

City of Toledo, Oregon



**Proposed Budget
Fiscal Year 2016-2017**

PROPOSED BUDGET DOCUMENT

2016-2017 FY

CITY OF TOLEDO
STATE OF OREGON

BUDGET COMMITTEE MEMBERS

Bob Deming

Rod Cross

Larry Davis

Jim Chambers

Chuck Gerttula

Jerry Seth

Joshua Smith

CITY COUNCIL MEMBERS

Billie Jo Smith, Mayor

Terri Strom

Alma Baxter

Michele Johnson

Jackie Kauffman

Jill Lyon

Julie Rockwell

CITY MANAGER

Jay Baughman



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Toledo

Oregon

For the Fiscal Year Beginning

July 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentations Award to City of Toledo, Oregon for its annual budget for the fiscal year beginning July 1, 2015. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

TABLE OF CONTENTS

INTRODUCTION	1
Reader's Guide	2
Budget Message	3
Organization Chart	8
Mission Statement and FY 2016-17 Goals	9
City History and Background	10
Community Data	14
POLICIES & BUDGET DEVELOPMENT	17
Financial and Budgetary Policies and Guidelines	18
The Budget Process	20
Budget Calendar	22
Budget FAQ's	23
BUDGET SUMMARY & OVERVIEW	27
Appropriated Funds Overview	28
Budget Summary	33
BUDGET DETAIL	57
General Fund Revenues Chart	58
General Fund Distribution Chart	59
Five Year Projection	60
General Fund Revenues	62
GENERAL FUND	
Administration	63
Police	71
Fire	76
Recreation	82
Property Maintenance	85
Library	92
Municipal Court	98
General Services	102
General Fund Totals	106

TABLE OF CONTENTS

BUDGET DETAIL *(continued)*

PROPERTY MAINTENANCE FUND	107
PUBLIC WORKS FUND	111
STREETS FUND	117
WATER FUND	125
SEWER FUND	132
SPECIAL & RESERVE FUNDS	139
Strategic Reserve Fund	140
Debt Services Fund	141
Forfeiture Fund	142
Revolving Loan Fund	143
Solid Waste Fund	144
911 System Fund	145
Building & Property Reserve Fund	146
General Reserve Fund	150
Public Works Reserve Fund	152
Water Reserve Fund	155
Sewer Reserve Fund	158
Streets Reserve Fund	160
Library Reserve Fund	161
Footpaths & Bicycle Trails Fund	162
Systems Development Fund	163
Grant Fund	164
Stabilization Fund	167
Water Construction Fund	168
TOTAL BUDGET AMOUNT	170
<hr/>	
REFERENCES	171
<hr/>	
Glossary of Municipal Finance Terms	172

Introduction

*Proposed Annual Budget for the fiscal year
beginning July 1, 2016 through June 30, 2017*



Reader's Guide to the City of Toledo's Budget

This guide is intended to assist readers in finding information in the City of Toledo's fiscal year (FY) 2016-2017 Annual Budget book.

- ◇ **Introduction:** This section includes the budget message, city organization chart, mission statement and goals, as well as Toledo history and demographical information.
- ◇ **Policies and Budget Development:** This section contains the City's financial and budgetary policies and guidelines, an overview of the budget process, the 2016-2017 Budget calendar and budget frequently asked questions (FAQs).
- ◇ **Budget Summary and Overview:** This section provides information on Toledo's budget including a budget matrix and budget summary. The budget summary contains revenue summaries for property taxes, franchise fees, state shared revenues, water sales, sewer fees, intergovernmental services and utility fees.
- ◇ **Budget Detail:** This section includes the five year projection from FY 2015-16 through FY 2021-22 of both revenue and expenditures, as well as departmental activities and appropriations for the City's operating funds.
- ◇ **References:** This section includes a glossary of municipal finance terms.

BUDGET MESSAGE FISCAL YEAR 2016-2017

To the honorable Mayor, City Council, and Budget Committee of Toledo,

I present to you the City Manager's proposed annual budget for the City of Toledo for the 2016-2017 fiscal year.

The budget for the City of Toledo has undergone some changes from last year. Perhaps the most obvious change to the budget can be seen before it is even opened; it is a thicker document. This is because approximately 40 pages of content have been added in an effort to turn the numbers, charts, and figures in this document into a more user-friendly guide to understanding how the money the City receives translates into the services our community enjoys. Here is an overview of some of the changes that we have implemented:

- ◆ Reader's Guide – The Reader's Guide allows people to navigate the budget with greater ease with a quick summary of the types of information to be found in each of the budget's five major sections.
- ◆ City History and Community Profile – Together, these sections provide historical context for what Toledo was and how it is today.
- ◆ Financial and Budgetary Policies and Guidelines – This section outlines the policies by which the City's decision-makers must abide when making financial decisions. Including this information assures the public that the City of Toledo has policies in place to ensure that we are using public monies in as prudent a manner as possible.
- ◆ Overview of the Budget Process – The Overview of the Budget Process portion takes the reader through the budget process, start to finish, and helps them to understand how the document they are reading was developed. By fostering transparency and an understanding of the process, we hope to have a greater desire for participation in the budget by our citizens.
- ◆ Budget FAQ – Similar to the previous section, the Budget Frequently Asked Questions section is intended to inform and clarify what might otherwise be thought of as a very complex and behind-the-scenes process.
- ◆ Comprehensive Budget Summary and Overview – This section includes charts and tables describing the City's revenue streams, expenditures, staffing levels and other important information – all collected in one section for the convenience of the reader. This section explains in detail the changes in the budget from the previous year. Think of it as the executive summary for this 178-page document; my favorite section.
- ◆ Departments At A Glance – The divider pages for the departments have been revised to include accomplishments from the previous year as well as the goals for this next year. This gives us the opportunity to recognize the great work we have accomplished and see what great things we can expect in the coming year.

Instead of pages of numbers, figures, and technical jargon, this document puts dollars alongside goals and outcomes and talks in plain English about the things that will affect each and every person in this city over

the course of the next year and beyond. We have incorporated feedback from our budget committee on how we can improve this document. Simply put; this is a better budget. In fact, due to the changes implemented last year the City of Toledo's budget was recognized by the Government Finance Officers Association for excellence in budget reporting. The Distinguished Budget Presentation Award is the highest honor in budgeting that this organization bestows and is given to those organizations that fulfil the highest standards of communication and transparency in government financial reporting. I encourage you all to take the time to review the information in this budget document and provide feedback as you see fit. We are always striving to improve the way we do our work at the City of Toledo.

BUDGET SUMMARY

The total budget for this fiscal year is \$ 17,948,471. This is a 2.3% increase over last year, due mostly to the accumulation of Street Funds, which are fully appropriated. The budget presented in this document is balanced, in that expected revenues and anticipated expenditures align with each other. As always, funds will require monitoring should revenues decline, but overall, ongoing operations are fully funded with anticipated revenues and reserves. Some significant changes to the budget are as follows:

Revenues

- ◆ The City's electricity franchise rate is going from 4.25% to 5.0%. This will bring in an estimated \$180,000. Sixty percent of that figure will go to the General Fund and forty percent will go to the Streets Fund.
- ◆ The revenues received from the Lincoln County Library District are down for the fourth year in a row.

Expenditures

- ◆ With the departure of the Recreation Director during this past year, the management of the pool was reorganized and the City has experienced some savings as a result. The Director position was changed to a Manager level, and a two person job-share was implemented for less than the cost of one FTE. This move has saved the City roughly \$40,000 and is reflected in this year's budget.
- ◆ This last year, we were successful in recruiting for a City Attorney/Planner position. With the City's Planner on staff, rather than contracted out, the funding for the contract Planner in Contract Services (Administration) has been moved to Personnel Services.
- ◆ With one position moving from contract to on-staff, we had another move in the opposite direction. The Mayor and City Council moved the Municipal Judge position from a staff position to a contractual arrangement and that is reflected in the budget.
- ◆ Our arrangement for handling our information technology (IT) needs also changed this last year. These services have been provided through a contractor for many years and was sufficient to deal with routine fixes and the occasional emergency. IT services are now provided in-house by a City staff member (half-time) who is able to provide dedicated support to the City and not only handle the day-to-day issues, but plan more strategically for greater efficiency and cost savings as the City embraces technological solutions and services.
- ◆ The Facilities Manager position that was implemented last year continues to evolve. This year I chose to move the Transfers to Building & Property reserve lines for all departments to the Proper-

ty Maintenance Department so that the Facility Manager has direct access to the funds he uses to maintain our buildings, rather than spend this money out of another department's budget, as was previously set-up.

In all, this budget is not a large departure from the previous year's financial plan. As a status-quo budget, the level of service to our citizens should not be adversely impacted; in fact, we expect service delivery will improve in many respects. Because this budget is not fundamentally different from last year's budget, it retains not only its strengths, but also its weaknesses. As I mentioned last year, we are looking at a widening chasm between revenues and expenditures. In the past, our approach to dealing with these chronic budget challenges has been through staffing reductions, efficiency improvements, and deferring maintenance and upkeep. The cost of balancing the budget while maintaining a structural deficit without a reevaluation of services is that everything we do at the City of Toledo suffers, at least a little bit.

FUTURE EXPECTATIONS

This budget represents the first step in bringing the two parts of the budget balancing equation into alignment, which is to seek additional revenues. That will be accomplished this year through the increase in the electricity franchise rate, as approved by the City Council recently. The majority of this new funding is being used to address our facility and infrastructure needs in this next year. This small adjustment will have a relatively large impact due to the power of a small increase over a large base. It is also one of the last easy options we have for creating revenue for the City. Therefore, we must look at expenditures.

The second part of the budget balancing process has to do with the Toledo Swimming Pool. Toledo's well beloved swimming pool is well beyond its useful life. Due to the mounting costs for its upkeep and operation, the Mayor and City Council have chosen to close it down. This budget is built upon the assumption that one of two things will happen in regards to the Toledo Swimming Pool at the end of the fiscal year for which this budget represents: 1) the City will permanently close the pool, cease all operations, and make preparations to demolish the structure, or 2) transfer ownership and operation to a recreation district that will overtake the operations and maintenance of the pool. In order to keep a balanced budget going forward *and* keep Toledo strong, the City must divest itself of the pool and I applaud our elected officials for making this difficult decision.

Toledo's greatest financial challenge over the next five years will be to maintain fiscal health, service levels, and critical infrastructure while covering increasing personnel costs, meeting new regulatory requirements, and meeting growing citizen expectations. This is a major step in that direction.

2016 - 2017 CITY COUNCIL GOALS

The work plan for this next year is aligned with the City Council's goals (in boldface), and in large part determines how the city spends its available revenues. The goals the City Council sets are long-term in perspective. These shape the City Manager's objectives, which are the city's short-term goals for the next-year. You will find three City Manager objectives numbered under each Council goal:

- ◆ **Infrastructure: Maintain and improve public infrastructure and facilities**
 1. Replace the Force Main on Butler Bridge Road.
 2. Complete 180,000 square feet of slurry seal on City streets.
 3. Remove the old water intake system and structure on the Siletz River.

- ◆ **Financial Security: Be fiscally responsible and maximize available revenue**
 1. Finalize a Capital Improvement Plan (CIP) to identify and prioritize facility and infrastructure issues throughout the city.
 2. Promote and advocate the City's local dispatch capabilities.
 3. Obtain grants to offset the costs associated with funding various City services including streets, water and wastewater infrastructure, parks, and Police and Fire equipment.

- ◆ **Public Safety: Assure and provide services that protect the public**
 1. Implement the second phase of the citywide camera plan for security and safety.
 2. Police, Fire, and other City departments will work in concert on emergency preparedness, culminating in a disaster simulation this year.
 3. Conduct a feasibility study to build an annex to the Fire Station to relocate the Police Station there for a joint Public Safety complex.

- **City Services and Departments: Provide and support a highly qualified and motivated City workforce**
 1. Revise the Employee Handbook.
 2. Revise all employee job descriptions.
 3. Develop and adopt an employee wellness program.

- ◆ **Community Collaboration: Collaborate with existing and potential partners and promote civic participation**
 1. Develop a Boards and Commissions Manual.
 2. Revise the outdoor event permit application process.
 3. Work with community partners for emergency preparedness and response.

- ◆ **Quality of Life: Maintain and enhance characteristics that assure Toledo is a good place to be**
 1. Repair, refurbish, and enhance our City parks.
 2. Increase circulation at the Toledo Public Library by 5%.
 3. Increase participation in the Summer Reading Program from an average of 120 weekly

participants to 150 weekly participants.

◆ **Economic Development: Promote economic growth**

1. Identify potential areas for land development and pursue annexing them into the City.
2. Complete the process to get the Toledo Industrial Property (TIP) to State of Oregon certified "Shovel Ready" status.
3. Conduct a study for addressing the drainage issues at Memorial Field to make it a more viable place for community festivals and events.

As with last year, my intent with these 21 City Manager Objectives is to make a direct connection between the dollar amounts in the following pages with the work that my staff and I will be accomplishing during the 2017 fiscal year. All of these objectives will produce a measureable result that will help to bring the City of Toledo, its organization, and its workforce to the higher level of operation that its community needs it to be in this day and age.

Acknowledgements

In closing, I would like to thank my Department Directors and their team members for their impressive leadership and hard work in developing a fiscally sound budget, which allows the City to continue providing a high level of service to citizens and ensures Toledo's future as a thriving and prospering community.

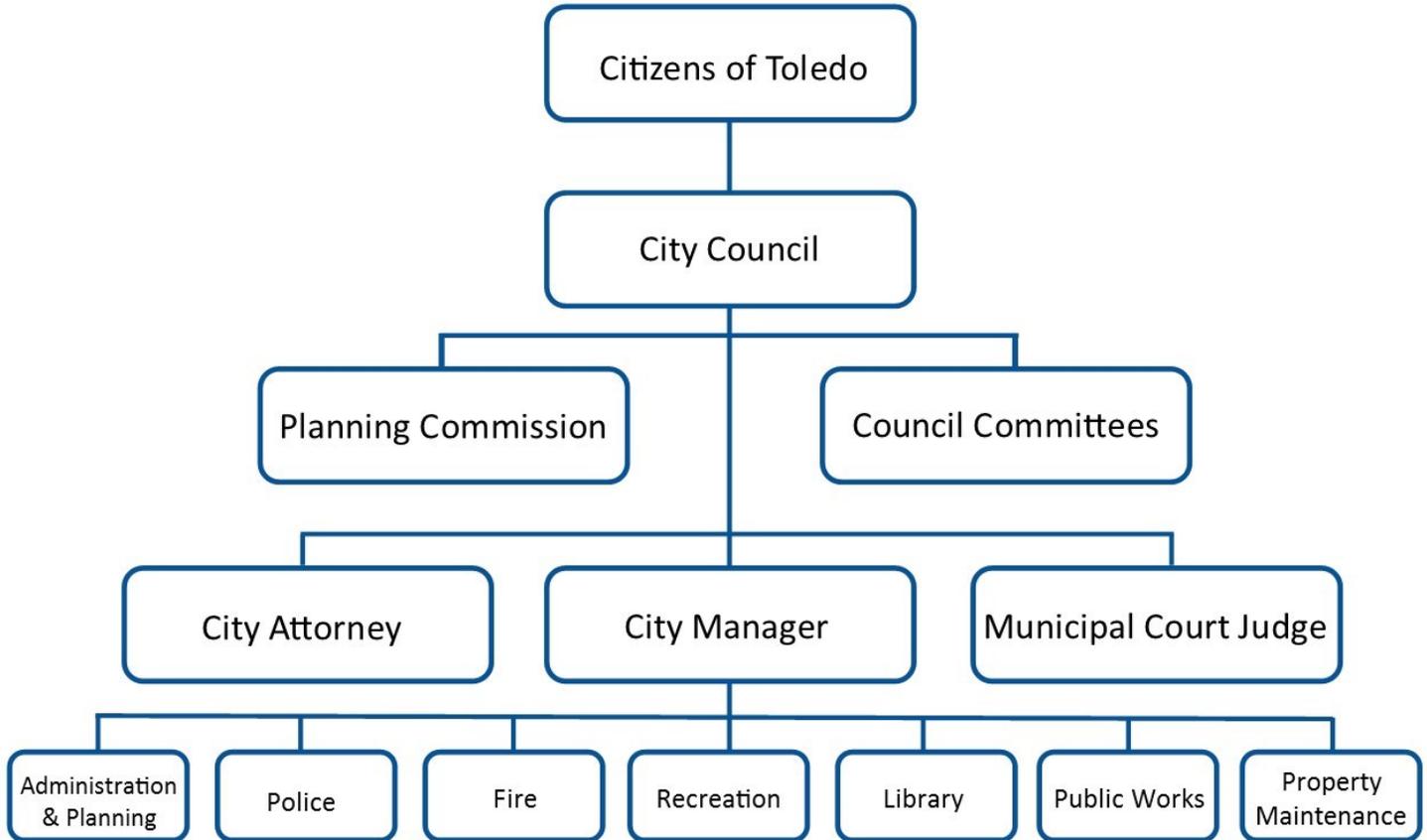
Respectfully submitted,

A handwritten signature in black ink that reads "Jay Baughman". The signature is written in a cursive style with a long horizontal line extending to the right.

Jay Baughman, City Manager



City of Toledo, Oregon Organization Chart



Management Staff

Jay Baughman, City Manager

Nancy Bryant, City Recorder

Dave Enyeart, Police Chief

Polly Chavarria, Finance Director

William Ewing, Fire Chief

Lee Ritzman, Public Works Director

Deborah Trusty, Library Director

City of Toledo Mission

To provide efficient and necessary public services that protect and enhance the quality of life in Toledo, now and in the future, as determined by citizens, law and available economic resources.

City Council Goals 2016

Infrastructure

Maintain and improve public infrastructure and facilities

Financial Security

Be fiscally responsible and maximize available revenue

Public Safety

Assure and provide services that protect the public

City Services and Departments

Provide and support a highly qualified and motivated city workforce

Community Collaboration

Collaborate with existing and potential partners and promote civic participation

Quality of Life

Maintain and enhance characteristics that assure Toledo is a good place to be

Economic Development

Promote economic growth



WELCOME TO *Toledo, Oregon*

The City of Toledo, Oregon is located seven miles east of the central Oregon Coast, on a bend of the Yaquina River. Toledo is one of the few cities in Oregon that has a true downtown on a City Street, not a throughway or highway. Toledo's Main Street is Americana, accented by a tile mural, old fashioned street lights and unique creations from a community of artists and craftsmen.

Built on a small hill with surrounding tidelands, Toledo is bordered to the north by the Depot Slough, the Yaquina River to the south and the Olalla Slough to the east. The three bodies of water that surround Toledo average eight feet above sea level, but the ocean tide causes them to rise and fall every six hours by as much as nine feet. The City of Toledo covers 2.41 square miles.

Tall, beautiful Douglas fir and alder trees grow throughout the area and its dedication to urban forestry management has earned Toledo the designation

of "Tree City USA" from the Arbor Day Foundation for the last two decades.

Toledo is a working community that closely tracks Oregon tradition; from its early history, the community's industries include: logging; wood and paper/pulp mills; boat building and repair; and fishing. Toledo is also home to a diverse and eclectic artist community with many studios and galleries in the art district as well as along Toledo's Historic Main Street.

The City of Toledo was officially incorporated in 1905 and operates under its own charter and applicable Oregon State law. The City of Toledo provides a full range of municipal services including police and fire protection, parks and recreation including a public swimming pool and library as well as streets maintenance and planning, zoning and general administrative services. The City of Toledo also operates the water and wastewater systems. Toledo has many of the benefits of big city living with all of the charm of a

small town.

HISTORY

The area of Yaquina Bay and Yaquina River was opened to settlement under the Homestead Act of 1862. In 1866, an Irish-born immigrant named John Graham and his son, Joseph, along with William Mackey, established Toledo, Oregon, naming it after their hometown of Toledo, Ohio. Located just east of Newport on the Oregon Coast, Toledo rapidly attracted interest for its natural resources and its easy access as it is only 14 river miles up from the mouth of the natural harbor at Newport. The Yaquina River was vital to Toledo's economic development. With the growth of the timber industry in Lincoln County, the ocean's tide expedited moving log rafts from Newport to Toledo.

The largest challenge the new town faced was establishing a stable and thriving economic base. In 1872, the Corvallis and Yaquina Bay Railroad Company was incorporated, and the last spike was driven on July 4, 1885. While the railroad did not terminate in Toledo, the community viewed its presence as the promise of Toledo's "golden era," and the town started to grow rapidly. By 1890 Toledo's modest downtown featured a waterfront hotel, a saloon and feed stable, a blacksmith's shop and other businesses. As Toledo entered the new century, timber proved to be the promise for its future.

In 1937, a massive fire completely destroyed Toledo's downtown waterfront. As a result, Main Street was rebuilt on Hill Street which was subsequently renamed. Much of its historic character remains today.

Some estimates suggest that there was 15-20 billion feet of marketable timber standing in the area during Toledo's early years. The rivers and railroad systems made transporting timber easy and affordable. Lured by how much money could be made in west coast timber, wealthy investors from the east coast began flocking to the area. The result was the establishment of nearly 70 small mills throughout the coun-





ty, bringing wealth to some and employment to others.

Prior to World War I, about 500 people lived in Toledo, with about 5,500 in Lincoln County. Nearly everyone who lived in and around Toledo was dependent in some way on logging and the mills. A 1910 election created the ports of Toledo, Newport, and Alsea. From the 1920s to the present, port activity was overshadowed by the operations of Pacific Spruce, Georgia Pacific, and other mills. With the beginning of World War I, a lightweight wood was needed for airplanes, and spruce met these requirements. The federal government created the Spruce Production Unity and built a large mill in Toledo along with two others in Washington.

The Toledo Sawmill of the Pacific Spruce Corporation was once considered the largest sawmill in the world, employing 800 people in 1924. The mill once held the record for the number of board feet produced in one shift.

Although the war ended before the mill in Toledo was able to begin production, the Pacific Spruce Corporation purchased the government's holdings in Lincoln County, along with the railroads the government had built to log the spruce and all the equipment that went with the operation. Rail lines wound up and down the coast, out to Siletz and up the Gorge. By

the early-to mid-1900s, Toledo had become the industrial hub of Lincoln County, a title it would carry for many years.

In 1952, the Georgia-Pacific Corporation bought the C.D. Lumber Company. Georgia Pacific has remained one of the major employers of Lincoln County.

TOLEDO TODAY

Today's Toledo is known for its Historic Downtown District, promising treasure in the form of antique shops of all kinds, thriving arts community, and a warmer micro-climate that brings residents and visitors alike inland from Newport in search of respite from the harsher coastal winds. For those who live and work in this great little Oregon town, Toledo offers a public swimming pool, tennis court, disc golf course, public library and parks. The Lincoln County School District supports two campuses in Toledo: an elementary school and a junior/senior high school.

Visitors can enjoy its eclectic Main Street, with its beautiful hanging flower baskets during the summer, sweetheart Valentines during February and holiday wreaths during the winter as well as breathtaking views of the Yaquina River watershed.

During the warm summer months, Toledo is a lively place to visit and explore. The annual Toledo Summer Festival brings an estimated 40,000 people



to the area for a variety of events including a parade, carnival, logging demonstrations, karaoke contests, beer garden, food and craft booths, as well as a fireworks display that you have to see to believe.

The Toledo Public Library hosts a variety of free all-ages events throughout the summer including the Summer Reading Program with activities and live performances. It also offers year-round book club and story time. The Toledo Public Swimming Pool offers swimming lessons, aqua fitness classes, life-guard training, extended recreation swim hours and special events during the summer. With its weekly Farmers Market, held each Thursday from June to September along Main Street, Antique Street Fair and Wooden Boat Show, both held in August, and many other fun events throughout the summer, Toledo is the perfect destination for warm weather fun and entertainment for all ages.

In the Fall, the Toledo Downtown Association hosts a Trick or Treating event on the City's Main Street with business participating in the annual Scarecrow contest. In December, visitors can enjoy an old fashioned holiday with the Dicken's Christmas

Festival and Tree-lighting while enjoying the festive decorations that adorn the light poles on Main Street.

Since its early establishment, Toledo has been home to community members that have come together to address challenges and to accomplish many wonderful projects. A highlight of downtown Toledo, the centennial mural, which was installed by community volunteers, is just a small example of the love that the locals have for this great little town. This sense of community can be seen throughout the city; just take a stroll down Toledo's Main Street and you will find some of the friendliest people around that are quick to strike up a conversation or lend a helping hand. Volunteers and organizations such as the Toledo Downtown Association and the Chamber of Commerce actively work to make life in Toledo the best it can be, while maintaining its historic charm. Despite many economic adversities, Toledo continues to be a hidden gem on the Oregon Coast and a wonderful place to live, work and explore.

Community Profile

Toledo has an estimated 3,465 residents. It is the third largest city in Lincoln County and the 87th largest city in the state. The city encompasses 2.41 square miles and it is 180 feet above sea level. The fifth largest employer in Lincoln County, Georgia Pacific Toledo, employs 420 people. The City employs 58 people, including 4 professional firefighters and a police force of 7.

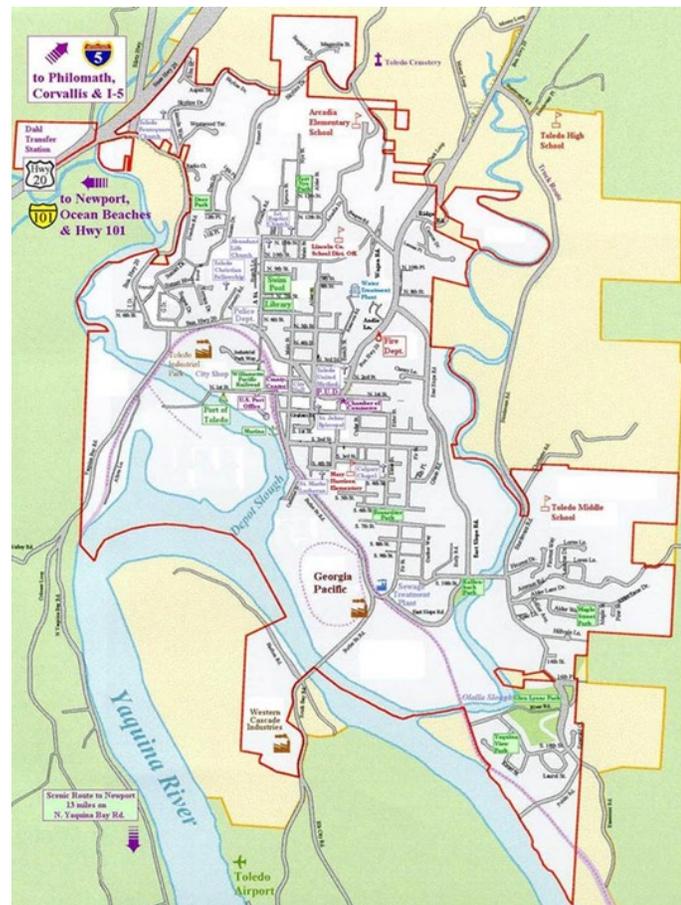
City Statistics

2010 Census Population	3,465
White	3,116 89.93%
Black or African American	22 0.63%
Asian	17 0.49%
American Indian/Alaska Native	133 3.84%
Native Hawaiian or Pacific Native	3 0.09%
Other	40 1.15%
Two or More Races	134 3.387%
Hispanic or Latino (of any race)	163 4.70%

Population density:	1,599/sq. mi	Average Household Size:	2.57
Median Household Income:	\$47,521	Per Capita Income:	\$20,626
Total Households:	1,344	Median Home Value:	\$145,000

The table below compares Toledo to the other 377 incorporated city and towns in Oregon by rank and percentile, using July 1, 2015 data.

Variable/Description	Rank	Percentile
Total Population	#115	70th
Population Density	#140	63rd
Diversity Index	#197	48th
Median Household Income	#238	37th
Per Capita Income	#283	25th





Date of Incorporation	1905
Form of Government	Council/Manager
Area (Square Miles)	2.41
Elevation (Feet)	180
Annual Average Precipitation (Inches)	67.8

Police

Stations	1
Patrol Units	6
Sworn Officers	7
Physical Arrests (2015)	196
Juvenile	13
Adults	183
Traffic Violations	541
Calls for Service	11,567

Fire

Stations	1
Professional Firefighters	4
Volunteer Firefighters	50
Total Calls for Service (2015)	766
Fire Alarm Responses	26
Emergency Medical Responses	471
Non-emergency Public Services Responses	272
Fire Marshall Inspections	23

Streets

Miles of Paved Streets	17.71
Miles of Gravel Streets	7.23

Water

Miles of Water Mains	35
Hydrants	150
Treatment Plants	1
Service Connections	1,330
Daily Average Consumption in Millions of Gallons	.54
Maximum Daily Capacity of Plant in Million Gallons	2.3

Sewer

Miles of Sanitary Sewers	33.82
Treatment Plants	1
Service Connections	1.210
Daily Average Treatment in Million Gallons	0.8
Maximum Daily Capacity in Million Gallons	4.3

Recreation

City parks	8
Disc golf courses	1
Softball/baseball fields	1
Football fields	1
Tennis courts	1
Swimming pool	1

Library

Books, DVD's, CD's and other materials	42,781
E-books, Databases and Library2Go	99,101
Circulation 2015	60,437
Registered patrons	3,693
Library cards issued (2015)	313
Public computers	5

Policies & Budget Development

Financial and Budgetary Policies and Guidelines

Sound financial, budgetary and economic principles are part of creating a solid financial plan. Toledo's budget incorporates the following long-term and short term financial policies and guidelines.

The City strives to comply with all state laws governing budgeting and financial transactions, with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) statements. Listed below is a summary of the financial and budgetary policies adhered to by the City of Toledo.

General Policies

- Financial statements of the City are to be prepared in accordance with GAAP.
- The budget is to be prepared in accordance with Oregon local budget law. The budget is to be adopted annually, by resolution, no later than June 30th. In keeping with State law, the budget shall be balanced, in that expected revenues and anticipated expenditures align with each other.
- An external audit shall take place every year. The audit will be completed and submitted to the State no later than December 31st of the following fiscal year.
- The City will comply annually with all requirements to receive annual State Shared Revenues.
- The City's basis of accounting is modified accrual. The budget and audited financial statements shall be prepared in the modified accrual basis for all funds. This means that revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of related cash flows.

Revenues

- Fifteen percent of State shared liquor and cigarette tax receipts will be made available to social service and civic organizations that provide direct services to Toledo citizens.
- All franchise fees received will be split with 60% being used for General Fund purposes and 40% being used for Street purposes.
- One time revenues will be used for one time expenditures.

Expenditures

- Budget control is maintained at the Department level. The City Manager has the authority to approve expenditures up to \$10,000. Expenditures exceeding \$10,000 must be approved by City Council.
- All fixed assets purchased and capital projects completed for and/or by the City of Toledo with a cost of \$10,000 or more and with a useful life of more than three years will be capitalized.
- In no case may total expenditure of a particular department exceed that which was appropriated by the City Council without a budget amendment approved by the City Council.

Debt

- Long term debt shall not be issued to finance ongoing operations.
- Short term borrowing or lease purchase contracts should only be considered for financing major operating equipment when it is determined to be in the City's best financial interest.
- Any project funded through the issuance of debt must have a useful life equal or greater than the term of financing.

Capital Planning

- A Capital Improvement Plan (CIP) shall be developed for a five-year period to allow for appropriate planning.
- The CIP shall be reviewed each year by City management staff and by the City Council, as a part of the goal and work plan setting process.
- Capital projects should:
 - Support City Council goals and objectives.
 - Prevent the deterioration of the City's existing infrastructure and protect its investments in parks, streets, building and utilities.
 - Encourage and sustain economic development in Toledo.
 - Respond to and anticipate future growth in the City
 - Increase the efficiency and productivity of city operations.
- The impact of capital projects on the operating budget should always be an important consideration when evaluating projects for inclusion in the CIP.
- On-going operating costs will be a consideration when making a capital purchase.

The Budget Process

The budget process is governed by the City Charter, City Ordinances, and State of Oregon Budget Laws. The initial tasks such as filing vacancies on the budget committee and setting the date for the first budget committee meeting begins in December. The majority of the budget adoption process takes place from February through June each year.

City department directors are responsible for preparing and submitting information about objectives, personnel changes, proposed projects and purchases, as well as any changes in daily operations or services within their area of responsibility. This information is reviewed and discussed with the City Manager and City Finance Director. At the conclusion of the initial reviews and discussions the information is used to create a requested budget.

The requested budget is reviewed by the City Manager, the Finance Director, and the Department directors and any needed adjustments are made. The end result is the development of a Proposed Budget. The Proposed Budget is submitted to the Budget Committee which consists of the Mayor, City Councilors, and seven citizen members.

Notice of the Budget Committee public hearings, which are held in May, are published in the local newspaper preceding the meeting as well as on the City's website. At the first budget committee meeting, it is typical for the Budget Officer/City Manager to deliver the Budget Message, after which the public is given a chance to comment or give testimony. For more information about public involvement, see "Citizen Involvement Opportunities" section below. The budget message explains the proposed budget and any significant changes in the City's financial position. Following the public comments, the committee recesses to the next scheduled Budget Meeting.

The Budget Committee reconvenes its public hearing on the duly noticed date and time and a presiding officer is elected by the committee members at large. The Proposed Budget is then reviewed in its entirety with Department Directors in attendance to answer questions posed by the Committee members.

When the Budget Committee is satisfied with the budget, including changes, additions to or deletions from the proposed budget, it approves the budget for submission to the City Council. When approving the budget, the Budget Committee also approves, by motion, the amount or rate of ad valorem taxes.

After the Budget committee approves the proposed budget, the Budget Officer/City Manager publishes a financial summary and notice of budget hearing in the local newspaper. The hearing is held during a regular City Council meeting (usually the second regular session in June). The purpose of the public hearing is to receive budget related testimony from citizens and provide an opportunity for citizens to discuss the approved budget with the Mayor and Councilors.

The City Council has the authority to make some changes to the approved budget. The changes can be initiated by receiving new information and/or consideration of the public testimony. The changes allowed include adjusting resources, reducing or eliminating expenditures and /or increasing expenditures on a limited basis. Increases of expenditures of the amounts approved by the budget committee are limited to not exceed more than \$5,000 or 10 percent; whichever is greater. Expenditure increases above those limits re-

quire a republishing of the budget and an additional hearing. In no case, however, may the City Council increase the taxes over the amount approved by the budget committee. The City Council then votes on a resolution, which formally adopts the budget, makes appropriations, and levies the taxes, not later than June 30.

After the budget document is finalized, it is submitted to the County Clerk and the Department of Assessment and Taxation, distributed to all members of the budget committee and City management staff. The document is posted on the City's website www.cityoftoledo.org and a hard copy is placed in the City Finance Director's office.

Citizen Involvement Opportunities

All meetings of the Budget Committee and City Council are open to the public. Citizens are encouraged to provide comment during any of these meetings during the Public Comment period of the agenda. Citizens may also testify before the City Council during the public hearing on the approved budget. The proposed budget document will be available for public review at City Hall and on the City's website for a reasonable amount of time prior to the first budget committee meeting. Copies of the entire document, or portions thereof, may be requested through the normal process of requesting public records.

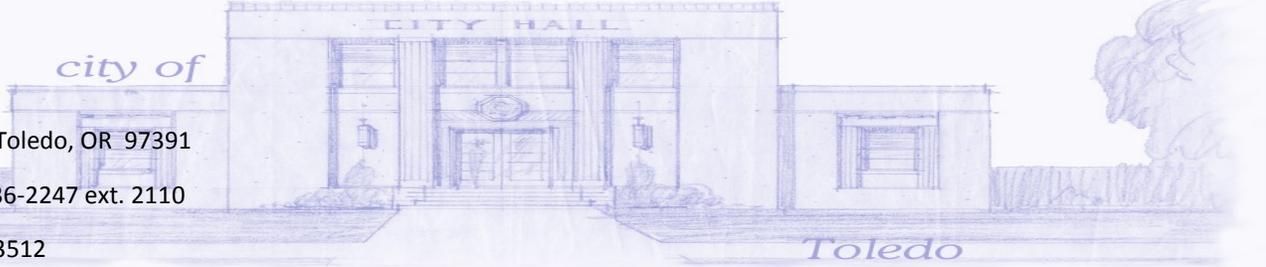
Public Comment or testimony may be provided by:

1. Submitting the City's "Public Municipal Budget Request" form throughout the calendar year. The form is available at City Hall and on the City's website at www.cityoftoledo.org; or
2. Submitting a written statement at a meeting or public hearing; or
3. Speaking to the Committee or Council at their meetings during the public comment opportunities.

Changes after Adoption

Once the governing body has enacted the resolutions to adopt the budget, expenditures may not be made for any purpose in an amount greater than the amount appropriated, excepted as allowed by Oregon Revised Statute (ORS) (mainly 294.338, 463, 471, 473, and 478). Most changes require formal action in the form of a resolution or a supplemental budget. In some instances, a public hearing is required. The ORS sections mentioned above provide direction on which formal action is needed depending on the specific situation giving rise to the needed budget change; however, generally speaking, a supplemental budget is needed to create a new appropriation or a new fund transferring funds where a category of expense does not already exist in the adopted budget. Most other situations can be handled by resolution.

See Work Schedule and Budget Calendar on the next page.



PO Box 220 | Toledo, OR 97391

Phone: 541-336-2247 ext. 2110

Fax: 541-336-3512

Email: administration@cityoftoledo.org

2016-2017 Budget (Revised)

Work Schedule

January 19	Department Heads receive budget forms and information
February 26	Budget forms and information due back to the City Manager
February 29 – April 22	City Manager reviews proposals, meets with department heads as needed and balances against total projected revenues. Department heads revise budgets if needed and prepare final documentation
April 25	Draft to Printer
May 6	Proposed budget document complete
May 10 5:30 PM	First budget committee meeting

Budget Calendar

April 22	Publish Notice of Budget Committee hearing (also State Revenue Sharing)
April 25	Draft to Printer
May 4	Publish 2nd Notice: Budget Committee public hearing
May 10 5:30 PM	Public Hearing for Budget Committee to receive budget document, hear budget message and hear public testimony
May 17 5:30 PM	Budget Committee public hearing continued
May 19 5:30 PM	Budget Committee public hearing (if needed)
May 24 5:30 PM	Budget Committee public hearing (if needed)
June 3	Publish or Deliver Notice of Council's public hearing and summary of approved budget
June 15 7PM	Public Hearing before Council on budget (additional meetings, if required)
June 15	Pass Resolutions to adopt budget, appropriate and declare levy, and elect to receive State Revenue Sharing
July 15	File Documents with Assessor's Office and County Clerk
By July 31	Send Letter certifying State Revenue Sharing hearings held and Send Resolution electing to receive State Revenue Sharing to Executive Department

Budget FAQs (*Frequently Asked Questions*)

What is a budget?

A budget is a planning tool. It identifies the work plan for the city for the fiscal year and outlines the financial, material, and human resources available to complete the work plan. It also includes general financial information about the organization and identifies the policy direction of the City Council under which the budget was prepared. The budget is the city's means of planning and reporting what it intended to do with its financial resources and ensure that those dollars are spent as wisely and efficiently as possible.

The City of Toledo uses a fund-based budget, meaning that accounts of the city are organized on the basis of funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources. Each fund is considered a separate entity accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures.

Why does a city create a budget?

Oregon state law requires all cities in Oregon to adopt a budget annually. Oregon local budget law (Chapter 294 of Oregon Revised Statutes) gives budget provisions and procedures that must be followed during the budgeting process. The budget must be completed by June 30, the day before the start of the fiscal year to which the budget applies. Without a budget for the new fiscal year, the city has no authority to spend money or incur obligations. A local government's ability to impose a property tax is also tied to the budgeting process.

Even if there were no legal requirement to budget, Toledo would complete a budget anyway. Budgeting creates a work and spending plan, which help to ensure that public funds are spent wisely. The budget process allows city staff to review City Council goals and objectives in a formal setting, determine what will be required to meet those objectives, develop an implementation plan, and share that information with citizens and decision-makers.

What basis of accounting/budgeting does the city use?

The budgets of all fund types (General, Special Revenue, Debt Service, Enterprise Funds, and Capital Projects) are prepared on a modified accrual basis. This means that expenditures are recorded when the related fund liability is incurred, and revenues are recorded when they are earned, regardless of the timing of related cash flows.

Every year, the City of Toledo publishes via a third party another document related to the budget, called the Annual Financial Report or Audit Report. It shows the status of the city's finances on the basis of "generally accepted accounting principles" (GAAP). In most cases, this conforms to the way the city prepares its budget. Exceptions are as follows:

- Compensated absence liabilities that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (Budget).
- Depreciation expense is recorded on a GAAP basis only.

The Annual Financial Report shows fund expenditures and revenues on both a GAAP basis and budget basis for comparison purposes.

When does “budget season” start?

The budget process for the City of Toledo typically begins in late August each year, soon after the completion and adoption of the current fiscal year’s budget. At this time, the Finance Department begins to review the rate and fee structures, increases in the cost of services and contracts, the proposed capital improvement program, and other financial plans. The City Council’s goals and objectives guide the budget-making process.

However, the budget process for the City of Toledo is actually an ongoing process throughout the year. During each fiscal year, new initiatives for services, new regulation, new funding sources, better methods for providing existing services, and new concerns are brought forward by citizens and staff to the City Council for discussion, study, or implementation. Typically, because we tend to budget very conservatively, new programs or initiatives need to wait until the next budget cycle to be fully funded.

What does city staff do to develop the budget?

To prepare for the coming budget cycle, staff evaluates current services and identifies issues to be addressed during budget hearings. Primary factors considered by staff in making recommendations include:

- Relevant federal, state or city regulations or needs that affect services provided by a department.
- Council position, policy statement, or general consensus regarding a service.
- Service deficiencies that have been identified through complaints, observations, or citizen survey data.
- Demographics, neighborhood data, or trends in demand for services.
- Special interest, neighborhood data, or professional group input or request for service.
- Special studies or reports that have identified a need for a service.
- Annual equipment assessments and inventories, which have identified a deficiency.

The City Council conducts a goal setting session to address issues, and give policy direction for the development of the budget. Once that is completed, staff turns its attention to turning that direction into numbers on paper. Factors that will play into budget planning at this point include:

- The cost of employee salaries is the largest expenditure on the city budget. Therefore, careful attention is given to step increases, cost-of-living adjustments, or any other major change in the employee salary schedule.
- Known cost factors including such items as postal rate increases, social security costs, contribution rates to employee pension and retirement funds, and other similar costs.
- Changes in employee fringe benefits, such as changes affecting vacation policy, overtime, holidays, uniform allowances, health insurance, and sick leave affect expenditures.
- Required elements of the budget such as insurance costs, utility costs, and vehicle maintenance costs are developed.
- Capital projects that have been recommended by facility plans or special area land-use plans, or have been requested by citizens.
- A price list is developed for anticipated costs on items in the general category of supplies and contractual services. This list included costs for any anticipated major capital expenditures because expenditures of this nature usually require a considerable amount of budget planning. Cost factors in this area tend to be more susceptible to inflation.
- General economic fluctuations can be one of the most difficult considerations when preparing a budget. In recent years even the best economists have encountered difficulty in predicting the performance of the economy. Also, any local event significantly impacting the local economy is taken into consideration. The failure or inability to conservatively consider projected economic activity can cause significant financial problems.

As with the revenue estimates, fiscal prudence demands that expenditure estimates be as accurate as possible. Departments submit their budget to the Finance Department for review. The Finance Director analyzes and review the budgets in detail, checking for accuracy and reasonableness of projections, and ensuring that all required elements of the budget are correct. The Finance Director then conducts a technical review with each department to gain a comprehensive understanding of their approach and to quantify their numbers.

Once the analysis is completed, each department meets with the City Manager who reviews the budget with the department staff to be sure that planned activities are in line with City Council goals and objectives. The Finance and Administration Department staff then develop a budget document to present to the Mayor, City Council, Budget Committee, and public for review and eventual adoption.

How do you know how much money the city will have?

Staff develops projections each year for each type of revenue the city receives. These projections are based on knowledge of some factors and assumptions about others. *For example*, the City could be notified that it will receive a \$1 million reimbursement grant for a capital project. The capital project is scheduled to last from May in one year until September one year later. As a result of the construction schedule, this project will cross three fiscal years. Before revenue projections can be finalized for each fiscal year, the project construction (expense) schedule must be set so that reimbursement dates for grant revenues may be determined and revenue budgeted as accurately as possible in each fiscal year.

Many revenue estimates must be made based on assumptions about general economic conditions and trends. For example, development related revenues (building permits, system development charges, and requests for new water service connections) are all based on assumptions about what development will do in Toledo during the coming year. Revenues estimates are made cautiously since estimating too high may result in setting a budget that not be supported by future revenues.

How do departments play into the budgeting process?

Departments are organizational units formed on the basis of compatible services. Departments provide services based on departmental goals and objectives to fulfill work plans. In some cases, a department will work within several funds. For example, the Public Works Department is funded through the General Fund, Public Works Fund and the Streets Fund. Although each of the operations in these funds is different, they are similar enough that efficiencies are obtained by having teamwork between the various programs.

Each department prepares a budget that includes information about the department and matches the financial, material, and human resources available with their proposed department work plans.

Is the budget ever evaluated?

During the course of the fiscal year, the expenditures and revenues are monitored regularly and compared to the budget appropriations. Monthly operating reports are prepared by the Finance Director, and provided to the City Manager and Department Heads, that provide the status of revenues and expenditures compared to the budget. The City Manager provides an update of each department's work plan progress to the City Council at public Council Meetings.

At the close of the fiscal year, the Annual Financial Report is prepared which reports on the financial condition of the city. During the budget process, this information is used to compare the projections of revenues and expenditures made during the prior fiscal year to the actual revenues and expenditures for a given fiscal year. Current year and future assumptions about revenues and expenditures may be changed depending on how close projections were to actual figures.

Can the budget be amended once it is adopted?

During the fiscal year, when the City is operating with the adopted budget, changes in appropriated expenditures sometime become necessary. These changes can be made mid-year by the City Council. The City Council may amend the adopted budget either by passing a transferring resolution, or by adopting a supplemental budget. Changes that require moving an existing appropriation from one area of the budget to another can normally be made by resolution. A supplemental budget is most often required when new appropriation authority is needed.

Who do I contact for more information?

All requests for public information in the City of Toledo are handled by the City Recorder's Office. Please call (541) 336-2247 x 2110 or visit our website at www.cityoftoledo.org.

Budget Summary & Overview

CITY OF TOLEDO
FISCAL YEAR 2016-2017
PROPOSED BUDGET

The following table lists the City's appropriated funds as well as their purpose and revenue source:

Fund	Purpose	Revenue
I. General Fund		
General Fund	The General fund is the general operating fund of the City. Administration, Police, Fire, Recreation, Library, Municipal Court and General Services are departments within the General Fund. This Fund is used to account for all financial resources except for those to be accounted for in another fund	The City's General Fund receives revenues from property tax, interest, transfers from other funds, franchise fees, other fees, licenses, permits, state sources, contracts for services, municipal court fines, grants, leases, rents, refunds and donations
II. Enterprise Funds		
Water Fund	The Water Fund accounts for the resources and expenses related to the supply, treatment, and distribution of water	The primary sources of revenue is user fees (water billings)
Sewer Fund	The Sewer Fund accounts for the resources and expenses related to the collection and treatment of wastewater	The primary Source of revenue is user fees (sewer billings)
Water Reserve Fund	The Water Reserve Fund is used to accumulate funds for capital improvements and unpredictable events which impact the water system	The primary source of revenue is transfers from the Water Fund
Sewer Reserve Fund	The Sewer Reserve Fund is used to accumulate funds for capital improvements and unpredictable events which impact the sewer system	The primary source of revenue is transfers from the Sewer Fund

Fund	Purpose	Revenue
II. Enterprise Funds <i>continued</i>		
System Development Fund	The System Development Fund is used to accumulate funds for future water, sewer, transportation, and storm water system development costs	The primary sources of revenue come from system development charges
III. Internal Service Funds		
Public Works	The Public Works Fund accounts for all shared costs between the Street, Water and Sewer Funds, including administrative activities and personnel costs	The primary source of revenue is transfers from the Street, Water and Sewer Funds
IV. Special Revenue Funds		
Street Fund	The Street Fund accounts for the maintenance, operation, and construction of the City's streets	The primary sources of revenue are state shared highway funds, franchise fees and the street utility fee
Forfeiture Revenue Fund	The Forfeiture Revenue Fund accounts for revenue received from other government agencies due to forfeiture of seized property	The primary source of revenue are funds paid to the City by other governmental agencies
Grant Fund	The Grant Fund accounts for financial resources from various grants	Revenue collected goes directly to fund approved grant activities
Revolving Loan Fund	To make no-interest loans to non-profit entities to improve the availability of low-mod-income housing in Toledo	Receives revenues from repayment of housing rehabilitation funds originally provided through federal programs
City Council Strategic Fund	The City Council Strategic Fund is used to fund specially approved City Council projects	Receives revenues from repayment of housing rehabilitation funds originally provided through federal programs

Fund	Purpose	Revenue
IV. Special Revenue Funds <i>continued</i>		
Solid Waste Fund	The Solid Waste Fund is used to accumulate funds dedicated to landfill closure expenses	Revenues are provided through a tipping fee collected at the landfill
911 System Fund	The 911 System Fund is used to account for the operation of the 911 call center	The primary source of revenue is 911 tax
Footpaths and Bicycle Trail Fund	The Footpath and Bicycle Trail Fund is used to account for required expenditures of state highway funds dedicated to the development and maintenance of footpaths and bicycle trails	The primary source of revenue is state highway taxes
V. Reserve Funds		
General Reserve Fund	The General Reserve Fund is used to accumulate funds for future major expenditures of the General Fund	The primary source of revenue is transfers from the General Reserve Fund
Public Works Reserve Fund	The Public Works Reserve Fund is used to accumulate funds for future capital equipment and building costs	The primary source of revenue is transfers from the Street, Water and Sewer Funds
Building and Property Reserve	The Building and Property reserve is used to accumulate funds for future capital expenditures related to City-owned buildings and property	The primary source of revenue is transfers from the General Fund
Street Reserve Fund	The Street Reserve Fund is use to accumulate funds for future maintenance, operation, and construction of city streets	The primary source of revenue is transfers from the Street Fund

VI. Trust and Agency Funds		
Library Reserve Fund	The Library Reserve Fund is used to accumulate funds for future Library programs, maintenance, and equipment costs	The primary source of revenue is donations and bequests to the Library
VII. Debt Service Fund		
Debt Service	The Debt Service Fund accounts for the repayment of the City's long-term general obligation debts (ex: Fire Station construction	The primary sources of revenue is property taxes
VIII. Capital Projects Fund		
Water Construction Fund	The Water Construction Fund is use to account for construction expenditures for bond-funded water improvements	The primary source of revenue is bond revenue and payments from the Seal Rock Water District

CITY OF TOLEDO - Budget by Fund

Total Budget
\$17,948,471

Governmental Funds \$10,798,709		Proprietary Funds \$7,149,762
General Fund \$4,856,936	Enterprise & Internal Service Funds \$7,149,762	
General Fund Administration Police Fire Recreation Property Maint. Library Municipal Court General Services	Capital Projects Funds \$422,900	Public Works \$860,130 Water \$2,463,333 Plant Distribution Sewer \$1,256,809 Plant Collection Water Reserve \$1,471,622 Sewer Reserve \$669,043 Systems Development \$428,450
Special Revenue Funds \$3,672,025	Trust & Agency Funds \$22,430	Water Construction \$422,900
Streets \$2,169,375 Council Strategic \$45,980 Forfeiture Reve- \$4,840 Revolving Loan \$57,910 Solid Waste \$183,820 911 System \$71,250 Footpaths & Bicycle Trails \$17,450 Grant Fund \$233,000 Stabilization \$888,400	Reserve Funds \$1,651,265	Library Reserve \$22,430
Debt Services \$173,153	Building & Property Reserve \$778,100 General Reserve \$524,500 Public Works Reserve \$182,415 Streets Reserve \$166,250	
Debt Funds \$173,153	Debt Services \$173,153	

Note: Funds in blue font are considered major funds for reporting purposes. Funds in black font are non-major.

BUDGET SUMMARY FISCAL YEAR 2016-2017

INTRODUCTION

This section of the budget document provides an overview of the financial information related to the operations of the City of Toledo for fiscal year 2016-2017 as well as information on longer term financial planning considerations. This section begins with a summary of the FY 2016-2017 City budget that combines all funds by type, followed by a summary of revenue and expenditure information.

SUMMARY OF THE ADOPTED BUDGET

The adopted budget for FY 2016-2017 is balanced as per state law. The City's projected revenue totals \$9,838,479. With an estimated beginning fund balance of \$8,109,992, the City projects it will have \$17,948,471 in total resources to fund services. The expenditure budget includes \$7,031,735 for operating expenses and \$10,916,736 in non-operating expenditures for a total budget of \$17,948,741. A consolidated summary of the revenues and expenses is outlined in the chart below:

Consolidated Financial Summary For All Funds					
	2014-2015 Actual	2015-2016 Adopted Budget	2016-2017 Proposed Budget	Variance in Dollars \$	Variance in Percentage %
Revenue					
Beginning Balance	\$9,854,533	\$8,197,552	\$8,109,992	-\$87,560	-1%
Taxes	\$1,838,811	\$1,850,306	\$1,869,776	\$19,470	1%
Transfers In	\$2,371,317	\$2,212,198	\$2,409,714	\$197,516	9%
Franchise Fees	\$1,170,331	\$1,181,400	\$1,369,385	\$187,985	16%
State Shared Revenues	\$115,535	\$114,615	\$118,950	\$4,335	4%
Utility Fees	\$4,079,081	\$3,126,100	\$3,181,550	\$55,450	2%
Intergovernmental	\$450,043	\$429,315	\$454,135	\$24,820	6%
All Other	\$314,372	\$432,659	\$434,969	\$2,310	1%
TOTAL REVENUES	\$20,194,023	\$17,544,145	\$17,948,471	\$404,326	2%
Expenditures by Category of Expense					
Personnel Services	\$3,301,883	\$3,881,995	\$3,930,905	\$48,910	1%
Materials & Services	\$1,380,973	\$2,904,940	\$3,100,830	\$195,890	7%
Capital Outlay	\$4,802,807	\$5,762,781	\$5,795,268	\$32,487	1%
Transfers Out	\$2,371,317	\$2,212,198	\$2,409,714	\$197,516	9%
Debt Services	\$779,137	\$1,387,063	\$1,386,913	-\$150	0%
Contingencies	\$0	\$565,000	\$595,000	\$30,000	5%
Unappropriated/Ending Balance	\$7,557,907	\$830,168	\$729,841	-\$100,327	-12%
TOTAL EXPENDITURES	\$20,194,023	\$17,544,145	\$17,948,471	\$404,326	2%

- A. General Fund – Property taxes, followed by a percentage of franchise fees are the major revenue sources for Administration, Police, Fire, Recreation, Property Maintenance, Library, Municipal Court and General Services. Most of the services are also supported by user fees, intergovernmental contracts or other revenues.
- B. Special Revenue Funds – The special revenue funds include the Street Fund, Council Strategic Fund, Forfeiture Revenue, Revolving Loan, Solid Waste, 911 System, Footpaths and Bicycle Trails, Grant Fund and Stabilization Fund. The operations supported in these funds have specific designated revenues, and receive no property tax support.
- C. Debt Funds – The City has one Debt Fund called Debt Services. Its purpose is to track the revenues and expenses related to general obligation bond payments for the City. Currently the City has one general obligation bond issue. These are the bonds that were issued to build the Fire and Rescue Station in 2005. The twenty year bond issue will be paid off in 2025.
- D. Reserve Funds – The reserve funds include the Building and Property Reserve, the General Reserve, Public Works Reserve and Streets Reserve. These funds are used to save money for future major capital projects/equipment.
- E. Trust and Agency Funds – The City’s only trust and agency fund is the Library Reserve, which is used to track gifts, donations and bequests to the Public Library.
- F. Capital Projects Fund – The City’s only capital project fund is the Water Construction Fund. This fund was created in 2012 to house the bond proceeds from the 2012 Water Revenue Bond Series and as the construction fund for the project funded by those bonds. Fiscal year 2016-2017 will be the last year that this fund will be actively used as the bond proceeds should be fully expended by the end of the fiscal year.
- G. Enterprise and Internal Service Funds – Enterprise funds are business-like activities, where operating revenues pay for all costs of operation and maintenance. The City of Toledo has five enterprise funds including the Water Fund, Sewer Fund, Water Reserve Fund, Sewer Reserve Fund and Systems Development Charges. Internal service funds provide services to other funds. The City has one internal service fund which is the Public Works Fund. Public Works provides services to the Street Fund, Water Fund and Sewer Fund.

REVENUE SUMMARY

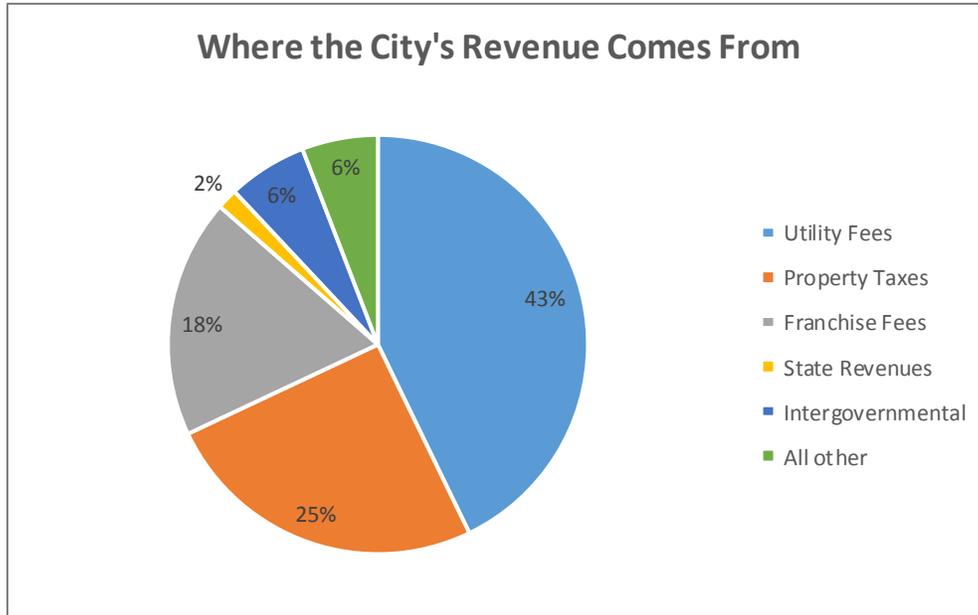
Revenue projections are the core of the budget process and are developed early in the process to provide parameters within which department requests are evaluated. The City is very conservative in projecting revenues to minimize the impact of fluctuations in the economy and reductions in city revenue. Six times in the last fifteen years, the City’s assessed value has declined instead of increasing. In years where there is no decline, the conservative predictions allow the city to build reserves and fund much needed infrastructure projects.

Assumptions used in developing this year’s revenue projections include

- Property tax growth at 1%
- Increase in water and sewer rates of 1.25%
- Flat lining growth related revenues and interest earnings

Revenues for fiscal year 2016-2017 balance the expenditures at \$17,948,471. Of that number, \$8,109,992, or 45%, is beginning fund balance or carryover from previous years. Interfund transfers make up 13% of the total revenue. Of the remaining \$7,428,765 that is expected to be received in FY 2016-2017 utility fees make up 43%, property taxes make up 25%, franchise fees make up 18%, followed by state shared reve-

nues at 2% and intergovernmental revenue at 6%. The final 6% includes all other revenues such as interest earnings, loan repayments, forfeiture revenues, etc.



The following pages include more detailed information on all of the major revenue sources that make up the funding plan for Toledo expenditures.

PROPERTY TAXES

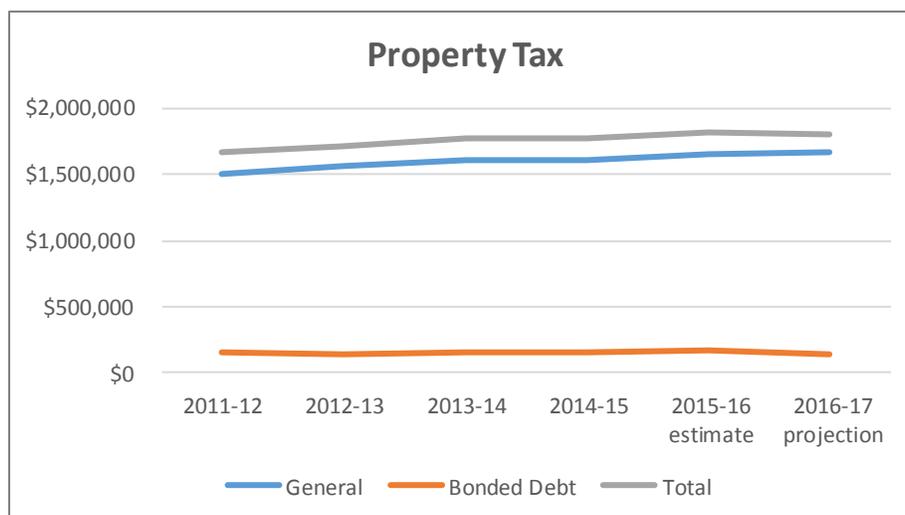
Description: The City levies two tax amounts each year; the first for operations and the second for debt service. The levy for operations is based on the City’s permanent rate under Measure 5, which is \$5.18 per thousand dollars of assessed value as determined by the Lincoln County Assessor’s Office. This is the maximum levy allowed the City under State law without additional voter approval. Under Measure 5, compression occurs when the general government tax rate for all taxing entities exceeds \$10 per thousand. Each taxing entity’s rate is proportionately reduced until the \$10 limit is met. The City is not currently experiencing any compression under Measure 5. The second levy for bonded debt allows the city to levy property tax for the purpose of retiring the principal and interest on bonded indebtedness. This property tax may be levied in any amount necessary to retire bonded indebtedness as deemed prudent by the City.

Use: The levy for general operations is used to fund daily operations within the General Fund. There are no restrictions as to usage. The levy for bonded debt is restricted to the retirement of debt service and is budgeted in the Debt Service Fund.

Structure: Levy for Operations - \$5.18 per \$1,000 of assessed valuation in FY 2016-2017
 Levy for Bonded Debt - \$155,000

Assumptions: The City is heavily dependent on both residential and industrial values in their assessed value. In seven of the last fifteen years the assessed value has decreased and is currently only 12% higher than it was fifteen years ago. Thus, the City has been very conservative in tax growth assumptions. This budget assumes a 1% growth in assessed value.

Fiscal Year	General	Bonded Debt	Total	Change
2011-12	\$1,507,283	\$157,650	\$1,664,933	2.37%
2012-13	\$1,565,318	\$147,141	\$1,712,459	2.85%
2013-14	\$1,612,812	\$157,576	\$1,770,388	3.38%
2014-15	\$1,615,192	\$155,353	\$1,770,545	0.01%
2015-16 estimate	\$1,650,000	\$170,000	\$1,820,000	2.79%
2016-17 projection	\$1,665,000	\$138,776	\$1,803,776	-0.89%



FRANCHISE FEES

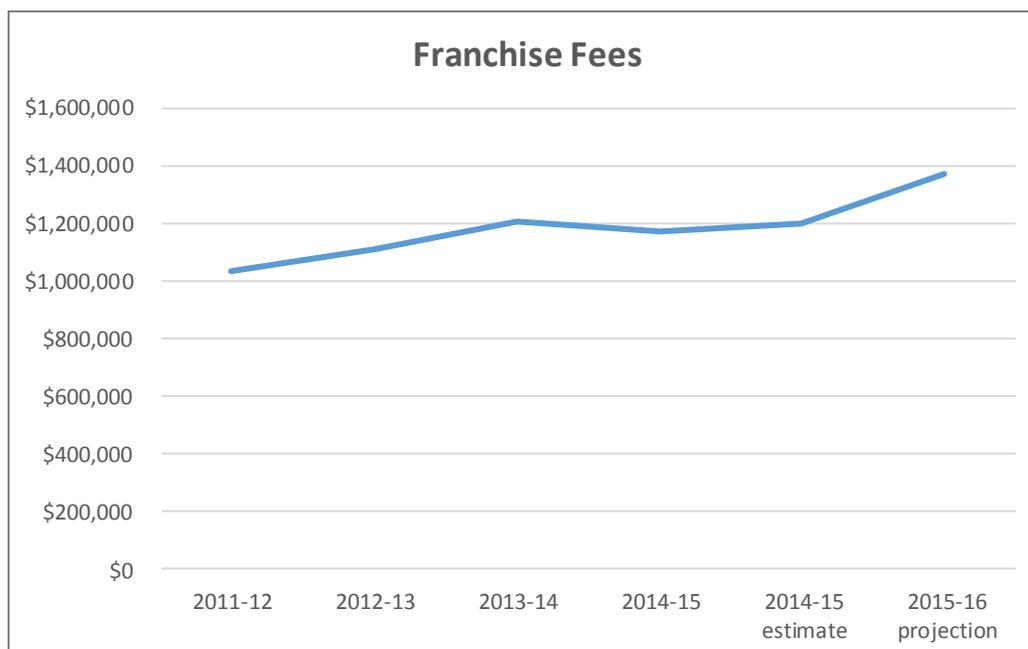
Description: Franchise fees are charged to utilities for use of the public right-of-way. The City has franchise agreements for telephone, telecommunications, television, garbage and electrical services. Each franchise is a negotiated contract with a percentage of gross revenue as the franchise fee.

Use: Historically the City has split the franchise fees between the General and Street Funds with half going in to each fund. In 2011, the City changed the split for the electrical franchise fee to 60% going in to General and the balance to Streets. In 2015, the split for all of the franchises changed to 60% for General and 40% to Streets. There are no restrictions on the use in either fund.

Structure: The franchise fees range from 5% to 7% of the gross income within the City limits of each franchisee.

Assumptions: Although the franchise fees have normally increased each year, they are heavily dependent on industrial usage, and thus can be volatile. The increase anticipated in the proposed budget is due to an increase in electrical franchise from 4.25% to 5% implemented beginning FY 2016-17.

Fiscal Year	Franchise Fees	Inc/Dec	Change
2011-12	\$1,031,408	\$238,224	30.03%
2012-13	\$1,113,404	\$81,996	7.95%
2013-14	\$1,204,612	\$91,208	8.19%
2014-15	\$1,170,331	-\$34,381	-2.85%
2015-16 estimate	\$1,201,155	\$30,824	2.63%
2016-17 projection	\$1,369,385	\$168,320	14.01%



WATER SALES

Description The City produces and sells potable water for customers inside the city limits and to a small number of customers outside the City limits. The City also sells wholesale water to the Seal Rock Water District.

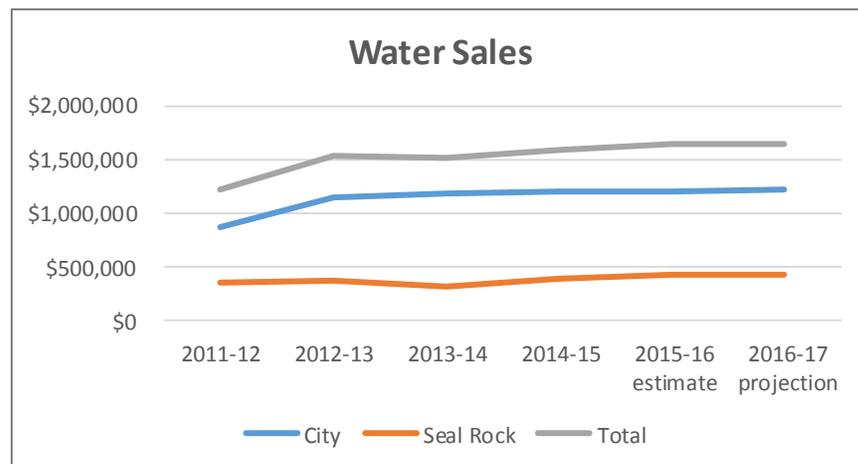
Use The revenue generated by water sales is used to cover the cost of operations, administration, maintenance and replacement of the water treatment and distribution system.

Structure There are three components to the City’s water charge. The flat rate consists of a service charge of \$5.20 per month and a facilities charge of \$22.85 per month that increases proportionately based on meter size. The usage charge is \$4.40 per 1,000 gallons of metered water. Rates double for customers outside the City limits. The rate for the Seal Rock Water District is \$3.57 per thousand gallons, with no monthly flat rate.

Meter size	Flat rate inside City	Flat rate outside City
5/8	\$28.05	\$56.10
3/4	\$39.50	\$79.00
1	\$64.60	\$129.20
1.25	\$98.90	\$197.80
1.5	\$140.00	\$280.00
2	\$245.15	\$490.30
3	\$544.45	\$1,088.90
4	\$962.60	\$1,925.20
6	\$2,159.95	\$4,319.90

Assumptions An annual cost of living increase of 1.25% is scheduled for this year.

Fiscal Year	City	Seal Rock	Total	Change
2011-12	\$873,000	\$352,584	\$1,225,584	34.87%
2012-13	\$1,151,072	\$383,567	\$1,534,639	25.22%
2013-14	\$1,196,859	\$324,673	\$1,521,532	-0.85%
2014-15	\$1,197,807	\$387,905	\$1,585,712	4.22%
2015-16 estimate	\$1,210,000	\$430,000	\$1,640,000	3.42%
2016-17 projection	\$1,225,000	\$430,000	\$1,655,000	0.91%



SEWER FEES

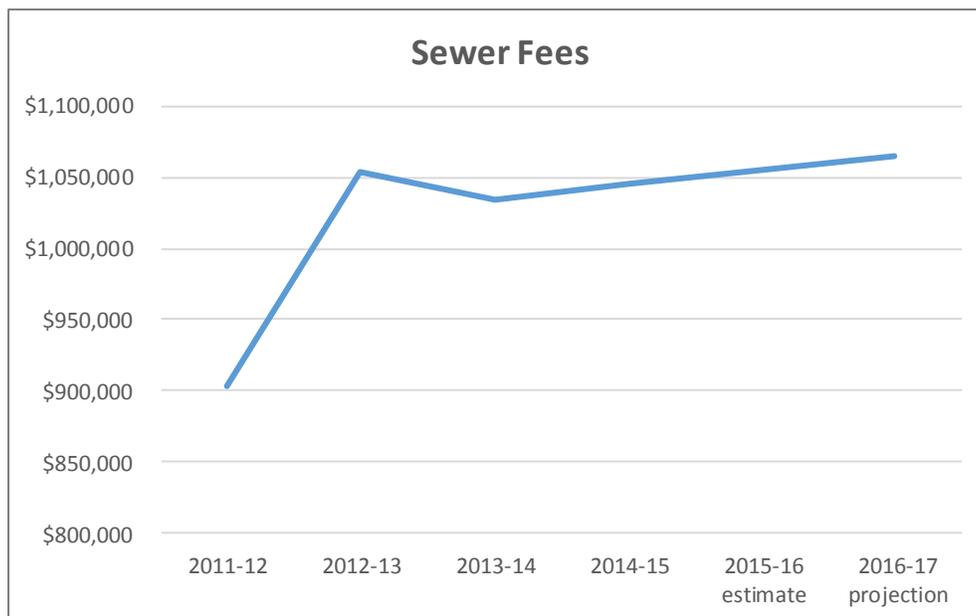
Description The City levies a charge on each user of the City’s sewerage system having a sewer connection or otherwise discharging sewage, industrial waste, or other liquids in the City’s sewage system.

Use: The revenue generated by sewer fees is used to cover the cost of operations, administration, maintenance and replacement of the wastewater collection and treatment system.

Structure There are two components to the City’s sewer fee. Each account pays a flat rate of \$11.50 per month. The usage charge is \$15.20 per 1,000 gallons based on the customer’s average water usage during the months of January through April. Industrial users pay based on their actual water usage each month. The first 1,000 gallons of usage is included in the monthly flat rate for all users.

Assumptions A cost of living adjustment of 1.25% is scheduled for this year.

Fiscal Year	Sewer Fees	Change
2011-12	\$903,405	34.87%
2012-13	\$1,054,130	16.68%
2013-14	\$1,034,666	-1.85%
2014-15	\$1,045,251	1.02%
2015-16 estimate	\$1,055,000	0.93%
2016-17 projection	\$1,065,000	0.95%



INTERGOVERNMENTAL SERVICES

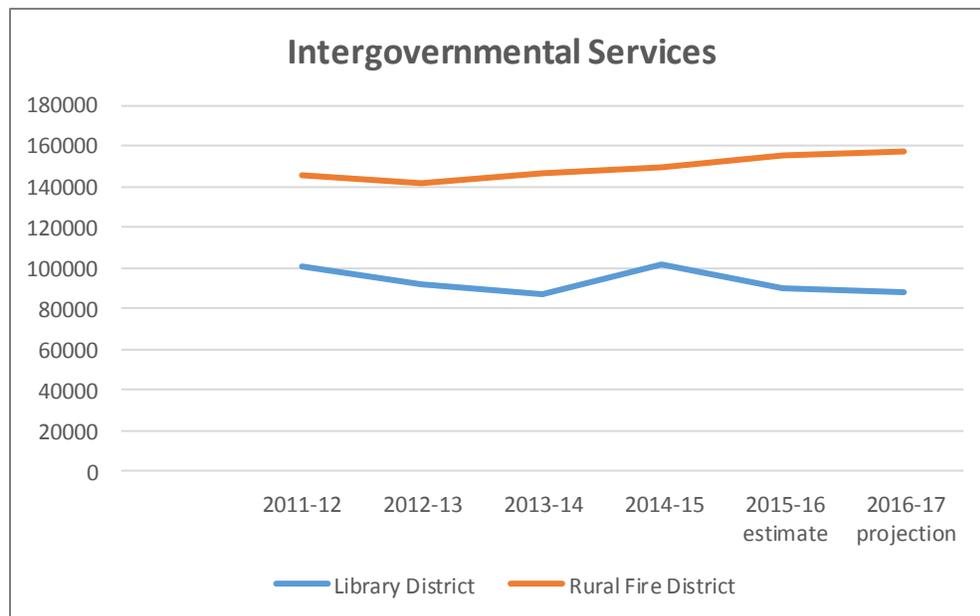
Description Two local taxing districts contract with the City to provide service to their constituents who reside outside the City limits. The City provides services for both the Lincoln County Library District and also the Toledo Rural Fire Protection District.

Use The revenue generated by these contracts is used in the General Fund to offset the costs incurred in providing services to the districts patrons.

Structure The Lincoln County Library District pays the City using a formula based on circulation to patrons outside the city limits. The Rural Fire District pays the City \$.90 per \$1,000 of the District’s assessed value as determined by the Lincoln County Assessor’s Office.

Assumptions The Library Service District provides an estimate of the contract amount each year and that amount is used in budget preparation. The budget projection for this year is down slightly for the second year, as circulation has decreased to the district’s patrons outside the city limits. Because of uncertainty about the assessed value within the Fire District, the budget projection is conservatively budgeted with a 1.0% increase

Fiscal Year	Library District	Library % change	Rural Fire District	Rural Fire % change
2011-12	\$100,467	34.87%	\$145,564	-3.78%
2012-13	\$92,578	-7.85%	\$142,155	2.34%
2013-14	\$87,550	-5.43%	\$146,506	3.06%
2014-15	\$101,748	16.22%	\$149,399	1.97%
2015-16 estimate	\$90,315	-11.24%	\$155,950	4.38%
2016-17 projection	\$88,635	-1.86%	\$157,500	1.00%



UTILITY FEES

Description The City charges two utility fees on the monthly utility bill in addition to water and sewer charges. These are the Street Light Utility Fee and the Road Maintenance Utility Fee.

Use The revenue generated from the Street Light Utility Fees are used to offset the cost of the street lighting program within the City. Road Maintenance Fees are deposited in to the Street Fund and the use is restricted to street maintenance.

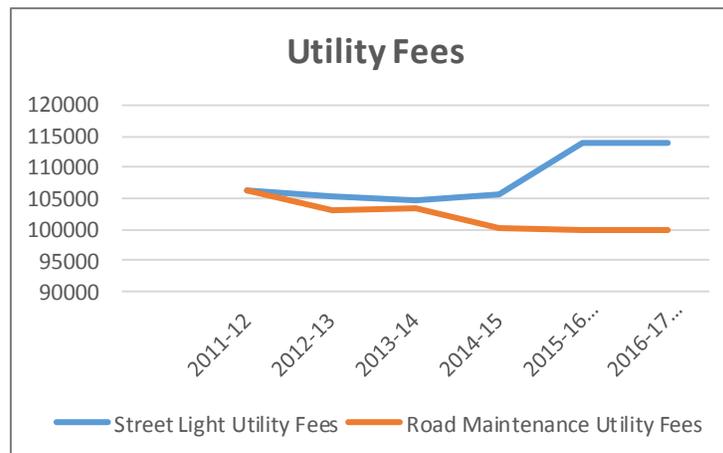
Structure The Street Light Utility Fee is a flat rate of \$7.50 per month for all customers of the water and sewer system residing inside the City limits. The Road Maintenance fee is charged monthly and is set by user category based on trip data in the Institute of Traffic Engineers 7th Edition Manual as demonstrated below.

Single Family Residential	\$3.00
Multi-Family (per unit)	\$2.10
Light Commercial	\$5.00
Medium Commercial	\$10.75
Heavy Commercial	\$23.10

High Traffic Commercial	\$49.70
Light Industrial	\$56.95
Medium Industrial	\$128.15
Heavy Industrial	\$288.30

Assumptions The Street Light Utility Fee was increased in 2015 by \$0.50 per month per user which generated an additional \$10,000 per year. After that increase 100% of the City’s street lighting expenditures were paid by this fee. Since that time, street light charges paid by the City have increased by \$10,000 per year which is currently subsidized by the General Fund. The Road Maintenance Fee has not been adjusted since its inception in 2010. Minor fluctuations each year are the result of fine tuning the fees for each user. No change is reflected to this fee in the projected budget.

Fiscal Year	Street Light Utility Fees	St Light % change	Road Maint. Utility Fees	Road Maint. % Change
2011-12	\$106,274	14.06%	\$106,254	4.08%
2012-13	\$105,270	-0.94%	\$103,152	-2.92%
2013-14	\$104,643	-0.60%	\$103,314	0.16%
2014-15	\$105,576	0.89%	\$100,128	-3.08%
2015-16 estimate	\$114,000	7.98%	\$100,000	0.00%
2016-17 projection	\$114,000	0.00%	\$100,000	0.00%



EXPENDITURE SUMMARY

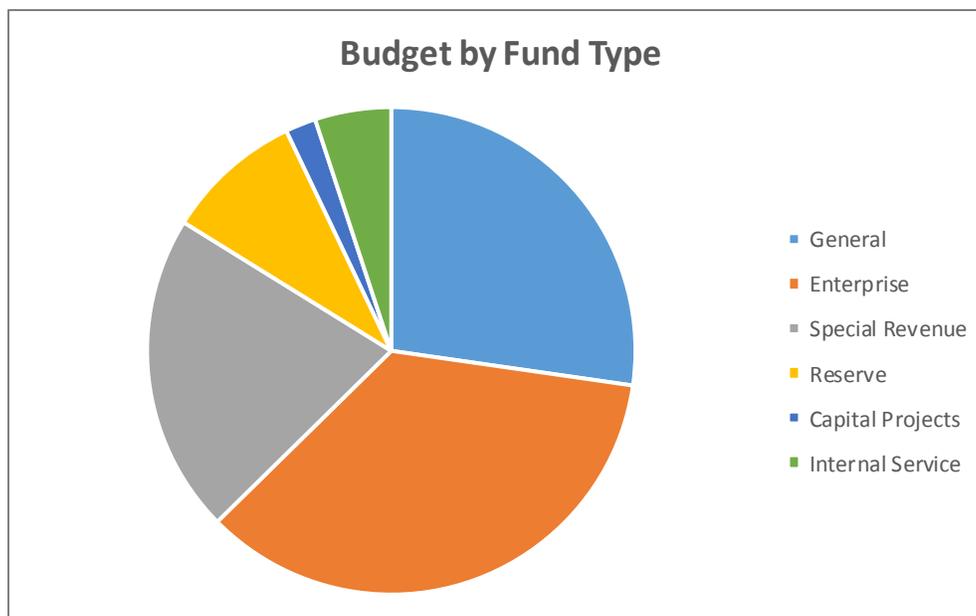
Under Oregon budget law, the City has the authority to appropriate all revenue sources. The City of Toledo therefore prepares an annual budget and financial plan for all funds which means that all funds are appropriated. The only exception to this are unappropriated amounts set aside to carry funds over to the following budget year until tax money is received in the General and Debt Service funds.

Appropriations by Fund Type

The City’s funds are accounted for in specific fund types that help classify the type of expenditure. For example, the primary operating fund for non-enterprise services is the General Fund which is a governmental fund. The following table shows the fund types as they are grouped for reporting purposes.

Governmental Funds	Proprietary Funds
General Fund	Enterprise
Special Revenue	Internal Service
Reserve	
Capital	
Debt Service	
Trust & Agency	

Appropriations by major fund type are depicted below. The general fund appropriations comprise about 27% of the total budget, enterprise funds (including enterprise reserve funds) make up about 35%, special revenue funds make up 21%, reserve funds make up 9%, capital projects funds make up 2%, internal service funds make up 5%, and debt service funds make up the remaining 1%.

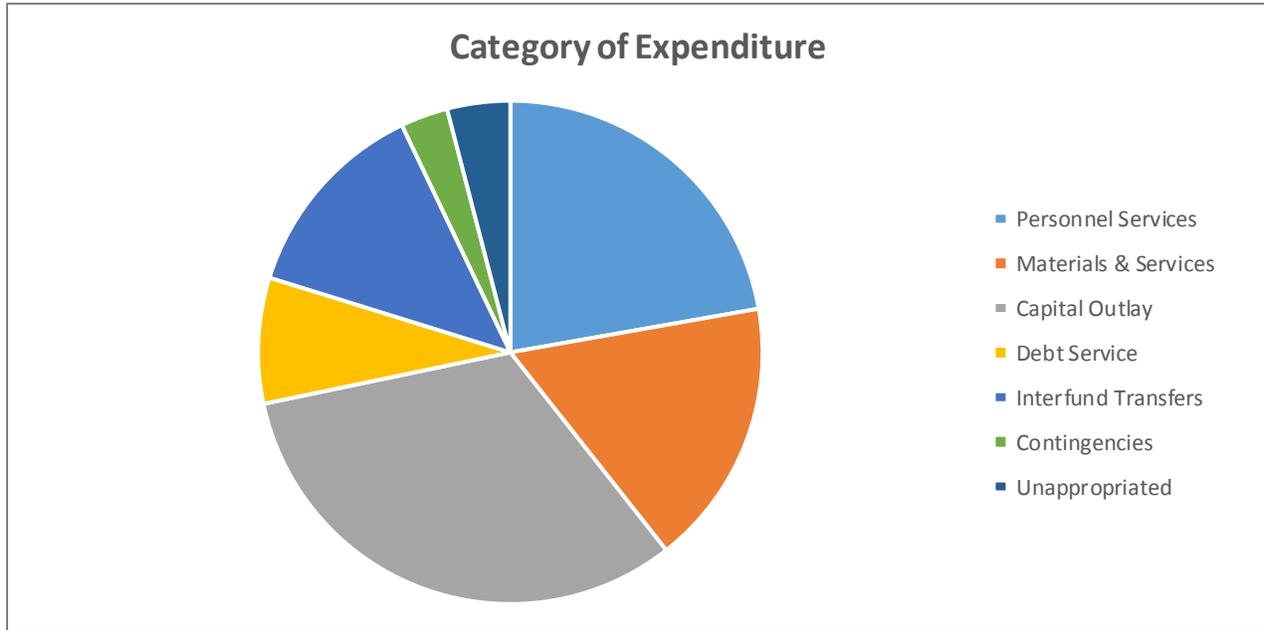


Appropriations by Classification

In addition to reviewing the budget by fund/department and by fund type, it is important to know how much of the budget is being spent on certain classifications of expenditure. The City budgets using seven major

classifications: personnel services, materials and services, capital outlay, transfers, debt services, and contingency and unappropriated.

The largest category of expenditure in the adopted budget at 32%, or \$5,795,268, is for capital outlay including enterprise fund capital. This is consistent with the previous year at 34%. Personnel services make up 22% and materials and services account for 17% of the overall budget, inter-fund transfers make up 13%, debt services make up 8%, unappropriated funds are 4% and contingencies make up the other 3%.



PERSONNEL SERVICES

The personnel services budget includes salaries and wages paid to full-time, part-time and casual employees and the benefits associated with each of the positions. Personnel costs make up almost one quarter of the City’s total appropriations and in some departments can account for as much as 96% of the department’s total appropriation.

Department	Personnel Services Amount	% of Department
Administration	\$633,625	96%
Police	\$1,189,000	90%
Fire	\$385,650	62%
Recreation	\$142,600	74%
Property Maintenance	\$181,745	39%
Library	\$206,130	79%
Municipal Court	\$5,335	44%
General Services	\$55,500	4%
Public Works	\$731,970	85%
Water Plant	\$201,350	9%
Sewer Plant	\$198,000	8%

The City has two separate represented bargaining units. The Toledo Public Safety Association (TPSA) covers all of the City's non-management police and fire personnel working over half time, including police officers, police dispatchers and firefighters. The Toledo Employee's Association (TEA) covers all other non-management and non-confidential employees working more than half time for the City. This includes employees in the Library, Public Works, Administration, Property Maintenance, Water and Sewer Departments. Non-represented employees do not have a labor agreement.

Salaries are budgeted at the current pay level, and step increases are projected based on each employee's annual review date and the existing pay tables, except for positions already at the top step. Cost of living adjustments in this budget are based upon the City's two bargaining unit agreements with TEA receiving 2.0% and the TPSA, whose agreement is currently in negotiation, receiving an adjustment that is still to be determined. COLA for non-represented employees is budgeted at 2.0%.

Health insurance costs are budgeted with an increase of 2.5% over the 2015-2016 budget and the PERS retirement contribution percentages, which are adjusted every two years by PERS, remain the same as the previous year. By Council policy, the City transfers money to the retirement stabilization account in the Stabilization Fund any time rates fall below 7% and draw from the fund when rates are higher than 7%. The proposed budget reflects transfers to the Stabilization Fund totaling \$44,900.

Department	Salaries	Social Security	Health Insurance	Worker's Compensation	Retirement
Administration	\$434,200	\$33,200	\$120,325	\$900	\$45,000
Police	\$772,000	\$59,000	\$250,000	\$15,000	\$93,000
Fire	\$245,500	\$19,200	\$70,650	\$17,500	\$32,800
Recreation	\$106,000	\$8,100	\$16,200	\$4,000	\$8,300
Property Maintenance	\$123,000	\$9,500	\$30,370	\$4,375	\$14,500
Library	\$128,550	\$9,835	\$55,000	\$400	\$12,345
Municipal Court	\$3,760	\$300	\$675	\$20	\$580
General Services	\$40,800	\$3,125	\$8,100	\$150	\$3,325
Public Works	\$464,470	\$35,530	\$159,995	\$23,640	\$48,335
Water Plant	\$143,500	\$10,750	\$30,600	\$4,800	\$11,700
Sewer Plant	\$137,600	\$10,500	\$30,600	\$3,500	\$15,800
TOTALS	\$2,599,380	\$199,040	\$772,515	\$74,285	\$285,685

The hard dollar non-wage costs such as social security, health insurance, worker's compensation and retirement add a significant amount to personnel expenses. For fiscal year 2016-2017, for every dollar spent by the City on employee wages, an additional 51 cents will be spent on hard dollar, payroll related costs.

STAFFING LEVELS

The FY 2016-2017 adopted budget includes a total of 46.8 full time equivalencies (FTE), down very slightly from the 46.9 in FY 2015-2016. One FTE equals 2,080 hours of work each year.

Staffing level changes proposed within this budget include: reducing part time staffing at the Municipal Pool from 3.70 FTE to 3.0 FTE; replacing the full time aquatics/recreation director with two half time aquatics managers; changing the municipal court judge to a contract position; the addition of a half-time information systems manager in lieu of contract services for IT.

SUMMARY TABLE OF POSITIONS

Position	FTE			% of change
	FY 2014-2015	FY 2015-2016	FY 2016-2017	
City Manager	1.00	1.00	1.00	0
City Recorder	1.00	1.00	1.00	0
Asst. to the City Recorder	0.80	0.80	0.80	0
Attorney	0.50	1.00	1.00	0
Finance Director	1.00	1.00	1.00	0
Planning Technician	0.80	0.80	0.80	0
Accounting Clerk	1.00	1.00	1.00	0
Utility Clerk	0.80	0.80	0.80	0
Police Chief	1.00	1.00	1.00	0
Police Sergeant	1.00	1.00	1.00	0
Police Detective	1.00	1.00	1.00	0
Police Officer	4.00	4.00	4.00	0
Head Dispatcher	1.00	1.00	1.00	0
Dispatcher	5.00	5.00	5.00	0
Fire Chief	1.00	1.00	1.00	0
Assistant Fire Chief/Facilities Manager	1.00	1.00	1.00	0
Division Chief	2.00	2.00	2.00	0
Aquatics/Recreation Director	1.00	1.00	0.00	-100%
Aquatics Managers	0.00	0.00	1.10	n/a
Lifeguards	4.85	3.70	3.00	-19%
Custodian	0.80	0.80	0.80	0
Grounds Maintenance	1.60	1.60	1.60	0
Library Director	1.00	1.00	1.00	0
Asst. to the Library Director	1.00	1.00	1.00	0
Library Technical Services Operator	1.00	1.00	1.00	0
Library Aide	0.40	0.40	0.40	0
Information Systems Manager	0.00	0.00	0.50	n/a
Public Works Director	1.00	1.00	1.00	0
Superintendent	1.00	1.00	1.00	0
Lead Worker	1.00	1.00	1.00	0
Equipment Mechanic	1.00	1.00	1.00	0
Public Works Maintenance Worker	4.00	4.00	4.00	0
Lead Plant Operator	2.00	2.00	2.00	0
Junior Plant Operator	2.00	2.00	2.00	0
TOTALS	46.40	46.90	46.80	

MATERIALS & SERVICES DETAIL

<i>Special Purchases:</i>		
Department	Item	Amount
Fire	Repair pump on 1998 Freightliner fire vehicle	\$6,500.00
	Binoculars as required by OSHA for Haz Mat	\$800.00
	Breathing apparatus bottler	\$3,500.00
	Total:	\$10,800.00
Property Maintenance	Overlay basketball courts	\$5,000.00
	Total:	\$5,000.00
Library	Library furniture	\$1,500.00
	Total:	\$1,500.00
Sewer Collection	Flo-tote sewer recorder	\$8,000.00
	Total:	\$8,000.00
<i>Contract Services:</i>		
Department	Item	Amount
Administration	Employment Advertising	\$250.00
	Printing	\$250.00
	Total:	\$500.00
Police	Lexipol policy program	\$1,800.00
	Hiring costs including testing & background investigations	\$5,250.00
	Hearing tests	\$150.00
	Evidence shipping costs	\$200.00
	Accreditation costs	\$1,800.00
	Miscellaneous	\$500.00
	Total:	\$9,700.00
Fire	Health and fitness costs	\$3,500.00
	Haz Mat and reporting	\$1,500.00
	Bond sale maintenance costs	\$1,000.00
	Miscellaneous	\$1,000.00
	Total:	\$7,000.00
Recreation	Software maintenance fees	\$1,150.00
	Music licensing	\$340.00
	Credit cards charges	\$500.00
	Miscellaneous	\$295.00
	Total:	\$2,285.00

(continued, next page)

MATERIALS & SERVICES DETAIL

<i>Contract Services (cont'd):</i>		
Department	Item	Amount
Property Maintenance	Temporary seasonal help for grounds	\$15,000.00
	Portable toilet pumping	\$4,000.00
	Miscellaneous	\$1,120.00
	Total:	\$20,120.00
Library	Temporary help	\$500.00
	Total:	\$500.00
Municipal Court	Judge	\$4,800.00
	Credit card charges	\$600.00
	Total:	\$5,400.00
General Services	Banking and credit card services	\$5,500.00
	Newsletter printing	\$1,900.00
	Codification	\$3,000.00
	Forms and check stock	\$1,500.00
	Lien searches	\$1,200.00
	Budget publication and meeting	\$700.00
	Postage meter & PO box rental	\$650.00
	Meetings	\$500.00
	Franchise negotiation legal expenses	\$500.00
	Records destruction	\$500.00
	Miscellaneous	\$5,000.00
	Total:	\$20,950.00
	Public Works	State licenses and fees
Portable toilet rental		\$1,200.00
Line locate fees		\$500.00
Miscellaneous		\$2,700.00
Total:	\$6,000.00	
Streets	Engineering and contractors	\$25,000.00
	Traffic signal maintenance	\$5,000.00
	Total:	\$30,000.00
Water Plant	Lab services	\$11,000.00
	SCADA support	\$3,500.00
	State fees	\$2,000.00
	Miscellaneous	\$5,000.00

(continued, next page)

MATERIALS & SERVICES DETAIL

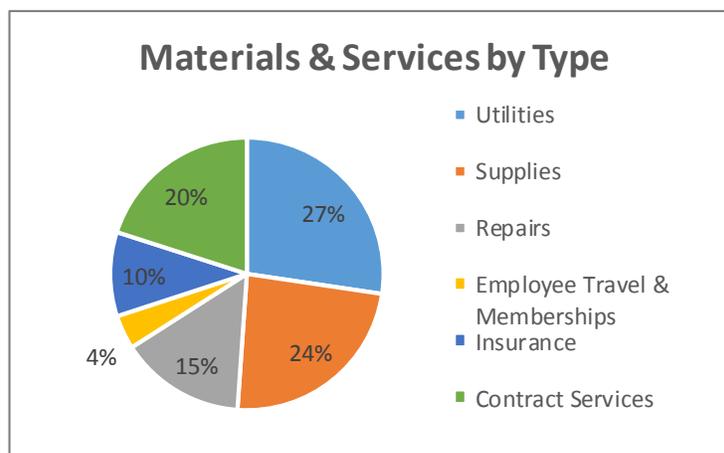
Contract Services (cont'd):		
Department	Item	Amount
Water Plant (cont'd)	Total:	\$21,500.00
Water Distribution	Credit card fees	\$3,800.00
	Phone payment fees	\$1,300.00
	Meter testing	\$1,500.00
	Miscellaneous	\$1,400.00
	Total:	\$8,000.00
Sewer Plant	State fees	\$3,500.00
	Miscellaneous	\$4,500.00
	Total:	\$8,000.00

MATERIALS AND SERVICES

The Materials and Services budget includes costs for purchases such as:

- Goods such as paper, office supplies, Library books and other materials, desktop computers, and tools;
- Chemicals for operating the water and wastewater treatments plants and for treating the water at the municipal pool;
- Contractual services such as audit and consultant services;
- Overhead charges such as electricity, telephone and natural gas;
- Fuel and maintenance for vehicles and equipment;
- Training expenses for City employees;
- Minor building repairs;
- Memberships and subscriptions.

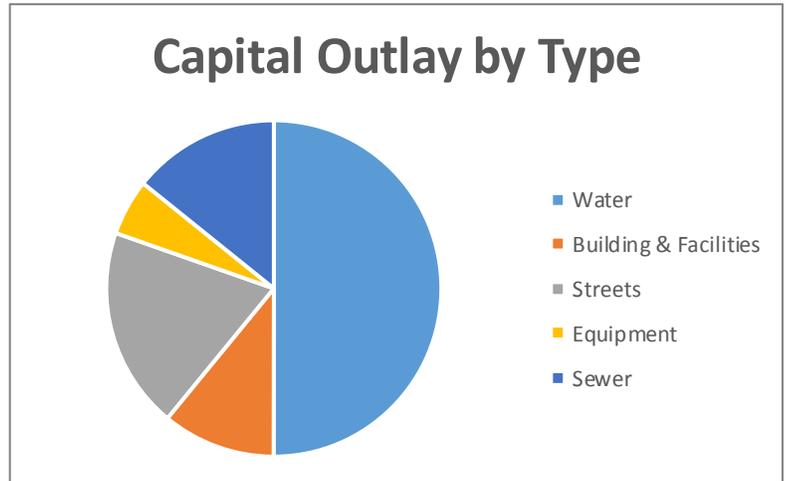
Each budget year, department heads provide the City Manager with detailed information about the amount they are requesting for materials and services line items. One-time purchases are proposed in the Special Purchases line item, as they will not be funded from on-going revenues. Utility costs are based on previous history with an inflationary increase based on estimates from the utility providers.



CAPITAL IMPROVEMENTS

Capital expenditures include all anticipated expenditures for individual items with a cost greater than \$10,000 and a useful life expectancy of three years or more.

It is a major goal of the City of Toledo to complete and adopt an official Capital Improvement Plan (CIP) during the fiscal year 2016-2017. The CIP will consist of a list of future facilities and infrastructure construction projects, and major repair or facilities maintenance projects. Also included will be major pieces of equipment used in performing city business, such as police cars, fire trucks, and public works equipment.



During fiscal year 2016-2017 the City anticipates expending \$1,572,600 on capital purchases. The appropriation for capital accounts for 33% of the adopted budget.

2016-2017 Capital Outlay

Fund	Item	Cost	Page
Property Maintenance	Memorial Field drainage study	\$12,000.00	
Property Maintenance	Grant match for parks improvements	\$20,000.00	
Streets	Street resurfacing/overlays	\$180,000.00	
Streets	Seal coating of City street	\$65,000.00	
Streets	Storm drainage master plan	\$60,000.00	
Building & Property Reserve	City Hall roof	\$100,000.00	
Building & Property Reserve	Library heating system	\$20,000.00	
Building & Property Reserve	Feasibility study to move Police to Fire Station	\$20,000.00	
General Reserve	Custodial van	\$12,000.00	
Public Works Equipment Reserve	Utility truck	\$27,000.00	
Public Works Equipment Reserve	Pickup truck	\$23,000.00	
Water Reserve	Water conservation and management plan	\$48,700.00	
Water Reserve	Ammon Road water tank project	\$315,000.00	
Sewer Reserve	Butler Bridge force main	\$224,000.00	
Grant Fund	City-wide camera system	\$13,000.00	
Grant Fund	Police Mobile Data Terminals (MDT)	\$10,000.00	
Water Construction Fund	Siletz Pump Station demolition	\$75,000.00	
Water Construction fund	Complete bond funded water projects	\$347,900.00	
TOTAL		\$1,572,600.00	

Capital expenditures that the City anticipates making in the next five years and that will be included in the CIP when it is completed include the following items:

5 Year Capital Improvements Projected

Fund	Project	Cost	Funding Source	Year
Public Works	3.5 yard dump truck	\$40,000	Operating revenue	2019
Streets	Street paving inventory projects	\$250,000	State Highway tax	2018
Sewer	I & I Improvements	\$250,000	User rates	2019
General	Fire breathing apparatus	\$150,000	Operating revenue	2017
General	Police patrol vehicle	\$41,000	Operating revenue	2018
Public Works	Backhoe	\$100,000	Operating revenue	2018
Public Works	Pickup truck	\$27,000	Operating revenue	2018
Streets	Street paving inventory projects	\$250,000	Road Maintenance fees	2019
General	Replace 1990 Pierce ladder fire truck	\$180,000	Operating revenue	2019
General	Fire breathing apparatus compressor	\$50,000	Operating revenue	2020
General	Fire hazmat air truck	\$80,000	Operating revenue	2020
Public Works	1 ton fleet vehicle	\$30,000	Operating revenue	2020
Water	Distribution Improvements	\$1,057,703	User rates	2018
General	City Hall exterior painting	\$45,000	Operating revenue	2020
General	Move Police Department from floodplain	\$3,000,000	To be determined	2020
Sewer	Master Plan Improvements – Phase 1	\$4,345,000	To be determined	2020
General	Fire command vehicle	\$30,000	Operating revenue	2021
General	Fire cascade system	\$10,000	Operating revenue	2021

Many of the improvements on these two lists tie directly to the organization’s work plan for 2016-2017 as outlined in the City Manager’s budget message, and to the City’s long term goals. A major long term goal of the City is to maintain and improve its public infrastructure and facilities. Toward this end, the City has already completed a Building Facilities Plan in 2012, a Water Master Plan in 2010 (to be updated this year) and adopted a Wastewater Facilities Plan in 2015. The Capital Improvement Plan will prioritize the various projects in these three plans and combines them into a single comprehensive masterplan.

In 2012, the City issued \$6,500,000 in water revenue bonds to fund the first two phases of the Water Master Plan. Cost savings from actual construction costs coming in below engineer’s estimates allowed the City to fund part of the third phase of the Master Plan. The distribution improvements planned for fiscal year 2019-2020 will complete Phase 3 of the Master Plan. The City has not yet identified a funding source for the estimated \$9.6 million cost of Phase 4 improvements. This project will likely not fall within the five year planning period of this document.

Another major goal of the City is to assure and provide services that protect the public. A major concern with public safety in Toledo is that the Police Station currently resides within the flood plain. This presents a problem in that essential emergency responders may be put out of commission by the very incident or disaster, like a flood or flooding associated with a larger issue, that they need to be responding to. There is funding in this year’s budget to determine the feasibility of moving the Police Department to the Fire Station and co-locating Police and Fire in a Public Safety center.

The City’s Quality of Life Goal – “Maintain and enhance characteristics that assure Toledo is a good place to be” will be moved forward through the allocation of funds for revitalizing our City’s parks. These funds will be used as matching dollars for grants that the City intends to pursue with community partnerships.

INTERFUND TRANSFERS

Fund	Transfers In	Transfers Out	Difference
General	\$499,500.00	\$284,500.00	\$215,000.00
Public Works	\$830,130.00	\$12,000.00	\$818,130.00
Streets	\$0	\$315,855.00	-\$315,855.00
Water	\$0	\$1,039,145.00	-\$1,039,145.00
Sewer	\$0	\$758,214.00	\$758,214.00
Building & Property Reserve	\$125,000.00	\$0	\$125,000.00
General Reserve	\$135,500.00	\$0	\$135,500.00
Public Works Reserve	\$65,000.00	\$0	\$65,000.00
Water Reserve	\$347,580.00	\$0	\$347,580.00
Sewer Reserve	\$332,104.00	\$0	\$332,104.00
Street Reserve	\$30,000.00	\$0	\$30,000.00
Stabilization Fund	\$44,900.00		\$44,900.00
TOTALS	\$2,409,714.00	\$2,409,714.00	\$0.00

Transfers represent the movement of monies between funds within the City organization. This is normally done to move money from the operating funds into other funds where they will be saved for future expenditures or used to complete capital projects. Money is also moved by transfer to pay a fund back for services provided to another fund. For instance, the City's enterprise funds pay an annual contribution to the General Fund for administrative services provided. The Streets, Water and Sewer Funds all make transfers to the internal service Public Works Fund for expenses jointly shared by the three funds. Additionally, in some years money is moved by transfer in to the Stabilization Fund to facilitate revenue stabilization or to be set aside for future retirement expenses.

DEBT SERVICES

Debt Services includes appropriations for all of the City's long term debt, including revenue bonds, general obligation bonds, and other types of long term financing.

By City Charter the City's debt limit is set at the legal limit as imposed on a city by state law. Currently, that debt limit is set by the State of Oregon for general obligation bond issues at 3% of real market value within the City. This amount would be approximately \$10,753,000. The City currently only has one general obligation bond issue with an outstanding balance of \$1,235,000.

As of June 30, 2016, the City will have the following outstanding debt:

Long Term Debt

2000 Revenue Bond – Sewer System	\$2,051,947
2005 General Obligation – Fire Station	\$1,235,000
2012 Revenue Bond – Water System	\$5,795,000
Total Long Term Debt	\$9,081,947

Short Term Debt

2013 DEQ State Revolving Loan	\$ 86,022
Total Short Term Debt	\$ 86,022

TOTAL OUTSTANDING DEBT **\$9,167,969**

The City has budgeted the following interest and principal payments in the 2016-2017 budget:

Issue	Principal	Interest	Total Pmt.	Budgeted Fund
2000 Revenue Bond	\$43,113	\$102,239	\$145,352	Sewer Reserve
2005 General Obligation	\$105,000	\$58,153	\$163,153	Debt Service
2012 Revenue Bond	\$190,000	\$232,383	\$422,383	Water Fund
2013 DEQ Loan	\$42,778	\$822	\$43,600	Sewer Reserve
Total Payments 2015-2016	\$380,891	\$393,597	\$774,488	

CONTINGENCIES

Contingency appropriations are budgeted to allow the City to deal with emergencies and may be used following approval of the City Council. If the City Council authorizes the use of contingency funds, the budget is transferred by resolution to the appropriate expenditure category. There will never be actual expenditures in the classification of Contingencies.

All of the City's operating funds have a budgeted contingency amount. While most remained the same as the previous year, two were increased. Contingency in the Public Works Fund increased by \$5,000 to \$30,000, and the Street Fund Contingency increased from \$100,00 in 2015-2016 to \$125,000 for the fiscal year 2016-2017. Because of the anticipated workload for this coming year, staff felt it would be prudent to provide a more adequate contingency amount in these two funds.

Contingency Amounts Budgeted for FY 2016-2017

General Fund	\$200,000
Public Works	\$ 30,000
Streets	\$125,000
Water	\$140,000
Sewer	\$100,000
TOTAL CONTINGENCIES BUDGETED	\$595,000

UNAPPROPRIATED AND RESERVED FOR FUTURE EXPENDITURE

The purpose of an unappropriated ending fund balance is to provide the local government with a cash or working capital balance with which to begin the fiscal year following the one for which the budget is being prepared. The City uses an unappropriated balance in the two funds that are tax supported, to provide capital until tax revenues become available in the fall of each year. The unappropriated set aside is an amount that is sufficient to fund the cash requirements of these funds for the first three to four months of the fiscal year.

In the proposed budget the unappropriated amount for the General Fund increased by 2.8% from \$700,168 to \$719,841. The unappropriated amount for the Debt Service Fund increased from \$5,000 to \$10,000.

FUND BALANCES

When used in budget terminology, the term *fund balance* is used to describe the amount of net assets of a fund calculated on the funds budgetary basis. Fund balance is intended to serve as a measure of the financial resources in a governmental fund.

It is essential that the City maintains adequate fund balances for many reasons. An adequate fund balance can mitigate current and future risks, such as revenue shortfalls or unanticipated expenditures. Fund balance levels are an important consideration in long term planning. The City's credit worthiness can also be affected by fund balance levels.

As such, changes in fund balance can be an important indicator of financial health. Recognizing the importance of fund balance changes, the City monitors any change of 10% or more from the beginning to ending balance within a fiscal year.

The following table evaluates all funds where the change in the estimated ending fund balance for fiscal year 2015-2016 when compared to the ending fund balance for fiscal year 2014-2015 is greater than 10%.

Fund	Percentage of Change	Explanation of Change
Council Strategic Fund	308%	A large amount of revenue from loan proceeds came in during the year, while minimal expenditures were made.
Revolving Loan Fund	21%	A large amount of revenue from loan proceeds came in during the year, while minimal expenditures were made.
911 System	-30%	A new CAD/RMS system was purchased this year and \$40,000 of 911 funds were used for the purchase.
Footpaths & Bicycle Trails	16%	The balance of this fund increases each year until enough money is accumulated to do a project. No funds were used this year.
Grant Fund	12%	Several grants were received that have yet to be expended.
Debt Service	90%	Lower than anticipated tax receipts in FY 2014-2015 left this fund with an inadequate ending balance. Additional taxes levied in FY 2015-2016 are returning the balance to an acceptable level.
General Reserve	56%	More money is being saved for future projects than is being expended in the current year, thus increasing the fund balance.
Public Works Reserve	-23%	Several pieces of Public Works equipment were purchased this year, reducing the money being reserved.
Streets Reserve	28%	Money is being set aside for future paving/repair of Business Highway 20, but no expenditures were made this year.
Library Reserve	-14%	Gifts, grants and bequests collected in previous years were expended this year.
Sewer Fund	-14%	The ending balance for FY2014-2015 was higher than normal due to lower than normal expenditures. This was the result of a mild winter and minimal inflows. The excess was transferred to the Sewer Reserve in the current year, returning the balance to a lesser amount.

(Continued next page)

FUND BALANCES (cont'd)

Fund	Percentage of Change	Explanation of Change
Water Reserve	27%	More money is being saved for future projects than is being expended in the current year, thus increasing the fund balance.
Sewer Reserve	53%	Additional money was transferred from the Sewer Fund as explained for the Sewer Fund.

Fund Balances by Fund

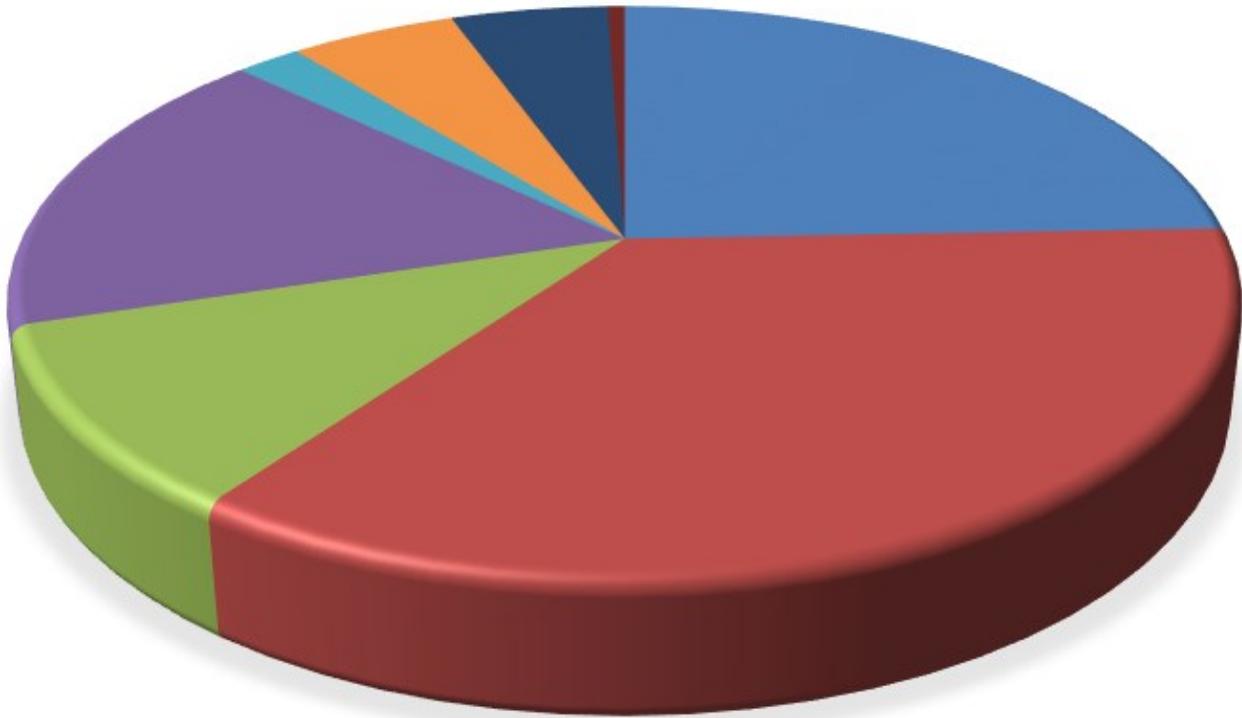
A fund balance represents the difference between revenues and expenditures in each fund since the fund was first created. Fund balances provide each fund with cash flow to cover early fiscal year expenditures when revenues are inadequate, can help fund one-time expenditures, or can provide a buffer during an economic downturn. A positive Ending Fund Balance in a given year would be available for appropriation the following year.

	2014-2015 Actual	2015-2016 Adopted Budget	2016-2017 Proposed Budget	Variance in Dollars \$	Variance in Percentage %
Revenue					
Beginning Balance					
Taxes	\$ 1,677,309	\$ 1,678,000	\$ 1,725,000	\$ 47,000	2.80%
Transfers In	\$ 482,205	\$ 484,625	\$ 499,500	\$ 14,875	3.07%
Franchise Fees	\$ 691,324	\$ 708,600	\$ 822,000	\$ 113,400	16.00%
State Shared Revenues	\$ 97,435	\$ 96,800	\$ 100,950	\$ 4,150	4.29%
Utility Fees	\$ 105,576	\$ 115,000	\$ 114,000	\$ (1,000)	-0.87%
Intergovernmental	\$ 251,147	\$ 249,715	\$ 256,135	\$ 6,420	2.57%
All Other	\$ 140,895	\$ 156,375	\$ 154,050	\$ (2,325)	-1.49%
Total Revenues	\$ 4,846,728	\$ 4,687,508	\$ 4,856,936	\$ 169,428	3.61%
Expenditures by function					
Administration					
Police	\$ 1,211,765	\$ 1,341,050	\$ 1,322,760	\$ (18,290)	-1.36%
Fire	\$ 612,336	\$ 699,350	\$ 626,150	\$ (73,200)	-10.47%
Recreation	\$ 221,795	\$ 250,050	\$ 192,445	\$ (57,605)	-23.04%
Property Maintenance	\$ 255,745	\$ 294,210	\$ 461,390	\$ 167,180	56.82%
Library	\$ 249,817	\$ 263,460	\$ 261,650	\$ (1,810)	-0.69%
Municipal Court					
General Services	\$ 774,914	\$ 473,450	\$ 599,500	\$ 126,050	26.62%
Unappropriated/Ending Balance	\$ -	\$ 700,168	\$ 719,841	\$ 19,673	2.81%
Total Expenditures by Function	\$ 3,868,442	\$ 4,687,508	\$ 4,856,936	\$ 169,428	3.61%
Expenditures by Category of Expense					
Personnel Services	\$ 2,241,311	\$ 2,821,960	\$ 2,799,585	\$ (22,375)	-0.79%
Materials & Services	\$ 718,311	\$ 790,330	\$ 821,010	\$ 30,680	3.88%
Capital Outlay	\$ 13,729	\$ 10,250	\$ 32,000	\$ 21,750	212.20%
Transfers Out	\$ 639,345	\$ 236,800	\$ 284,500	\$ 47,700	20.14%
Contingencies	\$ -	\$ 128,000	\$ 200,000	\$ 72,000	56.25%
Unappropriated/Ending Balance					
Total Expenditures by Category of Expense	\$ 3,612,696	\$ 4,687,508	\$ 4,856,936	\$ 169,428	3.61%

Budget Detail

General Fund Revenues

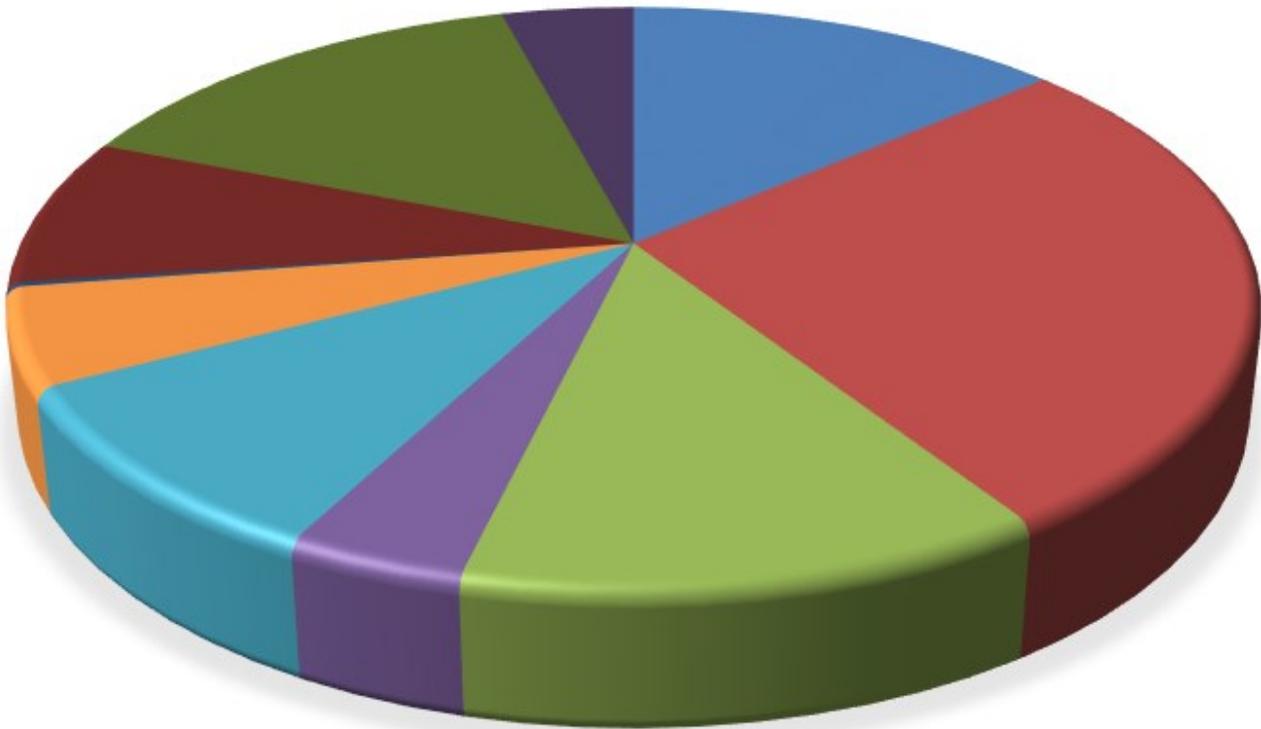
2016-2017



Beginning Fund Balance	\$1,185,301
Taxes	\$1,725,000
Transfers From Other Funds	\$499,500
Franchise Fees	\$822,000
State Shared Revenues	\$100,950
Intergovernmental Contracts	\$256,135
Rents, Licenses, Permits, Fees & Fines	\$242,050
Miscellaneous	\$26,000
Total	\$4,856,936

General Fund Distributions

2016-2017



Administrative	\$661,065
Police	\$1,322,760
Fire	\$626,150
Recreation	\$192,445
Property Maintenance	\$461,390
Library	\$261,650
Municipal Court	\$12,135
General Services	\$399,500
Unappropriated	\$719,841
Contingency	\$200,000
Total	\$4,856,936

Five Year Projection—Revenues

FY 2015-2016 through FY 2020-2021

	% increase	Current Budget	Proposed Budget	FY	FY	FY	FY	FY
		2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Revenues								
Beginning Fund Balance		\$ 1,198,393	\$ 1,185,301	\$ 1,272,837	\$ 1,310,331	\$ 1,349,026	\$ 1,388,964	\$ 1,430,189
Current Taxes	3.00%	\$ 1,618,000	\$ 1,665,000	\$ 1,714,950	\$ 1,766,399	\$ 1,819,390	\$ 1,873,972	\$ 1,930,191
Delinquent Taxes	2.00%	\$ 60,000	\$ 60,000	\$ 61,200	\$ 62,424	\$ 63,672	\$ 64,946	\$ 66,245
Interest	2.00%	\$ 6,000	\$ 6,000	\$ 6,120	\$ 6,242	\$ 6,367	\$ 6,495	\$ 6,624
Transfer from Streets	1.25%	\$ 81,000	\$ 83,500	\$ 84,544	\$ 85,601	\$ 86,671	\$ 87,754	\$ 88,851
Transfer from Sewer	1.25%	\$ 159,925	\$ 160,500	\$ 162,506	\$ 164,538	\$ 166,594	\$ 168,677	\$ 170,785
Transfer from Water	1.25%	\$ 243,700	\$ 255,500	\$ 258,694	\$ 261,927	\$ 265,202	\$ 268,517	\$ 271,873
Natural Gas Franchise	2.00%	\$ 18,600	\$ 17,500	\$ 17,850	\$ 18,207	\$ 18,571	\$ 18,943	\$ 19,321
Telephone Franchise	-2.50%	\$ 4,200	\$ 4,000	\$ 3,900	\$ 3,803	\$ 3,707	\$ 3,615	\$ 3,524
Telecommunications Fr	2.00%	\$ 3,000	\$ 3,500	\$ 3,570	\$ 3,641	\$ 3,714	\$ 3,789	\$ 3,864
Television Franchise	2.00%	\$ 20,400	\$ 22,000	\$ 22,440	\$ 22,889	\$ 23,347	\$ 23,814	\$ 24,290
Garbage Franchise	2.00%	\$ 17,400	\$ 20,000	\$ 20,400	\$ 20,808	\$ 21,224	\$ 21,649	\$ 22,082
PUD Franchise	2.00%	\$ 645,000	\$ 755,000	\$ 770,100	\$ 785,502	\$ 801,212	\$ 817,236	\$ 833,581
Street Light Utility Fee	0.00%	\$ 115,000	\$ 114,000	\$ 114,000	\$ 114,000	\$ 114,000	\$ 114,000	\$ 114,000
Beverage License	0.00%	\$ 375	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350
Business License	0.00%	\$ 18,000	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500
Building Permits	1.25%	\$ 700	\$ 700	\$ 709	\$ 718	\$ 727	\$ 736	\$ 745
State Liquor Fees	1.00%	\$ 48,300	\$ 51,800	\$ 52,318	\$ 52,841	\$ 53,370	\$ 53,903	\$ 54,442
Cigarette Tax	-0.05%	\$ 3,500	\$ 4,150	\$ 4,148	\$ 4,146	\$ 4,144	\$ 4,142	\$ 4,140
State Revenue Sharing	1.00%	\$ 45,000	\$ 45,000	\$ 45,450	\$ 45,905	\$ 46,364	\$ 46,827	\$ 47,295
Swim Pool Receipts	1.00%	\$ 47,500	\$ 45,000	\$ 45,450	\$ 45,905	\$ 46,364	\$ 46,827	\$ 47,295
Refunds & Misc.	0.00%	\$ 10,500	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Lien Searches	0.00%	\$ 200	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Land Use Fees	1.25%	\$ 1,500	\$ 1,500	\$ 1,519	\$ 1,538	\$ 1,557	\$ 1,576	\$ 1,596
Toledo Rural Fire	3.00%	\$ 149,400	\$ 157,500	\$ 162,225	\$ 167,092	\$ 172,105	\$ 177,268	\$ 182,586
Fire Protection Services	0.00%	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Municipal Court Fines	2.00%	\$ 50,000	\$ 50,000	\$ 51,000	\$ 52,020	\$ 53,060	\$ 54,122	\$ 55,204
Towing Fees	0.00%	\$ 1,000	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900
Library Receipts	2.00%	\$ 1,000	\$ 1,500	\$ 1,530	\$ 1,561	\$ 1,592	\$ 1,624	\$ 1,656
Library Service District	2.00%	\$ 90,315	\$ 88,635	\$ 90,408	\$ 92,216	\$ 94,060	\$ 95,941	\$ 97,860
Grants	0.00%	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Rents and Leases	0.00%	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600	\$ 9,600
Total Revenue		\$ 4,687,508	\$ 4,856,936	\$ 5,027,217	\$ 5,149,600	\$ 5,275,389	\$ 5,404,684	\$ 5,537,591

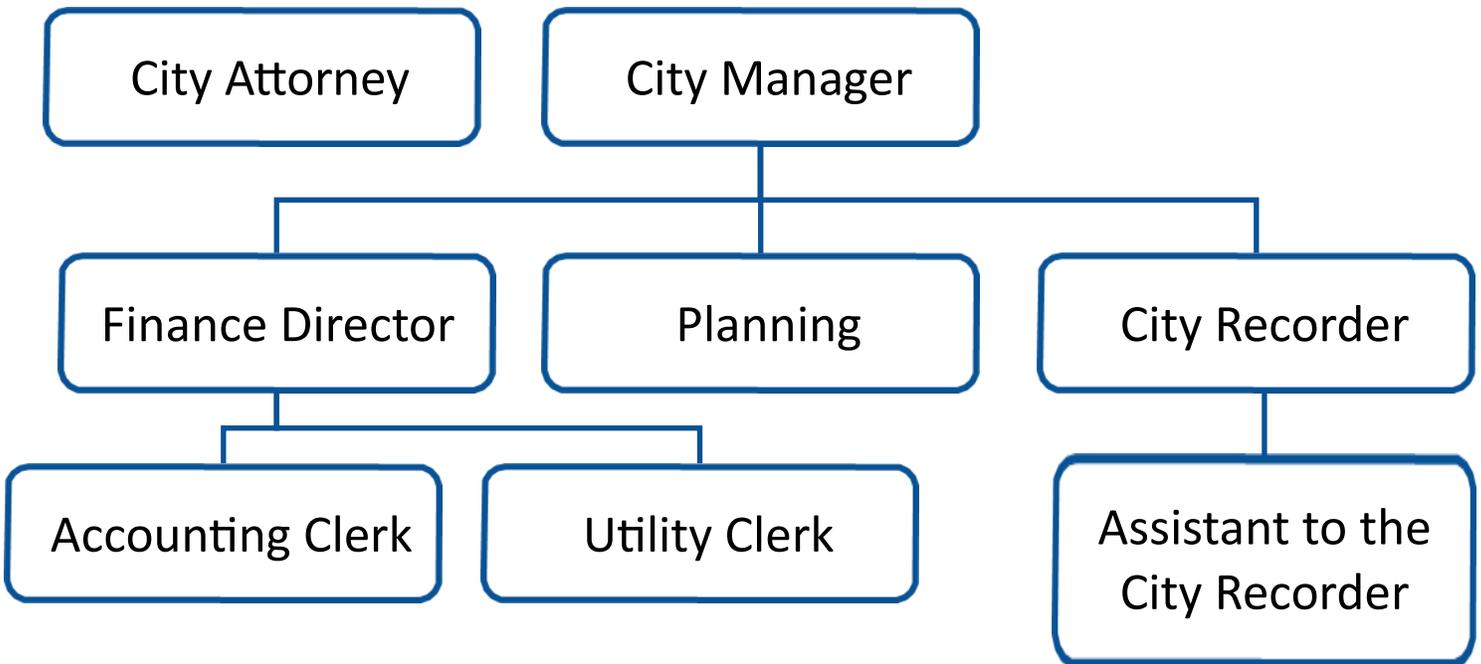
Five Year Projection—Expenditures FY 2015-2016 through FY 2020-2021

		Current Budget	Proposed Budget	FY	FY	FY	FY	FY
Expenditures		2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Administrative								
Personnel	5.00%	\$ 616,960	\$ 633,625	\$ 665,306	\$ 698,572	\$ 733,500	\$ 770,175	\$ 808,684
Materials & Services	2.00%	\$ 29,715	\$ 27,440	\$ 27,989	\$ 28,549	\$ 29,120	\$ 29,702	\$ 30,296
Capital Outlay	2.00%	\$ 7,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Police								
Personnel Services	5.00%	\$ 1,174,750	\$ 1,189,000	\$ 1,248,450	\$ 1,310,873	\$ 1,376,416	\$ 1,445,237	\$ 1,517,499
Materials & Services	2.00%	\$ 129,800	\$ 117,260	\$ 119,605	\$ 121,997	\$ 124,437	\$ 126,926	\$ 129,465
Capital Outlay	2.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	2.00%	\$ 36,500	\$ 16,500	\$ 16,830	\$ 17,167	\$ 17,510	\$ 17,860	\$ 18,217
Fire								
Personnel Services	5.00%	\$ 452,650	\$ 385,650	\$ 404,933	\$ 425,179	\$ 446,438	\$ 468,760	\$ 492,198
Materials & Services	2.00%	\$ 136,700	\$ 150,500	\$ 153,510	\$ 156,580	\$ 159,712	\$ 162,906	\$ 166,164
Capital Outlay	2.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	2.00%	\$ 110,000	\$ 90,000	\$ 91,800	\$ 93,636	\$ 95,509	\$ 97,419	\$ 99,367
Recreation								
Personnel Services	5.00%	\$ 186,650	\$ 142,600	\$ 149,730	\$ 157,217	\$ 165,077	\$ 173,331	\$ 181,998
Materials & Services	2.00%	\$ 45,650	\$ 49,845	\$ 50,842	\$ 51,859	\$ 52,896	\$ 53,954	\$ 55,033
Transfers	2.00%	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	2.00%	\$ 2,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Maintenance								
Personnel Services	5.00%	\$ 179,715	\$ 181,745	\$ 190,832	\$ 200,374	\$ 210,393	\$ 220,912	\$ 231,958
Materials & Services	2.00%	\$ 79,995	\$ 101,645	\$ 103,678	\$ 105,751	\$ 107,866	\$ 110,024	\$ 112,224
Transfers	2.00%	\$ 34,500	\$ 146,000	\$ 148,920	\$ 151,898	\$ 154,936	\$ 158,035	\$ 161,196
Systems	2.00%	\$ -	\$ 32,000	\$ 32,640	\$ 33,293	\$ 33,959	\$ 34,638	\$ 35,331
Library								
Personnel Services	5.00%	\$ 201,490	\$ 206,130	\$ 216,437	\$ 227,258	\$ 238,621	\$ 250,552	\$ 263,080
Materials & Services	2.00%	\$ 56,970	\$ 55,520	\$ 56,630	\$ 57,763	\$ 58,918	\$ 60,097	\$ 61,299
Capital Outlay	2.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	2.00%	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal Court								
Personnel Services	5.00%	\$ 9,745	\$ 5,335	\$ 5,602	\$ 5,882	\$ 6,176	\$ 6,485	\$ 6,809
Materials & Services	2.00%	\$ 1,850	\$ 6,800	\$ 6,936	\$ 7,075	\$ 7,216	\$ 7,361	\$ 7,508
General Services								
Personnel Services	5.00%	\$ -	\$ 55,500	\$ 58,275	\$ 61,189	\$ 64,248	\$ 67,461	\$ 70,834
Materials & Services	2.00%	\$ 309,650	\$ 312,000	\$ 318,240	\$ 324,605	\$ 331,097	\$ 337,719	\$ 344,473
Transfers	2.00%	\$ 35,800	\$ 32,000	\$ 32,640	\$ 33,293	\$ 33,959	\$ 34,638	\$ 35,331
Contingency	2.00%	\$ 128,000	\$ 200,000	\$ 204,000	\$ 208,080	\$ 212,242	\$ 216,486	\$ 220,816
Unappropriated	3.00%	\$ 700,168	\$ 719,841	\$ 741,436	\$ 763,679	\$ 786,590	\$ 810,187	\$ 834,493
Total Expenditures		\$ 4,687,508	\$ 4,856,936	\$ 5,045,261	\$ 5,241,767	\$ 5,446,836	\$ 5,660,864	\$ 5,884,271
Surplus/(Shortfall) of Revenue over Expend		\$ -	\$ -	\$ (18,044)	\$ (92,167)	\$ (171,447)	\$ (256,180)	\$ (346,680)

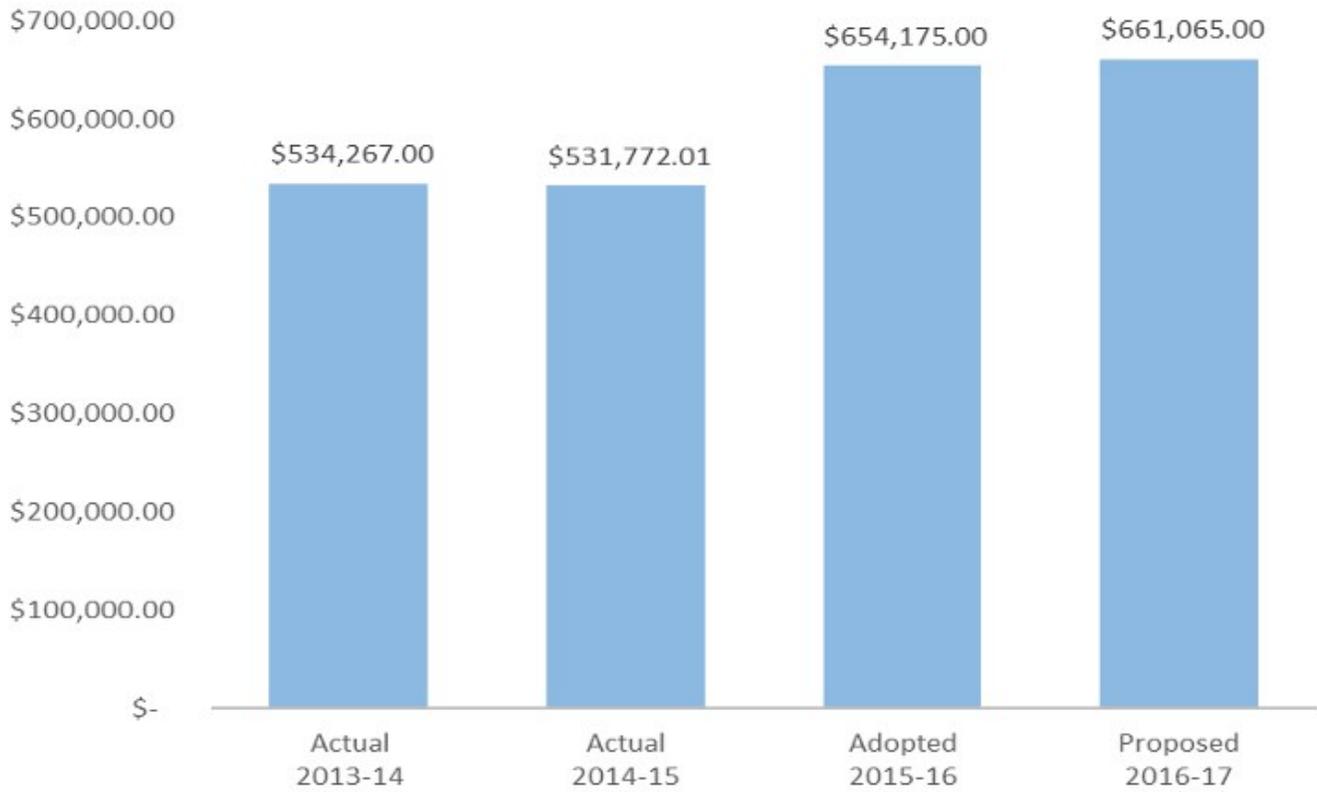
2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GENERAL FUND							
001-000 Revenues							
1,193,663.82	1,400,837.23	1,198,393	1,234,000	400100	Beginning Fund Balance	0.00	1,185,301
1,612,812.87	1,615,192.47	1,618,000	1,650,000	400200	Current Taxes	0.00	1,665,000
70,290.19	62,116.45	60,000	62,000	400300	Delinquent Taxes	0.00	60,000
6,238.62	5,096.15	6,000	5,000	400400	Interest	0.00	6,000
76,970.00	81,555.00	81,000	81,000	400450	Transfer from Streets	0.00	83,500
164,200.00	159,150.00	159,925	159,925	400500	Transfer from Sewer	0.00	160,500
224,760.00	241,500.00	243,700	243,700	400600	Transfer from Water	0.00	255,500
21,814.48	16,053.00	18,600	17,500	401300	Natural Gas Franchise	0.00	17,500
4,306.90	3,766.46	4,200	4,150	401400	Telephone Franchise	0.00	4,000
1,638.97	2,533.79	3,000	3,000	401450	Telecommunications Franchise	0.00	3,500
16,622.02	17,207.85	20,400	21,000	401500	Television Franchise	0.00	22,000
14,728.16	14,810.09	17,400	20,000	401600	Garbage Franchise	0.00	20,000
651,834.74	636,952.87	645,000	655,000	401700	Electric Franchise	0.00	755,000
104,642.95	105,575.75	115,000	114,000	401750	Street Light Utility Fees	0.00	114,000
375.00	350.00	375	350	401900	Beverage License	0.00	350
14,616.50	16,108.50	18,000	17,500	402000	Business License	0.00	17,500
1,335.16	692.58	700	700	402100	Building Permits	0.00	700
48,572.49	50,130.55	48,300	50,000	402200	State Liquor Fees	0.00	51,800
4,666.07	4,641.92	3,500	4,390	402300	Cigarette Tax	0.00	4,150
31,440.45	42,663.09	45,000	41,000	402500	State Revenue Sharing	0.00	45,000
44,230.05	45,641.17	47,500	40,000	402600	Swim Pool Receipts	0.00	45,000
62,073.99	11,510.10	10,500	9,000	402700	Refunds & Misc.	0.00	10,000
210.00	740.00	200	1,200	402710	Lien Searches	0.00	1,000
1,015.00	1,600.00	1,500	1,500	402750	Land Use Fees	0.00	1,500
146,506.33	149,399.37	149,400	155,950	402800	Toledo Rural Fire Protect	0.00	157,500
0.00	0.00	10,000	100,650	402825	Fire Protection Services	0.00	10,000
178,659.18	0.00	0		402850	Siletz Dispatch/Policing	0.00	0
50,401.28	45,672.51	50,000	52,000	403000	Municipal Court Fines	0.00	50,000
900.00	1,100.00	1,000	900	403050	Towing Fees	0.00	900
1,040.34	1,332.93	1,000	1,500	403100	Library Receipts	0.00	1,500
87,549.73	101,747.95	90,315	90,315	403140	Library Service District	0.00	88,635
0.00	1,450.00	10,000	1,500	405250	Grants	0.00	10,000
234,382.61	9,601.00	9,600	9,600	405380	Rents and Leases	0.00	9,600
5,072,497.90	4,846,728.78	4,687,508	4,848,330		Revenue Total		4,856,936



Administration



Administration



Significant changes for Fiscal Year 2016-2017: The proposed FY 2016-2017 budget for Administration reflects a 1.05% increase over the adopted budget for FY 2015-2016. There are no significant changes in this department from the previous year.

Significant capital investment for Fiscal Year 2016-2017: None.

Administration Proposed Budget	
2015-2016	\$654,175
2016-2017	\$661,065
\$ Increase	\$6,890
% Increase	1.05%

ADMINISTRATION

AT A GLANCE

The City of Toledo's Administration Department is comprised of the City Manager's office, the City Recorder's office, Finance, Community Development/Planning and the City Attorney/Legal office. These five divisions, housed in City Hall, perform various functions and duties that help the City operate smoothly.

City Manager:

The City Manager is the Chief Executive Officer in charge of the administration of the City of Toledo's government. The City Manager is appointed to the position by, and works directly for, the seven-member City Council under an employment contract. The duties and responsibilities of the City Manager are stated in City charter and the City of Toledo Municipal Code. The City Manager is the budget officer and is responsible for creating the annual city budget, overseeing the general operations of the individual departments, making personnel decisions, creating administrative policies and providing advice to and carrying out the specific policies of the City Council.

City Recorder:

The City Recorder's office has many functions and responsibilities and provides direct and indirect services to the general public, City employees, and to City elected officials. The City Recorder is also the City's elections officer. This division consists of a full-time City Recorder and a three-quarter time Assistant to the City Recorder, both of whom provide direct support to the City Manager.

Finance Department:

One of the primary functions of the Finance division is to provide support services to other departments of the City and to the City's employees. The Finance division also provides services directly to the general public, such as water billing. The Finance division assists the City Manager with budget preparation and prepares the information for the annual City audit. This division consists of a full-time Finance Director, a full-time Accounts Payable Clerk and a three-quarter time Utility Billing Clerk.

Legal:

The City Attorney is the legal agent for the City of Toledo's government. The City Attorney is hired into the position and works directly for the seven-member City Council under an employment contract. During fiscal year 2015-2016, the part-time City Attorney position was replaced by a full time City Attorney/Planner position. The City Attorney is responsible for the Toledo Municipal Code, as well as making sure that all legal requirements are met and that federal, state, and local laws are followed. The City Attorney drafts and reviews contracts and agreements, ordinances, provides legal advice regarding personnel matters, conducts negotiations on behalf of the City, addresses tort claims and suits against the City, and provides advice to and carries out the specific policies of the City Council.

Planning:

The City of Toledo follows the 19 state-wide planning goals established by the State of Oregon. During fiscal year 2015-2016, the contract planner position was replaced by a full time City Attorney/Planner position. The City's part-time Planning Assistant is available four days per week to provide customer service to the public.

FY 2015-2016

Council Goals	Department Accomplishments
Infrastructure	<u>City Manager/Finance Department:</u> <ul style="list-style-type: none"> • Initiated Capital Improvement Plan (CIP) process. The CIP is expected to be completed in fiscal year 2016-2017.
City Services and Departments	<u>City Manager:</u> <ul style="list-style-type: none"> • Recruited and filled the City Attorney/Planner position. <u>City Recorder:</u> <ul style="list-style-type: none"> • Implemented the Employee Enrichment Program, a mandatory training program for all City employees. Topics covered to date include government ethics, workplace harassment, customer service, safety and others. • Hosted the City of Toledo Employee Safety and Wellness Fair on October 19, 2015 with 89% employee participation. The event connected staff with health and safety benefit providers who provided information on various services, while promoting healthy eating and lifestyle habits. The events was fully funded by grants. • Conducted ongoing discussions regarding succession planning and continued development of a continuity of operations plan.
Community Collaboration	<u>City Manager/City Recorder:</u> <ul style="list-style-type: none"> • Recruited volunteers to fill vacancies in the City's Boards and Commissions, including the Budget Committee, the Public Library Advisory Board, the Planning Commission and the Contribution Committee. • Conducted Social Media preference survey and launched the City of Toledo Facebook page as a resource for city communications.
Financial Security	<u>Finance Department:</u> <ul style="list-style-type: none"> • Received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the fiscal year 2015-2016 adopted budget document. • Received an unqualified opinion on the 2015 annual audit report. • Pursued cost saving measures in on-going expenses, such as phone and fax replacement. <u>Planning:</u> <ul style="list-style-type: none"> • Began Annexation interest process and posted information and survey on City website for potential property owner input.
Quality of Life	<u>Planning:</u> <ul style="list-style-type: none"> • Amended the zoning ordinance to adopt standards for recreational marijuana businesses.

FY 2016-2017

Council Goals	Department Objectives
City Services and Departments	<u>City Manager/City Recorder:</u> <ul style="list-style-type: none"> • Revise the Employee Handbook. • Revise all employee job descriptions • Develop and adopt an employee wellness program.
Quality of Life	<u>Planning:</u> <ul style="list-style-type: none"> • Amend Tree Plan Ordinance and complete and adopt a written Tree Plan. • Amend Toledo Zoning Ordinance "Public Lands" Zone regulations.
Economic Development	<u>City Manager:</u> <ul style="list-style-type: none"> • Complete the process to get the Toledo Industrial Park to State of Oregon certified "Shovel Ready" status. <u>Planning:</u> <ul style="list-style-type: none"> • Identify potential areas for land development and pursue annexing them into the City.

DEPARTMENT RESPONSIBILITIES

Management

- Proposed Fees & Rates
- Human Resources
- Employee Safety
- Franchises & Contracts
- Budget Officer
- Financing
- Union Negotiations
- City Policy
- Interagency Relations
- City Departments

Recorder

- Public Records Requests
- Support to Elected Officials
- City Newsletter
- Contract Files Management
- Manage BVP Grant
- Notary Public
- Ordinances
- City Insurance
- Public Information
- Proposed Budget Document
- Customer Service
- Public Record Retention and
- Posting Public Notices
- City Council Agendas & Minutes
- Department Reports
- Liquor License Processing
- Elections
- Outdoor Event Permits
- Resolutions
- Vehicle/Real Property Inventory
- Human Resources
- Employee Benefits
- Codification of Municipal Code
- Website/Social Media Management

Finance

- Court Clerk
- Investments
- Payroll
- Notary Public
- Inventory
- General Ledger
- Debt Service
- Mail Room Service
- Utility Fees and Billing
- Transient Room Tax
- Lien Dockets
- Banking; Cash Management
- Budget
- Accounts Payable
- Audit
- Customer Service
- Fixed Asset Maintenance
- Central Supplies/Purchasing
- Grants Management
- Strategic Planning
- Reception
- Financial Archives
- Employee Travel Arrangements

DEPARTMENT RESPONSIBILITIES *(cont'd)*

Legal

- Contracts
- Union Negotiations
- Real Estate & Real Property
- Code Enforcement
- Risk Management
- Employee & Personnel Issues
- Court/Litigation
- Manage Ordinances
- Toledo Municipal Code
- Zoning
- Annexations
- General Counsel

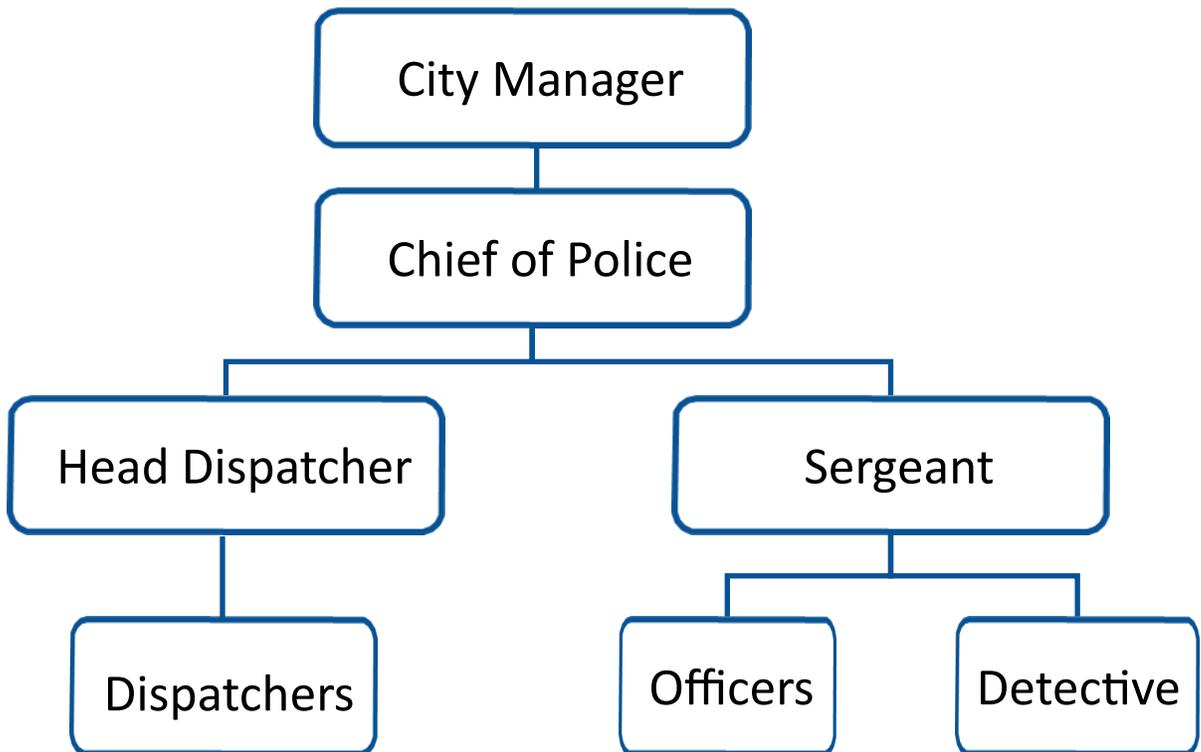
Planning

- Mapping & Addresses
- Development Permits
- Comprehensive Plan
- City Property Inventory
- Floodplain Management
- Develop Ordinances/Planning and Zoning
- Planning Commission Minutes and Agendas
- Land Use Permits
- Annexations
- Long & Short Range Planning
- Transportation Master Plan
- Tree Board/City Forrester
- Property Related Code Enforcement

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GENERAL FUND							
Expenditures							
001-100 Administrative							
215,956.52	226,687.78	336,135	308,000	500050	Full Time	4.92	346,100
72,432.33	74,128.07	77,000	77,775	500055	Three-Quarter Time	2.00	84,500
44,340.00	43,264.35	0	0	500060	Half Time	0.00	0
25,399.23	26,371.49	31,875	29,500	504700	Social Security	0.00	33,200
79,561.17	85,239.73	118,000	108,000	504800	Health Insurance	0.00	120,325
772.28	794.17	850	925	504900	Workers' Comp	0.00	900
32,956.40	29,615.51	49,500	42,000	505000	Retirement	0.00	45,000
2,010.00	3,000.00	3,600	3,600	505100	Auto Allowance	0.00	3,600
473,427.93	489,101.10	616,960	569,800		Personnel Services	6.92	633,625
6,196.28	6,520.72	6,950	5,500	600100	Office Supplies	0.00	6,000
6,392.08	6,204.97	6,500	6,200	600210	Electricity	0.00	6,500
3,699.28	3,130.45	3,200	2,500	600220	Communication Services	0.00	2,500
462.70	517.78	800	580	600240	Natural Gas	0.00	650
703.45	478.24	800	500	600300	Equipment Repair	0.00	700
2,847.11	5,914.34	6,000	5,500	600600	Travel & Training	0.00	7,500
3,293.50	3,695.62	3,865	2,000	600700	Membership & Subscription	0.00	2,590
1,951.52	0.00	0	650	607500	Special Purchases	0.00	0
152.97	601.68	600	400	608000	Supplies	0.00	500
35,139.89	15,607.11	1,000	500	608100	Contract & Other Services	0.00	500
60,838.78	42,670.91	29,715	24,330		Materials & Services		27,440
0.00	0.00	7,500	7,500	620500	Equipment	0.00	0
0.00	0.00	7,500	7,500		Capital Outlay	0.00	0
534,266.71	531,772.01	654,175	601,630		ADMINISTRATIVE TOTAL	6.92	661,065



Police



Police Department



Significant changes for Fiscal Year 2016-17: The proposed budget for the Police Department for FY 2016-2017 reflects a 1.36% decrease over the adopted budget for FY 2015-2016. There is a reduction in Gas, Oil and Tires, due to lower petroleum costs. Also, contract services is reduced as IT costs are now in-house in the General Services Fund. In addition, all transfers to the Building Reserve Fund are now budgeted in the Property Maintenance Fund and no longer in the individual departments.

Significant capital investment for Fiscal Year 2016-2017: None.

Police Proposed Budget

2015-2016	\$1,341,050
2016-2017	\$1,322,760
\$ Decrease	\$18,290
% Decrease	1.36%

POLICE DEPARTMENT

AT A GLANCE

The Toledo Police Department is responsible for developing and managing the overall law enforcement, crime prevention, and code enforcement programs for the City of Toledo. The department also provides dispatch services to the Police Department, Fire Department and Rural Fire District.

FY 2015-2016

Council Goals	Department Accomplishments
Public safety	<ul style="list-style-type: none"> • Implemented a city-wide camera system in several public buildings for security and evidence collection if crimes are committed. • Continues a strong Police Explorer program for youth, conducting community service events and project throughout the year.
	<ul style="list-style-type: none"> • Continued active membership in the Local Public Safety Coordination Council (LPSCC). • Collaborated with the local school safety committee on security cameras in schools and active shooter training. • Continued to establish the use of social media as a tool to reach the community with emergent information and identifying a Public Information Officer (PIO) for the department.
Financial Security	<ul style="list-style-type: none"> • Conducted research for and gained approval of a new Records Management System/Computer Aided Dispatch (RMS/CAD) to reduce costs and provide the opportunity to expand the dispatch center, ultimately generating additional funding resources through providing services to outside agencies.

FY 2016-2017

Council Goals	Department Objectives
City Services and Departments	<ul style="list-style-type: none"> • Continue recruitment of police officers and dispatchers to fill existing vacancies. • Reorganize the dispatch center and patrol area to increase efficiency.
Financial Security	<ul style="list-style-type: none"> • Collaborate with IT to complete upgrade of mobile data terminals (MDT's) in patrol vehicles.
Public Safety	<ul style="list-style-type: none"> • Complete Oregon Police Standard Accreditation with both police and dispatch departments. • Complete phase two of the city-wide camera plan. • Complete traffic campaigns on topics such as pedestrian safety, seatbelts, distracted driver and DUII prevention.
Community Collaboration	<ul style="list-style-type: none"> • Promote COPS in schools through patrol shifts for traffic control and by establishing lunch with a COP program
Quality of Life	<ul style="list-style-type: none"> • Identify traffic problems such as high traffic areas and high speed areas and consult with the Public Works department to determine solutions.

DEPARTMENT RESPONSIBILITIES

Patrol

- Property
- Vehicle
- Personal Crime
- Drug Enforcement
- Truck Route Enforcement
- Non-Criminal Assists
- Major Crash Team
- Court
- Explorer Program

Detective

- Crime Investigation
- Court
- Multi-Disciplinary Team
- Major Crime Team

Dispatch

- 911
- Records

Code Enforcement

- Abatement
- Code Review

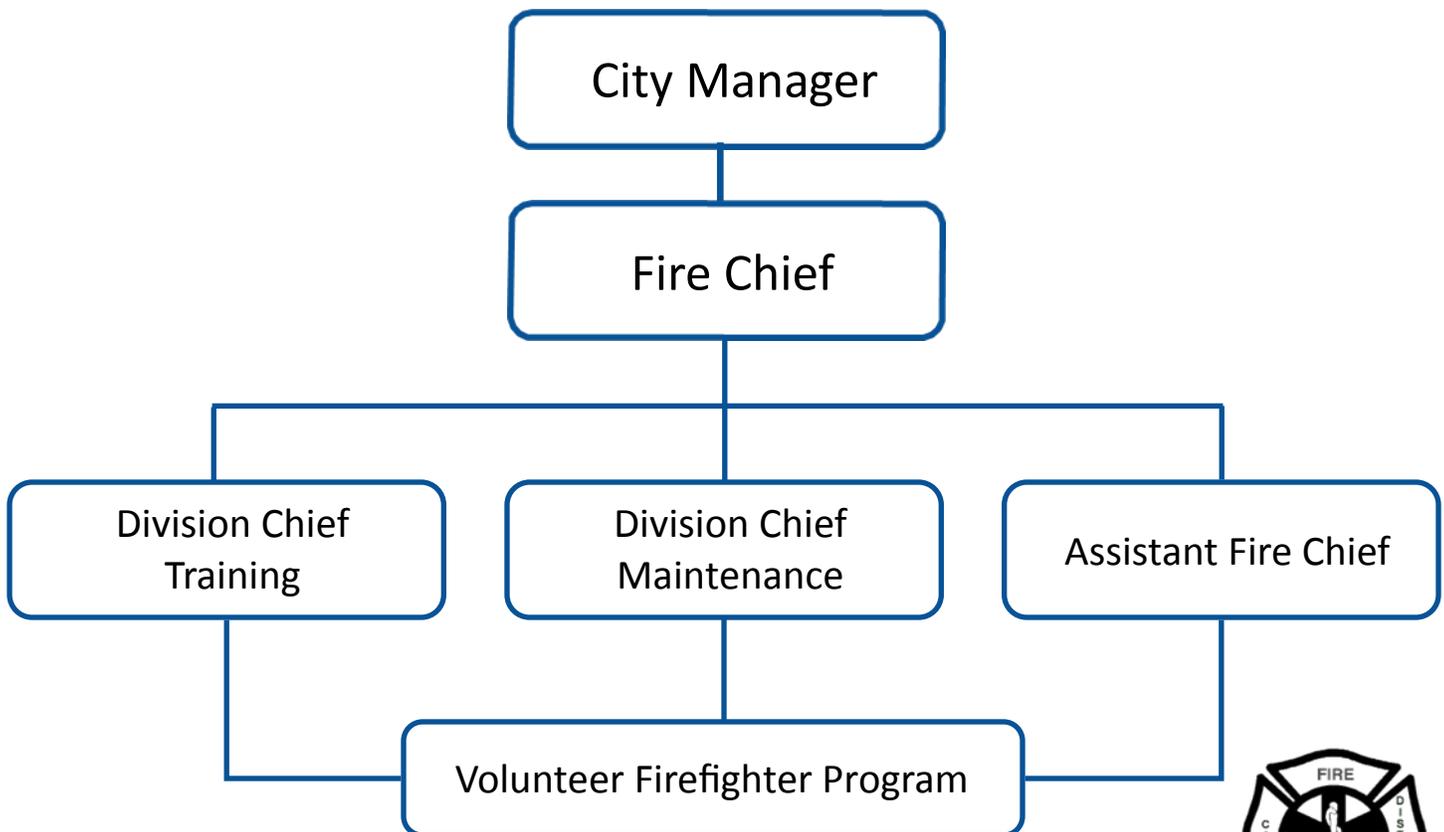
Administration

- Grants
- Purchasing
- Policies
- Personnel
- Training
- Contract Management
- Strategic Planning
- Inter-Agency Coordination

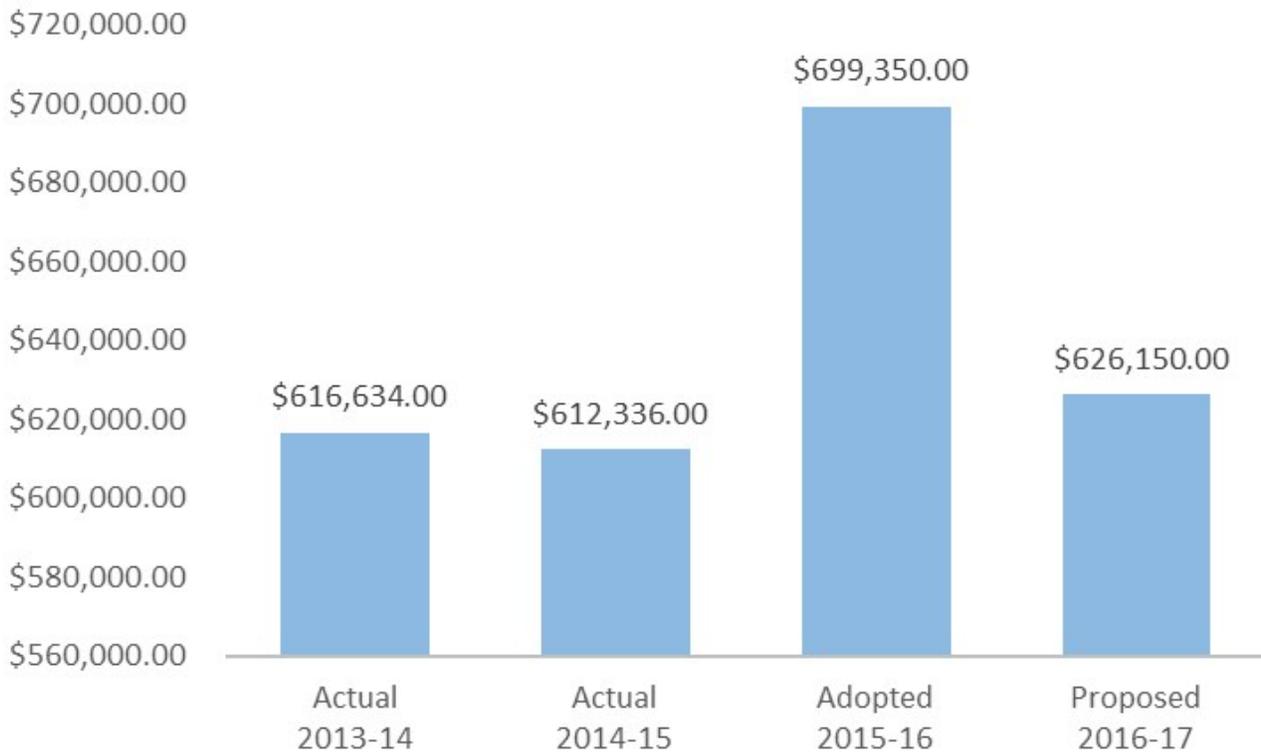
2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
General Fund							
Expenditures							
001-400 Police							
690,415.09	658,258.06	703,700	665,000	500050	Full Time	13.00	713,000
59,155.61	48,581.29	45,000	65,000	501500	Overtime	0.00	49,000
0.00	0.00	10,000	1,500	501600	Grant Overtime	0.00	10,000
56,088.66	52,875.80	58,000	56,000	504700	Social Security	0.00	59,000
205,175.76	198,466.54	247,000	200,000	504800	Health Insurance	0.00	250,000
12,471.56	11,257.74	14,900	13,500	504900	Workers' Comp	0.00	15,000
78,798.66	82,704.55	96,150	88,000	505000	Retirement	0.00	93,000
1,102,105.34	1,052,143.98	1,174,750	1,089,000		Personnel Services	13.00	1,189,000
6,268.82	3876.84	4,500	4,500	600100	Office Supplies	0.00	4,140
6,036.56	6486.83	6,100	6,400	600210	Electricity	0.00	6,720
41,405.17	38849.22	42,500	82,000	600220	Communication Services	0.00	39,600
804.00	402	400	400	600230	LEDS System	0.00	400
688.90	927.22	1,000	900	600240	Natural Gas	0.00	900
3,059.19	3382.48	2,800	3,000	600300	Equipment Main & Repair	0.00	1,900
8,538.25	5934.45	4,900	5,000	600350	Vehicle Maint. & Repair	0.00	5,000
11,222.53	8724.51	8,400	8,400	600600	Travel & Training	0.00	8,400
1,823.00	2039.47	1,900	2,000	600700	Membership & Subscriptions	0.00	2,000
22,111.52	16617.53	17,000	15,000	601500	Gas, Oil & Tires	0.00	12,700
542.05	281.45	300	300	606500	Youth Program Support	0.00	300
16,759.80	14872.95	15,000	16,000	607000	Abatement Program	0.00	15,000
14,921.48	10232.73	10,500	11,500	608000	Supplies	0.00	10,500
13,900.54	14028.91	14,500	12,000	608100	Contract & Other Services	0.00	9,700
148,081.81	126,656.59	129,800	167,400		Materials & Services	0.00	117,260
3,851.85	2,964.27	0	0	620520	Systems	0.00	0
3,851.85	2,964.27	0	0		Capital Outlay	0.00	0
40,000.00	25,000.00	16,500	16,500	631600	Transfer to General Reserve	0.00	16,500
15,000.00	5,000.00	20,000	20,000	631960	Trans to Bldg. & Property Res	0.00	0
55,000.00	30,000.00	36,500	36,500		Transfers	0.00	16,500
1,309,039.00	1,211,764.84	1,341,050	1,292,900		POLICE TOTAL	13.00	1,322,760



Fire and Rescue



Fire Department



Significant changes for Fiscal Year 2016-17: The proposed budget for the Fire Department for FY 2016-2017 reflects a 10.5% decrease from the adopted budget for FY 2015-2016. The 2015-2016 budget was increased mid-year for one-time costs associated with summer fire conflagration, making that year unusually high. In addition, revenue from equipment use during the conflagration allowed a reduction in the transfer to reserves for equipment, which more than offset the cost of the conflagration. As with other General Fund departments, building transfers have been moved to the Property Maintenance department.

Significant Capital Investment for Fiscal Year 2016-2017: None.

Fire Department Proposed Budget

2015-2016	\$699,350
2016-2017	\$626,150
\$ Decrease	\$73,200
% Decrease	10.5%

FIRE DEPARTMENT

AT A GLANCE

The Toledo Fire Department strives to continue to provide exemplary service in fire service-related areas. Four professional Fire Department members, with the assistance of over fifty professionally trained volunteers, provide standard fire, rescue, and medical responses, in addition to responding to calls for assistance from outside agencies. Continual training has allowed staff and volunteers to develop strong emergency response capabilities while ensuring the safety of responders.

The Fire Department continues to increase service capacity and provision. Each year, the department responds to more and more calls stemming from gaps in local medical services. For example, the department has increased service delivery provisions to include lift-assists for the in-home disabled.

Members of the Toledo Fire Department are also actively involved in community events such as Toledo Summer Festival, Olalla Fishing Derby, and National Night Out.

FY 2015-2016

Council Goals	Department Accomplishments
Public safety	<ul style="list-style-type: none"> • Developed a management exercise based on a large disaster in Toledo. The eight hour training was held over two days and provided staff the opportunity to collaborate and respond to the mock incident, while learning best practices for disaster response. • Completed construction of the all-purpose duty vehicle. • Deployed resources to four major wildland fire incidents state-wide. Volunteers provided nearly 3,000 hours of assistance in extinguishing the massive Stouts Creek Fire, County Line 2 and Canyon Creek Complex wildfires. • Responded to over 740 local incidents. • Maintained a 50 person roster of emergency responders. • Reduced the ISO insurance classification in each category by one point.
Financial Security	<ul style="list-style-type: none"> • Submitted a grant for new breathing apparatus and Firefighting structural turn-outs. The total request was projected at \$278,000. The grant request has made it through the initial review and is now in a peer review status. The grant cycle ends in November 2016, therefore the department may not know the status of the request until late Fall.
Other accomplishments	<ul style="list-style-type: none"> • The Fire Department generated roughly \$58,000 in revenue from the state fire mobilization, grant funds and sale of used apparatus.

FY 2016-2017

Council Goals	Department Objectives
Public Safety	<ul style="list-style-type: none"> • Maintain response capability through the following: <ul style="list-style-type: none"> • Replacement of obsolete personal protective equipment • Training • Adoption of department and city policies • Repair of major equipment • Maintain availability for state wide mobilization of fire resources • Continue to develop Oregon fire code Inspection capability • Continue public education campaign regarding Cascadia subduction event • Continue to develop depth of service through the following: <ul style="list-style-type: none"> • Emergency Operations Center capability • Incident command capability for major events • Major Emergency Response group (MERG) training
Community Collaboration	<ul style="list-style-type: none"> • Work with the Georgia Pacific on Emergency Response Team development and training. • Continued participation in community events to assure safety of public and responders
Financial Security	<ul style="list-style-type: none"> • Continue seeking grant funds for replacement breathing apparatus.

DEPARTMENT RESPONSIBILITIES

Volunteers

- Recruitment
- Retention
- Duty Officer Program
- Resident/Cadet Program
- Training
- Recognition
- Safety

Fire Marshal

- Fire Protection
- Public Education
- Occupancy Inspection Program
- Plans Review
- Burn Permits

Response

- Fire
- Animal Rescues
- Interagency Cooperation
- Hazardous Materials
- Rescues
- Disaster
- Medical
- Public Assistance
- EOC/FEMA
- Motor Vehicle Accidents
- Special Event Stand By
- Other Non-Emergency Response

Training

- Fire
- Citizen Assistance
- MERG
- NIMS/ICS
- Extrication
- Safety
- Medical
- Emergency Response/Drills
- Public Education
- Respiratory
- Rope Rescue
- Emergency Vehicle Driver Training

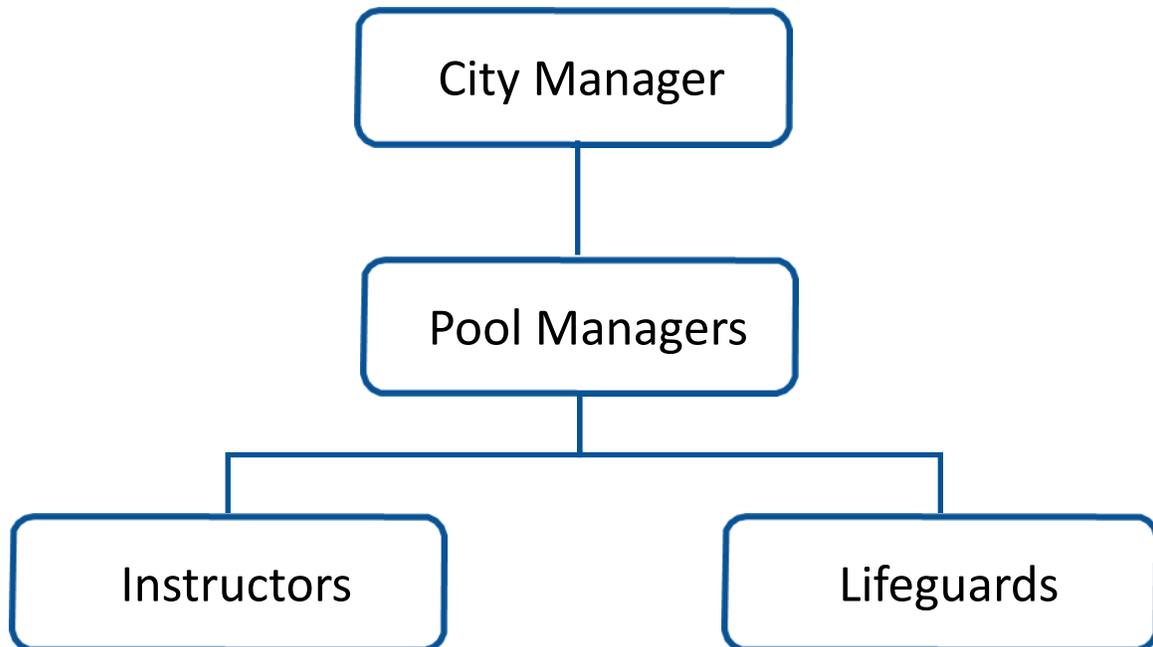
Maintenance

- Equipment
- Facility
- Disaster Equipment/Supply Cache
- Vehicles
- Conservation

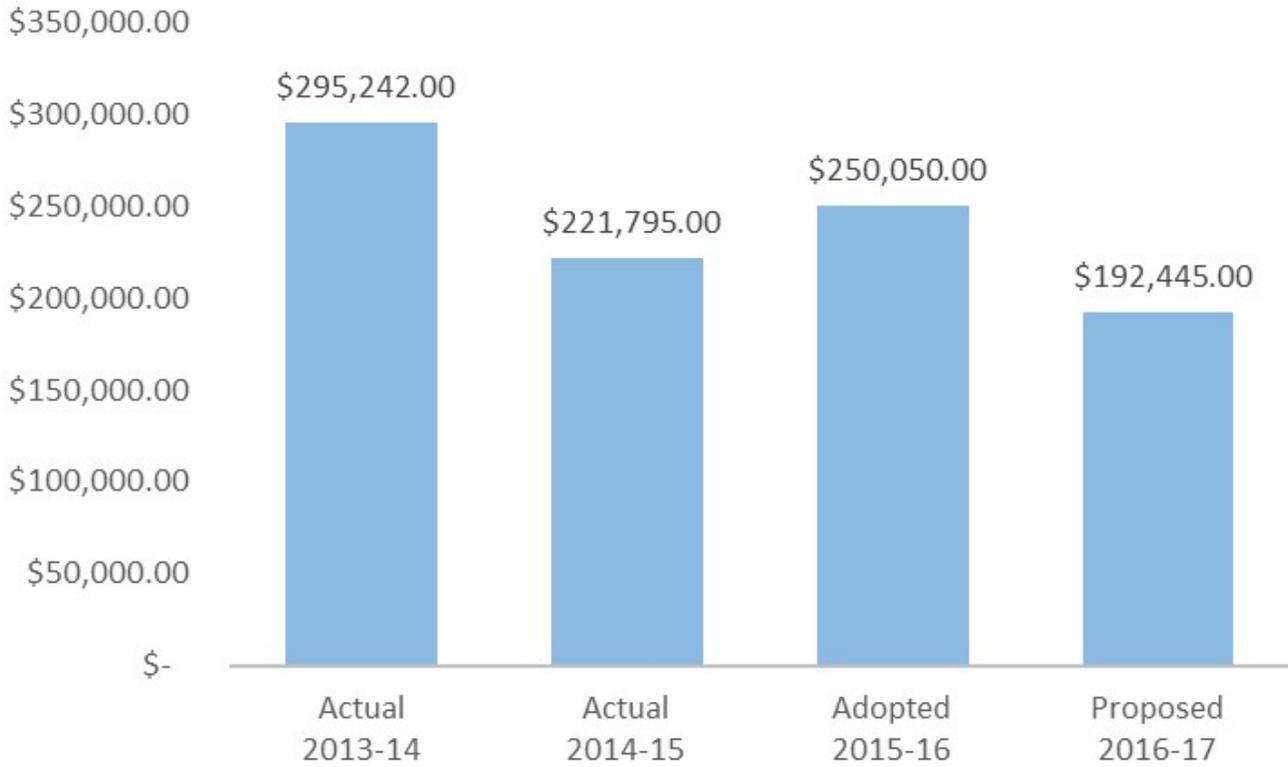
2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GENERAL FUND							
Expenditures							
001-500 Fire							
174,474.23	199,476.79	216,800	216,500	500050	Full Time	3.50	218,000
5,250.50	2,000.00	75,000	75,050	500070	Part Time	0.00	10,000
0.00	2,833.59	7,500	7,000	501400	Call Time	0.00	7,500
27,848.21	18,696.43	16,000	15,000	501500	Overtime	0.00	10,000
15,468.98	16,613.52	19,150	24,000	504700	Social Security	0.00	19,200
48,933.58	60,232.15	69,700	66,700	504800	Health Insurance	0.00	70,650
10,701.11	12,392.16	17,000	15,100	504900	Workers' Comp	0.00	17,500
22,995.22	26,562.89	31,500	35,200	505000	Retirement	0.00	32,800
305,671.83	338,807.53	452,650	454,550			3.50	385,650
1,392.68	2,570.19	2,400	1,800	600100	Office Supplies	0.00	2,100
6,142.65	6,521.82	6,300	6,100	600210	Electricity	0.00	6,400
2,318.22	1,783.80	2,000	1,900	600220	Communication Services	0.00	1,200
3,701.74	2,964.41	4,500	4,000	600240	Natural Gas	0.00	4,000
8,753.27	5,536.12	6,000	10,000	600300	Equipment Maint. & Repair	0.00	11,500
17,119.16	17,594.15	15,700	10,000	600350	Vehicle Maint. & Repair	0.00	15,700
12,243.75	11,213.63	12,500	9,000	600600	Travel & Training	0.00	12,500
929.00	658.90	1,100	900	600700	Membership & Subscription	0.00	900
16,454.96	14,400.08	15,000	14,500	601500	Gas, Oil & Tires	0.00	14,500
5,390.18	5,248.01	0	0	607500	Special Purchases	0.00	10,800
15,679.86	23,705.99	20,400	27,000	608000	Supplies	0.00	25,900
46,097.06	17,566.67	12,800	9,000	608100	Contract & Other Services	0.00	7,000
37,999.92	37,999.92	38,000	38,000	608150	Volunteer Program	0.00	38,000
174,222.45	147,763.69	136,700	132,200			0.00	150,500
9,739.31	10,764.94	0	0	620500	Equipment	0.00	0
9,739.31	10,764.94	0	0		Capital Outlay	0.00	0
122,000.00	110,000.00	100,000	100,000	631600	Transfer to General Reserve	0.00	90,000
5,000.00	5,000.00	10,000	10,000	631960	Trans to Bldg. & Property Res	0.00	0
127,000.00	115,000.00	110,000	110,000		Transfers	0.00	90,000
616,633.59	612,336.16	699,350	696,750		FIRE TOTAL	3.50	626,150



Recreation



Recreation Department



Significant changes for Fiscal Year 2016-17: The proposed budget for the Recreation Department for FY 2016-17 reflects a 2.30% decrease from the adopted budget for FY 2015-2016. Restructuring in the directors position, and reduced part-time hours have reduced personnel costs. No building transfers are proposed for the 2016-2017 fiscal year, pending decisions about closing the swimming pool.

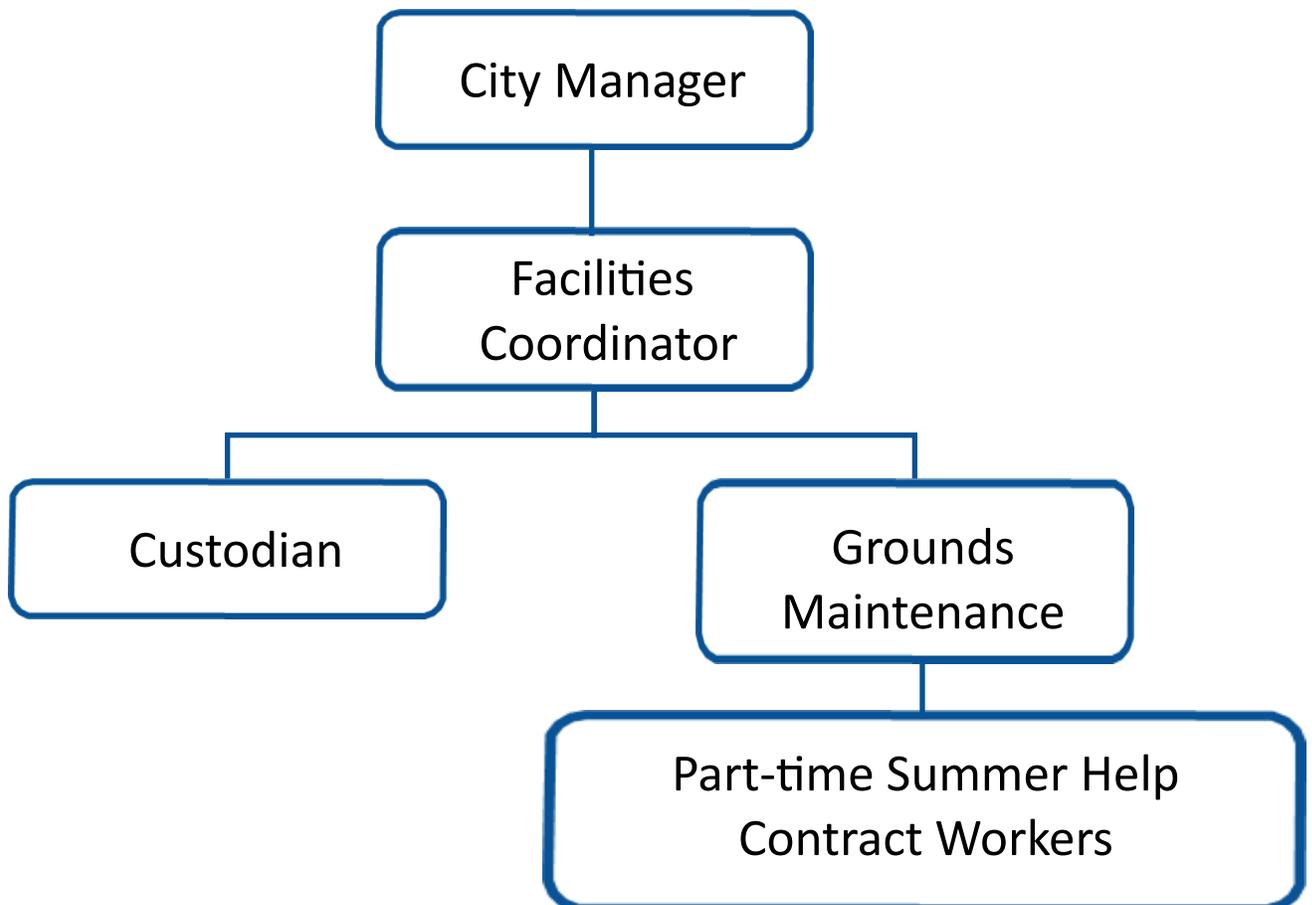
Significant capital investment for Fiscal Year 2016-2017: None.

Recreation Proposed Budget	
2015-2016	\$250,050
2016-2017	\$192,445
\$ Decrease	\$57,605
% Decrease	2.30%

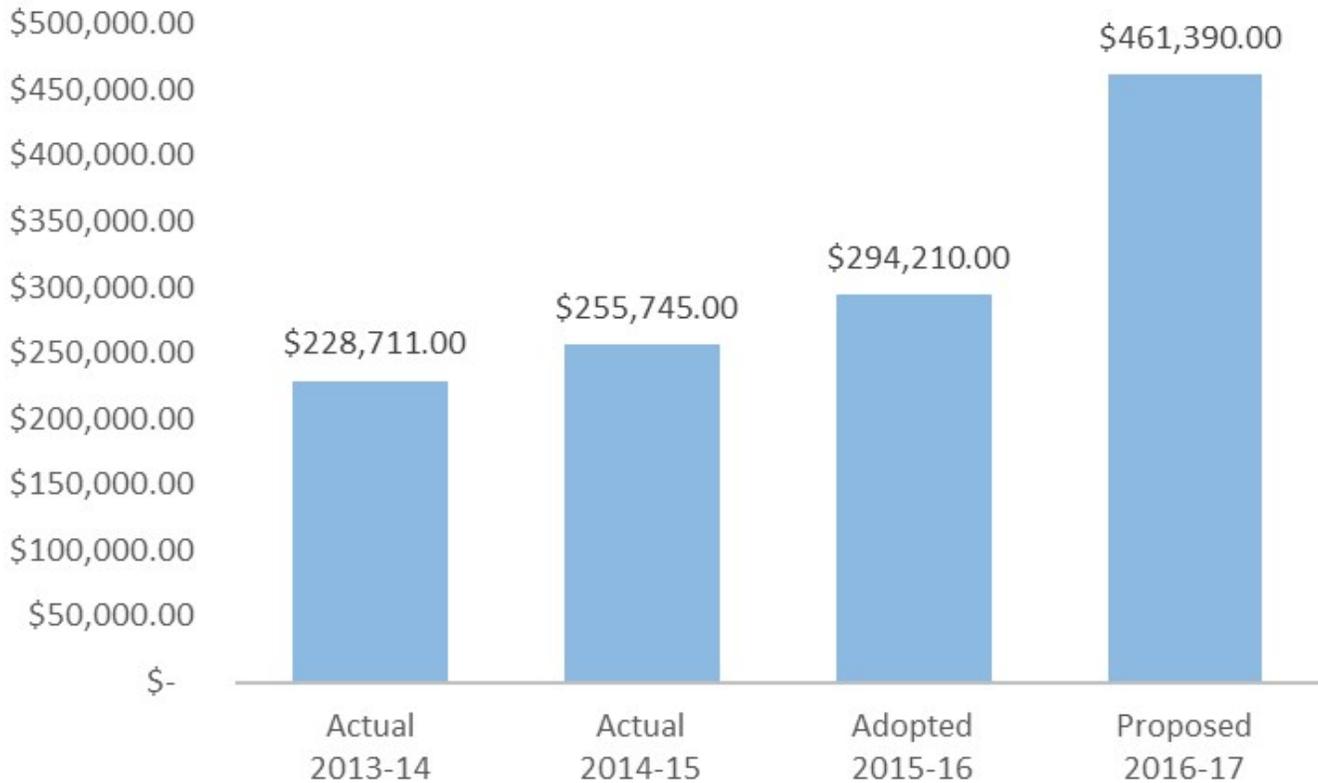
2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GENERAL FUND							
Expenditures							
001-600 Recreation							
50,688.00	51,960.00	53,000	11,750	500050	Full Time	0.00	0
0.00	0.00	0	33,000	500060	Half Time	1.10	41,000
80,353.98	72,958.97	84,500	60,000	500080	Pool Part Time	3.00	65,000
10,000.46	9,532.05	10,500	8,100	504700	Social Security	0.00	8,100
20,019.56	20,832.17	23,000	16,600	504800	Health Insurance	0.00	16,200
4,571.33	3,747.18	5,000	4,500	504900	Workers' Comp	0.00	4,000
9,829.61	7,163.74	10,650	4,500	505000	Retirement	0.00	8,300
175,462.94	166,194.11	186,650	138,450		Personnel Services	4.10	142,600
562.81	218.94	625	250	600100	Office Supplies	0.00	625
8,441.00	10,467.15	9,750	9,000	600210	Electricity	0.00	9,500
1,410.74	680.58	600	250	600220	Communication Services	0.00	300
14,413.80	14,395.84	15,000	15,750	600240	Natural Gas	0.00	15,750
329.22	6.49	500	500	600300	Equipment Repair	0.00	1,620
6,165.71	1,865.34	5,000	5,000	600420	Systems Repair	0.00	5,000
1,702.43	1,566.90	1,000	1,000	600600	Travel & Training	0.00	1,500
0.00	500.00	225	225	600700	Memberships & Subscriptons	0.00	900
4,514.18	1,138.64	800	800	607500	Special Purchases	0.00	0
10,027.69	7,590.78	9,500	9,500	608000	Supplies	0.00	12,000
1,211.03	2,170.09	2,650	2,650	608100	Contract & Other Services	0.00	2,650
48,778.61	40,600.75	45,650	44,925		Materials & Services	0.00	49,845
0.00	0.00	2,750	2,550	620500	Equipment	0.00	0
0.00	0.00	2,750	2,550		Capital Outlay	0.00	0
71,000.00	15,000.00	15,000	15,000	631960	Trans to Bldg. & Property Res	0.00	0
71,000.00	15,000.00	15,000	15,000			0.00	0
295,241.55	221,794.86	250,050	200,925		RECREATION TOTAL	4.10	192,445



Property Maintenance



Property Maintenance



Significant changes for Fiscal Year 2016-17: The proposed budget for the Property Maintenance Department for FY 2016-2017 reflects an increase of 56.8% from the adopted budget for FY 2015-2016. All transfers to the Building Reserve Fund are now budgeted in this department. Much of the revenue anticipated from the increase of .75% in electrical franchise fees is being directed toward the City’s significant facilities needs.

Significant capital investments for Fiscal Year 2016-17: Capital purchases proposed include a feasibility study for drainage at the Memorial Field Sports Complex and grant matching funds for park improvements.

Property Maintenance Proposed Budget	
2015-2016	\$294,210
2016-2017	\$461,390
\$ Increase	\$167,180
% Increase	56.8%

PROPERTY MAINTENANCE

AT A GLANCE

The Property Maintenance department strives to provide a clean and safe environment for staff, the community and visitors use by maintaining city parks and landscape areas. The department is also responsible for custodial service and maintenance of all city facilities.

FY 2015-2016

Council Goals	Department Accomplishments
Infrastructure	<ul style="list-style-type: none"> Evaluated the City's Facility Master Plan. Reviewed structural evaluation of the Swimming Pool. Developed Capital Improvement Plans for Parks and Facilities.
City Services and Departments	<ul style="list-style-type: none"> Installed security fencing and ADA-compliant parking at the Police Department Completed repairs and installed safety lighting at the Swimming Pool. Installed security lighting, assisted with exterior improvements and evaluated fire alarm system at the Library. Performed electrical upgrades and HVAC maintenance at City Hall. Installed new play equipment at Branstiter Park Completed rehabilitation of the Skate Park. Built new irrigation shed at Memorial Field Sports Complex.

FY 2016-2017

Council Goals	Department Objectives
Infrastructure	<ul style="list-style-type: none"> Implement portions of Capital Improvement Plan (CIP) including: <ul style="list-style-type: none"> Parks upgrades; and Feasibility study for relocation of the Police Department to the Fire Station.
City Services and Departments	<ul style="list-style-type: none"> Perform maintenance on the roof, door locks and garage doors at the Fire Department. Ongoing maintenance at Maple, Yaquina View and Branstiter Parks. Initiate feasibility study for drainage at Memorial Field Sports Complex. Install new play equipment and fencing, and complete ground work at Fort Nye Park. Perform general maintenance at City Hall. Paint exterior and replace windows at the Police Department. Transition planning for the Swimming Pool.

DEPARTMENT RESPONSIBILITIES

Property Management

- Parks & Playgrounds
- Emergency Response
- Landscape public spaces
- Trails
- Special Events

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GENERAL FUND							
Expenditures							
001-650 Property Maintenance							
0.00	0.00	25,000	25,250	500050	Full Time	0.50	27,000
0.00	0.00	92,600	80,000	500055	Three-Quarter Time	2.40	95,200
0.00	0.00	600	1,000	501500	Overtime	0.00	800
0.00	0.00	9,040	8,125	504700	Social Security	0.00	9,500
0.00	0.00	30,100	26,775	504800	Health Insurance	0.00	30,370
0.00	0.00	4,200	3,760	504900	Workers' Comp	0.00	4,375
0.00	0.00	18,175	14,800	505000	Retirement	0.00	14,500
0.00	0.00	179,715	159,710		Personnel Services	2.90	181,745
0.00	0.00	100	50	600100	Office Supplies	0.00	100
0.00	0.00	2,200	2,200	600210	Electricity	0.00	2,300
0.00	0.00	700	1,000	600220	Communication Services	0.00	1,200
0.00	0.00	2,000	2,500	600300	Equip Maint. & Repair	0.00	2,000
0.00	0.00	1,000	800	600350	Vehicle Maint. & Repair	0.00	1,500
0.00	0.00	25,000	25,000	600400	Facility Needs	0.00	40,500
0.00	0.00	700	100	600600	Travel & Training	0.00	500
0.00	0.00	175	0	600700	Memberships & Subscriptions	0.00	175
0.00	0.00	5,900	4,900	601500	Gas, Oil & Tires	0.00	5,900
0.00	0.00	0	0	607500	Special Purchases	0.00	5,000
0.00	0.00	15,500	15,500	608000	Supplies	0.00	15,500
0.00	0.00	5,600	5,600	608050	Janitorial Supplies	0.00	5,850
0.00	0.00	20,120	29,000	608100	Contract & Other Services	0.00	20,120
0.00	0.00	1,000	0	608250	Appraisals & Advertising	0.00	1,000
0.00	0.00	79,995	86,650		Materials & Services	0.00	101,645
0.00	0.00	0	0	620520	Systems	0.00	32,000
0.00	0.00	0	0		Capital Outlay	0.00	32,000
0.00	0.00	17,000	17,000	631600	Transfer to General Reserve	0.00	21,000
0.00	0.00	17,500	17,500	631960	Transfer to Bldg. & Prop Res	0.00	125,000
0.00	0.00	34,500	34,500		Transfers	0.00	146,000
0.00	0.00	294,210	280,860		PROPERTY MAINT TOTAL	2.90	461,390

Capital Outlay Expenditure Detail	Line Item #	Amount
Memorial Field Drainage Study	001-650-620520	\$12,000
Grant Match for Parks Improvements	001-650-620520	\$20,000

Capital Expenditure Detail**Department:** Property Maintenance**Purchase item:** Feasibility Study for Drainage at Memorial Field Sports Complex**Cost of item:** \$12,000**Budget line item:** 001-650-620520**Replacement (Y/N)** N **if yes, item being replaced:** N/A

Explanation of need for purchase:

Improving drainage at Memorial field has been a long term need that has not been addressed. Drainage at this location is a complex issue. Memorial Field is located in a location that is slightly above the normal flood plain and the water table is tidal affected. Currently, there is standing water on areas of the field and the entire field stays saturated until the rainy season ends, making it difficult to mow and perform other maintenance tasks without damaging the field surface.

A feasibility study is needed to develop a plan that will address the surface water drainage issue at memorial field.

Ongoing Impact(s):

The proposed Feasibility Study will enable accurate data for the City's Capital Improvement Plan.

Capital Expenditure Detail

Department: Property Maintenance

Purchase item: Grant Match for Park Improvements

Cost of item: \$20,000

Budget line item: 001-650-620520

Replacement (Y/N) N **if yes, item being replaced:** N/A

Explanation of need for purchase:

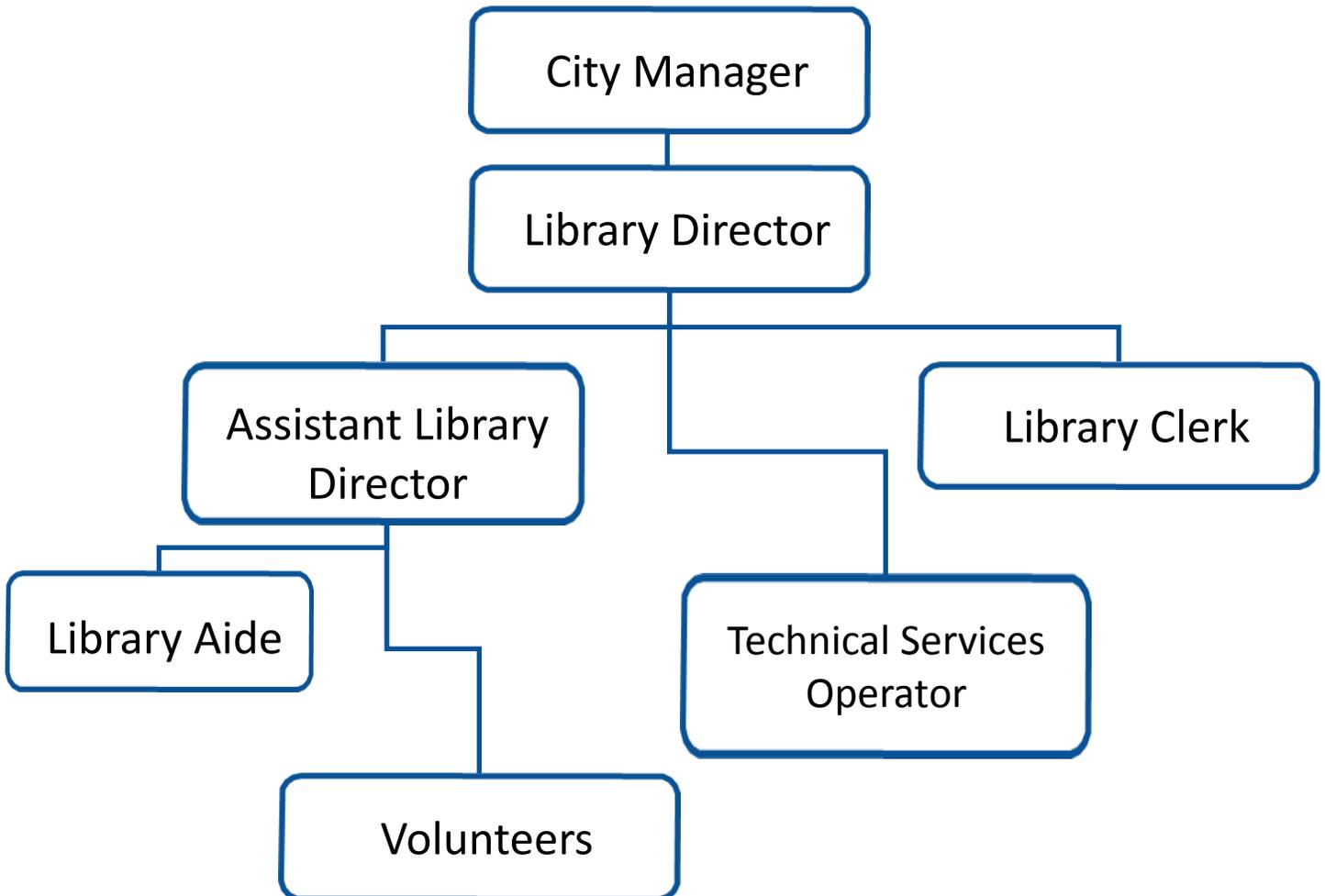
Many of our parks have major renovation needs. This money is to be leveraged as grant match to meet some of these needs. For example, Fort Nye Park has numerous rehabilitation needs. The major piece of playground equipment was removed from this park a number of years ago and has not been replaced and encroaching bamboo from a neighboring property and taken over one whole side of the park. This is one of the projects where the City will apply for grant funding.

Ongoing Impact(s):

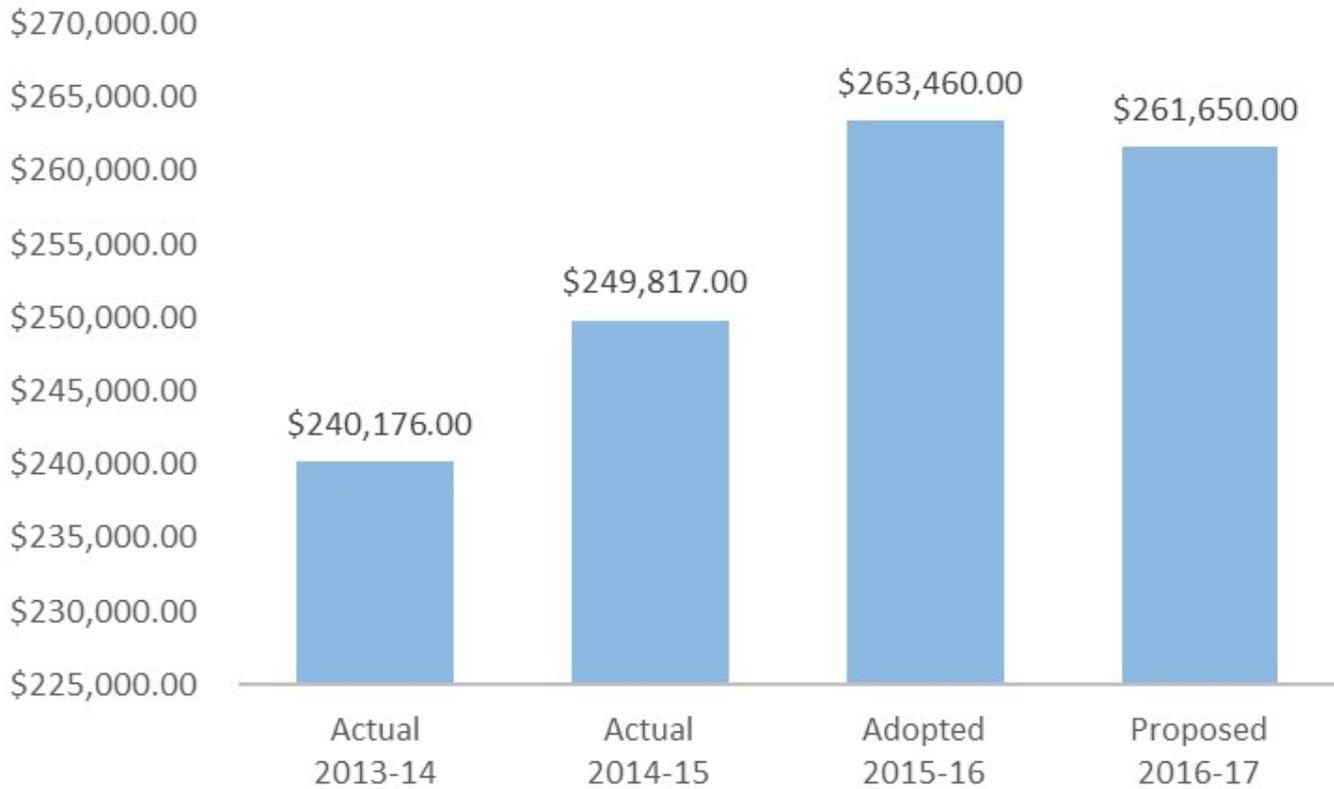
As the City renovates parks, an effort is being made towards reducing on-going maintenance costs by using low maintenance materials.



Library



Toledo Public Library



Significant changes for Fiscal Year 2016-17: The proposed budget for the Library for FY 2016-17 reflects a 0.01%% decrease from the adopted budget for FY 2015-2016. As in previous departments, building transfers are no longer budgeted here. There are no other significant changes proposed in this budget.

Significant Capital Investment for Fiscal Year 2016-2017: None

Library Proposed Budget	
2015-2016	\$263,460
2016-2017	\$261,650
\$ Decrease	\$1,810
% Decrease	0.01%

TOLEDO PUBLIC LIBRARY

AT A GLANCE

The Toledo Public Library strives to meet the informational and recreational reading needs of the Toledo community. The Library provides fiction and nonfiction materials in a wide range of genres, reading levels, and formats. A library card also offers patrons free access to on-line information and databases such as Library2Go, Gale educational publishing, digital magazine subscriptions, and Learning Express Library.

This year the Library will circulate more than 60,000 items, host more than 61,000 patron visits, assist in researching over 2,000 patron questions, lend over 2,500 items and borrow over 2,000 items through the Interlibrary Loan system, drawing from libraries across the United States and the world. The Library encourages civic participation through over 1,000 hours of volunteer services and hosts community groups such as the Lincoln County Genealogical Society, the Lincoln County 4H, the Girl Scouts, the East County Community Partnership, the Spinners and Weavers, the Celtic Heritage Alliance, and the Toledo Community Foundation.

As changes in the library industry occur, staff is paying close attention to trends in new services in an effort to ensure that the Toledo Public Library is providing the appropriate services to the residents of Toledo. The Library prides itself as an essential resource that helps to ensure equal access to information and contributes to a literate society.

FY 2015-2016

Goals	Department Accomplishments
Community Collaboration	<ul style="list-style-type: none"> • Reestablished the purpose of the Library Advisory Board to promote awareness of and advocate for the library and its activities in the community, help secure adequate financial support, and to function as an advisory board to the Library Director. • Refurbished the landscaping in the front of the library. Provided the Summer Reading Program weekly throughout the summer and used outcome-based assessment including patron surveys to plan for next year's program. • Participated with Sodexo Food Services as a Free Lunch Site for children and adolescents throughout the summer. • Provided weekly Preschool Story Hour to promote early literacy. • Offered Creativity Camp in the spring of 2015. • Hosted family craft day at the Winter Carnival • Provided new online services including Library Learning Express, Chilton's Online Service, Mango Languages Heritage Quest and Zinio Digital Magazine Subscriptions • Participated in the Toledo Food Pantry Fun Run/Walk, Toledo Summer Festival, and the Port of Toledo Wooden Boat Show. • Provided 5 public access computers and free public WIFI. • Offered 72,648 books and materials. • Offered 129,274 downloadable books, DVDs and other media. • Created social media page for the Library.

FY 2016-2017

Goals	Objectives
Community Collaboration	<ul style="list-style-type: none"> • Develop and facilitate a community-wide inquiry regarding the materials and services provided by the library. • Continue to promote civic participation through our active volunteer program. • Create a comprehensive training program for Library volunteers. • Enhance the Toledo Public Library presence on social media.
Quality of Life	<ul style="list-style-type: none"> • Increase circulation by 5%. • Increase participation in the Summer Reading Program from an average of 120 weekly participants to 150 weekly participants. • Offer free, online educational materials for the community including job skills programs and provide instruction on how to use these materials. • Create an attractive public gathering space for the community at the front of the library.

DEPARTMENT RESPONSIBILITIES

General

- Circulation
- Book Lease Program
- Reference Services
- Resource Sharing
- Inter-Library Lending/Chinook Library Network
- Computer & Internet Access
- Collection Development
- Courier Service
- Library2Go
- OCLC Worldwide Network

Programming

- Summer Reading Program for All Ages
- Story Time Outreach to Schools
- Summer Evening in the Park
- Pre-school Story Time
- Teen Reading Club
- Art in the Library

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GENERAL FUND							
Expenditures							
001-700 Library							
79,693.85	81,666.32	83,800	83,200	500050	Full Time	2.00	88,900
26,331.03	32,888.37	30,900	30,000	500060	Half Time	1.00	31,300
6,603.78	7,387.85	8,150	8,380	500070	Part Time	0.40	8,350
8,530.42	9,232.12	9,400	9,300	504700	Social Security	0.00	9,835
38,060.85	42,221.09	54,400	48,000	504800	Health Insurance	0.00	55,000
325.57	328.28	300	360	504900	Workers' Comp	0.00	400
10,051.32	11,847.72	14,540	11,500	505000	Retirement	0.00	12,345
169,596.82	185,571.75	201,490	190,740		Personnel Services	3.40	206,130
2,910.56	2,823.16	3,000	3,135	600100	Office Supplies	0.00	3,000
0.00	336.00	0	350	600150	Data Processing Support	0.00	400
8,421.61	8,158.78	8,500	8,625	600210	Electricity	0.00	9,050
2,803.44	2,222.79	1,650	1,535	600220	Communication Services	0.00	1,550
420.36	931.27	370	525	600250	Alarms	0.00	550
1,677.66	2,688.99	2,000	2,070	600300	Equipment Repair	0.00	2,170
0.00	0.00	500	0	600600	Travel & Training	0.00	500
687.97	287.99	700	570	600700	Membership & Subscription	0.00	300
4,848.00	7,689.25	8,000	7,815	603000	Network (CRSN)	0.00	8,000
24,684.96	25,884.74	25,000	25,000	603500	Books & Materials	0.00	25,000
1,321.98	1,621.74	2,850	2,850	607500	Special Purchases	0.00	1,500
3,442.48	3,228.56	3,900	4,920	608000	Supplies	0.00	3,000
700.64	376.86	500	0	608100	Contract & Other Services	0.00	500
51,919.66	56,250.13	56,970	57,395		Materials & Services	0.00	55,520
2,935.00	0.00	0	0	620500	Equipment	0.00	0
2,935.00	0.00	0	0		Capital Outlay	0.00	0
15,725.00	8,000.00	5,000	5,000	631600	Trans to Bldg. & Property Res	0.00	0
15,725.00	8,000.00	5,000	5,000		Transfers	0.00	0
240,176.48	249,821.88	263,460	253,135		LIBRARY TOTAL	3.40	261,650



Municipal Court

Municipal Judge

City Manager

Finance Director

Court Clerk

Municipal Court



Significant changes for Fiscal Year 2016-17: The proposed budget for the Municipal Court reflects a 4.65% increase from the adopted budget for FY 2015-2016. The increase is as a result of the change of the Municipal Court Judge from a salaried position to a contract position.

Significant Capital Investment for Fiscal Year 2016-2017: None.

Municipal Court Proposed Budget

2015-2016	\$11,595
2016-2017	\$12,135
\$ Decrease	\$540
% Decrease	4.65%

MUNICIPAL COURT

AT A GLANCE

The Municipal Court has the responsibility of holding arraignments and trials for violations of traffic codes and municipal laws and ordinances. The court has a part-time contract municipal judge, who is appointed by and reports to the City Council, and utility clerk who serves as the court clerk. It is anticipated that the Municipal Court will generate approximately \$50,000 in fine revenue for the 2016-2017 fiscal year. While the purpose of the Police Department and the court systems is not to generate dollars for the city, it does more than pay its own way, which is not the case in all communities.

FY 2015-2016

Council Goals	Department Accomplishments
Public Safety	<ul style="list-style-type: none"> Implemented first-offender diversion program.
City Services and Departments	<ul style="list-style-type: none"> Recruited Pro-tem Contract Municipal Court Judge. Drafted revisions to court rules for City Council adoption.

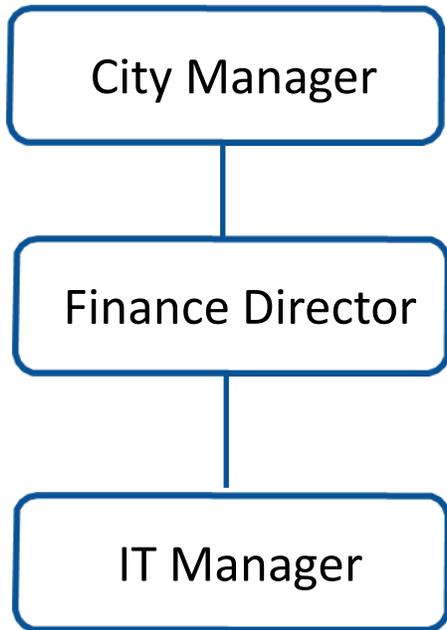
FY 2016-2017

Council Goals	Department Objectives
City Services and Departments	<ul style="list-style-type: none"> Adopt new rules for Municipal Court.

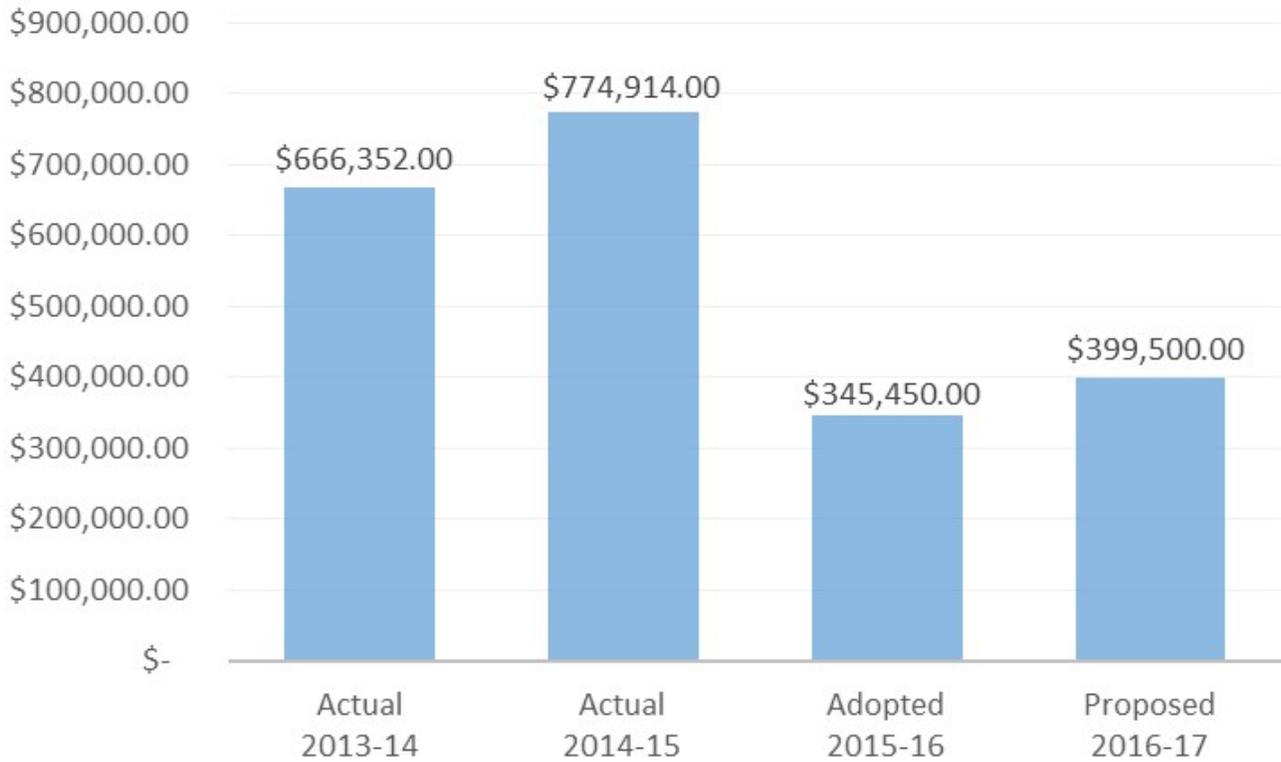
2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GENERAL FUND							
Expenditures							
001-800 Municipal Court							
3,510.87	3,598.54	3,685	3,670	500050	Full Time	0.08	3,760
4,025.00	4,200.00	4,200	2,625	500070	Part Time	0.00	0
572.15	592.09	600	480	504700	Social Security	0.00	300
590.13	633.86	670	675	504800	Health Insurance	0.00	675
18.16	18.16	20	20	504900	Workers' Comp	0.00	20
443.45	454.56	570	550	505000	Retirement	0.00	580
9,159.76	9,497.21	9,745	8,020		Personnel Services	0.08	5,335
258.85	172.25	400	400	600100	Office Supplies	0.00	400
0.00	0.00	500	0	600600	Travel & Training	0.00	800
145.00	195.00	200	200	600700	Membership & Subscription	0.00	200
388.01	433.12	750	2,200	608100	Contract & Other Services	0.00	5,400
791.86	800.37	1,850	2,800		Materials & Services	0.00	6,800
9,951.62	10,297.58	11,595	10,820		MUNICIPAL COURT TOTAL	0.08	12,135



General Services



General Services



Significant changes for Fiscal Year 2016-17: The proposed budget for General Services for FY 2016-17 reflects a 15.64% increase from the adopted budget for FY 2015-2016. In lieu of contract services, the City has hired a half-time IT Manager, paid from this department’s personnel services. There is a reduction in the Data Processing line item accordingly. The addition of a \$10,000 Economic Development line item will help the City towards the Economic Development goal. Per City policy, there is also a transfer to the Retirement Reserve this year, as the City portion of overall retirement costs fell below 7%.

Significant Capital Investment for Fiscal Year 2016-2017: None.

General Services Proposed Budget

2015-2016	\$345,450
2016-2017	\$399,500
\$ Increase	\$53,050
% Increase	15.64%

GENERAL SERVICES

AT A GLANCE

The General Services budget is designed to provide services and activities that are common to all city departments. Examples of these items include unemployment costs, property/liability insurance, IT support, City Council expenses, city memberships, janitorial services, etc. It is also where the city's contingency and unappropriated funds are placed.

FY 2015-2016

Goals	Accomplishments
City Services and Departments	<u>IT Manager:</u> <ul style="list-style-type: none"> • Upgraded network security. • Provided city-wide IT support. • Installed free public Wi-Fi access at City Hall and the Library.

FY 2016-2017

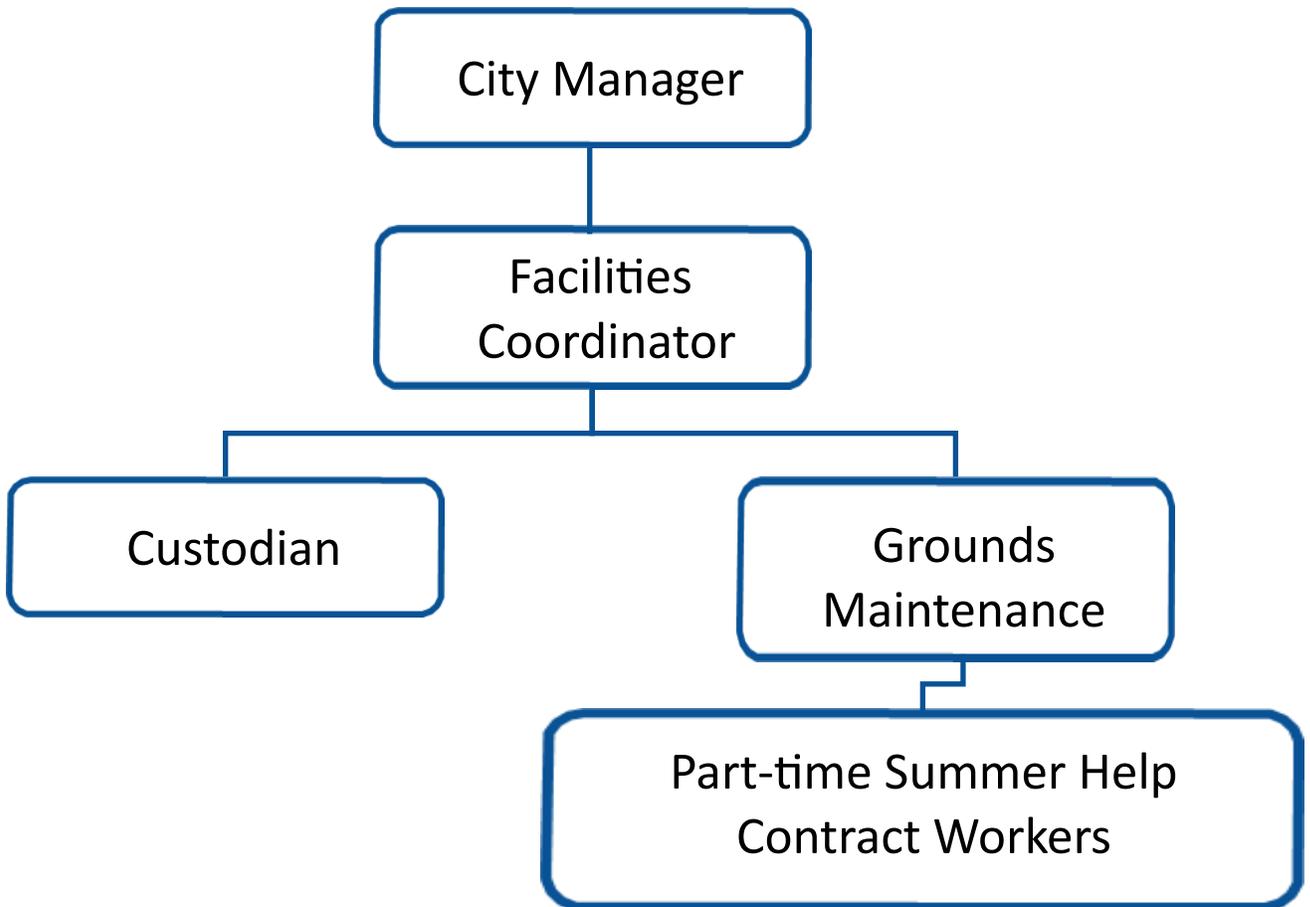
Goals	Objectives
City Services and Departments	<u>IT Manager:</u> <ul style="list-style-type: none"> • Continue to improve network security. • Collaborate with the Police Department on the Installation of the city-wide camera system. • Collaborate with the Police Department to purchase and install upgraded Mobile Data Terminals (MDT's) in patrol units. • Conduct printer audit to ensure office efficiency.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GENERAL FUND							
Expenditures							
001-900 General Services							
0.00	0.00	0	20,004	500060	Half Time	0.50	40,800
0.00	0.00	0	1,530	504700	Social Security	0.00	3,125
0.00	0.00	0	3,255	504800	Health Insurance	0.00	8,100
0.00	0.00	0	20	504900	Workers' Comp	0.00	150
0.00	0.00	0	0	505000	Retirement	0.00	3,325
0.00	0.00	0	24,809		Personnel Services	0.50	55,500
30,342.47	42,779.52	40,000	20,000	600150	Data Processing Support	0.00	15,000
8,139.23	8,203.29	8,550	8,200	600700	Membership & Subscription	0.00	8,700
53,799.49	61,521.65	73,000	67,200	601700	Insurance	0.00	72,300
518.92	188.95	1,000	200	603600	Safety Committee	0.00	500
5,002.49	5,256.81	6,000	5,000	603700	City Council	0.00	5,000
1,126.41	929.66	1,400	1,200	603800	Planning Commission	0.00	1,500
0.00	0.00	0	0	603900	Economic Development	0.00	10,000
11,800.00	8,000.00	7,000	7,250	603975	Contributions	0.00	9,000
8,820.15	8,040.32	10,000	4,000	604000	Unemployment	0.00	15,000
109,228.80	122,651.61	115,000	119,850	604400	Street Lights	0.00	125,000
3,046.37	2,047.43	2,500	2,000	608000	Supplies	0.00	2,500
57,268.15	28,749.66	32,700	18,000	608100	Contract & Other Services	0.00	35,000
12,200.00	15,200.00	12,500	12,500	608125	Audit Services	0.00	12,500
301,292.48	303,568.90	309,650	265,400		Materials & Services	0.00	312,000
228,710.67	255,745.08	0	0	630475	Trans to Property Maint. Fund	0.00	0
9,000.00	9,000.00	9,000	9,000	631600	Transfer to General Reserve	0.00	8,000
27,500.00	21,600.00	0	0	631950	Transfer to Stabilization Fund	0.00	24,000
98,500.00	185,000.00	26,800	26,800	631960	Trans to Bldg. & Property Res	0.00	0
363,710.67	471,345.08	35,800	35,800		Transfers	0.00	32,000
0.00	0.00	128,000	0	640100	Contingency	0.00	200,000
0.00	0.00	128,000	0		Contingency	0.00	200,000
1,348.57	0.00	0	0	702000	Loan Repayment	0.00	0
1,348.57	0.00	0	0		Debt Service	0.00	0
0.00	0.00	700,168	0	801000	Unappropriated Surplus	0.00	719,841
0.00	0.00	700,168	0		Unappropriated	0.00	719,841
666,351.72	774,913.98	1,173,618	326,009		GENERAL SERVICES TOTAL	0.50	1,319,341

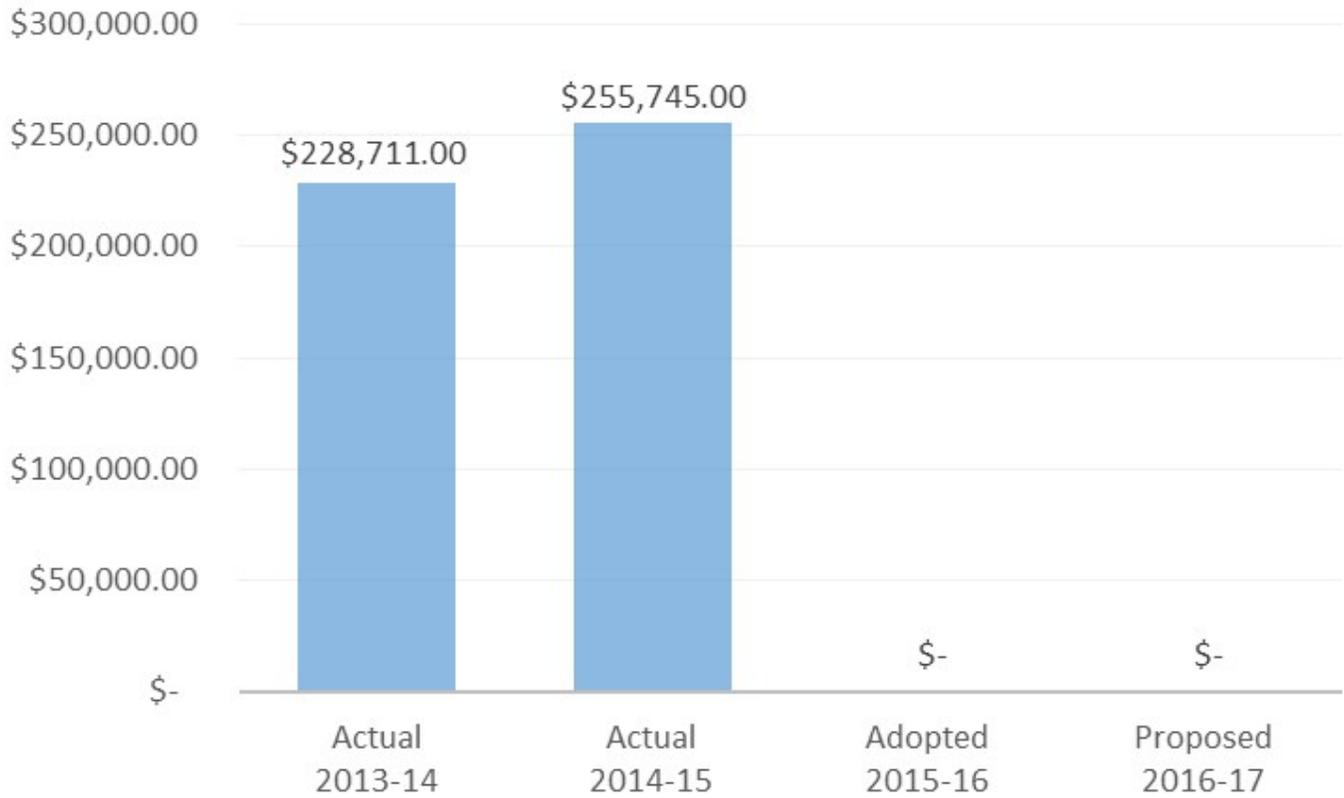
2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GENERAL FUND							
5,072,497.90	4,846,728.78	4,687,508	4,848,330		FUND REVENUES		4,856,936
3,671,660.67	3,612,701.31	4,687,508	3,663,029		FUND EXPENDITURES		4,856,936
1,400,837.23	1,234,027.47	0	1,185,301		FUND TOTALS	34.40	0



Property Maintenance



Property Maintenance



Significant changes for Fiscal Year 2016-2017: The proposed budget for the Property Maintenance Fund reflects a 0% change over the adopted budget for FY 2015-2016, as expenditures for this program have been moved back to the Property Maintenance Department within the General Fund beginning in fiscal year 2015-2016.

Significant Capital Investment for Fiscal Year 2016-2017: None

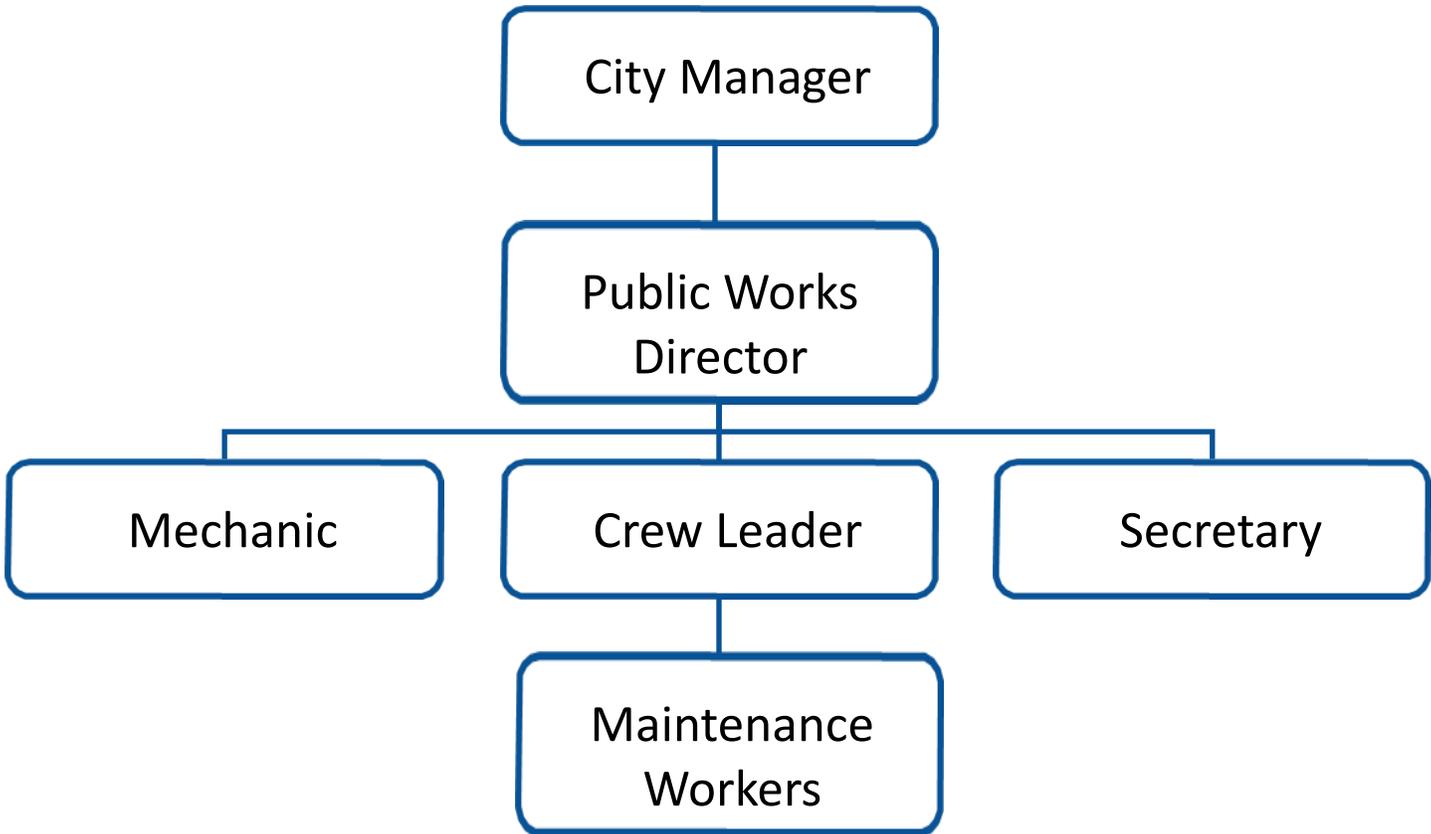
Property Maintenance Proposed Budget	
2015-2016	\$0
2016-2017	\$0
\$ Change	\$0
% Change	\$0

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
PROPERTY MAINTENANCE FUND							
006-000 Revenues							
0.00	0.00	0	0	400100	Beginning Fund Balance	0.00	0
228,710.67	255,745.08	0	0	401000	Transfer from General	0.00	0
0.00	0.00	0	0	402700	Refunds & Misc.	0.00	0
228,710.67	255,745.08	0	0		Revenue Total	0.00	0
Expenditures							
006-660 Property Maintenance							
0.00	13,821.44	0	0	500050	Full Time	0.00	0
85,311.85	87,593.73	0	0	500055	Three-Quarter Time	0.00	0
546.35	869.52	0	0	501500	Overtime	0.00	0
6,409.62	7,630.74	0	0	504700	Social Security	0.00	0
18,933.27	24,778.97	0	0	504800	Health Insurance	0.00	0
2,419.37	2,572.29	0	0	504900	Workers' Comp	0.00	0
9,989.58	12,042.80	0	0	505000	Retirement	0.00	0
123,610.04	149,309.49	0	0		Personnel Services	0.00	0
12.97	9.57	0	0	600100	Office Supplies	0.00	0
2,060.94	2,031.50	0	0	600210	Electricity	0.00	0
607.31	636.04	0	0	600220	Communication Services	0.00	0
1,402.10	1,530.27	0	0	600300	Equipment Maint. & Repair	0.00	0
667.64	570.30	0	0	600350	Vehicle Maint. & Repair	0.00	0
3,783.57	5,881.06	0	0	600440	Police Facility Needs	0.00	0
3,241.03	4,846.31	0	0	600450	Fire Facility Needs	0.00	0
4,504.96	3,578.13	0	0	600460	Pool Facility Needs	0.00	0
212.05	0.00	0	0	600465	Property Maint. Facility Needs	0.00	0
1,279.28	3,219.62	0	0	600470	Library Facility Needs	0.00	0
4,652.89	7,937.68	0	0	600490	City Hall Facility Needs	0.00	0
0.00	0.00	0	0	600600	Travel & Training	0.00	0
0.00	0.00	0	0	600700	Membership & Subscription	0.00	0
5,073.98	4,178.42	0	0	601500	Gas, Oil & Tires	0.00	0
0.00	1,143.46	0	0	607500	Special Purchases	0.00	0
18,598.71	16,924.43	0	0	608000	Supplies	0.00	0
5,224.40	5,786.46	0	0	608050	Janitorial Supplies	0.00	0
19,373.80	15,675.34	0	0	608100	Contract & Other Services	0.00	0
0.00	0.00	0	0	608250	Appraisals & Advertising	0.00	0
70,695.63	73,948.59	0	0		Materials & Services	0.00	0

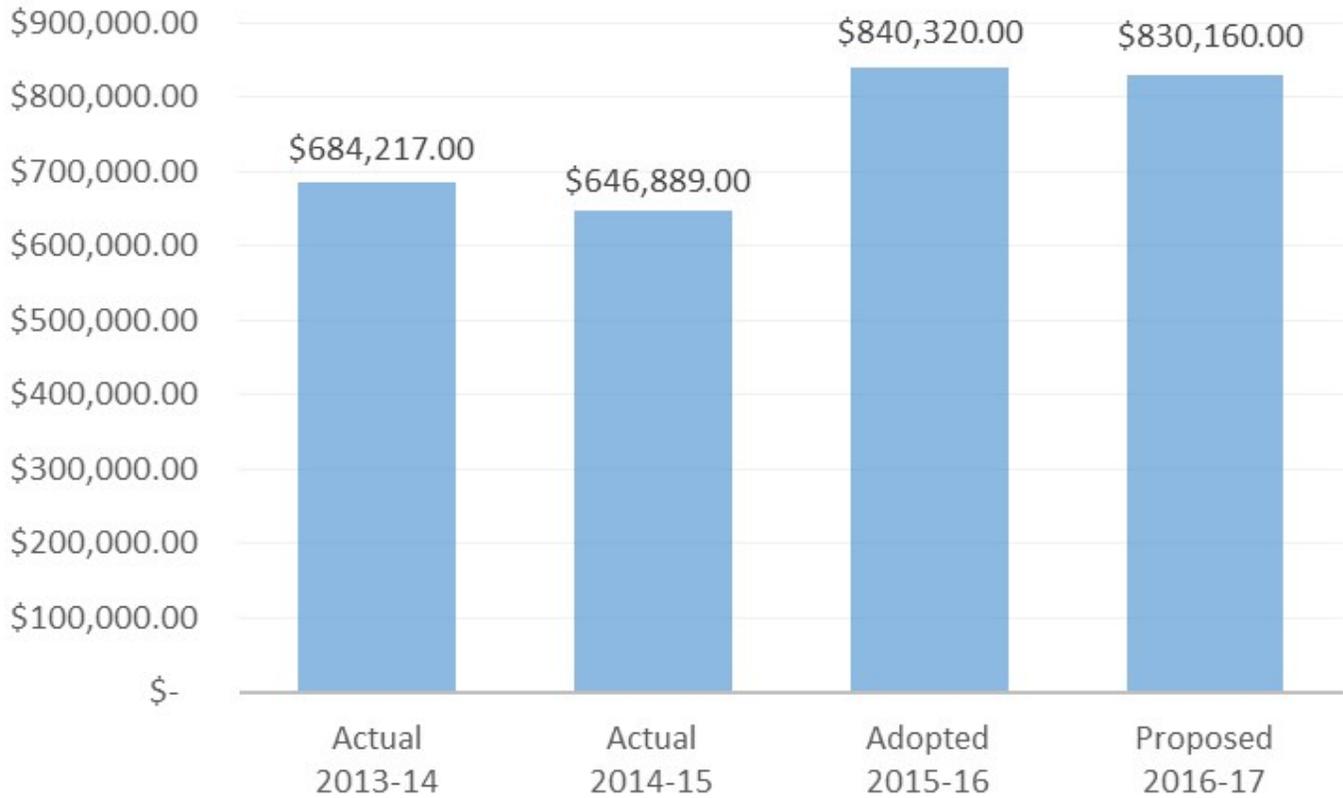
2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
19,405.00	18,487.00	0	0	630500	Transfer to Public Works	0.00	0
11,000.00	14,000.00	0	0	631600	Transfer to General Reserve	0.00	0
4,000.00	0.00	0	0	631960	Trans to Bldg. & Property Res	0.00	0
34,405.00	32,487.00	0	0		Transfers	0.00	0
0.00	0.00	0	0	640100	Contingency	0.00	0
0.00	0.00	0	0		Contingency	0.00	0
228,710.67	255,745.08	0	0		FUND REVENUES		0
228,710.67	255,745.08	0	0		FUND EXPENDITURES		0
0.00	0.00	0	0		FUND TOTALS	0.00	0



Public Works



Public Works



Significant changes for Fiscal Year 2016-17: The proposed budget for the Public Works Department for FY 2016-17 reflects a 1.21% decrease from the adopted budget for FY 2015-16. The decrease in this budget is in reduced materials and services costs, mainly in supply cost. This fund also has a transfer to Retirement Reserve this year, as per City policy when retirement costs fall below 7%.

Significant Capital Investment for Fiscal Year 2015-2016: None.

Public Works Proposed Budget

2015-2016	\$840,320
2016-2017	\$830,130
\$ Decrease	\$10,190
% Decrease	1.21%

PUBLIC WORKS

AT A GLANCE

The Public Works Department provides maintenance and management of public streets, water, and wastewater infrastructure and facilities with goals of protecting the health and safety of our residents, environment, and employees while providing clean, safe, and reliable essential services.

Funding for Public Works comes from the Water, Wastewater (Sewer) and Streets funds. In exchange, the Public Works staff provide services for Water Distribution, Wastewater Collection, Streets maintenance activities, and vehicle/equipment maintenance. The materials, supplies, and contractual services are provided within their respective budgets. Water and Wastewater Treatment are also provided from their respective budgets.

FY 2015-2016

Council Goals	Department Accomplishments
Infrastructure	<ul style="list-style-type: none"> • Rebuilt weir boxes at Millcreek Dam. • Cleared and graded pipeline road to Millcreek Dam. • Updated water, sewer, and storm drain sewer maps. • Replaced sewer line in NE 6th Street—300 feet.
Quality of Life	<ul style="list-style-type: none"> • Constructed Dog Park. • Built Heritage Plaza at the end of Main Street.

FY 2016-2017

Council Goals	Department Objectives
City Services and Departments	<ul style="list-style-type: none"> • Replace sewer line NW Nye Street—465 ft. • Put updates map data on digital files.

DEPARTMENT RESPONSIBILITIES

Public Works

- 35 miles of water distribution lines
- 27 miles of wastewater collection lines
- 9 water or wastewater pumping stations
- Mill Creek Reservoir and pumping facility
- Monthly water meter reading services
- Pavement markings, and signage
- Storm water collection system programs
- Capital improvements
- 14 miles of raw water lines
- 4 water storage tanks
- Vehicle and equipment maintenance
- Siletz River intake and pumping facility
- 27 miles of streets
- Cross connection/backflow prevention
- Implementing and maintaining safety

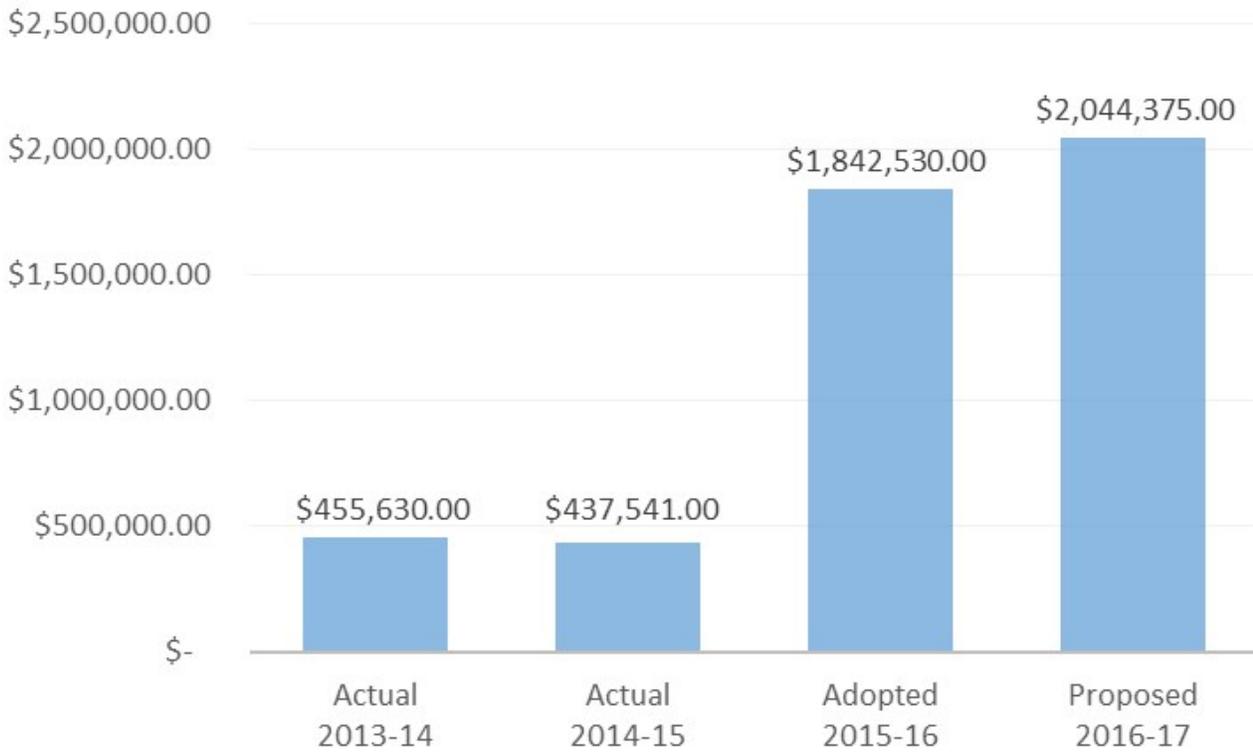
2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
PUBLIC WORKS							
010-000 Revenues							
0.00	0.00	0	0	400100	Beginning Fund Balance	0.00	0
148,056.28	146,394.69	185,055	148,780	400450	Transfer from Streets	0.00	180,295
192,514.31	168,569.04	246,025	197,800	400500	Transfer from Sewer	0.00	240,300
322,844.75	311,280.17	409,240	329,020	400600	Transfer from Water	0.00	409,535
19,405.00	18,487.00	0	0	400650	Trans from Property Maint.	0.00	0
0.00	0.00	0	0	401000	Transfer from General Fund	0.00	0
1,396.36	2,157.90	25,000	500	402700	Refunds & Misc.	0.00	30,000
684,216.70	646,888.80	865,320	676,100		Revenue Total	0.00	860,130
010-100 Expenditures							
370,323.07	351,563.31	421,315	365,000	500050	Full Time	8.00	428,460
15,968.67	16,383.31	16,760	16,500	500055	Three-Quarter Time	0.40	17,010
9,474.16	9,969.77	10,000	9,900	501400	Call Time	0.00	10,000
3,494.83	1,676.91	9,000	2,000	501500	Overtime	0.00	9,000
29,815.54	28,289.33	34,965	30,095	504700	Social Security	0.00	35,530
91,920.97	90,388.02	157,600	98,800	504800	Health Insurance	0.00	159,995
17,224.68	17,436.49	23,250	20,650	504900	Workers' Comp	0.00	23,640
40,915.19	32,956.85	54,590	41,000	505000	Retirement	0.00	48,335
579,137.11	548,663.99	727,480	583,945		Personnel Service	8.40	731,970
1,310.22	682.41	1,500	2,200	600100	Office Supplies	0.00	1,500
8,971.82	7,200.75	9,000	8,200	600210	Electricity	0.00	8,600
5,921.17	4,063.23	5,500	4,000	600220	Communication Services	0.00	4,300
1,313.04	1,313.04	1,400	1,365	600250	Alarms	0.00	1,380
10,471.40	7,945.23	8,500	6,000	600300	Equipment Maint. & Repair	0.00	8,500
9,708.85	4,474.40	6,000	4,000	600350	Vehicle Maint. & Repair	0.00	6,000
186.93	322.12	500	750	600400	Facility Needs	0.00	500
4,499.23	5,455.30	7,000	7,000	600600	Travel & Training	0.00	7,000
620.00	623.50	650	460	600700	Membership & Subscription	0.00	460
19,934.98	17,913.10	20,000	15,000	601500	Gas, Oil & Tires	0.00	15,000
10,593.82	12,316.33	15,000	13,010	601700	Insurance	0.00	13,920
1,557.00	0.00	2,290	6,600	607500	Special Purchases	0.00	0
19,143.94	16,452.83	20,000	11,000	608000	Supplies	0.00	13,000
10,847.19	10,582.57	8,000	5,070	608100	Contract & Other Services	0.00	6,000
105,079.59	89,344.81	105,340	84,655		Materials & Services	0.00	86,160

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
PUBLIC WORKS							
0.00	0.00	7,500	7,500	620500	Equipment	0.00	0
0.00	0.00	7,500	7,500		Capital Outlay	0.00	0
0.00	8,880.00	0	0	631950	Transfer to Stabilization Fund	0.00	12,000
0.00	8,880.00	0	0		Transfers	0.00	12,000
0.00	0.00	25,000	0	650100	Contingency	0.00	30,000
0.00	0.00	25,000	0		Contingency	0.00	30,000
684,216.70	646,888.80	865,320	676,100		FUND REVENUES		860,130
684,216.70	646,888.80	865,320	676,100		FUND EXPENDITURES		860,130



Streets

Streets



Significant changes for Fiscal Year 2016-17: The Street Fund has an proposed increase of 10.95% for the 2016-2017 fiscal year when compared to the adopted budget for the 2015-2016 fiscal year.

Revenues and expenditures are balanced. Revenues include Franchise Fees, Truck Permit Fees, Oregon State Highway Tax, Road Maintenance Fees, and grants. Expenditures are used for both the street and storm water systems within the City.

The increase in this fund is the result of carry-over from previous years, creating a large beginning fund balance. This money remains available in subsequent years for street and storm water projects.

Significant capital investments for Fiscal Year 2016-17: Capital purchases proposed include a Storm Drainage Master Plan, street resurfacing/overlays, and seal coating of streets.

Streets Proposed Budget	
2015-2016	\$1,842,530
2016-2017	\$2,044,375
\$ Increase	\$201,845
% Increase	10.95%

STREETS

AT A GLANCE

This section of the budget assures that Toledo streets and storm drainages are maintained. This includes street sweeping, patching, resurfacing, pavement markings, street signs, cleaning of storm drains, repair of grates, catch basins, and pipes.

Funding for Streets comes mostly from three sources: State gas tax subvention to cities and counties, franchise fees from utilities that operate within the right-of-way, and local road maintenance fees. The City is also eligible for a bi-annual grant that comes from a portion of federal gas tax.

The Public Works Department provides staffing and equipment for Street Maintenance functions. Materials, supplies, and capital outlay are included in the Streets budget.

FY 2015-2016

Council Goals	Department Accomplishments
Infrastructure	<ul style="list-style-type: none"> • Rebuilt NW A Street near Post Office—12,000 sq. ft. • Street paving project—90,000 sq. ft. • 12,000 sq. ft. of street patching

FY 2016-2017

Council Goals	Department Objectives
Infrastructure	<ul style="list-style-type: none"> • Street slurry seal project—180,000 sq. ft. • Street paving project—180,000 sq. ft. • Complete Storm Drainage Master Plan
Financial Security	<ul style="list-style-type: none"> • Apply for Special Cities Allotment Grant

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
STREETS							
011-000 Revenue							
513,208.35	855,761.67	1,132,430	1,202,360	400100	Beginning Fund Balance	0.00	1,267,290
2,759.72	3,653.98	3,000	5,500	400400	Interest	0.00	4,000
21,814.50	16,053.01	12,400	11,700	401300	Natural Gas Franchise	0.00	11,700
4,306.91	3,766.45	3,200	2,770	401400	Telephone Franchise	0.00	2,700
1,639.00	2,533.82	2,000	2,000	401450	Telecommunications Franchise	0.00	2,000
16,622.03	17,207.85	13,600	14,000	401500	Television Franchise	0.00	14,650
14,728.17	14,810.10	11,600	13,335	401600	Garbage Franchise	0.00	13,335
434,556.53	424,635.28	430,000	436,700	401700	Electric Franchise	0.00	503,000
2,272.00	2,336.00	2,200	2,200	402050	Truck Permits	0.00	2,200
196,170.29	198,895.62	179,600	197,000	402400	Oregon State Highway Tax	0.00	198,000
0.00	121.13	500	6,500	402700	Refunds & Misc.	0.00	500
103,313.88	100,128.15	102,000	100,000	403600	Road Maintenance Fees	0.00	100,000
0.00	0.00	50,000	0	405250	Grants	0.00	50,000
1,311,391.38	1,639,903.06	1,942,530	1,994,065		Revenue Total	0.00	2,169,375
011-110 Expenditures							
1,654.51	1,991.80	2,000	2,100	600210	Electricity	0.00	2,220
371.26	376.18	400	400	600250	Alarms	0.00	400
24,107.00	4,941.71	50,000	45,000	600420	Systems Repair	0.00	50,000
3,895.00	5,291.07	6,100	5,435	601700	Insurance	0.00	5,815
8,661.47	15,843.29	15,000	10,000	608000	Supplies	0.00	15,000
18,197.14	24,337.23	30,000	25,000	608100	Contract & Other Services	0.00	30,000
39,394.75	47,000.16	50,000	42,000	608175	Street Sweeping	0.00	44,000
96,281.13	99,781.44	153,500	129,935		Materials & Services	0.00	147,435
0.00	10,000.00	0	0	620500	Equipment	0.00	0
115,657.30	5,004.44	1,140,415	165,000	620520	Systems	0.00	1,372,185
0.00	42,746.14	230,500	150,000	620540	Road Maintenance Expenditures	0.00	208,900
115,657.30	57,750.58	1,370,915	315,000		Capital Outlay	0.00	1,581,085
76,970.00	81,555.00	81,000	81,000	630300	Transfer to General Fund	0.00	83,500
148,056.28	146,394.69	185,055	148,780	630500	Transfer to Public Works	0.00	180,295
8,665.00	22,060.00	22,060	22,060	631000	Transfer to PW Equip Reserve	0.00	22,060
10,000.00	30,000.00	30,000	30,000	631850	Transfer to Street Reserve	0.00	30,000
243,691.28	280,009.69	318,115	281,840		Transfers	0.00	315,855
0.00	0.00	100,000	0	640100	Contingency	0.00	125,000
0.00	0.00	100,000	0		Contingency	0.00	125,000
1,311,391.38	1,639,903.06	1,942,530	1,994,065		FUND REVENUES		2,169,375
455,629.71	437,541.71	1,942,530	726,775		FUND EXPENDITURES		2,169,375
855,761.67	1,202,361.35	0	1,267,290		FUND TOTALS	0.00	0

STREETS

Capital Outlay Expenditure Detail	Line Item #	Amount
Drainage Master Plan	011-110-620520	\$60,000
Street Resurfacing/ Overlays	011-110-620520	\$180,000
Seal Coating of City Streets	011-110-620520	\$65,000

Capital Expenditure Detail

Department: Streets
Purchase item: Storm Drainage Master Plan
Cost of item: \$60,000
Budget line item: #011-110-620520
Replacement (Y/N) N **If yes, item being replaced:**

Explanation of need for purchase:

The City currently has master plans for transportation, water, and sewer, but nothing for the storm drainage system.

This plan would provide a plan to construct and upgrade storm drainage facilities based on need and projected storm water generated from various storms. The plan would be based on projected development and would give guidelines for developers to detain water so that it can be metered into the system and avoid flooding due to increased runoff. It would also provide an analysis of the existing storm drainage facilities and make recommendations for sizes upon replacement.

Ongoing Impact(s):

Capital Expenditure Detail

Department: Streets
Purchase item: Street Resurfacing/Overlays
Cost of item: \$180,000
Budget line item: #011-110-620520/001-110-620540
Replacement (Y/N) No **If yes, item being replaced:** NA

Explanation of need for purchase:

This project will resurface various streets in the City with 1 ½ - 2 inches of asphalt. It will also include dig-out and repair of failed sections and upgrade of handicapped facilities included in the project areas.

Ongoing Impact(s):

Capital Expenditure Detail

Department: Streets
Purchase item: Seal Coat of City Streets
Cost of item: \$65,000
Budget line item: #011-110-620520
Replacement (Y/N) No If yes, item being replaced: NA

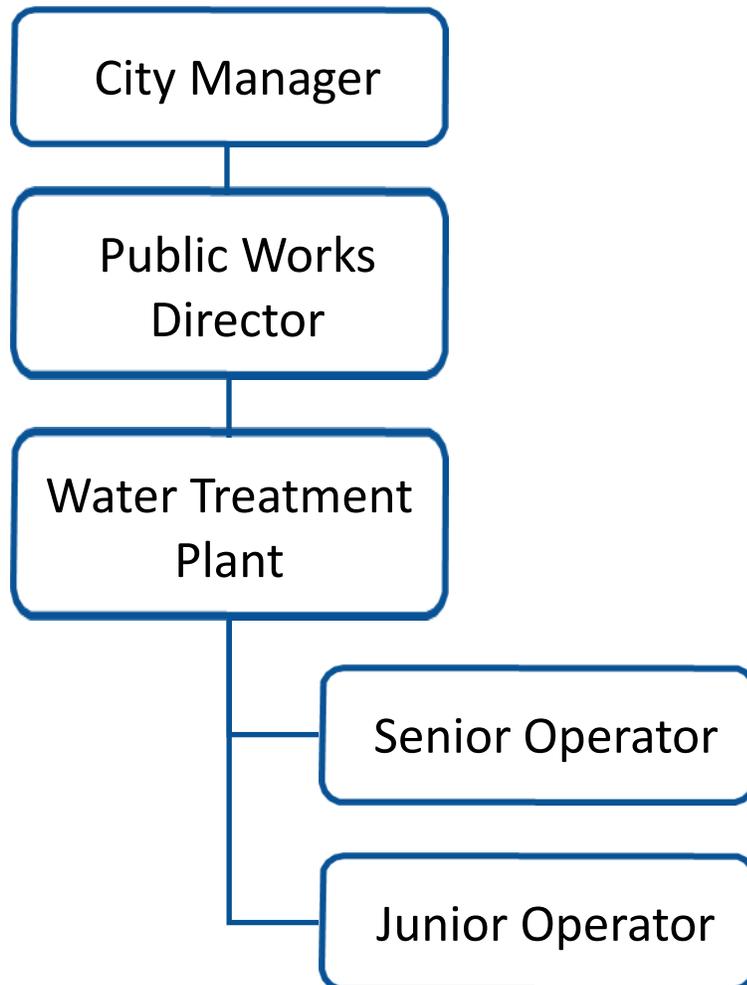
Explanation of need for purchase:

This project will extend the life of several City streets by sealing cracks and placing a new wearing surface.
Applying this treatment to streets at this time will avoid more costly overlays or reconstruction at a later date.

Ongoing Impact(s):



Water



Water



Significant changes for Fiscal Year 2016-2017: There are no significant changes in this year’s budget.

The Water Fund is financed through water utility charges to customers and sale of water to the Seal Rock Water District. It funds the operation of the distribution system and the water treatment plant which are included in the overall fund but are separated into different departments within the fund to track total costs of each function.

Significant capital investments for Fiscal Year 2016-17: None.

Water Fund Proposed Budget

2015-2016	\$0
2016-2017	\$0
\$ Change	\$0
% Change	\$0

WATER

AT A GLANCE

Water Treatment Section: This fund assures that Toledo water is provided in sufficient quantity and quality and exceeds State and Federal regulations with regard to maintaining safe drinking water compliance. The treatment section is staffed by 2 FTE who are responsible for the day-to-day operations of the Water Treatment Facility.

Water Distribution: Water Distribution and meter reading services are provided by the Public Works Department. Water billing is provided by the Finance Department.

FY 2015-2016

Council Goals	Department Accomplishments
Infrastructure	<ul style="list-style-type: none"> • Completed Siletz Intake pump station • Completed upgrade of System Control and Data Acquisition (SCADA) System • Completed Water Plant improvements—mixer motors, valves, water supply system, electrical system and drainage improvements.
Quality of Life	<ul style="list-style-type: none"> • Produced 318 millions gallons of water—met all state and federal standards.
Public Safety	<ul style="list-style-type: none"> • Prepare plans and specification for water line upsize in Alder Lane Drive

FY 2016-2017

Council Goals	Department Objectives
Infrastructure	<ul style="list-style-type: none"> • Clean, inspect, repair and repaint Ammon Road Water Tank as needed. • Remove old Siletz Intake structure • Complete Water Conservation and Management Plan
Financial Security	<ul style="list-style-type: none"> • Optimize Water Plant power, chemicals and operations
Public Safety	<ul style="list-style-type: none"> • Upsize water lane in Alder Lane Drive.

DEPARTMENT RESPONSIBILITIES

Water

- Water Rights
- Treatment Plant
- Emergency Response
- Maintaining State Permits
- Water Transmission System
- Training
- System Maintenance
- Operational Procedures
- Seal Rock Water District
- Annual Reports
- Operator Certification
- Water Quality Tests

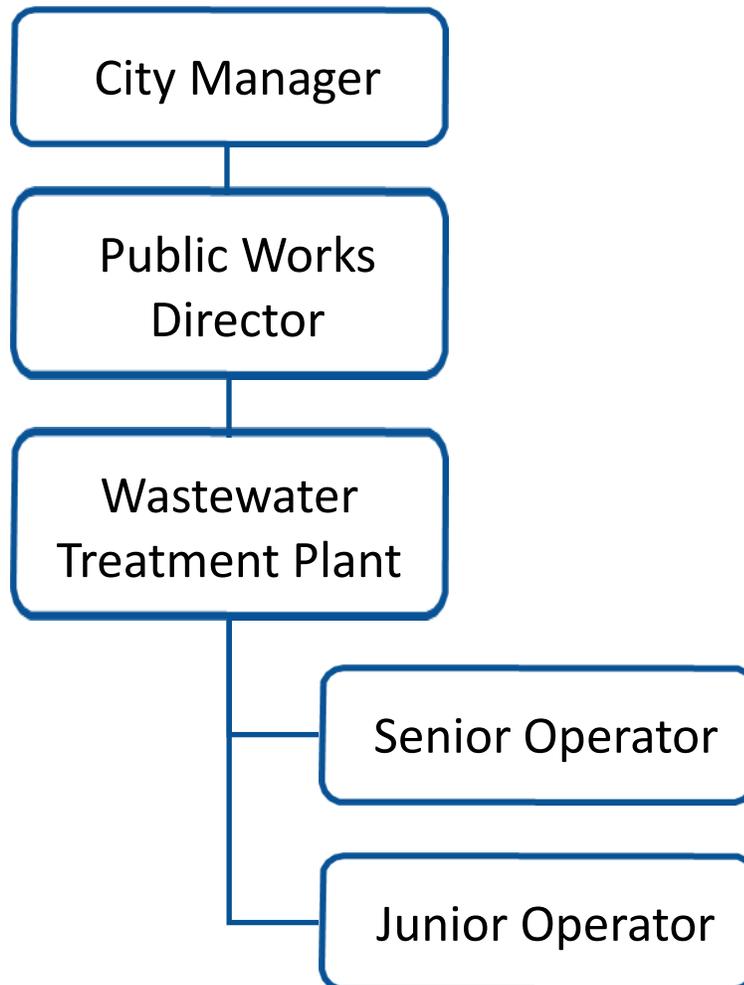
2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
WATER FUND							
012-000 Revenue							
777,409.36	747,337.66	712,421	720,330	400100	Beginning Fund Balance	0.00	773,159
3,525.96	2,895.85	3,000	3,500	400400	Interest	0.00	3,500
3,598.11	5,061.94	4,000	3,000	402700	Refunds & Misc.	0.00	4,000
1,196,859.28	1,197,807.48	1,215,000	1,210,000	403700	Sale of Water	0.00	1,225,000
9,957.67	6,705.33	4,000	5,000	403800	Meter Charges-Connection Fees	0.00	5,000
4,145.90	4,318.40	4,000	3,400	403900	Service Fees	0.00	3,500
10,540.00	10,555.00	10,500	9,500	403950	Delinquent Fees	0.00	9,500
324,673.20	387,904.55	375,000	430,000	404100	Sale of Water to Seal Rock	0.00	430,000
549.30	362.10	400	350	404125	H2O Program Donations	0.00	350
673.70	-790.00	0	0	404200	Water Deposit	0.00	0
9,324.00	8,547.00	9,324	9,324	405380	Rents & Leases	0.00	9,324
2,341,256.48	2,370,705.31	2,337,645	2,394,404		Revenue Total	0.00	2,463,333

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
WATER FUND							
Expenditures							
012-120 Water Plant							
103,524.00	113,448.20	108,250	105,500	500050	Full Time	2.00	110,500
17,293.60	17,713.44	19,000	20,000	501400	Call Time	0.00	21,000
5,561.42	11,187.48	11,000	16,000	501500	Overtime	0.00	12,000
9,429.50	10,686.20	10,575	10,825	504700	Social Security	0.00	10,750
19,426.59	20,211.05	36,000	7,600	504800	Health Insurance	0.00	30,600
3,416.92	3,387.36	4,600	4,100	504900	Workers' Comp	0.00	4,800
13,841.30	15,760.10	17,400	9,825	505000	Retirement	0.00	11,700
172,493.33	192,393.83	206,825	173,850		Personnel Services	2.00	201,350
266.38	301.48	300	1,100	600100	Office Supplies	0.00	500
52,949.20	60,618.09	57,600	62,000	600210	Electricity	0.00	64,000
5,774.47	4,346.47	5,050	5,300	600220	Communication Services	0.00	5,500
1,957.74	1,869.02	2,000	2,250	600250	Alarms	0.00	2,300
0.00	1,132.38	1,500	1,500	600300	Equipment Maint. & Repair	0.00	1,500
162.95	24.68	500	250	600350	Vehicle Maint. & Repair	0.00	500
705.66	692.61	1,000	1,000	600400	Facility Needs	0.00	1,000
1,087.22	3,286.52	10,000	10,000	600420	Systems Repair	0.00	10,000
1,304.16	455.00	2,000	1,500	600600	Travel & Training	0.00	2,000
253.00	636.50	700	875	600700	Membership & Subscription	0.00	875
2,026.21	1,844.37	2,500	1,300	601500	Gas, Oil & Tires	0.00	1,500
10,568.08	13,450.26	15,500	16,335	601700	Insurance	0.00	17,500
38,853.07	29,983.83	39,000	39,000	608000	Supplies	0.00	41,300
12,564.04	16,334.92	20,000	18,000	608100	Contract & Other Services	0.00	21,500
128,472.18	134,976.13	157,650	160,410		Materials & Services		169,975
112,380.00	120,750.00	121,850	121,850	630300	Transfer to General Fund	0.00	127,750
102,038.94	93,344.53	132,637	106,635	630500	Transfer to Public Works	0.00	134,875
3,065.00	7,140.00	7,140	7,140	631000	Transfer to PW Reserve	0.00	7,140
124,924.00	117,542.00	110,646	110,646	631800	Transfer to Water Reserve	0.00	173,790
0.00	2,320.00	0	0	631950	Transfer to Stabilization Fund	0.00	6,900
342,407.94	341,096.53	372,273	346,271		Transfers	0.00	450,455
181,000.98	181,645.98	181,861	181,861	702000	2012 Debt Repayment	0.00	181,625
0.00	0.00	182,000	0	709000	Debt Service Reserve	0.00	182,000
181,000.98	181,645.98	363,861	181,861		Debt Service	0.00	363,625
824,374.43	850,112.47	1,100,609	862,392		WATER PLANT TOTAL	2.00	1,185,405

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
WATER FUND							
Expenditures							
012-125 Water Distribution							
4,255.13	4,271.37	6,500	6,000	600100	Office Supplies	0.00	6,500
1,614.47	2,730.21	2,600	810	600150	Data Processing Support	0.00	2,000
2,207.96	4,528.90	4,000	6,600	600210	Electricity	0.00	6,780
217.26	20.45	1,000	500	600300	Equipment Maint. & Repair	0.00	1,000
28,567.48	15,807.56	32,000	6,500	600420	Systems Repair	0.00	15,000
0.00	0.00	3,000	0	603980	H2O Program Expenses	0.00	2,725
0.00	2,715.76	2,800	0	607500	Special Purchases	0.00	0
15,156.08	25,084.39	25,000	25,000	608000	Supplies	0.00	25,000
7,008.68	15,921.07	16,000	5,000	608100	Contract & Other Services	0.00	8,000
59,027.06	71,079.71	92,900	50,410		Materials & Services	0.00	67,005
112,380.00	120,750.00	121,850	121,850	630300	Transfer to General Fund	0.00	127,750
220,805.81	217,935.64	276,603	222,385	630500	Transfer to Public Works	0.00	274,660
12,475.00	12,490.00	12,490	12,490	631000	Transfer to PW Reserve	0.00	12,490
124,925.00	117,543.00	110,646	110,646	631800	Transfer to Water Reserve	0.00	173,790
470,585.81	468,718.64	521,589	467,371		Transfers	0.00	588,690
0.00	0.00	140,000	0	640100	Contingency	0.00	140,000
0.00	0.00	140,000	0		Contingency	0.00	140,000
239,931.52	240,786.52	241,072	241,072	702000	2012 Debt Repayment	0.00	240,758
0.00	0.00	241,475	0	709000	Debt Service Reserve	0.00	241,475
239,931.52	240,786.52	482,547	241,072		Debt Service	0.00	482,233
769,544.39	780,584.87	1,237,036	758,853		WATER DISTRIBUTION TOTAL	0.00	1,277,928
2,341,256.48	2,370,705.31	2,337,645	2,394,404		FUND REVENUES		2,463,333
1,593,918.82	1,630,697.34	2,337,645	1,621,245		FUND EXPENDITURES		2,463,333
747,337.66	740,007.97	0	773,159		FUND TOTALS	2.00	0



Sewer



Sewer



Significant changes for Fiscal Year 2016-17: The Sewer Fund has a proposed decrease of 3.66% for the 2016-2017 fiscal year, when compared to the adopted budget for the 2015-2016 fiscal year. There are no significant changes in the proposed budget.

The Sewer Fund is financed through utility charges. It funds the operation of the sewer collection system and the wastewater treatment plant. Both are included in the overall fund, but are in separate departments within the fund to track total costs of each function.

Although the budget reflects a transfer to the Sewer Reserve Fund similar the previous year, it is a fraction of what is necessary to maintain the system. The money transferred to the reserve is the month that is available for capital expenditures and also acts as an emergency contingency for this fund. Although the budget includes one large project from the Reserve, other necessary projects were unable to be funded.

Sewer Proposed Budget

2015-2016	\$0
2016-2017	\$0
\$ Change	\$0
% Change	\$0

SEWER

AT A GLANCE

Wastewater Treatment Section: This fund assures that Toledo wastewater is safely treated and returned to the environment as required by the department's National Pollutant Discharge Elimination System (NPDES) permit meeting all State and Federal regulations. This fund is staffed by 2 FTE who perform the day-to-day operation of the Wastewater Treatment Facility.

Wastewater Collection: Wastewater collection services are provided by the Public Works Department. Billing for sewer services is based on water usage, so the Sewer Fund reimburses the Public Works Fund and the General fund for a share of meter reading and billing services provided.

FY 2015-2016

Council Goals	Department Accomplishments
Financial Security	<ul style="list-style-type: none"> Replaced chemical tote system with bulk storage/delivery
Quality of Life	<ul style="list-style-type: none"> Treated 260 million gallons of sewage remaining in permit compliance

FY 2016-2017

Council Goals	Department Objectives
Infrastructure	<ul style="list-style-type: none"> Butler Bridge Force Main replacement—1100 ft. of 14-inch pressure main
Financial Security	<ul style="list-style-type: none"> Apply for grant/loan for Butler Bridge Main replacement

DEPARTMENT RESPONSIBILITIES

Sewer

- DEQ Regulation Compliance
- Treatment Plant
- Emergency Response
- Maintaining State Permits
- Training
- Regulatory Reporting
- System Maintenance
- Operational Procedures
- Collection System
- Operation Certification
- Analytical Evaluation

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
SEWER FUND							
013-000 Revenues							
105,782.63	111,848.98	234,701	221,325	400100	Beginning Fund Balance	0.00	191,009
466.99	395.91	450	1,000	400400	Interest	0.00	500
1,437.31	66.90	500	75	402700	Refunds & Misc.	0.00	100
1,034,665.85	1,045,251.36	1,065,000	1,055,000	404400	Sewer Charges	0.00	1,065,000
225.00	337.50	200	200	404500	Sewer Connection Fees	0.00	200
1,142,577.78	1,157,900.65	1,300,851	1,277,600		Revenue Total	0.00	1,256,809

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
SEWER FUND							
Expenditures							
013-130 Sewer Plant							
86,382.05	100,700.71	105,100	104,520	500050	Full Time	2.00	109,000
18,557.10	17,046.95	19,000	19,000	501400	Call Time	0.00	19,600
24,875.32	7,072.62	9,000	7,000	501500	Overtime	0.00	9,000
9,793.69	9,378.72	10,180	10,000	504700	Social Security	0.00	10,500
15,693.44	20,204.75	30,600	21,600	504800	Health Insurance	0.00	30,600
2,969.05	2,520.36	3,385	3,040	504900	Workers' Comp	0.00	3,500
13,449.27	13,280.43	20,465	15,750	505000	Retirement	0.00	15,800
171,719.92	170,204.54	197,730	180,910		Personnel Services	2.00	198,000
378.47	357.27	500	300	600100	Office Supplies	0.00	500
840.00	880.00	1,000	900	600150	Data Processing Support	0.00	900
32,436.67	35,218.97	35,000	35,000	500210	Electricity	0.00	35,880
2,707.55	3,179.82	3,000	3,750	600220	Communication Services	0.00	3,800
3,737.86	2,580.74	3,500	2,200	600300	Equipment Maint. & Repair	0.00	3,500
339.62	465.51	2,500	200	600350	Vehicle Maint. & Repair	0.00	2,500
547.19	2,319.04	2,000	500	600400	Facility Needs	0.00	2,000
11,002.70	8,083.74	12,000	8,000	600420	Systems Repair	0.00	12,000
1,393.64	899.76	1,500	815	600600	Travel & Training	0.00	1,500
337.00	381.50	300	0	600700	Membership & Subscription	0.00	0
3,412.35	1,871.72	3,000	1,300	601500	Gas, Oil & Tires	0.00	1,320
14,625.04	17,781.80	20,500	20,910	601700	Insurance	0.00	22,375
67,119.52	30,167.11	67,500	30,000	608000	Supplies	0.00	30,000
14,919.61	7,483.17	20,000	8,100	608100	Contract & Other Services	0.00	8,000
153,797.22	111,670.15	172,300	111,975		Materials & Services		124,275
82,100.00	79,575.00	79,963	79,963	630300	Transfer to General Fund	0.00	80,250
41,139.92	26,624.88	56,362	45,315	630500	Transfer to Public Works	0.00	55,775
5,585.00	10,825.00	10,825	10,825	631000	Transfer to PW Reserve	0.00	10,825
116,280.00	138,280.00	138,280	138,280	631160	Transfer for Sewer loan payment	0.00	138,280
62,738.00	29,959.00	72,405	72,405	631900	Transfer to Sewer Reserve	0.00	71,376
0.00	480.00	0	0	631950	Transfer to Stabilization Fund	0.00	2,000
307,842.92	285,743.88	357,835	346,788		Transfers	0.00	358,506
633,360.06	567,618.57	727,865	639,673		SEWER PLANT TOTAL	2.00	680,781

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
SEWER FUND							
Expenditures							
013-135 Sewer Collection							
3,255.88	3,258.96	3,700	3,100	600100	Office Supplies	0.00	3,300
1,614.42	2,508.60	2,500	810	600150	Data Processing Support	0.00	1,800
23,240.87	27,613.05	27,500	30,000	600210	Electricity	0.00	30,000
2,771.15	2,464.99	2,500	2,500	600250	Alarms	0.00	2,520
355.41	1,272.00	2,500	1,000	600300	Equipment Maint. & Repair	0.00	2,500
149.68	207.94	1,500	1,500	600400	Facility Needs	0.00	1,500
11,296.10	1,334.95	12,500	22,000	600420	Systems Repair	0.00	12,500
525.11	903.15	1,700	5,400	601500	Gas, Oil & Tires	0.00	1,700
0.00	0.00	0	0	607500	Special Purchases	0.00	8,000
3,623.17	3,055.22	5,000	6,000	608000	Supplies	0.00	6,000
15,042.56	5,747.71	8,000	6,200	608100	Contract & Other Services	0.00	6,500
61,874.35	48,366.57	67,400	78,510		Materials & Services	0.00	76,320
82,100.00	79,575.00	79,962	79,962	630300	Transfer to General Fund	0.00	80,250
151,374.39	141,944.16	189,663	152,485	630500	Transfer to Public Works	0.00	184,525
10,210.00	12,485.00	12,485	12,485	631000	Transfer to PW Reserve	0.00	12,485
29,072.00	51,072.00	51,072	51,072	631160	Transfer for Sewer loan payment	0.00	51,072
62,738.00	29,960.00	72,404	72,404	631900	Transfer to Sewer Reserve	0.00	71,376
335,494.39	315,036.16	405,586	368,408		Transfers	0.00	399,708
0.00	0.00	100,000	0	640100	Contingency	0.00	100,000
0.00	0.00	100,000	0		Contingency	0.00	100,000
397,368.74	363,402.73	572,986	446,918		SEWER COLLECTION TOTAL	0.00	576,028
1,142,577.78	1,157,900.65	1,300,851	1,277,600		FUND REVENUES		1,256,809
1,030,728.80	931,021.30	1,300,851	1,086,591		FUND EXPENDITURES		1,256,809
111,848.98	226,879.35	0.00	191,009.00		FUND TOTALS	2.00	0

FUND	PAGE
Strategic Reserve Fund	140
Debt Services Fund	141
Forfeiture Fund	142
Revolving Loan Fund	143
Solid Waste Fund	144
911 System Fund	145
Building & Property Reserve Fund	146
General Reserve Fund	150
Public Works Reserve Fund	152
Water Reserve Fund	155
Sewer Reserve Fund	158
Streets Reserve Fund	160
Library Reserve Fund	161
Footpaths & Bicycle Trails Fund	162
Systems Development Fund	163
Grant Fund	164
Stabilization Fund	167
Water Construction Fund	168

Special & Reserve Funds

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
CC STRATEGIC RESERVE							
020-000 Revenues							
9,504.65	8,724.74	8,765	8,760	400100	Beginning Fund Balance	0.00	35,780
42.09	33.93	45	105	400400	Interest	0.00	200
0.00	0.00	0	0	402700	Refunds & Misc.	0.00	0
0.00	0.00	10,000	27,915	405400	Loan Repayment	0.00	10,000
9,546.74	8,758.67	18,810	36,780		Revenue Total	0.00	45,980
020-200 Expenditures							
822.00	0.00	10,000	0	608100	Contract & Other Services	0.00	10,000
822.00	0.00	10,000	0		Materials & Services	0.00	10,000
0.00	0.00	8,810	1,000	628200	Public Improvements	0.00	35,980
0.00	0.00	8,810	1,000		Capital Outlay	0.00	35,980
9,546.74	8,758.67	18,810	36,780		FUND REVENUES		45,980
822.00	0.00	18,810	1,000		FUND EXPENDITURES		45,980
8,724.74	8,758.67	0	35,780		FUND TOTALS	0.00	0.00

City Council Strategic Reserve

The City Council Strategic Reserve Fund houses money that is available to be used at the City Council’s discretion. Seventy five percent of any revenue from HUD loan repayments will be placed in this fund for future expenditures as directed by Council.

Expenditure Detail for 2016-2017	Line Item #	Amount
Annexation Expenses	020-200-608100	\$5,000

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
DEBT SERVICES							
025-000 Revenues							
17,622.26	20,813.88	347	14,830	400100	Beginning Fund Balance	0.00	28,227
157,576.18	155,352.99	166,306	170,000	400200	Current Taxes	0.00	138,776
7,086.70	6,149.09	6,000	6,000	400300	Delinquent Taxes	0.00	6,000
331.24	268.79	100	150	400400	Interest	0.00	150
182,616.38	182,584.75	172,753	190,980		Revenue Total	0.00	173,153
025-250 Expenditures							
90,000.00	100,000.00	100,000	100,000	701000	2005 GO Principal	0.00	105,000
71,802.50	67,752.50	62,753	62,753	711000	2005 GO Interest	0.00	58,153
161,802.50	167,752.50	162,753	162,753		Debt Service	0.00	163,153
0.00	0.00	10,000	0	801000	Unappropriated Surplus	0.00	10,000
0.00	0.00	10,000	0		Unappropriated Surplus	0.00	10,000
182,616.38	182,584.75	172,753	190,980		FUND REVENUES		173,153
161,802.50	167,752.50	172,753	162,753		FUND EXPENDITURES		173,153
20,813.88	14,832.25	0	28,227		FUND TOTALS	0.00	0

Debt Service Fund

The Debt Service Fund accounts for the payment of principal and interest on all general obligation long-term debt. Currently the City's only outstanding general obligation bond issue is the twenty year series 2005, used to construct the Fire & Rescue station.

Expenditure Detail for 2016-2017	Line Item #	Amount
2005 General Obligation Principal	025-250-701000	\$105,000
2005 General Obligation Interest	025-250-711000	\$58,153

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
FORFEITURE REVENUE FUND							
026-000 Revenues							
3,537.76	3,588.07	3,735	3,800	400100	Beginning Fund Balance	0.00	3,820
16.28	14.09	15	20	400400	Interest	0.00	20
0.00	0.00	0	0	402700	Refunds & Misc.	0.00	0
34.03	195.32	1,000	0	406260	Local Forfeiture Revenue	0.00	1,000
3,588.07	3,797.48	4,750	3,820		Revenues Total	0.00	4,840
026-260 Expenditures							
0.00	0.00	4,750	0	606260	Local Forfeiture Revenue	0.00	4,840
0.00	0.00	4,750	0		Materials & Services	0.00	4,840
3,588.07	3,797.48	4,750	3,820		FUND REVENUES		4,840
0.00	0.00	4,750	0		FUND EXPENDITURES		4,840
3,588.07	3,797.48	0	3,820		FUND TOTALS	0.00	0

Forfeiture Revenue Fund

The Forfeiture Revenue Fund is a special revenue fund used to track the proceeds from police related forfeitures and seizures.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
REVOLVING LOAN FUND							
030-000 Revenues							
47,559.66	44,164.73	44,340	44,340	400100	Beginning Fund Balance	0.00	53,860
211.07	171.68	200	220	400400	Interest	0.00	300
0.00	0.00	3,750	9,300	405400	Loan Repayment	0.00	3,750
47,770.73	44,336.41	48,290	53,860		Revenue Total	0.00	57,910
030-300 Expenditures							
3,606.00	0.00	48,290	0	608100	Contract Services	0.00	57,910
3,606.00	0.00	48,290	0		Materials & Services	0.00	57,910
47,770.73	44,336.41	48,290	53,860		FUND REVENUES		57,910
3,606.00	0.00	48,290	0		FUND EXPENDITURES		57,910
44,164.73	44,336.41	0	53,860		FUND TOTALS	0.00	0

Revolving Loan Fund

Twenty five percent of any revenue from HUD loan repayments will be placed in this fund to be used for loans as the Council directs.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
SOLID WASTE FUND							
031-000 Revenues							
166,043.38	167,102.60	170,300	173,270	400100	Beginning Fund Balance	0.00	177,020
762.92	656.90	800	750	400400	Interest	0.00	800
5,508.90	7,074.40	6,500	6,000	403950	User Fees	0.00	6,000
172,315.20	174,833.90	177,600	180,020		Revenue Total	0.00	183,820
031-310 Expenditures							
5,212.60	4,587.45	177,600	3,000	608100	Contract & Other Services	0.00	183,820
5,212.60	4,587.45	177,600	3,000		Materials & Services	0.00	183,820
172,315.20	174,833.90	177,600	180,020		FUND REVENUES		183,820
5,212.60	4,587.45	177,600	3,000		FUND EXPENDITURES		183,820
167,102.60	170,246.45	0	177,020		FUND TOTALS	0.00	0

Solid Waste Fund

The purpose of this Fund is to pay the City’s share of the costs associated with closing the Agate Beach Landfill. Revenue from the fund comes from Dahl Disposal, based on the amount of waste hauled each month. Expenditures are made to the Lincoln County Solid Waste Consortium as needed to cover closure expenses.

Proposed Expenditure for 2016-2017	Line Item #	Amount
Landfill Closure Expenses	031-310-608100	as needed

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
911 SYSTEM							
034-000 Revenues							
70,831.42	68,635.61	78,430	78,600	400100	Beginning Fund Balance	0.00	54,950
313.07	260.87	350	350	400400	Interest	0.00	300
16,320.13	16,090.72	16,000	16,000	402550	911 Excise Tax	0.00	16,000
0.00	4,671.99	0	0	402700	Refunds & Misc.	0.00	0
87,464.62	89,659.19	94,780	94,950		Revenue Totals	0.00	71,250
034-340 Expenditures							
0.00	5,111.91	15,000	2,000	608100	Contract & Other Services	0.00	15,000
0.00	5,111.91	15,000	2,000		Materials & Services	0.00	15,000
18,829.01	5,877.44	79,780	38,000	620500	Equipment	0.00	56,250
18,829.01	5,877.44	79,780	38,000		Capital Outlay	0.00	56,250
87,464.62	89,659.19	94,780	94,950		FUND REVENUES		71,250
18,829.01	10,989.35	94,780	40,000		FUND EXPENDITURES		71,250
68,635.61	78,669.84	0	54,950		FUND TOTALS	0.00	0

911 System

This is a special revenue fund used to enhance the City's 911 system. Revenue into the fund comes from 911 tax receipts. Expenditures are limited to those uses allowed by state law for 911 tax funds.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
BUILDING & PROPERTY RESERVE							
035-000 Revenues							
0.00	501,349.39	679,745	666,815	400100	Beginning Fund Balance	0.00	649,100
1,717.29	2,136.61	3,000	3,000	400400	Interest	0.00	4,000
4,000.00	0.00	0	0	400650	Trans from Property Maint. Fund	0.00	0
205,225.00	218,000.00	94,300	94,300	401000	Transfer from General	0.00	125,000
294,000.00	0.00	0	0	401290	Transfer from General Reserve	0.00	0
5,402.74	0.00	0	2,500	402700	Refunds & Misc.	0.00	0
0.00	0.00	0	0	405475	Sale of Surplus Property	0.00	0
510,345.03	721,486.00	777,045	766,615		Revenue Total	0.00	778,100
035-350 Expenditures							
0.00	0.00	146,500	0	621000	City Hall	0.00	187,000
0.00	4,245.00	55,000	0	621400	Police Department	0.00	55,000
0.00	0.00	26,000	0	621500	Fire Station	0.00	41,000
8,995.64	26,676.72	160,000	25,000	621600	Pool	0.00	135,000
0.00	20,749.00	54,000	0	621660	Parks	0.00	104,000
0.00	3,000.00	36,000	0	621700	Library	0.00	51,000
0.00	0.00	204,545	0	621900	Other Bldgs. & Properties	0.00	205,100
0.00	0.00	95,000	92,500	629600	Legal Settlement	0.00	0
8,995.64	54,670.72	777,045	117,500		Capital Outlay	0.00	778,100
510,345.03	721,486.00	777,045	766,615		FUND REVENUES		778,100
8,995.64	54,670.72	777,045	117,500		FUND EXPENDITURES		778,100
501,349.39	666,815.28	0	649,115		FUND TOTALS	0.00	0

Building & Property Reserve

Expenditure Detail for 2016-2017	Line Item #	Amount
City Hall Roof	035-350-621000	\$100,000
Feasibility Study to move Police to Fire Station	035-350-621400	\$20,000
Library Heating System	035-350-621700	\$20,000

Capital Expenditure Detail

Department: Property Maintenance
Purchase item: City Hall Roof Replacement
Cost of item: \$100,000
Budget line item: #035-350-621000
Replacement (Y/N) Yes **If yes, item being replaced:** Existing roof constructed in 1993

Explanation of need for purchase:

The City has been setting aside money in reserve to re-roof the City Hall building. The existing roof is well past its life expectancy. This project is listed in the "Summary of Maintenance Repairs to City Hall" in the Building Facilities Plan completed by Civil West Engineering. This item has been carried over for several years in the budget.

Ongoing Impact(s):

No additional staff, maintenance, or utility costs are expected. The replaced roof will be built to a better standard with modern materials and methods; it is anticipated that by so doing, maintenance and repair work will be reduced.

Capital Expenditure Detail

Department: Property Maintenance
Purchase item: Feasibility Study to move Police to Fire Station
Cost of item: \$20,000
Budget line item: #035-350-621400
Replacement (Y/N) Yes **If yes, item being replaced:**

Explanation of need for purchase:

As part of the planning process for moving the Police station, it is desired to ascertain if the police station can be relocated to the fire station site with modifications. This study is designed to determine if a second story complex could be added to expand the capacity of the facility to include police and dispatch functions.

Ongoing Impact(s):

Cohabitation of police and fire have distinct cost saving advantages. Potentially, building features can be designed for efficient use of energy, utilities, and emergency operations.

Capital Expenditure Detail

Department: Property Maintenance
Purchase item: Library Building Ductless Heating System
Cost of item: \$20,000
Budget line item: #035-350-621700
Replacement (Y/N) Yes **If yes, item being replaced:** Current heating units

Explanation of need for purchase:

The current heat pumps at the City's Public Library are beyond their life cycle, inefficient, and costly to repair.

Contractor recommendation is to replace the current heat pump system with new "Ductless" style heating/cooling system which reduces energy costs by 40-50%. The projected cost is based on contractor estimate.

Ongoing Impact(s):

No additional staff, maintenance, or utility costs are expected. The City will realize savings due to having most of the electrical infrastructure already in place and utilizing equipment from current heat pumps. Energy costs are to be reduced by an estimated 40-50%.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GENERAL RESERVE FUND							
036-000 Revenues							
609,612.06	302,756.37	249,405	247,200	400100	Beginning Fund Balance	0.00	386,500
1,024.76	847.98	1,250	1,100	400400	Interest	0.00	2,500
11,000.00	14,000.00	0	0	400650	Trans from Property Maint. Fund	0.00	0
171,000.00	144,000.00	142,500	142,500	401000	Transfer from General Fund	0.00	135,500
25,070.83	2,500.00	0	56,000	402700	Refunds & Misc.	0.00	0
1,300.00	6,000.00	0	7,500	405475	Sale of Surplus Property	0.00	0
819,007.65	470,104.35	393,155	454,300		Revenue Total	0.00	524,500
036-360 Expenditures							
207,908.50	162,932.30	171,200	28,000	621800	Fire Department Equipment	0.00	293,000
463.58	42,838.39	58,800	10,000	628000	Police Department Equipment	0.00	72,000
3,470.12	682.28	38,800	7,800	629000	City Hall Equipment	0.00	37,000
0.00	0.00	1,400	0	629160	Library Equipment	0.00	1,500
0.00	0.00	0	0	629350	Pool Equipment	0.00	0
0.00	8,227.95	67,700	0	629360	Property Maintenance Equipment	0.00	90,000
0.00	0.00	35,600	22,000	629375	Parks Plans & Improvements	0.00	15,000
10,409.08	8,224.20	19,655	0	629400	Disaster Preparedness	0.00	16,000
222,251.28	222,905.12	393,155	67,800		Capital Outlay	0.00	524,500
294,000.00	0.00	0	0	631960	Trans to Bldg. & Property Res	0.00	0
294,000.00	0.00	0	0		Transfers	0.00	0
819,007.65	470,104.35	393,155	454,300		FUND REVENUES		524,500
516,251.28	222,905.12	393,155	67,800		FUND EXPENDITURES		524,500
302,756.37	247,199.23	0	386,500		FUND TOTALS	0.00	0

General Reserve Fund

This fund is used to save money for future major expenses for departments of the General Fund.

Expenditure Detail for 2016-2017	Line Item #	Amount
Custodian Van	036-360-629360	\$12,000

Capital Expenditure Detail

Department: Property Maintenance
Purchase item: Custodial Van
Cost of item: \$12,000
Budget line item: #036-360-629360
Replacement (Y/N) Yes **If yes, item being replaced:** 2001 Chev. Cargo Van

Explanation of need for purchase:

The current Custodial Van is a 2001 full size van with V8 engine with 107,000 miles. This vehicle has paint failure on the roof, fenders and various locations on the body that are rusting and need to be repainted. At this time it makes fiscal sense to replace this vehicle.

This proposal is for a smaller van that would be more economical such as a "Transit" type van. Funding the \$12,000 out of vehicle reserves, the department will be able to purchase a newer vehicle with lower miles that will serve the intended use.

Ongoing Impact(s):

Savings in repair and maintenance of an aged vehicle.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
PUBLIC WORKS RESERVE							
040-000 Revenues							
125,199.81	159,868.47	150,600	152,500	400100	Beginning Fund Balance	0.00	116,915
631.02	570.60	750	415	400400	Interest	0.00	500
15,540.00	19,630.00	19,630	19,630	400600	Transfer from Water	0.00	19,630
15,795.00	23,310.00	23,310	23,310	401100	Transfer from Sewer Fund	0.00	23,310
8,665.00	22,060.00	22,060	22,060	401200	Transfer from Streets Fund	0.00	22,060
0.00	3,182.00	0	0	402700	Refunds & Misc.	0.00	0
500.00	29,401.00	0	0	405475	Sale of Surplus Property	0.00	0
166,330.83	258,022.07	216,350	217,915		Revenue Totals	0.00	182,415
040-400 Expenditures							
6,462.36	105,433.49	192,350	101,000	620500	Equipment	0.00	152,415
0.00	0.00	24,000	0	620510	Buildings	0.00	30,000
6,462.36	105,433.49	216,350	101,000		CAPITAL OUTLAY	0.00	182,415
166,330.83	258,022.07	216,350	217,915		FUND REVENUES		182,415
6,462.36	105,433.49	216,350	101,000		FUND EXPENDITURES		182,415
159,868.47	152,588.58	0	116,915		FUND TOTALS	0.00	0

Public Works Reserve

The Public Works Reserve Fund is used to save money toward the purchase of major pieces of equipment and vehicles for the Public Works Department. It is also used for major repairs/replacement of the Public Works Shop.

Expenditure Detail for 2016-2017	Line Item #	Amount
Utility Truck	040-400-620500	\$27,000
Pickup Truck	040-400-620500	\$23,000

Capital Expenditure Detail

Department: Public Works
Purchase item: Utility Truck
Cost of item: \$27,000
Budget line item: #040-400-620500
Replacement (Y/N) Yes If yes, item being replaced: 2006 Ford Utility Truck

Explanation of need for purchase:

This vehicle is on the replacement schedule. Funds are accumulated in the reserve fund.

The vehicle was purchased in 2006. It has been in one collision. The brakes have been an on-going problem. The body is showing signs of fatigue. The interior is in poor condition.

Ongoing Impact(s):

Savings in repair and maintenance costs of aged vehicle.

Capital Expenditure Detail

Department: Public Works
Purchase item: Pickup Truck
Cost of item: \$23,000
Budget line item: #040-400-620500
Replacement (Y/N) Yes **If yes, item being replaced:** 1996 Ford F150 Pickup Truck

Explanation of need for purchase:

This vehicle is on the replacement schedule. Funds are accumulated in the reserve fund.

The vehicle being replaced was purchased in 1996. It has about 120,000 miles on it. It is showing evidence of wear and tear – the interior is in poor shape. It is having ongoing electrical problems – check engine light is on constantly; repeated trips to the dealer have not succeeded in satisfying the trouble condition.

The new vehicle will be 4-wheel drive. The current cost of 4-wheel drive is less than \$2,000 above a 2-wheel drive.

Ongoing Impact(s):

Savings in repair and maintenance costs of an aged vehicle.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
WATER RESERVE FUND							
041-000 Revenues							
484,158.54	639,841.58	861,620	869,300	400100	Beginning Fund Balance	0.00	1,107,542
2,041.78	2,731.17	4,500	4,000	400400	Interest	0.00	6,500
249,849.00	235,085.00	221,292	221,292	400600	Transfer from Water	0.00	347,580
33,875.76	1,038.52	0	42,950	402700	Refunds & Misc.	0.00	0
69,817.89	16,291.32	15,000	0	404000	Seal Rock Payment	0.00	10,000
839,742.97	894,987.59	1,102,412	1,137,542		Revenue Total	0.00	1,471,622
041-410 Expenditures							
9,318.76	0.00	25,000	0	600420	Systems Repair	0.00	25,000
14,442.96	2,176.18	100,000	0	608100	Contract & Other Services	0.00	100,000
66,000.00	0.00	0	0	608500	Loan Repayment	0.00	0
89,761.72	2,176.18	125,000	0		Materials & Services	0.00	125,000
110,139.67	23,492.47	977,412	30,000	620520	Systems	0.00	1,346,622
110,139.67	23,492.47	977,412	30,000		Capital Outlay	0.00	1,346,622
839,742.97	894,987.59	1,102,412	1,137,542		FUND REVENUES		1,471,622
199,901.39	25,668.65	1,102,412	30,000		FUND EXPENDITURES		1,471,622
639,841.58	869,318.94	0	1,107,542		FUND TOTALS	0.00	0

Water Reserve Fund

The Water Reserve is used to set money aside for future major expenses pertaining to the water system. It is also used as contin-

Expenditure Detail for 2016-2017	Line Item #	Amount
Water Conservation and Management Plan	041-410-620520	\$48,700
Ammon Road Water Tank Project	041-410-620520	\$315,000

Capital Expenditure Detail

Department: Water
Purchase item: Water Conservation and Management Plan
Cost of item: \$48,700
Budget line item: #041-410-620520
Replacement (Y/N) N **If yes, item being replaced:**

Explanation of need for purchase:

As a condition of relocating water rights on the Siletz River, the City is required to develop a Water Conservation and Management Plan. This plan will identify contingency plans for water in case of a draught, will identify losses in the water system and provide a plan to reduce the losses, and will develop a plan to encourage water conservation in the City.

Much of the information that must be included in a Water Conservation and Management Plan is also required for a Master Plan. The City's current Water Master Plan was prepared in 2010. Although it is not out of date, many of the recommended projects have been completed. It would save money in the long term to update the Water Master Plan along with the Conservation and Management Plan at this time.

Grants are available to help defray the cost of a Water Master Plan update. Staff has investigated the possibility of a grant for the Management and Conservation Plan, but with no success.

Ongoing Impact(s):

Capital Expenditure Detail

Department: Water
Purchase item: Ammon Road Water Tank Project
Cost of item: \$315,000
Budget line item: #041-410-620520
Replacement (Y/N) No **If yes, item being replaced:**

Explanation of need for purchase:

The Ammon Road Water Storage Tank is approximately 40 years old – the design life for a steel tank. The interior received spot repair and painting in 1983 and the exterior was painted approximately one year later.

The proposed project would be preceded by a thorough interior inspection by divers. The tank would need to be taken off-line during the refurbishment. Rusted spots would be cleaned to bare metal. Deeply corroded areas would be reinforced or replaced and re-coated with epoxy paint. The exterior would receive a similar treatment. This would extend the life of the tank another 40 years.

Ongoing Impact(s):

Proper repair and maintenance of the water storage tank will increase the life span of the structure.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
SEWER RESERVE							
042-000 Revenues							
330,269.95	315,258.32	182,845	219,680	400100	Beginning Fund Balance	0.00	335,439
934.22	857.44	1,000	550	400400	Interest	0.00	1,500
125,476.00	59,919.00	144,809	144,809	400500	Transfer from Sewer Fund	0.00	142,752
145,352.00	189,352.00	189,352	189,352	401120	Transfer for Sewer Loan payment	0.00	189,352
0.00	0.00	0	0	402700	Refunds & Misc.	0.00	0
0.00	6,952.00	0	0	405400	Loan Proceeds	0.00	0
602,032.17	572,338.76	518,006	554,391		Revenue Total	0.00	669,043
042-420 Expenditures							
28,784.61	1,038.52	40,000	0	608100	Contract & Other Services	0.00	40,000
16,641.59	2,959.10	0	0	608400	DEQ Loan Expenditures	0.00	0
45,426.20	3,997.62	40,000	0		Materials & Services	0.00	40,000
9,343.62	0.00	0	0	620500	Equipment	0.00	0
61,625.03	159,708.98	100,104	30,000	620520	Systems	0.00	251,141
70,968.65	159,708.98	100,104	30,000		Capital Outlay	0.00	251,141
0.00	145,352.00	145,352	145,352	702100	USRD Loan Repayment	0.00	145,352
25,027.00	43,600.00	43,600	43,600	702200	DEQ Loan Repayment	0.00	43,600
145,352.00	0.00	188,950	0	709000	Debt Service Reserves	0.00	188,950
170,379.00	188,952.00	377,902	188,952		Debt Services	0.00	377,902
602,032.17	572,338.76	518,006	554,391		FUND REVENUES		669,043
286,773.85	352,658.60	518,006	218,952		FUND EXPENDITURES		669,043
315,258.32	219,680.16	0	335,439		FUND TOTALS	0.00	0

Sewer Reserve Fund

The Sewer Reserve is used to set money aside for future major expenses pertaining to the sewer system. It is also used as contingency funds for unforeseeable system repairs and it houses the debt service reserve for the 1989 United States Rural Development Revenue Bonds and Oregon State Department of Environmental Quality Planning loan.

Proposed Expenditure for 2016-2017	Line Item #	Amount
Butler Bridge Force Main	042-420-620520	\$224,000

Capital Expenditure Detail

Department: Public Works
Purchase item: Butler Bridge Force Main
Cost of item: \$224,000
Budget line item: #042-420-620520
Replacement (Y/N) Yes **If yes, item being replaced:** Existing Force Main

Explanation of need for purchase:

The Butler Bridge Force Main is a pipe that transports sewage from the Butler Bridge Pump Station to the Wastewater Treatment Plant. Approximately half of the line was replaced in recent years. The remaining portion is severely corroded and has frequently broken. Two breaks occurred in November 2015, one of which was within inches of a previous break. Each time the pipe breaks, raw sewage overflows into local drains and into the Yaquina River.

Grants and loans are available to help defray the cost of this project.

Ongoing Impact(s):

Proper maintenance and repair of the City sewer lines will increase efficiency of the City's infrastructure and avoid noncompliance with regulatory agencies.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
STREET RESERVE FUND							
Revenues							
				043-000			
64,897.20	75,212.24	105,500	105,500	400100	Beginning Fund Balance	0.00	135,450
315.04	335.18	500	450	400400	Interest	0.00	800
10,000.00	30,000.00	30,000	30,000	400450	Transfer from Streets	0.00	30,000
0.00	0.00	0	0	402700	Refunds & Misc.	0.00	0
75,212.24	105,547.42	136,000	135,950		Revenue Totals	0.00	166,250
Expenditures							
0.00	0.00	16,000	500	608100	Contract & Other Services	0.00	166,250
0.00	0.00	16,000	500		Materials & Services	0.00	166,250
0.00	0.00	90,550	0	802000	Reserved for Future Expense	0.00	0
0.00	0.00	90,550	0		Unappropriated	0.00	0
75,212.24	105,547.42	136,000	135,950		FUND REVENUES		166,250
0.00	0.00	106,550	500		FUND EXPENDITURES		166,250
75,212.24	105,547.42	29,450	135,450		FUND TOTALS	0.00	0

Street Reserve Fund

Proposed Expenditure for 2016-2017	Line Item #	Amount
Highway 20 Maintenance as needed	043-430-608100	\$16,000

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
LIBRARY RESERVE							
045-000 Revenues							
18,020.37	13,792.42	16,875	14,290	400100	Beginning Fund Balance	0.00	12,355
76.52	57.14	85	65	400400	Interest	0.00	75
0.00	0.00	0	0	402700	Refunds & Misc.	0.00	0
5,911.16	8,139.45	10,000	3,000	404900	Gifts, Grants & Bequests	0.00	10,000
24,008.05	21,989.01	26,960	17,355		Revenue Totals	0.00	22,430
Expenditures							
6,215.63	7,698.54	15,000	5,000	603500	Books & Materials	0.00	22,430
6,215.63	7,698.54	15,000	5,000		Materials & Services	0.00	22,430
4,000.00	0.00	11,960	0	620500	Equipment	0.00	0
4,000.00	0.00	11,960	0		Capital Outlay	0.00	0
24,008.05	21,989.01	26,960	17,355		FUND REVENUES		22,430
10,215.63	7,698.54	26,960	5,000		FUND EXPENDITURES		22,430
13,792.42	14,290.47	0	12,355		FUND TOTALS	0.00	0

Library Reserve Fund

The Library Reserve Fund holds general gifts, donations, and bequests given to the City that are intended specifically for the Library.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
FOOTPATHS & BICYCLE TRAILS							
050-000 Revenues							
9,210.76	11,238.07	12,980	13,290	400100	Beginning Fund Balance	0.00	15,350
45.78	46.32	65	70	400400	Interest	0.00	100
1,981.53	2,009.06	1,815	1,990	402400	Oregon State Highway Tax	0.00	2,000
0.00	0.00	0	0	402700	Refunds & Misc.	0.00	0
11,238.07	13,293.45	14,860	15,350		Revenues	0.00	17,450
Expenditures							
0.00	0.00	14,860	0	620520	Systems	0.00	17,450
0.00	0.00	14,860	0		Capital Outlay	0.00	17,450
11,238.07	13,293.45	14,860	15,350		FUND REVENUES		17,450
0.00	0.00	14,860	0		FUND EXPENDITURES		17,450
11,238.07	13,293.45	0	15,350		FUND TOTALS	0.00	0

Footpaths & Bicycle Trails Fund

The City dedicates one percent of Highway Tax money received from the State for construction of footpaths and bicycle trails. The money is held in this fund over a period of years until enough is accumulated for a project.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
SYSTEMS DEVELOPMENT FUND							
060-000 Revenues							
322,847.98	368,056.66	389,450	401,800	400100	Beginning Fund Balance	0.00	407,325
1,517.77	1,452.02	2,000	2,000	400400	Interest	0.00	2,500
21,827.32	15,604.65	10,000	1,500	405000	Water SDCs	0.00	10,000
14,338.11	9,700.30	6,000	1,700	405025	Wastewater SDCs	0.00	6,000
2,408.11	3,293.95	2,000	300	405050	Storm Drainage SDCs	0.00	2,000
5,117.37	3,729.99	2,000	25	405075	Transportation SDCs	0.00	1,000
368,056.66	401,837.57	411,450	407,325		Revenue Totals	0.00	428,825
060-600 Expenditures							
0.00	25.00	300,450	0	620600	Water Systems	0.00	305,500
0.00	21.00	95,000	0	620610	Wastewater Systems	0.00	102,325
0.00	0.00	7,500	0	620620	Storm Drain Systems	0.00	10,000
0.00	0.00	8,500	0	620630	Transportation Systems	0.00	11,000
0.00	46.00	411,450	0		Capital Outlay	0.00	428,825
368,056.66	401,837.57	411,450	407,325		FUND REVENUES		428,825
0.00	46.00	411,450	0		FUND EXPENDITURES		428,825
368,056.66	401,791.57	0	407,325		FUND TOTALS	0.00	0

Systems Development Fund

The Systems Development Fund is used to hold funds for expansion of the City’s infrastructure segments due to increased burden from new development. Revenue in this fund is generated from fees paid by new users.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
GRANT FUND							
065-000 Revenues							
67,624.58	96,015.65	102,400	102,000	400100	Beginning Fund Balance	0.00	114,200
408.73	377.09	500	525	400400	Interest	0.00	600
0.00	0.00	0	0	402700	Refunds & Misc.	0.00	0
30,272.46	11,541.91	121,500	10,000	405250	Grants	0.00	113,600
3,600.00	3,600.00	3,600	3,600	405270	Planning Grants	0.00	3,600
100.00	250.00	1,000	775	405330	Explorer Program	0.00	1,000
102,005.77	111,784.65	229,000	116,900		Revenue Totals	0.00	233,000
065-650 Expenditures							
3,012.25	2,002.99	100,000	2,500	605250	Grants	0.00	25,000
0.00	-30.00	0	0	605260	Main St Program	0.00	0
0.00	0.00	37,500	0	605270	Planning Grants	0.00	68,000
290.48	112.25	0	200	605330	Explorer Program	0.00	2,000
3,302.73	2,085.24	137,500	2,700		Materials & Services	0.00	95,000
0.00	2,499.99	25,000	0	625250	Grants	0.00	100,000
0.00	0.00	0	0	625340	ODOT Grants	0.00	0
0.00	0.00	65,000	0	625350	Petroleum Trust	0.00	38,000
2,687.39	5,190.97	1,500	0	625370	Drinking Water Source Protect	0.00	0
2,687.39	7,690.96	91,500	0		Capital Outlay	0.00	138,000
102,005.77	111,784.65	229,000	116,900		FUND REVENUES		233,000
5,990.12	9,776.20	229,000	2,700		FUND EXPENDITURES		233,000
96,015.65	102,008.45	0	114,200		FUND TOTALS	0.00	0

Grant Fund

The purpose of the Grant Fund is to track proceeds and expenditures from any general grants the City may receive.

Proposed Expenditure for 2016-2017	Line Item #	Amount
Citywide Camera System	065-650-605250	\$13,000
Police MDT's	065-650-605250	\$10,000

Capital Expenditure Detail

Department: Police
Purchase item: Citywide Camera System
Cost of item: \$13,000
Budget line item: #065-650-605250
Replacement (Y/N) N If yes, item being replaced:

Explanation of need for purchase:

The city of Toledo plans to install cameras in several city owned public places. The plan is for security of the citizens and evidence collection in case of criminal behavior. The total cost of the plan is \$23,000, this is a two phase plan with phase one conducted in 2015-2016 fiscal year and phase two in 2016-2017 fiscal year. In 2015-2016 the budget for this plan was \$10,000. The budget plan for the next year is for \$13,000 to implement phase two of the city wide camera plan.

Ongoing Impact(s):

A continued resource for surveillance on public areas for safety and security allowing the police department another tool to prevent crime and protect citizens.

Capital Expenditure Detail

Department: Police
Purchase item: Multi Data Terminal Computers (MDTs)
Cost of item: \$10,000
Budget line item: #065-650-605250
Replacement (Y/N) Y **If yes, item being replaced:** Six Panasonic Toughbook's

Explanation of need for purchase:

The MDT's are the mobile laptop computers that are in the patrol vehicles. The current computers are Panasonic Tough books that were purchased six years ago with XP as the software operating system. The MDTs have reached and gone beyond the lifecycle for a laptop computer. The XP software operating system is no longer maintained and update with Microsoft making these systems vulnerable and obsolete. New Panasonic Tough Books cost approximately \$4000 each. The department has purchased a new CAD/RMS which also requires an upgrade of the MDT systems. The department would like to purchase seven IPAD type systems that would cost 1/4 of the price of a new Toughbook. The patrol vehicles would need a slight modification to be able to mount the IPADs in the vehicle.

Ongoing Impact(s):

Update technology and use.

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
STABILIZATION FUND							
075-000 Revenues							
724,474.48	768,640.21	818,380	825,500	400100	Beginning Fund Balance	0.00	838,500
2,947.75	3,070.74	4,000	4,000	400400	Interest	0.00	5,000
0.00	480.00	0	0	400500	Transfer from Sewer	0.00	2,000
0.00	2,320.00	0	0	400600	Transfer from Water	0.00	6,900
27,500.00	21,600.00	0	0	401000	Transfer from General Fund	0.00	24,000
0.00	8,880.00	0	0	401170	Transfer from Public Works	0.00	12,000
204,205.60	28,386.65	0	18,000	402700	Refunds & Misc.	0.00	0
1,348.57	0.00	0	0	405400	Loan Proceeds	0.00	0
960,476.40	833,377.60	822,380	847,500		Revenue Totals	0.00	888,400
075-750 Expenditures							
0.00	0.00	561,380	0	608600	Retirement Expenses	0.00	607,000
191,836.19	7,837.59	93,000	9,000	608700	Insurance Expenses	0.00	111,400
0.00	0.00	168,000	0	608800	Revenue Stabilization	0.00	170,000
191,836.19	7,837.59	822,380	9,000		Materials & Services	0.00	888,400
960,476.40	833,377.60	822,380	847,500		FUND REVENUES		888,400
191,836.19	7,837.59	822,380	9,000		FUND EXPENDITURES		888,400
768,640.21	825,540.01	0	838,500		FUND TOTALS	0.00	0

Stabilization Fund

The Stabilization Fund holds money set aside for future expenses in three areas. It provides stabilization for future insurance related expenses including premium increase and deductibles. It provides stability to retirement expenses when the PERS rate increased over the threshold established by City Council. It also functions as a “rainy day” fund to stabilize revenue fluctuations in the General Fund.

Proposed Expenditure for 2016-2017	Line Item #	Amount
Employee Deductibles	075-750-608700	As needed
Employee Appreciation	075-750-608700	\$400

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
WATER CONSTRUCTION FUND							
085-000 Revenues							
5,547,113.98	3,173,688.80	1,043,890	215,900	400100	Beginning Fund Balance	0.00	220,900
28,055.86	16,212.04	1,800	5,000	400400	Interest	0.00	2,000
0.00	5,207.00	0	0	402700	Refunds & Misc.	0.00	0
119,503.03	1,172,305.44	200,000	600,000	404000	Seal Rock Payment	0.00	200,000
5,694,672.87	4,367,413.28	1,245,690	820,900		Revenue Totals	0.00	422,900
085-850 Expenditures							
2,520,984.07	4,151,501.39	1,245,690	600,000	620520	Systems	0.00	422,900
2,520,984.07	4,151,501.39	1,245,690	600,000		Capital Outlay	0.00	422,900
5,694,672.87	4,367,413.28	1,245,690	820,900		FUND REVENUES		422,900
2,520,984.07	4,151,501.39	1,245,690	600,000		FUND EXPENDITURES		422,900
3,173,688.80	215,911.89	0	220,900		FUND TOTALS	0.00	0

Water Construction Fund

The Water Projects Fund was created to hold the bond proceeds from the 2012 Revenue Bond Sale and to track corresponding expenditures for water improvements.

Proposed Expenditure for 2016-2017	Line Item #	Amount
Siletz Pump Station Demolition	085-850-620520	\$75,000
Complete Bond Fund Projects	085-850-620520	\$347,900

Capital Expenditure Detail

Department: Public Works
Purchase item: Siletz Pump Station Demolition
Cost of item: \$75,000
Budget line item: #085-850-620520
Replacement (Y/N) N **If yes, item being replaced:**

Explanation of need for purchase:

A new pump station (intake) was constructed on the Siletz River and placed into use in 2015. The old pump station needs to be removed to satisfy certain permit conditions. This will involve demolition and removal of all visible signs of the pump station as well as planting and stabilization to return the site to approximate natural condition.

Seal Rock Water District will cover half of the expense.

Ongoing Impact(s):

2014 Actual	2015 Actual	2016 Adopted	2016 Estimated	Acct.	Description	FTE	2017 Proposed
21,457,081.36	20,194,023.83	17,544,145	17,242,952		REPORT REVENUES		17,948,471
<hr/>							
11,602,548.01	12,636,116.14	17,544,145	9,132,945		REPORT EXPENDITURES		17,948,471
<hr/>							
9,854,533.35	7,557,907.69	0.00	8,110,007.00		REPORT TOTALS	46.80	0

REFERENCE	PAGE
Glossary of Municipal Finance Terms	172

References

Glossary of Municipal Finance Terms

Accrual basis. Method of accounting recognizing transactions when they occur without regard toward cash flow timing [ORS 294.311(1)].

Activity. That portion of the work of an organizational unit relating to a specific function or class of functions, a project or program, a subproject or subprogram, or any convenient division of these [ORS 294.311(2)].

Adopted budget. Financial plan that is the basis for appropriations. Adopted by the governing body [ORS 294.456].

Ad valorem tax. A property tax computed as a percentage of the value of taxable property. See “Assessed Value.”

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

Approved budget. The budget that has been approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing [ORS 294.428].

Assessed value. The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property’s maximum assessed value or real market value. The growth is limited to 3% unless an exception applies (e.g., new or enlarged structure).

Assessment date. The date on which the real market value of property is set—January 1.

Audit. The annual review and appraisal of a municipal corporation’s accounts and fiscal affairs conducted by an accountant under contract or the Secretary of State [ORS 297.425].

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

Bequest. A gift by will of personal property; a legacy.

Biennial budget. A budget for a 24-month period.

Billing rate. A district’s tax rate used to compute ad valorem taxes for each property. The billing rate is expressed in dollars per \$1,000 of assessed property value.

Budget. Written document showing the local government’s comprehensive financial plan for one fiscal year or biennium. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(5)].

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of registered voters appointed from the district [ORS 294.414].

Budget message. Written explanation of a local government's budget and financial policies, including any changes from the prior fiscal year. It is prepared and presented under the direction of the executive officer or chairperson of the governing body [ORS 294.403].

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

Budget period. For local governments on a biennial budget, the 24-month period beginning July 1 and ending June 30 of the second following calendar year. See also "Fiscal year."

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

CDP: Community Development Project

Capital outlay. Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings.

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

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

Category of limitation. The three categories of taxes on property for the purpose of the constitutional limits - education, general government, excluded from limitation [ORS 310.150].

Compression. A reduction in taxes required by Measure 5 (1990) property tax limits. Compression is computed on a property-by-property basis, and is first applied towards local option tax levies, then permanent rate levies.

Consolidated billing tax rate. The consolidated billing tax rate is the combined total of the billing rates for all taxing districts in a limitation category in the code area but does not include the billing rate for any urban renewal special levies or non-ad valorem taxes, fees, or other charges.

Constitutional limits. The maximum amount of tax on property that can be collected from an individual property for education and for other government activities (Art. XI, sect. 11b, Or Const.).

Contingency. An amount appropriated in anticipation that some operating expenditures will become necessary which cannot be foreseen and planned in the budget. A general operating fund may contain one line for operating contingency [ORS 294.388].

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

Devise. A gift by will of the donor of real property.

District. See "Local government." A local government entity that imposes property taxes (e.g. county, city, K-12 school district).

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

Double majority. A term that refers to an election where at least 50 percent of the registered voters eligible to vote in the election cast a ballot and more than 50 percent voting approve the question. *(Any March or September Election)*

Education category. The limitation category for taxes that will be used to support the public school system and that are not used to pay exempt bonded indebtedness [ORS 310.150(1)(b)]

Encumbrance. An obligation chargeable to an appropriation and for which part of the appropriation is reserved [ORS 294.311(13)].

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

Excluded from limitation category. The category for taxes used to pay principal and interest on exempt bonded indebtedness [ORS 310.150(1)(a)].

Exempt bonded indebtedness. 1) Bonded indebtedness authorized by a specific provision of the Oregon Constitution, or 2) bonded indebtedness issued as a general obligation on or before November 6, 1990, incurred for capital construction or capital improvements, or 3) bonded indebtedness issued as a general obligation after November 6, 1990, incurred for capital construction or capital improvements with the approval of the electors of the local government. Bonded indebtedness issued to refund or refinance any bonded indebtedness described above is also included [ORS 310.140(7)(b)].

Existing plan. An existing urban renewal plan is defined as a plan that existed in December 1996, and, 1) chose an option and, 2) established a maximum amount of indebtedness by July 1998 and has not been amended to increase the land area or maximum indebtedness [ORS 457.435(4)(a)].

Expenditures. Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis. Does not include amounts budgeted for interfund transfers, contingency, reserved for future expenditure or unappropriated ending fund balance. [ORS 294.311(16)].

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

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

Fund balance. The excess of the assets of a fund over its liabilities and reserves. [ORS 294.311(18)].

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

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

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

Governing body. County court or board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit [ORS 294.311(20)]

Grant. A donation or contribution in cash by one governmental unit to another unit which may be made to support a specified purpose or function, or general purpose [ORS 294.311(21)].

Interfund loan. Loan made from one fund to another and authorized by resolution or ordinance [ORS 294.468].

Interfund Transfer. Transfer from an existing appropriation category in one fund to another existing appropriation category in another fund. [ORS 294.463].

Intrafund Transfer. Transfer from one existing appropriation category to another within the same fund. [ORS 294.463].

Internal service fund. A fund used to account for fiscal activities when goods or services are provided by one organizational unit to another on a cost-reimbursement basis [ORS 294.311(23) and 294.343].

Levy. Amount of ad valorem tax certified by a local government for the support of governmental activities.

Liability. Debt or other legal obligation arising from transactions in the past which must be liquidated, renewed, or refunded at a future date; does not include encumbrances [ORS 294.311(24)].

Local government. Any city, county, port, school district, community college, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipal corporation or municipality [ORS 294.311(26)].

Local option tax. Taxing authority approved by voters that is in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose or capital projects. They are limited to five years unless they are for a capital project, then they are limited to the useful life of the project or 10 years, whichever is less.

Materials and Services. Expenses for operating costs and supplies and contracted services, such as utilities, rent, liability insurance, repair parts, fuel, accountant's fees, etc.

Maximum assessed value (MAV). The maximum taxable value limitation placed on real or personal property by the Article XI, section 11 of the Constitution. It can increase a maximum of 3 percent each year. The 3 percent limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction.

Maximum authority. The limitation on the amount of revenue that can be raised each year for an existing urban renewal plan area [ORS 457.435(3)(a)]. Plans that are not existing plans do not have a maximum authority amount. This amount is adjusted each year based on the growth of excess value in the plan area.

Maximum indebtedness. The amount of the principal of the indebtedness necessary to complete an urban renewal plan. This does not include indebtedness incurred to refund or refinance existing indebtedness [ORS 457.190(3)(a)]. It is specified in dollars and cents and based on good faith estimates of the scope and costs of the anticipated project or projects. All existing plans are required to have an ordinance which establishes a maximum indebtedness.

Measure 5. A constitutional tax rate limitation (Article XI, Section 11b) passed by the voters in 1990 which restricts the amount an individual property can be taxed. Measure 5 limits school taxes to \$5 per \$1,000 of 'real market value'. All other general government taxes are limited to \$10 per \$1,000 of 'real market value'.

Measure 50. Initially this measure was passed as Measure 47 in 1996 and was found to be unworkable, so was rewritten and submitted to the voters as Measure 50 in 1997 and passed. M50 reduced every property's 1995-96 assessed value by 10%, and also limited the amount of annual growth of the assessed value to 3 %. M50 also established permanent rate limitations for each taxing district in the state based on the current year tax in 1997, and then reduced 13% for most districts. If a district did not have a tax levy in 1997 and had never levied a tax, they could later request a permanent rate limit by going to the voters through a ballot measure.

Municipal corporation. See "Local government."

Municipality. See "Local government."

Net working capital. The sum of the cash balance, accounts receivable expected to be realized during the ensuing year, inventories, supplies, prepaid expenses less current liabilities and, if encumbrance method of accounting is used, reserve for encumbrances [ORS 294.311(27)].

Object classification. A grouping of expenditures, such as personnel services, materials and services, capital outlay, debt services, and other types of requirements [ORS 294.311(29)].

Operating rate. The rate determined by dividing the local government's tax amount by the estimated assessed value in district. This rate is calculated by the assessor when a local government imposes its operating tax as an amount, rather than a tax rate.

Ordinance. A formal enactment by the governing board of a municipality.

Organizational unit. Any administrative subdivision of the local government, especially one charged with carrying on one or more specific functions such as a department, office or division. [ORS 294.311(31)].

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

Permanent rate limit. The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government or its voters can increase or decrease a permanent rate limit. A district can levy any rate or amount up to their permanent rate authority each year.

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

Program. A group of related activities to accomplish a major service or function for which the local government is responsible [ORS 294.311(33)].

Property taxes. An ad valorem tax, another other “tax on property”, or fees, charges and assessments that are specifically authorized by statute to be certified to the county assessor by a local government unit.

Proposed budget. Financial and operating plan prepared by the budget officer. It is submitted to the public and the budget committee for review.

Publication. Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by first class mail to each street address, PO Box and Rural Route within the boundaries of the local government; or hand delivery to each street address, PO Box and Rural Route address within the boundaries of the local government.

Real Market Value (RMV). The amount in cash which could reasonably be expected by an informed seller from an informed buyer in an arm’s-length transaction as of the assessment date (Jan 1). [ORS 308.205].

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

Reserve fund. Established to accumulate money from year to year for a specific purpose, such as purchase of new equipment [ORS 294.346; 280.050].

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

Resource. Estimated beginning funds on hand plus anticipated receipts [ORS 294.361].

Special levy. A special levy is an ad valorem tax imposed for an existing urban renewal plan. It is not a result of a division of tax but rather imposed directly for the plan.

Special revenue fund. A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes [OAR 150-294.352(1)].

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

Supplemental budget. A revised financial plan prepared to meet unexpected needs or to spend revenues not anticipated when the regular budget was adopted. It cannot be used to authorize additional taxes. [ORS 294.471].

Tax increment financing. A financial mechanism for urban renewal plans which captures the tax from the growth in property value within a designated geographical area. AKA urban renewal division of tax.

Tax on property. Any tax, fee, charge or assessment imposed by any government unit upon property or upon a property owner as a direct consequence of ownership of that property [ORS 310.140(18)].

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

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

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

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

Unappropriated ending fund balance. Amount set aside in the budget to be used as a cash carryover to the next year's budget. It provides the local government with operating cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency [ORS 294.398].