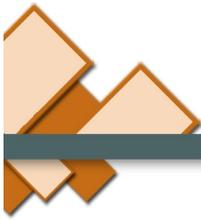


CITY OF PRINEVILLE,
OREGON



BUDGET IN BRIEF
JULY 1, 2019 -
JUNE 30, 2021



Budget in Brief BN 2020-2021

City of Prineville, Oregon

City Council Members

Mayor Steve Uffelman
Jason Beebe
Janet Hutchison
Patricia Jungmann
Gail Merritt
Jeff Papke
Teresa Rodriguez

Citizen Budget Committee Members

Marty Bailey
Casey Daly
Caroline Ervin
Henry Hartley
Greg Munn
Bruce Peet
Dr. Paul Slater

City Staff

Steve Forrester - City Manager
Kelly Coffelt - Airport Manager
Dale Cummins - Police Chief
Eric Klann - Public Works Director / City Engineer
Zach Lampert - Head Golf Pro / Facility Manager
Darla Rhoden - Human Resource Director
Lizbeth Schuette - Finance Director
Josh Smith - Planning Director
Matt Wiederholt - Railroad General Manager
James Wilson - IT Director

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

Citizens of the City of Prineville,

On behalf of the City staff and leadership team, we present to you the biennial 2020-2021 budget for the City of Prineville.

The total balanced budget for next biennium 2020-2021 is \$84,823,512. The General Fund portion of the budget is \$15,410,486, with capital spending at \$24,000,000.

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

The City of Prineville's budget for 2020-2021 continues to gain in financial strength and stability, while providing our customers with essential City services. We are proactively identifying challenges and developing solutions to position our community for future success.

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

Sincerely,



Steve Forrester



City Manager Steve Forrester



Mayor Steve Uffelman

Councilor Jason Beebe

Councilor Janet Hutchison

Councilor Patricia Jungmann

Councilor Gail Merritt



Councilor Jeff Papke

Councilor Teresa Rodriguez

Mission Statement

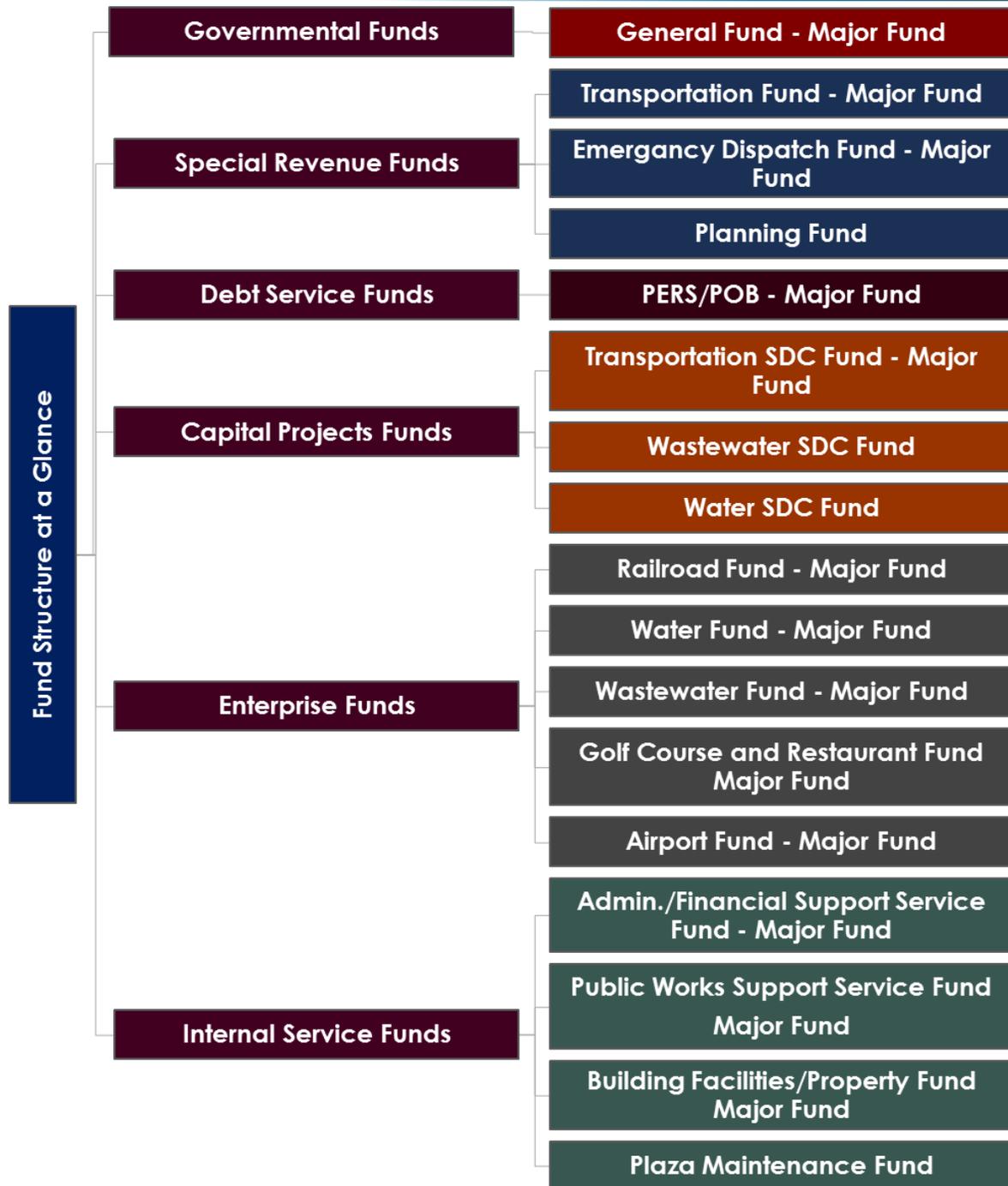
Adopted February 9, 2016

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

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

Beginning in fiscal year 2020, the City of Prineville began a biennial budget process. Budget totals, revenues and expenditures by fund, and amounts shown by type of expenditure are shown for a two year period, beginning July 1, 2019 through June 30, 2021 (BN 20-21). This process will allow for more effective use of staff time to focus on long-range strategic planning and modeling, processes and policy.

Fund Structure



The City's fund structure includes six different fund types and 17 funds. All funds in the fund structure are appropriated funds in the BN 20-21 budget.

City Council Goals



Fiscal Responsibility

Explanation of the Goal

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



Provide Quality Municipal Services and Programs

Explanation of the Goal

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



Transparency and Effective Communication

Explanation of the Goal

The City of Prineville and its council serve the citizens of its community. Transparency and open communication are necessary in all the City does to inform the taxpayers of its ability to deliver services and manage public assets. Transparency can be accomplished through effective communication which enhances public relations and retains community trust.



Position City for the Future

Explanation of the Goal

In order to best serve the citizens of Prineville, the City must position itself for the future. Looking forward and anticipating the community's needs in growth, services and infrastructure and then positioning the city to meet these needs is the objective.

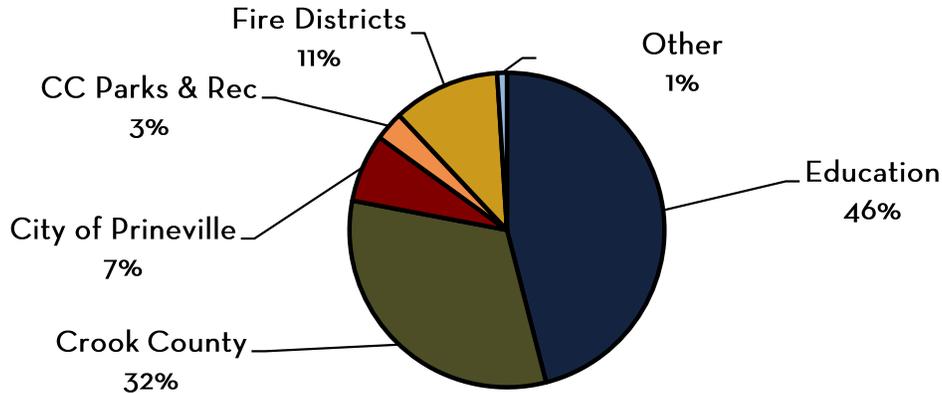


Community Safety

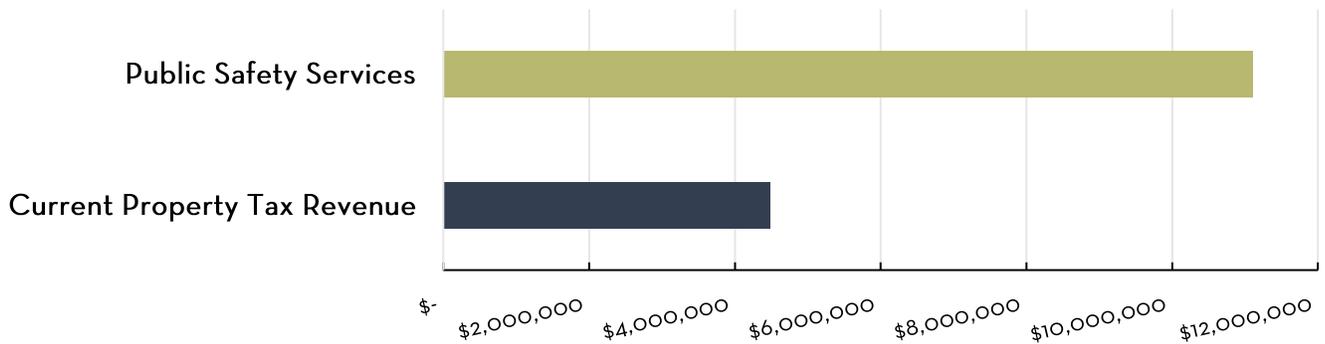
Explanation of the Goal

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

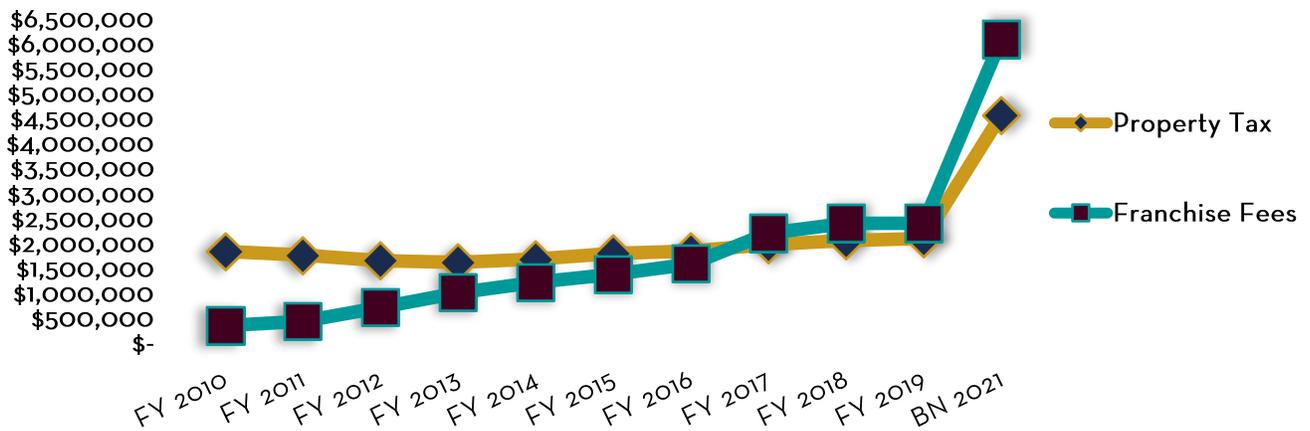
Where Do My Property Taxes Go?



Seven percent of your property tax dollars go to the City of Prineville. The City's current property tax revenue is projected to be \$4.49 million for the biennium 2020-2021 budget, which funds approximately 40 percent of the \$11.1 million public safety budget.

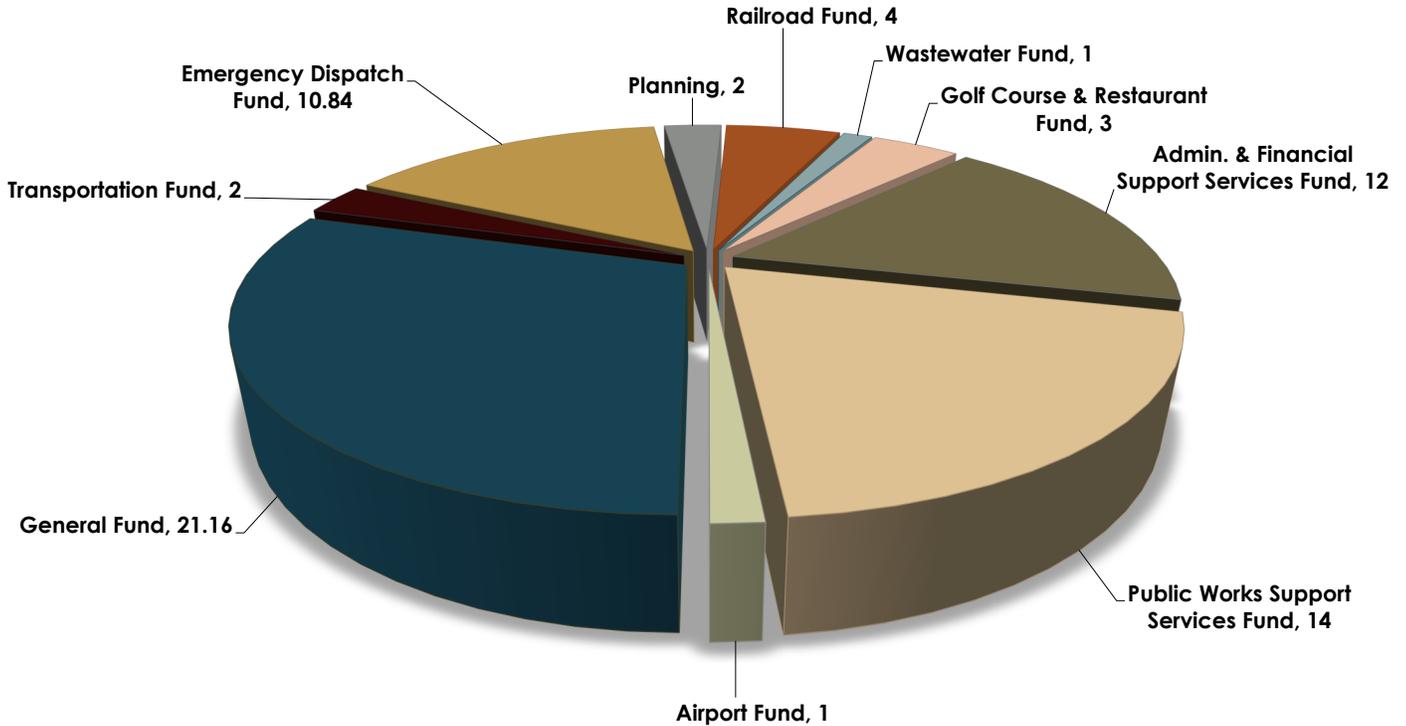


The remaining funding needed to pay for public safety services comes from franchise fees, intergovernmental sources, transient room taxes, and other fees and charges.



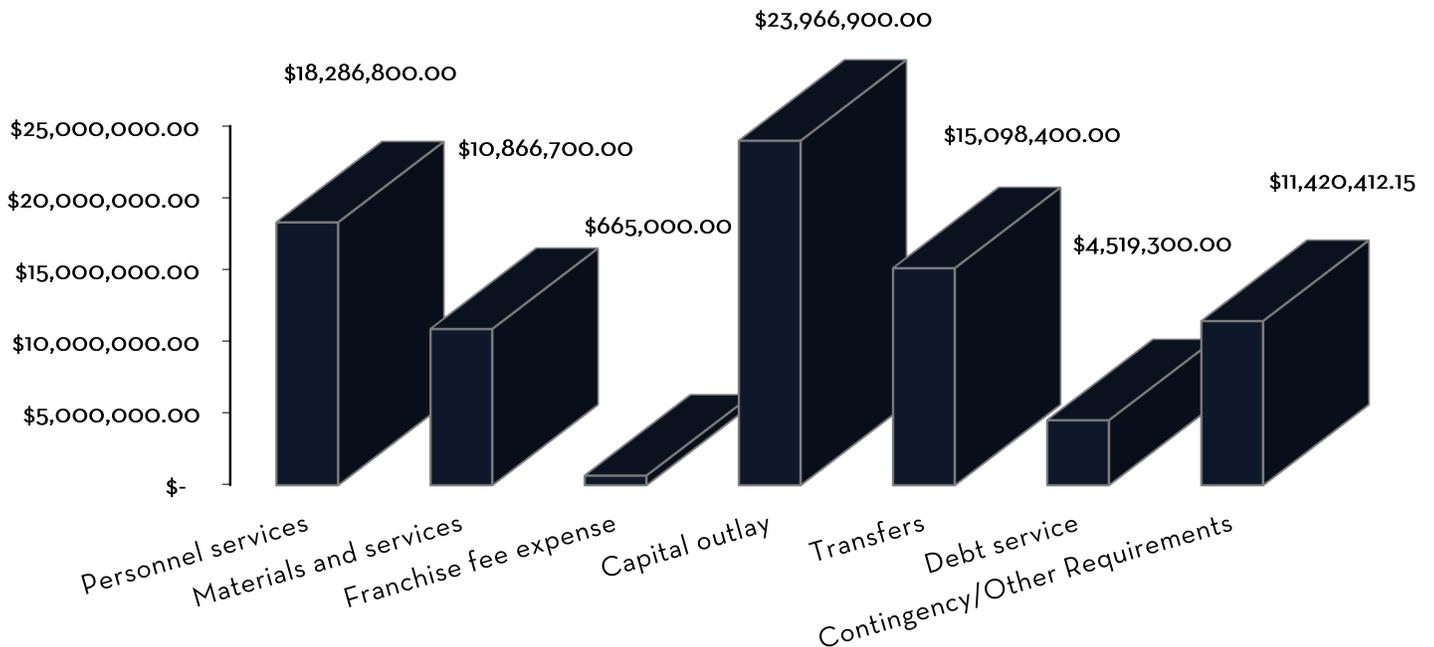
In the next biennium, electrical franchise fees are estimated to increase roughly \$3.69 million. This is made possible by the expansion of the data center projects in our community.

Full-time Equivalent Employees



Full-time equivalent (FTE) for BN 20-21 totals 71.00, an increase of 0.84 over prior year.

Expenditures By Type

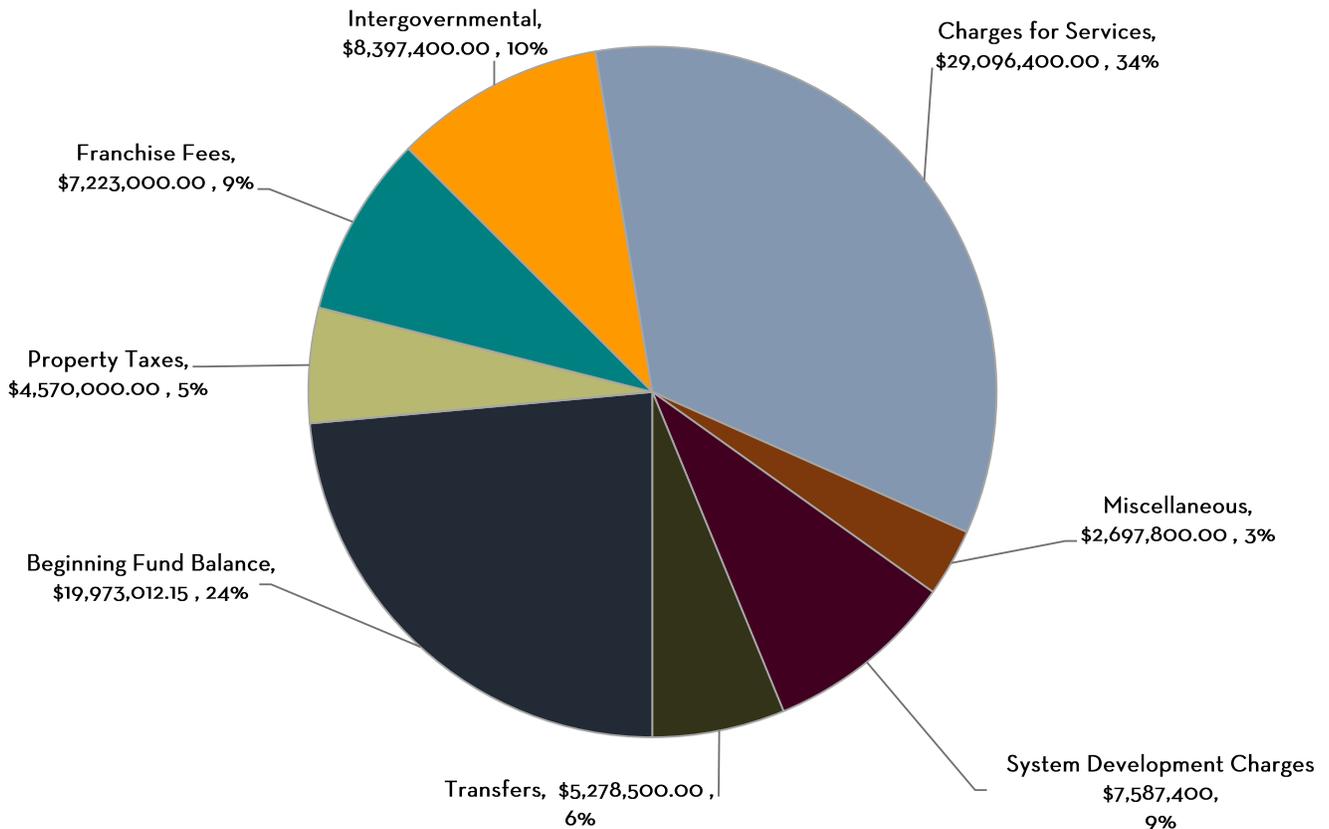


Approved budget for BN 20-21 totals \$84,823,512.

City of Prineville - Budget Summary (All Funds)

Fund	Beginning Fund Balance	Current Biennial Resources	Total Resources
General	\$ 1,918,286	\$ 13,492,200	\$ 15,410,486
Transportation	456,058	3,365,700	3,821,758
Emergency Dispatch	376,056	3,403,900	3,779,956
Planning	240,958	629,600	870,558
PERS / POB	608,691	1,232,900	1,841,591
Transportation SDC	1,400,086	2,330,700	3,730,786
Water SDC	2,186,423	6,668,000	8,854,423
Wastewater SDC	3,090,992	290,400	3,381,392
Railroad	1,145,793	1,650,200	2,795,993
Airport	13,215	2,524,000	2,537,215
Water	585,270	6,091,000	6,676,270
Wastewater	3,932,316	7,879,700	11,812,016
Golf Course and Restaurant	483,295	3,128,200	3,611,495
Admin/Financial Support Services	452,914	5,339,900	5,792,814
Public Works Support Services	174,933	4,279,500	4,454,433
Building Facilities Fund	2,871,408	2,497,600	5,369,008
Plaza Maintenance	36,318	47,000	83,318
Total	\$ 19,973,012	\$ 64,850,500	\$ 84,823,512

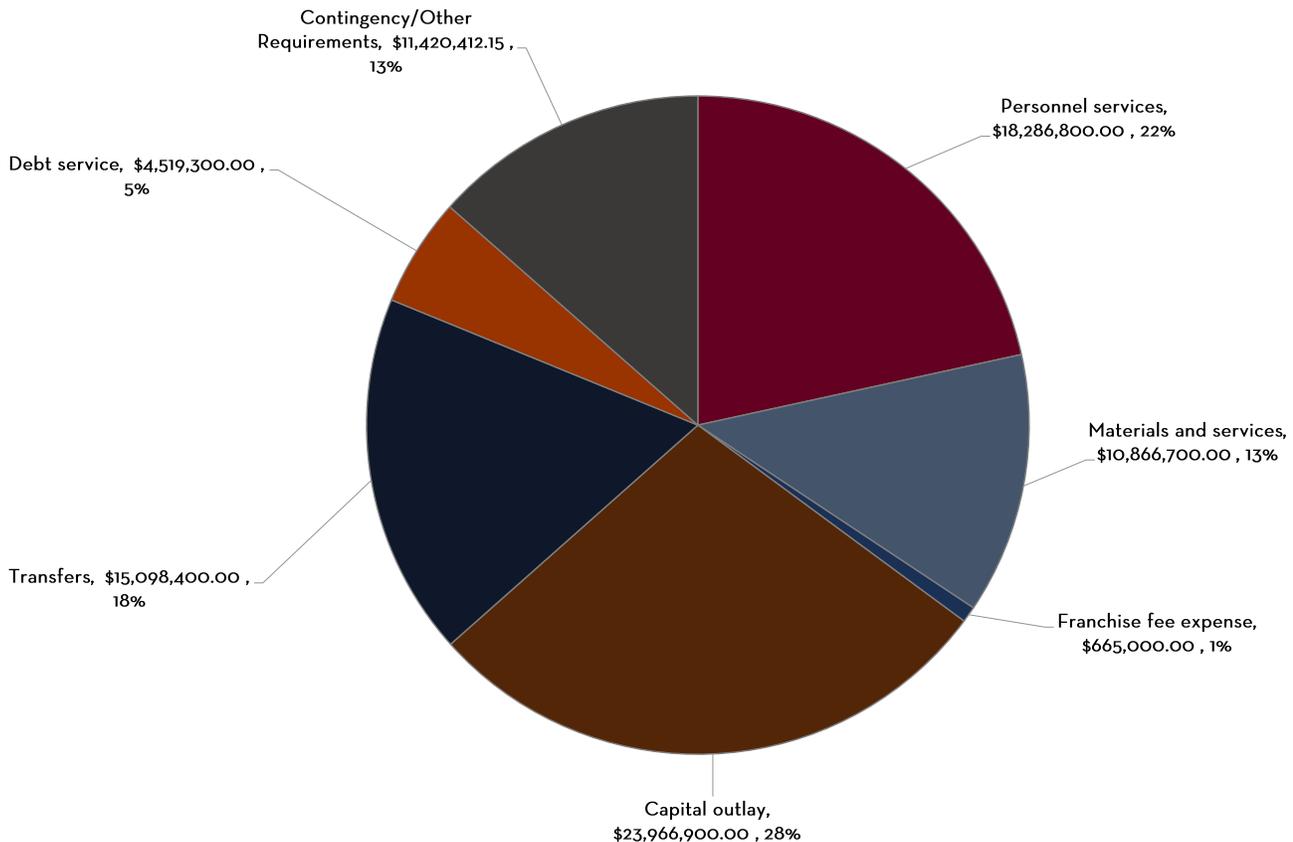
Current Biennial Resources



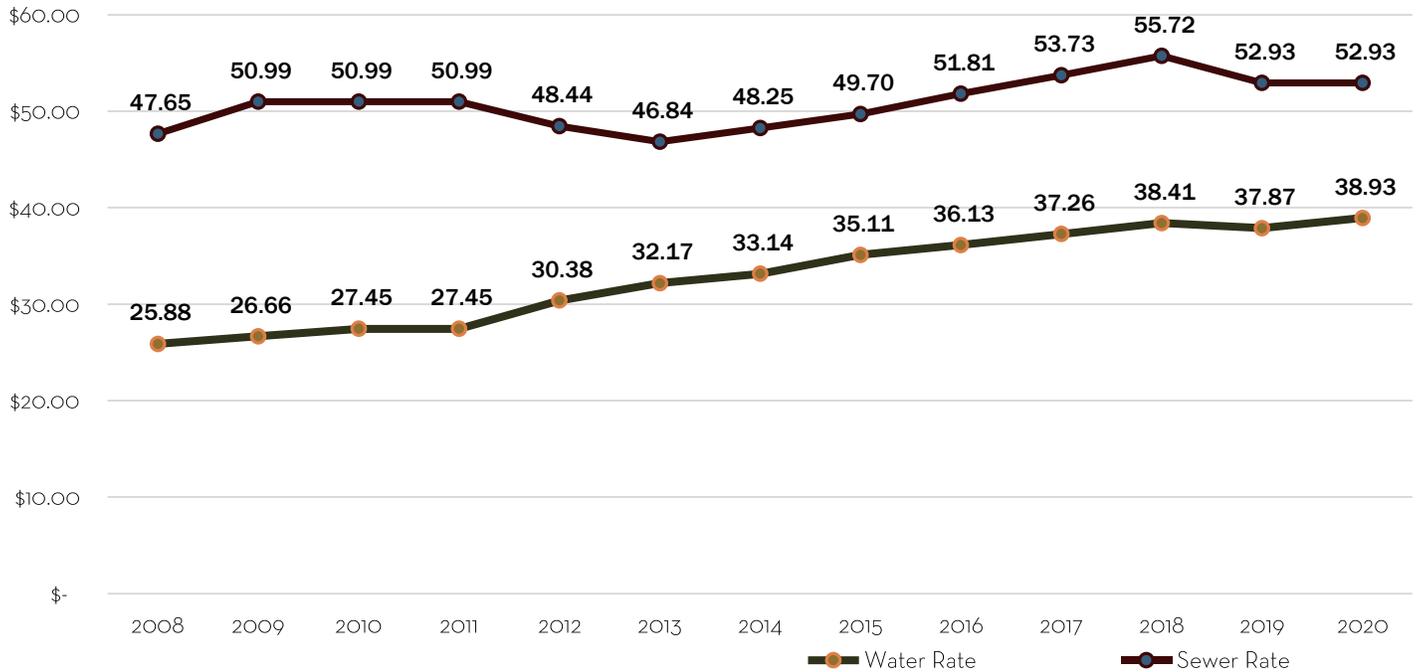
Biennium 2020-2021

Current Biennial Requirements	Contingency/Reserves	Total Expenditures & Ending Fund Balance
\$ 13,313,000	\$ 2,097,486	\$ 15,410,486
3,581,800	239,958	3,821,758
3,473,600	306,356	3,779,956
814,200	56,358	870,558
587,300	955,091	1,841,591
2,655,600	1,075,186	3,730,786
8,517,600	336,823	8,854,423
3,223,400	157,992	3,381,392
1,606,000	1,189,993	2,795,993
2,531,000	6,215	2,537,215
5,563,400	918,270	6,676,270
9,783,900	2,028,116	11,812,016
3,134,800	394,295	3,611,495
5,398,100	394,714	5,792,814
4,163,600	290,833	4,454,433
5,008,800	360,208	5,369,008
47,000	36,318	83,318
\$ 73,403,100	\$ 10,010,114	\$ 84,823,512

Current Biennial Expenditures



Water and Sewer Rates for FY 20



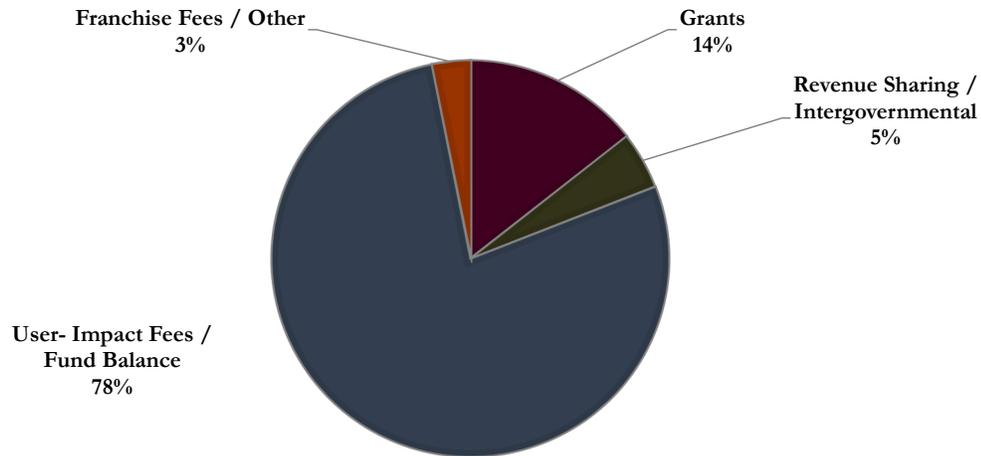
In FY 20, both base and commodity water rates will increase by 2 percent. Commercial customers using water meters that are larger than 3/4 inch will see a reduction in their base rates proportional to a reduction in included water consumption. Base sewer rates were reduced by 5 percent in FY 19, while commodity charges increased by 12.5 percent. For a residential customer, this meant a reduction in the base rate of \$55.72 to \$52.93 in FY 19. Sewer base rates will remain flat in FY 20.

Regional Utility Rate Comparison

Rates for FY 20—Average 7,500 Gallons of Water Use

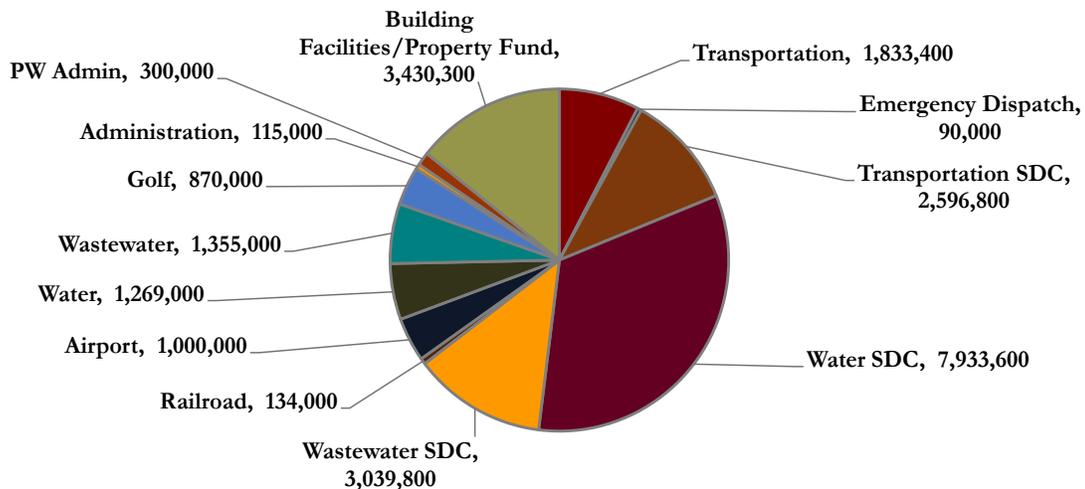


Capital Resources By Type BN 20-21



Of the \$23,966,900 in capital improvements, \$3.46 million will be paid for through grants, \$1.11 million through intergovernmental revenue, \$18.7 million from user fees and fund balance, and \$747,000 from franchise and other miscellaneous fees.

Capital Expenditures By Fund BN 20-21



The largest capital project in BN 20-21 is in the Water SDC Fund, totaling approximately \$7.93 million for the Aquifer Storage and Recovery (ASR) project. The second largest project is in the Building Facilities/Property Fund for the remodel of the new Public Safety building. The Public Safety project totals \$2.50 million, with the Senior Center remodel and Barnes Butte Master Plan largely making up the other budgeted amounts totaling \$3.43 million in the fund. There is \$3.04 million budgeted in the Wastewater SDC Fund, of which \$1.64 million is for the ASR sewer line project. In the Transportation SDC Fund, \$2.60 million is budgeted primarily for the Elm Street Bridge project and the 10th and Main Street signal upgrade. There is \$1 million budgeted in the Airport Fund for the Connect Oregon grant that is being used to help support the USFS Airbase project. Other budgeted capital amounts are primarily for recurring infrastructure maintenance and upgrades. Details on capital expenditures can be found online in the City of Prineville Adopted Budget BN 20-21 at <https://www.cityofprineville.com/finance>.

BN 20-21 Significant Capital Projects

Project Title: ASR Project

Department: Water SDC



Project Description

The Aquifer Storage and Recovery (ASR) project is a method of water storage that uses the natural water storage capabilities of underground aquifers as a cost-effective, scalable and ecologically friendly water storage alternative to traditional storage options, such as above-ground reservoirs and short-term water supply storage tanks. An ASR system allows water to be appropriated and injected into the aquifer via wells 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 demands, thereby reducing stress on native water sources. In addition, it also provides for a readily available “reservoir” of stored water for use in the event of drought or supply interruption. This project is funded by local data center interests.

Project Title: Elm Street Bridge Replacement

Department: Transportation SDC



Project Description

This City of Prineville owns and maintains eight bridges over Ochoco Creek. Most have been replaced since the 1998 flood. Elm Street bridge remains the only pile drive wooden bridge. With a recent award of a grant from the Oregon Department of Transportation Local Agency Bridge Program, the City can now replace it with a free-span concrete structure. This project is on its way and is expected to be completed in FY 20.

Project Title: Connect Oregon Project
Department: Airport



Project Description

The Connect Oregon project will support an access road and infrastructure for the United States Forest Service (USFS) Airbase project on the north side of the airport, along with matching funds for a new Federal Aviation Administration (FAA) aircraft parking apron. The fuel system replacement project replaces a required piece of airport equipment that is beyond its designed life, including decommissioning the old system and installing new above-ground tanks. The project will be funded with a Connect Oregon grant in conjunction with the USFS Airbase/FAA project. The required 26 percent in matching funds will be supported through the Crook County contribution of the USFS Airbase project and a General Fund transfer.

Project Title: New Police Facility and Structural Remodel
Department: Building Facilities/Property Fund

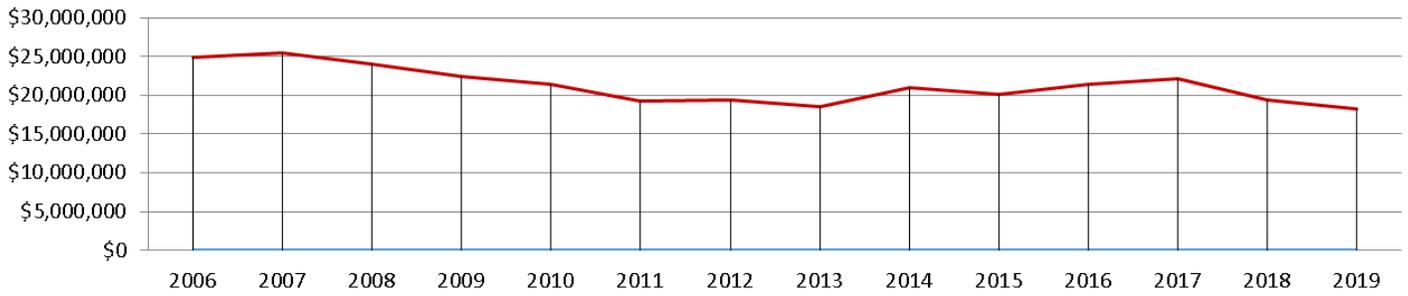


Project Description

This project allows the City to purchase a pre-existing building at 1251 NE Elm Street (pictured above) and remodel it. The Prineville Police Department, emergency dispatch center and the City's Information Technology Department will move to the new facility. This move provides enhanced safety for citizens by moving resources out of the flood plain, as well as providing the seismic upgrades, required by the state, for the critical emergency services infrastructure. During the review phase, the City determined that there was cost savings in purchasing the new building instead of attempting to repair the current facility.

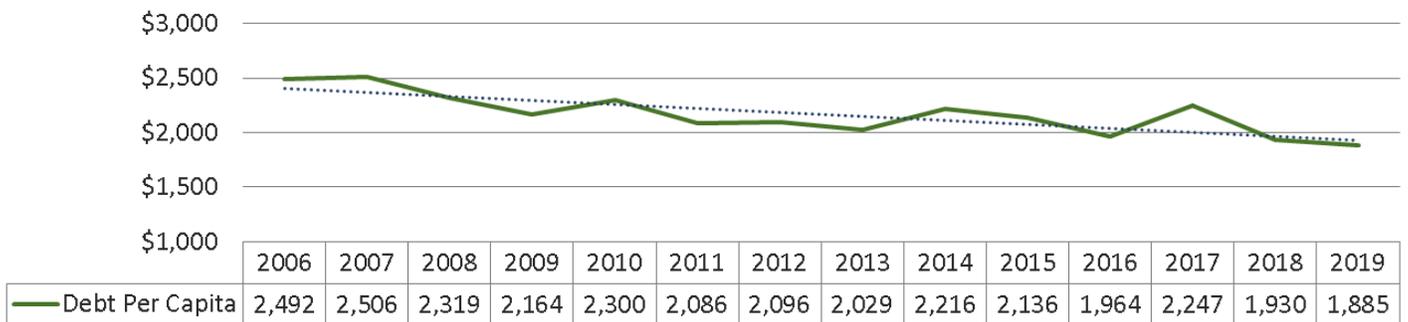
Total Outstanding Debt June 30, 2019

(Unaudited and estimated for 2018–2019)

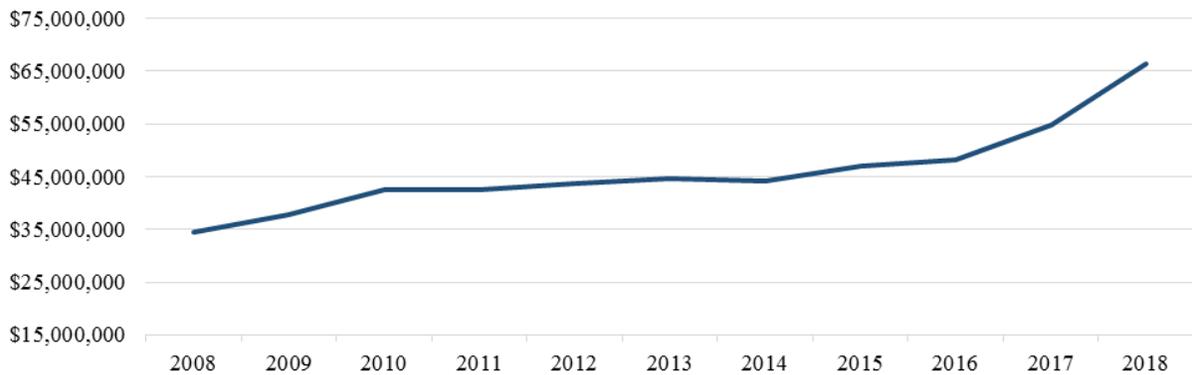


City's Total Debt Per Capita History From 2006–2019

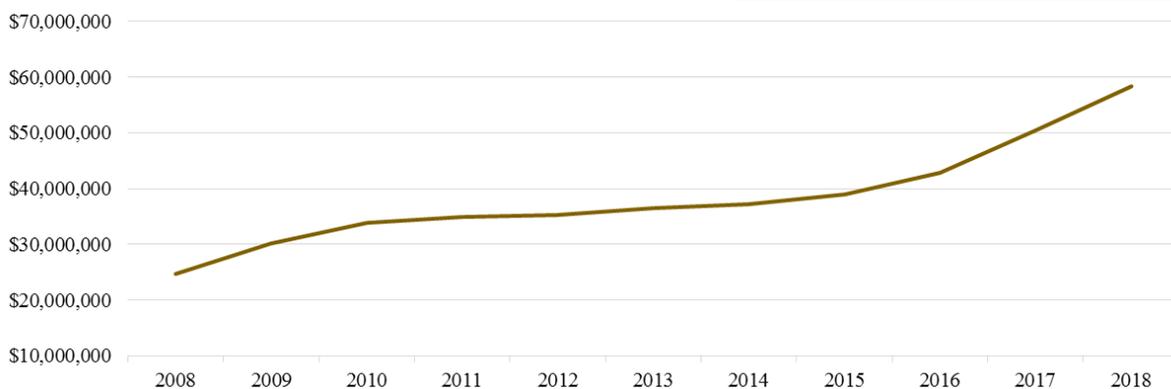
(Unaudited and estimated for 2018–2019)



Total Net Position



Net Investment in Capital Assets



Questions and Answers

Is the BN 20-21 budget balanced?

Yes, the City of Prineville's BN 20-21 budget is balanced at \$84,823,512.

What is the City's permanent tax rate?

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

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

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

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

Please contact Finance Director Lizbeth Schuette at (541) 447-5627 or lizbeth@cityofprineville.com.

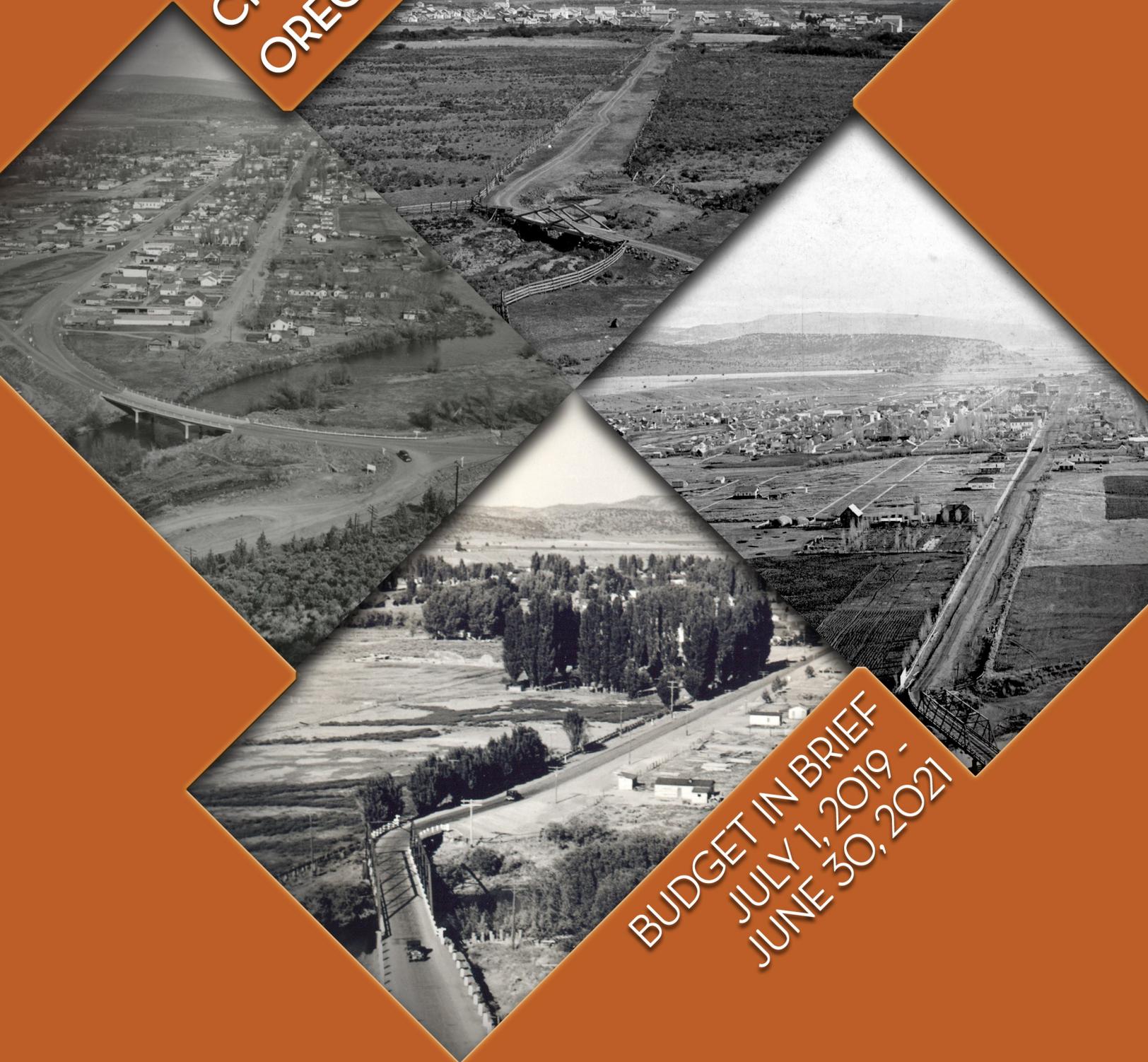
Did You Know?

- The Planning Department worked with the Federal Emergency Management Agency and the Oregon Office of Emergency Management to approve park development in Stryker Park in order for the Kiwanis Splash Pad to be built.
- Meadow Lakes Golf Course hosted charity events that helped raise over \$85,000 for local charities just in the last year alone.
- The City of Prineville Railway is the oldest continuously operated municipal short line in the U.S. and celebrated its 100 year anniversary during the summer of 2018.
- Through the Crooked River Wetlands Complex's 120 acres, the City is responsibly expanding its wastewater capacity.

Budget Document Facts

- The City of Prineville submits its budget annually to the Government Finance Officer Association (GFOA) for the Distinguished Budget Presentation Award Program.
- The budget is reviewed by three different reviewers, giving us suggestions on how to create a document that communicates better, is a better operations and financial guide, and a better policy document.
- For the 13th consecutive year, the City of Prineville was awarded the Distinguished Budget Presentation Award.
- In addition to the general presentation award, the City received special recognition for its capital section for the first time with the fiscal year 2019 budget.
- The budget incorporates best practices that are recognized throughout the United States and Canada.
- To view the entire budget document please visit our website at <https://www.cityofprineville.com/finance>.

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OREGON



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