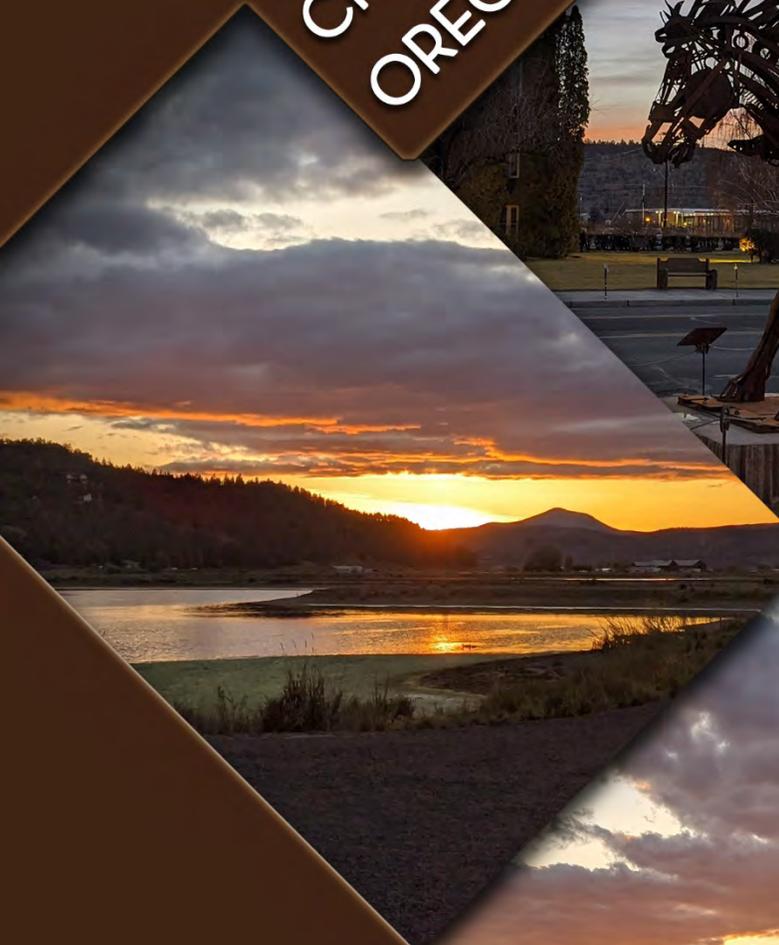


CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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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 36 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 139 - 144.

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.



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Prineville

Oregon

For the Biennium Beginning

July 1, 2019

Christopher P. Morrill

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 Patricia Jungmann



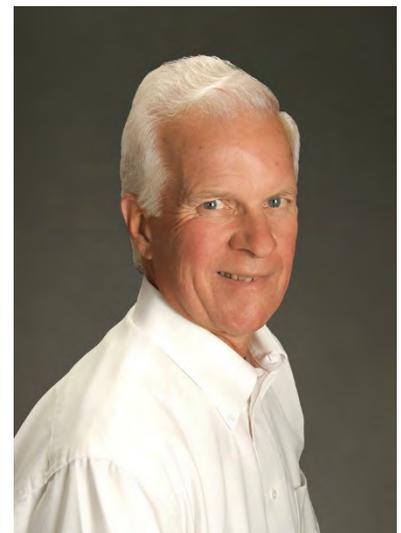
Councilor Raymond Law



Councilor Gail Merritt



Councilor Jeff Papke



Councilor Steve Uffelman

City of Prineville Budget Committee



Marty Bailey



John Charles



Casey Daly



Caroline Ervin



Greg Munn



Dr. Paul Slater



Marv Sumner

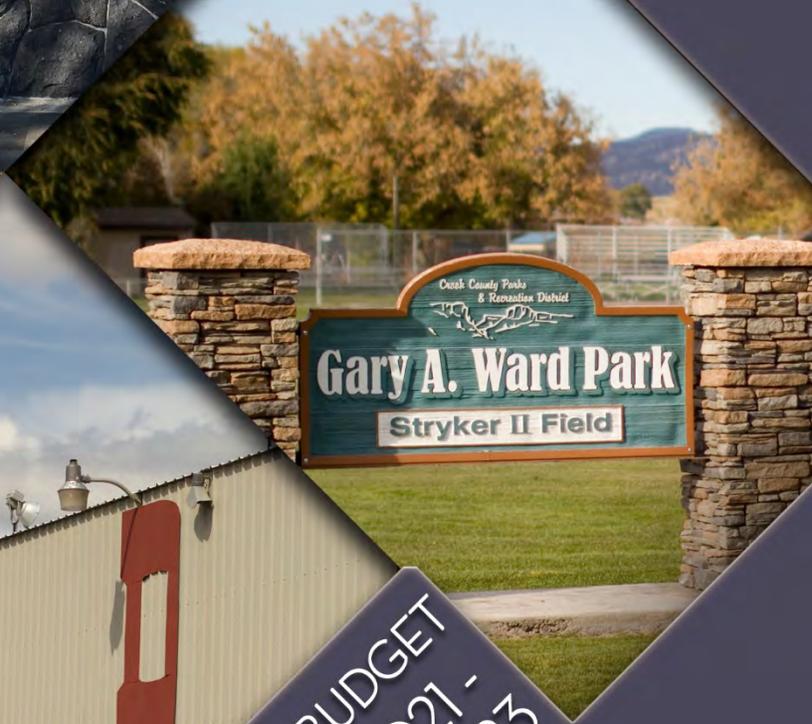
The City of Prineville would like to thank its city councilors and citizen members of the budget committee for their participation in the budget process for the BN 2022 – 2023. Without their time and input, crafting a budget with citizens' best interests in mind would not be possible.

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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JULY 1, 2021 -
JUNE 30, 2023



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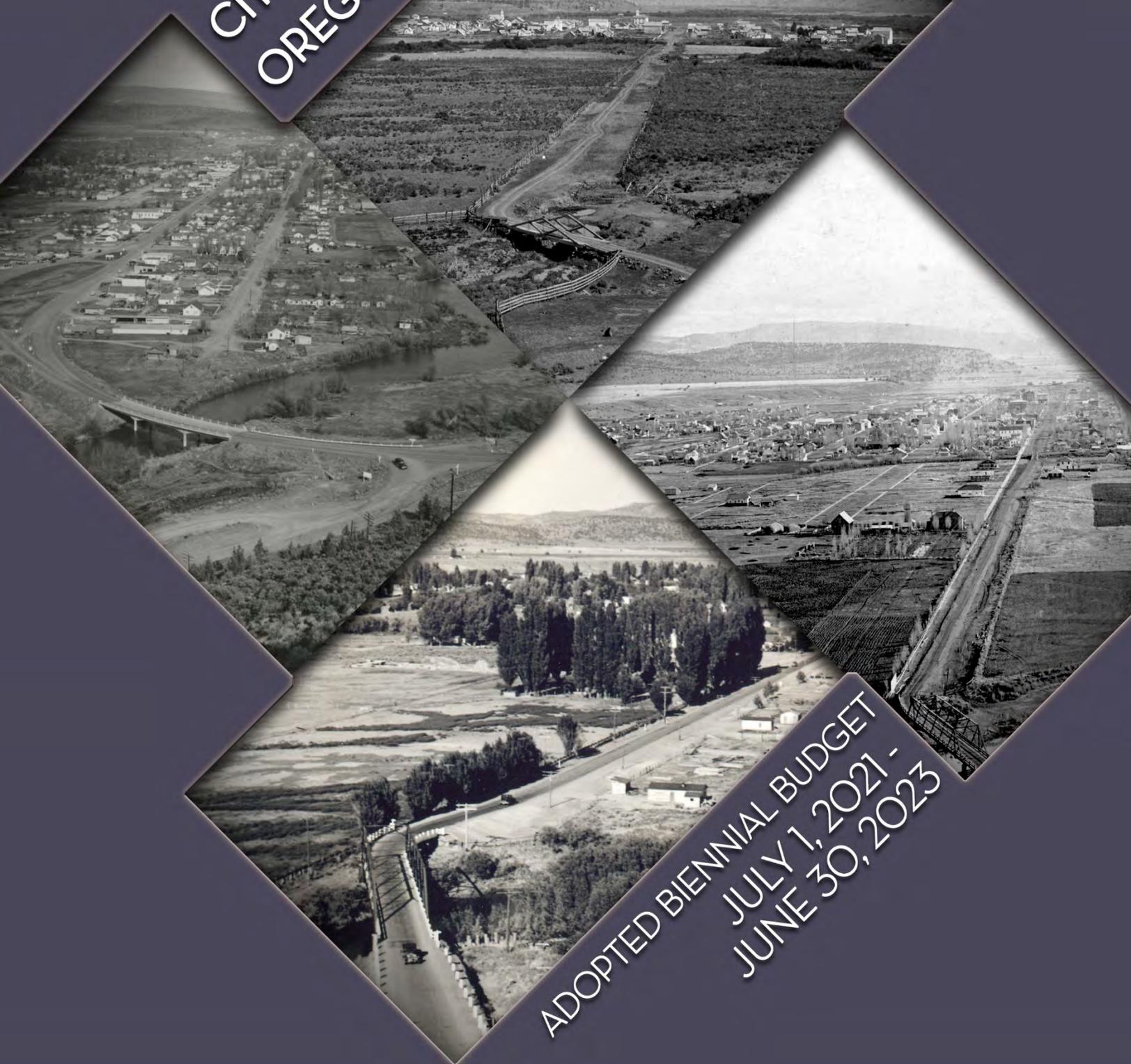
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CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023

CITY MANAGER'S BUDGET MESSAGE



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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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 Liz Schuette and her team, and every City of Prineville team member, I present biennial budget for the City of Prineville. This marks our second biennial budget, following on the transition to the new two-year budget period for 2020 and 2021. 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 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 fifteenth consecutive year. In addition, the City has also received the prestigious "Certificate of Achievement for Excellence in Financial Reporting" for the fourth year consecutively. The proposed Biennial Budget for 2022-2023 (BN 23) totals \$78,902,879. The General Fund total for BN 23 is \$19,864,679.

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 31.

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 COVID-19 pandemic has challenged our community and local economy. The effects and economic impacts of COVID-19 are still not yet fully understood. The City has been focused on two major fronts: 1. Support the survival and recovery of our local businesses; 2. Continuity of City government. We are fortunate in that continued investment in the tech sector, continued real estate activity and development of new businesses allow our community to fare better than some of our contemporaries. Still, these past 18 months have been tough. Unemployment in Crook County was 6.0 percent in March of 2020 and by May of 2020 it peaked at 13 percent. As of March of this year we have recovered to 8.3 percent unemployment. Our local economy is stabilizing from the strength of the growth in the Central Oregon region and the continued investment of businesses in Crook County. 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, and retain and grow existing businesses bringing new family wage job opportunities. The following metrics serve our economic indicators for Prineville.

1. Recent estimates place direct employment from data center operations at more than 450 jobs with average wage exceeding \$85,000 and average compensation (including benefits) exceeding \$100,000 per year – over 185 percent above the county average wage of \$46,356. Currently, there is an average of 1,100 active construction jobs on site daily tied to continued data center expansion, over and above operational jobs.
2. The City of Prineville Railway completed its sixth consecutive year of financial stability allowing for reinvestment into capital projects that maintain this critical City-owned asset. The City of Prineville Railway leased one of our freight depot buildings to KRAH USA, who manufactures PVC pipe and employs approximately 15 people. Rail freight activity remains strong.
3. The Prineville-Crook County Airport completed the United States Forest Service (USFS) new helibase facility – bringing full-time jobs and increasing airport activity – and a new state-of-the-art aircraft fueling system. The City and County continue to invest in the facility and have leveraged Federal Aviation Administration (FAA) grants to further improve the main runway, taxi and aircraft parking areas with construction underway and project completion expected in by summer of 2021.
4. Brightwood Corporation, one of central Oregon's largest employers in the secondary forest products sector purchased an existing plant facility in 2019. Brightwood continues to invest in upgraded equipment and product lines increasing shifts and increasing employment.
5. Facebook continues construction of two more data halls that we expect to be completed by 2023. This investment represents over 1 million sq. ft. and will add more employment.

6. The City experienced a 51 percent decrease in dwelling approvals from FY 19 (229) to FY 20 (111) primarily due to the surge in multi-family development in FY 19. FY 21 (76) as of May 10th is so far trending to match approvals from FY 20 with fewer multifamily but more single family dwelling applications permitted.
7. Valuations calculated from the Crook County Building Department of commercial/industrial development in the city/county for FY 20 totaled approximately \$70,000,000 down from approximately \$367,000,000 the previous fiscal year. In FY 21 as of May 10th, valuations have increased significantly to approximately \$672,000,000 due primarily to data center and solar development.
8. Median home sales price according to the Central Oregon Association of Realtors (COAR), increased 41 percent from the beginning of FY 20 (\$280,000) through the second quarter of FY 21 (\$395,000).

City Financial Condition

For the biennial budget 2022-2023, 12 out of 13 funds fully funded to policy levels in working capital and 11 out of 14 funds 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 being proposed to the policies for BN 23. 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 we 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 59.

Policy Analysis - Reserves by Fund for BN 23

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 *	2,352,079	1,362,900	989,179	Yes	1,614,480	N/A	2,977,380	-625,301	No
Transportation	298,092	183,300	114,792	Yes	92,720	N/A	276,020	22,072	Yes
Emergency Dispatch	336,626	237,413	99,214	Yes	98,415	N/A	335,828	799	Yes
Planning	64,220	58,188	6,033	Yes	N/A	N/A	58,188	6,033	Yes
PERS/POB Fund	1,768,318	N/A	N/A	N/A	N/A	323,500	323,500	1,444,818	Yes
Transportation SDC	197,345	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water SDC	65,359	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater SDC	205,460	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Railroad *	1,328,560	832,100	496,460	Yes	402,159	N/A	1,181,959	146,601	Yes
Airport *	56,036	150,900	-94,864	No	45,270	N/A	196,170	-140,134	No
Water	981,618	401,650	579,968	Yes	194,586	336,400	932,636	48,983	Yes
Wastewater	1,615,324	543,833	1,071,491	Yes	280,216	1,014,800	1,838,850	-223,526	No
Golf Course and Restaurant	658,625	200,600	458,025	Yes	71,730	131,000	403,330	255,295	Yes
Admin/Financial Support Servi	460,049	454,905	5,144	Yes	N/A	N/A	454,905	5,144	Yes
Public Works Support Services	438,738	313,965	124,773	Yes	N/A	N/A	313,965	124,773	Yes
Building Facilities/Property Fu	662,228	60,195	602,033	Yes	N/A	542,300	602,495	59,733	Yes
Plaza Maintenance	18,802	2,100	16,702	Yes	N/A	N/A	2,100	16,702	Yes
Total	11,507,478	4,802,048	4,468,948	12 out of 13	2,799,576	2,348,000	9,897,324		11 out of 14

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

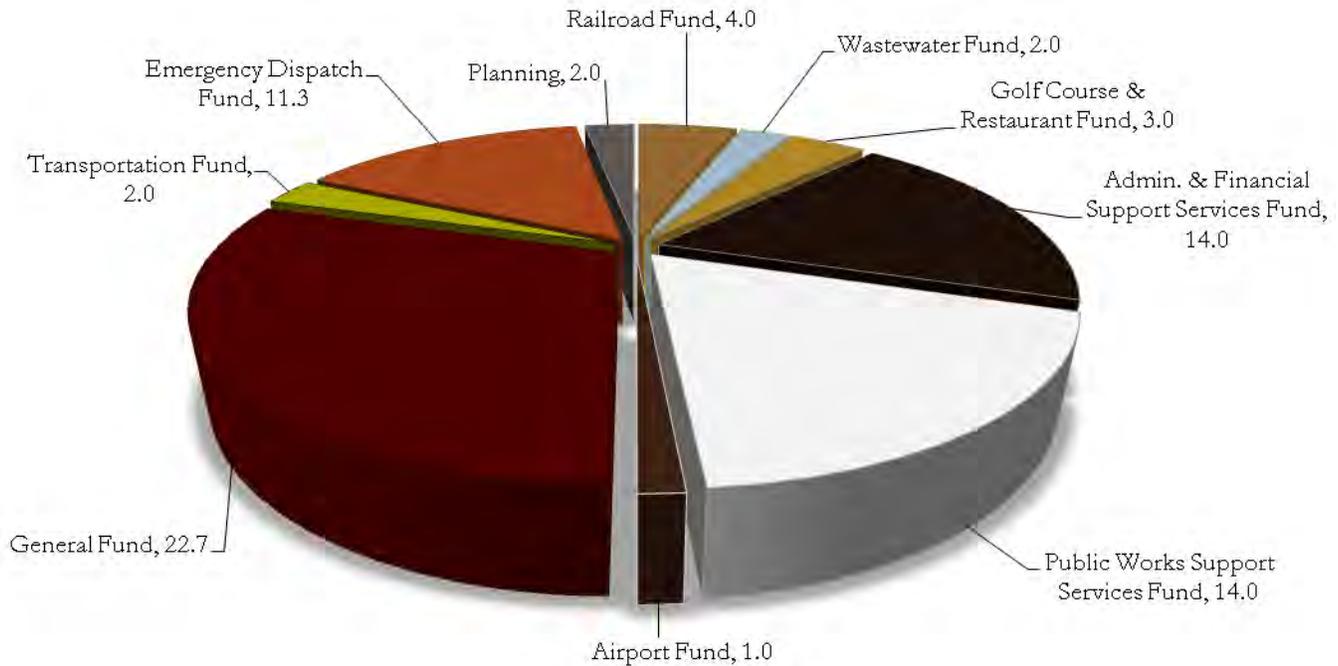
* Railroad Fund shall maintain one year’s operating expense and twenty (20) percent of total budget for capital reserve.

* 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.

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 73 full-time equivalents (FTE) to 76. This is an increase of 3 FTEs. Changes include an increase of 1.0 in emergency dispatch, an increase of 1.0 FTE in wastewater and plus 1.0 FTE in finance.

FTE by Fund



The BN 23 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. Our 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 22-23 adopted budget.

Changes and Challenges in BN 22-23

1. Develop existing and recruit new business investments in the community to increase the opportunity to provide much needed family wage jobs.
2. Maintaining a financial position that allows for the capital to maintain City-owned assets and provide City services effectively.
3. Maintaining fund balances within newly adopted City policy levels.
4. Stabilize operational funding for public safety/911 dispatch.
5. Continue to strengthen street maintenance program by identifying additional sustainable resources.
6. Continue the air quality process to keep the city compliant with the Oregon Department of Environmental Quality (DEQ) regarding particulate matter (PM) 2.5 air quality standards.
7. Manage the Golf Course Fund to support long-term capitalization needs for this key City asset.
8. Effectively address increasing low-cost housing opportunities within the community.
9. Develop solutions to increase electricity supply for large load customers as existing transmission capacity is near upper limits.
10. Develop a master plan for the Barnes Butte open space acquisition, setting up the process for open space development.

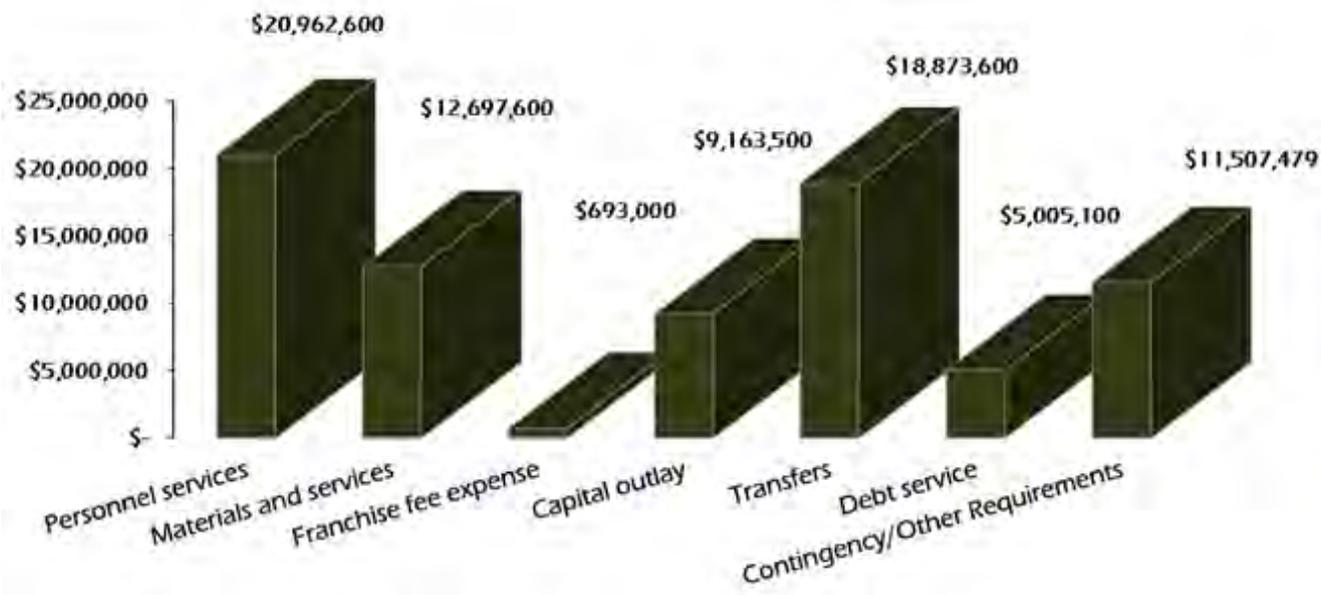
Strategic Action Plan to Address Challenges

1. Proactively update and manage system development charge (SDC) rates and methodology toward keeping SDC fees the most competitive in the Central Oregon region.
2. Having 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.
3. 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.
4. Air Quality Committee program has resulted in four consecutive years of positive air quality data below threshold. The City will remain focused on continuous improvement efforts to provide certainty that our air quality remains well below the DEQ limit. Keeping the Air Quality index below DEQ threshold provides health benefits to our citizens and provides pathway for air permits for responsible economic development.
5. Continue strengthening the City of Prineville Railway's customer base to increase freight traffic and revenue allowing for additional capitalization for deferred maintenance.
6. Expedite the land use process to facilitate increasing low-cost and entry-level housing opportunities.
7. 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 Wildfire and Cascadia event and/or other natural disasters. This project is funded by USFS wood innovation grant match by an Energy Trust of Oregon grant.

Significant Accomplishments for BN 20-21

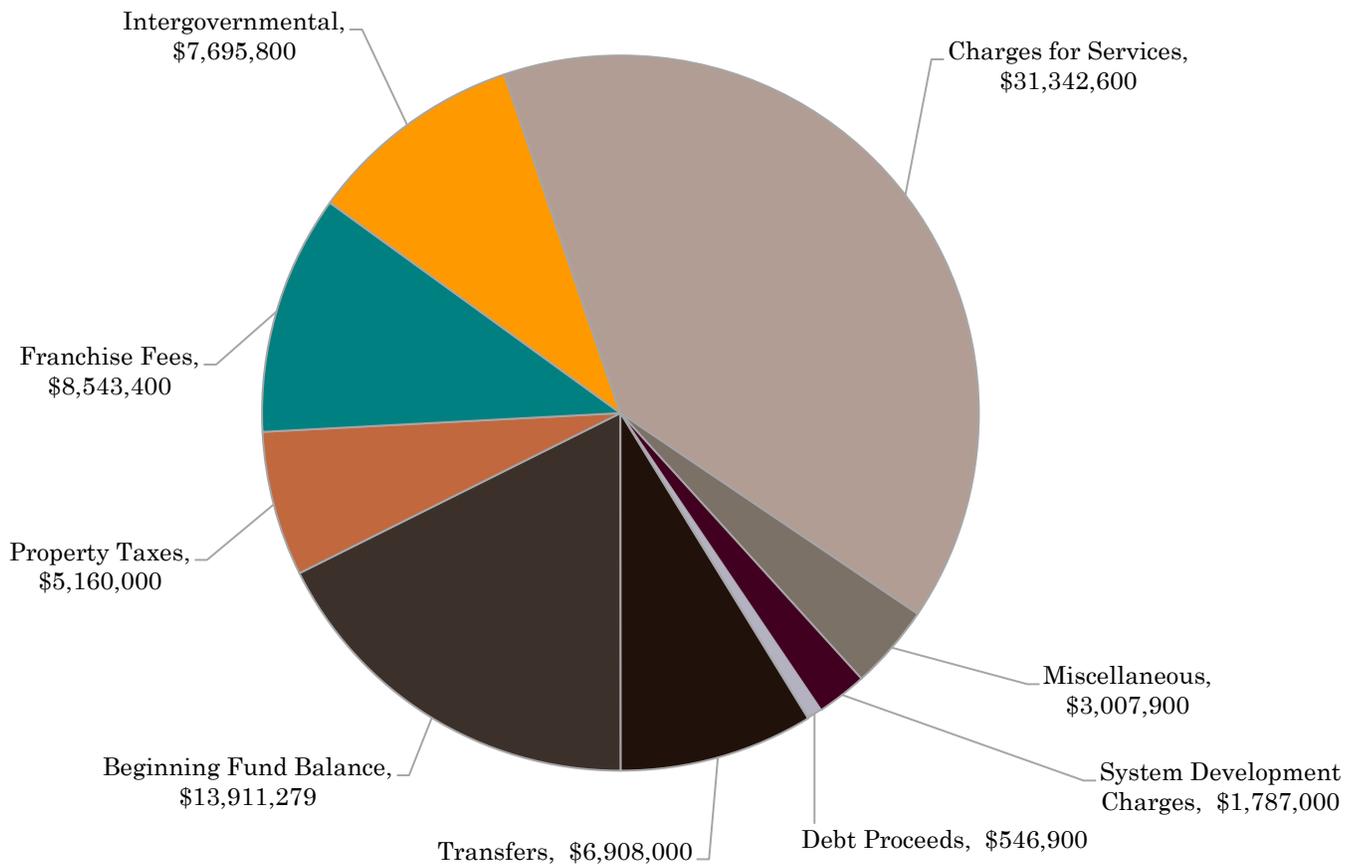
1. Completed the new police and dispatch facility. This 6.0 million dollar upgrade replaces a 70-year-old building that was deemed seismically at risk. This upgrade was fully funded by the City without going to our community for bond, which is very unusual, and a testimony to the strength of the financial management of the City.
2. Maintained high credit quality.
3. Facilitated – with our partners at Crook County – buildings 9, 10, and 11 data center expansion at Facebook that is adding an additional 1.5 million sq. ft. of data center space and the opportunity for more jobs, as well as the added construction work force during buildout.
4. Facilitated the City infrastructure required to support Apple's next data center buildout (approximately 300,000 sq. ft.) at the Prineville Apple campus, expected to begin in 2021 and complete in 2022.
5. The City of Prineville Railway sited a PVC pipe manufacture in building 4 at the freight depot, providing lease revenue to the railroad and approximately 15 new jobs to the community.
6. Completed USFS helibase project at Prineville-Crook County Airport that included new fuel system and ramp area, greatly improving airport capabilities and expansion potential.
7. Facilitated commercial investment in the community estimated to be over \$750,000,000.
8. The City completed the first phase of our Aquifer Storage and Recovery project that will provide a resilient source of water in an environmentally sustainable way for decades to come.
9. Partnered with Crook County Parks and Recreation district with grant funding to complete a Recreation Master Plan update for the entire community including the City-owned Barnes Butte acreage.
10. The City's Police Department and 911 Dispatch center are fully accredited through the Oregon Accreditation Alliance.
11. The City of Prineville began Diversity, Equity and Inclusion (DEI) earlier than most cities beginning training for staff in January 2020, and has invested in four additional professional trainings.
12. Successfully negotiated a 4-year contract with the Prineville Police Officers Association.

Budget Overview



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

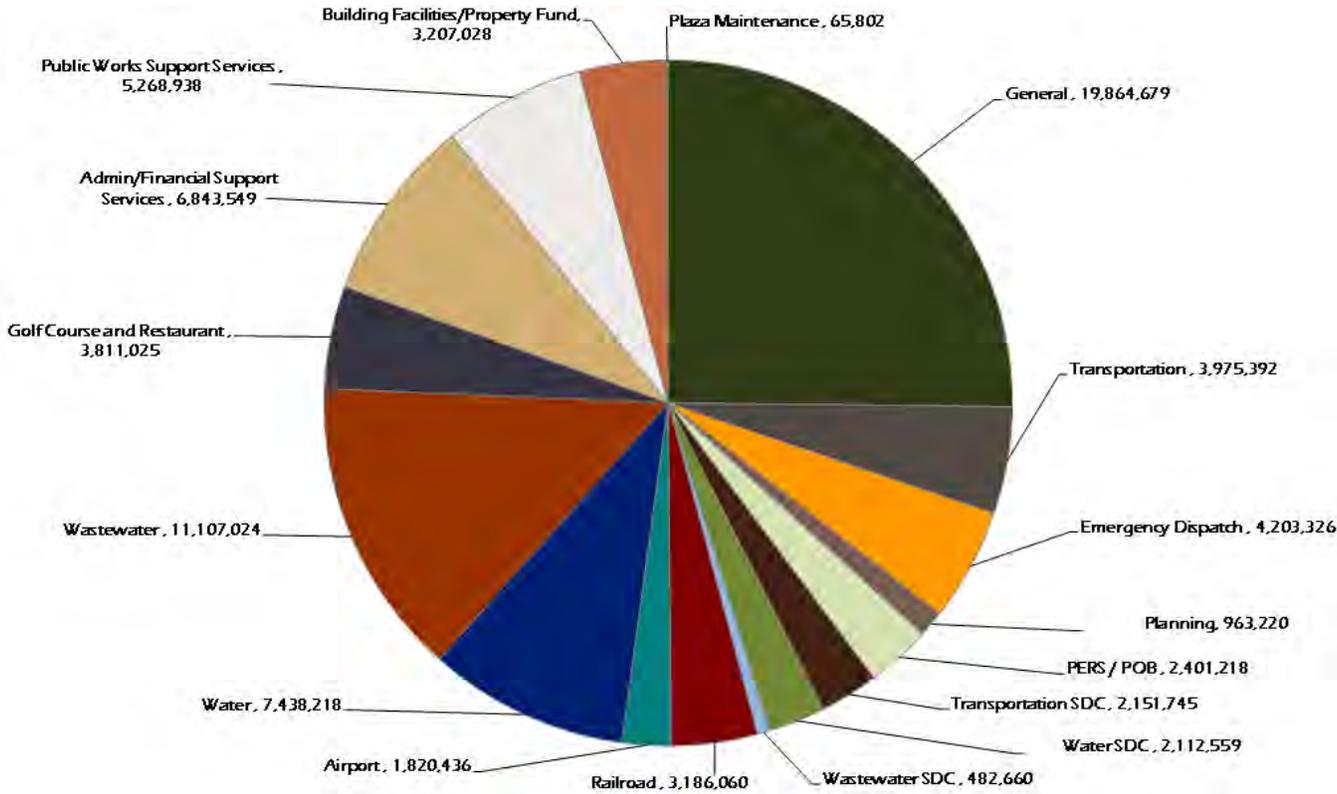
Revenue Sources by Type



Revenue Assumptions

Overall, charges for service in the BN 23 total 40 percent of budget, or roughly \$31.3 million. BN 21 estimated revenue for charges for services is \$30.1 million and was 29 percent of budget. Beginning fund balance for BN 23 is 18 percent of budgeted revenue, totaling \$13.9 million. In the prior biennium, balances totaled \$20.4 million, or 20 percent of budget. The decrease is primarily the result of capital projects completed during BN 21. The Crook County Assessor's Office is predicting property taxes to increase by approximately 4.5 percent, however, choosing to be on the conservative side, the City estimates 3 percent over the previous biennium. Franchise fees total 11 percent of revenue compared to 7 percent of budget in the prior biennium. Electrical franchise fee collection is budgeted to increase \$220,000 in the first year and \$420,000 in the second year of the BN 23 with the continued build out of the data centers. Intergovernmental revenue for BN 23 is approximately 10 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, data center fees and additional commercial assumptions throughout the community. For both years of the biennium, water and sewer customers will see their base rates increase by 2 percent. Commodity charges will also increase by 2 percent in water and 12.5 percent in sewer. Sewer rates are being adjusted in a fashion similar to water rates to incentivize conservation. In January 2022, tiered rates are expected to be implemented to incentivize conservation. Debt proceeds are 1 percent of the budgeted revenue with capital lease agreements anticipated in BN 23 for new golf carts for the golf course and a new street sweeper in the Public Works Support Service Fund.

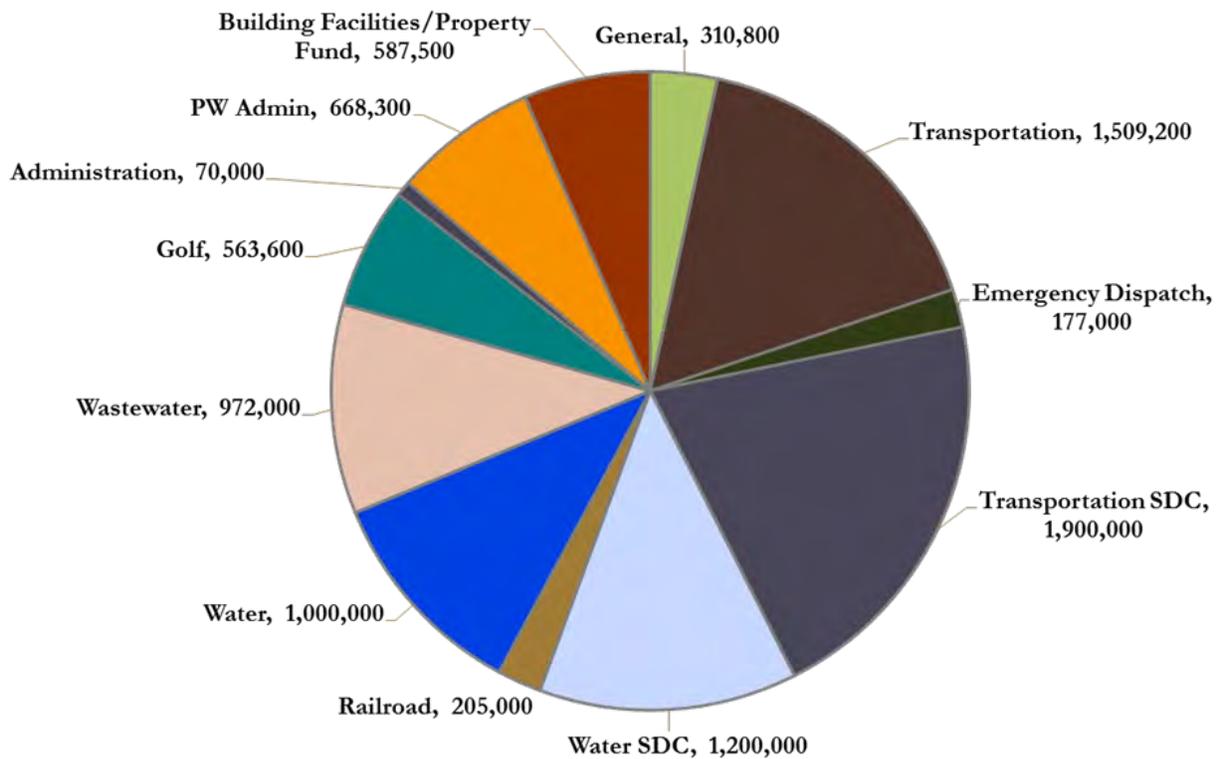
Total Requirements by Fund



Expenditure Assumptions

For the BN 23 adopted budget, personnel services increased approximately 17 percent over BN 21. Combined total personnel FTEs will increase by 3 in BN 23. The City of Prineville will meet union contract obligations and provide a modest increase for non-represented employees. Health insurance costs are expected to remain flat for the first year of the biennium. An estimate of 15 percent was proposed for the second year. Retirement (PERS) increased for biennium 2023 between 4 and 7 percentage points depending on the tier. Materials and services requirements are increasing roughly 12 percent over the next biennium. The increase in BN 23 is largely due to the increase in activity in the community, specifically affecting the City’s enterprise funds, airport and golf, and repair and maintenance, affecting railroad, water and wastewater. Debt service requirements decreased approximately 38 percent for BN 23 due to the refunding done for the police facility building in BN 21. In BN 23, transfers decreased roughly 3 percent over the prior biennium. This largely due to transfers for administrative fees for SDCs during BN 21 being greater than what is expected for BN 23 and the Wastewater SDC Fund reimbursing the Water SDC Fund for the sewer portion of the ASR project in BN 21. Twelve funds have budgeted capital improvements, with the largest project for BN 23 being the 10th St. and N Main St. intersection upgrade that started in BN 21. Contingency and reserve funds for the City total \$11.5 million at the end of the biennium, a decrease over BN 21 of roughly \$2.4 million and a direct result of capital projects budgeted in BN 23.

Capital Improvements



The adopted budget for BN 23 includes approximately \$9.2 million in capital improvements to maintain or increase capabilities.

Department Overview

General Fund

General Fund budget total for BN 23 is \$19,864,679. The General Fund includes \$12,876,500 for police services for the next two-year period, compared to \$11,102,100 in the prior biennium, non-department funding of \$4,636,100, and a contingency balance of \$2,352,079. This fund meets policy guidelines for City operating policy. The City's guideline, as of FY 19, for 20 percent emergency reserve policy calculated from current year resources is under roughly \$625,301. Management was aware the target for reserve funds would take time to obtain.

Public Safety and Dispatch

Our citizen's safety is foundational to our community. Dale Cummins is our chief of police and Larry Seymour is our police captain. The Prineville Police Department and 911 Dispatch is 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 Cummins and Captain Seymour deployed an environment of "procedural justice" principles as our foundation. Our Police Department is partnering with our local health care professionals Best Care to deploy a mental health professional with our mental health officer to focus on citizens who struggle with mental health related issues. To date, the success of this partnership is positive and we hope to build on this approach in Prineville, and that other agencies can learn from our experience. 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.

Rebecca Burkhardt 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 is now fully accredited.

Our public safety leaders and team members have managed the development and transition to our new public safety building providing our community with a state of the art facility for decades to come, without burdening our citizens with a tax bond.

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 with Casey Kaiser as senior planner. 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 of the applications for new development within the City. In the last biennium, the development and construction of much needed housing was underway to add housing availability to the market. Construction included the 135-unit Wild Horse Mesa multi-family apartment complex completed in March 2021. A 50-unit RV park and the 44-unit Barnes Butte Vista townhome development are currently underway. This upcoming year is expected to be busy with industrial, commercial and residential development activity.

Our planning team is also working with local and state agencies to insure the City keeps an adequate inventory of appropriately zoned land for future needs. The members of our planning department maintain a lead role in the continued revitalization of our downtown including supporting the Downtown Strategic Planning Committee efforts to develop the downtown business core. In addition, Casey Kaiser leads the Air Quality Committee in implementing processes to insure our air quality index remains on track.

Public Works

City Engineer/Public Works Director Eric Klann leads our Public Works Department and team, efficiently providing the community with water, wastewater and transportation services. City Engineer Klann and his staff strive to operate these systems as economically as possible. With recent updates to the Water and Wastewater Master Plans, as well as update SDC methodology, our SDC rates are now one of the most competitive in Central Oregon. This is a significant achievement, as our SDC rates were the highest in the region a decade ago. We continue our focus on the training and education of our Public Works Department team members, who are developing into a highly skilled, cross-functional work force.

Transportation

Street Superintendent Scott Smith and his team continue to maintain the City of Prineville street network in an acceptable condition with limited funds. Maintenance activities were completed protecting the City's pavement condition index (PCI). The City of Prineville first inspected and ranked all city streets in the summer of 2008. Further inspections have occurred every other year with the last inspection done the summer of 2020. 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. Our current PCI is 74, which is a significant improvement from our initial PCI in 2008 of 71. This improvement was made during years of challenging budgets, a significant accomplishment!

In the last budget biennium, the Elm Street Bridge was replaced with grant funding from the Oregon Department of Transportation (ODOT). Design began on the 3rd Street Corridor refinement plan, which will bring significant improvements to the pedestrian safety features, utility and streetscape features along 3rd Street.

Water and Wastewater

The City's water system capabilities and capacity are well-positioned to meet both current and future needs. The recently completed Crooked River effluent disposal wetland is performing well and will provide wastewater treatment for years to come. Construction is wrapping up on the innovative water Aquifer Storage and Recovery (ASR) project

which will provide water certainty for many years to come. These efforts continue to keep the City of Prineville well-positioned to provide high-quality, dependable water to our customers into the future. With a focus on conservation efforts the City's water rates are forecasted to become more competitive in the upcoming years. These projects show that the City of Prineville is "creating a better tomorrow through fiscally responsible projects benefitting the environment and the community!"

The ASR project recently won a very prestigious Lighthouse Award from the Brave Blue World Organization. A summary of this award is given below.

- The Brave Blue World Foundation launched the Lighthouse Awards in 2020. We honor these pioneers and visionaries both corporates and utilities within the water sector who are reducing their impact in water stressed regions, including circularity in their practice, and groups that have established and achieved progressive targets.
- Apple established a data center in Prineville, Oregon. When examining how best to meet the water needs for the data center with minimal impact to the basin, Apple worked with local stakeholders to identify some of the main water challenges.
- Apple discovered through partnership with the City that there was a significant difference between peak demand in the summer versus the rest of the year, and that this difference was even more pronounced for the data center's cooling needs. The City might see a 4x increase in water use in the summer and data centers can use very little water most of the year but can see as much as 10x increase in their average use during the hot summer months.
- The local hydrogeology of the region meant it was possible to deposit small amounts of water evenly during off-peak months into the aquifer for withdrawal during the three-month summer peak. By doing so, this stabilized groundwater levels and reduced the drawdown on other wells that support the rest of the city.
- Apple contributed \$8.7m to fund this project through innovative partnership with the City. This approach demonstrates the value of taking time to understand the specific context of each basin, and devise solutions through partnership with other stakeholders that can address the drivers of water stress and the needs of all users.

Our water and wastewater financial models are forecasting competitive rates for our customers as we move into the future with capacity needs met for multiple decades.

System Development Funds

The City's SDC Funds are benefiting from continued investment in residential and industrial development this last budget cycle. The City is forecasting and planning SDC funding to maintain current assets and develop our infrastructure to meet future demands. This investment will be the foundation for wastewater reuse, aquifer storage and recharge, significant transportation upgrades, and strength throughout our City's service area.

Railroad and Freight Depot

General Manager Matt Wiederholt and the City of Prineville Railway team moved this strategic fund to operational stability for the sixth consecutive budget year. New leases with KRAH USA and Marathon Oil, along with several new service agreements, helped keep the railroad financially solvent through a down turn in rail traffic due to COVID-19. For the first time in six years, additional revenues helped hire a fourth employee bringing the railroad to a full staffing level. 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. As the Railway transitions into the next fiscal year, financial sustainability, safety, and capital projects to address deferred maintenance are the primary focus.

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, a new hangar is being constructed and rental hangar occupancy remains near 100 percent.

Already in construction, a \$2.8 million FAA funded runway improvement project and an aircraft parking expansion project is planned to complete early this year. The Airport also in a planning phase for future development on the north side of the airport which will open the door for many aviation and commercial business opportunities.

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 #9 for “Value Courses in the United States” in 2018. Recently, the publication moved the course up to the #12 spot for “Top Courses in Oregon.” 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. During the COVID-19 pandemic, golf witnessed a resurgence in the region. Golf rounds and revenues increased nearly 20 percent since the initial stages of the pandemic. The increase in revenue coupled with the savings from the restructuring of the restaurant has allowed management to focus on capital improvement projects and address deferred maintenance of the facility in order to keep this asset for the City in top condition. 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.

Administrative Services

Finance Director Liz Schuette and her staff continue to adapt to changes and challenges to the City’s financial performance. The team embraces continuous improvement 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 fifteenth consecutive year – received the prestigious Distinguished Budget Presentation Award from the Government Finance Officers Association. For the fourth consecutive year, the City received the coveted Certificate of Achievement for Excellence in Financial Reporting for the comprehensive annual financial report for FY 19 and is awaiting results for FY 20. Although we appreciate award recognition, we apply for these awards to have our budget and comprehensive financial statements critiqued by experts from around the country to help us improve our documents for our citizens. Our 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 our employees with support, development and guidance. Human resources (HR) finished implementation of NeoGov for potential applicants to efficiently access job opportunities with the City using their smart phones, tablets or computers. The NeoGov platform allowed us to add additional components which streamlined onboarding and training of new employees. The training component fulfills several functions for our employees and is currently being rolled out for yearly in-service training of staff.

Safety continues to be a priority for our entire team at the City, particularly this last year due to COVID-19. Each department was assigned additional safety protocols to remain safe and healthy while working. City Recorder Lisa Morgan, the City’s risk manager and safety coordinator, developed and implemented a City-wide safety program and facilitated a safety committee that is proactively auditing safety protocol across all City departments. We will continue to be focused on maintaining and improving the safety environment for our team members.

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. Much of the IT Department’s resources were directed to responding to the COVID-19 pandemic this year by adapting many City work processes to paperless and virtual workflows while implementing diverse technology platforms to support remote workers and provide citizen engagement.

The IT Department facilitated moving the City's 911 dispatch center twice this year, to provide them with an isolated work-site during the COVID-19 pandemic and into the new police/911 facility. The IT Department continued work on migration to a P25 next generation radio system while facing supply chain delays and corporate travel restrictions from consulting engineers. 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.

The IT Department negotiated and executed an indefeasible right-of-use with a local fiber optic provider to build additional dark fiber circuits to city facilities this year. This connectivity brought the City's new police building, water treatment plant, three parks and recreation facilities, and Crook County Fire's main station and annex building onto the City's municipal network.

Budget Summary

The City's commitment to continuous improvement in budgeting, strategic planning and long-range modeling provides the foundation to develop this adopted BN 22-23 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 citizen's tax dollars are entrusted to us to provide City services effectively and responsibly.

Over the last year our community experienced unprecedented challenges from the COVID-19 pandemic. We have successfully managed to keep our community safe, and maintained operational effectiveness providing continuity of city government, 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 adopted BN 22-23 budget.

The budget committee is holding its first meeting on May 20, 2021 at 5:00 p.m., with budget meetings scheduled to resume on June 1, 2021 at 5:30 p.m.

Sincerely,



Steve Forrester
City Manager



The sunset as seen from the plaza on an August evening

	<h2>Fiscal Responsibility</h2>	<p>Explanation of the Goal The ability for a city to provide services for its citizens is highly dependent on fiscal responsibility. Managing public assets and leveraging those assets to create a community in which the public wants to live, work and play is the objective.</p>
	<h2>Provide Quality Municipal Services and Programs</h2>	<p>Explanation of the Goal The purpose of a local government is to supply goods and services necessary for the citizens it serves. The City of Prineville aims to provide quality services and programs through employee training and consistent evaluation, as well as working collaboratively and forming relationships with other local and state agencies. This provides a holistic approach to maintaining and improving the livability, desirability and reliability of the city.</p>
	<h2>Transparency and Effective Communication</h2>	<p>Explanation of the Goal The City of Prineville and its council are committed to practicing Justice, Equity, Diversity and Inclusion (JEDI) 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>
	<h2>Position City for the Future</h2>	<p>Explanation of the Goal In order to best serve the citizens of Prineville, the City must position itself for the future. By collaborating with its partners, the City sets objectives to anticipate and meet the community's needs for future growth, services and infrastructure.</p>
	<h2>Community Safety</h2>	<p>Explanation of the Goal Ensuring the safety of the public is one of the City's highest priorities. The largest responsibility of this goal falls on the Police Department and Emergency Dispatch. It requires highly skilled officers, community trust and citizen involvement.</p>

Council Goals Addressed by Department / Fund in BN 22-23

	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					

CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023

WELCOME
TO PRINEVILLE



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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Welcome to Prineville

Community Profile

The City of Prineville is a unique small town with a current population of 10,355 (July 1, 2020), an increase of nearly 130 people over the prior year certified population estimate from July 1, 2017. 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.



Shay steam engine gearing up for rides on the Fourth of July

City hall administrative facilities are located downtown across the street from the historic county courthouse. The city hall plaza proudly displays full size bronze horses, complete with a roping cowboy statue group that was created and donated by a local artist. Many visitors and tourists stop by to snap a picture with these lifelike statues. 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, eventually meeting with the 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. In the mid-2000s, the railroad only had a handful of jobs. Today, between the railroad and its customers, they have created over a 100 jobs that are tied directly to it. There are currently over 34 companies utilizing either railroad or railroad-owned facilities. The result is an increase in car traffic, as well as, the variety in cargo. Businesses are taking advantage of the award winning, multi-modal freight depot and junction.

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 – in addition to motorized scooters – with modern features to get players from hole to hole in style. The clubhouse offers spectacular, almost panoramic outdoor views showing 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.



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

The Prineville-Crook County Airport is managed by the City in collaboration with Crook County. The airport manager continues to successfully increase business and recreational activities. The existing hangars continue to be completely occupied with new hangars under construction. 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. An exciting, years-in-the-making United States Forest Service helibase project was completed at the airport in 2020. Much like the railroad, the airport went from a couple of airport-related jobs to over 30 in the last couple of years.



Hot air balloons in Stryker and Ochoco Creek Parks in July 2016

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 the opportunities for outdoor activity year-round. The beautiful Painted Hills of Mitchell and the magnificent Smith Rock State Park are just a couple of must-see attractions in the area. Some of the activities residents and visitors of Prineville enjoy are: fishing, hunting, boating, rafting, skiing, snowboarding, hiking, camping, rock climbing, horseback riding and rock hounding. The City added to these recreational opportunities in 2017 by purchasing 460 acres of land, now known as the Barnes Butte Recreation Area, adjacent to land owned by the Bureau of Land Management (BLM). Purchased by the City primarily for water rights, this area also became a favorite place to visit in the community. It features 360 degree views of the surrounding rim rocks and wildlife. The City partnered with Crook County Parks and Recreation to incorporate all parks and trails within the city into one plan in 2019, of which the "Echo of the Butte" master plan for the recreation area is a part of.



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 has benefited from amazing student and Eagle Scout projects since opening.

Prineville 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 an 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 ongoing, so this challenge is beginning to balance out. Developers for multiple family dwelling units are underway and almost ready to occupy..

Prineville 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 completed on a beautiful, \$30 million facility built to better serve the community’s needs. The hospital recently expanded to include an immediate care and physical rehabilitation centers. 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.

Once the holder of the highest unemployment rate in Oregon at over 20 percent in 2009, Prineville now sits at 8.3 percent, up 3.4 percent from the last biennial budget cycle. In April 2020 the unemployment rate increased due to the COVID-19 pandemic and restrictions put in place by the State of Oregon to try to mitigate the risk of spreading the disease. Restrictions have been slowly relaxing allowing the unemployment rate to start to fall and stabilize.

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.

The City maintains its presence in social media and utilizes it to communicate with its citizens. Public engagement has increased significantly over the last year, largely due to the COVID-19 pandemic. City Council meetings and Council workshops are currently being live streamed on Facebook which allows citizens to watch at their convenience and know what is going on in their local government.

Government Services						
The table below identifies the provider of government services within the City of Prineville						
Services	City of Prineville	Crook County	Crook		Crook County	
			County Fire District	School District	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			Golf	
Sworn Officers		21	Club House	1
School Resource Officers		2	18 Hole Course	1
Dispatchers		10	Rounds of Play	25,920
Proactive Contacts		6,661		
Calls for Police Assistance		21,229	Sanitary Sewer	
Dispatch Emergency Calls		9,956	Service Connections	3,878
Dispatch Non-Emergency Calls		51,337	Avg. Daily Sewage Treatment (MGD)	1.1
			Sewer Rates	\$ 52.93
Community Development			Lineal Miles of System	48
Residential Applications		65	Treatment Capacity (MGD)	2.37
Commercial Applications		8		
SDC Fees Collected in FY 2020	\$	1,260,544	Streets	
			Street (Centerline Miles)	57.7
Railroad			Sidewalks	36.6
Diesel Locomotives		4	Traffic Signals	5
Steam Locomotives		1	ADA Ramps (Downtown Area)	66
Cars		8		
Main Track Miles		18.01	Water	
Yard Track Miles		2.46	Service Connections	3,947
Industrial Track Miles		2.45	Avg. Monthly Consumption (Units)	63,576
Transload Facilities		2	Water Rates	\$ 19.15
Public Team Track (Acres)		1.45	Lineal Miles of System	48
			Water Wells	12
Airport			Wells Capacity (MGD)	5
Runways		2	Storage Tanks	6
Terminal		1	Treatment Capacity (MGD)	6.00

Schools in Crook County

The Crook County School District (CCSD), one of five Central Oregon school districts, consists of one high school, one middle school (grades 6-8), two elementary schools (grades K-5) and one rural school in Paulina (grades K-8). Current enrollment is 3,074 students, a decrease of 128 over the biennium. CCSD is served by the High Desert Educational Service District. Crook County Christian School in Prineville (grades preschool-12), Insight Charter (alternative online educational opportunity) and a charter school in Powell Butte (grades K-6) offer additional options.

CCSD added new curriculum known as career technical education (CTE), consisting of nine areas of study. Current offerings include: agriculture science, business, culinary, construction, health science, graphic design/media, manufacturing, natural resources, and robotics/computer science. This curriculum offers National Center for Construction Education and Research (NCCER) certification in 20 different areas by providing hands on application experience to students. Future expansion of the CTE program is expected. With the addition of the CTE program that prepares them to be employment ready upon graduation from high school, students can discover a future pathway for themselves early on.



Barnes Butte Elementary opened for the 2015-16 school year

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, another popular community addition supported by the City in order to provide higher educational opportunities to citizens.

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 2020	Employees 2021
Les Schwab Prineville Operations	443	436
Crook County School District	396	395
Facebook	350	350
Rosendin Electric	229	317
Brasada Ranch	280	250
Crook County	223	223
St. Charles Health System	233	223
Endura Products (formerly Contact Industries)	236	200
Ochoco National Forest	192	191
Bureau of Land Management	155	164

Source: Economic Development of Central Oregon

Age, Education and Wage Data	
Oregon’s average household income	\$62,818
Prineville’s average household income	\$35,871
Median age	40.5
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	\$224,900
Owner-occupied housing unit rate	55.2%
Average monthly rent for a three bedroom house	\$880.00

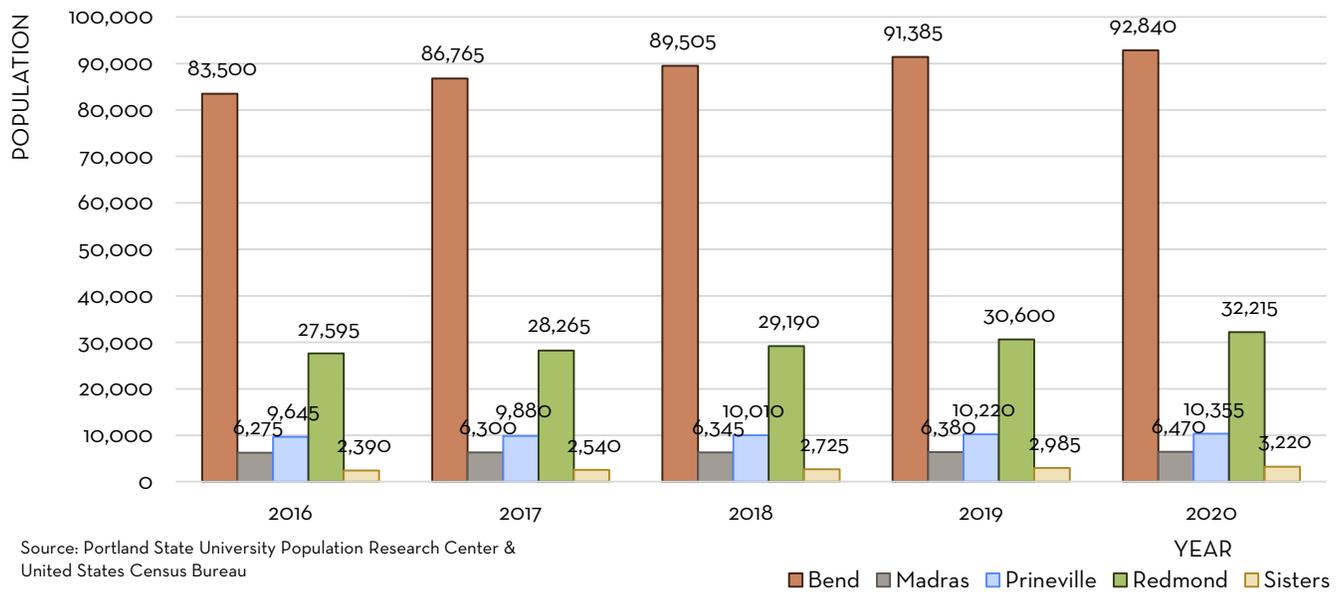
Source: United States Census Bureau and Economic Development of Central Oregon

Regional Comparisons

The following charts provide a snapshot of how Prineville compares to other cities in the region in terms of population, student enrollment and unemployment.

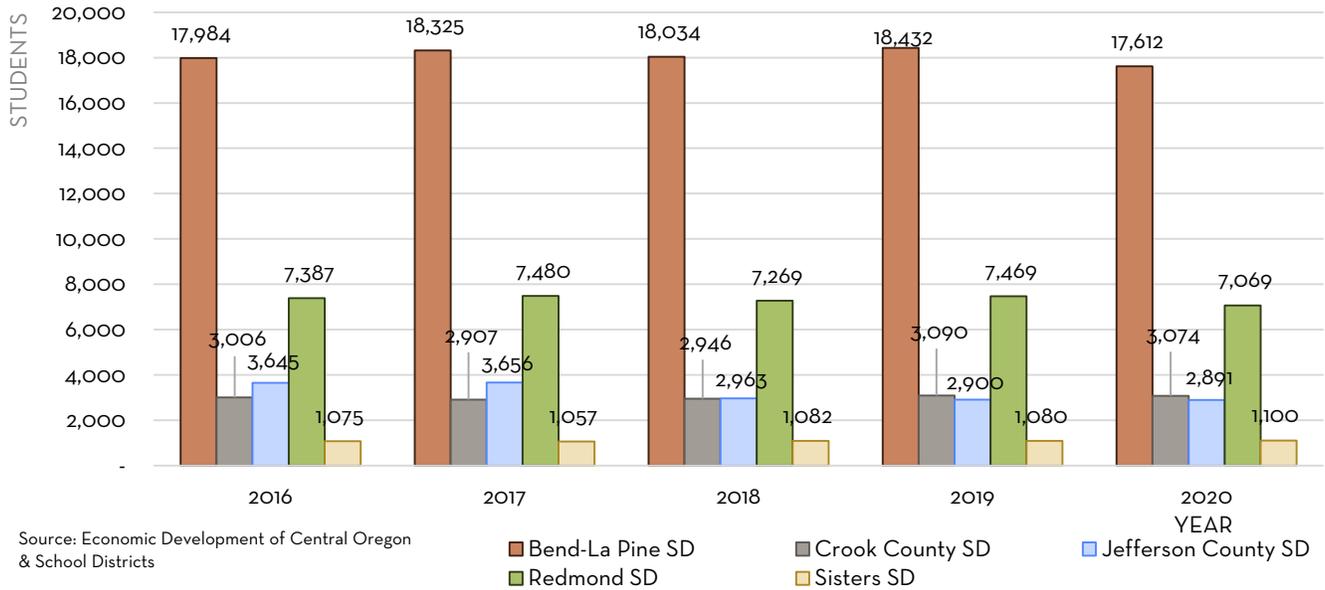
Since the last census in 2010 the population of Prineville has increased from 9,260 to an estimated 10,355 in 2020. This is an 11.8 increase over the decade. The 2020 U.S. Census is expected to revise the 2020 population estimate upward. Year-over-year population growth is expected to continue at the same rate or greater. The official annual forecasted growth rate from the Portland State University Population Research Center is 0.7 percent, a conservative growth rate surpassed in each of the last two decades.

Regional Population Comparison Comparison Against Largest Local Cities by Year



View on one of the biking trails at Barnes Butte Recreational Area

Student Enrollment Students Registered with Local Districts by Year

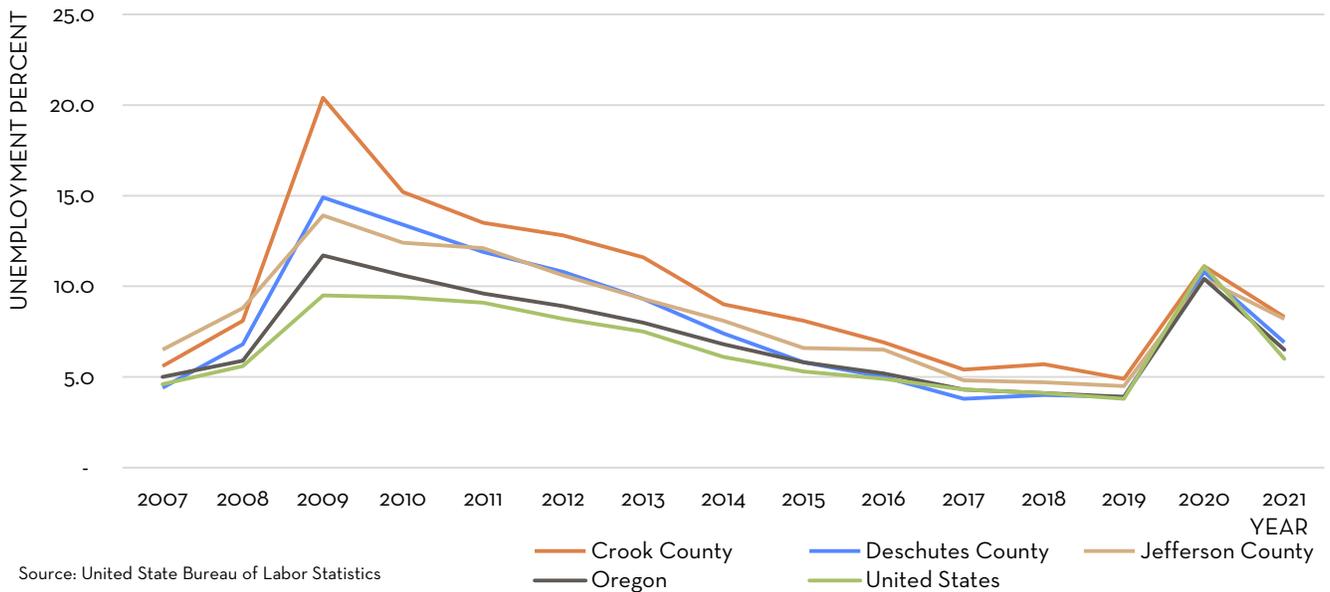


Student enrollments for the region declined in 2020 – after a slight increase in 2019 – likely due to the combination of COVID-19 and a spike in area unemployment rates. Central Oregon enrollments decreased overall by roughly 3.7 percent. Crook County School District experienced only a small 0.5 percent shrinkage in enrollments for 2020. Much like Crook County, Jefferson County School District enrollments dropped under 1 percent, coming in at just over 0.3 percent. Bend La-Pine School District and Redmond School District experienced larger decreases from 2019, approximately 4.4 percent and 5.3 percent respectively. Only Sisters School District increased student enrollments, an increase of approximately 1.8 percent.



Citizens watch from the annual horse races from the stands in July 2017

Unemployment Trends Regional Unemployed Workforce Comparison

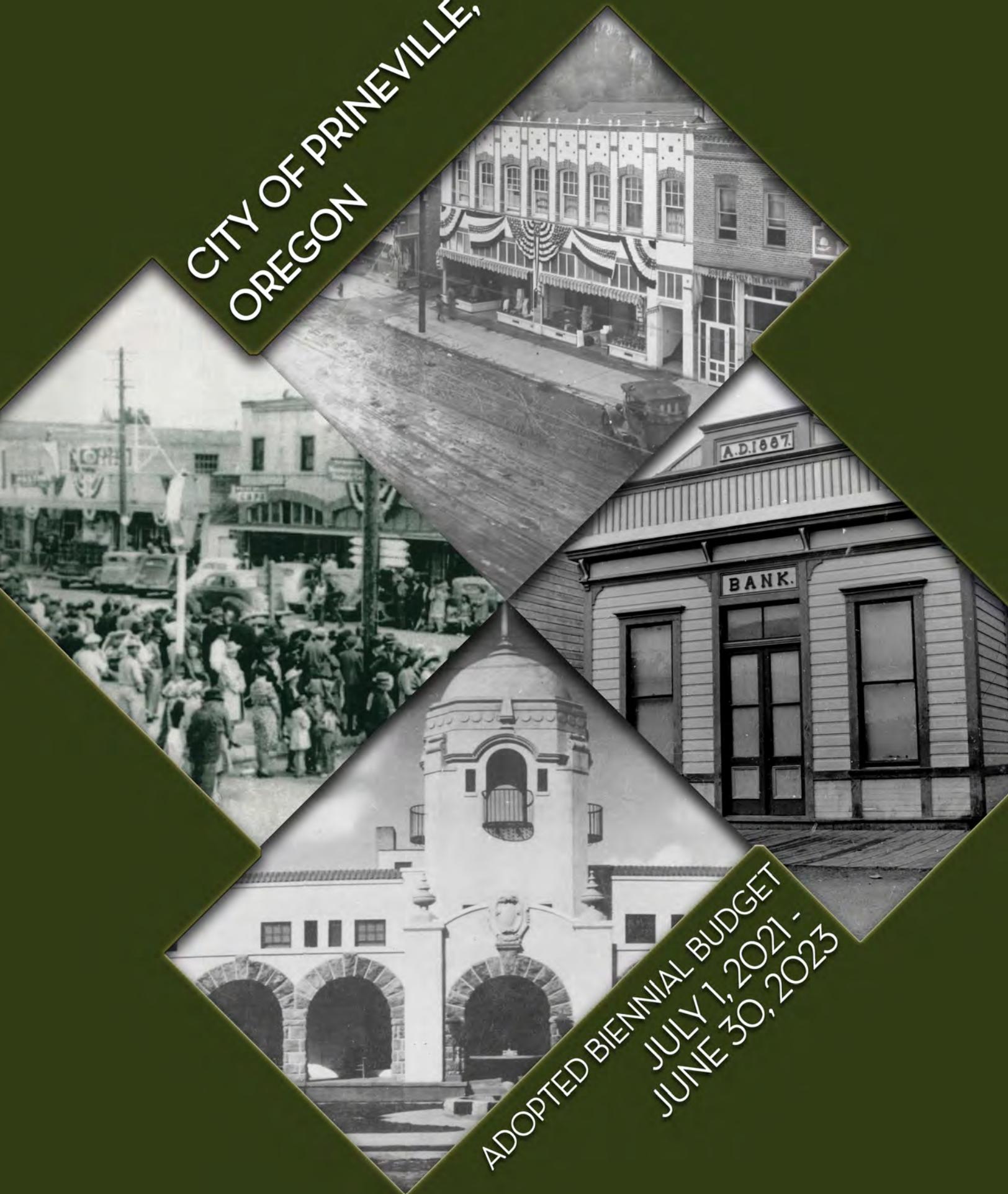


Crook County held the highest unemployment rate in the region in the recent past and again is tied with Jefferson County. Manufacturing jobs, primarily in the wood products industry, witnessed significant decline in the last several years. Other jobs, such as warehousing, utilities, retail trade, professional and business services, construction (both residential and commercial), education, health services, leisure, and hospitality continue to increase.



Officer Vollmer and Young hand out candy in front of the police department during Halloween 2018

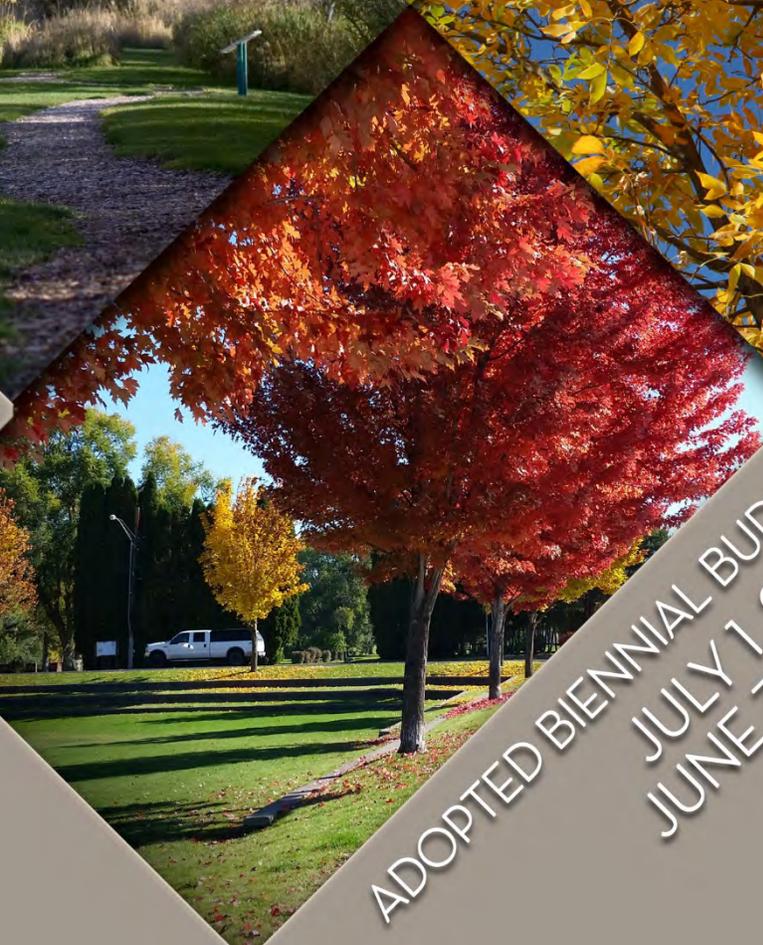
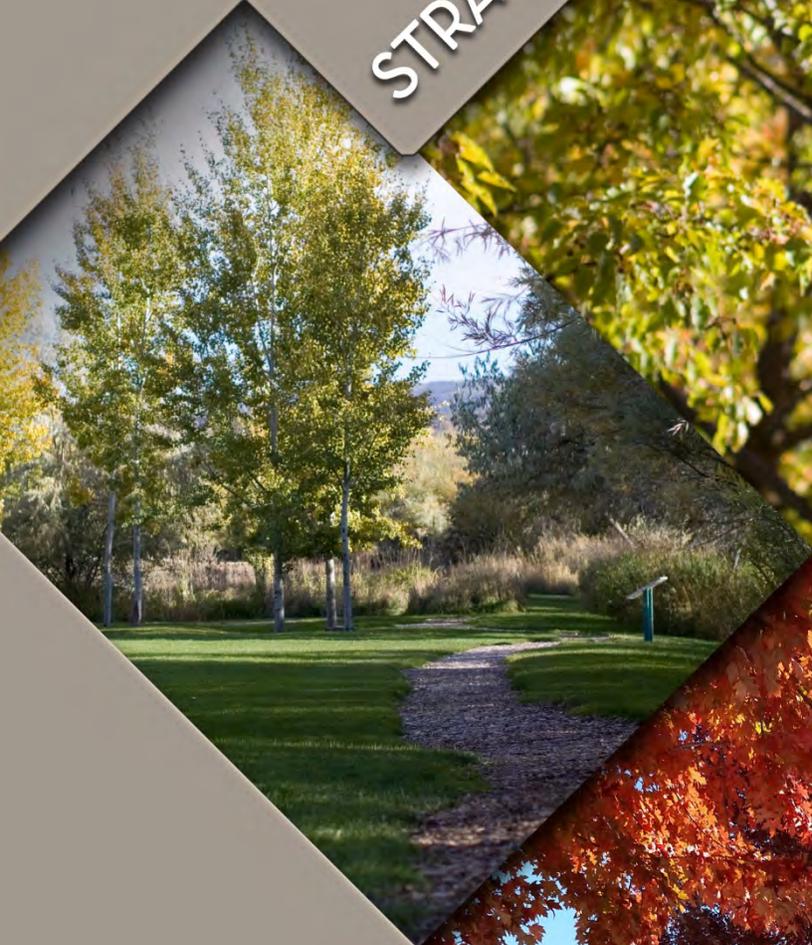
CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
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JUNE 30, 2023

STRATEGIC PLANNING

S. E. THIRD



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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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.



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 and committees, 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
- Railroad Commission
- Public Safety
- Transportation
- Economic Development
- Planning Commission
- Community Development
- Chamber of Commerce
- 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 facades.

- 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.
- 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.
- Fair Board - Oversees activities and operations of the 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.

	<h2>Fiscal Responsibility</h2>	<p>Explanation of the Goal The ability for a city to provide services for its citizens is highly dependent on fiscal responsibility. Managing public assets and leveraging those assets to create a community in which the public wants to live, work and play is the objective.</p>
	<h2>Provide Quality Municipal Services and Programs</h2>	<p>Explanation of the Goal The purpose of a local government is to supply goods and services necessary for the citizens it serves. The City of Prineville aims to provide quality services and programs through employee training and consistent evaluation, as well as working collaboratively and forming relationships with other local and state agencies. This provides a holistic approach to maintaining and improving the livability, desirability and reliability of the city.</p>
	<h2>Transparency and Effective Communication</h2>	<p>Explanation of the Goal The City of Prineville and its council are committed to practicing Justice, Equity, Diversity and Inclusion (JEDI) 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>
	<h2>Position City for the Future</h2>	<p>Explanation of the Goal In order to best serve the citizens of Prineville, the City must position itself for the future. By collaborating with its partners, the City sets objectives to anticipate and meet the community's needs for future growth, services and infrastructure.</p>
	<h2>Community Safety</h2>	<p>Explanation of the Goal Ensuring the safety of the public is one of the City's highest priorities. The largest responsibility of this goal falls on the Police Department and Emergency Dispatch. It requires highly skilled officers, community trust and citizen involvement.</p>

Council Goals Addressed by Department / Fund in BN 22-23

	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 22-23 Police

Department Goals		Council Goals
A	Maintain accreditation	
B	Promote the health and wellness of employees	
C	Serve the community in innovative ways	
D	Stay connected through social media	

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 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	Maintain a reasonable pavement condition index (PCI) rating with the amount of available funds.	
C	Research pavement preservation techniques to lengthen the useful life of Prineville's streets and protect pavement quality.	

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	

Railroad

Department Goals		Council Goals
A	Identify sustainable funding strategies for long-term maintenance of railroad infrastructure and capital asset replacement	
B	Provide education and support for employees to pursue education and professional development	
C	Increase railway profitability through work with local and regional industries to incorporate rail into their transportation plans, growing the number of customers, car loads and car storage to increase fund balance	



Ariel view of the Railroad and Freight Depot facilities

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	

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	

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	Fiscal health and sustainability	
B	Employee development and continued cross training	
C	Obtain GFOA budget and COA awards	
D	Achieve great customer service to internal and external customers	

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



IT Department on Wolf Mountain for site restoration work in FY 20

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	

Significant Strategic Accomplishments from BN 20-21

Police – Completed adaptive reuse of and moved to a new police and dispatch facility that is earthquake certified and out of the flood plain. This facility will meet the space needs of both departments for years to come, funded without creating a tax burden for the citizens. This accomplishment is aligned with the council goal of positioning the City for the future.

Emergency Dispatch - The dispatch center completed two system upgrades: the Law Enforcement Data Systems (LEDS) portal to criminal justice information known as LEDS2020; and ProQA, upgrading emergency medical dispatch processes and integrating with the computer aided dispatch (CAD) system. This accomplishment is aligned with the council goal of providing quality municipal services and programs.

Transportation Operations - Inspected and evaluated the entire street network in accordance with Metropolitan Transportation Standards. The Streetsaver Online 9.0 database was updated with inspection data and a maintenance report which included funding needs (pavement management budget options) was developed. This accomplishment is aligned with the council goal of positioning the City for the future.

Planning – Coordinated the sale of City property for continued housing development, the acquisition of property addition for the Barnes Butte Recreation Area, and a land exchange between Crook County and the Humane Society of the Ochocos. This accomplishment is aligned with the council goal of positioning the City for the future.

Railway / Freight Depot - Secured a new anchor tenant with the finalization of the lease with KRAH Pipes, who will be utilizing the freight depot. This accomplishment is aligned with the council goal of positioning the City for the future.

Airport - Secured \$2.6 million in funding from the Federal Aviation Administration (FAA) for runway and parking apron projects. This accomplishment is aligned with the council goal of positioning the City for the future.

Water - Installed approximately 4,500 feet of new water line to support growth. 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.

Golf Course – Full renovation completed of the irrigation system, including replacement of all sprinkler heads, lateral piping, main line isolation valves, technology upgrade, removal of existing field satellites and sprinkler heads, replacement of pump station variable frequency drives and a new weather station. This accomplishment is aligned with the council goal of providing quality municipal services and programs.



Former Mayor Steve Uffelmann and City Engineer Eric Klann at the ACEC 2019 Engineering Excellence Awards Gala in Washington D.C. where the Crooked River Wetlands project won the Grand Award

Administrative Services - Implemented a Diversity, Equity and Inclusion citizen/community committee that is in alignment with the City's overall mission statement as well as meeting City Council goals to provide quality municipal services and programs, transparent and effective communication, and positioning the City for the future. Another significant accomplishment was the City's participation in providing essential services and resources to our business community due to COVID-19 response which is aligned with the council goal of fiscal responsibility.

Human Resources – Implemented two new software programs. Neogov Onboarding enables new hires to become more productive from the first day on the job by streamlining new hire paperwork, processes and training. Neogov Learn system provides a centralized platform with designed courses for employment liability, human capital and health and safety. This accomplishment aligns with the council goals of positioning the City for the future and providing quality municipal services and programs.

Finance - Created and implemented a COVID-19 relief program for the City's utility customers. This accomplishment is aligned with the council goal of providing quality municipal services and programs.

Information Technology – Responded to the COVID-19 pandemic by deploying work from home solutions, migrating the 911 center to a backup location, providing for video conferencing and public meeting live-streaming, and increasing technology capabilities to support users working in different ways. This accomplishment is aligned with the council goals of transparency and effective communication, providing quality municipal services and programs and public safety.

Public Works Support Services – Led the design and construction of several very large capital projects in the system development charge (SDC) funds while managing the utility departments. This accomplishment aligns with the council goals of positioning the City for the future and providing quality municipal services and program.



Community members got together for the Barnes Butte design workshop put on by the City in FY 20

Performance Measure Process

The City of Prineville has worked to shift its focus to new performance measures that better 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 be matched up 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	Actual		Current	Estimated	Proposed	BN 2023	
	2017-2018	2018-2019	Budget 2019-2021	Total Budget 2019-2021	Budget 2021-2022	Proposed Budget 2022-2023	Proposed Total Budget 2022-2023
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 years: Revenues and expenditures for the prior fiscal years 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 2022 and 2023 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 2022 and 2023 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		Current Budget 2019-2021	Estimated Total Budget 2019-2021	Proposed Budget 2021-2022	BN 2023	
	2017-2018	2018-2019				Proposed Budget 2022-2023	Proposed Total Budget 2022-2023
Beginning fund balance	\$ 1,583,740	\$ 1,918,886	\$ 1,918,286	\$ 2,153,326	\$ 2,760,579	\$ 2,457,879	\$ 2,760,579
Current year resources							
Property taxes	2,071,505	2,194,108	4,570,000	4,790,494	2,540,000	2,620,000	5,160,000
Transient lodging tax	339,003	432,343	760,000	672,000	350,000	350,000	700,000
Franchise fees	2,740,102	3,031,496	6,558,000	6,755,674	3,706,200	4,128,200	7,834,400
Licenses and permits	8,439	8,039	17,200	17,885	7,700	8,200	15,900
Intergovernmental revenues	295,048	387,007	866,000	1,952,460	1,939,800	448,000	2,387,800
Charges for services	371,817	66,315	560,000	366,706	285,000	295,000	580,000
Interest	24,614	45,856	80,000	62,603	10,000	10,000	20,000
Miscellaneous	61,572	362,659	81,000	439,688	63,000	63,000	126,000
Transfers	72,484	-	-	-	130,000	150,000	280,000
Debt proceeds	433,000	-	-	-	-	-	-
Total current year resources	\$ 6,417,586	\$ 6,527,823	\$ 13,492,200	\$ 15,057,510	\$ 9,031,700	\$ 8,072,400	\$ 17,104,100
Total resources	\$ 8,001,326	\$ 8,446,709	\$ 15,410,486	\$ 17,210,836	\$ 11,792,279	\$ 10,530,279	\$ 19,864,679
Expenditures	Actual FY 16-17	Actual FY 16-17	Current Budget 2019-2021	Estimated Total Budget 2019-2021	Proposed Budget 2021-2022	Proposed Budget 2022-2023	Proposed Total Budget 2022-2023
Police	4,728,367	5,118,604	11,102,100	10,606,191	6,209,400	6,667,100	12,876,500
Non-departmental	1,354,074	1,174,780	2,210,900	3,844,066	3,125,000	1,511,100	4,636,100
Contingency			2,097,486	2,760,579	2,457,879	2,352,079	2,352,079
Total expenditures	\$ 6,082,441	\$ 6,293,384	\$ 15,410,486	\$ 17,210,836	\$ 11,792,279	\$ 10,530,279	\$ 19,864,679
Ending fund balance	\$ 1,918,886	\$ 2,153,326	\$ -	\$ -	\$ -	\$ -	\$ -
Budgeted positions (FTEs) Police	19.41	21.41	22.70		22.70		
Policy 6 months working capital						1,362,900	
20% of revenue budget emergency reserve						1,614,480	
Total Policy						2,977,380	

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

BUDGETING IN THE
CITY OF PRINEVILLE



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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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	John Charles
Patricia Jungmann	Casey Daly
Ray Law	Caroline Ervin
Gail Merritt	Greg Munn
Jeff Papke	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 for BN 20-21

Biennial Budget Calendar First Year of Biennium FY 22

**January
2021**

- Finance distributes budget calendar
- Finance distributes budget worksheet / departments begin year-end estimate process.

**February
2021**

- Prineville City Council workshop to establish goals for year.
- Year-end estimates from department managers and personnel changes from department managers for BN 22/23 budget.
- Staff preliminary budget goals due.
- Council adopts goals.

**March
2021**

- Managers and Finance Department estimate personnel budgets for BN 22-23.
- Department budget proposals for the upcoming budget years are provided to Finance Department.
- Capital improvement plans (CIP) updated by department managers for BN 22-23 budget.
- First draft of proposed budget narrative, including brief description of various services, goals, key performance indicators, trend information (if available), capital outlay, and significant changes, to Finance Department.
- Department managers update year-end estimates.

**April
2021**

- Finance Director distributes proposed department budgets, including narrative, to city manager and department managers for review.
- Department managers review budget numbers/narrative and sign off on proposed budget

**May
2021**

- Finance updates budget reflecting changes made by the city manager or department managers.
- Budget is printed.
- First budget committee meeting: Budget message, distribute budget document, management presentation and review of current year to date information, discuss budget process, roles and responsibilities, CIPs and department presentation.

**June
2021**

- Second budget meeting.
- Department managers update year-end estimates.
- Council budget hearing and resolutions:
 - Adopting budget and making appropriations
 - Levying taxes
 - Resolution declaring intent to receive state revenue sharing funds

Second Year of Biennium FY 23

January
2022

- Hold informal department meeting / discussions.
- Present to council with quarterly report, biennium budget estimates

February
2022

- Department budget meetings are held updating budget goals if needed.

March
2022

- Department managers update year-end estimates
- CIPs updated

April
2022

- Present to council with quarterly report biennium budget updated estimates.

May
2022

- Publish notice of supplemental budget hearing if changes or updates are needed.

June
2022

- Council supplemental budget hearing (if needed) and resolutions:
- Adopting supplemental budget (if needed) and making appropriations
- Levying taxes
- Resolution declaring intent to receive state revenue sharing funds



Local law enforcement personnel hold a fallen officer ceremony in May 2019



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.

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 wellbeing 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:
 - Funding services traditionally not funded with the revenue source
 - Funding increased service levels
 - Funding reserves
 - Funding capital projects and or debt associated with capital projects that may otherwise require general obligation debt
 - 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 Actuarial Determined Cost (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	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 *	2,352,079	1,362,900	989,179	Yes	1,614,480	N/A	2,977,380	-625,301	No
Transportation	298,092	183,300	114,792	Yes	92,720	N/A	276,020	22,072	Yes
Emergency Dispatch	336,626	237,413	99,214	Yes	98,415	N/A	335,828	799	Yes
Planning	64,220	58,188	6,033	Yes	N/A	N/A	58,188	6,033	Yes
PERS/POB Fund	1,768,318	N/A	N/A	N/A	N/A	323,500	323,500	1,444,818	Yes
Transportation SDC	197,345	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water SDC	65,359	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater SDC	205,460	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Railroad *	1,328,560	832,100	496,460	Yes	402,159	N/A	1,181,959	146,601	Yes
Airport *	56,036	150,900	-94,864	No	45,270	N/A	196,170	-140,134	No
Water	981,618	401,650	579,968	Yes	194,586	336,400	932,636	48,983	Yes
Wastewater	1,615,324	543,833	1,071,491	Yes	280,216	1,014,800	1,838,850	-223,526	No
Golf Course and Restaurant	658,625	200,600	458,025	Yes	71,730	131,000	403,330	255,295	Yes
Admin/Financial Support Servi	460,049	454,905	5,144	Yes	N/A	N/A	454,905	5,144	Yes
Public Works Support Services	438,738	313,965	124,773	Yes	N/A	N/A	313,965	124,773	Yes
Building Facilities/Property Fu	662,228	60,195	602,033	Yes	N/A	542,300	602,495	59,733	Yes
Plaza Maintenance	18,802	2,100	16,702	Yes	N/A	N/A	2,100	16,702	Yes
Total	11,507,478	4,802,048	4,468,948	12 out of 13	2,799,576	2,348,000	9,897,324		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 21 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.

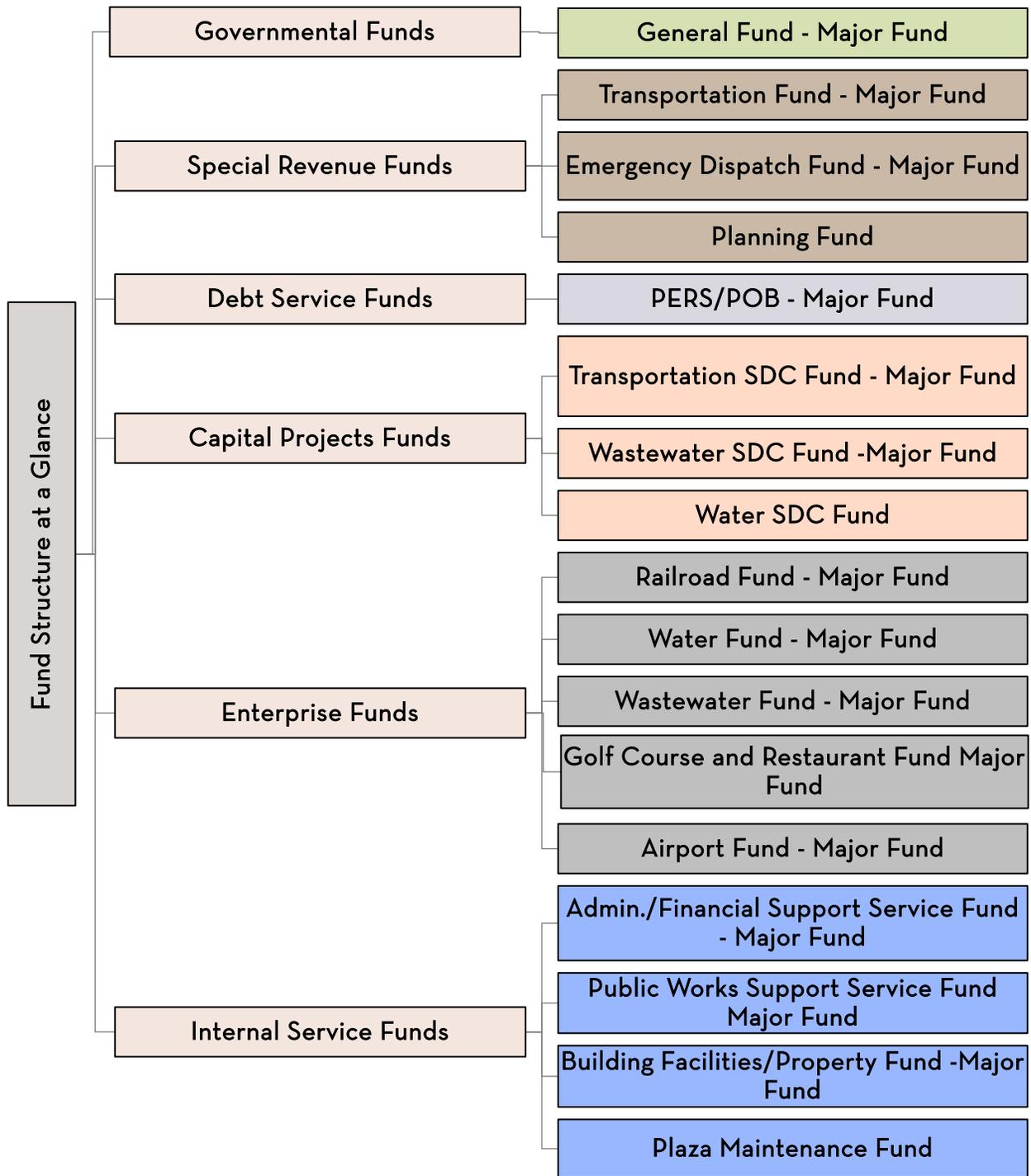
Oregon Revised Statutes (ORS) – Oregon’s compilation of state laws including rules of civil procedure.

For additional terms and acronyms used in this document, please refer to the glossary section starting on page 291.



The view from the south end of Prineville in 2020

Fund Structure



All funds in the fund structure are appropriated funds in the BN 22-23 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

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.



Prineville police officers after a Law Enforcement Memorial Day ceremony on May 15, 2018

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 Funds

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.



A crew paves a residential street in September 2017

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 areas 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.

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.

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.



Equipment works on trenching up the hillside in April 2018

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.



Injector undergoing replacement in the locomotive at the Prineville Freight Depot

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.



Meadow Lakes Golf Course view from hole #2 in March 2019

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 House at twilight

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.

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

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	\$	1,152,433,106
Debt limit: 3% of real market value	\$	34,572,993
Less outstanding debt subject to legal limit (net)	\$	4,106,114
Legal debt margin	\$	30,466,879

Current and Future Debt Planning

The BN 2023 budget includes going out for two capital leases for golf carts in the Golf Fund estimated at \$363,600 and for a street sweeper in the Public Works Service Fund estimated at \$183,300. 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 and FY 19 through a private lender, comments from the lender included, "We are once again impressed with the City's management and high credit quality."

The City has \$4,106,114 of debt subject to the legal limit (ORS 287.004 (2)) as of June 30, 2020. 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, a full faith and credit refunding with additional dollars for the new police building totaling \$5,958,000 in 2020 and a full faith and credit obligation for the purchase of golf carts in the amount of \$107,331 issued in 2015. The City does not currently have plans at this time to seek voter approval of general obligation bonds.



View of the City in May 2021

Total Outstanding City Debt
June 30, 2021

Fiscal Year	Principal	Interest	Total	Balance
2021	-	-	-	21,110,382
2022	1,680,661	528,760	2,209,420	19,429,721
2023	1,760,139	482,627	2,242,766	17,669,582
2024	1,729,621	434,246	2,163,867	15,939,961
2025	1,803,804	386,849	2,190,653	14,136,158
2026	1,875,126	337,356	2,212,482	12,261,032
2027	1,954,591	283,576	2,238,167	10,306,441
2028	1,244,295	236,341	1,480,636	9,062,146
2029	1,109,921	205,217	1,315,138	7,952,225
2030	1,157,240	179,866	1,337,105	6,794,985
2031	1,218,617	153,452	1,372,069	5,576,368
2032	586,054	125,609	711,663	4,990,315
2033	612,553	114,875	727,428	4,377,762
2034	639,115	103,663	742,778	3,738,647
2035	666,743	91,970	758,713	3,071,904
2036	120,437	79,778	200,215	2,951,467
2037	123,200	77,015	200,215	2,828,267
2038	126,034	74,181	200,215	2,702,233
2039	128,940	71,276	200,215	2,573,294
2040	131,920	68,295	200,215	2,441,374
2041	134,976	65,239	200,215	2,306,398
2042	138,111	62,104	200,215	2,168,287
2043	149,939	58,889	208,828	2,018,347
2044	110,655	55,505	166,160	1,907,692
2045	113,698	52,462	166,160	1,793,993
2046	116,825	49,335	166,160	1,677,168
2047	120,038	46,122	166,160	1,557,130
2048	123,339	42,821	166,160	1,433,791
2049	126,731	39,429	166,160	1,307,060
2050	130,216	35,944	166,160	1,176,845
2051	133,797	32,363	166,160	1,043,048
2052	137,476	28,684	166,160	905,572
2053	141,257	24,903	166,160	764,315
2054	145,141	21,019	166,160	619,173
2055	149,133	17,027	166,160	470,041
2056	153,234	12,926	166,160	316,807
2057	157,448	8,712	166,160	159,359
2058	159,359	4,382	163,741	-
	<u>21,110,382</u>	<u>4,692,818</u>	<u>25,803,200</u>	

Total Outstanding Debt
June 30, 2021
Governmental-type Funds

Total Outstanding Debt
June 30, 2021
Business-type Funds

Fiscal Year	Governmental			Fiscal Year	Enterprise			
	Principal	Interest	Total	Balance	Principal	Interest	Total	Balance
2021	-	-	-	9,280,974	2021	-	-	11,829,408
2022	728,639	216,828	945,467	8,552,335	2022	952,022	311,932	13,902,285
2023	775,248	197,177	972,424	7,777,088	2023	984,892	285,450	12,816,563
2024	720,370	176,194	896,564	7,056,718	2024	1,009,251	258,052	11,706,483
2025	762,687	156,889	919,576	6,294,031	2025	1,041,117	229,960	10,564,536
2026	811,625	136,380	948,005	5,482,406	2026	1,063,500	200,976	9,400,205
2027	1,134,771	112,227	1,246,998	4,347,634	2027	819,820	171,349	10,371,671
2028	684,634	82,986	767,621	3,663,000	2028	559,660	153,355	7,819,066
2029	514,000	66,378	580,378	3,149,000	2029	595,921	138,839	9,330,199
2030	538,000	56,508	594,508	2,611,000	2030	619,240	123,357	9,364,352
2031	562,000	46,195	608,195	2,049,000	2031	656,617	107,257	9,471,642
2032	476,000	35,448	511,448	1,573,000	2032	110,054	90,161	6,110,369
2033	500,000	27,213	527,213	1,073,000	2033	112,553	87,662	5,484,531
2034	524,000	18,563	542,563	549,000	2034	115,115	85,100	5,004,586
2035	549,000	9,498	558,498	-	2035	117,743	82,472	4,786,013
2036	-	-	-	-	2036	120,437	79,778	4,564,746
2037	-	-	-	-	2037	123,200	77,015	4,340,716
2038	-	-	-	-	2038	126,034	74,181	4,113,852
2039	-	-	-	-	2039	128,940	71,276	3,884,083
2040	-	-	-	-	2040	131,920	68,295	3,651,333
2041	-	-	-	-	2041	134,976	65,239	3,415,527
2042	-	-	-	-	2042	138,111	62,104	3,176,586
2043	-	-	-	-	2043	149,939	58,889	2,925,816
2044	-	-	-	-	2044	110,655	55,505	2,714,331
2045	-	-	-	-	2045	113,698	52,462	2,499,803
2046	-	-	-	-	2046	116,825	49,335	2,282,147
2047	-	-	-	-	2047	120,038	46,122	2,061,279
2048	-	-	-	-	2048	123,339	42,821	1,837,110
2049	-	-	-	-	2049	126,731	39,429	1,609,550
2050	-	-	-	-	2050	130,216	35,944	1,378,504
2051	-	-	-	-	2051	133,797	32,363	1,143,877
2052	-	-	-	-	2052	137,476	28,684	905,571
2053	-	-	-	-	2053	141,257	24,903	764,314
2054	-	-	-	-	2054	145,141	21,019	619,173
2055	-	-	-	-	2055	149,133	17,027	470,040
2056	-	-	-	-	2056	153,234	12,926	316,806
2057	-	-	-	-	2057	157,448	8,712	159,359
2058	-	-	-	-	2058	159,359	4,382	-
	9,280,974	1,338,484	10,619,458		11,829,408	3,354,334	15,183,742	

Total Outstanding City Debt by Fund June 30, 2021

Governmental Type Funds	Principal	Interest	Total
City Hall - Rural Development	975,000	148,853	1,123,853
Pension Obligation Bond - 2018	1,947,897	292,126	2,240,023
BOTC - Ironhorse Property Aquisition	491,712	71,369	563,081
The Commerce Bank - Police Vehicles	182,365	8,054	190,418
The Commerce Bank - Police Facility	5,684,000	818,083	6,502,083
Business Type Funds			
Water - 2017 FFCO	1,892,115	306,986	2,199,101
Wastewater - 2017 FFCO	2,207,885	358,218	2,566,102
Wastewater - DEQ R74682	2,962,108	267,611	3,229,719
Wastewater - USDA Wetlands	3,826,844	2,318,657	6,145,501
Wastewater - IFA Wetlands	676,455	81,369	757,825
Golf - 2017 FFCO	264,000	21,494	285,494
	\$ 21,110,382	\$ 4,692,818	\$ 25,803,200

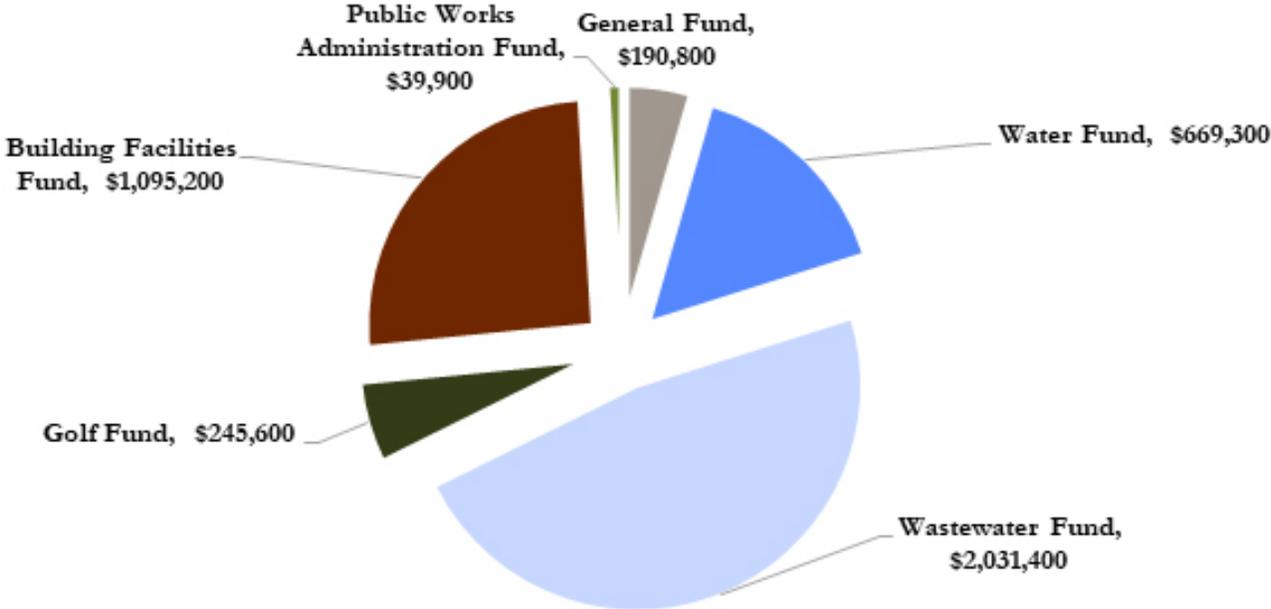


The Crooked River Wetlands Complex

Summary of Debt Service Payments BN 23

	Principal	Interest	Total
General Fund			
Police Vehides	182,800	8,000	190,800
Water Fund			
2017 FFCO	293,600	97,300	390,900
2021 IFA - ASR*	144,400	134,000	278,400
Wastewater Fund			
2017 FFCO	342,600	113,500	456,100
DEQ R74682	1,022,600	152,000	1,174,600
2017 USDA	123,600	208,900	332,500
2017 State of Oregon IFA	54,900	13,300	68,200
Golf Fund			
2017 FFCO	100,000	18,200	118,200
Golf Carts Loan*	122,800	4,600	127,400
Building Facilities Fund			
City Hall	175,000	49,900	224,900
Police Facility	581,000	191,900	772,900
Barnes Butte Property	68,300	29,100	97,400
POB Fund			
Pension Obligation Bond	497,500	135,400	632,900
Public Works Administration Fund			
New Street Sweeper*	39,900	-	39,900

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



CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023

CONSOLIDATED
BUDGETS & ANALYSIS



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023

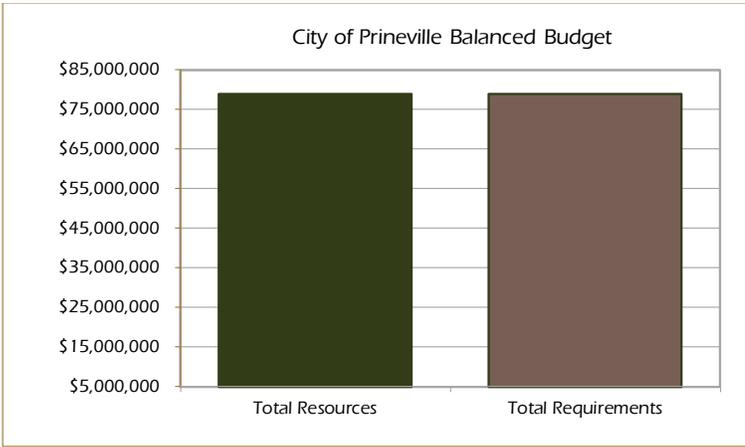


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Balanced BN 23 Budget Summary

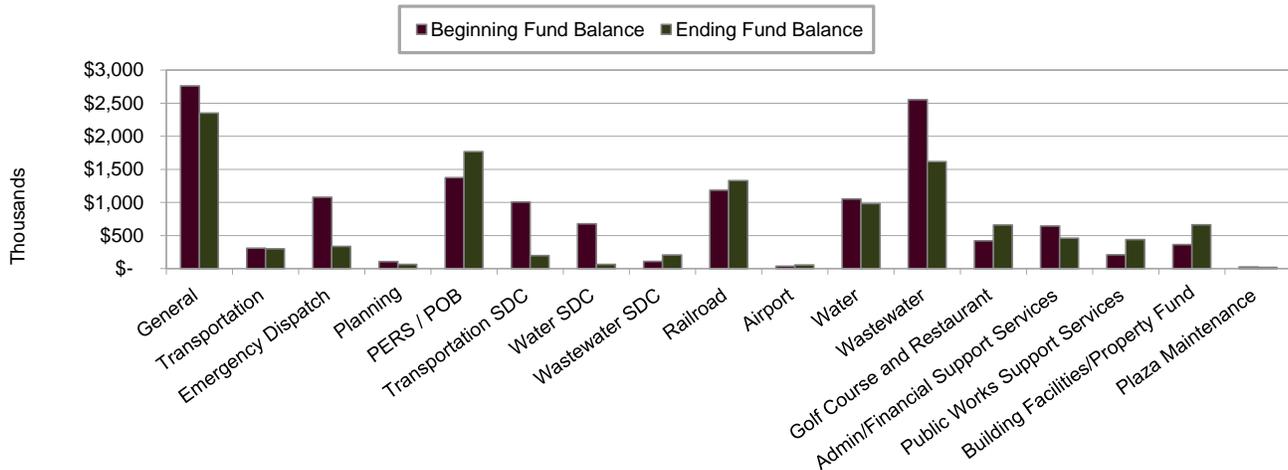
Balanced Budget Summary	
Beginning Fund Balance	\$13,911,279
Other Resources	-
Current Year Resources	64,991,600
Total Resources	\$ 78,902,879
Requirements	\$67,395,400
Contingency	9,384,479
Other Requirements	2,123,000
Total Requirements	\$ 78,902,879
Difference	-



The biennial budget for 2023 will show charts and graphs that include data for the biennium – a two-year period, and information from the previous biennial budget of 2021, some of the charts and graphs will have the fiscal year 2019 or before, annual budgets or one-year period.

Charts and Graphs

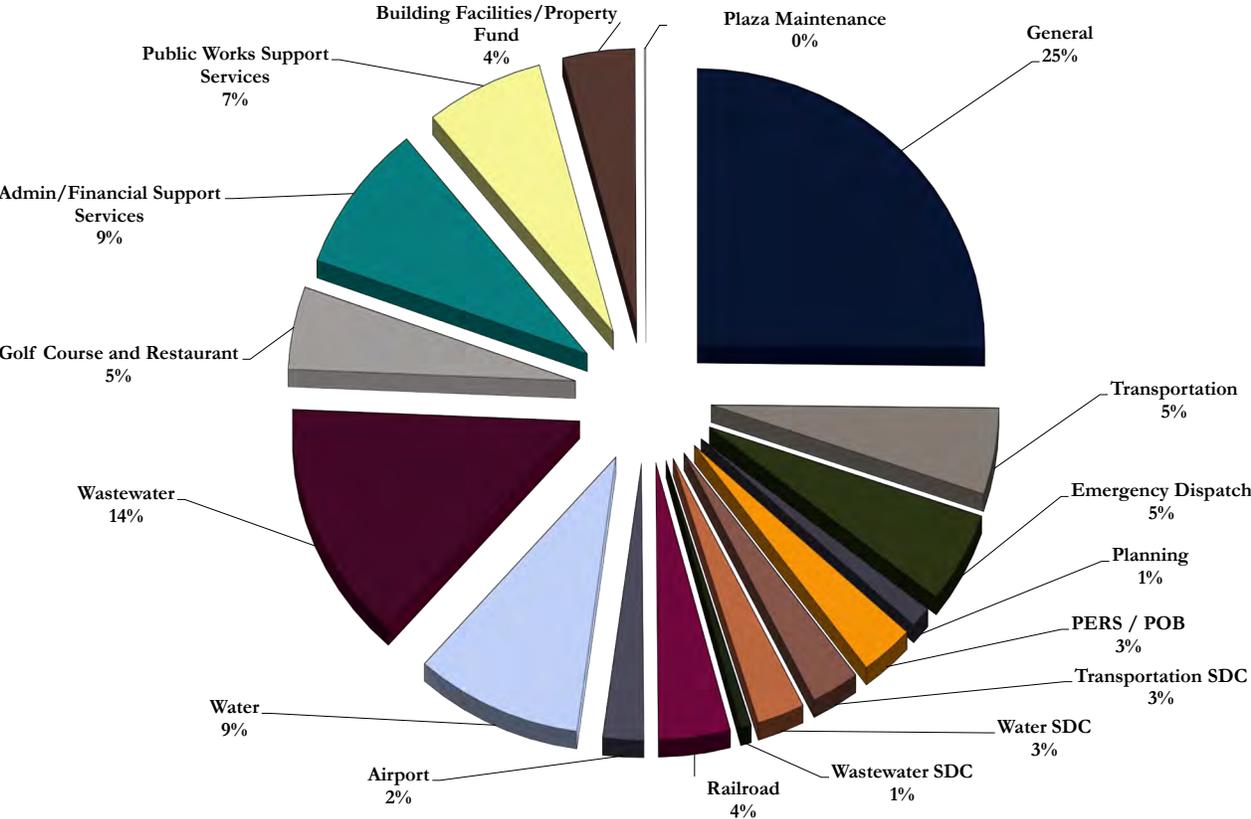
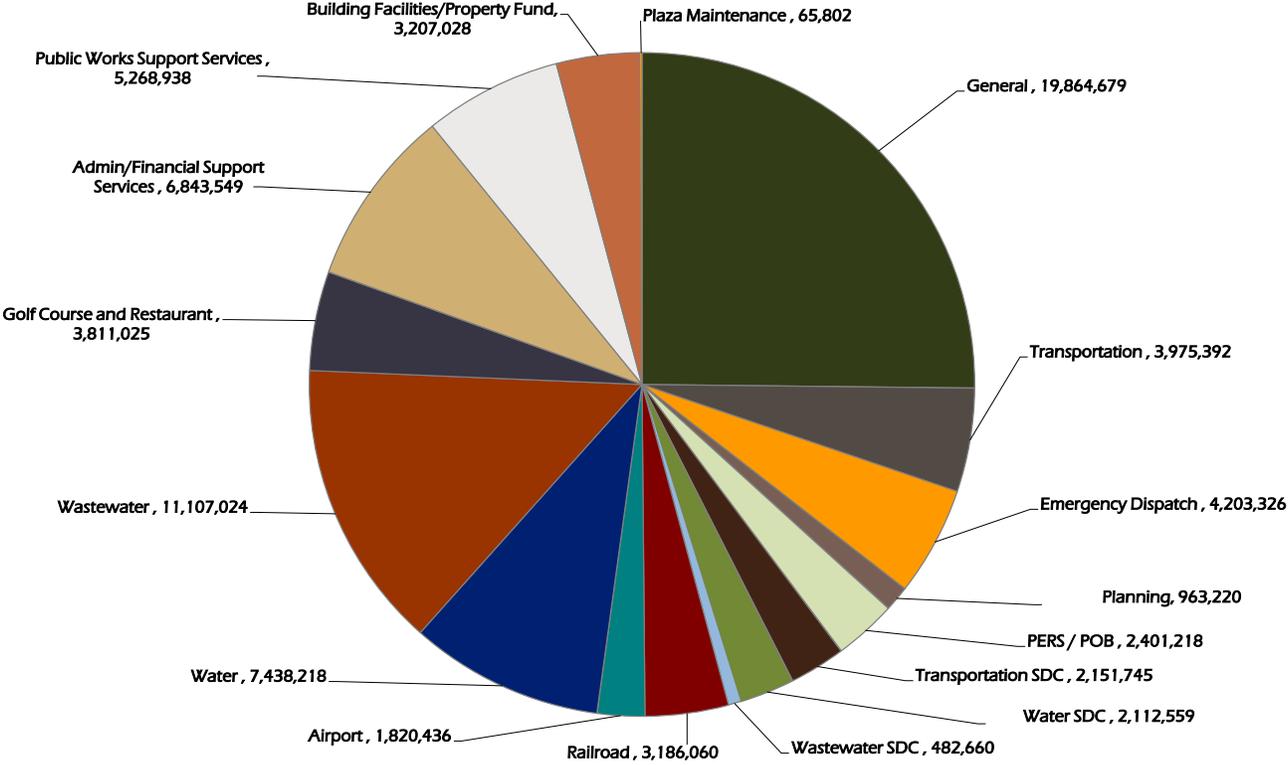
BN 23 Beginning and Ending Fund Balance Comparison



*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.

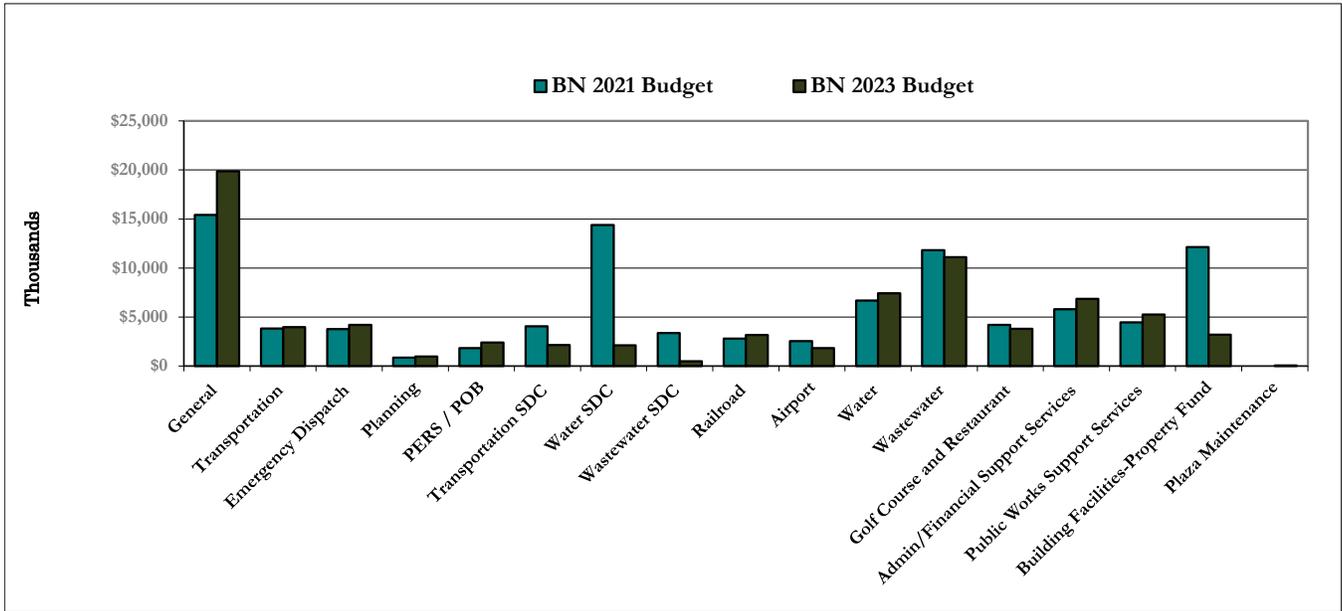
Total Current Year Requirements by Fund



BN 21 & BN 23 Budget Comparison

Fund	BN 2021 Budget	BN 2023 Budget	Percent Change
General	\$15,410,486	\$19,864,679	29%
Transportation	\$3,821,758	\$3,975,392	4%
Emergency Dispatch	\$3,779,956	\$4,203,326	11%
Planning	\$870,558	\$963,220	11%
PERS / POB	\$1,841,591	\$2,401,218	30%
Transportation SDC	\$4,060,653	\$2,151,745	-47%
Water SDC	\$14,393,423	\$2,112,559	-85%
Wastewater SDC	\$3,381,392	\$482,660	-86%
Railroad	\$2,795,993	\$3,186,060	14%
Airport	\$2,537,215	\$1,820,436	-28%
Water	\$6,676,270	\$7,438,218	11%
Wastewater	\$11,812,016	\$11,107,024	-6%
Golf Course and Restaurant	\$4,211,495	\$3,811,025	-10%
Admin/Financial Support Services	\$5,792,814	\$6,843,549	18%
Public Works Support Services	\$4,454,433	\$5,268,938	18%
Building Facilities-Property Fund	\$12,134,008	\$3,207,028	-74%
Plaza Maintenance	\$83,318	\$65,802	-21%
Total	\$98,057,379	\$78,902,879	-20%

BN 21 & BN 23 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	PW Services
Police	*		*								*			*	
Police Facility														*	
Non-Departmental	*	*		*				*						*	
Emergency Dispatch	*		*								*			*	
Transportation	*	*		*		*					*			*	*
Planning	*	*		*		*		*	*		*			*	
PERS/POB	*	*	*	*	*			*	*		*			*	*
Railroad/Fright Depot	*						*				*			*	*
Airport	*							*			*			*	*
Water		*						*			*			*	*
Wastewater		*				*			*	*	*			*	*
Golf									*	*	*			*	*
Council	*									*	*			*	*
City Manager										*	*			*	*
Finance						*				*	*			*	*
IT										*	*			*	*
Plaza Maintenance											*		*	*	*
Building Facilities	*									*	*		*	*	*
Public Works Admin Services		*							*	*	*		*	*	*

Department/Fund Relationships

Governmental Funds



General Fund
 ↓
 Departments
 Police
 Non-Departmental

Special Revenue Funds
 ↓
 Emergency Dispatch Fund
 Planning Fund
 Transportation Fund
 Transportation SDC Fund

Debt Service Funds
 ↓
 POB/PERS Fund

Enterprise Funds/Capital Projects Funds



Water Fund
 Water SDC Fund

Wastewater Fund
 Wastewater SDC Fund

Enterprise Funds - Continued



Meadow Lakes Golf Course

Airport Fund

Railroad Fund

- Departments
 - Restaurant
 - Course Maintenance
 - Golf Operations

Internal Service Funds



Admin/Financial Support Services Fund

Building Facilities/Property Fund

Public Works Admin Fund

- Departments
 - Council
 - Administration
 - Finance
 - Information Technology

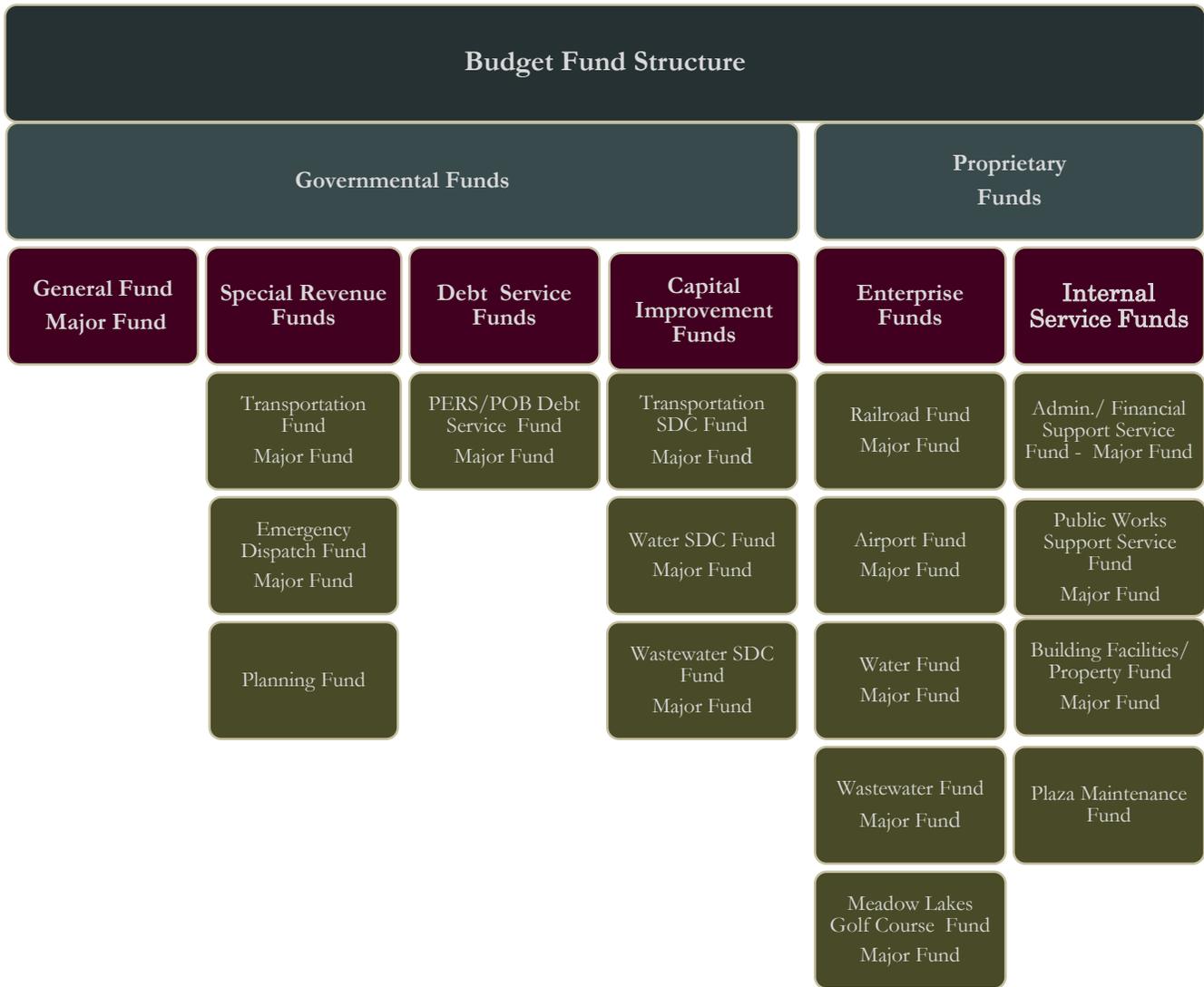
- Departments
 - City Hall Facility
 - Police Facilities
 - Public Works Facilities
 - Barnes Butte Property

- Departments
 - Support Services
 - Fleet Maintenance and Operations

(Supports Transportation, Water and Wastewater, and Capital Projects Funds)

Plaza Maintenance Fund

Fund Structure



All funds in the fund structure are appropriated funds in the BN 2023 Budget.

Consolidated Budget BN 23

Fund	Beginning Fund Balance	Other Resources	Total Biennial Resources	Total Biennial Requirements	Contingency	Other Requirements	Total Biennial Requirements	Ending Fund Balance
General	\$ 2,760,579	\$ -	\$ 17,104,100	\$ 17,512,600	\$ 2,352,079	\$ -	\$ 19,864,679	\$ 2,352,079
Transportation	309,692	-	3,665,700	3,677,300	298,092	-	3,975,392	298,092
Emergency Dispatch	1,079,426	-	3,123,900	3,866,700	336,626	-	4,203,326	336,626
Planning	105,620	-	857,600	899,000	64,220	-	963,220	64,220
PERS / POB	1,376,018	-	1,025,200	632,900	1,444,818	323,500	2,401,218	1,768,318
Transportation SDC	1,006,745	-	1,145,000	1,954,400	197,345	-	2,151,745	197,345
Water SDC	678,559	-	1,434,000	2,047,200	65,359	-	2,112,559	65,359
Wastewater SDC	108,660	-	374,000	277,200	205,460	-	482,660	205,460
Railroad	1,185,460	-	2,000,600	1,857,500	1,328,560	-	3,186,060	1,328,560
Airport	35,436	-	1,785,000	1,764,400	56,036	-	1,820,436	56,036
Water	1,051,618	-	6,386,600	6,456,600	645,418	336,200	7,438,218	981,618
Wastewater	2,554,024	-	8,553,000	9,491,700	825,324	790,000	11,107,024	1,615,324
Golf Course and Restaurant	420,025	-	3,391,000	3,152,400	527,625	131,000	3,811,025	658,625
Admin/Financial Support Services	642,949	-	6,200,600	6,383,500	460,049	-	6,843,549	460,049
Public Works Support Services	208,638	-	5,060,300	4,830,200	438,738	-	5,268,938	438,738
Building Facilities/Property Fund	362,428	-	2,844,600	2,544,800	119,928	542,300	3,207,028	662,228
Plaza Maintenance	25,402	-	40,400	47,000	18,802	-	65,802	18,802
Total	\$ 13,911,279	\$ -	\$ 64,991,600	\$ 67,395,400	\$ 9,384,479	\$ 2,123,000	\$ 78,902,879	\$ 11,507,479

Ending fund balance is equal to contingency and other requirements.

Consolidated Budget BN 21

Fund	Beginning Fund Balance	Other Resources	Current Year Resources	Current Year Requirements	Contingency	Other Requirements	Total Current Year Requirements
General	\$ 1,918,286	\$ -	\$ 13,492,200	\$ 13,313,000	\$ 2,097,486	\$ -	\$ 15,410,486
Transportation	456,058	-	3,365,700	3,581,800	239,958	-	3,821,758
Emergency Dispatch	376,056	-	3,403,900	3,473,600	306,356	-	3,779,956
Planning	240,958	-	629,600	814,200	56,358	-	870,558
PERS / POB Fund	608,691	-	1,232,900	587,300	955,091	299,200	1,841,591
Transportation SDC	1,400,086	-	2,660,567	3,774,400	286,253	-	4,060,653
Water SDC	2,186,423	-	12,207,000	13,570,400	823,023	-	14,393,423
Wastewater SDC	3,090,992	-	290,400	3,268,800	112,592	-	3,381,392
Railroad	1,145,793	-	1,650,200	1,876,000	919,993	-	2,795,993
Airport	13,215	-	2,524,000	2,531,000	6,215	-	2,537,215
Water	585,270	-	6,091,000	5,563,400	918,270	194,600	6,676,270
Wastewater	3,932,316	-	7,879,700	10,283,900	313,316	1,214,800	11,812,016
Golf Course and Restaurant	483,295	-	3,728,200	4,113,400	15,695	82,400	4,211,495
Admin/Financial Support Services	452,914	-	5,339,900	5,758,100	34,714	-	5,792,814
Public Works Support Services	174,933	-	4,279,500	4,163,600	290,833	-	4,454,433
Building Facilities /Property Fund	2,871,408	-	9,262,600	11,524,900	371,208	237,900	12,134,008
Plaza Maintenance	36,318	-	47,000	47,000	36,318	-	83,318
Total	\$ 19,973,012	\$ -	\$ 78,084,367	\$ 88,244,800	\$ 7,783,679	\$ 2,028,900	\$ 98,057,379

Consolidated Estimated Budget BN 21

Fund	Beginning Fund Balance	Other Resources	Current Year Resources	Current Year Requirements	Contingency	Other Requirements	Total Current Year Requirements	Ending Fund Balance
General	\$ 2,153,326	\$ -	\$ 15,057,510	\$ 14,450,257	\$ -	\$ -	\$ 17,210,836	\$ 2,760,579
Transportation	389,301	-	3,453,716	3,533,325	-	-	3,843,017	309,692
Emergency Dispatch	505,672	-	3,679,304	3,105,550	-	-	4,184,976	1,079,426
Planning	241,205	-	658,121	793,706	-	-	899,326	105,620
PERS/POB Fund	594,230	-	1,369,045	587,257	-	-	1,963,275	1,376,018
Transportation SDC	1,500,753	-	2,813,482	3,307,490	-	-	4,314,235	1,006,745
Water SDC	1,710,797	-	13,233,582	14,265,820	-	-	14,944,379	678,559
Wastewater SDC	3,127,928	-	459,299	3,478,567	-	-	3,587,227	108,660
Railroad	1,127,669	-	2,081,252	2,023,462	-	-	3,208,921	1,185,460
Airport Fund	163,422	-	2,008,799	2,136,784	-	-	2,172,221	35,436
Water	783,298	-	6,565,979	6,297,659	-	-	7,349,277	1,051,618
Wastewater	3,940,686	-	7,982,186	9,368,848	-	-	11,922,872	2,554,024
Golf Course and Restaurant	494,280	-	3,917,043	3,991,299	-	-	4,411,323	420,025
Admin/Financial Support Services	281,653	-	6,631,965	6,270,669	-	-	6,913,618	642,949
Public Works Support Services	183,109	-	4,201,840	4,176,311	-	-	4,384,949	208,638
City Hall Facilities	3,117,775	-	9,075,649	11,830,996	-	-	12,193,424	362,428
Plaza Maintenance	37,077	-	22,177	33,852	-	-	59,254	25,402
Total	\$ 20,352,181	\$ -	\$ 83,210,950	\$ 89,651,852	\$ -	\$ -	\$ 103,563,131	\$ 13,911,279

RESOURCE
REQUIREMENT &
ANALYSIS



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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Resources and Requirements Overview

Resources	Actual FY 17-18	Actual FY 18-19	Budgeted BN 20-21	Estimated BN 20-21	Adopted Budget BN 2023
Charges for services	14,526,768	14,974,052	29,196,400	30,137,526	31,342,600
Debt proceeds	13,597,940	4,000,000	5,958,000	8,982,900	546,900
Franchise fees	2,913,102	3,461,496	7,223,000	7,420,674	8,543,400
Intergovernmental revenue	2,516,400	4,697,535	9,227,100	10,785,201	7,695,800
Miscellaneous	1,850,247	2,163,542	2,790,467	3,263,460	3,007,900
Property taxes	2,071,505	2,194,108	4,570,000	4,790,494	5,160,000
System development charges	8,679,176	13,153,602	8,851,100	9,335,117	1,787,000
Transfers	4,236,620	4,838,868	7,268,300	8,495,577	6,908,000
Beginning Fund Balance	9,487,790	14,218,312	19,973,012	20,352,181	13,911,279
Total	\$ 59,879,548	\$ 63,701,515	\$ 95,057,379	\$ 103,563,131	\$ 78,902,879

Expenditures	Actual FY 17-18	Actual FY 18-19	Budgeted BN 2021	Estimated BN 2021	Adopted Budget BN 2023
Personnel services	7,871,163	9,088,827	18,286,800	17,907,942	20,962,600
Materials and services	5,040,845	5,531,585	11,106,207	11,287,436	12,697,600
Franchise fee expense	173,000	307,000	665,000	665,000	693,000
Capital outlay	6,351,721	16,818,326	32,390,800	32,203,961	9,163,500
Transfers	8,732,988	9,469,152	17,719,593	19,505,686	18,873,600
Debt service	17,491,520	2,134,444	8,076,400	8,081,828	5,005,100
Contingency/Other Requirements	-	-	9,812,579	13,911,279	11,507,479
Total	\$ 45,661,237	\$ 43,349,334	\$ 98,057,379	\$ 103,563,131	\$ 78,902,879

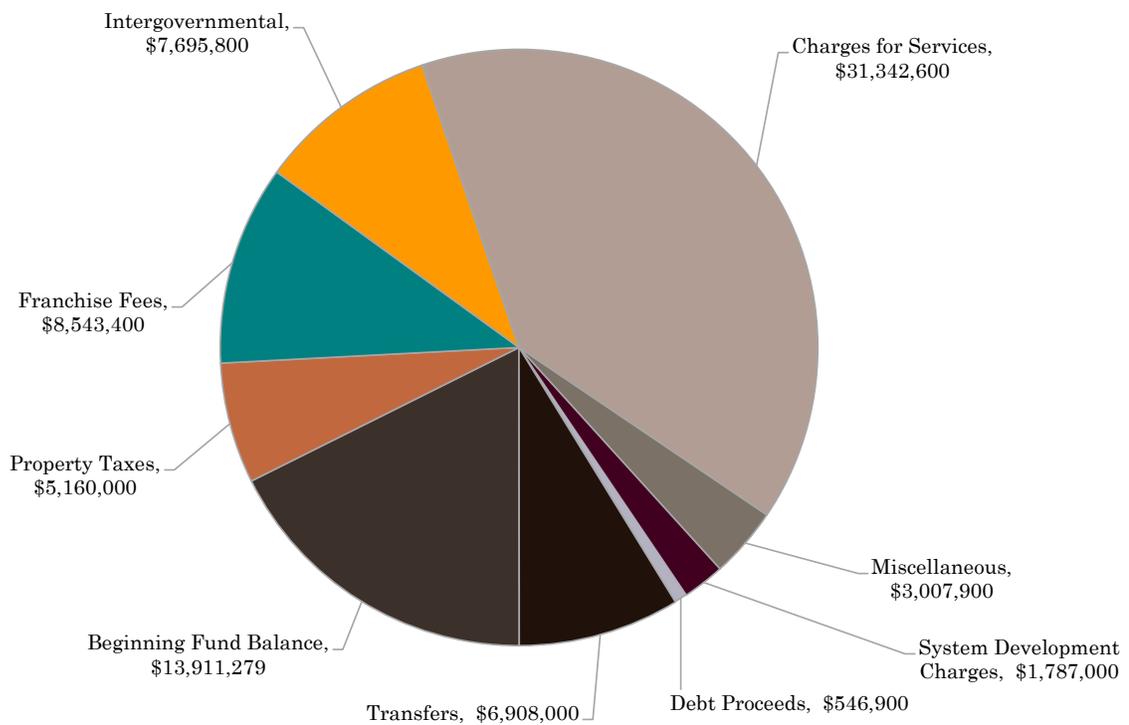
The comparisons in the charts and graphs from BN 21 to BN 23 will show two years of budget data compared to one fiscal year during the transition from a fiscal year to a biennial budget in FY 19 to BN 21.

Types of Resources and Requirements

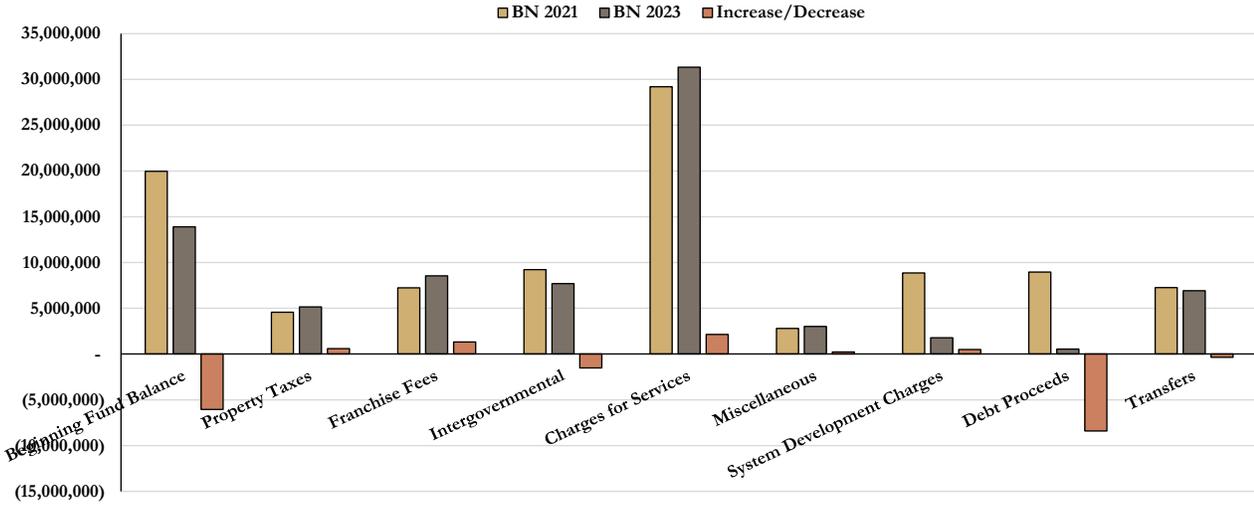
All Revenue Sources

Nine main revenue categories comprise the revenue sources for the BN 23 budget. Of these nine categories, charges for service is the largest at 40 percent, beginning fund balance at 18 percent, franchise fees are 11 percent, intergovernmental revenue at 10 percent, transfers 8 percent, property taxes at 6 percent, miscellaneous income 4 percent, system development fees charges (SDC) 2 percent, and debt proceeds are at 1 percent. The top six sources comprise 95 percent of total revenues. This section will examine these revenue sources, as well as property taxes.

Revenue Summary	
	Percent of Total
Beginning Fund Balance	18%
Property Taxes	6%
Franchise Fees	11%
Intergovernmental	10%
Charges for Services	40%
Miscellaneous	4%
System Development Charges	2%
Debt Proceeds	1%
Transfers	8%

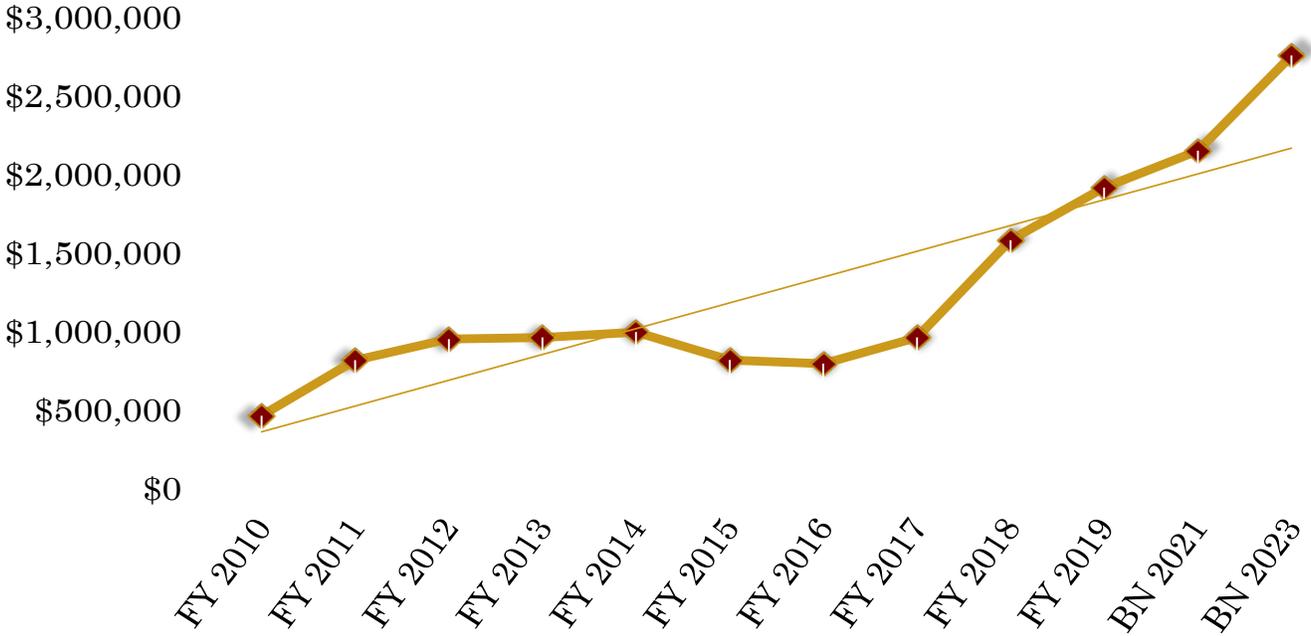


All Revenue Sources Comparison City of Prineville, FY 19 - BN 21



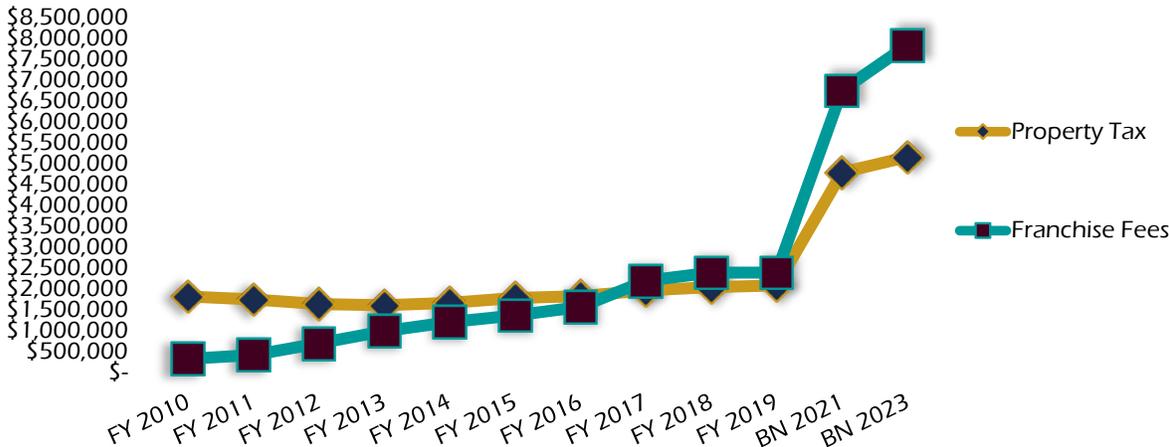
Significant decreases to revenue sources include beginning fund balances and debt proceeds. Overall revenue sources in BN 23 decreased approximately \$19.2 million from BN 21. Debt proceeds of \$8.4 million and \$6.1 million in fund balances in BN 21 funded a portion of the Aquafer Storage and Recovery (ASR) project and the new public safety building. The City plans to issue approximately \$547,000 in debt in BN 23.

Beginning/Ending Fund Balance General Fund BN 2023

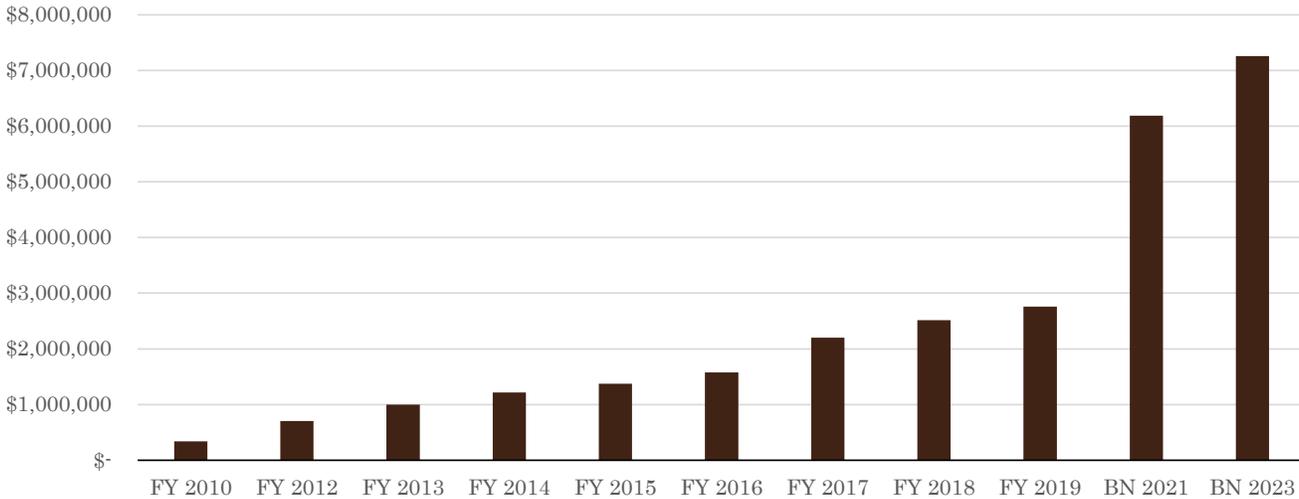


General Fund beginning fund balance in FY 10 was \$465,841 and at the beginning of FY 19 totaled \$1.92 million, an improvement over the prior year of \$335,000. Year-end estimates project beginning fund balance for BN 23 to be \$2.7 million, an improvement over beginning fund balance of roughly \$607,300.

Revenue Collection Trend

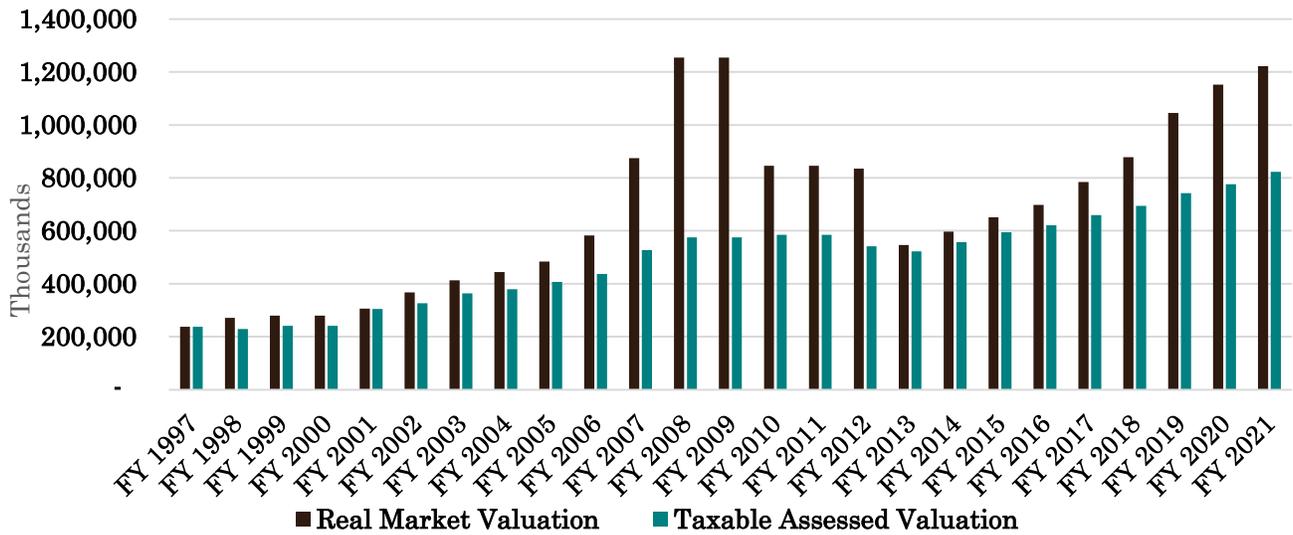


Property taxes decreased roughly \$214,000 from FY 10 to FY 13, but recovered in FY 16 to previous collections of FY 10. Prior to data centers, the electrical franchise fees were roughly \$350,000 annually. In FY 11, the collection of fees totaled \$430,000. From 2011 to 2016, the City collected roughly \$6.6 million in electrical franchise fees filling the gap of lost property tax collection. In FY 17 through FY 19, actual collections have franchise fees exceeding the amount of property tax. Property tax is estimated to increase roughly \$370,000 over the coming biennium, franchise fees are projected to increase roughly \$1.1 million through BN 23.



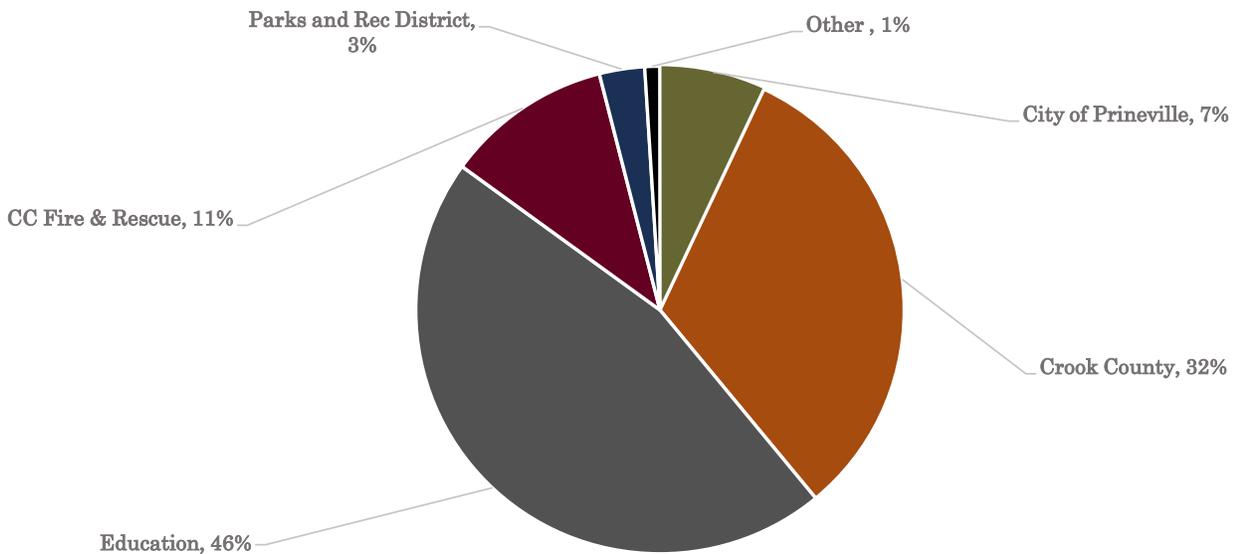
Electrical franchise fees are estimated for BN 23 at roughly \$7.3 million. This could prove to be a larger increase in the second year of the biennium due to the pace that the data centers build out, however, the City is taking a conservative approach to possible additional revenue.

Real Market Value / Taxable Assessed Value City of Prineville, FY 1997 - FY 2021



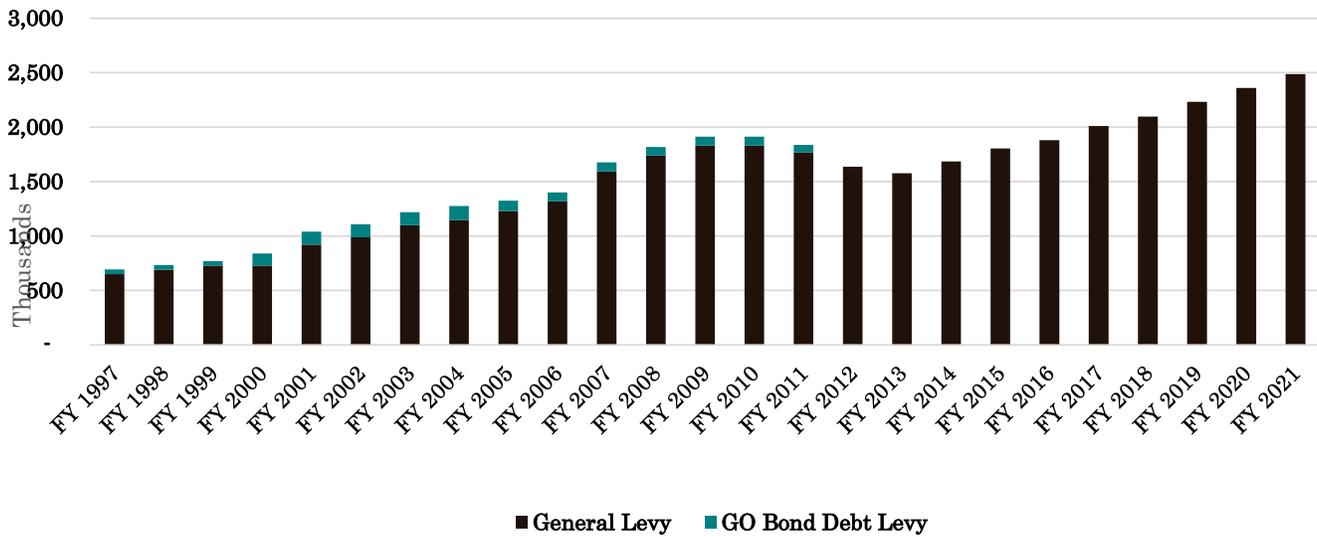
The permanent tax rate of \$3.0225 per thousand is applied to the projected taxable assessed value of property to generate property tax revenues. Property taxes are shown as revenues in the General Fund.

Taxing Districts Percentages BN 2023



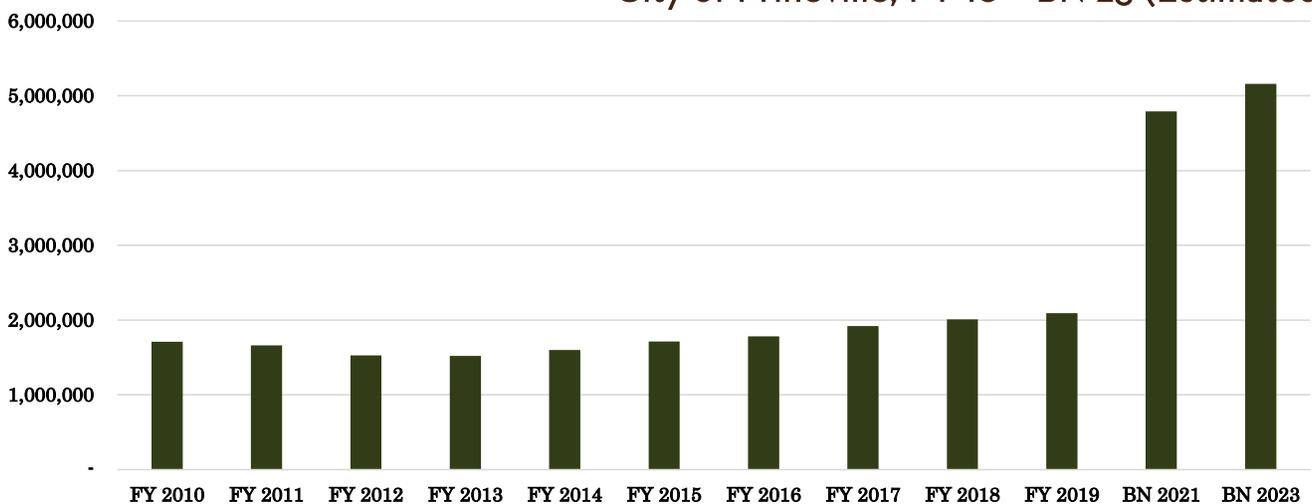
Seven percent of your property tax dollars come to the City of Prineville, they help fund a portion of public safety and the other ninety-three percent of your tax dollars go to the other taxing districts as shown in the chart above. Fire and Rescue, Parks and Recreation, Crook County and education. The other one percent would include vector control and AG extension service.

Property Taxes Levied City of Prineville, FY 1997 - FY 2021



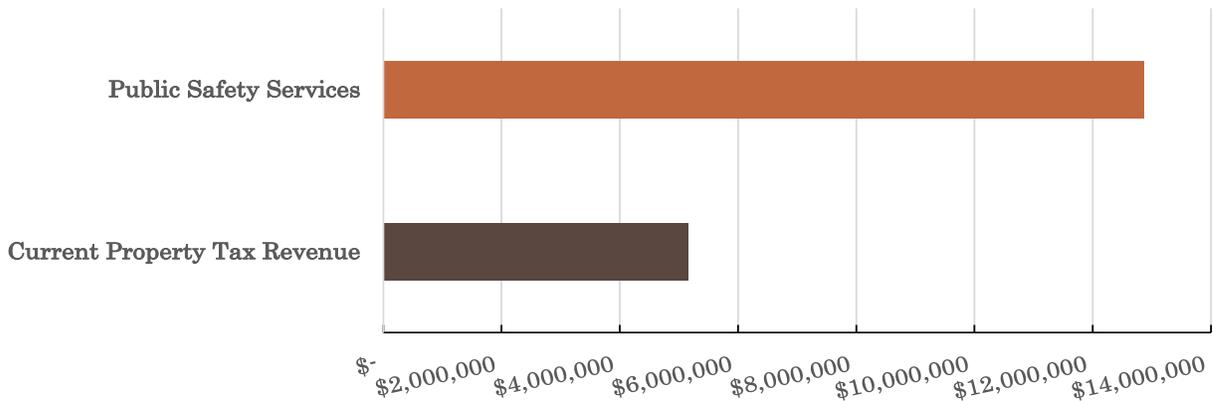
Taxable assessed value of property and the permanent property tax rate are used to calculate property taxes in the City of Prineville. Taxable assessed values of existing property are limited to an increase of 3 percent per year. Value added to a community via new construction increases the assessed value over the 3 percent growth rate limited by Measure 50. For FY 21, taxable assessed value is projected by the Crook County Assessor’s Office to increase approximately 4.5 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 10 - BN 23 (Estimated)



Property tax collection is estimated at \$2.5 million in the first year of BN 23 and \$2.6 million in the second year, an increase of roughly \$370,000 for the biennium.

Current Property Tax Collection Comparison to Public Safety Costs

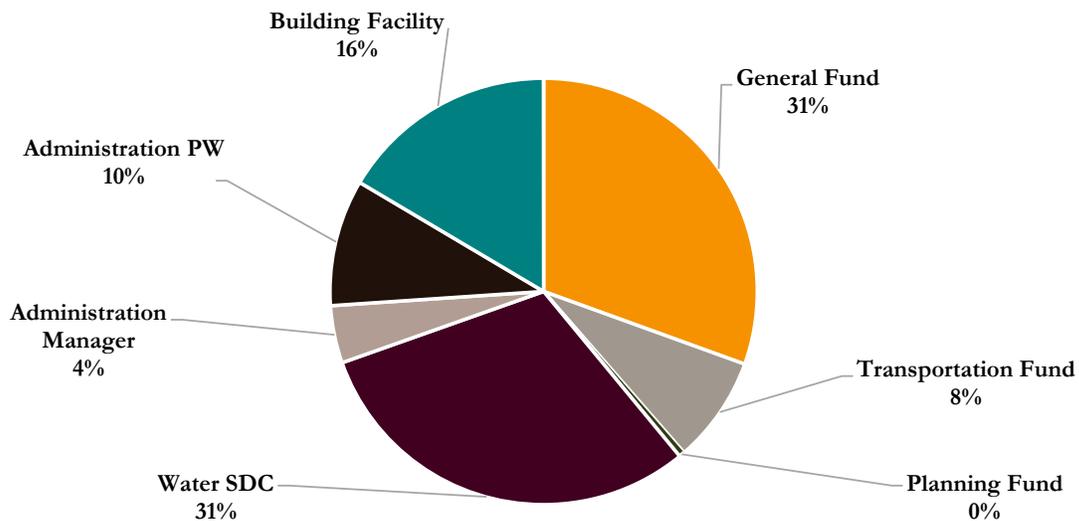


Public safety services proposed biennial budget totals \$12.9 million for the BN 23 budget, with property tax revenue estimated at roughly \$5.2 million.

Intergovernmental Revenue

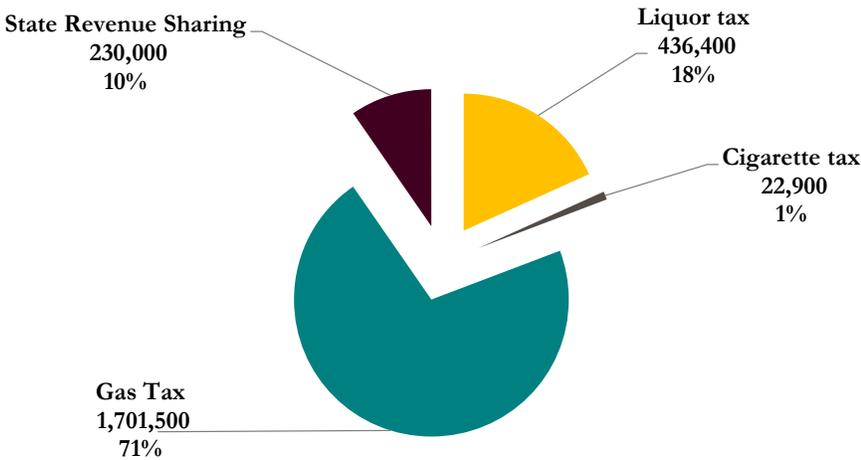
Intergovernmental revenue is budgeted at roughly \$7.7 million for BN 23 with grant revenue at \$2.3 million of that total, state shared revenue estimates total \$2.4 million, and other agency revenues making up the remaining total of roughly \$3 million.

Grant Revenue BN 23



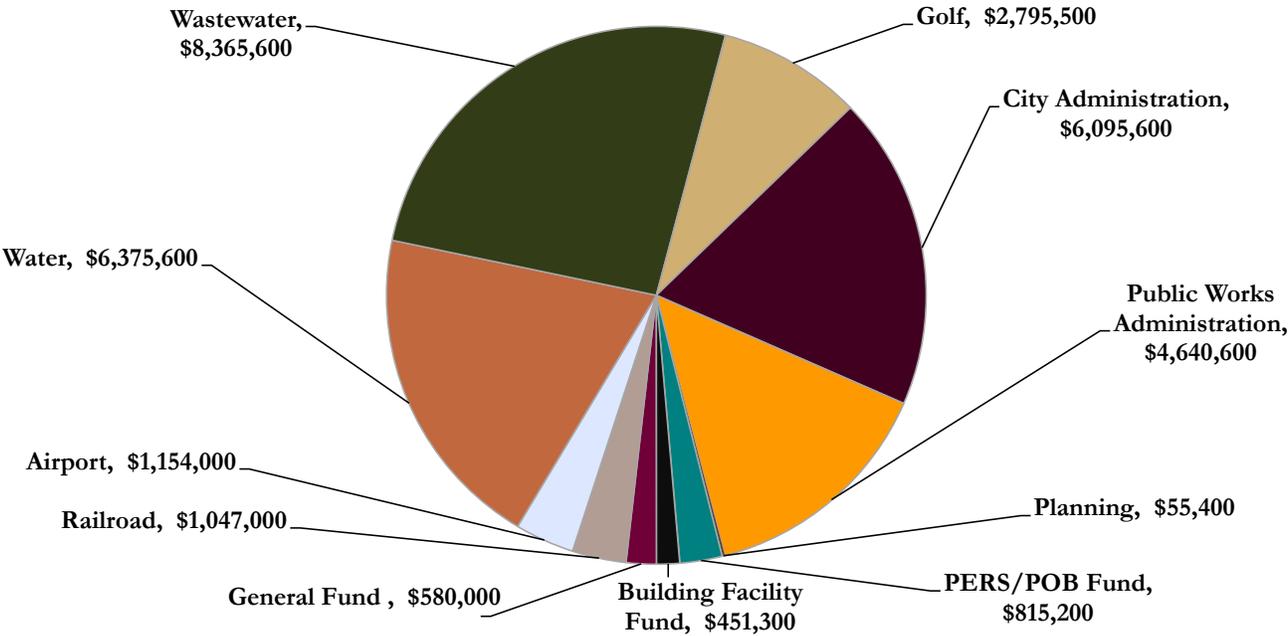
Grant revenue totals \$2.3 million for BN 23, the largest dollars going to the General Fund at \$700,000 for the Biomass project, public safety and stimulus reimbursement, stimulus dollars in Water SDC Fund in the amount of \$700,000 for a portion of the water well project, a \$185,200 pass through grant in the Transportation Fund for the transit project, \$10,000 Oregon Department of Environmental Quality (DEQ) air quality grant in the Planning Fund, \$100,000 stimulus reimbursement in the Administration/Financial Support Services Fund for IT, 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 land and water grant and a recreational grant totaling \$377,600.

State Shared Revenue, BN 23



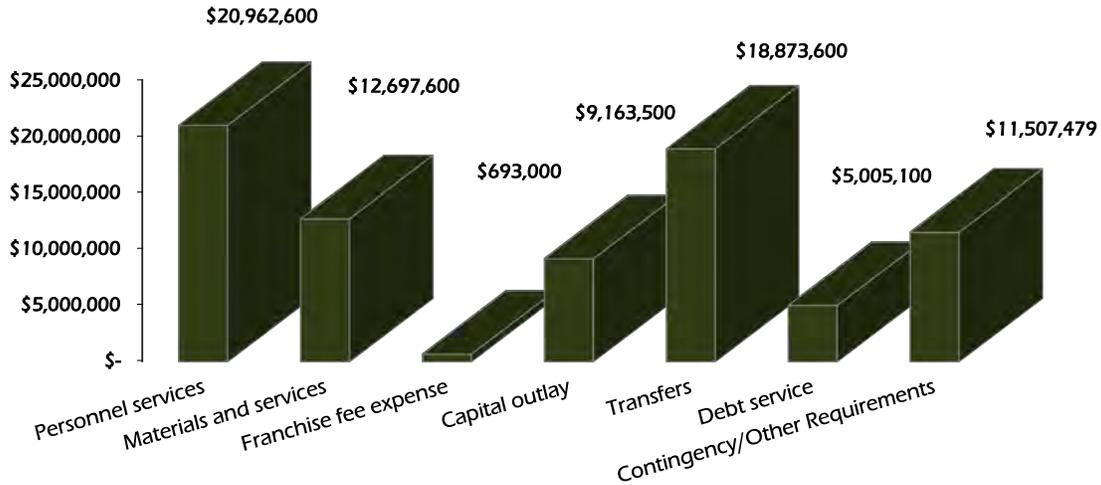
State shared revenues are projected at \$2,390,800 for BN 23. State revenues are distributed to cities based on state statute, which defines formulas incorporating population and per capita income. The League of Oregon Cities provides the source data for state revenue sharing projections. In Prineville, 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 23



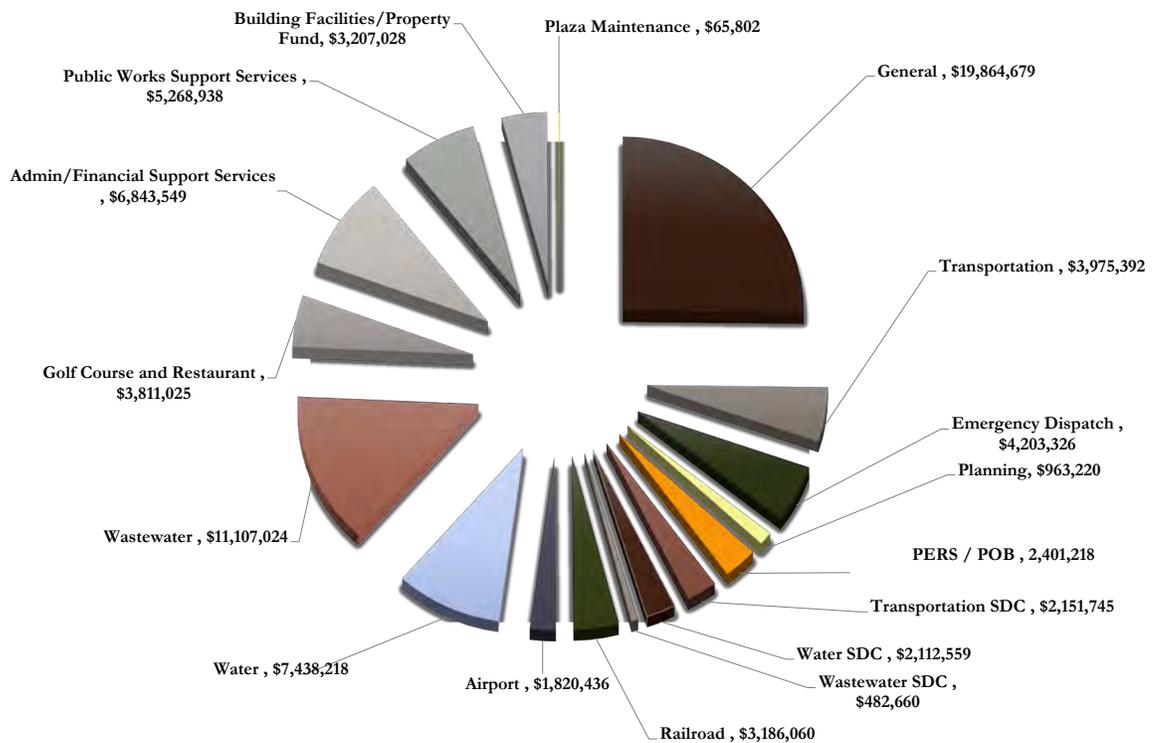
Charges for services total \$32,375,800 for BN 23. Charges for water, wastewater, airport, rail service, engineering and golf are charged to users in the City of Prineville and with certain services throughout the region. The fees for utility services and governmental funds are established through the 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 \$8,365,600 and water at \$6,375,600 for BN 23.

Requirements Budget by Major Category BN 23



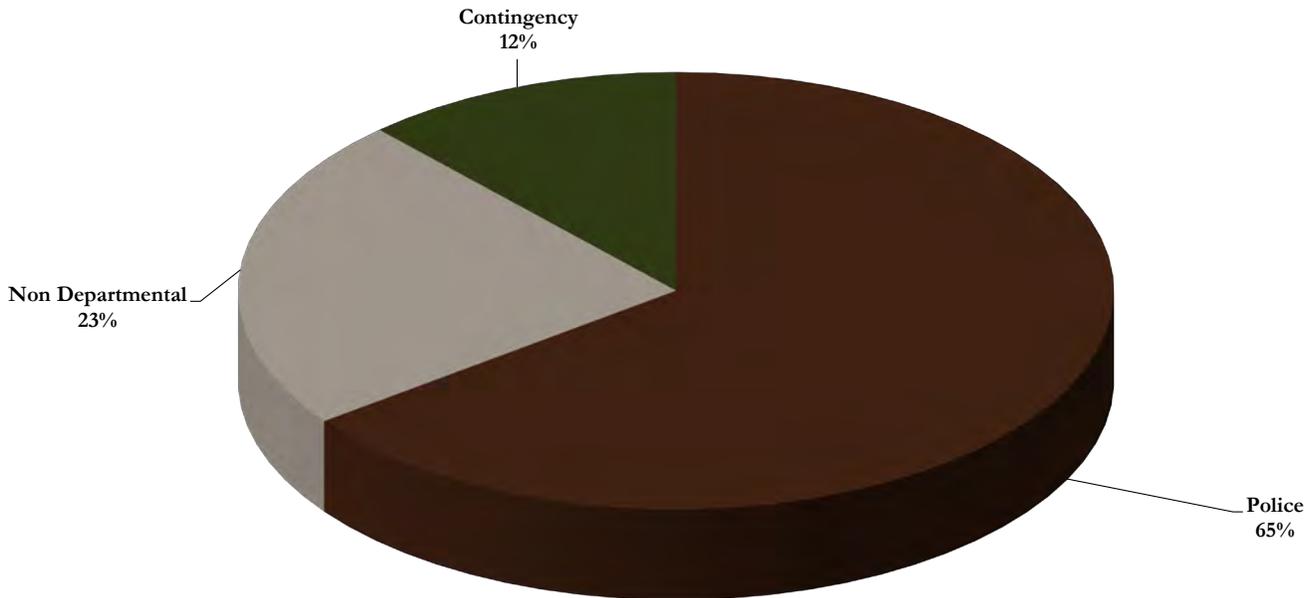
Operational requirements total approximately 67 percent of the budget for BN 23; these categories include personnel services, materials and services, franchise fees and transfers.

Total Requirements by Fund BN 23



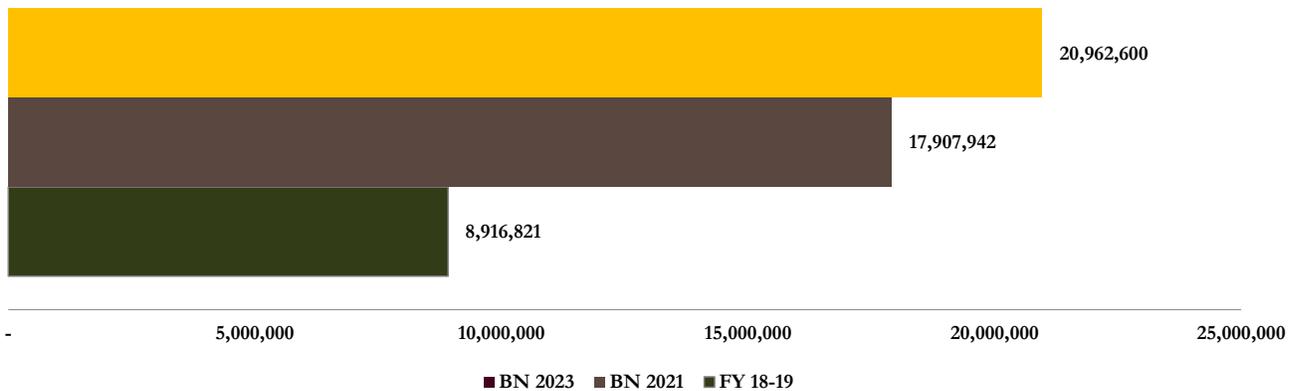
All funds total requirements equal \$78,902,879 for BN 23. The City's largest fund in BN 23 is the General Fund at \$19,864,679, followed by the Wastewater Fund at \$11,107,014, the third largest fund is the Water Fund totaling \$7,438,218.

General Fund Requirements in Total and By Department BN 23



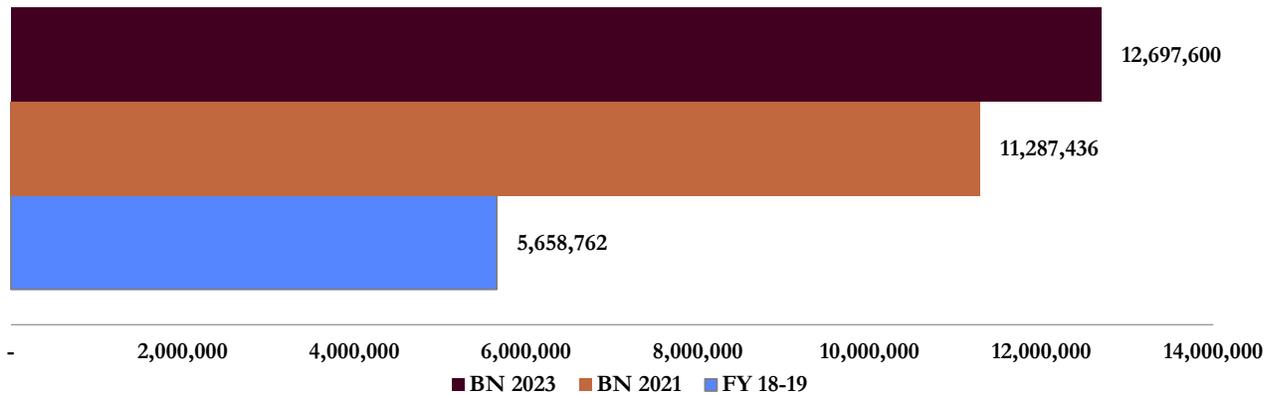
For BN 23, the requirements for the Police department total 65 percent of the General Fund, Non-departmental requirements are 23 percent and Contingency/reserves total 12 percent of the total requirements.

Personnel Services Requirement Trends FY 19 - BN 23



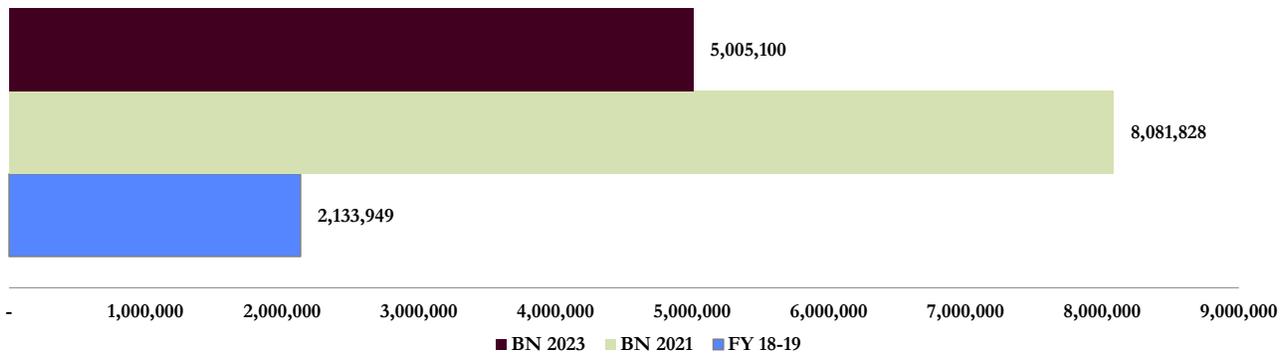
For BN 23, proposed budget personnel services increased approximately 17 percent over biennium 2021. Full-time equivalents (FTE) will increase by three additional FTE, one in administration and financial support services, one is budgeted in the Wastewater Fund, and an additional one FTE in the Emergency Dispatch Fund. 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 remained flat for the first year of the biennium. An estimate of 15 percent was proposed for the second year. Retirement (PERS) increased for BN 23 between 4 and 7 percentage points depending on the tier. The City continues to charge an additional 7 percent estimated rate on all subject payroll sufficient to repay debt service on the pension note. The City also transfers \$100,000 annually from the General Fund to the POB Fund for future liabilities.

Materials & Services Requirement Trends FY 19 – BN 23



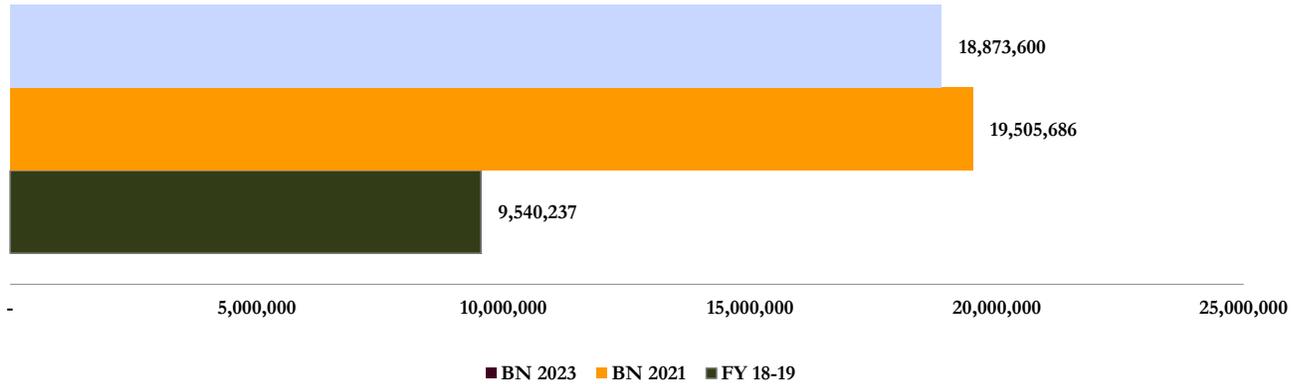
Materials and services requirements are increasing roughly 12 percent over the next biennium. The increase in BN 23 is largely due to the increase in activity in the community, inflation in the cost of fuel and other products specifically affecting the City’s enterprise funds and additional maintenance 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 FY 19 – BN 23



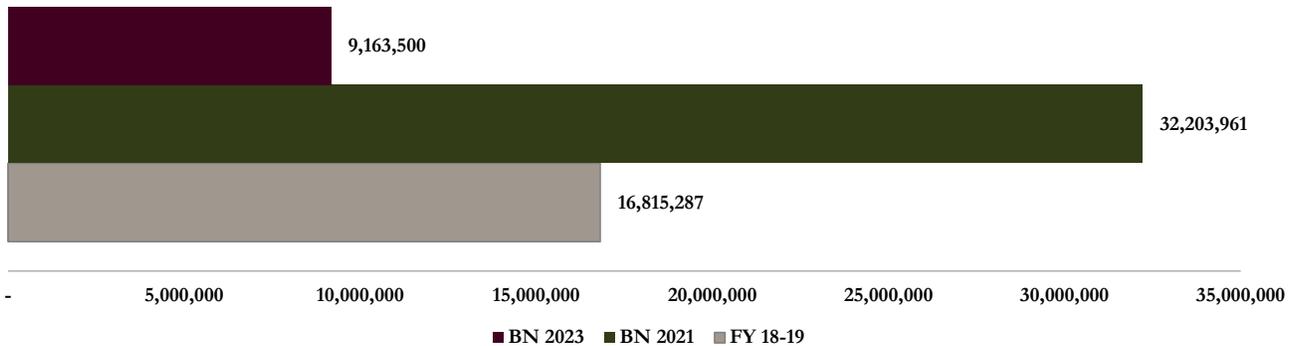
Debt service requirements decreased 61 percent BN 23 compared to BN 21. City debt was refunded in May 2020. Additional dollars were needed to complete the new public safety building, a borrowing of 4 million in FY 19 was refunded with additional dollars totaling approximately 6 million at a lower rate of interest. Also during the biennium approximately 3 million in debt proceeds were acquired in the Water SDC Fund for a portion of the ASR project. There are two borrowings proposed in the BN 23 budget totaling \$547,000 in the Golf Course Fund and the Public Works Support Services Fund.

Transfer Requirement Trends FY 19 – BN 23



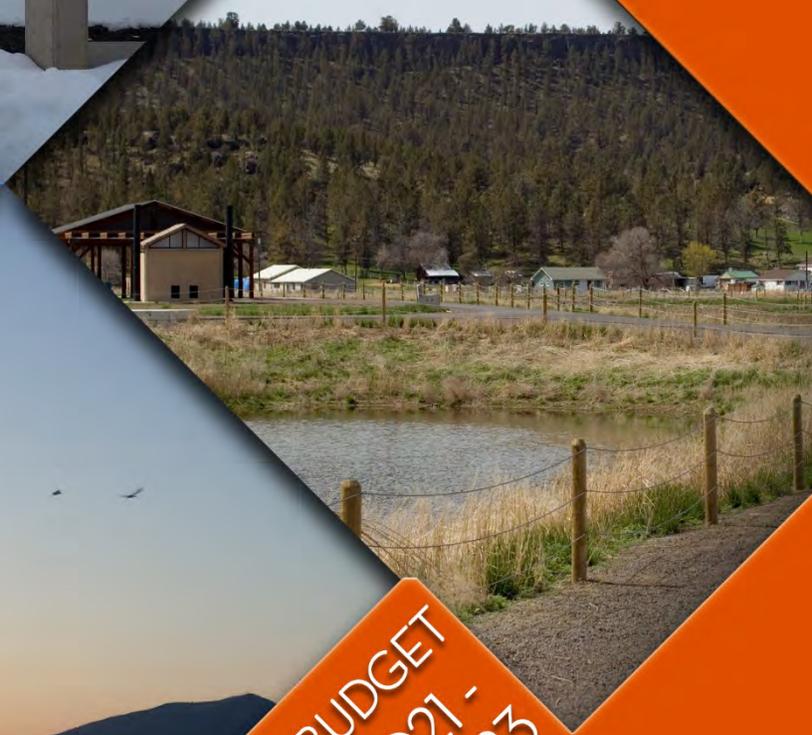
In BN 23, transfers decreased roughly 3 percent over prior BN 21. This is largely due to dollars being transferred from the Wastewater SDC Fund for the reimbursement of the wastewater portion of the ASR construction project and transfers for administrative fees for SDC collection decreasing over the prior biennium. Total transfer amount for BN 23 totals \$18,873,600.

Capital Outlay Requirement Trends FY 19 – BN 23



Capital outlay for BN 23 totals approximately \$9,163,500. Capital project expenditures for the previous BN 21 totaled approximately \$32.2 million. The largest projects for BN 23 are budgeted in the Transportation SDC Fund totaling \$1.9 million, Transportation Fund for \$1.5 million, \$1.2 million in Water SDC Fund and \$1 million in the Water Fund. 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 103.

**SHORT- & LONG-
TERM STRATEGIC
FORECASTING &
CAPITAL
IMPROVEMENT PLANS**



**ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023**



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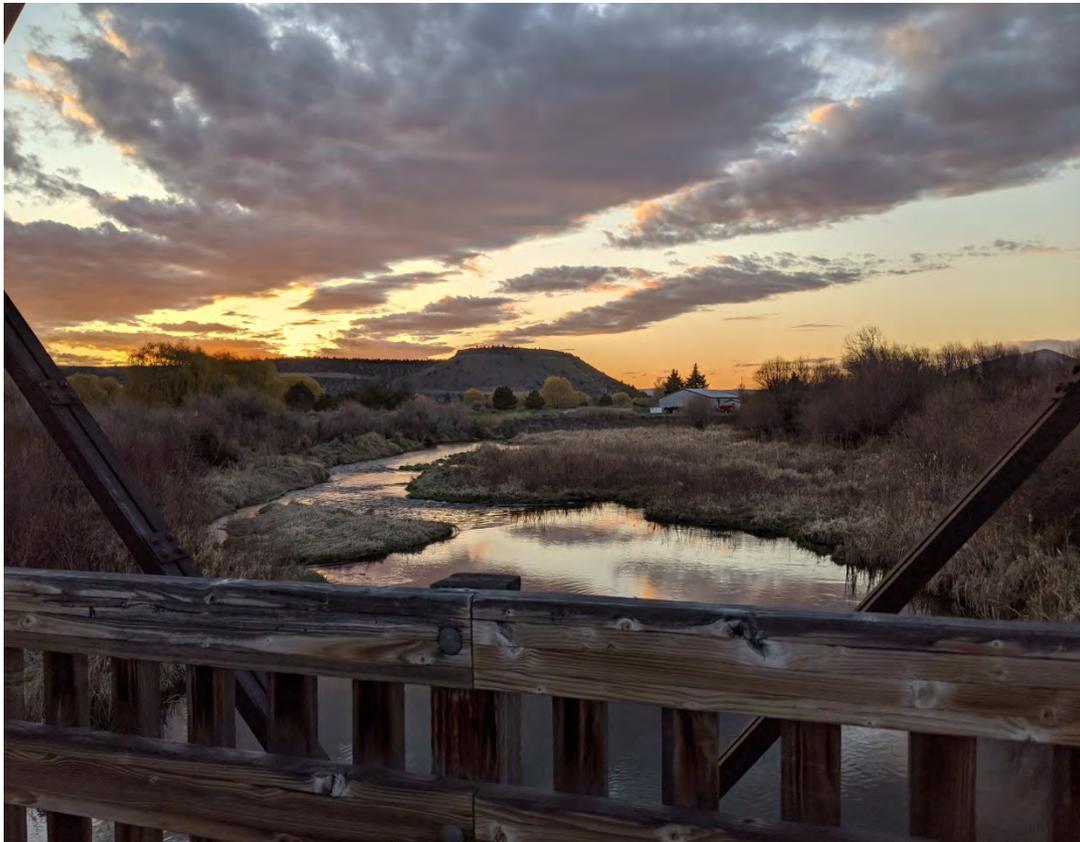
Long-range Strategic Financial Planning Process

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 take into account 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. These master plan documents provide long-range planning (20 years) for necessary capital improvements and investments in the City's infrastructure. 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.

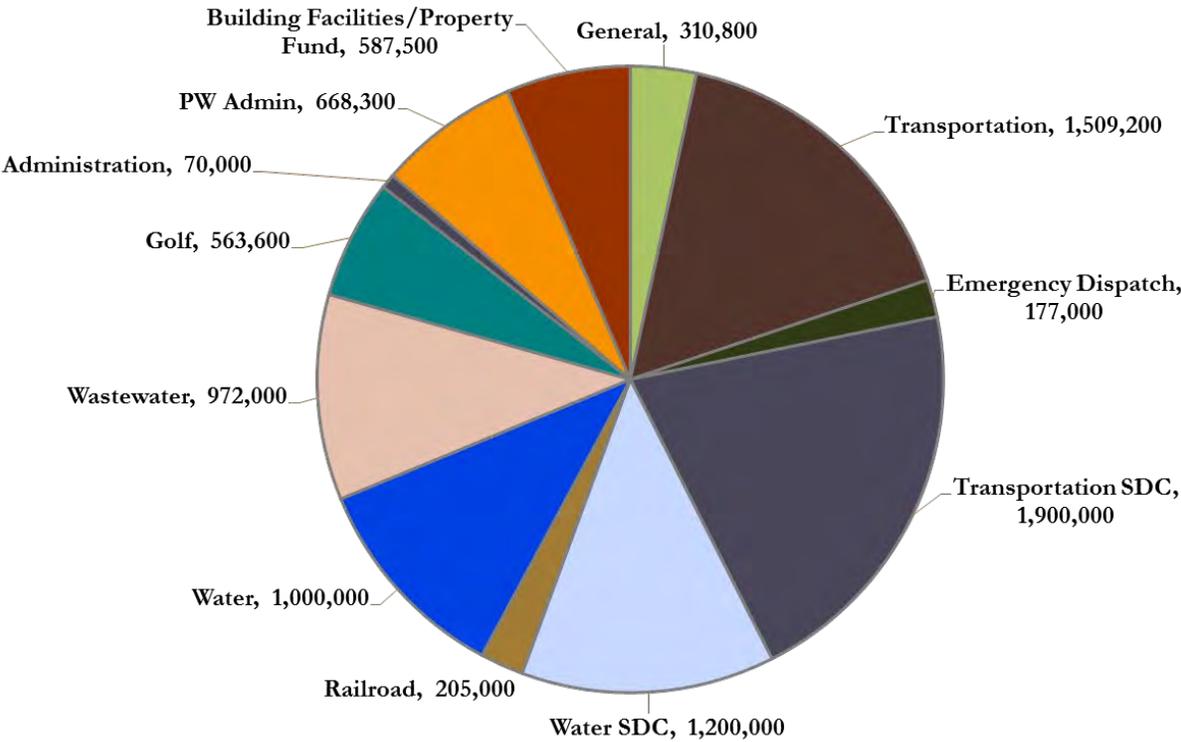
A review of the pavement condition index (PCI), master plans for water and sewer, and the financial forecasts are reviewed annually. Findings are then presented to the Prineville Budget Committee during the budget process prior to the committee's approval of the budget. The long-range planning models are the key to strategizing, studying different financial outcomes, 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 2023 is \$9,163,400. Twelve programs have budgeted capital improvements, the largest being in the Transportation SDC Fund with approximately \$1.9 million budgeted, \$1.5 million budgeted in the Transportation Fund, \$1.2 million budgeted in the Water SDC Fund, and \$1 million budgeted in the Water Fund.

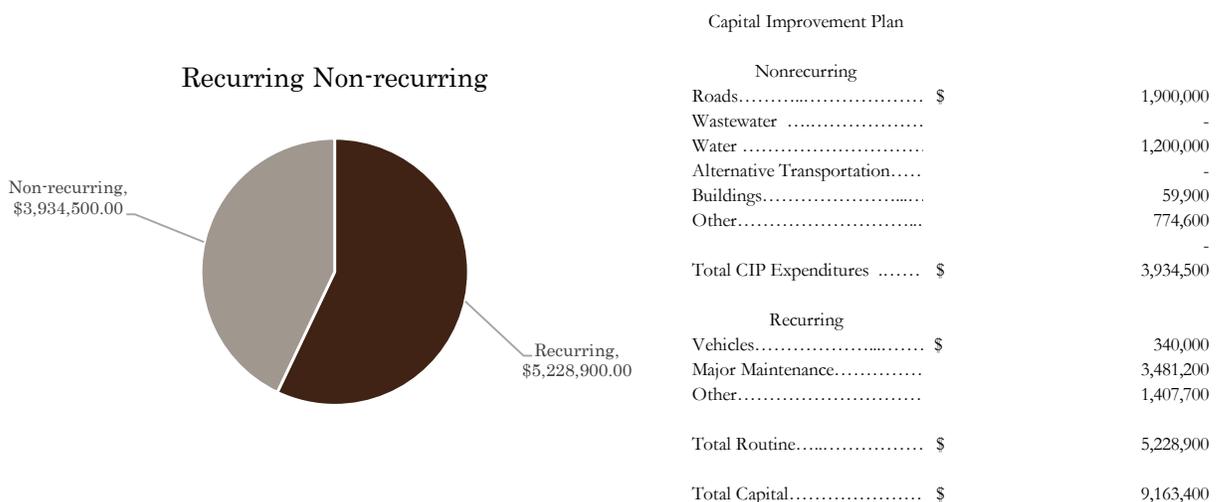
Capital Resources

The City of Prineville’s funding for capital projects comes from a variety of sources for BN 23, 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 \$636,800, intergovernmental revenue totals \$2.4 million, and impact and user fees along with fund balance will cover the majority of capital projects in BN 23 at approximately \$4.8 million, and franchise fees will cover \$811,000.

Summary of Capital Improvement

Capital Improvement Summary City of Prineville Biennial 2023									
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									
Police Vehicles and Equipment	210,000	*							210,000
Upgrade Body Cameras	85,800	*							85,800
Update Radios for Police	15,000	*							15,000
Emergency Dispatch									
Recording Equipment	25,000		**					25,000	
Radio Purchase for Consoles	40,000		**					40,000	
Viper Phone Position for Backup Center	14,000		**					14,000	
Tower Upgrades	98,000		**					98,000	
Transportation Fund									
Capital Rehabilitations	902,000	*			502,000				400,000
Capital Maintenance	206,000	*			206,000				
Storm Water Improvements	192,000	*			192,000				
ODOT Transit Grant	209,200	*					209,200		
Transportation SDC Fund									
Combs Flat Extension to N. Peters Rd	500,000		**					500,000	
N. Main Strand and Peters Rd Intersection	50,000		**					50,000	
10th and Main Signal Upgrade	1,000,000		**					1,000,000	
Traffic Growth Management Grant Match	50,000		**					50,000	
Downtown Enhancement Project Match	300,000		**		300,000				
Water Fund									
Source	90,000	*						90,000	
Transmission	910,000	*						910,000	
Water SDC Fund									
ASR Injection and Recovery Wells	1,200,000		**		1,200,000				
Wastewater Fund									
Sanitary Sewer - Collection Improvements	100,000	*						100,000	
Treatment Plant Upgrades	600,000	*						600,000	
SLARRA/USDA Requirement (Short-Lived Asset Replacement Reserve Account)	272,000	*						272,000	
Railroad Fund									
Rolling Stock - Pickup	65,000	*						65,000	
Bridges	65,000	*						65,000	
Track	75,000	*						75,000	
Golf Course Fund									
Replace Golf Cart Fleet	363,600	*			363,600				
Greens Mowers	70,000	*						70,000	
Clubhouse Improvements	65,000	*						65,000	
Cart Barn Siding	15,000	*						15,000	
Cart Path Paving	50,000	*						50,000	
Administrative Services									
Technology	70,000		**					70,000	
Building Facilities / Property Fund									
City Hall	14,900		**					14,900	
Police Facility Upgrades	45,000		**					45,000	
Barnes Butte Property Improvements	527,600		**				427,600		100,000
Public Works									
Administration Services Fund									
Fleet/Equipment Management	668,300	*				183,300		485,000	
Total Capital Outlay	\$ 9,163,400			\$ -	\$ 2,400,000	\$ 546,900	\$ 636,800	\$ 4,768,900	\$ 810,800

Capital Expenditures by Category





Major Nonrecurring Capital Improvements by Project

Transportation SDC Fund

Project Title: 10th and Main Signal Upgrade
Department: Transportation SDC



Project Description

The intersection of N. Main St. and N. 10th St. is currently offset. This intersection is limited in capacity and lacking in safety features. Reconstruction of the intersection will result in an alignment off all legs and will add pedestrian features, greatly increasing capacity and safety of this busy intersection.

Budget Information and Projected Costs (In Thousands)

Actual FY 20	Projected FY 21	Budget FY 22	Budget FY 23	Projected FY 24	Projected FY 25	Projected FY 26	Projected FY 27	Projected FY 28	Total
253.3	450	1,000	0	0	0	0	0	0	1,703

Total Projected Cost Breakdown (In Thousands)

Design / Engineering	\$ 300
Construction	\$ 1,403
Equipment	\$ -
Total	\$ 1,703

Funding Sources		Future Operating Cost Impact
Fund Balance	Yes	This project is replacing an existing traffic signal. As such, operational costs are not expected to increase significantly.
Intergovernmental	No	
Grant	No	
Debt Proceeds	No	
Other	Yes	

Key Drivers for CIP Project / Analysis of Need

The current intersection is lacking capacity and safety features. This project will improve both.

Project Title: Combs Flat 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 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	Projected FY 21	Budget FY 22	Budget FY 23	Projected FY 24	Projected FY 25	Projected FY 26	Projected FY 27	Projected FY 28	Total
0	100	200	300	5,500	0	0	0	0	6,100

Total Projected Cost Breakdown (In Thousands)

Design / Engineering	\$ 600
Construction	\$ 5,500
Equipment	\$ -
Total	\$ 6,100

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 approximate 3 percent of the construction cost of the road every five years to maintain it in its optimum condition.
Intergovernmental	No	
Grant	No	
Debt Proceeds	No	
Other	Yes	

Key Drivers for CIP Project / Analysis of Need

The extension of Combs Flat Rd. to NE Peters Rd. will greatly increase north/south connectivity within our community. Currently, only 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.



Nonrecurring Five-year Capital Improvement Plans by Fund

Emergency Dispatch Fund

City of Prineville
 Emergency Dispatch Capital Improvement Plan
 Fiscal Years 2022 - 2026

Project Description	Current Year Construction Estimate					
		2022	2023	2024	2025	2026
Recording Equipment Dispatch		\$ 25,000				
Radio Purchase for Dispatch Consoles		\$ 20,000	\$ 20,000			
Viper Phone Position for Backup Center			\$ 14,000			
RMS CAD Update				\$ 25,000		
Tower Upgrades		\$ 63,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Total	\$ -	\$ 108,000	\$ 69,000	\$ 60,000	\$ 35,000	\$ 35,000

Project Description

In 2021, the lease of the dispatch center’s recording equipment will end. This system records all of the incoming calls to dispatch as well as all radio traffic on the air. This imperative system can be purchased outright in 2022 or re-leased depending on the cost considerations reviewed at that time.

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

The Grizzly Mountain repeater site houses multiple towers utilizing air space contributing to frequency/radio ‘static’ or crossover, which can interfere with our local radio transmissions. The CIP budget allots funding to add a filter to the site to help limit interference and strengthen the City’s communications abilities.

With the move to the new public safety facility, dispatch added a fourth console to enhance the center call load capabilities. The department will also be setting up a backup center in Crook County’s Emergency Operations Center (EOC) 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 five 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 will allow expansion of the system and improve it in areas that become identified as areas of weakness as the project moves forward.

**City of Prineville
Transportation SDC Capital Improvement Plan
Fiscal Years 2022 - 2026**

Project Description (SDC Eligible Projects, Short- and Medium-term)	Current Year Construction Estimate	2022	2023	2024	2025	2026
	Downtown Enhancement Project Match	\$ 500,000		\$ 300,000		
Combs Flat Extension to N. Peters Road	\$ 6,000,000	\$ 200,000	\$ 300,000	\$ 5,500,000		
N. Main St and Peters Rd Intersection	\$ 2,750,000	\$ 50,000		\$ 2,750,000		
Peters Road Connection to Lamonta	\$ 4,000,000				\$ 4,000,000	
N 9th and N 10th Street Connection	\$ 1,000,000					\$ 1,000,000
Traffic Growth Management Grant Match	\$ 50,000	\$ 50,000				
10th & Main Signal Upgrade	\$ 1,500,000	\$ 1,000,000				
Total		\$ 1,300,000	\$ 600,000	\$ 8,250,000	\$ 4,000,000	\$ 1,000,000

Project Description

Five projects are budgeted in the Transportation SDC Fund for BN 22-23. In 2017, the City of Prineville was awarded a \$3,000,000 grant from the State of Oregon through House Bill 2017. This grant was to be used for pedestrian and safety improvements within the City’s transportation network. These funds, as well as budgeted funds in the Transportation SDC budget, have been directed to the Downtown Enhancement Project, a project cofounded by the City of Prineville and Oregon Department of Transportation (ODOT). The project will see the replacement of all traffic signals along 3rd St. (Hwy 26), sidewalk replacement, storm water infrastructure upgrades and community beautification. This project has been long in the works and the community is excited to see it advance towards construction!

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 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. A more extensive description of this project is in the “Major Nonrecurring Capital Improvements by Project” section starting on page 108.

The intersection of N. Main St. and N. Peters Rd. is quickly reaching capacity. Recent residential construction added a significant traffic load to this intersection with more construction planned in the near future. Reconstruction of this intersection and the addition of traffic control devices will greatly increase the capacity and safety of this busy intersection.

A Traffic Growth Management grant from the ODOT will be used to determine the future needs of the City’s transportation network.

The reconstruction of the N Main St. and N 10th St. traffic signal is an offset intersection and is limited in capacity and lacking in safety features. The utilization of Transportation SDC dollars will allow for the drastic improvement of this intersection. A more extensive description of this project is in the “Major Nonrecurring Capital Improvements by Project” section starting on page 108.



A photo taking in May 2021 of the current intersection of 10th St. and N Main St.

City of Prineville
Water SDC Capital Improvement Plan
Fiscal Years 2022 - 2026

Project Description	Current Year Construction Estimate					
		2022	2023	2024	2025	2026
Source						
ASR Injection and Recovery Wells	\$ 1,800,000	\$ 600,000	\$ 600,000	\$ 1,200,000		
Master Plan Update	\$ 100,000					\$ 100,000
Storage						
SDC 9 Ironhorse 1.0 mg Steel Tank and Transmission Line	\$ 3,000,000					\$ 3,000,000
Transmission						
SDC 8 3rd St to Wayfinder Dr Piping and Booster Pump	\$ 2,400,000				\$ 2,400,000	
SDC 12 Combs Flat Water Line and PRV	\$ 1,800,000			\$ 1,800,000		
SDC 3 Madras Hwy Piping	\$ 1,800,000					
SDC 4 Williamson Zone Piping and Booster Pump	\$ 4,000,000					
Total		\$ 600,000	\$ 600,000	\$ 3,000,000	\$ 2,400,000	\$ 3,100,000

Project Description

In BN 20-21, the construction of the Aquifer Storage and Recovery (ASR) system was nearing completion. With an ASR system, water is collected in the aquifer during periods of cooler temperatures, higher streamflow and lower demands. The stored water can later be 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. Prineville’s ASR system is expected to mitigate the long-term impacts of climate change, including reduced snowpack and stream flows, and provides for a readily available underground reservoir of stored water for use in the event of drought. In BN 22-23, injection and recovery wells will be constructed to increase the capacity of the system.



ASR project construction in December 2020

Wastewater SDC Fund

**City of Prineville
Wastewater SDC Capital Improvement Plan
Fiscal Years 2022 - 2026**

Project Description (SDC Eligible Projects, Short- and Medium-term)	Current Year Construction Estimate	2022	2023	2024	2025	2026
Capital Rehabilitation						
SDC Collection System and Lift Station Improvements	\$ 4,500,000			\$ 1,000,000		\$ 1,000,000
Total		\$ -	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000

Project Description

There are no projects planned in BN 22-23. The Wastewater Facilities Master Plan, adopted in 2018, identified system development charge funded projects associated with collection system and lift station improvements. These improvements will continue in FY 24.



Newly constructed fish screen off the Crooked River

City of Prineville
 Airport Capital Improvement Plan
 Fiscal Years 2022 - 2026

Project Description	Current Year Construction Estimate	Current Year Construction Estimate				
		2022	2023	2024	2025	2026
Placeholder	\$ 100					
Total	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -
County Funded Projects-Not part of the City's Budget						
Aircraft Parking Apron	\$ 800,000					
Runway 28 / 10 Threshold Relocation	\$ 1,800,000					
Total	\$ 2,600,000	\$ -	\$ -	\$ -	\$ -	\$ -

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

City of Prineville
 Information Technology Department Capital Improvement Plan
 Fiscal Years 2022 - 2026

Project Description	Current Year Construction Estimate					
		2022	2023	2024	2025	2026
Technology		\$ 35,000	\$ 35,000			
Total	\$ -	\$ 35,000	\$ 35,000	\$ -	\$ -	\$ -

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. Fiber build projects are budgeted in BN 22-23. For FY 22, a fiber build project will take place east of Barnes Butte and Powell Butte. A redundant connection fiber build project to the Prineville/Crook County Airport and to the 911 emergency center is budgeted for FY 23.



The IT Department installing new lighting in the park in October 2019

City of Prineville
Building Facilities Fund / Property Capital Improvement Plan
Fiscal Years 2022 - 2026

Project Description	Current Year Construction Estimate	2022	2023	2024	2025	2026
Police Facility						
Sidewalks	\$	20,000				
Paint and Reseal Exterior	\$	25,000				
City Hall Facilities						
Flooring Repairs	\$	9,900				
Security upgrades	\$		5,000			
Barnes Butte						
Trails Paving assoc. with Land and Water Conservation Grant (2 miles)	178,188	\$ 178,200				
Trails Paving assoc. with Recreational Trails Grant (2.2 miles)	199,396	\$ 199,400				
City Trails Paving related to grant match (0.62 miles)	56,000	\$ 75,000				
Misc projects and facility design	94,000	\$ 25,000	\$ 50,000			
Total		\$ 532,500	\$ 55,000	\$ -	\$ -	\$ -

Project Description

In BN 20-21 the City purchased and retrofitted a new building for the Prineville Police Department. This project completed in April 2021 and both the Emergency Dispatch Department and Police Department moved in by the end of May 2021. In BN 22-23, the new facility will get the sidewalks repaired and a fresh coat of paint on the building.

At the city hall facilities, the carpet has exceeded it useful life and will be replaced in the next biennium. Also scheduled for the next budget are security upgrades.

The City of Prineville purchased 460 acres of open space within the eastern bounds of the city limits in 2016. Adjacent to this property is 160 acres of Bureau of Land Management property. This land is located bordering several high-density neighborhoods and the 700-student Barnes Butte Elementary School. Citizens now have access to over 620 acres of open space varying from natural wetlands to upland steppes, including the Barnes Butte geologic feature. The City received grant funds to pave some of the trails at Barnes Butte. With the park master plan completed, the City will explore the next phase of development for the open space.



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 2022 - 2026**

Project Description	Current Year Construction Estimate					
		2022	2023	2024	2025	2026
Update Radios for Police			\$ 15,000			
Police Vehicles and Equipment		\$ 210,000		\$ 420,000		
Upgrade Body Cameras		\$ 85,800				
Total		\$ 295,800	\$ 15,000	\$ 420,000	\$ -	\$ -

Project Description

In 2022, three vehicles in the Prineville Police Department’s fleet will be in need of replacement. These vehicles are all 10 years or older and are long overdue cycling out of use. All the officers’ body worn cameras also need replacement in 2022. Body worn cameras have a regular replacement schedule due to the severe wear they receive, as well as the fact that technology continues to improve at a substantial rate. In 2023, portable radio upgrades are necessary due to reasons similar to those listed for body cameras. Lastly, the department scheduled the replacement of six additional vehicles in 2024. This is the last of the rotation of the old fleet. After 2024’s substantial rotation, all police vehicles will be on a more standardized rotation schedule.



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

City of Prineville
Transportation Capital Improvement Plan
Fiscal Years 2022 - 2026

Project Description	Area (sqft.)	Current PCI	2022	2023	2024	2025	2026
Capital Rehabilitation							
Design round-about Ochoco and Elm			\$ 15,000		\$ 25,000		
Design round-about Oregon and Ochoco			\$ 15,000		\$ 25,000		
Construct round-about Ochoco and Ochocho							\$ 150,000
Construct round-about Oregon and Ochocho						\$ 150,000	
SE 2nd Court to Fairview			\$ 55,000				
SE 3rd Main to Fairview			\$ 95,000				
SE 4th Main to Fairview			\$ 95,000				
SE 3rd Fairview to Holly			\$ 30,000				
SE 4th Fairview to Holly			\$ 30,000				
SE Garner SE 2nd to SE 5th			\$ 62,000				
SE Holly SE 2nd to SE 5th			\$ 62,000				
NW Deer 3rd to 9th			\$ 45,000				
Tom McCall Business Park				\$ 145,000			
NW Deer W 1st to NW 3rd				\$ 60,000			
NE 2nd Main to Court				\$ 46,000			
NE 2nd Dunham to Fairview				\$ 37,000			
SE 7th Fairview to Knowledge				\$ 110,000			
NE Maripossa Clearview to Cobblestone Court					\$ 50,000		
NE Alabama Maripossa to end					\$ 14,000		
NE Bailey Maripossa to end					\$ 14,000		
NE Clearview Maripossa to end					\$ 14,000		
NE 6th Main to Holly					\$ 70,000		
NE Belknap 6th to end					\$ 30,000		
NE Court 6th to 10th					\$ 38,000		
NE Dunham 7th to end					\$ 16,000		
NE 8th Main to Belknap					\$ 9,000		
NE Fairview 6th to 7th					\$ 9,000		
NE Garner 6th to 7th					\$ 9,000		
SE Fairgrounds Rd to Canal					\$ 28,000		
Paving in the Heights						\$ 600,000	\$ 600,000
Capital Maintenance							
Rock and Pave Rails to Trails							
Juniper to Main			\$ 55,000				
Seal Coat							
Slurry Seals - Iron Horse Phase 1				\$ 106,000			
S Main Lynn Blvd to 2 Mile Marker			\$ 45,000				
Seal Coat Recent Upgrades					\$ 399,000		
Storm Water Improvements							
NW 2nd St. Storm water Reroute			\$ 46,000	\$ 146,000			
Transit							
ODOT - Transit Grant			\$ 104,600	\$ 104,600			
Total			\$ 754,600	\$ 754,600	\$ 750,000	\$ 750,000	\$ 750,000

Project Description

Most of the CIPs listed above are recurring in nature with the exception of the ODOT transit grant, which is a pass-through grant to support the public transit services provided by Cascade East Transit. The remainder of the capital improvement plan expenditures discussed in the above section are 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 quite expensive. An example of these rehabilitation activities would be overlays and reconstruction. Recently, the City started investigating 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 current year proposed capital improvements are not expected to require additional staffing or increased maintenance dollars.

**City of Prineville
Railroad Capital Improvement Plan
Fiscal Years 2022 - 2026**

Project Description	2022	2023	2024	2025	2026
Plant					
Yard paving replacement				\$ 150,000	
Roundhouse Relocation					\$ 750,000
Rolling Stock					
Locomotive Rebuild/Upgrade EMD GP Units			\$ 40,000	\$ 40,000	
Pickup	\$ 30,000				
Hyrail Excavator/Rail Maintenance Equipment		\$ 35,000	\$ 280,000		
Signals / Crossing					
Gardner Signal					\$ 11,000
Bus Evans Signal				\$ 11,000	
Long Lamonta Crossing Signal			\$ 30,000		
Long Lamonta Crossing			\$ 140,000		
Bridges					
MP 13.8 (Madras Highway Overpass)			\$ 10,000		
MP 16 (McKay Creek Bridge)	\$ 65,000				
MP 11.7 (Crooked River Bridge)			\$ 15,000	\$ 10,000	
Track					
MP 0.01 - 33rd			\$ 60,000		
MP 3.3 - Lone Pine Crossing			\$ 500,000		
33rd - MP 3.3					\$ 25,000
MP 15 - MP 18- All of Freight Depot Yard and Fontana Spur	\$ 25,000	\$ 50,000			
Total	\$ 120,000	\$ 85,000	\$ 1,075,000	\$ 211,000	\$ 786,000

Project Description

During the next biennium, there are several capital improvements planned. Currently the hi-rail inspection vehicle used to do track inspections is a 2006 model and showing age. The railroad will purchase a new pickup and retrofit it with rail gear to perform routine rail inspections.

During the annual bridge inspection, staff has determined the McKay Bridge is nearing the end of its useful life with defects that include defective caps, two broken stringers, a pile and an expired bridge deck. Currently, staff is working with an engineer to retro fit the old wooden structure with steel that will give the bridge over a 50-year life span. Work will take place at COP milepost (MP) 16 (McKay Creek Bridge) and will complete all level 3, 4 and 5 defects identified in the bridge program.

A purchase of rail equipment is planned to help staff become more efficient and save money when maintaining and repairing track. At this time, staff removes and replaces ties and repairs defective areas by hand. Tie extraction/insertion equipment will help staff improve efficiency and be less reliant on contractors.

Tie purchase and installation of \$50,000 will occur from MP 15 to MP 18. This is the start of railroad tie replacement on tangent track. In the last four years staff replaced all curves and switches on the COP line.

Track projects budgeted over the next two years include:

- MP 15 - MP 18 - Finish securing the tangent track for all of the Prineville Freight Depot yard and Fontana spur. This will involve purchasing and installing 1,000 7’X9’ cross ties. We are focusing on areas that have five consecutive failing ties and track joints with a failing tie within 18” of each side.
- MP 16 McKay Creek Bridge deck - In conjunction with the bridge rebuild, the deck will be replaced using 92 7’x9’x10’ ties.

City of Prineville
Water Improvement / Repair and Maintenance (R&P) Capital Improvement Plan
Fiscal Years 2022 - 2026

Project Description	2022	2023	2024	2025	2026
Source					
Crooked River Concepts	\$ 10,000	\$ 5,000			
Habitat Conservation Plan	\$ 50,000	\$ 25,000			
Storage					
Transmission					
NE 2nd Street Main to Fairview	\$ 183,000				
SE 7th Fairview to Juniper	\$ 130,000				
W 1st to NW 3rd Street on Deer	\$ 82,000				
Garner NE 3rd to NE 4th	\$ 45,000				
Court W 1st to NE 3rd		\$ 63,000			
SE Garner SE 7th to Lynn		\$ 63,000			
SE Holly SE 7th to Lynn		\$ 56,000			
SE 6th Fairview to Dunham		\$ 62,000			
Dunham SE 6th to Lynn		\$ 120,000			
Elm SE 6th to Lynn		\$ 106,000			
Alley Garner to Idlewood			\$ 71,120		
2nd NE Holly to NE Juniper			\$ 88,620		
Garner 3rd to 4th			\$ 42,280		
Holly E 2nd to NE 4th			\$ 83,300		
Juniper NE 3rd to Creek			\$ 37,660		
Ochoco Ave Oregon to Jordan			\$ 160,720		
Loper Tanks to Tyler				\$ 487,900	
Crest Drive Allen to Allen					\$ 200,060
Hillcrest From Loper to Sunrise					\$ 63,700
Wilshire Lookout to Sunrise					\$ 139,300
Elm Loper to Lookout					\$ 54,180
Clifton Crest to Allen					\$ 62,160
Total	\$ 500,000	\$ 500,000	\$ 483,700	\$ 487,900	\$ 519,400

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.



Work on the SE Fairview St. water line replacement in March 2018

**City of Prineville
Wastewater Repair and Maintenance (R&P) Capital Improvement Plan
Fiscal Years 2022 - 2026**

Project Description	2022	2023	2024	2025	2026
Treatment Plant SLARRA					
Distribution Upgrades	\$ 50,000				
Wetland Projects	\$ 20,000	\$ 50,000	\$ 56,000	\$ 56,000	\$ 56,000
Sludge Survey		\$ 26,000			
Irrigation Pump Rebuilds			\$ 20,000	\$ 20,000	\$ 20,000
New Flyte Pumps @ Headworks (8ea Pumps total)	\$ 30,000	\$ 60,000	\$ 30,000	\$ 60,000	\$ 60,000
Upgrade Sulfer Burner			\$ 30,000		
New Irrigation Screen	\$ 36,000				
Treatment Plant Upgrades					
Convert Rock Filters to Sludge Drying Beds	\$ 150,000	\$ 150,000			
Golf Course Storage Pond Aeration	\$ 50,000				
Epoxy Chlorine Contact Basins		\$ 50,000			
Chlorine Gas Safety Valves	\$ 50,000				
Well and Septic System at Wetlands	\$ 50,000	\$ 50,000			
Waterline to Contact Basins		\$ 50,000	\$ 50,000		
Seal Wetland Parking Area and Paths			\$ 50,000		
Treatment Plant Upgrades, Misc.			\$ 300,000	\$ 400,000	\$ 400,000
Sanitary Sewer					
Collection Improvements	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Infiltration and Inflow Maintenance					
Total	\$ 486,000	\$ 486,000	\$ 586,000	\$ 586,000	\$ 586,000

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.



Sunset at the Crooked River Wetlands Complex in May 2020

**City of Prineville
Meadow Lakes Capital Improvement Plan
Fiscal Years 2022 - 2026**

Project Description	Current Year Cost Estimate					
		2022	2023	2024	2025	2026
Replace Golf Cart Fleet (Capital Lease)	\$ 363,600	\$ 363,600				
Greens Mowers	\$ 70,000	\$ 70,000				
Windows and Seals and Doors for Clubhouse	\$ 30,000	\$ 30,000				
Cart Barn Siding			\$ 15,000			
Cart Path Paving			\$ 50,000			
New Carpet in Clubhouse			\$ 35,000			
Tractor / Gang Mower				\$ 20,000		
Fairway Mower (Used)				\$ 20,000		
Bunker Sand				\$ 15,000		
Replace Restrooms on Course					\$ 50,000	
Replace Kitchen Floor					\$ 10,000	
Split-rail and Parking Lot Fence						\$ 15,000
Trim Mower (Used)						\$ 15,000
Banquet Room Furniture/Equipment						\$ 10,000
Kitchen Equipment						\$ 10,000
Total		\$ 463,600	\$ 100,000	\$ 55,000	\$ 60,000	\$ 50,000

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 the Meadow Lakes Golf Course.

In FY 22, the current fleet of 54 electric golf carts are scheduled for replacement. A recent remodel of the cart barn completed, allowing for additional cart storage. Extra space in the barn allows expanding the current fleet from 54 to 60 to help keep up with additional play. The new golf carts will be powered by lithium batteries which will allow for a full, unlimited-use battery warranty of up to 8 years. Additional carts also allow for larger group outings and will increase overall golf revenue.

In addition to the carts, two new greens mowers are budgeted for purchase in FY 22. Greens are the most important asset on the golf course. Their condition is among the most important factors when golfers are selecting which golf course they want to play. Meadow Lake’s greens are often regarded as the best among the public courses in the region. The current greens mowers purchased in November 2012 are in good shape. These existing two mowers will be repurposed as tee mowers to replace two of the oldest units in the fleet. Over 5,500 hours are recorded on the existing tee mowers, putting them at the end of their lifecycle. The final project for the year is the replacement of 22 windows and seals in the dining room and banquet room. Seals on those 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 \$500 per year in energy costs.



An icy morning at the golf course

In FY 23, the department continues 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 new golf car fleet. Low quality paths are identified as those on holes

#3, 4, 5, 10, 11 and 12. Re-carpeting the clubhouse will occur in FY 23 in order to replace the current carpet that will reach the end of its lifecycle.

In FY 24, 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 that which blows away in wind storms and packs down due to irrigation and weather. Purchase of a fairway mower to replace the oldest of the current fairway machines is also outlined. By this time, the state of the fairway mowers will be a high source of maintenance from the mechanic to keep the machines operational. Adding a new mower will help to improve turf quality, while also improving staff efficiency. An upgrade to the aging tractor/gang mower with a newer unit that operates more consistently will be examined. The existing tractor is very old with over 9,000 recorded hours and requires a high amount of annual maintenance from the staff mechanic.



Irrigation project completed in BN 20-21 at the golf course

Two outhouse-style restrooms on the golf course will be replaced in FY 25 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. Additionally in the year, installation of a new kitchen floor to replace the current, aging one will occur. The existing floor is discolored and beginning to deteriorate. A new floor is necessary to be in place to maintain high health and cleanliness standards.

In FY 26, the department looks to replace the oldest trim mower with a slightly used or demo model that will run much more efficiently than current equipment. The new mower will also improve turf quality damaged over the past few years by the older equipment. Meadow Lakes will look to replace the split-rail wooden fence surrounding the Crooked River throughout the course in the same fiscal year. On top of the replacement of the split rail, the wooden fence near the parking lot is intended for replacement. Both of these fences are deteriorating and causing significant labor to repair. During the last fiscal year, an estimated \$2,000 in labor was spent towards repairs of the current, aging split-railed fence.

Lastly in FY 26, additional kitchen equipment is scheduled for purchase 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. The furniture in that portion of the facility is beginning to deteriorate.

Public Works Administration Fund

City of Prineville
Public Works Capital Improvement Plan
Fiscal Years 2022 - 2026

Project Description	2022	2023	2024	2025	2026
Vehicles / Equipment					
Truck with utility bed	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Backhoe	\$ 135,000				\$ 135,000
Small Sander	\$ 50,000				
Auto Lift	\$ 20,000				
Dump truck		\$ 180,000			
Grader				\$ 150,000	
Loader			\$ 150,000		
Street Sweeper	\$ 183,300				
Total	\$ 438,300	\$ 230,000	\$ 200,000	\$ 200,000	\$ 185,000

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
 BN22-23

Fund / Department	Project Description	Long- term Operating Costs / Saving Benefit Associated	2022	2023	2024	2025	2026	5 year total
General Fund								
Police	Update Radios for Police	No Impact to operation budget						\$ -
	Police Vehicles and Equipment	Anticipated decrease in maint.						\$ -
	Upgrade Body Cameras	No Impact to operation budget						\$ -
Emergency Dispatch Fund								
	Recording Equipment Dispatch	No Impact to operation budget						\$ -
	Radio Purchase for Dispatch Consoles	No Impact to operation budget						\$ -
	Viper Phone Position for Backup Center	No Impact to operation budget						\$ -
	Tower Upgrades	No Impact to operation budget						\$ -
Transportation Fund								
	Design round-about Ochoco and Elm	No Impact to operation budget						\$ -
	Design round-about Oregon and Ochoco	No Impact to operation budget						\$ -
	Capital Rehabilitation - SE 2nd Court to Fairview	No Impact to operation budget						\$ -
	Capital Rehabilitation - SE 3rd Main to Fairview	No Impact to operation budget						\$ -
	Capital Rehabilitation - SE 4th Main to Fairview	No Impact to operation budget						\$ -
	Capital Rehabilitation - SE 3rd Fairview to Holly	No Impact to operation budget						\$ -
	Capital Rehabilitation - SE 4th Fairview to Holly	No Impact to operation budget						\$ -
	Capital Rehabilitation - SE Garner SE 2nd to SE 5th	No Impact to operation budget						\$ -
	Capital Rehabilitation - SE Holly SE 2nd to SE 5th	No Impact to operation budget						\$ -
	Capital Rehabilitation - NW Deer 3rd to 9th	No Impact to operation budget						\$ -
	Capital Rehabilitation - Tom McCall Business Park	No Impact to operation budget						\$ -
	Capital Rehabilitation - NW Deer W 1st to NW 3rd	No Impact to operation budget						\$ -
	Capital Rehabilitation - NE 2nd Main to Court	No Impact to operation budget						\$ -
	Capital Rehabilitation - NE 2nd Dunham to Fairview	No Impact to operation budget						\$ -
	Rock and Pave Rails to Trails - Juniper to Main	Regular trail maint. & possible snow plowing	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 2.5	\$ 3.7
	Slurry Seals -Iron Horse Phase 1	No Impact to operation budget						\$ -
	Seal Coat - S Main Lynn Blvd to 2 Mile Marker	No Impact to operation budget						\$ -
	Seal Coat Recent Upgrades	No Impact to operation budget						\$ -
	NW 2nd St. Storm Water Reroute	No Impact to operation budget						\$ -
	ODOT - Transit Grant	No Impact to operation budget						\$ -
Transportation SDC Fund								
	Downtown Enhancement Project Match	No Impact to operation budget						\$ -
	Combs Flat Extension to N. Peters Road	Future maintenance on a 5 year cycle					\$ 2.0	\$ 2.0
	N. Main St and Peters Rd Intersection	No Impact to operation budget						\$ -
	Traffic Growth Management Grant Match	No Impact to operation budget						\$ -
	10th & Main Signal Upgrade	No Impact to operation budget						\$ -
Water Fund								
	NE 2nd Street Main to Fairview - Water Line Improvements	Anticipated decrease in maint.						\$ -
	SE 7th Fairview to Juniper - Water Line Improvements	Anticipated decrease in maint.						\$ -
	W 1st to NW 3rd Street on Deer - Water Line Improvements	Anticipated decrease in maint.						\$ -
	Garner NE 3rd to NE 4th - Water Line Improvements	Anticipated decrease in maint.						\$ -
	Court W 1st to NE 3rd - Water Line Improvements	Anticipated decrease in maint.						\$ -
	SE Garner SE 7th to Lynn - Water Line Improvements	Anticipated decrease in maint.						\$ -
	SE Holly SE 7th to Lynn - Water Line Improvements	Anticipated decrease in maint.						\$ -
	SE 6th Fairview to Dunham - Water Line Improvements	Anticipated decrease in maint.						\$ -
	Dunham SE 6th to Lynn - Water Line Improvements	Anticipated decrease in maint.						\$ -
	Elm SE 6th to Lynn - Water Line Improvements	Anticipated decrease in maint.						\$ -
	Crooked River Concepts	No Impact to operation budget						\$ -
	Habitat Conservation Plan	No Impact to operation budget						\$ -
Water SDC Fund								
	ASR Injection and Recovery Wells	No Impact to operation budget						\$ -
Wastewater Fund								
Treatment Plant	Distribution Upgrades	Anticipated decrease in maint.						\$ -
Treatment Plant	Wetland Projects	No Impact to operation budget						\$ -
Treatment Plant	Sludge Survey	No Impact to operation budget						\$ -
Treatment Plant	New Flyte Pumps @ Headworks (8ea Pumps total)	Anticipated decrease in maint.						\$ -
Treatment Plant	New Irrigation Screen	Anticipated decrease in maint.						\$ -
Treatment Plant	Convert Rock Filters to Sludge Drying Beds	Anticipated increase in maint.			\$ 5.0	\$ 5.0	\$ 5.0	\$ 15.0
Treatment Plant	Golf Course Storage Pond Aeration	No Impact to operation budget						\$ -
Treatment Plant	Epoxy Chlorine Contact Basins	No Impact to operation budget						\$ -
Treatment Plant	Chlorine Gas Safety Valves	No Impact to operation budget						\$ -
Treatment Plant	Well and Septic System at Wetlands	Anticipated increase in maint.	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 2.5
Sanitary Sewer	Collection Improvements	Anticipated decrease in maint.						\$ -

City of Prineville
Capital Improvement Projects Estimated Operating Impact Summary in thousands - Continued
BN22-23

Fund / Department	Project Description	Long- term Operating Costs / Saving Benefit Associated	2022 2023 2024 2025 2026					5 year total
Railroad Fund								
Maint. of Equip.	Pickup	Regular maint. & mechanic time		\$ 1.0	\$ 1.0	\$ 1.2	\$ 1.2	\$ 4.4
Maint. of Equip.	Hyral Excavator/Rail Maintenance Equipment	No Impact to operation budget						\$ -
Maint. of Way	MP 16 (McKay Creek Bridge)	No Impact to operation budget						\$ -
Maint. of Way	MP 15 - MP 18- All of Freight Depot Yard and Fontana Spur	No Impact to operation budget						\$ -
Golf Course and Restaurant Fund								
Golf Course	Greens Mowers	Anticipated decrease in maint. & mechanic time		\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (4.0)
Golf Course	Replace Golf Cart Fleet (Capital Lease)	Anticipated decrease in maint.						\$ -
Golf Course	Windows and Seals and Doors for Clubhouse	Anticipated decrease in utilities						\$ -
Building Facilities / Property Fund								
City Hall	Flooring Repairs	No Impact to operation budget						\$ -
City Hall	Security upgrades	No Impact to operation budget						\$ -
Police Facility	Police Facility Paint and Reseal Exterior	Anticipated decrease in utilities						\$ -
Police Facility	Replace Sidewalks	No Impact to operation budget						\$ -
Barnes Butte Prop.	Improvements	Park & trail maint.	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 2.5
Admin. / Financial Support Service Fund								
IT	Technology	No Impact to operation budget						\$ -
Public Work Support Service Fund								
Fleet Maint. & Ops	Truck with utility bed	Anticipated decrease in maint.		\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (4.0)
Fleet Maint. & Ops	Backhoe	Anticipated decrease in maint.		\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (4.0)
Fleet Maint. & Ops	Small Sander	Anticipated decrease in maint.		\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (4.0)
Fleet Maint. & Ops	Auto Lift	No Impact to operation budget						\$ -
Fleet Maint. & Ops	Dump truck	Anticipated decrease in maint.		\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (4.0)
Fleet Maint. & Ops	Street Sweeper	Anticipated decrease in maint.		\$ (2.0)	\$ (2.0)	\$ (2.0)	\$ (2.0)	\$ (8.0)
Total			\$ 1.3	\$ (4.7)	\$ 0.3	\$ 0.5	\$ 4.7	\$ 2.1



View of the city in September 2020



Long-range Planning Models

Water - 6 Years of 20 Year Forecast (amounts in thousands)		BN 2021		BN 2023		BN 2025		BN 2027	
Resources	Actual 2020	Estimated 2021	Adopted Budget 2022	2023	Forecast 2024	Forecast 2025	Forecast 2026	Forecast 2027	
Charges for services	\$ 2,722	\$ 3,318	\$ 2,979	\$ 3,056	\$ 3,136	\$ 3,221	\$ 3,307	\$ 3,395	
Interest	6	2	5	5	5	5	5	30	
Miscellaneous	-	4	1	1	1	1	1	1	
SDC Reimbursement Fee	177	337	169	172	175	179	183	187	
Total resources	2,905	3,661	3,154	3,234	3,317	3,406	3,496	3,613	
Expenditures									
Materials and services	599	701	727	732	752	772	793	814	
Franchise fee	142	147	144	148	157	161	165	170	
Capital outlay	660	758	500	500	484	488	519	600	
Debt service									
Principal	137	140	282	290	310	318	321	328	
Interest	58	54	51	47	39	34	30	25	
Transfers	1,211	1,221	1,506	1,530	1,419	1,457	1,496	1,536	
Transfer to SDC Fund		470							
Total expenditures	2,807	3,491	3,210	3,247	3,161	3,230	3,324	3,473	
Revenue over/(under) expenditures	98	169	(56)	(13)	156	176	172	140	
Beginning fund balance	783	881	1,051	995	982	1,138	1,314	1,486	
Ending fund balance	\$ 881	\$ 1,051	\$ 995	\$ 982	\$ 1,138	\$ 1,314	\$ 1,486	\$ 1,626	
Fund balance analysis									
Available fund balance	881	1,051	995	982	1,138	1,314	1,486	1,626	
Desired minimum fund balance									
Working capital - 60 days operating costs	452	481	558	566	543	557	572	588	
Debt service reserve - one year debt service	195	194	333	337	349	352	351	353	
Contingency - 10% (excludes debt and transfers)	140	161	137	138	139	142	148	158	
Replacement reserve - full cost recovery	-	-	-	-	-	-	-	-	
Total desired minimum fund balance	787	836	1,028	1,041	1,031	1,051	1,071	1,099	
Difference	94	215	(33)	(59)	107	263	415	527	
Assumptions									
Rate - single family home (8 CCF/mo)	\$ 36.20	\$ 38.01	\$ 38.77	\$ 39.55	\$ 40.34	\$ 41.15	\$ 41.97	\$ 42.81	
% increase - rates	2.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
\$ change - rates - SF home (8 CCF/mo)	0.71	1.81	0.76	0.78	0.79	0.81	0.82	0.84	
CPI %	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Cumulative CPI %	104.0%	106.1%	108.2%	110.4%	112.6%	114.9%	117.2%	119.5%	
Personal 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	68	70	71	71	72	72	73	73	
Population - per Portland State University	10,010	10,080	10,151	10,222	10,294	10,366	10,439	10,512	
Franchise fee - (%)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
Capital outlay									
Capital outlay - 2017 dollars	1,672	1,672	1,672	1,672	1,672	1,672	1,672	1,672	
Capital outlay - inflation adjusted \$	660	609	593	772	1,000	1,921	1,959	1,998	
Outstanding debt									
Refunding issue - 2011	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	
	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	
DCR Analysis									
Revenue	\$ 2,722	\$ 3,318	\$ 2,979	\$ 3,056	\$ 3,136	\$ 3,221	\$ 3,307	\$ 3,395	
Expenditures	1,810	1,922	2,233	2,262	2,171	2,229	2,289	2,350	
Net revenue	912	1,395	746	794	965	992	1,018	1,045	
Debt service - excluding refunding	195	194	333	337	349	352	351	353	
DCR	4.68	7.19	2.24	2.36	2.77	2.82	2.90	2.96	
Revenue with SDC reimbursement	2,899	3,655	3,148	3,228	3,311	3,400	3,490	3,582	
DCR with SDC reimbursement	5.59	8.93	2.75	2.87	3.27	3.33	3.42	3.49	

Wastewater Fund								
Financial Proformas - 6 Years of 20 Year Forecast								
	BN 2021		BN 2023		BN 2025		BN 2027	
(amounts in thousands)	Actual	Estimated	Adopted Budget		Forecast		Forecast	
Resources	2020	2021	2022	2023	2024	2025	2026	2027
Charges for services	\$ 3,547	\$ 3,980	\$ 4,018	\$ 4,106	\$ 4,314	\$ 4,440	\$ 4,625	\$ 4,745
Intergovernmental	-	-	-	-	-	-	-	-
Interest	48	18	10	10	32	33	34	32
Miscellaneous	86	8	84	84	88	90	92	94
SDC Reimbursement Fee	166	129	119	122	53	55	56	58
Total resources	3,847	4,135	4,231	4,322	4,487	4,618	4,807	4,929
Expenditures								
Personal services	122	135	251	259	142	148	152	158
Material and services - total	608	694	815	823	629	646	663	680
Franchise fee	185	191	196	205	216	222	231	237
Capital outlay	141	386	486	486	396	401	707	718
Debt service								
Principal	719	740	753	778	796	817	841	614
Interest	291	275	261	240	218	196	174	150
Fees	20	17	15	12	10	7	4	1
Transfers	1,757	3,088	1,936	1,976	1,892	1,928	1,965	2,002
Total expenditures	3,843	5,526	4,713	4,779	4,473	4,543	4,921	4,792
Resources over/(under) expenditures	4	(1,391)	(482)	(457)	14	75	(114)	137
Beginning fund balance	3,941	3,945	2,554	2,072	1,615	1,629	1,704	1,590
Ending fund balance	\$ 3,945	\$ 2,554	\$ 2,072	\$ 1,615	\$ 1,629	\$ 1,704	\$ 1,590	\$ 1,728
Fund balance analysis								
Minimum fund balance								
Debt service reserve	1,010	1,015	1,014	1,018	1,014	1,013	1,015	764
Operating capital - 60 days (operating costs only)	414	653	500	510	444	454	463	473
Contingency - 10% (excludes debt)	272	440	359	365	335	342	379	392
Replacement reserve - full cost recovery	(440)	(32)	384	809	1,272	1,744	1,963	2,186
Total minimum fund balance	1,256	2,076	2,257	2,702	3,065	3,553	3,820	3,815
Ending fund balance	3,945	2,554	2,072	1,615	1,629	1,704	1,590	1,728
Fund balance above (below) minimum	2,689	478	(185)	(1,087)	(1,436)	(1,849)	(2,230)	(2,087)
Ending fund balance % of minimum	314%	123%	92%	60%	53%	48%	42%	45%
Assumptions								
Rate - single family home	\$ 52.93	\$ 52.93	\$ 53.99	\$ 55.07	\$ 56.17	\$ 57.29	\$ 58.44	\$ 58.44
Rate - single family home - reduction	0.0%							
Rate - SFR per 100 cf (net of billing cost of \$5.00)	\$ 9.59	\$ 9.59	\$ 9.80	\$ 10.01	\$ 10.23	\$ 10.46	\$ 10.69	\$ 10.69
Rate - large commercial - base	52.93	52.93	53.99	55.07	56.17	57.29	58.44	58.44
Rate - large commercial - consumption	\$ 4.65	\$ 5.23	\$ 5.88	\$ 6.62	\$ 7.45	\$ 8.38	\$ 9.43	\$ 10.61
% increase in Commercial consumption	12.6%	12.5%	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%
% increase - SFR (% of CPI)	0.00%	0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	0.00%
CPI %	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
CPI - U West June								
Cumulative CPI % - 2017 forward	104.0%	106.1%	108.2%	110.4%	112.6%	114.9%	117.2%	119.5%
Medical	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
PERS	2%	20%	2%	15%	2%	10%	2%	5%
Population growth rate	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Population increase	68	69	69	70	70	71	71	72
Population	9,849 /10	9,918 /10	9,987 /10	10,057	10,127	10,198	10,269	10,341
Population not served within City	894	894	894	894	894	894	894	894
In-City population not served - connecting								
Population connected to system	9,139	9,208	9,277	9,347	9,417	9,488	9,559	9,631
% change in population served	0.75%	0.76%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%

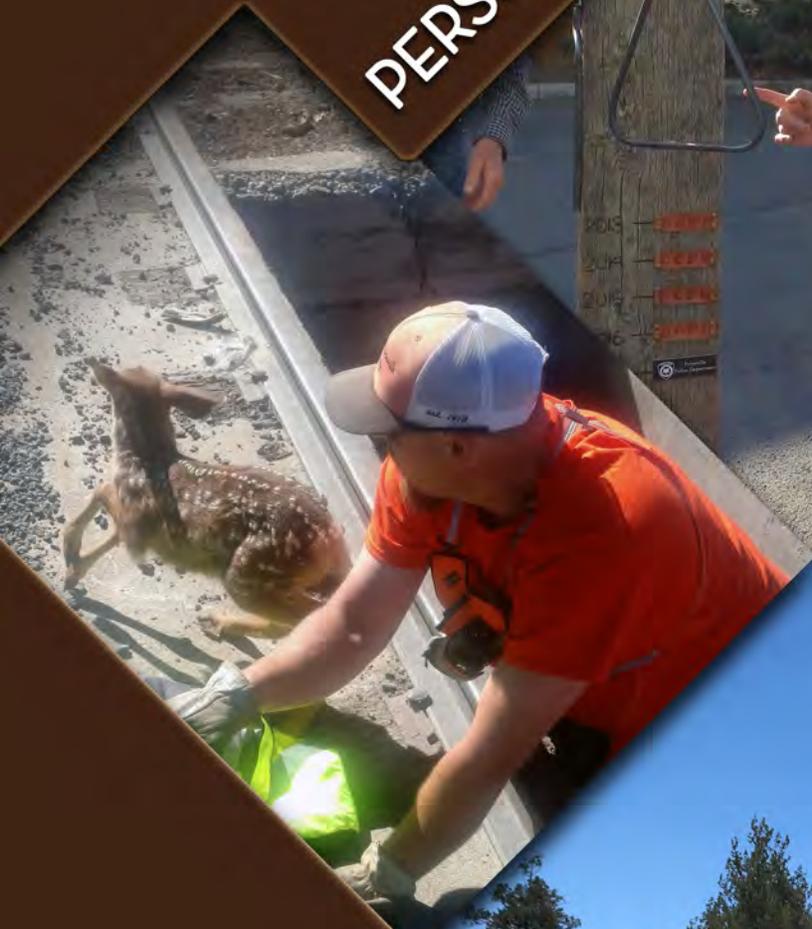
Golf Course Fund	BN 21		BN 23		BN 25		BN 27	
6 Years of 20 Year Forecast	Estimated		Adopted Budget		Forecast		Forecast	
(amounts are in thousands)	2021	2022	2023	2024	2025	2026	2027	
Resources								
Charges for services	\$ 1,862	\$ 1,010	\$ 1,046	\$ 1,101	\$ 1,156	\$ 1,211	\$ 1,266	
Interest	31	6	6	5	5	5	5	
Miscellaneous	35	10	10	10	10	10	10	
Transfers	1,990	470	470	470	470	470	370	
Debt proceeds	-	364	-	-	-	-	-	
Total resources	3,918	1,860	1,532	1,586	1,641	1,696	1,651	
Expenditures	2,075	1,140	1,203	1,234	1,266	1,299	1,332	
Golf course	1,026	572	591	609	627	646	665	
Waste disposal	1,001	537	577	589	600	612	625	
Restaurant	48	31	35	37	39	41	43	
Capital outlay	1,725	464	100	55	60	50	50	
Debt service								
Principal - FFC	82	50	73	24	24	-	-	
Interest - FFC	2	5	-	4	4	-	-	
Principal - 2017 bonds	90	50	50	50	55	14	14	
Interest - 2017 bonds	18	10	8	6	5	4	4	
Total expenditures	3,992	1,719	1,434	1,373	1,414	1,367	1,400	
Resources over/(under) expenditures	(74)	141	98	213	227	329	250	
Beginning fund balance	494	420	561	659	872	1,098	1,427	
Ending fund balance	\$ 420	\$ 561	\$ 659	\$ 872	\$ 1,098	\$ 1,427	\$ 1,678	
Adj operating revenue	3,918	746	1,532	1,586	1,641	1,696	1,651	
Adj operating expenditures	2,075	1,140	1,203	1,234	1,266	1,299	1,332	
Net adjusted sewer revenue	1,843	(394)	329	352	375	397	318	
Debt service supported by Golf	192	115	131	84	88	18	18	
DCR	9.60	(3.43)	2.51	4.19	4.26	22.05	17.69	
Rounds	27,216	27,271	27,325	27,380	27,435	27,490	27,545	
CPI	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Growth - additional rounds	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	
Revenue per round	44.40	45.29	46.19	47.12	48.06	49.02	50.00	
Growth revenue per round	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Interest rate - new bonds	2.67%	2.67%	2.67%	2.67%	2.67%	2.7%	2.7%	

General Fund							
6 years of 20 Year Forecast	BN 2021		BN 2023		BN 2025		BN 2027
(amounts in thousands)	Estimated	Adopted Budget		Forecast		Forecast	
Revenue	2021	2022	2023	2024	2025	2026	2027
Property taxes	4,790	2,540	2,620	2,725	2,834	2,947	3,153.44
Transient lodging tax	672	350	350	350	350	350	350
Franchise taxes	6,756	3,706	4,128	4,500	4,859	5,248	5,406
Licenses & permits	18	8	8	9	9	9	9
Intergovernmental	1,952	1,940	448	400	400	225	225
Charges for Services	367	285	295	315	325	330	330
Miscellaneous	502	73	73	35	35	35	35
Transfers		130	150				
Total revenue	15,057	9,032	8,072	8,333	8,812	9,144	9,508
Expenses							
Police	10,606	6,209	6,667	6,867	7,073	7,285	7,504
Non Dept. General	3,844	3,125	1,511	1,500	1,700	1,700	2,000
Total expenditures	14,450	9,334	8,178	8,367	8,773	8,985	9,504
Revenue over/(under) expenditures	607	(302)	(106)	(34)	39	159	4
Beginning fund balance	2,153	2,760	2,458	2,352	2,318	2,358	2,517
Prior period adjustment							
Ending fund balance	2,760	2,458	2,352	2,318	2,358	2,517	2,521



Both the Prineville Police Department and Crook County 911 fully moved into the new public safety facility (pictured above) at the end of FY21

PERSONNEL



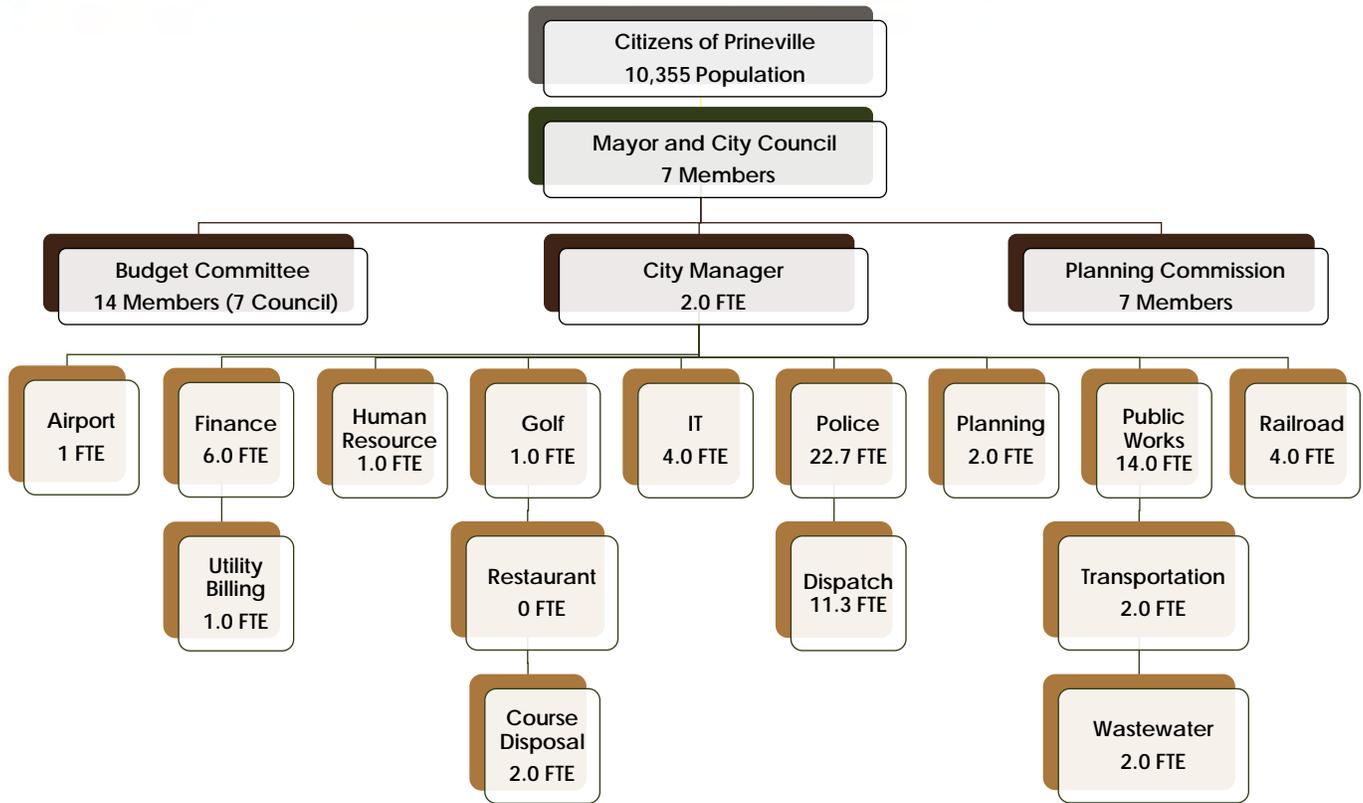
ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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Organizational Chart



Prineville Police officers helping with the 2021 Easter egg hunt

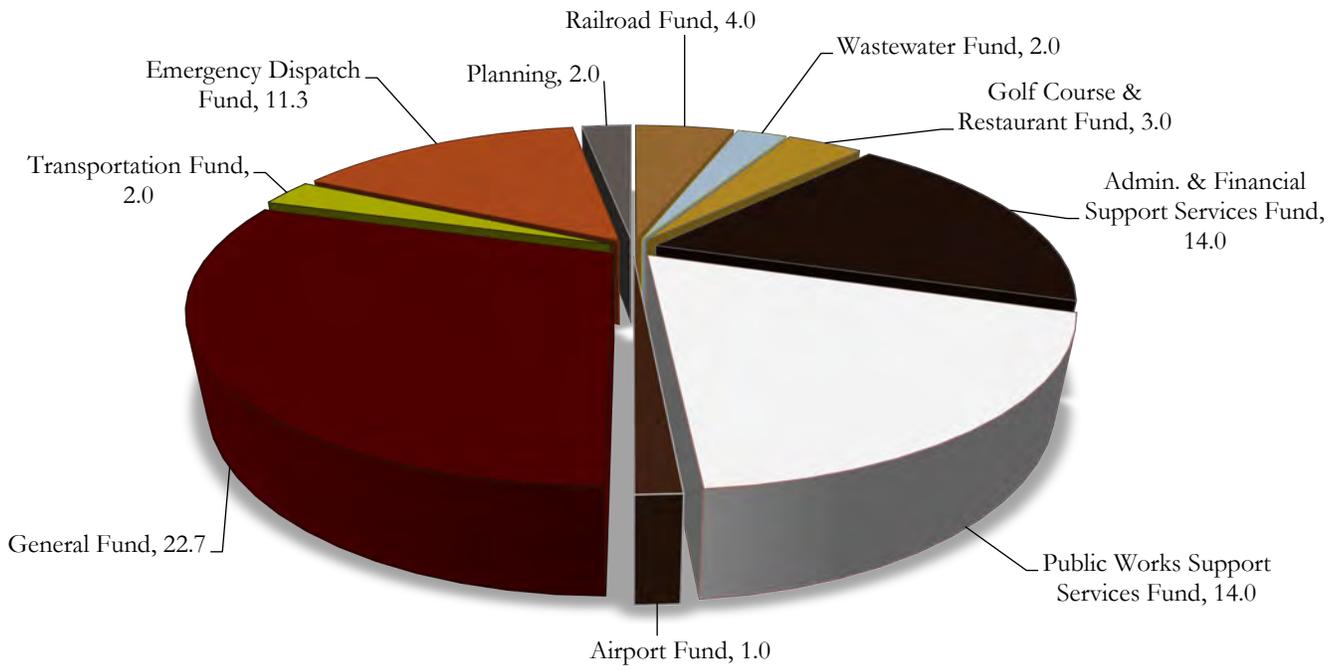


FTEs Budgeted Positions and Salary Ranges by Fund

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

Department & Position	FY 18	FY 19	BN 20-21	BN 22-23	Monthly BN 22-23		Yearly Salary		
					Salary Range Low	Salary Range High	Low	High	
General Fund									
Police Department									
Chief of Police	1.00	1.00	1.00	1.00	7,498	10,497	89,976	125,964	
Captain	1.00	1.00	1.00	1.00	6,659	8,989	79,908	107,868	
Administrative Services Manager	0.66	0.66	0.00	0.00	4,573	5,716	54,876	68,592	
Certified Police Services Manager			1.00	1.00	5,916	7,691	70,992	92,292	
Sergeant	4.00	4.00	3.00	4.00	6,645	7,407	79,740	88,884	
Police Officer	11.00	13.00	15.00	14.00	5,154	6,039	61,848	72,468	
Evidence Officer	0.50	0.50	0.70	0.70	3,830	4,487	45,960	53,844	
Office Technician	1.00	1.00	1.00	1.00	3,830	4,487	45,960	53,844	
Janitorial	0.25	0.25	0.00	0.00		Hourly			
Police Department Total	19.41	21.41	22.70	22.70					
<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>									
General Fund Total	19.41	21.41	22.70	22.70					
Planning Fund									
Planning Director	1.00	1.00	1.00	1.00	5,916	7,691	70,992	92,292	
Senior Planner	1.00	0.00	0.00	1.00	5,144	6,687	61,728	80,244	
Associate Planner	0.00	1.00	1.00	0.00	4,573	5,716	54,876	68,592	
Planning Department Total	2.00	2.00	2.00	2.00					
<i>FY 18 - Senior Planner promoted to Planning Director towards the end of the fiscal year.</i>									
<i>FY 21 - Associate Planner was promoted to Senior Planner</i>									
Transportation Fund									
Senior Lead Utility Worker	1.00	1.00	1.00	1.00	5,141	5,648	61,692	67,776	
Utility Worker	1.00	1.00	1.00	1.00	4,705	5,212	56,460	62,544	
Transportation Fund Total	2.00	2.00	2.00	2.00					
Emergency Dispatch Fund									
Communications Director	1.00	1.00	1.00	1.00	5,916	7,691	70,992	92,292	
Administrative Services Manager	0.34	0.34	0.00	0.00	4,573	5,716	54,876	68,592	
Communications Supervisor	0.00	0.00	0.00	2.00	5,169	5,694	62,028	68,328	
Communications Officer	8.66	8.66	9.00	8.00	4,503	5,278	54,036	63,336	
Evidence Officer	0.50	0.50	0.30	0.30	3,830	4,487	45,960	53,844	
Janitor	0.25	0.25	0.00	0.00		Hourly			
Emergency Dispatch Fund Total	10.75	10.75	10.30	11.30					
<i>FY 18 - Communications Supervisor position restructured to increased Communication Officers.</i>									
<i>FY 20 - Part-time Communications Officer position made into a full-time position, evidence officer and admin. service manager split changed and Janitorial duties contracted out.</i>									
<i>FY 22 - Communication supervisor positions budgeted but not filled as of 7/1/21</i>									
<i>FY 22 - Union negotiations are in progress so salary's are estimated for Communication Officers and those who fall under the collective bargaining agreement.</i>									
Railroad Fund									
Operations Manager	1.00	1.00	1.00	1.00	6,659	8,989	79,908	107,868	
Superintendent/Engineer	1.00	0.00	0.00	0.00	5,141	5,648	61,692	67,776	
Freight Depot/Track Maintenance	0.00	0.00	1.00	1.00	4,705	5,212	56,460	62,544	
Conductor / Mechanic	2.00	2.00	2.00	2.00	4,992	5,498	59,904	65,976	
Railroad Fund Total	4.00	3.00	4.00	4.00					
<i>FY 18 - Railroad Superintendent retired and the positions were restructured.</i>									
<i>FY21 - New Freight Depot position added.</i>									
Airport Fund									
General Manager	1.00	1.00	1.00	1.00	5,916	7,691	70,992	92,292	
Assistant	1.00	0.00	0.00	0.00	3,551	4,438	42,612	53,256	
Airport Fund Total	2.00	1.00	1.00	1.00					
<i>FY 18 - Assistant to the Airport Manager position eliminated.</i>									

Department & Position	FY 18	FY 19	BN 20-21	BN 22-23	Salary Range		Yearly Salary		
					Low	High	Low	High	
Wastewater Fund									
Wastewater Treatment Plant Supervisor	1.00	1.00	1.00	1.00	5,296	5,802	63,552	69,624	
Utility Worker				1.00	4,705	5,212	56,460	62,544	
Wastewater Fund Total	1.00	1.00	1.00	2.00					
<i>FY22 - New Utility Worker Position Dedicated to the Wastewater</i>									
Golf Course Fund									
Golf Manager/Head Professional	1.00	1.00	1.00	1.00	5,916	7,691	70,992	92,292	
Golf Course Disposal Site									
Superintendent	1.00	1.00	1.00	1.00	5,144	6,687	61,728	80,244	
Assistant Superintendent	1.00	1.00	1.00	1.00	3,976	4,970	47,712	59,640	
Golf Course Disposal Site Total	2.00	2.00	2.00	2.00					
Restaurant Operations									
Restaurant Manager	1.00	1.00	0.00	0.00	4,268	5,335	51,216	64,020	
Kitchen Manager	1.00	1.00	0.00	0.00	2,959	3,699	35,508	44,388	
Restaurant Operations Total	2.00	2.00	0.00	0.00					
Golf Course & Restaurant Fund Total	5.00	5.00	3.00	3.00					
<i>FY 18 - Greenskeeper promoted to Assistant Superintendent.</i>									
<i>FY 19 - The restaurant was leased out during the third quarter of FY19.</i>									
Administration & Financial Support Services Fund									
City Manager	1.00	1.00	1.00	1.00	8,457	12,686	101,484	152,232	
City Recorder/ Risk Manager	1.00	1.00	1.00	1.00	4,573	5,716	54,876	68,592	
Finance Director	1.00	1.00	1.00	1.00	7,498	10,497	89,976	125,964	
Finance Assistant II	3.00	3.00	3.00	3.00	3,551	4,438	42,612	53,256	
Finance Assistant III	1.00	1.00	1.00	2.00	4,573	5,716	54,876	68,592	
Accounting Manager	1.00	1.00	1.00	1.00	5,916	7,691	70,992	92,292	
IT Manager	1.00	1.00	1.00	1.00	6,659	8,989	79,908	107,868	
IT Specialist I	0.00	0.00	0.00	0.00		Hourly	18,720	26,800	
IT Specialist II	1.00	1.00	3.00	3.00	4,573	5,716	54,876	68,592	
Human Resources Manager	1.00	1.00	1.00	1.00	5,916	7,691	70,992	92,292	
Procurement/Contract Administration	1.00	0.00	0.00	0.00	3,570	4,463	42,840	53,556	
Administration & Financial Support Services Fund Total	12.00	11.00	13.00	14.00					
<i>FY 18 - Promoted Finance I to Finance II and Accounting Supervisor to Accounting Manager.</i>									
<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 Assistant III position added</i>									
Public Work Support Services Fund									
City Engineer/Public Works Director	1.00	1.00	1.00	1.00	7,498	10,497	89,976	125,964	
Public Works Superintendent/Inspector	1.00	1.00	1.00	1.00	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	7.00	8.00	8.00	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	
Public Works Projects Coordinator	0.00	1.00	1.00	1.00	3,976	4,970	47,712	59,640	
Public Works Support Services Fund Total	12.00	13.00	14.00	14.00					
<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>									
City of Prineville FTE Total	70.16	70.16	73.00	76.00					



City staff getting their picture taken with Santa Claus at the City holiday party in December 2017



Employee Comparison with Other Cities

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

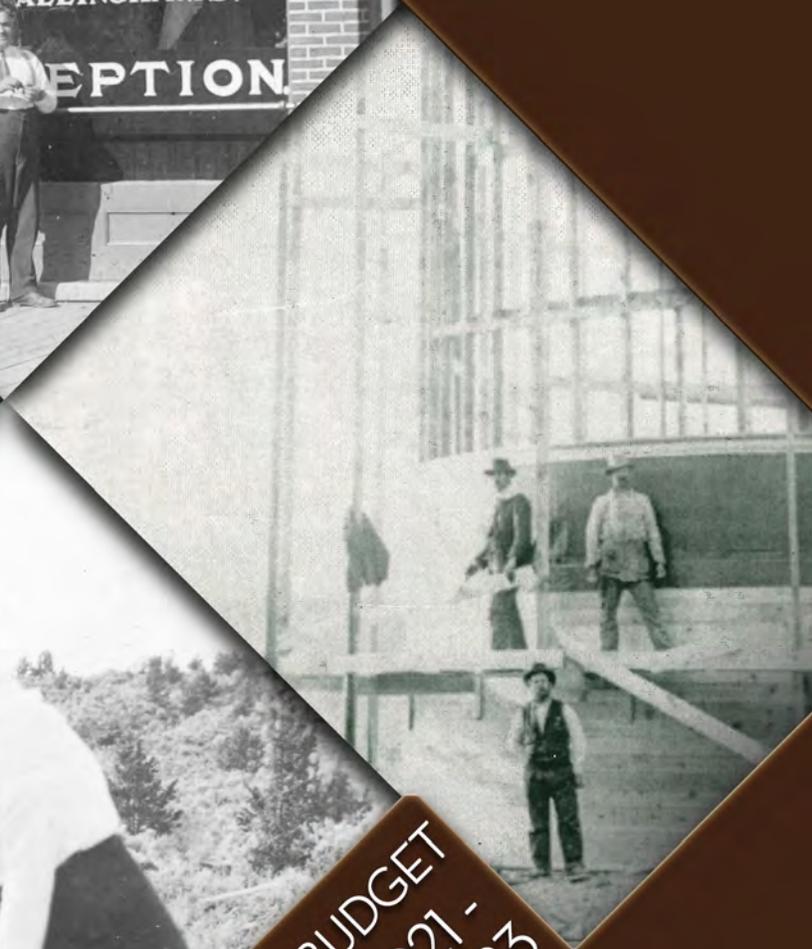
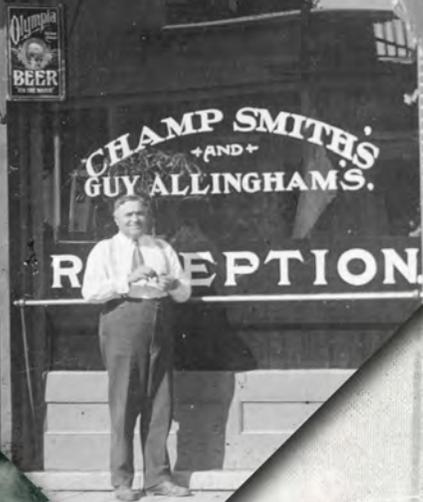
	City Employees by Department by City (FTEs)				
	Prineville	Madras*	Redmond*	Bend*	Sisters*
Service Departments					
Building				40.00	
Code Enforcement				5.00	
Engineering	1.00		10.00	46.00	
Municipal Court				5.50	
Planning	2.00			18.00	
Public Safety - Police	22.70	12.00	57.00	140.00	
Public Works / Utilities	14.00	14.15	31.50	126.13	9.50
Transportation	2.00		22.50	52.00	
Service Departments Total	41.70	26.15	121.00	432.63	9.50
Support Departments					
Legal		0.50		5.00	
City Manager's Office	1.00	1.00	3.00	18.00	1.00
Communications			1.00	5.00	
City Recorder	1.00	1.00	2.00		1.00
Contract / Procurement	1.00			6.00	
Community Development		2.00	21.50	16.00	3.00
Economic Development				16.50	
Finance	7.00	3.50	7.50	29.73	3.00
Parks / Facilities Management			15.00	8.00	
Human Resources	1.00	1.00	4.00	9.00	
Information Technology	4.00		5.00	24.00	
Support Departments Total	15.00	9.00	59.00	137.23	8.00
Unique Services					
Cemetery				1.00	
City Fire Department				130.60	
City 911 Dispatch Service	11.30				
City Golf	3.00	**	***		
Railroad	4.00				
Airport	1.00	**	29.50	2.25	
Unique services Total	19.30	0.00	29.50	133.85	0.00
Total Full Time Equivalents (FTEs)	76.00	35.15	209.50	703.71	17.50
Population	10,355	6,777	30,600	100,421	2,985
FTEs per Capita (per 1,000 of Population)	7.34	5.19	6.85	7.01	5.86

*Based on FY 21 budgets if FY22 proposed budgets were unavailable

**Madras classifies their golf course as part of PW and the airport has a fixed base operator.

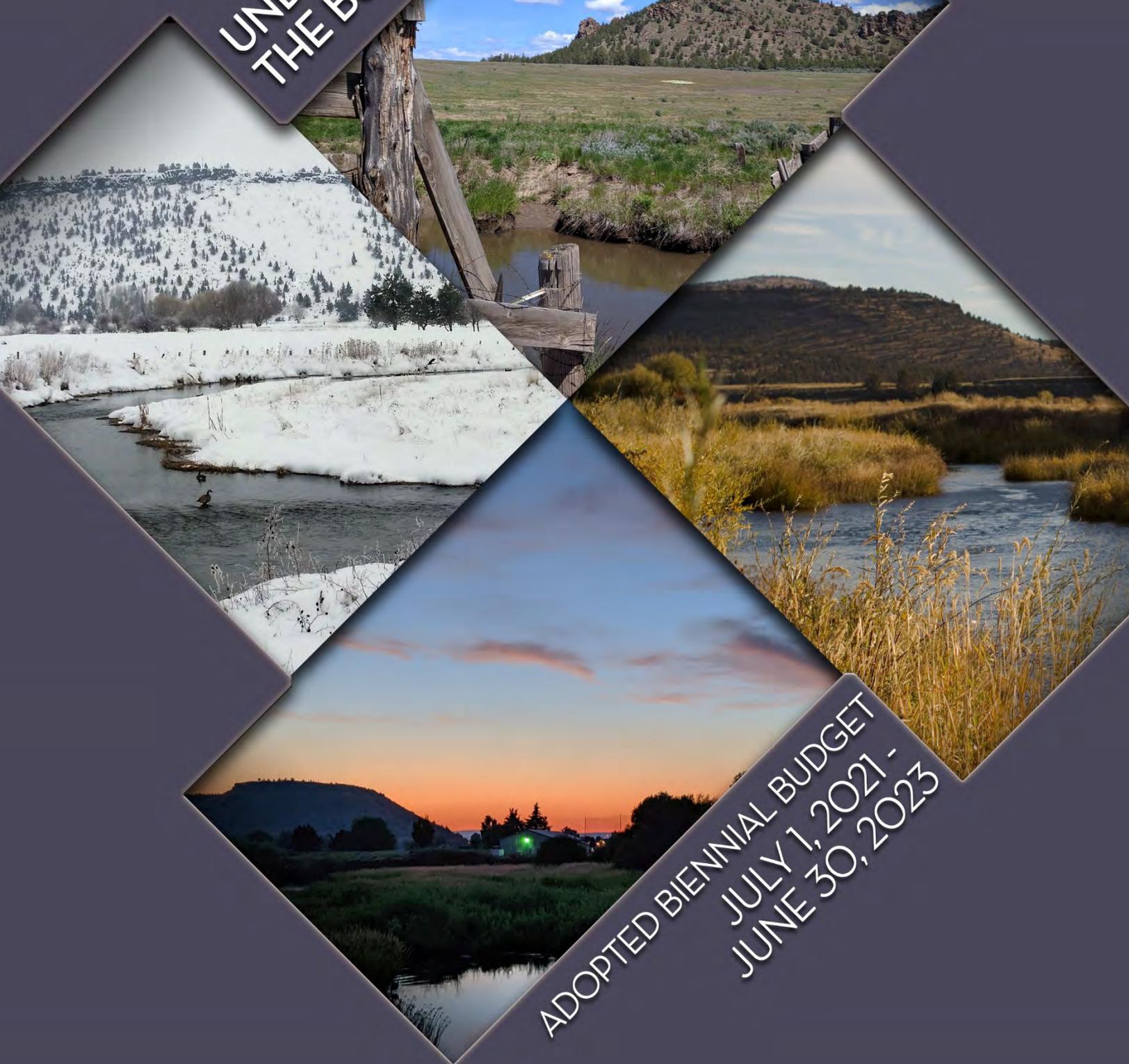
***Redmond's golf course is leased.

CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023

UNDERSTANDING
THE BUDGET FORMAT



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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

Emergency Dispatch Fund 1.

Mission Statement 2.
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.

3. BN 20-21 Accomplishments

- All communications staff passed international emergency medical dispatch certification through Priority Dispatch Systems Emergency Medical Dispatch (EMD) software (PwQA).
- Completed two system upgrades: the Law Enforcement Data Systems (LEDS) portal to external source information known as LEDS300i and PwQA, upgrading EMD processes and integrating with the computer aided dispatch (CAD) system.
- Dispatch policies and procedures were updated to meet the requirements of current practices and the Oregon Accreditation Association (OAA) and Accredited Center of Excellence (ACE) accreditation requirements.

4. Initiatives for BN 22-23

- Create community engagement through the development of the Crook County 911 website and Facebook page.
- Earn accreditation through the ACE.
- Upgrade the 700/800MHz radio system to provide improved coverage for police and fire units.
- Maintain accreditation through OAA.
- Make additional improvements to the dispatch center's infrastructure through implementation of CAD system and recording equipment updates and software improvements.
- Recruit and retain adequate staffing to meet agency and community needs.

City of Prineville, Oregon | Special Revenue Funds | 107

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.

Page 2

Department Goals

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

Council Goals 5.

Responsibilities to the Community 6.

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, outlying 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.

7. Did You Know?

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

City of Prineville emergency 911 Dispatching center

City of Prineville, Oregon | Special Revenue Funds | 108

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.
7. Did You Know – a notable fact related to the department or Prineville in general.

Executive Summary 8.

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 21, the Communications Director retired after 30 years of service and the position was successfully filled. During the biennium, the department will work to strengthen its recruiting practices, staff growth and development to support efforts to build a strong and resilient team in today's changing job environment. Efforts will include offering innovative on-line training, focusing on employee health and wellbeing, and utilizing technology to streamline processes.

Cook County 911 continues to strive to follow industry best practices and coordinated public safety services. Focus will not only be on accreditation for the center as both law enforcement and emergency medical dispatch services, but also engagement with the community, creating opportunities for communication, relationships and further transparency of available services.

As the dispatch center looks to the future, the department's focus on improving infrastructure continues as the need to update and refine processes will be driven by a natural movement towards Next Generation 911 (NG911) capabilities. NG911 is new technology that allows the public to share richer, more detailed data, such as videos, images and text with 911 call centers. It enhances the ability of 911 call centers to communicate with each other and improves system efficiency. As system updates and new technologies become available, the department will work to implement changes to help the community utilize these tools and strengthen services.

Another part of planned infrastructure improvement is to continue to improve the 700/800MHz radio system to provide better coverage for police and fire units. With successful implementation expected during the budget cycle, the department will continue striving to improve the radio system throughout the center with regular tower and system updates. Keeping up with current technology will always be a challenge and opportunity to provide reliable services.

Strategic Planning Updates 9.

- Short-term – Cook 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 CAD system and recording, computers and phone equipment; upgrading 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 future needs, the continued increase in call load and the needs of law enforcement and medical personnel. Radio and tower upgrades will be a continual project to keep users up to date and to provide safety and strong communications abilities for partner agencies.

Capital Outlay 10.

Capital Outlay Overview

Project	Budgeted Amount FY 22	Budgeted Amount FY 23
Recording Equipment	\$ 25,000	\$ -
Radio Purchase for Consoles	\$ 20,000	\$ 20,000
Viper Phone Position for Backup Center	\$ -	\$ 1,000
Tower Upgrades	\$ 63,000	\$ 33,000
Capital Outlay Total	\$ 108,000	\$ 54,000

1 item is a total summary of capital outlay to be listed in the Short and Long-term Strategic Planning. Capital Expenditure flows values in the budget summary.

City of Prineville, Oregon | Special Revenue Funds | 109

- 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.
- Capital Outlay – Lists the capital expenditures budgeted for the biennium, broken out by fiscal year.

Performance Measures 11.

Goal	Indicator	Performance Measure	Benchmark	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual
Workload	Time	Time to Answer 911	N/A	30	30	30	30	30
	Time	Time to Answer 911 (9/11)	1:00 per hour	30	30	30	30	30
	Time	Time to Answer 911 (9/11)	1:00 per hour	30	30	30	30	30
	Time	Time to Answer 911 (9/11)	1:00 per hour	30	30	30	30	30
	Time	Time to Answer 911 (9/11)	1:00 per hour	30	30	30	30	30
Training	Hours	Hours of Training	70.30	40	40	40	40	40
	Hours	Hours of Training	70.30	40	40	40	40	40

12. Total Calls to Dispatch Center

911 telecommunications are often referred to as “the fire, fire responses.” The City’s dispatch is the definition in that they answer all incoming 911 and service calls for the Prineville Police Department, Cook County Sheriff’s Office and Cook 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 can go from no calls to more calls than they can answer and vice versa several times during a shift. The last year’s call volume was impacted by the Oregon’s actions to limit the spread of COVID-19. Total calls to the 911 center trended down with limited recoveries throughout the year. As the pandemic recedes forward and activities begin again, the department will call gradually increase to previous levels. The profession will only get better as the community grows, technology adds the opportunity for calls to forward video, and the number of items of technology available to call 911 increases.

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 to emergency 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, Public Legal Sciences and the International Academy of Emergency Dispatch (IAED) for both telecommunications and emergency medical dispatch education opportunities. Training hours increased over the last biennium and should be maintained at this level going forward, with employees increasing—at a minimum – 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.

City of Prineville, Oregon | Special Revenue Funds | 110

- 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.

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 Relative Information – two performance measures and/or important information related to the department are singled out for display and greater illustration.

Emergency Dispatch Budget 13.

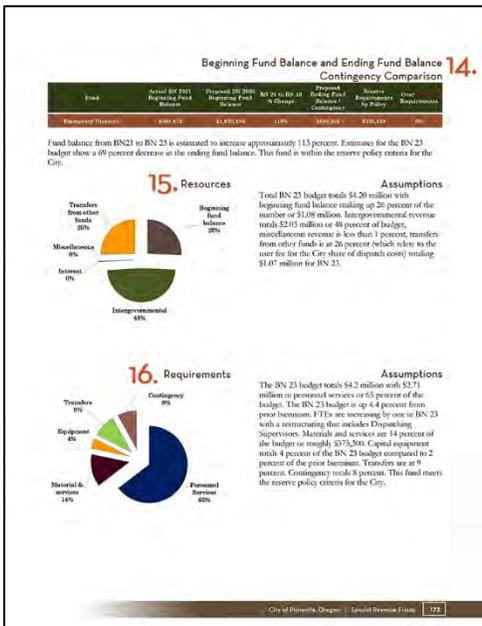
Department	Actual		Current Budget		Estimate		BN 23		BN 23	
	2017	2018	2017	2018	2017	2018	Proposed Budget	Proposed Fund Balance	Proposed Budget	Proposed Fund Balance
Beginning fund balance	\$ 474,200	\$ 488,752	\$ 393,000	\$ 388,072	\$ 393,000	\$ 388,072	\$ 1,175,420	\$ 1,164,128	\$ 1,175,420	\$ 1,175,420
Current year resources										
Intergovernmental	\$ 952,237	\$ 977,242	\$ 1,074,230	\$ 1,068,626	\$ 1,074,230	\$ 1,068,626	\$ 822,000	\$ 1,228,330	\$ 2,003,500	\$ 2,003,500
Transfers	1,000	12,000	2,000	18,000	2,000	18,000	4,000	4,000	2,000	2,000
Miscellaneous	70	21,000	0	0	0	0	0	0	0	0
Revenue from other funds	30,000	77,000	1,070,000	1,086,626	1,070,000	1,086,626	10,000	10,000	10,000	10,000
End resource year resources	\$ 1,052,497	\$ 1,187,282	\$ 3,470,000	\$ 3,470,000	\$ 3,470,000	\$ 3,470,000	\$ 1,177,000	\$ 1,262,330	\$ 2,115,500	\$ 2,115,500
Fund resource	\$ 1,080,498	\$ 1,243,032	\$ 3,770,000	\$ 3,838,072	\$ 3,770,000	\$ 3,838,072	\$ 2,162,420	\$ 2,390,458	\$ 4,291,920	\$ 4,291,920
Capital items										
Personal Services	\$ 378,000	\$ 380,000	\$ 410,000	\$ 410,000	\$ 410,000	\$ 410,000	\$ 1,200,000	\$ 1,470,000	\$ 2,110,000	\$ 2,110,000
Material & services	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000
Capital outlay	0	0	0	0	0	0	0	0	0	0
Equipment	0	0	0	0	0	0	0	0	0	0
Debt service	0	0	0	0	0	0	0	0	0	0
Contingency	0	0	0	0	0	0	0	0	0	0
Fund expenditure	\$ 3,857,498	\$ 3,857,000	\$ 3,770,000	\$ 3,838,072	\$ 3,770,000	\$ 3,838,072	\$ 2,262,420	\$ 2,360,000	\$ 4,261,020	\$ 4,261,020
Ending fund balance	\$ 488,752	\$ 511,472	\$ 488,072	\$ 511,472	\$ 488,072	\$ 511,472	\$ 1,175,420	\$ 1,164,128	\$ 1,175,420	\$ 1,175,420

City of Prineville, Oregon | Special Revenue Funds | 111

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



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.

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



Deer graze by the Crooked River on a late December 2020 afternoon at Meadow Lakes

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:

Resources	Actual	Actual	Current	Estimated	Proposed	BN 2023	Proposed
	2017-2018	2018-2019	Budget	Total Budget	Budget	Proposed Budget	Total Budget
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 years: Revenues and expenditures for the prior fiscal years 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 2021 and 2023 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 2022 and 2023 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:

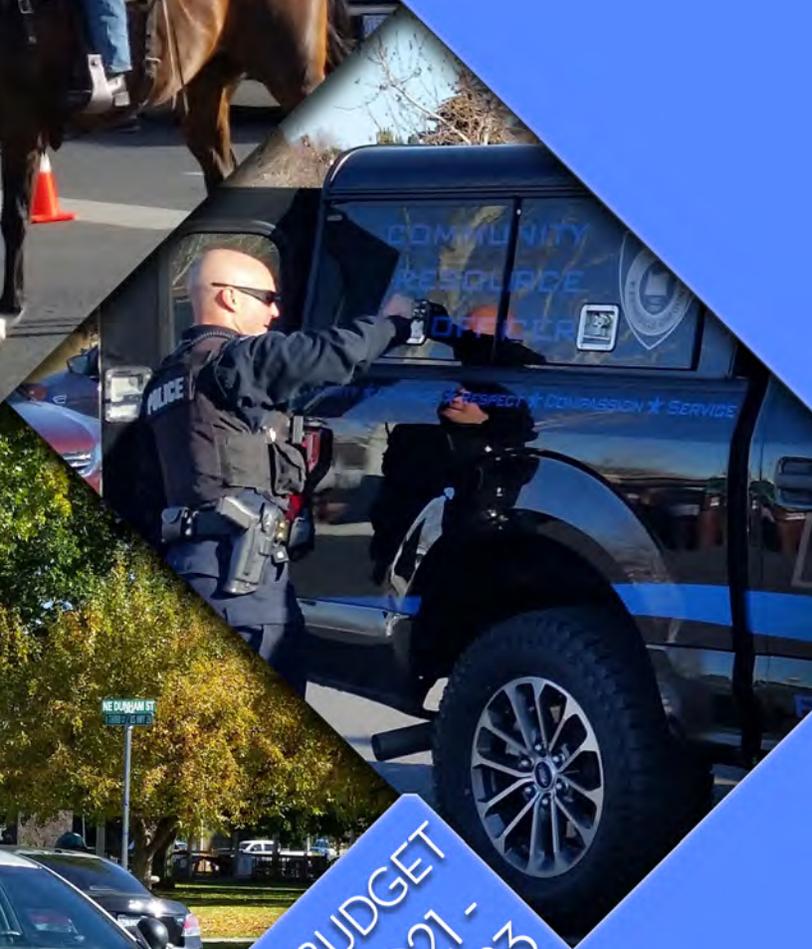
Resources	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Beginning fund balance	\$ 1,583,740	\$ 1,918,886	\$ 1,918,286	\$ 2,153,326	\$ 2,760,579	\$ 2,457,879	\$ 2,760,579
Current year resources							
Property taxes	2,071,505	2,194,108	4,570,000	4,790,494	2,540,000	2,620,000	5,160,000
Transient lodging tax	339,003	432,343	760,000	672,000	350,000	350,000	700,000
Franchise fees	2,740,102	3,031,496	6,558,000	6,755,674	3,706,200	4,128,200	7,834,400
Licenses and permits	8,439	8,039	17,200	17,885	7,700	8,200	15,900
Intergovernmental revenues	295,048	387,007	866,000	1,952,460	1,939,800	448,000	2,387,800
Charges for services	371,817	66,315	560,000	366,706	285,000	295,000	580,000
Interest	24,614	45,856	80,000	62,603	10,000	10,000	20,000
Miscellaneous	61,572	362,659	81,000	439,688	63,000	63,000	126,000
Transfers	72,484	-	-	-	130,000	150,000	280,000
Debt proceeds	433,000	-	-	-	-	-	-
Total current year resources	\$ 6,417,586	\$ 6,527,823	\$ 13,492,200	\$ 15,057,510	\$ 9,031,700	\$ 8,072,400	\$ 17,104,100
Total resources	\$ 8,001,326	\$ 8,446,709	\$ 15,410,486	\$ 17,210,836	\$ 11,792,279	\$ 10,530,279	\$ 19,864,679
Expenditures	Actual FY 16-17	Actual FY 16-17	Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Police	\$ 4,728,367	\$ 5,118,604	\$ 11,102,100	\$ 10,606,191	\$ 6,209,400	\$ 6,667,100	\$ 12,876,500
Non-departmental	1,354,074	1,174,780	2,210,900	3,844,066	3,125,000	1,511,100	4,636,100
Contingency			2,097,486	-	2,457,879	2,352,079	2,352,079
Total expenditures	\$ 6,082,441	\$ 6,293,384	\$ 15,410,486	\$ 14,450,257	\$ 11,792,279	\$ 10,530,279	\$ 19,864,679
Ending fund balance	\$ 1,918,886	\$ 2,153,326	\$ -	\$ 2,760,579	\$ -	\$ -	\$ -
Budgeted positions (FTEs) Police	19.41	21.41	22.70		22.70		
Policy 6 months working capital						1,362,900	
20% of revenue budget emergency reserve						1,614,480	
Total Policy						2,977,380	

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, 2021 -
JUNE 30, 2023



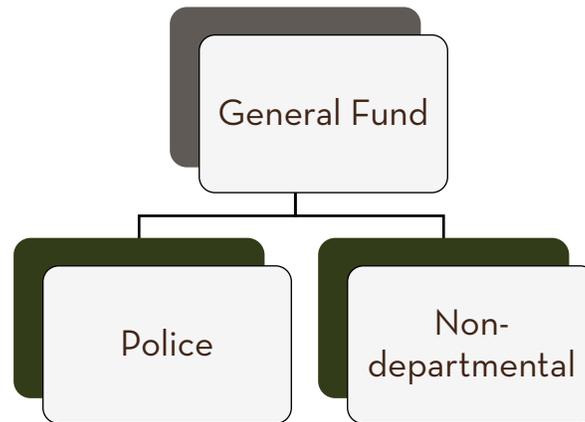
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General Fund

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.





Officers paying a visit to a child's police themed birthday party

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 make-up 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

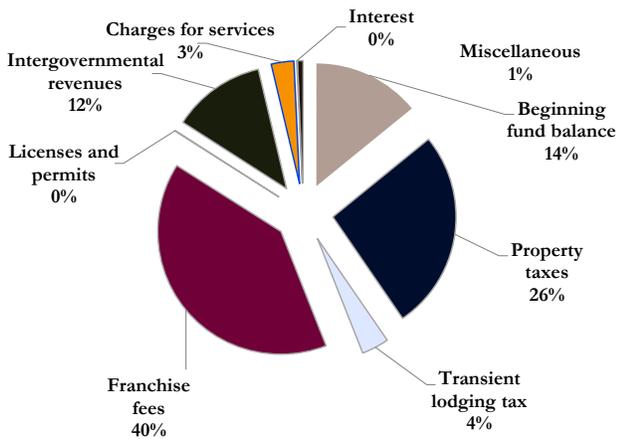
Resources	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Beginning fund balance	\$ 1,583,740	\$ 1,918,886	\$ 1,918,286	\$ 2,153,326	\$ 2,760,579	\$ 2,457,879	\$ 2,760,579
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Franchise fees	2,740,102	3,031,496	6,558,000	6,755,674	3,706,200	4,128,200	7,834,400
Licenses and permits	8,439	8,039	17,200	17,885	7,700	8,200	15,900
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Interest	24,614	45,856	80,000	62,603	10,000	10,000	20,000
Miscellaneous	61,572	362,659	81,000	439,688	63,000	63,000	126,000
Transfers	72,484	-	-	-	130,000	150,000	280,000
Debt proceeds	433,000	-	-	-	-	-	-
Total current year resources	\$ 6,417,586	\$ 6,527,823	\$ 13,492,200	\$ 15,057,510	\$ 9,031,700	\$ 8,072,400	\$ 17,104,100
Total resources	\$ 8,001,326	\$ 8,446,709	\$ 15,410,486	\$ 17,210,836	\$ 11,792,279	\$ 10,530,279	\$ 19,864,679
Expenditures	Actual FY 16-17	Actual FY 16-17	Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Police	\$ 4,728,367	\$ 5,118,604	\$ 11,102,100	\$ 10,606,191	\$ 6,209,400	\$ 6,667,100	\$ 12,876,500
Non-departmental	1,354,074	1,174,780	2,210,900	3,844,066	3,125,000	1,511,100	4,636,100
Contingency			2,097,486	-	2,457,879	2,352,079	2,352,079
Total expenditures	\$ 6,082,441	\$ 6,293,384	\$ 15,410,486	\$ 14,450,257	\$ 11,792,279	\$ 10,530,279	\$ 19,864,679
Ending fund balance	\$ 1,918,886	\$ 2,153,326	\$ -	\$ 2,760,579	\$ -	\$ -	\$ -
Budgeted positions (FTEs) Police	19.41	21.41	22.70		22.70		
Policy 6 months working capital						1,362,900	
20% of revenue budget emergency reserve						1,614,480	
Total Policy						2,977,380	

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
General	\$2,153,326	\$2,760,579	28%	\$2,352,079	\$2,977,380	-21%

The beginning fund balance is estimated to increase 28 percent from the previous BN 21 budget. The proposed ending fund balance for BN 23 shows a decrease of approximately 15 percent from the beginning BN 21 through the biennium. The decrease of fund balance rather than an increase is largely due to increases in capital outlay for new police vehicles, increases in transfer dollars to the Building Facility Fund for the new police facility debt service and debt reserves and Barnes Butte improvements. 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 a couple of years to increase the funds to meet policy. For BN 23, it is below policy by \$625,301.

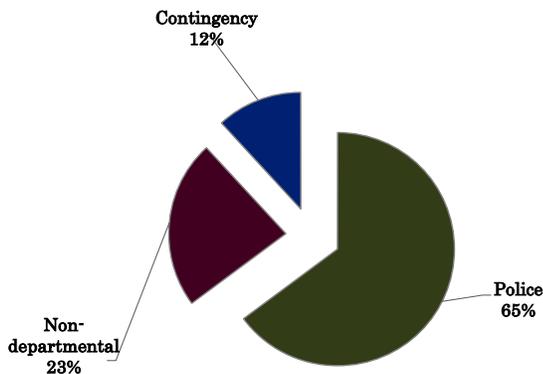
Resources



Assumptions

Projections received from the Crook County Assessor's Office indicate the collection of taxes to be up approximately 4.5 percent over prior year. The City took a conservative approach to collection, estimating current tax revenue at a 3 percent increase year over year for the biennium. Electrical franchise fees are estimated to increase roughly \$220,000 in the first year of the biennium and another \$420,000 in the second year. This is a conservative approach to the increase in electrical franchise fees as the [buildout of the data center projects](#) could move faster than anticipated. Intergovernmental stimulus dollars, associated with the American Rescue Plan, are budgeted in BN 23 in the amount of \$1.1 million. Also budgeted in BN 23 are \$400,000 in grant dollars tied to the Biomass project.

Requirements



Assumptions

In BN 23, the total requirements for the General Fund will total \$19,864,679. Police Department is at 65 percent of this requirement totaling \$12,876,500, compared to the prior biennium at 72 percent of budget. The Police Department BN 23 budget increased roughly 21 percent over the prior biennial budget with significant increases in personnel services, capital outlay and transfers. Non-departmental expenditures include the Biomass project, Prineville-Crook County Chamber of Commerce, street lighting and transfers to the Airport, Planning, Transportation Operations, Building Facilities, Administration and Pension Obligation (POB) Funds. Non-departmental is 23 percent of the BN 23 budget compared to 14 percent for the prior biennium budget. Contingency is 12 percent in BN 23 compared to 14 percent in BN 21.



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 20 - 21 Accomplishments

- ❖ Collaborated with Best Care to develop a “Community Response Team” made up of an officer and a clinician who work together to provide services to better assist citizens with mental health and addiction challenges. This collaboration started in late BN 20-21.
- ❖ Started a police reserve program with three highly qualified police reserves, who volunteer their time for the betterment of the community.
- ❖ Completed adaptive reuse of and moved to the new police and dispatch facility, that is earthquake certified and out of the flood plain. This facility will meet the space needs of both departments for years to come and was funded without creating a tax burden for the citizens.

Initiatives for BN 22 - 23

- ❖ Create opportunities to openly listen, educate and build relationships within the community as the department continues to seek qualified employees that can diversify the City’s law enforcement and dispatch family
- ❖ Fully invest in the “Community Response Team,” providing a collaborated effort that better assists our mental health and addiction challenged citizens with the most effectiveness
- ❖ Invest in health and wellness programs for officers to increase longevity, mental clarity and overall health benefits
- ❖ Provide a second detective to ensure citizens get the follow up and thorough investigations needed to address crimes committed



Department Goals		Council Goals
A	Maintain accreditation	
B	Promote the health and wellness of employees	
C	Serve the community in innovative ways	
D	Stay connected through social media	

Responsibilities to the Community



Chief of Police Dale Cummins

The Prineville 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; 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 has trained and embraces procedural justice. Procedural justice is based on four central principles: "treating people with dignity and respect, giving citizens 'voice' during encounters, being neutral in decision making, and conveying trustworthy motives." Research demonstrates these principles contribute to relationships between authorities and the community in which; 1) the community has trust and confidence in the police as honest, unbiased, benevolent and lawful; 2) the community feels obligated to follow the law and the dictates of legal authorities; and 3) the community feels that it shares a common set of interests and values with the police. This can provide an environment for all that is safe, creates a relationship with citizens based on trust and respect, and enhances economic development and growth.

Executive Summary

In order for the Prineville Police Department to protect and serve all citizens, it must use its lean staffing wisely, train them thoroughly and use them collaboratively within the community.

COVID-19-related restrictions made it a difficult to accomplish goals during the last year, but the department persevered. Despite numerous first responders catching COVID-19, the department assured a state of readiness was maintained for the citizenry. A transparent and informative dialog with the citizens was kept through the Police Department's Facebook social media page so communication was current and relevant.

In the last year, employees switched to almost exclusive online training on a wide variety of current topics. Prineville PD collaborated continuously with the Crook County Health Department to provide the most up-to-date protection for staff and citizens. Staff maintained school resource officers, placed a detective on the Central Oregon Drug Enforcement team, kept an officer on the regional tactical team, and started a new collaborative effort with Best Care to provide an officer and clinician who work and respond to calls together to assist citizens with mental health and



City of Prineville Police Department – Photo: Amanda Noland

substance abuse issues. In short, the Police Department found ways to better serve Prineville’s citizens through collaboration with local schools, health providers and outside police agencies.

To meet the ever growing knowledge requirements of 21st century policing – as well as legislative changes – the department continues to increase its budget as it relates to training. This allows PD staff to continue to grow, while ensuring the requirements of state legislators and accreditation are met. The Oregon Accreditation Alliance (OAA) last reaccredited Prineville PD in 2019. During this biennium budget, the Police Department will go through the OAA accreditation process again to make certain it stays certified and is adhering to best practice. Accreditation is a process of evaluation, from outside subject experts, to certify the Prineville Police Department is in compliance with national best practice standards.

As the Prineville PD looks into the future, it will focus on the health and wellness of its employees. The department will look for proven metrics to train employees in ways that provide both physical and mental health; ensuring they have help in dealing with the stress of their jobs, with the added benefits of longevity and mental sharpness. A healthier employee, properly trained, provides a better level of service to the community. Lastly, and most importantly, technology will be reviewed that can assist officers in carrying out their duties in the safest ways possible, as personnel safety will always be at the forefront of decision making.



In an effort to humanize the badge, Prineville officers created a short lip-sync video. 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.

Strategic Planning Updates

- Short-term – Look for innovative ways to improve the department’s response to the community’s needs through the use of technology, streamlining processes and anticipating trends.
- Long-term – Evaluate department personnel needs to increase effectiveness and maintain a high level of service to the community. Evaluation to include the community’s growth in population, increases 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 22	Budgeted Amount FY 23
Police Vehicles and Equipment	\$ 210,000	\$ -
Upgrade Body Cameras	\$ 85,800	\$ -
Update Radios for Police	\$ -	\$ 15,000
Capital Outlay Total	\$ 295,800	\$ 15,000

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 103.

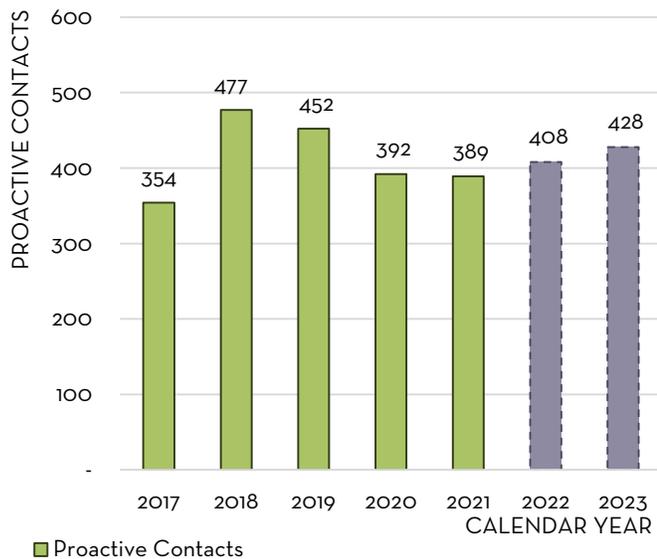


Police starting the move into their new building in May 2021

Performance Measures

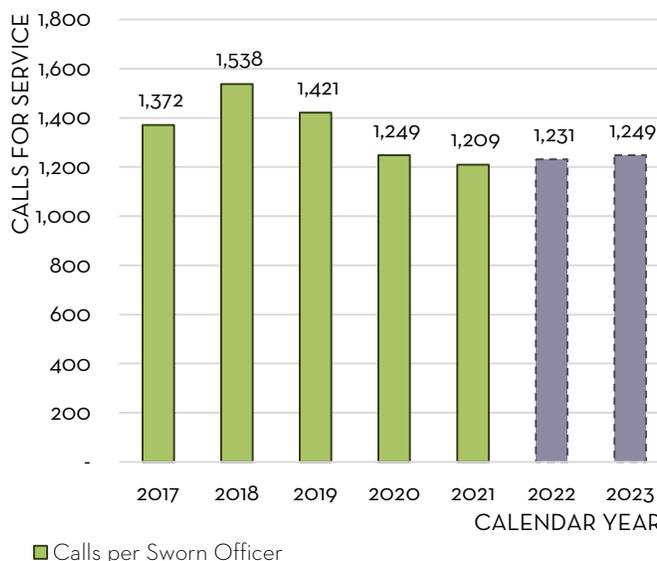
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Input	Sworn Officers	N/A	19	20	21	21	21
	Input	Calls for Service (CY)	N/A	24,160	21,229	21,760	22,157	22,474
	Input	Reports Taken (CY)	N/A	2,010	1,678	1,930	1,956	1,963
	Input	Vehicle Stops (CY)	N/A	5,476	5,072	5,326	5,592	5,871
	Input	Subject Contacts (CY)	N/A	1,596	1,082	1,136	1,193	1,253
	Input	Community Policing Contacts (CY)	N/A	613	507	532	559	587
	Input	Proactive Contacts (CY)	N/A	7,685	6,661	6,994	7,344	7,711
	Output	Training Hours (CY)	2,850	2,338	2,703	2,838	2,850	2,850
A	Effectiveness	Consecutive Years Maintaining Oregon Accreditation Alliance Accreditation	Previous Year +1	4	5	6	7	8
C	Efficiency	Average Training Hours per Officer (CY)	150	123	135	135	136	136
C	Efficiency	Average Calls for Service per Officer (CY)	+1.5% Increase Over Previous	1,421	1,249	1,209	1,231	1,249
C	Efficiency	Average Reports Taken per Officer (CY)	+1.4% Increase Over Previous	118	99	107	109	111
C	Efficiency	Average Proactive Contacts per Officer (CY)	+5% Increase Over Previous	452	392	389	408	428

CY = Calendar Year



Average Proactive Contacts per Sworn Officer

Contact with the community is vital in the day-to-day operations of the Prineville PD. These daily interactions with citizens are referred to as “proactive contacts.” They consist of not only the interactions most citizens would think of, such as traffic stops, but also policing encounters where officers work to strengthen community bonds in different ways, such as interacting with kids at a park or playing in a casual game of pickup Frisbee football. Overall BN 20-21 contacts were down from previous years as a result of the COVID-19 pandemic. Officers were instructed to limit proactive contacts as a way to reduce risk for themselves and the public, creating an artificial deflation figure that would otherwise grow. As circumstances around the pandemic ease, it is expected officers will increase their contacts in BN 22-23.



Average Calls for Service per Sworn Officer

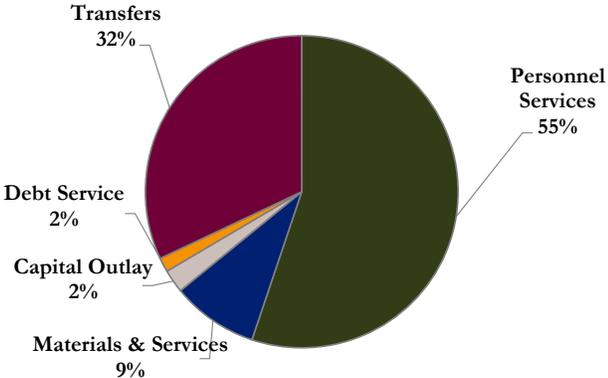
The police department continued to experience a reduced demand in calls for service in BN 20-21, the majority of which comes down to two factors: the temporary impact of additional officers coming onboard and the COVID-19 pandemic. Though numbers were initially expected to rise in 2020 and 2021, a notable decline occurred instead as the pace of calls slowed with the implementation of social distancing and citizens spending more time in their homes as a result of the pandemic. Calls for service per officer are expected to slowly rise in the coming years once the effects of COVID-19 are mitigated.

Police Department Budget

Expenditures	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Personnel Services	\$ 2,473,441	\$ 2,796,283	\$ 6,183,500	\$ 6,111,342	\$ 3,452,900	\$ 3,649,500	\$ 7,102,400
Materials & Services	505,797	361,832	924,700	1,075,140	575,800	575,200	1,151,000
Capital Outlay	547,214	51,579		25,900	295,800	15,000	\$ 310,800
Debt Service	54,413	95,209	190,700	190,609	95,400	95,400	\$ 190,800
Transfers	1,147,500	1,813,700	3,803,200	3,203,200	1,789,500	2,332,000	\$ 4,121,500
Total expenditures	\$ 4,728,367	\$ 5,118,604	\$ 11,102,100	\$ 10,606,191	\$ 6,209,400	\$ 6,667,100	\$ 12,876,500
Budgeted positions (FTEs) Police	19.41	21.41	22.70		22.70		

More detail available on budgeted positions on page 131.

Requirements



Assumptions

The budgeted expense of personnel services increased over the previous biennium roughly 16 percent with a new four year collective bargaining agreement starting July 2021. Materials and services increased roughly 8 percent over the previous biennium. This increase over the biennium is largely due to needed “Shop with a Cop” supplies and use of a Best Care mental health consultant. 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.



New Getac computer hardware was installed by the IT Department inside Ford Interceptors rolled out in 2018



Non-departmental

Executive Summary

Activities not associated directly with public safety operations are accounted for within the non-departmental budget. In BN 23, a transfer to the Planning Fund totals \$710,000, also budgeted for BN 23 is a transfer of \$200,000 to the Prineville-Crook County Airport for operational support and grant matches, \$800,000 to the Transportation Fund for capital projects, and a transfer to the PERS/POB Fund of \$200,000 to increase fund balance for future liabilities. Other transfers include \$757,500 to the Buildings Facility Fund for Barnes Butte improvements and expenses and for the new police facility debt service reserve and \$950,000 to other funds largely for the use of stimulus dollars associated with the American Rescue Plan. 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 mostly grant funded biomass project.

Non-departmental Budget

Expenditures	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	BN 2023	
	2017-2018	2018-2019				Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Personal Services							
Materials & Services	260,251	423,280	653,500	666,666	709,300	309,300	\$ 1,018,600
Capital Outlay	73,823	-	-	-	-	-	\$ -
Transfers	870,000	751,500	1,557,400	3,177,400	2,415,700	1,201,800	\$ 3,617,500
Total expenditures	\$ 1,354,074	\$ 1,174,780	\$ 2,210,900	\$ 3,844,066	\$ 3,125,000	\$ 1,511,100	\$ 4,636,100
Budgeted positions (FTEs)	-	-	-	-	-	-	-



CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023

SPECIAL REVENUE FUNDS

EMERGENCY DISPATCH TRANSPORTATION OPERATIONS



PLANNING

ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023





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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 20 - 21 Accomplishments

- ❖ Began the design of the Downtown Enhancement Project funded by Keep Oregon Moving (Oregon House Bill 2017)
- ❖ Developed an Americans with Disabilities Act (ADA) Transition Plan
- ❖ Inspected and evaluated the entire street network in accordance with Metropolitan Transportation Standards. Updated the Streetsaver Online 9.0 database with inspection data. Developed a maintenance report, including needed funding (pavement management budget options)
- ❖ Received a “Rails to Trails” grant allowing 2,700 ft. of old rail bed to be paved and the creation of a safe pedestrian crossing on Hwy 26
- ❖ Reconstructed NE 4th & Belknap St. parking lot
- ❖ Upgraded 14 ADA wheel chair ramps while utilizing public involvement

Initiatives for BN 22 - 23

- ❖ Begin construction of the Downtown Enhancement Project to enhance the downtown core, improve pedestrian safety and update an undersized storm water collection system
- ❖ 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
- ❖ Implement the Americans with Disabilities Act Transition Plan while continuing to update ADA facilities
- ❖ Improve the storm water collection system on NW 2nd St. to mitigate a local flooding issue
- ❖ Officially update Federal Emergency Management Agency (FEMA) flood maps to codify improvements to the floodplain



Department Goals		Council Goals
A	Improve the transportation network to serve new customers	
B	Maintain a reasonable pavement condition index (PCI) rating with the amount of available funds	
C	Research pavement preservation techniques to lengthen 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 highway gas tax 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.



Street Superintendent Scott Smith works a grader during a repaving project in June 2017

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 57.64 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 22-23, the Transportation Department will support the design of the Combs Flat to 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. 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 Transportation Department will continue to investigate new revenue sources to improve the PCI index.

The Transportation Department supports not only City departments, but also outside partners such as the Ochoco Irrigation District. In the last biennium, the department assisted in the installation of 2,000 ln. ft. of pipe to support a future trails project.

Capital Outlay

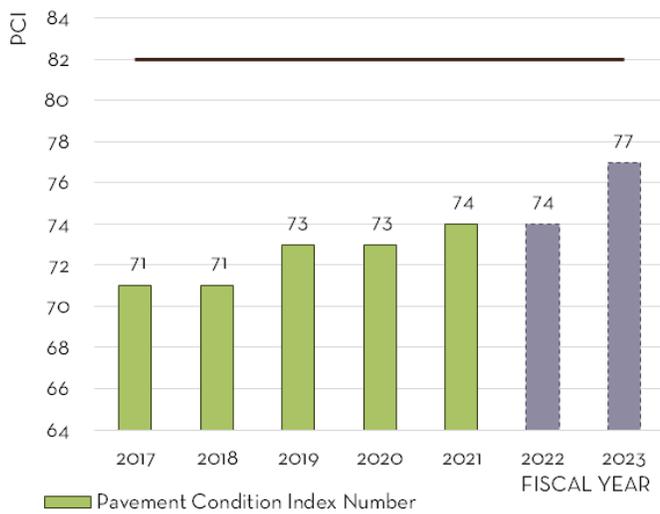
Capital Outlay Overview		
Project	Budgeted Amount FY 22	Budgeted Amount FY 23
Capital Rehabilitation	\$ 504,000	\$ 398,000
Capital Maintenance	\$ 100,000	\$ 106,000
Storm Water Improvements	\$ 46,000	\$ 146,000
Transit	\$ 104,600	\$ 104,600
Capital Outlay Total	\$ 754,600	\$ 754,600

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 103.

Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Output	Number of sq. ft. Receiving Asphalt Overlays	N/A	833,814	594,166	457,970	365,396	463,888
	Output	Number of ln. ft. Receiving Crack Sealing	N/A	80,000	-	-	-	45,000
	Output	Number of sq. ft. Receiving Slurry Sealing	N/A	-	571,882	-	-	204,000
	Output	Number of sq. ft. Receiving Chip/Fog Seal	N/A	NM	NM	-	184,456	-
	Output	Street Preventative Maintenance Performed to Maintain PCI in \$	>= 600,000	\$ 1,099,440	\$ 865,993	\$ 809,853	\$ 754,600	\$ 754,600
	Output	Number of ADA Ramps Replaced	>= 7	6	7	7	7	7
	Output	Amount of Material Swept from City Streets	1,000	498	841	1,236	881	1,000
B	Effectiveness	Deferred Maintenance Cost (in Millions)	< Previous Year	\$ 2.63	\$ 2.44	\$ 2.27	\$ 1.93	\$ 2.07
	Effectiveness	Pavement Condition Index Number	>= 82	73	73	74	74	77

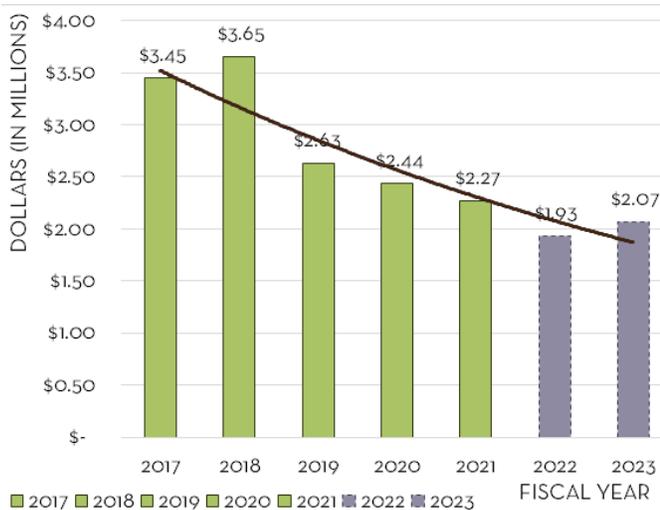
NM = Not Measured. Measure is new for the year.



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 2020. The goal of the Transportation Department is to maintain a reasonable pavement condition index (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.

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. This program takes into account the PCI of each street and 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

Resources	Actual	Actual	Current	Estimated	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Adopted	Total Budget
			2019-2021	2019-2021	2021-2022	Budget	2022-2023
Beginning fund balance	\$ 269,757	\$ 331,358	\$ 456,058	\$ 389,301	\$ 309,692	\$ 293,392	\$ 309,692
Current year resources							
Intergovernmental	\$ 968,081	\$ 1,315,073	\$ 1,962,700	\$ 1,985,623	\$ 1,037,600	\$ 1,079,100	\$ 2,116,700
Franchise fee	173,000	430,000	665,000	665,000	349,000	360,000	709,000
Interest	3,185	5,778	10,000	7,235	1,000	1,000	2,000
Miscellaneous	11,878	14,581	28,000	95,858	19,000	19,000	38,000
Transfers from other funds	400,000	300,000	700,000	700,000	400,000	400,000	800,000
Total current year resources	\$ 1,556,144	\$ 2,065,432	\$ 3,365,700	\$ 3,453,716	\$ 1,806,600	\$ 1,859,100	\$ 3,665,700
Total resources	\$ 1,825,901	\$ 2,396,790	\$ 3,821,758	\$ 3,843,017	\$ 2,116,292	\$ 2,152,492	\$ 3,975,392
Expenditures							
Personnel Services	\$ 220,282	\$ 231,569	\$ 512,100	\$ 479,001	\$ 256,100	\$ 270,200	\$ 526,300
Material & services	211,065	239,493	501,000	483,743	302,700	303,600	\$ 606,300
Capital outlay							
Improvements	639,896	1,118,327	1,833,400	1,835,281	754,600	754,600	\$ 1,509,200
Transfers	423,300	418,100	735,300	735,300	509,500	526,000	\$ 1,035,500
Contingency			\$ 239,958	\$ -	\$ 293,392	\$ 298,092	\$ 298,092
Total expenditures	\$ 1,494,543	\$ 2,007,489	\$ 3,821,758	\$ 3,533,325	\$ 2,116,292	\$ 2,152,492	\$ 3,975,392
Ending fund balance	\$ 331,358	\$ 389,301	\$ -	\$ 309,692	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Policy 60 days operating budget							183,300
5% emergency reserve							92,720
Total Policy							\$ 276,020



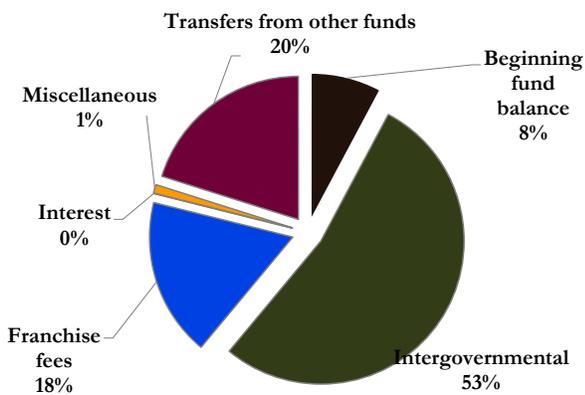
A section of the Rails to Trails project completed in 2020

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Transportation	\$389,301	\$309,692	-20%	\$298,092	\$276,020	8%

Fund balance shows a decrease over prior year fund balance of 20 percent. Projects budgeted for BN 23 total \$1.51 million. Fund balance is projected to decrease approximately 4 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.

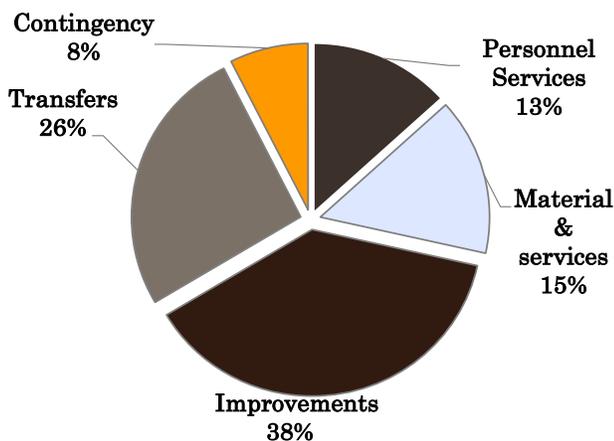
Resources



Assumptions

Overall expected revenues for BN 23 are estimated at \$3.98 million with 8 percent coming from beginning fund balance, 53 percent coming from intergovernmental revenue, 18 percent coming from franchise fees, less than 1 percent from interest earnings, 1 percent miscellaneous and 20 percent from transfers. Revenues include a grant of approximately \$185,200 for the transit project and franchise fees from the Wastewater and Water funds totaling \$709,000. 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 \$1,684,500, with the hope that state travel restrictions will be lifted in June 2021, and state revenue sharing is projected at \$230,000.

Requirements



Assumptions

Requirements budgeted overall in BN 23 total \$3.98 million. Personnel services total 13 percent of budget for the biennium or \$526,300, materials and services total 15 percent of budget or \$606,300, improvements are 88 percent or \$1,509,200, transfers are at 26 percent of budget totaling \$1,035,500, and contingency is 8 percent of budget or \$298,092. Total budget for BN 23 is increasing roughly 3.4 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 decreased in comparison to the prior biennium with the completion of the Elm Street Bridge project in the prior year.



Emergency Dispatch Fund

Mission Statement

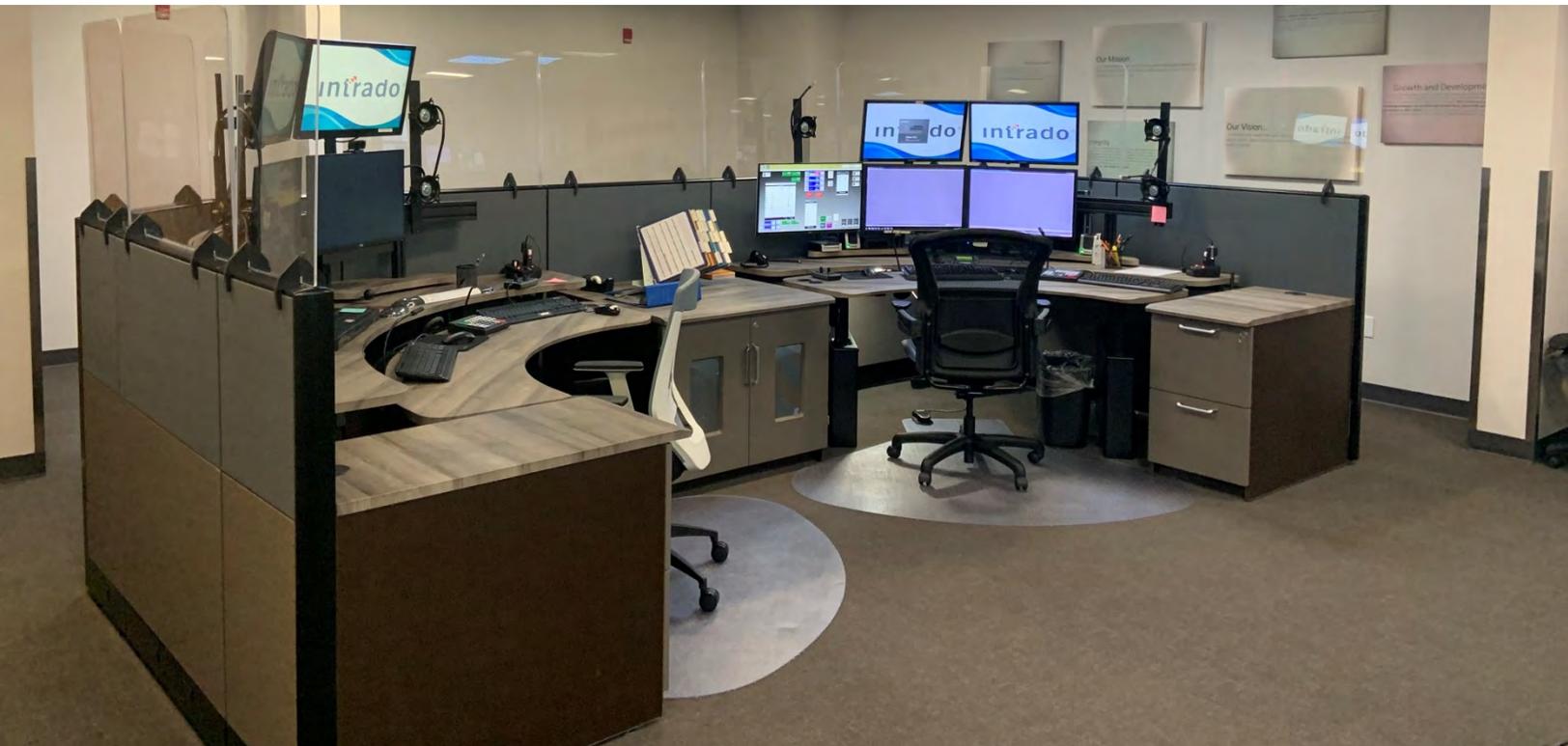
The mission of Crook County 911, Prineville's emergency dispatch center, is to contribute to the safety of Prineville's citizens and public safety partners by following industry-best practices, policies and procedures, and by exceeding the standards set for the dispatching profession.

BN 20 - 21 Accomplishments

- ❖ All communications staff passed international emergency medical dispatch certification through Priority Dispatch Systems Emergency Medical Dispatch (EMD) software (ProQA)
- ❖ Completed two system upgrades: the Law Enforcement Data Systems (LEDS) portal to criminal justice information known as LEDS2020; and ProQA, upgrading EMD processes and integrating with the computer aided dispatch (CAD) system
- ❖ Dispatch policies and procedures were updated to meet the requirements of current practices and the Oregon Accreditation Association (OAA) and Accredited Center of Excellence (ACE) accreditation requirements

Initiatives for BN 22 - 23

- ❖ Create community engagement through the development of the Crook County 911 website and Facebook page
- ❖ Earn accreditation through the ACE
- ❖ Upgrade the 700/800MHz radio system to provide improved coverage for police and fire users
- ❖ Maintain accreditation through OAA
- ❖ Make additional improvements to the dispatch center's infrastructure through implementation of CAD system and recording equipment updates and software improvements
- ❖ Recruit and retain adequate staffing to meet agency and community needs.



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 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.



City of Prineville emergency 911 dispatchers getting certified

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 21, the Communications Director retired after 30 years of service and the position was successfully filled. During this biennium, the department will work to strengthen its recruiting practices, staff growth and development to support efforts to build a strong and resilient team in today’s changing job environment. Efforts will include offering innovative online training, focusing on employee health and wellbeing, and utilizing technology to streamline processes.

Crook County 911 continues to strive to follow industry-best practices and coordinated public safety services. Focus will not only be on accreditation for the center in both law enforcement and emergency medical dispatch services, but also engagement with the community, creating opportunities for communication, relationships and further transparency of available services.

As the dispatch center looks to the future, the department’s focus on improving infrastructure continues as the need to update and refine processes will be driven by a national movement towards Next Generation 911 (NG911) capabilities. NG911 is new technology that allows the public to share richer, more detailed data, such as videos, images and texts with 911 call centers. It enhances the ability of 911 call centers to communicate with each other and improves system resiliency. As system updates and new technologies become available, the department will work to implement changes to help the community utilize these tools and strengthen services.

Another part of planned infrastructure improvement is to continue to improve the 700/800MHz radio system to provide better coverage for police and fire users. With successful implementation expected during this budget cycle, the department will continue striving to improve the radio system throughout the county with regular tower and system updates. Keeping up with current technology will always be a challenge and opportunity to provide reliable services.

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 CAD system and recording, computer 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 future needs, the continued increase in call load and the needs of law enforcement and medical personnel. 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

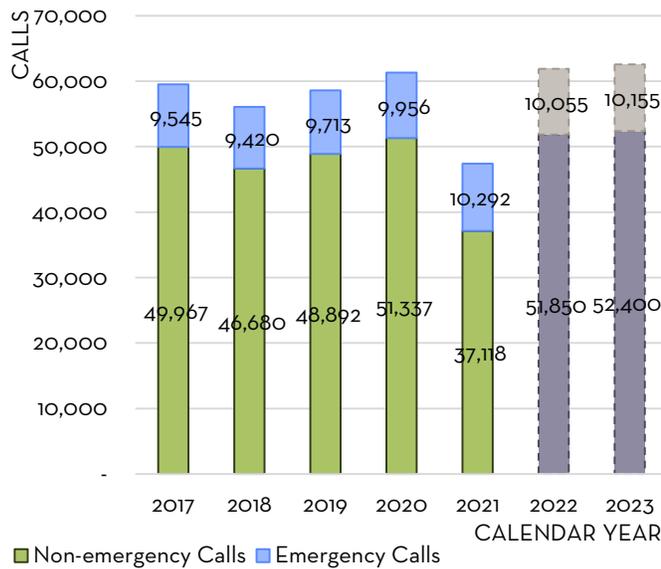
Capital Outlay Overview		
Project	Budgeted Amount FY 22	Budgeted Amount FY 23
Recording Equipment	\$ 25,000	\$ -
Radio Purchase for Consoles	\$ 20,000	\$ 20,000
Viper Phone Position for Backup Center	\$ -	\$ 14,000
Tower Upgrades	\$ 63,000	\$ 35,000
Capital Outlay Total	\$ 108,000	\$ 69,000

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 103.

Performance Measures

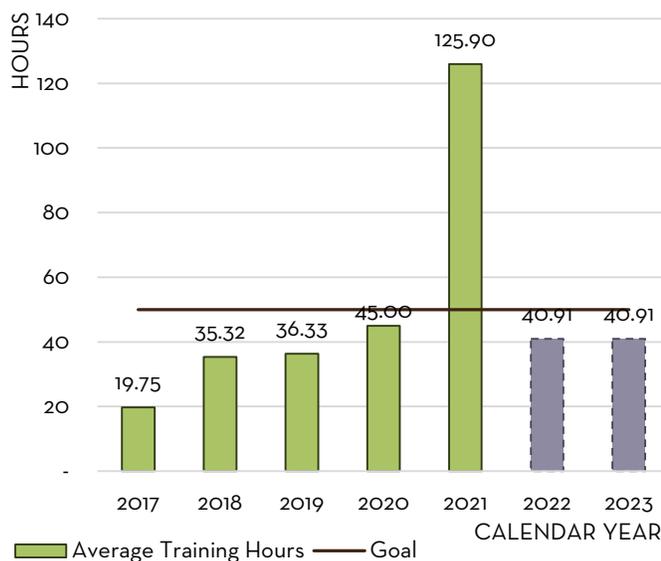
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Input	FTEs	N/A	12	10	10	11	11
	Input	Total Calls to Dispatch Center (CY)	+1% per Year	58,605	61,293	47,410	61,905	62,555
	Input	Non-emergency Calls (CY)*	+1% per Year	48,892	51,337	37,118	51,850	52,400
	Input	Emergency Calls (CY)*	+1% per Year	9,713	9,956	10,292	10,055	10,155
	Output	Calls Creating CAD Reports (CY)*	+1% per Year	43,733	47,319	31,064	32,050	32,370
	Output	Officer Initiated or Other Calls for Service Creating CAD Reports (CY)	N/A	9,934	11,145	12,307	13,050	14,200
	Output	Employee Training Hours (CY)*	450	436	450	1,259	450	450
C	Efficiency	Average Annual Training Hours per Employee	50.00	36.33	45.00	125.90	40.91	40.91

*Call volume decreased in FY 21 as a result of the COVID-19 pandemic



Total Calls to Dispatch Center

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 can go from no calls to more calls than they can answer and vice versa several times during a shift. This last year’s call volume was impacted by the Oregon’s actions to limit the spread of COVID-19. Total calls to the 911 center trended down with limited activities throughout the state. As the populace moves forward and activities begin again, the department calls will gradually increase to previous levels. The profession will only get busier as the community grows, technology adds the opportunity for callers to forward video, and the number of forms of technology available to call 911 increases.



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 International Academy of Emergency Dispatch (IAED) for both telecommunications and emergency medical dispatch education opportunities. Training hours increased over the last biennium and should be maintained at this level going forward, with employees receiving – at minimum – 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	Actual	Actual	Current	Estimated	Adopted	BN 2021	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Adopted	Total Budget
			2019-2021	2019-2021	2021-2022	Budget	2022-2023
Beginning fund balance	\$ 371,559	\$ 404,256	\$ 376,056	\$ 505,672	\$ 1,079,426	\$ 318,126	\$ 1,079,426
Current year resources							
Intergovernmental	\$ 935,337	\$ 907,042	\$ 1,874,200	2,160,626	\$ 812,800	\$ 1,220,700	\$ 2,033,500
Interest	4,797	10,630	20,000	16,963	6,000	6,000	\$ 12,000
Miscellaneous	761	21,694	8,000	15	4,000	4,000	\$ 8,000
Transfers from other funds	583,000	770,000	1,501,700	1,501,700	314,300	756,100	\$ 1,070,400
Total current year resources	\$ 1,523,895	\$ 1,709,366	3,403,900	\$ 3,679,304	\$ 1,137,100	\$ 1,986,800	\$ 3,123,900
Total resources	\$ 1,895,454	\$ 2,113,622	\$ 3,779,956	\$ 4,184,976	\$ 2,216,526	\$ 2,304,926	\$ 4,203,326
Expenditures	Actual	Actual	Current	Estimated	Adopted	Adopted	Adopted
	2017-2018	2018-2019	Budget	Budget	Budget	Budget	Total Budget
			2019-2021	2019-2020	2021-2022	2022-2023	2022-2023
Personnel Services	\$ 930,828	\$ 965,961	\$ 2,457,100	\$ 2,052,027	\$ 1,309,400	\$ 1,404,000	\$ 2,713,400
Material & services	274,487	270,729	553,600	506,360	285,500	289,800	575,300
Capital outlay							
Buildings							
Equipment	128,983	203,860	90,000	174,263	108,000	69,000	177,000
Transfers	156,900	167,400	372,900	372,900	195,500	205,500	401,000
Contingency			306,356	-	318,126	336,626	336,626
Total expenditures	\$ 1,491,198	\$ 1,607,950	\$ 3,779,956	\$ 3,105,550	\$ 2,216,526	\$ 2,304,926	\$ 4,203,326
Ending fund balance	\$ 404,256	\$ 505,672	\$ -	\$ 1,079,426	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	10.75	10.75	10.30			11.30	
Policy 45 days operating budget					\$ 223,800	\$ 237,413	
5% emergency reserve					94,920	98,415	
Total Policy					\$ 318,720	\$ 335,828	



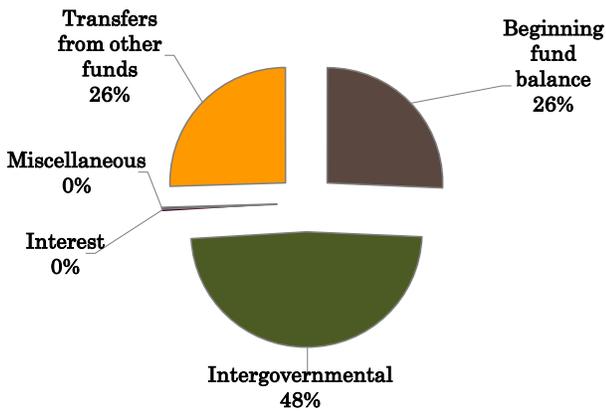
New dispatchers receiving their certifications in February 2021

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Emergency Dispatch	\$505,672	\$1,079,426	113%	\$336,626	\$335,828	0%

Fund balance from BN21 to BN 23 is estimated to increase approximately 113 percent. Estimates for the BN 23 budget show a 69 percent decrease in the ending fund balance. This fund is within the reserve policy criteria for the City.

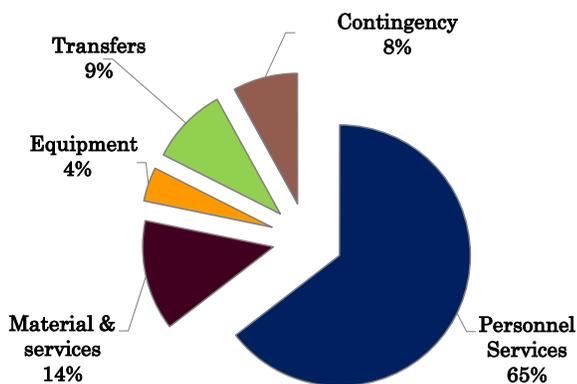
Resources



Assumptions

Total BN 23 budget totals \$4.20 million with beginning fund balance making up 26 percent of the number or \$1.08 million. Intergovernmental revenue totals \$2.03 million or 48 percent of budget, miscellaneous revenue is less than 1 percent, and transfers from other funds is at 26 percent (which relate to the user fee for the City share of dispatch costs) totaling \$1.07 million for BN 23.

Requirements



Assumptions

The BN 23 budget totals \$4.2 million with \$2.71 million in personnel services or 65 percent of the budget. The BN 23 budget is up 4.4 percent from prior biennium. FTEs are increasing by one in BN 23 with a restructuring that includes dispatching supervisors. Materials and services are 14 percent of the budget or roughly \$575,300. Capital equipment totals 4 percent of the BN 23 budget compared to 2 percent of the prior biennium. Transfers are at 9 percent. Contingency totals 8 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 20 - 21 Accomplishments

- ❖ Adopted the Barnes Butte Conceptual and United Parks & Recreation master plans
- ❖ Amended Land Use Chapter 153 to comply with State of Oregon House Bill 2001
- ❖ Completed land use for three more data center buildings (approximately 1.5 million sqft.)
- ❖ Coordinated the sale of City property for continued housing development, the acquisition of a property addition for the Barnes Butte Recreation Area, and a land exchange between Crook County and the Humane Society of the Ochocos
- ❖ Expanded trail system within the Barnes Butte Recreation Area and neighboring subdivisions
- ❖ Secured Oregon Department of Transportation (ODOT) funding for west end refinement plan and Transportation System Plan (TSP) update

Initiatives for BN 22 - 23

- ❖ Adopt transportation west end refinement plan, update to TSP and the transportation chapter of the City's Comprehensive Plan
- ❖ Complete the design of the downtown enhancement improvements to be constructed in conjunction with the 3rd St. Corridor Project
- ❖ Identify the funding to continue redevelopment of the streetscape in the downtown 4th St. corridor in coordination with the Downtown Association
- ❖ Initiate plan to reduce floodplain impact
- ❖ Secure funding for and facilitate completing the design for the needed N Main St. and NE Peters Rd. intersection
- ❖ Update Urban Growth Boundary (UGB) management agreement in coordination with Crook County



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 Prineville Planning Department is to manage economic development and the sustainable growth of Prineville, 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 and other departments, both within the City of Prineville as well as from outside organizations.

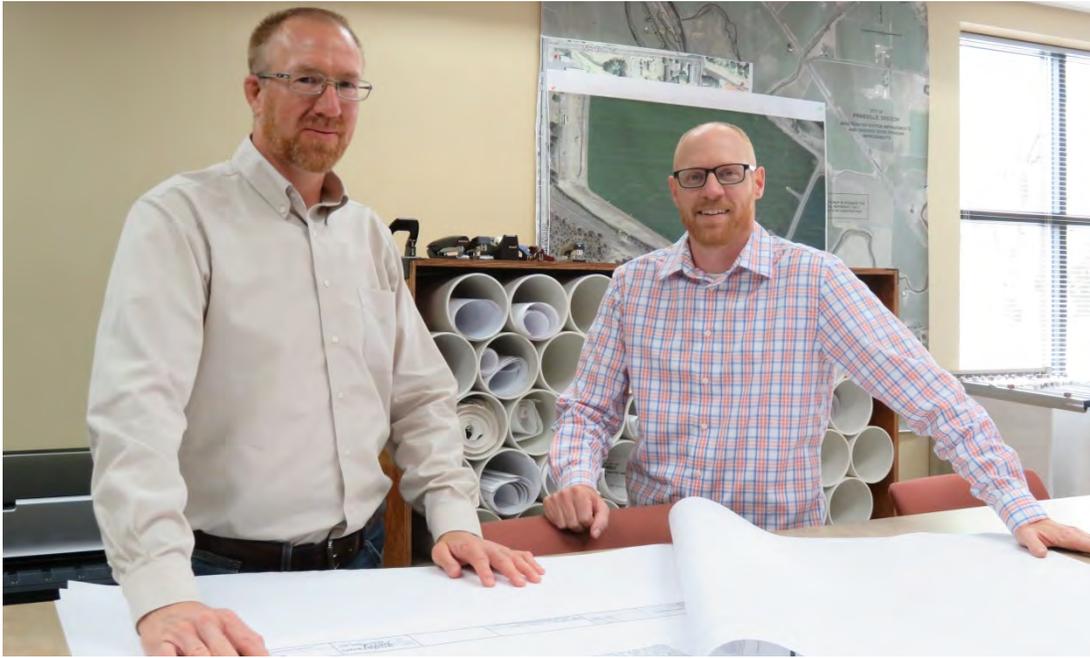
The department is responsible for managing and staffing the Prineville Planning Commission, a seven-member citizen body that reviews and makes decisions on subdivisions and conditional use proposals, and provides policy recommendations to the Prineville City Council. The Planning Department is required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

Planning also manages the City's Urban Growth Boundary (UGB) and develops current and long-range planning documents, such as the City's Comprehensive Plan, land use codes and facility plans that support job growth and housing needs, while maintaining Prineville's small town character. Planning continues to staff the Downtown Strategic Planning Committee, the Air Quality Committee 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 almost three years ago, with a new director promoted from within the department and an associate planner hired from the community. The associate planner was promoted to senior planner in 2020. The department continues to operate lean with only two employees, down from a high of four in 2005, with no plans to replace the associate planner position at this time.



Planning Director Josh Smith and Senior Planner 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 seem to be driving this phenomenon past what the market would normally correct due to high housing prices and high building costs. 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 and continued construction of the data center facilities. This is evident by continued inflows from larger cities and interest in large development projects.

Commercial development is minimal as some commercial buildings remain vacant, particularly in the downtown area. Industrial development other than data centers saw a noticeable increase in construction as businesses relocate to Prineville. There were several approvals for new industrial buildings in the Baldwin and Tom McCall industrial parks.

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. 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.

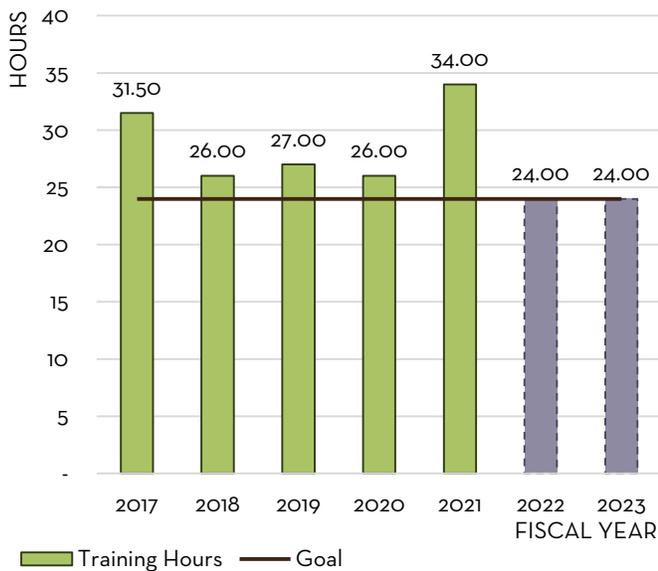
In-between development projects, planning staff continue to work on long-range projects. Planning received state grants to update the City Transportation Systems Plan and completed a west end transportation refinement plan that will also be used to update the comprehensive plan. Staff will work closely with the Crook County Parks and Recreation District to finalize the parks master plans and 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 in coordination with Neighbor Impact.

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 – Maintain land use and facility plans and agreements that are up to date. Staff will focus on the UGB management agreement with Crook County, comprehensive plan updates and parks master plans. Coordination with partner agencies on plans, processes and issues that overlap jurisdictions will continue.

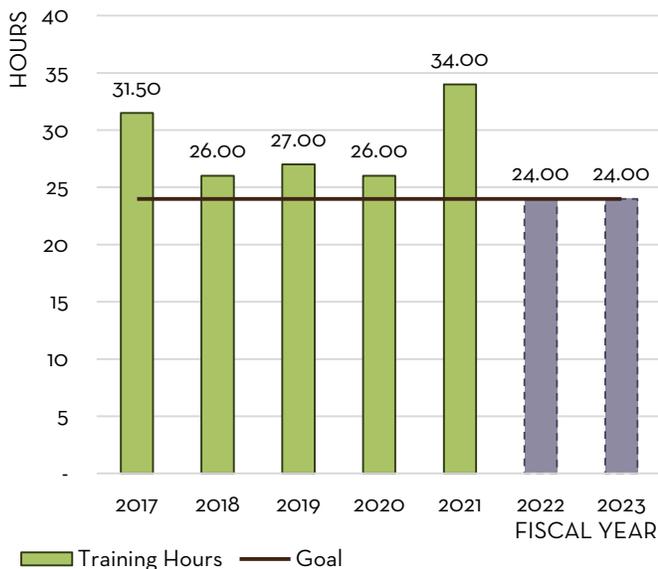
Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Output	Planning Counter Open Hours per Week	38.00	43.20	42.90	43.30	40.00	40.00
	Input	Applications Applied for	N/A	162.00	130.00	171.00	145.00	145.00
	Input	New Single-family Dwelling Approvals	N/A	48.00	63.00	81.00	65.00	65.00
A	Efficiency	Average Hours of Training per Planning Commissioner	4.00	3.00	4.00	4.00	4.00	4.00
A	Efficiency	Average Staff Member Training Hours	24.00	27.00	26.00	34.00	24.00	24.00
B	Efficiency	Administrative Land Use Application Reviews Completed Within Benchmark	20 days	100%	100%	100%	100%	100%
D	Effectiveness	Air Quality Daily Index, Three-year Rolling Average	< 35	28.0	26.8	26.8	28.0	28.0



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	Actual	Actual	Current	Estimated	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Adopted	Total Budget
			2019-2021	2019-2021	2021-2022	Budget	2022-2023
Beginning fund balance	\$ 121,280	\$ 248,158	\$ 240,958	\$ 241,205	\$ 105,620	\$ 95,920	\$ 105,620
Current year resources							
Licenses and permits	\$ 47,776	\$ 40,995	\$ 80,000	\$ 72,320	\$ 40,000	\$ 40,000	\$ 80,000
Interest	1,974	6,070	8,000	4,795	1,000	1,000	2,000
Intergovernmental	-	34,373	10,000	32,978	5,100	5,100	10,200
Charges for services	5,844	8,581	171,600	218,028	27,700	27,700	55,400
Transfers from other funds	424,311	270,602	360,000	330,000	350,000	360,000	710,000
Total current year resources	\$ 479,905	\$ 360,621	\$ 629,600	\$ 658,121	\$ 423,800	\$ 433,800	\$ 857,600
Total resources	\$ 601,185	\$ 608,779	\$ 870,558	\$ 899,326	\$ 529,420	\$ 529,720	\$ 963,220
Expenditures	Actual	Actual	Current	Estimated	Adopted	Adopted	Adopted
	2018-2019	2018-2019	Budget	Total Budget	Budget	Budget	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Personnel Services	\$ 216,613	\$ 210,960	\$ 479,700	\$ 466,385	\$ 260,500	\$ 286,400	\$ 546,900
Materials & Services	15,614	41,914	93,500	86,321	43,700	44,900	88,600
Capital Improvements			-	-			-
Transfers	120,800	114,700	241,000	241,000	129,300	134,200	263,500
Contingency			56,358		95,920	64,220	64,220
Total expenditures	\$ 353,027	\$ 367,574	\$ 870,558	\$ 793,706	\$ 529,420	\$ 529,720	\$ 963,220
Ending fund balance	\$ 248,158	\$ 241,205	\$ -	\$ 105,620	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	2.00	2.00	2.00	2.00	2.00	2.00	
Policy 45 days operating budget						\$ 58,188	
Total Policy						\$ 58,188	



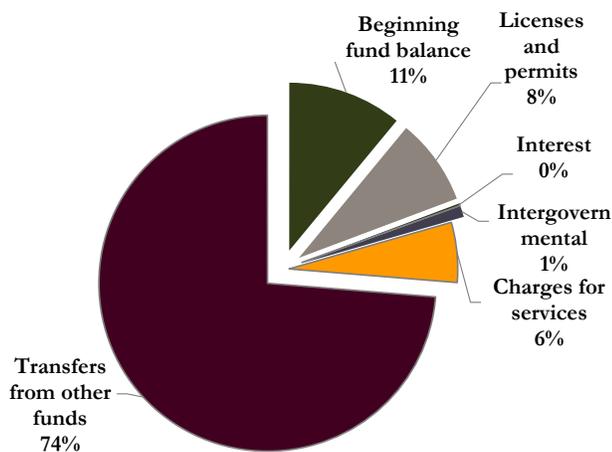
Planning staff and city engineer in April 2021 surveying the grounds at the Barnes Butte horse track

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Planning	\$241,205	\$105,620	-56%	\$95,920	\$58,188	65%

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. The 2 percent administrative fee paid to planning for system development charges (SDC) collection is anticipated to return to normal levels during BN 23, requiring the transfer from the General Fund to increase in comparison to the prior biennium.

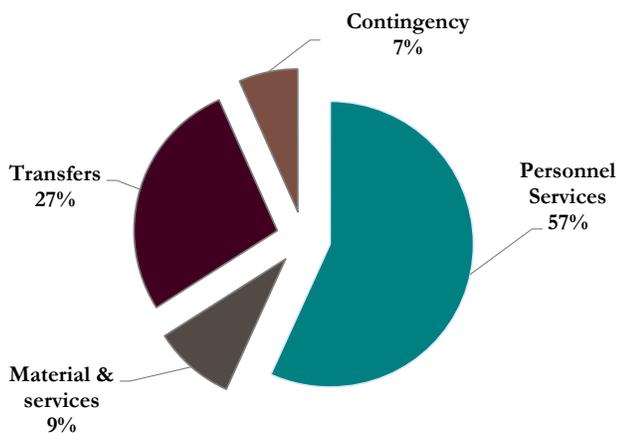
Resources



Assumptions

Revenue estimates from charges for service in BN 23 show a significant decrease over BN 21 estimated budget of roughly \$162,600. The decrease is directly related to data center expansion and the 2 percent administration fees paid in SDCs for those expansions in BN 21. Administration fees are budgeted based on roughly 75 new equivalent dwelling units in each year of BN 23. Beginning fund balance is 11 percent of BN 23 budget and licenses and permits are roughly 8 percent of budget with the expectation that they will remain flat. Other revenue totals 1 percent for both interest and intergovernmental. Transfers from the General Fund are the largest revenue contributors in BN 23 at 74 percent of the budget.

Requirements



Assumptions

The Planning Departments personnel services are 57 percent of requirements in BN 23, totaling \$546,900. Materials and services are 9 percent for the biennium at \$88,600. Transfers are 27 percent of budget totaling \$263,500 and contingency at is 7 percent of budget. This fund is within the City’s policy guidelines.

DEBT SERVICE FUNDS

PERS / POB



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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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 City 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.

The total of the City's UAL as of December 31, 2019 was \$5 million. This number reflects the two side account totals of approximately \$4.2 million. Actuarial assumptions are based on a 7.20 percent return. 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. As of December 31, 2019, the City's funded ratio was 81 percent. Rates of return on investments through December 2020 came in at approximately 7.66 percent. Returns on investments will not affect BN 23 PERS contribution rates. PERS rates for BN 23 increased between 4 and 7 percentage points, depending on the tier. The estimated rate on subject payroll sufficient to repay debt service on the POB is approximately 6 percent. Subject payroll will be charged a 7 percent surcharge for debt service in BN 23. 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	Actual 2017-2018	Actual 2018-2019	Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	BN 2023 Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Beginning fund balance	\$ 556,703	\$ 863,291	\$ 608,691	\$ 594,230	\$ 1,376,018	\$ 1,567,918	\$ 1,376,018
Current year resources							
Interest	10,946	21,932	35,000	24,326	5,000	5,000	10,000
Miscellaneous	-	11,046	-	135,041	-	-	-
Charge for pension costs	568,900	474,922	997,900	1,009,678	396,300	418,900	815,200
Transfers from other funds	-	300,000	200,000	200,000	100,000	100,000	200,000
Debt Proceeds	2,549,000	-	-	-	-	-	-
Total current year resources	\$ 3,128,846	\$ 807,900	\$ 1,232,900	\$ 1,369,045	\$ 501,300	\$ 523,900	\$ 1,025,200
Total resources	\$ 3,685,549	\$ 1,671,191	\$ 1,841,591	\$ 1,963,275	\$ 1,877,318	\$ 2,091,818	\$ 2,401,218
Expenditures	Actual 2018-2019	Actual 2018-2019	Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Personnel Services	\$ 28,300	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ -
Materials & Services	-	1,000	-	-	-	-	-
Debt service							
Principal							
Principal - POB 2014/2018	2,570,000	181,648	419,500	419,465	237,300	260,200	497,500
Interest							
Interest - POB 2014/2018	223,958	94,313	167,800	167,792	72,100	63,300	135,400
Contingency/Debt Service Reserve	-	-	955,091	-	1,258,518	1,444,818	1,444,818
Total expenditures	\$ 2,822,258	\$ 1,076,961	\$ 1,542,391	\$ 587,257	\$ 1,567,918	\$ 1,768,318	\$ 2,077,718
Other requirements							
Debt service reserve			\$ 299,200		\$ 309,400	\$ 323,500	\$ 323,500
Ending fund balance	\$ 863,291	\$ 594,230	\$ -	\$ 1,376,018	\$ -	\$ -	\$ -
Budgeted positions (FTEs)							
Policy = Debt service reserve							323,500



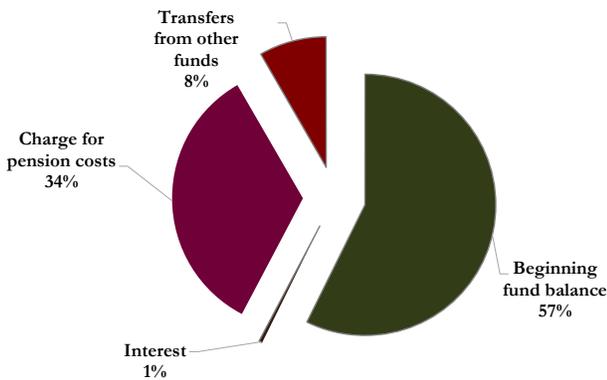
Prineville Police Department gathers in March 2020 for Sgt. Gray's swearing in ceremony

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency
PERS/POB	\$594,230	\$1,376,018	132%	\$1,444,818

Fund balance increased from BN 21 to BN 23 132 percent. Through BN 23 the fund balance is budgeted to increase another 5 percent, ending the biennium at \$1,444,818. This fund is within policy with a debt service reserve of \$309,400 in FY 22 and \$323,500 in FY 23.

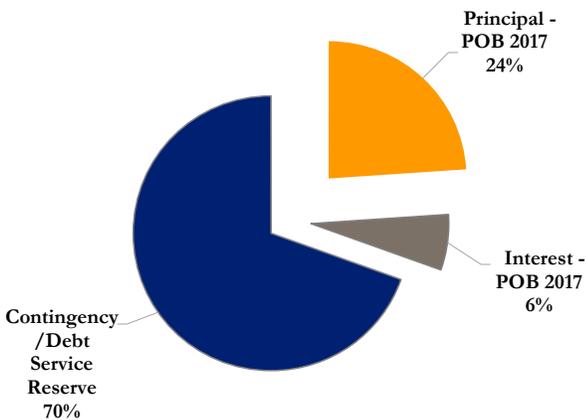
Resources



Assumptions

As mentioned in the executive summary the City budgets 7 percent to its personnel services throughout the budget. Those dollars are transferred to this fund to cover debt service for the pension bonds 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 23 POB contributions decreased approximately 19 percent over prior biennium budget due to the rate credit being previously earned going into the POB Fund in BN 21. Transfers include \$200,000 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 70 percent of the total budget.

CAPITAL PROJECT FUNDS

TRANSPORTATION SDC
WATER SDC



WASTEWATER SDC

ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023





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Transportation SDC Fund

Mission Statement

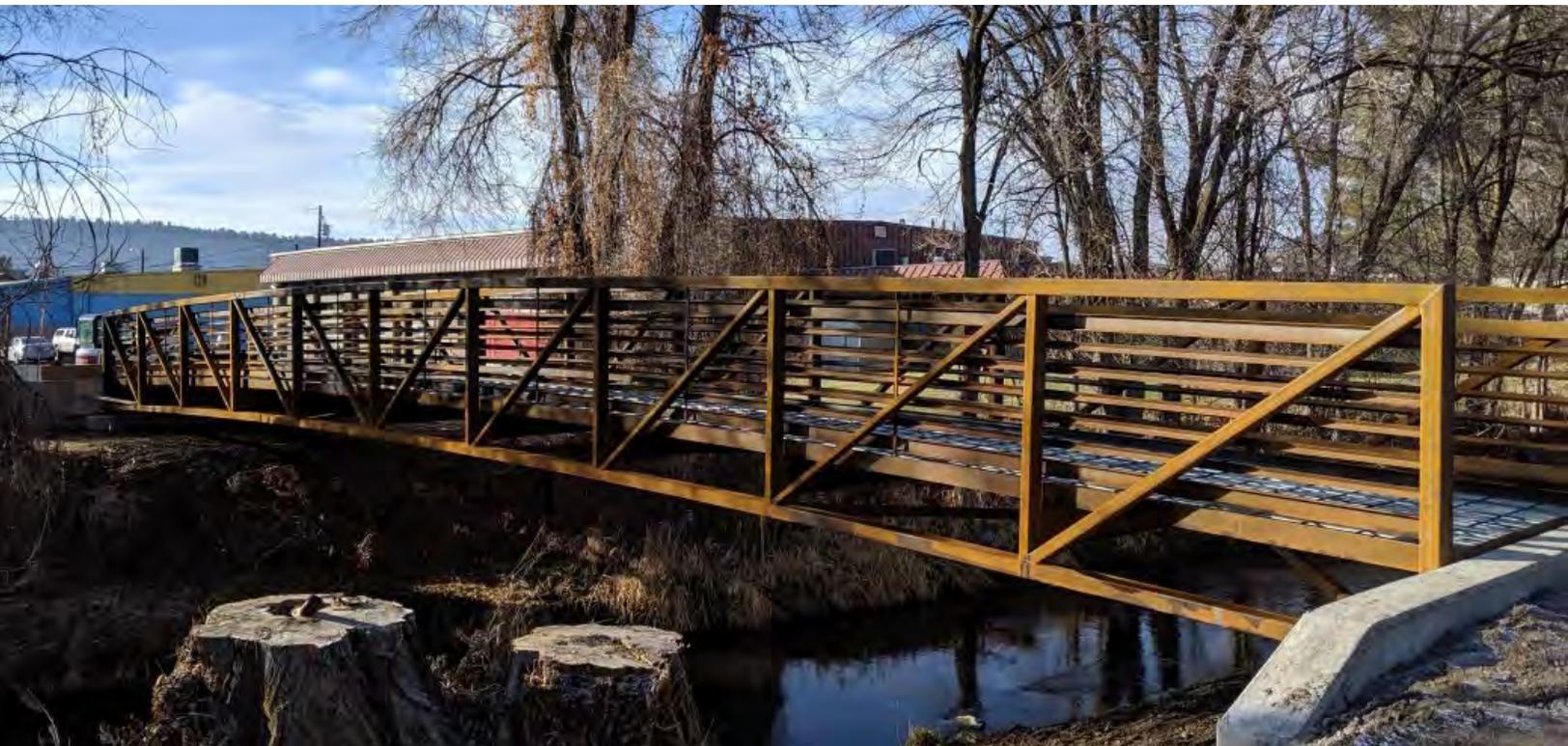
The Transportation System Development Fund strives to impose fair and reasonable fees on new development to construct the needed improvements that will be required to support that new development. System development charges insure that “growth pays for growth.”

BN 20 - 21 Accomplishments

- ❖ A \$3 million grant from State of Oregon House Bill 2017 was used to start design of the Downtown Enhancement project. The project will greatly improve pedestrian safety, repair an aging storm water collection system and beautify the downtown core
- ❖ Began the design of the extension of NE Combs Flat Rd. to NE Peters Rd.
- ❖ Completed the reconstruction of the NE Elm St. Bridge
- ❖ Constructed a pedestrian bridge over Ochoco Creek near NE Court St.
- ❖ Construction began on the traffic signal at N Main St. and 10th St. which will greatly increase pedestrian safety
- ❖ Started the reconstruction design of the N Main St. and NE Peters Rd. intersection

Initiatives for BN 22 - 23

- ❖ Finalize the design and develop a funding scenario to extend NE Combs Flat Rd. to NE Peters Rd. and to reconstruct the intersection of N Main St. and NE Peters Rd.
- ❖ Finish construction of the traffic signal at N Main St. and 10th St.
- ❖ Support an Oregon Department of Transportation, “Transportation Growth Management” grant that will be used to update the City of Prineville’s Transportation System Plan, focusing directly on the intersections of Hwy 26, Hwy 126 and O’Neil Hwy





New NE Elm Street Bridge completed in the fall of FY 20

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 builders 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 5.85 percent increase for FY 22, 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 System Development Fund will utilize existing transportation system development funds to make needed, capacity improving projects such as the reconstruction of the traffic signal at N. Main St. and 10th St.
- Long-term – The Transportation System Development 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
Combs Flat Extension to N. Peters Road	\$ 200,000	\$ 300,000
N. Main St. and Peters Rd. Intersection	\$ 50,000	\$ -
Traffic Growth Management Grant Match	\$ 50,000	\$ -
10th St. & Main St. Signal Upgrade	\$ 1,000,000	\$ -
Downtown Enhancement Project Match	\$ -	\$ 300,000
Capital Outlay Total	\$ 1,300,000	\$ 600,000

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 103.



Paving work being on the northwest side of town

Transportation SDC Budget

Resources	Actual	Actual	Current	Estimated	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	2022-2023	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Beginning fund balance	\$ 518,810	\$ 955,586	\$ 1,400,086	\$ 1,500,753	\$ 1,006,745	\$ 477,045	\$ 1,006,745
Current year resources							
Intergovernmental	\$ -	\$ 277,615	\$ 1,500,400	\$ 1,547,600		\$ -	\$ -
Other revenue	-	9,001	122,667	-	300,000		300,000
Interest	11,120	31,425	49,000	32,536	4,000	4,000	8,000
System development charges	525,075	593,125	988,500	1,233,346	343,500	343,500	687,000
Transfers			-	-	150,000	-	150,000
	\$ 536,195	\$ 911,166	\$ 2,660,567	\$ 2,813,482	\$ 797,500	\$ 347,500	\$ 1,145,000
Total resources	\$ 1,055,005	\$ 1,866,752	\$ 4,060,653	\$ 4,314,235	\$ 1,804,245	\$ 824,545	\$ 2,151,745
Expenditures							
Material & services	\$ 4,014	\$ 9,868	\$ 20,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 20,000
Capital outlay							
Improvements	69,151	326,474	3,700,000	3,235,692	1,300,000	600,000	1,900,000
Debt service - interest note payable			-	-			-
Transfers	26,254	29,657	54,400	61,798	17,200	17,200	34,400
Contingency			286,253	-	477,045	197,345	197,345
Total expenditures	\$ 99,419	\$ 365,999	\$ 4,060,653	\$ 3,307,490	\$ 1,804,245	\$ 824,545	\$ 2,151,745
Ending fund balance	\$ 955,586	\$ 1,500,753	\$ -	\$ 1,006,745	\$ -	\$ -	\$ -



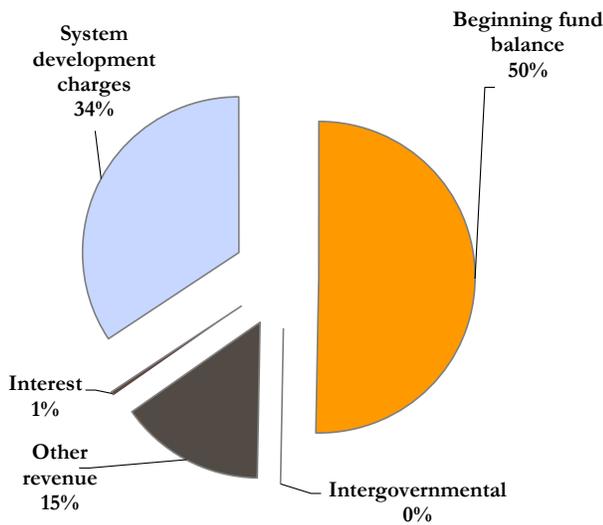
Roundabout artwork completed and on display before being transferred to its new home

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency
Transportation SDC	\$1,500,753	\$1,006,745	-33%	\$197,345

Beginning fund balance decreased 33 percent from BN 21 to BN 23 due to capital projects completed in BN 21. The proposed ending fund balance of \$197,345 is an estimate based on revenue of 75 residential equivalent dwelling units (EDU) and anticipated commercial fees in other areas of the city in BN 23.

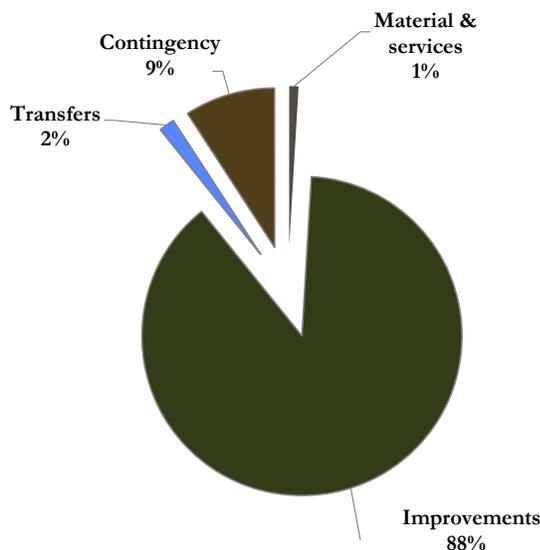
Resources



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. Other revenue is roughly 15 percent of the BN 23 budget and is largely associated with the sale of property in FY 22.

Requirements



Assumptions

Material and services total less than 1 percent over the biennium. Improvements total 88 percent of budget, with all projects budgeted totaling roughly \$1.9 million. Transfers total 2 percent for administrative fees from the collection of estimated SDC fees. Roughly \$197,300 remains as contingency.



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 20 - 21 Accomplishments

- ❖ Finished construction of the Aquifer Storage and Recovery (ASR) project

Initiatives for BN 22 - 23

- ❖ Develop a dedicated storage and recovery well to serve the Aquifer Storage and Recovery project





Contractors work to install lines as part of the Airport Industrial Park Utility project in February 2018

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 5.85 percent increase for FY 22. The water SDC methodology was updated in FY 19.

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 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 System Development Charge Fund will utilize existing water system development funds to make needed, capacity improving projects such as the construction of the Aquifer Storage and Recovery dedicated well.
- Long-term – The Water System Development Fund will plan for needed projects to serve a growing community.

Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 22	Budgeted Amount FY 23
ASR Injection and Recovery Wells	\$ 600,000	\$ 600,000
Capital Outlay Total	\$ 600,000	\$ 600,000

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 103.



Contractors working on the Airport Industrial Park Utility project

Water SDC Budget

Resources	Actual	Actual	Current	Estimated	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	2022-2023	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Beginning fund balance	\$ 47,491	\$ 1,499,223	\$ 2,186,423	\$ 1,710,797	\$ 678,559	\$ 723,459	\$ 678,559
Current year resources							
Charges for Services	\$ -	\$ 526,305	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	24,176	60,644	90,000	30,288	2,000	2,000	4,000
System development charges	2,968,669	5,020,027	7,627,200	7,711,794	365,000	365,000	730,000
Other	333,674	139,709	-	6,800	-	-	-
Debt proceeds			3,000,000	3,024,900			
Transfers			1,489,800	2,459,800	700,000	-	700,000
Total current year resources	\$ 3,326,519	\$ 5,746,685	\$ 12,207,000	\$ 13,233,582	\$ 1,067,000	\$ 367,000	\$ 1,434,000
Total resources	\$ 3,374,010	\$ 7,245,908	\$ 14,393,423	\$ 14,944,379	\$ 1,745,559	\$ 1,090,459	\$ 2,112,559
Expenditures	Actual	Actual	Current	Estimated	Adopted	Adopted	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Budget	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Capital outlay							
Improvements	\$ 1,314,354	\$ 5,134,238	\$ 12,880,400	\$ 12,863,626	\$ 600,000	\$ 600,000	\$ 1,200,000
Debt service							
Principal - short-term borrowing				\$ 40,000			
Interest - short-term borrowing							
Transfers	560,433	400,873	690,000	1,362,194	422,100	425,100	847,200
Contingency			823,023	-	723,459	65,359	65,359
Total expenditures	\$ 1,874,787	\$ 5,535,111	\$ 14,393,423	\$ 14,265,820	\$ 1,745,559	\$ 1,090,459	\$ 2,112,559
Ending fund balance	\$ 1,499,223	\$ 1,710,797	\$ -	\$ 678,559	\$ -	\$ -	\$ -



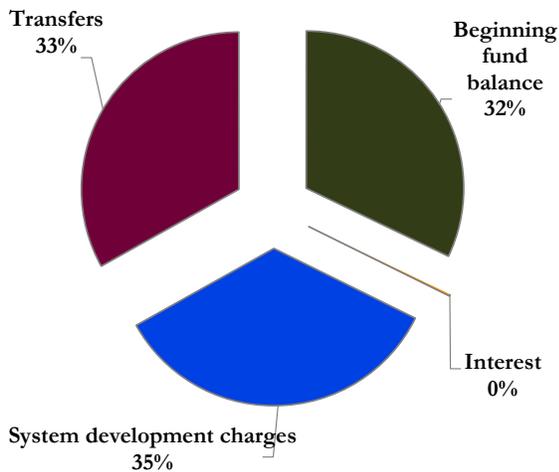
New ASR building constructed in FY 21

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency
Water SDC	\$1,710,797	\$678,559	-60%	\$65,359

The beginning fund balance BN 21 to beginning fund balance BN 23 decreased approximately 60 percent – due to the aquifer storage and recovery project. In BN 23, the proposed ending fund balance of approximately \$65,359 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 \$1.2 million.

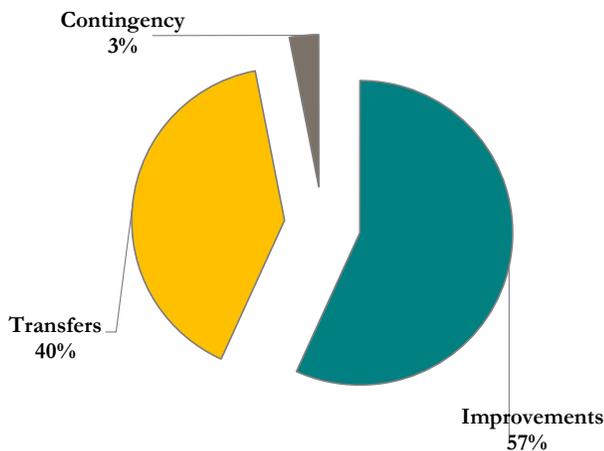
Resources



Assumptions

Beginning fund balance is the result of the Aquifer Storage and Recovery project nearing completion. 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.

Requirements



Assumptions

Improvements are 57 percent of the budget all associated with the Aquifer Storage and Recovery project and increasing its capacity, transfers are 40 percent of budget for administrative fees from the collection of estimated SDCs, and contingency is 3 percent of budget totaling \$65,359.



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 20 - 21 Accomplishments

- ❖ Completed the 18-inch Aquifer Storage and Recovery sewer, a large “interceptor” sewer that will serve future development south of the City
- ❖ Constructed the 24-inch railroad sewer, also a large “interceptor” sewer that will support future development in the eastern section of the City
- ❖ Installed an influent screen on the recently constructed Airport Industrial Park Area utility lines. These lines were installed in the FY 19 to support continued industrial growth in the Prineville-Crook County Airport area
- ❖ Over 12,000 lineal feet of irrigation line were installed at the wastewater treatment plant

Initiatives for BN 22 - 23

- ❖ No capital projects are budgeted in the Wastewater SDC Fund for BN 22-23





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 5.85 percent increase for FY 22.

The wastewater SDC methodology was updated in FY 19.

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 System Development Fund will collect system development funds to construct future, capacity improving projects.
- Long-term – The Wastewater System Development Fund will plan for needed projects to serve a growing community.

Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 22	Budgeted Amount FY 23
No Projects Budgeted for BN 22-23	\$ -	\$ -
Capital Outlay Total	\$ -	\$ -

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 103.



Wastewater treatment plant screen improvement done in April 2020

Wastewater SDC Budget

Resources	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Beginning fund balance	\$ 60,804	\$ 2,237,992	\$ 3,090,992	\$ 3,127,928	\$ 108,660	\$ 157,060	\$ 108,660
Current year resources							
Charges for services	\$ -	\$ 526,305	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	9,554						
Interest	30,821	75,114	55,000	69,322	2,000	2,000	4,000
Misc. revenue	333,676						
System development charges	5,185,432	7,540,450	235,400	389,977	185,000	185,000	370,000
Debt proceeds	38,315		-	-	-	-	-
Transfer from other funds	-	-	-	-	-	-	-
Total current year resources	\$ 5,597,798	\$ 8,141,869	\$ 290,400	\$ 459,299	\$ 187,000	\$ 187,000	\$ 374,000
Total resources	\$ 5,658,602	\$ 10,379,861	\$ 3,381,392	\$ 3,587,227	\$ 295,660	\$ 344,060	\$ 482,660
Expenditures							
Material & services	\$ 9,940	\$ 9,755	\$ 25,000	\$ 56,585	\$ 10,000	\$ 10,000	\$ 20,000
Capital outlay							
Improvements	1,086,854	4,762,178	1,540,000	1,617,749		-	-
Transfers	2,323,816	2,480,000	1,703,800	1,804,233	128,600	128,600	257,200
Contingency			112,592	-	157,060	205,460	205,460
Total expenditures	\$ 3,420,610	\$ 7,251,933	\$ 3,381,392	\$ 3,478,567	\$ 295,660	\$ 344,060	\$ 482,660
Ending fund balance	\$ 2,237,992	\$ 3,127,928	\$ -	\$ 108,660	\$ -	\$ -	\$ -



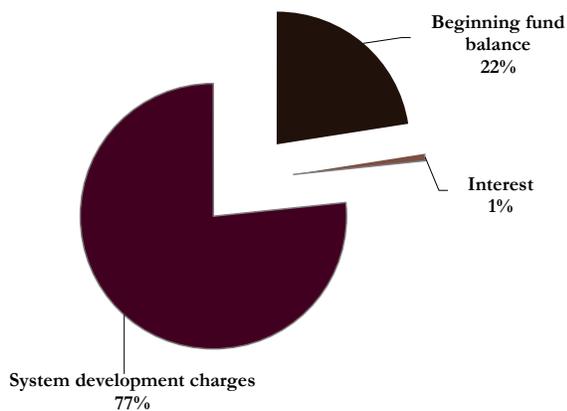
Planting party in October 2020 at the Crooked River Wetlands

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency
Wastewater SDC	\$3,127,928	\$108,660	-97%	\$205,460

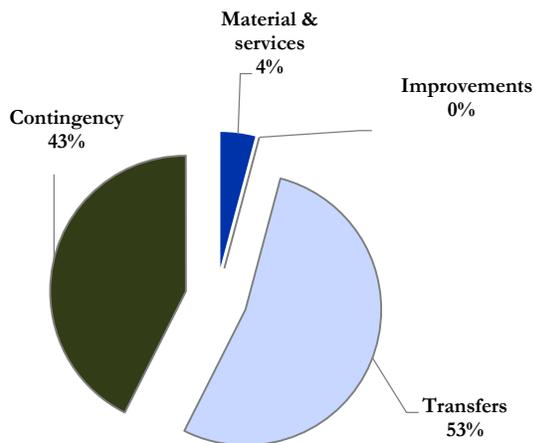
The 97 percent decrease from beginning fund balance BN 21 to the beginning fund balance BN 23 is a result of capital projects completed in BN 21. In BN 23, ending fund balance of \$205,460 is based on an estimate of 150 EDUs and other commercial fees collected through the biennium. There is no capital projects budgeted in BN 23.

Resources



Beginning fund balance is 22 percent of budgeted resources for BN 23. System development fees for BN 23 are based on the projection of 150 EDUs and estimated commercial fees collected through the biennium.

Requirements

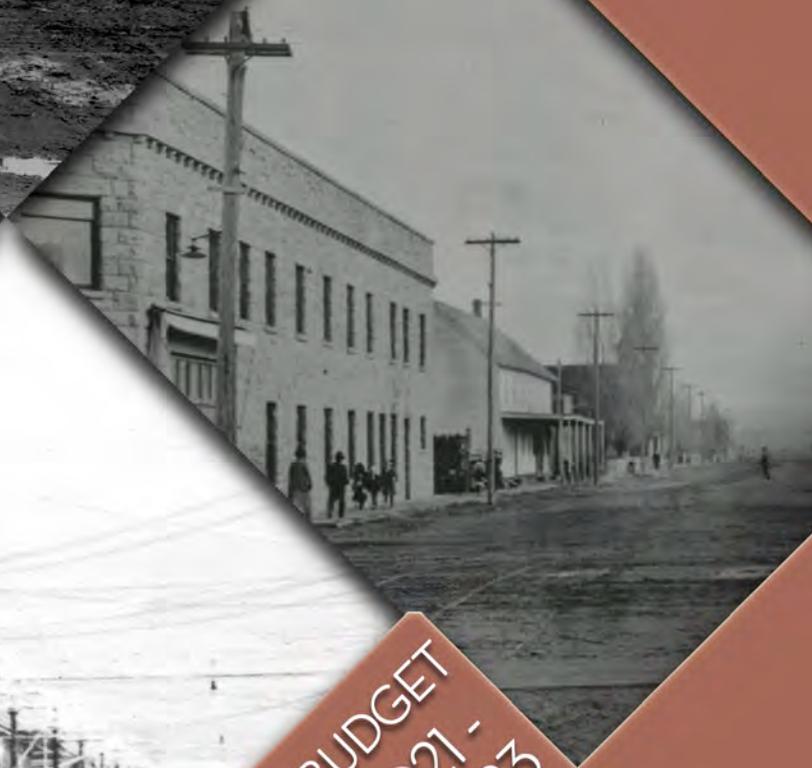
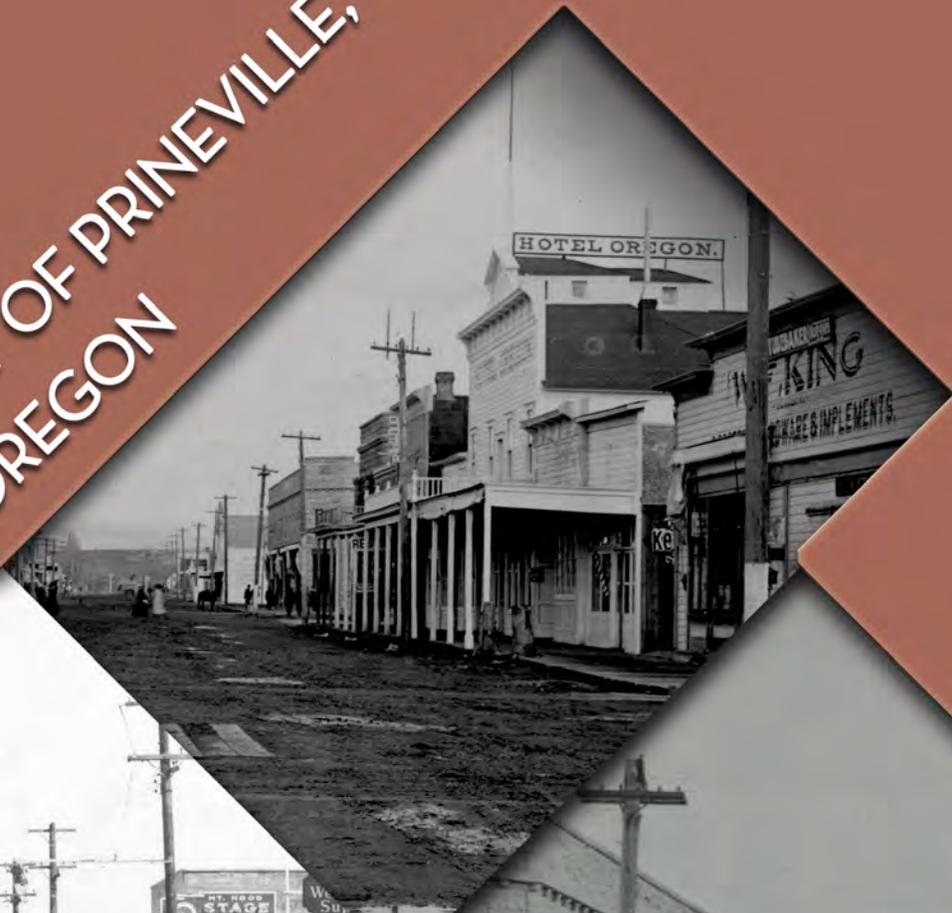


Assumptions

There are no capital expenditures budgeted in BN 23. Materials and services for the biennium total 4 percent. The 5 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 totals transfers are 53 percent of the budget. Proposed ending fund balance is \$205,460.

Assumptions

CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023

ENTERPRISE FUNDS

RAILROAD / FREIGHT DEPOT
AIRPORT



WATER
WASTEWATER
GOLF COURSE

ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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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 20 - 21 Accomplishments

- ❖ Developed a new lease with KRAH Pipes to utilize the freight depot
- ❖ Hired a fourth employee to complete full staffing
- ❖ No human factor accidents, earning the Railway the Jake Award from the American Short Line Railroad Association
- ❖ Replaced 600 7'x9' cross ties at mile post (MP) 0.01 - 33rd
- ❖ Secured the 33rd – MP 3.3 tangent tracks on O'Neill Hill, involving the installation of 350 7'x9' cross ties
- ❖ Worked with BMT Consulting Group to secure a lease with Marathon Oil to site 100 car unit trains on the COP for storage

Initiatives for BN 22 - 23

- ❖ Create an asset replacement plan that keeps the Railway within established fiscal policy
- ❖ Develop and implement a Code of Federal Regulations (CFR) 243 training program
- ❖ Start strategic planning process for railway assets
- ❖ X-ray mainline to determine tie condition for capital plan



Department Goals		Council Goals
A	Identify sustainable funding strategies for long-term maintenance of railroad infrastructure and capital asset replacement	
B	Provide education and support for employees to pursue education and professional development	
C	Increase railway profitability through work with local and regional industries to incorporate rail into their transportation plans, growing the number of customers, car loads and car storage to increase fund balance	

Responsibilities to the Community

The objective of the City of Prineville Railway and the Prineville Freight Depot is to provide an operating partnership strengthening the City of Prineville’s ability to offer a full-service transportation package for Prineville and Crook County-based industries, as well as opening up transportation options for the region. The joint venture, the freight depot and bulk facility, offers a multitude of services essential to building a transportation hub, allowing industry the opportunity to compete in the national and international marketplaces. These assets help attract new industries to Prineville and create jobs.

All of the Railway’s assets are managed together in order to support the Prineville City Council goals, as well as to provide a safe working environment to protect employees and benefit the community. To date, the City of Prineville Railway has over 50 customers utilizing the City’s assets and created over 100 direct jobs in the process. The City’s goal is to increase carloads and revenue opportunities for the City of Prineville Railway, and at the same time, cut operational expenses by becoming more streamlined and operationally sustainable.

The Railroad/Freight Depot Fund accounts for the operation of the City’s railroad, transload and bulk transload facilities. The principal sources of revenue include rail access fees, car haulage, car repair, switching fees, charges for service and lease revenue on rail cars and warehouse space. Expenditures are for the general operations, administration, maintenance and improvement of the Railway and its facilities.



An interchange with the BNSF railroad

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.



Engine 1551 pulling a train car load on November 29, 2016 – Photo: Peter Murphy/ODOT.

Executive Summary

During the last fiscal year, the Railway experienced a decline in car loads during the onset of the COVID-19 pandemic. This decrease contributed in a shift from inbound revenues loads to the storage of unused pool cars from national railroads and leasing companies. The department worked diligently the past two years to get contracts in place with railcar leasing companies in order to take advantage of the market downturn. During the first three weeks of the pandemic, the Railway utilized leasing agreements and staged 425 railcars on old industrial tracks on the COP line. This resulted in increased storage and switching revenues to help keep the Railway profitable and inline to continue capital improvement projects.

After two years of negotiations, the Railway was successful in securing a lease with KRAH a pipe company to lease 64,000 square feet of the Prineville Freight Depot. With KRAH as an anchor tenant, the lease will double the revenue at the Prineville Freight Depot. This increase allowed the department to hire a fourth full-time employee – achieving a full staffing goal. Inbound railcars of plastic pellets for KRAH during the next budget year are expected to help profitability of the Railway. KRAH will boast 40 full-time employees once build out is finished in the second half of 2021.

As the Railway transitions into the next fiscal year continued financial sustainability and capital projects remain the primary focus.

Absent tire car loads continue to suppress car haulage from a record best in the last decade of 954, causing revenue dips from a 2016 high. Although the Railway struggled to replace the tire cars initially, the department is moving forward with more diversified haulage. Haulage includes carloads of 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.

Recognizing the Railway's large deferred maintenance, the department focused heavily on bridges and track repairs the last four years. Continued bridge work through the next budget term will complete a rebuild on the McKay Creek

Bridge. Once the McKay Creek Bridge rebuild is done, several large and severe repairs will be completed as identified by the bridge program implemented in 2015. 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. Installing 3,000 ties in the last four years secured every corner and rebuilt every switch on the COP line. Tie projects next fiscal year focus on rehabbing the tangent sections of track.

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. A track performance plan indicates a minimum of 2,000 cross ties per year is needed to maintain the track at a desired Class II level.
- 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 22	Budgeted Amount FY 23
Rolling Stock	\$ 30,000	\$ 35,000
Bridges	\$ 65,000	\$ -
Track	\$ 25,000	\$ 50,000
Capital Outlay Total	\$ 120,000	\$ 85,000

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 103.

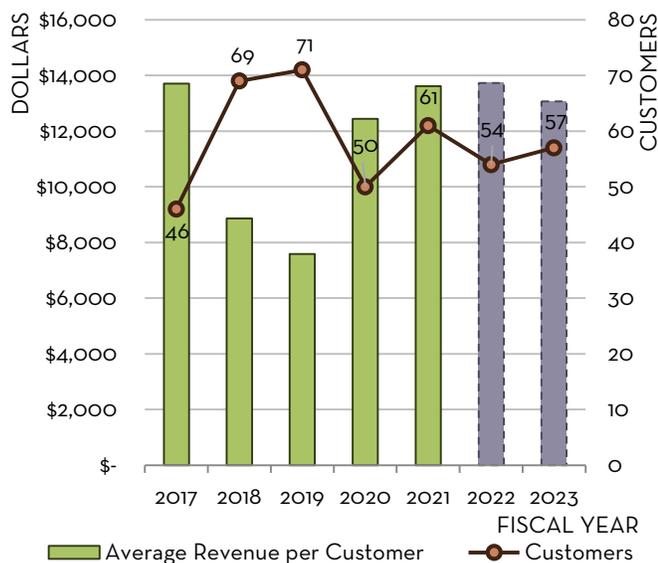


Railroad manager Matt Wiederholt and Railroad Engineer Kris Gibson.

Performance Measures

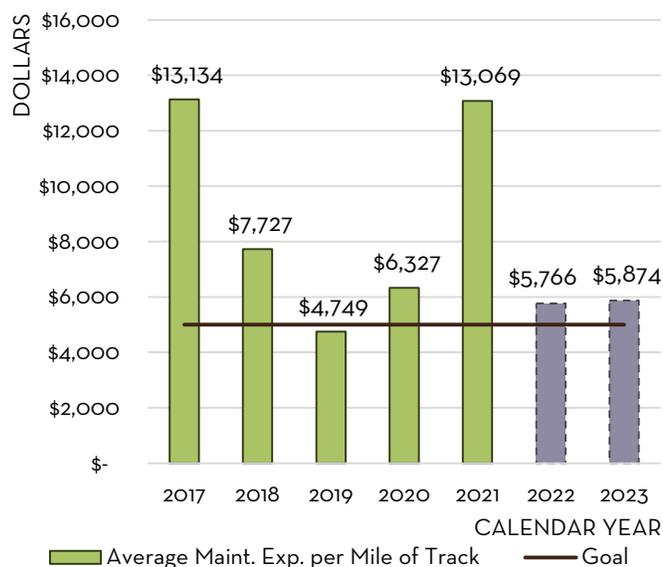
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Input	Beginning Fund Balance	N/A	\$ 1,094,421	\$ 1,145,793	\$ 1,150,560	\$ 1,185,460	\$ 1,217,600
	Input	Maintenance of Way Expenditures	N/A	\$ 85,526	\$ 113,949	\$ 235,373	\$ 127,000	\$ 87,000
	Output	Freight Cars Interchanged	768	581	596	599	614	629
	Input	Customers Utilizing Services	+5% Over Previous Year	71	50	61	64	67
	Input	Percentage of Budget Expenditures for Maintenance of Way	25.00%	14.67%	13.74%	24.03%	14.67%	10.05%
	Output	Cross Ties Replaced Annually	2,000	NM	NM	1,145	2,000	2,000
A	Efficiency	Beginning Fund Balance Change Over Previous Year	> 3%	3.28%	4.69%	0.42%	3.03%	2.71%
A	Efficiency	Annual Maintenance of Way Expenditures per Mile of Track	< \$5,000	\$ 4,749	\$ 6,327	\$ 13,069	\$ 7,052	\$ 4,831
C	Efficiency	Average Revenue per Interchanged Freight Car	\$ 380.00	\$ 445.89	\$ 454.01	\$ 456.39	\$ 414.62	\$ 423.69
C	Efficiency	Average Monthly Interchange Revenue	\$ 24,000.00	\$ 21,590	\$ 22,551	\$ 22,781	\$ 21,146	\$ 22,032
C	Efficiency	Average Annual Charge for Service Revenue per Customer	\$ 6,500.00	\$ 7,590	\$ 12,442	\$ 13,615	\$ 11,678	\$ 11,122

*NM = Not Measured. Measure is new for year.



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, Union Pacific Railway, Les Schwab, 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. With the addition of repair work in 2018, the number of customers saw a large increase, but it caused the average invoice price to drop temporarily. Even with the efforts to diversify business and increase customer base through new and expanded upon existing services, the average revenue per customer is expected to shrink over the biennium until the pandemic eases aspects of the economy.



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, differing 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. With the completion of work on McKay Creek Bridge in this biennium, more funds will be available in future years thanks to lighter bridge maintenance costs.

Railroad / Freight Depot Budget

Resources	Actual	Actual	Current	Estimated	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Adopted	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Beginning fund balance	\$ 1,059,621	\$ 1,036,693	\$ 1,145,793	\$ 1,127,669	\$ 1,185,460	\$ 1,217,660	\$ 1,185,460
Current year resources							
Charges for services	\$ 630,572	\$ 538,858	\$ 1,235,000	\$ 1,452,624	\$ 511,000	\$ 536,000	\$ 1,047,000
Intergovernmental				20,000			
Use of money & property	120,580	105,722	270,200	383,812	356,600	382,000	738,600
Transfers fr other funds	-	-	-	-	-	-	-
Miscellaneous	60,180	109,462	145,000	224,817	105,000	110,000	215,000
Total current year resources	\$ 811,333	\$ 754,042	\$ 1,650,200	\$ 2,081,252	\$ 972,600	\$ 1,028,000	\$ 2,000,600
Total resources	\$ 1,870,953	\$ 1,790,735	\$ 2,795,993	\$ 3,208,921	\$ 2,158,060	\$ 2,245,660	\$ 3,186,060
Expenditures	Actual	Actual	Current	Estimated	Adopted	Adopted	Adopted
	2018-2019	2018-2019	Budget	Total Budget	Budget	Budget	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Personnel Services	\$ 345,403	\$ 313,957	\$ 747,000	\$ 735,348	\$ 428,500	\$ 457,300	\$ 885,800
Material and services	392,357	264,278	543,300	612,404	300,800	283,300	584,100
Capital outlay							
Improvements	-	4,831	404,000	494,010	120,000	85,000	205,000
Transfers	96,500	80,000	181,700	181,700	91,100	91,500	182,600
Contingency			919,993	-	1,217,660	1,328,560	1,328,560
Total expenditures	\$ 834,260	\$ 663,066	\$ 2,795,993	\$ 2,023,462	\$ 2,158,060	\$ 2,245,660	\$ 3,186,060
Ending fund balance	\$ 1,036,693	\$ 1,127,669	\$ -	\$ 1,185,460	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	4.00	3.00	4.00			4.00	
Policy one year's operating expense						779,800	
20% of total budget for capital reserve						402,159	
Total Policy						1,181,959	



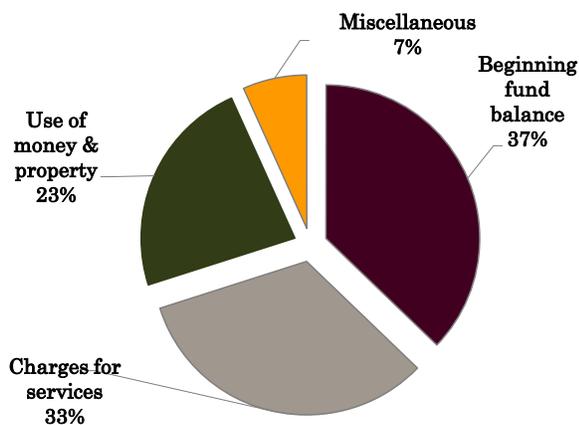
City of Prineville Railway Locomotive 1551

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Railroad	\$1,127,669	\$1,185,460	5%	\$1,328,560	\$1,181,959	12%

The beginning fund balance from BN 21 to BN 23 shows a 5 percent increase in the Railroad/Freight Depot Fund. The proposed budget for BN 23 shows a 12 percent 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.

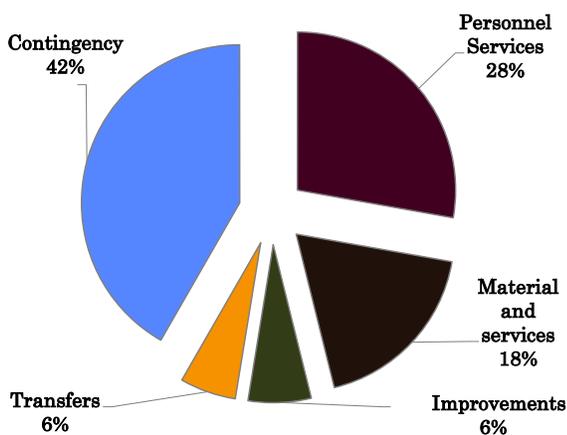
Resources



Assumptions

In BN 23, beginning fund balance is 37 percent of total resources and charges for services are 33 percent of total revenue. Overall, estimated current year resources for BN 23 are down roughly 3.9 percent in comparison to BN 21 largely due to decreases in storage and switching fees. When the Coronavirus first hit, it forced rail cars into storage since many businesses were unable to operate. This resulted in an unanticipated increase in storage and switching fees for BN 21, which is not expected to continue into BN 23. Management continues to identify and develop diverse new customer base.

Requirements



Assumptions

Personnel services are increasing 20 percent in comparison to BN 21, with the additional FTE added in January 2021. Material and services total 18 percent in BN 23, a slight decrease in costs estimated in comparison to BN 21. Improvements total roughly \$205,000 for the biennium compared to \$494,010 in BN 21. Transfers for administrative costs total 6 percent for BN 23 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 20 - 21 Accomplishments

- ❖ Completed construction of the new aircraft fueling facility
- ❖ Completed United States Forest Service (USFS) helibase and rappel center
- ❖ Secured \$2.6 million in funding from the Federal Aviation Administration (FAA) for runway and parking apron projects

Initiatives for BN 22 - 23

- ❖ 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	



Airport Manager Kelly Coffelt

Responsibilities to the Community

In a collaborative effort with Crook County, the City of Prineville provides management and accounting for the Prineville-Crook County Airport. The Prineville-Crook County Airport is a general aviation airport that provides a welcoming and responsive port facility in support of the 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 the present safety, service and growth of the airport. This is accomplished through cost effective maintenance, planning, inspections and operations of the airport system.

Funding sources include aircraft fuel sales (jet A and 100LL), hangar rents, user fees and land leasing agreements for private hangers and business. 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 FAA 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. Two aircraft maintenance facilities and a company building and testing unmanned aircraft systems (UAS) along with research and development of a flying car are a few that currently utilize the airport. The USFS also operates at the airport and is expanding operations from a new 10,000sq.ft. airbase and rappel facility, bringing jobs and local 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 \$2.6 million in capital projects at the Prineville Airport in FY 22.



Erickson's Sky Crane training at the Prineville Airport

Strategic Planning Updates

- Short-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.
- Long-term – The airport will seek funding to reconstruct the airport’s secondary runway 15-33 to meet FAA standards. This project is scheduled for 2024 with confirmed support from the FAA. 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.

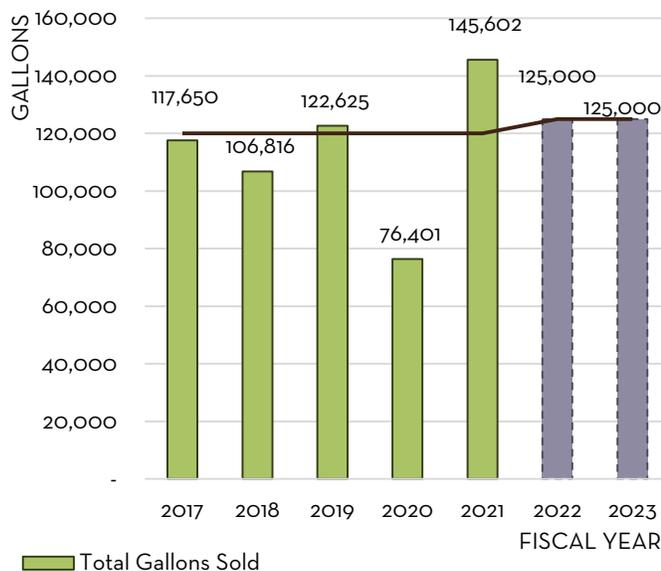
Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 22	Budgeted Amount FY 23
No Capital Projects Budgeted for BN 22-23 (\$100 is a Placeholder)	\$ 100	\$ -
Capital Outlay Total	\$ 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 103.

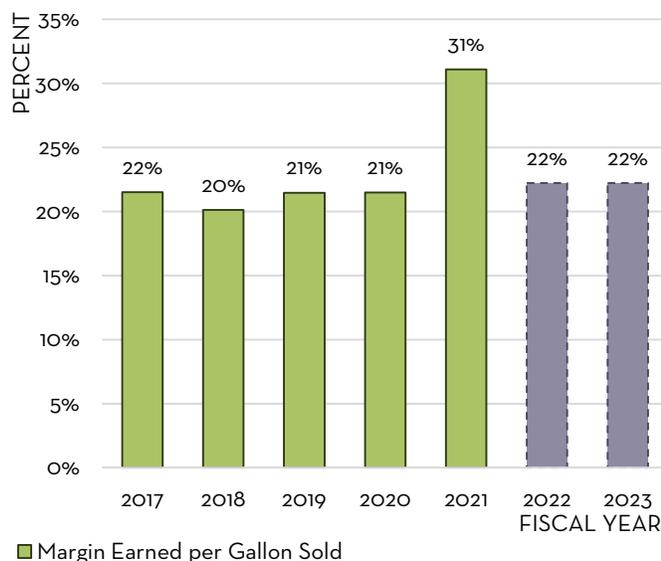
Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Input	Based Aircraft	N/A	108	108	109	112	114
	Input	Total Operations	N/A	10,591	10,588	10,776	10,964	11,151
	Input	Land Lease Contracts	N/A	39	40	42	42	42
	Input	Privately-owned Business in Residence	N/A	4	4	5	5	5
	Input	Government Facilities Located at Airport	N/A	1	1	2	2	2
	Output	Accidents, Incursions, Strikes and Injuries	-	-	-	1	-	-
	Output	Safety-related Projects Completed	N/A	1	2	3	3	3
	Output	Fuel Sales Volume in Gallons	125,000	122,625	76,401	145,602	125,000	125,000
	A	Efficiency	Percentage of Hangars Occupied	100%	99%	99%	100%	100%
A	Efficiency	Average Gross Fuel Sale Margin Percentage Earned per Gallon Sold	25.00%	21.46%	21.49%	31.09%	22.22%	22.22%
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 is expecting FY 21 to be the best year in fuel sales since 2016 as restrictions ease 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 maintained margins in the 20 percent range since 2016 and foresees the trend continuing 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	Actual	Current	Estimated	Adopted	Adopted	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Budget	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Beginning fund balance	\$ 65,888	\$ 42,915	\$ 13,215	\$ 163,422	\$ 35,436	\$ 33,936	\$ 35,436
Current year resources							
Intergovernmental	\$ 288,380	\$ 1,572,022	\$ 1,180,000	\$ 742,683	\$ 180,000	\$ 250,000	\$ 430,000
Charges for services	526,877	605,605	1,164,000	984,775	577,000	577,000	1,154,000
Interest	-	191	-	1,341	500	500	1,000
Transfer from other funds	150,000	50,000	180,000	280,000	100,000	100,000	200,000
Total current year resources	\$ 965,257	\$ 2,227,818	\$ 2,524,000	\$ 2,008,799	\$ 857,500	\$ 927,500	\$ 1,785,000
Total resources	\$ 1,031,145	\$ 2,270,733	\$ 2,537,215	\$ 2,172,221	\$ 892,936	\$ 961,436	\$ 1,820,436
Expenditures	Actual	Actual	Current	Estimated	Adopted	Adopted	Adopted
	2018-2019	2018-2019	Budget	Total Budget	Budget	Budget	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Personnel Services	\$ 159,966	\$ 129,359	\$ 269,900	\$ 268,365	\$ 141,700	\$ 155,400	\$ 297,100
Materials and services	480,220	536,571	1,088,400	846,558	508,600	519,400	1,028,000
County Lease Payment	25,000	25,000	50,000	50,000	25,000	25,000	50,000
Capital outlay							
Improvements	245,444	1,344,081	1,000,000	849,161	100	-	100
Transfers	77,600	72,300	122,700	122,700	183,600	205,600	389,200
Contingency			6,215	-	33,936	56,036	56,036
Total expenditures	\$ 988,230	\$ 2,107,311	\$ 2,537,215	\$ 2,136,784	\$ 892,936	\$ 961,436	\$ 1,820,436
Ending fund balance	\$ 42,915	\$ 163,422	\$ -	\$ 35,436	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	2.00	2.00	1.00	1.00	1.00	1.00	
Policy 60 days operating capital							150,900
5% Emergency reserve							\$ 45,270
Total Policy							\$ 196,170



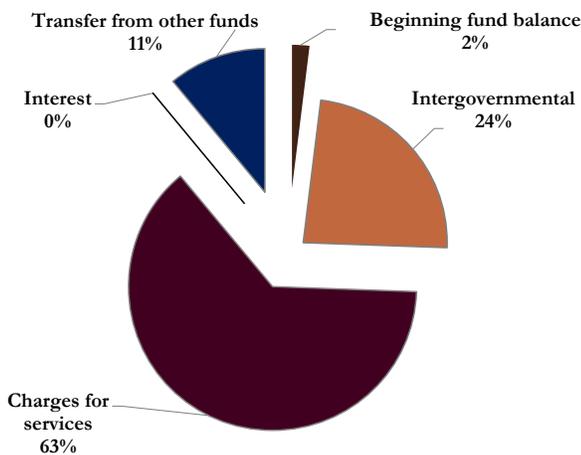
New airport fueling system completed in BN 21

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Airport	\$163,422	\$35,436	-78%	\$56,036	\$196,170	-71%

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 71 percent under policy reserve requirements.

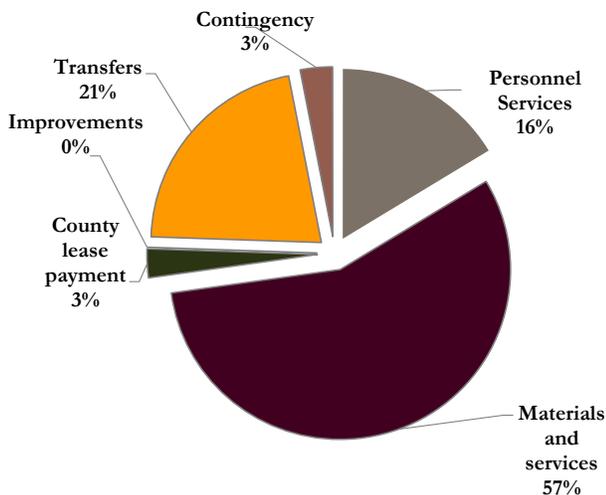
Resources



Assumptions

Intergovernmental revenues for BN 23 include approximately \$430,000 for operations and matching funds from Crook County. Charges for service are 63 percent of BN 23 and come from leases, hanger rents, fuel sales and other miscellaneous charges. Budgeted transfers of \$200,000 from the City of Prineville are the entity's share of the operating funds.

Requirements



Assumptions

In BN 23, the requirements total roughly \$1.82 million and, of this total, \$1.03 million is budgeted for materials and services with \$750,000 of this being for the purchase of fuel. Personnel services are 16 percent of the BN 23 requirements, 21 percent are for administrative transfer during the biennium, the County lease payment is 3 percent, and 3 percent for 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 20 - 21 Accomplishments

- ❖ Finalized the implementation process of the Crooked River Concept federal legislation. This legislation will take several years to implement but it secures the water mitigation credits needed for the next 50 years of growth for the City of Prineville
- ❖ Installed approximately 4,500 feet of new water line to support growth
- ❖ Reconstructed Lamonta and Yancey wells. Both wells increased in capacity from 200 to 600 gallons per minute.
- ❖ Water conservation activities continued, allowing the Water Department to serve more customers with existing infrastructure

Initiatives for BN 22 - 23

- ❖ Continue the replacement of leaking and under-sized water mains to improve water conservation and increase system reliability and capacity
- ❖ Extend water mains into unserved areas within city limits
- ❖ Implement the federal legislation to provide for groundwater mitigation from Bowman Dam
- ❖ Increase water resource availability to support urban growth boundary build out
- ❖ Upgrade telemetry 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 6th 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 3,600 residential accounts and 500 commercial/industrial accounts. Annual well production totals approximately 650 million gallons of water. The water system includes a total of 72.4 miles of distribution mains, 12 wells and six storage tanks. Total well capacity is 5.4 million gallons per day (MGD), with an actual peak demand of 4.0 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 approximately 5,000 lineal feet of water main per 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 22-23, 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 begin 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.

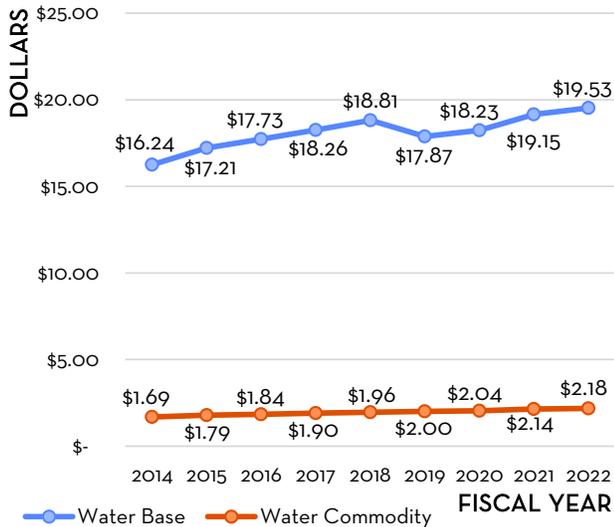
Water Rate Adjustments

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 will implement a tiered water rate for the coming fiscal year.

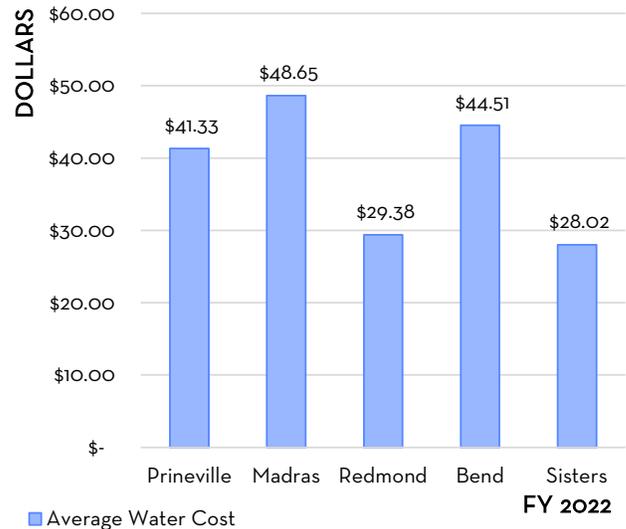
All customers will see a 2 percent increase to their base and commodity rates in FY 22 and FY 23. Tiered water rates will begin with an increase of 10 percent to the commodity rate for consumption 500 percent over wintertime usage (Tier I). Once consumption increases to 750 percent of wintertime usage, 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.

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 2020-2021 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

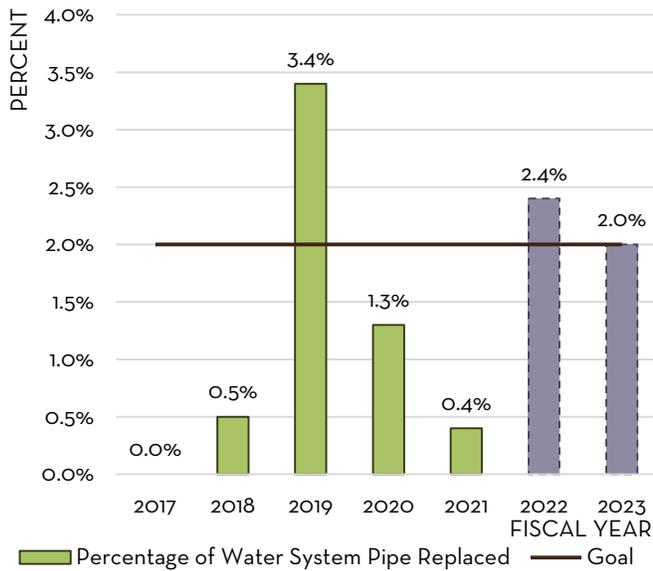
Capital Outlay Overview		
Project	Budgeted Amount FY 22	Budgeted Amount FY 23
Source	\$ 60,000	\$ 30,000
Transmission	\$ 440,000	\$ 470,000
Capital Outlay Total	\$ 500,000	\$ 500,000

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 103.

Performance Measures

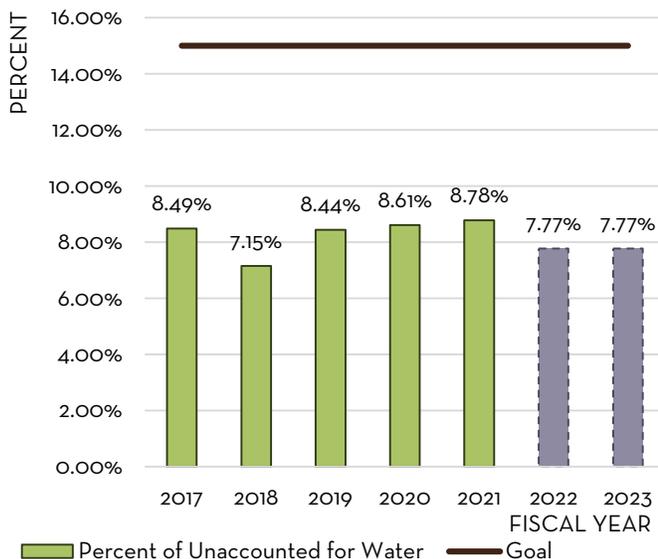
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Input	Average Water Bill in \$ (7,500 Gallons Used)	N/A	\$ 37.92	\$ 38.68	\$ 40.61	\$ 41.39	\$ 42.28
	Output	Number of Meters Replaced Annually (CY)	200	42	208	654	200	200
	Output	Number of Gallons of Water Produced	N/A	598,627,444	641,681,365	687,889,060	701,479,703	736,553,688
	Input	Number of Gallons of Water Consumed	N/A	548,075,557	586,440,846	627,491,706	658,866,291	691,809,606
A	Output	Percentage of Entire Water System Pipe Replaced Annually	2.0%	3.4%	1.3%	0.4%	2.4%	2.0%
B	Efficiency	Percent of Unaccounted for Water	< 15%	8.44%	8.61%	8.78%	6.07%	6.07%
	Efficiency	Lost Revenue from Unaccounted for Water in \$	N/A	\$ 134,805	\$ 150,254	\$ 172,334	\$ 123,863	\$ 133,039

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

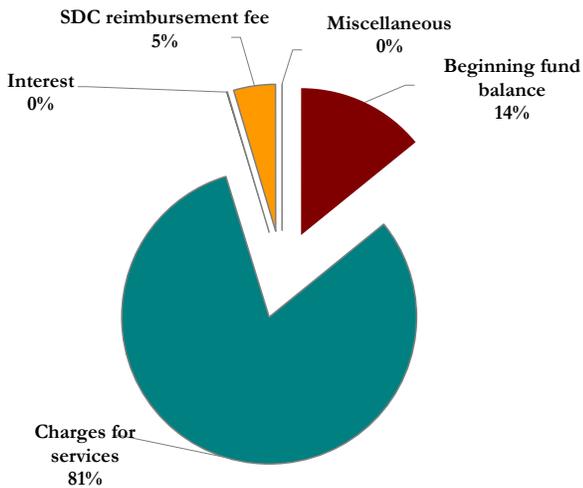
Resources	Actual	Actual	Current	Estimated	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Adopted	Total Budget
			2019-2021	2019-2021	2021-2022	Budget	2022-2023
Beginning fund balance	\$ 1,496,870	\$ 1,447,470	\$ 585,270	\$ 783,298	\$ 1,051,618	\$ 994,618	\$ 1,051,618
Current year resources							
Charges for services	\$ 3,210,048	\$ 2,831,201	\$ 5,785,000	\$ 6,040,443	\$ 2,979,000	\$ 3,056,000	\$ 6,035,000
Intergovernmental							
Interest	11,450	18,048	40,000	7,699	5,000	5,000	10,000
SDC Reimbursement Fee	127,000	149,584	255,000	507,617	168,800	171,800	340,600
Miscellaneous	24,831	5,467	11,000	10,221	500	500	1,000
Debt proceeds	2,271,000		-	-	-	-	-
Transfer	285,000		-	-	-	-	-
Total current year resources	\$ 5,929,329	\$ 3,004,300	\$ 6,091,000	\$ 6,565,979	\$ 3,153,300	\$ 3,233,300	\$ 6,386,600
Total resources	\$ 7,426,199	\$ 4,451,770	\$ 6,676,270	\$ 7,349,277	\$ 4,204,918	\$ 4,227,918	\$ 7,438,218
Expenditures							
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials and services	\$ 572,143	\$ 790,629	\$ 1,184,500	\$ 1,300,146	\$ 727,100	\$ 732,200	\$ 1,459,300
Franchise fee expense	-	-	289,000	289,000	144,000	148,000	292,000
Capital outlay							
Improvements	1,369,623	1,457,335	1,269,000	1,417,997	500,000	500,000	1,000,000
Debt service							
Principal - refunding bond 2011/2017	165,408	101,990	276,900	276,902	143,100	150,500	293,600
Principal - IFA 2022	335,000		-	-	72,200	72,200	144,400
Interest - refunding bond 2011/2017	70,872	60,618	112,300	111,914	50,600	46,700	97,300
Interest - IFA 2022	16,990		-	-	67,000	67,000	134,000
Payments to refunded bond escrow	2,254,093	-	-	-	-	-	-
Transfers	1,194,600	1,257,900	2,431,700	2,901,700	1,506,300	1,529,700	3,036,000
Contingency	-	-	918,270	1,051,618	658,418	645,418	645,418
Total expenditures	\$ 5,978,729	\$ 3,668,472	\$ 6,481,670	\$ 7,349,277	\$ 3,868,718	\$ 3,891,718	\$ 7,102,018
Other requirements							
Debt service reserves	-	-	194,600		336,200	336,200	336,200
Ending fund balance	\$ 1,447,470	\$ 783,298	\$ -	\$ -	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	-	-	-	-	-	-	-
Policy 60 days operating budget						401,650	
5% Emergency reserve						194,586	
Debt service reserve						336,400	
Total Policy						\$ 932,636	

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Water	\$783,298	\$1,051,618	34%	\$981,618	\$932,636	5%

The 34 percent increase in the beginning fund balance compared to prior year is a result from an increase in bulk water sale from the continued build out from the data centers. Ending fund balance projections are estimated to decrease roughly 6.7 percent during the biennium. This fund exceeds policy requirements.

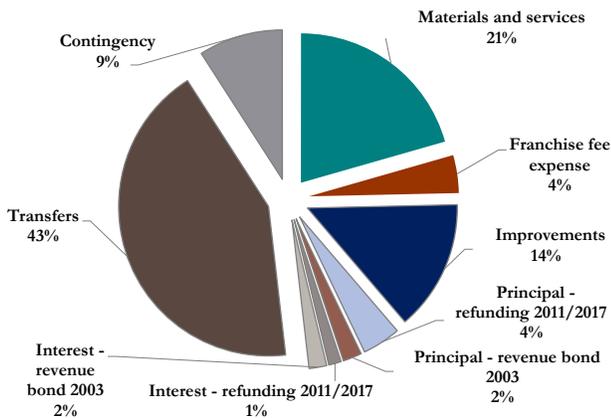
Resources



Assumptions

Beginning fund balance for BN 23 is 14 percent of budget, or \$1,051,618. Charges for services in total make up 81 percent of the resources for the biennium at \$6.04 million, with SDC reimbursement fees totaling 5 percent of total budget. Residential and commercial customers will see their base rates and commodity charges increase by 2 percent. In January of 2022 a tiered rate structure will be implemented with the intent to promote conservation. SDC reimbursement fees are budgeted at \$340,600 for BN 23, 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 21 percent of total budget for the biennium, franchise fees expense totals 4 percent, and capital improvements are roughly 14 percent of budget, totaling \$1 million for BN 23. Debt service principal and interest total 9 percent of budget with a new \$3 million dollar loan associated with the construction of the aquifer storage and recovery project. Transfers total 43 percent, which include administration and financial support and PW administration. Contingency is 9 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 21 - 22 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
- ❖ Installed a new fish friendly irrigation pump near the wastewater treatment plant

Initiatives for BN 22 - 23

- ❖ Research the potential opportunities associated with the Industrial Water Reuse project
- ❖ Persist in preventative infrastructure maintenance activities



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 sewage 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



Dusk in May 2020 at the Crooked River Wetlands Complex

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 48 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 2.37 million gallons of influent per day (MGD). Current average inflows to the plant are approximately 1.1 MGD. The existing plant produces a Class C effluent. 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

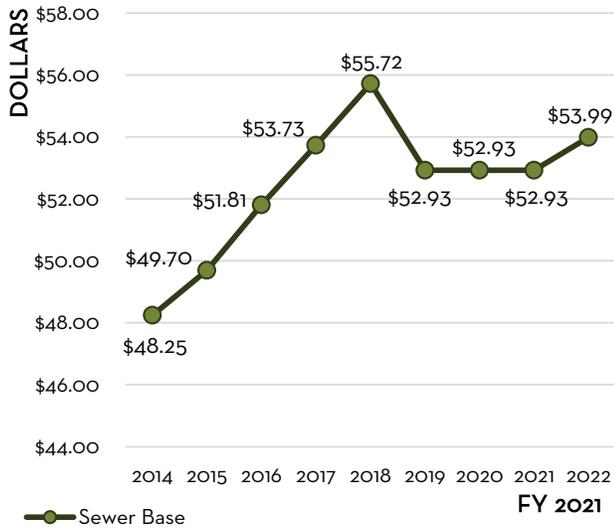
- Short-term – In the short-term, the Wastewater Department will continue preventative maintenance activities.
- Long-term – The department will stabilize the rate structure, provide sustainable capital improvement program dollars and adequate fund balances.

Sewer Rate Adjustments

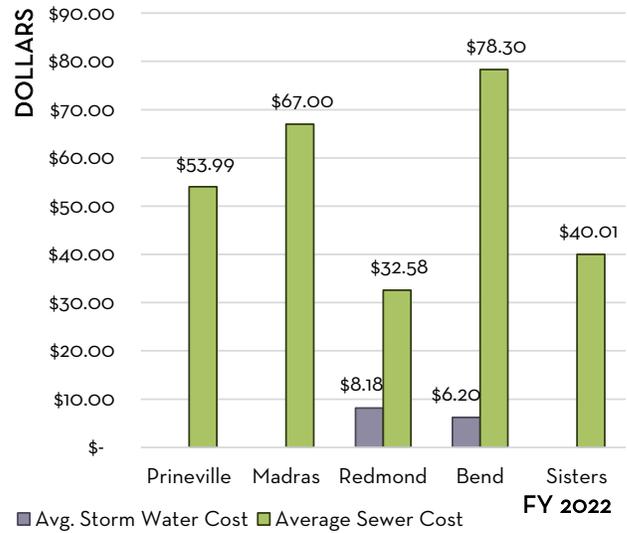
Sewer rates will be adjusted in a fashion similar to water rates to incentivize conservation. Base wastewater rates will increase by 2 percent while commodity charges will increase by 12.5 percent in FY 22 and FY 233.

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 2020-2021 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 22	Budgeted Amount FY 23
Treatment Plant - SLARRA	\$ 136,000	\$ 136,000
Treatment Plant Upgrades	\$ 300,000	\$ 300,000
Sanitary Sewer – Collection Improvements	\$ 50,000	\$ 50,000
Capital Outlay Total	\$ 486,000	\$ 486,000

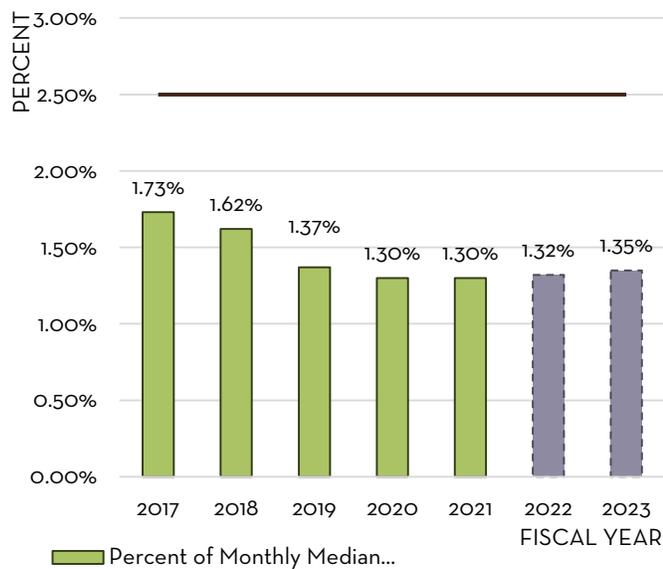
A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 103.



Street scraps turned into gravel in September 2019 at the wastewater treatment plant

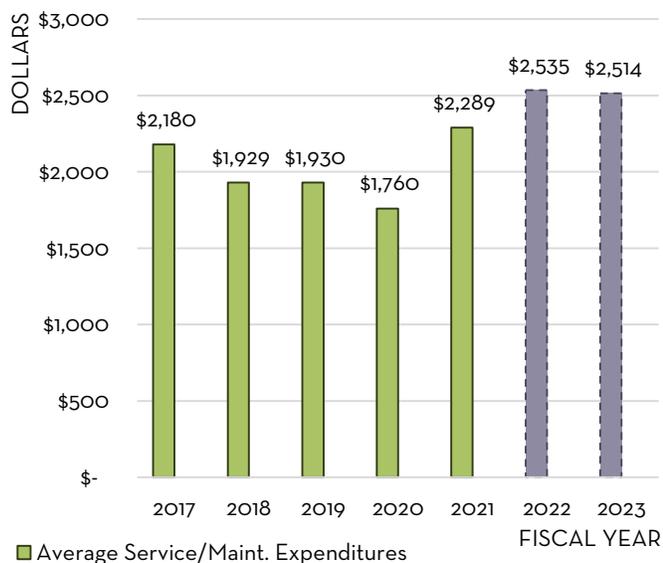
Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Output	Miles of Sewer Collection Lines	N/A	44	48	48	48	48
	Input	Average Inflows (MGD)	N/A	1.16	1.16	1.16	1.16	1.16
	Output	Treatment Processing Capability (MGD)	N/A	2.37	2.37	2.37	2.37	2.37
	Output	Annual Sewage Treatment Sample Tests Performed	N/A	799	682	656	600	600
	Output	Annual Testing Expenditures	N/A	\$ 83,041	\$ 83,911	\$ 63,744	\$ 70,000	\$ 70,000
	Output	Annual Chemical Treatment Expenditures	N/A	\$ 137,485	\$ 107,163	\$ 74,160	\$ 114,000	\$ 114,000
B	Efficiency	Monthly Single-family Sewer Rates vs. Median Income	< 2.5%	1.37%	1.30%	1.30%	1.32%	1.35%
B	Efficiency	Average Daily Electrical Costs per MGD	N/A	\$ 448.15	\$ 450.38	\$ 441.22	\$ 472.37	\$ 472.37
B	Efficiency	Wastewater Service/Maintenance Expenditures per Average Daily MGD	< \$2,000	\$ 1,930.46	\$ 1,760.34	\$ 2,288.95	\$ 2,535.19	\$ 2,514.41



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

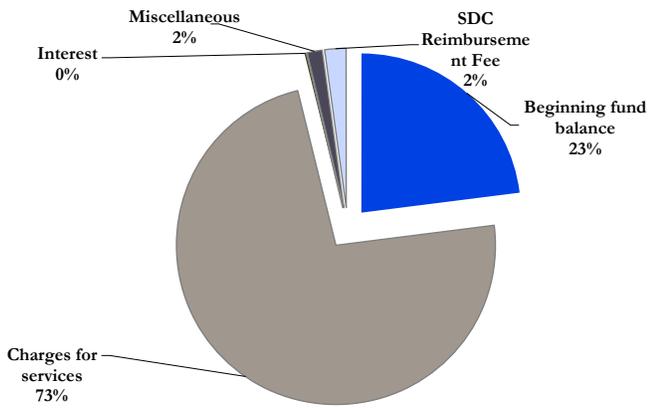
Resources	Actual	Actual	Current	Estimated	BN 2023		
	2017-2018	2018-2019	Budget	Total Budget	Adopted	Adopted	Adopted
			2019-2021	2019-2021	Budget	Budget	Total Budget
					2021-2022	2022-2023	2022-2023
Beginning fund balance	\$ 1,846,857	\$ 1,770,316	\$ 3,932,316	\$ 3,940,686	\$ 2,554,024	\$ 2,072,424	\$ 2,554,024
Current year resources							
Charges for services	3,627,913	3,482,719	7,518,300	7,527,250	\$ 4,018,000	\$ 4,106,300	\$ 8,124,300
Intergovernmental			0	0	-	-	-
Interest	20,331	101,671	96,000	65,548	10,000	10,000	20,000
Miscellaneous	94,714	208,518	167,400	94,180	83,700	83,700	167,400
SDC Reimbursement Fee	-	-	98,000	295,208	119,400	121,900	241,300
Debt Proceeds	6,704,625		0	-	-	-	-
Transfers	2,007,225	2,103,941	0	-	-	-	-
Total current year resources	\$ 12,454,808	\$ 5,896,849	\$ 7,879,700	\$ 7,982,186	\$ 4,231,100	\$ 4,321,900	\$ 8,553,000
Total resources	\$ 14,301,665	\$ 7,667,165	\$ 11,812,016	\$ 11,922,872	\$ 6,785,124	\$ 6,394,324	\$ 11,107,024
Expenditures	Actual	Actual	Current	Estimated	Adopted	Adopted	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Budget	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Personnel Services	\$ 117,330	\$ 127,070	\$ 259,000	\$ 257,275	\$ 250,800	\$ 258,800	\$ 509,600
Materials and services	526,427	690,286	1,448,900	1,301,953	815,400	823,200	1,638,600
Franchise fee expense	173,000	177,000	376,000	376,000	196,000	205,000	401,000
Capital outlay							
Equipment							
Improvements	633,434	340,152	1,012,000	314,119	350,000	350,000	700,000
SLARRA			272,000	213,196	136,000	136,000	272,000
Debt service							
Principal							
DEQ CWSRF R74682/2	448,297	461,574	964,700	964,644	503,800	518,800	1,022,600
Refunding 2011 / 2017	2,261,098	119,010	323,200	323,199	167,000	175,600	342,600
DEQ Bridge Loan	4,000,000						
State of Oregon IFA	-	19,772	58,400	53,853	27,300	27,600	54,900
USDA 2018	-	56,160	117,000	117,004	61,000	62,600	123,600
Interest							
DEQ CWSRF R74682/2	138,923	125,646	209,900	205,137	83,500	68,500	152,000
Refunding 2011 / 2017	189,434	100,629	131,000	130,977	59,000	54,500	113,500
DEQ Bridge Loan	52,520	-	-	-	-	-	-
State of Oregon IFA	-	14,283	14,500	14,302	6,800	6,500	13,300
USDA 2018	-	72,956	215,400	215,356	105,300	103,600	208,900
Payments to refunded bond escrow	2,625,203	-					
Fees							
DEQ CWSRF R74682/2	24,183	21,941	37,000	36,933	14,900	12,300	27,200
Transfers	1,341,500	1,400,000	4,844,900	4,844,900	1,935,900	1,976,000	3,911,900
Contingency			313,316	-	1,057,624	825,324	825,324
Total expenditures	\$ 12,531,348	\$ 3,726,479	\$ 10,597,216	\$ 9,368,848	\$ 5,770,324	\$ 5,604,324	\$ 10,317,024
Other requirements							
Capital reserves			200,000				
Debt service reserves	\$ -	\$ -	\$ 1,014,800		\$ 1,014,800	\$ 790,000	\$ 790,000
Ending fund balance	\$ 1,770,316	\$ 3,940,686	\$ -	\$ 2,554,024	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	1.00	1.00	1.00			2.00	
Policy 60 days operating budget						543,833	
5% Emergency reserve						280,216	
Debt service reserve						\$ 1,014,800	
Total policy						\$ 1,838,850	

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Wastewater	\$3,940,686	\$2,554,024	-35%	\$1,615,324	\$1,838,850	-12%

The beginning fund balance decreased approximately 35 percent from BN 21 to BN 23 due to capital improvement projects completed in BN 21. Budgeted capital improvement projects for BN 23 totaling roughly \$972,000 will decrease fund balance to 12 percent below City reserve policy level.

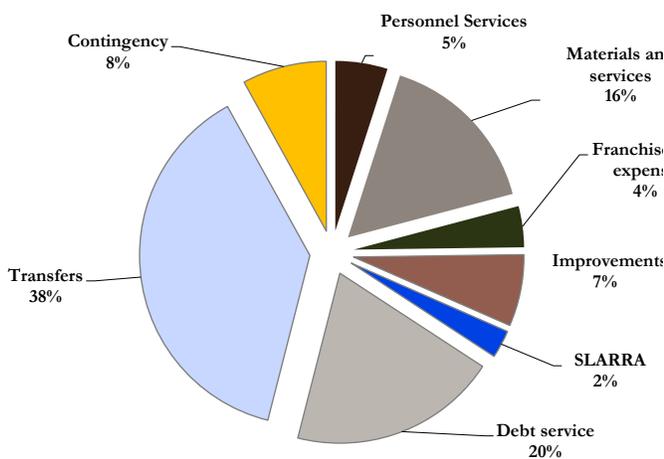
Resources



Assumptions

Beginning fund balance is 23 percent of total resources. Charges for services are budgeted to increase over BN 21 estimates by approximately 8 percent. Sewer rates will be adjusted in a fashion similar to water rates to incentivize conservation. Base wastewater rates will increase 2 percent per year while commodity charges will increase by 12.5 percent each year.

Requirements



Assumptions

For BN 23, personnel services total \$509,600 for the biennium, or 6 percent of budget with an increase in FTEs by 1. Materials and services total \$1.64 million or 16 percent. 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 \$135,900 as a requirement of the United States Department of Agriculture (USDA) loan for the wetlands. Totals for both improvements are budgeted at \$972,000 or 7 percent. Debt service is budgeted at \$2.03 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 20 - 21 Accomplishments

- ❖ Calendar year 2020 and fiscal year 2021 marked new revenue highs in all major golf course revenue streams. Total revenue increased by 20 percent over 2019
- ❖ Full renovation completed of the irrigation system, including replacement of all sprinkler heads, lateral piping, main line isolation valves, technology upgrade, removal of existing field satellites and sprinkler heads, replacement of pump station variable frequency drives and a new weather station.
- ❖ Restaurant achieved 100 percent health and safety scores for all inspections in BN 20-21
- ❖ Utilized full capital improvement budget while adding to the fund balance. Several recurring / routine capital improvement equipment, building and course projects were completed in BN 20-21

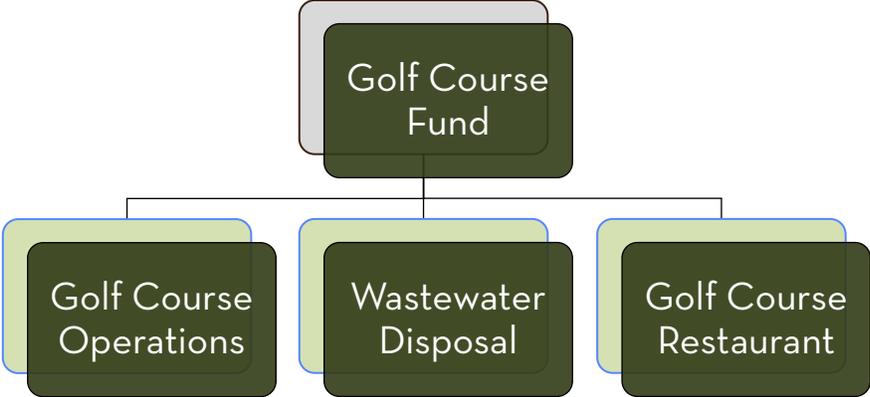
Initiatives for BN 22 - 23

- ❖ Existing columns on clubhouse to be replaced with wood columns that birds cannot penetrate
- ❖ Explore the idea of connecting the golf course to a potential hotel development on Crook County property towards the southeast corner of the golf course
- ❖ Install new carpet throughout the clubhouse.
- ❖ Maintain the momentum from the uptick in play witnessed in 2020-2021 and increase overall golf revenue by 3 percent
- ❖ Purchase new greens mowers. Current greens mowers to be repurposed as tee mowers. Cycle out existing tee mowers as end of life.
- ❖ Replace the current golf cart fleet which has reached the end of its battery lifecycle
- ❖ Upgrade deteriorating cart paths 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 an enterprise avenue 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 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 course is charged with the primary goal of providing outstanding service to golfers and the population at-large, 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 raise over \$85,000 for local charities just in the last year alone.



An example of the scenery at the Meadow Lakes Golf Course.



Meadow Lakes in July 2019

Executive Summary

Meadow Lakes serves as both a municipal golf course and a wastewater disposal site to Prineville. After more than 25 years in operation, the course continues to receive great 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 the #9 on the list of “Top 25 Value Courses in the United States” in 2018. Recently, the publication moved the course from the #13 spot to #12 for the “Top Courses in Oregon” in 2020.

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, Culver School District Athletics, the Southern Oregon University Basketball Team, the Kiwanis Club of Prineville, the Oregon Junior Golf Association, the Central Oregon Junior Golf Association, Your Life Matters teen suicide awareness, Soroptimist International of Prineville 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 improving local economic conditions 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 Overview		
Project	Budgeted Amount FY 22	Budgeted Amount FY 23
Replace Golf Cart Fleet (Capital Lease)	\$ 363,600	\$ -
Greens Mowers	\$ 70,000	\$ -
Windows and Seals and Doors for Clubhouse	\$ 30,000	\$ -
Cart Barn Siding	\$ -	\$ 15,000
Cart Path Paving	\$ -	\$ 50,000
New Carpet in Clubhouse	\$ -	\$ 35,000
Capital Outlay Total	\$ 463,600	\$ 100,000

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 103.



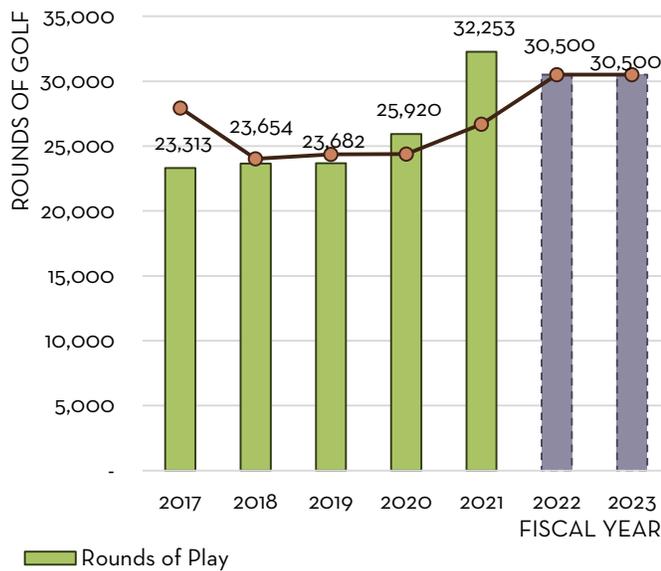
Meadow Lakes Golf Course in December 2020

Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Input	Rounds Played During Year	Maintain FY 21 Results	23,682	25,920	32,253	30,500	30,500
	Input	Total Golf Revenue	N/A	\$ 788,184	\$ 823,128	\$ 1,140,071	\$ 1,038,800	\$ 1,077,100
	Input	Annual Daily Play Revenue	N/A	\$ 323,003	\$ 360,907	\$ 468,410	\$ 440,000	\$ 450,000
	Input	Annual Passes Sold (in \$)	N/A	\$ 104,566	\$ 90,513	\$ 134,814	\$ 112,000	\$ 115,000
B	Efficiency	Total Golf Operations Revenue per Round of Golf	\$ 34.00	\$ 33.28	\$ 31.76	\$ 35.35	\$ 34.06	\$ 35.31
B	Efficiency	Average Annual Profit Margin Earned on Sale of Merchandise	> 30%	30%	18%	56%	47%	45%

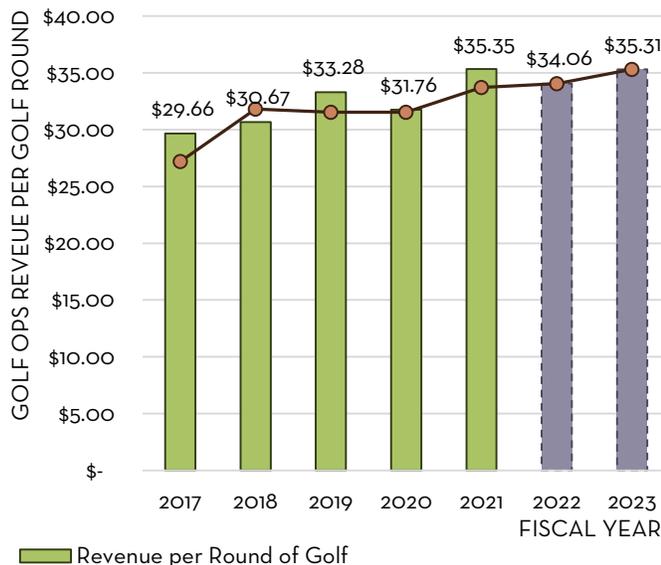
Rounds of Golf

Rounds of golf played is one of the most commonly used metrics to determine a golf course's overall financial health. Trends in rounds of golf played typically correlates to all other sales at a facility including food and beverage sales, merchandise sales, driving range sales, and rental fees.



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.



Golf Course Budget

Resources	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Beginning fund balance	\$ 402,031	\$ 426,395	\$ 483,295	\$ 494,280	\$ 420,025	\$ 561,625	\$ 420,025
Current year resources							
Charges for services							
Golf Course	\$ 701,508	\$ 783,805	\$ 1,656,000	\$ 1,829,012	\$ 986,000	\$ 1,011,800	\$ 1,997,800
Waste disposal	370,000	370,000	740,000	740,000	370,000	370,000	740,000
Restaurant	393,089	245,549	48,200	32,460	24,100	33,600	57,700
Other	-	-	-	-	-	-	-
Interest	6,215	12,074	15,000	31,106	6,000	6,000	12,000
Miscellaneous	28,493	8,912	19,000	34,466	9,700	10,200	19,900
Debt proceeds	394,000	-	-	-	363,600	-	363,600
Transfer fr other funds	-	-	1,250,000	1,250,000	100,000	100,000	200,000
Total current year resources	\$ 1,893,304	\$ 1,420,340	\$ 3,728,200	\$ 3,917,043	\$ 1,859,400	\$ 1,531,600	\$ 3,391,000
Total resources	\$ 2,295,335	\$ 1,846,736	\$ 4,211,495	\$ 4,411,323	\$ 2,279,425	\$ 2,093,225	\$ 3,811,025
Expenditures							
Golf Course	\$ 416,969	\$ 459,647	\$ 2,838,700	\$ 2,750,578	\$ 1,035,500	\$ 691,300	\$ 1,726,800
Waste disposal	429,582	460,057	1,014,500	1,001,287	536,500	577,300	1,113,800
Restaurant	539,430	354,498	68,000	47,496	31,200	35,000	66,200
Debt service							
Principal - BOTC FFC	24,499	25,243	82,200	82,175	50,000	72,800	122,800
Interest - BOTC FFC	3,334	2,590	2,200	2,159	4,600	-	4,600
Principal - Credit facility	47,048	-	-	-	-	-	-
Interest - Credit facility	17,364	-	-	-	-	-	-
Principal - 2017 bonds	390,713	40,000	90,000	90,000	50,000	50,000	100,000
Interest - 2017 bonds	-	10,420	17,800	17,604	10,000	8,200	18,200
Contingency	-	-	15,695	-	447,025	527,625	527,625
Total expenditures	\$ 1,868,940	\$ 1,352,456	\$ 4,129,095	\$ 3,991,299	\$ 2,164,825	\$ 1,962,225	\$ 3,680,025
Other Requirements							
Debt Service Reserve	-	-	82,400	-	114,600	131,000	131,000
Ending fund balance	\$ 426,395	\$ 494,280		\$ 420,025	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	5.00	5.00	3.00			3.00	
Policy 60 days operating budget						200,600	
5% Emergency reserve						71,730	
Debt service reserve						131,000	
Total Policy						403,330	



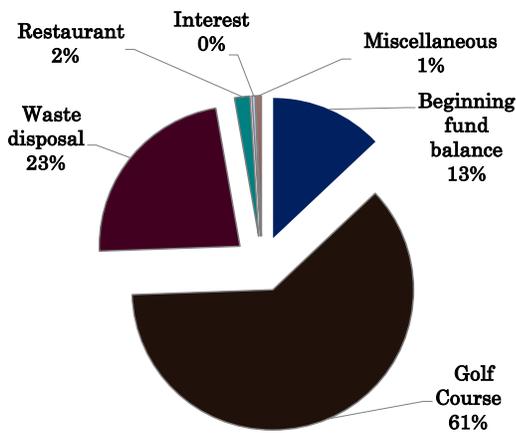
The view from Meadow Lakes Golf Course in December 2020

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 2021 Beginning Fund Balance	BN 2023 Beginning Fund Balance	BN 21 to BN 23 % Change	Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Golf Course and Restaurant	\$494,280	\$420,025	-15%	\$658,625	\$403,330	63%

BN 23 beginning fund balance decreased approximately 15 percent over the prior biennium due to roughly \$1.72 million in capital projects being completed in BN 21, of which \$1.25 million was funded by the Wastewater Fund for the irrigation project. Fund balance is budgeted to increase roughly 57 percent in during BN 23. This fund exceeds the City's policy requirements by 63 percent.

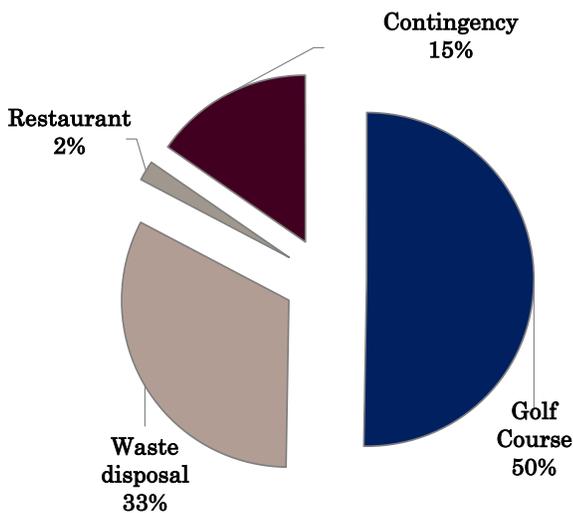
Resources



Assumptions

Golf revenue projections for operations in BN 23 propose a 9 percent increase in golf over BN 21. In FY 21, golf revenues exceeded expectations with golf being one of the few activities that could be done within the social distancing guidelines put into place due to the COVID-19 pandemic. With all the new customers the golf course has gained, revenues are anticipated to continue to increase. The restaurant has been leased out to a third party, so revenue will be minimal during the biennium, totaling roughly \$57,700. The transfer from the Wastewater Fund for operations remains the same as the prior biennium.

Requirements



Assumptions

Golf course operations total 50 percent of budget for the biennium compared to 53 percent of the budget in BN 21 with the irrigation project included. 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 \$66,200 for the biennium. In the short term, the course will save roughly \$100,000 annually through leasing the restaurant, which management plans to spend on capital projects. The long-term plan is to capture a percentage of sales from the third party and operating building expenses. Waste disposal is 33 percent of budget compared to 28 percent in BN 21.



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 Advisor* 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.

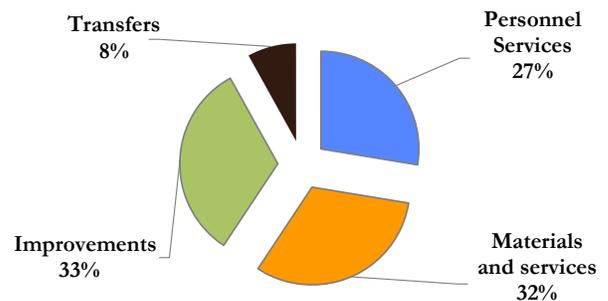
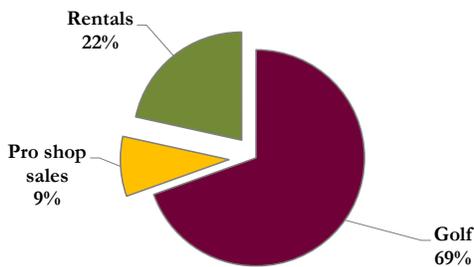
Golf Course Operations Budget

	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Revenue							
Golf	\$ 432,746	\$ 482,753	\$ 1,052,000	\$ 614,500	\$ 612,500	\$ 628,000	\$ 1,240,500
Pro shop sales	95,080	111,515	237,000	143,700	143,500	148,800	292,300
Rentals	173,682	189,537	367,000	226,800	230,000	235,000	465,000
Total revenue	\$ 701,508	\$ 783,805	\$ 1,656,000	\$ 985,000	\$ 986,000	\$ 1,011,800	\$ 1,997,800

	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
	2017-2018	2018-2019					
Expenditures							
Personnel Services	\$ 165,546	\$ 185,057	\$ 416,800	\$ 412,578	\$ 229,900	\$ 247,000	\$ 476,900
Materials and services	212,323	213,688	538,100	495,364	268,300	278,800	547,100
Capital outlay							
Improvements		29,701	1,770,000	1,723,836	463,600	100,000	563,600
Transfers	39,100	31,200	113,800	113,800	73,700	65,500	139,200
Total expenditures	\$ 416,969	\$ 459,647	\$ 2,838,700	\$ 2,745,578	\$ 1,035,500	\$ 691,300	\$ 1,726,800

Budgeted positions (FTEs Course)	1.00	1.00	1.00	1.00	1.00	1.00
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Resources



Requirements



Wastewater Disposal

Executive Summary

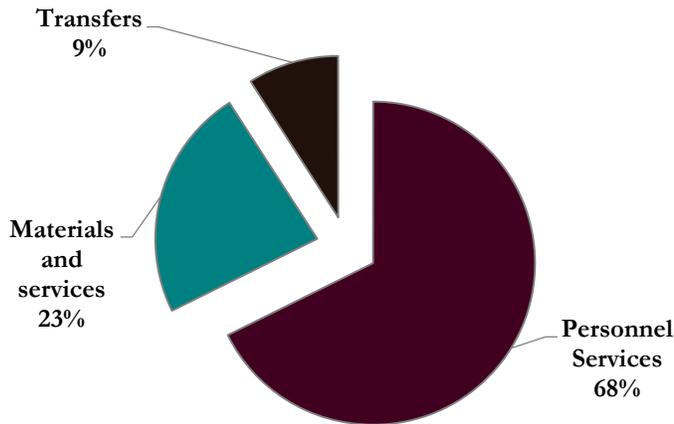
In 1988, the City of Prineville faced fines of up to \$25,000 per day if it did not find a way to dispose of the wastewater being discarded into the Crooked River at the time. Since the City did not possess the capital to construct an expensive mechanical treatment facility, the United States Environmental 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	Actual 2017-2018	Actual 2018-2019	Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Personnel Services	\$ 297,829	\$ 317,146	\$ 681,000	\$ 691,863	\$ 363,300	\$ 390,500	\$ 753,800
Materials and services	99,052	109,612	259,800	237,224	124,400	134,300	258,700
Transfers	32,700	33,300	73,700	73,700	48,800	52,500	101,300
Total expenditures	\$ 429,582	\$ 460,057	\$ 1,014,500	\$ 1,002,787	\$ 536,500	\$ 577,300	\$ 1,113,800
Budgeted positions (FTEs Course)	2.00	2.00	2.00	2.00	2.00	2.00	

Requirements



View of the golf course in a summer 2021 afternoon



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.

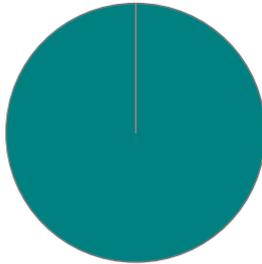
Restaurant Operations Budget

Expenditures	Actual 2017-2018	Actual 2018-2019	Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Personal services	\$ 255,823	\$ 169,181	\$ -	\$ 8	\$ -	\$ -	\$ -
Materials and services	222,907	156,383	68,000	43,912	31,200	35,000	66,200
Transfers	60,700	28,933	-	-	-	-	-
Total expenditures	\$ 539,430	\$ 354,498	\$ 68,000	\$ 43,920	\$ 31,200	\$ 35,000	\$ 66,200

Budgeted positions (FTEs Course)	2.00	2.00	-	-	-	-
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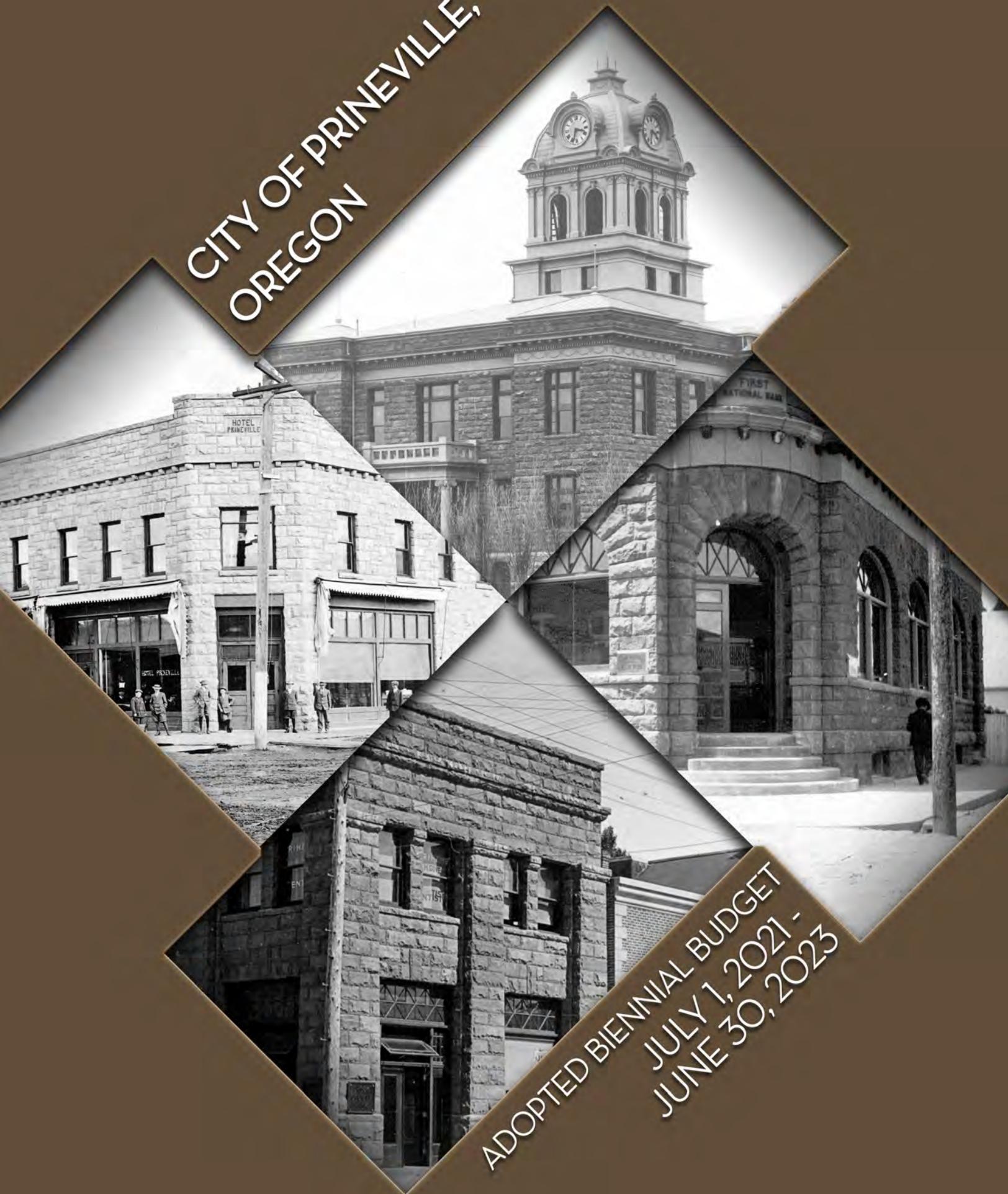
Requirements

Materials and services
100%



Setup for a May 2019 Prineville Police Department banquet at Meadow Lakes

CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023

INTERNAL SERVICE FUNDS

ADMIN. / SUPPORT SERVICES
PUBLIC WORKS SUPPORT SERVICES



BUILDING FACILITIES /
PROPERTY
PLAZA MAINTENANCE

ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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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.

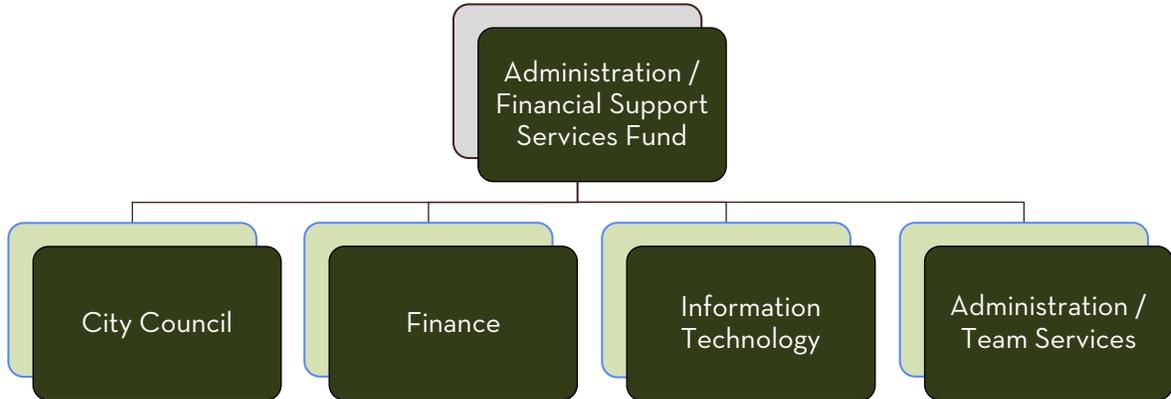


Photo: Jason Chaney/Central Oregonian





Council and staff tour a project site in September 2018

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.

Administration / Financial Support Services Budget

Resources	Actual	Actual	Current	Estimated	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Adopted	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Beginning fund balance	\$ 433,455	\$ 481,714	\$ 452,914	\$ 281,653	\$ 642,949	\$ 534,849	\$ 642,949
Current year resources							
Charges for services	\$ 2,429,400	\$ 2,683,907	\$ 5,319,900	\$ 5,865,052	\$ 2,962,700	\$ 3,132,900	\$ 6,095,600
Intergovernmental				357,754	\$ 100,000		\$ 100,000
Interest	6,392	12,594	20,000	9,159	2,500	2,500	5,000
Trans from other funds			-	400,000			
Total current year resources	\$ 2,435,792	\$ 2,696,501	\$ 5,339,900	\$ 6,631,965	\$ 3,065,200	\$ 3,135,400	\$ 6,200,600
Total resources	\$ 2,869,247	\$ 3,178,215	\$ 5,792,814	\$ 6,913,618	\$ 3,708,149	\$ 3,670,249	\$ 6,843,549
Expenditures	Actual	Actual	Current	Estimated	Adopted	Adopted	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Budget	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
City Council	\$ 80,762	\$ 76,865	\$ 182,100	\$ 178,961	\$ 91,900	\$ 93,400	\$ 185,300
Administration/team services	870,917	801,654	1,614,500	1,768,491	909,600	928,400	1,838,000
Financial services	820,106	1,088,093	1,878,500	1,833,823	1,100,200	1,066,100	2,166,300
Non-departmental	-	-	-	-	-	-	-
Information technology	615,747	929,950	2,083,000	2,489,394	1,071,600	1,122,300	2,193,900
Contingency			34,714	-	534,849	460,049	460,049
Total expenditures	\$ 2,387,533	\$ 2,896,562	\$ 5,792,814	\$ 6,270,669	\$ 3,708,149	\$ 3,670,249	\$ 6,843,549
Ending fund balance	\$ 481,714	\$ 281,653	\$ -	\$ 642,949	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	12.00	11.00	13.00			14.00	
Policy 15% of OB							454,905



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.

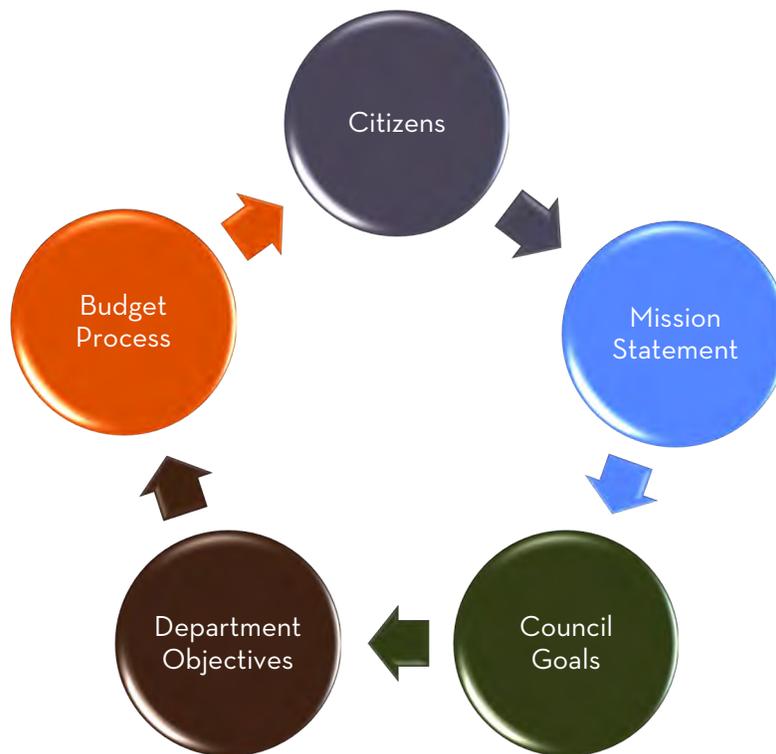
P	Progressive
R	Resilience
I	Innovative
N	Neighborly
E	Efficient
V	Visionary
I	Integrity
L	Livability
L	Leaders
E	Environment



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 1st.

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.

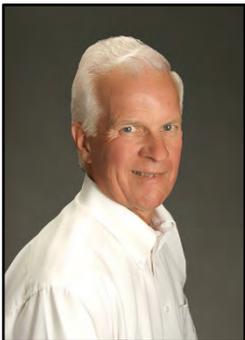
In 2003, Jason enlisted in the Army National Guard. He just recently received an Honorable Discharge after serving 12 years. During his military service, he spent 10 months overseas in Iraq in 2009-2010, based at the Victory Base Complex in Baghdad. When he returned home from Iraq, Jason had a desire 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, 2022

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 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, 2022

Councilor Patricia Jungmann



Patricia Jungmann was born and raised in Longview, Washington. She graduated from the College of Pharmacy at Oregon State University.

Patricia has spent 30 plus years in hospital pharmacy working for several large hospital systems throughout Oregon. She is currently a consulting pharmacist for Partners in Care Hospice in Bend and pharmacy manager for Rite Aid in Prineville. She served on the Oregon State Pharmacy Association Board and is a past president of the Linn-Benton Pharmacist Association.

Patricia believes in serving her community through volunteering. She has a long history of volunteering starting in high school and continuing to this day. Her past/present affiliations include NeighborImpact (board member), the Community Action Foundation of Central Oregon (board member), Volunteers in Medicine – Bend (provider), United Way (Willamette Valley), Salem-Keizer School District, Salem Pop's Orchestra (member), and St. Johns Hospital in Longview, Washington. Patricia was elected to Prineville City Council in 2019.

"My hope is Prineville will stay the quaint town with historical traditions, while forging a future for generations to come. I have put down roots in Prineville and plan to stay for a while. I love Prineville and its people."

Her interests include ballroom dancing, biking, traveling, violin and hiking. Her most important interest is family and friends.

Term Expires: December 31, 2022

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 & 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, Unites States Forest Service 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. Ray ran for city council because "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 Jeff Papke



Jeff Papke originally moved to Central Oregon from Salem in 1998 and now calls Prineville his home. He is a former high school teacher at Crook County High School.

Jeff worked for the national Future Farmers of America Organization in Indianapolis, Indiana from 2005-2010. He was excited to return home to work for Oregon State University and manage the Crook County Open Campus program. In 2013, Jeff was named the Executive Director of the Cascades East Area Health Education Center (CEAHEC). CEAHEC's mission is to improve healthcare in rural central and south central Oregon through healthcare workforce recruitment and training.

"CEAHC allows me to stay connected to the fastest growing industry in Central Oregon, help provide the educational programs needed to fill the current and coming need for workers, and help sustain and grow the economic vitality of rural Oregon communities," says Jeff.

Jeff is married to Christa and has two daughters.

Term Expires: December 31, 2022

Responsibilities to the Community

Seven elected volunteer positions make up the Prineville City Council; one mayor and six councilors. As an elected official, they represent the constituents that voted council members to office. Council members act as the ears and voice of the voters to see that the needs of our citizens both short- and long-term are considered along with a comprehensive pathway forward.

The materials and services budget includes 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 Contribution Committee (City)
- Crooked River Watershed (Environmental)
- Crook County Foundation (Community)
- Deschutes River Conservancy (Environmental)
- Downtown Strategic Planning Committee (City)
- Economic Development of Central Oregon (EDCO) (Regional)
- Energy Facility Siting Commission (State – Governor appointed)
- Finance Committee (City)
- Habitat Conservation Plan – Fish Reintroduction (Regional, state, federal & many stakeholders)
- Ironhorse / Barnes Butte Development Committee (City)
- League of Oregon Cities General Governance and Transportation Committee (State)
- Local Intergovernmental Committee (City, county, schools, parks & 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; façade improvement grant programs for businesses in the downtown area; and many more. Often these other efforts are first reviewed by some of the committees listed above. Façade improvement funds and similar projects are scored by the Downtown Strategic Planning Committee, while others might go through the Community Contribution Committee. Both committees make recommendations for the City Council to consider and vote on.

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 our council as they make decisions for today and the future.

City Council Budget

Expenditures	Actual		Current	Estimated	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Budget 2019-2021	Total Budget 2019-2021	Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Materials and services	\$ 39,062	\$ 33,865	\$ 92,100	\$ 88,961	\$ 46,200	\$ 46,400	\$ 92,600
Transfers	41,700	43,000	90,000	90,000	45,700	47,000	92,700
Total expenditures	\$ 80,762	\$ 76,865	\$ 182,100	\$ 178,961	\$ 91,900	\$ 93,400	\$ 185,300



City staff, local and state officials, members of Facebook and community partners at a September 2018 Facebook ground breaking



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Finance

Mission Statement

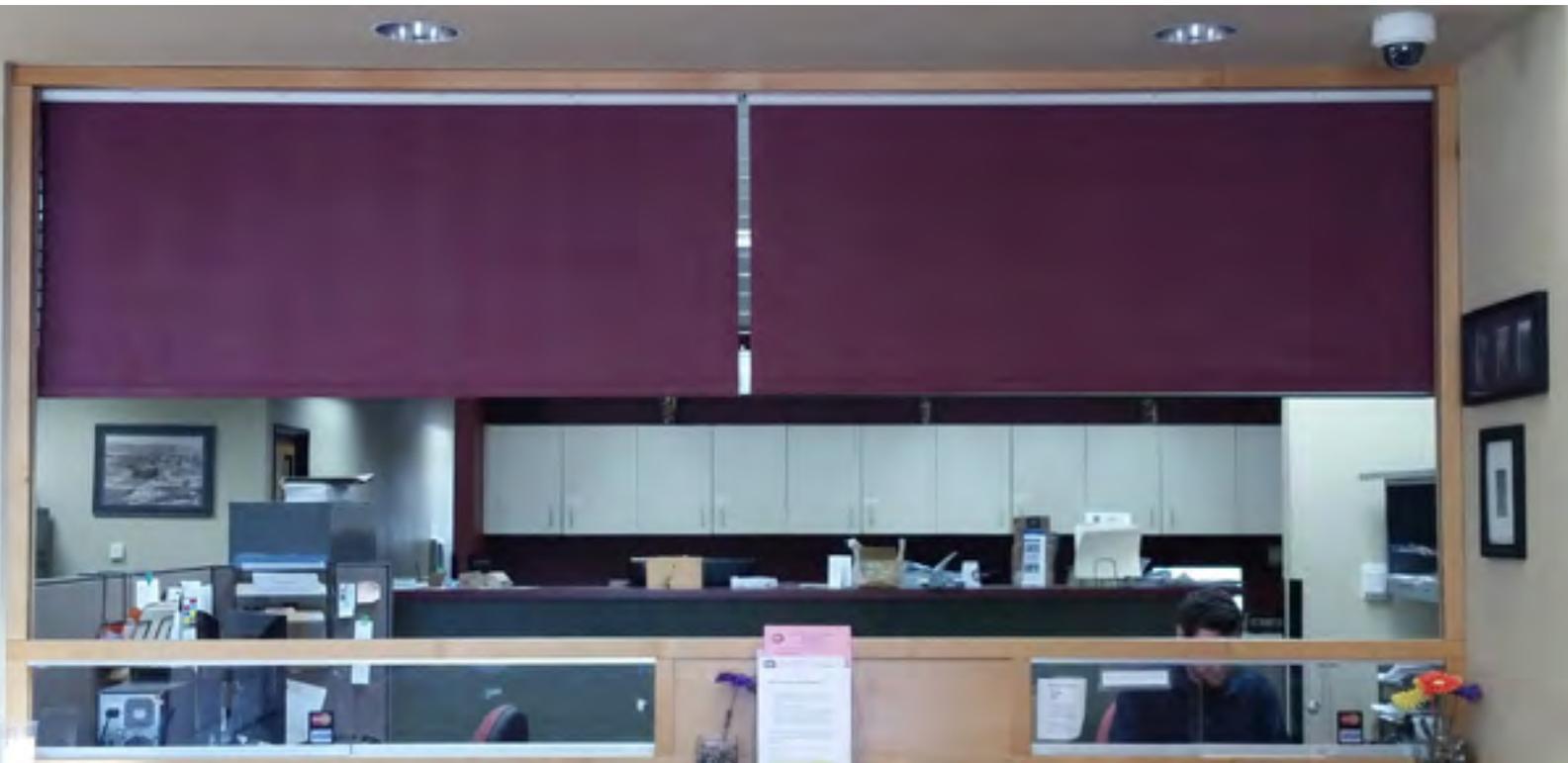
The mission of the City of Prineville finance team is to provide the citizens of the City, its council and all employees, with accurate, timely data, maximize returns on investments, and minimize loss risk. The department strives to achieve its mission in a professional and friendly manner that reflects the integrity of the overall mission of the City.

BN 20 - 21 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
- ❖ Created and implemented a COVID-19 relief program for the City's utility customers
- ❖ Finance team completed trainings including: payroll, accounts receivable and finance officer certifications
- ❖ Implemented centralized employee hours tracking software to help streamline the payroll process.
- ❖ Made improvements to department processes, communications and internal controls
- ❖ Received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA)

Initiatives for BN 22 - 23

- ❖ Implement capital asset tracking software
- ❖ Maintain development and update long-range financial plans for all funds
- ❖ Meet all reserve policy requirements
- ❖ Receive a clean audit from the auditors
- ❖ Work towards earning the capital and performance measure special recognitions with the Distinguished Budget Presentation Award from the GFOA



Department Goals		Council Goals
A	Fiscal health and sustainability	
B	Employee development and continued cross training	
C	Obtain GFOA budget and COA awards	
D	Achieve great customer service to internal and external customers	

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 and COVID-19 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 COVID-19 grants. Over this past year, the Finance Department developed and implemented a COVID-19 relief program for the City’s utility customers who were experiencing financial hardship, updated the internal control manual, and continued staff development through outside trainings.



Finance Director Liz Schuette

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. Implementation of asset management software was delayed due to a change in focus triggered by the economic crisis the COVID-19 pandemic brought on. As operations continue to grow and the demand on the Finance Department increases, the finance team will adapt to the changing environment.

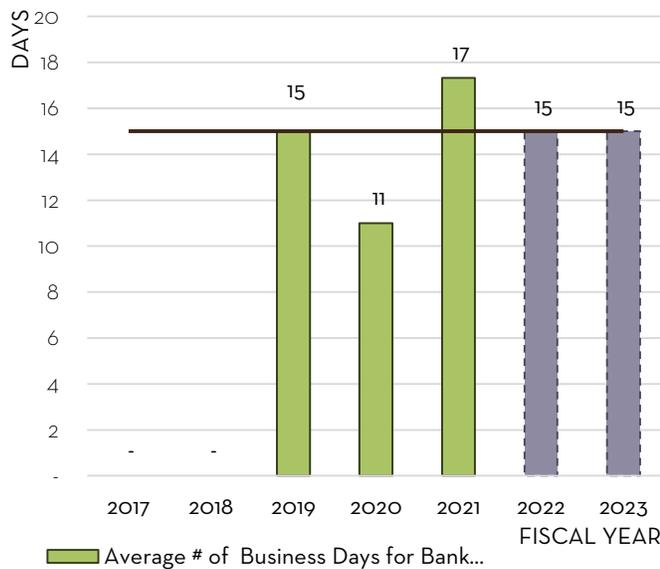
Strategic Planning Updates

- Short-term – Bring focus back to the implementation of the asset management software. 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.

Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workload	Input	Number of Online Payments	+15% Increase	10,538	12,677	14,315	14,650	14,650
	Input	Number of Credit Card Phone Payments	+10% Increase	3,016	3,490	4,723	3,600	3,600
	Output	Annual Accounts Payable Checks/ACH Drafts	+5% Increase	5,274	4,883	4,599	4,500	4,500
	Output	Utility Accounts Opened/Closed	N/A	983	945	968	920	920
A	Efficiency	Average Number of Business Days to Complete All Bank Account Reconciliations	15	15	11	17	15	15
B	Efficiency	Average Annual Training Hours per Employee	20	34	22	21	20	20
C	Effectiveness	Consecutive Years Earning GFOA Distinguished Budget Presentation Award	Previous Year +1	13	14	15	16	17
	Effectiveness	Consecutive Years Earning GFOA Certificate of Achievement for Excellence in Financial Reporting	Previous Year +1	4	5	6	7	8

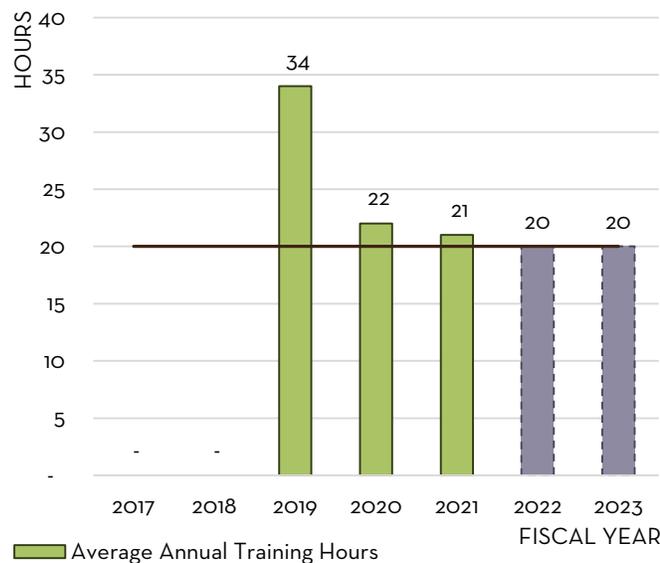
*NM = Not Measured. Measure is new for this year.



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 transaction.

Data before FY 19 is not available as the measure is new for BN 22-23. Metric was not tracked before then.



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.

Data before FY 19 is not available as the measure is new for BN 22-23. Metric was not tracked before then.

Finance Budget

	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	BN 2023	
	2017-2018	2018-2019				Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Expenditures							
Personnel Services	\$ 556,624	\$ 635,193	\$ 1,306,700	\$ 1,327,894	\$ 788,100	\$ 744,500	\$ 1,532,600
Materials and services	227,483	215,800	494,200	428,329	272,800	281,000	553,800
Transfers	36,000	237,100	77,600	77,600	39,300	40,600	79,900
Total expenditures	\$ 820,106	\$ 1,088,093	\$ 1,878,500	\$ 1,833,823	\$ 1,100,200	\$ 1,066,100	\$ 2,166,300
Budgeted positions (FTEs)	6.00	6.00	6.00			7.00	



Finance Director Liz Schuette, Finance Assistant III Jordan Anderson and Accounting Manager Lori Hooper

Did You Know?

The City's debt to total assets ratio is roughly 25 percent. This means that only 25 percent of the historical costs of all the city-owned assets are currently leveraged with long-term debt.



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 20 - 21 Accomplishments

- ❖ Completed desktop and mobile computer replacements to comply with Windows 7 obsolescence
- ❖ Installed two 700/800 MHz radio sites for migration to new public safety radio system
- ❖ Managed construction and relocation of 911 center and police department into new facility
- ❖ Responded to the COVID-19 pandemic by deploying work from home solutions, migrating the 911 center to a backup location, providing for video conferencing and public meeting live-streaming, and increasing technology capabilities to support users working in different ways
- ❖ Provided technology support services for relocation of the Crook County Emergency Operations Center and backup 9-1-1 center

Initiatives for BN 22 - 23

- ❖ Expand dark fiber network to additional sites and add redundancy
- ❖ Migrate virtual services to a new hyper converged solution
- ❖ Replace end-of-life end user equipment
- ❖ Transition to 700/800 MHz radio system for countywide first responders
- ❖ Upgrade the 911 center's 24-hour recording equipment



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.



IT getting the new public safety facility ready for move in day

Executive Summary

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 22-23. 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. This department 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.

The City of Prineville IT staff also supports the Crook County Sheriff Department, Crook County Parole and Probation and Crook County Fire and Rescue.



Tower work in progress at the Grizzly Mountain radio site

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.

Capital Outlay

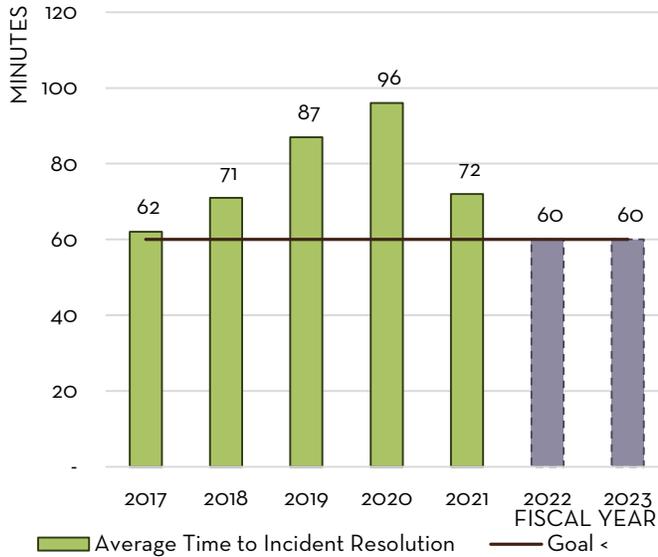
Capital Outlay Overview		
Project	Budgeted Amount FY 22	Budgeted Amount FY 23
Technology	\$ 35,000	\$ 35,000
Capital Outlay Total	\$ 35,000	\$ 35,000

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 103.

Performance Measures

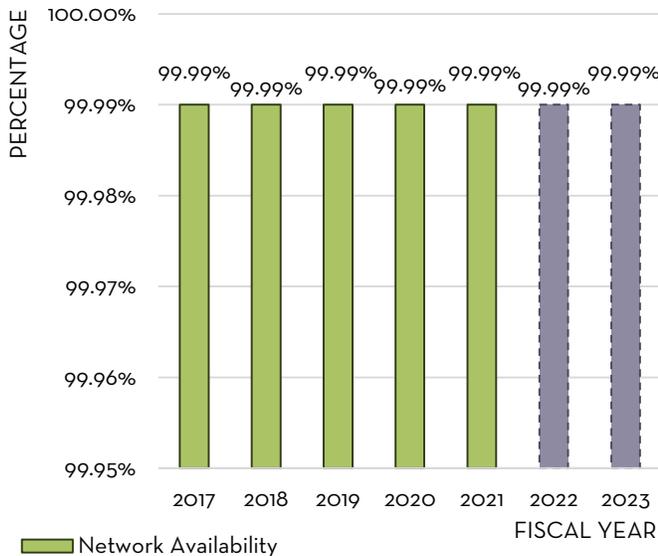
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Output	Network Availability Percentage	N/A	99.99%	99.99%	99.99%	99.99%	99.99%
	Input	Production Incidents	N/A	7	4	6	-	-
A	Efficiency	FTE Supported per IT Staff Member*	30	74.6	56.0	56.3	57.3	57.3
	Efficiency	Average Time to Incident Resolution in Minutes	< 60	87	96	72	60	60

*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 measure 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.

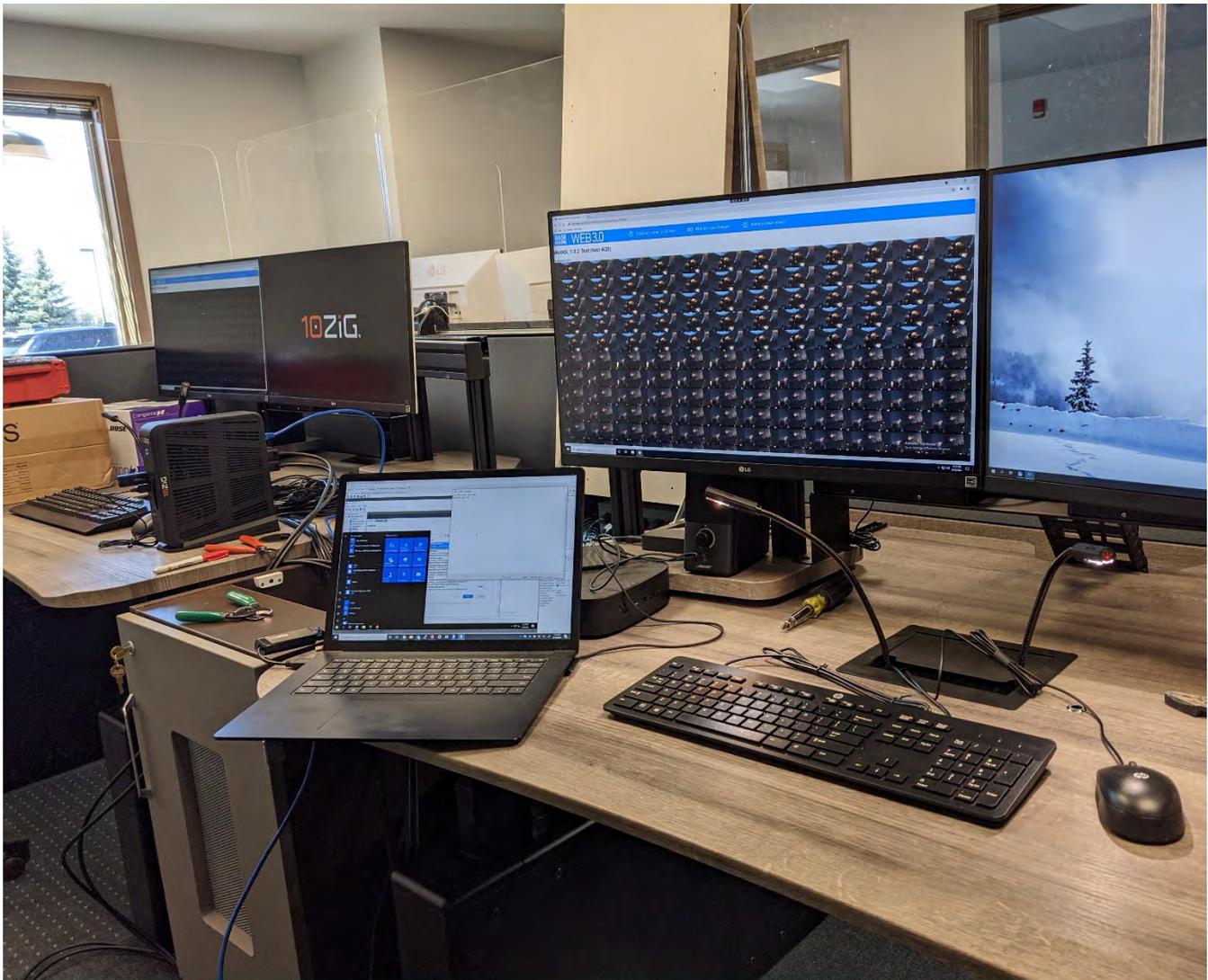


Network Availability

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

	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	BN 2023	
	2017-2018	2018-2019				Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Expenditures							
Personnel Services	\$ 220,777	\$ 248,988	\$ 713,000	\$ 794,016	\$ 460,800	\$ 500,700	\$ 961,500
Materials and services	317,456	609,985	1,174,100	1,547,422	535,100	545,400	1,080,500
Capital outlay							
Equipment	63,314	56,277	115,000	88,132	35,000	35,000	70,000
Debt service			-	-			
Capital lease			-	-			
Debt Service			50,000	28,924	25,000	25,000	50,000
Transfers	14,200	14,700	30,900	30,900	15,700	16,200	31,900
Total expenditures	\$ 615,747	\$ 929,950	\$ 2,083,000	\$ 2,489,394	\$ 1,071,600	\$ 1,122,300	\$ 2,193,900
Budgeted positions (FTEs)	2.00	2.00	3.00			4.00	



Setting up new workstations in May 21 for the offices at the new public safety facility



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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 20 - 21 Accomplishments

- ❖ Completed personal protective equipment hazard assessment and certification for the railroad facilities and operations
- ❖ Implemented COVID-19 temporary policies in response to Oregon Occupational Safety & Health Administration policies and emergency orders
- ❖ Implemented an automated onboarding process for full-time new hires
- ❖ Provided hiring managers NeoGov software training to improve the recruiting process
- ❖ Replaced paper human resource (HR) forms with fillable online forms used through the City's website
- ❖ Began Diversity, Equality, and Inclusion training and invested in 4 additional future trainings

Initiatives for BN 22 - 23

- ❖ 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



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 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, 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, 2021, state unemployment insurance rate remains the same at 0.1 percent since 2018. 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 22-23. 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 is joining efforts with Citycounty Insurance Services (CIS) effective at renewal time in July.

The City works with team members to be safety 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.

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 this year. However, CIS announced this year they decided to cover these increases with their reserves to keep premium increases for cities to a minimum.

Strategic Planning Updates

- Short-term – Pursuing funding options to aid in the support, recovery and healing of our businesses, families and community impacts of COVID-19.
- Long-term – Remain proactive in identifying and evaluating potential risks to the City, its employees and its citizens, adjusting accordingly as needed.



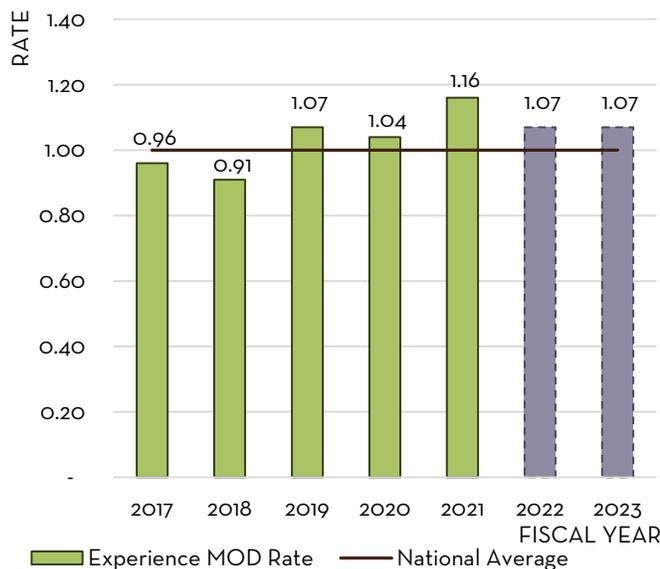
City employee December 2018 holiday party at Meadow Lakes

Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workloads	Input	Workers' Compensation Claims*	N/A	5	14	11	5	5
	Input	Property, Casualty and General Liability Claims	N/A	10	12	8	8	8
	Input	Time Loss Claims	N/A	1	1	11	1	1
	Output	FTE Job Candidates Hired	N/A	10	9	11	3	3
	Output	Annual Safety Training Hours	N/A	804	804	898	800	800
	Output	Requests for Public Records Processed	N/A	11	15	7	13	13
	Output	City Policies Updated	N/A	5	14	3	13	13
D	Efficiency	Candidate Applications Reviewed per Requisition	≤ Previous Year	1:17	1:20	1:13	1:23	1:23
E	Efficiency	Experience Modification Rate	< 1.0	1.07	1.04	1.16	1.07	1.07
E	Efficiency	Average Cost of Property, Casualty and General Liability Claim Per Annual Claims	-	\$ 14,000	\$ 9,918	\$ 7,671	\$ 15,000	\$ 15,000
E	Efficiency	Average Number of Time Loss Days per Claim	-	1.00	5.00	3.55	1.00	1.00
E	Efficiency	Annual Safety Training Hours per FTE	12.0	11.5	11.0	12.29	10.5	10.5
F	Efficiency	Workers' Compensation Claim Percentage per FTE	-	7%	19%	15%	7%	7%
F	Efficiency	Average Cost of Workers' Compensation Claim Per Claim	-	\$ 2,733	\$ 5,030	\$ 1,190	\$ 6,000	\$ 6,000

*Seven workers' compensation claims in FY 20 were related to COVID-19

*Seven workers' compensation claims in FY 21 were related to COVID-19



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 1.07. 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 is expected to fractionally increase, with an eye kept on decreasing them back to low levels last seen in 2016. Claims related to COVID-19 doubled the overall workers' compensation filings in the last biennium, another influence in the expected rise in rates. 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

After a major claim event in 2015, the City's average annual cost per claim dropped significantly to levels last seen in 2011 before spiking in 2018. The department estimates the lower per claim cost trend since the sharp 2018 increase will break in BN 22-23 at the recommendation of the City's insurance agent, even though the cost per claim is in a downward trend. Nationwide claim amounts are expected to rise, driven by an increase in filings related to public safety matters. In turn, this influences the types of claims estimated. Though the City was fortunate to record two consecutive years of low claim numbers in 2013 and 2014, the average over the last 10 years is seven, a figure the City believes will increase by a small factor in the biennium but hopes will decrease again over time.

Administration / Team Services Budget

Expenditures	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Personnel Services	\$ 572,303	\$ 476,000	\$ 947,200	\$ 1,024,666	\$ 512,500	\$ 543,000	\$ 1,055,500
Materials and services	264,314	290,254	593,200	669,725	359,500	346,700	706,200
Transfers	34,300	35,400	74,100	74,100	37,600	38,700	76,300
Total expenditures	\$ 870,917	\$ 801,654	\$ 1,614,500	\$ 1,768,491	\$ 909,600	\$ 928,400	\$ 1,838,000
Budgeted positions (FTEs)	4.00	4.00	3.00	3.00	3.00	3.00	



City Manager Steve Forrester at the Facebook ground breaking for a new building announced in September 2018



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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 other City departments, balanced through efforts to maintain a cost effective operation and to provide these services in a responsible and efficient manner.

BN 20 - 21 Accomplishments

- ❖ Increased water and wastewater certifications of existing employees, utilizing opportunities presented to public works staff to attend continuing education courses associated with preparation of certification exams in FY 16
- ❖ Updated the City water and wastewater rate structure
- ❖ Led the design and construction of several very large capital projects in the system development charge (SDC) funds while managing the utility departments

Initiatives for BN 22 - 23

- ❖ 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



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.



Heavy machines become snow clearing tools when a large storm in February 2019 calls for all hands on deck

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 22	Budgeted Amount FY 23
Truck with Utility Bed	\$ 50,000	\$ 50,000
Backhoe	\$ 135,000	\$ -
Small Sander	\$ 50,000	\$ -
Auto Lift	\$ 20,000	\$ -
Street Sweeper	\$ 183,300	\$ -
Dump Truck	\$ -	\$ 180,000
Capital Outlay Total	\$ 438,300	\$ 230,000

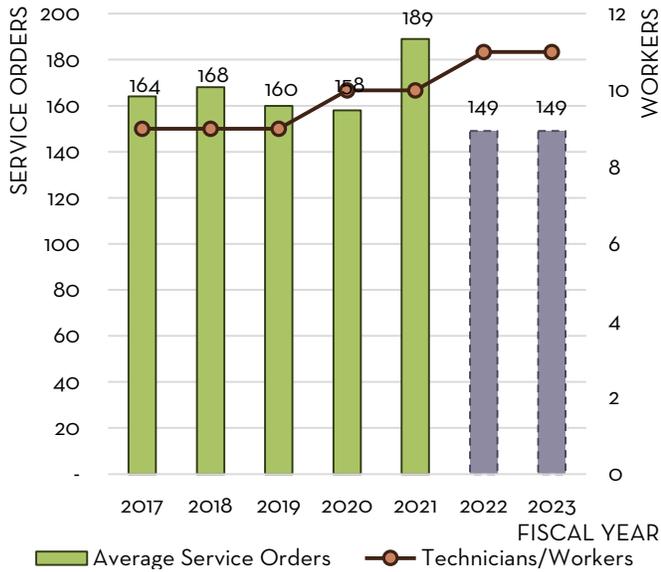
A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 103.



Old scraps turned into gravel in September 2019 for use at the wastewater treatment plant

Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Workload	Input	Technicians/Workers	N/A	9	10	10	11	11
	Output	Utility Service Orders Generated	N/A	1,437	1,577	1,893	1,636	1,636
D	Efficiency	Average Service Orders per Employee	< 175	160	158	189	149	149



Average Service Orders per Worker

One of many duties of the workers and technicians of the Public Works Department is support of the base of water and wastewater customers within the city. Requests for service can 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 acts as the first point of contact for utility billing. Service orders act as a metric to measure the workload versus the number of staff available, while still keeping in mind the various tasks the Public Works employees support in other departments. Service order outputs held in FY 20, even with an additional employee hired, but COVID-19 required changes in processes that caused service orders to spike in FY 21. In the biennium, the average number of service orders is expected to drop back down with the addition of another utility worker.



Street scrap cleanup at the Wastewater Treatment Plant in September 2019

Public Works Support Services Budget

Resources	Actual 2017-2018	Actual 2018-2019	Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	BN 2023 Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Beginning fund balance	\$ 302,675	\$ 267,033	\$ 174,933	\$ 183,109	\$ 208,638	\$ 370,738	\$ 208,638
Current year resources							
Intergovernmental	\$ -	\$ -	\$ 236,000	\$ 114,517	\$ 110,000	\$ 110,000	\$ 220,000
Charges for services	1,690,800	1,829,062	4,000,500	4,071,500	2,308,300	2,332,300	4,640,600
Interest	3,420	3,933	7,000	4,927	1,200	1,200	2,400
Miscellaneous	7,294	-	36,000	10,896	7,000	7,000	14,000
Debt Proceeds	-	-			183,300		183,300
Total current year resources	\$ 1,701,514	\$ 1,832,995	\$ 4,279,500	\$ 4,201,840	\$ 2,609,800	\$ 2,450,500	\$ 5,060,300
Total resources	\$ 2,004,189	\$ 2,100,028	\$ 4,454,433	\$ 4,384,949	\$ 2,818,438	\$ 2,821,238	\$ 5,268,938
Expenditures	Actual 2018-2019	Actual 2018-2019	Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Public Works Support Services	\$ 1,396,354	\$ 1,569,163	\$ 3,527,000	\$ 3,474,909	\$ 1,850,900	\$ 1,954,100	\$ 3,805,000
Public Works Fleet & Vehicles	340,802	347,755	636,600	701,402	596,800	428,400	1,025,200
Public Works Facilities	-	-					
Contingency			290,833		370,738	438,738	438,738
Total expenditures	\$ 1,737,156	\$ 1,916,918	\$ 4,454,433	\$ 4,176,311	\$ 2,818,438	\$ 2,821,238	\$ 5,268,938
Ending fund balance	\$ 267,033	\$ 183,109	\$ -	\$ 208,638	\$ -	\$ -	
Budgeted positions (FTEs)	12.00	12.00	13.00	13.00	14.00	14.00	
Policy 15% Operating budget							313,965



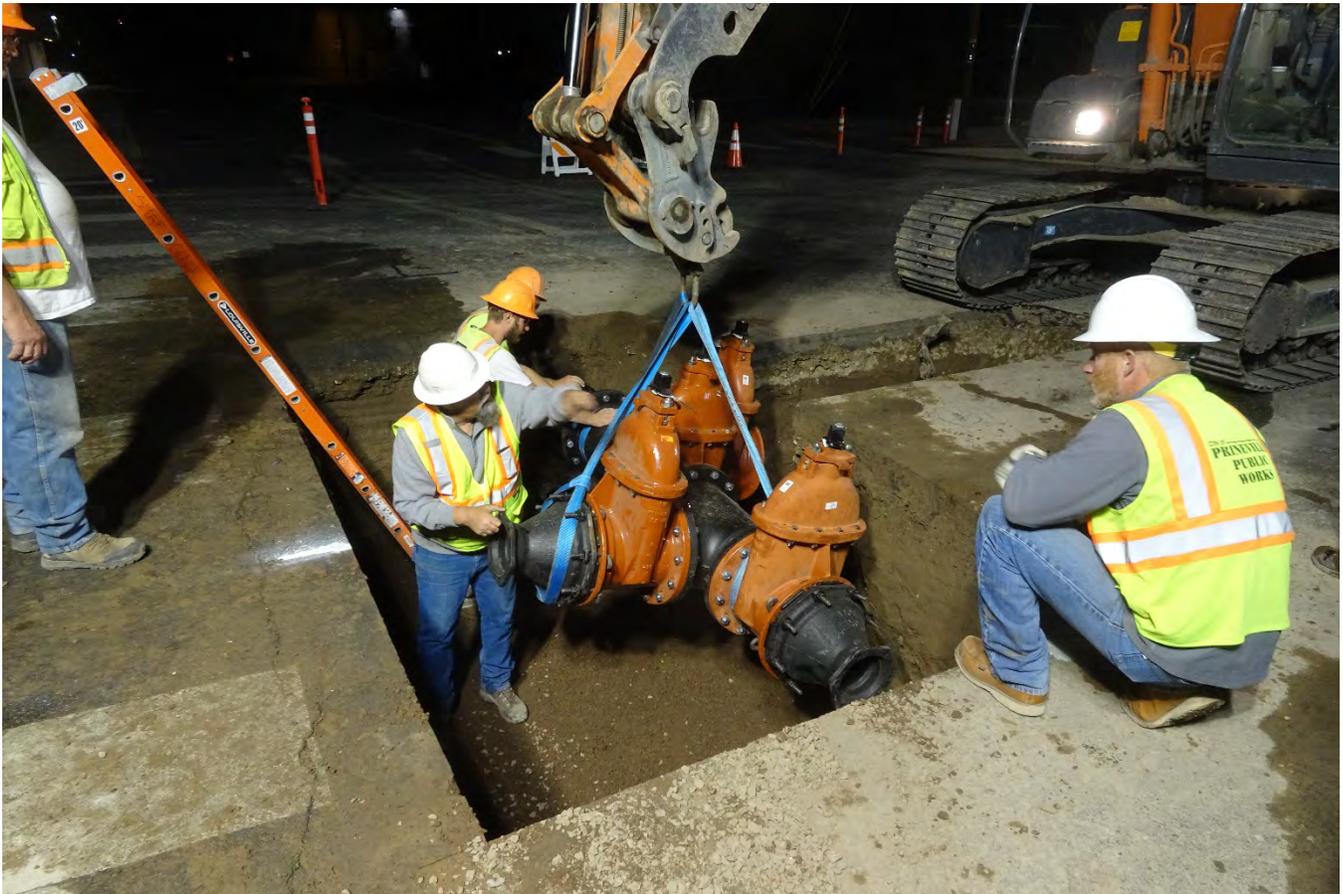
Crook County Commissioner Brian Barney, City Engineer/Public Works Director Eric Klann and City Manager Steve Forrester at the American Council of Engineering Companies awards in Washington D.C.

Public Work Support Services Budget

Expenditures	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Personnel Services	\$ 1,310,097	\$ 1,482,104	\$ 2,709,574	\$ 3,287,173	\$ 1,751,400	\$ 1,849,400	\$ 3,600,800
Materials and services	37,356	36,759	73,910	82,136	45,300	45,300	90,600
Transfers	48,900	50,300	97,900	100,600	54,200	59,400	113,600
Total expenditures	\$ 1,396,354	\$ 1,569,163	\$ 2,881,384	\$ 3,469,909	\$ 1,850,900	\$ 1,954,100	\$ 3,805,000

Fleet Maintenance and Operations Budget

Expenditures	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Material and services	\$ 127,715	\$ 131,136	\$ 131,000	\$ 131,000	\$ 158,500	\$ 158,500	\$ 317,000
Capital outlay	179,630	182,669	180,000	183,000	438,300	230,000	668,300
Debt service							
Capital lease - Sweeper 2016	33,458	33,952	34,500	34,500	-	39,900	39,900
Total expenditures	\$ 340,802	\$ 347,755	\$ 345,500	\$ 348,500	\$ 596,800	\$ 428,400	\$ 1,025,200



Public Works staff works into the night to install new parts of the water line extension for the Crook County Jail in September 2017.



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.

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 recently purchased a new building 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 FY 21.

The City of Prineville Public Works Facility is located at 1233 NW Lamonta Road. 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 22	Budgeted Amount FY 23
City Hall	\$ 9,900	\$ 5,000
Police Facility	\$ 45,000	\$ -
Barnes Butte	\$ 477,600	\$ 50,000
Capital Outlay Total	\$ 532,500	\$ 55,000

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 103.

Building Facilities / Property Fund Budget

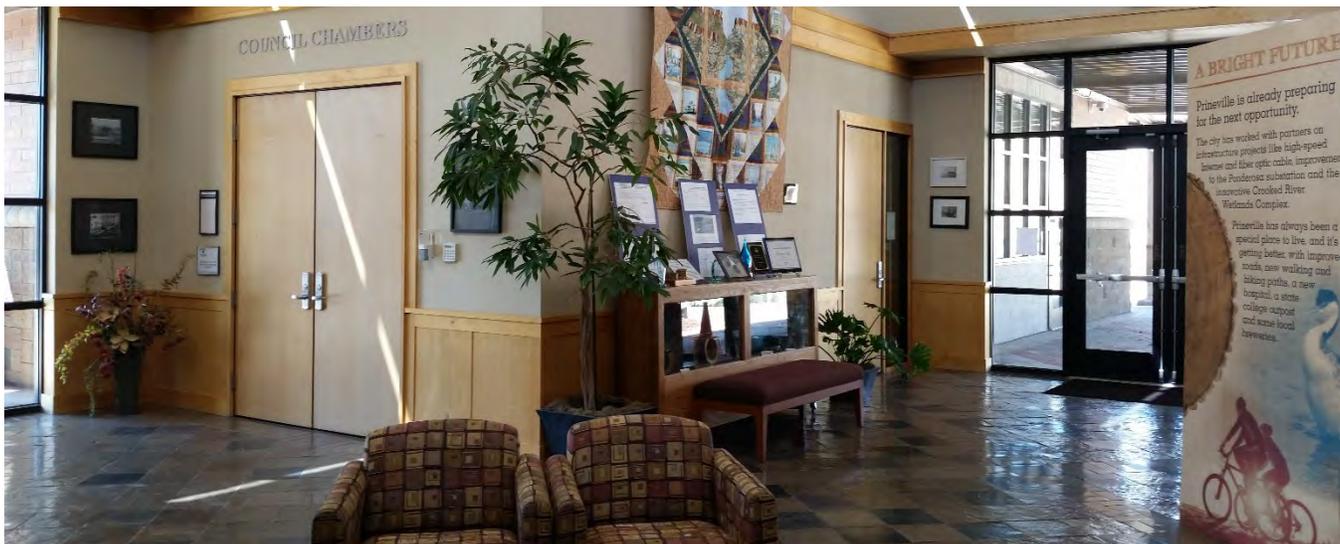
					BN 2023		
	Actual 2017-2018	Actual 2018-2019			Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022
Resources							
Beginning fund balance	\$ 249,058	\$ 245,508	\$ 2,871,408	\$ 3,117,775	\$ 362,428	\$ 577,928	\$ 362,428
Current year resources							
Rent and royalties	\$ 198,700	\$ 204,900	\$ 438,000	\$ 438,100	\$ 217,600	\$ 233,700	\$ 451,300
Intergovernmental	-	200,161	1,575,300	1,860,508	377,600	-	377,600
Interest	3,119	73,513	70,000	79,708	5,000	5,000	10,000
Miscellaneous	15,759		10,000	178,533	5,000	5,000	10,000
Transfers	177,600	890,500	1,211,300	560,800	1,134,800	860,900	1,995,700
Debt Proceeds	1,208,000	4,000,000	5,958,000	5,958,000	-	-	-
Total current year resources	\$ 1,603,178	\$ 5,369,074	\$ 9,262,600	\$ 9,075,649	\$ 1,740,000	\$ 1,104,600	\$ 2,844,600
Total resources	\$ 1,852,236	\$ 5,614,582	\$ 12,134,008	\$ 12,193,424	\$ 2,102,428	\$ 1,682,528	\$ 3,207,028
Expenditures							
City Hall Facilities	\$ 1,488,273	\$ 178,802	\$ 512,300	\$ 441,008	\$ 294,000	\$ 246,800	\$ 540,800
Police Facilities	77,772	2,063,682	9,051,100	9,556,438	587,700	555,100	1,142,800
Public Works Facilities	40,683	33,373	85,000	84,939	36,500	36,500	73,000
Barnes Butte Property	-	86,197	361,200	369,188	606,300	181,900	788,200
Senior Center	-	134,753	1,515,300	1,379,423	-	-	-
Contingency			371,208		35,628	119,928	119,928
Total expenditures	\$ 1,606,728	\$ 2,496,807	\$ 11,896,108	\$ 11,830,996	\$ 1,560,128	\$ 1,140,228	\$ 2,664,728
Other requirements							
Debt Reserve City Hall Facilities	\$ -	\$ -	\$ 112,900		\$ 112,900	\$ 112,900	\$ 112,900
Debt Reserve Police Facility			\$ 125,000		380,400	380,400	380,400
Debt Reserve Barnes Butte Property			\$ -		49,000	49,000	49,000
Ending fund balance	\$ 245,508	\$ 3,117,775	\$ -	\$ 362,428	\$ -	\$ -	\$ -
Policy 15% Operating budget						60,195	
Debt service reserves						542,300	
Total Policy						602,495	



The front of the Prineville's city hall building as seen from across NE 3rd St.

City Hall Facilities

Expenditures	Actual	Actual	Current	Estimated	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Budget	Total Budget	Budget	Budget	Total Budget
			2019-2021	2019-2021	2021-2022	2022-2023	2022-2023
Materials and services	\$ 84,379	\$ 64,539	\$ 250,000	\$ 203,552	\$ 162,000	\$ 119,000	\$ 281,000
Debt service							
Capital Outlay			15,000	5,127	9,900	5,000	14,900
Principal							
USDA - 2017	1,349,346	67,000	166,000	166,000	86,000	89,000	175,000
Interest							
USDA - 2017	44,548	41,873	58,800	55,877	26,100	23,800	49,900
Transfers	10,000	5,389	22,500	22,461	10,000	10,000	20,000
Total expenditures	\$ 1,488,273	\$ 178,802	\$ 512,300	\$ 453,017	\$ 294,000	\$ 246,800	\$ 540,800



Prineville City Hall lobby in May 2019



The former Police Department and Dispatch Center in 2019

Police Facilities Budget

Expenditures	Actual		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Material and services	\$ 77,772	\$ 90,873	\$ 217,200	\$ 217,168	\$ 162,300	\$ 162,600	\$ 324,900
Capital outlay	-	1,636,858	4,607,700	5,113,142	45,000	-	45,000
Debt service							
Principal							
Commerce Bank - 2018		260,000	3,997,200	4,014,000	282,000	299,000	581,000
Interest							
Commerce Bank - 2018		75,950	229,000	212,128	98,400	93,500	191,900
Total expenditures	\$ 77,772	\$ 2,063,682	\$ 9,051,100	\$ 9,556,438	\$ 587,700	\$ 555,100	\$ 1,142,800



The City purchased a pre-existing two-story building for future housing of the Prineville Police Department and Dispatch Center. Both departments completed moving into the renovated building located at 1251 NE Elm St. in May 2021 (pictured above).

Public Work Facilities

Expenditures	Actual	Actual	Adopted	Adjusted	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Total Budget 2019-2021	Total Budget 2019-2021	Budget 2021-2022	Budget 2022-2023	Total Budget 2022-2023
Material and services	\$ 40,683	\$ 33,373	\$ 85,000	\$ 84,939	\$ 36,500	\$ 36,500	\$ 73,000
Capital outlay	-	-					
Total expenditures	\$ 40,683	\$ 33,373	\$ 85,000	\$ 84,939	\$ 36,500	\$ 36,500	\$ 73,000



Winter melt off at the Public Works offices in January 2017

Barnes Butte Property

Expenditures	Actual	Actual	Current	Adjusted	Adopted	BN 2023	Adopted
	2017-2018	2018-2019	Budget 2019-2021	Total Budget 2019-2021	Budget 2021-2022	Budget 2022-2023	Total Budget 2022-2023
Material and services	\$ -	\$ 2,577	\$ 12,600	\$ 25,843	\$ 23,000	\$ 23,000	\$ 46,000
Capital outlay		35,012	187,000	246,037	477,600	\$ 50,000	\$ 527,600
Debt Service							
Principal							
BOTC - 2017		29,765	54,800	58,925	33,600	34,700	\$ 68,300
Interest							
BOTC - 2017		18,843	42,600	38,382	15,100	14,000	\$ 29,100
Transfer to other funds					57,000	60,200	\$ 117,200
Total expenditures	\$ -	\$ 86,197	\$ 297,000	369,188	\$ 606,300	\$ 181,900	\$ 788,200



A view over the Barnes Butte Recreation Area in April 2021



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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		Current Budget 2019-2021	Estimated Total Budget 2019-2021	BN 2023		
	2017-2018	2018-2019			Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
	\$ 28,705	\$ 41,518	\$ 36,318	\$ 37,077	\$ 25,402	\$ 14,602	\$ 25,402
Current year resources							
Intergovernmental	\$ 20,000	\$ 4,242	\$ 22,500	\$ 10,452	\$ 10,000	\$ 10,000	\$ 20,000
Miscellaneous	-	918	-	-	-	-	-
Interest	357	1,021	2,000	1,273	200	200	400
Transfers	10,000	4,241	22,500	10,452	10,000	10,000	20,000
Total current year resources	\$ 30,357	\$ 10,422	\$ 47,000	\$ 22,177	\$ 20,200	\$ 20,200	\$ 40,400
Total resources	\$ 59,062	\$ 51,940	\$ 83,318	\$ 59,254	\$ 45,602	\$ 34,802	\$ 65,802
Expenditures	Actual 2018-2019	Actual Budget 2019-2020	Current Budget 2019-2021	Estimated Total Budget 2019-2021	Adopted Budget 2021-2022	Adopted Budget 2022-2023	Adopted Total Budget 2022-2023
Materials and services	\$ 13,844	\$ 11,163	\$ 43,000	\$ 30,352	\$ 29,000	\$ 14,000	\$ 43,000
Transfers	3,700	3,700	4,000	3,500	2,000	2,000	4,000
Contingency			36,318		14,602	18,802	18,802
Total expenditures	\$ 17,544	\$ 14,863	\$ 83,318	\$ 33,852	\$ 45,602	\$ 34,802	\$ 65,802
Ending fund balance	\$ 41,518	\$ 37,077	\$ -	\$ 25,402	\$ -	\$ -	\$ -
Policy 15% Operating budget						\$ 2,100	



New roundabout artwork on display in the plaza as seen on a sunny May 2021 day



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CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023

GLOSSARY



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023



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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

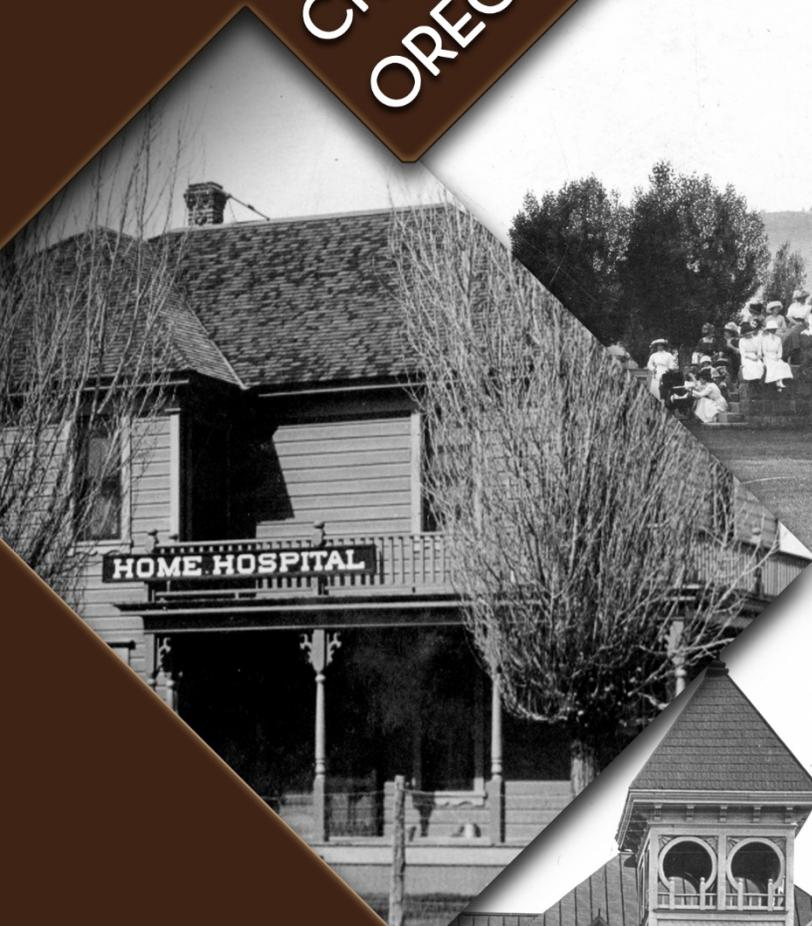
ACMP Advisory Community for Master Planning
ADA Americans with Disabilities Act
AIPUE Airport Industrial Park Utility Extension
APA American Planning Association
APCO Association of Public Safety Communications Officials
ARRA American Recovery and Reinvestment Act
ATV All-Terrain Vehicle
AV Assessed 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
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
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
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
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 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

CITY OF PRINEVILLE,
OREGON



ADOPTED BIENNIAL BUDGET
JULY 1, 2021 -
JUNE 30, 2023