



AGENDA PHILOMATH BUDGET COMMITTEE

May 13, 2020

6:00 PM

Council Chambers; Philomath City Hall

1. ROLL CALL
2. MINUTES APPROVAL – April 29, 2020
3. VISITORS/PUBLIC COMMENTS
4. GENERAL FUND UPDATE
5. REVIEW
 - 5.1 Community Development Fund
 - 5.2 Economic Development Fund
5. MOTION TO APPROVE BUDGET AND TAX RATE
6. ADJOURN

Meeting Access Information

This meeting is being held via video conference. Citizens should use the video link or phone number provided below to listen to the meeting. For residents that do not have a phone or access to the internet, a small number of chairs will be provided at City Hall to comply with public meetings laws and social distancing requirements.

Please use the following link or phone number to access the meeting:

Video: <https://zoom.us/j/2065507670?pwd=eTJqL3Nubk83ODJKTy9LdUQvYXg5Zz09>
Phone: 312-626-6799
Meeting ID: 206 550 7670
Password: Philomath

Meeting Conduct

All non-city participant microphones and screens will be muted. Presenters and members of the public will only be unmuted if called on to speak. The chat function will be disabled during the meeting.

Opportunities to Comment

The following options are available for the public to provide comment:

- 1) Sign up by contacting the City Recorder at ruth.post@philomathoregon.gov or by calling 541-929-6148 no later than 4:00 p.m. on the day of the meeting.
- 2) Submit written comments by email to the City Recorder at ruth.post@philomathoregon.gov no later than 12:00 p.m. the day of the meeting.
- 3) Submit written comments in the City Hall parking lot drop box no later than 12:00 p.m. the day of the meeting.
- 4) Mail written comments to PO Box 400, Philomath, OR 97370 3-4 days prior to the day of the meeting.

NOTICE: Given 2 business days' notice, an interpreter will be made available for the hearing impaired or those with limited English proficiency. Contact person: Ruth Post, (541) 929-6148.

**CITY OF PHILOMATH
BUDGET COMMITTEE
MINUTES
April 29, 2020**

The Budget Committee of the City of Philomath was called to order by Chair Noelle Cummings on Wednesday, April 29, 2020, at 6:00 p.m. Due to the Oregon Governor’s Executive Order 20-12 requiring social distancing due to the COVID-19 pandemic, the meeting was held via video conferencing technology with the public also allowed to attend electronically and in limited capacity in the Philomath City Hall Council Chambers, 980 Applegate Street, Philomath, Oregon. Instructions with opportunities for the public to comment were provided on the meeting agenda, City’s website, and media notice.

1. ROLL CALL

Present:

City Council Members: Mayor Eric Niemann, City Councilors Ruth Causey, Chas Jones, Matt Lehman, and David Low.

Citizen Members: Catherine Biscoe, Julie Conner, Noelle Cummings, Chris Kastella, and Brian Noakes.

Staff: Chris Workman, City Manager; Joan Swanson, Finance Director; Kevin Fear, Public Works Director; Ken Rueben, Police Chief; Ruth Post, City Recorder; and Garry Black, Public Works Operations Supervisor.

Absent: Margie Brown, Robert Glathar, Doug Edmonds, and Matthew Thomas

2. MINUTES

MOTION: Councilor Jones moved, Mr. Noakes second to approve the minutes of April 15, 2020 as presented. Motion seconded and APPROVED 10-0 (Yes: Biscoe, Causey, Conner, Cummings, Jones, Kastella, Lehman, Low, Niemann, and Noakes. No: None).

3. VISITORS/PUBLIC COMMENTS

None.

4. PUBLIC HEARING

4.1 Possible uses of State Revenue Sharing – Chair Cummings opened the public hearing at 6:07 p.m. Ms. Swanson summarized the sources of state revenue sharing funds and possible uses as allocated in the budget. In compliance with Governor Brown’s Executive Order 20-16, public comment methods were posted and no comments were received. Seeing no public testimony, Chair Cummings closed the public hearing at 6:08 p.m.

5. REVIEW PUBLIC WORKS BUDGET

Ms. Swanson reviewed state highway tax revenues in the Street Fund that are projected to increase due to the increase in population. Mr. Fear reviewed the primary project in the fund to chip seal Mt. Union Drive before the surface fails. Mayor Niemann supported the project on Mt. Union and questioned if the COVID-19 situation would impact the state highway tax revenues. Ms. Swanson described the source of the state highway tax revenues and explained she has not seen any projections being presented at this time

1 based on an impact from COVID-19. She noted the revenue in this budget is for the
2 period from July 1, 2020 to June 30, 2021.
3

4 Councilor Lehman questioned the expectations for the year-end balance. Ms. Swanson
5 reviewed the increase budgeted for transfers and noted if the revenue does not come in
6 as high as projected, the transfers would be adjusted correspondingly. She explained
7 the target is to have two to three months' worth of expenses in the ending fund balance.
8

9 Mr. Fear explained that projects are performed on a planned basis and based on
10 available funds. Councilor Low questioned other methods of highway tax collection
11 based on mileage instead of gas purchases. Mr. Fear explained the collection of
12 revenue through licensing and registration for vehicles that do not consume as much
13 fuel.
14

15 Water Fund

16 Ms. Swanson reviewed the revenue expectations in the Water Fund. Mr. Fear explained
17 the primary project in the Water Fund is to keep the current aging water treatment plant
18 operating. He noted higher maintenance costs involved in keeping it operational.
19

20 Mayor Niemann described the Council decisions related to water rates, including
21 providing relief to low income water users. Ms. Swanson reviewed measures that have
22 been taken during the COVID-19 pandemic, including not charging late fees and not
23 turning water off for non-payment. She described plans to work with customers to catch
24 them up over ensuing months. Ms. Swanson reviewed online bill pay numbers for recent
25 months and noted there had not been a major decline in payments. Mr. Black stated the
26 water treatment plant operator had noted a significant decrease in water usage in recent
27 months. There was discussion about possible reasons for that decrease, including the
28 School District and possibly Georgia-Pacific curtailing usage.
29

30 Ms. Swanson reviewed the increase in transfers earmarked for the new water treatment
31 plant. Ms. Biscoe questioned if there was any chance that the lending rates for the water
32 treatment plant would change. Ms. Swanson explained the funding was coming from
33 existing State funding sources and didn't anticipate any change. Councilor Lehman
34 questioned if any shortfall would result in a decrease in transfers. Ms. Swanson
35 explained yes, but those would ultimately have to be made up for by rate increases.
36

37 Councilor Causey questioned when the treatment plant funding would be secured. Mr.
38 Workman described the timeline for the project. Ms. Swanson explained the difference
39 between federal lending rates and the rates to be obtained through Business Oregon.
40 Ms. Biscoe questioned what the debt service expectation is for the treatment plant. Ms.
41 Swanson reviewed the funding package Business Oregon had previously provided. Mr.
42 Workman described the impact of the final construction cost on the amount to be
43 borrowed and that only the amount needed for construction would be borrowed. He
44 reviewed the contingency allowance built into the engineer's estimate.
45

46 Sewer Fund

47 Ms. Swanson reviewed the rate increase approved by the City Council and the capital
48 projects that are funded out of the revenues. She reviewed the increase in transfers from
49 the System Development Charge Fund to pay towards the debt service on the existing
50 sewer bonds.
51

1 Mr. Fear reviewed deterioration of the aging sewer lines in South 17th Street and the
2 capital improvement project to replace aging lines in that street. Mr. Workman explained
3 the projects that are designed to replace underground lines before spending money on
4 improving the street surface. He explained that several of the projects slated are multi-
5 step projects including sewer, water and street improvements. There was additional
6 discussion about the aging infrastructure and 1950's era pipe that needs to be replaced.
7 Mr. Fear described the challenges of replacing the aging concrete pipe that can no
8 longer be lined due to deterioration and must now be trenched and replaced.
9

10 Ms. Biscoe questioned if the cost to residents is known for local improvement districts
11 (LID's) referred to in the Strategic Plan. Ms. Swanson explained no LID's are planned
12 strictly to replace aging sewer lines. She described the identification of complete projects
13 using funds that have been saved for that purpose. There was discussion about the
14 projects identified in the capital improvement plan. Mr. Workman explained that some
15 sections of North 11th Street that have seen recent development will be paid for by the
16 property owners who have made those developments. There was discussion about the
17 City paying for street improvements and adjacent property owners paying for sidewalk
18 improvements.
19

20 Mr. Fear described efforts to identify failing areas to be combined into efficient projects.
21 Mr. Workman explained the expectation to continue to knock off projects every year
22 based on accumulated funds and to continue to pay debt service on the sewer lagoon
23 project. Councilor Causey noted that the only LID the Council has recently discussed is
24 on Landmark Drive. Ms. Swanson agreed it is not a tool the City has historically used
25 very often.
26

27 Storm Drain Fund

28 Ms. Swanson noted the only Storm Drain Fund revenues are from user fees. Mr. Fear
29 reviewed ongoing work towards renewal of the National Pollutant Discharge Elimination
30 System permit (NPDES) and efforts to keep the City in compliance with permit
31 requirements. Regarding COVID-19 employee safety, Mr. Fear reviewed testing
32 protocols, mandatory employee training and personal protective equipment policies
33 Philomath has in place and noted that Philomath has been ahead of some cities in
34 implementing higher safety standards.
35

36 Councilor Causey described reports of testing sewer discharge in Albany to attempt to
37 identify the presence of COVID-19 in the community. There was further discussion about
38 local circumstances.
39

40 Land, Building and Equipment Fund (LB&E)

41 Ms. Swanson reviewed transfers into LB&E, including savings for the water treatment
42 plant and savings towards municipal building improvements. She explained the
43 budgeting for loan proceeds to meet the water treatment plant engineering expense
44 needs during the 2020-21 fiscal year and that additional loan proceeds for construction
45 will be budgeted into the next fiscal year. She noted the engineering is expected to be
46 completed early in 2021. She reviewed allocations towards projects and noted that the
47 Timber Estates sewer line extension is actually beginning within the next month and also
48 came in substantially below the budgeted amount based on the engineering estimate.
49 Mr. Black reviewed projects to repair the damaged Public Works parking lot and disposal
50 station for debris from storm drain clean outs.
51

1 Mr. Workman described conversations to be held regarding a possible library expansion.
2 Mayor Niemann questioned if the City gets reports on usage at the library. There was
3 additional discussion about library usage.
4

5 Councilor Causey questioned what the maximum loan expectation is for the water
6 treatment plant project. Ms. Swanson explained the \$14.2 million loan pre-approved by
7 Business Oregon is on the high end and includes a substantial contingency fund.
8

9 Ms. Swanson reviewed City Hall renovation needs and the intent to save towards
10 performing a remodel in approximately four years and also saving towards a remodel
11 project at the library to be constructed in approximately five years.
12

13 Ms. Biscoe questioned where the budget could be conserved, in particular identifying the
14 engineering costs for the North 11th Street project. Mr. Workman reviewed the aged
15 sewer line in North 11th Street and the intent to bring the street up to City standards.
16 There was additional discussion about the street project and whether an engineering
17 study on upgrading North 12th Street should be piggybacked onto it or not. There was
18 further discussion about the involvement of the North 12th Street Road District and
19 whether the District supported improvements or not. Mr. Workman described past
20 interactions with individuals from that area and feedback received in meeting with
21 members of the District that indicated a majority were not in favor of improvements. Both
22 Councilor Lehman and Ms. Biscoe identified themselves as living within the District and
23 provided viewpoints about history of the road and possible future improvements.
24

25 There was discussion about the capacity of Pump Station A currently handling all of the
26 City's west side sanitary sewer requirements.
27

28 System Development Fund

29 Ms. Swanson reviewed available Park SDC funds. Mayor Niemann discussed the State
30 Parks Grant application that was submitted towards the Paul J. Cochran Veterans
31 Memorial Park and noted that award of grant funds has been put on hold at this time. He
32 reviewed the current status of the project, including volunteer and in-kind donation
33 commitments that have been received.
34

35 Ms. Swanson reviewed the funds allocated towards engineering costs for the water
36 treatment plant and a smaller project to update the Storm Drain Master Plan. Ms. Biscoe
37 questioned if a reimbursement of SDC's for The Boulevard Apartment would be paid for
38 out of this fund and what that amount would be. Mr. Workman offered to review that
39 information with her. Ms. Biscoe questioned how a reimbursement from the System
40 Development Fund to The Boulevard Apartments would impact this budget. Ms.
41 Swanson suggested that could be addressed at the next meeting.
42

43 **6. ADJOURNMENT:**

44 Chair Cummings adjourned the meeting at 8:03 p.m. with the next meeting scheduled for
45 May 13, 2020 at 6:00 p.m.
46
47

48
49 _____
50 SIGNED: Noelle Cummings, 2020 Chair

ATTEST: Ruth Post, MMC, City Recorder



PHILOMATH FINANCE DEPT.
980 APPEGATE ST / PO BOX 400 PHILOMATH, OR
(541) 929-3001

MEMORANDUM

DATE: May 7, 2020
TO: Philomath Budget Committee
FROM: Joan Swanson
RE: New Budget Pages

The Finance and Administration Committee met last week and has made two recommendations that will have an impact on the 2020-21 budget.

The first recommendation will be taken to the May 11th City Council meeting. Members of the committee are concerned about the COVID-19 pandemic, and how it has affected Philomath citizens. The committee has requested that \$11,000 of General Fund contingency be allocated to 4 social service agencies and the Chamber of Commerce.

In addition to the increased social service funding, there is a need to transfer \$6,000 of contingencies in the 2019-20 budget to cover higher than expected County recording fees. That brings the total increased spending in the 2019-20 budget to \$17,000.

The second recommendation impacts the 2020-21 budget. The committee would like to add \$10,000 to the City Council Department for tourist related activities. Benton County initiated a Transit lodging tax in 2019. They are giving \$5,000 of their tax revenue to the City of Philomath each year. The committee would like to appropriate both the 2019-20 and 2020-21 receipts in the 2020-21 budget. The money from the County was included in the revenue but was not appropriated in the budget.

The effect of the three changes is to reduce the Beginning Fund Balance in the 2020-21 budget from \$664,000 to \$647,000 (\$664,000 - \$17,000). That change in addition to adding an additional \$10,000 for tourist funding will reduce the Ending Fund Balance in the 2020-21 budget from \$700,000 to \$673,000 (\$700,000 - \$17,000 - \$10,000).

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2020-21
GENERAL FUND**

	ACTUAL OPERATIONS 2016-17	ACTUAL OPERATIONS 2017-18	ACTUAL OPERATIONS 2018-19	ADOPTED BUDGET 2019-20	PROPOSED BUDGET 2020-21	ESTIMATED BUDGET 2021-22	% CHANGE
REVENUES							
Cash Balance Forward	87,904	207,410	818,525	1,049,100	647,000	773,000	-38%
Interest Income	6,937	13,500	43,472	20,000	27,000	28,000	35%
Property Tax - Current Year	1,462,364	1,527,540	1,623,056	1,665,000	1,814,000	1,905,000	9%
Property Tax - Prior Years	23,245	18,758	59,852	20,000	25,000	25,000	25%
Cigarette, Liquor & Marijuana Tax	77,314	105,331	97,488	107,600	119,700	126,000	11%
State Revenue Sharing	45,490	47,567	50,169	56,300	62,000	64,400	10%
General Fund Fee	0	237,200	239,707	250,000	140,800	140,800	-44%
Building & Electrical Permits	114,397	367,703	259,449	380,000	280,000	300,000	-26%
Planning and Zoning Fees	16,144	46,025	33,385	25,000	20,000	25,000	-20%
Franchise Fees	376,138	366,933	361,266	360,800	377,000	380,000	4%
Municipal Court Revenue	265,787	244,600	221,383	220,000	250,000	250,000	14%
Bus User Fees	18,820	5,700	20,131	20,240	20,500	21,000	1%
Flower Basket Revenue	7,255	7,955	7,855	8,500	8,500	8,700	0%
Miscellaneous Receipts	41,068	230,948	50,876	37,000	42,012	42,738	14%
Administrative Overhead	309,900	331,620	399,984	449,760	491,388	511,062	9%
Grants	4,666	1,579	2,208	136,000	37,500	0	-72%
Transfer-Community Develop Fund	11,689	0	0	35,000	0	0	-100%
TOTAL REVENUES	2,869,118	3,760,369	4,288,806	4,840,300	4,362,400	4,600,700	-10%
EXPENDITURES							
Administration/Planning	257,254	250,856	290,141	395,100	324,100	343,400	-18%
Building Permit Dept.	112,362	302,300	236,515	341,600	255,700	272,800	-25%
Finance	299,560	313,944	358,509	506,300	425,500	442,400	-16%
Municipal Court	204,290	202,711	192,092	252,200	234,300	244,200	-7%
Police	1,383,972	1,467,482	1,561,670	2,064,400	1,484,000	1,560,000	-28%
Buildings & Grounds	104,137	106,805	106,806	147,100	138,400	136,700	-6%
Parks	78,896	75,690	78,465	109,000	116,900	120,800	7%
City Council	185,303	172,056	196,838	407,600	320,500	286,400	-21%
Subtotal department expenditures	2,625,774	2,891,844	3,021,036	4,223,300	3,299,400	3,406,700	-22%
TRANSFERS							
To Development Review Fund	24,034	0	0	0	0	0	
To Land, Building & Equip Fund	11,900	50,000	165,000	47,000	240,000	276,000	100%
Subtotal transfers	35,934	50,000	165,000	47,000	240,000	276,000	100%
Contingency	0	0	0	100,000	150,000	150,000	50%
TOTAL EXPENDITURES	2,661,708	2,941,844	3,186,036	4,370,300	3,689,400	3,832,700	-16%
UNAPPROPRIATED ENDING BAL	0	0	0	470,000	673,000	768,000	43%
Excess Revenues Over Expenditures	207,410	818,525	1,102,770	0	0	0	

**CITY OF PHILOMATH
GENERAL FUND REVENUES
2020-21 BUDGET NARRATIVE**

Item	Category	Amount	Description
3001	CASH BALANCE FORWARD	647,000	Estimated cash balance at June 30, 2020
 <u>INTEREST INCOME</u>			
3020	Investment interest	24,000	Estimated interest income
3030	Interest on tax collections	3,000	Interest earned on tax collections before they are turned
		<u>27,000</u>	over to the City.
3110	PROPERTY TAX - CURRENT YEAR	1,814,000	Estimated 6% increase over 2019-20 tax levy. The collections are estimated at 95% of taxes imposed.
3115	PROPERTY TAX - PRIOR YEARS	25,000	Property tax receipts collected for prior years
 <u>CIGARETTE, LIQUOR TAX & MARIJUANNA</u>			
3130	Cigarette tax	5,530	\$1.13 per capita, estimated population of 4,900
3140	Liquor tax	96,971	\$19.79 per capita
3155	Marijuana	17,199	\$3.51 per capita
		<u>119,700</u>	
3150	STATE REVENUE SHARING	62,000	14% of total state liquor tax collections. This equals approx. 64% of our per capita liquor tax.
3201	GENERAL FUND FEE	140,800	\$5 per month fee for each developed property. Fee is included on the utility bills. Multi-residential customers will be charged based on the number of residential units.
 <u>BUILDING & ELECTRICAL PERMITS</u>			
3310	Building permits	250,000	Building and electrical permits issued within the City
3315	Electrical permits	30,000	
		<u>280,000</u>	
3330	PLAN ACTIONS & ZONING COMPLIANCE	20,000	Processing land use & zoning compliance applications
 <u>FRANCHISE FEES</u>			
3410	Consumers Power	65,500	Franchise revenue based on estimated 2020-21 receipts
3430	Northwest Natural Gas	45,500	
3440	PacifiCorp	220,000	
3460	Comcast	46,000	
		<u>377,000</u>	
 <u>MUNICIPAL COURT REVENUE</u>			
3505	Court fines	196,000	Court fines imposed by the municipal court judge
3510	Benton County court	6,900	Municipal court collections for Benton County jail facility
3515	State court fees	29,600	Municipal court collections for the State Assessment
3530	Collection fees	13,000	Reimbursement from defendants when their accounts are sent to collections
3535	Defense attorney reimbursement	4,500	Reimbursement to the city for defense attorney costs
		<u>250,000</u>	
3605	BUS USER FEES	20,500	\$6,900 from bus fares \$13,600 from OSU student and faculty contracts
3627	FLOWER BASKETS	8,500	Downtown flower basket program. \$90 donation for each.

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**CITY OF PHILOMATH
GENERAL FUND REVENUES
2020-21 BUDGET NARRATIVE**

CONTINUED:

Item	Category	Amount	Description
<u>MISCELLANEOUS RECEIPTS</u>			
3613	Copies	800	Charge for copies of City documents
3642	Lien search fees	5,600	Fee charged to run lien search on City liens
3650	Miscellaneous receipts	20,612	Miscellaneous General Fund revenue
3670	Other court revenue	4,300	Restitution from Circuit court cases and reimbursement for officers testifying in other courts
3672	Park reservations	9,700	Park reservations for Randy Kugler shelter
3675	Other permits & licenses	<u>1,000</u>	Miscellaneous permits and liquor license renewals
		42,012	
<u>ADMINISTRATIVE OVERHEAD</u>			
3910	Street Fund	79,704	Reimbursement to the General fund for administrative and accounting functions which support all funds. Costs allocated based on time and resources devoted to each fund.
3915	Water Fund	198,060	
3920	Sewer Fund	169,200	
3925	URA Fund	<u>44,424</u>	
		491,388	
3833	GRANTS	<u>37,500</u>	Dept of Land Conservation and Development grant to prepare Comprehensive Plan
TOTAL GENERAL FUND REVENUES		<u><u>4,362,400</u></u>	

**CITY OF PHILOMATH ANNUAL BUDGET
FISCAL YEAR 2020-21
GENERAL FUND - CITY COUNCIL**

	ACTUAL EXPENDED 2016-17	ACTUAL EXPENDED 2017-18	ACTUAL EXPENDED 2018-19	ADOPTED BUDGET 2019-20	PROPOSED BUDGET 2020-21	ESTIMATED BUDGET 2021-22	% CHANGE
MATERIALS & SERVICES							
10 8 5015 Advertising & Legal Notices	1,335	1,521	1,577	1,500	1,550	1,597	3%
10 8 5033 Attorney Retainer	37,032	37,800	39,276	40,416	41,544	42,790	3%
10 8 5034 Attorney Non Contractual Services	1,059	0	0	5,000	5,000	5,150	0%
10 8 5045 Audit Fees	9,950	14,740	6,991	15,000	18,000	18,540	20%
10 8 5053 Bad Debt Write Off-Gen Fund Fee	0	149	355	300	400	412	33%
10 8 5098 Bus Operations	63,928	69,112	65,080	72,000	72,000	74,160	0%
10 8 5155 Contrib.-Social Service Agencies	15,500	16,200	19,400	19,700	21,700	22,500	10%
10 8 5233 Dues	1,225	1,925	2,750	0	3,000	3,090	100%
10 8 5234 Dues - COG	9,770	0	5,278	5,400	5,702	5,873	6%
10 8 5235 Dues - LOC	3,678	3,802	3,952	4,075	4,317	4,447	6%
10 8 5242 Economic Development Project	0	2,461	0	0	0	0	
10 8 5245 Education and Training	75	1,175	725	1,200	1,300	1,339	8%
10 8 5258 Employee Flexible Benefit Fee	1,201	1,293	758	600	625	700	4%
10 8 5290 Ethics Commission Fee	475	570	570	600	659	679	10%
10 8 5303 Flower Baskets	7,863	7,820	10,487	8,500	9,000	9,270	6%
10 8 5325 Insurance	2,528	2,264	1,739	2,000	2,240	2,307	12%
10 8 5367 Labor Consultant	4,242	0	245	6,000	0	0	-100%
10 8 5389 Mid Valley Partnership	0	0	0	0	4,000	4,120	100%
10 8 5390 Miscellaneous	4,743	2,806	5,852	5,039	5,413	5,589	7%
10 8 5395 Municipal Code Updates	2,067	280	2,687	2,600	3,000	3,090	15%
10 8 5401 Network IT Consultant	9,559	3,998	19,359	15,000	60,000	61,800	100%
10 8 5403 Newsletter	1,930	1,842	1,246	1,800	1,400	1,442	-22%
10 8 5413 Office Supplies	896	889	567	845	900	927	7%
10 8 5465 Postage	525	262	286	525	400	412	-24%
10 8 5508 Regional Meetings - Hosting	0	0	0	0	1,000	1,030	100%
10 8 5529 Salary Survey	0	0	0	30,000	0	0	-100%
10 8 5560 Signs - Downtown Businesses	0	152	1,819	2,500	2,500	2,575	0%
10 8 5567 State Filing Fee	300	300	300	300	300	300	0%
10 8 5653 Tourist Related Activities	0	0	0	0	10,000	5,000	100%
10 8 5665 Travel and Meals	301	695	521	700	2,000	2,060	100%
10 8 5687 Tree/Landscape Maintenance	5,121	0	0	0	0	0	
10 8 5749 Website	0	0	5,018	5,000	5,050	5,202	1%
10 8 5798 Grant - Rural Business Develop	0	0	0	141,000	0	0	-100%
10 8 5798 Grants - DLCD	0	0	0	20,000	37,500	0	88%
Subtotal Materials & Services	185,303	172,056	196,838	407,600	320,500	286,400	-21%
TOTAL CITY COUNCIL BUDGET	185,303	172,056	196,838	407,600	320,500	286,400	-21%

**CITY OF PHILOMATH
GENERAL FUND - CITY COUNCIL
2020-21 BUDGET NARRATIVE**

MATERIALS AND SERVICES (CONTINUED)

Postage	400	Postage for Council activities or projects
Regional Meetings - Hosting	1,000	Incidental expenses to host regional meetings in Council Chambers
Signs -Downtown Businesses	2,500	Cost to repair and replace downtown business directional signs
State Filing Fee	300	Fee required to file City audit
Tourist Related Activities	10,000	To support Philomath tourism
Travel and Meals	2,000	City council member travel expenses to League of Oregon Cities meetings and seminars
Website	5,050	\$750 annual web hosting, maintenance and customer support. \$4,300 archiving of content on web page and Facebook accts.
Grants - DLCD	<u>37,500</u>	Department of Land Conservation and Development grant. Funding to hire consultant to update the city's Comprehensive Plan.
TOTAL MATERIALS AND SERVICES	<u>320,500</u>	

**CITY OF PHILOMATH
COMPARISON OF CURRENT YEAR FUND BUDGETS
TO PRIOR YEAR**

	<u>ADOPTED BUDGET 2019-20</u>	<u>PROPOSED BUDGET 2020-21</u>	<u>Percent Change</u>
General Fund	4,370,300	3,689,400	-16%
Development Review	215,500	235,000	9%
Street Fund	689,000	781,800	13%
Water Fund	1,771,690	1,842,200	4%
Sewer Fund	1,618,200	1,715,650	6%
Storm Drain Fund	77,950	80,000	3%
Land, Bldg & Equipment Fund	2,944,400	4,424,900	50%
System Development Fund	1,745,000	1,581,000	-9%
Community Development Fund	123,000	91,400	-26%
Economic Development Fund	<u>46,839</u>	<u>45,840</u>	<u>-2%</u>
Total Budget	<u><u>13,601,879</u></u>	<u><u>14,487,190</u></u>	<u><u>7%</u></u>

**CITY OF PHILOMATH
2020-21 BUDGET RECAP
SUMMARY OF EXPENDITURES BY CATEGORY AND FUND**

Department	Personal Services	Materials & Services	Capital Outlay	Debt Service	Transfers to Reserves	Transfers to Other Funds	Contingency	Unappropriated Ending Balance	Total
Administration/Planning	255,746	68,354	0	0	0	0	0	0	324,100
Building Permit	57,528	198,172	0	0	0	0	0	0	255,700
Finance	354,533	70,967	0	0	0	0	0	0	425,500
Municipal Court	149,476	84,824	0	0	0	0	0	0	234,300
Police	1,271,058	212,942	0	0	0	0	0	0	1,484,000
Buildings & Grounds	35,700	102,700	0	0	0	0	0	0	138,400
Parks	47,830	69,070	0	0	0	0	0	0	116,900
City Council	0	320,500	0	0	0	0	0	0	320,500
Transfers/Contingency	0	0	0	0	240,000	0	150,000	0	390,000
Unappropriated balance	0	0	0	0	0	0	0	673,000	673,000
Total General fund	2,171,871	1,127,529	0	0	240,000	0	150,000	673,000	4,362,400
Development Review Fund	0	235,000	0	0	0	0	0	0	235,000
Street Fund	239,525	307,875	0	0	134,400	0	100,000	100,000	881,800
Water Fund	455,250	529,500	0	0	732,450	0	125,000	100,000	1,942,200
Sewer Fund	380,850	414,050	0	378,800	451,950	0	90,000	100,000	1,815,650
Storm Drain Fund	0	41,000	0	0	0	39,000	0	20,000	100,000
Total Public Works	1,075,625	1,527,425	0	378,800	1,318,800	39,000	315,000	320,000	4,974,650
Total Operating Costs	3,247,496	2,654,954	0	378,800	1,558,800	39,000	465,000	993,000	9,337,050
Land, Building & Equip	0	0	4,424,900	0	0	0	0	4,614,000	9,038,900
System Development	0	0	1,341,000	0	0	240,000	0	2,550,000	4,131,000
Community Development	0	91,400	0	0	0	0	0	0	91,400
Economic Development	0	0	0	45,840	0	0	0	12,500	58,340
Total Non-Operating	0	91,400	5,765,900	45,840	0	240,000	0	7,176,500	13,319,640
TOTAL CITY	3,247,496	2,746,354	5,765,900	424,640	1,558,800	279,000	465,000	8,169,500	22,656,690
PERCENT OF TOTAL	14.33%	12.12%	25.45%	1.87%	6.89%	1.23%	2.05%	36.06%	100.00%

**CITY OF PHILOMATH
MEMO TO BUDGET COMMITTEE**

RE: ADOPTION OF 2020-21 BUDGET

ACTION REQUESTED: Adopt Budget

INITIATED BY: Joan Swanson, Budget Officer

I. BACKGROUND:

II. LEGAL CONSIDERATION:

III. RECOMMENDATION:

Recommend adoption.

IV. SUGGESTED MOTIONS:

I move the Budget Committee approve the 2020-21 budget for the City of Philomath as amended by the changes to the General Fund presented on May 13, 2020. Furthermore, I move the Budget Committee approve the tax rate of \$5.3005.