance department will purchase new reel grinding and bedknife grinding equipment. Existing units are 30 years old and failing with essential parts no longer available or require special production to make. Currently, all mechanical repairs are done on-site, and this equipment is necessary to keep the fleet of mowers cutting efficiently. These new machines are much faster and more accurate in doing the job. They also meet current safety requirements which the existing units do not. New machines would pay for themselves over their lifespan by saving time and labor in machining and also improve the course by the quality of cut.



*An icy morning at the golf course*

In FY 25, the department plans to continue the process of replacing low-quality cart paths to increase the curb appeal of the golf course and reduce the wear and tear on the golf cart fleet. Low quality paths identified on holes 6, 7, 8, 9, 10, 11 and 15 will be the focus of a paving project. A new rough mower will be purchased in the fiscal year to replace the current rough mower which has the most hours amongst the current fleet. A fairway aerator will be purchased as the fairways have not been aerated in many years due to not having the necessary equipment. This caused the fairways to become thick with thatch and softer than staff and golfers would like for ideal playing conditions. Meadow Lakes will also look to replace the split-rail wooden fence surrounding the Crooked River and the wooden fence near the parking lot. Both of these fences are deteriorating and causing significant labor to repair. During the previous fiscal year, an estimated \$2,000 in labor was spent towards repairs of the current, aging split-railed fence. Re-carpeting the clubhouse will occur in FY 25 as well in order to replace the current carpet as it reaches the end of its lifecycle. This was a project scheduled for the previous biennium, but was postponed to address

the replacement of a necessary grease trap tank that malfunctioned. The final project for FY 25 is the replacement of 22 windows and seals in the dining room and banquet room. Seals on the targeted windows have broken, which causes moisture, cobwebs and dust to get in-between the two panes. These bad seals also cause energy bills to be higher, due to cold air that gets into the building in the winter and warm air during summer months. It is estimated that new energy-efficient windows could save the facility upwards of \$1,000 per year in energy costs.

Two outhouse-style restrooms on the golf course will be replaced in FY 26 by one new outhouse near hole 17 and one comfort station accessible on holes 5, 8 and 13. A comfort station is a significant upgrade to the current out-building. Staff will also look to replace three aging utility vehicles with high hours and are starting to break down more frequently. Installation of a new kitchen floor to replace the current, aging one. The existing floor is discolored and beginning to deteriorate. A new floor is necessary to maintain high health and cleanliness standards in the restaurant. Lastly, the siding on the cart barn will be replaced as well as the paint on the exterior of the clubhouse. Both of these projects will add to the lifespan of the buildings as well as increase curb appeal to the customers.

In FY 27, a new fairway mower and a new pro gator will be purchased to replace the oldest fairway mower and gator in the fleet. By this time, the hours on those pieces of equipment will be extremely high and the units will need to be cycled out. Additional kitchen equipment is scheduled for purchase in FY 27 to replace the oldest equipment in service as well as an upgrade of furniture in the banquet room. Banquets are a large portion of restaurant revenue and the furniture in that portion of the facility is beginning to deteriorate.

In FY 28, it will be time to trade out the current fleet of electric golf carts with a new fleet. Industry standard for swap out of golf carts is four to five years. The current fleet will be six years old in FY 28 and the battery life will be close to an end. In addition to the carts, two new greens mowers are budgeted for purchase. Greens are the most important asset on the golf course and Meadow Lakes' greens are often regarded as the best among the public courses in the region. The two existing greens mowers will be repurposed as tee mowers to replace the current mowers which will be the oldest in the fleet at the time. Lastly, the department will look to add more sand to the green-side bunkers on the golf course. Sand needs to be added to the bunkers every three to five years to replace sand which blows away in wind storms and packs down due to irrigation and weather.



*New golf carts and the old ones being hauled away in fall 2021*

## Public Works Administration Fund

City of Prineville  
 Public Works Capital Improvement Plan  
 Fiscal Years 2024 - 2028

Project Description	2024	2025	2026	2027	2028
<b>Vehicles / Equipment</b>					
Truck with Utility Bed	\$ 60,000	\$ 60,000	\$ 64,000	\$ 64,000	\$ 68,000
Vactor Truck			\$ 600,000		
Mini Excavator				\$ 80,000	
Backhoe					\$ 140,000
Grader		\$ 180,000			
Loader	\$ 240,000				
<b>Total</b>	<b>\$ 300,000</b>	<b>\$ 240,000</b>	<b>\$ 664,000</b>	<b>\$ 144,000</b>	<b>\$ 208,000</b>

### Project Description

The CIPs shown above are associated with equipment upgrades. The Public Works Maintenance Department closely tracks maintenance costs for each and every piece of equipment. As equipment ages, maintenance costs increase while dependability decreases. By scheduling equipment upgrades each year, the equipment fleet of the City of Prineville can be maintained in good, reliable condition at the lowest cost possible.



*New excavating equipment purchased in BN 21*





# Capital Improvement Projects Operating Impact Summary

City of Prineville  
 Capital Improvement Projects Estimated Operating Impact Summary in thousands  
 Fiscal Years 2024 - 2028

Fund / Department	Project Description	Long- term Operating Costs / Saving Benefit Associated	2024	2025	2026	2027	2028	5 Year Total
<b>General Fund</b>								
Police	Police Vehicles and Equipment	Anticipated decrease in maint.			\$ (5.0)		\$ (5.0)	\$ (10.0)
<b>Emergency Dispatch Fund</b>								
Emergency Dispatch	Phone System Upgrade	No Impact to operation budget						\$ -
Emergency Dispatch	Viper Phone Position for Backup Center	No Impact to operation budget						\$ -
Emergency Dispatch	RMS CAD Update	No Impact to operation budget						\$ -
Emergency Dispatch	Tower Upgrades	No Impact to operation budget						\$ -
Emergency Dispatch	Workstation replacement	No Impact to operation budget						\$ -
<b>Transportation Fund</b>								
Transportation	Capital Rehabilitation - NE 6th, Main to Holly	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NE Belknap, 6th to End	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NE Court, 5 1/2 to 10th	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NE Dunham, 7th to End	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NE Fairview, 6th to 7th	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NE Garner, 7th to End	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NE Holly, 6th to End	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NE 8th, Main to Belknap	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NE 8th, Oregon to End	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NE Holly, 7th to 8th	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NE Hillside Ct., 8th to End	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SE Faingounds Rd	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW Deer, 3rd to 5th Pl	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW Ewen, 1st to 5th Pl	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW 1st Pl, Deer to Ewen	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW 5th Pl, Deer to Ewen	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW 4th St, Deer to Main	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW Claypool, 2nd to 4th	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW Beaver, 2nd to 4th	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW 3rd, Deer to Claypool	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW 2nd, Deer to Claypool	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW 3rd, Claypool to Beaver	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - SW 2nd, Claypool to Beaver	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NW Harwood, 3rd to 2nd	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - NW Maple, 3rd to 2nd	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - W 1st St., Deer to Main	No Impact to operation budget						\$ -
Transportation	Capital Rehabilitation - Ochocho and Elm Intersection Re-Design	No Impact to operation budget						\$ -
Transportation	Capital Maintenance - Crack Seal	No Impact to operation budget						\$ -
Transportation	Capital Maintenance - Chip Seal	No Impact to operation budget						\$ -
Transportation	Seal Coat Recent Upgrades	Anticipated decrease in maint.					\$ (5.0)	\$ (5.0)
Transportation	Electric Vehicle Grant	Regular maint.		\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 20.0
<b>Transportation SDC Fund</b>								
Transportation SDC	Combs Flat Extension to N. Peters Road	Anticipated increase in maint.					\$ 45.0	\$ 45.0
Transportation SDC	N. Main St and Peters Rd Intersection	Anticipated increase in maint. and electricity					\$ 4.0	\$ 4.0
Transportation SDC	Combs Flat Widening Project	Anticipated increase in maint.					\$ 25.0	\$ 25.0
Transportation SDC	ADA Transition Plan	No Impact to operation budget						\$ -
<b>Water Fund</b>								
Water	NW Fairmont, 7th to 9th - Water Line Improvements	Anticipated decrease in maint.			\$ (2.0)		\$ (2.0)	\$ (4.0)
Water	NW 7th, Fairmont to Beaver - Water Line Improvements	Anticipated decrease in maint.			\$ (2.0)		\$ (2.0)	\$ (4.0)
Water	NE 5 1/2 St., East of Dunham - Water Line Improvements	Anticipated decrease in maint.			\$ (2.0)		\$ (2.0)	\$ (4.0)
Water	NE Jordan into Allen - Water Line Improvements	Anticipated decrease in maint.			\$ (2.0)		\$ (2.0)	\$ (4.0)
Water	S Main, 1st to SE 5th - Water Line Improvements	Anticipated decrease in maint.			\$ (2.0)		\$ (2.0)	\$ (4.0)
Water	NW 8th, Fairmont to Deer - Water Line Improvements	Anticipated decrease in maint.			\$ (2.0)		\$ (2.0)	\$ (4.0)
<b>Water SDC Fund</b>								
Storage	Airport Storage Tank 1.0 mg Steel Tank and Distribution Line	Anticipated increase in maint.				\$ 5.0	\$ 5.0	\$ 10.0
<b>Wastewater Fund</b>								
Treatment Plant	Wetlands Projects	No Impact to operation budget						\$ -
Treatment Plant	Seal Wetland Parking Area and Paths	Anticipated decrease in maint.					\$ (40.0)	\$ (40.0)
Treatment Plant	Sludge survey	No Impact to operation budget						\$ -
Treatment Plant	Irrigation Pump Rebuilds	Anticipated decrease in maint.						\$ -
Treatment Plant	New Flyte Pumps at Headworks	Anticipated decrease in maint.						\$ -
Treatment Plant	New Irrigation Pump Screen	Anticipated decrease in maint.						\$ -
Treatment Plant	SCADA Upgrades	Anticipated decrease in maint.						\$ -
Treatment Plant	Treatment Plant Upgrades Misc.	Anticipated decrease in maint.						\$ -
Sanitary Sewer	Collection Improvements	Anticipated decrease in maint.						\$ -
<b>Wastewater SDC Fund</b>								
Capital Rehabilitation	Collection System and Lift Station Improvements	Anticipated decrease in maint.						\$ -
<b>Railroad Fund</b>								
Maint. of Way	Bridges - MP 13.8 (Madras Highway Overpass)	No Impact to operation budget						\$ -
Maint. of Way	Bridges - MP 16 (McKay Creek Bridge)	No Impact to operation budget						\$ -
Maint. of Way	Bridges - MP 11.7 (Crooked River Bridge)	No Impact to operation budget						\$ -
Maint. of Way	Track - MP 0.01 - 33rd	No Impact to operation budget						\$ -
Maint. of Way	Track - MP 3.3 - Lone Pine Crossing	No Impact to operation budget						\$ -
Maint. of Way	Track - 33rd - MP 3.3	No Impact to operation budget						\$ -

City of Prineville  
 Capital Improvement Projects Estimated Operating Impact Summary in thousands - Continued  
 Fiscal Years 2024 - 2028

Fund / Department	Project Description	Long-term Operating Costs / Saving Benefit Associated	2024	2025	2026	2027	2028	5 Year Total
<b>Golf Course and Restaurant Fund</b>								
Golf Course	Parking Lot Paving	Anticipated decrease in maint.					\$ (40.0)	\$ (40.0)
Golf Course	Reel Grinding Equipment	Anticipated decrease in maint. & mechanic time	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (5.0)
Golf Course	Bedknife Grinding Equipment	Anticipated decrease in maint. & mechanic time	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (5.0)
Golf Course	Cart Path Paving	Anticipated decrease in maint.	\$ (2.0)	\$ (2.0)	\$ (2.0)	\$ (2.0)	\$ (2.0)	\$ (10.0)
Golf Course	Rough Mower	No Impact to operation budget						\$ -
Golf Course	New Carpet in Clubhouse	No Impact to operation budget						\$ -
Golf Course	Fairway Aerator	No Impact to operation budget						\$ -
Golf Course	Windows, Seals, and Doors for Clubhouse	Anticipated decrease in maint.				\$ (5.0)		\$ (5.0)
Golf Course	Split-rail and Parking Lot Fence	No Impact to operation budget						\$ -
<b>Building Facilities / Property Fund</b>								
City Hall Facility	New Carpet	No Impact to operation budget						\$ -
Police Facility	Finish Upstairs Room That Was Left During Remodel	No Impact to operation budget						\$ -
Police Facility	Vehicle Carpools	Anticipated decrease in maint.			\$ (1.0)			\$ (1.0)
Police Facility	New Evidence Fridge and Freezers	No Impact to operation budget						\$ -
Barnes Butte Prop.	Paved Track Area Trails	Park & trail maint. and possible snow plowing	\$ 1.0	\$ 1.0	\$ 1.0	\$ 5.0	\$ 1.0	\$ 9.0
Barnes Butte Prop.	Paved Parking Area w/ ADA Parking	Park & trail maint. and possible snow plowing	\$ 1.0	\$ 1.0	\$ 1.0	\$ 5.0	\$ 1.0	\$ 9.0
<b>Admin. / Financial Support Service Fund</b>								
IT	Technology	No Impact to operation budget						\$ -
<b>Public Work Support Service Fund</b>								
Fleet Maint. & Ops	Truck with Utility Bed	Regular maint. & mechanic time		\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 4.0
Fleet Maint. & Ops	Grader	Regular maint. & mechanic time		\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 8.0
Fleet Maint. & Ops	Loader	Regular maint. & mechanic time		\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 4.0
<b>Total</b>			\$ (2.0)	\$ 7.0	\$ (11.0)	\$ 15.0	\$ (16.0)	\$ (7.0)



*The Highway 26 Y-intersection as seen by travelers as they come into the west side of town*



# Long-range Planning Models

Water - 6 Years of 20 Year Forecast (amounts in thousands) Resources	BN 2023		BN 2025		BN 2027		BN 2029	
	Actual 2022	Estimated 2023	Budget 2024	Budget 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029
Charges for services	\$ 3,360	\$ 3,412	\$ 3,503	\$ 3,603	\$ 3,711	\$ 3,822	\$ 3,937	\$ 4,055
Interest	5	30	8	8	5	22	24	27
Miscellaneous	69	45	10	10	10	10	10	10
SDC Reimbursement Fee	200	164	172	174	177	181	185	189
Debt Proceeds	1,915	-	-	-	-	-	-	-
<b>Total resources</b>	<b>5,549</b>	<b>3,651</b>	<b>3,693</b>	<b>3,795</b>	<b>3,903</b>	<b>4,035</b>	<b>4,156</b>	<b>4,281</b>
<b>Expenditures</b>								
Materials and services	726	1,077	1,186	1,051	1,079	1,108	1,138	1,169
Franchise fee	144	148	215	180	186	191	197	203
Capital outlay	147	1,047	650	650	600	600	600	600
Debt service								
Principal	2,058	305	232	237	254	261	263	270
Interest	52	60	86	82	30	25	20	15
Transfers	1,506	1,530	1,676	1,729	1,679	1,730	1,781	1,835
Transfer to SDC Fund								
Payment to escrow for advance refunding								
<b>Total expenditures</b>	<b>4,633</b>	<b>4,167</b>	<b>4,045</b>	<b>3,929</b>	<b>3,828</b>	<b>3,915</b>	<b>3,999</b>	<b>4,092</b>
<b>Revenue over/(under) expenditures</b>	<b>916</b>	<b>(516)</b>	<b>(352)</b>	<b>(134)</b>	<b>75</b>	<b>120</b>	<b>157</b>	<b>189</b>
<b>Beginning fund balance</b>	<b>1,091</b>	<b>2,007</b>	<b>1,491</b>	<b>1,139</b>	<b>1,005</b>	<b>1,080</b>	<b>1,201</b>	<b>1,358</b>
<b>Ending fund balance</b>	<b>\$ 2,007</b>	<b>\$ 1,491</b>	<b>\$ 1,139</b>	<b>\$ 1,005</b>	<b>\$ 1,080</b>	<b>\$ 1,201</b>	<b>\$ 1,358</b>	<b>\$ 1,547</b>
<b>Fund balance analysis</b>								
Available fund balance	2,007	1,491	1,139	1,005	1,080	1,201	1,358	1,547
Desired minimum fund balance								
Working capital - 60 days operating costs	558	652	716	695	690	710	730	751
Debt service reserve - one year debt service	337	365	318	319	284	286	283	285
Contingency - 10% (excludes debt and transfers)	102	227	205	188	187	190	194	197
Replacement reserve - full cost recovery	-	-	-	-	-	-	-	-
Total desired minimum fund balance	997	1,244	1,239	1,202	1,161	1,186	1,207	1,233
Difference	1,010	247	(100)	(197)	(81)	15	151	314
<b>Assumptions</b>								
Rate - single family home (8 CCF/mo)	\$ 37.37	\$ 38.12	\$ 39.26	\$ 40.44	\$ 41.65	\$ 42.90	\$ 44.19	\$ 45.52
% increase - rates	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
\$ change - rates - SF home (8 CCF/mo)	1.09	0.75	1.14	1.18	1.21	1.25	1.29	1.33
CPI %	10.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Cumulative CPI %	116.7%	119.1%	121.4%	123.9%	126.4%	128.9%	131.5%	134.1%
Personnel services adjustment %	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Population growth rate	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Average population change - from 2011								
Population increase	77	81	81	82	82	83	83	84
Population - per Portland State University	11,513	11,594	11,675	11,757	11,839	11,922	12,005	12,089
Franchise fee - (%)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
<b>Capital outlay</b>								
Capital outlay - 2017 dollars	1,672	1,672	1,672	1,672	1,672	1,672	1,672	118
Capital outlay - inflation adjusted \$	593	772	1,000	2,071	2,113	2,155	2,198	158
<b>Outstanding debt</b>								
Revenue bond ASR	3,024	3,024	3,024	3,024	3,024	3,024	3,024	3,024
Refunding issue - 2022	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915
	4,939	4,939	4,939	4,939	4,939	4,939	4,939	4,939
<b>DCR Analysis</b>								
Revenue	\$ 3,360	\$ 3,412	\$ 3,503	\$ 3,603	\$ 3,711	\$ 3,822	\$ 3,937	\$ 4,055
Expenditures	2,232	2,607	2,862	2,780	2,758	2,838	2,919	3,004
Net revenue	1,128	805	641	823	953	984	1,018	1,051
Debt service - excluding refunding	2,110	365	318	319	284	286	283	285
DCR	0.53	2.21	2.02	2.58	3.36	3.44	3.60	3.69
Revenue with SDC reimbursement	3,560	3,576	3,675	3,777	3,888	4,003	4,122	4,244
DCR with SDC reimbursement	0.63	2.65	2.56	3.13	3.98	4.07	4.25	4.35

Wastewater Fund									
Financial Proformas - 6 Years of 20 Year Forecast									
(amounts in thousands)	BN 2023		BN 2025		BN 2027		BN 2029		
	Actual	Estimated	Forecast		Forecast		Forecast		
Resources	2022	2023	2024	2025	2026	2027	2028	2029	
Charges for services	\$ 4,278	\$ 4,225	\$ 4,350	\$ 4,475	\$ 4,986	\$ 5,170	\$ 5,360	\$ 5,556	
Intergovernmental	-								
Interest	11	45	25	25	26	46	69	95	
Miscellaneous	80	75	74	74	78	82	86	90	
SDC Reimbursement Fee	200	113	97	97	65	67	69	71	
Debt Proceeds	4,961								
Transfers	511								
<b>Total resources</b>	<b>10,041</b>	<b>4,458</b>	<b>4,546</b>	<b>4,671</b>	<b>5,155</b>	<b>5,364</b>	<b>5,583</b>	<b>5,812</b>	
<b>Expenditures</b>									
Personal services	182	246	258	272	286	300	315	331	
Materials and services	651	669	687	706	725	745	765	786	
Franchise fee	196	205	289	224	249	258	268	278	
Capital outlay	520	592	612	530	800	800	800	850	
Debt service									
Interest	193	165	154	143	174	150	138	129	
Fees	-								
Transfers	1,936	1,976	1,732	1,765	1,818	1,872	1,929	1,987	
<b>Total expenditures</b>	<b>10,494</b>	<b>5,106</b>	<b>4,886</b>	<b>4,780</b>	<b>4,142</b>	<b>4,212</b>	<b>4,298</b>	<b>4,440</b>	
<b>Resources over/(under) expenditures</b>	<b>(453)</b>	<b>(648)</b>	<b>(340)</b>	<b>(109)</b>	<b>1,013</b>	<b>1,152</b>	<b>1,286</b>	<b>1,372</b>	
<b>Beginning fund balance</b>	<b>2,854</b>	<b>2,401</b>	<b>1,753</b>	<b>1,413</b>	<b>1,304</b>	<b>2,318</b>	<b>3,470</b>	<b>4,756</b>	
<b>Ending fund balance</b>	<b>\$ 2,401</b>	<b>\$ 1,753</b>	<b>\$ 1,413</b>	<b>\$ 1,304</b>	<b>\$ 2,318</b>	<b>\$ 3,470</b>	<b>\$ 4,756</b>	<b>\$ 6,128</b>	
<b>Fund balance analysis</b>									
Minimum fund balance									
Debt service reserve	5,897	988	982	982	265	243	233	227	
Operating capital - 60 days (operating costs only)	647	554	501	507	471	485	499	514	
Contingency - 10% (excludes debt)	449	401	379	369	377	386	395	410	
Replacement reserve - full cost recovery	384	809	1,272	1,744	1,963	2,186	2,677	3,178	
Total minimum fund balance	7,377	2,752	3,134	3,602	3,076	3,300	3,804	4,329	
Ending fund balance	2,401	1,753	1,413	1,304	2,318	3,470	4,756	6,128	
Fund balance above (below) minimum	(4,976)	(999)	(1,721)	(2,298)	(758)	170	952	1,799	
Ending fund balance % of minimum	33%	64%	45%	36%	75%	105%	125%	142%	
<b>Assumptions</b>									
Rate - single family home	\$ 54.52	\$ 55.61	\$ 57.28	\$ 59.00	\$ 60.77	\$ 62.59	\$ 64.47	\$ 66.40	
Rate - large commercial - base	\$ 54.52	\$ 55.61	\$ 57.28	\$ 59.00	\$ 60.77	\$ 62.59	\$ 64.47	\$ 66.40	
Rate - large commercial - consumption	\$ 5.39	\$ 5.55	\$ 5.72	\$ 5.89	\$ 6.07	\$ 6.25	\$ 6.44	\$ 6.63	
% increase in Commercial consumption	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
% increase - SFR (% of CPI)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
CPI %	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Cumulative CPI % - 2017 forward	108.2%	110.4%	112.6%	114.9%	117.2%	119.5%	121.9%	124.3%	
Medical	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	
PERS	2%	15%	2%	10%	2%	5%	2%	2%	
Population growth rate	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	
Population increase	471	81	81	82	82	83	83	84	
Population	11,513	11,594	11,675	11,757	11,839	11,922	12,005	12,089	

Golf Course Fund 6 Years of 20 Year Forecast (amounts are in thousands)	BN 23		BN 25		BN 27		BN 29	
	Actual	Estimated	Adopted Budget		Forecast		Forecast	
	2022	2023	2024	2025	2026	2027	2028	2029
<b>Resources</b>								
Charges for services	\$ 1,241	\$ 1,258	\$ 1,274	\$ 1,345	\$ 1,412	\$ 1,479	\$ 1,546	\$ 1,613
Interest	4	21	12	12	5	5	5	5
Miscellaneous	8	5	5	5	10	10		
Transfers	470	470	370	370	370	370	370	370
Debt proceeds	596	-	-	-	-	-	-	-
<b>Total resources</b>	<b>2,319</b>	<b>1,754</b>	<b>1,661</b>	<b>1,732</b>	<b>1,797</b>	<b>1,864</b>	<b>1,921</b>	<b>1,988</b>
<b>Expenditures</b>								
Golf course	641	622	701	730	752	774	798	822
Waste disposal	579	641	813	850	867	884	902	920
Restaurant	28	27	33	35	37	39	41	43
Capital outlay	456	75	218	200	100	100	100	100
Debt service								
Principal - FFC	264	-	-	-	-	-	-	-
Interest - FFC	2	-	-	-	-	-	-	-
Principal - 2021 refunding	108	118	124	124	123	-	-	-
Interest - 2021 refunding	5	6	5	3	2	-	-	-
<b>Total expenditures</b>	<b>2,083</b>	<b>1,489</b>	<b>1,894</b>	<b>1,942</b>	<b>1,881</b>	<b>1,797</b>	<b>1,840</b>	<b>1,884</b>
<b>Resources over/(under) expenditures</b>	<b>236</b>	<b>265</b>	<b>(233)</b>	<b>(210)</b>	<b>(84)</b>	<b>66</b>	<b>80</b>	<b>104</b>
Beginning fund balance	518	754	1,019	786	576	492	558	639
Ending fund balance	\$ 754	\$ 1,019	\$ 786	\$ 576	\$ 492	\$ 558	\$ 639	\$ 742
Adj operating revenue	973	1,754	1,661	1,732	1,797	1,864	1,921	1,988
Adj operating expenditures	1,248	1,290	1,547	1,615	1,656	1,697	1,740	1,784
Net adjusted sewer revenue	(275)	464	114	117	141	166	180	204
Debt service supported by Golf	379	124	129	127	125	-	0	0
DCR	(0.73)	3.74	0.88	0.92	1.13	N/A	N/A	N/A
Rounds	33,591	31,500	32,400	33,300	33,367	33,433	33,500	33,567
CPI	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Growth - additional rounds	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Revenue per round	45.29	46.19	47.12	48.06	49.02	50.00	51.00	52.02
Growth revenue per round	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Interest rate - new bonds	1.21%	1.21%	1.21%	1.21%	1.2%			



*View of the city from the Ochoco Viewpoint in September 2020*

General Fund								
6 years of 20 Year Forecast								
(amounts in thousands)	BN 23		BN 25		BN 27		BN 29	
	Actual	Estimates	Budget		Forecast		Forecast	
Revenue	2022	2023	2024	2025	2026	2027	2028	2029
Property taxes	2,563	2,735	2,806	2,889	2,976	3,065	5,157	5,312
Transient lodging tax	521	560	600	600	600	600	601	602
Franchise taxes	3,827	3,830	4,116	4,308	4,566	4,840	5,131	5,439
Licenses & permits	6	5	6	6	9	9	9	9
Intergovernmental	1,848	1,804	929	1,184	400	400	400	400
Charges for Services	267	352	340	350	330	330	330	330
Miscellaneous	245	133	99	99	50	50	50	50
Transfers	130	494	-					
<b>Total revenue</b>	<b>9,407</b>	<b>9,913</b>	<b>8,896</b>	<b>9,436</b>	<b>8,931</b>	<b>9,294</b>	<b>11,678</b>	<b>12,141</b>
<b>Expenses</b>								
Police	5,805	7,506	7,656	7,742	7,974	7,595	7,823	8,058
Non Dept. General	3,870	2,218	1,893	2,143	1,800	1,800	1,900	1,900
<b>Total expenditures</b>	<b>9,675</b>	<b>9,724</b>	<b>9,549</b>	<b>9,885</b>	<b>9,774</b>	<b>9,395</b>	<b>9,723</b>	<b>9,958</b>
Revenue over/(under) expenditures	(268)	189	(653)	(449)	(843)	(101)	1,954	2,183
Beginning fund balance	2,689	2,421	2,610	1,957	1,508	665	564	2,518
Prior period adjustment								
<b>Ending fund balance</b>	<b>2,421</b>	<b>2,610</b>	<b>1,957</b>	<b>1,508</b>	<b>665</b>	<b>564</b>	<b>2,518</b>	<b>4,702</b>



*Both the Prineville Police Department and Crook County 911 fully moved into the new public safety facility (pictured above) at the end of FY 21*



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



Personnel



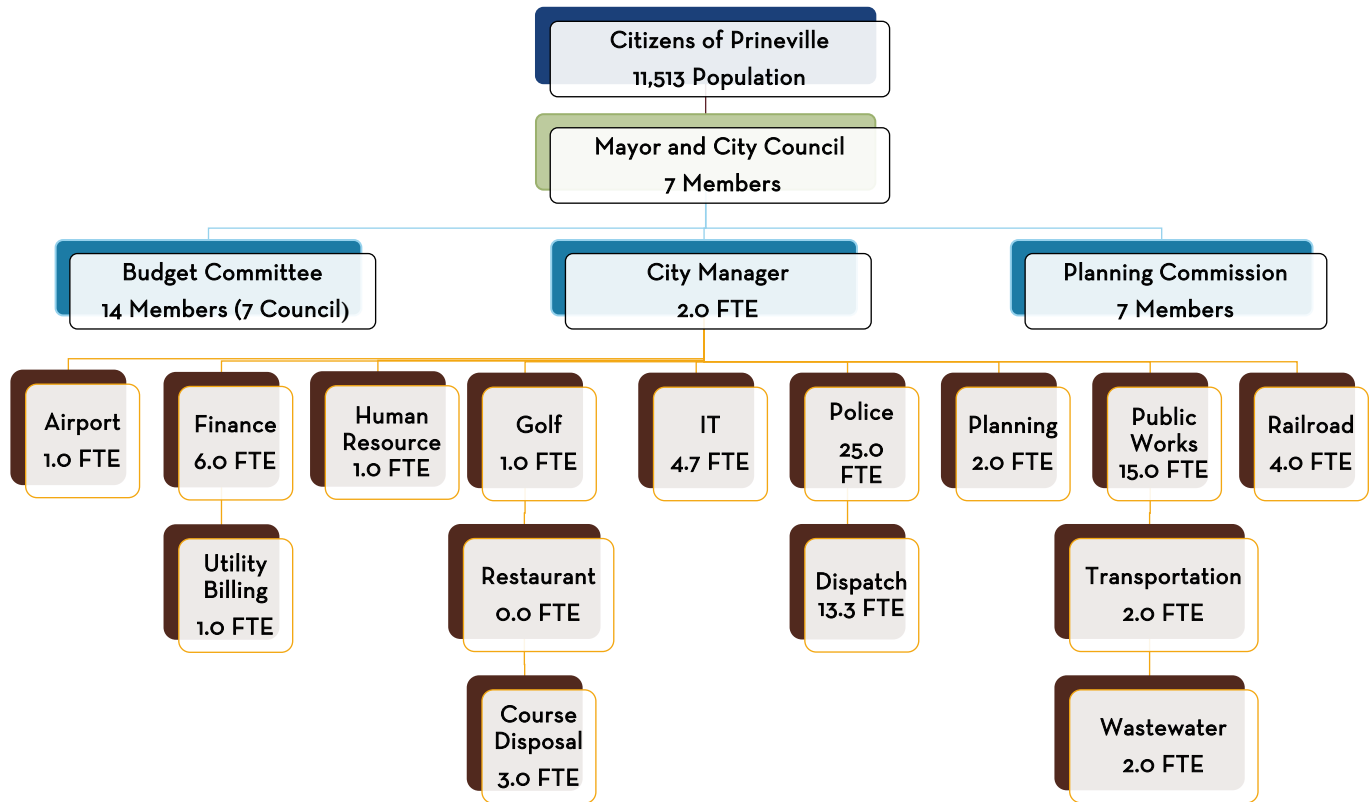
Adopted Biennial Budget  
July 1, 2023 - June 30, 2025





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# Organizational Chart



*Prineville Police supporting the Crook County little league car wash fundraiser during the summer of 2021*

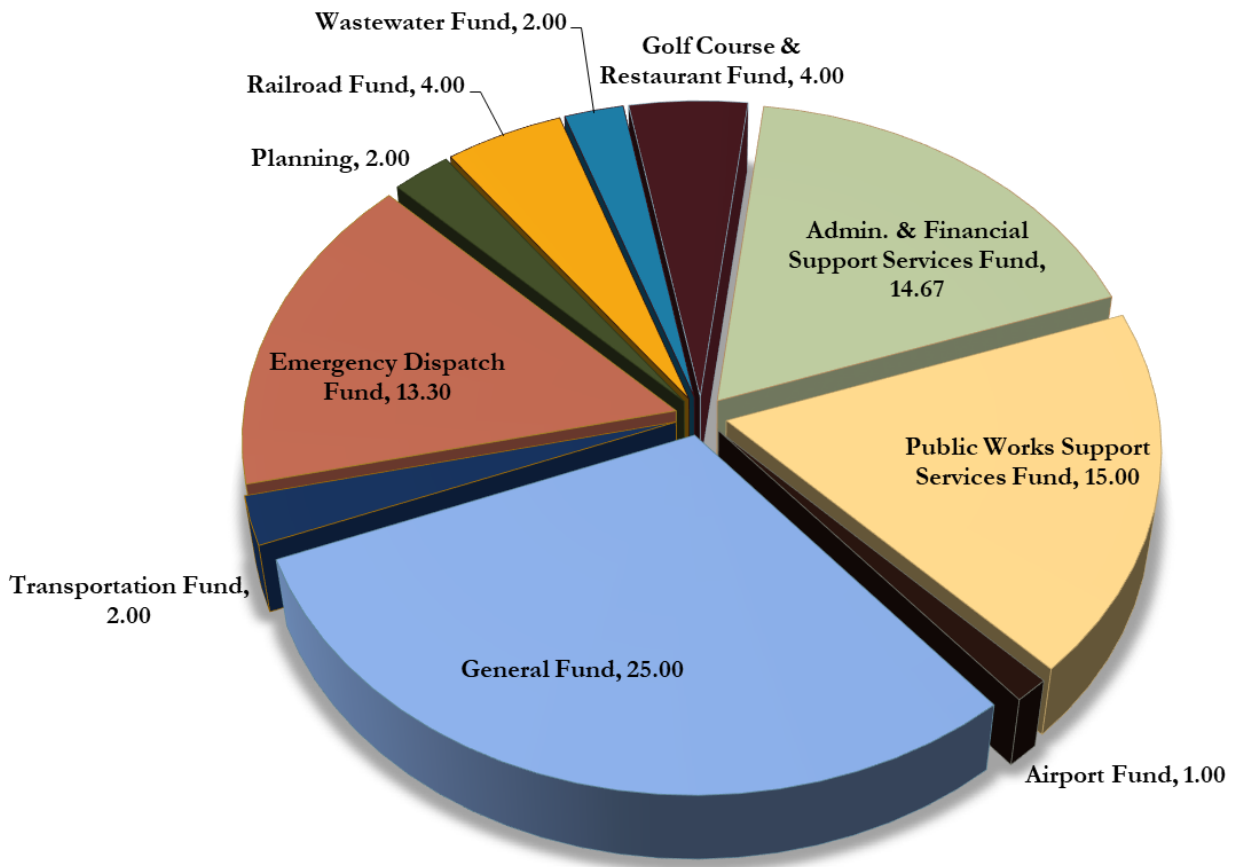


# FTEs Budgeted Positions and Salary Ranges by Fund

Positions - Prior Years and Budget Year by Functional Area  
Excludes Part-time and Seasonal Help

Department & Position	FY 19	BN 21	BN 23	BN 25	Monthly BN 25 Salary Range		Yearly Salary	
					Low	High	Low	High
<b>General Fund</b>								
<b>Police Department</b>								
Chief of Police	1.00	1.00	1.00	1.00	8,614	12,060	103,368	144,720
Captain	1.00	1.00	1.00	1.00	7,650	10,328	91,800	123,936
Lieutenant	0.00	0.00	0.00	1.00	7,200	9,500	86,400	114,000
Administrative Services Manager	0.66	0.00	1.00	1.00	6,797	8,836	81,564	106,032
Certified Police Services Manager	0.00	1.00	0.00	0.00	6,797	8,836	81,564	106,032
Sergeant	4.00	3.00	4.00	4.00	6,797	8,836	81,564	106,032
Police Officer	13.00	15.00	15.00	15.00	5,390	6,536	64,680	78,432
Evidence Officer	0.50	0.70	1.00	1.00	3,986	4,809	47,832	57,708
Office Technician	1.00	1.00	1.00	1.00	3,986	4,809	47,832	57,708
Janitorial	0.25	0.00	0.00	0.00	Hourly			
<b>Police Department Total</b>	<b>21.41</b>	<b>22.70</b>	<b>24.00</b>	<b>25.00</b>				
<i>FY 19 - Added an additional two Police Officer positions.</i>								
<i>FY20 - Evidence officer split changed, Admin services manager position was restructured and Janitorial services contracted out.</i>								
<i>FY 21 - Increased Officer positions and decreased Sergeant positions.</i>								
<i>FY 22 - At the end of FY21 an Officer was promoted to Sergeant</i>								
<i>FY 23 - Police personnel restructuring took place with the retirement of the former Police Chief in June 2022.</i>								
<b>General Fund Total</b>	<b>21.41</b>	<b>22.70</b>	<b>24.00</b>	<b>25.00</b>				
<b>Planning Fund</b>								
Planning Director	1.00	1.00	1.00	1.00	6,797	8,836	81,564	106,032
Senior Planner	0.00	0.00	1.00	0.00	5,910	7,683	70,920	92,196
Associate Planner	1.00	1.00	0.00	1.00	5,253	6,567	63,036	78,804
<b>Planning Department Total</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>				
<i>FY 21 - Associate Planner was promoted to Senior Planner</i>								
<i>FY 24 - Senior Planner promoted to Public Works Director</i>								
<b>Transportation Fund</b>								
Streets Supervisor	1.00	1.00	1.00	1.00	5,910	7,683	70,920	92,196
Senior Lead Utility Worker	0.00	0.00	1.00	1.00	5,454	6,252	65,448	75,024
Utility Worker	1.00	1.00	0.00	0.00	5,201	6,071	62,412	72,852
<b>Transportation Fund Total</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>				
<i>FY 22 - Streets Supervisor retired resulting in two promotions.</i>								
<b>Emergency Dispatch Fund</b>								
Communications Director	1.00	1.00	1.00	1.00	6,797	8,836	81,564	106,032
Administrative Services Manager	0.34	0.00	0.00	0.00	6,797	8,836	81,564	106,032
Communications Supervisor	0.00	0.00	2.00	2.00	5,910	7,683	70,920	92,196
Communications Officer	8.66	9.00	8.30	8.30	4,507	5,362	54,084	64,344
Call Taker	0.00	0.00	0.00	2.00	3,831	4,557	45,972	54,690
Evidence Officer	0.50	0.30	0.00	0.00	3,986	4,809	47,832	57,708
Janitor	0.25	0.00	0.00	0.00	Hourly			
<b>Emergency Dispatch Fund Total</b>	<b>10.75</b>	<b>10.30</b>	<b>11.30</b>	<b>13.30</b>				
<i>FY 22 - Communication supervisor positions budgeted but not filled as of 7/1/21</i>								
<i>FY 24 - Two Call Taker positions will be added and salary range estimated</i>								
<b>Railroad Fund</b>								
Operations Manager	1.00	1.00	1.00	1.00	7,650	10,328	91,800	123,936
Engineer	1.00	2.00	2.00	2.00	5,560	6,374	66,720	76,488
Freight Depot/Track Maintenance	0.00	1.00	1.00	1.00	5,088	5,833	61,056	69,996
Conductor / Mechanic	1.00	0.00	0.00	0.00	5,399	6,189	64,788	74,268
<b>Railroad Fund Total</b>	<b>3.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>				
<i>FY21 - New Freight Depot position added and Conductor was promoted to Engineer.</i>								
<b>Airport Fund</b>								
General Manager	1.00	1.00	1.00	1.00	6,797	8,836	81,564	106,032
<b>Airport Fund Total</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>				

Department & Position	FY 19	BN 21	BN 23	BN 25	Salary Range		Yearly Salary		
					Low	High	Low	High	
<b>Wastewater Fund</b>									
Wastewater Treatment Plant Supervisor	1.00	1.00	1.00	1.00	5,910	7,683	70,920	92,196	
Utility Worker	0.00	0.00	1.00	1.00	4,903	5,722	58,836	68,664	
<b>Wastewater Fund Total</b>	<b>1.00</b>	<b>1.00</b>	<b>2.00</b>	<b>2.00</b>					
<i>FY22 - New Utility Worker Position Dedicated to the Wastewater</i>									
<b>Golf Course Fund</b>									
Golf Manager/Head Professional	1.00	1.00	1.00	1.00	6,797	8,836	81,564	106,032	
<b>Golf Course Disposal Site</b>									
Superintendent	1.00	1.00	1.00	1.00	5,910	7,683	70,920	92,196	
Assistant Superintendent	1.00	1.00	1.00	2.00	4,568	5,710	54,816	68,520	
<b>Golf Course Disposal Site Total</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>3.00</b>					
<b>Restaurant Operations</b>									
Restaurant Manager	1.00	0.00	0.00	0.00	5,253	6,567	63,036	78,804	
Kitchen Manager	1.00	0.00	0.00	0.00	3,642	4,553	43,704	54,636	
<b>Restaurant Operations Total</b>	<b>2.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>					
<b>Golf Course &amp; Restaurant Fund Total</b>	<b>5.00</b>	<b>3.00</b>	<b>3.00</b>	<b>4.00</b>					
<i>FY 19 - The restaurant was leased out during the third quarter of FY19.</i>									
<b>Administration &amp; Financial Support Services Fund</b>									
City Manager	1.00	1.00	1.00	1.00	9,717	14,575	116,604	174,900	
City Recorder/ Risk Manager	1.00	1.00	1.00	1.00	5,910	7,683	70,920	92,196	
Finance Director	1.00	1.00	1.00	1.00	8,614	12,060	103,368	144,720	
Finance Assistant II	3.00	3.00	5.00	4.00	4,079	5,099	48,948	61,188	
Finance Assistant III	1.00	1.00	1.00	2.00	5,253	6,567	63,036	78,804	
Accounting Manager	1.00	1.00	0.00	0.00	6,797	8,836	81,564	106,032	
IT Manager	1.00	1.00	0.67	0.67	Hourly				
IT Specialist II	1.00	3.00	2.00	2.00	5,253	6,567	63,036	78,804	
IT Systems Administrator	0.00	0.00	1.00	1.00	6,797	8,836	81,564	106,032	
IT Operations Lead	0.00	0.00	1.00	1.00	5,910	7,683	70,920	92,196	
Human Resources Manager	1.00	1.00	1.00	1.00	6,797	8,836	81,564	106,032	
<b>Administration &amp; Financial Support Services Fund Total</b>	<b>11.00</b>	<b>13.00</b>	<b>14.67</b>	<b>14.67</b>					
<i>FY 19 - Contract/Procurement changed to Public Works Projects Coordinator. Position moved from Admin. to Public Works.</i>									
<i>FY20 - IT Specialist position added.</i>									
<i>FY 21 - IT Specialist position added.</i>									
<i>FY 22 - Finance Director retired prompting a restructuring of the Finance Department</i>									
<i>FY 23 - IT Manager went to 2/3 time (hourly) and restructured the IT Department's personnel</i>									
<b>Public Work Support Services Fund</b>									
City Engineer/Public Works Director	1.00	1.00	0.00	0.00	8,614	12,060	103,368	144,720	
Public Works Director	0.00	0.00	1.00	1.00	7,650	10,328	91,800	123,936	
Public Works Superintendent/Inspector	1.00	1.00	2.00	2.00	5,916	7,691	70,992	92,292	
Assistant City Engineer	1.00	1.00	1.00	1.00	5,916	7,691	70,992	92,292	
Mechanic	1.00	1.00	1.00	1.00	4,992	5,498	59,904	65,976	
Utility Worker	7.00	8.00	6.00	7.00	4,705	5,212	56,460	62,544	
Lead Utility Worker	1.00	1.00	1.00	1.00	4,992	5,498	59,904	65,976	
Capital Projects Manager	0.00	0.00	1.00	1.00	Hourly				
Public Works Projects Coordinator / Procurement	1.00	1.00	1.00	1.00	3,976	4,970	47,712	59,640	
<b>Public Works Support Services Fund Total</b>	<b>13.00</b>	<b>14.00</b>	<b>14.00</b>	<b>15.00</b>					
<i>FY 19 - Contract/Procurement changed to Public Works Projects Coordinator. Position moved from Administration to Public Works Support Services.</i>									
<i>FY 20 - Utility Worker position added.</i>									
<i>FY 22 - Public Works restructured which included making the Public Works Director position separate from the City Engineer.</i>									
<i>FY 24 - Utility Worker position added.</i>									
<b>City of Prineville FTE Total</b>	<b>70.16</b>	<b>73.00</b>	<b>77.97</b>	<b>82.97</b>					



*Public Works installing the artwork for the roundabout in June of 2022*

# Employee Comparison with Other Cities

Comparisons With Other Cities including FTE's Per Capita  
Measured in Full-Time Equivalents

City Employees by Department by City (FTEs)					
	Prineville	Madras*	Redmond*	Bend**	Sisters*
<b>Service Departments</b>					
Building			12.00	39.00	
Code Enforcement				5.00	1.00
Engineering			11.50	50.00	1.00
Municipal Court				4.00	
Planning	2.00		5.50	21.00	
Public Safety - Police	25.00	13.00	62.50	146.00	
Public Works / Utilities	16.00	14.00	36.50	133.25	8.50
Transportation	2.00		29.00	52.00	
<b>Service Departments Total</b>	<b>45.00</b>	<b>27.00</b>	<b>157.00</b>	<b>450.25</b>	<b>10.50</b>
<b>Support Departments</b>					
Legal		0.50		5.00	
City Manager's Office	1.00	1.00	3.00	25.00	1.00
Communications			1.00	7.50	
City Recorder	1.00	1.00	2.00		1.00
Contract / Procurement	1.00			7.00	
Community Development		2.00	7.50	22.00	4.00
Economic Development				10.50	
Finance	7.00	3.50	7.50	17.00	3.00
Parks / Facilities Management			20.00	10.00	
Human Resources	1.00	1.00	4.00	11.00	
Information Technology	4.67		8.50	19.00	
<b>Support Departments Total</b>	<b>15.67</b>	<b>9.00</b>	<b>53.50</b>	<b>134.00</b>	<b>9.00</b>
<b>Unique Services</b>					
Cemetery				1.00	
City Fire Department				131.62	
City 911 Dispatch Service	13.30				
City Golf	4.00	***	****		
Railroad	4.00				
Airport	1.00	0.25	31.00	2.25	
<b>Unique services Total</b>	<b>22.30</b>	<b>0.25</b>	<b>31.00</b>	<b>134.87</b>	<b>0.00</b>
<b>Total Full Time Equivalents (FTEs)</b>	<b>82.97</b>	<b>36.25</b>	<b>241.50</b>	<b>719.12</b>	<b>19.50</b>
<b>Population</b>	<b>11,513</b>	<b>8,070</b>	<b>37,566</b>	<b>102,834</b>	<b>3,489</b>
<b>FTEs per Capita (per 1,000 of Population)</b>	<b>7.21</b>	<b>4.49</b>	<b>6.43</b>	<b>6.99</b>	<b>5.59</b>

\*Based on FY 23 budget

\*\* Based on FY 21-23 Adopted Biennial Budget

\*\*\*Madras classifies their golf course as part of PW and the airport is in process of hiring a full-time airport manager.

\*\*\*\*Redmond's golf course is leased.



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



Understanding the Budget Format



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



# Understanding the Budget Format

## Department / Fund Sections

Information within the budget is broken up by sections in order to give readers an easy way to read and understand the document. While Sections 3 through 8 give information on the City's structure and how it operates and plans, starting with Section 9, the document drills into the specific funds and departments that make up the entity of the City of Prineville. The format for each department or fund is laid out in a structural template, starting with the foundation of the department (mission statement) and ending with its respective financial information. The following text explains the format and the information as it appears on the page.

### Page 1

1. Fund or Department Name
2. Mission Statement – a quick look into a department of the City of Prineville. It points out what the division does as a whole – as in its purpose – that is important to the entity and drives it forward.
3. Accomplishments – a list of notable accomplishments that the department completed in the previous fiscal year.
4. Initiatives – upcoming items of note that the department intends to address, start or otherwise complete in the new budget term.

*Note: The General Fund and Golf Course Funds start off with an "Organization of Fund" heading before the mission statement since they have different departments within the fund.*

### Transportation Operations Fund 1.

**Mission Statement 2.**  
The mission of the Transportation Department is to serve the citizens of Prineville by ensuring a fast, safe, efficient, accessible and convenient transportation system that meets our vital interests and enhances the quality of life for our constituents, today and into the future.

**BN 25 Accomplishments 3.**

- ◆ Completed the design of the 34 Street Downtown Project funded by King Oregon Mining in partnership with the Oregon Department of Transportation (ODOT)
- ◆ Inspected and evaluated the entire street network in accordance with Metropolitan Transportation Standards. Updated the Spacterra online database with inspection data and updated the maintenance report, including needed funding
- ◆ Completed improvements to the storm water collection system on NW 2nd St. mitigating local flooding issues
- ◆ Completed the installation of the "Maverick" horses and Prineville signs at the Tom McCall Roundabout along with landscaping and lighting
- ◆ Assisted the Prineville Downtown Association in completing the installation of the new downtown arch

**Initiatives for BN 25 4.**

- ◆ Complete first phase of streetscape/sidewalk improvements as identified in the downtown streetscape improvement plan to enhance the downtown and improve pedestrian safety
- ◆ Conduct traffic counting studies to gather data for future planning
- ◆ Extend the life of area roads without having to repave them through the crack sealing/seal coating program
- ◆ Increase the pavement conditioning index (PCI) of the streets network by completing strategic pavement improvement projects through BN 25
- ◆ Continue development and implement the Americans with Disabilities Act (ADA) Transition Plan while continuing to update ADA facilities within the city

City of Prineville, Oregon | Special Revenue Funds 101

### Page 2

5. Department Goals / Council Goals – these goals (or directives) give insight into what a department feels its objective is or the strategies it utilizes with an end goal in mind. They are things it reaches for in support of Prineville City Council goals and therefore Prineville as a whole. Department goals tie to a council goal. Department goals are assigned a letter value, which is used later in the performance measure table to reference which goal the measure is working towards.
6. Responsibilities to the Community – narrative from the respective department that describes what it is, what it does and how it is done in service of Prineville. It looks beyond what the mission statement says by getting into more specifics.

Department Goals	Council Goals 5.
A Improve the transportation network to serve new customers	
B Research pavement preservation techniques to lengthen and/or maintain the useful life of Prineville's streets and protect pavement quality	

**Responsibilities to the Community 6.**  
The objective of the Transportation Department is to provide a source of fiscally and responsive information and transportation-related services. Under this division of the City of Prineville's Public Works Department, it's the duty of the Transportation Department to assure and preserve the present and future health, safety and welfare of the public utilizing the City street network. By using cost effective maintenance practices, planning, permitting, inspection and responsible operations, this goal can be achieved. The key to success is through the efficient and motivated efforts of quality through committed staff.

The Transportation Operations Fund provides the accounting of the City's street, bike lane, right of way and storm water maintenance. Funding sources include state and federal highway gas taxes, state revenue sharing and transfers from the General Fund. Heavy equipment, vehicles and maintenance, engineering, project oversight, and public works administration and support services costs are accounted for through transfers to annual service funds for the estimated costs of the provision of these services.

Street Superintendent Justin Rasmussen (far left) working on the Tom McCall roundabout project in July, 2022

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## Page 3

- Executive Summary – the department’s main narrative intended to inform readers what is going on and what is in the future. This includes any challenges the department is facing, either internally or externally, and triumphs to celebrate from the last fiscal year. Its purpose is to add meaning to the “Responsibilities to the Community” and “Mission Statement” sections.
- Strategic Planning Updates – notes any changes to strategic planning in the short and long term. It is divided into two subsections to account for any items that would alter the vision of a department as it looks towards the future.
- Did You Know – a notable fact related to the department or Prineville in general.
- Capital Outlay – Lists the capital expenditures budgeted for the biennium, broken out by fiscal year.

**Executive Summary 7.**  
The purpose of the Transportation Operations Fund is to finance the activities of the City's transportation division of the Public Works Department. Prineville's most infrastructure is a network of roads made of the jurisdiction of the City, Crook County and the Oregon Department of Transportation (ODOT). The Transportation Department holds the primary responsibility of maintaining the City's 59 centerline miles of streets, rights-of-way, weed control, street sweeping, parking, street signage, street signs, storm drains, and one traffic control signal. It's the mission of the Transportation Department to provide a safe and serviceable traffic infrastructure for today, while planning for the needs of the future.

In BN 25, the Transportation Department will support the design of the NE Combs Plaz Rd. to NE Peters Rd. extension and the design of the linear intersection improvements at N. Main St. and NE Peters Rd. The department will also develop funding scenarios to support these projects. As always, the department will test surfaces of City streets as proposed by the pavement management budget options report.

**Strategic Planning Updates 8.**

- Short-term – In the short term, the Transportation Department will maintain a reasonable PCI rating with the amount of available funds. Grants will continue to be pursued to add supplemental funds for City streets and infrastructure. Improvements will be made to the transportation network in this fiscal year to support new initiatives.
- Long-term – The Transportation Department strives to provide a safe, efficient transportation system to support economic opportunity, and create a livable community for the citizens of Prineville. The street network has a replacement value of \$134.1 million (including bridges and traffic signals) making it the most valuable asset of the community. To manage the condition of the street network at the lowest cost possible, the Transportation Department identified a PCI goal of 82 to 85. The pavement condition index is a high-level indicator for condition of the City's largest asset from a dollar and utilization standpoint. The lower the PCI, the more expensive the asset is to maintain. The City ended BN 23 with a PCI of 73 which was an increase over the previous budget term. In BN 25, the City will strive to further increase PCI within its current resources and will continue to investigate new revenue sources to improve the PCI.

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 the Ochoco Creek Park.

**Capital Outlay 10.**

Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Capital Rehabilitation	\$ 497,440	\$ 615,950
Capital Maintenance	\$ 85,000	\$ 50,000
Transit	\$ 167,860	\$ 84,000
<b>Capital Outlay Total</b>	<b>\$ 750,300</b>	<b>\$ 750,000</b>

*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Planning or Capital Improvement Plans section of this budget beginning on page 103.*

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## Page 4

- Performance Measures – a table showing data relevant to a department’s performance measures selected to achieve its goals, therefore meeting or working towards the goals set by Prineville City Council. The columns include:
  - Goal Alignment – the department goal a measure contributes to.
  - Indicator – the type of measure, categorized as an input, output efficiency or effectiveness.
  - Performance Measures – the named data measured.
  - Benchmark – the result for each department to reach or not exceed. Workloads are mostly marked as N/A, indicating they do not have a benchmark to hit since these items are often not controllable.
  - Fiscal Year Measurements – five years of measured data from a department separated into columns. This includes data from the three previous fiscal years and the targets for each year of the biennium. Any column noted as “NM” indicates the measure was new for that year.

**Performance Measures 11.**

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target	FY 2024 Target	FY 2025 Target
Workloads	Output	Number of 1/2 B. Resurfacing Right-of-Way	N/A	N/A	10,000	10,000	10,000	10,000	10,000	10,000
	Output	Number of 1/2 B. Resurfacing Curb/Edge	N/A	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Output	Number of 1/2 B. Resurfacing Pavement Treatment (Over 1/2" Cap, Hot, Fog Seal, etc.)	N/A	4,000	4,000	4,000	4,000	4,000	4,000	4,000
	Output	Number of 1/2 B. Resurfacing Pavement Treatment (Over 1/2" Cap, Hot, Fog Seal, etc.)	N/A	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Workloads	Output	Number of 1/2 B. Resurfacing Pavement Treatment (Over 1/2" Cap, Hot, Fog Seal, etc.)	N/A	4,000	4,000	4,000	4,000	4,000	4,000	4,000
	Output	Number of 1/2 B. Resurfacing Pavement Treatment (Over 1/2" Cap, Hot, Fog Seal, etc.)	N/A	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Efficiency	Efficiency	Deferred Maintenance Cost to Mileage	< Previous Year	2.44	2.26	2.26	2.26	2.26	2.26	2.26
	Efficiency	Deferred Maintenance Cost to Mileage	< Previous Year	2.44	2.26	2.26	2.26	2.26	2.26	2.26

**Pavement Condition Index 12.**  
The City of Prineville does inspect and maintain all city streets as the summer of 2023. Further inspections occur every other year with the last inspection done the summer of 2022. The goal of the Transportation Department is to maintain a reasonable pavement condition index rating with the amount of available funds, which is ideally a calculated overall PCI average of 82 to 85. This level provides the optimum longevity of the wearing surface with the maximum investment level.

PCI Index Rating	Value
Good	70-100
Satisfactory	50-69
Fair	25-49
Poor	0-24

**Deferred Maintenance Cost**  
The Transportation Department utilizes the Metropolitan Transportation Commission Street Sense software to identify proposed maintenance activities based upon pavement conditions and available budget. Taking into account the PCI of each street, the software proposes what streets to treat and how to treat them. Maintenance cost measurements are calculated every five years on the system as a whole, with deferred costs estimated every two years in between based on the maintenance and replacement work accomplished. In order to maintain the current PCI of 73, the City needs to invest a minimum of \$600,000 per year in maintenance activities. If maintenance funding is kept at current levels, deferred maintenance costs are expected to drop to \$1.8 million by FY 25.

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The top part of the table (in green) contains workloads (also known as performance indicators) that give context to the fund or department. The bottom section (in blue) contains the indicators that directly relate to achieving goals.

- Notable Performance Measures and/or Relevant Information – two performance measures and/or important information related to the department are singled out for display and greater illustration.

## Page 5

13. Department/Fund Budget – budgeted financial information is presented in tables by fund and by department in each section with each table including information on the type of balances, resources and expenditures for the budget year. See the following heading “budgeted financial tables” in this section for an explanation of the budget table format in further detail.

In addition to the budget detail tables for each fund, information below the table may contain:

- Number of full-time equivalent employees (FTEs)
- Fund policy requirements

**13.**

	2025		BN 2025		BN 2025		BN 2025	
	Actual	Actual	Approved Budget	Revised Budget	Approved Budget	Revised Budget	Approved Budget	Revised Budget
Personnel	3011-2014	3011-2021	3022-2015	3022-2020	3013-2015	3013-2020	3014-2015	3014-2020
Paving fund balance	\$ 233,233	\$ 289,211	\$ 399,493	\$ 245,522	\$ 47,195	\$ 454,491	\$ 477,125	\$ 477,125
Current time amounts	\$ 1,211,973	\$ 1,996,629	\$ 1,216,708	\$ 2,243,221	\$ 1,120,200	\$ 1,122,200	\$ 2,263,400	\$ 2,263,400
Contingency	430,000	645,000	799,000	442,000	394,700	494,000	905,700	905,700
Interest	5,719	7,422	2,000	11,250	6,000	5,200	11,400	11,400
Materials	14,511	194,200	38,000	191,129	12,000	16,000	137,000	137,000
Transfer from other funds	—	—	300,000	300,000	—	—	300,000	300,000
Total current time amounts	\$ 2,063,403	\$ 3,883,252	\$ 2,364,708	\$ 3,387,721	\$ 2,152,900	\$ 2,147,500	\$ 4,305,400	\$ 4,305,400
Total amounts	\$ 2,296,706	\$ 4,172,463	\$ 2,671,416	\$ 4,101,092	\$ 2,440,095	\$ 2,442,900	\$ 4,812,925	\$ 4,812,925
Personnel Services	3013-2014	3013-2021	3022-2015	3022-2020	3013-2015	3013-2020	3014-2015	3014-2020
Personnel Services	289,493	422,283	696,200	352,129	396,700	410,000	956,100	956,100
Capital	1,118,227	1,793,114	1,479,200	1,418,144	923,000	700,000	1,873,000	1,873,000
Materials	443,400	713,860	1,015,000	1,481,986	519,000	529,000	1,066,000	1,066,000
Contingency	—	—	86,000	—	89,499	113,499	313,000	313,000
Total expenditures	\$ 2,051,120	\$ 3,929,257	\$ 3,276,400	\$ 3,342,259	\$ 2,440,095	\$ 2,342,499	\$ 4,387,100	\$ 4,387,100
Ending fund balance	\$ 245,586	\$ 253,206	\$ 395,016	\$ 758,833	\$ 0	\$ 100,401	\$ 425,825	\$ 425,825
Budget position (PTES)	240	240	240	240	240	240	240	240
Policy #14 - operating budget							317,775	317,775
Policy #15 - management services							16,225	16,225
Total Policy							\$ 334,000	\$ 334,000

*Directors with being installed in Jan 2022*

City of Prineville, Oregon | Special Revenue Funds

## Page 6

14. Beginning Fund Balance and Ending Fund Balance Contingency Comparison – includes a comparison of prior and current year beginning fund balances along with the percentage of change, proposed ending fund balance, reserve requirements for the fund, and the percentage the fund is over or under policy for reserves. A narrative also accompanies the table explaining the changes.

15. Resources and Assumptions – resource information for the approved budget displayed with a pie chart and percentages per type of revenue source accompanied by a discussion about the assumptions.

16. Requirements and Assumptions - requirement information for the approved budget displayed with a pie chart and percentages per type of requirement accompanied by a discussion about the assumptions.

**14.**

Fund	Actual BN 25	Proposed BN 25	BN 25 to BN 25	Proposed Ending	Reserve	Other
	Beginning Fund Balance	Proposed Ending Fund Balance	% Change	Fund Balance / Contingency	Requirements by Policy	Requirements
Transportation	\$345,837	\$487,216	41%	\$332,098	\$32,096	0%

Fund balance shows an increase over prior year fund balance of 41 percent largely due to increased collection of gas tax. Projects budgeted for BN 25 total \$1.68 million. Fund balance is projected to decrease approximately 36 percent by the end of the biennium. Ending fund balance/contingency meets the City's financial policy objectives. Management continues to look for new revenue opportunities and efficiencies within the department.

**15.**

**Assumptions**  
Overall expected revenues for BN 25 are estimated at \$4.59 million with 11 percent coming from beginning fund balance, 49 percent coming from intragovernmental revenues, 20 percent coming from franchise fees, less than 1 percent from interest earnings, 1 percent miscellaneous and 17 percent from transfers. Revenues include a grant of approximately \$192,800 for the transit project and franchise fees from the Watermain and Water Goals totaling \$908,700. A transfer from the General Fund of \$800,000 will be used for capital projects. Projections for the State of Oregon gas tax are approximately \$1,768,600 and state revenue sharing is projected at \$382,000.

**16.**

**Assumptions**  
Requirements budgeted overall in BN 25 total \$4.59 million. Personnel services total 13 percent of budget for the biennium or \$593,700, materials and services total 21 percent of budget or \$956,500, improvements are 34 percent or \$1.68 million, transfers are at 23 percent of budget totaling \$1.01 million and contingency is 7 percent of budget or \$313,698. Total budget for BN 25 is increasing roughly 6 percent over the prior year with increases in personnel costs, materials and services and transfers to the Public Works Support Service Fund. Budgeted capital expenditures increased in comparison to the prior biennium with the grant funded EV charging station that will be completed in BN 25.

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*Note for all sections: departments/funds without personnel may not include items 2, 3, 4, 5, 7, 8, 11 or 12, depending on the fund, thus changing page configurations. Additionally, item 9 is not included in all funds. Item 10 may not be included if the fund has no planned capital expenditures.*



*Trees shifting to their autumn colors on the pathway by Crook County Fire & Rescue in fall 2021*

## Budgeted Financial Tables

Budgeted financial information is presented in tables by fund and by department in each of the sections. Each table includes several columns:

	Actual	BN Actual	Adopted BN Budget	Estimated Total Actual	Proposed Budget	BN 2025 Proposed Budget	Proposed Total Budget
Resources	2018-2019	2019-2021	2019-2021	2022-2023	2023-2024	2024-2025	2024-2025
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8

**Column 1** - Resource and Requirement Description: Resources are grouped by the different revenue types and requirements are grouped by the different expenditure types or appropriation level.

**Columns 2 and 3** - Actual data for the prior two budget timeframes: Revenues and expenditures for FY 19 and BN 21 are shown in the second and third columns of the budget detail for each fund.

**Column 4** - Budget for the current biennium: Revenues and expenditures for the current biennium are shown on a budgeted basis in the fourth column of the detail budget.

**Column 5** - Estimates for the current biennium data: Revenue and expenditure for the current biennium end are shown on an estimated basis in the fifth column of the budget detail for each fund. The estimates are as of the end of April when the department heads sign off on their proposed budget and narrative.

**Column 6 and 7** - Proposed budget for each year: Revenues and expenditures for fiscal years 2024 and 2025 are shown on a proposed basis in the sixth and seventh columns of the budget detail for each fund. Budgeted ending fund balance equals contingency plus other requirements.

**Column 8** - Biennial budget total: The biennial total for 2024 and 2025 proposed budgets are added together: this is the appropriation level at which the budget is approved and adopted. Below is an example of the General Fund's budget table for reference:

Resources	BN		Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Proposed Budget 2023-2024	Proposed Budget 2024-2025	Proposed Total Budget 2024-2025
Beginning fund balance	\$ 1,918,886	\$ 2,153,326	\$ 2,760,579	\$ 2,689,901	\$ 2,610,081	\$ 1,957,481	\$ 2,610,081
Current year resources							
Property taxes	\$ 2,194,108	\$ 4,762,773	\$ 5,160,000	\$ 5,298,020	\$ 2,805,900	\$ 2,889,200	\$ 5,695,100
Transient lodging tax	432,343	712,036	700,000	1,081,451	600,000	600,000	1,200,000
Franchise fees	3,031,496	7,040,823	7,834,400	7,656,307	4,116,100	4,308,400	8,424,500
Licenses and permits	8,039	13,520	15,900	11,481	6,100	6,100	12,200
Intergovernmental revenues	387,007	920,962	2,387,800	3,665,182	929,300	1,184,300	2,113,600
Charges for services	66,315	290,194	580,000	888,263	340,000	350,000	690,000
Interest	45,856	60,761	20,000	(60,318)	35,000	35,000	70,000
Miscellaneous	362,659	681,409	126,000	155,768	63,500	63,500	127,000
Transfers	-	-	280,000	623,757	-	-	-
Total current year resources	\$ 6,527,823	\$ 14,482,478	\$ 17,104,100	\$ 19,319,911	\$ 8,895,900	\$ 9,436,500	\$ 18,332,400
Total resources	\$ 8,446,709	\$ 16,635,804	\$ 19,864,679	\$ 22,009,813	\$ 11,505,981	\$ 11,393,981	\$ 20,942,481
Expenditures							
Police	\$ 5,118,604	\$ 10,867,525	\$ 13,598,400	\$ 13,311,036	\$ 7,655,500	\$ 7,742,050	\$ 15,397,550
Non-departmental	1,174,780	3,078,378	5,870,800	6,088,696	1,893,000	2,143,000	4,036,000
Contingency		-	395,479	-	1,957,481	1,508,931	1,508,931
Total expenditures	\$ 6,293,384	\$ 13,945,903	\$ 19,864,679	\$ 19,399,732	\$ 11,505,981	\$ 11,393,981	\$ 20,942,481
Ending fund balance	\$ 2,153,326	\$ 2,689,901	\$ -	\$ 2,610,081	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs) Police</b>		<b>22.70</b>		<b>24.00</b>		<b>25.00</b>	
Policy 6 months working capital						1,668,875	
20% of revenue budget emergency reserve						1,887,300	
<b>Total Policy</b>						<b>3,556,175</b>	

In addition to the budget detail tables for each fund, information about each fund and the services provided by each department are shown, including additional detail on:

- Number of full-time equivalent employees (FTEs)
- Fund policy requirements
- Beginning fund balance and ending fund balance comparisons
- Types of revenues and expenditures
- Description of services provided
- A listing of accomplishments, initiatives and goals
- Capital expenditure data
- Performance measure data

# Governmental Funds



Police Department • Non-departmental



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025

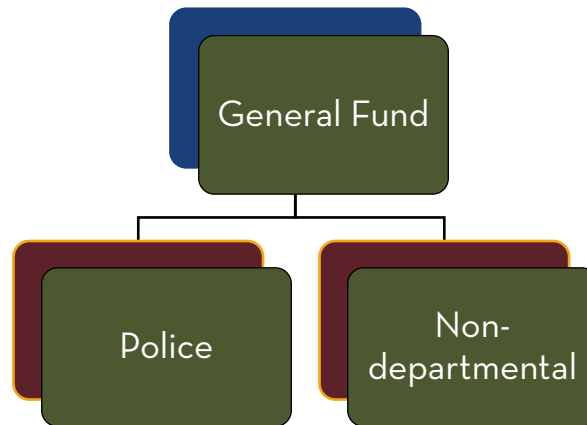


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# General Fund

## Organization of Fund General Fund

The General Fund is the principal fund of the City that accounts for all financial transactions not accounted for in other funds. The organization of the fund is split between two departments; the Police Department and Non-departmental.







*Peace Officers Memorial Day, Flag Ceremony on May 15, 2022.*

## Responsibilities to the Community

The purpose of the General Fund is to support the Prineville Police Department and the Prineville City Council's directed funding of outside agencies or other activities using the fund's revenue sources, which are primarily made up of property taxes, franchise fees, transient lodging taxes and Oregon State liquor tax revenues. Public safety is the General Fund's primary responsibility to the community. One department (police) and two organizational units (police and non-departmental) represent the makeup of the General Fund.

## Executive Summary

The General Fund is supported through primarily property tax, transient lodging taxes, franchise fees and Oregon State liquor tax revenues. Approximately 63 percent of general revenues are used to support public safety. Other revenues help support Planning, Administration, Transportation and Airport Funds, as well as other requests as directed by City Council. General administrative costs are paid through internal charges to internal service funds for the following services based upon the cost to the department for using these services; administrative and financial services, risk management, and computer and phone services. The amounts of these services are at full cost – including replacement cost – thereby providing a more accurate picture of providing services.

## Strategic Planning Updates

- Short-term – In the short-term, management will review both current and potential revenue sources, as well as ways to be more resourceful, in order to maintain current service levels and meet current policy reserve levels in the General Fund.
- Long-term – Management will continue to develop resources through cost controls in order to achieve staffing goals, contributions to pension liabilities, and contributions to capital projects or nonrecurring onetime expenditures consistent with City Council objectives.

## General Fund Budget

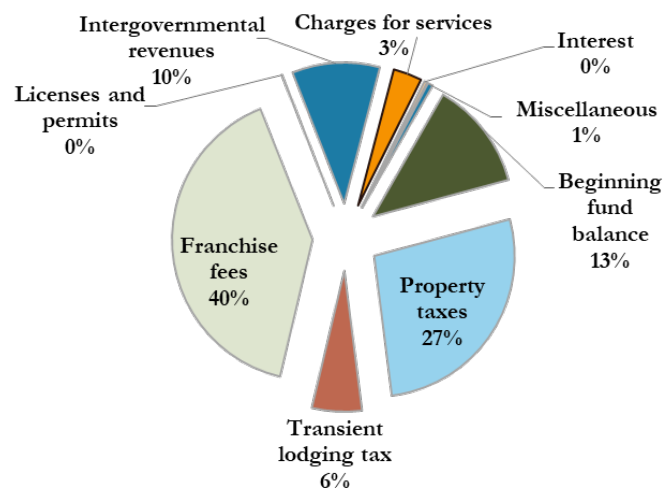
Resources	BN		Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Beginning fund balance	\$ 1,918,886	\$ 2,153,326	\$ 2,760,579	\$ 2,689,901	\$ 2,610,081	\$ 1,957,481	\$ 2,610,081
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Total resources	\$ 8,446,709	\$ 16,635,804	\$ 19,864,679	\$ 22,009,813	\$ 11,505,981	\$ 11,393,981	\$ 20,942,481
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Police	\$ 5,118,604	\$ 10,867,525	\$ 13,598,400	\$ 13,311,036	\$ 7,655,500	\$ 7,742,050	\$ 15,397,550
Non-departmental	1,174,780	3,078,378	5,870,800	6,088,696	1,893,000	2,143,000	4,036,000
Contingency		-	395,479	-	1,957,481	1,508,931	1,508,931
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Ending fund balance	\$ 2,153,326	\$ 2,689,901	\$ -	\$ 2,610,081	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs) Police</b>		<b>22.70</b>		<b>24.00</b>		<b>25.00</b>	
Policy 6 months working capital						1,668,875	
20% of revenue budget emergency reserve						1,887,300	
<b>Total Policy</b>						<b>3,556,175</b>	

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
General	\$2,689,901	\$2,610,081	-3%	\$1,508,931	\$3,556,175	-58%

The beginning fund balance is estimated to decrease 3 percent from the previous BN 23 budget. The proposed ending fund balance for BN 25 shows a decrease of approximately 42 percent from the beginning of FY 24 through the biennium. The decrease of fund balance is largely due to increases in capital outlay for new police vehicles, increases in police staff and general police expenses, increases in transfer dollars to the Building Facility Fund for the police facility debt service and debt reserves. Grants are currently being researched to fund some of the Police additional expenses, but due to the grants not being secured and the necessity to increase Police personnel, those resources were not included in the budget. This fund does not meet the policy requirements put in place in FY 19 as policy requires six months working capital and a 20 percent reserve calculated from projected reserves. Management anticipated it would take several years to increase the funds to meet policy. For BN 25, it is below policy by \$2,047,244.

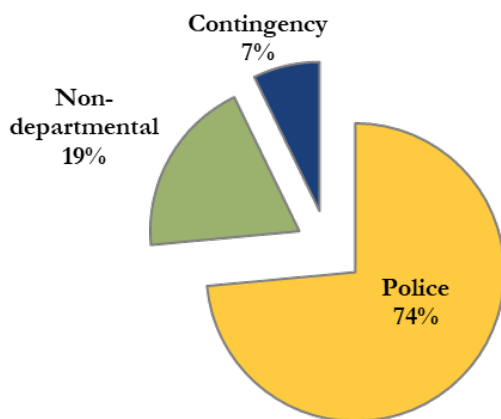
### Resources



### Assumptions

Projections received from the Crook County Assessor's Office indicate the collection of taxes to be up approximately 3 to 4 percent over prior year. The City took a conservative approach to collection, estimating current tax revenue at a three percent increase year over year for the biennium. Electrical franchise fees are estimated to increase roughly \$279,200 in the first year of the biennium and another \$185,000 in the second year. This is a conservative approach to the increase in electrical franchise fees due to [data center expansion](#) continuing in [Prineville](#). All of the other franchise taxes are budgets with increases of three percent or less. Budgeted in BN 25 are \$1.25 million in grant dollars tied to the Biomass project.

### Requirements



### Assumptions

In BN 25, the total requirements for the General Fund will total \$20,942,841. Police Department is at 74 percent of this requirement totaling \$15,397,550, compared to the prior biennium at 60 percent of budget. The Police Department BN 25 budget increased roughly 13 percent over the prior biennial budget with significant increases in personnel services due to an increase in FTE's, capital outlay and transfers. Non-departmental expenditures include transient taxes to the chamber of commerce, street lighting and the biomass project. Transfers in Non-departmental are to the Airport, Planning, Building Facilities, Transportation Operations and Pension Obligation (POB) Funds. Non-departmental is 19 percent of the BN 25 budget compared to 28 percent for the prior biennial budget. Contingency is seven percent in BN 25 compared to 12 percent in BN 23.

# Police Department

## Mission Statement

The mission of the Prineville Police Department is to protect and serve all citizens, while holding steadfast to our core values of integrity, courage, respect, compassion and service.

### BN 23 Accomplishments

- ❖ Reaccredited through the Oregon Accreditation Alliance.
- ❖ Several new hires and promotions including: chief of police, captain, lieutenant, sergeants, detectives, school resource officers, patrol positions, evidence technician, front office technician and administrative manager.
- ❖ Majority of staff participated in the department-paid SIGMA health and wellness checks, which revealed the need for immediate life altering changes for several employees.
- ❖ Created a health and wellness board.
- ❖ Led or participated in several community outreach programs and events including, Shop with a Cop, Coffee with a Cop, Random Acts of Kindness and the Crooked River Roundup.

### Initiatives for BN 25

- ❖ Digitalize all non-records management system records and report keeping for ease of use/professionalism: schedule; use of force; pursuits; internal affairs; patrol car wreck/damage; training; community kindness fund; equipment; procedural manual; etc.
- ❖ Attain an acceptable level of officer wellness. Move forward with committee group, CORDICO app and other committee member ideas.
- ❖ Emphasis on new officer, supervision and administration training.
- ❖ Find new ways to improve community relations, with special emphasis on youth, seniors, veterans and those who cannot care for themselves.



Department Goals		Council Goals
A	Emphasize health and wellness of employees	
B	Serve the community in innovative ways	
C	Stay connected through social media	
D	Train and retain current positions	

## Responsibilities to the Community



*Chief of Police Larry Seymour*

The Police Department (PD) is comprised of several distinct, yet mutually supportive and dependent parts. These include; operations, which is comprised of the traditional uniformed emergency first responders; investigations, the plainclothes and highly trained serious crimes investigators; specialty positions, which consist of school resource officers, community service officers, crisis response team officers; and administration, the management of the agency charged with ensuring all the parts get the resources, training, support and the vision needed to most effectively meet the needs of customers.

The Prineville Police Department trains, embraces, and practices procedural justice. Procedural justice is based on four central principles or pillars: "being fair in processes," "being transparent in actions," "providing opportunities for voice," and "being impartial in decision making." When the principles of procedural justice are applied—in all interactions—there is a greater willingness by the public to voluntarily obey the law and cooperate with the police, consequently decreasing overall crime rates and enhancing officer/citizen safety. External procedural justice also leads to relationships in which the community has increased trust and confidence in the police and believes there are shared interests, goals, and values

between the community and police. Prineville's Police Department looks to practice it first amongst staff and again as it takes to the streets for every contact and situation encountered. Staff encountering procedural justice internally are more likely to understand the benefits and practice it externally.

Evidence-based studies on procedural justice out of Chicago have shown citizen complaints on officers, number of force incidents and the severity of force used were all lowered between 6 percent and 15 percent. Body cam use studies out of Las Vegas Metropolitan Police Department are shown to lower citizen complaints and uses of force anywhere from 12 percent to 14 percent. The Prineville Police Department believes the combination of procedural justice and the continued – and upgraded – use of body cams makes policing safer for both citizens and police.



In an effort to humanize the badge, Prineville officers created a [short lip-sync video](#) in 2018. The video went viral attracting approximately 500,000 views on social media and even received a "good job" by the official Merle Haggard fan club for the use of his songs in the video.

## Executive Summary

In order for the Prineville Police Department to protect and serve all citizens, the department must use lean staffing wisely, emphasize training, continue succession planning, and use staff collaboratively within the community.

Experiences in policing like those of the last 18 months have not been witnessed in over 20 years. More than 75 percent of the department's staff were promoted or replaced. Due to officers retiring, leaving law enforcement or moving out of state, nearly 100 years of police experience in the department was lost. When coupled with the lost knowledge, that level of turnover in a department, staffed with only 19 sworn and 3 non-sworn officers, could have led to an emergent situation. Luckily, the PD used tactics and tools to build community relations in a way that it's a department and city that many families and future employees seek out.

As of the beginning of 2023, the light at the end of the tunnel is nearly attainable. The PD is close to fully staffed with an eye on a being completely staffed and trained by the end of 2023. This is accomplished in part by hiring lateral officers, who on average go from onboarding to solo patrol operations in six to eight months compared to 12 to 15 for a new hire requiring academy attendance. Concessions staff made due to staffing minimums, overtime, constant training and serving an increased population, is a significant, commendable feat that brings pride to their Chief of Police Larry Seymour.

In order to meet the ever-growing knowledge requirements of 21<sup>st</sup> century policing, legislative changes, and increased new hires and promotions, the department continues to increase its training budget. This allows staff growth, while ensuring requirements of state legislation and accreditation are met. Prineville PD received reaccreditation in 2022. Accreditation is a process of evaluation, from outside subject experts, to ensure compliance with national best practice standards. The department will continue to adhere to the highest standards of the Oregon Accreditation Alliance and Lexipol Police Policy, as it's the core, continued oversight, and measurement of success and professionalism.

As the police department looks into the future, it must continue to focus on the health and wellness of its employees by; looking at proven metrics to train employees in ways that provide improvements to both physical and mental health; ensuring appropriate help in dealing with job stress, the added benefits of longevity and mental sharpness. A healthier employee, properly trained, provides a better level of service to the community and longer retention to the City of Prineville. Lastly, and most importantly, the PD will stay on top of advanced technology that can assist administration staff and officers in carrying out their duties in the safest and most professional ways possible. Personnel safety will always be at the forefront of the department's decisions.



*Officers gather with members of the community to hang out in 2023*

## Strategic Planning Updates

- Short-term – Continue to look for innovative ways to hire, retain and promote employees while also improving the department’s ability to quickly respond to community needs through the use of technology, streamlining processes and anticipating trends.
- Long-term – Continue to evaluate department personnel needs to increase effectiveness and lower officer stress, while maintaining a high level of service to the community. Evaluation should include the community’s growth in population and infrastructure it has to police, increase in calls for service, types of calls for service, and projected growth patterns over the next 10 years.

Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
New Police Vehicle Equipping	\$ 200,000	\$
<b>Capital Outlay Total</b>	<b>\$ 200,000</b>	<b>\$</b>

*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*

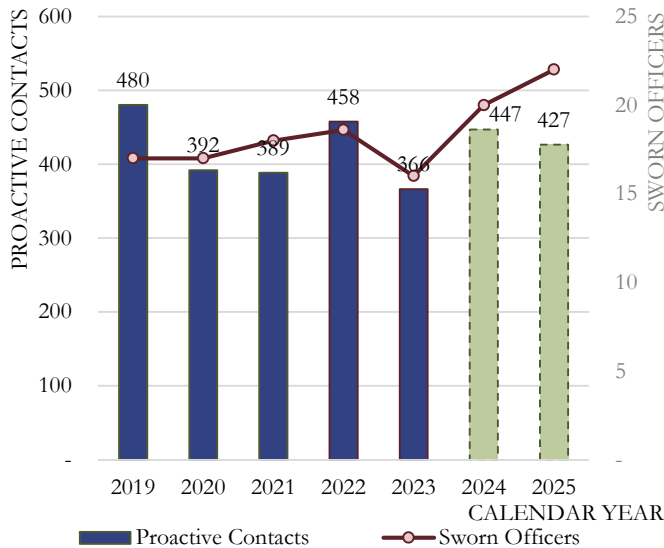


*Police starting the move into their new building in May 2021*

# Performance Measures

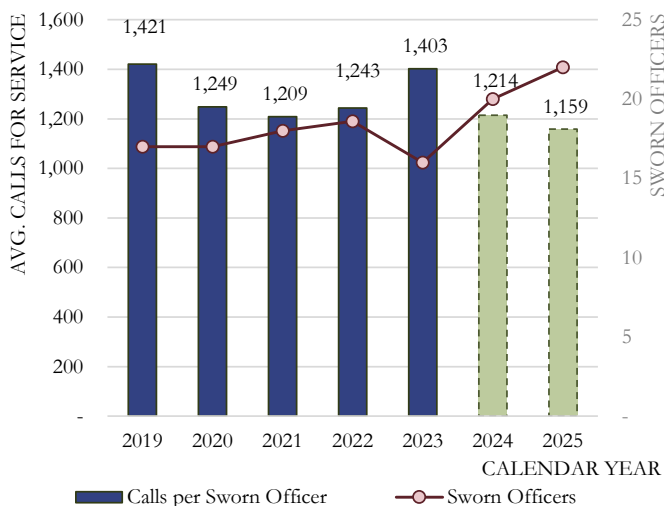
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Target	FY 2025 Target
Workloads	Input	Calls for Service (CY)	N/A	21,760	23,128	22,444	24,284	25,498
	Input	Reports Taken (CY)	N/A	1,930	1,639	1,537	1,720	1,806
	Input	Supplmental Reports Taken (CY)	N/A	NM	1,295	1,220	1,359	1,427
	Input	Vehicle Stops (CY)	N/A	5,326	6,538	4,432	6,864	7,207
	Input	Subject Contacts (CY)	N/A	1,136	887	575	931	978
	Input	Community Policing Contacts (CY)	N/A	532	1,090	852	1,144	1,201
	Input	Proactive Contacts (CY)	N/A	6,994	8,515	5,859	8,939	9,386
	Output	Training Hours (CY)	2,850	2,838	2,023	2,355	2,970	2,970
B	Efficiency	Average Proactive Contacts per Officer (CY)	+5% Increase Over Previous	389	546	451	526	494
D	Efficiency	Average Training Hours per Officer (CY)	150	135	109	149	135	
D	Efficiency	Average Calls for Service per Officer (CY)	+1.5% Increase Over Previous	1,209	1,243	1,403	1,214	1,159
D	Efficiency	Average Reports Taken per Officer (CY)	+1.4% Increase Over Previous	107	105	120	103	97
D	Effectiveness	Consecutive Years Maintaining Oregon Accreditation Alliance Accreditation	Previous Year +1	6	7	8	9	10
D	Efficiency	Staff Turnover in Number of Employees Including Retirees	<=1 Retirement Per Year	3	6	5	1	1

CY = Calendar Year



## Average Proactive Contacts per Sworn Officer

Contacts with the community is the foundation of the Prineville PD. The concept of traffic stops is to help with traffic and pedestrian safety and lower the number and seriousness of traffic crashes. It's important as the number of cars traveling in Prineville increased dramatically the last few years. Subject contacts have multiple impacts to the community. They allow officers and citizens a chance to meet and converse. Well over half of subject contacts conducted are non-enforcement to check someone's welfare, meet someone new or just making sure those walking around at 03:00 A.M. know police are out and about. Community policing contacts have numerous positive impacts. These contacts are encouraged with children, the senior community, veterans, houseless and the rest of Prineville's diverse community. Officers conduct these contacts by playing basketball, coaching sports or just handing out ice cream cards and fist bumps to kids. It's a direct correlation to humanizing the badge.



## Average Calls for Service per Sworn Officer

Drastic staffing reductions in FY 23 caused a temporary shift from a proactive to reactive approach, causing the number of calls each officer handled to increase. Although the fiscal year averaged 16 trained officers on duty, by the end of FY 23 that number will increase to 17 fully trained officers on duty and hiring will continue. The department aims to have most FTEs hired, with a goal of being fully staffed and trained by year end of FY 24.

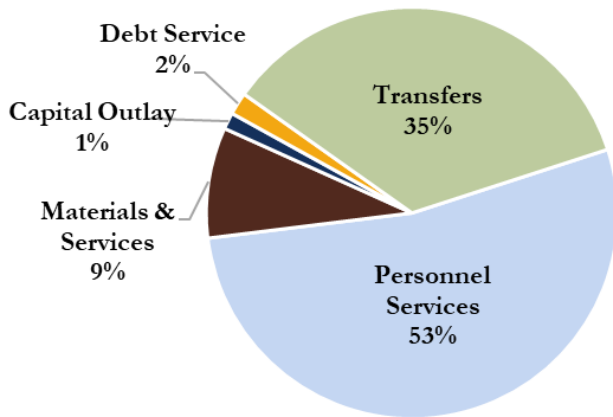


# Police Department Budget

Expenditures	Actual 2018-2019	BN Actual 2019-2021	BN 2023		BN 2025		
			Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Personnel Services	\$ 2,796,283	\$ 6,001,788	\$ 7,665,300	\$ 7,127,135	\$ 3,994,200	\$ 4,172,800	\$ 8,167,000
Materials & Services	361,832	1,046,255	1,310,000	1,341,579	665,600	674,400	1,340,000
Capital Outlay	51,579	25,864	310,800	500,878	200,000	-	200,000
Debt Service	95,209	190,418	190,800	190,509	134,300	136,850	271,150
Transfers	1,813,700	3,603,200	4,121,500	4,150,935	2,661,400	2,758,000	5,419,400
<b>Total expenditures</b>	<b>\$ 5,118,604</b>	<b>\$ 10,867,525</b>	<b>\$ 13,598,400</b>	<b>\$ 13,311,036</b>	<b>\$ 7,655,500</b>	<b>\$ 7,742,050</b>	<b>\$ 15,397,550</b>
<b>Budgeted positions (FTEs)</b>		<b>22.70</b>	<b>-</b>	<b>24.00</b>	<b>-</b>	<b>25.00</b>	

More detail available on budgeted positions on page 139.

## Requirements



## Assumptions

The budgeted expense of personnel services increased over the previous biennium roughly 15 percent with the addition of another FTE in FY 24 and staff retainage issues in BN 23. Materials and services are flat with the budget adjustment done in the BN 23 to capture the significant cost increases due to inflation. In BN 25, capital outlay dollars are budgeted to equip newly purchased police vehicles in the amount of \$200,000. Transfers increased significantly over the biennium largely to cover debt service and improvements of the new police facility. The facility budget is located in the Building Facility Fund.



Prineville Police and Crook County Sheriff's Office participate in an annual flag ceremony – May 2022

# Non-departmental

## Executive Summary

Activities not associated directly with public safety operations are accounted for within the non-departmental budget. In BN 25, transfers include to the Planning Fund totaling \$720,000, the PERS/POB Fund for \$100,000, the Airport Fund for operational support and grant matches in the amount of \$170,000, \$800,000 to the Transportation Fund for capital projects, and a transfer to the Buildings Facility Fund for Barnes Butte improvements and expenses of \$200,000. Other discretionary spending such as street lighting, the Prineville-Crook County Chamber of Commerce and the Crook County Fairgrounds are budgeted here. The biennial budget also includes money for a grant funded biomass project.

## Non-departmental Budget

	BN		BN 2023		BN 2025		
	Actual 2018-2019	Actual 2019-2021	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Expenditures							
Personal Services							
Materials & Services	\$ 423,280	\$ 940,978	\$ 1,492,000	\$ 1,759,896	\$ 898,000	\$ 1,148,000	\$ 2,046,000
Transfers	751,500	2,137,400	4,378,800	4,328,800	995,000	995,000	1,990,000
<b>Total expenditures</b>	<b>\$ 1,174,780</b>	<b>\$ 3,078,378</b>	<b>\$ 5,870,800</b>	<b>\$ 6,088,696</b>	<b>\$ 1,893,000</b>	<b>\$ 2,143,000</b>	<b>\$ 4,036,000</b>
<b>Budgeted positions (FTEs)</b>			-	-	-	-	-

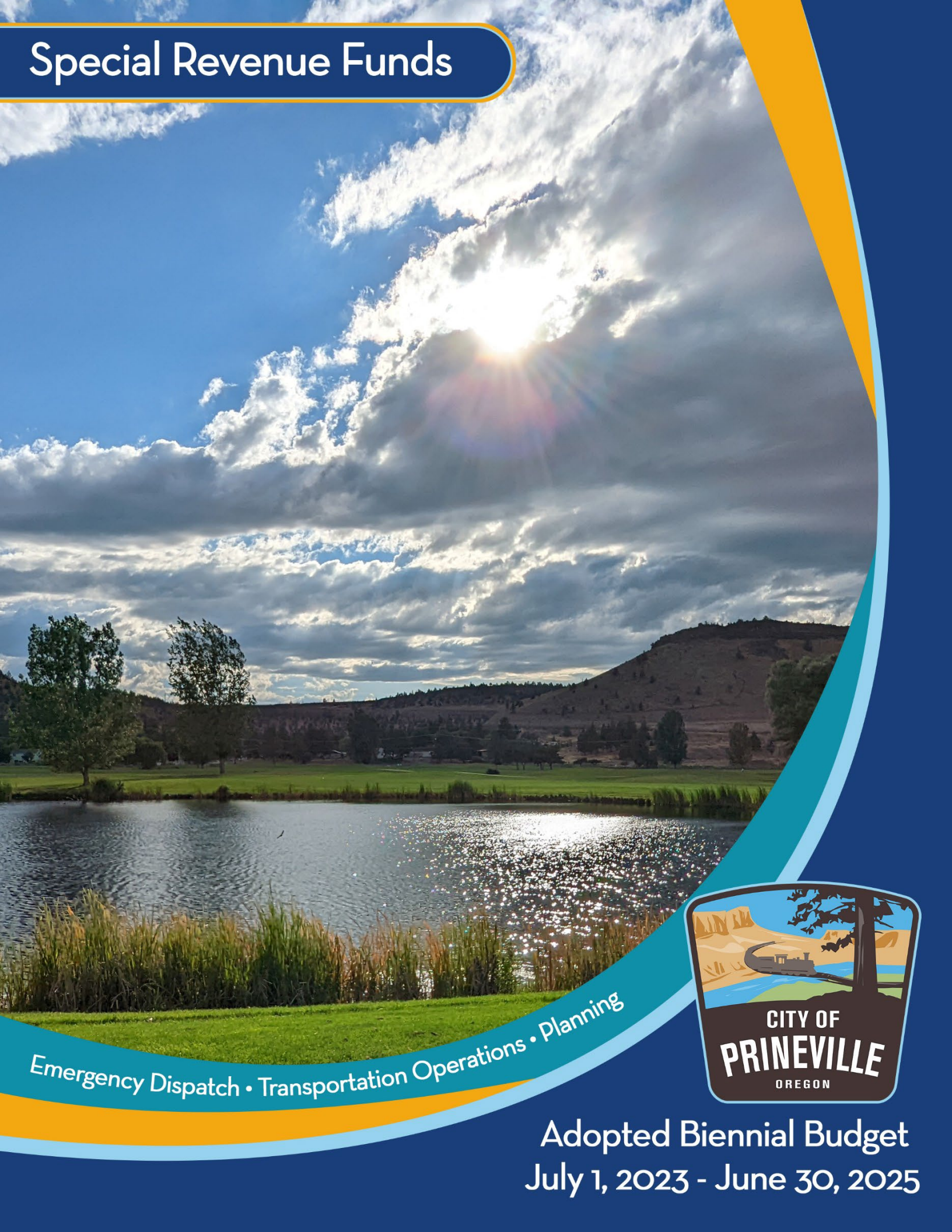


Photo Credit: Kelsey Rickart



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025

# Special Revenue Funds



Emergency Dispatch • Transportation Operations • Planning



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



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# Transportation Operations Fund

## Mission Statement

The mission of the Transportation Department is to serve the citizens of Prineville by ensuring a fast, safe, efficient, accessible and convenient transportation system that meets our vital interests and enhances the quality of life for our constituents, today and into the future.



### BN 23 Accomplishments

- ❖ Completed the design of the 3<sup>rd</sup> Street Downtown Project funded by Keep Oregon Moving in partnership with the Oregon Department of Transportation (ODOT)
- ❖ Inspected and evaluated the entire street network in accordance with Metropolitan Transportation Standards. Updated the Streetsaver online database with inspection data and updated the maintenance report, including needed funding
- ❖ Completed improvements to the storm water collection system on NW 2nd St. mitigating local flooding issues
- ❖ Completed the installation of the “Maverick” horses and Prineville sign at the Tom McCall Roundabout along with landscaping and lighting
- ❖ Assisted the Prineville Downtown Association in completing the installation of the new downtown arch

### Initiatives for BN 25

- ❖ Complete first phase of streetscape/sidewalk improvements as identified in the downtown streetscape improvement plan to enhance the downtown and improve pedestrian safety
- ❖ Conduct traffic counting studies to gather data for future planning
- ❖ Extend the life of area roads without having to repave them through the crack sealing/seal coating program
- ❖ Increase the pavement condition index (PCI) of the streets network by completing strategic pavement improvement projects through BN 25
- ❖ Continue development and implement the Americans with Disabilities Act (ADA) Transition Plan while continuing to update ADA facilities within the city



Department Goals		Council Goals
A	Improve the transportation network to serve new customers	
B	Research pavement preservation techniques to lengthen and/or maintain the useful life of Prineville's streets and protect pavement quality	

## Responsibilities to the Community

The objective of the Transportation Department is to provide a source of friendly and responsive information and transportation-related services. Under this division of the City of Prineville's Public Works Department, it's the duty of the Transportation Department to assure and preserve the present and future health, safety and welfare of the public utilizing the City street network. By using cost effective maintenance practices, planning, permitting, inspection and responsible operations, this goal can be achieved. The key to success is through the efficient and motivated efforts of quality through committed staff.

The Transportation Operations Fund provides the accounting of the City's street, bike lane, right of way and storm water maintenance. Funding sources include state and federal highway gas taxes, state revenue sharing and transfers from the General Fund. Heavy equipment, vehicles and maintenance, engineering, project oversight, and public works administration and support services costs are accounted for through transfers to internal service funds for the estimated costs of the provision of these services.



*Street Superintendent Justin Severance (far left) working on the Tom McCall roundabout project in July 2022*

## Executive Summary

The purpose of the Transportation Operations Fund is to finance the activities of the City’s transportation division of the Public Works Department. Prineville’s street infrastructure is a network of roads under the jurisdiction of the City, Crook County and the Oregon Department of Transportation (ODOT). The Transportation Department holds the primary responsibility of maintaining the City’s 59 centerline miles of streets, rights-of-way, weed control, street sweeping, paving, street striping, street signs, storm drains, and one traffic control signal. It’s the mission of the Transportation Department to provide a safe and serviceable traffic infrastructure for today, while planning for the needs of the future.

In BN 25, the Transportation Department will support the design of the NE Combs Flat Rd. to NE Peters Rd. extension and the design of the future intersection improvements at N. Main St. and NE Peters Rd. The department will also develop funding scenarios to support these projects. As always, the department will treat surfaces of City streets as proposed by the pavement management budget options report.

## Strategic Planning Updates

- Short-term – In the short-term, the Transportation Department will maintain a reasonable PCI rating with the amount of available funds. Grants will continue to be pursued to add supplemental funds for City streets and infrastructure. Improvements will be made to the transportation network in this fiscal year to support new businesses.
- Long-term – The Transportation Department strives to provide a safe, efficient transportation system to support economic opportunity, and create a livable community for the citizens of Prineville. The street network has a replacement value of \$134.1 million (including bridges and traffic signal) making it the most valuable asset of the community. To manage the condition of the street network at the lowest cost possible, the Transportation Department identified a PCI goal of 82 to 85. The pavement condition index is a high-level indicator for condition of the City’s largest asset from a dollar and utilization standpoint. The lower the PCI, the more expensive the asset is to maintain. The City ended BN 23 with a PCI of 75 which was an increase over the previous budget term. In BN 25, the City will strive to further increase PCI within its current resources and will continue to investigate new revenue sources to improve the PCI.

**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 the Ochoco Creek Park.**

## Capital Outlay

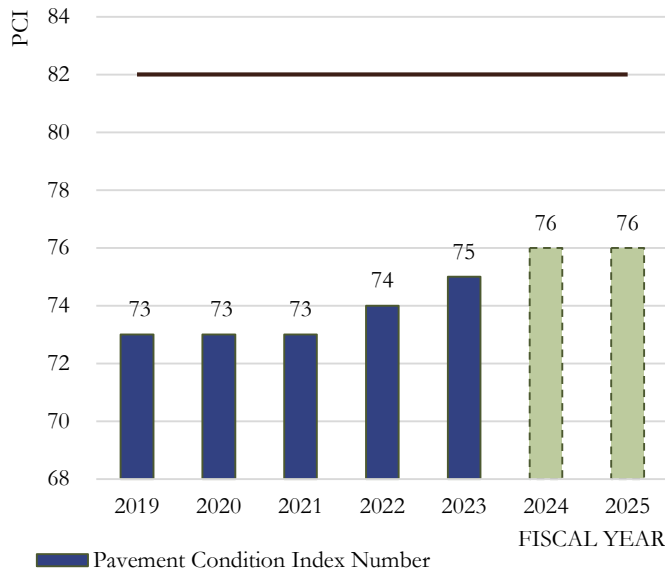
Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Capital Rehabilitation	\$ 497,140	\$ 615,950
Capital Maintenance	\$ 85,000	\$ 50,000
Transit	\$ 167,860	\$ 84,050
<b>Capital Outlay Total</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>

*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*



## Performance Measures

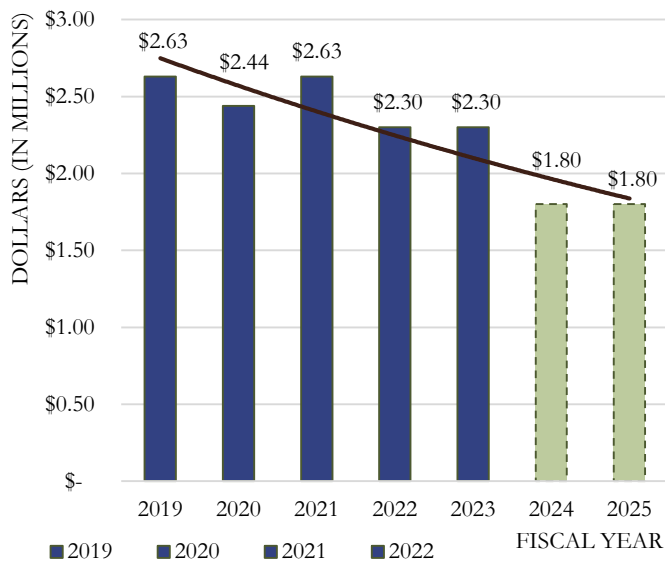
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Target	FY 2025 Target
Workloads	Output	Number of sq. ft. Receiving Asphalt Overlays	N/A	597,693	310,000	293,000	240,000	260,000
	Output	Number of In. ft. Receiving Crack Sealing	N/A	136,000	83,000	100,000	70,000	70,000
	Output	Number of In. ft. Receiving Preservation Treatment (Slurry Seal, Chip Seal, Fog Seal, etc.)	N/A	-	4,198	10,346	10,000	10,000
	Output	Street Preventative Maintenance Performed to Maintain PCI in \$	>= 600,000	\$ 830,670	\$ 682,619	\$ 711,654	\$ 905,000	\$ 850,000
	Output	Number of ADA Ramps Replaced	>= 7	7	5	5	7	8
	Output	Amount of Material Swept from City Streets	1,000	1,000	624	720	1,000	1,000
B	Effectiveness	Deferred Maintenance Cost (in Millions)	< Previous Year	\$ 2.63	\$ 2.30	\$ 2.30	\$ 1.80	\$ 1.80
B	Effectiveness	Pavement Condition Index Number	>= 82	74	75	75	76	76



## Pavement Condition Index

The City of Prineville first inspected and ranked all city streets in the summer of 2008. Further inspections occur every other year with the last inspection done the summer of 2022. The goal of the Transportation Department is to maintain a reasonable pavement condition index rating with the amount of available funds, which is ideally a calculated overall PCI average of 82 to 85. This level provides the optimum longevity of the wearing surfaces with the minimum investment level.

PCI Index Ratings	
Good	70-100
Satisfactory	50-69
Fair	25-49
Poor	0-24



## Deferred Maintenance Cost

The Transportation Department utilizes the Metropolitan Transportation Commissions Street Saver software to identify proposed maintenance activities based upon pavement conditions and available budget. Taking into account the PCI of each street, the software proposes what streets to treat and how to treat them. Maintenance cost measurements are calculated every five years on the system as a whole, with deferred costs estimated every two years in between based on the maintenance and replacement work accomplished. In order to maintain the current PCI of 73, the City needs to invest a minimum of \$600,000 per year in maintenance activities. If maintenance funding is kept at current levels, deferred maintenance costs are expected to drop to \$1.8 million by FY 25.

# Transportation Operations Budget

	Actual 2018-2019	BN Actual 2019-2021	BN 2023		Adopted Budget 2023-2024	BN 2025	
			Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023		Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Resources							
Beginning fund balance	\$ 331,358	\$ 389,301	\$ 309,692	\$ 345,857	\$ 487,198	\$ 404,498	\$ 487,198
Current year resources							
Intergovernmental	\$ 1,315,073	\$ 1,906,628	\$ 2,116,700	\$ 2,343,357	\$ 1,121,200	\$ 1,122,200	\$ 2,243,400
Franchise fee	430,000	665,000	709,000	645,000	504,700	404,000	908,700
Interest	5,778	7,425	2,000	11,236	6,000	5,300	11,300
Miscellaneous	14,581	106,209	38,000	195,139	121,000	16,000	137,000
Transfers from other funds	300,000	700,000	800,000	800,000	400,000	400,000	800,000
Total current year resources	\$ 2,065,432	\$ 3,385,262	\$ 3,665,700	\$ 3,994,732	\$ 2,152,900	\$ 1,947,500	\$ 4,100,400
Total resources	\$ 2,396,790	\$ 3,774,563	\$ 3,975,392	\$ 4,340,589	\$ 2,640,098	\$ 2,351,998	\$ 4,587,598
Expenditures							
Personnel Services	\$ 231,569	\$ 475,586	\$ 568,300	\$ 567,256	\$ 290,000	\$ 303,200	\$ 593,200
Material & services	239,493	422,286	606,300	592,121	500,700	455,800	956,500
Capital outlay							
Improvements	1,118,327	1,795,534	1,679,200	1,658,514	925,000	750,000	1,675,000
Transfers	418,100	735,300	1,035,500	1,035,500	519,900	529,300	1,049,200
Contingency			86,092	-	404,498	313,698	313,698
Total expenditures	\$ 2,007,489	\$ 3,428,706	\$ 3,975,392	\$ 3,853,391	\$ 2,640,098	\$ 2,351,998	\$ 4,587,598
Ending fund balance	\$ 389,301	\$ 345,857	\$ -	\$ 487,198	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs)</b>		<b>2.00</b>	<b>2.00</b>			<b>2.00</b>	
Policy 60 days operating budget						211,775	
5% emergency reserve						101,915	
<b>Total Policy</b>						<b>\$ 313,690</b>	



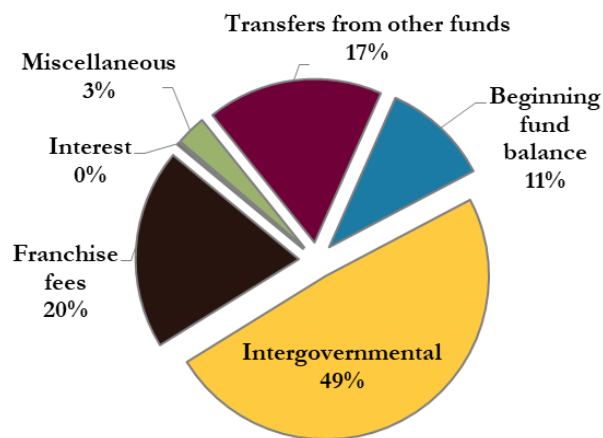
*Downtown arch being installed in June 2022*

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Transportation	\$345,857	\$487,198	41%	\$313,698	\$313,690	0%

Fund balance shows an increase over prior year fund balance of 41 percent largely due to increased collection of gas tax. Projects budgeted for BN 25 total \$1.68 million. Fund balance is projected to decrease approximately 36 percent by the end of the biennium. Ending fund balance/contingency meets the City’s financial policy objectives. Management continues to look for new revenue opportunities and efficiencies within the department.

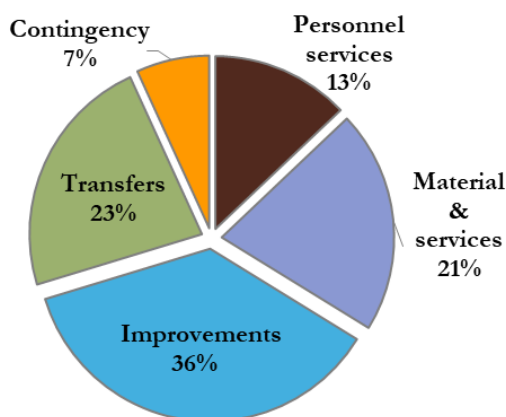
### Resources



### Assumptions

Overall expected revenues for BN 25 are estimated at \$4.59 million with 11 percent coming from beginning fund balance, 49 percent coming from intergovernmental revenue, 20 percent coming from franchise fees, less than 1 percent from interest earnings, 3 percent miscellaneous and 17 percent from transfers. Revenues include a grant of approximately \$192,800 for the transit project and franchise fees from the Wastewater and Water funds totaling \$908,700. A transfer from the General Fund of \$800,000 will be used for capital projects. Projections for the State of Oregon gas tax are approximately \$1,768,600 and state revenue sharing is projected at \$282,000.

### Requirements



### Assumptions

Requirements budgeted overall in BN 25 total \$4.59 million. Personnel services total 13 percent of budget for the biennium or \$593,200, materials and services total 21 percent of budget or \$956,500, improvements are 36 percent or \$1.68 million, transfers are at 23 percent of budget totaling \$1.05 million and contingency is 7 percent of budget or \$313,698. Total budget for BN 25 is increasing roughly 6 percent over the prior year with increases in personnel costs, materials and services and transfers to the Public Works Support Service Fund. Budgeted capital expenditures increased in comparison to the prior biennium with the grant funded EV charging station that will be completed in BN 25.

# Emergency Dispatch Fund

## Mission Statement

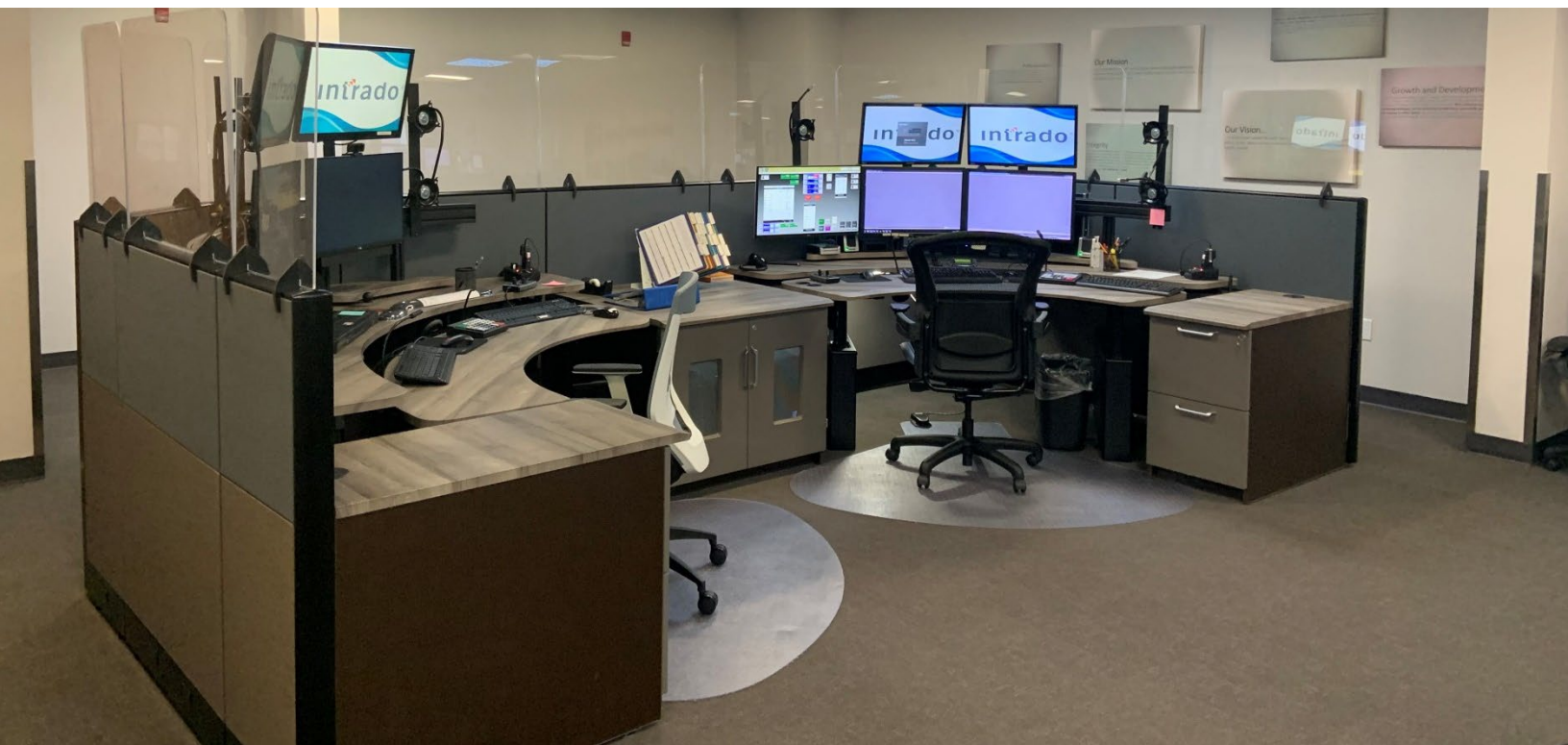
The mission of Crook County 911, Prineville’s emergency dispatch center, is to contribute to the safety of Prineville’s citizens and public safety partners by following industry-best practices, policies and procedures, and by exceeding the standards set for the dispatching profession.




### BN 23 Accomplishments

- ❖ 911 met compliance for ProQA
- ❖ Increased staffing to six qualified dispatchers, with two more hired and awaiting qualification.
- ❖ Updated dispatch policies and procedures meet the requirements of current practices
- ❖ Developed a five year plan to manage growth of dispatch and development of dispatchers

### Initiatives for BN 25

- ❖ Update Noble 911 service to include latest Next Generation 911 (NG911) technologies
- ❖ Maintain accreditation through [International Academies of Emergency Dispatch](#) (IAED) and [Oregon Accreditation Alliance](#)
- ❖ Upgrade the 700/800MHz radio system to provide improved coverage for police and fire users
- ❖ Continue to update policy to meet needs of responders and the community
- ❖ Recruit and retain adequate staffing to meet agency and community needs
- ❖ Continue to collaborate with other 911 directors to develop common policies and direct implementation of new legislation



Department Goals		Council Goals
A	Contribute to a safe and secure community, utilizing best practices and coordinated public safety services	
B	Deliver quality service to the community through the use of innovative technology, best practices and systems	
C	Provide evolving and refined recruiting and training practices for a dynamically changing workforce to improve effectiveness	

## Responsibilities to the Community

The role and responsibility of the emergency dispatch center is to provide the vital communication link between the public and all emergency services. The 911 dispatcher is often the unsung professional of the emergency response team. These professionals, who gather essential information from callers and dispatch the appropriate first responders to the scene, must be able to take control of situations that may be chaotic, heart-wrenching, stressful, confusing and/or frenzied.

The City of Prineville’s Emergency Dispatch Department – otherwise known as Crook County 911 – supports public safety by providing interoperable communications throughout Prineville and Crook County, as well as providing the vital communication link between Crook County and the rest of the state. The center is the public-safety answering point (PSAP) for Crook County, providing 911 services for all citizens and visitors.

The center provides communication service to the Prineville Police Department, the Crook County Sheriff’s Office, Crook County Fire and Rescue and the United States Forest Service (USFS). If other public safety agencies enter Crook County to assist in providing service, like the Oregon State Police, they also are served by the emergency dispatch center.



*Katie Kemper (right) received the Dispatcher of the Year award during BN 23*

## Executive Summary

As with many 911 centers across the nation, meeting staffing needs both in recruiting and retaining staff, is a difficult task which is further challenged by an ever-changing work force. In BN 23, the communications director position was successfully filled. Four additional dispatchers were hired, two of which qualified solo with the others currently progressing toward qualification. During this biennium, the department will work to strengthen its staff growth and development. Additionally, the department will improve business practices to better serve the first responders and public. Efforts will include offering innovative online training, focusing on employee health and wellbeing, add call takers to the staff, and utilizing technology to streamline processes.

Crook County 911 follows industry-best practices and coordinated public safety services. Focus will be on improving service to first responders and the public. Initiatives such as the addition of call takers, improving fire call types, updating map layers and establishing common abbreviations will improve service. We respond to community concerns as rapidly as possible to build confidence with the public. We recently added an automated response to our administrative lines to ensure callers 911 was staffed and will respond to their call as soon as possible.

As the dispatch center looks to the future, the department’s focus on improving service continues as the need to update and refine processes will be driven by a national movement towards NG911 capabilities. The Noble 911 upgrade will allow the public to share more detailed data, such as videos, images and texts with 911. Incorporating policy changes, process updates and improving business practices, places Crook County 911 in a position to begin providing service to additional customers throughout the Central Oregon region and help lead the development of standards and practices for the future.

Another part of planned improvements is to continue to improve the 700/800MHz radio system to provide better coverage for police and fire users. With successful implementation, responder safety and information accuracy will be improved.

### Strategic Planning Updates

- Short-term – Crook County 911, as a vital service, must maintain equipment and software to meet ever evolving technology needs and services. Updates to be examined include: the 911 system and phone equipment; up-fitting a fourth console in the dispatch center; and enabling full operability within the backup center in the near term.
- Long-term – The department will evaluate the need for additional personnel based on the five-year plan and further increases in call load and the needs of first responders. Radio and tower upgrades will be a continual project to keep systems up to date and to provide safety and strong communications abilities for partner agencies.

### Capital Outlay

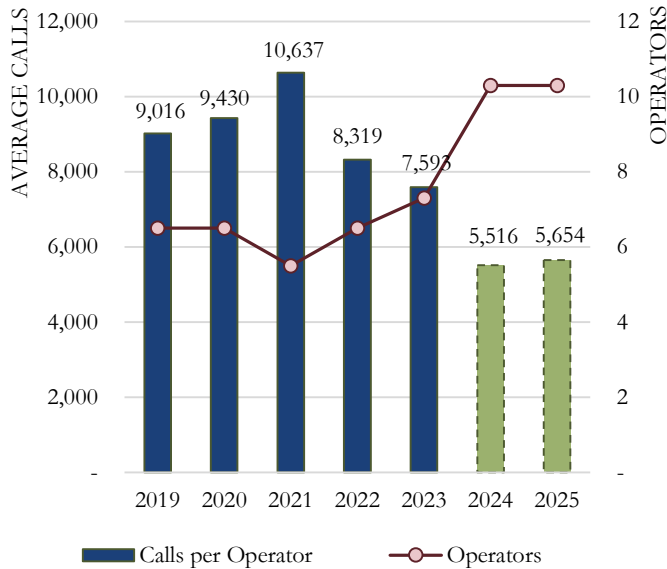
Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Phone System Upgrade	\$ 842,000	\$ -
Viper Phone Position for Backup Center	\$ -	\$ 35,000
RMS CAD Update	\$ -	\$ 35,000
Tower Upgrades	\$ 100,000	\$ 50,000
Workstation Replacement	\$ -	\$ 20,000
<b>Capital Outlay Total</b>	<b>\$ 942,000</b>	<b>\$ 140,000</b>

*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*

## Performance Measures

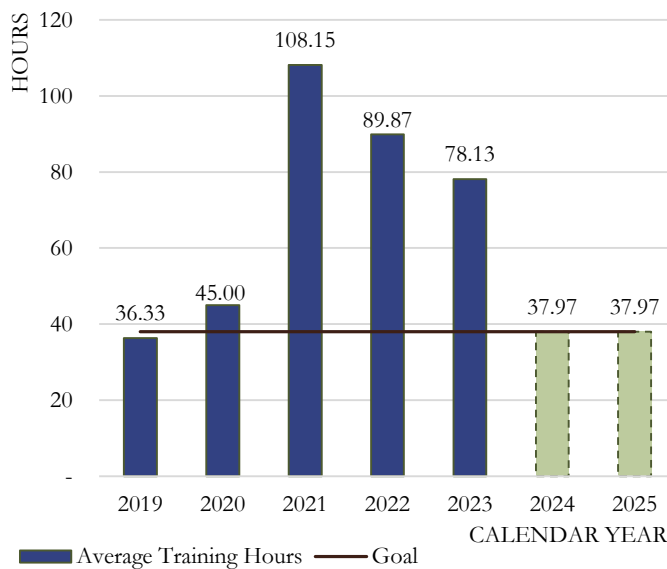
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 21 Actual	FY 22 Actual	FY 23 Actual	FY 24 Target	FY 25 Target
Workloads	Input	FTEs	N/A	6.5	7.5	8.3	13.3	13.3
	Input	Total Calls to Dispatch Center (CY)*	+1% per Year	58,505	54,075	55,426	56,812	58,233
	Input	Non-emergency Calls (CY)*	+1% per Year	51,795	47,538	48,726	49,944	51,193
	Input	Emergency Calls (CY)*	+1% per Year	6,710	6,537	6,700	6,868	7,040
	Output	Calls Creating CAD Reports (CY)*	+1% per Year	40,116	33,655	34,496	35,358	36,242
	Output	Officer Initiated or Other Calls for Service Creating CAD Reports (CY)*	N/A	11,992	12,839	13,160	13,489	13,826
	Output	Employee Training Hours (CY)*	505	703	674	649	505	505
A	Efficiency	Average Calls Taken per Operator	>7,000	10,637	8,319	7,593	5,516	5,654
C	Efficiency	Average Annual Training Hours per Employee	38.00	108.15	89.87	78.13	37.97	37.97

\*CY = Calendar Year



### Average Calls Taken per Operator

911 telecommunicators are often referred to as “the first, first responders.” The City’s dispatchers fit the definition in that they answer all incoming 911 and service calls for the Prineville Police Department, Crook County Sheriff’s Office and Crook County Fire and Rescue. Incoming calls fluctuate from shift to shift, day to day with no real way to predict how many calls will come in. Dispatchers/operators can go from no calls to more calls than they can answer and vice versa several times a shift. An increased number of calls are expected as the population of Prineville grows, but the department intends to curb dispatchers’ workload by bringing on two call takers for non-emergency calls in BN 25 and continue to pursue being fully staffed. The profession will only get busier as the community grows and technological innovations add different opportunities for reporting and requests for assistance become available.



### Average Annual Training Hours per Employee

Training for emergency dispatch is a constant, as keeping employees prepared to best serve the community requires upkeep and evolving knowledge. Changes in continuing education programs allowed employees to maintain certification and seek out professional development. Dispatch utilizes innovative ways of training through programs and online services from the Association of Public-Safety Communications Officials, Police Legal Sciences and the IAED for both telecommunications and emergency medical dispatch education opportunities. Training hours have increased over the years and should be maintained at a minimum of 36 hours of training per year through three hour-long monthly sessions in addition to other opportunities to keep them above state and IAED certification requirements.

## Emergency Dispatch Budget

Resources	FY	BN	BN 2023		BN 2025		
	Actual 2018-2019	Actual 2019-2021	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Beginning fund balance	\$ 404,256	\$ 505,672	\$ 1,079,426	\$ 1,059,703	\$ 1,107,340	\$ 609,240	\$ 1,107,340
Current year resources							
Intergovernmental	\$ 907,042	2,095,207	\$ 2,033,500	\$ 2,295,984	\$ 1,819,200	\$ 1,406,300	\$ 3,225,500
Interest	10,630	16,772	12,000	21,243	6,000	6,000	12,000
Miscellaneous	21,694	20,696	8,000	6,574	3,000	3,000	6,000
Transfers from other funds	770,000	1,501,700	1,070,400	1,070,400	824,300	803,200	1,627,500
Total current year resources	\$ 1,709,366	\$ 3,634,375	\$ 3,123,900	\$ 3,394,201	\$ 2,652,500	\$ 2,218,500	\$ 4,871,000
Total resources	\$ 2,113,622	\$ 4,140,047	\$ 4,203,326	\$ 4,453,904	\$ 3,759,840	\$ 2,827,740	\$ 5,978,340
Expenditures							
Personnel Services	\$ 965,961	\$ 2,014,728	\$ 2,565,700	\$ 2,071,851	\$ 1,637,900	\$ 1,685,400	\$ 3,323,300
Material & services	270,729	518,825	630,000	615,537	334,900	345,000	679,900
Capital outlay							
Equipment	203,860	173,891	270,000	258,176	942,000	140,000	1,082,000
Transfers	167,400	372,900	401,000	401,000	235,800	246,000	481,800
Contingency			336,626		609,240	411,340	411,340
Total expenditures	\$ 1,607,950	\$ 3,080,344	\$ 4,203,326	\$ 3,346,564	\$ 3,759,840	\$ 2,827,740	\$ 5,978,340
Ending fund balance	\$ 505,672	\$ 1,059,703	\$ -	\$ 1,107,340	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs)</b>		<b>10.75</b>	<b>11.30</b>			<b>13.30</b>	
Policy 45 days operating budget						\$ 284,550	
5% emergency reserve						120,820	
<b>Total Policy</b>						<b>\$ 405,370</b>	



City of Prineville emergency 911 dispatchers getting certified

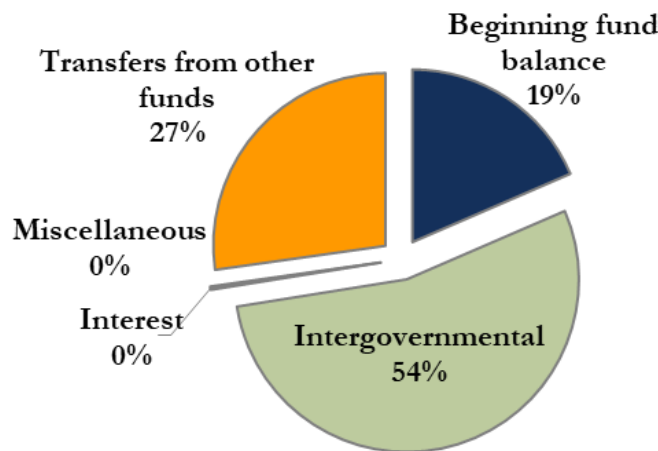


## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Emergency Dispatch	\$1,059,703	\$1,107,340	4%	\$411,340	\$405,370	1%

Fund balance from BN 23 to BN 25 is estimated to increase approximately 4 percent. Estimates for the BN 25 budget show a 63 percent decrease in the ending fund balance with the hope that two additional FTE positions will be filled. This fund is within the reserve policy criteria for the City.

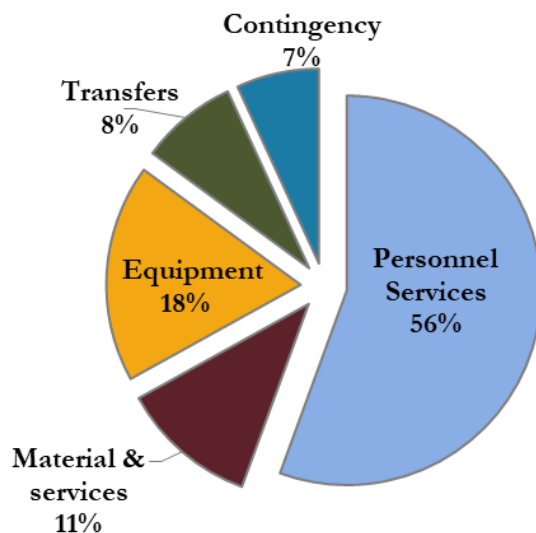
### Resources



### Assumptions

BN 25 budget totals \$5.98 million with beginning fund balance making up 19 percent of the resources or \$1.11 million. Intergovernmental revenue totals \$3.23 million or 54 percent of budget with \$500,000 budgeted as grants funding to upgrade the E-911 phone system. Miscellaneous and interest revenue are both less than 1 percent of budgeted resources. Transfers from other funds is at 27 percent, which is associated with the City's share of the user fee of dispatch costs totaling \$1.63 million for BN 25.

### Requirements



### Assumptions

The BN 25 budget totals \$5.98 million with \$3.32 million in personnel services making up the largest portion of the requirements at 56 percent. Two new call taker positions are being added in BN 25 and two supervisor positions are hoping to be filled that were budgeted in BN 23 but are still open. Materials and services are 11 percent of the budgeted requirements or roughly \$679,900. Capital equipment totals 18 percent of the BN 25 budgeted requirements compared to 4 percent in the prior biennium. Major upgrades to the phone system are to be completed during BN 25 budgeted at \$842,000. Transfers are at 8 percent. Contingency totals 7 percent. This fund meets the reserve policy criteria for the City.

# Planning Fund

## Mission Statement

To manage community development within the law, in a fair, honest and responsive manner, enhancing the quality of life in the community through effective planning, enforcement and public involvement, while protecting the natural features and history of the community through inevitable change.




### BN 23 Accomplishments

- ❖ Completed a record number of housing units from single family to large multi-family complexes
- ❖ Completed review for three data center buildings (approximately 1 million sq. ft.)
- ❖ Updated the City's sewer and pre-treatment ordinances
- ❖ Created a commercial node in the Tom McCall Industrial Park
- ❖ Secured new global positioning system (GPS) hardware and software
- ❖ Received a grant from Pacific Power to install electric vehicle (EV) charging stations
- ❖ Updated the City's water ordinance

### Initiatives for BN 25

- ❖ Update zoning and the City of Prineville Comprehensive Plan map to resolve conflicts and errors
- ❖ Update urban growth boundary (UGB) management agreement in coordination with Crook County
- ❖ Update Sewer, Water and Transportation Master Plans
- ❖ Complete a design of downtown enhancement improvements in coordination with the Downtown Association
- ❖ Work on flood plain issues and identify grant funding for Ochoco Creek flood plain improvements



Department Goals		Council Goals
A	Provide staff support to and implement initiatives created by the Air Quality Committee and other City sanctioned organizations	
B	Identify, evaluate and recommend potential property acquisitions for economic development, downtown development, future public infrastructure projects, or natural resource and hazard protection	
C	Complete, update and adopt master plans as needed by the City for managing land use, development projects, and parks and recreation facilities	
D	Develop plans and initiate projects to reduce negative impacts of environmental hazards on the community such as floodplain impact areas and air quality	
E	Seek funding opportunities from state and federal agencies to advance community projects and facilities that increase quality of life for residents and visitors	

## Responsibilities to the Community

The primary objective of the City of Prineville Planning Department is to manage economic development and sustainable growth, while maintaining the small-town character and overall livability of the community. The Planning Department continues to achieve this by assisting existing and prospective businesses, developers and residents through a consistent land use and development process. The department is often the first point of contact for the general public, whether an individual is planning to build a storage shed or a major corporation is looking to build a large facility. Planning staff facilitates all development review, pulling together input from the public, departments within the City of Prineville, state and federal agencies, and other organizations.

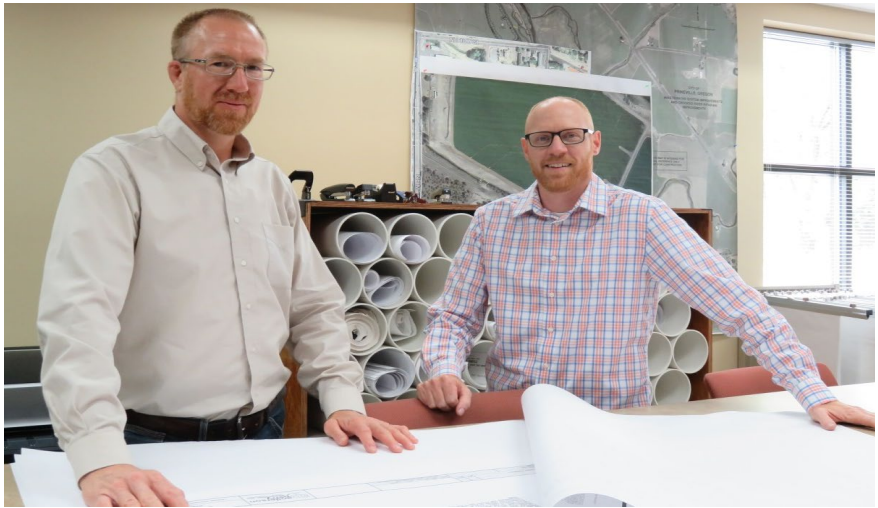
The department is responsible for managing and staffing the Prineville Planning Commission, a seven-member citizen body that reviews and makes decisions on subdivisions, conditional use proposals and provides policy recommendations to the Prineville City Council. The Planning Department is required to comply with all federal, state and local laws regarding community growth and land-use approvals.

Planning also manages the City's UGB and develops current and long-range planning documents, such as the City's comprehensive plan, land use codes and facility plans. These documents support job growth and housing needs, while maintaining Prineville's small-town character. Planning continues to participate in the Downtown Association, the Air Quality Committee, Crooked River Watershed Council and Planning Commission, helping to ensure the City's objectives can be met well into the future.

The Planning Fund accounts for the planning activities of the City of Prineville. When needed, a transfer of funds from the General Fund to the Planning Fund helps support the City's planning needs. General administrative costs are paid through internal charges to internal service funds based upon the cost to the department for using these services. The amounts of these services are at full cost, including replacement cost, thereby providing a more accurate picture of providing services.

## Executive Summary

The Planning Department underwent a staffing change this last year with the senior planner being promoted to public works director. The department is looking to fill the vacancy with an associate planner position to assist both Planning and the Public Works Department, with room to grow into a senior planner position. The department continues to operate lean with only two available positions, down from a high of four in 2005.



*Planning Director Josh Smith and Public Works Director Casey Kiser reviewing plans*

Prineville – like the rest of the region – witnessed extensive growth in the housing market. This includes both single-family and multi-family development. Excessively low interest rates and trillions of federal stimulus dollars to combat the pandemic drove this phenomenon past what the market would normally correct due to high housing prices and high building costs. With the rapid rise in interest rates in 2022, the United States Federal Reserve is purposely trying to slow the economy to tamp out inflation. There are some signs of a slowing market as interest rates climb, however; Prineville may be insulated from such a slowdown due to the regional effect, continued construction of the data center facilities, and rise in other industrial and commercial development.

Commercial development has increased in the last year, with significant development at the east end of town at the Ochoco Mill site. Industrial development other than data centers saw a noticeable increase in construction as new business locate or relocate to Prineville.

Code enforcement is an increasing problem with the high rate of growth and increased housing prices causing many people to find non-traditional options for housing, such as RVs. Shipping containers as accessory structures is an ongoing aesthetic problem for the community. Violations of setbacks and development standards near natural features such as Ochoco Creek and the Crooked River are now more difficult to prevent and enforce.

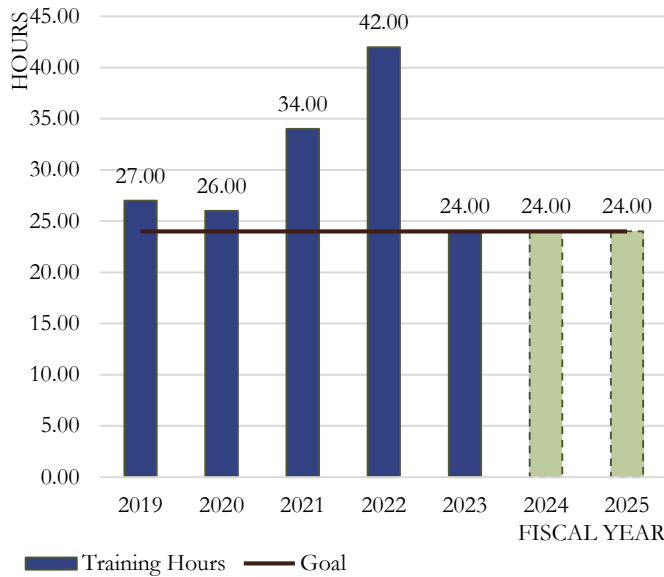
In between development projects, planning staff continue to work on long-range projects. Several zone amendments are needed to reconcile differences between the Comprehensive Plan map and zoning map. The City received state funds to update the City Transportation Systems Plan that will also be used to update the Comprehensive Plan. Staff continue to work closely with the Crook County Parks and Recreation District to develop recreational opportunities for the community. Pursuing an update to the UGB management agreement with Crook County is of interest to the department. Regular review of city zoning ordinances and modifications will be done as needed to ensure continued compliance with state law and compatibility with growth and development patterns. The department will also continue to work with the Oregon Department of Environmental Quality (DEQ) on air quality issues.

## Strategic Planning Updates

- Short-term – Maintain a high level of customer service by being available and responding to questions quickly and accurately. Provide staff time and technical support for committees, including public and private economic development initiatives.
- Long-term – Ensure land use codes, facility plans and agreements are up to date. Staff will focus on the UGB management agreement with Crook County, Comprehensive Plan updates and master plans. Coordination with partner agencies on plans, processes and issues that overlap jurisdictions will continue.

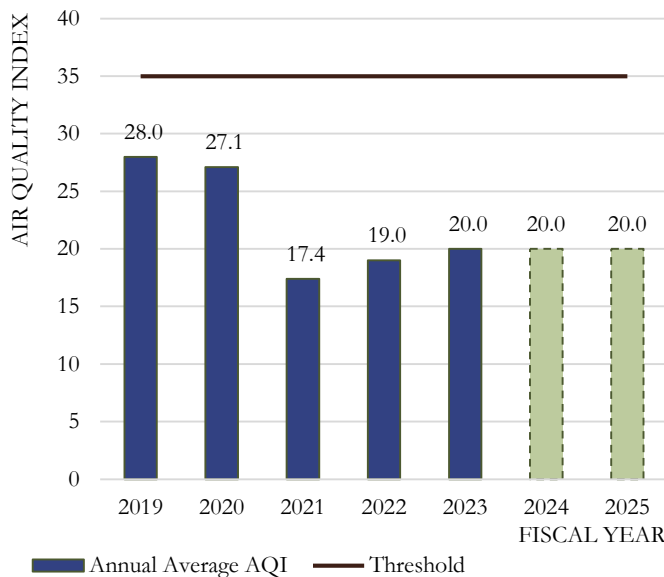
## Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Target	FY 2025 Target
Workloads	Output	Planning Counter Open Hours per Week	38.00	43.30	38.50	39.40	36.00	36.00
	Input	Applications Applied for	N/A	140.00	193.00	130.00	130.00	130.00
	Input	New Single-family Dwelling Approvals	N/A	70.00	112.00	56.00	65.00	65.00
A	Effectiveness	Air Quality Daily Index, Three-year Rolling Average	< 35	17.4	19.0	20.0	20.0	20.0
C	Efficiency	Administrative Land Use Application Reviews Completed Within Benchmark	20 days	100%	96%	95%	100%	100%
D	Efficiency	Average Hours of Training per Planning Commissioner	4.00	4.00	4.00	6.00	4.00	4.00
D	Efficiency	Average Staff Member Training Hours	24.00	34.00	42.00	24.00	24.00	24.00



### Average Staff Member Training Hours

In order to provide accurate, informed and professional guidance and information to the public, it is necessary for the Planning Department to be up-to-date on current planning issues, laws and tools. The goal is to achieve an average of at least 24 hours of training per planning staff member. There are various opportunities through state and nationwide conferences, the American Planning Association (APA) and agency specific training. In addition, staff is granted opportunities to participate in additional trainings related to job-specific issues offered by the City of Prineville, Crook County and Oregon Department of Land Conservation and Development.



### Air Quality Daily Index, Three-year Rolling Average

The City of Prineville and Crook County collaborated with DEQ in developing an action plan to improve air quality in the Prineville area. The reductions in air pollutants will help Prineville and nearby areas remain in attainment, based on the latest health-based standards from the United States Environmental Protection Agency.

# Planning Budget

Resources	FY	BN	BN 2023		BN 2025	BN 2025	
	Actual 2018-2019	Actual 2019-2021	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Beginning fund balance	\$ 248,158	\$ 241,205	\$ 105,620	\$ 135,505	\$ 218,351	\$ 231,951	\$ 218,351
Current year resources							
Licenses and permits	\$ 40,995	\$ 84,859	\$ 80,000	\$ 114,032	\$ 40,000	\$ 35,000	\$ 75,000
Interest	6,070	4,793	2,000	6,121	2,000	2,000	4,000
Intergovernmental	34,373	30,922	10,200	7,003	5,000	5,000	10,000
Charges for services	8,581	19,588	55,400	95,589	109,200	32,200	141,400
Transfers from other funds	270,602	538,680	710,000	710,000	360,000	360,000	720,000
Total current year resources	\$ 360,621	\$ 678,842	\$ 857,600	\$ 932,745	\$ 516,200	\$ 434,200	\$ 950,400
Total resources	\$ 608,779	\$ 920,047	\$ 963,220	\$ 1,068,250	\$ 734,551	\$ 666,151	\$ 1,168,751
Expenditures							
Personnel Services	\$ 210,960	\$ 466,124	\$ 546,900	\$ 520,081	\$ 285,600	\$ 299,600	\$ 585,200
Materials & Services	41,914	77,418	88,600	66,318	42,300	42,400	84,700
Transfers	114,700	241,000	263,500	263,500	174,700	182,200	356,900
Contingency			64,220		231,951	141,951	141,951
Total expenditures	\$ 367,574	\$ 784,542	\$ 963,220	\$ 849,899	\$ 734,551	\$ 666,151	\$ 1,168,751
Ending fund balance	\$ 241,205	\$ 135,505	\$ -	\$ 218,351	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs)</b>		<b>2.00</b>	<b>2.00</b>			<b>2.00</b>	
<b>Policy 45 days operating budget</b>						<b>\$ 65,525</b>	
<b>Total Policy</b>						<b>\$ 65,525</b>	



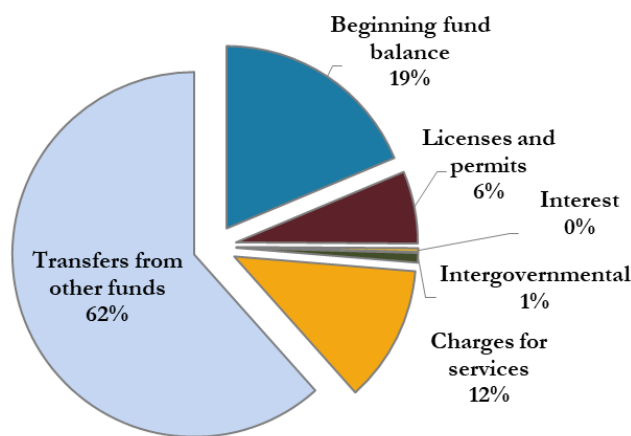
Planning staff and city engineer in April 2021 surveying the grounds at the Barnes Butte horse track

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Planning	\$135,505	\$218,351	61%	\$141,951	\$65,525	117%

The Planning Department continues to maintain fund balance within the City’s policy requirements. Planning activity is supported from fees and a transfer from the General Fund. Administrative fees to planning for system development charges (SDC) collection is anticipated to flatten during BN 25 with anticipated growth trends.

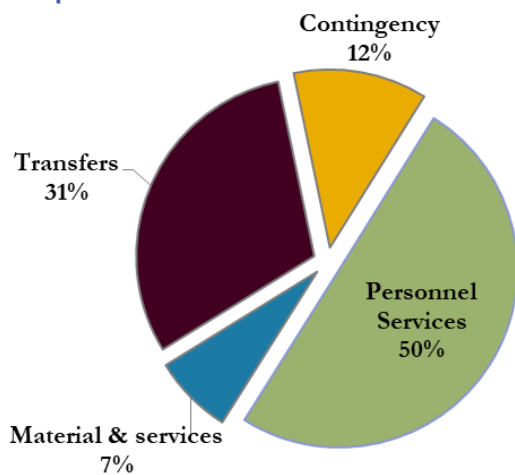
### Resources



### Assumptions

Revenue estimates from charges for services in BN 25 show an increase over BN 23 estimated budget of roughly \$45,800. This is largely due to an anticipated expansion project that the City is expected to start in FY 24 where administrative fees will be charged to the benefiting entity. Normal administration fees are budgeted based on roughly 75 new equivalent dwelling units in each year of BN 25. Beginning fund balance is 19 percent of BN 25 budget and licenses and permits are roughly 6 percent of budget with the expectation they will remain flat or decline. Transfers from the General Fund are the largest revenue contributors in BN 25 at 62 percent of the budget.

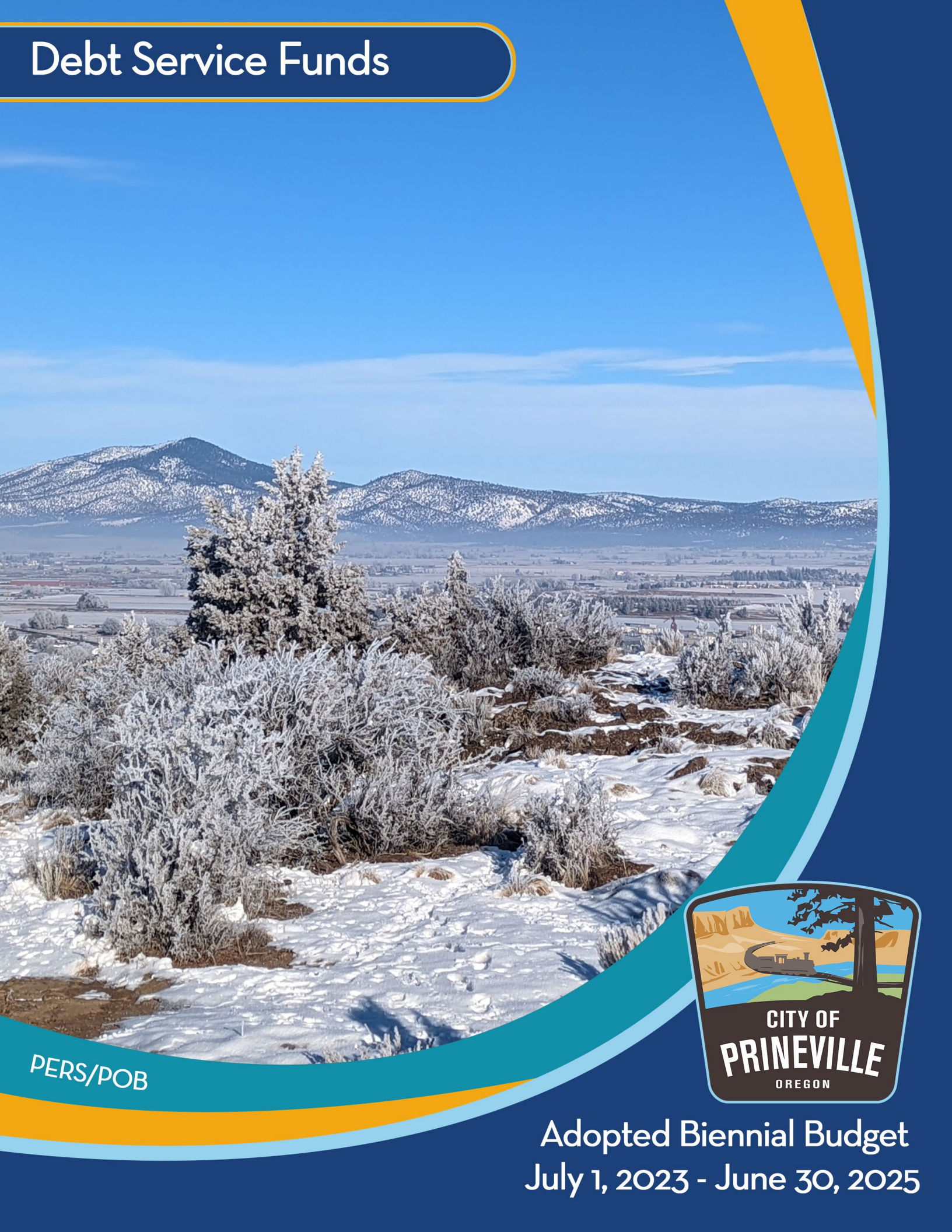
### Requirements



### Assumptions

The Planning Departments personnel services are 50 percent of requirements in BN 25, totaling \$585,200. The senior planner was recently promoted to public works director leaving an open position in Planning to be filled. Materials and services are 7 percent for the biennium at \$84,700. Transfers are 31 percent of budget totaling \$356,900 and contingency at is 12 percent of budget. This fund is within the City’s policy guidelines.

# Debt Service Funds



PERS/POB



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025





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# PERS/POB Fund

## Responsibilities to the Community

This fund accounts for the issuance of pension obligation bonds (POB) to fund the City of Prineville’s existing unfunded actuarial liability (UAL) and associated debt repayment, it also funds other accrued liabilities the City may incur related to payroll, and reserves could be used to stabilize Oregon Public Employee Retirement System (PERS) rates in the future. The principal source of revenue is charges to other funds with salaries subject to the PERS via a surcharge. Expenditures are for payments to PERS for the UAL, debt service requirements and other payroll related accrued liabilities.



## Executive Summary

In 2008, the valuation of the City's pension assets invested in PERS declined approximately 27 percent, resulting in the unfunded status at PERS, i.e., the ratio of the value of the City's pension assets invested in PERS to the City's accrued PERS retirement liabilities, declining well below 100 percent. As of December 31, 2008, the ratio fell to 80 percent. Subsequently, the City's pension contribution rate to PERS increases every two years beginning July 1, 2011, and is projected to increase July 1, 2015, July 1, 2017, July 1, 2019, and so on until the rate is sufficient to pay the full cost of PERS.

Incremental increases to the PERS rate are less than otherwise expected due to rate collars smoothing out significant increases. However, as a result of the rate collars, the City's contributions to PERS are not sufficient to stabilize the amount of the unfunded accrued liability (UAL). The City fully funded its UAL in FY 14 in the amount of \$2,846,700 in order to stabilize the City's pension contribution rates. The City received a rate credit of 6 percent beginning December FY 16 through June 30 of FY 17. This credit has increased fund balance significantly. The actuarial valuation report for the City of Prineville as of December 2016 had an 83 percent funded ratio, this actuarial value included the value of the employers side account.

On June 1, 2018, the City refunded its pension obligation with a private placement. The covenants attached to the pension bond in FY 14 were very restrictive, requiring a debt service reserve of 15 percent in the General Fund and all internal service funds totaling roughly \$1,185,193, for an annual debt service of \$272,000. The interest rate on the 2014 pension bond was 4.94 percent and the refunded interest rate FY 17 was 3.70 percent. Refunding was done with the same maturity date and additional savings to the City.

In FY 18, the City's PERS rate decreased approximately 6 percent for the biennium 19. Within the adopted budget, the City continued to pay the FY 15 contribution rates with the additional 6 percent going into the POB Fund along with the 7 percent surcharge for debt service for the next biennial period. Also, an additional transfer from the General Fund of \$100,000 helped increase fund balance to give the City options with the next rate change. In BN 21, PERS rates increased roughly 3 percent. The City deposited \$800,000 on May 1, 2019 into a new side account which gave the City a rate credit of -1.35 for the next biennium and an estimated funded ratio of roughly 90 percent. The new side account qualified for 25 percent matching funds from the State of Oregon bringing the total 2019 side account deposits to \$1 million.

As of December 31, 2021, the City has a funded ratio of 84 percent and has an unfunded actuarial liability (UAL) of \$4.43 million, which reflects a decrease of \$1.53 million from December 31, 2020. This UAL number reflects the two side account totals of approximately \$4.46 million. Actuarial assumptions are based on a 6.9 percent return, which was lowered from 7.2 percent in 2020. As previously noted, PERS rate collars do not allow the City to pay the full rate, thereby deferring payments for the UAL to the future and likely requiring a greater UAL rate in the process. Rates of return on investments for 2022 came in at approximately -1.55 percent and the City's UAL is anticipated to increase because of this. Returns on investments will not affect BN 25 PERS contribution rates, but could affect BN 27.

PERS rates for BN 25 increased between 2 and 3 percentage points, depending on the tier. Effective July 1, 2023 through June 30, 2025, the City's OPERS contribution rates for the Oregon Public Service Retirement Plan (OPSRP) general service, OPSRP police and fire, and tier I / II are 14.62, 19.41 and 19.92 percent respectively. The estimated rate on subject payroll sufficient to repay debt service on the POB is approximately 6 percent. Subject payroll will be charged an 8 percent surcharge for debt service in BN 25. This will continue to allow the City to build a reserve for future lump sum payments and fund other payroll related liabilities.

# PERS/POB Budget

Resources	FY	BN	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Beginning fund balance	\$ 863,291	\$ 594,230	\$ 1,376,018	\$ 1,377,472	\$ 1,427,357	\$ 1,834,957	\$ 1,427,357
Current year resources							
Interest	\$ 21,932	\$ 24,040	\$ 10,000	\$ 47,470	\$ 20,000	\$ 20,000	\$ 40,000
Miscellaneous	11,046	135,546	-	-	-	-	-
Charge for pension costs	474,922	1,010,878	815,200	815,200	534,700	554,200	1,088,900
Transfers from other funds	300,000	200,000	200,000	200,000	184,300	186,900	371,200
Total current year resources	\$ 807,900	\$ 1,370,464	\$ 1,025,200	\$ 1,062,670	\$ 739,000	\$ 761,100	\$ 1,500,100
Total resources	\$ 1,671,191	\$ 1,964,694	\$ 2,401,218	\$ 2,440,142	\$ 2,166,357	\$ 2,596,057	\$ 2,927,457
Expenditures	Actual 2018-2019	BN Actual 2019-2021	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Personnel Services	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials & Services	1,000	-	-	-	-	-	-
Debt service							
Principal							
Principal - POB 2014/2018	181,648	419,455	497,500	497,413	277,700	300,000	577,700
Interest							
Interest - POB 2014/2018	94,313	167,767	135,400	135,372	53,700	43,400	97,100
Transfers				380,000			
Contingency	-	-	1,444,818	-	1,491,557	1,893,757	1,893,757
Total expenditures	\$ 1,076,961	\$ 587,222	\$ 2,077,718	\$ 1,012,785	\$ 1,822,957	\$ 2,237,157	\$ 2,568,557
Other requirements							
Debt service reserve			\$ 323,500	\$ -	\$ 343,400	\$ 358,900	\$ 358,900
Ending fund balance	\$ 594,230	\$ 1,377,472	\$ -	\$ 1,427,357	\$ -	\$ -	\$ -

Policy = Debt service reserve

358,900



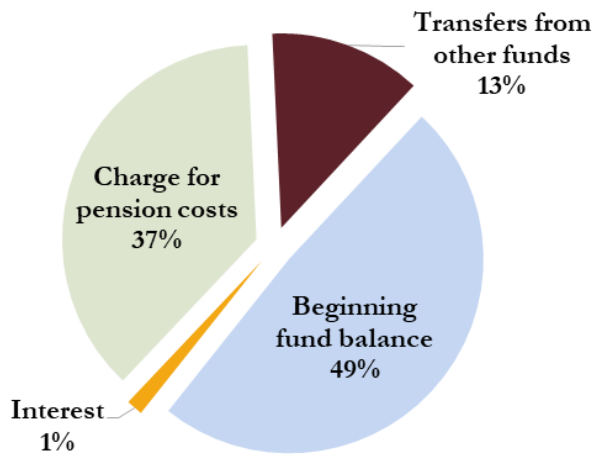
Officer Coffman retired in FY 23 after roughly 36 years of service

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
PERS/POB	\$1,377,472	\$1,427,357	4%	\$1,893,757	\$358,900	428%

Fund balance increased from BN 23 to BN 25 approximately 4 percent. Through BN 25 the fund balance is budgeted to increase 33 percent, ending the biennium at \$1,893,757. This fund is within policy with a debt service reserve of \$343,400 in FY 24 and \$358,900 in FY 25.

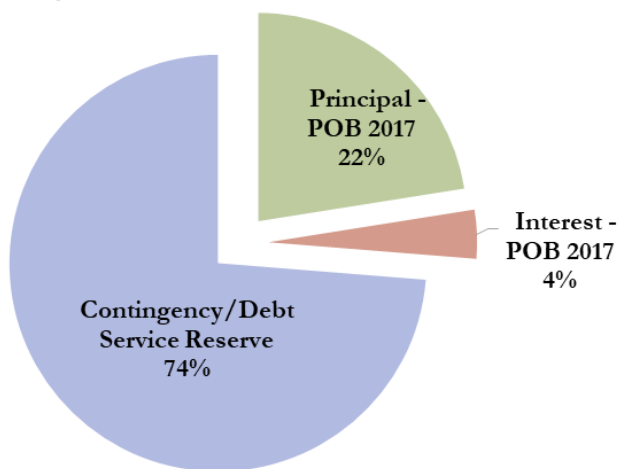
### Resources



### Assumptions

As mentioned in the executive summary the City budgets eight percent to its personnel services throughout the budget. Those dollars are transferred to this fund to cover debt service for the pension debt and future liabilities. The estimated rate on subject payroll sufficient to repay debt service on the POB is approximately 6 percent. The City maintains dollars exceeding the debt service in this fund for future lump sum payments to PERS. BN 25 POB contributions increased approximately 34 percent over prior biennium budget largely due to FTEs increasing by five in BN 25 and increasing the percentage charged from 7 percent to 8 percent. The State of Oregon has given some indication they could do another matching incentive for new side account creation in a few years. Transfers include \$100,000 from the General Fund.

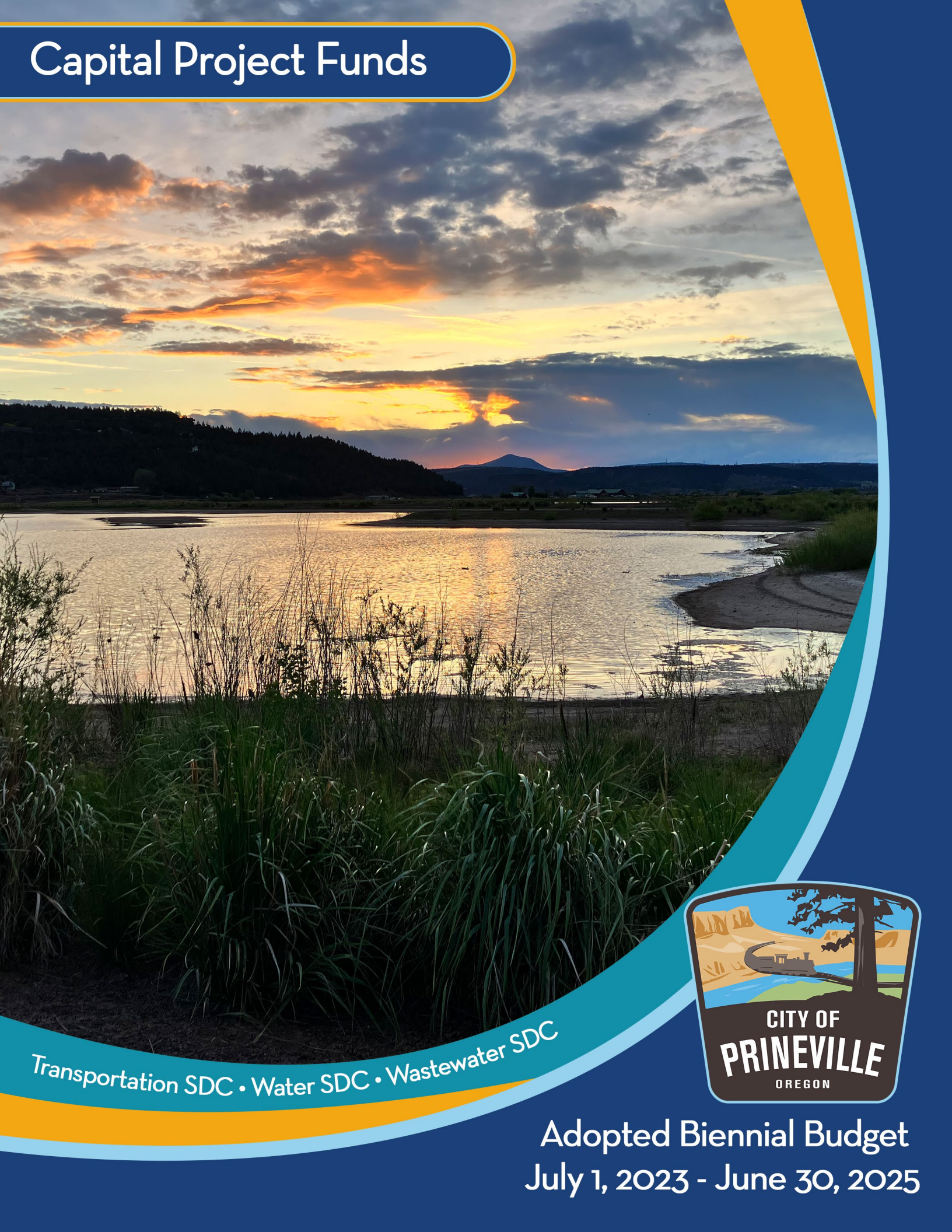
### Requirements



### Assumptions

The City refunded its pension obligation bond in FY 18 resulting in a debt service for the City which consists of one annual payment of principal and interest that is funded by transfers from all funds with personnel services. Contingency and debt service reserve total 74 percent of the total budget.

# Capital Project Funds



Transportation SDC • Water SDC • Wastewater SDC



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



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# Transportation SDC Fund

## Mission Statement

The Transportation System Development Fund strives to impose fair and reasonable fees on new development to construct the needed improvements that will be required to support that new development. System development charges insure that “growth pays for growth.”

### BN 23 Accomplishments

- ❖ Completed the design of the Downtown Enhancement project funded by a \$3 million grant from State of Oregon House Bill 2017 and in partnership with ODOT. The project will greatly improve pedestrian safety, repair an aging storm water collection system and beautify the downtown core
- ❖ Completed the design of the critical NE Combs Flat Rd. to NE Peters Rd. extension project
- ❖ Completed the reconstruction of the traffic signal and intersection improvements at N Main St. and 10<sup>th</sup> St. which will greatly increase pedestrian safety
- ❖ Continued development of the reconstruction design of the N Main St. and NE Peters Rd. intersection, including acquiring the needed right of way to construct the project

### Initiatives for BN 25

- ❖ Complete an update to the City’s Transportation System Plan identifying the short- and long-term improvements to the City’s street network needed to meet current and future traffic demands
- ❖ Update the Transportation System Development Charge methodology
- ❖ Finalize the reconstruction design of the N Main St. and NE Peters Rd. intersection
- ❖ Complete reconstruction of the N Main St. and NE Peters Rd. Intersection
- ❖ Complete construction of the initial phase of the Combs Flat Rd. to NE Peters Rd. extension project (which includes the piping of the Ochoco Irrigation District canal)
- ❖ Identify the funding scenario to complete the NE Combs Flat Rd. to NE Peters Rd. extension project in BN 27







*The roundabout art was completed during the summer of 2022*

## Responsibilities to the Community

The purpose of the Transportation System Development Charge (SDC) Fund is to manage the expansion of the transportation network to best serve the economic growth of the community. This fund accounts for the receipt and expenditures of transportation SDC improvement fees. SDCs are charged to developers to provide a source of income to pay for the expansion of the City of Prineville’s transportation system.

## Executive Summary

This fund accounts for the receipt and expenditures of transportation system development charge improvement fees. Reasoning behind the creation of the fund is to improve accountability, planning and investment of SDCs in transportation capital improvements. The current SDC is 100 percent of the maximum allowed amount as determined in an analysis of the City’s transportation requirements. The amount of the SDCs included in the budget reflects a 4.6 percent increase for FY 24, based upon changes in the *Engineering News Record’s* Seattle construction cost index (CCI).

Transfer for administrative fee costs associated with collecting, accounting and disbursing these funds are consistent with council-adopted methodology – which by definition is consistent with state law. Transfers for the Transportation SDC Fund total 5 percent, with 2 percent going to the Planning Fund and 3 percent to the Administrative Internal Service Fund.

## Strategic Planning Update

- Short-term – In the short-term, the Transportation SDC Fund will utilize existing transportation system development funds as well as supplemental grant funds to make needed, capacity improving projects such as the reconstruction of the N Main St. and NE Peters Rd. intersection.
- Long-term – The Transportation SDC Fund will plan for needed projects to serve a growing community. Dollars budgeted in this fund will be used to support a transportation growth management grant that will identify needed improvements to serve a growing population.

## Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 22	Budgeted Amount FY 23
NE Combs Flat Rd. Extension to N Peters Road	\$ 22,200,000	\$ 4,500,000
N Main St. and NE Peters Rd. Intersection	\$ 3,329,000	\$ 690,000
NE Combs Flat Rd. Widening Project	\$ 200,000	\$ 200,000
ADA Transition Plan	\$ 100,000	\$ -
Peters Rd. Connection to NW Lamonta Rd.	\$ 4,000,000	\$ -
Roundabout Turn Lanes	\$ 600,000	\$ -
<b>Capital Outlay Total</b>	<b>\$ 30,429,000</b>	<b>\$ 5,390,000</b>

*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*



*City of Prineville streets crew working on moving the statue, Maverick*

# Transportation SDC Budget

Resources	FY	BN	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	BN 2025	Adopted Total Budget 2024-2025
	Actual 2018-2019	Actual 2019-2021				Adopted Budget 2024-2025	
Beginning fund balance	\$ 955,586	\$ 1,500,753	\$ 1,006,745	\$ 894,283	\$ 11,054,372	\$ 20,176,872	\$ 11,054,372
Current year resources							
Intergovernmental	\$ 277,615	\$ 1,549,397	\$ 1,400,000	\$ 10,800,000	\$ 14,000,000	\$ -	\$ 14,000,000
Other revenue	9,001	-	300,000	50,000	-	-	-
Interest	31,425	32,429	8,000	153,869	100,000	75,000	175,000
System development charges	593,125	1,416,747	900,000	1,392,747	450,000	450,000	900,000
Transfers			150,000	-	-	-	-
	\$ 911,166	\$ 2,998,573	\$ 2,758,000	\$ 12,396,616	\$ 14,550,000	\$ 525,000	\$ 15,075,000
Total resources	\$ 1,866,752	\$ 4,499,326	\$ 3,764,745	\$ 13,290,899	\$ 25,604,372	\$ 20,701,872	\$ 26,129,372
Expenditures							
Material & services	\$ 9,868	\$ 18,765	\$ 20,000	\$ 2,234	\$ 15,000	\$ 15,000	\$ 30,000
Capital outlay							
Improvements	326,474	3,516,580	3,400,000	2,164,003	5,390,000	100,000	5,490,000
Transfers	29,657	69,698	75,000	70,290	22,500	22,500	45,000
Contingency			269,745		20,176,872	20,564,372	20,564,372
Total expenditures	\$ 365,999	\$ 3,605,043	\$ 3,764,745	\$ 2,236,527	\$ 25,604,372	\$ 20,701,872	\$ 26,129,372
Ending fund balance	\$ 1,500,753	\$ 894,283	\$ -	\$ 11,054,372	\$ -	\$ -	\$ -



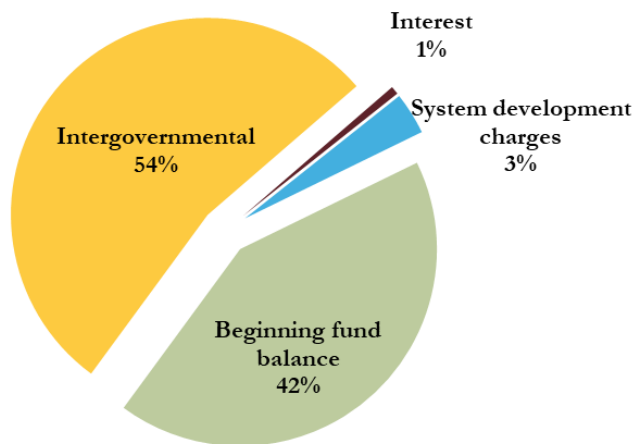
Completed realignment of 10<sup>th</sup> and Main Street in FY 22

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency
Transportation SDC	\$894,283	\$11,054,372	1136%	\$20,564,372

Beginning fund balance increased significantly from BN 23 to BN 25 due to grant funding received in the amount of \$10.8 million for the Combs Flat extension project and the Main and Peters safety improvement project. Both projects are currently in process. The proposed ending fund balance of \$20,564,372 is an estimate based on revenue of 75 residential equivalent dwelling units (EDU) and anticipated grant revenue being perused for the completion of the Combs Flat extension project.

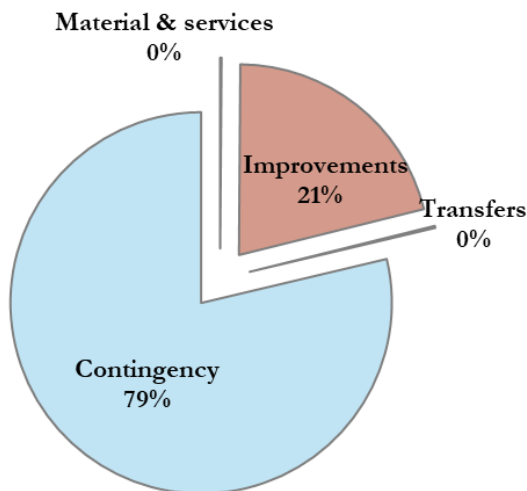
### Resources



### Assumptions

Revenue assumptions are based on receiving the estimated 75 residential EDUs in each year of the biennium along with estimated commercial fees in other areas of the city. Intergovernmental revenue is budgeted at \$14 million or 54 percent of the resources budget which is the amount needed to complete the Combs Flat extension project.

### Requirements



### Assumptions

Material and services total less than one percent of the requirements over the biennium. Improvements total 21 percent of budget, with all projects budgeted totaling roughly \$5.49 million. Transfers total less than one percent for administrative fees from the collection of estimated SDC fees. Roughly \$20.56 million remains as contingency which is to be used for the Combs Flat extension project.

# Water SDC Fund

## Mission Statement

The Water System Development Fund strives to impose fair and reasonable fees on new development to construct the needed improvements to the water system to support that new development. System development charges insure that “growth pays for growth.”

### BN 23 Accomplishments

- ❖ Finished construction of the Aquifer Storage and Recovery (ASR) Water Treatment Facility
- ❖ Reconstructed the City’s ASR well providing a significant water production capacity increase
- ❖ Continued the successful implementation of the ASR project
- ❖ Awarded the League of Oregon Cities Award for Excellence for the ASR Project
- ❖ Updated the Water System Master Plan including updating the Water System Development Charge methodology

### Initiatives for BN 25

- ❖ Install an additional 1MG storage reservoir adjacent to the existing airport above ground storage tanks
- ❖ Install additional waterlines in the airport industrial area increasing available pressures and fire flows to the industrial users there
- ❖ Implementation and expansion of the City’s ASR wells





*The new water treatment plant facility, part of the ASR project, in December 2021*

## Responsibilities to the Community

The purpose of the Water SDC Fund is to manage the expansion of the water system to best serve the economic growth of the community. This fund accounts for the receipt and expenditures of water SDC improvement fees. SDCs are charged to builders and developers to provide a source of income to pay for the expansion of the City of Prineville's water system.

## Executive Summary

This fund accounts for the receipt and expenditures of water system development charge improvement fees. The reasoning behind the creation of the fund is to improve accountability, planning and investment of SDCs in water capital improvements. The current SDC is 100 percent of the maximum allowed amount as determined in an analysis of the City's water improvement requirements. The amount of the SDCs included in the budget reflects a 4.6 percent increase for FY 24. The water SDC methodology update is anticipated to be completed by the end of FY 23.

Transfers for administrative fee costs associated with collecting, accounting and disbursing these funds are consistent with council adopted methodology – which by definition is consistent with state law. Transfers for the Water SDC Fund total 5 percent, with 2 percent going to the Planning Fund and 3 percent to the Administrative Internal Service Fund.

### Budget Highlight

The **ASR 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.

## Strategic Planning Updates

- Short-term – In the short-term, the Water SDC Fund will utilize existing water system development funds to make needed, capacity improving projects such as additional above ground storage and large distribution piping.
- Long-term – The Water SDC Fund will plan for needed projects to serve a growing community.

## Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Source		
Source	\$ 5,051,500	\$ -
Storage	\$ 18,229,400	\$ 10,230,000
Transmission	\$ 3,020,500	\$ -
<b>Capital Outlay Total</b>	<b>\$ 26,301,400</b>	<b>\$ 10,230,000</b>

*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*



*Contractors working on the Airport Industrial Park Utility project in 2019*

## Water SDC Budget

Resources	FY	BN	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Beginning fund balance	\$ 1,499,223	\$ 1,710,797	\$ 678,559	\$ 163,653	\$ 180,913	\$ 264,013	\$ 180,913
Current year resources							
Charges for Services	\$ 526,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	60,644	28,823	4,000	12,115	8,000	7,000	15,000
System development charges	5,020,027	7,889,500	1,300,000	890,335	375,000	375,000	750,000
Other	139,709	6,754	1,500,000	1,541,782	11,000,000	-	11,000,000
Debt proceeds		3,000,000	-	-			-
Transfers		1,959,000	1,200,000	1,200,000	-	-	-
Total current year resources	\$ 5,746,685	\$ 12,884,077	\$ 4,004,000	\$ 3,644,232	\$ 11,383,000	\$ 382,000	\$ 11,765,000
Total resources	\$ 7,245,908	\$ 14,594,874	\$ 4,682,559	\$ 3,807,885	\$ 11,563,913	\$ 646,013	\$ 11,945,913
Expenditures							
Capital outlay							
Improvements	\$ 5,134,238	\$ 13,679,570	\$ 3,145,000	\$ 2,875,666	\$ 10,230,000	\$ -	\$ 10,230,000
Transfers	400,873	751,651	947,200	751,306	1,069,900	301,900	1,371,800
Contingency			590,359		264,013	344,113	344,113
Total expenditures	\$ 5,535,111	\$ 14,431,221	\$ 4,682,559	\$ 3,626,972	\$ 11,563,913	\$ 646,013	\$ 11,945,913
Ending fund balance	\$ 1,710,797	\$ 163,653	\$ -	\$ 180,913	\$ -	\$ -	\$ -



*New ASR building constructed in FY 21*

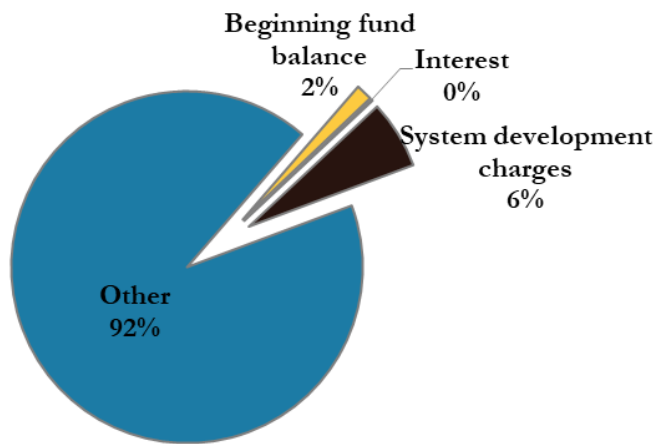


## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency
Water SDC	\$163,653	\$180,913	11%	\$344,113

The beginning fund balance BN 23 to beginning fund balance BN 25 increased approximately 11 percent. In BN 25, the proposed ending fund balance of approximately \$344,113 is based on a revenue estimate of 75 EDUs in each year and estimated commercial fees from other areas in the city. Budgeted water improvements are \$10.23 million.

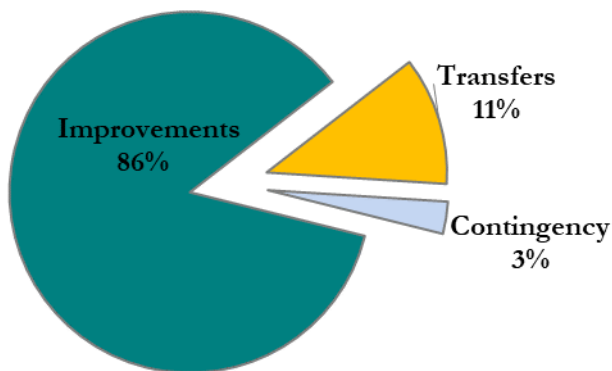
### Resources



### Assumptions

SDC resources are estimated based on the collection of 75 residential EDUs in each year of the biennium and estimated commercial fees collected from other areas in the city. Other revenue is 92 percent of the resource budget and is anticipated for reimbursement for the water expansion project budgeted in BN 25.

### Requirements



### Assumptions

Improvements are 86 percent of the budget and all associated with the water expansion project located near the airport, transfers are 11 percent of budget for administrative fees from the collection of estimated SDCs and project delivery fees, and contingency is three percent of budget totaling \$344,113.

# Wastewater SDC Fund

## Mission Statement

The Wastewater System Development Fund strives to impose fair and reasonable fees on new development to construct the needed improvements to the wastewater system to support that new development. System development charges insure that “growth pays for growth.”

### BN 23 Accomplishments

- ❖ Designed an upgrade to the wastewater chlorination system which will greatly reduce costs and improve safety of the chlorine disinfection of the city’s wastewater
- ❖ Completed a wastewater re-use study to determine the viability of utilizing treated wastewater for certain industrial needs
- ❖ Completed the design of a new wastewater treatment plan laboratory and operations center
- ❖ Completed an update to the Wastewater Facility Master Plan including updating the Wastewater SDC Methodology

### Initiatives for BN 25

- ❖ Construct Chlorine Conversion project at the wastewater treatment plant designed in BN 22-23. The project will increase the chlorination capacity of the system as well as reduce treatment costs.





*Crooked River Wetlands Complex in 2020*

## Responsibilities to the Community

The purpose of the Wastewater SDC Fund is to manage the expansion of the wastewater collection and treatment system to best serve the economic growth of the community. This fund accounts for the receipt and expenditures of wastewater SDC improvement fees. SDCs are charged to new development to provide a source of income to pay for the expansion of the City of Prineville’s wastewater system.

## Executive Summary

This fund accounts for the receipt and expenditures of wastewater system development charge improvement fees. Reasoning behind the creation of the fund is to improve accountability, planning and investment of SDCs in wastewater capital improvements. The current SDC is 100 percent of the maximum allowed amount as determined in an analysis of the City’s wastewater capital requirements. The amount of the SDCs included in the budget reflects a 4.6 percent increase for FY 24. The wastewater SDC methodology was updated in FY 19 and an update is expected to be completed prior to the end of FY 23.

Transfer for administrative fee costs associated with collecting, accounting, and disbursing these funds are consistent with council adopted methodology – which by definition is consistent with state law. Transfers in Wastewater SDC Fund are 5 percent, with 2 percent going to the Planning Fund and 3 percent to the Administrative Internal Service Fund.



### Did You Know?

In May 2019, the Crooked River Wetlands project received the Grand Award from the American Council of Engineering Companies (ACEC). This project is being recognized as one of the 16 most innovative and complex projects in the nation.

## Strategic Planning Updates

- Short-term – In the short-term, the Wastewater SDC Fund will collect system development funds to construct future, capacity improving projects.
- Long-term – The Wastewater SDC Fund will plan for needed projects to serve a growing community.

## Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Wastewater Treatment Plant Chlorine Conversion		
Collection System and Lift Station Improvements		\$ 50,000
Upsize Mainline from 10th to Lamonta (Pinckard)		
<b>Capital Outlay Total</b>		<b>\$ 50,000</b>

*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*



*Wastewater treatment plant screen improvement done in April 2020*

# Wastewater SDC Budget

Resources	FY	BN	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Beginning fund balance	\$ 2,237,992	\$ 3,127,928	\$ 108,660	\$ 153,715	\$ 7,710	\$ 44,710	\$ 7,710
Current year resources							
Charges for services	\$ 526,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	75,114	69,977	4,000	6,678	1,000	1,000	2,000
System development charges	7,540,450	434,745	640,000	481,815	150,000	150,000	300,000
Total current year resources	\$ 8,141,869	\$ 504,722	\$ 644,000	\$ 488,493	\$ 151,000	\$ 151,000	\$ 302,000
Total resources	\$ 10,379,861	\$ 3,632,650	\$ 752,660	\$ 642,208	\$ 158,710	\$ 195,710	\$ 309,710
Expenditures	Actual 2018-2019	BN Actual 2019-2021	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Material & services	\$ 9,755	\$ 56,225	\$ 20,000	\$ 20,031	\$ 10,000	\$ 10,000	\$ 20,000
Capital outlay							
Improvements	4,762,178	1,589,046	275,000	279,135	-	50,000	50,000
Transfers	2,480,000	1,833,664	444,000	335,332	104,000	104,000	208,000
Contingency			13,660		44,710	31,710	31,710
Total expenditures	\$ 7,251,933	\$ 3,478,935	\$ 752,660	\$ 634,498	\$ 158,710	\$ 195,710	\$ 309,710
Ending fund balance	\$ 3,127,928	\$ 153,715	\$ -	\$ 7,710	\$ -	\$ -	\$ -



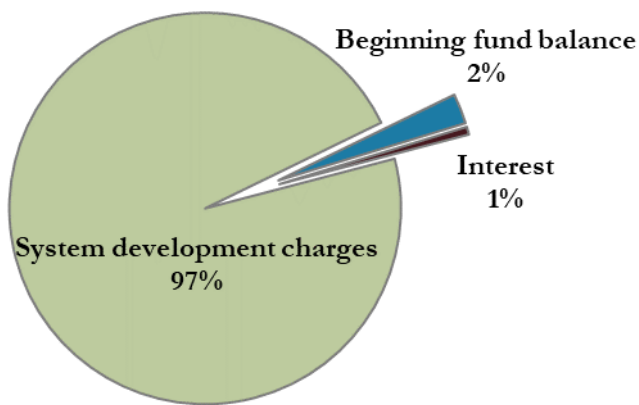
Crooked River Wetlands – Photo credit: Brian Estes of Prineville – Winner of the Youth Scenic Image in February 2023 from the City photo contest

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency
Wastewater SDC	\$153,715	\$7,710	-95%	\$31,710

BN 23 to BN 25 decrease in beginning fund balance is a result of capital projects completed in BN 23. In BN 25, ending fund balance of \$31,710 is based on an estimate of 150 EDUs and other commercial fees collected through the biennium. There are \$50,000 in collection system improvements budgeted in BN 25.

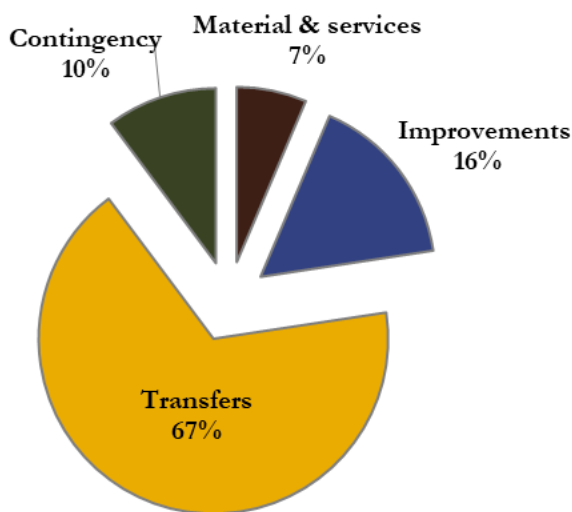
### Resources



### Assumptions

Beginning fund balance is 2 percent of budgeted resources for BN 25. System development fees for BN 25 are based on the projection of 150 EDUs and estimated commercial fees collected through the biennium.

### Requirements



### Assumptions

There are \$50,000 in collection system improvements budgeted in BN 25 which is 16 percent of the budget requirements. Materials and services for the biennium total seven percent. The five percent administrative fee for the collection of estimated SDC fees shows as a transfer. Transfers also include a transfer to the Wastewater Fund for SDC reimbursement fees and total transfers are 67 percent of the budget. Proposed ending fund balance is \$31,710.



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025

# Enterprise Funds



Railroad/Freight Depot • Airport • Water • Wastewater • Golf Course



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025





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# Railroad / Freight Depot Fund

## Mission Statement

The City of Prineville Railway's mission is to create jobs, spur economic growth and provide a safe, cost-effective, and customer-focused transportation hub that provides the region with an indispensable transportation solution.






### BN 23 Accomplishments

- ❖ Started an asset replacement plan to keep the Railway within established fiscal policy
- ❖ Utilized a third party to evaluate mainline and sidings to determine tie condition for capital plan
- ❖ Developed and implemented a Code of Federal Regulations (CFR) 243 training program
- ❖ Proactively focused on multiple maintenance items

### Initiatives for BN 25

- ❖ Finish the asset replacement plan
- ❖ Surface, line and tamp the 18-mile main line
- ❖ Repair all identified issues in the bridge management program
- ❖ Develop a member of the staff for a trainmaster or operations manager position



Department Goals		Council Goals
A	Increase revenue: COPR can increase revenue by attracting new customers, expanding existing services, and implementing innovative pricing strategies.	
B	Enhance safety: Safety is a top priority for the City of Prineville. To enhance safety, the railway will invest in training and education programs for employees, implement safety procedures and protocols, and regularly inspect equipment and infrastructure.	
C	Improve customer satisfaction: Customer satisfaction is critical for the success of a short line railroad. To improve customer satisfaction, the COPR will provide reliable and efficient service, respond promptly to customer inquiries and concerns, and improve service quality.	
D	Invest in infrastructure: Investing in infrastructure is key to the long-term success. This includes upgrading track, bridges and other critical infrastructure, as well as investing in new equipment to improve efficiency and service quality.	
E	Foster positive relationships with stakeholders: Building positive relationships with employees and the local community is essential. This can be achieved by engaging in open and transparent communication, addressing employee concerns and needs, and participating in community events and initiatives.	

## Responsibilities to the Community



*Railroad Engineer Kris Gibson and Railroad Manager Matt Wiederbolt*

The City of Prineville Railway (COPR) is a short line railroad owned by the City of Prineville. Connections to the Class I railways, BNSF and Union Pacific, providing access to markets throughout the United States, Canada and Mexico. The purpose of the COPR is to support local economic development and job creation by providing rail transportation to businesses in the Prineville area.

The COPR has a diverse customer base, including a lumber mill in John Day, truss and poly pipe manufacturing facilities, four cattle feed agricultural businesses and three industrial chemical transloads, along with a City-managed warehouse facility. By providing rail access to these businesses, the COPR helps to reduce transportation costs and increase supply chain efficiency, which is essential for their success in a global marketplace.

Overall, the COPR plays a critical role in supporting local economic development in the Prineville area by providing efficient and cost-effective rail transportation services to businesses. With continued investments in infrastructure, the Railway is well-positioned to meet the evolving needs of its customers and contribute to the continued growth and success of the Prineville community.

## Executive Summary

The COPR faces a number of challenges, including limited funding for infrastructure upgrades and repairs, regulatory compliance requirements and competition from other modes of transportation. However, the Railway has taken steps to address these challenges by investing in infrastructure upgrades, developing strong relationships with customers and pursuing new business opportunities.

Freight revenue and services through the warehouse are expected to be the primary source of income for the COPR. Commodities includes carloads of bitumen, road salt, Canadian lumber, oriented strand board, house siding, domestic lumber, fuel additives, acetone, propane, building block from Mexico, propane, fatty acid, asphalt additives, golf course sand, solvents, dried distillers' grain, corn screenings, tire ballast and magnesium chloride. In addition to freight



*Engine 1551 waiting for cars at the freight depot – Photo: Peter Murphy/ ODOT.*

haulage and handling, the Railway also generates additional revenue from ancillary services such as railcar storage, railcar repair, along with leasing rail owned properties.

COPR's largest expense is expected to be labor. Other expenses include fuel, administrative expenses and insurance, all of which are expected to increase. Staff will continue to maintain the asset in a way that will allow the Railway to take advantage of reduced insurance rates for safe and derailment free operation.

The department will invest \$240,000 in capital improvements during the first year of the budget. This includes track work and bridge repairs. Track work will include the lining, tamping and surfacing all 18 miles of rail line. Bridge work will include replacing failing stringers, caps and bridge deck on Crooked River, McKay Creek and Madras Highway bridges. Finishing the McKay Creek project leaves the bridges on the COP in a condition of light annual maintenance with a load rating of 315,000lbs. The Railway is also exploring the possibility of expanding services at Prineville Junction to a new customer, which could require additional capital investment in the future.

As the department transitions into the fiscal year, continued financial sustainability and capital projects remain the primary focus. The Railway is well-positioned to continue providing essential freight transportation services to the Prineville community while exploring opportunities for growth and expansion. Overall, COPR's budget is balanced, with revenue projected to cover operating expenses and capital investments, at the same time, increasing the fund balance for an 8<sup>th</sup> and 9<sup>th</sup> consecutive year.

#### Did You Know?

**The City of Prineville Railway is the oldest continuously operated municipal short line in the U.S. and celebrated its 100-year anniversary the summer of 2018.**

## Strategic Planning Updates

- Short-term – Implement small maintenance-of-way and capital projects as funds are available. This will help preserve the City-owned asset at a Class II level in order to ensure infrastructure longevity.
- Long-term – The department will build the rail freight business model into a viable, stable funding source, as well as create sustainable spending for track maintenance with a goal of 25 percent of revenue spent on track preservation. Capital of equipment, track, bridges and facilities along with rising personnel costs will continue to be a focus for future preservation.

## Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Bridges	\$ 60,000	\$ -
Track	\$ 180,000	\$ -
<b>Capital Outlay Total</b>	<b>\$ 240,000</b>	<b>\$ -</b>

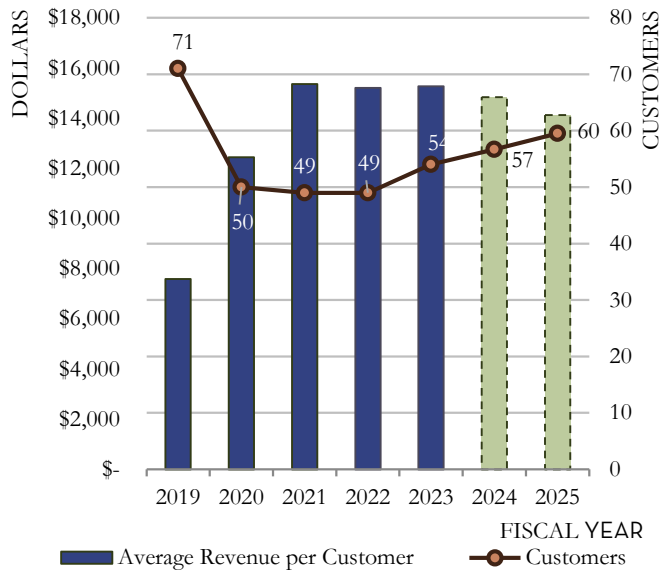
*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*



*Contractors work on the Madras Highway Bridge in January 2020*

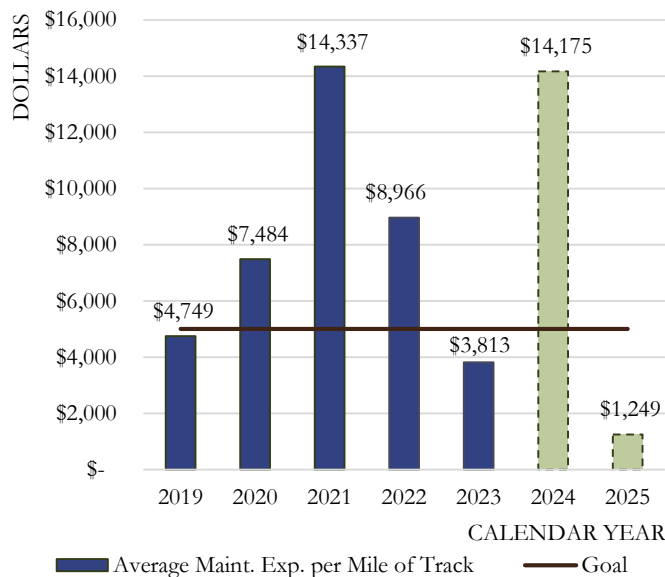
## Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Target	FY 2025 Target
Workloads	Output	Freight Cars Interchanged	+2.5% over previous year	599	572	586	601	616
	Input	Customers Utilizing Services	+5% Over Previous Year	49	49	54	57	60
	Input	Percentage of Budget Expenditures for Maintenance of Way	25.00%	29.82%	18.48%	8.45%	29.48%	2.60%
	Output	Cross Ties Replaced Annually	N/A	950	200	550	50	50
A	Efficiency	Beginning Fund Balance Change Over Previous Year	> 3%	2.03%	1.39%	5.07%	10.52%	-7.94%
A	Efficiency	Average Revenue per Interchanged Freight Car	\$ 380.00	\$ 456.39	\$ 479.60	\$ 554.62	\$ 499.46	\$ 487.28
A	Efficiency	Average Monthly Interchange Revenue	\$ 24,000	\$ 35,675	\$ 25,853	\$ 27,084	\$ 29,667	\$ 29,667
A	Efficiency	Average Annual Charge for Service Revenue per Customer	\$ 6,500	\$ 15,355	\$ 15,206	\$ 15,272	\$ 14,832	\$ 14,126
D	Efficiency	Annual Maintenance of Way Expenditures per Mile of Track	< \$5,000	\$ 14,337	\$ 8,966	\$ 3,813	\$ 14,175	\$ 1,249



### Average Revenue per Customer

The Railway and freight depot serve many types of customers, from large national corporations like the Burlington Northern Santa Fe Railway (BNSF), Union Pacific Railway (UP) and Heniff Transportation Systems to smaller state and local companies like McCall Oil and Fontana Wood Products. Storage, repairs and other services to local area businesses are also offered. Even with the efforts to diversify business and increase customer base through new and expanded services, the average revenue per customer is expected to shrink over the biennium until economic conditions improve or stabilize.



### Annual Maintenance of Way Expenditures per Mile of Track

In the last several years, the Railway faced difficulty in maintaining funds for track maintenance through declines in rail business. This left the department with performing basic maintenance, deferring any major costs to future years. With the slow increase in fund balance building, thanks to an increasingly diverse customer base, the department is able to put more funds towards maintaining the 18.01 miles of mainline track with a goal of \$5,000 per mile per year. Though the health of the fund continues to improve, other factors – such as the rising cost of cross ties in the current economic environment – create challenges for balancing how much track can be repaired based on the health of the different sections of the line. Significant repair work is budgeted for the first year of the biennium and will continue into the second year.

## Railroad / Freight Depot Budget

Resources	FY	BN	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Beginning fund balance	\$ 1,036,693	\$ 1,127,669	\$ 1,185,460	\$ 1,166,597	\$ 1,354,624	\$ 1,247,024	\$ 1,354,624
Current year resources							
Charges for services	\$ 538,858	\$ 1,725,104	\$ 1,047,000	\$ 1,032,098	\$ 841,000	\$ 841,000	\$ 1,682,000
Intergovernmental		20,000					
Use of money & property	105,722	55,267	738,600	719,128	100,000	85,000	185,000
Miscellaneous	109,462	215,043	215,000	253,743	65,000	129,000	194,000
Total current year resources	\$ 754,042	\$ 2,015,414	\$ 2,000,600	\$ 2,004,969	\$ 1,006,000	\$ 1,055,000	\$ 2,061,000
Total resources	\$ 1,790,735	\$ 3,143,083	\$ 3,186,060	\$ 3,171,566	\$ 2,360,624	\$ 2,302,024	\$ 3,415,624
Expenditures							
	Actual 2018-2019	BN Actual 2019-2021	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Personnel Services	\$ 313,957	\$ 713,689	\$ 885,800	\$ 901,266	\$ 479,500	\$ 504,500	\$ 984,000
Material and services	264,278	615,991	584,100	556,464	295,000	330,800	625,800
Capital outlay							
Improvements	4,831	465,106	205,000	176,612	240,000	-	240,000
Transfers	80,000	181,700	182,600	182,600	99,100	103,000	202,100
Contingency			1,328,560		1,247,024	1,363,724	1,363,724
Total expenditures	\$ 663,066	\$ 1,976,486	\$ 3,186,060	\$ 1,816,942	\$ 2,360,624	\$ 2,302,024	\$ 3,415,624
Ending fund balance	\$ 1,127,669	\$ 1,166,597	\$ -	\$ 1,354,624	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs)</b>		<b>3.00</b>	<b>4.00</b>			<b>4.00</b>	
Policy one year's operating expense						835,300	
20% of total budget for capital reserve						460,405	
<b>Total Policy</b>						<b>1,295,705</b>	



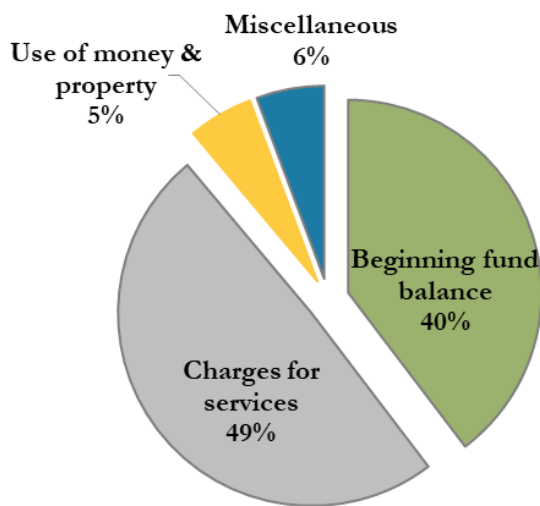
*An interchange with the BNSF railroad*

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Railroad	\$1,166,597	\$1,354,624	16%	\$1,363,724	\$1,295,705	5%

The beginning fund balance from BN 23 to BN 25 shows a 16 percent increase in the Railroad/Freight Depot Fund. The proposed budget for BN 25 shows a slight increase to fund balance at year-end. Policy requirements for the Railroad/Freight Depot are equal to one year of an operating budget and 20 percent of total budget for capital reserve. This fund exceeds reserve policy requirements by approximately 5 percent.

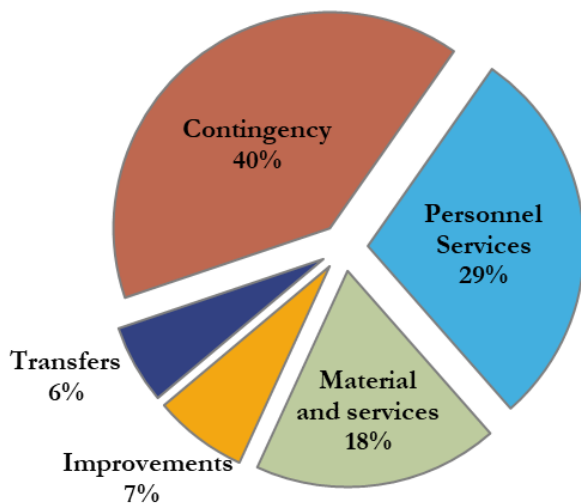
### Resources



### Assumptions

In BN 25, beginning fund balance is 40 percent of total resources and charges for services are 49 percent. Overall, estimated current year resources for BN 25 are up roughly 8 percent in comparison to BN 23 largely due to anticipated increases in lease revenue with new anchor tenant utilizing the freight depot starting in January of 2023. Management continues to identify and develop diverse new customer base.

### Requirements



### Assumptions

Personnel services are increasing 9 percent in comparison to BN 23, with the anticipated increases in health insurance and other associated payroll expenses. Material and services total 18 percent of requirements in BN 25, which is a 12 percent increase in costs estimated in comparison to BN 23. Improvements total roughly \$240,000 for the biennium compared to \$176,612 in BN 23. Transfers for administrative costs total 6 percent for BN 25 and are calculated on a percentage of the operating budget.





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# Airport Fund

## Mission Statement

The mission of the Prineville-Crook County Airport is to provide a welcoming port facility with a safe operating environment, continued growth and fiscal self-sustainment.

### BN 23 Accomplishments

- ❖ Completed \$2.6 million dollars of airport improvement projects that included parking, taxiway and lighting upgrades
- ❖ Secured grant funding for a new multi-unit aircraft hangar building, engineering and reconstruction of the airports second runway that includes taxiways and lighting

### Initiatives for BN 25

- ❖ Increase fuel market share with competitive pricing and promotion
- ❖ Pursue new grant opportunities and funding pathways for airport improvements
- ❖ Upgrade equipment and facilities as revenue allows



Department Goals		Council Goals
A	Become a fiscally self-sustaining airport	
B	Build and support a safe operating environment	
C	Aviation-related business and industry growth	

## Responsibilities to the Community



*Airport Manager Kelly Coffelt*

In a combined effort with Crook County, the City of Prineville provides management, oversight and accounting for the Prineville-Crook County Airport. The Prineville-Crook County Airport is a swiftly growing general aviation airport providing a friendly and receptive facility whose purpose is to support the local community. Aviation-related services and support are provided for private users and aviation-related businesses. It is the job of the department to ensure and maintain a safe environment, provide service and support growth of the airport. These items and more are accomplished through efficient maintenance practices, planning and daily inspections of all operations of the airport.

Funding sources include aircraft fuel sales (jet A and 100LL), hangar rents, user fees, and land leasing agreements for private hangers and businesses. Contributions from the City of Prineville and Crook County supplement portions of operational costs and matching funds for projects with grants. Large maintenance, engineering and improvement projects are primarily funded through the Federal Aviation Administration (FAA), Oregon Department of Aviation and other grant opportunities.

## Executive Summary

The continuing vision of the Prineville-Crook County Airport is to position its facility and services as a major economic generator for the communities of Crook County.

The interest in Prineville as a viable place of business is increasingly recognized in the aviation community. The department currently supports and aggressively seeks new business opportunities at the airport. Three aircraft maintenance facilities, along with development of a flying car and other unique aircraft, are a few that currently utilize the airport. The United State Forest Service (USFS) also operates at the airport with operations out of a 10,000sq.ft./three-helipad airbase and rappel facility. Training and aviation related firefighting is bringing jobs and fire suppression assets to the airport and the community.

Based on high demand for flight training and aircraft hangar space, the airport is receiving high-level interest from operations in need of such services and space. The Prineville-Crook County Airport observed substantial investment from beyond the local area. These companies recognized the airport's assets: weather, open airspace, surrounding topography and ample ground space – as an integral part of their operation – and continued consideration of Prineville as a worthwhile opportunity for expansion.

**Did You Know?**

Crook County will be investing roughly \$6.5 million in capital projects at the Prineville Airport in BN 25.



*Erickson's Sky Crane training at the Prineville-Crook County Airport*

## Strategic Planning Updates

- Short-term – The airport has secured FAA funding to reconstruct the airport’s secondary runway 15-33 to meet FAA standards. This project is scheduled for engineering and design for 2023 and construction in 2024. The airport has plans to advertise for new FBO services also in the near future, this big move for the airport is anticipated to draw continued activity growth. A large planning effort is also in process in order utilize very attractive runway access property. With Crook County’s continued collaboration, the airport is updating land lease most all airport policy documents in order to be best prepared for growth.
- Long-term – The airport will work toward development of its airside and landside properties. Working with the FAA in planning and to meet environmental expectations the airports strategy is to open up some large areas to “shovel ready” development property. Once the ground work is done this will make short work for any interested company to start or relocate to Prineville. The department will continue to maintain and improve properties and perform essential services for all airport users Management will maximize and continue development of airport assets to grow aviation-related businesses and develop a secure and reliable revenue stream. Additionally, the department will aim to efficiently manage the airport’s property, facilities, finances and staff for maximum effectiveness and growth while minimizing operating costs by utilizing in-house resources for most maintenance and operational needs.

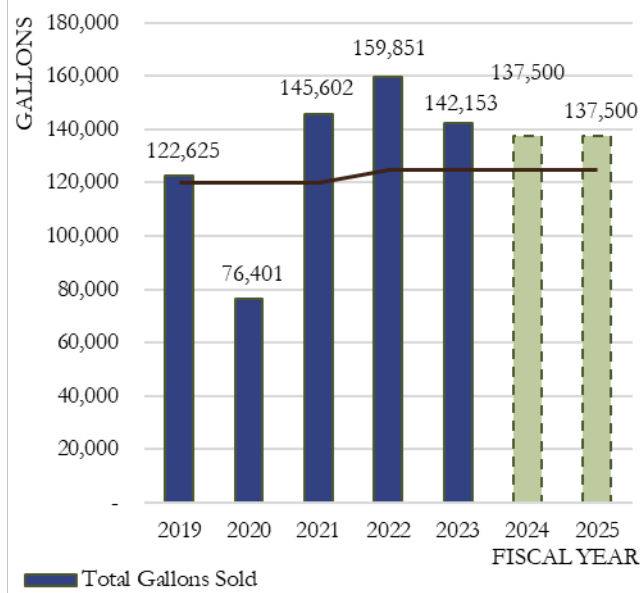
## Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
No Capital Projects Budgeted for BN 25 (\$100 is a Placeholder)	\$ 100	\$ -
<b>Capital Outlay Total</b>	\$ 100	\$ -

*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*

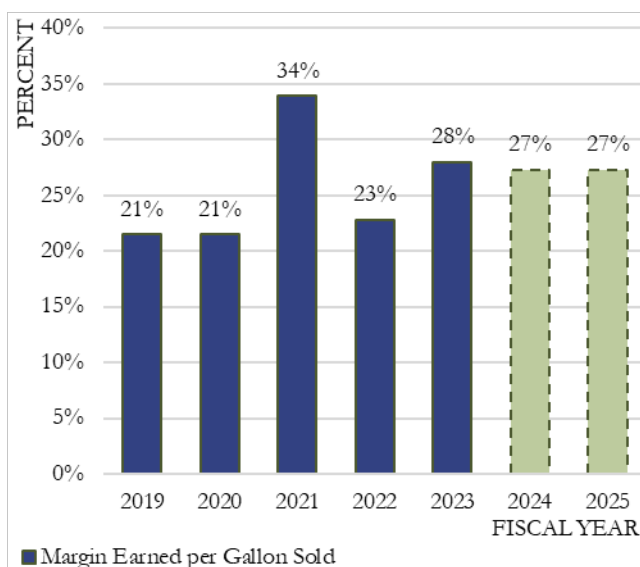
## Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2024 Target	FY 2025 Target
Workloads	Input	Based Aircraft	N/A	116	120	122	145	145
	Input	Total Operations	N/A	10,400	10,582	10,763	10,945	11,127
	Input	Land Lease Contracts	N/A	42	44	49	54	54
	Input	Privately-owned Business in Residence	N/A	5	4	4	6	6
	Input	Government Facilities Located at Airport	N/A	2	2	2	2	2
	Output	Accidents, Incursions, Strikes and Injuries	-	1	-	-	-	-
	Output	Safety-related Projects Completed	N/A	3	1	1	1	1
	Output	Fuel Sales Volume in Gallons	125,000	145,602	159,851	142,153	137,500	137,500
	A	Efficiency	Percentage of Hangars Occupied	100%	100%	100%	100%	100%
A	Efficiency	Average Gross Fuel Sale Margin Percentage Earned per Gallon Sold	25.00%	33.89%	22.82%	28.00%	27.27%	27.27%
B	Efficiency	Lost Work Time in Hours from Employee Accidents or Injury	-	-	-	-	-	-



### Total Gallons of Fuel Sold

Total gallons of fuel sold is a common metric used to determine the overall activity at the airport. Quantities include both Jet A and 100LL fuel types. Trends in gallons of fuel sold typically correlate to all other sales including airplane tie-downs and hangar rentals. Though the amount of fuel sold dropped drastically in FY 20 due to the effects and the precautions taken because of the COVID-19 pandemic, the airport recovered in FY 21 and saw record breaking fuel sales in FY 22 as restrictions eased and more people participate in recreational and enterprise flights.



### Margin Earned Per Gallon Sold

Margin earned per gallon sold is measured to help gauge if the prices set for fuel are sufficient to cover costs. It acts as an indicator as to if the airport can be self-sustaining at the current price point for its main commodity sales or if prices need to go up or down to meet market trends while still remaining competitive for the region. The airport fuel margins have ranged from 21 percent to 34 percent over the last several years with the large upswing in FY 21 being due to COVID – 19 restrictions being lifted while inventory on hand was purchased while prices were low. Projections estimate margins averaging roughly 27 percent in the biennium barring any fuel cost increases passed on to bulk consumers should the cost of oil products shift dramatically in world markets.

# Airport Budget

Resources	Actual	BN	Adopted BN	Estimated	BN 2025		
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Beginning fund balance	\$ 42,915	\$ 163,422	\$ 35,436	\$ 60,483	\$ 100,068	\$ 111,768	\$ 100,068
Current year resources							
Intergovernmental	\$ 1,572,022	\$ 742,643	\$ 430,000	\$ 375,757	\$ 85,000	\$ 85,000	\$ 170,000
Charges for services	605,605	1,004,431	1,874,000	1,631,244	695,500	695,500	1,391,000
Interest	191	1,123	1,000	1,712	500	500	1,000
Transfer from other funds	50,000	240,000	200,000	150,000	85,000	85,000	170,000
Total current year resources	\$ 2,227,818	\$ 1,988,197	\$ 2,505,000	\$ 2,158,713	\$ 866,000	\$ 866,000	\$ 1,732,000
Total resources	\$ 2,270,733	\$ 2,151,619	\$ 2,540,436	\$ 2,219,196	\$ 966,068	\$ 977,768	\$ 1,832,068
Expenditures	Actual	BN	Adopted BN	Estimated	BN 2025		
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Personnel Services	\$ 129,359	\$ 267,528	\$ 329,000	\$ 332,721	\$ 175,000	\$ 185,600	\$ 360,600
Materials and services	536,571	801,866	1,678,000	1,372,207	590,200	590,400	1,180,600
County Lease Payment	25,000	50,000	50,000	25,000	25,000	25,000	50,000
Capital outlay							
Improvements	1,344,081	849,042	100	-	100	-	100
Transfers	72,300	122,700	389,200	389,200	64,000	68,200	132,200
Contingency			94,136		111,768	108,568	108,568
Total expenditures	\$ 2,107,311	\$ 2,091,136	\$ 2,540,436	\$ 2,119,128	\$ 966,068	\$ 977,768	\$ 1,832,068
Ending fund balance	\$ 163,422	\$ 60,483	\$ -	\$ 100,068	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs)</b>		<b>2.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	
Policy 60 days operating capital						142,882	
5% Emergency reserve						\$ 43,460	
<b>Total Policy</b>						<b>\$ 186,342</b>	



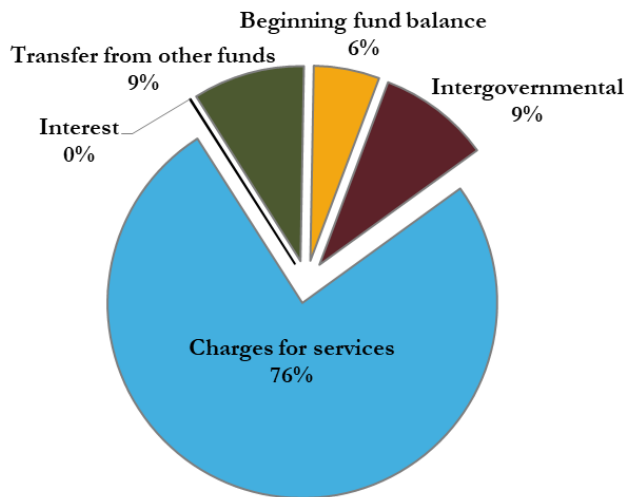
*New airport fueling system completed in BN 21*

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Airport	\$60,483	\$100,068	65%	\$108,568	\$186,342	-42%

As previously mentioned, the Prineville-Crook County Airport Fund provides the accounting of the jointly owned, City-managed airport. The intergovernmental agreement states the partners will transfer funds as needed to cover costs that revenue collections do not, with the objective for the fund to be self-sustainable. This explains the fluctuation in fund balance and the deficiency in fund balance to policy. The fund is 42 percent under policy reserve requirements.

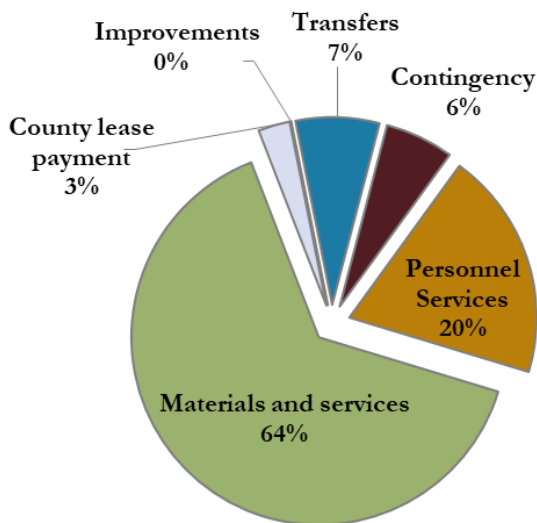
### Resources



### Assumptions

Intergovernmental revenues for BN 25 include approximately \$170,000 for operations and matching funds from Crook County. Charges for service are 76 percent of BN 25 and come from leases, hanger rents, fuel sales and other miscellaneous charges. Budgeted transfers of \$170,000 from the City of Prineville are the entity's share of the operating funds.

### Requirements



### Assumptions

In BN 25, the requirements total roughly \$1.83 million and, of this total, \$1.18 million is budgeted for materials and services. The largest portion of materials and services is fuel purchases which is budgeted at \$800,000 in BN 25. Personnel services are 20 percent of the BN 25 requirements, 7 percent are for administrative transfers, the County lease payment is 3 percent, and 6 percent of the requirements are contingency.

# Water Fund

## Mission Statement

The mission of the Water Fund is to provide efficient, effective and reliable water service in a cost-effective and sustainable manner.

### BN 23 Accomplishments



- ❖ Rehabilitated and upgraded the capacity of three key municipal wells increasing the City's source capacity and efficiency of operation
- ❖ Installed approximately 3,450 feet of new waterline to replace existing aging and undersized water lines
- ❖ Continued water conservation activities, allowing the Water Department to serve more customers with existing infrastructure
- ❖ Replaced approximately 400 aging and outdated water meters continuing the implementation of remote operation and allowing more efficient monitoring of water usage throughout the city

### Initiatives for BN 25

- ❖ Continue the replacement of leaking and undersized water mains to improve water conservation and increase system reliability and capacity
- ❖ Extend water mains into unserved areas within city limits
- ❖ Increase water resource availability to support urban growth boundary build out
- ❖ Upgrade telemetry and remote monitoring and controls throughout the water system





Department Goals		Council Goals
A	Replace all aging and undersized water mains to meet current and future requirements	
B	Retain resources for needed maintenance programs to ensure high-quality service to customers	

## Responsibilities to the Community

The goal of the City of Prineville Water Department is to provide a friendly and responsive source of information and coordinated services. It is the job of the department to assure and maintain the present and future health, safety and welfare of the public through cost effective maintenance, planning, permitting, inspections and operations of the water system. Supporting the capital outlay activities of the Water System Development Charges (SDC) Fund is also a major focus. The key to the success of the Water Department is in maintaining success with efficient and motivated efforts of quality through a committed staff.

This fund accounts for the operation of the City's water utility. The principal sources of revenue are user fees and system development charges. Expenditures are for the operation, administration, maintenance, system improvements and expansion of the system.



*Beginning construction phase of installing new utility lines to connect the airport industrial area to the valley floor in 2018*



*Public Works crew members working a water line at NE 6<sup>th</sup> and NE Belknap Streets in September 2020*

## Executive Summary

The Water Fund supports the City of Prineville’s Water Department, which provides for the delivery of safe, high-quality water to domestic and commercial/industrial water users. The Water Department performs the operations and maintenance of the City’s water system and ensures adequate water is supplied for fire protection. The City’s water system currently provides water to more than 3,700 residential accounts and 510 commercial/industrial accounts. Annual well production totals approximately 770 million gallons of water. The water system includes a total of 72.4 miles of distribution mains, 12 wells, a water treatment plant, and six storage tanks. Total well capacity is 9 million gallons per day (MGD), with an actual peak demand of 5.0 MGD.

The Water Department continues to replace and upsize water delivery mains. Many of the City’s water mains are undersized, rapidly deteriorating or do not meet current requirements for pressures or flow. The City strives to replace water main lines each year in order to meet current and future requirements. City wells require maintenance on a regular basis to ensure high water quality and efficient production. During BN 25, the Water Department’s first priority is to retain the resources for needed maintenance programs to ensure high-quality service to customers.

## Strategic Planning Updates

- Short-term – The department will continue to implement the Aquifer Storage and Recovery Project funded by the Water SDC Fund.
- Long-term – Management will develop and implement a long-term water resource strategy to secure the City’s water needs supporting the build out of the urban growth boundary. Additionally, the Water Fund will be managed to deliver water at a value, keeping combined water and wastewater rates at manageable levels and provide adequate capital for improvements.

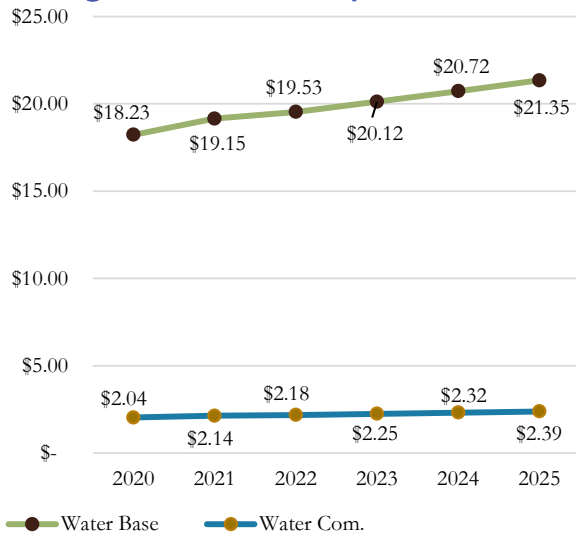
## Water Rate Adjustments

Water conservation has become a top priority to the City of Prineville and great successes have been experienced to date. Oregon Water Resources Department (OWRD) administrative rules for Water Management and Conservation Plans require water suppliers to have a rate structure under which customers' bills are based, at least in part, on the quantity of water metered at the service connections and to adopt rate structures that encourage water conservation (see OAR 690-086-150(4) (d) and (6) (d)). To meet this requirement, the City of Prineville implemented a tiered water rate in the winter of 2023.

Tiered water rates begin with an increase of 10 percent to the commodity rate for consumption 500 percent over wintertime usage (Tier I). Once consumption increases to 750 percent of wintertime usage, the commodity rate will increase by 25 percent (Tier II). The majority of customers will not be impacted by tiered rates, as the average residential home consumes 400 percent more water in the summer as compared to the winter. All customers will see a 3 percent increase to their base and commodity rates in FY 24 and FY 25.

Prineville attempts to keep water rates competitive for the region, while still sustaining funding necessary for system upkeep and improvements. The graph compares the Prineville's residential rate (using a metric of 7,500 gallons per month) for 2022-2023 with other communities in the Central Oregon region. Rate information for [Sisters](#), [Redmond](#), [Madras](#) and [Bend](#) can be found at their associated websites.

### Trending Water Rates by Fiscal Year



### Regional Rate Comparison



## Capital Outlay

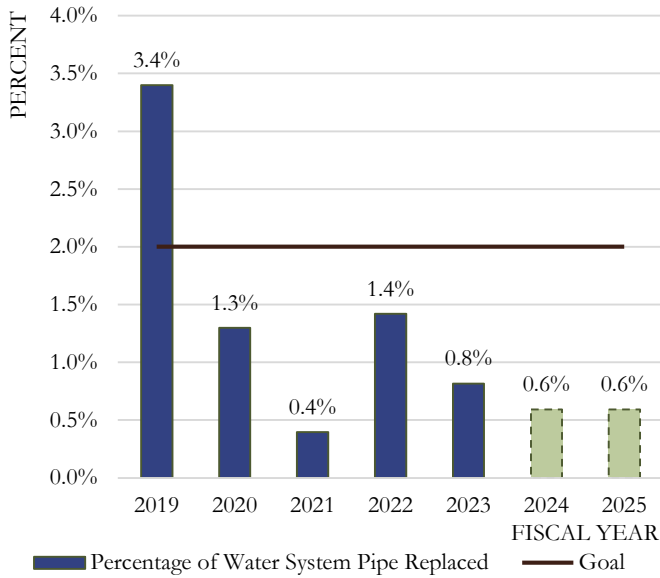
Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Transmission	\$ 650,000	\$ 650,000
<b>Capital Outlay Total</b>	<b>\$ 650,000</b>	<b>\$ 650,000</b>

*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*

## Performance Measures

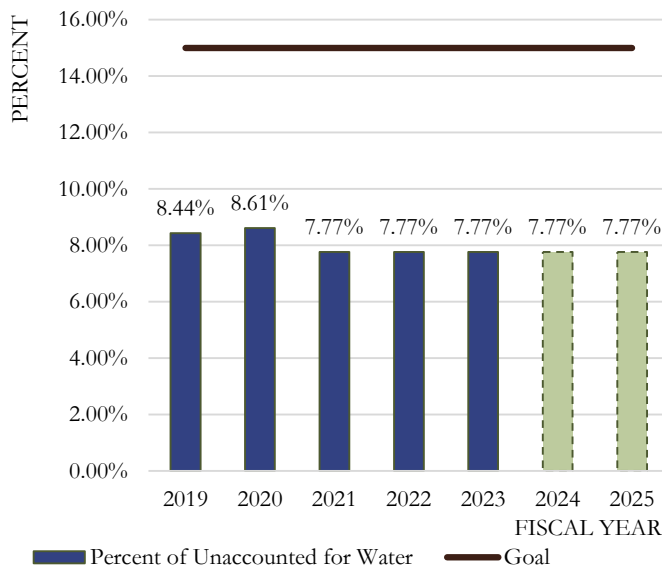
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Target	FY 2025 Target
Workloads	Input	Average Water Bill in \$ (7,500 Gallons Used)	N/A	\$ 40.55	\$ 41.33	\$ 42.62	\$ 43.92	\$ 45.31
	Output	Number of Meters Replaced Annually (CY)	200	654	30	109	50	50
	Output	Number of Gallons of Water Produced	N/A	668,075,908	701,479,703	736,554,000	773,381,700	812,050,785
	Input	Number of Gallons of Water Consumed	N/A	616,147,236	646,954,598	679,302,000	713,267,100	748,930,455
A	Efficiency	Percentage of Entire Water System Pipe Replaced Annually	2.0%	0.4%	1.4%	0.8%	0.6%	0.6%
B	Efficiency	Percent of Unaccounted for Water	< 15%	7.77%	7.77%	7.77%	7.77%	7.77%
B	Efficiency	Lost Revenue from Unaccounted for Water in \$	\$ -	\$ 168,941	\$ 158,486	\$ 172,215	\$ 185,954	\$ 201,143

CY = Calendar Year



### Percentage of Entire Water System Pipe Replaced Annually

The industry standard for life expectancy of water lines is 50 years. With the number of lineal feet in the City's water line infrastructure, the goal is to replace 5,000 lineal feet per year. This is aligned with the department goal to replace all aging and undersized water mains to meet current and future requirements.



### Percent of Unaccounted for Water

Unaccounted for water is the water produced by the City's wells, but is not sold to customers. This number can be attributed to unmetered customers, leaking lines or inaccurate meters. The OWRD goal for municipalities is to limit unaccounted for water to no greater than 15 percent of the produced water. In 2009, unaccounted for water was approximately 28 percent for the City. The City of Prineville has made a concerted effort to lower this amount with great success over the last few years. This effort decreases lost revenue that is needed for maintenance programs to ensure high-quality service to customers.

# Water Budget

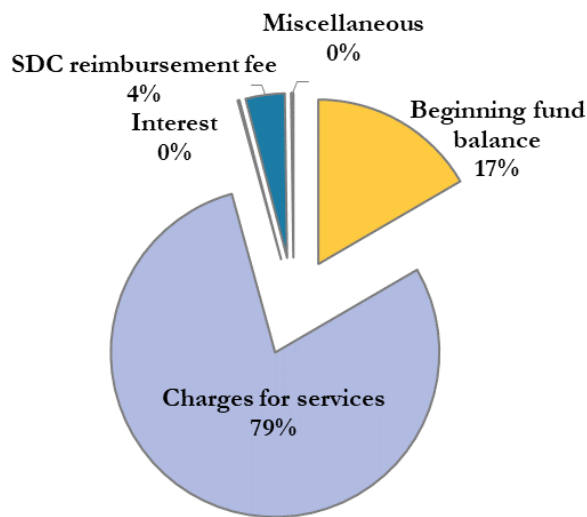
	Actual 2018-2019	BN Actual 2019-2021	Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
					Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Resources							
Beginning fund balance	\$ 1,447,470	\$ 783,298	\$ 1,051,618	\$ 1,090,792	\$ 1,491,817	\$ 1,140,217	\$ 1,491,817
Current year resources							
Charges for services	\$ 2,831,201	\$ 6,258,005	\$ 6,035,000	\$ 6,771,887	\$ 3,503,300	\$ 3,603,300	\$ 7,106,600
Intergovernmental		2,550					
Interest	18,048	9,272	10,000	35,047	8,000	8,000	16,000
SDC Reimbursement Fee	149,584	359,525	340,600	363,177	172,100	174,000	346,100
Miscellaneous	5,467	22,557	1,000	113,549	10,000	10,000	20,000
Debt proceeds			1,915,100	1,915,036	-	-	-
Total current year resources	\$ 3,004,300	\$ 6,651,908	\$ 8,301,700	\$ 9,198,696	\$ 3,693,400	\$ 3,795,300	\$ 7,488,700
Total resources	\$ 4,451,770	\$ 7,435,206	\$ 9,353,318	\$ 10,289,488	\$ 5,185,217	\$ 4,935,517	\$ 8,980,517
Expenditures							
Materials and services	\$ 790,629	\$ 1,434,402	\$ 1,570,800	\$ 1,801,412	\$ 1,186,100	\$ 1,051,400	\$ 2,237,500
Franchise fee expense	-	292,000	292,000	292,000	215,200	180,200	395,400
Capital outlay							
Improvements	1,457,335	1,327,845	1,055,000	1,193,867	650,000	650,000	1,300,000
Debt service							
Principal - Refunding bond 2017/2021	101,990	276,895	2,218,300	2,202,402	159,100	163,400	322,500
Principal - IFA 2022			144,400	160,200	73,000	74,000	147,000
Interest - Refunding bond 2017/2021	60,618	111,572	50,100	49,886	19,300	17,300	36,600
Interest - IFA 2022			134,700	61,904	66,300	65,000	131,300
Transfers	1,257,900	2,901,700	3,036,000	3,036,000	1,676,000	1,729,400	3,405,400
Contingency	-	-	515,818	-	893,217	687,402	687,402
Total expenditures	\$ 3,668,472	\$ 6,344,414	\$ 9,017,118	\$ 8,797,671	\$ 4,938,217	\$ 4,618,102	\$ 8,663,102
Other requirements							
Debt service reserves	-	-	336,200	-	247,000	317,415	317,415
Ending fund balance	\$ 783,298	\$ 1,090,792	\$ -	\$ 1,491,817	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs)</b>							
Policy 60 days operating budget						486,740	
5% Emergency reserve						196,535	
Debt service reserve						317,415	
<b>Total Policy</b>						<b>\$ 1,000,690</b>	

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Water	\$1,090,792	\$1,491,817	37%	\$1,004,817	\$1,000,690	0%

The 37 percent increase in the beginning fund balance compared to prior biennium is a result from an increase in bulk water sales from the continued build out from data centers. Ending fund balance projections are estimated to decrease roughly 33 percent during the biennium with increases in costs associated with materials and services and \$1.3 million in capital projects budgeted in BN 25. This fund meets policy requirements.

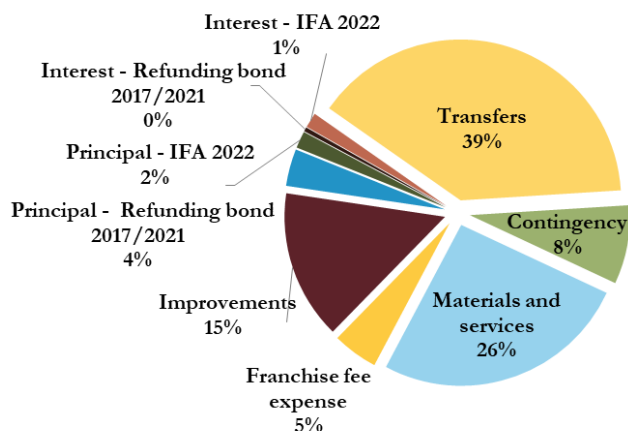
### Resources



### Assumptions

Beginning fund balance for BN 25 is 17 percent of budgeted resources, or \$1,491,817. Charges for services in total make up 79 percent of the resources for the biennium at \$7.11 million, with SDC reimbursement fees totaling 4 percent of total budget. Residential and commercial customers will see their base rates and commodity charges increase by 3 percent. SDC reimbursement fees are budgeted at \$346,100 for BN 25, which is current with the water debt transfer schedule. Interest and miscellaneous revenue are projected at less than 1 percent of total budget.

### Requirements



### Assumptions

Materials and services are 26 percent of total budget for the biennium, franchise fees expense totals 5 percent and capital improvements are roughly 15 percent of budget. Capital improvement projects total \$1.3 million for BN 25. Debt service principal and interest total approximately 7 percent of budget with a new \$3 million loan associated with the construction of the Aquifer Storage and Recovery project. Transfers total 39 percent, which include administration and financial support and public works administration. Contingency is 8 percent of budget. As stated above, this fund meets policy reserve requirements.



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# Wastewater Fund

## Mission Statement

The mission of the Wastewater Fund is to provide efficient, effective and reliable wastewater service in a cost-effective and sustainable manner.

### BN 23 Accomplishments



- ❖ Completed a two-year industrial pretreatment program as required by Oregon Department of Environmental Quality (DEQ)
- ❖ Installed a new aeration system at the wastewater treatment plant #2
- ❖ Worked with DEQ to update the existing wastewater treatment plant permit. This effort included a significant amount of additional testing and analysis
- ❖ Installed a new fish friendly irrigation pump near the wastewater treatment plant
- ❖ Supported the update to the Wastewater Facility Master Plan

### Initiatives for BN 25

- ❖ Research the potential opportunities associated with the Industrial Water Reuse project
- ❖ Persist in preventative infrastructure maintenance activities
- ❖ Acquire updated permit for the wastewater treatment plant





Department Goals		Council Goals
A	To provide a friendly and responsive source of information and coordinated services	
B	Maintain an effective and dependable wastewater system at a value to citizens, planning for city growth and environmental changes	

## Responsibilities to the Community

The goal of the City of Prineville Wastewater Department is to provide a friendly and responsive source of information and coordinated services. It's the job of the department to assure and maintain the present and future health, safety and welfare of the public through cost effective maintenance, planning, permitting, inspections and operations of the wastewater system. Supporting the capital outlay activities of the Wastewater SDC Fund is also a major focus. The key to the success of the Wastewater Department is in maintaining efficient and motivated efforts of quality through a committed staff.

This fund accounts for the operation of the City of Prineville's wastewater utility. The principal sources of revenue are user fees and system development charges. Expenditures are for operation, administration, maintenance, system betterments and expansion of the system.

**Did You Know?**

Through the Crooked River Wetlands Complex's 120 acres, the City is responsibly expanding its wastewater capacity.



*Crooked River Wetlands viewing platform*



*Solar field at the wastewater treatment plant facility*

## Executive Summary

The Wastewater Fund supports the City of Prineville’s Wastewater Department, whose primary responsibility is to ensure the City’s wastewater system meets or exceeds all regulatory standards and requirements. The department provides for the safe conveyance and treatment of residential, commercial and industrial wastewater for the community. The wastewater collection system includes approximately 65 miles of collection lines ranging in size from 3 inches to 48 inches. The existing wastewater treatment plant consists of two parallel, partially aerated facultative lagoon systems capable of processing 2.6 million gallons of influent per day (MGD). Current average inflows to the plant are approximately 1.1 MGD. The existing wastewater treatment facility produces a Class C effluent from Plant 1 and a class D effluent from Plant 2. This effluent is discharged into the Crooked River during the winter under an approved Oregon DEQ permit. At other times, effluent is stored and discharged via irrigation systems onto the City-owned golf course, wetland system and approximately 200 acres of City-owned pasture lands.

## Strategic Planning Updates

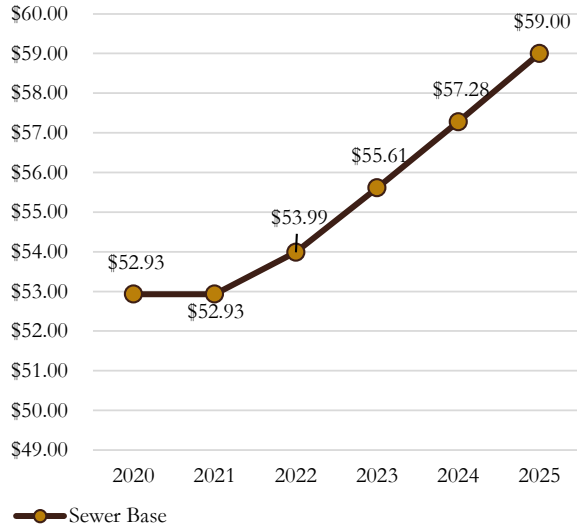
- Short-term – In the short-term, the Wastewater Department will continue preventative maintenance activities.
- Long-term – The department will stabilize the rate structure, provide sustainable capital improvement program dollars and adequate fund balances.

## Sewer Rate Adjustments

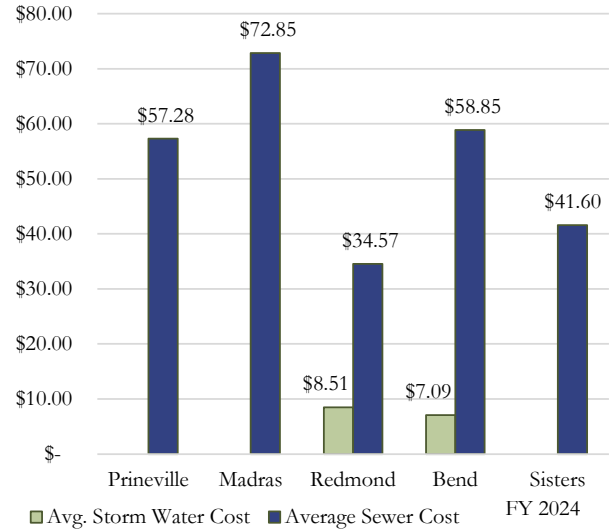
Sewer rates will be adjusted in a fashion similar to water rates to incentivize conservation. Base wastewater rates and commodity charges are budgeted to increase by 3 percent in FY 24 and FY 25.

Prineville attempts to keep sewer rates competitive for the region, while still sustaining funding necessary for system upkeep and improvements. The graph compares the Prineville’s residential rate for 2022-2023 with other communities in the Central Oregon region. Rate information for [Sisters](#), [Redmond](#), [Madras](#) and [Bend](#) can be found at their associated websites.

## Trending Sewer Rates by Fiscal Year



## Regional Rate Comparison



## Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Treatment Plant - SLARRA	\$ 167,200	\$ 135,400
Treatment Plant Upgrades	\$ 385,000	\$ 335,000
Sanitary Sewer – Collection Improvements	\$ 60,000	\$ 60,000
<b>Capital Outlay Total</b>	<b>\$ 612,200</b>	<b>\$ 530,400</b>

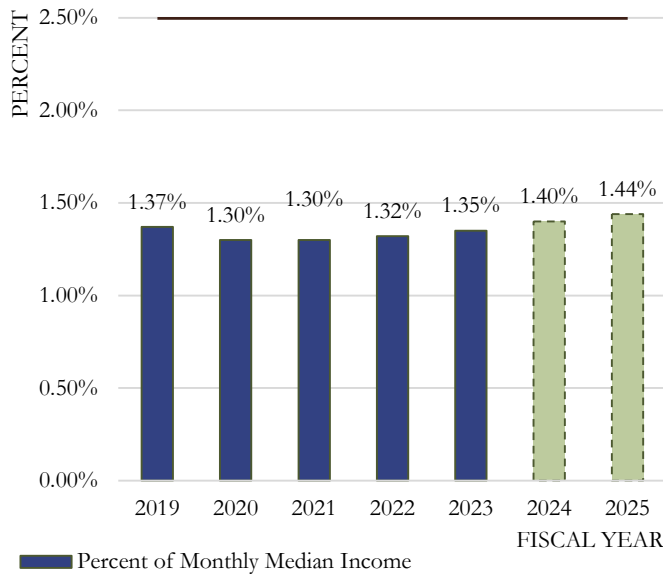
*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*



*Dusk in May 2020 at the Crooked River Wetlands Complex*

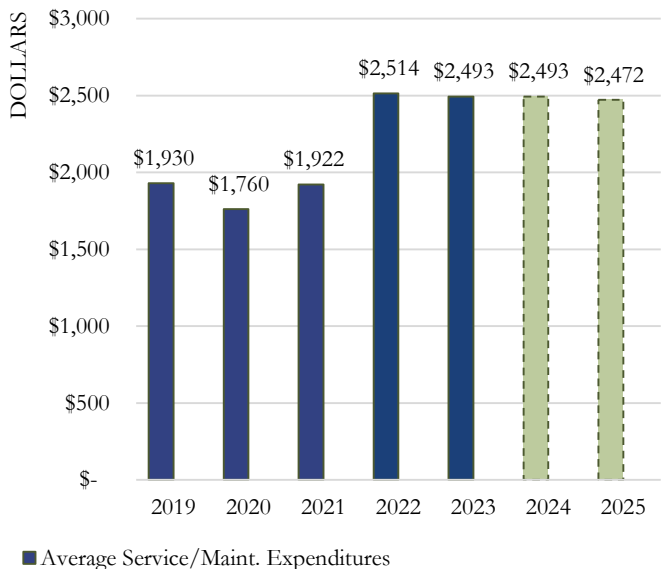
## Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Target	FY 2025 Target
Workloads	Output	Miles of Sewer Collection Lines	N/A	48	65	65	65	65
	Input	Average Inflows (MGD)	N/A	1.16	1.17	1.17	1.17	1.18
	Output	Treatment Processing Capability (MGD)	N/A	2.37	2.60	2.60	2.60	2.60
	Output	Annual Sewage Treatment Sample Tests Performed	N/A	629	823	745	800	825
	Output	Annual Testing Expenditures	N/A	\$ 63,744	\$ 86,798	\$ 177,902	\$ 135,000	\$ 115,000
	Output	Annual Chemical Treatment Expenditures	N/A	\$ 74,160	\$ 106,779	\$ 121,039	\$ 144,000	\$ 144,000
B	Efficiency	Monthly Single-family Sewer Rates vs. Median Income	< 2.5%	1.30%	1.40%	1.12%	1.40%	1.44%
B	Efficiency	Average Daily Electrical Costs per MGD	N/A	\$ 441.22	\$ 408.92	\$ 430.40	\$ 468.33	\$ 464.36
B	Efficiency	Wastewater Service/Maintenance Expenditures per Average Daily MGD	< \$2,000	\$ 1,922.30	\$ 2,513.52	\$ 2,649.91	\$ 2,492.92	\$ 2,471.79



### Monthly Single-family Sewer Rate Percent of Median Income

The monthly sewer charge for service is generally the largest portion of the monthly utility bill for City customers. The City must maintain a pricing that is enough to cover upkeep and replacement costs in order to maintain high quality services, while still charging a competitive figure for the region to customers. Over the last 10 years the department kept the cost to customers under two percent of the annual median income for Prineville.



### Service / Maintenance Expenditures per Average Daily MGD

Service and maintenance costs have fluctuated for the City, with costs in the future looking to increase dramatically with the potential of having to build a mechanical treatment plant to accommodate population and business growth. However, due to the creative, multiple award-winning solution that is the Crooked River Wetlands, which came online in 2018, the department is looking to stabilize the amount it costs on average to treat the daily inflows into the treatment plant in the biennium.

# Wastewater Budget

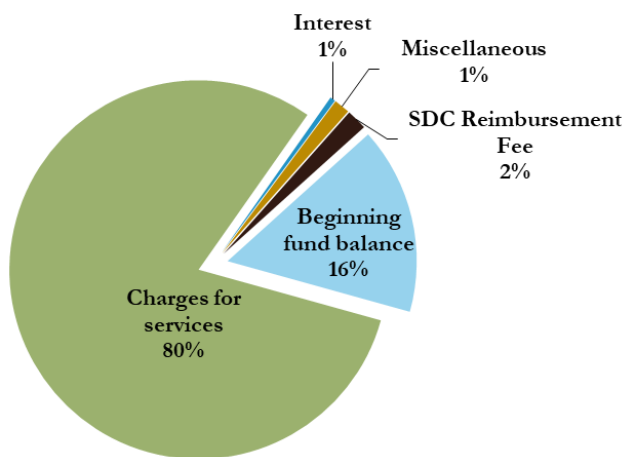
Resources	Actual	BN	Adopted BN	Estimated	BN 2025		
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Beginning fund balance	\$ 1,770,316	\$ 3,940,686	\$ 2,554,024	\$ 2,853,603	\$ 1,752,887	\$ 1,412,737	\$ 1,752,887
Current year resources							
Charges for services	\$ 3,482,719	\$ 7,623,581	\$ 8,644,300	\$ 8,502,692	\$ 4,350,000	\$ 4,475,000	\$ 8,825,000
Intergovernmental		5,600	-	-	-	-	-
Interest	101,671	66,231	20,000	56,157	25,000	25,000	50,000
Miscellaneous	208,518	130,444	167,400	154,400	74,200	74,200	148,400
SDC Reimbursement Fee	-	-	371,000	312,428	96,800	96,800	193,600
Debt Proceeds			4,961,500	4,961,475	-	-	-
Transfers	2,103,941	323,788	511,300	511,300	-	-	-
Total current year resources	\$ 5,896,849	\$ 8,149,644	\$ 14,675,500	\$ 14,498,452	\$ 4,546,000	\$ 4,671,000	\$ 9,217,000
Total resources	\$ 7,667,165	\$ 12,090,330	\$ 17,229,524	\$ 17,352,055	\$ 6,298,887	\$ 6,083,737	\$ 10,969,887
Expenditures							
Personnel Services	\$ 127,070	\$ 274,882	\$ 509,600	\$ 427,797	\$ 258,100	\$ 272,000	\$ 530,100
Materials and services	690,286	1,174,557	2,826,300	2,845,347	1,013,050	1,006,950	2,020,000
Franchise fee expense	177,000	401,000	401,000	401,000	289,500	223,800	513,300
Capital outlay							
Improvements	340,152	485,237	795,000	684,335	445,000	395,000	840,000
SLARRA			461,600	428,411	167,200	135,400	302,600
Debt service							
Principal							
DEQ CWSRF R74682/2	461,574	964,562	2,962,200	2,962,108	-	-	-
Refunding 2017/2021	119,010	323,105	3,386,900	3,386,854	735,400	744,200	1,479,600
State of Oregon IFA	19,772	53,773	54,900	54,890	27,900	28,200	56,100
USDA 2018	56,160	116,996	123,600	123,622	64,400	66,100	130,500
Interest							
DEQ CWSRF R74682/2	125,646	200,265	45,300	45,291	-	-	-
Refunding 2017/2021	100,629	130,899	109,600	109,338	45,800	36,900	82,700
State of Oregon IFA	14,283	14,337	13,300	13,265	6,200	6,000	12,200
USDA 2018	72,956	215,324	208,900	190,200	101,900	100,100	202,000
Fees							
DEQ CWSRF R74682/2	21,941	36,890	27,200	14,810	-	-	-
Transfers	1,400,000	4,844,900	3,911,900	3,911,900	1,731,700	1,765,400	3,497,100
Contingency			602,224		430,237	327,372	327,372
Total expenditures	\$ 3,726,479	\$ 9,236,727	\$ 16,439,524	\$ 15,599,168	\$ 5,316,387	\$ 5,107,422	\$ 9,993,572
Other requirements							
Debt service reserves	\$ -	\$ -	\$ 790,000	\$ -	\$ 982,500	\$ 976,315	\$ 976,315
Ending fund balance	\$ 3,940,686	\$ 2,853,603	\$ -	\$ 1,752,887	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs)</b>		<b>1.00</b>	<b>2.00</b>			<b>2.00</b>	
Policy 60 days operating budget						537,230	
5% Emergency reserve						239,003	
Debt service reserve						\$ 976,315	
Total policy						\$ 1,752,548	

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Wastewater	\$2,853,603	\$1,752,887	-39%	\$1,303,687	\$1,752,548	-26%

The beginning fund balance decreased approximately 39 percent from BN 23 to BN 25 due to \$1.1 million in capital improvement projects completed in BN 23 and the unanticipated Peoples Irrigation Ditch project which totaled roughly \$1.1 million. Budgeted capital improvement projects for BN 25 totaling roughly \$1.14 million will decrease fund balance to 26 percent below City reserve policy level.

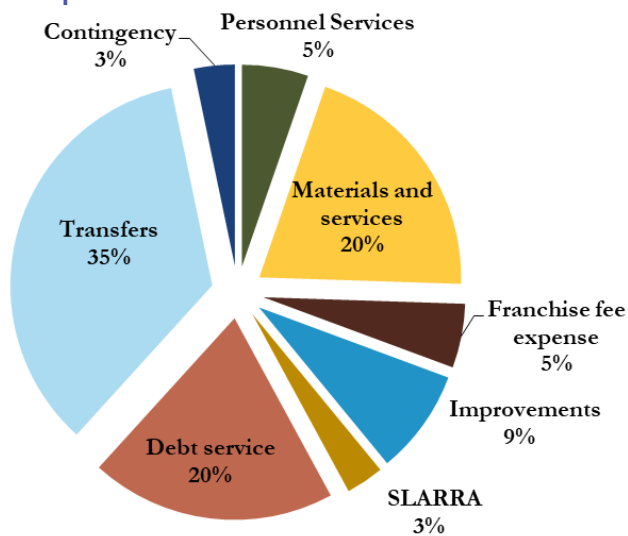
### Resources



### Assumptions

Beginning fund balance is 16 percent of total resources. Charges for services are budgeted to increase over BN 23 estimates by approximately 4 percent. Base wastewater rates and commodity charges are budgeted to increase 3 percent per year during in the upcoming biennium. SDC reimbursement fees are calculated based on the current SDC methodology for 75 EDU's which is two percent of resources.

### Requirements



### Assumptions

For BN 25, personnel services total \$530,100 for the biennium or 5 percent of budgeted requirements. Materials and services total \$2.02 million or 20 percent of requirements. Capital improvements are divided into two categories – improvements and short-lived asset replacement reserve account (SLARRA). This account must be funded annually for not less than \$135,333 as a requirement of the United States Department of Agriculture (USDA) loan for the wetlands. Totals for both capital accounts are budgeted at \$1.14 million or 12 percent. Debt service is budgeted at \$1.96 million or 20 percent.



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# Golf Course Fund

## Mission Statement

To provide Central Oregon golfers an affordable, championship quality golf facility with exceptional service and a friendly staff while also providing City of Prineville residents with a cost-effective solution to its wastewater disposal needs.

### BN 23 Accomplishments

- ❖ Total revenue increased by 8 percent in FY 22 over FY 21 with new revenue highs in all major golf course revenue streams in FY 22
- ❖ Restaurant achieved 100 percent health and safety scores for all inspections in BN 23
- ❖ Completed nearly \$135,000 in much needed capital improvement projects and equipment upgrades during FY 22, while still significantly adding to fund balance
- ❖ Fund balance grew by 41 percent to a new high at the end of FY 22 and increased again in FY 23
- ❖ Purchased a new fleet of E-Z-GO golf carts. The new fleet has a number of advantages over the old fleet

### Initiatives for BN 25

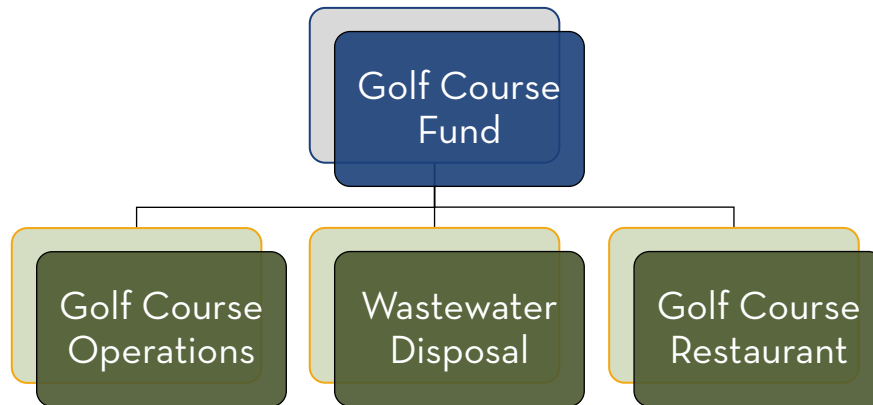
- ❖ Add new siding to the cart barn, paint the exterior of the clubhouse and replace existing faux-stucco columns on clubhouse with wood columns that birds cannot penetrate
- ❖ Maintain the momentum from the uptick in play witnessed in BN 23 and increase overall golf revenue by an additional 5 percent
- ❖ Resurface the parking lot and pave the overflow gravel parking area at the north end of the parking lot
- ❖ Continue to replace deteriorating areas of the cart paths around the course
- ❖ Replace tee signs on golf course and entry way signage/landscaping
- ❖ Create an aggressive weed prevention plan to address noxious weeds surrounding the Crooked River and in native areas on the course







## Organization of Fund Golf Course Fund

The City of Prineville created Meadow Lakes Golf Course to be a wastewater disposal site, with the bonus of creating a public golf course and restaurant to enrich the surrounding community. There are three units (golf course, waste disposal and golf course restaurant) in the Golf Course Fund. This section will provide expenditure detail, executive summary information, goals and objectives of each unit, and performance measure data for these units of the Golf Course Fund when available.



*Example of the early evening scenery at the Meadow Lakes Golf Course*

Department Goals		Council Goals
A	Make Meadow Lakes the premiere entertainment venue in Crook County	
B	Self-fund all recurring/routine capital expenditures while increasing the fund balance	

### Responsibilities to the Community

Meadow Lakes Golf Course is charged with the unique task of disposing wastewater in an environmentally responsible way, while also efficiently operating an enterprise fund. While the golf operation’s primary goal is to provide outstanding service to patrons in the region, the course disposal team is to provide the golfing public with the best playing conditions possible. All divisions follow their primary objectives while maintaining fiscal responsibility by staying within budget guidelines set by the revenues received and expenditures planned for the year.

The Golf Course Fund accounts for the operation of the City's municipal golf course and restaurant and the effluent disposal site of the wastewater treatment plant. The principal sources of revenue are user fees, lease revenue from the restaurant operation and transfers from the Wastewater Fund for disposal site related services. Expenditures are for operation, administration, maintenance and improvements to the clubhouse and golf course, including the effluent disposal site. Operating costs are paid from golf revenues and a contribution from the Wastewater Fund from rates. In 2013, the City of Prineville revised its 2006 business plan to reflect the facility’s needs in the current economic market along with industry trends. The current budget is developed to maintain the financial direction outlined in the plan.

**Did You Know?**

Meadow Lakes Golf Course has hosted charity events helping to raise over \$75,000 for local charities just in the last year alone.



*An example of the scenery at the Meadow Lakes Golf Course – September 2022*



*Meadow Lakes in August 2022*

## Executive Summary

Meadow Lakes serves as both a municipal golf course and a wastewater disposal site to Prineville. Meadow Lakes is celebrating its 30 year anniversary in 2023 and the course continues to receive positive reviews from the golfing community. For travelers and citizens alike, the course serves as a beautiful entry way for those entering Prineville via Highway 126. Meadow Lakes receives great local and regional support including players who travel from all over the northwest to play at the course recognized as an “environmental leader” by *Golf Digest* and “Central Oregon’s best golf value” by the *Bend Bulletin*. *Golf Pass* ranked [Meadow Lakes #9](#) on the list of “Top 25 Value Courses in the United States” in 2018. Recently, the publication placed the course at #13 for the “Top Courses in Oregon” in 2023.

The restaurant operation is leased out to a local entrepreneur who is tasked with keeping customer service and food quality at exceptional levels. All of the departments under the banner of Meadow Lakes operations have dedicated and experienced staff members that take pride in offering the highest quality of service to its patrons.

Meadow Lakes houses a full-service restaurant and lounge with facilities for hosting weddings, auctions, fundraisers and other large events. During the past budget period, Meadow Lakes hosted a number of fundraising events, including Crook County High School Athletics, the Oregon Junior Golf Association, the Central Oregon Junior Golf Association, Your Life Matters teen suicide awareness and the Humane Society of the Ochocos.

## Strategic Planning Updates

- Short-term – Meadow Lakes looks to maintain the highest possible experience using the most efficient measures possible to curb expenditures. The Golf Course Fund will continue to be fiscally responsible by monitoring and adjusting expenses to match revenues on a monthly basis, therefore protecting the ending fund balance. The department hopes to capitalize on the current “golf boom” by adding to the existing customer base and improving the overall fund balance to a point where the business can self-fund the majority of the upcoming capital projects.
- Long-term – Meadow Lakes Golf Course aims to continue its growth model for customer base through expansions in marketing, programming and services. The main goal is to establish Meadow Lakes as a key facility in the community for entertainment. Through business growth, the intention is to build the fund balance to self-fund all capital projects and provide a revenue source that helps offset city-wide operational expenses.

## Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Parking Lot Paving	\$ 150,000	\$ -
Reel Grinding Equipment	\$ 30,000	\$ -
Bedknife Grinding Equipment	\$ 38,000	\$ -
Cart Path Paving	\$ -	\$ 80,000
Rough Mower	\$ -	\$ 40,000
New Carpet in Clubhouse	\$ -	\$ 30,000
Fairway Aerator	\$ -	\$ 20,000
Windows, Seals and Doors for Clubhouse	\$ -	\$ 15,000
Split-rail and Parking Lot Fence	\$ -	\$ 15,000
<b>Capital Outlay Total</b>	<b>\$ 218,000</b>	<b>\$ 200,000</b>

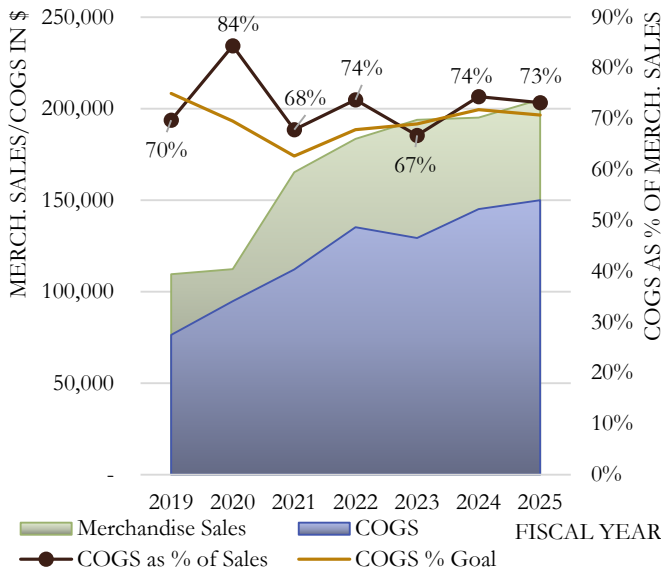
*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*



*Meadow Lakes Golf Course in December 2020*

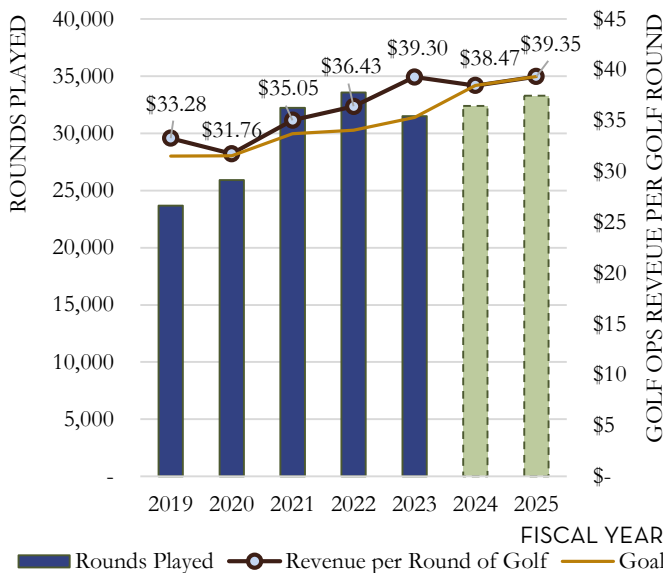
## Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Target	FY 2025 Target
Workloads	Input	Rounds Played During Year	Maintain FY 23 Results	32,253	33,591	31,500	32,400	33,300
	Input	Total Golf Revenue	N/A	\$ 1,130,378	\$ 1,211,546	\$ 1,077,100	\$ 1,231,500	\$ 1,294,000
	Input	Annual Daily Play Revenue	N/A	\$ 468,410	\$ 498,312	\$ 450,000	\$ 500,000	\$ 5,250,000
	Input	Annual Passes Sold (in \$)	N/A	\$ 134,814	\$ 139,693	\$ 115,000	\$ 150,000	\$ 157,500
B	Efficiency	Total Golf Operations Revenue per Round of Golf	\$ 34.00	\$ 35.05	\$ 36.07	\$ 34.19	\$ 38.01	\$ 38.86
B	Efficiency	Cost of Goods Sold as a Percentage of Merchandise Sales	72%	68%	74%	67%	74%	73%



## Merchandise Sales vs. Cost of Goods Sold

Cost of goods sold (COGS) as a percentage of sales measures the cost of goods relative to the total merchandise sale revenue during a specific time period. A high value for this metric can be indicative of inefficiencies in the procurement of goods or pricing issues. In FY 20, there were disruptions in the manufacturing, pricing and delivery of goods due to COVID-19. In FY 21, this stabilized as the world got back to business as usual. The golf course is budgeted to have this metric at 74 and 73 percent in BN 25.



## Operations Revenue per Golf Round

Total golf operations revenue per round of golf provides good insight into the overall financial health of a golf course. Generally speaking, the more revenue generated per round of golf, the more profitable the facility is. The golf course has been on a record-breaking revenue streak over the last few years. Golf was one of the few sports that could still be played with the COVID-19 restrictions that were in place in 2021. Now that the restrictions are lifted, it appears the sport may have gained some more players.

# Golf Course Budget

Resources	Actual	BN	Adopted BN	Estimated	BN 2025		
	2018-2019	Actual 2019-2021	Budget 2019-2021	Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Beginning fund balance	\$ 426,395	\$ 494,280	\$ 420,025	\$ 518,550	\$ 1,018,692	\$ 786,742	\$ 1,018,692
Current year resources							
Charges for services							
Golf Course	\$ 783,805	\$ 1,930,719	\$ 1,997,800	\$ 2,426,243	\$ 1,236,500	\$ 1,299,500	\$ 2,536,000
Waste disposal	370,000	740,000	740,000	740,000	370,000	370,000	740,000
Restaurant	245,549	33,540	57,700	48,860	32,500	38,500	71,000
Interest	12,074	32,470	12,000	25,159	12,000	12,000	24,000
Miscellaneous	8,912	38,018	19,900	36,220	10,000	11,000	21,000
Debt proceeds	-	-	363,600	596,044	-	-	-
Transfer fr other funds	-	1,250,000	200,000	200,000	-	-	-
Total current year resources	\$ 1,420,340	\$ 4,024,748	\$ 3,391,000	\$ 4,072,526	\$ 1,661,000	\$ 1,731,000	\$ 3,392,000
Total resources	\$ 1,846,736	\$ 4,519,027	\$ 3,811,025	\$ 4,591,076	\$ 2,679,692	\$ 2,517,742	\$ 4,410,692
Expenditures							
Golf Course	\$ 459,647	\$ 2,772,079	\$ 1,808,400	\$ 1,794,310	\$ 918,700	\$ 930,400	\$ 1,849,100
Waste disposal	460,057	985,797	1,230,000	1,220,025	813,050	849,850	1,662,900
Restaurant	354,498	51,094	66,200	54,687	33,200	34,900	68,100
Debt service							
Principal - BOTC FFC	25,243	82,088	264,000	264,000	-	-	-
Interest - BOTC FFC	2,590	2,070	1,950	1,919	-	-	-
Principal - Refunding 2017/2021	40,000	90,000	226,500	226,495	123,500	123,600	247,100
Interest - Refunding 2017/2022	10,420	17,349	10,570	10,948	4,500	3,000	7,500
Contingency			72,405		660,142	451,992	451,992
Total expenditures	\$ 1,352,456	\$ 4,000,477	\$ 3,680,025	\$ 3,572,384	\$ 2,553,092	\$ 2,393,742	\$ 4,286,692
Other Requirements							
Debt Service Reserve	-	-	131,000	131,000	126,600	124,000	124,000
Ending fund balance	\$ 494,280	\$ 518,550	\$ -	\$ 887,692	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs)</b>	<b>5.00</b>	<b>3.00</b>		<b>3.00</b>		<b>4.00</b>	
Policy 60 days operating budget						265,504	
5% Emergency reserve						97,088	
Debt service reserve						124,000	
<b>Total Policy</b>						<b>486,592</b>	



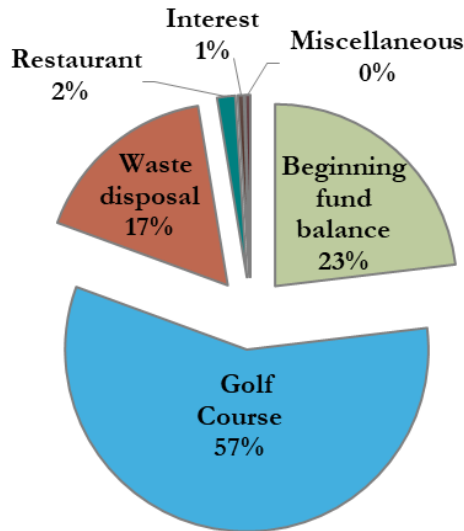
The view from Meadow Lakes Golf Course in September 2022

## Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 23 Beginning Fund Balance	Adopted BN 25 Beginning Fund Balance	BN 23 to BN 25 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Golf Course and Restaurant	\$518,550	\$1,018,692	96%	\$575,992	\$486,592	18%

BN 25 beginning fund balance increased approximately 96 percent over the prior biennium due to record breaking activity at the golf course over the last two years. Fund balance is budgeted to decrease roughly 43 percent during BN 25 largely due to \$418,000 in capital projects that are budgeted and adding an additional FTE in the Waste Disposal Department. This fund exceeds the City’s policy requirements by 18 percent.

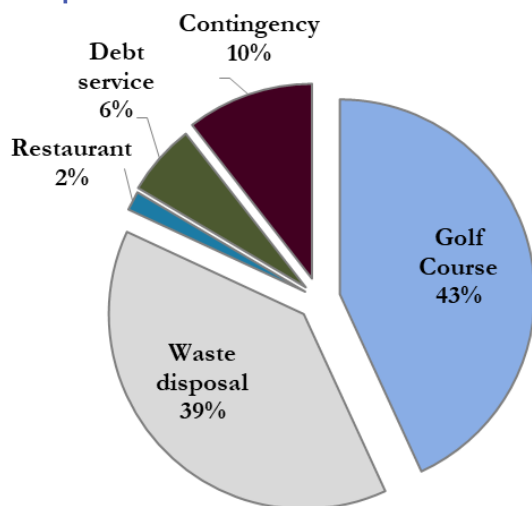
### Resources



### Assumptions

Golf revenue projections for operations in BN 25 propose a 5 percent increase in golf over BN 23. In FY 22 and FY 23, golf revenues exceeded expectations with all the new customers the golf course gained during the pandemic. Revenues are anticipated to continue to increase. The restaurant is leased to a third party, so revenue will be associated with the lease agreement during the biennium, budgeted for \$71,000. The transfer from the Wastewater Fund for operations remains the same as the prior biennium.

### Requirements



### Assumptions

Golf course operations total 43 percent of the requirements for the biennium compared to 49 percent of the requirements in BN 23. The golf course leased out its restaurant operations in February 2019 to a third party, so requirements for the restaurant total 2 percent of budget for minimal materials and services costs, totaling \$68,100 for the biennium. The course saves roughly \$100,000 annually through leasing the restaurant, which management plans to spend on capital projects. Waste disposal is 39 percent of the budgeted requirements compared to 33 percent in BN 23 with the addition of an FTE in BN 25.



# Golf Course Operations

## Executive Summary

Meadow Lakes features a championship course, a beautiful clubhouse and a friendly staff eager to make the customer's round of golf an extraordinary experience. *USA Golf Journal* previously featured Meadow Lakes. The course is one of the first-ever recipients of *Golf Digest's* National Environmental Leaders Award. The *Bend Bulletin* has called Meadow Lakes "Central Oregon's best golf value." *Golf Pass* recently ranked the course as the "#9 value course in the United States" as well as the "#8 public/resort golf course in Oregon."

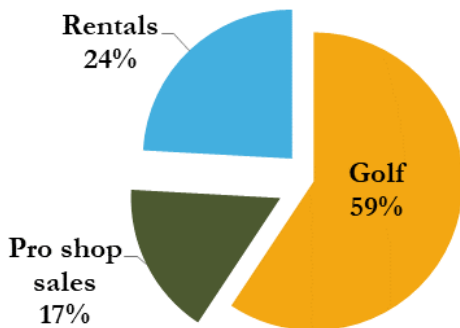
Through specials, advertising, superior course conditions and top-notch customer service, increasing rounds of golf and dollars per round of golf played will be the main focus in the next biennium.

## Golf Course Operations Budget

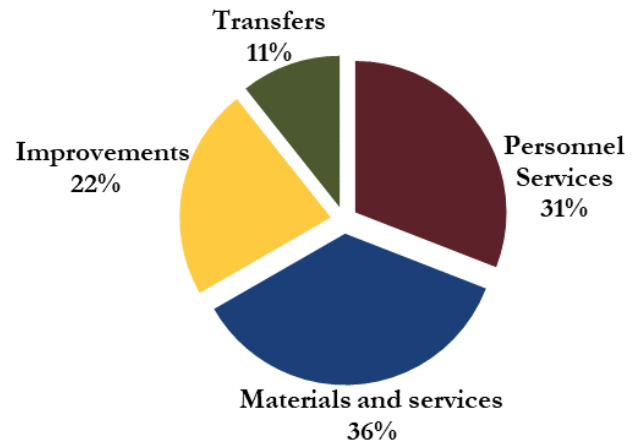
	BN		Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Revenue							
Golf	\$ 482,753	\$ 1,185,524	\$ 1,240,500	\$ 1,440,813	\$ 733,500	\$ 770,500	\$ 1,504,000
Pro shop sales	111,515	284,689	292,300	394,683	205,000	215,500	420,500
Rentals	189,537	460,507	465,000	590,747	298,000	313,500	611,500
<b>Total revenue</b>	<b>\$ 783,805</b>	<b>\$ 1,930,719</b>	<b>\$ 1,997,800</b>	<b>\$ 2,426,243</b>	<b>\$ 1,236,500</b>	<b>\$ 1,299,500</b>	<b>\$ 2,536,000</b>

	BN		Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
	Actual 2018-2019	Actual 2019-2021					
Expenditures							
Personnel Services	\$ 185,057	\$ 403,965	\$ 503,900	\$ 516,544	\$ 277,100	\$ 294,300	\$ 571,400
Materials and services	213,688	529,714	601,700	608,344	328,200	333,900	662,100
Capital outlay				-			
Improvements	29,701	1,724,599	563,600	530,722	218,000	200,000	418,000
Transfers	31,200	113,800	139,200	138,700	95,400	102,200	197,600
<b>Total expenditures</b>	<b>\$ 459,647</b>	<b>\$ 2,772,079</b>	<b>\$ 1,808,400</b>	<b>\$ 1,794,310</b>	<b>\$ 918,700</b>	<b>\$ 930,400</b>	<b>\$ 1,849,100</b>
<b>Budgeted positions (FTEs Course)</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

## Resources



## Requirements





# Wastewater Disposal

## Executive Summary

In 1988, the City of Prineville faced fines of up to \$25,000 per day if it did not find a way to dispose of the wastewater being discarded into the Crooked River at the time. Since the City did not possess the capital to construct an expensive mechanical treatment facility, the United States Environmental Protection Agency suggested spraying the wastewater over a 400-acre alfalfa field. The mayor, city manager and city council took that idea, modified it, and decided to build a golf course to aid in the disposal of the wastewater. The water is now disposed of through irrigation and the nine evaporation ponds that conveniently double as water hazards for local golfers.

In the upcoming biennium, Meadow Lakes will continue to strategically improve the condition of the golf course and upgrade aging equipment throughout the facility using the allocated resources. Projects that extend the life of the course and reduce maintenance/operating costs are the primary focus.

## Wastewater Disposal Budget

Expenditures	BN		Current Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
	Actual 2018-2019	Actual 2019-2021					
Personnel Services	\$ 317,146	\$ 682,404	\$ 817,300	\$ 830,801	\$ 546,100	\$ 578,900	\$ 1,125,000
Materials and services	109,612	229,693	311,400	287,924	196,550	190,550	387,100
Transfers	33,300	73,700	101,300	101,300	70,400	80,400	150,800
<b>Total expenditures</b>	<b>\$ 460,057</b>	<b>\$ 985,797</b>	<b>\$ 1,230,000</b>	<b>\$ 1,220,025</b>	<b>\$ 813,050</b>	<b>\$ 849,850</b>	<b>\$ 1,662,900</b>
<b>Budgeted positions (FTEs Course)</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>

## Requirements

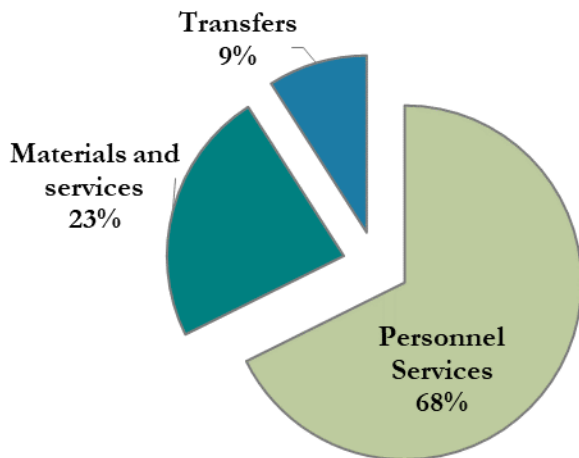


Photo: Corinne Phinney, Assistant Golf Pro

# Golf Course Restaurant

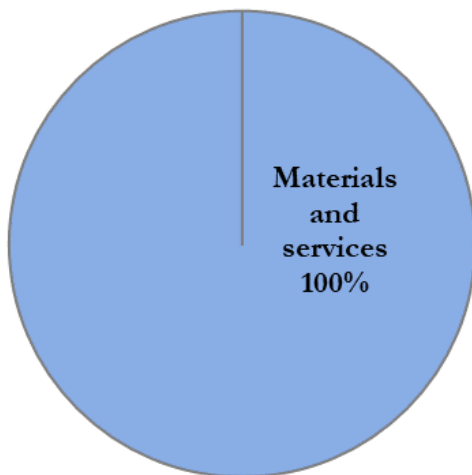
## Executive Summary

In February 2019, the Meadow Lakes Restaurant was leased out to Ron's Comfort Food Café in an effort to lower overhead costs and make the restaurant operation more profitable. Ron's Comfort Food Café is carrying on the tradition of being Central Oregon's best golf restaurant. The delicious food, coupled with a great atmosphere and spectacular views of the golf course and Crooked River, makes Meadow Lakes one of Prineville's premiere dining destinations. The facility features a large 2,500-square-foot banquet room and full-service bar perfect for hosting parties, weddings, auctions, fundraisers and all other types of events.

## Restaurant Operations Budget

Expenditures	BN		Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
	Actual 2018-2019	Actual 2019-2021					
Personal services	\$ 169,181		\$ -	\$ -	\$ -	\$ -	\$ -
Materials and services	156,383	51,094	66,200	54,687	33,200	34,900	68,100
Transfers	28,933	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 354,498</b>	<b>\$ 51,094</b>	<b>\$ 66,200</b>	<b>\$ 54,687</b>	<b>\$ 33,200</b>	<b>\$ 34,900</b>	<b>\$ 68,100</b>
<b>Budgeted positions (FTEs Course)</b>	<b>2.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Requirements

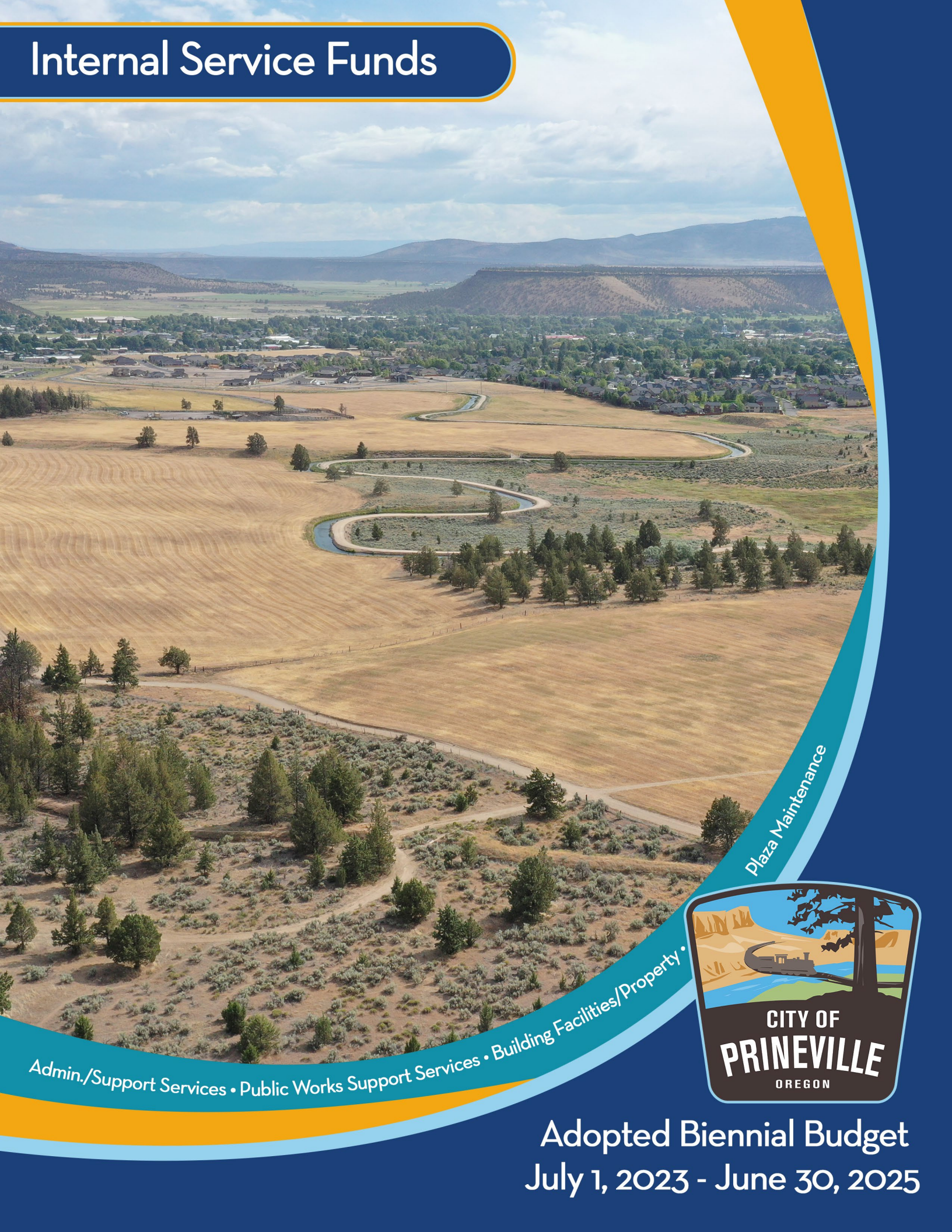


*Setup for a May 2019 Prineville Police Department banquet at Meadow Lakes*



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025

# Internal Service Funds



Plaza Maintenance

Admin./Support Services • Public Works Support Services • Building Facilities/Property •



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



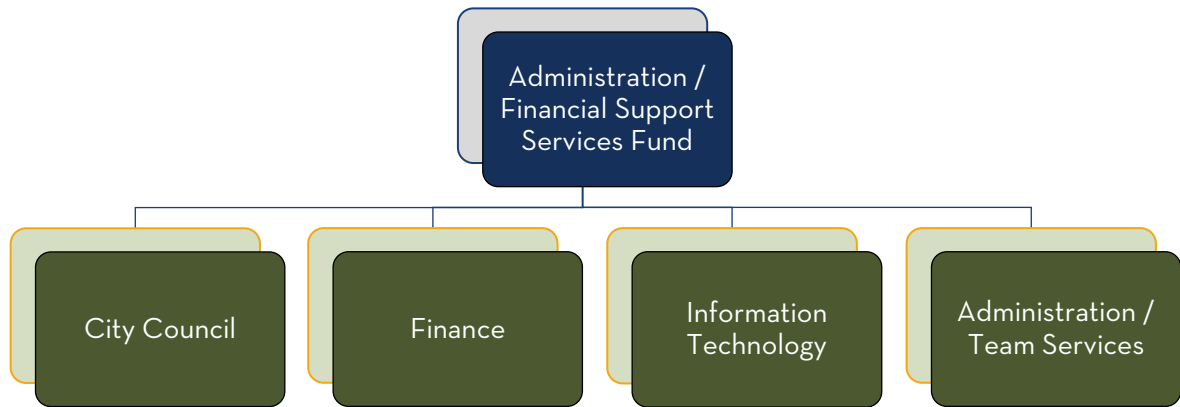
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# Administration / Financial Support Services Fund

## Organization of Fund

### Administration / Financial Support Services Fund

The organization of the Administration / Financial Support Service Fund is split between four departments; City Council, Finance, Information Technology and Administration / Human Resources.



*Photo: Jason Chaney/ Central Oregonian*

## Responsibilities to the Community

The purpose of the Administration / Financial Support Services Fund is to account for the centralized activities of the Prineville City Council and administrative services. This internal service fund accounts for the staff and council volunteers which keep the community in mind with every decision. The services provided are recovered through charges for services to other funds.



*Council and staff tour a project site in September 2018*

## Administration / Financial Support Services Budget

Resources	Actual	BN	Current Budget	Estimated Total Actual	Adopted	BN 2025	Adopted
	2018-2019	Actual 2019-2021			2022-2023	2022-2023	Budget 2023-2024
Beginning fund balance	\$ 481,714	\$ 281,653	\$ 642,949	\$ 693,898	\$ 639,699	\$ 617,199	\$ 639,699
Current year resources							
Charges for services	\$ 2,683,907	\$ 757,562	\$ 6,095,600	\$ 6,475,829	\$ 3,644,900	\$ 3,693,500	\$ 7,338,400
Intergovernmental		257,975	100,000	230,601	-	-	-
Interest	12,594	8,574	5,000	20,688	10,000	10,000	20,000
Trans from other funds		5,561,121	-	29,435	-	-	-
Total current year resources	\$ 2,696,501	\$ 6,585,232	\$ 6,200,600	\$ 6,756,553	\$ 3,654,900	\$ 3,703,500	\$ 7,358,400
Total resources	\$ 3,178,215	\$ 6,866,885	\$ 6,843,549	\$ 7,450,451	\$ 4,294,599	\$ 4,320,699	\$ 7,998,099
Expenditures							
City Council	\$ 76,865	\$ 167,871	\$ 185,300	\$ 174,868	\$ 96,000	\$ 97,200	\$ 193,200
Administration/team services	801,654	1,755,565	1,893,000	1,888,939	1,057,700	1,040,900	2,098,600
Financial services	1,088,093	1,812,380	2,166,300	2,145,457	1,147,500	1,204,600	2,352,100
Information technology	929,950	2,437,172	2,593,900	2,601,488	1,376,200	1,438,200	2,814,400
Contingency			5,049		617,199	539,799	539,799
Total expenditures	\$ 2,896,562	\$ 6,172,987	\$ 6,843,549	\$ 6,810,752	\$ 4,294,599	\$ 4,320,699	\$ 7,998,099
Ending fund balance	\$ 281,653	\$ 693,898	\$ -	\$ 639,699	\$ -	\$ -	\$ -
<b>Budgeted positions (FTEs)</b>	<b>11.00</b>	<b>13.00</b>	<b>14.63</b>			<b>14.63</b>	
<b>Policy 15% of Operating Budget</b>						<b>536,235</b>	



# City Council

## Mission Statement

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.

P	Progressive
R	Resilience
I	Innovative
N	Neighorly
E	Efficient
V	Visionary
I	Integrity
L	Livability
L	Leaders
E	Environment

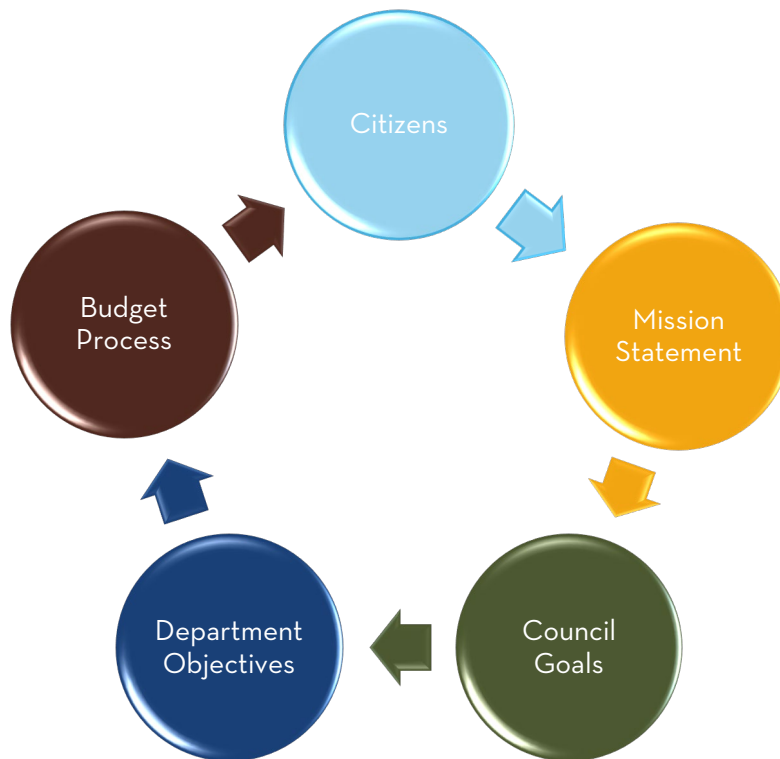




Council Goals		Council Goals
A	Community safety	
B	Position the City for the future	
C	Fiscal responsibility	
D	Provide quality municipal services and programs	
G	Transparency and effective communication	

### Prineville City Council's Goals

The City continues to further review and develop the Prineville City Council's goals and align them with department goals to make sure they are effective and tie together as illustrated below. Focus begins with citizens, aligning the mission statement to council goals, which leads to the individual department's objectives and guides the budget. It is a never-ending cycle where each component is constantly aligned to the others



## Prineville's Council

The City of Prineville uses a council/manager form of government where the council is the policy making board. The council is composed of a mayor and six councilors elected from the city at-large. Three councilors are elected at each biennial election, and serve a term of four years. At each biennial general election, a mayor is elected for a term of two years and terms start on January 1<sup>st</sup>.

### Mayor Jason Beebe



Jason Beebe was born in Prineville in 1973. He has lived in Prineville his entire life, adding to his family roots that date back to the birth of his adopted grandmother Grace Higgins in 1889. Jason graduated from Crook County High School in 1991. Six years ago, Jason switched to the growing tech industry, where previously he worked in the local tire industry. Jason competed in baseball and wrestling during school, as well as motocross and jiu-jitsu mixed martial arts after school. Jason is now involved in local Little League baseball.

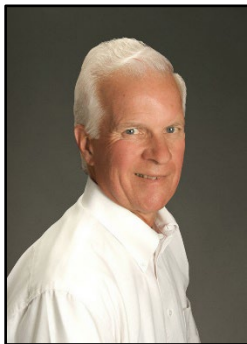
In 2003, Jason enlisted in the Army National Guard. He just recently received an Honorable Discharge after serving 12 years. During his military service, he spent 10 months overseas in Iraq in 2009-2010, based at the Victory Base Complex in Baghdad. When he returned home from Iraq, Jason had a desire to serve his community – which brought him to his current position on the city council and involvement in various committees. Jason is currently pursuing the possibility of a sports complex in Prineville and a way to help promote Prineville's tourism and family friendly atmosphere.

"I love Prineville and this community and just want to give back and leave something for my children to enjoy," says Jason.

Jason is married with five children.

Term Expires: December 31, 2024

### Council President Steve Uffelman



Steve Uffelman obtained a bachelor's degree in pharmacy from Oregon State University in 1969. In 1982, he moved to Prineville where he worked as a pharmacist at Pioneer Memorial Hospital for 27 years. Steve retired from being a pharmacist in 2009 and went into real estate.

Steve was appointed to the Prineville City Council in 1985, serving four terms as mayor. Steve also served on the board of directors for the Oregon Mayors Association, multiple terms on the city council and is currently council president. Additionally, Steve has served on several boards and regional commissions, including the Alaska Pharmaceutical Association, while he lived in Alaska, and the Crook County Parks & Recreation Budget Committee.

Steve is an ordained minister with the Episcopal Church. When there is time for recreation, Steve and his wife Jan enjoy traveling, golf, fishing and hunting with family.

Term Expires: December 31, 2024

## Councilor Janet Hutchison



Janet moved with her parents to Prineville in 1962 from Dubuque, Iowa and has lived in Prineville ever since. She graduated from Crook County High School in 1970. After a few years, Janet decided college was important and graduated from Central Oregon Community College in 1986 with a degree in accounting.

Janet's work career began with Coin Millwork for approximately seven years, then City of Prineville for approximately two years and finally the federal government in both the United States Forest Service (USFS) and Bureau of Land Management (BLM) for nearly 30 years.

Janet began her BLM career as a clerk/typist and finished as a lead for rights-of-way, renewable energy for realty and communications site with the Oregon state office in Portland, Oregon. The position was remotely located in Prineville. In that position, Janet was the expert in the aforementioned disciplines and advised the public and nine districts with Oregon and Washington. Janet was also an equal opportunity counselor for approximately 18 years.

Janet has been retired for four years and enjoys traveling, camping, bike riding, walking and spending time with her family. She has been married to her husband Forrest for 42 years with two daughters, four grandchildren and one great granddaughter.

"I look forward to serving on the City Council and giving back to the community."

Term Expires: December 31, 2026

## Councilor Shane Howard



Shane was born in Redmond, Oregon and raised in Prineville where his family goes back several generations. Shane graduated from Crook County High School in 2004 where he was on the wrestling and golf teams. Later Shane coached the Crook County Middle School Wrestling team for approximately nine years.

In his spare time, he enjoys fishing and golfing.

Before getting his real estate license in 2017, Shane was an arborist keeping utility lines clear.

Shane has two children, son Trenton (5) and step-daughter Kaegan (15).

Shane decided to run for Council in the November 2022 election to be involved and give back to his community.

Term Expires: December 31, 2026

## Councilor Raymond Law



Ray Law was raised in Prineville and graduated from Crook County High School in 1993. During his high school days, Ray played football, basketball, baseball and spent his summers coaching hundreds of local kids through Parks and Recreation baseball and Senior Little League.

Ray joined the Army in 1995 and spent the next 20 years serving his country in several roles to include detachment sergeant, responsible for security of the Commanding General of United States Forces - Iraq, program manager for the Army's Comprehensive Soldier and Family Fitness Program, and also first sergeant for a forward support company. During Ray's military career he served all over the world including Germany, Kuwait, Iraq, Bosnia, Japan, Korea, Hawaii and multiple locations in the continental United States.

After Ray's retirement in 2015, he moved back home to Prineville where he has worked for the Central Oregon Intergovernmental Council, USFS and served as a site coordinator at the Facebook Prineville Data Center. Ray married his wife Errin Law in 2019 and they are currently small business owners with children: Kevin, Ryley and Paisley. When asked why he ran for city council Ray said, "I feel indebted to the community that has played such a large role in my personal and professional success and this is a good way to give back and continue to serve".

Term Expires: December 31, 2024

## Councilor Gail Merritt



Gail Merritt was born and raised in Portland, Oregon. She graduated from Beaverton High School before attending Oregon State University where she met her future husband, Greg Merritt, an agricultural student from Prineville. Gail moved to Crook County in 1969.

Gail was the bookkeeper and co-owner of several farm operations before retiring from farming and moving into the city limits in 2005. For 30 years, Gail was an instructor at High Desert Dance Arts.

Gail was appointed to the Prineville City Council in 2011. In addition, she serves on the board for the Crook County Foundation as scholarship chair and is on the Picnic in the Park Committee. Gail also serves as chairperson for the Crook County Fair Board. She enjoys volunteering at Barnes Butte Elementary School and participating in her grandchildren's activities.

Gail has three daughters, Marilee, Becky and Jennifer, and seven grandchildren

Term Expires: December 31, 2024

## Councilor Scott Smith



Scott was born and raised in Prineville. His family were pioneers to the county with both his paternal Grandmother and aunt being Pioneer Queens.

Scott graduated from Crook County High School in 1984 and immediately followed in his father's footsteps into the excavation field. He worked building logging roads for a local construction business until 1987, when he had the opportunity to go to work for the City of Prineville Public Works Department. Scott worked 34 years for the City's street department, the last 20 years of which he served as the street superintendent. Scott retired from the City at the end of 2021. Shortly before his retirement, he was awarded Pavement Manager of the Year from the Northwest Pavement Management Association.

Scott is married to Ronda and has thoroughly enjoyed the two grandkids Ronda brought to the marriage. Scott enjoys sports, camping and watching the grandkids participate in sports and activities. Probably his biggest passion is working. Since his retirement, he has continued to work off and on driving truck or doing a job for a friend with the family backhoe.

In running for Prineville City Council and being elected, Scott has no hidden agenda. Scott is proud of the work he did while a City employee and hopes his position on the Council will allow him to see some of the unfinished projects to be completed and allow other city employees to grow and achieve the satisfaction that his career provided. Scott says his time on the Council will be his opportunity to give back to the community that gave so much to him.

Term Expires: December 31, 2026

## Responsibilities to the Community

Seven elected volunteer positions make up the Prineville City Council; one mayor and six councilors. As an elected official, members represent the constituents that voted council members into office. Council members act as the ears and voice of the voters to see that the needs of Prineville's citizens both short- and long-term are considered along with a comprehensive pathway forward.

The materials and services budget include training dollars, membership fees, specific support for council-approved contributions and discretionary spending.

## Executive Summary

The City Council and staff serve on several state, regional and local committees and boards, with a partial participating list outlined below. Descriptions in parenthesis indicate who facilitates the committee or the many partners and stakeholders in participation. The various committees meet from monthly to quarterly, or more frequently as needed.

- Central Oregon Area Commission on Transportation (State-Region)
- Central Oregon Cities Organization (Regional)
- Chamber of Commerce Board (Community)
- Community Renewable Energy Association (Regional)
- Crooked River Watershed (Environmental)
- Crook County Foundation (Community)
- Deschutes River Conservancy (Environmental)
- Prineville Downtown Association (City) – formerly Downtown Strategic Planning Committee
- Economic Development of Central Oregon (EDCO) (Regional)
- Finance Committee (City)
- Habitat Conservation Plan – Fish Reintroduction (Regional, state, federal & many additional stakeholders)
- Ironhorse / Barnes Butte Development Committee (City)
- League of Oregon Cities General Governance and Transportation Committee (State)
- Local Intergovernmental Committee (City, county, schools, parks and recreation, chamber of commerce, healthcare services, public safety, EDCO, airport and more)
- Prineville Air Quality Committee (City)
- Public Safety Funding Committee (City)
- Public Works Committee (City)
- Railroad Advisory Committee (City)

The City Council is often invited to attend events, fundraisers and organization interests throughout the community and region.

The City Council and Budget Committee also decide to make contributions to other efforts throughout the community. Some of those would include contributing towards the annual fireworks display; the Prineville Senior Center; various afterschool kids programs; the annual downtown cattle drive during the Crooked River Roundup; and many more. Often these other efforts are first reviewed by a Council member to decide whether or not to sponsor before consideration and approval from Council.

### Council Policies

A Governance Policy Committee was formed to review council policies that serve for current and future council members. The newly formed committee – consisting of three councilors and city staff – looks at the existing policies, compares them to other existing internal policies and makes recommendations to the full council for consideration. The council policies, Prineville City Charter and City of Prineville Code outline council authority, roles, responsibilities and expectations. These policies are to ensure an efficient, cohesive and effective process for the Prineville City Council as members make decisions for today and the future.

### Council Priorities Strategy

Over the last decade, billions of dollars’ worth of business development has occurred. This development was incentivized with a state incentive program known as the Long-Term Rural Enterprise Zone (LTREZ). This is a program that exempts the development made on land from property tax.

Council decided that it was time to start preparing for this and to develop some priority strategies to use or invest these funds by looking at infrastructure, financial investments, amenities, social services and resiliency.

The priorities strategy process is facilitated with a consultant to help Council identify what its top priorities are. The priorities that will be identified, will be compared to the adopted council goals to make sure they are in alignment. Another phase of this process is to conduct a city survey of what constituents envision for the future of the city. The priorities the Council identify will also be included in the survey to make sure they are in alignment with Prineville’s citizens. Cost of this process is included in this biennial budget.



*Crooked River Round Up Cattle Drive in June of 2023.  
Photo: Kelsey Rickart of Rickart Photography*

### City Council Budget

	Actual		Adopted BN Budget		BN 2025		
	2018-2019	BN Actual 2019-2021	2022-2023	Estimated Total Actual 2022-2023	Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Expenditures							
Materials and services	\$ 33,865	\$ 77,871	\$ 92,600	\$ 82,168	\$ 47,800	\$ 47,800	\$ 95,600
Transfers	43,000	90,000	92,700	92,700	48,200	49,400	97,600
<b>Total expenditures</b>	<b>\$ 76,865</b>	<b>\$ 167,871</b>	<b>\$ 185,300</b>	<b>\$ 174,868</b>	<b>\$ 96,000</b>	<b>\$ 97,200</b>	<b>\$ 193,200</b>



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# Finance

## Mission Statement

The mission of the [City of Prineville finance team](#) is to provide the citizens of the City, its council and all employees, with accurate, timely data, maximize returns on investments, and minimize loss risk. The department strives to achieve its mission in a professional and friendly manner that reflects the integrity of the overall mission of the City.

### BN 23 Accomplishments





- ❖ Awarded the Certificate of Achievement for Excellence in Financial Reporting from the GFOA with the submission of the City's comprehensive annual financial report
- ❖ Finance team completed trainings including: payroll, accounts receivable and finance officer certifications
- ❖ Implement capital asset tracking software
- ❖ Made improvements to department processes, communications and internal controls
- ❖ Received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA)
- ❖ Reached full staffing levels for the department

### Initiatives for BN 25

- ❖ Maintain development and update long-range financial plans for all funds
- ❖ Meet all reserve policy requirements
- ❖ Receive a clean audit from the auditors
- ❖ Earn the capital and performance measure special recognitions with the Distinguished Budget Presentation Award from the GFOA





Department Goals		Council Goals
A	Maintain the fiscal health and sustainability of the City of Prineville	
B	Invest in employees through continued education, cross training for department versatility, and other development opportunities as available	
C	Obtain GFOA budget and COA awards, with an eye on special awards, while continuously improving the documents to meet changing needs and priorities	
D	Be responsive to the needs of the City and its constituents by providing great levels of service to all customers, external citizens and internal partners	

## Responsibilities to the Community

The Finance Department serves many different types of customers, internally and externally. It is the central hub for all financial activities within the City’s departments. It provides the City’s financial accounting and reporting, auditing, budget preparation, long-range planning, cash and investment management, payroll, billings and collection, disbursement processing, risk management oversight, grant coordination, and City Hall reception.

## Executive Summary

City-wide growth has led to an increase in workload for the Finance Department, which includes work generated by the continued increase in utility customers, the number of projects the City departments are currently engaged in, increases in grant monitoring, and keeping pace with evolving guidance associated with the American Rescue Plan Act. Over the past two years, the Finance Department fully implemented an asset management program, implemented GASB 87 and 96, updated the internal control manual, and continued staff development through outside trainings.

Over the next two fiscal years, the Finance Department plans to look forward and stay mindful of potential economic issues. There will continue to be a concentration on cross training and employee development. Currently, one of the hot topics in government finance is employee retainage and succession planning. The Finance Department is looking to stay ahead of the issue through continued employee development. As operations continue to grow and the demand on the Finance Department increases, the finance team will adapt to the changing environment.

## Strategic Planning Updates

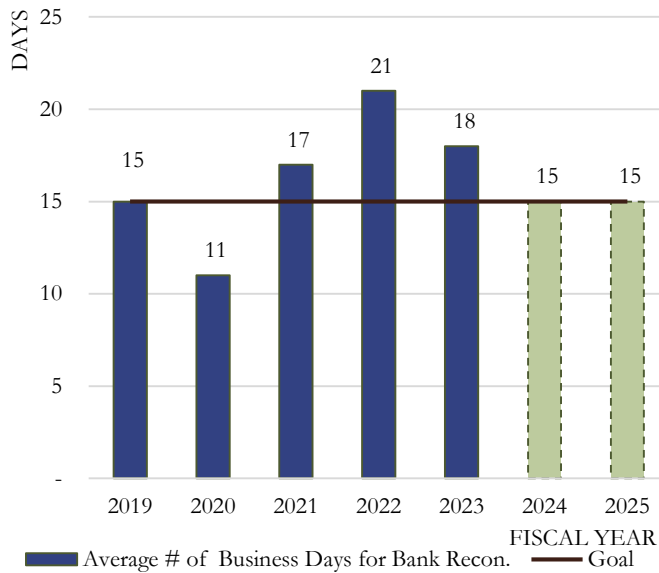
- Short-term – Maintain employee training and cross training goals. Revise policies and processes for monitoring biennial budgets.
- Long-term – Maintain the confidence of the community, council, partners and staff by continually identifying, developing and advancing fiscal strategies, policies, and practices for public benefit, and improving communication and transparency of these actions through the department’s financial documents and reporting.

### Did You Know?

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.

## Performance Measures

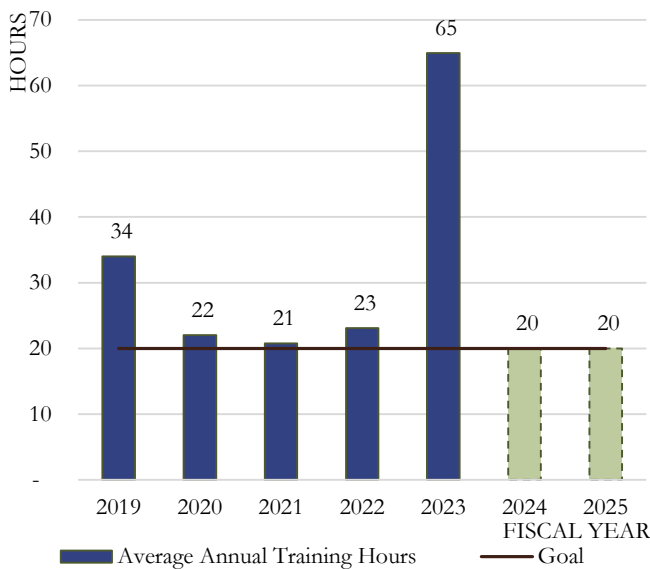
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Target	FY 2025 Target
Workload	Input	Number of Online Payments	+5% Increase	14,958	16,945	18,644	21,441	24,657
	Input	Number of Credit Card Phone Payments	-5% Decrease	4,778	4,818	4,200	3,990	3,791
	Output	Annual Accounts Payable Checks/ACH Drafts	+5% Increase	5,029	5,180	5,542	5,708	5,880
	Output	Utility Accounts Opened/Closed	N/A	953	911	906	900	900
A	Efficiency	Average Number of Business Days to Complete All Bank Account Reconciliations	15	17	21	18	15	15
B	Efficiency	Average Annual Training Hours per Employee	20	21	23	65	20	20
C	Effectiveness	Consecutive Years Earning GFOA Distinguished Budget Presentation Award	Previous Year +1	16	17	18	19	20
C	Effectiveness	Consecutive Years Earning GFOA Certificate of Achievement for Excellence in Financial Reporting	Previous Year +1	5	6	7	8	9



### Average Number of Business Days to Complete All Bank Account Reconciliations

Timely completion of the bank reconciliations is important in order to help ensure the accuracy of the City's financial records and catch potential fraudulent transactions.

Towards the end of FY 22, the Finance Department was short staffed, putting pressure on the department and leading to increased task turnover times.



### Annual Average Training Hours per Employee

The world of government finance is constantly evolving. In order to keep up with the changes, it is important to keep staff up to date in their trainings. Encouraging new trainings and cross training helps keep employees engaged and promotes a team-oriented environment.

Towards the end of FY 22, the Finance Department experienced some turnover, which ramped up the need for training.

# Finance Budget

Expenditures	Actual	BN	Adopted BN	Estimated	Adopted	BN 2025	Adopted
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Budget 2023-2024	Adopted Budget 2024-2025	Total Budget 2024-2025
Personnel Services	\$ 635,193	\$ 1,323,067	\$ 1,532,600	\$ 1,532,595	\$ 813,000	\$ 863,600	\$ 1,676,600
Materials and services	215,800	411,712	553,800	532,962	289,500	292,600	582,100
Transfers	237,100	77,600	79,900	79,900	45,000	48,400	93,400
<b>Total expenditures</b>	<b>\$ 1,088,093</b>	<b>\$ 1,812,380</b>	<b>\$ 2,166,300</b>	<b>\$ 2,145,457</b>	<b>\$ 1,147,500</b>	<b>\$ 1,204,600</b>	<b>\$ 2,352,100</b>
<b>Budgeted positions (FTEs)</b>		<b>6.00</b>	<b>7.00</b>				<b>7.00</b>



*City of Prineville finance team on April 18, 2023*

# Information Technology

## Mission Statement

The mission of the Information Technology Department (IT) is to provide cost-effective technology services – both internally and externally – which meet the needs of a diverse user group while enabling dissemination of information to the general public through the use of varied, present-day technology.

### BN 23 Accomplishments

- ❖ Expanded dark fiber network to additional sites and add redundancy
- ❖ Migrated virtual services to a new hyper converged solution
- ❖ Replaced end-of-life end user equipment
- ❖ Upgraded the 911 center’s 24-hour recording equipment

### Initiatives for BN 25

- ❖ Complete transition to digital radio system
- ❖ Expand fiber optic connectivity to additional city facilities
- ❖ Upgrade 911 center’s 911 telephone system
- ❖ Upgrade end of life hardware
- ❖ Prepare for 911 network extension to new Crook County Courthouse and Crook County Sheriff’s Office relocation



A Provide and support stable technology platform for City operations



## Responsibilities to the Community

As an internal department, the City of Prineville IT Department primarily provides support to other, public facing City departments such as 911 dispatch, police, public works, airport, golf and railway. The services provided by the IT Department allow these departments to provide timely, accurate services to the public. Additionally, the IT Department manages the City’s web presence – including several public facing websites, social media accounts and live streaming infrastructure – administrative telephone system, video conferencing solutions, 911 phone system and text-to-911, public meeting audio archive and online payments website.

## Executive Summary



*IT Operations Lead Arron Tavernia working on several computer updates*

The IT Department provides cost effective technology services to the City of Prineville. The City’s infrastructure has been virtualized, allowing for redundancy, resiliency and continuity of operations, ensuring that the technology platform that supports City business is reliable into the future. This infrastructure will be migrated to a new hyper converged platform in BN 25. This will bring the City’s systems to the forefront of on-premise cloud and allow for future incremental growth.

The department upgrades software and hardware, manages maintenance of computers and communications devices, installs electronic equipment in vehicles, manages the City’s computer network and websites, and manages the Crook County 911 fixed radio site infrastructure. IT also provides support services to other functional departments and city staff so they can perform their daily responsibilities as well as additional projects.

The City IT Department also supports the public safety network throughout Crook County and provides IT services to the Police Department, Crook County Sheriff’s Office, Crook County

parole and probation, the Crook County Jail and Crook County Fire and Rescue. The IT Department also manages mobile data and communications systems across all public safety vehicle fleets, including public works. The department keeps all forms of communication within the City running efficiently, assists in grant writing and meetings and much more. The IT Department continuously provides excellent support with a can-do attitude and keeps the City of Prineville on the cutting edge of technology.



IT Department installing a link at the Barnes Butte Recreation Area

## Strategic Planning Updates

- Short-term – The department is transitioning to hyper converged infrastructure to allow for better resiliency of systems and leverage cloud technologies where feasible. The department will continue to expand its dark fiber network, connecting additional facilities and installing redundancy where possible.
- Long-term – The IT Department follows a long-range strategy to keep technology platforms current. Established budget resources allow for lifecycle hardware replacement of all IT managed assets. Workstations are replaced on a five-year life cycle, handheld devices on a three-year lifecycle and server hardware on a five- to seven-year cycle. The City maintains software support subscriptions to all production software allowing those platforms to stay up-to-date and ensure timely patches to vulnerabilities.

The City of Prineville IT Department also supports the Crook County Sheriff's Department, Crook County Parole and Probation, and Crook County Fire and Rescue.

## Capital Outlay

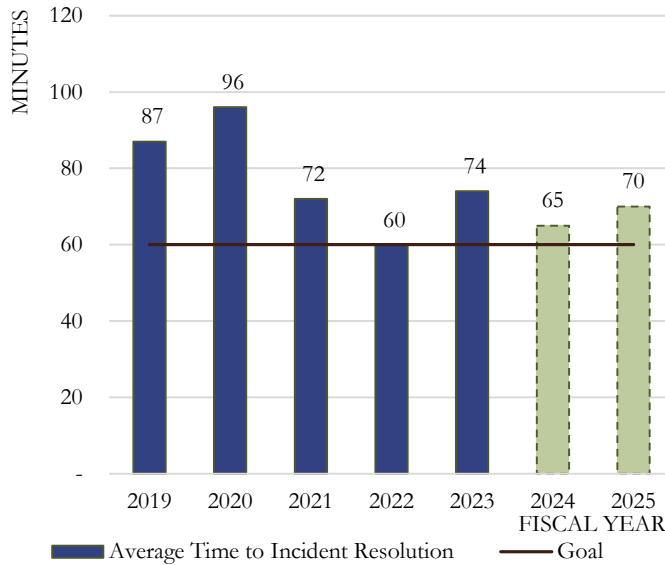
Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Technology	\$ 35,000	\$ 40,000
<b>Capital Outlay Total</b>	<b>\$ 35,000</b>	<b>\$ 40,000</b>

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.

## Performance Measures

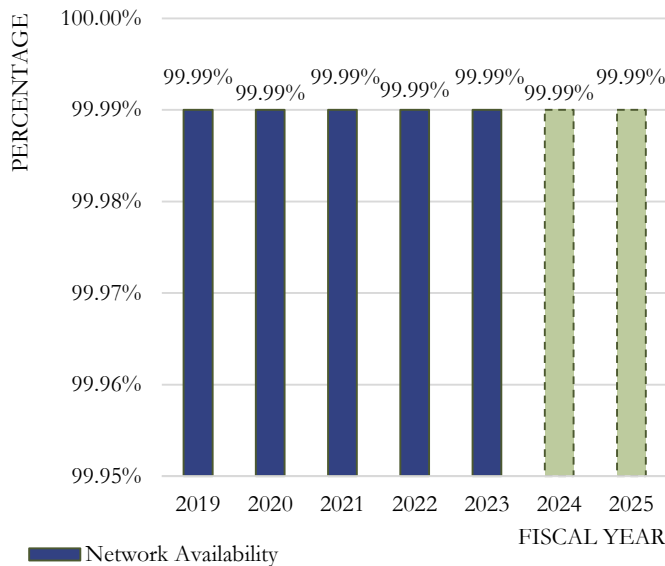
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Target	FY 2025 Target
Workloads	Output	Network Availability Percentage	N/A	99.99%	99.99%	99.99%	99.99%	99.99%
	Input	Production Incidents	N/A	6	3	5	4	4
A	Efficiency	FTE Supported per IT Staff Member*	30	56.3	57.3	48.2	50.0	50.0
A	Efficiency	Average Time to Incident Resolution in Minutes	< 60	72	60	74	65	70

\*City IT services are provided to all countywide public safety agencies through intergovernmental agreement with the City's 911 center



### Average Time to Incident Resolution

Average time to resolution measures the time, on average, that a support issue takes to resolve, from the time it is reported to the IT Department, until the issue is cleared. This average is generally a blend of two types of incidents, those that are addressed immediately and those that are addressed the next business day. Issues are prioritized and addressed by severity. This metric measures all support incidents, including those of high (immediate) and low (next business day) items. It includes all support incidents, including routine items like user account creation, off boarding of employees and scheduled maintenance. It does not include tickets created for project work or new installations.



### Network Availability

Network availability is a metric used to track uptime and availability of resources located on the enterprise network. As the City added levels of redundancy and fault tolerance, the metric has remained consistently high.

## Information Technology Budget

Expenditures	Actual	BN	Adopted BN	Estimated	Adopted	BN 2025	Adopted
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Budget 2023-2024	Adopted Budget 2024-2025	Total Budget 2024-2025
Personnel Services	\$ 248,988	\$ 744,079	\$ 961,500	\$ 1,043,719	\$ 579,700	\$ 615,400	\$ 1,195,100
Materials and services	609,985	1,545,723	1,480,500	1,409,279	725,000	758,300	1,483,300
Capital outlay							
Equipment	56,277	87,622	70,000	66,616	35,000	40,000	75,000
Debt service							
Capital lease		28,848	50,000	49,974	14,500	-	14,500
Transfers	14,700	30,900	31,900	31,900	22,000	24,500	46,500
<b>Total expenditures</b>	<b>\$ 929,950</b>	<b>\$ 2,437,172</b>	<b>\$ 2,593,900</b>	<b>\$ 2,601,488</b>	<b>\$ 1,376,200</b>	<b>\$ 1,438,200</b>	<b>\$ 2,814,400</b>
<b>Budgeted positions (FTEs)</b>		<b>3.00</b>		<b>4.63</b>			<b>4.63</b>



*IT Specialist Daniel Ego working on an IT project*





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# Administration / Team Services

## Mission Statement

It is the mission of administration and team services departments of the City of Prineville to provide accurate, transparent information; support elected officials, the community and fellow team members; provide quality, knowledgeable personal service to both internal and external customers, cultivate respectful, collaborative relationships with other agencies, businesses and individuals; and to efficiently, purposefully and responsibly meet current and future needs of the community.







### BN 23 Accomplishments

- ❖ Established a Safety and Wellness Incentive Policy
- ❖ Completed a best practices survey
- ❖ Began development of a continuity of operations plan
- ❖ Updated a comprehensive emergency plan for all City facilities
- ❖ Completed a risk assessment plan of City infrastructure and assets
- ❖ Completed an appraisal of all City-owned property with structures that have a value of \$70,000 or greater
- ❖ Remained committed to staff training with a focus on leadership development and Diversity, Equality, and Inclusion (DEI) refreshers as needed

### Initiatives for BN 25

- ❖ Complete a five-year safety policy review and update
- ❖ Implement an electronic document management program to free up precious storage space for paper copies, increase transparency, increase information retrieval speed, and reduce the number of times a document is handled
- ❖ Implement sidewalk maintenance policy to reduce exposure to potential liability
- ❖ Review and update job hazard analysis (JHA) sheets
- ❖ Continue with development of a Continuity of Operations Plan



Department Goals		Council Goals
A	Follow the ever-changing world of employment laws and how the City will adapt policies and procedures to comply with them	
B	Assure the City's compensation and benefits structure provides a fair and competitive pay rate and benefits program	
C	Encourage continuous leadership/professional development opportunities of valued team members	
D	Hire highly qualified employees with appropriate knowledge, skills and abilities, while being vigilant about retention and succession planning	
E	Implement and strengthen programs, including the safety committee, in order to reduce exposure to liability and hazards in the field and evolving workplace city-wide	
F	Carefully monitor national, state and regional trends for insurance claims and workers' compensation claims, striving to reduce claims and costs associated with them in the process	

## Responsibilities to the Community

The city manager is responsible for the city administration including: implementation of Prineville City Council policies; long-range plans and goals; enforcement of ordinances and resolutions; supervision over department managers and employees; preparation of the budget; risk management; and general management of the City's operations.

The Human Resource Department, along with the city manager, assists department heads and employees in areas of recruitment, classification, compensation, performance evaluation, training, benefits, workers' compensation, labor/employee relations and related human resource functions. The Human Resource Department supports the City's effort to attract, develop and retain a diverse, productive workforce that is capable of providing quality services to the citizens of Prineville. The department's goal is to ensure that employees are managed fairly, are well-trained, supported and assigned job duties to accomplish the City's business objectives in a cost-effective, efficient and safe manner.

Responsibilities of the city recorder/risk manager include providing support to City administration and the Prineville City Council, implementation of policies and procedures as it relates to property, casualty and liability claims to minimize potential risks to the City, the City of Prineville Safety Committee coordinator, serves as the elections officer for City officials and candidates, coordinates council meeting agendas and supporting documents, oversees all official City documents and records management, and coordinates codification of City ordinances.

### Did You Know?

The City of Prineville's Safety Committee has a mission statement. It is:

"The City of Prineville holds in high regard the safety, welfare and health of our employees. It is our policy to provide and maintain safe working conditions and to follow operating practices that will safeguard all employees. No job will be considered so important or urgent that we cannot take time to perform or work safely, as safety is crucial to the success of the City."

## Executive Summary

Protection of the taxpayers' dollars from unnecessary spending is important. The City endeavors to earn and keep the citizens' trust by being transparent and keeping the public informed of City projects and accomplishments.

The City continues to offer employees a very competitive benefit package, including full health, life, accident, disability, Oregon Public Employees Retirement Service (PERS) retirement benefits, paid holidays, vacation, sick time and wellness programs. A variety of other programs and services are offered with the option of purchasing as a payroll deduction. These programs help fill the gap between what expenses are for these services and what insurance will pay. The City also supports staff wishing to seek a higher education by offering tailor-fit incentives.

As of July 1, 2022, state unemployment insurance rate remains the same at 0.1 percent since 2017. This rate was higher at 1.7 percent in 2013. The City's way of doing business is to keep a watchful eye on claims and every attempt is made to keep costs down. Workers' compensation premiums are expected to hold for BN 25. A strong partnership exists with the State Accident Insurance Fund (SAIF), an organization that continues to assist the City with its efforts to keep injuries low and safety standards high. SAIF has joined efforts with Citycounty Insurance Services (CIS). Since then, the City has gone from quarterly reporting and premium payments to an annual basis. This change provided additional savings by paying the premium at the beginning of each fiscal year.

The City works with team members to be safety and wellness conscious. "Safety First!" remains the City's motto. The Safety Committee is reviewing past and present functions of the committee and identifying areas in need of updating and improvement. Dedicated to bringing the City's safety culture to the next level, the Safety Committee possesses the full buy-in of management to do so. The City recently developed the Safety-Wellness Incentive Policy to encourage and expand participation in practicing safety and wellness activities.

Property, casualty and liability claim counts for the City are down significantly. Additionally, police and jail (excessive force) claims are keeping liability claims up for CIS, resulting in a significant increase for premiums again in the new biennium. This upcoming renewal period the City is expecting those increases to be passed along to cities and are budgeting appropriately.

## Strategic Planning Updates

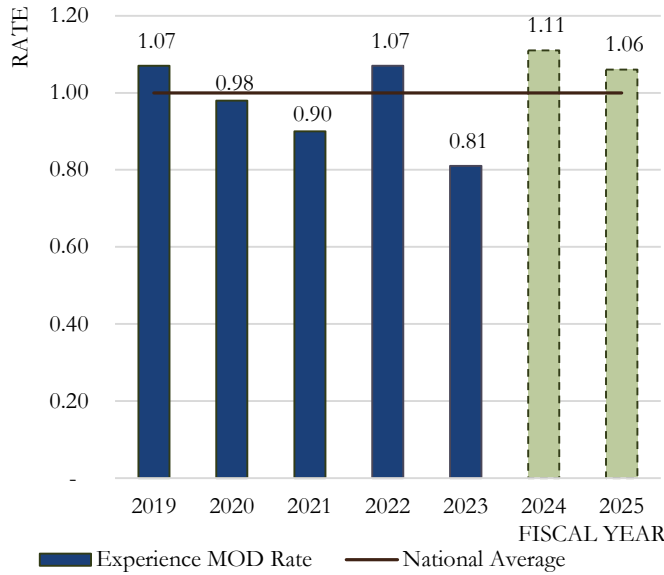
- Short-term – Remain diligent in recruiting and maintaining quality fully staffed departments during the challenges of the current national employment environment.
- Long-term – Remain proactive in identifying and evaluating potential risks to the City, its employees and its citizens, adjusting accordingly as needed.



*Members of staff participate in a supervisor training in 2022*

## Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2024 Target	FY 2025 Target
Workloads	Input	Workers' Compensation Claims	N/A	5	6	6	6	6
	Input	Property, Casualty and General Liability Claims	N/A	7	6	9	9	9
	Input	Time Loss Claims	N/A	7	2	1	1	1
	Output	Annual Safety Training Hours	N/A	816	1,296	1,317	1,400	1,400
	Output	Annual Safety Events & Newsletters	N/A	6	4	6	8	10
	Output	Requests for Public Records Processed	N/A	17	6	8	5	4
	Output	City Policies Updated	N/A	5	3	4	4	4
D	Efficiency	Candidate Applications Reviewed per Requisition	≤ Previous Year	1:13	1:14	1:18	1:25	1:25
E	Efficiency	Experience Modification Rate	< 1.0	0.90	1.07	0.81	1.11	1.06
E	Efficiency	Average Cost of Property, Casualty and General Liability Claim Per Annual Claims	-	\$ 7,143	\$ 2,561	\$ 6,667	\$ 8,615	\$ 8,615
E	Efficiency	Average Number of Time Loss Days per Claim	-	5.57	4.00	1.00	2.00	2.00
E	Efficiency	Annual Safety Training Hours per FTE	12.0	11.2	17.1	16.9	16.9	16.9
F	Efficiency	Workers' Compensation Claim Percentage per FTE	-	7%	8%	8%	7%	7%
F	Efficiency	Average Cost of Workers' Compensation Claim Per Claim	-	\$ 3,000	\$ 12,015	\$ 4,167	\$ 5,000	\$ 5,000



### Experience Modification Rate

The experience modification rate (MOD) is just one factor that affects the monthly premiums the City pays in workers' compensation. Generally, the lower the rate, the less the City will pay. In the biennium, the MOD rate is expected to rise above the national average of 1.0 to 1.11 in FY 24. A major factor contributing to the rise is the number of claims received overall in the last four years. During the next two years, claims are expected to fractionally increase, with an eye kept on decreasing them back to low levels last seen in 2016. While it is unlikely the rate will ever be zero, the City strives to keep the rate below 1.0 through safety workplace education.



### Annual Average Property, Casualty and General Liability Claim

The City's average annual cost per claim and number of claims have continued to drop significantly from 12 claims in 2020 to 6 in 2022. Nationwide claim amounts are expected to rise, driven by an increase in filings related to public safety matters, significant increase in materials cost and availability of materials. In turn, this influences the types of claims estimated. Though the City was fortunate to record two consecutive years of low claim numbers in 2021 through 2023, the average over the last six years is nine, factoring the higher than expected claims and costs incurred in 2019 and 2020 and going from a 10-year average to a 6-year average.

## Administration / Team Services Budget

Expenditures	BN		Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Personnel Services	\$ 476,000	\$ 1,022,215	\$ 1,110,500	\$ 1,150,867	\$ 663,300	\$ 642,500	\$ 1,305,800
Materials and services	290,254	659,250	706,200	661,772	353,200	354,700	707,900
Transfers	35,400	74,100	76,300	76,300	41,200	43,700	84,900
<b>Total expenditures</b>	<b>\$ 801,654</b>	<b>\$ 1,755,565</b>	<b>\$ 1,893,000</b>	<b>\$ 1,888,939</b>	<b>\$ 1,057,700</b>	<b>\$ 1,040,900</b>	<b>\$ 2,098,600</b>
<b>Budgeted positions (FTEs)</b>	<b>4.00</b>		<b>3.00</b>		<b>3.00</b>		



*City Manager Steve Forrester giving a speech during the Warpaint dedication ceremony in June 2021*



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# Public Works Support Services Fund

## Mission Statement

The mission of the Public Works Department is to provide the highest quality public works services to the public and support other City departments, balanced through efforts to maintain a cost-effective operation and to provide these services in a responsible and efficient manner.

### BN 23 Accomplishments





- ❖ Obtained Certified Erosion and Sediment Control Lead (CESCL) certifications for four of the public works team members increasing the City's level of expertise and inspection ability
- ❖ Increased water and wastewater certifications of existing employees, utilizing opportunities presented to public works staff to attend continuing education courses associated with preparation for certification exams
- ❖ Updated the City water and wastewater rate structure including the adoption of a tiered rate structure to more equitably allocate the costs of maintaining and improving the City water and wastewater systems
- ❖ Led the design and construction of large capital projects in the system development charge (SDC) funds while managing the utility departments

### Initiatives for BN 25

- ❖ Support the SDC funds in the development and construction of large, capacity increasing projects
- ❖ Support the utility departments and other departments within the City of Prineville
- ❖ Identify and develop funding sources for large capital infrastructure improvement projects





Department Goals		Council Goals
A	Support projects in the system development charge funds	
B	Provide technical support to the Water Fund by developing a long-term water right management plan	
C	Provide technical support to the Transportation Operations Fund via the development of future pavement maintenance activities as well as traffic management plans	
D	Manage all city infrastructures in a proactive manner, with consistent delivery and professional oversight of the fund, thereby extending their useful life at the lowest cost possible	

### Responsibilities to the Community

The objective of the Public Works Support Services Fund is to provide technical and administrative services in support of the City of Prineville’s Water, Wastewater and Transportation Operations Funds. It is the duty of the department to ensure orderly growth of the City’s infrastructure. A goal of the department is to manage all City infrastructures in a proactive manner, with consistent delivery and professional oversight of the fund, thereby extending their useful life at the lowest cost possible.

The Public Works Support Services Fund is an internal service fund supporting and accounting for the infrastructure-related activities and fleet maintenance operations. All costs associated with these activities are accounted for within this fund and costs are recovered through charges to funds receiving the services.



*PW employees working at the wastewater treatment plant in 2023*

## Executive Summary

The Public Works Support Services Fund provides technical and administrative services in support of the City of Prineville’s Water, Wastewater and Transportation Operations Funds. As part of this support, vehicle and equipment management, as well as facilities maintenance, are managed under this fund. Revenues for this fund consist of financial transfers from the Water, Wastewater and Transportation Operations Funds to support the actions and services rendered.

## Strategic Planning Updates

- Short-term – In the short-term, the goal is to support the SDC funds in the construction of large capital projects.
- Long-term – Strategies for the long-term are to develop and implement secure funding for the City’s public works infrastructure needs to support the build out of the urban growth boundary. A constant eye is to be held on the Public Works Support Services Fund to deliver services at a value and keep rate increases within reasonable levels.

## Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
Truck with Utility Bed	\$ 60,000	\$ 60,000
Grader	\$ -	\$ 180,000
Loader	\$ 240,000	\$ -
<b>Capital Outlay Total</b>	<b>\$ 300,000</b>	<b>\$ 240,000</b>

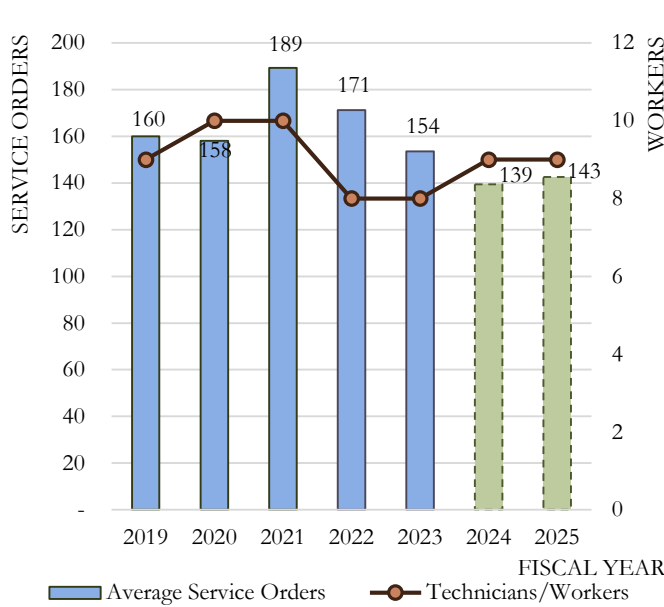
*A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.*



*Public works staff working a vacor truck near the Prineville-Crook County Airport in March 2022*

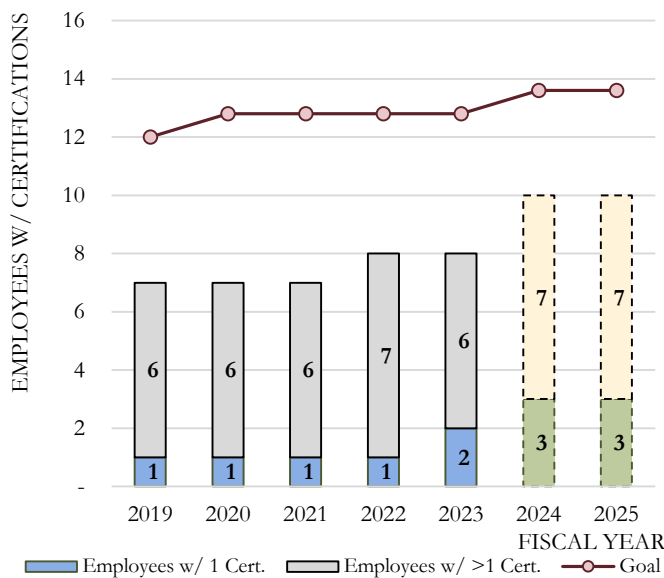
## Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Target	FY 2025 Target
Workload	Input Output	Technicians/Workers Utility Service Orders Generated	N/A	10	8	8	9	9
			N/A	1,893	1,370	1,228	1,255	1,283
D	Efficiency	Average Service Orders per Employee	< 175	189	171	154	139	143
D	Efficiency	Percentage of Employees with Certifications	80%	44%	50%	50%	59%	59%



### Average Service Orders per Worker

One of many duties of the utility workers and technicians of the Public Works Department is support of the base of water and wastewater customers within the city. Requests for service come from customers regarding service changes, potential service issues or those related to potential billing disputes. Staff responds to service orders created by the Finance Department, which typically acts as the first point of contact for utility billing. Service orders are one metric used to gauge workload relative to the number of staff available, while still keeping in mind the various tasks the Public Works employees perform in support in other departments. Service order outputs remained fairly level through BN 23 indicating staffing levels were appropriate relative to workloads. In BN 25, the City is increasing staffing levels and decreasing the average service orders per technician/utility worker. The decrease is necessary due to a higher demand on team members related to infrastructure improvement projects and an overall growth in infrastructure requiring maintenance and repair.



### Percentage of Employees with Certifications

Most public works employees perform duties related to the maintenance, repair and operation of the City's critical infrastructure including the water distribution system, water treatment systems, wastewater collections system, wastewater treatment plant, and street network. In many cases, this work requires certifications. Certifications also offer a path for employees to advance their job specific technical knowledge and stay up to date with the most current standards related to their positions. Employees of the City who continue to grow professionally and advance their job specific education ultimately have opportunities for increased compensation based on obtaining certain industry recognized certifications. In BN 23, the Public Works team increased the both the number of employees with one or more professional certifications and the total number of certifications held by the team.

## Public Works Support Services Budget

Resources	Actual	BN	Adopted BN	Estimated	Adopted	BN 2025	Adopted
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Budget 2023-2024	Adopted Budget 2024-2025	Total Budget 2024-2025
Beginning fund balance	\$ 267,033	\$ 183,109	\$ 208,638	\$ 375,558	\$ 520,752	\$ 838,052	\$ 520,752
Current year resources							
Intergovernmental	\$ -	\$ 239,628	\$ 220,000	\$ 221,030	\$ 110,000	\$ 110,000	\$ 220,000
Charges for services	1,829,062	4,000,500	4,640,600	4,515,600	2,742,100	2,220,100	4,962,200
Interest	3,933	5,078	2,400	12,774	2,000	2,000	4,000
Miscellaneous	-	78,267	14,000	21,720	10,000	10,000	20,000
Debt Proceeds	-	-	183,300	184,940	-	-	-
Total current year resources	\$ 1,832,995	\$ 4,323,473	\$ 5,060,300	\$ 4,956,064	\$ 2,864,100	\$ 2,342,100	\$ 5,206,200
Total resources	\$ 2,100,028	\$ 4,506,582	\$ 5,268,938	\$ 5,331,622	\$ 3,384,852	\$ 3,180,152	\$ 5,726,952
Expenditures							
Public Works Support Services	\$ 1,569,163	\$ 3,451,334	\$ 3,805,000	\$ 3,726,428	\$ 2,027,300	\$ 2,197,500	\$ 4,224,800
Public Works Fleet & Vehicles	347,755	679,689	1,025,200	1,084,442	519,500	461,500	981,000
Contingency			438,738		838,052	521,152	521,152
Total expenditures	\$ 1,916,918	\$ 4,131,023	\$ 5,268,938	\$ 4,810,870	\$ 3,384,852	\$ 3,180,152	\$ 5,726,952
Ending fund balance	\$ 183,109	\$ 375,558		\$ 520,752	\$ -	\$ -	
Budgeted positions (FTEs)		12.00		14.00			15.00
Policy 15% Operating budget							362,850



*Crook County Commissioner Brian Barney, City Engineer Eric Klann and City Manager Steve Forrester at the American Council of Engineering Companies awards in Washington D.C.*

## Public Work Support Services Budget

Expenditures	BN		Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Personnel Services	\$ 1,482,104	\$ 3,263,781	\$ 3,600,800	\$ 3,504,031	\$ 1,899,300	\$ 2,062,100	\$ 3,961,400
Materials and services	36,759	81,953	90,600	108,797	53,500	54,400	107,900
Transfers	50,300	105,600	113,600	113,600	74,500	81,000	155,500
<b>Total expenditures</b>	<b>\$ 1,569,163</b>	<b>\$ 3,451,334</b>	<b>\$ 3,805,000</b>	<b>\$ 3,726,428</b>	<b>\$ 2,027,300</b>	<b>\$ 2,197,500</b>	<b>\$ 4,224,800</b>

## Fleet Maintenance and Operations Budget

Expenditures	BN		Adopted BN Budget 2022-2023	Estimated Total Actual 2022-2023	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
Material and services	\$ 131,136	\$ 275,653	\$ 317,000	\$ 363,702	\$ 177,500	\$ 179,500	\$ 357,000
Capital outlay	182,669	370,097	668,300	680,540	300,000	240,000	540,000
Debt service				-	-		
Capital lease - Sweeper	33,950	33,939	39,900	40,200	42,000	42,000	84,000
<b>Total expenditures</b>	<b>\$ 347,755</b>	<b>\$ 679,689</b>	<b>\$ 1,025,200</b>	<b>\$ 1,084,442</b>	<b>\$ 519,500</b>	<b>\$ 461,500</b>	<b>\$ 981,000</b>



*Public Works worked with a local contractor in 2021 to replace a Peoples Irrigation District pipe next to Meadow Lakes Golf Course*

# Building Facilities / Property Fund

## Responsibilities to the Community

The purpose of the Building Facilities Fund is to account for the use, maintenance and improvements of all governmental buildings and facilities in the City of Prineville. The facilities are managed to recover full costs, including replacement costs through transfers from related funds. Operating expenses, debt service and replacement funds are accounted for within this fund.

Prineville City Hall is utilized by a variety of departments including the Prineville City Council and the Administration, Team Services, Finance, Information Technology and Planning Departments. City Hall is located at 387 NE 3<sup>rd</sup> St.

The police facility budget pays for the utilities and maintenance of the building used by the Prineville Police Department and the 911 Emergency Dispatch Center. The City purchased a new building, located at 1251 NW Elm St., in FY 19 and it was retrofitted to house the City's Police Department and 911 Emergency Dispatch Center. Both departments moved into the new building in April 2021.

In 2016, Resolution No. 1302 was passed regarding the City's role in administering and managing a Community Development Block Grant for rehabilitation of the Prineville Soroptimists Senior Center. The project got on its way at the tail end of FY 18 and completed in BN 23.

The City of Prineville Public Works Facility is located at 1233 NW Lamonta Rd. This central facility supports the Water, Wastewater and Transportation Operations Departments. The 4.2-acre site is home to the public works office, breakroom, shop and various sheds that house the public works fleet. Aggregate, cinders and traffic control devices are stored here, which allow the public works team to quickly respond whenever issues arise.

[The Barnes Butte property](#) was purchased in 2016 and is 460 acres of open space within the eastern bounds of the city limits. This land is located adjacent to several high-density neighborhoods and the 700-student Barnes Butte Elementary School.



## Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 24	Budgeted Amount FY 25
City Hall	\$ 50,000	\$ -
Police Facility	\$ 150,000	\$ -
Barnes Butte	\$ 200,000	\$ 250,000
<b>Capital Outlay Total</b>	<b>\$ 400,000</b>	<b>\$ 250,000</b>

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.

## Building Facilities / Property Fund Budget

	BN		Current Budget	Estimated Total Actual	BN 2025		
	Actual 2018-2019	Actual 2019-2021			Adopted Budget 2023-2024	Adopted Budget 2024-2025	Adopted Total Budget 2024-2025
<b>Resources</b>							
Beginning fund balance	\$ 245,508	\$ 3,117,775	\$ 362,428	\$ 448,426	\$ 551,197	\$ 579,297	\$ 551,197
Current year resources							
Rent and royalties	\$ 204,900	\$ 428,900	\$ 451,300	\$ 451,300	\$ 221,400	\$ 231,500	\$ 452,900
Intergovernmental	200,161	1,462,688	411,000	226,716	200,000	250,000	450,000
Interest	73,513	78,658	10,000	22,192	5,000	5,000	10,000
Miscellaneous		181,091	433,500	355,371	9,300	9,300	18,600
Transfers	890,500	961,300	1,995,700	1,995,700	907,300	952,600	1,859,900
Debt Proceeds	4,000,000	5,958,000	986,800	986,811	-	-	-
<b>Total current year resources</b>	<b>\$ 5,369,074</b>	<b>\$ 9,070,637</b>	<b>\$ 4,288,300</b>	<b>\$ 4,038,090</b>	<b>\$ 1,343,000</b>	<b>\$ 1,448,400</b>	<b>\$ 2,791,400</b>
<b>Total resources</b>	<b>\$ 5,614,582</b>	<b>\$ 12,188,412</b>	<b>\$ 4,650,728</b>	<b>\$ 4,486,517</b>	<b>\$ 1,894,197</b>	<b>\$ 2,027,697</b>	<b>\$ 3,342,597</b>
<b>Expenditures</b>							
City Hall Facilities	\$ 178,802	\$ 426,411	\$ 1,509,100	\$ 1,498,637	\$ 315,900	\$ 272,400	\$ 588,300
Police Facilities	2,063,682	9,524,938	1,163,200	1,155,909	674,800	689,400	1,364,200
Public Works Facilities	33,373	71,102	76,000	73,392	41,200	41,300	82,500
Barnes Butte Property	86,197	351,635	1,323,300	1,192,415	283,000	336,000	619,000
Senior Center	134,753	1,365,900	15,000	14,966	-	-	-
Contingency			21,828		46,297	155,597	155,597
<b>Total expenditures</b>	<b>\$ 2,496,807</b>	<b>\$ 11,739,986</b>	<b>\$ 4,108,428</b>	<b>\$ 3,935,319</b>	<b>\$ 1,361,197</b>	<b>\$ 1,494,697</b>	<b>\$ 2,809,597</b>
<b>Other requirements</b>							
Debt Reserve City Hall Facilities	\$ -	\$ -	\$ 112,900	\$ -	\$ 105,000	\$ 105,000	\$ 105,000
Debt Reserve Police Facility			380,400	-	428,000	428,000	\$ 428,000
Debt Reserve Barnes Butte Property			49,000	-	-	-	-
<b>Ending fund balance</b>	<b>\$ 3,117,775</b>	<b>\$ 448,426</b>	<b>\$ -</b>	<b>\$ 551,197</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Policy 15% Operating budget</b>						<b>74,070</b>	
<b>Debt service reserves</b>						<b>533,000</b>	
<b>Total Policy</b>						<b>607,070</b>	

## City Hall Facilities



*The front of the Prineville's city hall building as seen from across NE 3<sup>rd</sup> St. on June 14<sup>th</sup>, 2023*

Expenditures	Actual	BN	Adopted BN	Estimated	Adopted	BN 2025	Adopted
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Budget 2023-2024	Adopted Budget 2024-2025	Total Budget 2024-2025
Materials and services	\$ 64,539	\$ 188,052	\$ 281,000	\$ 272,527	\$ 151,000	\$ 158,000	\$ 309,000
Debt service							
Capital Outlay	-	5,127	14,900	15,000	50,000	-	50,000
Principal							
Refunding 2017/2021	67,000	166,000	1,167,600	1,166,798	95,200	95,900	191,100
Interest							
Refunding 2017/2021	41,873	56,779	25,600	25,582	9,700	8,500	18,200
Transfers	5,389	10,452	20,000	18,730	10,000	10,000	20,000
<b>Total expenditures</b>	<b>\$ 178,802</b>	<b>\$ 426,411</b>	<b>\$ 1,509,100</b>	<b>\$ 1,498,637</b>	<b>\$ 315,900</b>	<b>\$ 272,400</b>	<b>\$ 588,300</b>



*Prineville City Hall lobby in May 2019*





*The Prineville Police Department and 911 Dispatch Center at 1251 NW Elm St.*

## Police Facilities Budget

Expenditures	Actual	BN	Adopted BN	Estimated	Adopted	BN 2025	Adopted
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Budget 2023-2024	Adopted Budget 2024-2025	Total Budget 2024-2025
Material and services	\$ 90,873	\$ 218,168	\$ 324,900	\$ 272,740	\$ 195,500	\$ 198,500	\$ 394,000
Capital outlay	1,636,858	5,080,599	65,400	110,336	75,000	75,000	150,000
Debt service							
Principal							
Chase Bank - 2018	260,000	4,014,000	581,000	581,000	316,000	333,000	649,000
Interest							
Chase Bank - 2018	75,950	212,171	191,900	191,833	88,300	82,900	171,200
<b>Total expenditures</b>	<b>\$ 2,063,682</b>	<b>\$ 9,524,938</b>	<b>\$ 1,163,200</b>	<b>\$ 1,155,909</b>	<b>\$ 674,800</b>	<b>\$ 689,400</b>	<b>\$ 1,364,200</b>

## Public Work Facilities

Expenditures	Actual	BN	Adopted BN	Estimated	Adopted	BN 2025	Adopted
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Budget 2023-2024	Adopted Budget 2024-2025	Total Budget 2024-2025
Material and services	\$ 33,373	\$ 71,102	\$ 76,000	\$ 73,392	\$ 41,200	\$ 41,300	\$ 82,500
<b>Total expenditures</b>	<b>\$ 33,373</b>	<b>\$ 71,102</b>	<b>\$ 76,000</b>	<b>\$ 76,000</b>	<b>\$ 41,200</b>	<b>\$ 41,300</b>	<b>\$ 82,500</b>



*Winter melt off at the Public Works offices in January 2017*

## Barnes Butte Property

Expenditures	Actual	BN	Adopted BN	Estimated	Adopted	BN 2025	Adopted
	2018-2019	Actual	Budget	Total Actual	Budget	Adopted	Total Budget
		2019-2021	2022-2023	2022-2023	2023-2024	2024-2025	2024-2025
Material and services	\$ 2,577	\$ 26,570	\$ 46,000	\$ 58,225	\$ 25,000	\$ 25,000	\$ 50,000
Capital outlay	35,012	227,849	577,600	510,463	200,000	250,000	450,000
Debt Service							
Principal							
BOTC - 2017	29,765	64,052	526,500	491,760	-	-	-
Interest							
BOTC - 2017	18,843	33,163	56,000	17,967	-	-	-
Transfer to other funds			117,200	114,000	58,000	61,000	119,000
<b>Total expenditures</b>	<b>\$ 86,197</b>	<b>\$ 351,635</b>	<b>\$ 1,323,300</b>	<b>1,192,415</b>	<b>\$ 283,000</b>	<b>\$ 336,000</b>	<b>\$ 619,000</b>



*A view from the one of the trails at the Barnes Butte Recreation Area in March 2021 – Photo: Tim Proctor*

The City continues working on the Barnes Butte Recreation Area after its purchased in 2016. With input from the community and the Barnes Butte Focus Committee, the City is looking into the future for the beautiful public resource. Projects include paving the track areas of the trails starting in BN 23 thanks in part to grant funding.



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# Plaza Maintenance Fund

## Responsibilities to the Community

The purpose of the Plaza Maintenance Fund is to account for the maintenance of the plaza joining the Prineville City Hall and the Crook County Annex building. Crook County and the City maintain the plaza in a joint effort. Starting in 2005, the County held the responsibility for accounting for the maintenance of the plaza per a City and County intergovernmental agreement. After a revision occurred in the agreement, the City assumed the accounting responsibility for maintenance of the plaza starting in FY 13. Revenues are generated through a transfer from the City, with matching monies from the County. Expenditures are for maintaining the landscaping, sidewalks and lighting.



## Plaza Maintenance Budget

Resources	Actual	BN	Adopted BN	Estimated	Adopted	BN 2025	Adopted
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Budget 2023-2024	Adopted Budget 2024-2025	Total Budget 2024-2025
	\$ 41,518	\$ 37,077	\$ 25,402	\$ 23,339	\$ 29,273	\$ 25,873	\$ 29,273
Current year resources							
Intergovernmental	\$ 4,242	\$ 10,452	\$ 20,000	\$ 18,730	\$ 10,000	\$ 10,000	\$ 20,000
Miscellaneous	918	-	-	-	-	-	-
Interest	1,021	1,278	400	1,008	200	200	400
Transfers	4,241	10,452	20,000	18,730	10,000	10,000	20,000
Total current year resources	\$ 10,422	\$ 22,182	\$ 40,400	\$ 38,468	\$ 20,200	\$ 20,200	\$ 40,400
Total resources	\$ 51,940	\$ 59,259	\$ 65,802	\$ 61,807	\$ 49,473	\$ 46,073	\$ 69,673
Expenditures	Actual	BN	Adopted BN	Estimated	Adopted	Adopted	Adopted
	2018-2019	Actual 2019-2021	Budget 2022-2023	Total Actual 2022-2023	Budget 2023-2024	Budget 2024-2025	Total Budget 2024-2025
Materials and services	\$ 11,163	\$ 31,920	\$ 43,000	\$ 28,534	\$ 21,600	\$ 21,600	\$ 43,200
Transfers	3,700	4,000	4,000	4,000	2,000	2,000	4,000
Contingency			18,802	-	25,873	22,473	22,473
Total expenditures	\$ 14,863	\$ 35,920	\$ 65,802	\$ 32,534	\$ 49,473	\$ 46,073	\$ 69,673
Ending fund balance	\$ 37,077	\$ 23,339	\$ -	\$ 29,273		\$ -	\$ -
Policy 15% Operating budget						\$ 3,240	



*The sculpture Warpaint on display in the plaza as seen on a sunny May 2021 day*



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Adopted Biennial Budget  
July 1, 2023 - June 30, 2025



Glossary



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025





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# Glossary of Terms

## Accrual

Adjustments to revenues that have been earned but are not yet recorded in the accounts, and to expenses that have been incurred but are not yet recorded in the accounts. Accruals need to be added via adjusting entries so that the financial statements report these amounts.

## Actual

Actual, as used in the fund summaries, revenue summaries, and department and division summaries within the budget document, represents the actual costs results of operations. This category is presented on a budgetary basis, and thus excludes depreciation and amortization and includes principal payments on debt.

## Ad Valorem Tax

A tax based on the assessed value of a property.

## Adopted Budget

Adopted, as used in the fund summaries and department and division summaries within the budget document, represents the final budget approved by city council. Adopted budget becomes effective July 1. Subsequent to adoption; council may make changes throughout the year.

## Amortization

The process of paying off debt through a series of fixed payments over time.

## Approved Budget

Approved, as used in the fund summaries, revenue summaries, represents the proposed budget with changes made by the budget committee, if any.

## Appropriations

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

## Assessed Valuation

The value set on taxable property as a basis for levying property taxes. A tax initiative passed in 1997 that reduced AV below real market value and set a three percent maximum annual growth rate in the AV, exclusive of certain improvements.

## Assets

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

## Audit

A report prepared by an external auditor. As a rule the audit shall contain a statement of the scope of the audit, explanatory comments concerning exceptions of the auditor as to the applicant on generally accepted auditing standards, explanatory comments concerning verification procedures, financial statements and schedules, and sometime statistical tables, supplemental comments and recommendations.

## Balanced Budget

A budget where total resources, including beginning resources, current resources and debt proceeds, equal total requirements, including current year expenditures, capital outlay, transfers, debt service, and any other requirements such as debt service reserves.

## Base Budget

Cost of continuing the existing levels of service in the current budget year. Base budget is also referred to as a status quo budget.

## Beginning Balance

The beginning balance is the residual non-restricted funds brought forward from the previous financial year (ending balance).

## Bond or Bond Issue

Bonds are debt instruments that require repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate or according to a formula for determining the interest rate.

## Bond Funds

Established to account for bond proceeds to be used only for approved bond projects.

## Budget

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

## Budget Calendar

A schedule of key dates followed by a government in the preparation and adoption of the budget.

## Budget Committee

A group comprised of the elected officials plus an equal number of concerned citizens for the purpose of reviewing the proposed budget and recommending changes leading to an approved budget.

## Budget Document

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

## Budget Message

Written explanation of the budget and the City's financial priorities for the next fiscal year; prepared by the city manager.

## Budgetary Basis

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), with the exception that neither depreciation nor amortization are budgeted for proprietary funds, and bond principal in the enterprise funds is subject to appropriation.

## Capital Budget

The City's budget for projects, major repairs, improvements and additions to the City's fixed assets (streets, sidewalks, roads, sewers, storm water, parks, and buildings).

## Capital Expenditures

The City defines a capital expenditure as using the following three criteria: (1) relatively high monetary value (equal or greater than \$10,000), (2) long asset life (equal to or greater than five years useful life), and (3) results in the creation of a fixed asset, or the revitalization of a fixed asset.

## Capital Improvement

A term defined in the ORS 310.410 (10) to include land, structures, facilities, machinery, equipment, or furnishings having a useful life of longer than one year.

## Capital Improvement Project

Any project having assets of significant value and having a useful life of five years or more. Capital projects include the purchase of land, design, engineering and construction of buildings, and infrastructure items such as parks, streets, bridges, drainage, street lighting, water and sewer systems and master planning.

## Capital Outlay

Includes the purchase of land, the purchase and/or construction of buildings, structures and facilities of all types, in addition to machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as a capital outlay expenditure it must meet all of the following requirements: (1) have an estimated useful life of more than one year; (2) typically have a unit cost of \$10,000 or more; and (3) be a betterment or improvement. Replacement of a capital item is classified as capital outlay under the same code as the original purchase. Replacement or repair parts are classified under materials and services.

## Capital Projects

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

## Cash Management

Management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest income. Cash management refers to the activities of forecasting inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest return available for temporary cash balances.

## Charges for Service

Includes a wide variety of fees charged for services provided to the public and other agencies.

## Comprehensive Annual Financial Report

The annual audited results of the City's financial position and activity.

## Comprehensive Plan

An official statement of the goals, objectives and physical plan for the development of the city. Contains a narrative of goals, objectives and policies that describe the desired form, nature and rate of city development.

## Consumer Price Index

A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

## Contingency

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted. Contingency may be appropriated for a specific purpose by city council upon the approval of a resolution. The City separates contingencies into those that are designated for specific purposes and undesignated. (Also see Designated Contingency and Unappropriated Ending Fund Balance)

## Cost Center

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

## Debt Service

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

## Debt Service Fund

A fund established to account for the accumulation of resources and for the payment of general long-term debt principle and interest that are not services by the Enterprise funds. It does not include contractual obligations accounted for in the individual funds.

## Department

Led by a general manager, this combination of divisions of the City share specific and unique sets of goals and objectives (i.e., Police, Fire, Financial Services, Water Resources, etc.).

## Division

A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives.

## Depreciation

Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of physical elements, inadequacy, or obsolescence.

## Designated Contingency

Amounts set aside for anticipated non-recurring cash flow needs. This includes items such as moving and remodeling, major building repairs, emergency management, and capital project or equipment purchases.

## Elderly and Disabled

Provides funding for transportation alternatives for seniors and persons with disabilities. This includes taxi and bus services for employment, medical, shopping, and other necessary trips.

## Employee Benefits

Contributions made by a government to meet commitments or obligations for employee-related expenses. Included is this is the government's share of costs for social security and the various pension, medical and life insurance plans.

## Encumbrance

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

## Ending Balance

The residual, non-restricted funds that are spendable or available for appropriation at the end of the fiscal year.

## Enterprise Funds

Established to account for operations, including debt service that are financed and operated similarly to private businesses – where the intent is the service is self-sufficient, with all costs supported predominantly by user charges.

## Estimated Actual

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

## Expenditures

Represents decreases in net financial resources. They include current operating expenses, which require the current or future use of net current assets, debt services, and capital outlays.

## Fees

Charges for specific services levied by local government in connection with providing a service, permitting an activity, or imposing a fine or penalty.

## Fiscal Management

A government's directive with respect to revenues, spending, reserves and debt management as these relate to governmental services, programs and capital investment. Financial policy provides an agreed upon set of principles for the planning and programming of governmental budgets and its funding.

## Fiscal Year

A 12-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Prineville's fiscal year is July 1 through June 30.

## Five-year Financial Plan

An estimation of revenues and expenses required by the City to operate for the next five-year period.

## Fixed Assets

Property, plant and equipment which includes vehicles, furniture and fixtures, computer hardware and software with a cost basis in excess of \$10,000.

## Franchise Fee

Charged to all utilities operating within the City and is a reimbursement to the general fund for the utility's use of City streets and right of ways.

## Full-time Equivalent

A calculation used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

## Fund

A fiscal and accounting entity with a self-balancing set of accounts. Records cash and other financial resources together with all related liabilities and residual equities, or balances and changes therein. These are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

## Fund Balance

The balance of net financial resources that is spendable or available for appropriation.

## General Fund

This is the primary operating fund of the City. It exists to account for the resources devoted to finance the services traditionally associated with local government.

## General Long-term Debt

Represents any un-matured debt not considered to be a fund liability. General Obligation (GO) bonds are secured by the full faith and credit of the issuer. GO bonds issued by local units of government are secured by a pledge of the issuer's property taxing power (secondary portion). Usually this is issued to pay for general capital improvements such as parks and City facilities.

## Goal

The result or achievement toward which effort is directed; aim; end.

## Grant

A contribution that is made by one government unit to another. The contribution is usually made to aid in the support of a specified function (i.e., library, transit, or capital projects).

## Governmental Fund

Functions that are typical of government are accounted for in governmental funds. An example of this would include police or emergency dispatch.

## Infrastructure

Public domain fixed assets such as roads, bridges, streets, sidewalks, and similar assets that are immovable.

## Indirect Charges

In support of an operating program, these administrative costs that are incurred in the General Fund or Planning Fund. These charges are budgeted as interfund transfers.

## Indirect Cost Allocation

Funding transferred to the General Fund and Planning Fund from other funds for specific administrative functions, which benefit those funds.

## Interfund Transfers

Appropriation category used in the City's budget resolution which includes amounts distributed from one fund to pay for services provided by another fund. Transfers from the other funds appear as non-departmental expenditures called "Interfund Transfers".

## Intergovernmental Revenues

Levied by one government, but shared on a predetermined basis with another government or class of governments.

## Job Access/Reverse Commute

Grant funds available to help with operating costs of equipment, facilities, and associated expenses related to providing access to jobs.

## Levy

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

## Line Item Budget

The traditional form of budget, where proposed appropriations are based on individual objects of expense within a department or program.

## Local Budget Law

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

## Local Improvement District

Consists of property owners desiring improvements to their property. Bonds are issued to finance these improvements, which are repaid by assessments on their property. Local Improvement District debt is paid for by a compulsory levy (special assessment) made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

## Local Option Levy

Under Measure 50, local governments and special districts were given the ability to ask voters for temporary authority to increase taxes through approval of a local option levy. The maximum length of time for a local option levy is 10 years, depending on the purpose of the levy. A local option levy must be approved by a majority of voters at a general election or an election with a 50 percent voter turnout.

## Major Fund

Funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds.

## Materials and Services

Expendable items purchased for delivery and city services. This classification includes supplies, repair and replacement parts, small tools, and maintenance and repair materials that are not of a capital nature.

## Measure 5

In November 1990, State of Oregon voters passed a constitutional limit on property taxes. The new law sets a maximum \$10 tax rate on individual properties for the aggregate of all non-school taxing jurisdictions. Schools' maximum rate is limited to \$15 in FY 1991-92 with a phased in reduction to \$5 in FY 1995-96.

## Measure 50

A 1997 voter approved initiative which rolled back assessed values to 90 percent of their levels in fiscal year FY 1995-96 and limits future annual increases to three percent, except for major improvements. Tax rates are now fixed and not subject to change. Voters may approve local initiatives above the fixed rates provided a majority approves at either (1) a general election in an even numbered year; or (2) at any other election in which at least 50 percent of registered voters cast a ballot.

## Mission

Defines the primary purpose of the City and is intended to guide all organizational decisions, policies and activities (internal and external) on a daily basis.

## Non-operating Budget

Part of the budget composed of the following items: Interfund transfers, reserves, contingencies, capital projects, and debt service payments.

## Objective

A target to be accomplished in specific, well-defined and measurable terms, and that is achievable within a specific time frame.

## Operating Budget

The plan for current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled.

## Operating Revenue

Funding received by the government as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

## Ordinance

A formal legislative decree enacted by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of the law within the boundaries of the municipality to which it applies.

## Outstanding Debt

The balance due at any given time which resulted from the borrowing of money or from the purchase of goods and services.

## Performance Measure

Data collected to determine how effective or efficient a program is in achieving its objectives.

## Permanent Tax Rate

Under Measure 50, each school district, local government, and special district was assigned a permanent tax rate limit in fiscal year 1998. This permanent rate applies to property taxes for operations.

## Personnel Services

The salaries and wages paid to employees, in addition to the City's contribution for fringe benefits such as retirement, social security, and health and workers' compensation insurance.

## Property Tax

Based according to assessed value of property and is used as the source of monies to pay general obligation debt and to support the General Fund.

## Project Manager

An individual that is responsible for budgeting for a project and managing project to its completion.

## Proposed Budget

A financial document that combines operating, non-operating and resource estimates prepared by the city manager, which is submitted to the public and the budget committee for review and approval.

## Resolution

A special or temporary order of a legislative body requiring city council action.

## Resources

Total of revenues, interfund transfers in and beginning fund balance.

## Retained Earnings

An equity account that reflects the accumulated earning of an enterprise or internal service fund.

## Revenue

Funds received by the City from either tax or non-tax sources.

## Revenue Bonds

Bonds payable from a specific source of revenue, which does not pledge the taxing authority of the issuer. Pledged revenues may be derived from operation of the financed project, grants, excise, or other specified non-property tax.

## Special Assessment

A compulsory levy made against certain properties to defray part of the cost of a capital improvement or service deemed to be beneficial primarily to those properties. (Also see Local Improvement District)

## Special Assessment Bond

A bond issue payable from the payments on special assessments imposed against properties that have been specially benefited by the construction of public improvements such as sidewalks, roads, or sewer systems.

## Special Revenue Funds

A fund established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

## Supplemental Budget

Appropriations established to meet needs not anticipated at the time the budget was originally adopted. A supplemental budget cannot increase the tax levy.

## System Development Charges

Charges paid by developers and builders to fund expansion of infrastructure systems necessary due to increased usage. Such charges are collected for water, sewer, storm drains, streets, and parks and are paid by developers and builders as part of the permit process.

## Tax Levy

The total amount of property taxes needed to pay for General Fund operations and for principal and interest on bonds.

## Tax Rate

The amount of tax levied for each \$1,000 of assessed valuation.

## Tax Revenue

Includes property taxes, hotel and motel room tax.

## Tax Roll

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

## Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges, such as water service.

## Transfers

An authorized exchange of cash or other resources between funds.

## Trust Funds

A fund established to administer resources received and held by the City as the trustee or agent for others. Uses of these funds facilitate the discharge of responsibility placed upon the City by virtue of law or other similar authority.

## Unappropriated Ending Fund Balance

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

## Unreserved Fund Balance

The portion of a fund's balance that is not restricted for a specific purpose. It is available for general appropriation.

## Unrestricted General Capital Fund

Established to account for transfers-in from the General Fund and for any other activity for which a special capital fund has not been created.

## User Fees

The fee charged for services to the party or parties who directly benefits. They are also referred to as Charges for Service.

## Working Capital

Capital used for day-to-day operations, calculated as the current assets minus the current liabilities.





# Acronyms

ACMP Advisory Community for Master Planning  
ADA Americans with Disabilities Act  
AIPUE Airport Industrial Park Utility Extension  
APA American Planning Association  
APCO Association of Public Safety Communications Officials  
ARRA American Recovery and Reinvestment Act  
ATV All-Terrain Vehicle  
AV Assessed Value  
AWOS Automated Weather Observation System  
BLM Bureau of Land Management  
BMP Bridge Management Plan  
BPA Bonneville Power Administration  
CAD Computer-Aided Dispatch  
CAFR Comprehensive Annual Financial Report  
CCF&R Crook County Fire and Rescue  
CCI Construction Cost Index  
CD Community Development  
CD Compact Disk  
CEAHAC Cascades East Area Health Education Center  
CIP Capital Improvement Projects  
CIS Citycounty Insurance Service  
CJIS Criminal Justice Information Service  
CMFR Comprehensive Monthly Financial Reports  
COAR Critical Oregon Airport Relief  
COLA Cost of Living Adjustment  
COP Certificates of Participation  
COTA Central Oregon Trail Alliance  
CPA Certified Public Accountant  
CPI Consumer Price Index  
CRM Customer Relations Management  
CSO Community Service Officer  
CTO Communications Training Officer  
DCFC Direct Current Fast Charger  
DCR Debt Coverage Ratio  
DDG Distillers Dried Grains with Soluble  
DEQ Oregon Department of Environmental Quality  
DLCD Oregon Department of Land Conservation and Development  
DMR Digital Mobile Radio  
DO Dissolved Oxygen  
DOT Department of Transportation  
DRB Development Review Board  
DSP Downtown Strategic Planning  
DUI Driving Under the Influence  
DVD Digital Video Disk  
E&D Elderly and Disabled  
EDCO Economic Development for Central Oregon  
EDU Equivalent Dwelling Units  
EMD Electro-Motive Diesel  
EMD Emergency Medical Dispatch

EPA Environmental Protection Agency  
FAA Federal Aviation Administration  
FASB Financial Accounting Standards Board  
FDP Final Development Plan  
FEMA Federal Emergency Management Agency  
FICA Federal Income Contributions Act  
FRA Federal Railroad Administration  
FTE Full-Time Equivalent  
FY Fiscal Year  
GAAP Generally Accepted Accounting Principles  
GAC Granulated Activated Carbon  
GASB Governmental Accounting Standards Board  
GCOR General Code of Operating Rules  
GFOA Government Finance Officers Association  
GIS Geographic Information Systems  
GP General Purpose  
H2R Hire to Retire  
HB House Bill  
HR Human Resources  
HSGP Homeland Security Grant Program  
HVAC Heating, Ventilation, and Air Conditioning  
I&I Infiltration and Inflow  
IAED International Academies of Emergency Dispatch  
IECGP Interoperable Emergency Communications Grant Program  
IFR Instrument Flight Rules  
IS Information Systems  
IT Information Technology  
ISP Internet Service Provider  
ITS Intelligent Transportation System  
JARC Job Access / Reverse Commute  
LAN Local Area Network  
LCDC Land Conservation and Development Board of Commissioners  
LED Light Emitting Diodes  
LID Local Improvement District  
LSTA Library Services and Technology Act  
MAV Maximum Assessed Value  
MGD Million Gallons per Day  
MOD Modification  
MTC Metropolitan Transportation Commission  
NG911 Next Generation 911  
NPDES National Pollutant Discharge Eliminating System  
OAA Older Americans Act  
OAR Oregon Administrative Rules  
OBDD Oregon Business Development Department  
ODOT Oregon Department of Transportation  
OECD Oregon Economic and Community Development Department  
OEM Oregon Emergency Management  
OEMDC Oregon Emergency Medical Dispatch Cards  
OMA Oregon Mayors Association  
OPSRP Oregon Public Service Retirement Plan

OR Oregon  
ORS Oregon Revised Statutes  
OSHA Occupational Safety and Health Administration  
OSP-LWCF Open Space Plan – Land and Water Conservation Fund  
OWEB Oregon Watershed Enhancement Board  
OWRD Oregon Water Resource Department  
PC Personal Computer  
PCI Pavement Condition Index  
PDA Personal Digital Assistant  
PDP Preliminary Development Plan  
PEG Public Educational Government  
PERS Oregon Public Employees Retirement System  
PGA Professional Golfers Association  
PM Particulate Matter  
PMH Pioneer Memorial Hospital  
POB Pension Obligation Bond  
PPACA Patient Protection and Affordable Care Act  
PSAP Public Safety Answering Point  
PSNET Public Safety Network  
PW Public Works  
RMV Real Market Value  
ROW Right-of-way  
SAIF State Accident Insurance Fund

SAP Specific Area Plan  
SCADA Supervisory Control and Data Acquisition  
SDC System Development Charges  
SEIU Service Employees International Union  
SEP Supplemental Environmental Program  
SLARRA Short-Lived Asset Replacement Reserve Account  
SRO School Resource Officer  
STP Surface Transportation Program  
TAG Technical Assistance Grant  
TDM Transportation Demand Management  
TDS Total Dissolved Solids  
TGM Traffic Growth Management  
TMP Transit Master Plan  
TOC Total Organic Carbon  
TSP Transportation System Plan  
UAL Unfunded Accrued Liability  
UGB Urban Growth Boundary  
UIC Underground Injection Control Device  
UGMA Urban Growth Management Agreement  
USDA United States Department of Agriculture  
VoIP Voice-over Internet Protocol  
VPN Virtual Private Network  
WAN Wide Area Network  
WWTP Wastewater Treatment Plant



Adopted Biennial Budget  
July 1, 2023 - June 30, 2025