



FIVE-YEAR FINANCIAL SUSTAINABILITY PLAN FOR THE GENERAL FUND AND THOSE FUNDS SUPPORTED BY THE GENERAL FUND

CITY OF NEWPORT

By: City of Newport Finance Work Group
Approved by the City Council March 1, 2021

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EXECUTIVE SUMMARY

to the FIVE-YEAR FINANCIAL SUSTAINABILITY PLAN for the GENERAL FUND and those FUNDS SUPPORTED by the GENERAL FUND

The City Council has established Finance Work Groups over the past three years to develop a system for projecting the City's long-range financial condition (year one); identify options to address the structural deficit by looking at ways to reduce expenditures and/or increase revenues to provide financial sustainability (year two); and develop a five-year financial plan for the City that achieves financial sustainability during this period (year three).

In addition, the work group reviewed estimates of future funding needed to properly maintain the 48 public structures and facilities supported by the City's General Fund. These amenities of this community of 10,000 include the PAC, VAC, Recreation Center, 60+ Center, numerous parks and trails, fire hall, city hall, airport, and other key pieces of the infrastructure, some of which currently require significant reinvestment at this stage in order to extend their serviceable life span.

The City has a significant gap in meeting the estimated cost of replacing roofs, windows, and siding, and performing interior maintenance while also funding other required needs for the City's many facilities. These public amenities make Newport a special place for its residents to live as well as attracting visitors to the Central Coast. The Finance Work Group outlined a number of steps the City might consider to increase revenues while maintaining control of expenses. These measures will not, by themselves, address the much more significant financial requirements needed for the next five-year period and beyond.

The work group concluded that the City's financial resources are not currently sufficient to support both the operation of and required reinvestment in the above-mentioned facilities and equipment while also fulfilling the General Fund's other obligations. The Finance Work Group has reviewed options to address this issue. It is acknowledged that the City has already significantly reduced General Fund expenditures in the current fiscal year as part of its COVID-19 budget, including a reduction of over 22 full-time-equivalent positions (FTEs) effective on July 1, 2020.

After reviewing opportunities to reduce expenses, the Finance Work Group focused on revenue options that would share the burden of financing these important local government services and facilities between residents and those non-residents who use City services. While many cities resort to the use of special tax levies, public safety fees, and other charges on utility bills to meet financial needs, the Finance Work Group is recommending that the City focus on mechanisms to draw revenues not just from residents but also from visitors who use the City's infrastructure. The report recommends that the City Council consider increasing the transient room tax, beginning with the July 1, 2021 Fiscal Year, from the current 9.5% to 12% to fund both tourism promotion and facilities that provide services to visitors, as well as to provide additional support to the General Fund for public safety, general government, and other activities. The second revenue source that is recommended for consideration is implementation of a 5% prepared-food tax. The Cities of Ashland and Yachats rely on this tax to fund various city

expenses. This tax is recommended for implementation with the July 1, 2022 Fiscal Year. This tax would allow staffing increases in public safety, parks and library, and would provide a sustainable source of funding to help meet facility and infrastructure needs within the City.

The final new revenue source considered by the Finance Work Group is to increase the local gas tax to five cents per gallon year-round, from the current variable one-to-three cents. This gas tax will generate revenue to reduce the financial needs, estimated at \$2 million dollars a year, to reinvest in resurfacing and reconstruction of City streets over the next few years.

The City Council will be seeking public input on the recommendations outlined in the attached report through outreach and public hearings.

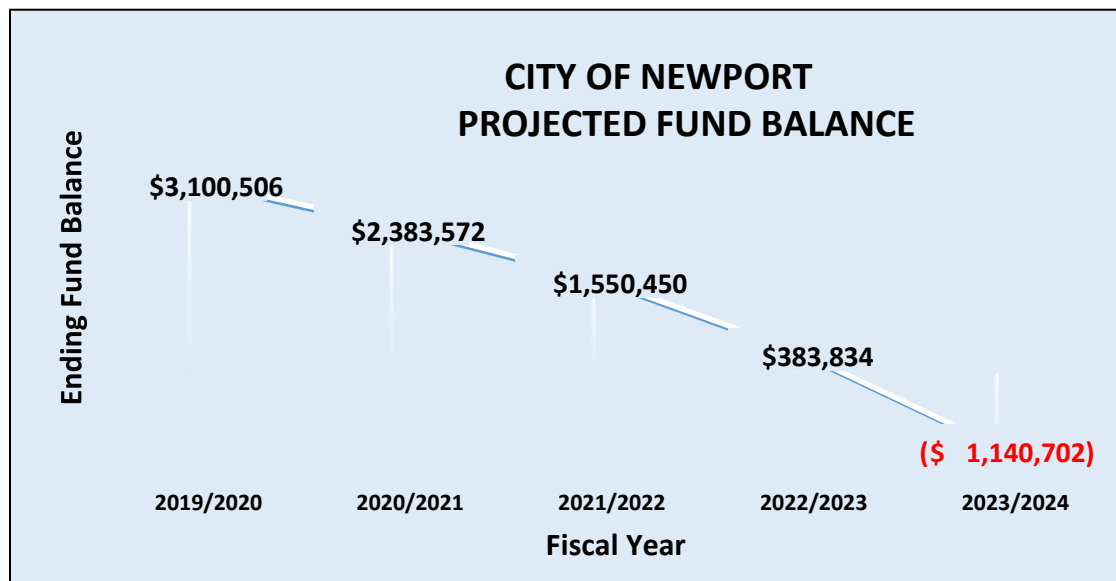
PURPOSE OF THIS REPORT

On August 3, 2020, the City Council adopted Resolution No. 3897, establishing a Financial Work Group to review and recommend a plan establishing financial sustainability for the City of Newport's General Fund, and those funds supported by the General Fund, over the next five-year period. Please note that several operating funds (Recreation Fund, Airport Fund and City Facilities Fund) receive significant support via transfers from the General Fund. All references in this report to the General Fund should be read to also include those funds supported by the General Fund. In addition, the Room Tax Fund is a source of funds that can supplement certain activities tied to tourism. This report will help guide the City administration, Budget Committee, and Council in the development of budgets for the 2021-2022 Fiscal Year and beyond. Furthermore, the development of the forecasting tool allows for regular recalibration of these projections going forward.

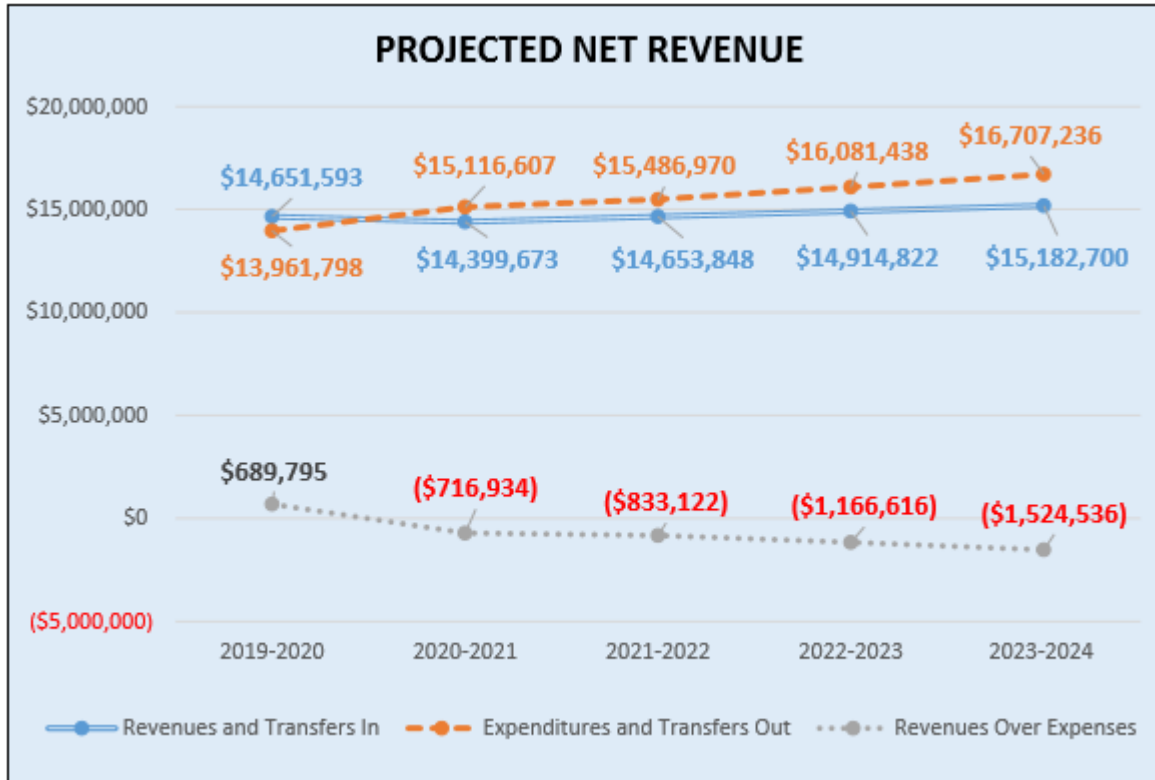
GENERAL FUND STRUCTURAL DEFICIT

In the January 6, 2020, Financial Sustainability Recommendations Report, it was indicated that the City's General Fund would be in a deficit situation by the fiscal year 2023-2024 based on the current revenue and expenditure trends. This would mean that the revenues and funds carried over from year-to-year (fund balance) would not be sufficient to cover that year's expenses. A structural deficit occurs when the projected annual expenditures exceeds the amount of projected annual revenues collected that would be available to pay for those expenses. This required the use of the fund balance, in addition to annual revenues collected, to meet annual operating costs. The fund balance is like a savings account. If a fund balance is used each year to meet annual expenses, then eventually the fund balance will be used in total.

The January 6, 2020 report, the Finance Work Group determined that if current trends continued, the City of Newport would experience a negative fund balance by June 30, 2024 as illustrated below.



Over the years, the cause of this negative fund balance can be seen by looking at the difference between projected revenues and expenditures, creating this negative balance. As you can see by the illustration below, while revenues are growing at a slow rate each year (\$14.7 million in 2019-2020 to \$15.2 million in 2023-2024), expenses are increasing at a significantly faster rate (\$14.0 million in 2019-2020 to \$16.7 million in 2023-2024), resulting in annual reductions the General Fund balance from \$3.1 million to -\$1.1 million by June 30, 2024.



The structural deficit is due to multiple factors, including a state-imposed limitation on the growth of property taxes (the General Fund’s primary source of revenue), the addition of positions to meet increasing demands of the residents, the implementation of a salary study to provide competitive wages for City positions, increasing costs of healthcare, increasing cost of PERS, and increasing technology costs. It should also be noted that the projections do not reflect sufficient funding to meet facility capital needs. The City Council accepted the Finance Work Group report and directed staff to further refine the financial projection model used to create these projections. This model has been developed by the Finance Department based on a forecasting tool developed by the City of Aumsville, Oregon.

The current fiscal year (2020-2021) is an anomaly due to emergency actions which have been taken to prepare for the fiscal impact of COVID-19. These steps included: significant reductions in facilities operations, reducing personnel by 22 FTEs, and eliminating most capital outlays and equipment funded by the General Fund.

Over the years, the City has utilized Urban Renewal funds to enhance the quality of life that residents and visitors enjoy in the City of Newport. The City maintains normal city structures such as City Hall, Fire Department, Police Department and Municipal offices.

In addition, the City has a quality library facility, extensive parks system, piers and boardwalks on the bayfront, a performing arts center, a visual arts center, a recreation center, an aquatic center, and a 60+ center. All of these require ongoing maintenance to maintain full functionality. Many of these facilities welcome tourists and visitors that come to this community. However, the primary burden of supporting these facilities and services is borne by Newport's 10,000 residents and local businesses.

City staffing has ebbed and flowed over the years with positions being added to meet certain service needs. Unlike public utility funds (for the City, water, sewer, and storm water), the revenue sources to support these operations are limited. Furthermore, the January 6, 2020 report from the Finance Work Group provided the daily population estimates that are served by various City services and facilities with Newport supporting average daily population of 25,511 residents. This was based on individuals commuting to Newport for employment, seasonal home population, day trips, and overnight stays as reported in Community Demographics later in this report.

It should be noted that in the 2019-2020 Fiscal Year, 88% of the General Fund revenues came from four sources: property taxes, other taxes (room tax, marijuana tax, cigarette tax, liquor tax franchise fees), internal service revenues, and support to the General Fund from other City funds. Other funding, including state shared revenue, contributions from other local governments for fire protection, the library, rents and leases, fines, business licenses, and other miscellaneous revenue, constitute the remaining 12% of the General Fund revenue.

Other significant sources of revenue in other funds supported by the General Fund, including the fees collected for services from the Recreation Center, Aquatic Center and 60+ Center, generate just under \$700,000 which covers about 35% of those operations, with the airport covering about 50% of its expenses through revenues primarily generated from the sale of fuel, rents, and leases.

A Transient Room Tax, currently set at 9.5%, is collected on all overnight stays of less than 30 days. The Room Tax Fund collects 46% of the transient room tax. This portion of the room tax is designated for tourism. Promotion and tourism facilities contributes to the Facility Fund, airport, and parks and recreation to help offset a portion of the subsidy necessary to operate these facilities. The remaining 54% is unrestricted revenue to the General Fund.

While the bulk of City services is funded from these primary sources, it is important to improve the collection of other revenues, as well. Like many other municipal organizations, the main focus is placed on the collection of major revenues, while the focus is not necessarily in place to deal (in a cohesive fashion) with the collection of more incidental revenues that are still important for covering City operational costs. It should also be noted that revenues collected for the City's utility programs are significant, but do not impact the ability to fund the services supported by the General Fund. These funds are utilized to offset expenses for the operations, maintenance and facilities relating to water, wastewater, and storm water in the City of Newport. Unlike the General Fund, which is dependent on statutorily imposed rules that limit revenue growth, the rates for the business operations provided by the City (water, wastewater, and storm water) are supported by rates that are annually reviewed and adjusted by the City Council.

Another significant financial event will be the retirement of the South Beach Urban Renewal Agency in the 2027-2028 Fiscal Year. While this falls outside the 5-year planning period, there will be an opportunity to use these new funds to either reduce other revenue collection or further invest in city infrastructure or operations. Attachment 1 provides details of the amount of General Fund property taxes that are captured by the South Beach URA and thus not available to the General Fund.

While it does not directly impact the General Fund, the City of Newport will also be facing an obligation of up to \$80 million dollars for the replacement of the Big Creek Dams. The recovery of these costs will likely be through a combination of utility rates and/or a General Obligation Bond. This cost will likely impact property owners and residents of the City of Newport. Finally, we are living in uncertain times with the COVID-19 pandemic impacting many aspects of our lives and economy.

The majority of expenses from the General Fund are for personnel costs. The City is in the process of developing a new purchasing policy which will utilize purchase orders as part of that policy to better manage the purchase of goods and services. This should give the City further control over non-personnel expenditures incurred through the course of the year. Furthermore, the City administration is exploring the consolidation of purchases with one contract instead of individual orders within the departments. There is a potential for some efficiency and cost savings by streamlining a number of these operations in which vendors have dealt individually with departments in the past. There needs to be some consideration for the added administrative cost of centralizing some of these processes with the savings that potentially could result from these modifications.

The budget is not sustainable in its current form if the City of Newport continues to maintain the services and facilities that are supported by the General Fund. It is this widespread support for many of the facilities and parks helps define Newport and is consistent with the Great Newport Area Vision 2040 which provides:

In 2040, Greater Newport is the heart of the Oregon Coast, an enterprising, livable community that feels like home to residents and visitors alike. We live in harmony with our coastal environment – the ocean, beaches and bay, natural areas, rivers, and forest that sustain and renew us with their exceptional beauty, bounty, and outdoor recreation. Our community collaborates to create economic opportunities and living-wage jobs that help keep the Greater Newport Area dynamic, diverse, and affordable. We take pride in our community's education, innovation, and creativity, helping all of our residents learn, grow, and thrive. Our community is safe and healthy, equitable, and inclusive, resilient, and always prepared. We volunteer, help our neighbors, support those in need, and work together as true partners in our shared future.

FACILITY NEEDS

The General Fund, pays for the operation, maintenance, and replacement of city-owned buildings and facilities. There are 48 structures and facilities that are supported by the General Fund, with an estimated value of over \$50 million dollars. A general rule of thumb indicates that one-to-two percent of building values should be reinvested in these facilities

each year. Based on \$50 million dollars of building inventory, the City should have a revenue source of between \$500,000 and \$1 million dollars per year to keep buildings and facilities serviceable into the future. Buildings valued in excess of \$1 million dollars that are owned by the City include the terminal and office hangar at the airport, City Hall, the Performing Arts Center, the Abbey Street Pier building, the Bayfront Boardwalk and Observation Deck, the Visual Arts Center, the Main Fire Station, the Library, the Recreation Center, the Aquatic Center, and the 60+ Center. Many of these facilities were built with Urban Renewal Funds without a designated funding source to support replacement of major components of those facilities.

Furthermore, the recently adopted Park System Master Plan identified long-term goals for improving existing recreational facilities as well as building new amenities in the next couple of decades. The total value of these projects, if all were accomplished, would run between \$11 million dollars and \$15 million dollars (based on 2019 dollars) for both existing facilities and new facilities in the community. While there are certain opportunities to fund portions of these projects with grant funds, the City would need to be cognizant of the need for matching funds to tackle a number of these projects moving ahead.

The Airport Master Plan identifies improvements that will be needed through 2032. Fortunately, a number of these projects are eligible for FAA and state funding for a significant portion of those projects. However, these also require some local share to be eligible for state or federal funding. The local share of these improvements, through 2032, was identified as \$1.9 million dollars. While the City has been able to keep facilities functional in past years, it is evident that many of the buildings are requiring significant reinvestment due to their age and the coastal climate. It will be necessary to identify sufficient funding for these purposes.

The City created the City Facilities Fund to develop costs centers for City Hall, fire facilities, the library, parks maintenance, custodial public restrooms and other activities, piers and boardwalks, the Performing Arts Center, Visual Arts Center, and for street lighting. For the current 2020-2021 Fiscal Year, the operational costs for maintaining these facilities is appropriated at \$1.66 million dollars. This includes our contractual costs with the Oregon Coast Council for the Arts for operation of the VAC and PAC, as well as utility costs and maintenance costs for these facilities. These costs also include custodial services, staffing for maintenance and repairs, parks maintenance, personnel, materials, equipment, utilities, insurance, communications, and other similar expenses. The 2020-2021 adopted budget included very little money for needed capital outlay for facilities. In addition to the City's Facility Fund, the Recreation Fund maintains the Recreation Center, Aquatic Center, and 60+ Center, while the Airport Fund maintains the FBO building, as well as Airport infrastructure.

Based on this analysis in round numbers, the City's financial plan should be allowing for reinvestment in these facilities targeted at following levels:

- a. Facilities -- \$750,000 per year.
- b. Parks System Master Plan Improvements to existing facilities, as well as new facilities -- \$750,000 per year, less possible matching grants. Please note that a portion of the Parks funding can be offset by state recreation grants for projects identified in the Parks Master Plan.
- c. Airport Master Plan Improvements Local Cost Share -- \$160,000 per year.

A listing of facilities and values can be found in Attachment 2

EQUIPMENT NEEDS

Each year the City is required to replace equipment or buy new equipment to meet operational needs. Department heads were asked to provide a list of equipment that may be required to be purchased over the next five years to sustain their operations. This list was developed as part of an exercise related to developing financial projections and does not constitute a detailed purchasing plan for the City of Newport. Its purpose was to identify the scope of needs looking at the next five-year financial planning period. The total needs identified through this exercise was in excess of \$4.2 million dollars, which equates to approximately \$860,000 per year. These needs include the regular replacement of police vehicles, fire apparatus, equipment for Parks maintenance, computers, upgrade of network systems, disaster recovery backup systems, security systems, office equipment, replacement of playground equipment, exercise equipment, and other Parks and Recreation investments that are needed from time-to-time.

STREET PAVEMENT MANAGEMENT REINVESTMENTS

The City of Newport commissioned a pavement condition review and strategy report from NCE Engineering and Environmental Services. This report included the development of a pavement condition index and identified various means to maximize the investment of road resources to extend the life of the pavement and streets throughout the City of Newport. The City currently maintains 62.8 miles of paved streets and 10.7 miles of gravel roads. For purposes of this study, only the paved streets were included in the pavement condition index. NCE Engineering evaluated each segment of street throughout the city. As a result of this evaluation, they determined that the pavement condition index overall of the city streets was rated at 66, with the arterial and collector streets being rated at 69, and residential streets at 64. The pavement condition scoring criteria considered any scores between 70 and 100 as good/very good, between 50 and 69 as fair, between 25 and 49 as poor, and 0 to 24 as failed. This report also showed the effect of various funding levels for surface maintenance in the city. Currently, the City has two primary sources of funding for street improvements. This includes the local gas tax, in which the City collects three cents per gallon for gasoline sold in the city for five months out of the year, and one cent per gallon for gasoline sold over the other seven months of the year. This generates about \$160,000 a year in taxes that are dedicated to the City's street resurfacing program. In addition, the City receives transportation enhancement funds from the State of Oregon each year in the approximate amount of \$230,000. These funds are also designated for street resurfacing or reconstruction. Based on the current level of reinvestment in the street system, the city's street overall index would fall to poor by 2030. In order to maintain a condition index of 69, the report indicates the City needs to invest an amount of \$2 million per year in the street system. Sources of funds are local gas tax, transportation funding from the State, grants and local improvement districts. Additional information can be found in Attachment 9, Summary of Pavement Condition Review and Strategies.

COMMUNITY DEMOGRAPHICS

The City of Newport was incorporated in 1882. As of the 2010 census, the City had a population of 9,989, which amounted to a 5% increase over its 2000 population. As of 2017, the official estimated population of Newport was 10,285. At the time of its incorporation, Newport consisted of areas along the north side of Yaquina Bay and Nye Beach. As Highway 101 developed, the area between Nye Beach and Yaquina Bay developed as the City Center. Beginning in 1972, the City of Newport initiated annexation of South Beach, with the Hatfield Marine Science Center, and annexed southward to the Wolf Tree Destination Resort property in the late 1980s. The northern boundary of the City limit was extended with the annexation of Agate Beach, beginning in the mid-1970s, and extending into the early 1980s. Today, the City of Newport has a total area of 10.59 square miles, of which 9.05 square miles is land. The City stretches along a narrow corridor adjacent to the Pacific Coast from south of the Airport in South Beach to Agate Beach on the north. As a result of these various annexations, the City assumed various utilities, roads, and other infrastructure that often was not constructed to City standards, with the City now being responsible for all of these infrastructures. Portland State University (PSU) is forecasting the Newport Urban Growth Boundary population growth as follows:

NEWPORT POPULATION PROJECTIONS			
	<u>2017</u>	<u>2035</u>	<u>2067</u>
within the Newport Urban Growth Boundary	10,825	12,738	15,757

These numbers represent an annual average growth rate of 0.9% from 2017-2035 and 0.7% from 2035-2067. Furthermore, PSU estimates that the concentration of Lincoln County’s population will increase in the Newport Urban Growth Boundary from 22.6% of the county’s population to 26.0% of the county’s population in 2067.

Two significant trends of Newport’s population are that the City’s population is aging and becoming more diverse, in particular as it relates to a growing LatinX population. These are important considerations when planning for the future needs of the community.

POPULATION TRENDS		
Year	% Population Over 65 years	% LatinX
1990	16.6%	2.0%
2000	17.2%	9.0%
2010	18.9%	15.3%

As indicated in the table above, the percentage of Newport’s population over the age of 65 continues to increase at a steady rate, with the LatinX population growing at a significant rate over the past three census periods. In addition to a residential population of 10,125, the City hosts a significant transient population of non-residents. Nearly 500 seasonal homes, 230 homes used for short term rentals and nearly 3,000 hotel rooms, RV spots, and camping sites are located in the City. In addition, nearly 4,500 people

commute to Newport for daily work and Newport hosts about 3,500 day-visitors during a typical summer day.

DAILY POPULATION ESTIMATES

Year round Population*			10,125
Employment (in commuting)**			4,407
Private Home (seasonal)***			483
Day Trip***			3,502
Overnight****	Units	85% Occupancy	
Hotel/Motel	1,780	1,513	3,631
Short Term Rental	230	195	780
RV	933	793	1,903
Camping	236	200	680
TOTAL			25,511

*PSU 2018 certified estimate

**US Census Local Employment Dynamics Program (2015)

***Figures extrapolated from Oregon Travel Impacts Report, Dean Runyan & Assoc. (2018)

****Assumes 85% occupancy (August average)

Comparing budgets, staffing levels and other services provided by Newport with other communities using similar populations is problematic because Newport requires a level of services and infrastructure greater than a non-tourism community of similar population. Likewise, comparing Newport with communities with 25,000 in population will not likely result in a reasonable assessment since the needs of the transient population are not the same as year round residents. It would likely make sense to do detailed profiles of several Oregon communities that have similar challenges to Newport with significant tourism populations, in addition to residential population, in meeting various service and infrastructure needs. Newport enjoys a relatively diverse coastal economy that is not dependent upon the success or failure of any specific component. Major components include tourism, commercial fishing, and a growing marine science and research community.

HISTORY OF FINANCIAL SUSTAINABILITY PLANNING

In 2018, the City Council adopted Resolution No. 3817 to establish a Finance Work Group consisting of members of the Budget and Audit Committees to develop fund balance projections relating to the growth of revenues and expenditures for the City of Newport. A 5-year projection was created through this process based on assumptions utilized in a financial projection model developed by staff and refined by the Finance Work Group. Through this effort it was determined that the City of Newport was developing a structural deficit in the General Fund.

On June 17, 2019, the City Council adopted Resolution No. 3865 to create a second Finance Work Group to develop a menu of recommendations to address financial shortfalls for the City of Newport General Fund. This group met four times in 2019 to develop a report for the City Council to help guide future budgeting matters. The Finance

Work Group looked at updating the financial projections to include preliminary figures for the fiscal year which ended June 30, 2019, reviewed various future expenditure issues, and reviewed revenue options to develop a list of possible actions that Council could consider to address the structural deficit. The City Council accepted this report on January 6, 2020.

The Finance Work Group determined that a target of \$1 million should be established to decrease expenses and/or increase revenues to support the General Fund. They recommended the City administration identify specific plans and options for addressing this operational shortfall for the Budget Committee as part of the 2020-2021 Fiscal Year Budget, and develop a plan to meet necessary reinvestment in facilities and parks to keep them serviceable for various public services.

The third Finance Work Group included members of the City Council, the Budget Committee members, members of the Audit Committee, as well as two representatives from the Vision 2040 Advisory Committee. The work group held its first meeting in October, December, and January. The Committee reviewed the recommendations from the second Finance Work Group and discussed various options of how to create a sustainable financial plan that addresses both services needs and reinvestment needs into facilities and other costs necessary or desirable for the operation of the City of Newport. A report was forwarded to the City Council for Council's consideration on March 1, 2021. The work group asked City administration to develop a working draft of the steps that could be taken to create a financially sustainable plan for moving forward with the City of Newport in addressing the General Fund structural deficit issues. [Note: this will be modified as the process unfolds]

FISCAL YEAR 2020-2021

On March 13, 2020, City of Newport declared a local emergency to deal with the various impacts that the COVID-19 pandemic would have on the City. COVID-19 fundamentally changed the budgeting process for the fiscal year beginning July 1, 2020.

Based on the many unknowns relating to the impact of the pandemic, the 2020-2021 budget reflects significant decreases in revenues and reductions in expenditures, well beyond the \$1 million recommended in the work group report to keep the City's operating budgets balanced. In the General Fund, expenditures were reduced by \$2.2 million dollars in the adopted budget as compared to the previous budget. Revenue collections were anticipated to be directly impacted by any resurgence of COVID-19. Consumer confidence was expected to affect travel, impacting transient room tax collection and disposable income, this could impact residents' ability to pay utility bills and property taxes. The federal CARES Act specifically prohibited the use of federal funds to replace lost state and local revenues.

Significant reductions in expenditures for the 2020-2021 Fiscal Year included reductions in personnel of 22 full-time equivalents (FTEs), required furloughs for all full-time unrepresented employees of ten work days, and froze cost-of-living adjustments. The budget also reduced expenditures, including purchases, travel, and training, as well as support for other organizations. Some funding committed previously by the City Council was also eliminated or postponed, including the third round of funding for the PAC

expansion and support for several projects, including beautification, public art, and other quality-of-life improvements. Capital outlay and equipment purchases have been minimized from the General Fund. These steps were designed to keep the General Fund balance stable as the City faced a very uncertain fiscal year.

Based on information for the first six months of the fiscal year, transient room tax revenues are coming in at a higher than anticipated rate since the beginning of the fiscal year. The current budget projected a 30% reduction in occupancy and a 30% reduction in rates, resulting in room tax revenue by 50% of a normal year. While we took substantial hits toward the tail end of the 2019-2020 Fiscal Year, the first six months of the 2020-2021 Fiscal Year have been running at about 94% of the previous year's room tax for the same period. This is providing significant additional revenue over what was projected in the budget approved in June of this year. We are currently receiving property tax collections from Lincoln County. Collections are running slightly ahead of last year through December of 2020. We anticipated reductions in franchise fees, as well. We may not know what the impacts of COVID-19 will have on franchise fees until the end of the fiscal year. There were also restrictions in state shared revenues, gas tax, and other funds that were anticipated to be impacted by COVID-19. In addition, the federal CARES Act has provided funding to offset expenses incurred as a direct result of COVID-19, and has allowed for the City to recoup time spent by City staff on responses to COVID-19 issues. The funds received for reimbursement of budgeted City staff time are being reserved in the Emergency Coordinator budget for additional responses that might be necessary through the course of this fiscal year to address COVID-19 issues.

After review of financial reports for the current fiscal year on February 1, 2021, the City Council recognized additional projected revenues of \$100,000 in property tax revenue and \$540,000 in room tax revenue in the General Fund. In addition, \$460,000 was recognized in additional projected revenues in the Room Tax Fund. With a stronger financial position, the City Council also restored a cost-of-living adjustment for non-represented employees to assure both internal equity with represented groups, and to maintain comparable and competing compensation with other similar jurisdictions as outlined in the salary study conducted previously by the City. In addition, the City will be in a financial position to move forward with the development of a business plan for the Parks and Recreation Department, and a facility study identifying specific needs to city buildings and parks. These are areas of specific concerns with the budget for the current fiscal year.

With the closure of recreational facilities, revenues are coming in at a fraction of last year's amount in the Recreation Fund. However, with the layoff of part-time positions during the closure, the net financial position of this Recreation Fund is less than \$100,000 behind last year during this same period. The General Fund is providing the entire subsidy to the Recreation Fund, Facilities Fund, and Airport Fund due to the reduction of anticipated revenue, at the time the budget was developed, from the transient room taxes included in the budget. Those taxes typically provides significant support to these funds. Also, the General Fund has supported significant expenditures for various COVID-19 related expenses to facilitate reopening of facilities. The losses in the General and Recreation Funds are more than offset by the stronger position of the Room Tax Fund over the first six months of the last two fiscal years. Overall, the combination of the General Fund, and funds supported by the General Fund, and Room Tax Fund are running \$413,232 ahead

of last year over the first six months of the year in net funding. Attachment 3 provides a summary of information on revenue and expenditures.

In developing a 5-year financial sustainable plan, it is important to focus on the long-term trends and not be overly consumed with how this most unusual financial year has impacted the City. The City’s General Fund will likely finish in a significantly stronger position than what was projected when the budget was adopted by the City Council in June, 2020.

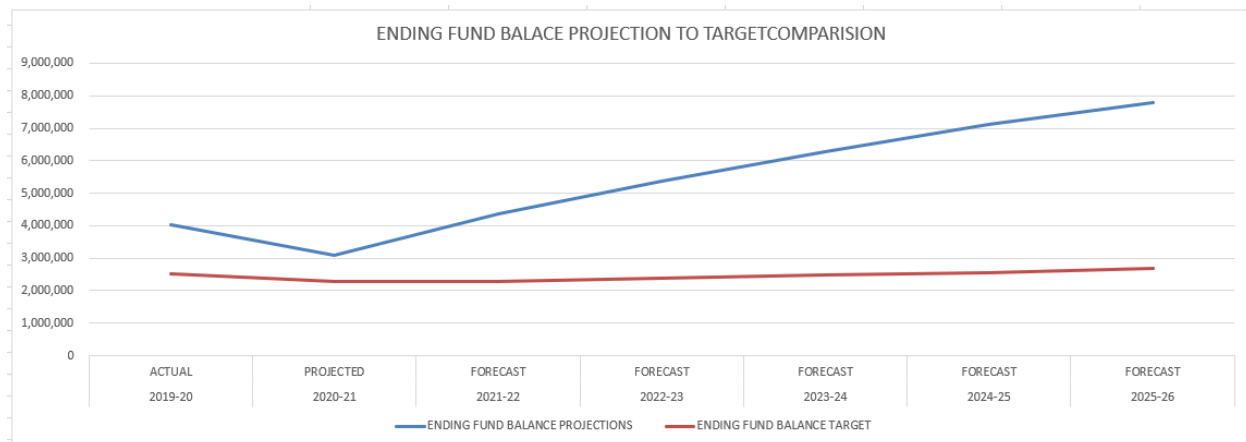
CURRENT PROJECTIONS

Due to the COVID-19 emergency, the City Council adopted a budget that cuts personnel costs by eliminating 22 FTEs from the City, and provides minimal funds for the replacement of equipment, facilities, and parks that are funded either directly or indirectly by the General Fund.

While this is not a sustainable operating scenario for the City, from a purely financial standpoint it would completely eliminate any structural deficit.

General Fund Projections - Scenario 1

Continuation of 2020-2021 Expenditure Levels with Current Revenue Structure



It should be noted that this financial scenario does not allow sufficient funds for the necessary replacement of things such as police cars, fire trucks, HVAC systems, roofs, and windows; painting, and playground equipment, much less providing funds to expand recreational trails, facilitate new soccer fields, and fill neighborhoods with sidewalks or other capital needs funded either directly or indirectly by the General Fund. Furthermore, while the City has been able to get by with reduced staffing during this COVID-19 year, a number of efforts are falling behind that will create longer-term implications for the City. The current year budget is not sustainable both from an operations and staffing standpoint, as well as from a capital standpoint of reinvesting in facilities that serve the citizens and visitors to the City of Newport. See Attachment 4 for details.

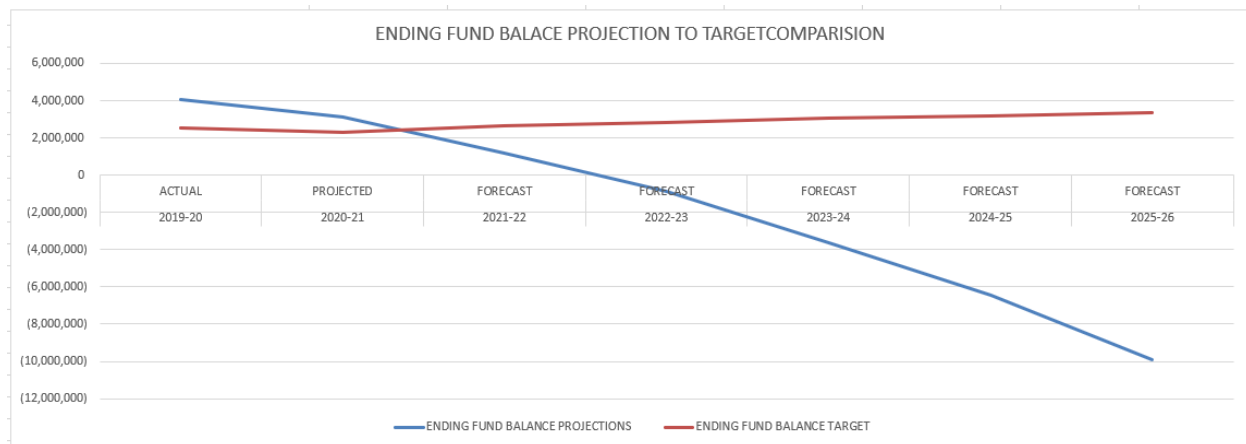
Department Heads were asked to compile a list of needs for personnel, equipment, and capital outlay over the five-year financial planning window. Please note that this was a planning exercise to identify the general scope of investment that the Department Heads

believe need to be made to adequately service citizens of the City through this period. Individual projects, purchasing and staffing were identified by each department for consideration during this period. This information should be used as a general guideline and should not be construed as a specific financial plan for the next five years. The intent of this exercise, was to identify the scope of expenditures that the City should be considering over the next five-year period.

The impact of funding the identified needs would result in an ending fund balance deficit of \$10 million dollars by the 2025-2026 Fiscal Year, as illustrated in the chart below.

General Fund Projections - Scenario 2

Department Needs Included within Current Revenue Structure



For more details besides the above chart, see Attachment 5.

The Finance Work Group reviewed a number of scenarios that would address service and capital needs over the next five years for the City of Newport.

OPTIONS TO ACHIEVE A 5-YEAR FINANCIAL SUSTAINABILITY PLAN

The baseline being used to evaluate options to achieve financial sustainability is the 2020-2021 Fiscal Year Budget. In developing this plan, there are a number working assumptions that were used in evaluating options going forward. The first assumption is that the City can't simply go back to where we were prior to 2020 with the expenditures growing at a faster rate than the revenues. Secondly, the financial sustainability plan needs to balance the level of services needed to effectively operate the City with the available revenues to fund those operations. The work group reviewed several scenarios as recommended by the City Manager and prepared by the Finance Department.

Expenditures:

The 2020-2021 budget, which reflected a reduction of 22 full-time equivalent positions from the previous year's budget and minimal funding for replacement of equipment, repairs, and improvements to buildings, parks, and other facilities, serves as the baseline for developing a 5-year financial sustainable plan for the General Fund. The baseline

projections assume revenues from room tax and other variable fees return to pre-COVID-19 levels after the current fiscal year, and expenses grow based on the 2020-2021 Fiscal Year Budget. Under this projection, as illustrated above in Scenario 1, the City would experience a surplus in revenue averaging just under \$1 million dollars per year over the next five years. This budget would not sustain City operations during this period without having significant impacts on the City's ability to provide the services for the city, maintain facilities, and have funds for improving parks and addressing other identified needs in the community.

The financial sustainability plan adopted by the City Council on January 6, 2020, identified several recommendations to address expenditures and revenues to provide financial sustainability for the City's general operations. The plan recommended closing a projected financial gap of \$1 million dollars per year in the General Fund through a reduction of expenditures, increase in revenues, or a combination of both. This was clearly accomplished in the COVID-19 budget adopted by Council in June of this year.

At the time the financial plan was adopted, there was also a recommendation to conduct a comprehensive facilities overview during the 2020-2021 Fiscal Year. Due to COVID-19 financial concerns, this was not budgeted at that time.

In order to have a basis for projecting future needed investments in staffing, equipment, and capital outlay, funded directly or non-directly by the General Fund, department heads were asked to provide estimates of capital outlay projects for the next five-year period. Please note that this information collected was based on existing knowledge of needs for existing facilities. These requests generally did not contemplate any new projects such as park improvements, trails, and other items that have been identified in the Parks Master Plan documents. The requests generally focused on internal needs for existing facilities. As a result of this informal analysis, the 5-year annual capital outlay requests that would need to be supported by the General Fund averaged approximately \$600,000 a year.

The same request was made for department heads to estimate needs from an equipment standpoint over the next 5-year period. The annual support for new equipment amounts to about \$900,000 a year. Finally, City staff was asked what additional staffing would need to be restored or added to meet the desired level of service for their departments. Requests for staffing over the 2020-2021 Fiscal Year levels over a 5-year period, range from the first-year request amounting to new personnel costs of just over \$700,000, and ramping up by 2025-2026 to an added cost of \$2.6 million dollars to meet the desired levels of service within the City. It should be noted that this exercise is preliminary and will be refined as part of the future budgeting processes.

A list of staffing recommendations has been compiled as a basis to consider what staffing levels could be reinstated based on various revenue scenarios. This can be found in Attachment 5.

Revenues:

The sustainability report adopted by the City Council in January 2020 identified several potential revenues that could be considered, in conjunction with expenditure reductions,

to address the desired level of service for the citizens and visitors of Newport. The Finance Work Group explored several potential revenue options. These include the following:

- **Room Tax Increase**

The City currently applies a room tax rate of 9.5% on transient rooms for hotels, motels, vacation rentals, and campgrounds. The plan identified the possibility of increasing this tax from 9.5% to 12%. Based on our last normal year for collection of room taxes, Finance Director Mike Murzynsky has done an evaluation of the revenues that would be collected under this scenario. The increase of the room tax can be done by resolution of the City Council. While 54% of the taxes collected support the General Fund, 46% of the taxes are designated for tourism promotion or tourism-related facilities. Please note that any additional taxes implemented after July 1, 2003, must be allocated with 70% for tourism promotion or tourism facilities, and 30% unrestricted.

An annual increased amount of \$1,052,000 was used in 2021-2022 for a 12% tax.

Room Tax: 12% versus 9% Current Rate

Fiscal Year	Total Collections	Additional 2.5%	Split (HB 2267 - 70% to Eco Devo and 30% Unrestricted)	
			70%	30%
2012/13	2,426,102	727,831	509,482	218,349
2013/14	2,750,354	825,106	577,574	247,532
2014/15	3,172,658	951,797	666,258	285,539
2015/16	3,538,528	1,061,558	743,091	318,467
2016/17	3,741,661	1,122,498	785,749	336,749
2017/18	4,257,738	1,277,321	894,125	383,196
2018/19	4,383,083	1,314,925	920,447	394,478
2019/20	3,614,209	1,084,263	758,984	325,279
2020/21	1,528,086	458,426	320,898	137,528

In addition, the work group reviewed the option of increasing the transient room tax to 11%. This tax would an estimated \$650,000 in revenue for the City.

Room Tax: 11% versus 9.5% Current Rate

Fiscal Year	Total Collections	Additional 1.5%	Split (HB 2267 - 70% to Eco Devo and 30% Unrestricted)	
			70%	30%
2012/13	2,426,102	436698	305,689	131,009
2013/14	2,750,354	495064	346,545	148,519
2014/15	3,172,658	571078	399,755	171,323
2015/16	3,538,528	636935	445,855	191,081
2016/17	3,741,661	673499	471,449	202,050
2017/18	4,257,738	766393	536,475	229,918
2018/19	4,383,083	788955	552,269	236,687
2019/20	3,614,209	650558	455,391	195,167
2020/21	1,528,086	275055	192,539	82,517

It should be noted that room tax rates are utilized by Cities and Counties across Oregon. ECO Northwest compiled 2018 room tax information as part of their local transient lodging tax expenditure and administration report. The room tax rates on the coast are higher than in the rest of the state. Those responding to the survey on the coast range from 1% for the City of Tillamook to 12% in Warrington. Astoria is 11%, Clatsop unincorporated is 10.5%, Lincoln County Rockaway Beach, Seaside, Tillamook incorporated are at 10%, Newport is at 9.5%, as reported for 2018. See Attachment 6 for room tax rates as compiled by ECO Northwest.

Annually, the Council includes in the adopted budget the allocation of facility expenses that are eligible to be funded by the portion of the taxes that are designated for tourism promotion or tourism-related facilities. The current percentage of facilities that tourism related are provided below. The City has never been in a position to fully fund the tourism-related portion of facilities with room taxes collected on an annual basis. Based on the 2019-2020 Fiscal Year expenditures for facilities, the City could potentially fund \$1.2 million dollars of our facility costs out of the portion of the room tax that is designated for tourism promotion and tourism facilities.

ROOM TAX TOURISM RELATED FACILITIES	
Library	2.5%
Parks Maintenance	50.0%
Public Restroom Facilities	90.0%
Piers & Boardwalks	90.0%
Performing Arts Center	40.0%
Visual Arts Center	55.0%
Street Lights	30.0%
Facilities Administration	38.0%
Recreational Fund	18.0%
Airport	10.0%

Changes to the allocation rates for the transient room tax are adopted by the Council by ordinance.

- **Explore Increasing the Gas Tax**

The City currently imposes a gas tax of 1 cent per gallon of gas sold for seven months of the year, and three cents for five months of the year. This tax is paid by wholesalers of gasoline sold by stations in the City of Newport. While the gas tax does not directly impact the City’s General Fund, it provides revenues for road improvements throughout the City. A 2019 report from NCE evaluated the condition of the primary and secondary street system for the City of Newport. As a result, this analysis determined that an investment of \$2 million dollars a year is necessary in order to keep the street system in fair-to-good condition. Increasing the gas tax would require a public vote. Finance Director Mike Murzynsky has compiled the estimate of the revenues that would be generated by increasing the gas tax to three cents per gallon. The State of Oregon’s gas taxes have been imposed by local governments range from 1 cent to five cents per gallon.

Gas Tax Estimated at 3 cents/per Gallon

Gas Tax: Estimated Volumes			
FY 2019	Net Revenue Collections	Estimated Volume	Estimated Revenue Collected
Jan	6,776.00	677,600	20,328
Feb	6,807.00	680,700	20,421
March	6,720.00	672,000	20,160
April	7,698.00	769,800	23,094
May	7,976.00	797,600	23,928
June	9,228.00	922,800	27,684
July	22,956.00	765,200	22,956
August	28,936.00	964,533	28,936
September	30,721.00	1,024,033	30,721
October	24,841.00	828,033	24,841
November	23,677.00	789,233	23,677
December	7,050.00	705,000	21,150
	<u>183,386.00</u>		<u>287,896</u>

The Finance Work Group has also requested information on the revenues that a 5-cent increase in tax would generate. A 5-cent gas tax would generate approximately \$392,000 per year based on this information.

- **Prepared-Food Tax**

The City of Yachats and Ashland both imposed a 5% tax on prepared-food to fund various City services. Collection of a prepared-food tax is estimated to generate the following amount of revenue for the City of Newport. While the City’s home rule provisions and state law do not require that this matter be referred to the voters, both Yachats and Ashland implemented this through a vote of the citizens.

For purposes of this analysis, \$2 million dollars is estimated to be initially raised in the first year of collections (2022-2023 Fiscal Year). Likewise, a tax of 2.5% would generate about \$1 million dollars.

Food Tax:			
Potential Food and Beverage Tax Revenues			
Tax Rate of 5%			
	Volume	Est TB Collected	
2022***	46,314,587	2,315,729	
2021***	43,693,006	2,184,650	
2020***	42,420,394	2,121,020	
2019**	49,326,040	2,466,302	
2018**	46,534,000	2,326,700	
2017	43,900,000		
2016	42,500,000		
2015	40,500,000		
2014	37,100,000		
2013	32,900,000		
* Volume Purchase data from Newport Chamber of Commerce			
** Data is estimate, not available. Average increase estimate is 6%			
** - Data is estimated. Data decreased 20% for 2020, Increased to 3% in and increase of 6% beginning 2022 FY.			

- **Consider a Five-Year Tax Levy for Major Rehabilitation to City Facilities**

The City would fund a portion of its capital outlay through imposition of a tax levy over a five-year period. As an example, and for scalability, a five-year tax levy for funding major rehabilitation to City facilities of \$0.7800 per \$1,000 assessed value would generate approximately \$500,000 per year. If this option were selected, a specific list of projects would be identified, and the financial need for those projects would determine the amount that would be necessary to finance on a pay-as-you-go basis for some significant improvements needed to City facilities to maintain functionality into the future. A tax levy would have to be approved by a vote of the citizens of Newport.

- **Public Safety Fee**

Many cities have utilized public safety fees to cover the costs for Police, Fire and emergency services. The City currently utilizes an infrastructure fee on the utility bills with the fees being based on meter size. Again, for scalability purposes, a monthly rate of \$2.43 on a three-quarter-inch meter, based on our current infrastructure, the rate schedule for larger meters would generate \$247,722 a year. Increasing or decreasing these rates would impact the actual revenues that could be collected from a public safety fee. The fee could be implemented by ordinance of the City Council.

Additional Fees - UB Bills (Active Accounts)
As of November 24, 2020

	2020-21 FY	Count	2020-21 FY Projected
3/4"	\$2.43	4268	\$124,455.00
1"	\$4.85	637	\$37,073.00
1 1/2"	\$9.71	134	\$15,614.00
2"	\$16.92	163	\$33,096.00
3"	\$43.44	36	\$18,766.00
4"	\$67.55	14	\$11,348.00
5" and larger	\$154.44	4	\$7,413.00
		5256	\$247,765.00

FINANCE PLAN CONCEPTS

While there are opportunities to continue looking at ways to reduce operating expenditures and improve collection of existing fees, these steps will not materially impact the current structural deficit that exists within the General Fund. The current funding scenario does not provide sufficient revenues to maintain aging facilities that, in many cases, were built with Urban Renewal funding. That funding is no longer available for the needed updates to facilities such as roofs, windows, HVAC systems, playgrounds, parks, and other City infrastructure. The facilities are highly valued by our residents and visitors.

In order to reinvest in infrastructure to address these issues either operations need to be further reduced, added revenues need to be implemented, or some combination of both need to be introduced. Based on the City's operations with a reduction of 22 FTEs, there are not many options to try to continue providing the level of services that the City currently provides without restoration of some of these positions, a necessary move if we are to address a number of these goals and desires outlined by the City Council and citizens.

Based on outreach for projects such as the Greater Newport Vision 2040 and the Parks System Master Plan, the quality of life offered by the City of Newport is highly valued by the residents located in this community. Closure of facilities is not a desired method of addressing the financial shortfalls. The community wants continuing improvements and enhancements to facilities, including trails, sidewalk connections, park improvements, maintenance of facilities like the Performing Arts Center, Visual Arts Center, Library, Recreation Center, Airport, and other facilities. Many of these facilities are used extensively by visitors to our community. Likewise, these services and facilities are not likely to be self-supporting without direct financial support from the City.

In reviewing revenue options, it is important to consider the added burden on Newport's 10,000 citizens and business community to serve an extended community of about 25,000 people on any given day. As a result, it is appropriate for the City to determine an equitable way in which visitors to the community can contribute to the maintenance and operations of the facilities and City functions that are critical to both local residents and our visitors.

In reviewing various scenarios to create a financial plan that sustains the City over the next five-year period, the work group came to a majority consensus on the following concepts:

1. The 2020-2021 budget will be used as the baseline for purposes of developing a 5-year financial plan. It is important to recognize that the baseline includes a reduction of 22 full-time equivalent positions, furloughs for non-represented employees, minimal funding for replacement of equipment, repairs, and improvements to buildings, parks, and facilities. That basis for building a 5-year budget plan for the City of Newport is not a sustainable model.
2. The City needs to continue reviewing its general expenditures, purchases, and other costs with an eye toward reducing waste, duplication of services and other expenditures.
3. The City needs to increase its focus and effectiveness for collection of fees, including implementation of inflation increases for leases and other agreements, and address delinquent collection of revenues in a timely fashion.
4. The City needs to reinvest in current facilities, parks and other city infrastructure supported by the General Fund to keep the City's facilities and infrastructure intact and be able to serve the community of Newport many years into the future.
5. The City needs to reinvest regularly in equipment, technology, and vehicles on an annual basis to meet service needs.
6. It is appropriate to look at staffing needs on a department-by-department basis to determine staffing required to meet specific operational needs. Decisions need to be made regarding staffing levels within the parameters of the City's financial sustainability plan over time. That being said, restoring every eliminated position is not in the City's best interest going forward.
7. The 5-year financial plan needs to balance staffing needs with infrastructure needs and equipment and supplies in order to meet the long-term needs for the citizens of Newport.
8. The work group bases the financial plan on previous findings of the services that community members value which are currently being provided by the City. Closure or sale of major facilities is not in the City's best interest at this time.
9. Additional revenue sources are needed to meet the service level and continued operations. Facilities are something expected by the citizens of Newport.
10. Any new funds should recognize that Newport's year round population of 10,000 supports a daily population of over 25,000 people between visitors, individuals who work in the city and live outside the city, and seasonal residents. The financial burden of City operations should be borne equitably between the residents of the City of Newport and the extensive visitor population that utilizes many City services. To that end, the City should explore additional revenue sources that

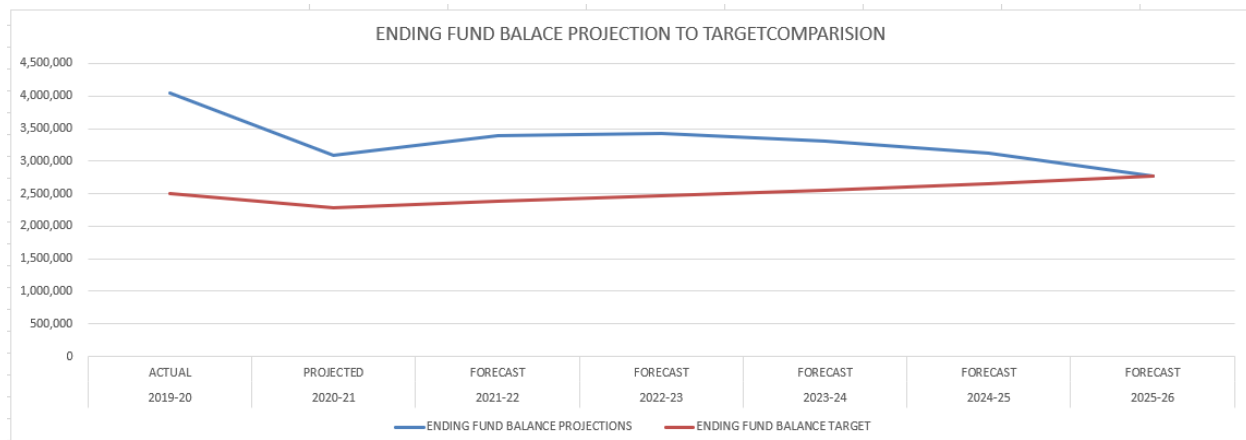
share the burden of supporting City services between visitors and residents, such as the room tax, gas tax, and exploring a possible prepared-food tax to support infrastructure utilized by residents and visitors alike.

General Fund Projections - Scenario 3

New Expenditures Supported by Current Rate Structure

The work group identified a number of scenarios to address the agreed upon financial concepts with the 5-year financial plan. The first scenario would consider restoring a few staffing positions from pre-COVID-19 levels and incorporating additional minor increases in funding for equipment and facility purchases. This scenario limits staffing for public safety, library, parks and recreation and other entities. It significantly underfunds the identified needs for equipment and reinvestment in city-owned facilities, parks, trails, sidewalks and other activities supported by the General Fund. It does address the goal of keeping the City in a sustainable, financial condition through the end of the 5-year period. A concern with this scenario is that underfunded capital needs for facilities will increase the future cost to repair or replace structures damaged by neglect of not having funding for basic building preservation such as roofs, windows, HVAC systems, and other needs. The unmet needs regarding equipment would continue to increase, potentially creating a significant need for replacement of equipment at the end of the five-year period covered by this report. This option would add 5 FTEs, provide an annual equipment replacement budget of \$203,800, and would provide, in the future, \$354,000 a year in funds for capital outlay projects from the General Fund.

Please note that the estimated needs for an annual equipment and technologies investment is \$855,000 per year, in addition, the estimated reinvestment for capital outlay in various city facilities has been identified at \$750,000 per year, and an additional \$750,000 per year is needed to advance improvements identified in the Parks System Master Plan. There is also \$160,000 a year needed for local matches for FAA funded airport improvements. A total investment of \$1.66 million is necessary on an annual basis to meet these needs. If all facilities remain open, this option will provide \$204,000 a year for equipment purchase, and \$395,000 a year for capital outlay. This financial support falls well below the identified needs for both equipment and capital outlay supported by the General Fund over a five-year financial plan period. This solution does not fix or address the reinvestment in facilities unless the City considers closing or selling a number of facilities in the near future. For added details see Attachment 7.

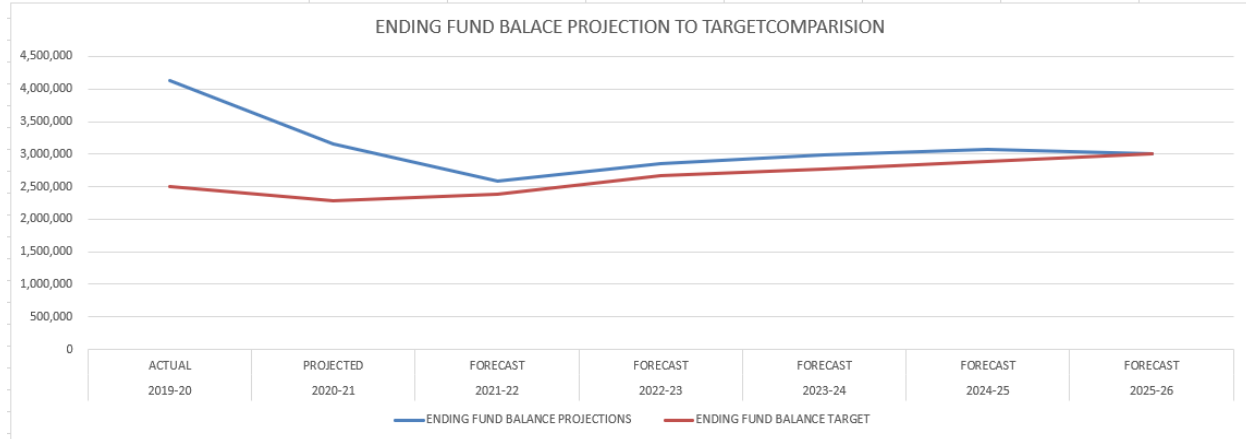


General Fund Projections - Scenario 4

New Expenditures Supported by an Increase in Room Tax Rates to 12% and Implementation of 5% Prepared-Food Tax

The work group evaluated a number of methods to provide funding to meet capital, equipment, and restoring some of the positions that were eliminated as part of the 2020-2021 Fiscal Year Budget. The scenario provided in the next illustration is based on containing operational costs, adding back critical positions with added funding from various sources, and having sufficient resources to meet critical needs regarding upkeep and improvements to existing public facilities, parks, sidewalks and other infrastructure. In this scenario, \$600,000 is available for equipment replacement and purchases each year, contributions could be made into the equipment replacement reserves that have been established in several departments, and \$1,050,000 would be available annually for reinvestment into facilities, parks, sidewalks, and other General Fund obligations.

This scenario includes implementation of a transient room tax increase to 12% effective July 1, 2021, and implementation of a 5% food tax effective July 1, 2022. Based on the scenarios outlined above, the City would be able to restore positions to the Police Department, add three positions to the Fire Department, allowing four people to be on shift instead of the current level of three firefighters per shift. This scenario would also allow for restoration of a number of other positions, including Parks Maintenance positions, which are sorely needed. For added details, see Attachment 8.



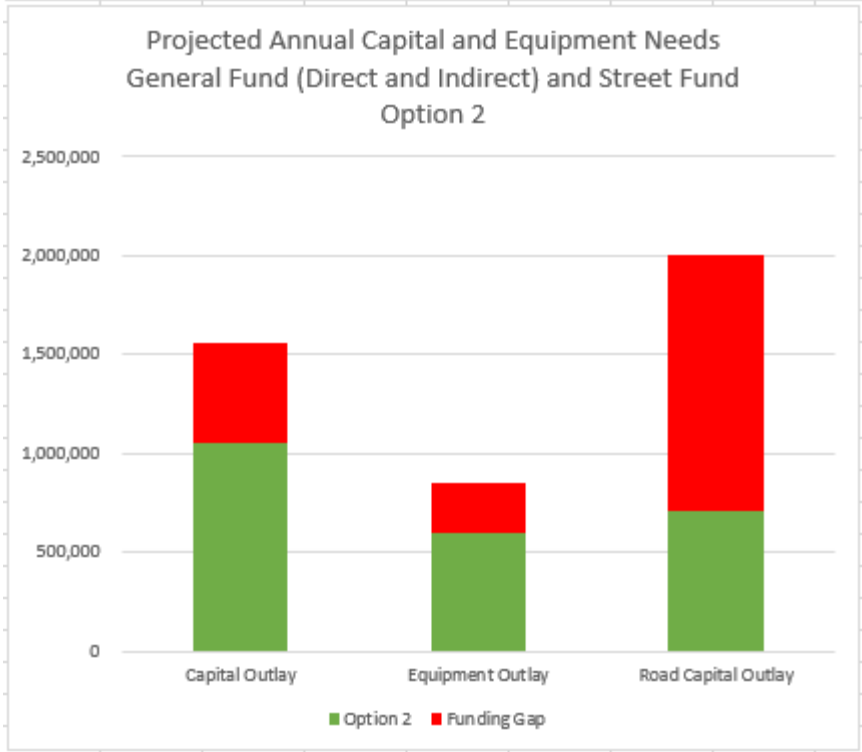
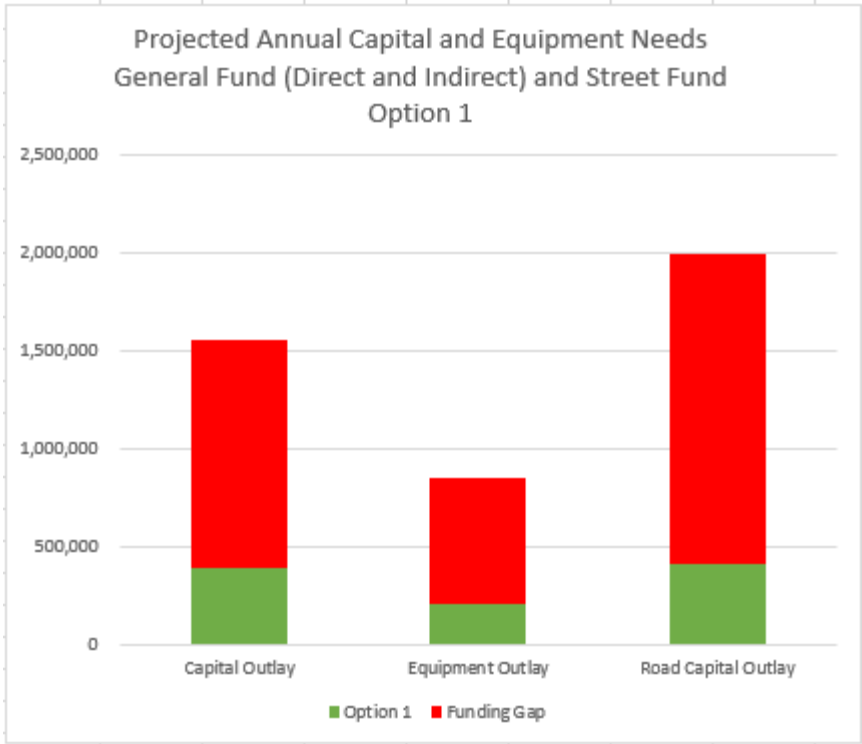
Finally, the Finance Work Group reviewed alternatives, including raising the room tax to 11%, looking at a 2.5% food tax, as well as other similar recommendations. These options would significantly reduce the available funding for capital outlay, staffing, and other priorities.

Please note that in addition to the increase in the transient room tax and the implementation of a prepared-food tax, the Finance Work Group is recommending that the City Council request that the voters approve an increase to gas tax of five cents. This will address street resurfacing and reconstruction needs. A five-cent gas tax would collect approximately \$392,000 per year that would be dedicated to street resurfacing and reconstruction. In addition, the City currently receives \$233,000 a year in state entitlement

funds which are utilized for street resurfacing projects. The targeted investment of \$2 million dollars has been identified to keep the City's street system improvements each year, it would move us in a direction to be able to better keep up with the capital needs for the City's streets.

The work group considered, but did not recommend, that the City pursue additional funding through a five-year tax levy to fund major rehabilitation to city facilities, added fees on the utility bills to pay for public safety, or other specific designated expenses, since these taxes would place the burden solely on the property owners/residents of the city, and not share this burden with the visitors that use City services throughout the year.

The next two charts illustrate financial needs for capital outlay, equipment, and street funds, and illustrate how the two options outlined above meet these needs.



Projected Annual Capital and Equipment Needs
 General Fund (Direct and Indirect) and Street Fund - Option 1

	Option 1	Funding Gap	Total Request
Capital Outlay	393,984	1,166,016	1,560,000
Equipment Outlay	203,800	651,200	855,000
Road Capital Outlay	416,000	1,584,000	2,000,000

Projected Annual Capital and Equipment Needs
 General Fund (Direct and Indirect) and Street Fund - Option 2

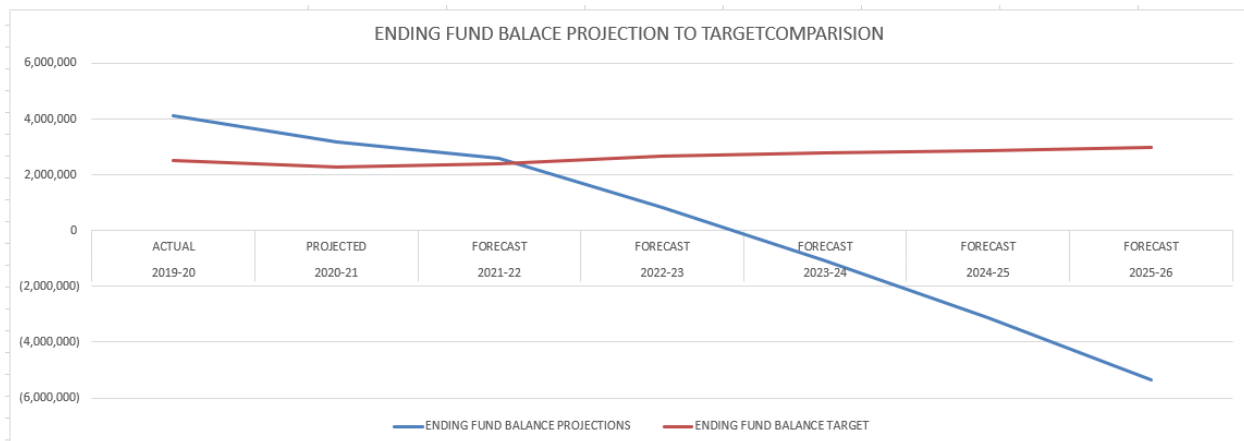
	Option 2	Funding Gap	Total Request
Capital Outlay	1,050,000	510,000	1,560,000
Equipment Outlay	600,000	255,000	855,000
Road Capital Outlay	713,000	1,287,000	2,000,000

While the two options do not fully meet the capital and equipment needs identified in this report, the second option provides funding to address deferred maintenance on many facilities and provides funding in advance issues found in the Parks Maintenance Plan and Airport Master Plan. There are also opportunities to utilize grant funds to close the remaining gap by having the local match available for certain recreation and road projects in the future. The current revenue structure falls well short of providing sufficient funding to maintain the facilities and operations that the City currently owns.

General Fund Projections - Scenario 5

City Manager Draft Requests, 2% Retro COLA, 2.5% Room Tax Increase, and No Food Tax Revenue

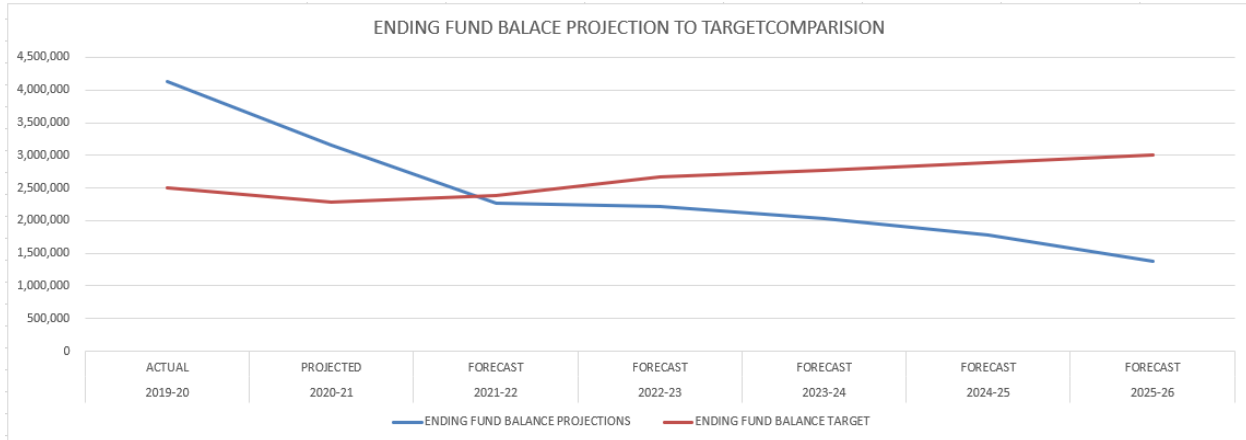
The Finance Work Group also reviewed a number of options relating to revenue strategies to meet these needs. If the Council implemented the increase in the room tax rate and not the food tax, the following scenario would occur in the General Fund. For details, see Attachment 10.



General Fund Projections - Scenario 6

City Manager Draft Requests, 2% Retro COLA, No Room Tax Increase,
and 5% Food Tax Revenue

Another alternative shows the impact of implementing a 5% food tax, and not the increase in room tax. The impact to both the General Fund and the Room Tax Fund is illustrated below. For details, see Attachment 11.



The combination of a room tax increase in 2021, and implementation of a tax on prepared foods in 2022, is necessary to generate revenue to meet operational and capital needs as outlined in this report. (see Attachment 10 and 11 for the detailed impacts of these two options).

STAFFING OPTIONS

Scenario 3: No New Revenues

Staff Additions:

Police Detective	1 FTE
Emergency Coordinator	1 FTE
Library Specialist	.50 FTE
Community Development (shift for other funds to General Fund)	.25 FTE
Parks Maintenance (three PT positions)	1.50 FTE
Audio Visual	.50 FTE
Permit Technician	.25 FTE

Availability for Equipment	\$203,800/year
Available for Capital Outlay	\$354,000/year

Scenario 4: Transient Room Tax and Prepared-Food Tax

**Implementation of 2.5% Increase in Transient Room Tax on July 1, 2021,
and 5% Prepared-Food Tax on July 1, 2022**

Staff Additions Effective July 1, 2021

Parks Maintenance (2 PT to 2 FT)	2 FTE
Finance Specialist	.75 FTE
Consolidate Asst. City Manager/City Recorder	1 FTE

Availability for Equipment \$600,000/year
 Available for Capital Outlay \$354,000/year

Staff Additions Effective July 1, 2022

In addition to the positions outlined in the July 1, 2021 increases, the following positions could be funded:

Sworn Officer position	3 FTE
Parking Enforcement	1 FTE
Firefighter position	3 FTE
Library	1.5 FTE

The addition of this funding would sustain an investment of \$600,000 per year in equipment and \$1,050,000 per year for capital outlay.

FTE Projections 4

2019-2020	2020-2021	2021-2022	2022-2023
114.09	93.79	99.04	107.54

RECOMMENDATIONS

The Finance Work Group identified a number of specific and general recommendations for the Council and City administration to consider in the development of a 5-year financial sustainability plan for the City of Newport. While some of these recommendations are conceptual, others are much more specific. The status of the recommendations will be reviewed with the Budget Committee at the preliminary meeting in March with a follow-up review at the beginning of the budget review process in April.

1.0 Financial Sustainability Planning

- 1.1 Review the 5-year financial sustainability plan annually as part of the preliminary Budget Committee meeting. Include any revisions to projections and report on the status of recommendations included in this plan.
- 1.2 Review the staffing plan annually to report any changes to the plan each budget year to the Budget Committee.
- 1.3 Review justification for the addition of any positions to meet service needs. Include opportunities to reorganize or realign responsibilities to best meet future needs.
- 1.4 Conduct a City-wide facilities evaluation with funding added to the current year budget to refine necessary reinvestment in City facilities, parks, and other infrastructure supported by the General Fund.
- 1.5 Conduct an annual review of the assumptions used in the financial model, and provide annual updates to the models used for projecting City revenues and expenditures.
- 1.6 Balance staffing, capital reinvestment in facilities and parks, and purchase of needed equipment throughout the 5-year planning period.
- 1.7 Conduct a survey of citizens as it relates to the value of various services and facilities.

2.0 General Expenditures

- 2.1 Complete and implement a new purchasing policy for the City including the use of purchase orders to help control City costs beginning with the July 1, 2021 Fiscal Year.
- 2.2 Examine opportunities to consolidate purchases that are currently done on a department-by-department basis to reduce overall costs for those purchases. The City administration needs to be mindful that any new processes to centralize these activities will include time and expenses in themselves. It will be important to determine the cost benefit of those specific actions. A report should be provided to the City Council by December 31, 2021 on these efforts.
- 2.3 Participate in a study with Depoe Bay Fire District and the Newport Rural Fire Protection District to determine if cost savings could be achieved and/or service delivery could be strengthened by a consolidation or cooperative management agreement.
- 2.4 Determine if adequate funding is being provided to the City to support contractual or other services provided by the City to non-residents in special districts. Provide a report to the City Council by June 30, 2022.

- 2.5 Should revenue be collected at a higher level than expected, reconsider participation in the PERS liability buydown program, if state funds are still available as a match.
- 2.6 Allocate capital funding for engineering costs by project to facilitate design and supervision of additional projects that could be completed with additional funding.

3.0 Current City Revenues

- 3.1 Implement procedures to improve the collection of miscellaneous fees, fines, and other revenues that help support various City services. A report will be provided to the City Council by November 30, 2021, on results.
- 3.2 Implement a centralized process of monitoring leases, and provisions within those leases, expiration of leases, and other activities that needs to be done on a consolidated basis. This will be completed by December 31, 2021.
- 3.3 Develop a routine practice to regularly place liens on properties for unpaid property-related bills. This is to be implemented by December 31, 2021.
- 3.4 Evaluate new collection procedures with the goal of reducing uncollectable accounts, with an evaluation of the costs and benefit of the procedure.

4.0 New Revenue Sources

- 4.1 Conduct a thorough community vetting, by the City Council, of any new revenue sources considered in this plan prior to implementation.
- 4.2 Increase the transient room tax by ordinance from 9.5% to 12% and identify how these funds will be specifically used to address the structural deficit currently existing with the City of Newport.
- 4.3 Place before the voters at the November election an increase in the gas tax to five cents a gallon year round to fund a more robust road resurfacing program, and potentially assume responsibilities for right-of-way tree removal and brush maintenance from individual property owners.
- 4.4 Place before the voters a proposal to assess a 5% tax on prepared foods which would be implemented beginning July 1, 2022. Develop a clear plan as to how these funds will be utilized as part of this initiative

Attachments

- Attachment 1: Urban Renewal Projections
- Attachment 2: Building Values
- Attachment 3: 2019/2020 Revenues/Expenses
- Attachment 4-1A: Scenario 1: General Fund Baseline - No Department Requests and No Additional Revenue
- Attachment 4-1B: Scenario 1: Room Tax Fund Baseline - No Department Requests and No Additional Revenue
- Attachment 5-2A: Scenario 2: General Fund All Department Requests, No Additional Revenue, 2% Retro COLA
- Attachment 5-2B: Scenario 2: Room Tax Fund All Department Requests, No Additional Revenue, 2% Retro COLA
- Attachment 5-2C: Scenario 2: All Department Requests
- Attachment 6: Transient Room Tax
- Attachment 7-3A: Scenario 3: General Fund City Manager Draft Requests, No Additional Revenue, 2% Retro COLA
- Attachment 7-3B: Scenario 3: Room Tax Fund City Manager Draft Requests, No Additional Revenue ,2% Retro COLA
- Attachment 7-3C: Scenario 3: City Manager Draft Requests
- Attachment 8-4A: Scenario 4: General Fund City Manager Draft Requests, 2% Retro COLA, 2.5% Room Tax Increase and 5% Food Tax Revenue
- Attachment 8-4B: Scenario 4: Room Tax Fund City Manager Draft Requests, 2%Retro COLA,2.5% Room Tax Increase and 5% Food Tax Revenue
- Attachment 8-4C: Scenario 4: City Manager Draft Requests, 2% Retro, 2.5% Room Tax Increase, 5% Food Tax Revenue
- Attachment 9: Pavement Condition Review and Strategies (This was provided at the last work group meeting)
- Attachment 10-A: General Fund 2.5% Room Tax Increase, No Food Tax
- Attachment 10-B: Room Tax Fund 2.5% Room Tax Increase, No Food Tax
- Attachment 11-A: General Fund No Room Tax Increase and a 5% Food Tax Increase
- Attachment 11-B: Room Tax Fund No Room Tax Increase and a 5% Food Tax Increase

City of Newport
 Finance Work Group - Revenue Projections
 South Beach Urban Renewal Property Tax Diverted

		South Beach	Foregone PPT
2010-2011	2011	127,731,767	714,506.00
2011-2012	2012	132,458,357	740,946.00
2012-2013	2013	135,451,937	757,691.00
2013-2014	2014	135,875,197	760,059.00
2014-2015	2015	136,869,617	765,621.00
2015-2016	2016	138,719,427	775,969.00
2016-2017	2017	142,338,347	796,212.00
2017-2018	2018	149,230,207	834,764.00
2018-2019	2019	167,711,337	938,144.00
2019-2020	2020	169,052,966	945,648.00
2020-2021	2021	174,395,040	975,531.00
2021-2022	2022	179,905,923	1,006,358.00
2022-2023	2023	185,590,950	1,038,159.00
2023-2024	2024	191,455,624	1,070,964.00
2024-2025	2025	197,505,622	1,104,807.00
2025-2026	2026	203,746,800	1,139,719.00
2026-2027	2027	210,185,199	1,175,734.00
		Reverts Back to General Fund	
2027-2028	2028	216,827,051	1,212,887.00

Variables

Average Growth of Excess Value	3.16%
City's Portion of URA Excess Value	39%
City Property Tax	5.5938

Department	Description	Address	Year Built	Bldg Value	1%	2%	3%	4%	
ai-port	FED EX BUILDING (PORTABLE)	120SE84THST	1991	182,657	1,827	3,653	5,480	7,306	
airport	QUONSET HUT	120 SE 84TH ST	1940	66,554	666	1,331	1,997	2,662	
airport	AWOSJBEACON SYSTEM	120 SE 84TH ST	2004	234,176	2,342	4,684	7,025	9,367	
airport	LIGHTING/RADIO BUILDING	120 SE 84TH ST	1940	199,049	1,990	3,981	5,971	7,962	
airport	NESTED T HANGARS	120 SE 84TH ST	2006	9115,647	9,656	19,313	28,969	38,626	
a.-port	TERMINAUOFFICESIHANGAR	120 SE 84TH ST	1999	1,295,326	12,953	25,907	38,860	51,813	
airpo,1	FUEL TANKS	120 SE 84TH ST	1999	175,632	1,756	3,513	5,269	7,025	
airport	CHAIN LINK FENCE • 8 L-AILES	120 SE 84TH ST	2000						
a.-port	SHOOTING RANGE BUILDING	120 SE 84TH ST	1985	11,479	115	230	344	459	
airpo,t	VEHICLE/EQUIPMENT SHED @ FUEL DEPOT	120 SE 84TH ST	2007	36,159	362	723	1,085	1,446	
airport	STORAGE SHED	120 SE 84TH ST	2008	11,479	115	230	344	459	
				3,178,158	31,782	63,565	95,344	127,125	
ch	CITY HALL (W/PIO VALUE)	169 SW COAST HWY	1930	6,629,002	66,290	132,580	198,870	265,160	
facility	RESTROOM	60TH ST- AGATE BEACH CITY PARK	1985	57,993	580	1,160	1,740	2,320	
facility	OBSERVATION BUILDING	823 W OLIVE ST-DON DAVIS PARK	1991	98,004	980	1,960	2,940	3,920	
facility_	PUBLIC RESTROOMS (W/PIO VALUE)	823 W OLIVE ST- DON DAVIS PARK	1997	113,458	1,135	2,269	3,404	4,538	
facility	VETERANS MONUMENT	823 W OLIVE ST- DON DAVIS PARK	2008						
PAC	PEFORMNG ARTS CENTER (W/PJO VALUE)	777 W OLIVE ST	1988	4,323,454	43,235	86,469	129,704	172,933	
PAC	STORAGE BUILDING	777 W OLIVE ST	1988	175,632	1,756	3,513	5,269	7,025	
PAC	COVEREO WALKWAYS #1 (NORTH)	777 W OLIVE ST	1988	94,557	946	1,891	2,837	3,782	
PAC	COVERED WALKWAYS #2 (SOUTH)	777 W OLIVE ST	1988	94,557	946	1,891	2,837	3,782	
Pier	ABBEY ST PIER STORE/PORCH/CANOPY (WIPIO VALUE)	663 SW BAY BLVD	1979	1,582,085	15,821	31,642	47,463	63,283	
Pier	PUBLIC RESTROOMS	663 SW BAY BLVD	1990	105,379	1,054	2,108	3,161	4,215	
Pier	BAY ST PIER- 2114 SF (WIPIO VALUE)	663 SW BAY BLVD	2002	353,677	3,537	7,074	10,610	14,147	
Pier	BOARDWALK & OBSERVATION DECK - 19,884 SF (W/PIO VALUE)	863 SW BAY BLVD	2002	2,288,038	22,880	45,761	68,641	91,522	
Restroom	PUBLIC RESTROOM	BAY BLVD 1 BLOCK W OF HATAELD DR	2010	99,525	995	1,991	2,986	3,981	
Restroom	PUBLIC RESTROOM	SW 9TH ST/SW HURBERT ST	2010	99,525	995	1,991	2,986	3,981	
Restroom	PUBLIC RESTROOMS/SHOWERS- AGATE BEACH	ERNEST BLOCH WAYSIDE HWY 101	2017	206,604	2,066	4,132	6,198	8,261	
VAC	VISUAL ARTS CENTER	777 NW BEACH DR	1983	1,504,741	15,047	30,015	45,142	60,190	
VAC	PUBLIC RESTROOMS	777 NW BEACH OR	2002	14,1793	1,418	2,836	4,254	5,672	
				11,339,022	113,391	226,783	340,172	453,560	
Fire	FIRE STATION (W/PIO VALUE)	245 NW 10TH ST	1981	1,878,885	18,789	37,578	56,367	75,155	
Fire	FIRE STATION, 73RD ST SUBSTATION	225 73RD ST	2003	608,163	6,082	12,163	18,245	24,327	
Fire	FIRE SU8STATION	120 SE 84TH ST	1996	578,263	5,783	11,565	17,348	23,131	
				3,065,311	30,654	61,306	91,960	122,613	
lib	LIBRARY (WIPIO VALUE)	35NWNVEST	1985	3,758,101	37,581	75,162	112,743	150,324	
Recreation	RECREATION CENTER (W/PIO VALUE)	225 SE AVERY ST	2001	8,177,767	81,778	163,555	245,333	327,111	
Recreation	RAILCAR STORAGE CONTAINER	225 SE AVERY ST	2007	6,118	61	122	184	245	
Recreation	AQUATIC CENTER	225 SE AVERY ST	2017	9,735,390	97,354	194,708	292,062	381,146	
Recreation	SENIOR CENTER (W/PIO VALUE)	20SE2NDST	1991	1,650,603	16,506	33,012	49,518	66,024	
Recreation	SWIMMING POOL BUILDING (WIPIO VALUE)	1212 NE FOGARTY ST	1965	3,072,372	30,724	61,447	92,171	122,895	
Recreation	POOL HEATER BUILDING	1212 NE FOGARTY ST	1965	26,544	265	531	796	1,062	
Recreation	CONCESSION STAND	950 NW NYE ST- BETTY WHEELER FIELD	1976	106,794	1,063	2,136	3,204	4,272	
Recreation	STORAGE BUILDING	950 NW NYE ST- BETTY WHEELER FIELD	1991	47,964	480	959	1,439	1,919	
Recreation	BATTING CAGES	950 NW NYE ST- BETTY WHEELER FIELD	2006	46,756	466	935	1,403	1,670	
Recreation	CONCESSION STAND/RESTROOMSIPRESSBOX	1465 NE BIG CREEK RD- FRANK WADE PA	1977	201,391	2,014	4,028	6,042	8,056	
Recreation	FIELDHOUSE/CLUBHOUSE	1465 NE BIG CREEK RD	1991	641,043	6,410	12,821	19,231	25,642	
Recreation	PUBLIC RESTROOM	1465 NE BIG CREEK RD- FRANK WADE PA	1996	72,620	726	1,452	2,179	2,905	
Recreation	THE CLUBHOUSE (FORMERLY MRS. SANTA CLAUS SHOP)	1465 NE BIG CREEK RD- FRANK WADE PA	1994	243,191	2,432	4,864	7,296	9,728	
Recreation	LAND IMPROVEMENTS- PER APPRAISAL 11/30/14	1485 NE BIG CREEK RD	2000						
Recreation	SCOREBOARD	950 NW NYE ST- BETTY WHEELER FIELD	2003						
				24,028,553	240,286	480,570	720,858	961,145	
				T01al General Fund and support	51,998,147	519,984	1,039,966	1,559,947	2,079,927

City of Newport
Revenue and Expenditures
First six months of the 2019-2020 Fiscal Year, and
First six months of the 2020-2021 Fiscal Year

	<u>12/31/20</u>	<u>12/31/19</u>
General Fund		
Revenues	9,985,487	9,873,125
Transfers in	<u>61,646</u>	<u>423,539</u>
Total Sources	10,047,133	10,296,664
Expenditures	5,052,285	5,260,151
Transfer out	<u>1,707,899</u>	<u>1,451,471</u>
Total Uses	(6,760,184)	(6,711,622)
Net	<u><u>3,286,949</u></u>	<u><u>3,585,042</u></u>
Recreation fund		
Revenues	68,320	587,469
Transfers in	<u>624,456</u>	<u>639,456</u>
Total Sources	692,776	1,226,925
Expenditures	570,146	1,036,080
Transfer out	<u>72,800</u>	<u>49,400</u>
Total Uses	(642,946)	(1,085,480)
Net	<u><u>49,830</u></u>	<u><u>141,445</u></u>
Airport fund		
Revenues	192,851	136,503
Transfers in	<u>201,498</u>	<u>239,134</u>
Total Sources	394,349	375,637
Expenditures	334,817	366,940
Transfer out	<u>69,491</u>	<u>92,289</u>
Total Uses	404,308	(459,229)

Net	<u>(9,959)</u>	<u>(83,592)</u>
Room Tax fund		
Revenues	954,832	994,022
Transfers in	<u>-</u>	<u>-</u>
Total Sources	954,832	994,022
Expenditures	254,683	401,002
Transfer out	<u>43,498</u>	<u>739,363</u>
Total Uses	(298,181)	(1,140,365)
Net	<u>656,651</u>	<u>(146,343)</u>
City Facilities		
Revenues	91,652	294,475
Transfers in	<u>835,644</u>	<u>776,004</u>
Total Sources	927,296	1,070,479
Expenditures	775,036	824,482
Transfer out	<u>57,500</u>	<u>76,550</u>
Total Uses	(832,536)	(901,032)
Net	<u>94,760</u>	<u>169,447</u>
Net of All Funds	<u>4,078,231</u>	<u>3,665,999</u>

1A G.F. - Base Line - No Department Requests and No Additional Revenue

GENERAL FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
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BEGINNING FUND BALANCE	\$ 2,553,899	\$ 4,046,656	\$ 3,094,576	\$ 4,362,721	\$ 5,380,852	\$ 6,266,805	\$ 7,102,247
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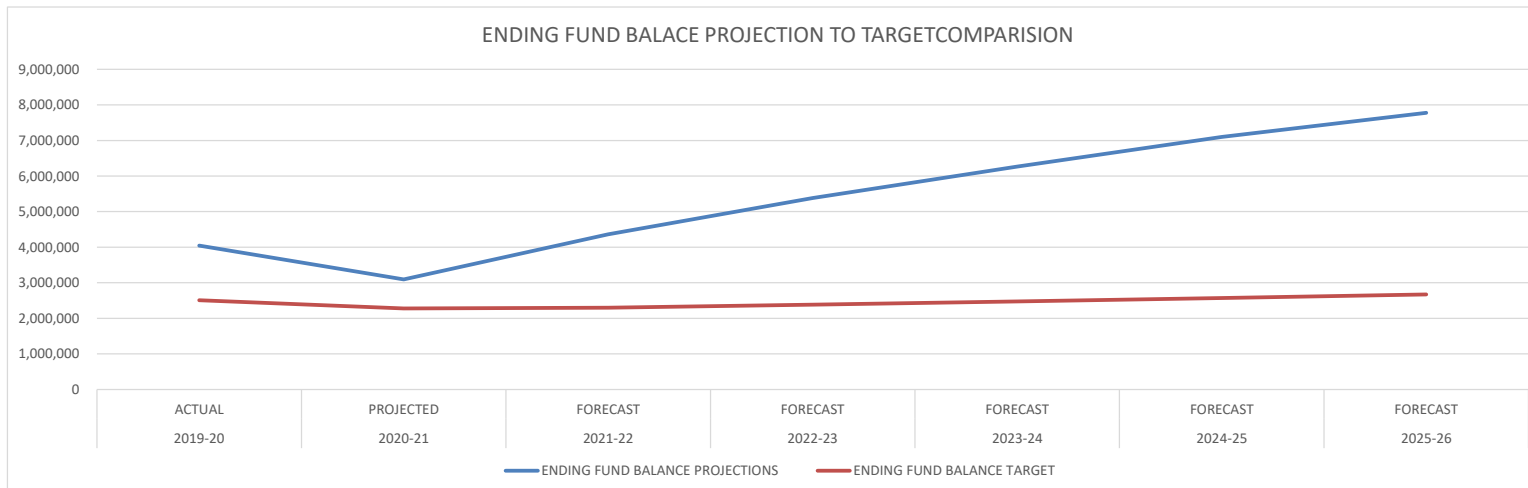
REVENUES							
PROPERTY TAXES	\$ 7,160,586	\$ 6,976,400	\$ 7,181,272	\$ 7,392,246	\$ 7,609,504	\$ 7,833,236	\$ 8,063,633
OTHER TAXES	\$ 2,884,839	\$ 1,965,253	\$ 3,172,632	\$ 3,239,381	\$ 3,308,042	\$ 3,378,685	\$ 3,451,386
FRANCHISES	\$ 902,460	\$ 895,200	\$ 916,010	\$ 937,470	\$ 959,602	\$ 982,427	\$ 1,005,968
FEDERAL SOURCES	\$ 459,714	\$ 117,027	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ 206,227	\$ 126,160	\$ 130,535	\$ 135,063	\$ 139,750	\$ 144,600	\$ 149,621
MISCELLANEOUS SOURCES	\$ 774,860	\$ 695,000	\$ 628,300	\$ 647,149	\$ 666,563	\$ 686,560	\$ 707,157
SERVICES PROVIDED FOR	\$ 1,342,886	\$ 1,389,888	\$ 1,431,585	\$ 1,474,532	\$ 1,518,768	\$ 1,564,331	\$ 1,611,261
FEES, FINES & FORFEITURES	\$ 493,794	\$ 485,751	\$ 494,849	\$ 504,189	\$ 513,778	\$ 523,622	\$ 533,730
INVESTMENTS	\$ 57,503	\$ 30,785	\$ 31,709	\$ 32,660	\$ 33,640	\$ 34,649	\$ 35,688
MISCELLANEOUS	\$ 71,016	\$ 21,500	\$ 22,100	\$ 22,718	\$ 23,355	\$ 24,010	\$ 24,685
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 1,453,753	\$ 110,800	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300
TOTAL REVENUE	\$ 15,807,639	\$ 12,813,764	\$ 14,107,291	\$ 14,483,709	\$ 14,871,302	\$ 15,270,422	\$ 15,681,430

EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ (5,202,364)	\$ (4,911,179)	\$ (5,173,574)	\$ (5,302,913)	\$ (5,435,486)	\$ (5,571,373)	\$ (5,710,658)
PERSONNEL SERVICES - BENEFITS & TAXES	\$ (2,614,650)	\$ (2,464,156)	\$ (2,594,578)	\$ (2,765,918)	\$ (2,953,902)	\$ (3,160,522)	\$ (3,388,033)
MATERIALS & SERVICES	\$ (3,543,883)	\$ (2,754,244)	\$ (2,635,111)	\$ (2,722,250)	\$ (2,812,375)	\$ (2,905,594)	\$ (3,002,015)
CAPITAL OUTLAY	\$ (36,300)	\$ (227,047)	\$ (39,984)	\$ (40,784)	\$ (41,599)	\$ (42,431)	\$ (43,280)
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (11,397,198)	\$ (10,356,626)	\$ (10,443,247)	\$ (10,831,865)	\$ (11,243,363)	\$ (11,679,921)	\$ (12,143,986)
TRANSFERS OUT TO OTHER FUNDS	\$ (2,917,684)	\$ (3,409,217)	\$ (2,395,900)	\$ (2,633,712)	\$ (2,741,986)	\$ (2,755,058)	\$ (2,862,202)
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (14,314,882)	\$ (13,765,843)	\$ (12,839,147)	\$ (13,465,578)	\$ (13,985,349)	\$ (14,434,979)	\$ (15,006,188)

NET REVENUE	\$ 1,492,757	\$ (952,079)	\$ 1,268,144	\$ 1,018,131	\$ 885,953	\$ 835,443	\$ 675,242
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ENDING FUND BALANCE	\$ 4,046,656	\$ 3,094,576	\$ 4,362,721	\$ 5,380,852	\$ 6,266,805	\$ 7,102,247	\$ 7,777,489
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22% EFB TARGET	\$ 2,507,384	\$ 2,278,458	\$ 2,297,514	\$ 2,383,010	\$ 2,473,540	\$ 2,569,583	\$ 2,671,677
OVER (UNDER) TARGET	\$ 1,539,272	\$ 816,119	\$ 2,065,206	\$ 2,997,841	\$ 3,793,265	\$ 4,532,665	\$ 5,105,812



1B R.T.F. - Base Line - No Department Requests and No Additional Revenue

ROOM TAX FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
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BEGINNING FUND BALANCE	\$ 672,174	\$ 383,278	\$ 616,806	\$ 486,256	\$ 633,929	\$ 859,484	\$ 1,086,764
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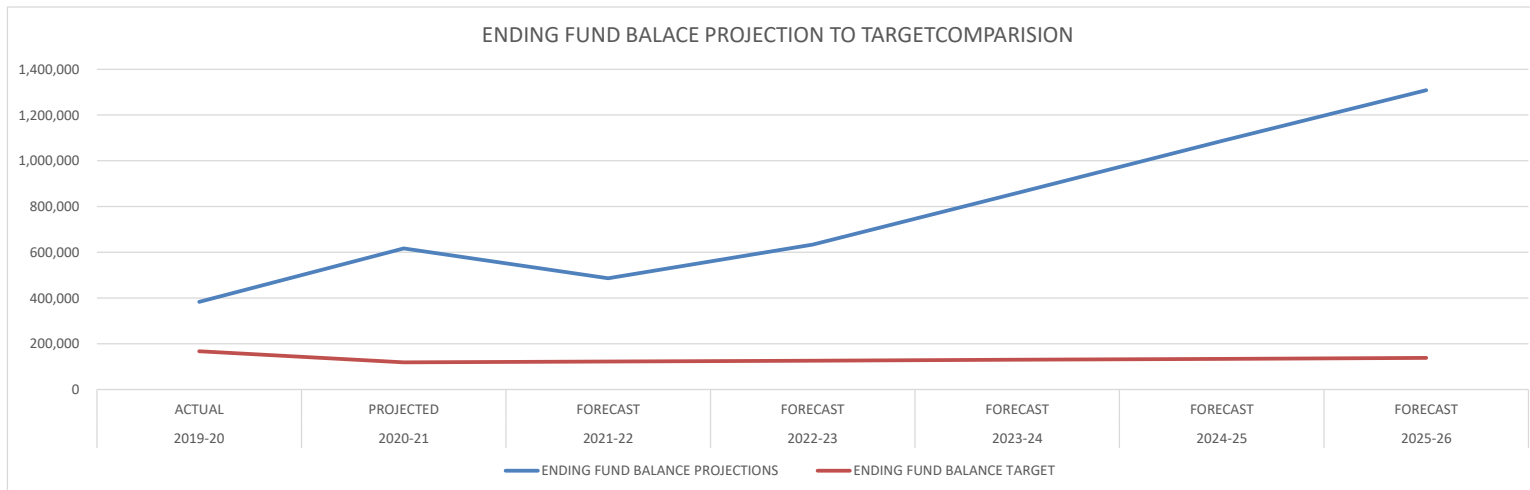
REVENUES							
PROPERTY TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER TAXES	\$ 1,721,927	\$ 998,823	\$ 2,025,372	\$ 2,055,752	\$ 2,086,589	\$ 2,117,887	\$ 2,149,656
FRANCHISES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEDERAL SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MISCELLANEOUS SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SERVICES PROVIDED FOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEES, FINES & FORFEITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENTS	\$ 10,548	\$ 5,250	\$ 5,408	\$ 5,570	\$ 5,737	\$ 5,909	\$ 6,086
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 1,732,718	\$ 1,004,073	\$ 2,030,779	\$ 2,061,322	\$ 2,092,325	\$ 2,123,796	\$ 2,155,742

EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PERSONNEL SERVICES - BENEFITS & TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MATERIALS & SERVICES	\$ (760,280)	\$ (539,845)	\$ (556,529)	\$ (573,736)	\$ (591,482)	\$ (609,785)	\$ (628,662)
CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (760,280)	\$ (539,845)	\$ (556,529)	\$ (573,736)	\$ (591,482)	\$ (609,785)	\$ (628,662)
TRANSFERS OUT TO OTHER FUNDS	\$ (1,261,333)	\$ (230,700)	\$ (1,604,800)	\$ (1,339,913)	\$ (1,275,288)	\$ (1,286,732)	\$ (1,305,148)
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (2,021,613)	\$ (770,545)	\$ (2,161,329)	\$ (1,913,649)	\$ (1,866,770)	\$ (1,896,517)	\$ (1,933,810)

NET REVENUE	\$ (288,896)	\$ 233,528	\$ (130,550)	\$ 147,673	\$ 225,555	\$ 227,280	\$ 221,932
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ENDING FUND BALANCE	\$ 383,278	\$ 616,806	\$ 486,256	\$ 633,929	\$ 859,484	\$ 1,086,764	\$ 1,308,696
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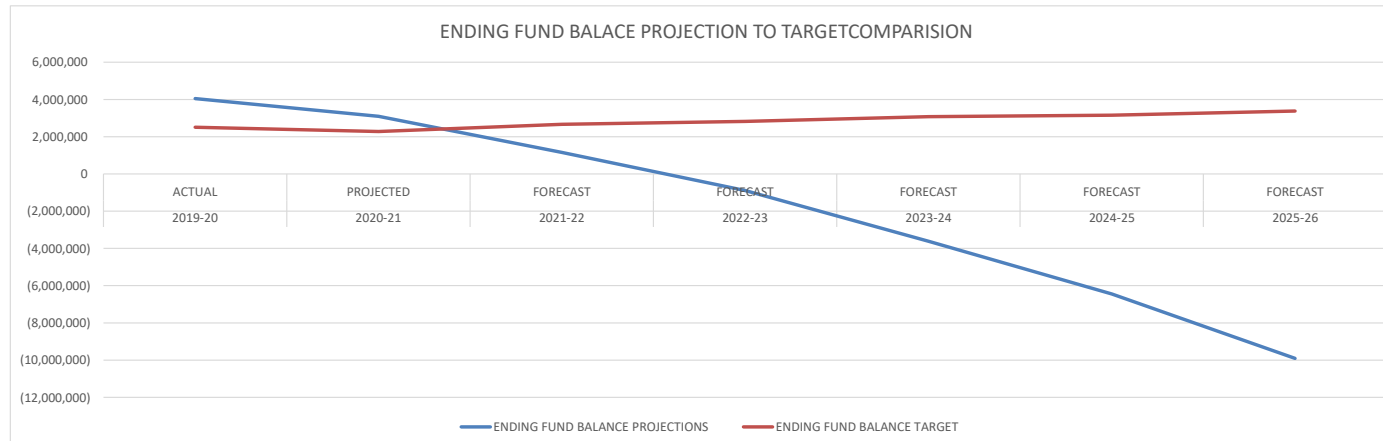
22% EFB TARGET	\$ 167,262	\$ 118,766	\$ 122,436	\$ 126,222	\$ 130,126	\$ 134,153	\$ 138,306
OVER (UNDER) TARGET	\$ 216,017	\$ 498,041	\$ 363,820	\$ 507,707	\$ 729,358	\$ 952,611	\$ 1,170,391



2A G.F. - All Department Requests, No Additional Revenue, and 2% Retro COLA

GENERAL FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
BEGINNING FUND BALANCE	\$ 2,553,899	\$ 4,046,656	\$ 3,094,576	\$ 1,158,251	\$ (891,654)	\$ (3,617,718)	\$ (6,451,286)
REVENUES							
PROPERTY TAXES	\$ 7,160,586	\$ 6,976,400	\$ 7,181,272	\$ 7,392,246	\$ 7,609,504	\$ 7,833,236	\$ 8,063,633
OTHER TAXES	\$ 2,884,839	\$ 1,965,253	\$ 3,172,632	\$ 3,239,381	\$ 3,308,042	\$ 3,378,685	\$ 3,451,386
FRANCHISES	\$ 902,460	\$ 895,200	\$ 916,010	\$ 937,470	\$ 959,602	\$ 982,427	\$ 1,005,968
FEDERAL SOURCES	\$ 459,714	\$ 117,027	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ 206,227	\$ 126,160	\$ 130,535	\$ 135,063	\$ 139,750	\$ 144,600	\$ 149,621
MISCELLANEOUS SOURCES	\$ 774,860	\$ 695,000	\$ 628,300	\$ 647,149	\$ 666,563	\$ 686,560	\$ 707,157
SERVICES PROVIDED FOR	\$ 1,342,886	\$ 1,389,888	\$ 1,431,585	\$ 1,474,532	\$ 1,518,768	\$ 1,564,331	\$ 1,611,261
FEES, FINES & FORFEITURES	\$ 493,794	\$ 485,751	\$ 494,849	\$ 504,189	\$ 513,778	\$ 523,622	\$ 533,730
INVESTMENTS	\$ 57,503	\$ 30,785	\$ 31,709	\$ 32,660	\$ 33,640	\$ 34,649	\$ 35,688
MISCELLANEOUS	\$ 71,016	\$ 21,500	\$ 22,100	\$ 22,718	\$ 23,355	\$ 24,010	\$ 24,685
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 1,453,753	\$ 110,800	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300
TOTAL REVENUE	\$ 15,807,639	\$ 12,813,764	\$ 14,107,291	\$ 14,483,709	\$ 14,871,302	\$ 15,270,422	\$ 15,681,430
EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ (5,202,364)	\$ (4,911,179)	\$ (5,225,823)	\$ (5,356,469)	\$ (5,490,380)	\$ (5,627,640)	\$ (5,768,331)
PERSONNEL SERVICES - BENEFITS & TAXES	\$ (2,614,650)	\$ (2,464,156)	\$ (2,606,863)	\$ (2,778,951)	\$ (2,967,759)	\$ (3,175,292)	\$ (3,403,815)
MATERIALS & SERVICES	\$ (3,543,883)	\$ (2,754,244)	\$ (2,635,111)	\$ (2,722,250)	\$ (2,812,375)	\$ (2,905,594)	\$ (3,002,015)
CAPITAL OUTLAY	\$ (36,300)	\$ (227,047)	\$ (39,984)	\$ (40,784)	\$ (41,599)	\$ (42,431)	\$ (43,280)
PERSONNEL REQUESTS IN GENERAL FUND			\$ (606,948)	\$ (1,396,431)	\$ (1,765,468)	\$ (2,112,477)	\$ (2,245,396)
EQUIPMENT REQUESTS IN GENERAL FUND			\$ (929,300)	\$ (412,500)	\$ (809,450)	\$ (375,200)	\$ (782,800)
OTHER REQUESTS IN GENERAL FUND			\$ (75,700)	\$ (96,500)	\$ (108,000)	\$ (103,000)	\$ (111,000)
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (11,397,198)	\$ (10,356,626)	\$ (12,119,729)	\$ (12,803,884)	\$ (13,995,032)	\$ (14,341,634)	\$ (15,356,637)
TRANSFERS OUT TO OTHER FUNDS	\$ (2,917,684)	\$ (3,409,217)	\$ (2,395,900)	\$ (2,633,712)	\$ (2,741,986)	\$ (2,755,058)	\$ (2,862,202)
TRANS. OUT FOR PERSONNEL REQUESTS-PARKS & REC.			\$ (124,988)	\$ (223,317)	\$ (255,671)	\$ (333,515)	\$ (342,421)
TRANS. OUT FOR EQUIP. REQUESTS-PARKS & REC., AIRPORT, FACILITIES			\$ (248,000)	\$ (95,000)	\$ (85,550)	\$ (306,500)	\$ (232,000)
TRANS. OUT FOR CAPITAL REQUESTS-ALL FUNDS			\$ (1,124,000)	\$ (745,500)	\$ (485,500)	\$ (334,000)	\$ (309,000)
TRANS. OUT FOR OTHER REQUESTS-PARKS & REC. AND AIRPORT			\$ (31,000)	\$ (32,200)	\$ (33,627)	\$ (33,282)	\$ (34,765)
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (14,314,882)	\$ (13,765,843)	\$ (16,043,617)	\$ (16,533,613)	\$ (17,597,366)	\$ (18,103,989)	\$ (19,137,025)
NET REVENUE	\$ 1,492,757	\$ (952,079)	\$ (1,936,326)	\$ (2,049,905)	\$ (2,726,064)	\$ (2,833,568)	\$ (3,455,595)
ENDING FUND BALANCE	\$ 4,046,656	\$ 3,094,576	\$ 1,158,251	\$ (891,654)	\$ (3,617,718)	\$ (6,451,286)	\$ (9,906,881)

22% EFB TARGET	\$ 2,507,384	\$ 2,278,458	\$ 2,666,340	\$ 2,816,854	\$ 3,078,907	\$ 3,155,160	\$ 3,378,460
OVER (UNDER) TARGET	\$ 1,539,272	\$ 816,118	\$ (1,508,089)	\$ (3,708,508)	\$ (6,696,625)	\$ (9,606,446)	\$ (13,285,341)



2B R.T.F. - All Department Requests, No Additional Revenue, and 2% Retro COLA

ROOM TAX FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
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BEGINNING FUND BALANCE	\$ 672,174	\$ 383,278	\$ 616,806	\$ 282,505	\$ 219,988	\$ 228,707	\$ 232,289
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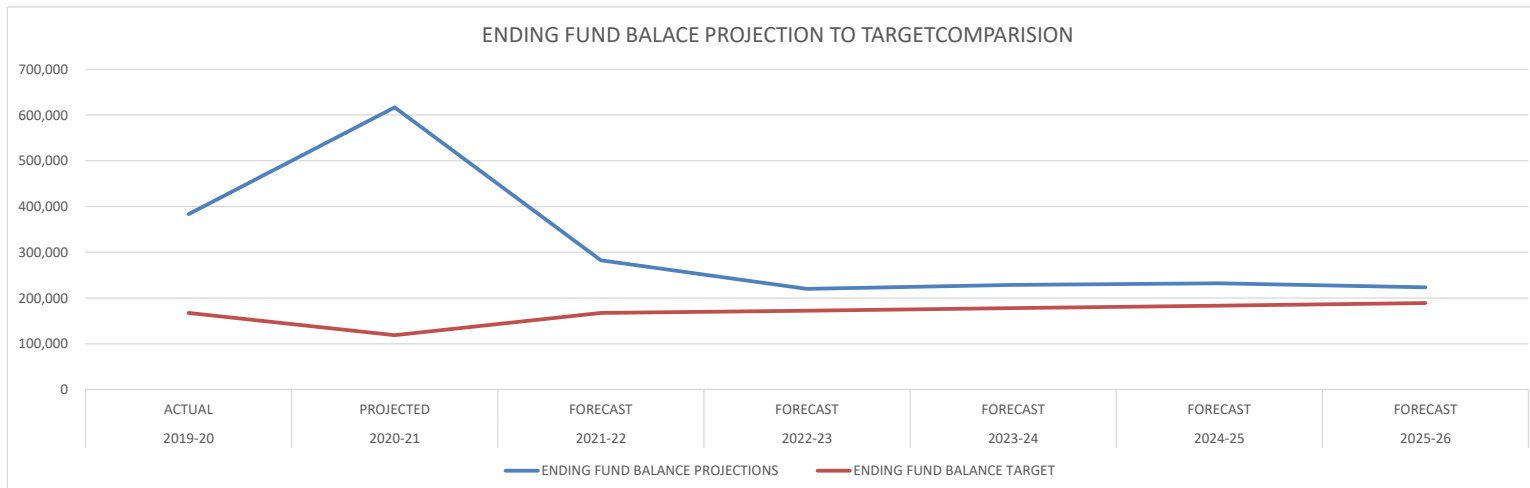
REVENUES							
PROPERTY TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER TAXES	\$ 1,721,927	\$ 998,823	\$ 2,025,372	\$ 2,055,752	\$ 2,086,589	\$ 2,117,887	\$ 2,149,656
FRANCHISES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEDERAL SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MISCELLANEOUS SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SERVICES PROVIDED FOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEES, FINES & FORFEITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENTS	\$ 10,548	\$ 5,250	\$ 5,408	\$ 5,570	\$ 5,737	\$ 5,909	\$ 6,086
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 1,732,718	\$ 1,004,073	\$ 2,030,779	\$ 2,061,322	\$ 2,092,325	\$ 2,123,796	\$ 2,155,742

EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PERSONNEL SERVICES - BENEFITS & TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MATERIALS & SERVICES	\$ (760,280)	\$ (539,845)	\$ (760,280)	\$ (783,926)	\$ (808,319)	\$ (833,483)	\$ (859,442)
CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (760,280)	\$ (539,845)	\$ (760,280)	\$ (783,926)	\$ (808,319)	\$ (833,483)	\$ (859,442)
TRANSFERS OUT TO OTHER FUNDS	\$ (1,261,333)	\$ (230,700)	\$ (1,604,800)	\$ (1,339,913)	\$ (1,275,288)	\$ (1,286,732)	\$ (1,305,148)
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (2,021,613)	\$ (770,545)	\$ (2,365,080)	\$ (2,123,839)	\$ (2,083,607)	\$ (2,120,215)	\$ (2,164,590)

NET REVENUE	\$ (288,896)	\$ 233,528	\$ (334,301)	\$ (62,517)	\$ 8,719	\$ 3,582	\$ (8,848)
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ENDING FUND BALANCE	\$ 383,278	\$ 616,806	\$ 282,505	\$ 219,988	\$ 228,707	\$ 232,289	\$ 223,440
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22% EFB TARGET	\$ 167,262	\$ 118,766	\$ 167,262	\$ 172,464	\$ 177,830	\$ 183,366	\$ 189,077
OVER (UNDER) TARGET	\$ 216,017	\$ 498,041	\$ 115,244	\$ 47,525	\$ 50,877	\$ 48,923	\$ 34,363



2C - All Department Requests

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Personnel Requests for General Fund (101):								
1	Assistant City Manager/City Recorder Modification (FTE 0.10, Range E315, Step 3)	City Manager	0	2,552	2,747	2,952	3,169	11,420
1	Remove Executive Assistant (FTE 0.10, Range P107, Step 5)	City Attorney	(5,563)	(5,702)	(5,845)	(5,991)	(6,141)	(29,242)
1	GIS Analyst (FTE 1.00, Range N213, Step 1)	IT	84,212	86,815	89,506	92,287	95,162	447,982
1	Systems Analyst (FTE 1.00, Range N216, Step 1)	IT	93,599	96,437	99,369	102,398	105,527	497,330
1	Audio-Visual Technician	IT	19,087	19,564	20,053	20,555	21,068	100,327
Revenue Tech/Special Projects (FTE 0.75, Range P107, Step 2) - Specialist for electronic payment system, AR/Room Tax/Business								
1	License/VRD (Electric Revenue Tracker)	Finance	34,653	35,519	36,407	37,317	38,250	182,146
2	Volunteer Coordinator (FTE 0.50, Range P108, Step 3)	HR		27,357	28,041	28,742	29,461	113,601
2	HR Assistant (FTE 0.50, Range P108, Step 3)	HR	26,690	27,357	28,041	28,742	29,461	140,291
Return eliminated sworn position (Detective) (FTE 1.00, Range PO, Step 6)								
1		Police	133,571	139,659	146,224	153,323	161,014	733,791
Return eliminated sworn positions (Detective and Street Crimes or SRO) (FTE 2.00, Range PO, Step 6)								
1		Police	0	279,316	292,448	306,644	322,027	1,200,435
2	Return eliminated parking position (FTE 1.00, Range PEO, Step 4)	Police	0	89,775	93,972	98,491	103,367	385,605
1	Add sworn police officer (FTE 1.00, Range PO, Step 1)	Police	0	0	113,020	118,479	124,381	355,880
1	Add sworn police officer (FTE 1.00, Range PO, Step 1)	Police	0	0	0	118,479	124,381	242,860
Return Police Executive Assistant to Full Time (FTE 1.00, Range N209, Step 4)								
5		Police	0	0	49,772	51,553	53,402	154,727
Fund the Emergency Preparedness Coordinator (FTE 1.00, Range N214, Step 1)								
2		Emergency Coord.	88,682	91,397	94,203	97,102	100,098	471,482
2	Add Three Firefighters (1 per Shift) (FTE 3.00, Range FF, Step 1)	Fire	0	326,581	341,875	358,372	376,209	1,403,037
2	Return the Fire Prevention Officer Position (FTE 1.00, Range FE, Step 1)	Fire	0	0	131,478	137,840	144,728	414,046
Fund a Training Officer/Volunteer Coordinator Position (FTE 1.00, Range FC, Step 1)								
2		Fire	0	0	0	155,149	162,925	318,074
Return the Fire Executive Assistant to Full Time (FTE 1.00, Range N209, Step 5)								
2		Fire	0	0	0	0	40,799	40,799
Return Library Bilingual Library Specialist 3 Requested to Full Time (FTE 1.00, Range N206, Step 1)								
1		Library	73,653	75,991	78,410	80,913	83,503	392,470
Return Library Specialist 2 Requested to Part Time (FTE 0.50, Range P105, Step 1)								
2		Library	18,190	18,645	19,111	19,589	20,078	95,613

2C - All Department Requests

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
3	Return Library Specialist 1 Requested to Part Time (FTE 0.50, Range P104, Step 1)	Library	0	16,943	17,367	17,801	18,246	70,357
3	Return Library Specialist 2 Requested to Part Time (FTE 0.50, Range P105, Step 1)	Library	0	18,645	19,111	19,589	20,078	77,423
4	Return Library Bilingual Specialist 2 Requested to Part Time (FTE 0.50, Range P105, Step 1)	Library	0	0	19,111	19,589	20,078	58,778
1	Return Permit Technician (FTE 0.25, Range N208, Step 3)	Community Dev.	19,518	20,131	20,764	21,419	22,096	103,928
2	Adjust Executive Assistant Position from 0.50 to 0.75 General Fund (FTE 1.00, Range N209, Step 5)	Community Dev.	20,656	21,266	21,895	22,544	23,214	109,575
3	Associate to Senior Planner Promotion (FTE 0.75, Range N218, Step 3)	Community Dev.	0	8,183	8,388	8,599	8,815	33,985
1	Rec Center / Aquatic Center / 60+ Center Facility Maintenance Worker II (FTE 1.00, Range N209, Step 1)	Parks & Rec	0	76,371	78,800	81,313	83,913	320,397
1	Aquatic Center staff restructuring - Lead Guard position (FTE 0.74, Range P103, Step 1)	Parks & Rec	23,779	24,373	24,983	25,607	26,248	124,990
1	Aquatic Center staff restructuring - Lead Guard position (FTE 0.74, Range P103, Step 1)	Parks & Rec	23,779	24,373	24,983	25,607	26,248	124,990
1	Parks - New Hire - 1 Parks Maintenance worker (FTE 0.50, Range P104, Step 1)	Parks & Rec	16,868	17,290	17,722	18,165	18,619	88,664
1	Parks - New Hire - 1 Parks Maintenance worker (FTE 0.50, Range P104, Step 1)	Parks & Rec	16,868	17,290	17,722	18,165	18,619	88,664
1	Parks - New Hire Parks Building Maintenance Worker (FTE 0.50, Range P104, Step 1)	Parks & Rec	16,868	17,290	17,722	18,165	18,619	88,664
2	60+ Office Clerk Regular Part-time (Return Staff Position) (FTE 0.73, Range P103, Step 4)	Parks & Rec	26,826	27,497	28,184	28,889	29,611	141,007
3	Parks - Move one .5 FTE Park Maintenance to .74 FTE (FTE 0.74, Range P104, Step 1)	Parks & Rec	0	0	26,251	26,907	27,580	80,738
3	Parks - Move one .5 FTE Park Maintenance to .74 FTE (FTE 0.74, Range P104, Step 1)	Parks & Rec	0	0	0	26,907	27,580	54,487
3	Parks - Move .5 FTE Building Maintenance worker to .74 FTE (FTE 0.74, Range P104, Step 1)	Parks & Rec	0	0	0	26,907	27,580	54,487
3	60+ Center - 4 Contract employees to teach fitness classes (FTE 0.50, Range P103, Step 1)	Parks & Rec	0	0	0	17,096	17,523	34,619
5	60+ Office Clerk Regular Part-time (Return Staff Position) (FTE 0.50, Range P103, Step 4)	Parks & Rec	0	18,833	19,304	19,787	20,281	78,205

2C - All Department Requests

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Subtotal Personnel Requests for General Fund (101)			731,936	1,619,748	2,021,139	2,445,992	2,587,817	9,406,632
Equipment Requests for General Fund (101):								
1	Infrastructure Equipment Lease	IT	0	0	0	0	80,000	80,000
2	Cloud Services	IT	5,000	12,000	12,000	12,000	12,000	53,000
2	New WIFI Equipment	IT	20,000	0	0	0	0	20,000
2	Camera System	IT	10,000	10,000	10,000	10,000	10,000	50,000
3	Access Control	IT	20,000	0	0	0	0	20,000
2	Network Additions	IT	10,000	10,000	10,000	10,000	10,000	50,000
3	Phone System	IT	10,000	10,000	10,000	0	0	30,000
3	Internet Provider	IT	15,000	15,000	15,000	15,000	15,000	75,000
2	AV Equipment	IT	10,000	5,000	5,000	5,000	5,000	30,000
2	Public Access Channel Equipment (Hardware and Software)	IT	30,000	5,000	5,000	5,000	5,000	50,000
2	Disaster Recovery Backup	IT	20,000	20,000	20,000	20,000	20,000	100,000
3	Desktop Replacements	IT	0	0	15,000	15,000	15,000	45,000
3	Digital Signage	IT	5,000	5,000	0	0	0	10,000
2	Mobile Computing (Council, PWK, NFD, NPD, Other)	IT	30,000	6,000	6,000	6,000	6,000	54,000
2	Additional Filing Cabinets for Staff	Finance	2,000	0	0	0	0	2,000
1	Replace 1 Police Vehicle Due to Wear and Tear	Police	50,000	0	0	0	0	50,000
1	Replace 2 Police Vehicles Due to Wear and Tear	Police	0	100,000	0	0	0	100,000
1	Replace 1 Police Vehicle and 1 Detective Vehicle Due to Wear and Tear	Police	0	0	100,000	0	0	100,000
1	Replace 2 Police Vehicle and 1 CSO Vehicle Due to Wear and Tear	Police	0	0	0	130,000	0	130,000
1	Replace 1 Police Vehicle Due to Wear and Tear	Police	0	0	0	0	50,000	50,000
1	Replace 10 Body Worn Cameras (Replacement Schedule)	Police	6,000	0	0	0	0	6,000
1	Replace 10 Body Worn Cameras (Replacement Schedule)	Police	0	6,000	0	0	0	6,000
1	Replace 20 Portable Radios (Replacement Schedule)	Police	0	0	0	23,000	0	23,000
1	Purchase Force Response (Use of Force) Training and Equipment	Police	5,000	0	0	0	0	5,000
1	Phone Replacement Schedule (All Issued Mobile Phones)	Police	0	5,000	0	0	0	5,000
1	Vehicle Tablet Replacement (3) per Year (Replacement Schedule)	Police	14,000	14,000	15,000	15,000	16,000	74,000
1	Update Vehicle E-Ticketing Printers (3)	Police	1,500	1,500	1,500	0	0	4,500
2	Purchase Drone for Evidence/Scene Documentation	Police	2,500	0	0	0	0	2,500

2C - All Department Requests

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
3	Purchase Handheld Thermal Imaging (Investigations, Missing Persons, etc)	Police	0	4,000	0	0	0	4,000
2	Replace First Out pumper due to Higher than Normal Repair Costs	Fire	500,000	0	0	0	0	500,000
2	Replace Type VI Brush Engine	Fire	100,000	0	0	0	0	100,000
2	Purchase Interface Engine	Fire	0	0	450,000	0	0	450,000
2	Replace Utility Pickup	Fire	0	50,000	0	0	0	50,000
2	Replace Heavy Rescue	Fire	0	0	0	0	500,000	500,000
2	Replace SCBA Air Compressor System/End of service Life	Fire	0	0	0	75,000	0	75,000
2	Replace Hydraulic Extrication Tool Power Plant (x2)/End of Service Life	Fire	0	10,000	0	0	0	10,000
2	Replace Hydraulic Extrication Tool Spreaders (x2)/End of Service Life	Fire	0	0	10,000	0	0	10,000
2	Replace Hydraulic Extrication Tool Cutters (x2)/End of Service Life	Fire	0	0	0	10,000	0	10,000
2	Replace Hydraulic Extrication Tool Rams (x4)/End of Service Life	Fire	0	0	0	0	10,000	10,000
2	Replace High Pressure Air Bag System/End of Service Life	Fire	0	8,000	0	0	0	8,000
2	Replace 4 Gas Meters (x2)	Fire	0	0	0	0	3,000	3,000
2	Replace G-TAC MDT Tablets & Mounts/End of Service Life (\$5,200 Each x 6)	Fire	10,400	10,400	10,400	0	0	31,200
1	Internal and External Cameras for Library Security. Four Cameras Need to be Replaced and Four Cameras Need to be Added	Library	7,000	0	0	0	0	7,000
1	Phone Charging Station due to Wear and Tear	Library	0	600	0	600	0	1,200
1	3 Replacement Wall Mount Monitors due to Wear and Tear	Library	1,000	0	1,000	0	1,000	3,000
3	Projection Equipment for Meeting Room Use (Update due to Technology Changes, Wear and Tear)	Library	0	60,000	0	0	0	60,000
1	Library Copier Leases (Staff Copier and Public Copier)	Library	6,000	6,000	6,000	6,000	6,000	30,000
1	Upgrade Self-Check Machines (Two Machines that are Becoming Outdated)	Library	6,000	6,000	6,000	0	0	18,000
1	Envisionware License for RFID, Self-Check Software, and Equipment	Library	11,000	12,000	13,000	14,000	15,000	65,000
4	2 Staff Printers due to Wear and Tear	Library	1,000	1,000	0	0	0	2,000

2C - All Department Requests

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
2	Library Prius and Library Van Maintenance due to Wear and Tear	Library	5,000	5,000	0	0	0	10,000
5	Replace 1 Library Outreach Vehicle due to Wear and Tear	Library	0	0	45,000	0	0	45,000
3	Laptops and Tablets to Check out to the Public (10 of Each)	Library	10,000	10,000	0	0	0	20,000
2	WiFi Boosters (Fill Community Needs for WiFi Access in Parking Lot)	Library	2,300	0	0	0	0	2,300
2	WiFi Boosters (Fill Community Needs for WiFi Access to Literacy Park)	Library	0	1,200	0	0	0	1,200
3	11 Additional Mobile Hotspots due to Wear and Tear	Library	3,000	3,200	3,400	3,600	3,800	17,000
4	Replacement Staff Lounge Fridge due to Wear and Tear	Library	0	600	0	0	0	600
4	Replacement Staff Lounge Dishwasher due to Wear and Tear	Library	600	0	0	0	0	600
4	Replacement Staff Lounge Microwave due to Wear and Tear	Library	0	0	150	0	0	150
2	Replace Community Development Dept 2013 Ford Fusion	Community Dev.	0	0	40,000	0	0	40,000
1	Rec Center - Sound System Replacement	Parks & Rec	130,000	0	0	0	0	130,000
1	Aquatic Center - Replace 3 Chlorine Metering Pumps	Parks & Rec	5,000	0	0	0	0	5,000
1	Parks - Replace Dodge Truck due to Age and Wear and Tear	Parks & Rec	35,000	0	0	0	0	35,000
1	Parks - Purchase a Field Groomer	Parks & Rec	15,000	0	0	0	0	15,000
1	Parks - New Heavy Duty Brush Mower	Parks & Rec	0	15,000	0	0	0	15,000
2	60+ Center - Backup Generator for Building	Parks & Rec	0	25,000	0	0	0	25,000
2	Rec Center - Continue Cardio/Strength Equipment Replacement (Few Pieces a Year)	Parks & Rec	18,000	18,000	12,000	12,000	6,000	66,000
2	Parks - Stairway Vinyl Non Slip	Parks & Rec	0	0	0	5,000	0	5,000
2	Aquatic Center - Ultraviolet Pool System (3 Phase Project)	Parks & Rec	0	37,000	37,000	37,000	0	111,000
3	Parks - Replace Custodial Van due to Age	Parks & Rec	0	0	0	0	35,000	35,000
4	60+ Center - 10' Storage Unit Including Delivery and Location Prep	Parks & Rec	0	0	6,550	0	0	6,550
4	Rec/Aquatic Center - Additional Bleachers - 2 Sets	Parks & Rec	0	0	0	6,000	0	6,000
5	60+ Refrigeration Unit Walk in (Commerical Kitchen)	Parks & Rec	0	0	0	0	10,000	10,000
5	60+ Cooler 2 Door (Commerical Kitchen)	Parks & Rec	0	0	0	0	5,000	5,000
5	Vulcan Ovens (35 or Older) Possible Need to Replace One	Parks & Rec	0	0	0	0	6,000	6,000
5	60+ Center - Compressor for Refrigeration Units Located Downstairs	Parks & Rec	0	0	0	0	5,000	5,000
5	60+ Center - Evaporator Inside Walk-In Refrigerator	Parks & Rec	0	0	0	0	5,000	5,000
5	Rec/Aquatic Center Indoor/Outdoor Movie Screen & Projection Equipment	Parks & Rec	0	0	0	6,500	0	6,500

2C - All Department Requests

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
5	Rec Center - Replace Gym Divider Curtain/Motor	Parks & Rec	0	0	20,000	0	0	20,000
5	Aquatic Center - Pool Slide	Parks & Rec	0	0	0	80,000	0	80,000
5	Aquatic Center - Inflatable Play Structures	Parks & Rec	0	0	10,000	10,000	10,000	30,000
1	Kubota & 20" Mower Deck	Airport	0	0	0	150,000	0	150,000
1	Jet-A-Truck	Airport	0	0	0	0	150,000	150,000
1	Facilities Maintenance - Replace Truck with Service Issues	Facilities	45,000	0	0	0	0	45,000
Subtotal Equipment Requests for General Fund (101)			1,177,300	507,500	895,000	681,700	1,014,800	4,276,300
Capital Requests for General Fund (101):								
3	Carpeting	Finance	25,000	0	0	0	0	25,000
3	Paint Offices	Finance	1,500	0	0	0	0	1,500
1	Renovate Finance Conference Room for New Position	Finance	5,000	0	0	0	0	5,000
2	Develop 100 yard rifle range	Police	0	30,000	0	0	0	30,000
2	Carpet all offices (finish carpet project that began 3 years ago)	Police	15,000	0	0	0	0	15,000
3	Install water in Police equipment room	Police	10,000	0	0	0	0	10,000
2	Remodel Det. Office for 3 working stations and upgrade interview room	Police	7,500	0	0	0	0	7,500
2	Build 24x30 secure evidence/vehicle storage	Police	0	25,000	0	0	0	25,000
2	Replace the 3 HVAC Units at Main Fire Station. Units are 39 Years Old, Original to the Building	Fire	100,000	0	0	0	0	100,000
2	Security Fence for Main Fire Station	Fire	0	45,000	0	0	0	45,000
2	Replace Siding on Second Story North and West Wall. Needs Replaced	Fire	0	40,000	0	0	0	40,000
2	Add 2 Dorm Rooms at Main Fire Station. To Continue to Allow Volunteers to Pull an Overnight Shift	Fire	0	0	60,000	0	0	60,000
2	Replace Electrical Service at Agate Beach Station. Current System is Maxed Out	Fire	0	0	13,500	0	0	13,500
2	Enclose Deck Area at Main Fire Station. To Eliminate Persistent Roof Leaks and Create a Workout Space Fire Firefighter Health & Safety	Fire	0	0	25,000	0	0	25,000
2	Extend Awning on the East side of Agate Beach Station. To Increase Covered Storage to Extend Service Life of Trailers	Fire	0	0	0	37,000	0	37,000
2	Run Electrical Service to CONEX Storage Container Behind South Beach Station. To Keep Stored Items Dry and Mold Free	Fire	0	0	0	10,000	0	10,000

2C - All Department Requests

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
2	Replace Carpet in Training Room of Main Station. Carpet is Stained and Coming Apart. Replace with Resilient Surface	Fire	0	11,500	0	0	0	11,500
4	Replacement of the Last Library HVAC Furnaces	Library	5,000	0	0	0	0	5,000
2	Upstairs West Side Library Window Replacement due to Leaking and Ventilation Issues	Library	50,000	0	0	0	0	50,000
2	Downstairs Children's Area Window Replacement due to Leaking and Ventilation Issues	Library	50,000	0	0	0	0	50,000
1	Replacement of One Chimney Pipe on the Library Due to Salty and Ventilation Issues	Library	8,000	0	0	0	0	8,000
1	West Roof Fascia Replacement (Damaged by a Woodpecker)	Library	25,000	0	0	0	0	25,000
3	Elevator Maintenance	Library	2,000	2,000	2,000	2,000	2,000	10,000
3	Chimney Cleaning	Library	2,000	2,000	2,000	2,000	2,000	10,000
3	Outside Library Building Lighting (Replacing Light Fixtures)	Library	8,000	3,000	2,000	1,000		14,000
1	60+ Center - Replace Roof due Leakage and Age 34 Years Old	Parks & Rec	0	0	0	0	90,000	90,000
1	60+ Center - Fix Flooding Issue Downstairs	Parks & Rec	80,000	0	0	0	0	80,000
1	60+ Center - Refloor Health and Wellness Studio Downstairs After Flood Issue Fixed	Parks & Rec	0	30,000	0	0	0	30,000
1	Rec Center - Entryway Remodel	Parks & Rec	45,000	0	0	0	0	45,000
1	Rec Center - Additional Funds for Enlarging Childcare Play Area & Removal of Pavers & Concrete Replacement at Rec Center Entryway	Parks & Rec	45,000	0	0	0	0	45,000
1	Parks - Wayfinding Signs	Parks & Rec	10,000	10,000	0	0	0	20,000
1	Parks - New Play Equipment at Agate Beach Park	Parks & Rec	0	50,000	50,000	0	0	100,000
1	Parks - Ocean to Bay Trail Improvements	Parks & Rec	0	50,000	0	0	0	50,000
1	Parks - New Restrooms at Sam Moore Park	Parks & Rec	0	0	0	0	100,000	100,000
2	Parks - New Play Equipment at Frank Wade Park	Parks & Rec	0	0	50,000	50,000	0	100,000
2	Rec Center - Skylight Removal and Roof Repair - LEAKS	Parks & Rec	0	37,000	0	0	0	37,000
2	Rec Center - Replace Rec Center Roof due to Wear and Tear	Parks & Rec	0	250,000	0	0	0	250,000
2	Parks - Re-Pave Betty Wheeler Parking lot & Fix Drain Grate	Parks & Rec	0	30,000	0	0	0	30,000
2	Parks - Re-Do Don & Ann Davis Restrooms	Parks & Rec	0	0	20,000	0	0	20,000
2	Parks - Re-Do Nye Beach Turnaround Restrooms	Parks & Rec	0	0	0	30,000	0	30,000
3	60+ Center - Replace Vinyl Flooring in Dining Room	Parks & Rec	0	0	16,000	0	0	16,000
3	60+ Center - Replace Carpet in hallway, Lounge and Office. Wear and Tear	Parks & Rec	0	0	0	15,000	0	15,000

2C - All Department Requests

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
3	Rec Center - Replace All Outer doors (Except Front) Add Key-Card System	Parks & Rec	0	0	138,000	0	0	138,000
3	Rec Center - Replace 2nd Floor Windows that have Failed	Parks & Rec	0	0	17,000	0	0	17,000
3	Parks - Replace Betty Wheeler Concession Building	Parks & Rec	100,000	0	0	0	0	100,000
4	Rec Center - Remodel/Develop Teen Room	Parks & Rec	0	0	0	85,000	0	85,000
4	Rec Center - Rubber Matting for Play Area	Parks & Rec	0	0	0	17,000	0	17,000
4	Aquatic Center - Modification of Guard/Supervisor Office	Parks & Rec	0	0	40,000	0	0	40,000
5	Rec Center - Replace Sound Baffles in Meeting Rooms & Paint Walls	Parks & Rec	0	0	0	0	10,000	10,000
5	Aquatic Center - Interactive Splash Pad with Water Toys	Parks & Rec	0	0	10,000	0	0	10,000
1	EA for Obstruction Removal Phase II - FAA AIP - 10%	Airport	15,000	0	0	0	0	15,000
1	Remove Obstructions Design & Construction PMP- FAA AIP - 10%	Airport	0	90,000	0	0	0	90,000
1	Install AWOS: PMP FAA AIP - 10%	Airport	0	0	0	45,000	0	45,000
1	Apron Overlay Design & Construction - Potential FAA AIP - 10%	Airport	0	0	0	0	65,000	65,000
1	Obstruction Removal & Air Easements	Airport	50,000	20,000	20,000	20,000	20,000	130,000
2	Security Fence Maintenance & Repair	Airport	0	20,000	20,000	20,000	20,000	80,000
2	PAC HVAC Control System Replacement	Facilities	215,000	0	0	0	0	215,000
2	City Hall Roof Replacement	Facilities	175,000	0	0	0	0	175,000
2	PAC Set Design Shop Restroom	Facilities	30,000	0	0	0	0	30,000
2	VAC Gallery Lighting Upgrades	Facilities	15,000	0	0	0	0	15,000
2	Street Light and Bollard Replacement	Facilities	20,000	0	0	0	0	20,000
2	Asphalt Seal Coat for S Beach Fire Stn Driveways	Facilities	10,000	0	0	0	0	10,000
Subtotal Capital Requests for General Fund (101)			1,124,000	745,500	485,500	334,000	309,000	2,998,000
Other Requests for General Fund (101):								
3	User Training	IT	10,000	10,000	10,000	10,000	10,000	50,000
3	Professional Development Training	IT	12,000	12,000	12,000	12,000	12,000	60,000
1	Training and Staff Development	Finance	10,000	5,000	10,000	5,000	10,000	40,000
2	Volunteer System	HR	500	500	500	500	500	2,500
2	Employee Wellness	HR	3,000	5,000	6,000	6,000	6,000	26,000
2	Employee Recognition	HR	4,000	12,500	12,500	12,500	12,500	54,000
2	Employee Appreciation Events	HR	30,000	30,000	35,000	35,000	36,000	166,000
2	Volunteer Appreciation	HR	0	15,000	15,000	15,000	17,000	62,000

Attachment 5-2C

2C - All Department Requests

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
1	Increase Training Fund for Diversified Training for Police Officers On Line Training Service Subscription. Give More Flexibility for	Police	5,000	5,000	5,000	5,000	5,000	25,000
1	Required Training Delivery	Fire	1,200	1,500	2,000	2,000	2,000	8,700
1	60+ Center - Training for staff/Volunteers	Parks & Rec	500	0	1,000	0	1,000	2,500
1	Rec Center - Training for Staff Increase	Parks & Rec	0	300	300	0	0	600
2	Rec Center - Advertising and Marketing Increase	Parks & Rec	500	1,000	0	0	0	1,500
4	60+ Center - Promotional Materials (Brochures, Pens, Bags, Water Bottles, Etc.)	Parks & Rec	0	0	500	500	0	1,000
1	BBSI Full Time Temp	Airport	30,000	30,900	31,827	32,782	33,765	159,274
Subtotal Other Requests for General Fund (101)			106,700	128,700	141,627	136,282	145,765	659,074
General Fund (101) Total Requests			3,139,936	3,001,448	3,543,266	3,597,974	4,057,382	17,340,006

Exhibit 41. Change in Local TLT Levy Rates, Participating TLT Jurisdictions by Tourism Regions, FY 2003, FY 2007, and FY 2018

Data Source: Dean Runyan Associates and Travel Lane County.

Note: In instances where data is unavailable, ECONorthwest could not calculate a rate change from 2003 to 2018; this is represented with a dash.

Jurisdiction	Tax Rates			Rate Change (2003 to 2018)
	2003	2007	2018	
Central				
Bend	8.0%	9.0%	10.4%	2.4%
Deschutes County - Unincorporated	7.0%	7.0%	8.0%	1.0%
Jefferson County - Unincorporated	6.0%	6.0%	6.0%	0.0%
Madras	7.4%	9.0%	9.0%	1.6%
Metolius	6.0%	6.0%	6.0%	0.0%
Prineville	7.0%	8.5%	8.5%	1.5%
Redmond	7.5%	9.0%	9.0%	1.5%
Sisters	8.0%	8.0%	9.0%	1.0%
Coast				
Astoria	9.0%	9.0%	11.0%	2.0%
Brookings	6.0%	6.0%	6.0%	0.0%
Cannon Beach	6.0%	6.0%	8.0%	2.0%
Clatsop County - Unincorporated	7.0%	7.0%	10.5%	3.5%
Coos Bay	7.0%	7.0%	7.0%	0.0%
Depoe Bay	7.0%	8.0%	8.0%	1.0%
Dunes City	8.0%	8.0%	8.0%	0.0%
Gearhart	7.0%	7.0%	7.0%	0.0%
Gold Beach	6.0%	6.0%	7.0%	1.0%
Lincoln County	8.0%	8.0%	10.0%	2.0%
Lincoln City	8.0%	8.0%	9.5%	1.5%
Manzanita	7.0%	7.0%	9.0%	2.0%
Nehalem	<i>not available</i>	<i>not available</i>	9.0%	-
Newport	7.2%	9.5%	9.5%	2.3%
North Bend	7.0%	7.0%	7.0%	0.0%
Reedsport	6.2%	6.0%	6.0%	-0.2%
Rockaway Beach	7.0%	7.0%	10.0%	3.0%
Seaside	7.6%	8.0%	10.0%	2.4%
Tillamook	7.0%	9.0%	10.0%	3.0%
Tillamook - Incorporated	<i>not available</i>	<i>not available</i>	1.0%	-
Tillamook - Unincorporated	<i>not available</i>	<i>not available</i>	10.0%	-
Waldport	7.0%	7.0%	7.0%	0.0%
Warrenton	7.0%	9.0%	12.0%	5.0%
Yachats	7.0%	7.0%	9.0%	2.0%

Exhibit continued on following pages.

Jurisdiction	Tax Rates			Rate Change (2003 to 2018)
	2003	2007	2018	
Eastern				
Baker County	6.2%	7.0%	7.0%	0.8%
Burns	9.0%	9.0%	9.0%	0.0%
Condon	<i>not available</i>	<i>not available</i>	5.0%	-
Grant County	4.0%	8.0%	8.0%	4.0%
Heppner	5.0%	5.0%	5.0%	0.0%
Hermiston	5.8%	8.0%	8.0%	2.3%
Hines	7.0%	8.0%	7.0%	0.0%
La Grande	5.0%	5.0%	6.0%	1.0%
Milton-Freewater	<i>not available</i>	<i>not available</i>	8.0%	-
Ontario	8.0%	8.0%	9.0%	1.0%
Pendleton	7.8%	8.0%	8.0%	0.3%
Umatilla	2.0%	2.0%	3.5%	1.5%
Union County	3.0%	3.0%	3.0%	0.0%
Mt. Hood and Columbia River Gorge				
Cascade Locks	7.0%	7.0%	7.0%	0.0%
Hood River	8.0%	8.0%	8.0%	0.0%
The Dalles	7.1%	8.0%	8.0%	0.9%
Troutdale	7.0%	7.0%	7.0%	0.1%
Wood Village	6.0%	6.0%	6.0%	0.0%
Portland Region				
Beaverton	<i>not available</i>	<i>not available</i>	4.0%	-
Clackamas County	6.0%	6.0%	6.0%	0.0%
Fairview	6.0%	6.0%	6.0%	0.0%
Forest Grove	<i>not available</i>	<i>not available</i>	2.5%	-
Gresham	6.0%	6.0%	6.0%	0.0%
Hillsboro	<i>not available</i>	<i>not available</i>	3.0%	-
Multnomah County	5.5%	5.5%	5.5%	0.0%
Oregon City	4.0%	4.0%	6.0%	2.0%
Portland	6.0%	6.0%	8.0%	2.0%
Sandy	3.0%	3.0%	3.0%	0.0%
Scappoose	9.0%	9.0%	9.0%	0.0%
St. Helens	<i>no local rate</i>	<i>not available</i>	6.0%	100.0%
Tigard	<i>not available</i>	<i>not available</i>	2.5%	-
Tualatin	<i>not available</i>	<i>not available</i>	2.5%	-
Washington County	7.0%	9.0%	9.0%	2.0%

Exhibit continued on following page.

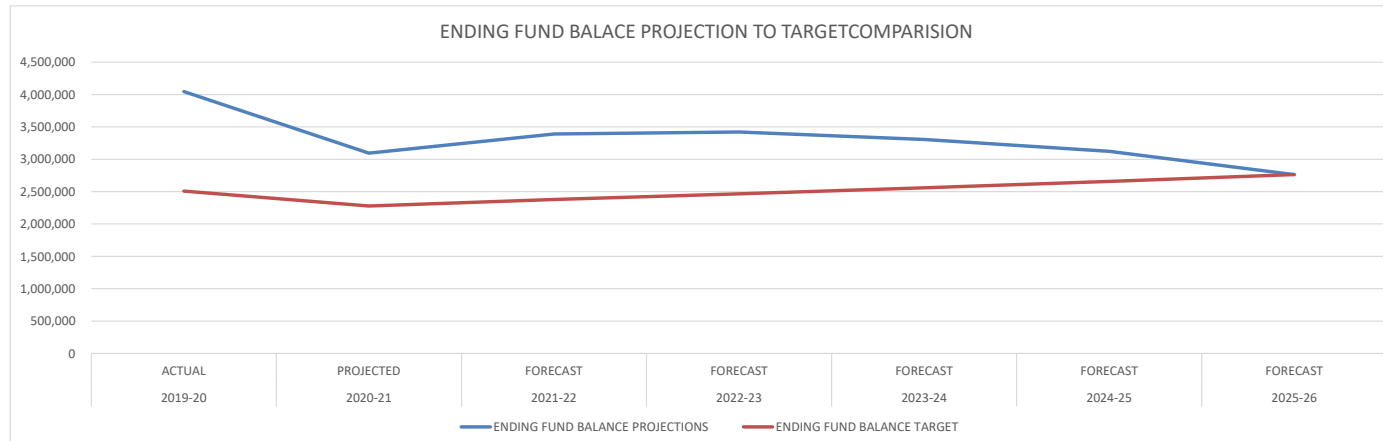
Jurisdiction	Tax Rates			Rate Change (2003 to 2018)
	2003	2007	2018	
Southern				
Ashland	7.0%	7.0%	9.0%	2.0%
Central Point	null	9.0%	9.0%	-
Grants Pass	9.0%	9.0%	9.0%	0.0%
Jacksonville	7.5%	9.0%	9.0%	1.5%
Klamath County	6.0%	6.8%	8.0%	2.0%
Lake County	6.0%	6.0%	6.0%	0.0%
Phoenix	6.0%	6.0%	6.0%	0.0%
Roseburg	8.0%	8.0%	8.0%	0.0%
Shady Cove	6.0%	6.0%	6.0%	0.0%
Sutherlin	5.0%	5.0%	8.0%	3.0%
Winston	5.0%	5.0%	7.0%	2.0%
Willamette Valley				
Albany	9.0%	9.0%	9.0%	0.0%
Coburg	*	*	*	
Corvallis	9.0%	9.0%	9.0%	0.0%
Cottage Grove	*	*	*	
Creswell	*	*	*	
Dallas	<i>not available</i>	<i>not available</i>	9.0%	-
Dundee	<i>not available</i>	<i>not available</i>	10.0%	-
Eugene	*	*	*	
Florence	*	*	*	
Junction City	*	*	*	
Keizer	6.0%	6.0%	6.0%	0.0%
Lane County	8.0%	8.0%	8.0%	0.0%
Lebanon	6.0%	6.0%	9.0%	3.0%
Lowell	<i>not available</i>	<i>not available</i>	*	-
McMinnville	<i>not available</i>	<i>not available</i>	10.0%	-
Monmouth	<i>not available</i>	9.0%	9.0%	-
Newberg	6.0%	6.0%	9.0%	3.0%
Oakridge	*	*	*	
Salem	9.0%	9.0%	9.0%	0.0%
Silverton	<i>not available</i>	<i>not available</i>	9.0%	-
Springfield	*	*	*	
Stayton	7.0%	7.0%	7.0%	0.0%
Sweet Home	6.0%	6.0%	6.0%	0.0%
Veneta	*	*	*	
Wilsonville	5.0%	5.0%	5.0%	0.0%

* Notes: Cottage Grove, Eugene, Florence, and Springfield receive three of Lane County's eight percentage points, which is in addition to the jurisdictions' city-tax rate (Eugene and Springfield's city tax rate is 1.5% and Florence and Cottage Grove's city tax rate is 1%). The Cities of Coburg, Creswell, Junction City, Lowell, Oakridge, and Veneta do not have their own TLT rate but receive local TLT revenue from Lane County.

3A G.F. - City Manager Draft Requests, No Additional Revenue, 2% Retro COLA

GENERAL FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
BEGINNING FUND BALANCE	\$ 2,553,899	\$ 4,046,656	\$ 3,094,576	\$ 3,390,079	\$ 3,421,290	\$ 3,305,276	\$ 3,122,855
REVENUES							
PROPERTY TAXES	\$ 7,160,586	\$ 6,976,400	\$ 7,181,272	\$ 7,392,246	\$ 7,609,504	\$ 7,833,236	\$ 8,063,633
OTHER TAXES	\$ 2,884,839	\$ 1,965,253	\$ 3,172,632	\$ 3,239,381	\$ 3,308,042	\$ 3,378,685	\$ 3,451,386
FRANCHISES	\$ 902,460	\$ 895,200	\$ 916,010	\$ 937,470	\$ 959,602	\$ 982,427	\$ 1,005,968
FEDERAL SOURCES	\$ 459,714	\$ 117,027	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ 206,227	\$ 126,160	\$ 130,535	\$ 135,063	\$ 139,750	\$ 144,600	\$ 149,621
MISCELLANEOUS SOURCES	\$ 774,860	\$ 695,000	\$ 628,300	\$ 647,149	\$ 666,563	\$ 686,560	\$ 707,157
SERVICES PROVIDED FOR	\$ 1,342,886	\$ 1,389,888	\$ 1,431,585	\$ 1,474,532	\$ 1,518,768	\$ 1,564,331	\$ 1,611,261
FEES, FINES & FORFEITURES	\$ 493,794	\$ 485,751	\$ 494,849	\$ 504,189	\$ 513,778	\$ 523,622	\$ 533,730
INVESTMENTS	\$ 57,503	\$ 30,785	\$ 31,709	\$ 32,660	\$ 33,640	\$ 34,649	\$ 35,688
MISCELLANEOUS	\$ 71,016	\$ 21,500	\$ 22,100	\$ 22,718	\$ 23,355	\$ 24,010	\$ 24,685
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 1,453,753	\$ 110,800	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300
TOTAL REVENUE	\$ 15,807,639	\$ 12,813,764	\$ 14,107,291	\$ 14,483,709	\$ 14,871,302	\$ 15,270,422	\$ 15,681,430
EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ (5,202,364)	\$ (4,911,179)	\$ (5,225,823)	\$ (5,356,469)	\$ (5,490,380)	\$ (5,627,640)	\$ (5,768,331)
PERSONNEL SERVICES - BENEFITS & TAXES	\$ (2,614,650)	\$ (2,464,156)	\$ (2,606,863)	\$ (2,778,951)	\$ (2,967,759)	\$ (3,175,292)	\$ (3,403,815)
MATERIALS & SERVICES	\$ (3,543,883)	\$ (2,754,244)	\$ (2,635,111)	\$ (2,722,250)	\$ (2,812,375)	\$ (2,905,594)	\$ (3,002,015)
CAPITAL OUTLAY	\$ (36,300)	\$ (227,047)	\$ (39,984)	\$ (40,784)	\$ (41,599)	\$ (42,431)	\$ (43,280)
PERSONNEL REQUESTS IN GENERAL FUND			\$ (299,704)	\$ (310,662)	\$ (322,250)	\$ (334,532)	\$ (347,568)
EQUIPMENT REQUESTS IN GENERAL FUND			\$ -	\$ -	\$ -	\$ -	\$ -
OTHER REQUESTS IN GENERAL FUND			\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (11,397,198)	\$ (10,356,626)	\$ (10,807,485)	\$ (11,209,115)	\$ (11,634,364)	\$ (12,085,489)	\$ (12,565,009)
TRANSFERS OUT TO OTHER FUNDS	\$ (2,917,684)	\$ (3,409,217)	\$ (2,395,900)	\$ (2,633,712)	\$ (2,741,986)	\$ (2,755,058)	\$ (2,862,202)
TRANS. OUT FOR PERSONNEL REQUESTS-PARKS & REC.			\$ (50,604)	\$ (51,870)	\$ (53,166)	\$ (54,495)	\$ (55,857)
TRANS. OUT FOR EQUIP. REQUESTS-PARKS & REC., AIRPORT, FACILITIES			\$ (203,800)	\$ (203,800)	\$ (203,800)	\$ (203,800)	\$ (203,800)
TRANS. OUT FOR CAPITAL REQUESTS-ALL FUNDS			\$ (354,000)	\$ (354,000)	\$ (354,000)	\$ (354,000)	\$ (354,000)
TRANS. OUT FOR OTHER REQUESTS-PARKS & REC. AND AIRPORT			\$ -	\$ -	\$ -	\$ -	\$ -
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (14,314,882)	\$ (13,765,843)	\$ (13,811,789)	\$ (14,452,497)	\$ (14,987,316)	\$ (15,452,842)	\$ (16,040,868)
NET REVENUE	\$ 1,492,757	\$ (952,079)	\$ 295,502	\$ 31,211	\$ (116,014)	\$ (182,421)	\$ (359,438)
ENDING FUND BALANCE	\$ 4,046,656	\$ 3,094,576	\$ 3,390,079	\$ 3,421,290	\$ 3,305,276	\$ 3,122,855	\$ 2,763,417

22% EFB TARGET	\$ 2,507,384	\$ 2,278,458	\$ 2,377,647	\$ 2,466,005	\$ 2,559,560	\$ 2,658,808	\$ 2,764,302
OVER (UNDER) TARGET	\$ 1,539,272	\$ 816,118	\$ 1,012,432	\$ 955,285	\$ 745,716	\$ 464,047	\$ (885)



3B R.T.F. - City Manager Draft Requests, No Additional Revenue, and 2% Retro COLA

ROOM TAX FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
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BEGINNING FUND BALANCE	\$ 672,174	\$ 383,278	\$ 616,806	\$ 282,505	\$ 219,988	\$ 228,707	\$ 232,289
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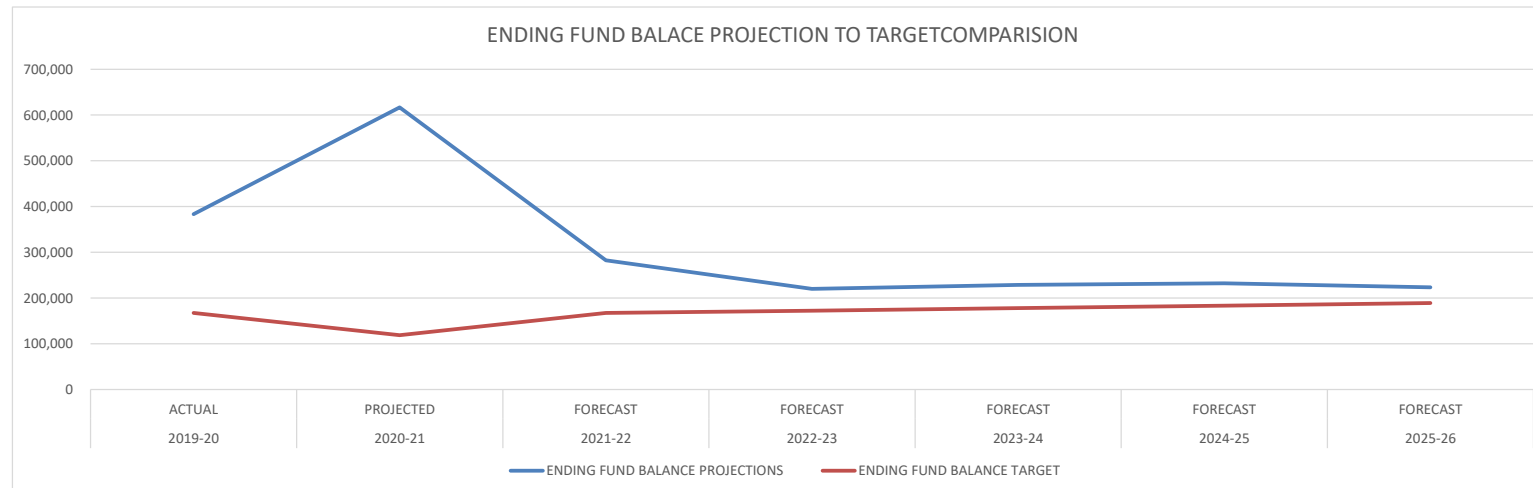
REVENUES							
PROPERTY TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER TAXES	\$ 1,721,927	\$ 998,823	\$ 2,025,372	\$ 2,055,752	\$ 2,086,589	\$ 2,117,887	\$ 2,149,656
FRANCHISES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEDERAL SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MISCELLANEOUS SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SERVICES PROVIDED FOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEES, FINES & FORFEITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENTS	\$ 10,548	\$ 5,250	\$ 5,408	\$ 5,570	\$ 5,737	\$ 5,909	\$ 6,086
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 1,732,718	\$ 1,004,073	\$ 2,030,779	\$ 2,061,322	\$ 2,092,325	\$ 2,123,796	\$ 2,155,742

EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PERSONNEL SERVICES - BENEFITS & TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MATERIALS & SERVICES	\$ (760,280)	\$ (539,845)	\$ (760,280)	\$ (783,926)	\$ (808,319)	\$ (833,483)	\$ (859,442)
CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (760,280)	\$ (539,845)	\$ (760,280)	\$ (783,926)	\$ (808,319)	\$ (833,483)	\$ (859,442)
TRANSFERS OUT TO OTHER FUNDS	\$ (1,261,333)	\$ (230,700)	\$ (1,604,800)	\$ (1,339,913)	\$ (1,275,288)	\$ (1,286,732)	\$ (1,305,148)
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (2,021,613)	\$ (770,545)	\$ (2,365,080)	\$ (2,123,839)	\$ (2,083,607)	\$ (2,120,215)	\$ (2,164,590)

NET REVENUE	\$ (288,896)	\$ 233,528	\$ (334,301)	\$ (62,517)	\$ 8,719	\$ 3,582	\$ (8,848)
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ENDING FUND BALANCE	\$ 383,278	\$ 616,806	\$ 282,505	\$ 219,988	\$ 228,707	\$ 232,289	\$ 223,440
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22% EFB TARGET	\$ 167,262	\$ 118,766	\$ 167,262	\$ 172,464	\$ 177,830	\$ 183,366	\$ 189,077
OVER (UNDER) TARGET	\$ 216,017	\$ 498,041	\$ 115,244	\$ 47,525	\$ 50,877	\$ 48,923	\$ 34,363



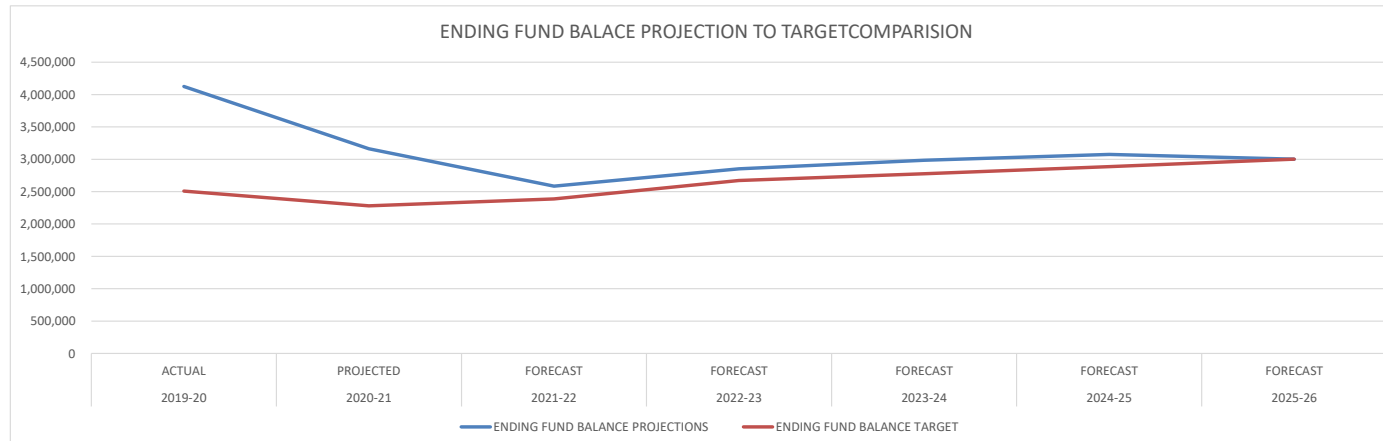
3C - City Manager Draft Requests

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Personnel Requests for General Fund (101):								
1	Audio-Visual Technician	IT	19,087	19,564	20,053	20,555	21,068	100,327
1	Return eliminated sworn position (Detective) (FTE 1.00, Range PO, Step 6)	Police	133,571	139,659	146,224	153,323	161,014	733,791
2	Fund the Emergency Preparedness Coordinator (FTE 1.00, Range N214, Step 1)	Emergency Coord.	88,682	91,397	94,203	97,102	100,098	471,482
2	Return Library Specialist 2 Requested to Part Time (FTE 0.50, Range P105, Step 1)	Library	18,190	18,645	19,111	19,589	20,078	95,613
1	Return Permit Technician (FTE 0.25, Range N208, Step 3)	Community Dev.	19,518	20,131	20,764	21,419	22,096	103,928
2	Adjust Executive Assistant Position from 0.50 to 0.75 General Fund (FTE 1.00, Range N209, Step 5)	Community Dev.	20,656	21,266	21,895	22,544	23,214	109,575
1	Parks - New Hire - 1 Parks Maintenance worker (FTE 0.50, Range P104, Step 1)	Parks & Rec	16,868	17,290	17,722	18,165	18,619	88,664
1	Parks - New Hire - 1 Parks Maintenance worker (FTE 0.50, Range P104, Step 1)	Parks & Rec	16,868	17,290	17,722	18,165	18,619	88,664
1	Parks - New Hire Parks Building Maintenance Worker (FTE 0.50, Range P104, Step 1)	Parks & Rec	16,868	17,290	17,722	18,165	18,619	88,664
Subtotal Personnel Requests for General Fund (101)			350,308	362,532	375,416	389,027	403,425	1,880,708
Equipment Requests for General Fund (101):								
1	Equipment for City Wide	Facilities	203,800	203,800	203,800	203,800	203,800	1,019,000
Subtotal Equipment Requests for General Fund (101)			203,800	203,800	203,800	203,800	203,800	1,019,000
Capital Requests for General Fund (101):								
2	Capital Projects for City Wide	Facilities	354,000	354,000	354,000	354,000	354,000	1,770,000
Subtotal Capital Requests for General Fund (101)			354,000	354,000	354,000	354,000	354,000	1,770,000
Other Requests for General Fund (101):								
Subtotal Other Requests for General Fund (101)			0	0	0	0	0	0
General Fund (101) Total Requests			908,108	920,332	933,216	946,827	961,225	4,669,708

4A G.F. - City Manager Draft Requests, 2% Retro COLA, 2.5% Room Tax Increase, and 5% Food Tax Revenue

GENERAL FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
BEGINNING FUND BALANCE	\$ 2,553,899	\$ 4,125,066	\$ 3,162,486	\$ 2,584,820	\$ 2,851,710	\$ 2,986,201	\$ 3,073,985
REVENUES							
PROPERTY TAXES	\$ 7,160,586	\$ 6,976,400	\$ 7,181,272	\$ 7,392,246	\$ 7,609,504	\$ 7,833,236	\$ 8,063,633
OTHER TAXES	\$ 2,884,839	\$ 1,965,253	\$ 3,488,232	\$ 5,559,715	\$ 5,693,181	\$ 5,830,502	\$ 5,971,807
FRANCHISES	\$ 980,870	\$ 895,200	\$ 916,010	\$ 937,470	\$ 959,602	\$ 982,427	\$ 1,005,968
FEDERAL SOURCES	\$ 459,714	\$ 117,027	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ 206,227	\$ 126,160	\$ 130,535	\$ 135,063	\$ 139,750	\$ 144,600	\$ 149,621
MISCELLANEOUS SOURCES	\$ 774,860	\$ 695,000	\$ 628,300	\$ 647,149	\$ 666,563	\$ 686,560	\$ 707,157
SERVICES PROVIDED FOR	\$ 1,342,886	\$ 1,389,888	\$ 1,431,585	\$ 1,474,532	\$ 1,518,768	\$ 1,564,331	\$ 1,611,261
FEES, FINES & FORFEITURES	\$ 493,794	\$ 485,751	\$ 494,849	\$ 504,189	\$ 513,778	\$ 523,622	\$ 533,730
INVESTMENTS	\$ 57,503	\$ 30,785	\$ 31,709	\$ 32,660	\$ 33,640	\$ 34,649	\$ 35,688
MISCELLANEOUS	\$ 71,016	\$ 21,500	\$ 22,100	\$ 22,718	\$ 23,355	\$ 24,010	\$ 24,685
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 1,453,753	\$ 110,800	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300
TOTAL REVENUE	\$ 15,886,049	\$ 12,813,764	\$ 14,422,891	\$ 16,804,043	\$ 17,256,441	\$ 17,722,238	\$ 18,201,851
EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ (5,202,364)	\$ (4,911,179)	\$ (5,225,823)	\$ (5,356,469)	\$ (5,490,380)	\$ (5,627,640)	\$ (5,768,331)
PERSONNEL SERVICES - BENEFITS & TAXES	\$ (2,614,650)	\$ (2,464,156)	\$ (2,606,863)	\$ (2,778,951)	\$ (2,967,759)	\$ (3,175,292)	\$ (3,403,815)
MATERIALS & SERVICES	\$ (3,543,883)	\$ (2,764,744)	\$ (2,645,926)	\$ (2,733,390)	\$ (2,823,849)	\$ (2,917,411)	\$ (3,014,188)
CAPITAL OUTLAY	\$ (36,300)	\$ (227,047)	\$ (39,984)	\$ (40,784)	\$ (41,599)	\$ (42,431)	\$ (43,280)
PERSONNEL REQUESTS IN GENERAL FUND			\$ (334,357)	\$ (1,239,104)	\$ (1,298,496)	\$ (1,355,501)	\$ (1,416,720)
EQUIPMENT REQUESTS IN GENERAL FUND			\$ -	\$ -	\$ -	\$ -	\$ -
OTHER REQUESTS IN GENERAL FUND			\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (11,397,198)	\$ (10,367,126)	\$ (10,852,953)	\$ (12,148,696)	\$ (12,622,084)	\$ (13,118,276)	\$ (13,646,333)
TRANSFERS OUT TO OTHER FUNDS	\$ (2,917,684)	\$ (3,409,217)	\$ (2,395,900)	\$ (2,633,712)	\$ (2,741,986)	\$ (2,755,058)	\$ (2,862,202)
TRANS. OUT FOR PERSONNEL REQUESTS-PARKS & REC.			\$ (101,705)	\$ (104,744)	\$ (107,880)	\$ (111,119)	\$ (114,463)
TRANS. OUT FOR EQUIP. REQUESTS-PARKS & REC., AIRPORT, FACILITIES			\$ (600,000)	\$ (600,000)	\$ (600,000)	\$ (600,000)	\$ (600,000)
TRANS. OUT FOR CAPITAL REQUESTS-ALL FUNDS			\$ (1,050,000)	\$ (1,050,000)	\$ (1,050,000)	\$ (1,050,000)	\$ (1,050,000)
TRANS. OUT FOR OTHER REQUESTS-PARKS & REC. AND AIRPORT			\$ -	\$ -	\$ -	\$ -	\$ -
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (14,314,882)	\$ (13,776,343)	\$ (15,000,558)	\$ (16,537,153)	\$ (17,121,950)	\$ (17,634,453)	\$ (18,272,998)
NET REVENUE	\$ 1,571,167	\$ (962,579)	\$ (577,667)	\$ 266,890	\$ 134,491	\$ 87,785	\$ (71,148)
ENDING FUND BALANCE	\$ 4,125,066	\$ 3,162,486	\$ 2,584,820	\$ 2,851,710	\$ 2,986,201	\$ 3,073,985	\$ 3,002,838

22% EFB TARGET	\$ 2,507,384	\$ 2,280,768	\$ 2,387,650	\$ 2,672,713	\$ 2,776,858	\$ 2,886,021	\$ 3,002,193
OVER (UNDER) TARGET	\$ 1,617,682	\$ 881,718	\$ 197,170	\$ 178,997	\$ 209,343	\$ 187,964	\$ 645



4B R.T.F. - City Manager Draft Requests, 2% Retro COLA, 2.5% Room Tax Increase, and 5% Food Tax Revenue

ROOM TAX FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
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BEGINNING FUND BALANCE	\$ 672,174	\$ 383,278	\$ 616,806	\$ 718,656	\$ 1,093,065	\$ 1,539,285	\$ 1,980,733
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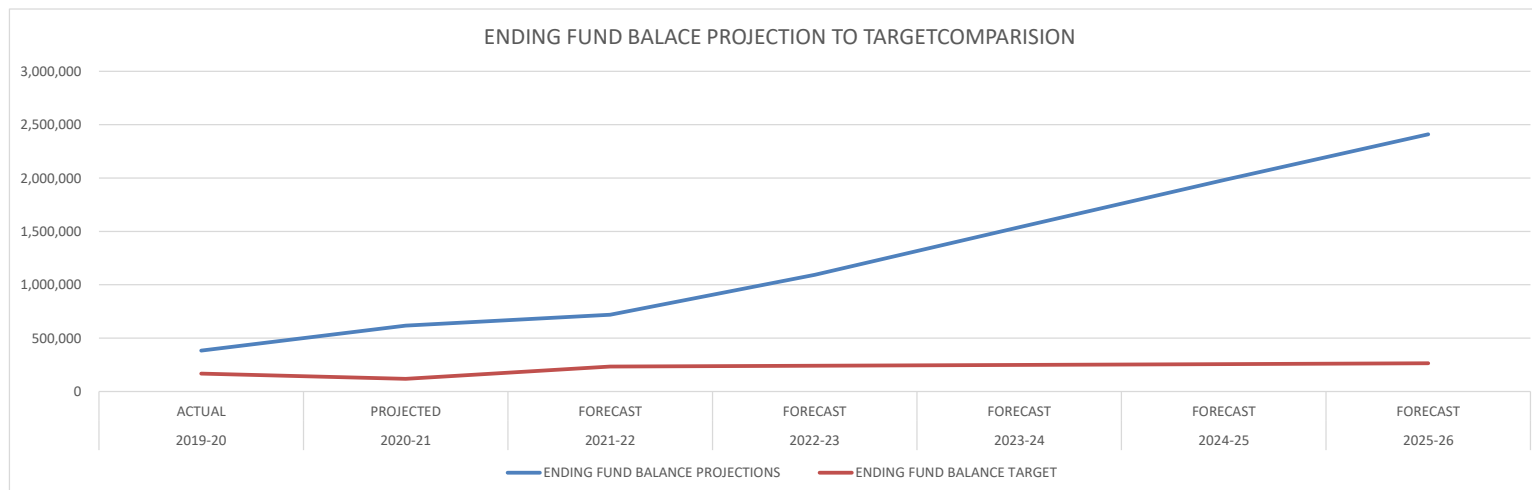
REVENUES							
PROPERTY TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER TAXES	\$ 1,721,927	\$ 998,823	\$ 2,761,772	\$ 2,803,198	\$ 2,845,246	\$ 2,887,925	\$ 2,931,244
FRANCHISES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEDERAL SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MISCELLANEOUS SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SERVICES PROVIDED FOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEES, FINES & FORFEITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENTS	\$ 10,548	\$ 5,250	\$ 5,408	\$ 5,570	\$ 5,737	\$ 5,909	\$ 6,086
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 1,732,718	\$ 1,004,073	\$ 2,767,179	\$ 2,808,768	\$ 2,850,983	\$ 2,893,834	\$ 2,937,330

EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PERSONNEL SERVICES - BENEFITS & TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MATERIALS & SERVICES	\$ (760,280)	\$ (539,845)	\$ (1,060,529)	\$ (1,094,446)	\$ (1,129,475)	\$ (1,165,654)	\$ (1,203,021)
CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (760,280)	\$ (539,845)	\$ (1,060,529)	\$ (1,094,446)	\$ (1,129,475)	\$ (1,165,654)	\$ (1,203,021)
TRANSFERS OUT TO OTHER FUNDS	\$ (1,261,333)	\$ (230,700)	\$ (1,604,800)	\$ (1,339,913)	\$ (1,275,288)	\$ (1,286,732)	\$ (1,305,148)
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (2,021,613)	\$ (770,545)	\$ (2,665,329)	\$ (2,434,359)	\$ (2,404,763)	\$ (2,452,386)	\$ (2,508,169)

NET REVENUE	\$ (288,896)	\$ 233,528	\$ 101,850	\$ 374,409	\$ 446,220	\$ 441,448	\$ 429,161
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ENDING FUND BALANCE	\$ 383,278	\$ 616,806	\$ 718,656	\$ 1,093,065	\$ 1,539,285	\$ 1,980,733	\$ 2,409,895
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22% EFB TARGET	\$ 167,262	\$ 118,766	\$ 233,316	\$ 240,778	\$ 248,485	\$ 256,444	\$ 264,665
OVER (UNDER) TARGET	\$ 216,017	\$ 498,041	\$ 485,340	\$ 852,287	\$ 1,290,801	\$ 1,724,290	\$ 2,145,230



4C - City Manager Draft Requests, 2% Retro COLA, 2.5% Room Tax Increase, and 5% Food Tax Revenue

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Personnel Requests for General Fund (101):								
1	Assistant City Manager/City Recorder Modification (FTE 0.10, Range E315, Step 3)	City Manager	0	2,552	2,747	2,952	3,169	11,420
1	Audio-Visual Technician	IT	19,087	19,564	20,053	20,555	21,068	100,327
1	Revenue Tech/Special Projects (FTE 0.75, Range P107, Step 2) - Specialist for electronic payment system, AR/Room Tax/Business License/VRD (Electric Revenue Tracker)	Finance	34,653	35,519	36,407	37,317	38,250	182,146
1	Return eliminated sworn position (Detective) (FTE 1.00, Range PO, Step 6)	Police	133,571	139,659	146,224	153,323	161,014	733,791
1	Return eliminated sworn positions (Detective and Street Crimes or SRO) (FTE 2.00, Range PO, Step 6)	Police	0	279,316	292,448	306,644	322,027	1,200,435
2	Return eliminated parking position (FTE 1.00, Range PEO, Step 4)	Police	0	89,775	93,972	98,491	103,367	385,605
1	Add sworn police officer (FTE 1.00, Range PO, Step 1)	Police	0	101,765	113,020	118,479	124,381	457,645
2	Fund the Emergency Preparedness Coordinator (FTE 1.00, Range N214, Step 1)	Emergency Coord.	88,682	91,397	94,203	97,102	100,098	471,482
2	Add Three Firefighters (1 per Shift) (FTE 3.00, Range FF, Step 1)	Fire	0	326,581	341,875	358,372	376,209	1,403,037
1	Return Library Bilingual Library Specialist 3 Requested to Full Time (FTE 1.00, Range N206, Step 1)	Library	0	75,991	78,410	80,913	83,503	318,817
2	Return Library Specialist 2 Requested to Part Time (FTE 0.50, Range P105, Step 1)	Library	18,190	18,645	19,111	19,589	20,078	95,613
3	Return Library Specialist 1 Requested to Part Time (FTE 0.50, Range P104, Step 1)	Library	0	16,943	17,367	17,801	18,246	70,357
1	Return Permit Technician (FTE 0.25, Range N208, Step 3)	Community Dev.	19,518	20,131	20,764	21,419	22,096	103,928
2	Adjust Executive Assistant Position from 0.50 to 0.75 General Fund (FTE 1.00, Range N209, Step 5)	Community Dev.	20,656	21,266	21,895	22,544	23,214	109,575
1	Parks - New Hire - 1 Parks Maintenance worker (FTE 1.00, Range N203, Step 1)	Parks & Rec	61,705	63,744	65,855	68,043	70,310	329,658
1	Parks - New Hire - 1 Parks Maintenance worker (FTE 1.00, Range N203, Step 1)	Parks & Rec	61,705	63,744	65,855	68,043	70,310	329,658
1	Parks - New Hire Parks Building Maintenance Worker (FTE 0.50, Range P104, Step 1)	Parks & Rec	16,868	17,290	17,722	18,165	18,619	88,664
Subtotal Personnel Requests for General Fund (101)			474,635	1,383,881	1,447,929	1,509,753	1,575,960	6,392,158

Equipment Requests for General Fund (101):

Attachment 8-4C

4C - City Manager Draft Requests, 2% Retro COLA, 2.5% Room Tax Increase, and 5% Food Tax Revenue

Ranking 1(High) to 5 (Low)	Position/Purpose	Dept	2021-22	2022-23	2023-24	2024-25	2025-26	Total
1	Equipment for City Wide	Facilities	600,000	600,000	600,000	600,000	600,000	3,000,000
Subtotal Equipment Requests for General Fund (101)			600,000	600,000	600,000	600,000	600,000	3,000,000
Capital Requests for General Fund (101):								
2	Capital Projects for City Wide	Facilities	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	5,250,000
Subtotal Capital Requests for General Fund (101)			1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	5,250,000
Other Requests for General Fund (101):								
Subtotal Other Requests for General Fund (101)			0	0	0	0	0	0
General Fund (101) Total Requests			<u>2,124,635</u>	<u>3,033,881</u>	<u>3,097,929</u>	<u>3,159,753</u>	<u>3,225,960</u>	<u>14,642,158</u>

City of Newport Pavement Condition Review and Reconditioning Strategies

Pavement Condition Index provided by
City Staff and
NCE Engineering and Environmental Services

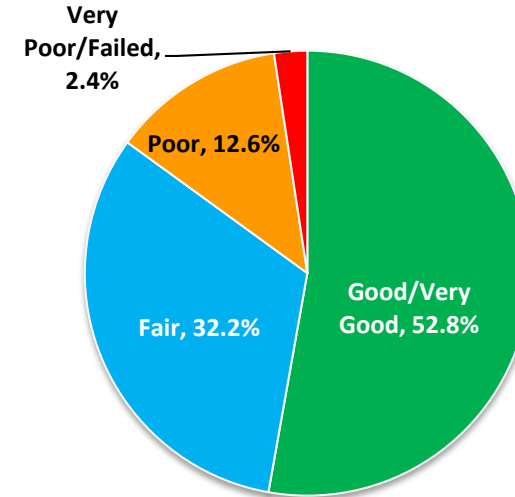
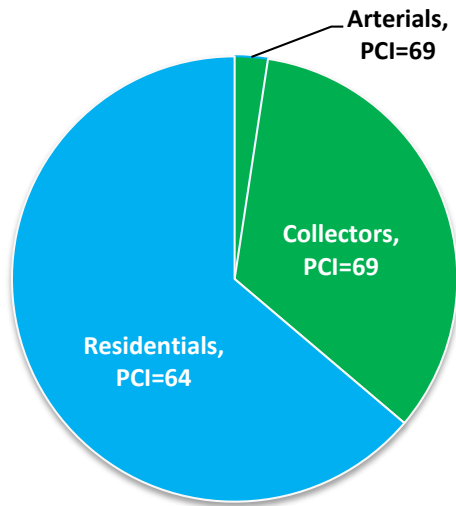
Progress Update

- Uploaded distress data and calculated PCI for City pavement surfaces.
- Entire Network
 - Total 520 pavement sections
 - 62.8 centerline miles or 124.4 lane miles
 - 10.7 centerline miles gravel roads
- Street Saver Database created for pavement monitoring

Inventory and Pavement Condition

- Pavement Condition Index (PCI): 66

- Arterial (69)
- Collector (69)
- Residential (64)



Financing Levels vs. Street Degradation

- Average annual City contribution to Street Restoration Program
 - ~\$250,000 from Newport City Gas Tax and IsTea Funds
- Future Annual Funding Scenarios Explored
 - \$300,000
 - \$500,000
 - \$800,000
 - \$1.5M
 - \$2M

Scenario 1: Funding Level (\$300,000)

Table 4: Summary Results for Scenario 1

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Budget(\$M)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	--
Deferred Maint. (\$ M)	12.8	14.1	17.8	20.7	25.8	29.7	32.6	35.3	37.5	43.1	--
PCI	68	66	65	63	61	59	57	55	54	52	--
RSL (Years)	17	16	16	15	15	14	13	13	12	12	--
Year	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Total
Budget(\$M)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	6.0
Deferred Maint. (\$ M)	48.0	51.4	56.4	65.3	70.3	77.9	82.3	85.8	93.5	102.1	--
PCI	50	48	46	44	43	41	40	38	36	35	--
RSL (Years)	12	11	11	11	10	10	10	9	9	8	--

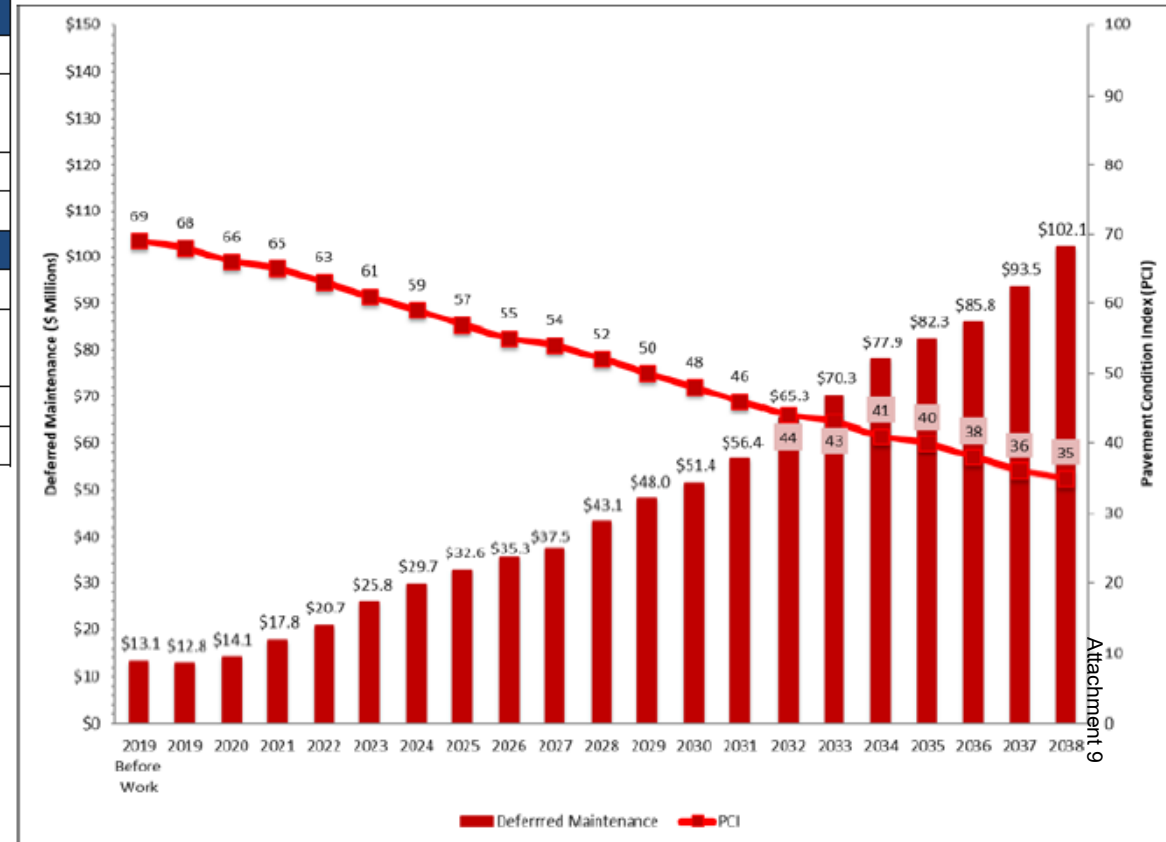


Figure 6: PCI vs Deferred Maintenance for Scenario 1

Scenario 2: Funding Level (\$500,000)

Table 5: Summary Results for Scenario 2

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Budget(\$M)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	--
Deferred Maint. (\$ M)	12.6	13.7	17.2	19.8	24.7	27.9	30.2	32.4	34.1	39.3	--
PCI	68	67	65	64	62	60	59	57	56	54	--
RSL (Years)	71	17	16	16	15	15	14	14	13	13	--
Year	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Total
Budget(\$M)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	10.0
Deferred Maint. (\$ M)	44.0	46.4	51.1	57.7	62.2	68.8	72.1	76.3	82.6	87.4	--
PCI	53	51	50	48	47	46	44	43	42	40	--
RSL (Years)	13	13	12	12	12	11	11	11	11	11	--

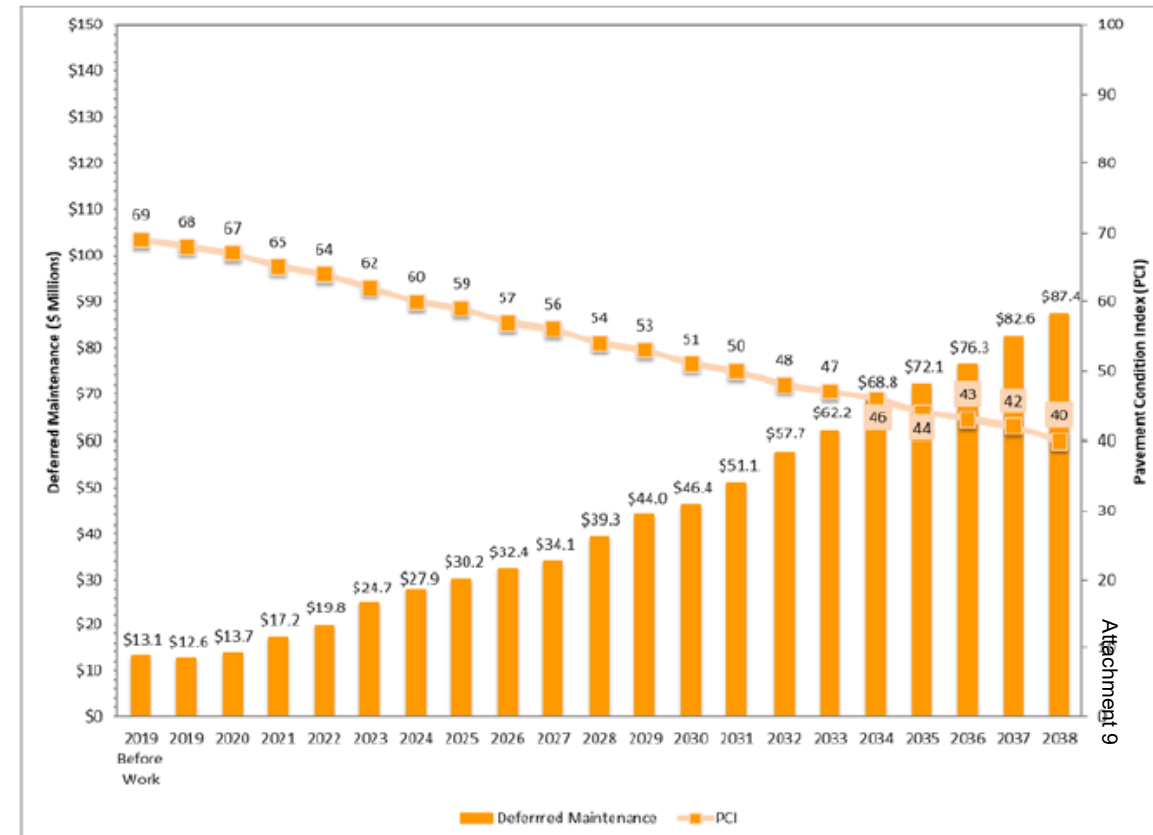
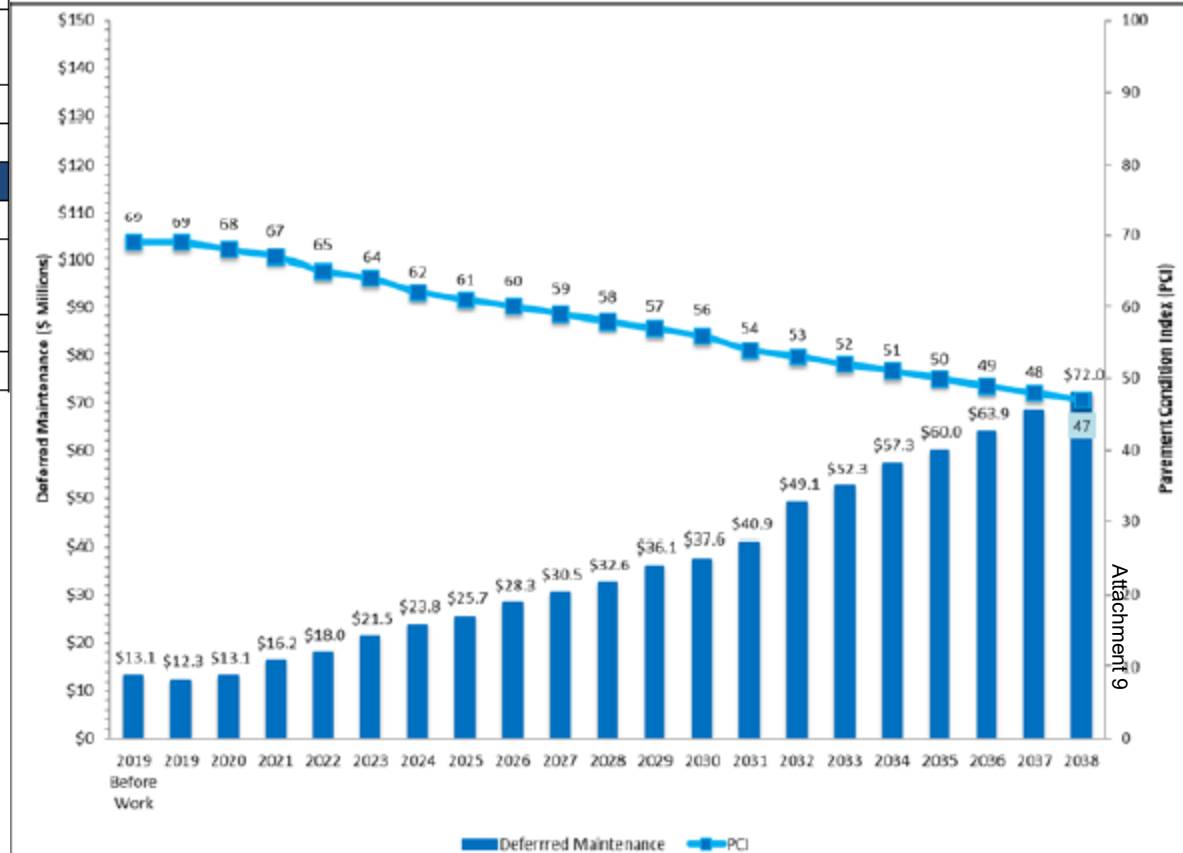


Figure 7: PCI vs Deferred Maintenance for Scenario 2

Scenario 3: Funding Level (\$800,000)

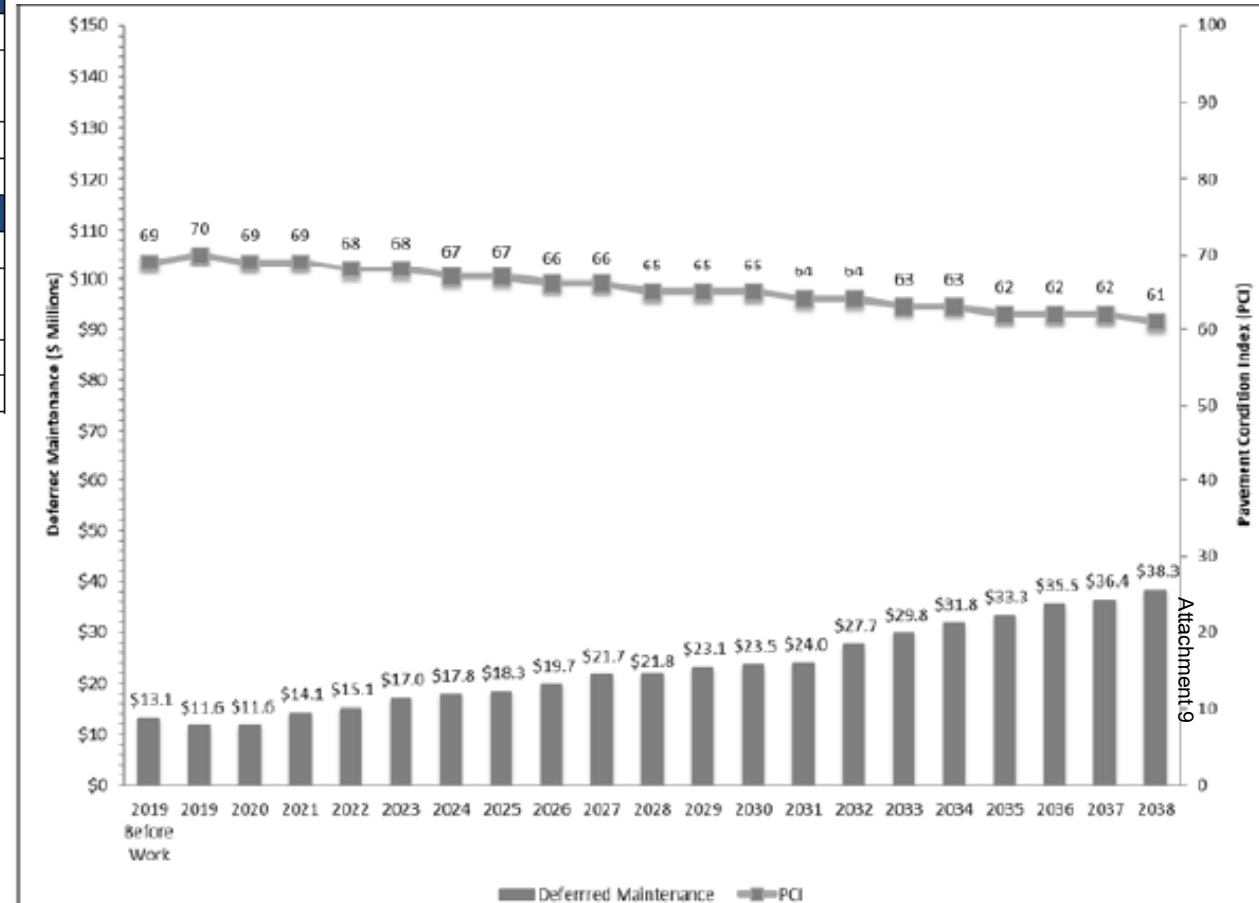
Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Budget(\$M)	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	--
Deferred Maint. (\$ M)	12.3	13.1	16.2	18.0	21.5	23.8	25.7	28.3	30.5	32.6	--
PCI	69	68	67	65	64	62	61	60	59	58	--
RSL (Years)	18	17	17	16	16	16	15	15	15	15	--
Year	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Total
Budget(\$M)	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	16.0
Deferred Maint. (\$ M)	36.1	37.6	40.9	49.1	52.3	57.3	60.0	63.9	68.2	72.0	--
PCI	57	56	54	53	52	51	50	49	48	47	--
RSL (Years)	14	14	14	14	13	13	13	13	13	13	--



Scenario 4: Funding Level (\$1.5M)

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Budget(\$M)	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	--
Deferred Maint. (\$ M)	11.6	11.6	14.1	15.1	17.0	17.8	18.3	19.7	21.7	21.8	--
PCI	70	69	69	68	68	67	67	66	66	65	--
RSL (Years)	18	18	18	18	18	18	18	18	18	18	--

Year	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Total
Budget(\$M)	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	30.0
Deferred Maint. (\$ M)	23.1	23.5	24.0	27.7	29.8	31.8	33.3	35.5	36.4	38.3	--
PCI	65	65	64	64	63	63	62	62	62	61	--
RSL (Years)	18	18	18	18	18	18	18	18	18	18	--

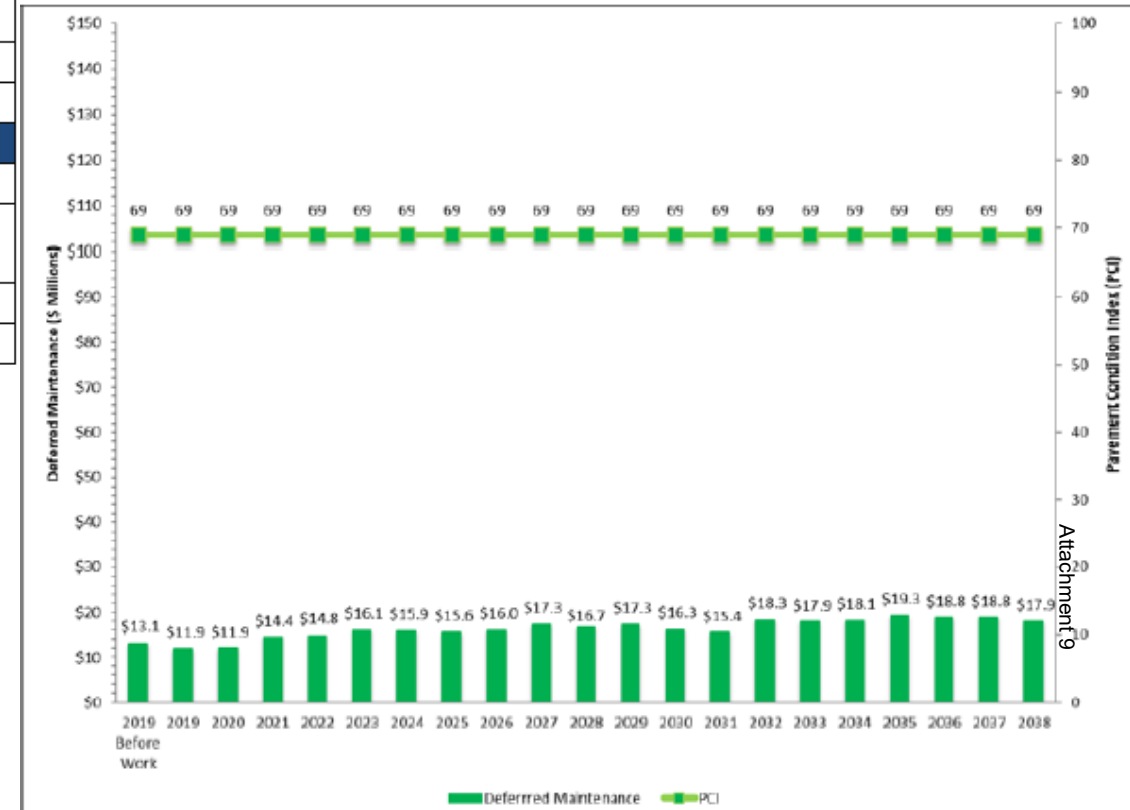


Attachment 9

Scenario 5: Funding Level (\$2M)

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Budget(\$M)	1.2	1.5	1.5	2.1	2.1	2.5	2.5	2.5	2.1	2.1	--
Deferred Maint. (\$ M)	11.9	11.9	14.4	14.8	16.1	15.9	15.6	16.0	17.3	16.7	--
PCI	69	69	69	69	69	69	69	69	69	69	--
RSL (Years)	18	18	18	18	19	19	19	19	20	20	--

Year	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Total
Budget(\$M)	2.1	2.2	2.5	2.0	2.0	2.0	1.5	2.2	1.8	2.0	40.4
Deferred Maint. (\$ M)	17.3	16.3	15.4	18.3	17.9	18.1	19.3	18.8	18.8	17.9	--
PCI	69	69	69	69	69	69	69	69	69	69	--
RSL (Years)	20	20	20	20	20	20	20	20	21	20	--



Budget Needs

Once the pavement condition has been determined, and the appropriate maintenance treatments determined, then it is possible to determine the funding needs for the City’s streets. Simplistically, the StreetSaver® program seeks to answer the following questions:

If funding is not a constraint, how much money is needed to bring the pavement condition to a state of good repair? And what is needed to maintain it at current level over the next 20 years?

Based on the principle that it costs less to maintain streets in good condition than those in bad condition, the PMP strives to develop a maintenance strategy that will improve the overall condition of the network to an optimal PCI and then sustain it at that level. By not addressing the maintenance needs, the quality of the street network will inevitably decline. In order to correct these deficiencies, a cost-effective funding and maintenance strategy must be implemented.

Using the StreetSaver budget needs module with an inflation rate of three percent, the maintenance needs over the next 20 years were estimated at approximately \$39.8 million for the entire network. If the City follows the strategy recommended by the program, the average network PCI will increase to the high 70s. If, however, no maintenance is applied over the next 20 years, already distressed streets will continue to deteriorate, and the network PCI will drop to 44 by 2028, and to 20 by 2038. The results of the budget needs analysis are summarized in Table 3 below.

Table 3: Summary Results from Needs Analysis

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
PCI Treated	84	81	80	79	78	76	75	77	80	78	--
PCI Untreated	67	64	62	60	57	54	52	49	47	44	--
Needs (\$Millions)	13.1	0.2	0.2	0.5	0.2	0.1	0.5	3.7	3.5	0.3	--
Year	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	Total
PCI Treated	79	77	78	76	78	77	81	80	78	77	--
PCI Untreated	42	39	36	34	31	29	27	24	22	20	--
Needs (\$Millions)	2.4	0.1	3.1	0.6	4.0	1.1	4.7	1.0	0.2	0.3	39.8

The results of the budget needs analysis represent the ideal funding strategy recommended; of the total \$39.8 million in maintenance needs shown, approximately \$9.9 million (25 percent) is earmarked for preventive maintenance with the majority (75 percent) allocated to the more costly rehabilitation and reconstruction treatments.

Note that in this analysis, the total funding needed is “front-loaded” i.e. it is less expensive to repair the streets in the first year than in subsequent years due to the effect of deferring maintenance and inflation.



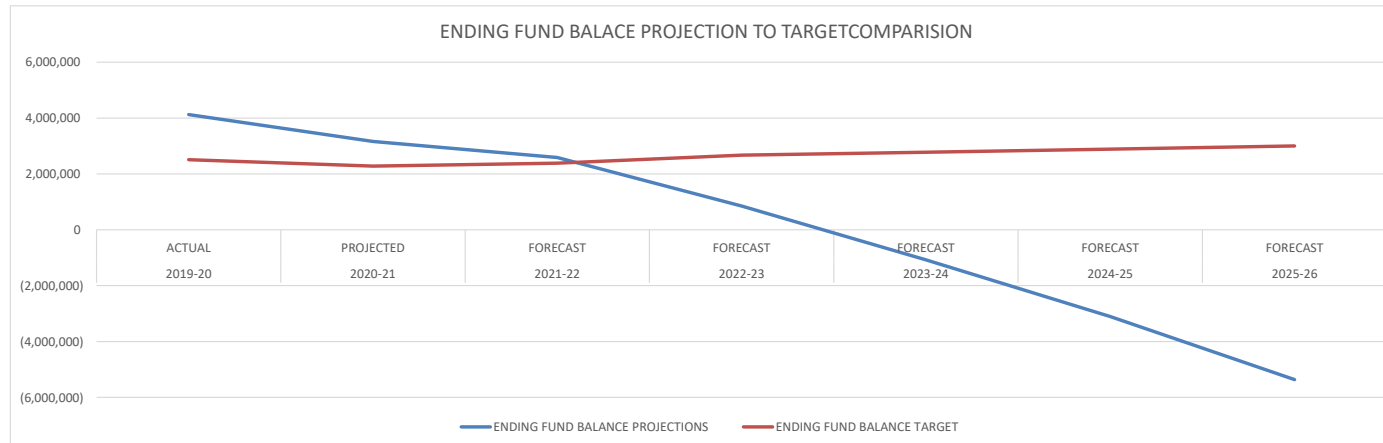
Although very few agencies can afford this “front loaded” approach, it highlights the next treatments each street section needs and becomes a reference point for the other funding scenarios.

It should be also noted that the prediction models do not take into account the impacts of newer and more cost-effective technologies. For example, if improved materials are utilized, e.g. asphalt-binders with rubber or polymers, the actual performance of these treatments may be under-stated by the models. This results in a higher expected funding requirement. However, if the City continues to assess the pavement conditions regularly, the models will continue to improve.

G.F. - City Manager Draft Requests, 2% Retro COLA, 2.5% Room Tax Increase, and No Food Tax Revenue

GENERAL FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
BEGINNING FUND BALANCE	\$ 2,553,899	\$ 4,125,066	\$ 3,162,486	\$ 2,584,820	\$ 851,710	\$ (1,073,799)	\$ (3,107,815)
REVENUES							
PROPERTY TAXES	\$ 7,160,586	\$ 6,976,400	\$ 7,181,272	\$ 7,392,246	\$ 7,609,504	\$ 7,833,236	\$ 8,063,633
OTHER TAXES	\$ 2,884,839	\$ 1,965,253	\$ 3,488,232	\$ 3,559,715	\$ 3,633,181	\$ 3,708,702	\$ 3,786,353
FRANCHISES	\$ 980,870	\$ 895,200	\$ 916,010	\$ 937,470	\$ 959,602	\$ 982,427	\$ 1,005,968
FEDERAL SOURCES	\$ 459,714	\$ 117,027	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ 206,227	\$ 126,160	\$ 130,535	\$ 135,063	\$ 139,750	\$ 144,600	\$ 149,621
MISCELLANEOUS SOURCES	\$ 774,860	\$ 695,000	\$ 628,300	\$ 647,149	\$ 666,563	\$ 686,560	\$ 707,157
SERVICES PROVIDED FOR	\$ 1,342,886	\$ 1,389,888	\$ 1,431,585	\$ 1,474,532	\$ 1,518,768	\$ 1,564,331	\$ 1,611,261
FEES, FINES & FORFEITURES	\$ 493,794	\$ 485,751	\$ 494,849	\$ 504,189	\$ 513,778	\$ 523,622	\$ 533,730
INVESTMENTS	\$ 57,503	\$ 30,785	\$ 31,709	\$ 32,660	\$ 33,640	\$ 34,649	\$ 35,688
MISCELLANEOUS	\$ 71,016	\$ 21,500	\$ 22,100	\$ 22,718	\$ 23,355	\$ 24,010	\$ 24,685
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 1,453,753	\$ 110,800	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300
TOTAL REVENUE	\$ 15,886,049	\$ 12,813,764	\$ 14,422,891	\$ 14,804,043	\$ 15,196,441	\$ 15,600,438	\$ 16,016,397
EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ (5,202,364)	\$ (4,911,179)	\$ (5,225,823)	\$ (5,356,469)	\$ (5,490,380)	\$ (5,627,640)	\$ (5,768,331)
PERSONNEL SERVICES - BENEFITS & TAXES	\$ (2,614,650)	\$ (2,464,156)	\$ (2,606,863)	\$ (2,778,951)	\$ (2,967,759)	\$ (3,175,292)	\$ (3,403,815)
MATERIALS & SERVICES	\$ (3,543,883)	\$ (2,764,744)	\$ (2,645,926)	\$ (2,733,390)	\$ (2,823,849)	\$ (2,917,411)	\$ (3,014,188)
CAPITAL OUTLAY	\$ (36,300)	\$ (227,047)	\$ (39,984)	\$ (40,784)	\$ (41,599)	\$ (42,431)	\$ (43,280)
PERSONNEL REQUESTS IN GENERAL FUND			\$ (334,357)	\$ (1,239,104)	\$ (1,298,496)	\$ (1,355,501)	\$ (1,416,720)
EQUIPMENT REQUESTS IN GENERAL FUND			\$ -	\$ -	\$ -	\$ -	\$ -
OTHER REQUESTS IN GENERAL FUND			\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (11,397,198)	\$ (10,367,126)	\$ (10,852,953)	\$ (12,148,696)	\$ (12,622,084)	\$ (13,118,276)	\$ (13,646,333)
TRANSFERS OUT TO OTHER FUNDS	\$ (2,917,684)	\$ (3,409,217)	\$ (2,395,900)	\$ (2,633,712)	\$ (2,741,986)	\$ (2,755,058)	\$ (2,862,202)
TRANS. OUT FOR PERSONNEL REQUESTS-PARKS & REC.			\$ (101,705)	\$ (104,744)	\$ (107,880)	\$ (111,119)	\$ (114,463)
TRANS. OUT FOR EQUIP. REQUESTS-PARKS & REC., AIRPORT, FACILITIES			\$ (600,000)	\$ (600,000)	\$ (600,000)	\$ (600,000)	\$ (600,000)
TRANS. OUT FOR CAPITAL REQUESTS-ALL FUNDS			\$ (1,050,000)	\$ (1,050,000)	\$ (1,050,000)	\$ (1,050,000)	\$ (1,050,000)
TRANS. OUT FOR OTHER REQUESTS-PARKS & REC. AND AIRPORT			\$ -	\$ -	\$ -	\$ -	\$ -
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (14,314,882)	\$ (13,776,343)	\$ (15,000,558)	\$ (16,537,153)	\$ (17,121,950)	\$ (17,634,453)	\$ (18,272,998)
NET REVENUE	\$ 1,571,167	\$ (962,579)	\$ (577,667)	\$ (1,733,110)	\$ (1,925,509)	\$ (2,034,015)	\$ (2,256,602)
ENDING FUND BALANCE	\$ 4,125,066	\$ 3,162,486	\$ 2,584,820	\$ 851,710	\$ (1,073,799)	\$ (3,107,815)	\$ (5,364,416)

22% EFB TARGET	\$ 2,507,384	\$ 2,280,768	\$ 2,387,650	\$ 2,672,713	\$ 2,776,858	\$ 2,886,021	\$ 3,002,193
OVER (UNDER) TARGET	\$ 1,617,682	\$ 881,718	\$ 197,170	\$ (1,821,003)	\$ (3,850,657)	\$ (5,993,836)	\$ (8,366,609)



R.T.F. - City Manager Draft Requests, 2% Retro COLA, 2.5% Room Tax Increase, and No Food Tax Revenue

ROOM TAX FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
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BEGINNING FUND BALANCE	\$ 672,174	\$ 383,278	\$ 616,806	\$ 718,656	\$ 1,093,065	\$ 1,539,285	\$ 1,980,733
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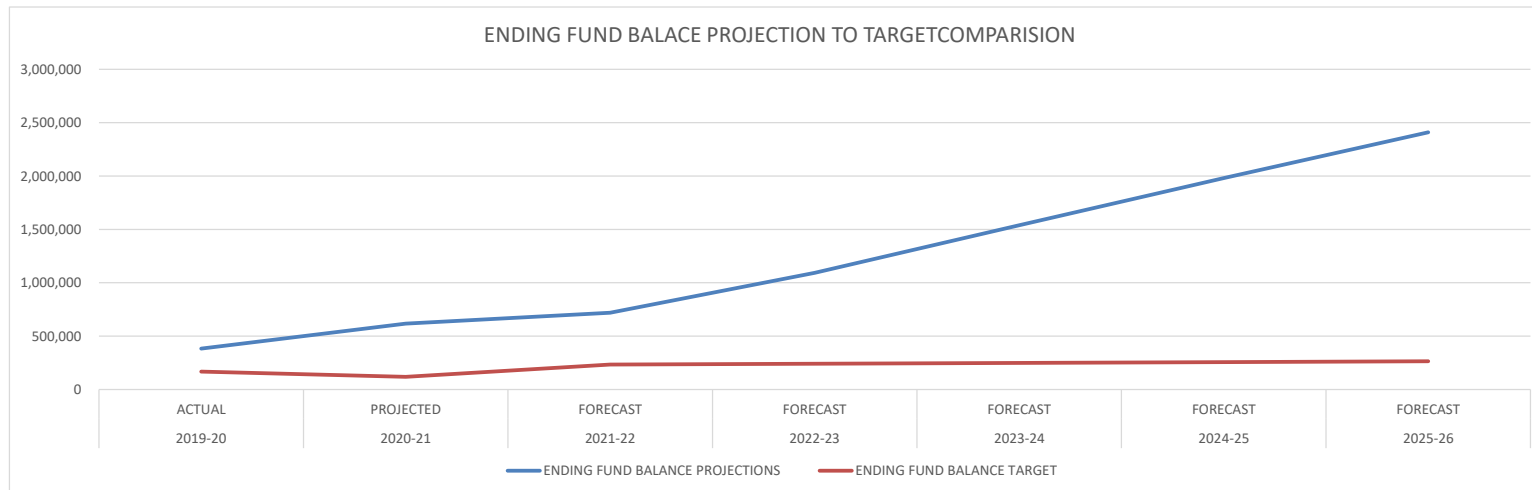
REVENUES							
PROPERTY TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER TAXES	\$ 1,721,927	\$ 998,823	\$ 2,761,772	\$ 2,803,198	\$ 2,845,246	\$ 2,887,925	\$ 2,931,244
FRANCHISES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEDERAL SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MISCELLANEOUS SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SERVICES PROVIDED FOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEES, FINES & FORFEITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENTS	\$ 10,548	\$ 5,250	\$ 5,408	\$ 5,570	\$ 5,737	\$ 5,909	\$ 6,086
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 1,732,718	\$ 1,004,073	\$ 2,767,179	\$ 2,808,768	\$ 2,850,983	\$ 2,893,834	\$ 2,937,330

EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PERSONNEL SERVICES - BENEFITS & TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MATERIALS & SERVICES	\$ (760,280)	\$ (539,845)	\$ (1,060,529)	\$ (1,094,446)	\$ (1,129,475)	\$ (1,165,654)	\$ (1,203,021)
CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (760,280)	\$ (539,845)	\$ (1,060,529)	\$ (1,094,446)	\$ (1,129,475)	\$ (1,165,654)	\$ (1,203,021)
TRANSFERS OUT TO OTHER FUNDS	\$ (1,261,333)	\$ (230,700)	\$ (1,604,800)	\$ (1,339,913)	\$ (1,275,288)	\$ (1,286,732)	\$ (1,305,148)
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (2,021,613)	\$ (770,545)	\$ (2,665,329)	\$ (2,434,359)	\$ (2,404,763)	\$ (2,452,386)	\$ (2,508,169)

NET REVENUE	\$ (288,896)	\$ 233,528	\$ 101,850	\$ 374,409	\$ 446,220	\$ 441,448	\$ 429,161
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ENDING FUND BALANCE	\$ 383,278	\$ 616,806	\$ 718,656	\$ 1,093,065	\$ 1,539,285	\$ 1,980,733	\$ 2,409,895
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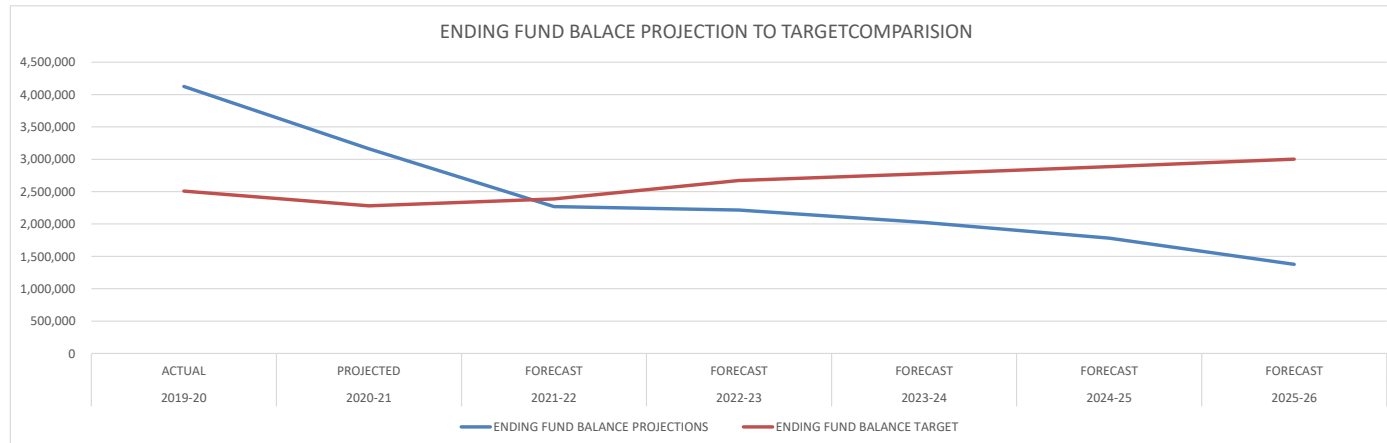
22% EFB TARGET	\$ 167,262	\$ 118,766	\$ 233,316	\$ 240,778	\$ 248,485	\$ 256,444	\$ 264,665
OVER (UNDER) TARGET	\$ 216,017	\$ 498,041	\$ 485,340	\$ 852,287	\$ 1,290,801	\$ 1,724,290	\$ 2,145,230



G.F. - City Manager Draft Requests, 2% Retro COLA, No Room Tax Increase, and 5% Food Tax Revenue

GENERAL FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
BEGINNING FUND BALANCE	\$ 2,553,899	\$ 4,125,066	\$ 3,162,486	\$ 2,269,220	\$ 2,215,776	\$ 2,025,128	\$ 1,782,896
REVENUES							
PROPERTY TAXES	\$ 7,160,586	\$ 6,976,400	\$ 7,181,272	\$ 7,392,246	\$ 7,609,504	\$ 7,833,236	\$ 8,063,633
OTHER TAXES	\$ 2,884,839	\$ 1,965,253	\$ 3,172,632	\$ 5,239,381	\$ 5,368,042	\$ 5,500,485	\$ 5,636,840
FRANCHISES	\$ 980,870	\$ 895,200	\$ 916,010	\$ 937,470	\$ 959,602	\$ 982,427	\$ 1,005,968
FEDERAL SOURCES	\$ 459,714	\$ 117,027	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ 206,227	\$ 126,160	\$ 130,535	\$ 135,063	\$ 139,750	\$ 144,600	\$ 149,621
MISCELLANEOUS SOURCES	\$ 774,860	\$ 695,000	\$ 628,300	\$ 647,149	\$ 666,563	\$ 686,560	\$ 707,157
SERVICES PROVIDED FOR	\$ 1,342,886	\$ 1,389,888	\$ 1,431,585	\$ 1,474,532	\$ 1,518,768	\$ 1,564,331	\$ 1,611,261
FEES, FINES & FORFEITURES	\$ 493,794	\$ 485,751	\$ 494,849	\$ 504,189	\$ 513,778	\$ 523,622	\$ 533,730
INVESTMENTS	\$ 57,503	\$ 30,785	\$ 31,709	\$ 32,660	\$ 33,640	\$ 34,649	\$ 35,688
MISCELLANEOUS	\$ 71,016	\$ 21,500	\$ 22,100	\$ 22,718	\$ 23,355	\$ 24,010	\$ 24,685
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 1,453,753	\$ 110,800	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300	\$ 98,300
TOTAL REVENUE	\$ 15,886,049	\$ 12,813,764	\$ 14,107,291	\$ 16,483,709	\$ 16,931,302	\$ 17,392,222	\$ 17,866,884
EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ (5,202,364)	\$ (4,911,179)	\$ (5,225,823)	\$ (5,356,469)	\$ (5,490,380)	\$ (5,627,640)	\$ (5,768,331)
PERSONNEL SERVICES - BENEFITS & TAXES	\$ (2,614,650)	\$ (2,464,156)	\$ (2,606,863)	\$ (2,778,951)	\$ (2,967,759)	\$ (3,175,292)	\$ (3,403,815)
MATERIALS & SERVICES	\$ (3,543,883)	\$ (2,764,744)	\$ (2,645,926)	\$ (2,733,390)	\$ (2,823,849)	\$ (2,917,411)	\$ (3,014,188)
CAPITAL OUTLAY	\$ (36,300)	\$ (227,047)	\$ (39,984)	\$ (40,784)	\$ (41,599)	\$ (42,431)	\$ (43,280)
PERSONNEL REQUESTS IN GENERAL FUND			\$ (334,357)	\$ (1,239,104)	\$ (1,298,496)	\$ (1,355,501)	\$ (1,416,720)
EQUIPMENT REQUESTS IN GENERAL FUND			\$ -	\$ -	\$ -	\$ -	\$ -
OTHER REQUESTS IN GENERAL FUND			\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (11,397,198)	\$ (10,367,126)	\$ (10,852,953)	\$ (12,148,696)	\$ (12,622,084)	\$ (13,118,276)	\$ (13,646,333)
TRANSFERS OUT TO OTHER FUNDS	\$ (2,917,684)	\$ (3,409,217)	\$ (2,395,900)	\$ (2,633,712)	\$ (2,741,986)	\$ (2,755,058)	\$ (2,862,202)
TRANS. OUT FOR PERSONNEL REQUESTS-PARKS & REC.			\$ (101,705)	\$ (104,744)	\$ (107,880)	\$ (111,119)	\$ (114,463)
TRANS. OUT FOR EQUIP. REQUESTS-PARKS & REC., AIRPORT, FACILITIES			\$ (600,000)	\$ (600,000)	\$ (600,000)	\$ (600,000)	\$ (600,000)
TRANS. OUT FOR CAPITAL REQUESTS-ALL FUNDS			\$ (1,050,000)	\$ (1,050,000)	\$ (1,050,000)	\$ (1,050,000)	\$ (1,050,000)
TRANS. OUT FOR OTHER REQUESTS-PARKS & REC. AND AIRPORT			\$ -	\$ -	\$ -	\$ -	\$ -
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (14,314,882)	\$ (13,776,343)	\$ (15,000,558)	\$ (16,537,153)	\$ (17,121,950)	\$ (17,634,453)	\$ (18,272,998)
NET REVENUE	\$ 1,571,167	\$ (962,579)	\$ (893,267)	\$ (53,444)	\$ (190,648)	\$ (242,232)	\$ (406,114)
ENDING FUND BALANCE	\$ 4,125,066	\$ 3,162,486	\$ 2,269,220	\$ 2,215,776	\$ 2,025,128	\$ 1,782,896	\$ 1,376,782

22% EFB TARGET	\$ 2,507,384	\$ 2,280,768	\$ 2,387,650	\$ 2,672,713	\$ 2,776,858	\$ 2,886,021	\$ 3,002,193
OVER (UNDER) TARGET	\$ 1,617,682	\$ 881,718	\$ (118,430)	\$ (456,937)	\$ (751,730)	\$ (1,103,125)	\$ (1,625,411)



R.T.F. - City Manager Draft Requests, 2% Retro COLA, No Room Tax Increase, and 5% Food Tax Revenue

ROOM TAX FUND INCOME STATEMENT	2019-20 ACTUAL	2020-21 PROJECTED	2021-22 FORECAST	2022-23 FORECAST	2023-24 FORECAST	2024-25 FORECAST	2025-26 FORECAST
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BEGINNING FUND BALANCE	\$ 672,174	\$ 383,278	\$ 616,806	\$ (17,744)	\$ (390,781)	\$ (703,218)	\$ (1,031,808)
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REVENUES							
PROPERTY TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER TAXES	\$ 1,721,927	\$ 998,823	\$ 2,025,372	\$ 2,055,752	\$ 2,086,589	\$ 2,117,887	\$ 2,149,656
FRANCHISES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEDERAL SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
STATE SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MISCELLANEOUS SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SERVICES PROVIDED FOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEES, FINES & FORFEITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENTS	\$ 10,548	\$ 5,250	\$ 5,408	\$ 5,570	\$ 5,737	\$ 5,909	\$ 6,086
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LOAN REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER FROM OTHER FUNDS	\$ 243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 1,732,718	\$ 1,004,073	\$ 2,030,779	\$ 2,061,322	\$ 2,092,325	\$ 2,123,796	\$ 2,155,742

EXPENDITURES							
PERSONNEL SERVICES - WAGES & SALARIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PERSONNEL SERVICES - BENEFITS & TAXES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MATERIALS & SERVICES	\$ (760,280)	\$ (539,845)	\$ (1,060,529)	\$ (1,094,446)	\$ (1,129,475)	\$ (1,165,654)	\$ (1,203,021)
CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATIONAL EXPENDITURES	\$ (760,280)	\$ (539,845)	\$ (1,060,529)	\$ (1,094,446)	\$ (1,129,475)	\$ (1,165,654)	\$ (1,203,021)
TRANSFERS OUT TO OTHER FUNDS	\$ (1,261,333)	\$ (230,700)	\$ (1,604,800)	\$ (1,339,913)	\$ (1,275,288)	\$ (1,286,732)	\$ (1,305,148)
INTERFUND LOANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ (2,021,613)	\$ (770,545)	\$ (2,665,329)	\$ (2,434,359)	\$ (2,404,763)	\$ (2,452,386)	\$ (2,508,169)

NET REVENUE	\$ (288,896)	\$ 233,528	\$ (634,550)	\$ (373,037)	\$ (312,438)	\$ (328,589)	\$ (352,427)
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ENDING FUND BALANCE	\$ 383,278	\$ 616,806	\$ (17,744)	\$ (390,781)	\$ (703,218)	\$ (1,031,808)	\$ (1,384,235)
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22% EFB TARGET	\$ 167,262	\$ 118,766	\$ 233,316	\$ 240,778	\$ 248,485	\$ 256,444	\$ 264,665
OVER (UNDER) TARGET	\$ 216,017	\$ 498,041	\$ (251,060)	\$ (631,559)	\$ (951,703)	\$ (1,288,252)	\$ (1,648,899)

