


City of
Sherwood
Oregon

Home of the Tualatin River National Wildlife Refuge

**2017-2018
ADOPTED
BUDGET**



www.sherwoodoregon.gov



City of Sherwood Annual Budget

For the Fiscal Year

July 1, 2017 - June 30, 2018



CITY COUNCIL:

Krisanna Clark, *Mayor*

Jennifer Harris, *Council President*

Sally Robinson, *Council Member*

Jennifer Kuiper, *Council Member*

Dan King, *Council Member*

Kim Young, *Council Member*

Sean Garland, *Council Member*

BUDGET COMMITTEE:

Meerta Meyer, *Chair*

Paul Mayer, *Vice Chair*

Andy McConnell

Susan Claus

Andy Jensen

Kurt Studer

Amy Kutzkey

CITY STAFF:

Joseph Gall, *City Manager*

Katie Henry, *Finance Director*

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Home of the Tualatin River National Wildlife Refuge

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sherwood
Oregon**

For the Fiscal Year Beginning

July 1, 2016

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Sherwood, Oregon for its annual budget for the fiscal year beginning July 1, 2016.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide as a financial plan, and as a communication device.

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

How to Make the Most of the Budget Document

This budget document serves to:

- Present the City Council and the public with a clear picture of the services the city provides.
- Provide city management with a financial and operating plan that adheres to the city's financial policies.
- Communicate the vision of the City Council and Leadership Team for the City of Sherwood.
- Present financial and organizational operations for each of the city's departments.

Reader's Guide

The reader's guide provides a variety of information about the city.

- Awards
- Budget Message
- Sherwood's unique history
- Demographic information
- Council Mission, Values, and Goals
- City organization chart
- Oregon budget process, including an explanation of funds

Revenues & Expenditures

This section includes current revenue by source and current expenses by major category. This section also includes an overview of the main sources of revenue for the City, including a review of Oregon's

property tax system; as well as an overview of the major categories of expenses; personal services, materials and services, and capital outlay.

Debt Service & (CIP) Capital Improvement Plan

This section includes information on our General Obligation Bonds, Water Bonds and URA Bonds.

The CIP establishes, prioritizes, and ensures funding for projects to improve existing and develop new infrastructure and facilities. While the CIP serves as a long-range plan, it is reviewed and revised annually.

Budget Detail

This section includes the detailed budgets for the City as a whole, each fund, division, and program in the City.

Appendix

The Appendix includes the FTE schedules, salary schedules, financial policies, and a glossary with acronyms.

Fiscal Year 2017-18

City Manager’s Budget Message

May 3, 2017

The Honorable Mayor Krisanna Clark

Members of the Sherwood City Council

Members of the Sherwood Budget Committee

As City Manager for the City of Sherwood, it is my pleasure to present the proposed Fiscal Year 2017-18 budget for the City of Sherwood. This proposed budget is submitted as required by Chapter 294 of the Oregon Revised Statutes and Chapter VIII, Section 33.e.6 of the Sherwood Municipal Code. As an important reminder to citizens reviewing this proposed budget, State budget law provides for three levels of review and scrutiny of this budget: the City Manager, the Budget Committee, and the City Council. At any step in this process, the reviewing body can alter the proposed budget if they believe it is in the best interests of the City of Sherwood. I am pleased to be able to maintain a fiscally responsible budget, while continuing to provide the quality of public services our citizens have come to enjoy and expect from the City.

Budget Overview

In many ways, the proposed budget for next fiscal year is a status quo budget with few significant changes. As we near the end of the current fiscal year, the overall city finances are stronger than anticipated a year ago. For example, we projected an ending fund balance in the General Fund to be \$2.4 million (or 20.4% of total operating revenues). The projected ending fund balance for the current year is currently estimated to be \$2.7 million (or 23.9% of total operating revenues). This is still above our overall fiscal policy of ending fund balance of 20% of total operating revenues.

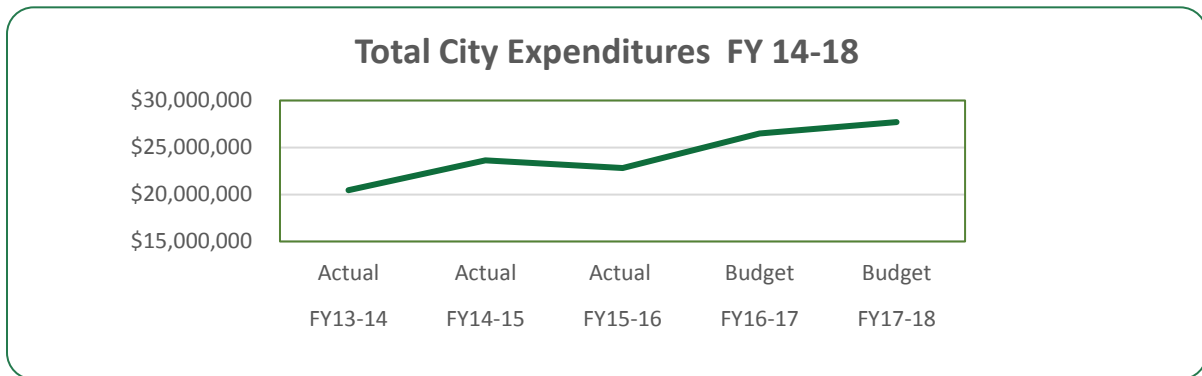
Budget in Brief				
	2016-17	2017-18		
Expenditures	Budget	Proposed	Variance	% Change
General Fund				
Administration	2,555,409	2,589,274	33,865	1.3%
Community Development	1,513,406	1,663,505	150,099	9.9%
Police Services	3,582,698	3,788,527	205,829	5.7%
Community Services	1,895,863	2,008,264	112,401	5.9%
Public Works	2,493,105	2,501,296	8,191	0.3%
Debt Payments	136,796	-	(136,796)	-100.0%
Transfers Out	45,000	6,058	(38,942)	-86.5%
Subtotal General Fund	12,222,277	12,556,924	334,647	2.7%
Debt Service Fund	891,300	271,750	(619,550)	-69.5%
General Construction Fund	1,575,788	915,623	(660,165)	-41.9%
Grants Fund	-	87,000	87,000	
Street Operations Fund	2,111,409	2,634,766	523,357	24.8%
Street Capital Fund	926,414	930,109	3,695	0.4%
Subtotal General Govt. Funds	17,727,188	17,396,172	(331,016)	-1.9%
Water Enterprise Fund	5,209,254	6,536,856	1,327,602	25.5%
Sanitary Enterprise Fund	980,737	1,555,828	575,091	58.6%
Storm Enterprise Fund	2,159,337	1,784,156	(375,181)	-17.4%
Telecommunications Fund	403,729	430,783	27,054	6.7%
Subtotal Enterprise Funds	8,753,057	10,307,623	1,554,566	17.8%
Total All Funds	\$26,480,245	27,703,795	\$1,223,550	4.6%

This is a summary of the proposed budget by fund in comparison to the current adopted budget. This table breaks down the differences for each fund with most funds showing an increase in FY2017-18.

Total Budget (All Funds)

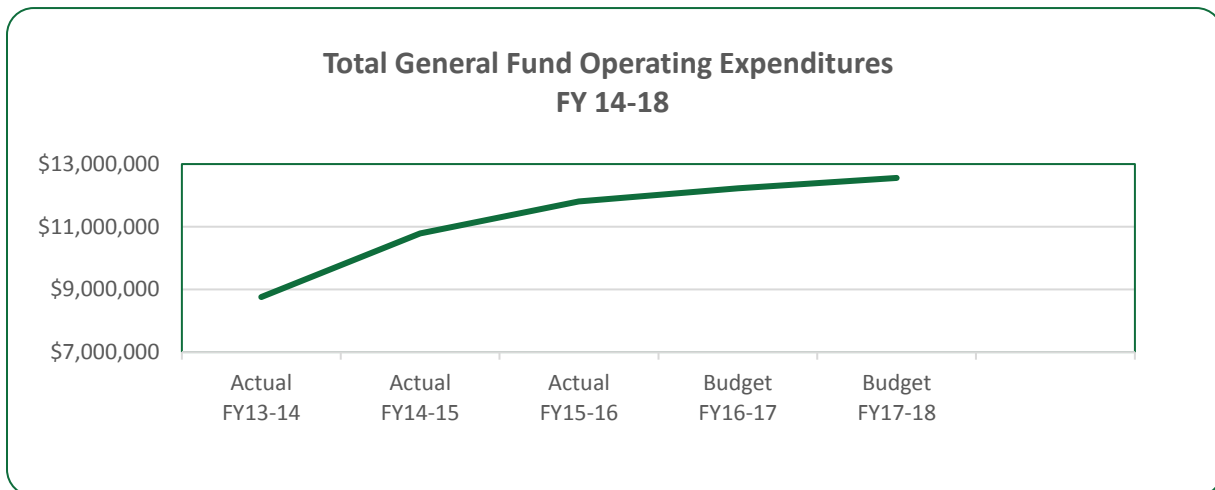
The proposed total budget for FY2017-18 for all funds is \$27.7 million. This represents an increase of \$1.2 million or 4.6% from the current adopted FY2016-17 budget.

Within this total budget, Personal Services accounts for \$11.8 million. This figure is 7.2% higher than the current FY2016-17 budget. Personal Services includes all salaries and wages, payroll taxes and employee benefits. Materials and Services (M&S) expenses are operating expenses incurred during the normal course of business including professional services, supplies, utilities, and property and liability insurance. The total M&S expenses for the proposed budget are \$9.8 million, a 10.7% increase from the current fiscal year budget. Capital Outlay is also projected to increase by 9.7% in this proposed budget adding to the overall total increase. Capital Outlay consists of infrastructure improvements such as water lines, street improvements and facility enhancements.



General Fund

The City’s General Fund is the primary operating fund of the city including administration, police services, community development, community services and a portion of public works. Since General Fund revenues are unrestricted in use, citizens usually focus a great deal of attention on this particular fund in reviewing the budget. Revenues for this fund largely consist of property taxes, franchise fees, licenses, permits and court fines.



Within the General Fund budget, Personal Services accounts for \$9.6 million. This figure is 6.4% higher than the current FY2016-17 budget. The total M&S expenses for the proposed budget is \$2.8 million, a 0.8% increase from the current fiscal year budget. Capital Outlay is also projected to decrease by 40.3% in this proposed budget. The combination of these categories leads to an overall increase of 2.7% in the proposed General Fund budget.

As in the past few years, I am again recommending the use of a portion of the General Fund ending fund balance (\$267,215) to fund one-time expenditures while adhering to the City Council fiscal goal of retaining 20% of our operating revenues in our ending fund balance each year.

Strategic Goals and Strategies

This proposed budget reflects the economic and political environment in which we operate and more importantly, anticipates that this environment will continue for the foreseeable future. Before describing them in detail, I want to enumerate the key principles used to develop this proposed budget.

Continued Focus upon Core, Essential Services – As the management team tackled budget preparation this year, we continually asked ourselves whether the service or program under consideration could be categorized as a Core, Essential Service. Core, Essential Services include local government services such as public safety services (police and emergency management), utilities (water and sewer), and infrastructure (roads).

Invest in Infrastructure Maintenance – As much as this budget is for one year, it was created with the idea that our normal operational costs do not exceed our normal operational revenues. Although we were able to incorporate some of the costs for infrastructure maintenance and fund maintenance items that were identified in the long-term Parks, Facilities, and Fleet/Equipment plans for FY2017-18, we are proposing to defer approximately \$317,000 due to our City Council fiscal goal of retaining 20% of our operating revenues in our ending fund balance each year.

Align with City Financial Policies, especially in terms of using fund balance – The City Council has adopted financial policies to guide management in making sound budgetary and financial decisions. Two key financial policies, strictly adhered to in this proposed budget, are:

- *The City of Sherwood will identify sustainable revenue levels and, to the extent possible, current operations will be funded by current sustainable revenues.*
- *One-time revenues will be used for one-time expenditures or as contributions to reserves and will not be used to pay for established services.*

Short-term Economic Factors

Within our Sherwood community, signs of a strong economy are clearly evident in a variety of key areas. Development activity continues to be strong within the community. New homes are being built, especially near the Ridges school's campus in northwestern Sherwood. Commercial growth continues to be strong with significant activity on the horizon along our major roads such as Highway 99 and Tualatin-Sherwood Road. Our community continues to receive national accolades for its strong quality of life, excellent schools, access to wonderful parks, and low crime rate.

Although our local economy is strong and our projected revenue growth is solid, developing this proposed budget was more difficult than anticipated. Some of the primary reasons include the following factors.

The first is that we are negatively impacted by significant PERS increases for the next biennium (FY2017-19) due to an adverse court ruling, improvements in retiree longevity and the lowering of the assumed earnings rate by the PERS Board. The City of Sherwood is not alone in dealing with such increases starting next year as cities, counties and school districts across Oregon are being affected (as well as the State of Oregon).

The second is that we only recently learned of the decision by Meals on Wheels to cancel their existing contract to operate the Marjorie Stewart Center (our senior center) this summer. In order to retain these critical services to our senior community, the City will be absorbing an additional \$126,037 in new expenses for next fiscal year, with expected additional revenues of only \$43,000.

Personal Services changes

The proposed budget funds a total workforce of 114.5 Full Time Equivalent (FTE) positions, an increase of .5 FTE positions from the current workforce. The following is a summary of these personnel changes:

- Reduction of a Finance Technician (Court Clerk) from our Municipal Court department (-1.0 FTE)
- Addition of a Program Coordinator for the Marjorie Stewart Center (+1.0 FTE)
- Changing a half time Mechanic to full time (+0.5 FTE)

Total Personal Services costs are budgeted to increase by 6.4% for the General Fund and 7.2% for all funds between the current year budget and the proposed FY2017-18 budget. Key personal services cost increases in this proposed budget are as follows:

- Insurance costs are budgeted to increase by 5% over the previous fiscal year.
- PERS rates increased significantly for FY2017-18 with an increase of \$274,502 for the General Fund (23.05% increase) and \$343,531 for all funds (23.90% increase).
- This proposed budget includes a modest 1.6% cost of living increase for all employees.

Priorities and Issues

This proposed budget provides funding for a number of significant projects and programs within our community that are important to highlight in this budget message including:

- Efforts will continue to complete a long-overdue update to the City's Comprehensive Plan. The current Comprehensive Plan for Sherwood was approved in 1991 with a 20 to 25 year time horizon. It is critical that we continue to develop an updated road map to ensure that our community retains the high quality of life over the next 20 to 25 year period.
- Planned improvements to the Water Treatment facility in Wilsonville due to our daily water usage, seismic improvements and a state required update to our Water Conservation and Management Plan are all included in this proposed budget.
- With the recent passage of the Sherwood School District bond in November 2016, the City has already begun an effort to closely coordinate the planning, engineering and

building work with our School District partners to assist in completion of the new Sherwood High School by September 2020. This project will require a significant amount of staff time as well as professional services within the upcoming year.

Capital and Enterprise Funds

Street Operations Fund

The Street Operations Fund accounts for all maintenance projects related to City streets and sidewalks. A fee study completed in FY2016-17 suggests that a review of maintenance projects and priorities is necessary to determine if additional fee increases are necessary in order to maintain streets and sidewalks in good condition. This discussion will continue into FY2017-18. The fund balance remains strong at this time and additional maintenance projects have been included in this proposed budget to bring the annual street maintenance program up to date.

Street Capital Fund

This fund is used to manage capital projects related to streets and to account for all transportation SDC's (System Development Charges) and TDT's (Transportation Development Taxes). The largest expense in this fund is a transfer out to the General Construction Fund to pay for the construction of the Cedar Creek Trail.

General Construction Fund

This fund is used to manage capital projects related to parks, the senior center, and other city facilities. The update to the Parks Master Plan was deferred in FY2016-17 and has been included in this proposed budget. Other projects include the next steps toward constructing a skate park, construction of a second dog park that will be open year-round, and the completion of restrooms at Cannery Square, in addition to the Cedar Creek Trail project mentioned above.

Water Fund

During FY2014-15, the City updated the Water Master Plan along with rates and the SDC Methodology. This process resulted in a 20 year plan for the City's water system. During FY2016-17 an analysis was completed to update the plan in order to reflect changes in the CIP. A water rate increase of 2% is included in this proposed budget. Planned improvements to the Water Treatment facility in Wilsonville due to our daily water usage, seismic improvements and a state required update to our Water Conservation and Management Plan are all included in this proposed budget.

Sanitary and Stormwater Funds

During FY2016-17 updates of both the Sanitary and Stormwater Master Plans as well as the rate and SDC Methodologies were completed. Based on the findings from these reports, SDC's were updated to support the new Master Plans and revised fees are recommended. A city sewer rate increase of 2% is included in this proposed budget while an increase of only 1% is included for stormwater. Several stormwater projects are included which will be completed in coordination with the larger street maintenance projects.

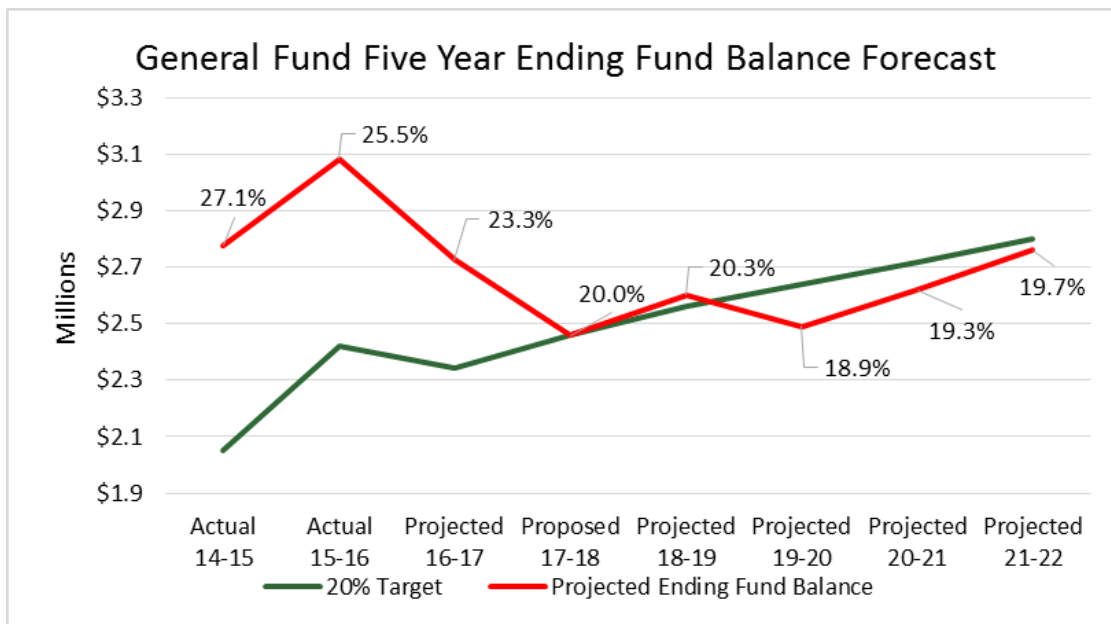
Telecommunications Fund

This fund has become self-sustaining over the past few years and has a significant fund balance. The current budget includes an intentional spend down of a small amount of fund balance in order to fund some fiber projects for new customers as well as to purchase a vehicle.

Fund Balances

Below is a chart showing the proposed change in fund balances for FY2017-18:

	General	General	Debt		Street	Street				
	General	Construction	Service	Grants	Operations	Capital	Water	Sanitary	Storm	Telecom
Change in Fund Balance	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund
Beginning Fund Balance	2,726,385	688,407	14,460	-	2,087,494	2,992,716	10,435,677	3,107,723	3,382,617	422,661
Increase in Fund Balance	-	-	3,100	17,038	-	-	-	-	238,406	-
Decrease in Fund Balance	(267,199)	(139,309)	-	-	(829,523)	(546,109)	(37,483)	(255,091)	-	(72,331)
Ending Fund Balance	2,459,186	549,098	17,560	17,038	1,257,971	2,446,607	10,398,194	2,852,632	3,621,023	350,330



It is important to note two major aspects related to our General Fund fund balance:

- In FY2015-16, City Council decided to use some of the General Fund fund balance towards one time deferred maintenance expenditures. This proposed budget again uses some of the ending fund balance for one-time expenditures.
- Our financial policies require an unrestricted fund balance of at least 10% of fund revenue with a goal of 20%. Our ending fund balance is projected to be at 20.0% which meets our financial goal.

The change in the General Fund fund balance is broken down as follows:

Operating Revenue	\$12,289,725
Operating Expense	<u>(\$12,288,651)</u>
Net Normal Operations	\$1,075
Less One Time Expenses Net	<u>(\$268,273)</u>
Change in Fund Balance	<u><u>(\$267,199)</u></u>

Conclusion

Sherwood continues to be a financially sound organization. We rely on diverse revenue sources, and have equally diverse expenditure patterns and healthy fund balances. Our Senior Leadership team and staff do an outstanding job in handling their respective departmental budgets and expenditures and I applaud them for their efforts. Our challenge remains the same - keep our priorities balanced in the face of rising costs and uncertain revenues.

This proposed budget presents a spending plan for FY2017-18 that reflects the priorities, policies and goals of the Sherwood City Council and the citizens it represents. I would like to acknowledge and thank all involved for their efforts in developing the budget and contributing to the process, especially the Senior Leadership team for their input and support. In particular, I want to thank Katie Henry, our new Finance Director who came on board early in our budget development process and Jean Macaulay, our Finance Administrative Assistant, who both did an amazing job in putting the pieces of this proposed budget together.

Respectfully Submitted,



Joseph P. Gall, ICMA-CM
City Manager

History

The first wagon train arrived in Oregon in 1843, and by 1853 Sherwood was being settled by farmers. They built their houses of the logs taken from the forest which once covered the area. They grew nearly everything they needed.

By 1870, many families had moved into the area we now call Sherwood. In 1885, J.C Smock granted the railroad the right-of-way through his property. In 1889, he and his wife, Mary Ellen Sebastian, then planned and named the streets surrounding the railroad tracks. The town which emerged was known as Smockville; later renamed to Sherwood and incorporated in 1893.

In the early 1890's, Sherwood's main industry was a brickyard that supplied building bricks for most of Portland's growth. Most of Sherwood's commercial buildings were built at this time, including the nine-block area known as Old Town. The original home of J. C. Smock and Mary Ellen Sebastian still stands on Park Street next to the Morback House as a component of the Sherwood Heritage Center.

When the brickyard closed in 1895, the economy diversified to include a fruit and vegetable cannery and a tannery, which supported Sherwood until 1971.

In 1911, Sherwood's City limits were one square mile, and had a population of 350. As of 2017, the City is 4.5 square miles and has a population of 19,145.

Authority

The City of Sherwood has all powers granted to municipal corporations by State statutes, including the power to issue debt, levy taxes on real property within its boundaries, and to extend its corporate limits by annexation.

Services

The City provides a full range of services: public safety; library; construction and maintenance of streets, parks, and utility infrastructure; recreational activities and cultural events; current and long-range planning; development review; building permits; and construction inspection.

Sherwood owns and operates a water system and, jointly with the City of Wilsonville, a water treatment plant. The City also owns and operates the sanitary sewer and storm water collection facilities with treatment provided by Clean Water Services, a regional authority.

Senior services will be provided by the City beginning July 1, 2017, housed in the City-owned Marjorie Stewart Center. Fire protection is provided by TVF&R, a regional entity. Electricity, phone, and trash disposal are provided by private businesses. Sherwood is part of School District 88J.

Sherwood has an Urban Renewal Agency (URA) which undertakes projects in the designated Urban Renewal District. The URA is a distinct municipal corporation and its budget is separate from the City.

Location

Sherwood’s City limits span four and a half square miles along Hwy 99 via Interstate 5. This rapidly growing City is part of the Willamette Valley located in southwest Washington County. Sherwood is the home of the Tualatin River National Wildlife Refuge to the north, and bordered by Yamhill County to the south, and the City of Tualatin to the east.



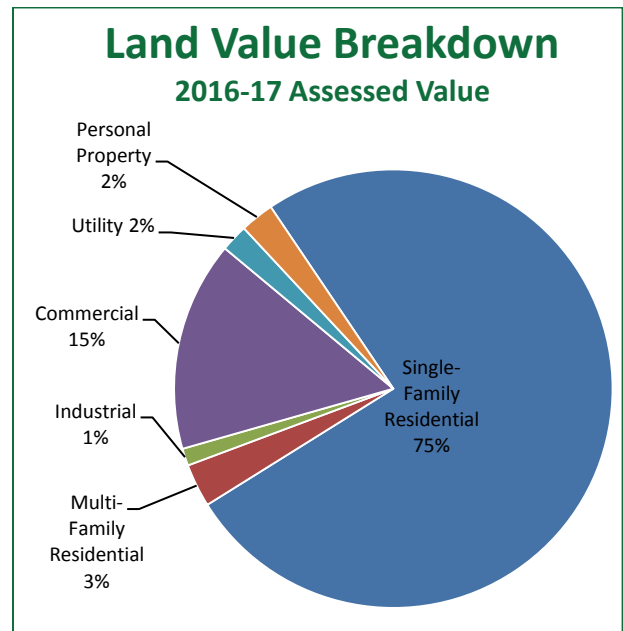
DISTANCE FROM SHERWOOD	
Destination	Miles
Cities	
Portland, OR	17
Salem, OR	36
Eugene, OR	100
Seattle, WA	190
Boise, ID	445
San Francisco, CA	625
Airports, Rail Stations	
Portland International Airport	30
Hillsboro Airport	17
Portland Union Station	18
Recreational Areas	
Oregon Coast	80
Mt. Hood Ski Areas	70
Central Oregon	165
Public Universities	
Portland State University	16
Oregon State University	75
University of Oregon	102

Economy

Sherwood has a diverse economy with the manufacturing sector accounting for 25% of its jobs. 70% of employed residents commute outside of the City for work. The City has completed a concept plan for the Tonquin Employment Area to help remedy this imbalance.

The City’s economy is linked with that of the Portland/Vancouver Metro Region, but is more insulated from economic downturns due to the high education and skill level of its population.

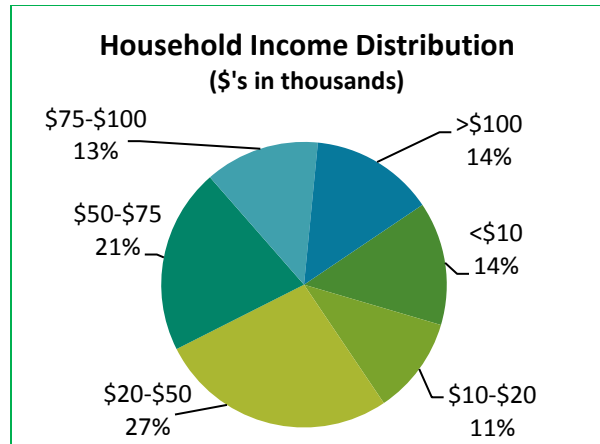
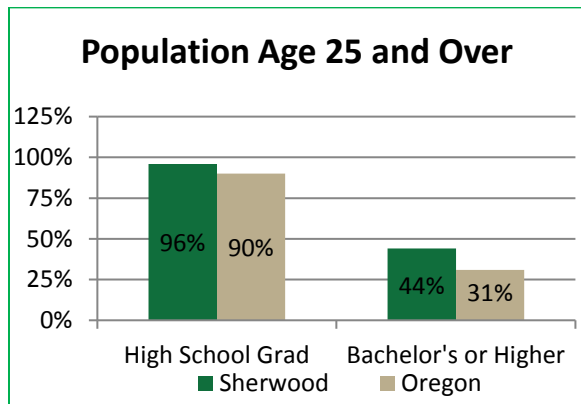
Despite record growth, the City has managed to maintain a first rate quality of life for its residents through a unique park and recreation system, a great school system, and a revived central business district in Old Town.



Demographics

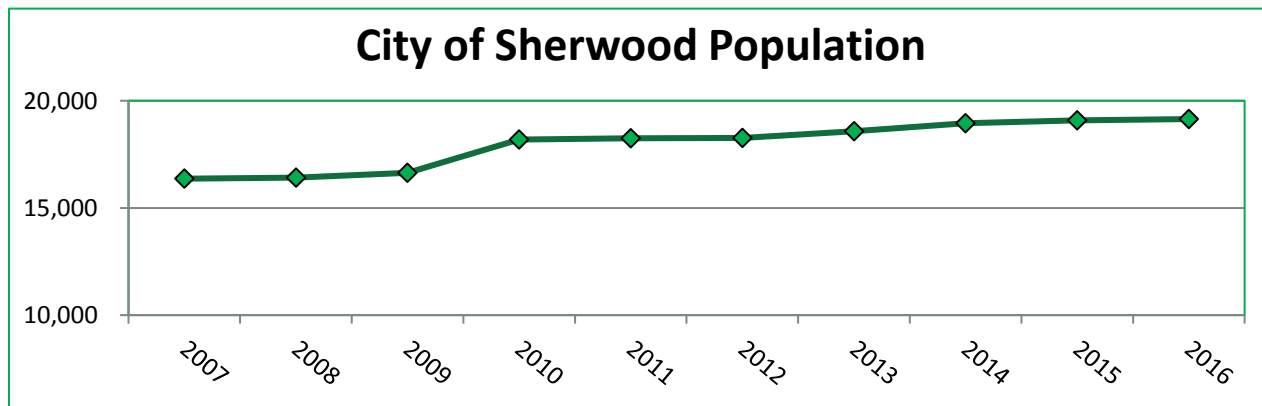
Over the last two decades, Sherwood has been one of the fastest growing communities in the State. Between 2000 and 2016, the population has grown 63%. Sherwood has an average of 3.4 people per household as compared to 3.2 in Oregon as a whole. 49% of Sherwood's population is female, compared to Oregon at 51%.

AGE DISTRIBUTION		
Age	Total	Percent
0-19	6,682	34.9%
20-39	4,499	23.5%
40-59	5,705	29.8%
60+	2,259	11.8%



78% of the homes in Sherwood are less than 25 years old. Owner-occupied homes represent 74% of the community as opposed to 61% of Oregon as a whole.

JOB TYPES HELD BY SHERWOOD CITIZENS	
Job Type	Percent
Management	18%
Business/Financial/Engineering	16%
Sales	12%
Office/Administrative	11%
Production/Construction	9%
Health/Personal Care	8%
Education/Library	7%
Food Preparation/Serving	3%
Public Safety	3%
Other	13%



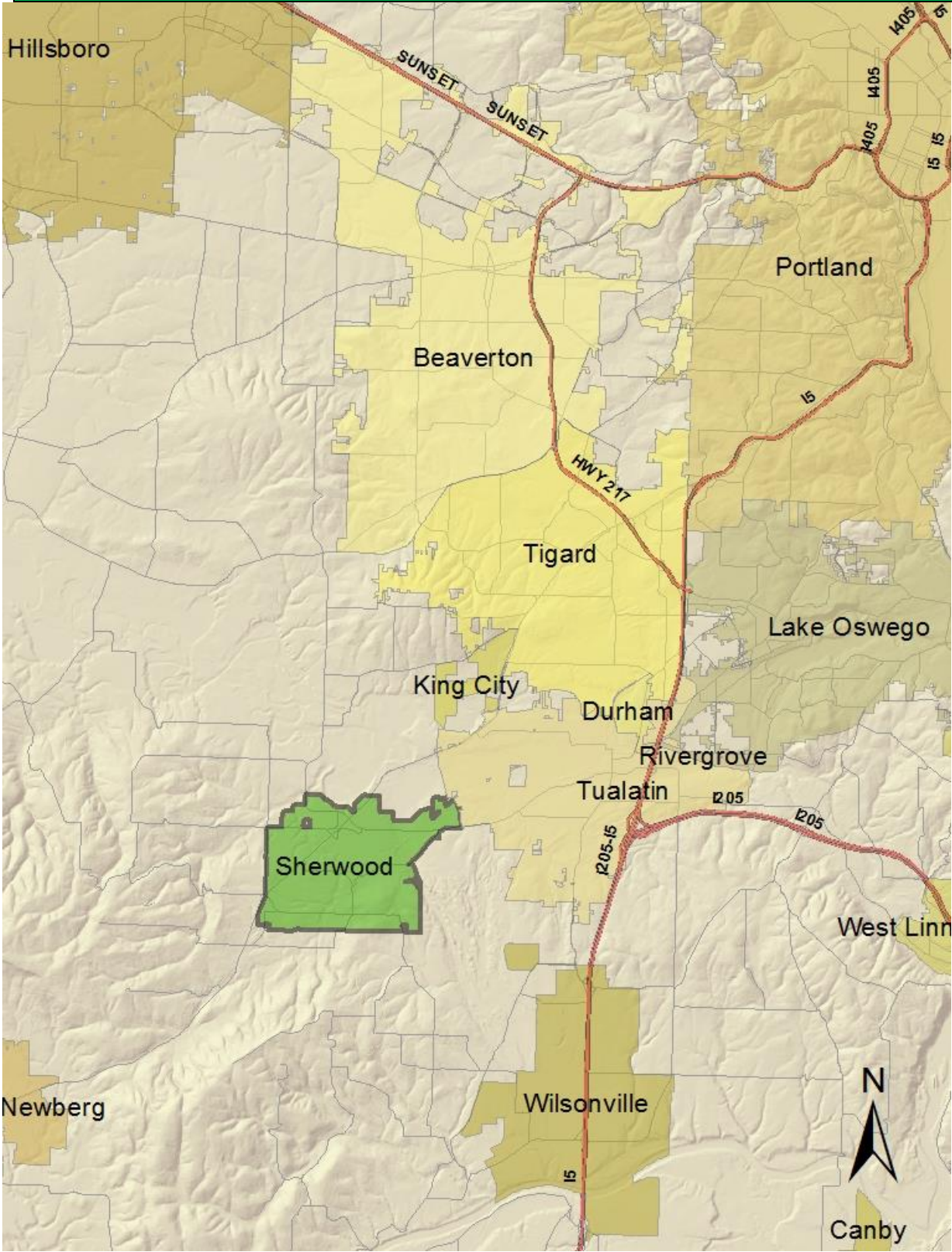
CITY OF SHERWOOD PRINCIPAL EMPLOYERS			
Employer	2017		
	Employees	% of Total City Employment	
Sherwood School District	560	13%	
Allied Systems Company	258	6%	
WalMart Stores Inc	220	5%	
Lam Research Corp	160	4%	
Target	133	3%	
Home Depot	125	3%	
City of Sherwood	114	3%	
Kohl's	112	3%	
Treske Precision Machining	100	2%	
Safeway	99	2%	
Fettig Commercial Construction	95	2%	

Source: 2017 Business License data provided to the City

CITY OF SHERWOOD PRINCIPAL PROPERTY TAXPAYERS TODAY AND NINE YEARS AGO						
Taxpayer	2017			2008		
	Assessed Value	Rank	% of Total City Taxable Assessed Value	Assessed Value	Rank	% of Total City Taxable Assessed Value
WalMart Stores, Inc	26,967,985	1	1.6%	N/A	-	-
MGP X Properties LLC	20,774,170	2	1.1%	N/A	-	-
Portland General Electric	19,682,000	3	1.1%	9,380,000	7	0.7%
Bir Sunfield, LLC	17,200,860	4	0.9%	13,183,070	3	1.0%
Target Corporation	16,950,847	5	0.9%	13,521,541	2	1.0%
Creekview Crossing SPE LLC	14,405,380	6	0.8%	N/A	-	-
Allied Systems Company	11,831,940	7	0.6%	10,664,690	6	0.8%
Juniper Ridge Investments, LLC	11,568,640	8	0.6%	8,866,450	9	0.7%
Home Depot	10,190,113	9	0.6%	9,008,276	8	0.7%
Comcast Corp.	9,849,800	10	0.5%	N/A	-	-
Retail Property Partners	N/A			15,930,030	1	1.2%
BMC West Corporation	N/A			11,507,942	4	0.9%
Northwest Natural Gas Co	N/A			10,775,900	5	0.6%
Wirkkala Sherwood Property	N/A			6,894,360	10	0.5%
	<u>\$159,421,735</u>		<u>8.7%</u>	<u>\$109,732,259</u>		<u>8.4%</u>

Source: Washington County Assessor's records

Sherwood, Oregon and the South Metro Region



Mission Statement

The City of Sherwood will provide services and infrastructure to support the highest quality of life for our residents, businesses and visitors in a fiscally responsible manner.

Values

The City of Sherwood Values and Promotes:

- Quality Services
- Fiscal Responsibility
- Citizen Participation
- Community Pride
- Community Partnerships
- Community Livability
- Transparent Government

Goals

Public Safety

“The City of Sherwood will provide for the safety and security of the community and its citizens.”

Infrastructure

“The City of Sherwood will provide and maintain infrastructure for its citizens to live, work and play.”

Livability

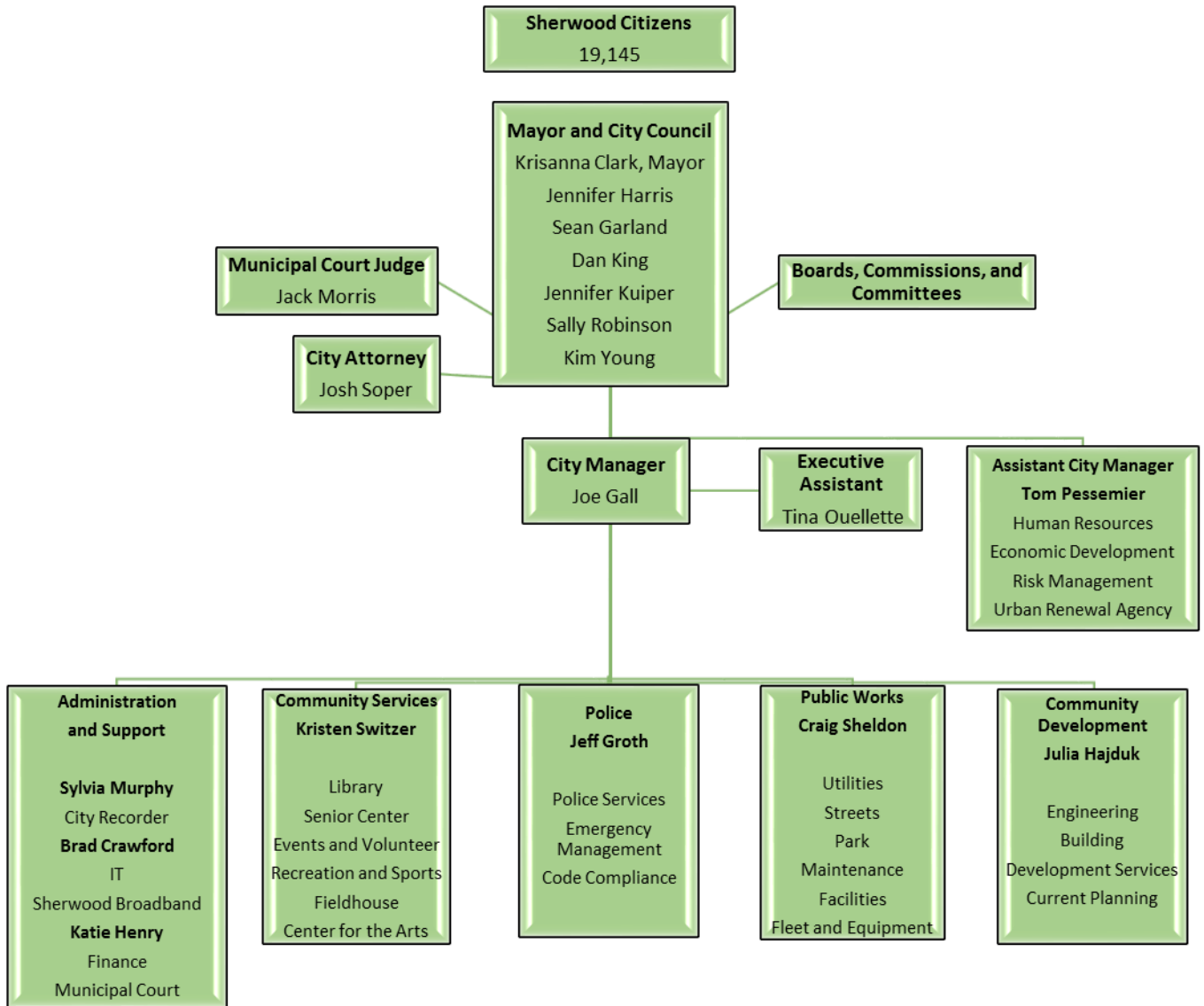
“The City of Sherwood will provide opportunity for responsible community development and growth.”

Resident Well Being

“The City of Sherwood will facilitate the provision of services to encourage a balanced quality of life for its citizens.”

Economic Development

“The City of Sherwood will promote responsible economic development which benefits the community.”



A comprehensive list of positions is included in the Appendix.

Budget Process

The annual budget is one of the most important and informative documents City officials will use. In simple terms, the City's budget is a financial plan for one fiscal year. The budget shows the estimated costs of expenditures (items or services the City wishes to purchase in the coming fiscal year) and other budget requirements that must be planned for, but won't actually be spent. It also shows the resources that will be available to pay for those expenditures.

The budget authorizes the City to spend money and limits how much money can be spent. It also justifies the levy of property taxes. In order to levy taxes through the county assessor, cities must prepare a budget following Oregon local budget law.

The City's fiscal year begins July 1 and ends June 30.

Phase 1: Establish Priorities and Goals for the Next Fiscal Year

The strategic planning process begins anew each year as the City Manager and Senior Management Team collaborate to identify needs and assumptions for the short and long term and update objectives.

Work on the annual budget begins in December, when forecasts for revenues and expenditures are updated.

In January the City Council has planning meetings to decide Council goals, priorities, and policies.

Phase 2: Prepare Proposed Budget for Budget Committee

Below is an outline of the steps required by the Oregon Department of Revenue for budget preparation and adoption.

Appoint Budget Officer:

Every local government is required to have a Budget Officer, either appointed by the governing body or designated in its charter.

Prepare a Proposed Budget:

The Budget Officer is responsible for the preparing of the proposed budget presentation to the Budget Committee. The Capital Improvement Plan is also updated for the next five years.

Publish Public Notices:

Upon completion of the proposed budget a "Notice of Budget Committee Meeting" is published in a newspaper and posted prominently on the City's website.

Budget Committee Meets:

The budget message and proposed budget document is presented to the Budget Committee for review.

Committee Approves the Budget:

When the Budget Committee is satisfied that the proposed budget will meet the needs of the citizens of Sherwood they will forward it to the City Council for adoption.

Phase 3: Adopt Budget and Certify Property Taxes

Publish Notice of Public Hearing:

After the budget is approved by the budget committee, a budget hearing must be held. The Budget Officer must publish a “Notice of Budget Hearing” in a newspaper or by mail or hand delivery.

Hold the Budget Hearing:

The budget hearing must be held by the governing body (City Council) on the date specified on the public notice and must allow for public testimony.

Adopt Budget, Make Appropriations, and Levy Taxes:

The governing body adopts the budget prior to June 30th. The budget and tax levy certification is then filed with the County Assessor.

Phase 4: Budget Changes After Adoption

Oregon budget law requires all City funds to be appropriated. Appropriations, the legal authority to spend, are by division in all funds.

Appropriations may be changed during the fiscal year, within the limitations imposed by budget law. City staff monitors actual events and recommends changes as needed. The City Council makes changes by resolution. Changes are categorized as appropriation transfers or supplemental budgets.

An appropriation transfer decreases an existing appropriation and increases another by the same amount. Supplemental budgets typically create new appropriations, funded by increased revenues. Supplemental budgets are used for occurrences or conditions which were not known at the time the budget was prepared. Directors and managers may amend their budgets for individual accounts without Council approval so long as appropriations at the legal level of control are not changed.

Budget Calendar

Budget Preparation (Nov-Jan)	<ul style="list-style-type: none"> •Forecasts Updated •Assumptions Developed •Budget Calendar Prepared
Budget Requests (Jan-Feb)	<ul style="list-style-type: none"> •Departments Prepare and Submit Budgets to the Budget Officer
Proposed Budget (Mar-Apr)	<ul style="list-style-type: none"> •Department Budget Meetings with City Manager and Budget Officer
Budget Committee (May)	<ul style="list-style-type: none"> •Submit Proposed Budget •Committee Deliberates •Committee Approves Budget
Adopted Budget (June)	<ul style="list-style-type: none"> •Budget Hearing •Budget Adopted by City Council

Basis of Budgeting

All of the funds are budgeted using the modified accrual basis of accounting in accordance with budgetary accounting practices. In modified accrual, revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, long-term compensated absences are recorded only when payment is due.

Basis of Auditing

The audit, as reported in the Comprehensive Annual Financial Report

(CAFR), accounts for the City's finances on the basis of generally accepted accounting principles (GAAP). GAAP is defined as conventions, rules, and procedures necessary to describe accepted accounting practice at a particular time. The modified accrual basis of accounting, a GAAP approved method, is also used in the audit for all funds except for the Proprietary Fund types. The audit uses the full-accrual method of accounting for the Proprietary Funds. The CAFR shows all of the City's funds on both a budgetary and GAAP basis for comparison.

Budgetary Basis of Accounting

There is no appreciable difference in the basis of accounting used for financial statements and the accounting method used for budgeting. The budgetary basis of accounting for budgeting purposes is also modified accrual.

The City of Sherwood uses a modified accrual basis of accounting for budgeting purposes. This means revenues are recognized when they become measurable and available.

Fund Structure and Description

The City of Sherwood uses various funds to account for its revenue and expenditures. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Also, funds are categorized by fund type as defined by generally accepted accounting principles (GAAP) and Oregon Budget Law.

The revenues in each fund may be spent only for the purpose specified by the fund.

General

General Fund – accounts for the financial operations of the City that are not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees, court fines, and state and county shared revenue. Primary expenditures are for public safety, general government, parks and recreation, and library services.

Special Revenue

Grants Fund – accounts for Federal, State, and Local grants. Funds received must be used in accordance with the grant agreement(s). For the current fiscal year the only grant funded program is the Community Enhancement Program (CEP).

Street Operations Fund – accounts for the repair and maintenance of City streets. Principal sources of revenue are street utility fees, gas taxes received from Washington County, and vehicle taxes from the Oregon Department of Transportation.

Debt Service

Debt Service Fund – accounts for the payment of principal and interest on general

obligation bonds. Resources are provided by property taxes.

Capital Projects

General Construction Fund – accounts for the acquisition and construction of capital assets not related to the Enterprise Funds. This includes City buildings, parks and trails, sports fields, and recreational facilities.

Street Capital Fund – accounts for funds received from system development charges and are restricted for construction and major improvements of City streets.

Enterprise

Water Fund - accounts for the operation and maintenance of water facilities and for major expansions of the water system. Primary sources of revenue consist of charges for use of the water system and SDC's charged on new construction.

Sanitary Fund – accounts for the operation and maintenance of the sewer system and for major expansions of the sewer system. Primary sources of revenue consist of charges for sewer services, and SDC's charged on new construction.

Storm Fund - accounts for storm drain services and for the expansion of the storm water system. Primary sources of revenue consist of charges for services, and SDC's charged on new construction.

Telecommunications Fund – accounts for communication services provided to customers through the Sherwood Broadband Utility.

Fund Structure, Appropriation Level, and Major/Non-Major Fund Designation

General Government Funds						
Appropriation Level	General Fund (Major)	General Construction (Major)	Debt Service (Non-Major)	Grants Fund (Non-Major)	Street Operations (Major)	Street Capital (Major)
Administration City Council City Recorder City Manager City Attorney Information Technology Human Resources Finance/Court	X					
Community Development Planning Building Engineering	X					
Police Services	X					
Community Services Library Events & Volunteers Fieldhouse/Recreation Center for the Arts Marjorie Stewart Center	X					
Public Works Facilities Fleet & Equipment Parks Maintenance	X					
General Construction		X				
Debt Service			X			
Grants Operations				X		
Street Operations					X	
Street Capital						X
Debt Service	X	X	X		X	X
Transfers Out	X	X	X	X	X	X
Contingency/Reserve	X	X	X	X	X	X
Enterprise Funds						
Appropriation Level	Water (Major)	Sanitary (Major)	Stormwater (Major)	Telecommunications (Non-Major)		
Operations	X	X	X			
Capital	X	X	X			
Telecommunications				X		
Debt Service	X	X	X	X		
Transfers Out	X	X	X	X		
Contingency/Reserve	X	X	X	X		

All funds are appropriated at the division level, with debt service, transfers out, and contingency/reserves being appropriated separately from the individual divisions.

City-Wide Revenue Summary by Source

Summary of Resources by Source

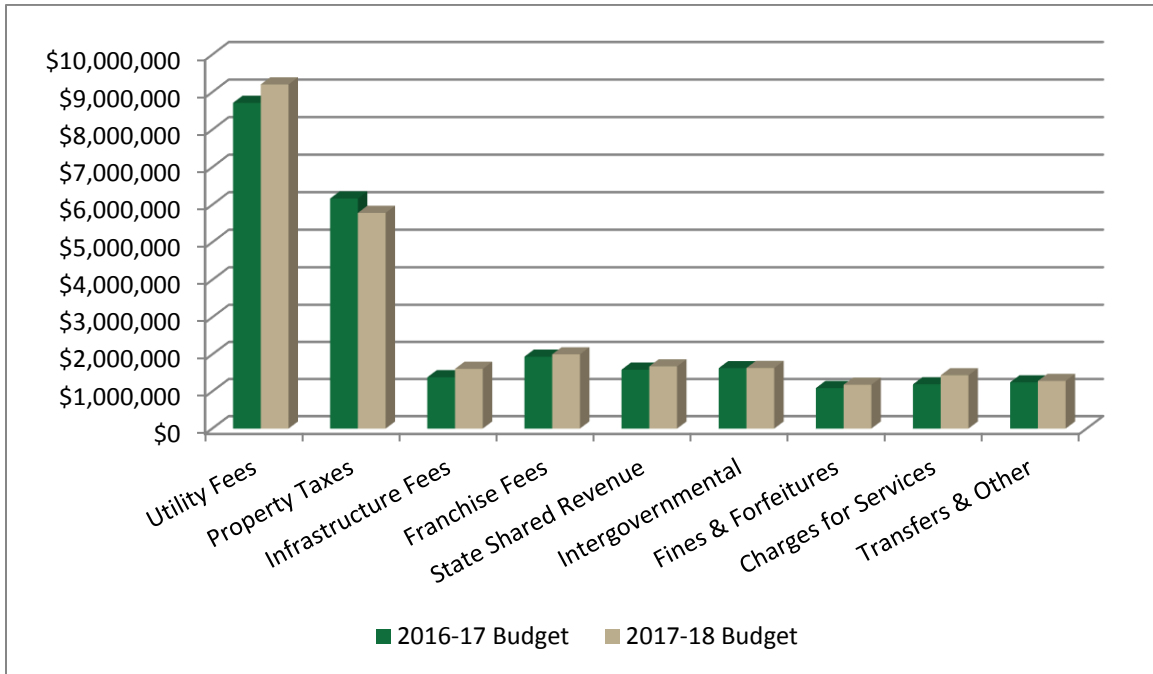
	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Utility Fees	\$ 8,275,244	\$ 8,835,981	\$ 8,714,774	\$ 9,205,261
Taxes	5,680,787	6,276,975	6,167,807	5,783,550
Infrastructure Fees	533,839	1,970,450	1,383,148	1,610,873
Franchise Fees	1,544,203	1,899,666	1,938,000	2,001,522
State Shared Revenue	1,582,817	1,613,202	1,588,050	1,677,042
Intergovernmental	1,289,963	1,581,164	1,628,924	1,633,109
Fines and Forfeitures	1,047,358	1,226,410	1,091,778	1,182,150
Charges for services	904,624	1,179,414	1,194,602	1,437,568
Licenses and permits	81,573	88,778	77,000	74,000
Interest and Other Revenue	362,500	423,093	398,887	443,317
Transfers In	163,299	315,074	770,655	766,902
Sale of Fixed Assets	22,436	234,306	-	-
Inter fund Loan Payments	148,359	179,874	-	-
Total Current Resources	\$ 21,637,002	\$ 25,824,387	\$ 24,953,625	\$ 25,815,294
Beginning fund balance	\$ 24,105,236	\$ 22,515,378	\$ 22,003,810	\$ 25,858,139
Total Resources	\$ 45,742,238	\$ 48,339,766	\$ 46,957,435	\$ 51,673,433

Detail of Transfers between Funds:

Purpose	Transfer From: Fund	Transfer To:		
		General Construction	General Fund	Grants
1	Street Capital Fund	\$ 604,224	\$ -	\$ -
2	Water Fund	-	33,650	-
2	Sanitary Fund	-	34,050	-
2	Storm Fund	-	42,340	-
2	Street Operations Fund	-	30,600	-
3	General Fund	-	-	6,058
3	General Construction	-	-	15,980
	Total	\$ 604,224	\$ 140,640	\$ 22,038

Purpose:

- 1 Transfer for Cedar Creek Trail Construction
- 2 Transfer to Fleet dept for fuel, maintenance, and equipment replacement
- 3 Transfer of Metro CEP remaining grant funds



All Revenue for all Funds as a Percent



Utility Fees	36%	Infrastructure Fees	6%	Charges for Services	6%
Property Taxes	22%	Intergovernmental	6%	Fines & Forfeitures	5%
Franchise Fees	8%	State Shared Revenue	6%	Transfers & Other	5%

Beginning and Ending Fund Balance

Beginning fund balance is equal to the prior year's ending fund balance.

Ending fund balance is the difference between total estimated sources and total estimated uses. Ending fund balance is budgeted in three categories:

1. *Operating Contingency* is budgeted at 5% of operational revenue in the operating funds. Contingency funds can be spent once authorized by a supplemental budget or transfer appropriation.
2. *Un-appropriated* ending fund balance can only be spent in an emergency created by civil disturbance or natural disaster.
3. *Reserved for future years* are total sources less total expenses, contingency, and un-appropriated ending balance. Reserved for future years funds can only be spent if authorized by a supplemental budget.

Utility Fees

The City charges utility fees for the water, sanitary, storm, and street systems. The fees are charged to customers based on usage of the systems. The rates collected for each fund can only be used to support that individual fund's operational and capital needs. Annual revenue projections are based on historical average increases, while taking into account any planned rate increases.

Property taxes

There are three types of property tax levies in Oregon. The permanent rate levy funds general City operations. The debt service levy is used for principal and interest payments on general obligation bonds approved by the voters. Local option levies are voter-approved, time-limited levies for specified purposes.

The Washington County Department of Assessment and Taxation determines assessed values and collects taxes. Property is assessed January 1 for the fiscal year beginning July 1. Taxes are due beginning November 15, and discounts are allowed for taxes paid in full by November 15.

Assessed Value

Each local government's tax rate was determined by the state in 1997. Sherwood's permanent rate is \$3.2975 per \$1,000 of assessed value. No action of the City can increase the permanent tax rate.

Ballot Measure 50, implemented in the 1997-98 tax year, limits assessed value to the lower of Maximum Assessed Value (MAV) or Real Market Value (RMV). Maximum Assessed Value increases by 3% annually.

There are exceptions to the 3% annual increase. Maximum Assessed Value may increase by more than 3% if:

- There is new construction or improvements
- The property is partitioned or subdivided
- Rezoning occurs and the property is used consistent with rezoning

Limits and Compression

The total tax on a given piece of property is limited as follows:

- General Govt: \$10 per \$1,000 of RMV
- Schools: \$5 per \$1,000 of RMV
- Unlimited debt service: levies to pay bonds for capital construction projects are not subject to limitation

If the total tax bill exceeds the limits, taxes are reduced in a process called compression.

Effect of the Sherwood Urban Renewal Agency

The Urban Renewal District (URD) is a geographic area within the City of Sherwood, defined in the Urban Renewal Plan. The purpose of the district is to eliminate blight and create an environment in which the private sector may develop uses consistent with the goals of the Urban Renewal Plan. The District borrows money to fund infrastructure and other improvements, receives property taxes calculated on the increased assessed values, and uses the taxes to pay debt service on the borrowings.

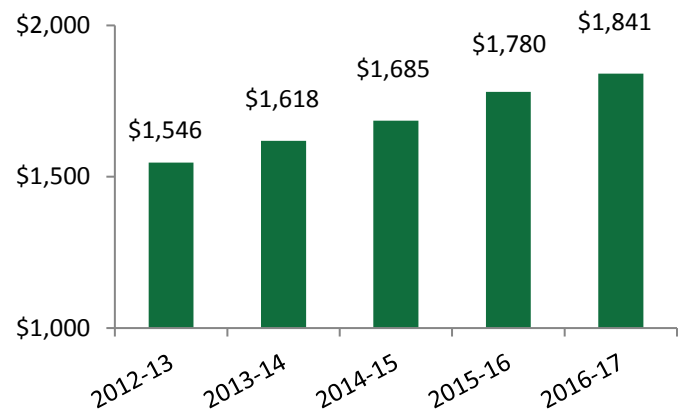
The Urban Renewal Agency began operations in 2001-02. The assessed value in the district was determined at that date and became the frozen base. In subsequent years, the incremental assessed value is the difference between the assessed value in the district and the frozen base. Each year, the URA receives property tax attributable to the incremental assessed value; the City's general fund receives property tax attributable to the City's assessed value less the URA incremental value.

Property tax for the URA is a portion of the permanent rate levy for the City and each overlapping tax district, not an addition to it.

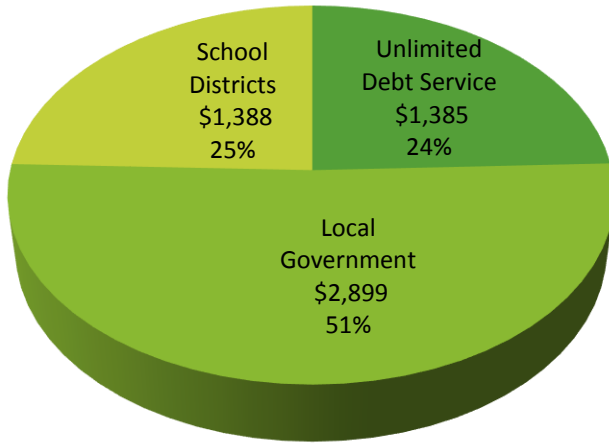
Each taxing jurisdiction has a tax rate that is applied to a parcel's assessed value to determine the amount of property taxes owed by that parcel. The County Assessor lowers these other taxing jurisdiction's tax rates based upon the Urban Renewal District's incremental assessed value and the taxing jurisdiction's overall assessed value, and mathematically derives a tax rate to be applied to each parcel for Urban Renewal.

The URD will cease to exist after it has incurred and repaid the maximum indebtedness specified in the plan: \$ 45,133,469.

**Total Tax Assessed Values in Sherwood
(shown in \$millions)**



Average Annual Property Tax on a \$300,000 Home in Sherwood



Local Governments include:

- City of Sherwood
- Washington County
- Sherwood Urban Renewal Agency
- Tualatin Valley Fire and Rescue Metro
- Port of Portland
- Tualatin Soil and Water Conservation District

School Districts include:

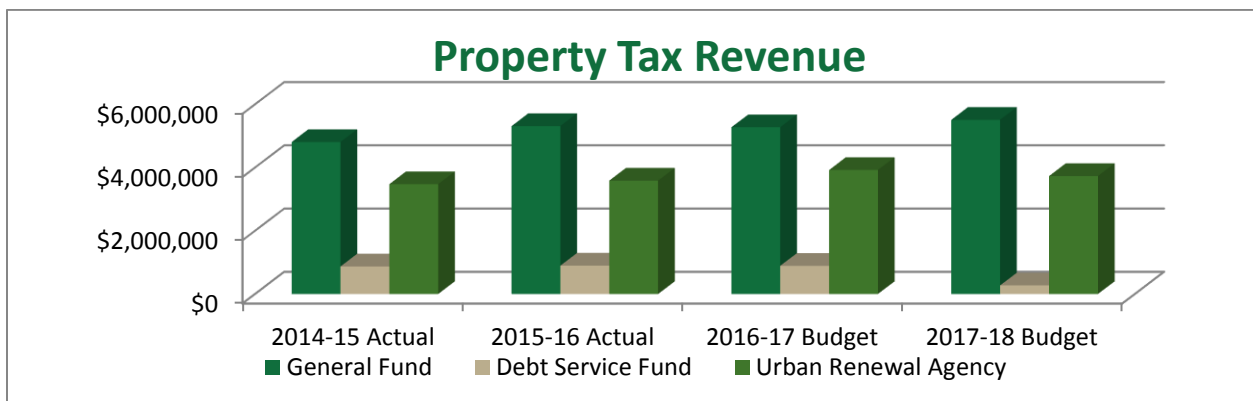
- Sherwood School District
- Portland Community College
- ESD – NW Regional

Property Tax Allocation



Category	Percentage
Unlimited debt service	24%
School Dist	22%
City of Sherwood	15%
Washington Cnty	14%
Sherwood URA	11%
TVFR Other	9%
Other	4%

Property taxes represent approximately 46% of General Fund revenue.



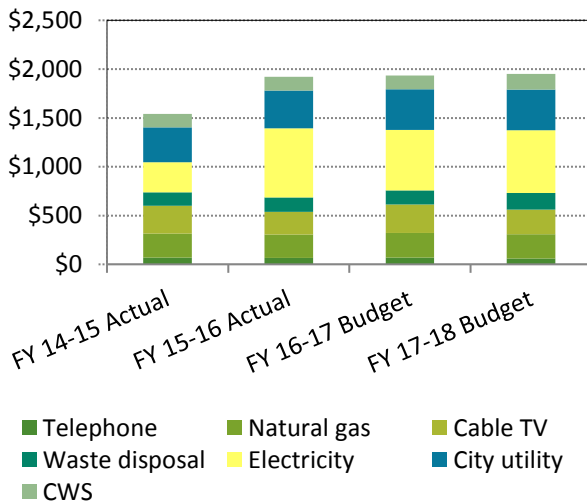
Infrastructure Development Fees

These are fees for private development plan review and inspection and system development charges (SDC’s) on new construction. SDC’s are restricted for Capital Improvement Projects that support capacity for growth. Development fee revenue is projected annually based on the known development activity, as well as projections of projects that are likely to be submitted.

Franchise Fees/Privilege Taxes

Fees are collected from utilities as compensation for use of the City’s rights of way. These fees are based on utility revenue, so they generally increase with population growth. Franchise fee revenue is estimated based on prior year actuals plus an inflationary increase.

Franchise Fees/Privilege Taxes
(shown in \$1,000's)



Fines and Forfeitures

These fines are for traffic infractions, municipal code violations, and library fines. Revenue estimates are based on the prior year actuals.

Intergovernmental Revenue

These include fees and taxes that are collected by other government agencies and passed through to the City as well as fees collected from other governments for services the City provides to them.

- State shared revenue, liquor and cigarette tax and vehicle fees Revenue estimates are provided by the State
- County support to the library as part of the Washington County Cooperative Library Service Revenue estimates are provided by the County
- County distribution of gas tax
- Sherwood School District for shared services Revenue based on IGA
- Clean Water Services for shared services Revenue based on IGA
- Federal, State, and Local grants

Charges for services

- Building, Planning, and Engineering permits, revenue estimates are based on projected development activity
- Recreation fees, revenue estimates are based on the number of registered leagues
- Advertising and sponsor fees
- Business and liquor licenses, revenue estimates are based on prior year actuals plus an inflationary increase

Transfers and Other Revenue

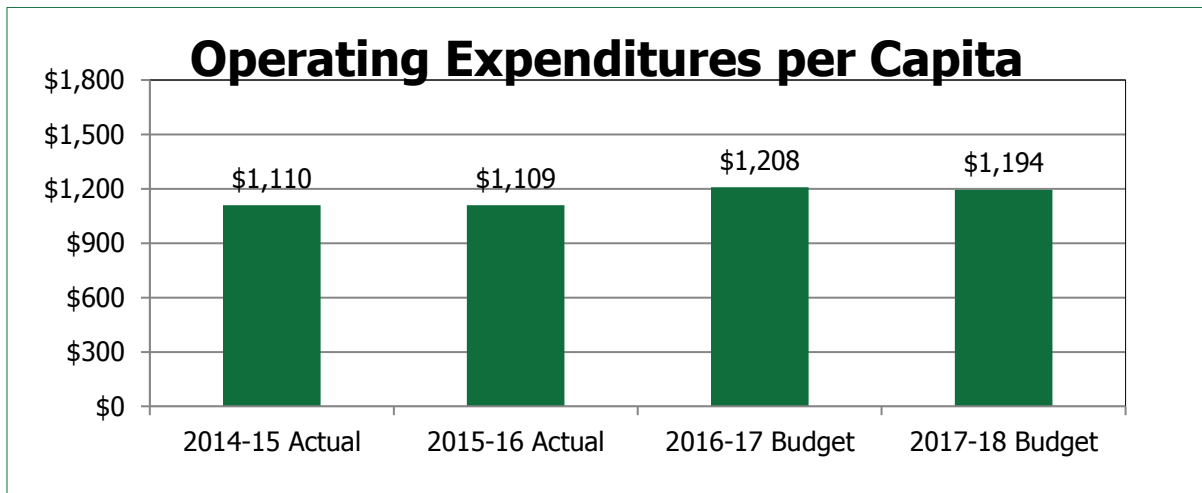
- Transfers in from other funds
- Interest earned on bank accounts
- Sale of fixed assets
- Proceeds from the issuance of debt

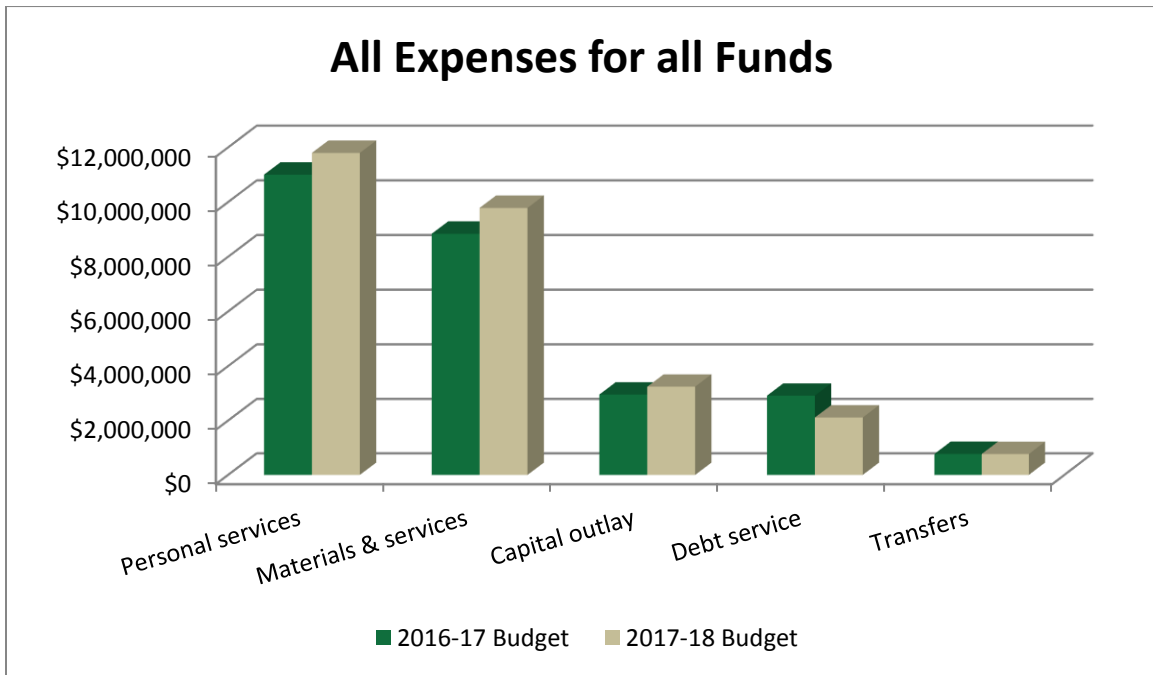
City-Wide Expenses by Category

Summary of Expenditures by Category

	Actual 2014-15	Actual 2015-16	Adopted Budget 2016-17	Adopted Budget 2017-18
Personal Services	\$ 9,358,620	\$ 10,371,854	\$ 11,002,217	\$ 11,797,459
Materials and Services	7,197,396	7,336,487	8,839,169	9,772,884
Capital Outlay	3,837,350	1,696,740	2,955,657	3,243,783
Debt Service	3,070,174	3,103,911	2,912,547	2,169,920
Transfers Out	163,299	315,074	770,655	766,902
Total Current Expenses	\$ 23,626,839	\$ 22,824,067	\$ 26,480,245	\$ 27,750,948
Ending Fund Balance	22,115,399	25,515,699	20,477,190	23,922,485
Total Uses	\$ 45,742,238	\$ 48,339,766	\$ 46,957,435	\$ 51,673,433

City-wide operating costs are budgeted to increase 0.9% in FY2017-18. Population increased by 385 people resulting in a decrease in cost per capita for our citizens.





All Expenses for all Funds as a Percent

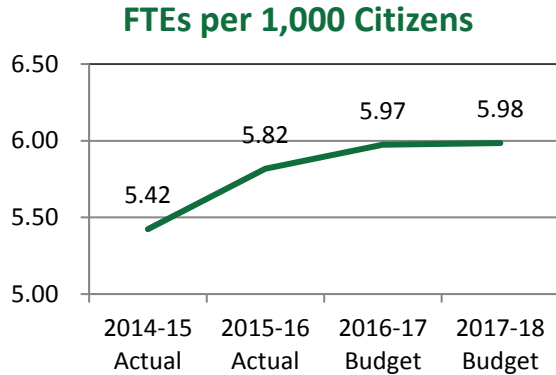


Revenue & Expenditures Overview of Major Categories of Expense

Personal Services

Full-Time Equivalent (FTE)

The following compares City staffing to population growth.



Positions added in this budget are below:

- 1 Program Coordinator (Marjorie Stewart Center)
- .5 Mechanic

Positions removed in this budget are below:

- 1 Finance Technician (Court Clerk)

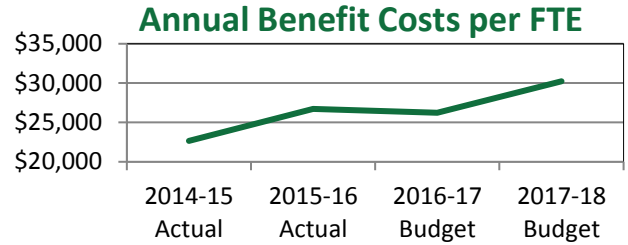
Wages

The budget includes a 1.6% cost of living increase as of July 1 for all employees.

Benefits

The major benefits are health insurance and PERS. Employee insurance costs are budgeted to increase an average of 5.1% in 2017-18.

Overall benefit costs increased fairly significantly, mainly due to increases in PERS rates; the average cost of benefits per employee follows:



The most recently adopted PERS rates (as a percent of salary) for the City of Sherwood and the prior two fiscal years are:

	FY15-16	FY16-17	FY17-18
Tier 1 & 2	17.15	17.15	21.76
OPSRP	10.81	10.81	13.77
OPSRP Police	14.92	14.92	18.54

Materials and Services

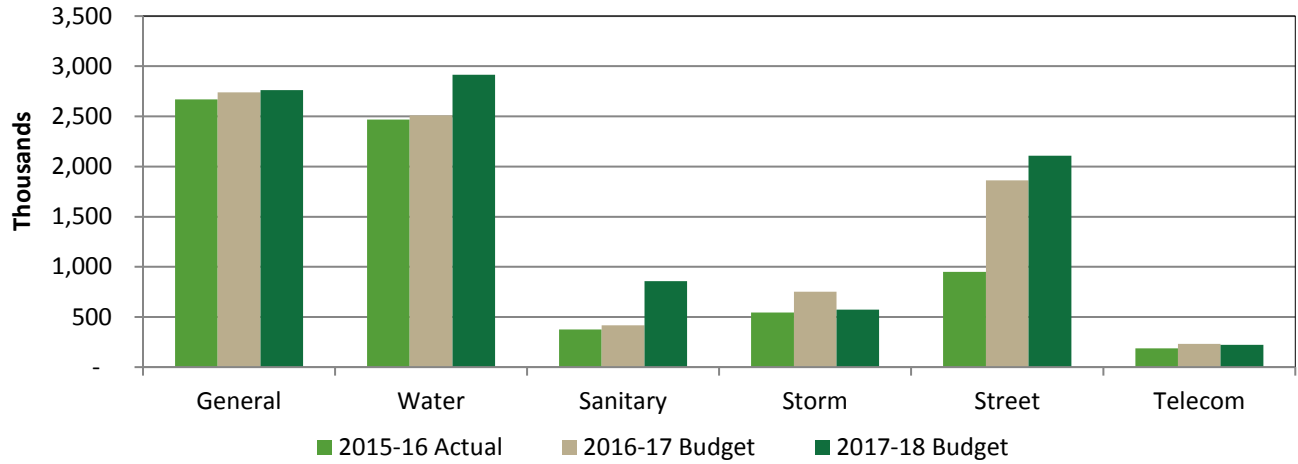
Materials and services include costs for:

- Utilities
- Training
- Professional services
- Insurance
- Software maintenance
- Uniforms
- Office supplies and book stock

Materials and services expenses remained fairly stable from FY16 to FY17, with the exception of Streets where road maintenance projects were started. Materials and services costs increase from FY17 to FY18 in Water, Sanitary, and Street. The increase in Water is for work related to the Water Treatment Plant update, in Sanitary is for a one time contribution to a Clean Water Services project, and in Streets is related to continuing large paving maintenance projects.

Revenue & Expenditures Overview of Major Categories of Expense

Materials and Services



Capital Outlay

Capital outlay has two components: Operations and capital projects. This section will cover the capital outlay for operational purposes only. The capital project plan can be found on page 35.

Capital outlays for operations are single purchases or operating construction projects that are budgeted within the operational budgets of the City whose value exceeds \$5,000. The significant FY2017-18 capital outlay budgeted expenditures are:

Program	Purchase	Cost
Fleet	Replace Two Police Cars	79,000
Fleet	Replace One Vehicle (Public Works)	55,000
Fleet	Replace Walk Behind Mower	7,000
Water Operations	Routine Water Line Replacement	50,000
Water Operations	Upgrade to SCADA System	75,000
Sanitary Operations	Manhole repairs and construction	91,000
Storm Operations	Pipeline Repairs on Paving Projects	398,000
Storm Operations	Manhole Repairs	50,000
Storm Operations	Murdock Drainage	162,000
Storm Operations	Cedarbrook Outfall	77,000
Telecom	Fiber Construction	75,000
Telecom	Purchase One Vehicle	25,000
Total Capital Outlay		\$1,144,000

Budget Detail

City in Total

Actual 2014-15	Actual 2015-16 (restated)	Budget 2016-17		Proposed 2017-18	Approved 2017-18	Adopted 2017-18
\$ 24,105,236	\$ 22,515,378	\$ 22,003,810	RESOURCES	\$ 25,858,139	\$ 25,858,139	\$ 25,858,139
			Beginning fund balance			
			Revenue			
5,680,787	6,276,975	6,167,807	Taxes	5,783,550	5,783,550	5,783,550
1,544,203	1,899,666	1,938,000	Franchise Fees	2,001,522	2,001,522	2,001,522
81,573	88,778	77,000	Licenses and permits	74,000	74,000	74,000
2,872,780	3,194,365	3,216,974	Intergovernmental	3,310,151	3,310,151	3,310,151
9,179,868	10,015,395	9,909,376	Charges for services	10,642,829	10,642,829	10,642,829
533,839	1,970,450	1,383,148	Infrastructure development	1,610,873	1,610,873	1,610,873
1,409,858	1,649,503	1,490,665	Fines, interest and other	1,625,467	1,625,467	1,625,467
<u>21,302,908</u>	<u>25,095,133</u>	<u>24,182,970</u>	Total revenue	<u>25,048,392</u>	<u>25,048,392</u>	<u>25,048,392</u>
			Other sources			
163,299	315,074	770,655	Transfers in	766,902	766,902	766,902
22,436	234,306	-	Sale of fixed assets	-	-	-
148,359	179,874	-	Interfund loan payments	-	-	-
<u>334,094</u>	<u>729,254</u>	<u>770,655</u>	Total other sources	<u>766,902</u>	<u>766,902</u>	<u>766,902</u>
45,742,238	48,339,766	46,957,435	Total resources	51,673,433	51,673,433	51,673,433
			REQUIREMENTS			
			Expenditures			
			Personal services			
6,287,540	6,973,461	7,216,684	Salaries and wages	7,555,534	7,555,534	7,555,534
632,929	680,515	726,862	Payroll taxes	764,089	764,089	764,089
2,438,151	2,717,878	3,058,671	Benefits	3,477,836	3,477,836	3,477,836
<u>9,358,620</u>	<u>10,371,854</u>	<u>11,002,217</u>	Total personal services	<u>11,797,459</u>	<u>11,797,459</u>	<u>11,797,459</u>
			Materials and services			
1,744,925	1,952,356	2,004,961	Professional & technical	2,366,606	2,374,106	2,374,106
2,684,627	2,646,286	4,151,331	Facility and equipment	4,537,344	4,525,344	4,525,344
1,193,092	1,388,107	1,471,804	Other purchased services	1,581,082	1,573,582	1,573,582
1,072,760	968,282	858,925	Supplies	657,275	657,275	657,275
35,034	31,329	53,112	Community activities	26,900	26,900	26,900
514,344	406,418	354,840	Minor equipment	138,140	143,140	143,140
47,508	543	1,000	Other materials & services	512,617	507,617	507,617
(94,893)	(56,801)	(56,804)	Cost Allocation	(35,080)	(35,080)	(35,080)
<u>7,197,396</u>	<u>7,336,519</u>	<u>8,839,169</u>	Total materials & services	<u>9,784,884</u>	<u>9,772,884</u>	<u>9,772,884</u>
			Capital outlay			
907,615	-	-	Land	-	-	-
2,149,119	1,238,487	2,709,357	Infrastructure	3,070,283	3,070,283	3,070,283
-	168,496	-	Buildings	-	-	-
324,604	3,187	14,000	Other improvements	-	-	-
166,571	129,682	129,000	Vehicles	159,000	159,000	159,000
289,441	156,888	103,300	Furniture and equipment	14,500	14,500	14,500
<u>3,837,350</u>	<u>1,696,740</u>	<u>2,955,657</u>	Total capital outlay	<u>3,243,783</u>	<u>3,243,783</u>	<u>3,243,783</u>
<u>20,393,367</u>	<u>19,405,113</u>	<u>22,797,043</u>	Total expenditures	<u>24,826,126</u>	<u>24,814,126</u>	<u>24,814,126</u>
			Debt service			
1,965,774	2,059,703	1,932,886	Principal	1,196,609	1,377,000	1,377,000
1,104,399	1,044,208	979,661	Interest	914,158	792,920	792,920
<u>3,070,174</u>	<u>3,103,911</u>	<u>2,912,547</u>	Total debt service	<u>2,110,767</u>	<u>2,169,920</u>	<u>2,169,920</u>
			Other uses			
163,299	315,074	770,655	Transfers out	766,902	766,902	766,902
<u>163,299</u>	<u>315,074</u>	<u>770,655</u>	Total other uses	<u>766,902</u>	<u>766,902</u>	<u>766,902</u>
22,115,399	25,515,667	-	Ending Fund Balance	-	-	-
-	-	817,411	Contingency	958,118	1,245,143	1,245,143
-	-	19,659,779	Reserved for Future Years	23,011,520	22,677,342	22,677,342
\$ 45,742,238	\$ 48,339,766	\$ 46,957,435	Total requirements	\$ 51,673,433	\$ 51,673,433	\$ 51,673,433

Budget Detail

City by Fund

	General Fund	General Construction Fund	Debt Service Fund	Grants Fund	Street Operations Fund	Street Capital Fund	Water Fund	Sanitary Fund	Storm Fund	Telecom Fund	Adopted 2017-18 Budget
RESOURCES											
Beginning fund balance	\$ 2,726,385	\$ 688,407	\$ 14,460	\$ -	\$ 2,087,494	\$ 2,992,716	\$ 10,435,677	\$ 3,107,723	\$ 3,382,617	\$ 422,661	\$ 25,858,139
Revenue											
Taxes	5,511,800	-	271,750	-	-	-	-	-	-	-	5,783,550
Francise Fees	1,961,522	40,000	-	-	-	-	-	-	-	-	2,001,522
Licenses and permits	74,000	-	-	-	-	-	-	-	-	-	74,000
Intergovernmental	1,892,208	-	-	82,000	1,177,943	158,000	-	-	-	-	3,310,151
Charges for services	1,373,488	18,000	-	-	607,000	51,000	5,695,503	655,364	1,890,022	352,452	10,642,829
Infrastructure development	-	107,090	-	-	-	149,000	658,870	596,373	99,540	-	1,610,873
Fines, interest and other	1,336,067	7,000	3,100	-	20,300	26,000	145,000	49,000	33,000	6,000	1,625,467
Total revenue	12,149,085	172,090	274,850	82,000	1,805,243	384,000	6,499,373	1,300,737	2,022,562	358,452	25,048,392
Other sources											
Transfers in	140,640	604,224	-	22,038	-	-	-	-	-	-	766,902
Total other sources	140,640	604,224	-	22,038	-	-	-	-	-	-	766,902
Total resources	\$ 15,016,110	\$ 1,464,721	\$ 289,310	\$ 104,038	\$ 3,892,737	\$ 3,376,716	\$ 16,935,050	\$ 4,408,460	\$ 5,405,179	\$ 781,113	\$ 51,673,433
REQUIREMENTS											
Expenditures											
Personal services											
Salaries and wages	\$ 6,168,374	\$ 54,457	\$ -	\$ -	\$ 269,136	\$ 42,202	\$ 432,321	\$ 202,448	\$ 316,595	\$ 70,001	\$ 7,555,534
Payroll taxes	617,508	5,290	-	-	30,587	4,190	44,638	21,209	34,498	6,169	764,089
Benefits	2,860,904	25,858	-	-	121,146	17,791	201,692	89,923	129,272	31,250	3,477,836
Total personal services	9,646,786	85,605	-	-	420,869	64,183	678,651	313,580	480,365	107,420	11,797,459
Materials and services											
Professional & technical	1,016,602	192,500	-	87,000	132,500	157,300	541,750	82,620	151,334	12,500	2,374,106
Facility and equipment	1,360,504	-	-	-	1,503,068	-	1,522,122	2,600	16,900	120,150	4,525,344
Other purchased services	823,716	17,600	-	-	28,209	-	455,710	97,341	130,350	20,656	1,573,582
Supplies	385,175	-	-	-	67,400	-	113,400	15,400	60,900	15,000	657,275
Community activities	26,900	-	-	-	-	-	-	-	-	-	26,900
Minor equipment	97,840	-	-	-	7,000	-	11,400	6,400	5,500	15,000	143,140
Other materials & services	-	-	-	-	-	-	-	507,617	-	-	507,617
Cost Allocation	(959,657)	45,748	-	-	182,620	29,402	270,563	146,720	209,467	40,057	(35,080)
Total materials & services	2,751,080	255,848	-	87,000	1,920,797	186,702	2,914,945	858,698	574,451	223,363	9,772,884
Capital outlay											
Infrastructure	-	558,190	-	-	255,000	75,000	1,070,593	349,500	687,000	75,000	3,070,283
Vehicles	134,000	-	-	-	-	-	-	-	-	25,000	159,000
Furniture and equipment	7,000	-	-	-	7,500	-	-	-	-	-	14,500
Total capital outlay	141,000	558,190	-	-	262,500	75,000	1,070,593	349,500	687,000	100,000	3,243,783
Total expenditures	12,538,866	899,643	-	87,000	2,604,166	325,885	4,664,189	1,521,778	1,741,816	430,783	24,814,126
Debt service											
Principal	-	-	240,000	-	-	-	1,137,000	-	-	-	1,377,000
Interest	-	-	31,750	-	-	-	761,170	-	-	-	792,920
Total debt service	-	-	271,750	-	-	-	1,898,170	-	-	-	2,169,920
Other uses											
Transfers out	6,058	15,980	-	-	30,600	604,224	33,650	34,050	42,340	-	766,902
Total other uses	6,058	15,980	-	-	30,600	604,224	33,650	34,050	42,340	-	766,902
Contingency	607,454	-	-	4,100	90,262	-	287,025	33,218	205,160	17,923	1,245,143
Reserved for Future Years	1,863,732	549,098	17,560	12,938	1,167,709	2,446,607	10,052,016	2,819,414	3,415,862	332,408	22,677,342
Total requirements	\$ 15,016,110	\$ 1,464,721	\$ 289,310	\$ 104,038	\$ 3,892,737	\$ 3,376,716	\$ 16,935,050	\$ 4,408,460	\$ 5,405,179	\$ 781,113	\$ 51,673,433

Budget Detail

General Fund in Total

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
			RESOURCES			
\$ 3,285,397	\$ 2,777,517	\$ 2,815,353	Beginning fund balance	\$ 2,726,385	\$ 2,726,385	\$ 2,726,385
			Revenue			
4,808,642	5,402,898	5,276,507	Taxes	5,511,800	5,511,800	5,511,800
1,544,203	1,844,808	1,898,000	Franchise Fees	1,961,522	1,961,522	1,961,522
81,573	88,778	77,000	Licenses and permits	74,000	74,000	74,000
1,713,383	1,916,127	1,880,074	Intergovernmental	1,892,208	1,892,208	1,892,208
809,587	1,072,581	1,141,466	Charges for services	1,373,488	1,373,488	1,373,488
-	(1,184)	-	Infrastructure development	-	-	-
1,292,763	1,508,413	1,382,390	Fines, interest and other	1,336,067	1,336,067	1,336,067
10,250,152	11,832,422	11,655,437	Total revenue	12,149,085	12,149,085	12,149,085
			Other sources			
-	84,870	160,284	Transfers in	140,640	140,640	140,640
19,936	11,791	-	Sale of fixed assets	-	-	-
148,359	179,874	-	Interfund loan payments	-	-	-
168,295	276,535	160,284	Total other sources	140,640	140,640	140,640
13,703,844	14,886,474	14,631,074	Total resources	15,016,110	15,016,110	15,016,110
			REQUIREMENTS			
			Expenditures			
			Personal services			
5,280,692	5,811,746	5,938,265	Salaries and wages	6,168,374	6,168,374	6,168,374
525,983	564,401	592,112	Payroll taxes	617,508	617,508	617,508
2,026,181	2,249,407	2,533,048	Benefits	2,860,904	2,860,904	2,860,904
7,832,856	8,625,555	9,063,425	Total personal services	9,646,786	9,646,786	9,646,786
			Materials and services			
1,166,861	1,145,600	926,522	Professional & technical	1,016,602	1,016,602	1,016,602
853,446	941,746	1,350,445	Facility and equipment	1,372,504	1,360,504	1,360,504
599,147	737,344	818,341	Other purchased services	823,716	823,716	823,716
320,098	318,852	437,275	Supplies	385,175	385,175	385,175
35,034	31,329	53,112	Community activities	26,900	26,900	26,900
336,561	314,589	202,540	Minor equipment	92,840	97,840	97,840
32,508	543	1,000	Other materials & services	5,000	-	-
(853,208)	(821,013)	(1,048,479)	Cost Allocation	(959,657)	(959,657)	(959,657)
2,490,446	2,668,991	2,740,756	Total materials & services	2,763,080	2,751,080	2,751,080
			Capital outlay			
200,387	24,691	-	Infrastructure	-	-	-
-	9,303	-	Buildings	-	-	-
-	-	14,000	Other improvements	-	-	-
126,608	129,682	129,000	Vehicles	134,000	134,000	134,000
136,451	51,886	93,300	Furniture and equipment	7,000	7,000	7,000
463,446	215,561	236,300	Total capital outlay	141,000	141,000	141,000
10,786,747	11,510,107	12,040,481	Total expenditures	12,550,866	12,538,866	12,538,866
			Debt service			
122,430	126,140	133,200	Principal	-	-	-
17,149	10,574	3,596	Interest	-	-	-
139,579	136,714	136,796	Total debt service	-	-	-
			Other uses			
-	156,653	45,000	Transfers out	6,058	6,058	6,058
-	156,653	45,000	Total other uses	6,058	6,058	6,058
2,777,517	3,082,999	-	Ending Fund Balance	-	-	-
-	-	287,201	Contingency	607,454	607,454	607,454
-	-	350,000	Reserved for Future Years - Maint.	239,427	239,427	239,427
-	-	1,771,596	Reserved for Future Years	1,612,305	1,624,305	1,624,305
\$ 13,703,844	\$ 14,886,472	\$ 14,631,074	Total requirements	\$ 15,016,110	\$ 15,016,110	\$ 15,016,110

Budget Detail

General Fund by Division

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget	General Fund Resources	2017-18 Proposed Budget	2017-18 Approved Budget	2017-18 Adopted Budget
\$ 3,285,397	\$ 2,777,517	\$ 2,815,353	Beginning fund balance	\$ 2,726,385	\$ 2,726,385	\$ 2,726,385
4,808,642	5,402,898	5,276,507	Revenue			
1,544,203	1,844,808	1,898,000	Taxes	5,511,800	5,511,800	5,511,800
81,573	88,778	77,000	Franchise Fees	1,961,522	1,961,522	1,961,522
1,713,383	1,916,127	1,880,074	Licenses and permits	74,000	74,000	74,000
809,587	1,072,581	1,141,466	Intergovernmental	1,892,208	1,892,208	1,892,208
-	(1,184)	-	Charges for services	1,373,488	1,373,488	1,373,488
1,292,763	1,508,413	1,382,390	Infrastructure development	-	-	-
10,250,152	11,832,422	11,655,437	Fines, interest and other	1,336,067	1,336,067	1,336,067
			Total revenue	12,149,085	12,149,085	12,149,085
-	84,870	160,284	Other sources			
19,936	11,791	-	Transfers in	140,640	140,640	140,640
148,359	179,874	-	Sale of fixed assets	-	-	-
168,295	276,535	160,284	Interfund loan payments	-	-	-
13,703,844	14,886,474	14,631,074	Total other sources	140,640	140,640	140,640
			Total resources	15,016,110	15,016,110	15,016,110
			Requirements			
			Administration Division			
1,141,201	1,303,315	1,343,095	Personal services			
107,857	120,534	117,076	Salaries and wages	1,434,374	1,434,374	1,434,374
451,684	484,919	599,340	Payroll taxes	128,548	128,548	128,548
1,700,742	1,908,769	2,059,511	Benefits	670,050	670,050	670,050
16.2	17.2	19.9	Total personal services	2,232,972	2,232,972	2,232,972
			FTE	18.9	18.9	18.9
475,362	470,766	375,750	Materials and services			
319,825	183,178	181,160	Professional & technical	364,285	364,285	364,285
452,259	514,616	533,001	Facility and equipment	159,010	159,010	159,010
9,333	12,091	28,550	Other purchased services	583,870	583,870	583,870
16,746	18,379	11,500	Supplies	16,250	16,250	16,250
242,782	163,115	141,000	Community activities	11,050	11,050	11,050
20,068	543	1,000	Minor equipment	56,000	56,000	56,000
(771,267)	(676,700)	(832,563)	Other materials & services	-	-	-
765,108	685,990	439,398	Cost Allocation	(834,163)	(834,163)	(834,163)
			Total materials & services	356,302	356,302	356,302
108,059	10,318	56,500	Capital outlay			
108,059	10,318	56,500	Furniture and equipment	-	-	-
2,573,909	2,605,076	2,555,409	Total capital outlay	-	-	-
			Total Administration Expenditures	2,589,274	2,589,274	2,589,274
			Community Development			
834,492	852,373	888,610	Personal services			
74,865	77,701	83,074	Salaries and wages	878,897	878,897	878,897
315,093	333,072	355,615	Payroll taxes	80,654	80,654	80,654
1,224,451	1,263,146	1,327,299	Benefits	383,042	383,042	383,042
12.9	13.6	15.5	Total personal services	1,342,593	1,342,593	1,342,593
			FTE	15.5	15.5	15.5
224,859	266,411	182,500	Materials and services			
441	502	4,850	Professional & technical	324,750	324,750	324,750
51,945	55,802	84,965	Facility and equipment	1,508	1,508	1,508
4,895	2,900	7,800	Other purchased services	47,265	47,265	47,265
80	-	50	Supplies	3,275	3,275	3,275
199	19,203	3,500	Community activities	-	-	-
(81,941)	(20,477)	(97,558)	Minor equipment	300	300	300
200,479	324,341	186,107	Cost Allocation	(56,186)	(56,186)	(56,186)
\$ 1,424,929	\$ 1,587,487	\$ 1,513,406	Total materials & services	320,912	320,912	320,912
			Total Community Dev. Expenditures	\$ 1,663,505	\$ 1,663,505	\$ 1,663,505

Budget Detail

General Fund by Division

			General Fund	2017-18	2017-18	2017-18
			Requirements Continued	Proposed	Approved	Adopted
2014-15	2015-16	2016-17		Budget	Budget	Budget
Actual	Actual	Budget				
			Police Services			
			Personal services			
\$ 1,924,474	\$ 2,073,234	\$ 2,025,129	Salaries and wages	\$ 2,095,245	\$ 2,095,245	\$ 2,095,245
211,414	215,111	226,381	Payroll taxes	234,035	234,035	234,035
778,870	849,881	918,326	Benefits	1,051,165	1,051,165	1,051,165
<u>2,914,757</u>	<u>3,138,226</u>	<u>3,169,836</u>	Total personal services	<u>3,380,445</u>	<u>3,380,445</u>	<u>3,380,445</u>
25.3	25.7	26.0	FTE	26.0	26.0	26.0
			Materials and services			
245,442	231,056	202,225	Professional & technical	218,330	218,330	218,330
99,186	41,948	43,580	Facility and equipment	42,440	42,440	42,440
45,897	71,430	91,132	Other purchased services	85,312	85,312	85,312
35,030	41,953	64,425	Supplies	56,500	56,500	56,500
3,186	2,619	4,500	Community activities	2,000	2,000	2,000
35,601	93,481	7,000	Minor equipment	3,500	3,500	3,500
<u>464,342</u>	<u>482,487</u>	<u>412,862</u>	Total materials & services	<u>408,082</u>	<u>408,082</u>	<u>408,082</u>
120,105	-	-	Vehicles	-	-	-
-	7,824	-	Furniture and equipment	-	-	-
<u>120,105</u>	<u>7,824</u>	<u>-</u>	Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
<u>3,499,205</u>	<u>3,628,537</u>	<u>3,582,698</u>	Total Police Expenditures	<u>3,788,527</u>	<u>3,788,527</u>	<u>3,788,527</u>
			Community Services			
			Personal services			
805,418	974,909	1,016,510	Salaries and wages	1,096,149	1,096,149	1,096,149
70,870	86,176	90,477	Payroll taxes	98,246	98,246	98,246
259,783	364,257	396,194	Benefits	461,238	461,238	461,238
<u>1,136,071</u>	<u>1,425,342</u>	<u>1,503,181</u>	Total personal services	<u>1,655,633</u>	<u>1,655,633</u>	<u>1,655,633</u>
15.9	18.0	19.4	FTE	20.4	20.4	20.4
			Materials and services			
72,436	67,662	111,200	Professional & technical	70,300	70,300	70,300
-	220	1,750	Facility and equipment	3,550	3,550	3,550
25,652	51,749	72,930	Other purchased services	67,631	67,631	67,631
144,277	137,560	165,450	Supplies	191,050	191,050	191,050
11,362	10,123	35,212	Community activities	12,800	12,800	12,800
39,820	11,517	6,140	Minor equipment	2,300	7,300	7,300
12,215	-	-	Other materials & services	5,000	-	-
<u>305,762</u>	<u>278,831</u>	<u>392,682</u>	Total materials & services	<u>352,631</u>	<u>352,631</u>	<u>352,631</u>
<u>\$ 1,441,834</u>	<u>\$ 1,704,173</u>	<u>\$ 1,895,863</u>	Total Community Services Expenditures	<u>\$ 2,008,264</u>	<u>\$ 2,008,264</u>	<u>\$ 2,008,264</u>

Budget Detail

General Fund by Division

2014-15 Actual	2015-16 Actual	2016-17 Budget	General Fund Requirements Continued	2017-18 Proposed Budget	2017-18 Approved Budget	2017-18 Adopted Budget
			Public Works			
			Personal services			
\$ 575,107	\$ 607,916	\$ 664,921	Salaries and wages	\$ 663,709	\$ 663,709	\$ 663,709
60,977	64,879	75,104	Payroll taxes	76,025	76,025	76,025
220,750	217,278	263,573	Benefits	295,409	295,409	295,409
856,835	890,073	1,003,598	Total personal services	1,035,143	1,035,143	1,035,143
13.8	11.7	23.2	FTE	23.7	23.7	23.7
			Materials and services			
148,763	109,705	54,847	Professional & technical	38,937	38,937	38,937
433,993	715,898	1,119,105	Facility and equipment	1,165,996	1,153,996	1,153,996
23,394	43,747	36,313	Other purchased services	39,638	39,638	39,638
126,562	124,348	171,050	Supplies	118,100	118,100	118,100
3,658	207	1,850	Community activities	1,050	1,050	1,050
18,159	27,273	44,900	Minor equipment	30,740	30,740	30,740
225	-	-	Other materials & services	-	-	-
-	(123,837)	(118,358)	Cost Allocation	(69,308)	(69,308)	(69,308)
754,755	897,342	1,309,707	Total materials & services	1,325,153	1,313,153	1,313,153
			Capital outlay			
200,387	24,691	-	Infrastructure	-	-	-
-	9,303	-	Buildings	-	-	-
-	-	14,000	Other improvements	-	-	-
6,503	129,682	129,000	Vehicles	134,000	134,000	134,000
28,392	33,744	36,800	Furniture and equipment	7,000	7,000	7,000
235,281	197,419	179,800	Total capital outlay	141,000	141,000	141,000
1,846,871	1,984,834	2,493,105	Total Public Works Expenditures	2,501,296	2,489,296	2,489,296
			Unallocated Expenditures			
			Debt service			
122,430	126,140	133,200	Principal	-	-	-
17,149	10,574	3,596	Interest	-	-	-
139,579	136,714	136,796	Total debt service	-	-	-
			Transfers out			
-	156,653	-	Transfers to General Const.	-	-	-
-	-	45,000	Transfers to Debt Service	-	-	-
-	-	-	Transfers to Grants	6,058	6,058	6,058
-	156,653	45,000	Total Transfers Out	6,058	6,058	6,058
2,777,517	3,083,001		Ending Fund Balance			
		287,201	Contingency	607,454	607,454	607,454
		350,000	Reserved for Future Years - Maint.	239,427	239,427	239,427
		1,771,596	Reserved for Future Years	1,612,305	1,624,305	1,624,305
\$ 13,703,844	\$ 14,886,474	\$ 14,631,074	Total requirements	\$ 15,016,110	\$ 15,016,110	\$ 15,016,110

Administration

The Administration Division provides leadership and support for all City functions. Administration includes the City Council, City Recorder, City Manager, Assistant City Manager, City Attorney, Information Technology, Human Resources, Finance and Municipal Court.

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed Budget	2017-18 Approved Budget	2017-18 Adopted Budget
			Revenue			
\$ 4,808,642	\$ 5,402,898	\$ 5,276,507	Taxes	\$ 5,511,800	\$ 5,511,800	\$ 5,511,800
1,544,203	1,844,808	1,898,000	Franchise Fees	1,961,522	1,961,522	1,961,522
(75)	-	-	Licenses and Permits	-	-	-
521,871	500,545	626,118	Intergovernmental	600,574	600,574	600,574
51,611	59,833	65,800	Charges for Services	69,300	69,300	69,300
1,228,940	1,447,276	1,265,500	Fines, Interest, and Other	1,246,400	1,246,400	1,246,400
148,359	179,874	-	Transfers in & Other Sources	-	-	-
<u>8,303,550</u>	<u>9,435,233</u>	<u>9,131,925</u>	Total revenue	<u>9,389,596</u>	<u>9,389,596</u>	<u>9,389,596</u>
			Expenditures			
1,700,742	1,908,769	2,059,511	Personal services	2,232,972	2,232,972	2,232,972
765,108	685,990	439,398	Materials and services	356,302	356,302	356,302
108,059	10,318	56,500	Capital outlay	-	-	-
139,579	136,714	136,796	Debt service	-	-	-
-	138,653	45,000	Transfers out & Other Sources	6,058	6,058	6,058
<u>\$ 2,713,488</u>	<u>\$ 2,880,443</u>	<u>\$ 2,737,205</u>	Total expenditures	<u>\$ 2,595,332</u>	<u>\$ 2,595,332</u>	<u>\$ 2,595,332</u>
16.2	17.2	19.9	FTE	18.9	18.9	18.9

City Council

The seven-member City Council is composed of an elected Mayor and six elected Councilors. The Council members serve a four year term and the Mayor serves two years. The City Council is the legislative branch of our local government which is responsible for setting policies. This is accomplished through the adoption of ordinances and resolutions. The City Council meets in regular monthly meetings and occasional executive sessions. In addition City Council work sessions are held to study upcoming issues. The City Council also serves as the City’s Urban Renewal District Board, which similar to the City Council, holds regular business meetings.

2016-17 Highlights

- Adopted 9 ordinances and 80 resolutions during FY17
- 2nd Annual participation in Portland Grand Floral Parade, 1st Place Mini Float Award

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Increase transparency	Council meetings	21	24	24
	Work sessions	17	20	20
	Executive sessions	15	10	10
Training for Council members & Regional Meeting participation	Conferences: Oregon Mayor’s Assoc. Conf. (2) Or. League of Cities Annual Conf. NLC National League of Cities Conf. New Partners for Smart Growth	7	10	10
	Regional meetings: Regional Mayor’s Meetings (12) Wa. Co. Coordinating Committee (12) Willamette River Water Coalition (4) Regional Water Providers Consortium (4) Southwest Corridor Steering Comm. (12) R1Act (6) Westside Transportation Alliance (12) Note: Meetings held monthly or quarterly	56	62	62

City Recorder

The City Recorder is the custodian of records and responsible for the management of City records and provides administrative support to the City Council and URA Board. The City Recorder also serves as the City’s Elections official.

2016-17 Highlights

- Elections - Coordinated 2 Initiative Petition for proposed Charter Amendment
- Elections - Coordinated 5 City Initiated Charter Amendments
- Managed 10 Municipal Code amendments
- Conducted Review of current City Records Management System
- Made recommendation for implementation of City Wide Records Management System
- Drafted City Records Management Policies
- Purged City records per State Records Retention Schedule
- Coordinated Records Management Day at City Offices

2017-18 Goals

- Implementation City Records Management Software System (pending budget approval)
- Draft City Records Management Policies (on going)
- Purge City records per State Records Retention Schedule (on going)

Performance Measures

Strategy	Measures	FY15 -16 Actual	FY16-17 Projected	FY17-18 Projected
Adhere to public records law and respond to public records requests	Public records requests	44	60	50
	Responded within 5 business days	40	55	45
	Staff training on records management	2	2	2
Develop and implement a Records Management program	Coordinate records management days for all City offices	2	2	2
	Municipal Code updates	11	10	10
	Process Election Candidate fillings	5	5	5

City Manager

The City Manager’s office provides leadership, coordination and management for the City and is responsible for establishing general administrative policies that govern the operations of the City. The City Manager, along with the Assistant City Manager and with input from the Senior Management team, also supports and assists the Mayor and City Councilors in their roles as policy makers by providing accurate and timely information and appropriate policy alternatives.

2016-17 Highlights

- Completed Feasibility Study to operate city-owned Recreational Center
- Completed a Compensation Study for all positions within organization
- Completed Phase Two improvements to Woodhaven Park
- Conducted two sessions of the Sherwood Citizens University program to increase citizen understanding of city government

2017-18 Goals

- Explore possible partnership with Tualatin Valley Community Television to provide governmental programming on our cable access channel (City-wide Value – Quality Services)
- Coordinate the successful celebration of the 125th anniversary of the City of Sherwood’s incorporation in 2018 (City-wide Value – Community Pride)
- Continue to support enhanced programs and activities to engage the public on issues facing the community (City-wide Value – Citizen Participation)
- Continue to implement enhancements to City intranet to ensure efficient sharing of important information to employees (City-wide Value – Quality Services)

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Increase communication with the public	Newsletter Frequency	Every Two Months	Every Two Months	Every Two Months
	Number of Facebook Friends	1,077	1,800	2,500
	Number of Twitter Followers	210	358	500

City Attorney’s Office

The City Attorney's Office is the in-house legal department for the City. As such, it provides a broad range of professional legal services to City officials, management, and staff. Primarily, these services are in the areas of researching legal questions and providing legal advice; preparing and reviewing contracts, ordinances, resolutions, orders, and other legal documents; conducting negotiations with various individuals and organizations; representing the City in administrative proceedings and, occasionally, in court; and analyzing public record requests and exemptions. Major areas of law most frequently encountered include labor and employment law, tort liability, constitutional law, elections law, environmental and natural resources law, public contracting, public meetings, public records, public administration, real property, and land use. The Office also retains and manages outside legal counsel for certain projects involving special expertise.

2016-17 Highlights

- Hired and trained a legal assistant.
- Hired a summer law clerk as a means to increase departmental productivity at little to no cost and to provide an educational service.
- Completed comprehensive review and update of the City’s noise ordinance.
- Assisted Council with drafting and referring five charter amendments to City voters.

2017-18 Goals

- Continue to develop the City’s new in-house legal department, including setting up a long-term filing and case management system.
- Begin to compile City Administrative Rules containing all rules adopted by resolution in a centralized and codified document. This is likely a multi-year project.
- Comprehensive review and update of the City’s public contracting and expenditure authority policies and rules.
- Begin review of all City ordinances and performance of housekeeping updates. This is likely a multi-year project.
- Assist with comprehensive review and update of Council Rules.

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Increase communication with City Council	Newsletter Frequency	N/A	Quarterly	Quarterly
	Frequency of Sharing Project Tracking System with Council	N/A	N/A	Quarterly

Human Resources & Risk Management

The Human Resources department provides personnel support for all City employees. This department also includes recruitment, training and development, benefit, compensation, and salary classifications, and is responsible for managing and updating the City of Sherwood Employee Manual and Employee Policies. Manages two union contracts and leads employee relations. Risk Management is responsible for managing the policies and processing claims for workers’ compensation, property, auto, equipment and liability insurance. This department also reviews and manages the City’s benefit package to insure the best possible rates and protection for employees at a reasonable rate.

2016-17 Highlights

- Retained, recruited and trained a top quality work force
- Managed all lines of insurance coverage for the City
- Lead in Employee Relations
- Managed Union Contracts
- Began compensation study for all classes of employees

2017-18 Goals

- Finish and begin implementation of compensation study for all classes of employees (City-wide Value – Fiscal Responsibility)
- Implement updated employee manual to assist managers and employees (City-wide Value – Fiscal Responsibility)

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Provide efficient external recruitment service	Number of applicants for all positions	785	463	400
	Working days for external recruitments	67.6 days	62.3 days	60 days
Perform facility inspections by Safety Committee to minimize unsafe conditions	Number of identified unsafe practices eliminated	1	0	2
	Number of accidents	3	8	8
Maintain a low number of accidents and the cost of worker compensation claims	Time loss (days)	2	1	5
	Annual cost of worker compensation claims	\$300	\$300	\$1,000

Information Technologies

The Information Technologies department provides technical support, troubleshooting and maintenance of computer hardware and software used by the City. The department operates and maintains the network, servers, phone systems, Sherwood Broadband, and Sherwood public access channel. This department also manages software licensing, assists departments in improving service through effective use of technology and provides training to staff.

2016-17 Highlights

- Upgraded the city’s public access video server and digital signage system
- Moved all city staff to Office 365 for both email and intranet services
- Completed several security and infrastructure related projects
- Upgraded the AV systems at the Police Station and City Hall conference rooms
- Upgraded several key software applications used by staff to their current versions
- Moved Library staff to the City’s network (expected completion June/July ’17)
- Created an online training site for city employees
- Lead a group of staff who reviewed city document/records management processes and made recommendations for changes.

2017-18 Goals

- Implement a new IT Service management software application
- Formalize several IT processes based on industry standards
- Complete a data warehouse project to improve and ease city wide reporting
- Continue staff security awareness training
- Increase training materials on the employee training site
- Implement some of the document/records management recommendations

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Effectively maintain and support computer and informational systems throughout the City	Major Software Applications Supported	67	67	67
	Computer Systems Supported	235	242	245
	Network Systems Supported	55	59	60
	General Fund FTE	3.5	3.85	4.25
	Terabytes of data maintained and protected	35 TB	45 TB	50 TB
Productivity Through IT Service Management process improvement	Help desk tickets submitted	900	1,000	1,200
	Help desk tickets resolved within 30 min. (Estimate)	10%	10%	10%
	Satisfaction Rate: Good or better	97.73	98%	98%
	IT Training Hours	160	160	40

Finance

The Finance department provides financial information, oversight and management. Finance is responsible for the annual budget, annual audit, debt management, payroll, cash management, accounts receivable, and accounts payable. The Finance department prepares a wide range of internal and external financial reports.

2016-17 Highlights

- Received the GFOA Budget Award for the Fiscal Year 2016-17 budget document
- Submitted for the GFOA Award for Excellence in Financial Reporting for FY2015-16
- Completed the implementation of the new Finance Software System
- Renewed and upgraded the OpenGov Financial Transparency platform

2017-18 Goals

- Develop a detailed model for General Fund long term projections (City-wide Value – Fiscal Responsibility)
- Review and revise the allocation method for administrative, engineering, and fleet services overhead chargebacks (City-wide Value – Fiscal Responsibility)
- Expand the use of OpenGov and develop reporting for management and Council (City-wide Value – Fiscal Responsibility) as well as for the citizens (City-wide Value – Transparent Government)

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Maintain high levels of financial integrity	Independent auditor opinion	Unqualified	Unqualified	Unqualified
	Number of GFOA reviewer comments on the CAFR	12	5	3
	Credit rating	A1	Aa3	Aa3
Deliver efficient, effective financial services	Actual cost to deliver financial services	\$565,864	\$625,600	\$582,142
	Cost to deliver financial services as a % of total City budget	2.2%	2.2%	2.1%

Municipal Court

Municipal Court is responsible for processing all traffic violations and non-felony offenses within the City. The goal of the Municipal Court is to promote compliance with laws and regulations by processing citations for violations equitably and timely.

2016-17 Highlights

- Successfully passed the Audit by CJIS and found to be in compliance with the Law Enforcement Data System (LEDS) and National Crime Information Center (NCIC) policies and procedures.
- Reviewed and reorganized staff task, responsibilities and court procedures in order to improve efficiencies within the department.

2017-18 Goals

- Complete the court software upgrade to the current version.
- Research the implementation of the E-Conviction interface with the Department of Motor Vehicles.

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Manage an efficient and effective Municipal Court	Traffic violations	8,648	9,000	9,500
	Parking violations	201	100	125
	City Ordinance violations	28	25	25
	Total violations processed	8,877	9,125	9,650
	Number of court staff	3.5	3.5	2.5
	Number of violations processed annually per clerk	2,536	2,607	3,860
	Operating expenses	\$556,953	\$567,620	\$538,946
	Operating expenses per processed violation	\$62.74	\$62.20	\$58.82

Community Development

The Community Development Division provides overall management and administrative support for the City’s planning, engineering, and building departments. Community Development strives to provide efficient, consistent, and seamless private and public development services.

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed Budget	2017-18 Approved Budget	2017-18 Adopted Budget
			Revenue			
\$ 79,008	\$ 85,478	\$ 75,000	Licenses and Permits	\$ 72,000	\$ 72,000	\$ 72,000
105,994	285,260	96,100	Intergovernmental	109,855	109,855	109,855
469,629	634,752	735,836	Charges for Services	864,413	864,413	864,413
-	(1,184)	-	Infrastructure & Development fees	-	-	-
2,724	-	2,300	Fines, Interest, and Other	300	300	300
<u>657,356</u>	<u>1,004,306</u>	<u>909,236</u>	Total revenue	<u>1,046,568</u>	<u>1,046,568</u>	<u>1,046,568</u>
			Expenditures			
1,224,451	1,263,146	1,327,299	Personal services	1,342,593	1,342,593	1,342,593
200,479	324,341	186,107	Materials and services	320,912	320,912	320,912
<u>\$ 1,424,929</u>	<u>\$ 1,587,487</u>	<u>\$ 1,513,406</u>	Total expenditures	<u>\$ 1,663,505</u>	<u>\$ 1,663,505</u>	<u>\$ 1,663,505</u>
12.9	13.6	15.5	FTE	15.5	15.5	15.5

Planning

The Planning department plays an integral role in shaping the long term character of the City through the development and implementation of the Sherwood Comprehensive Plan and other long range planning documents. The plans are intended to protect the personal, environmental, and economic health of the community.

2016-17 Highlights

- Prepared a draft work plan for the City of Sherwood Comprehensive Plan Update process.
- Participated in the Southwest Corridor Planning process.
- Completed regulations for recreational marijuana facilities in case a ban failed the November election.
- Updated the Zoning and Community Development Code to remain consistent with the requirements of the National Flood Insurance Program.
- Worked on design and engineering of phase 1 of the Cedar Creek Trail.
- Managed the environmental review of the Tannery site.
- Coordinated and participated with regional partners on issues of importance to the City of Sherwood

2017-2018 Goals

- Complete the community visioning portion of the City of Sherwood Comprehensive Plan Update process. (City-wide Goal – Livability)
- Prepare a Refinement Plan for Sherwood West to support the proposed new high school facility and 2018 Urban Growth Boundary Expansion request. (City-wide Goal – Livability)
- Complete the Tannery site assessment project. (City-wide Goal – Infrastructure)

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Meet State mandated deadlines for land use decisions and produce sound decisions	Perform completeness review within 30 days of submittal	100%	100%	100%
	Produce decisions within 120 days unless an extension was granted	100%	100%	100%
	Total number of site plan review applications	7	7	7
	Land use decisions made by City staff (Type II)	6	3	9
	Land use decisions made by City staff (Type I)	106	92	92
	Land use decisions made by Hearing Officer or Planning Commission	7	14	7
	Land use decisions made by City Council	4	9	7
	Number of land use appeals	0	0	1
Improve clarity and effectiveness of Code	% of staff recommendations upheld on appeal	N/A	N/A	100%
	Code amendment projects undertaken	3	5	2

Building

The Building Department’s responsibilities are to review and approve plans, issue permits, and perform inspections for new construction in compliance with the State of Oregon’s building, plumbing, mechanical, solar, manufactured dwelling, and energy codes. The Department assists the public and professionals with information relevant to the City’s building and development codes. Staff works with local jurisdictions, agencies and builders in order to improve the construction standards in the city and ensure the public’s health and safety.

2016-17 Highlights

- Issued permits, completed required inspections, and granted occupancy approval for new Panera Bread restaurant.
- Permitted and approved upgrade at Woodhaven park restroom/parking lot addition.
- Completed occupancy approvals for the 65 lot Cedar Brook residential sub-division.

2017-18 Goals

- Complete re-organization of permit files, archiving, and document retention/destruction
- Complete annual state mandated training for staff.

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Provide timely service	Building inspection performed same day	100%	100%	100%
	Plan review turnaround within 2 weeks’ time for single family homes	100%	98%	100%
	Plan review turnaround within 2 weeks’ time for commercial improvements	100%	95%	100%
	Plan review turnaround within 4 weeks’ time for new commercial buildings	100%	100%	100%
Permits: Identify and track workload measures to enable appropriate staffing	Total number of permits	703	640	750
	New single-family homes	77	30	40
	New Multi-family homes	14 Units	0	82 Units
	Residential remodel/additions	17	25	20
	New commercial buildings	3	12	15
	Commercial tenant improvement	55	25	20
	Miscellaneous (Mech, Plumb, AS)	490	520	500
	Number of inspections	2,202	2,250	2,400

Engineering

The Engineering department plans, designs, and oversees construction of the City's Capital Improvement Projects (CIP's), which include streets, stormwater systems, sanitary sewer systems, water systems, and park facilities. The department is also responsible for review and approval of all private development projects that include installation of public infrastructure as part of the development. The department conducts inspections on the construction of public infrastructure projects to ensure that these facilities meet the City's standards for materials and installation. Engineering issues right-of-way permits for all work performed within the public right-of-way, and oversees erosion and sediment runoff control on any construction activity within the City. The department also provides estimates and final SDC fee assessments on private development projects.

2016-17 Highlights

- Completed updating of the City's Stormwater Master Plan and Sanitary Sewer Master Plan and related SDC fees.
- Completed updating of the City's Transportation SDC.
- Commenced removal of the downtown monuments.
- Completed engineering design and construction of a mid-block pedestrian crossing of Langer Farms Parkway.
- Completed land-use process and are completing engineering design work for construction of a public parking lot within downtown Sherwood.
- Completed engineering feasibility study for the Oregon Street/Tonquin Road intersection.
- Completed construction of sanitary sewer mainline extension in Sunset Boulevard.
- Continued coordination of engineering design efforts for the Cedar Creek Trail project.
- Completed construction of the Columbia Street Regional Stormwater Treatment Facility mitigation improvements.
- Completed the design and construction management of several Public Works paving and stormwater maintenance projects.
- Coordinated with Washington County on the 30% design on the Kruger-Elwert intersection improvement project.

2017-18 Goals

- Create a traffic calming program to respond to citizen transportation concerns (City-wide Goal – Public Safety)
- Complete construction of the public parking lot within downtown Sherwood (City-wide Goal – Community Livability).
- Complete construction of the Pine Street sanitary sewer extension (City-wide Goal – Infrastructure)
- Commence preliminary design effort for improvements to the Sunset Boulevard/Highway 99W intersection based on City's Transportation System Plan (TSP), and coordinated with design work being performed by Washington County on the Kruger/Elwert/Hwy 99W intersection improvement project. (City wide Goal – Infrastructure and Public Safety)Prepare preliminary design analysis of sanitary sewer trunk line running through

Budget Detail

General Fund Community Development

the Brookman area, for future extension of service to areas west of Highway 99W. (City wide Goal – Infrastructure)

- Commence preliminary design of the Rock Creek Sanitary Sewer Trunk Line Capacity Upgrade Phase 2 project (City wide Goal – Infrastructure).
- Initiate City-wide traffic count database of all collector and arterial streets within Sherwood city limits. (City-wide Goal – Livability)
- Continue with design of the Ice Age Tonquin Trail project (City wide Goal – Livability)

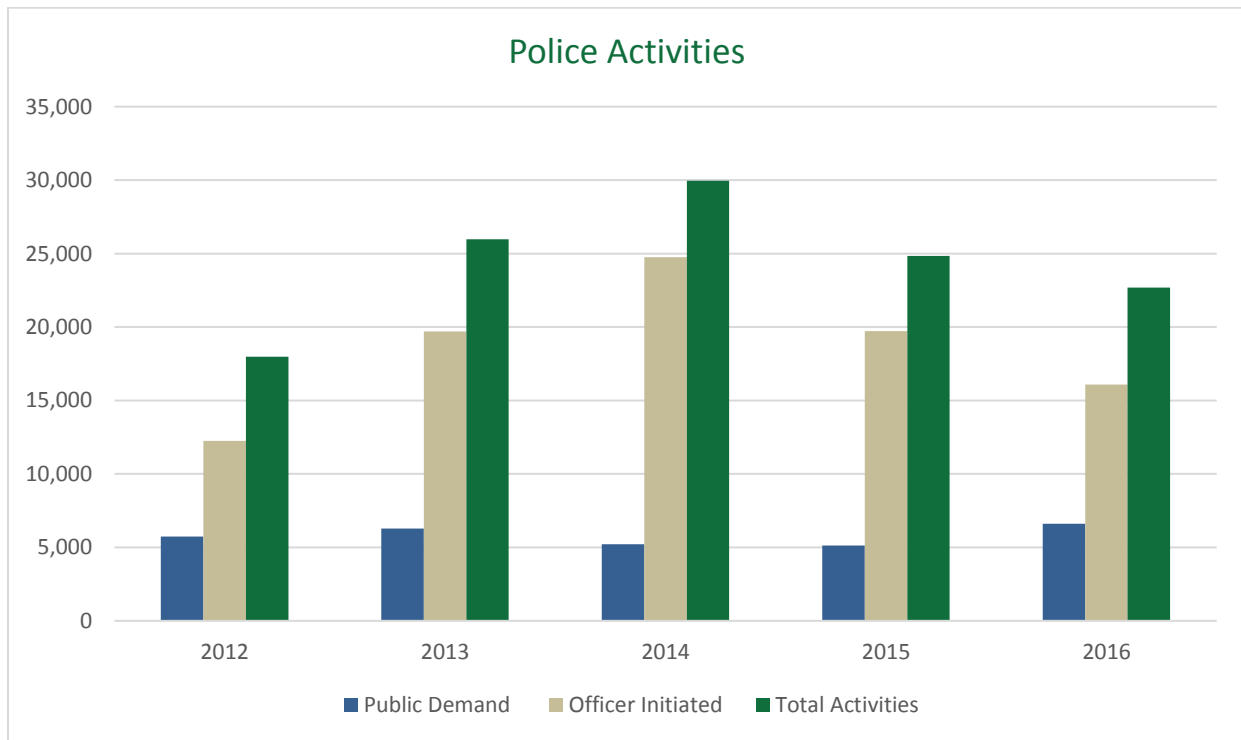
Performance Measures

Strategy	Measures	FY 15-16 Actual	FY16-17 Projected	FY17-18 Projected
Provide professional infrastructure design and management services	Capital projects designed, managed, and/or inspected	11	11	9
	Public improvement projects managed & inspected	3	15	6
	Private development pre-applications reviewed	5	10	10
	Private development applications reviewed for final approval	5	10	12
Protect infrastructure and right-of-ways. Enforce engineering design and construction standards	Right-of-way permits issued	53	65	60
	SFR lot ESC plan reviews performed	23	30	40
	SFR lot ESC inspections performed	250	275	366
	ESC inspections performed under Compliance Agreement projects	272	300	350

Police

The Sherwood Police department’s primary purpose is to serve the community. The Police department exists for the community and believes in the philosophy that the police are the public and the public are the police. We believe that law enforcement is a fundamental and critical service to the community and must be maintained as a priority.

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed Budget	2017-18 Approved Budget	2017-18 Adopted Budget
\$ 2,640	\$ 3,300	\$ 2,000	Revenue	\$ 2,000	\$ 2,000	\$ 2,000
86,020	67,182	67,832	Licenses and Permits	61,369	61,369	61,369
14,022	6,762	5,500	Intergovernmental	6,000	6,000	6,000
875	1,065	2,750	Charges for Services	2,750	2,750	2,750
7,691	-	-	Fines, Interest, and Other	-	-	-
111,248	78,309	78,082	Transfers in & Other Sources	-	-	-
			Total revenue	72,119	72,119	72,119
			Expenditures			
2,914,757	3,138,226	3,169,836	Personal services	3,380,445	3,380,445	3,380,445
464,342	482,487	412,862	Materials and services	408,082	408,082	408,082
120,105	7,824	-	Capital outlay	-	-	-
\$ 3,499,205	\$ 3,628,537	\$ 3,582,698	Total expenditures	\$ 3,788,527	\$ 3,788,527	\$ 3,788,527
25.3	25.7	26.0	FTE	26.0	26.0	26.0



Police

2016-17 Highlights

- Continued high level of service to community through child safety seat clinics, emergency preparedness training and programs like Secret Santa
- Maintained community engagement at community events and through social media
- Worked with City Council and Police Advisory Board to determine future police staffing (City-wide Goal – Public Safety)
- Continued to enhance community engagement by enhancing social media efforts and increasing shared public safety information (City-wide Value – Citizen Participation)

2017-18 Goals

- Continue to enhance volunteer opportunities through reserve program re-start and newly formed community support team (City-wide Value – Citizen Participation)
- Continue and enhance existing and successful programs like child safety clinics & emergency preparedness trainings/videos
- Look to increase crime/drug prevention opportunities in Sherwood schools
- Enhance Community Policing by implementing directed/focused policing efforts, due to full staffing levels
- Enhance succession planning through training of officers and sergeants in appropriate leadership training and opportunities
- Continue efforts to enhance service delivery through the efficient use of technology

Performance Measures

Strategy	Measures	2015 Actual	2016 Actual	2017 Projected
Maintain safety through proactive activities	Number of sworn officers	23	23	23
	Population served	19,080	19,145	19,250
	Number of proactive activities	19,713	16,073	16,100
	Total all calls & activities	24,831	22,680	22,600

Community Services

The Community Services Division encompasses Library services, the Sherwood Old Town Field House operations, the Sherwood Center for the Arts, the Marjorie Stewart Center, volunteer services, field and gym scheduling, and the coordinating and planning of various events. As part of the Washington County Cooperative Library Services (WCCLS), the Sherwood Library provides access to resources from all 13 County libraries as well as regional, national, and international sources. The Sherwood Old Town Field House is an indoor soccer facility that offers soccer leagues, facility rentals and field time for a variety of sports and activities. The Center for the Arts opened in February 2015 and features a 393 seat theater/multi-purpose space, visual arts gallery and two classrooms. The oversight and operation of the Marjorie Stewart Center is a new addition to the Community Services Division as of July 2017. The Marjorie Stewart Center offers programs, classes and meals for seniors.

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed Budget	2017-18 Approved Budget	2017-18 Adopted Budget
			Revenue			
\$ 768,507	\$ 828,983	\$ 850,024	Intergovernmental	\$ 875,410	\$ 875,410	\$ 875,410
259,829	355,560	321,930	Charges for Services	421,650	421,650	421,650
32,717	40,322	93,340	Fines, Interest, and Other	68,137	68,137	68,137
<u>1,061,054</u>	<u>1,224,865</u>	<u>1,265,294</u>	Total revenue	<u>1,365,197</u>	<u>1,365,197</u>	<u>1,365,197</u>
			Expenditures			
1,136,071	1,425,342	1,503,181	Personal services	1,655,633	1,655,633	1,655,633
305,762	278,831	392,682	Materials and services	352,631	352,631	352,631
<u>\$ 1,441,834</u>	<u>\$ 1,704,173</u>	<u>\$ 1,895,863</u>	Total expenditures	<u>\$ 2,008,264</u>	<u>\$ 2,008,264</u>	<u>\$ 2,008,264</u>
15.9	18.0	19.4	FTE	20.4	20.4	20.4

Library

The mission of Sherwood Public Library is to inspire discovery, enrich lives and build community through equitable access to life-long learning. The Library serves the greater Sherwood area of nearly 23,000 people. As a member of Washington County Cooperative Library Services, Sherwood Public Library provides access to 1.7 million items, e-books and digital audiobooks, and online learning resources. The local collection includes nearly 50,000 books, Blu-Rays, DVDs, CDs, books on CD, magazines and newspapers. Internet access and productivity software is available at 13 public computers. Sherwood Broadband provides 24-hour Wi-Fi. The children’s area is an active hub for playing and learning. The Library is open seven days a week, 60 hours a week.

2016-17 Highlights

- Developed a Strategic Plan with community input to guide service priorities for 2017-2019
- Welcomed 252,000 visits, an average of 21,000 visits per month
- Total annual circulation of library materials was over 367,000 checkouts, including digital
- Sherwood patrons checked out an average of 33 items per year
- Added over 6,000 items to the local collection
- Created a Family Engagement zone in the Children’s Area for interactive early learning.
- Installed an ADA technology accessibility public computer station
- Implemented One-on-One Tech Help sessions with Librarians
- Increased program attendance 48% from FY14-15, a jump from 16,621 to 24,620
- Increased program offerings 34% from FY14-15, from 468 programs to 625
- Developed new partnerships with YMCA, Sherwood School District, Sherwood Police Department, Robin Hood Festival, Key Club, and Library District of Clackamas County

2017-18 Goals

- Increase availability and use of popular materials in print and audio visual formats
- Enhance library services to reflect inclusion, diversity and accessibility
- Update and enhance the library’s website with more resources for seniors, youth & families, teens, newcomers, and Spanish-speakers

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Increase availability and use of popular materials	Picture Book circulation	32,187	33,500	35,000
	Juvenile Fiction circulation	25,863	26,500	27,200
Enhance library services to reflect inclusion, diversity and accessibility	World language materials	620	740	890
	National Edge Assessment score for technology accessibility (out of 1000)	n/a	570	620

Events and Volunteers

The Events and Volunteers department is responsible for planning and implementing the volunteer program, issuing Special Event Permits, coordinating events such as Music on the Green, Movies in the Park, the Community Services Fair and the Veterans Day Ceremony.

2016-17 Highlights

- Volunteers contributed a total of 5,740 hours, equivalent to 2.76 FTE
- Coordinated and offered 7 weeks of Music on the Green concerts at Stella Olsen Park to approximately 1,300 people each week
- Coordinated annual Veterans Day Ceremony
- Managed, developed and implemented City-wide special events including the, Music on the Green, Movies in the Park and the Community Services Fair
- Processed and issued 38 Special Event Permit applications, 98 Monument Requests, and 99 Reader Board Requests
- Acted as liaison to community groups such as Saturday Market, the Historical Society, Friends of the Senior Center, Meals on Wheels and the Robin Hood Festival Association
- Secured presenting sponsor for Music on the Green and Movies in the Park
- Coordinated various Eagle Scout projects, Arbor Day, Trashpalooza, Adopt a Road program, George Fox Serve Day, and community group park clean ups
- Developed and implemented program for Community Garden, all plots reserved for 2017 season
- Designed and implemented Cultural Walking Tour

2017-18 Goals

- Develop Adopt a Park and Adopt A Trail program for Cedar Creek Trail (City-wide Value – Community Pride)
- Secure presenting sponsors for Music on the Green and Movies in the Park (City-wide Value – Quality Services)
- Increase attendance at community events (City-wide Value – Community Pride)

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Increase City-wide volunteer opportunities	Volunteer Hours	5,740	6,000	6,200
	Accommodate special events and festivals	Special Event Permits Issued	38	40
Increase attendance at City sponsored events	Attendance at Music on the Green	9,200	9,400	9,700
	Attendance at Movies in the Park	1,900	2,100	2,200

Field House and Sports Recreation

The Sherwood Old Town Field House offers a large indoor arena featuring "Field Turf" (new in 2015). The Field House hosts a wide array of activities including adult and youth soccer, softball, baseball and lacrosse. The Field House is also available for private rentals, birthday parties, pre-school play and sports clinics. The Recreation department is responsible for scheduling the use of all City and school district owned fields and gyms. The fields and gyms are primarily used by the youth sports leagues and are occasionally used for private rentals.

2016-17 Highlights

- Added several new long term rentals
- Removed beverage vending machine and now sell beverages in house
- Managed three nights a week of adult leagues and over 700 hours of rentals
- Offered 2 sessions of youth soccer with over 20 teams in the first session
- Coordinated practice and game space for 13 different youth clubs
- Managed the sports and gyms IGA between the City and the school district

2017-18 Goals

- Increase service to 21,000 people (City-wide Goal – Resident Well Being)
- Add a fourth night of adult leagues (City-wide Goal – Resident Well Being)
- Maximize the use of field and gym space beyond the youth sports leagues (City-wide Goal – Resident Well Being)

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Provide quality recreational opportunities for Sherwood citizens.	Number people served in the Fieldhouse	19,000	20,000	22,000
	Number of leagues per year in the Fieldhouse	20	20	22
	Number of sports leagues served	13	13	13
	Number of children participating in sports practice and games	4,732	4,800	4,900

Sherwood Center for the Arts

The Sherwood Center for the Arts is a 393 seat theater/multi-purpose space with two classrooms and serves as a home for multiple artistic disciplines to work, perform, exhibit, and gather. The mission of the Sherwood Center for the Arts is to *Inspire, educate, and enrich the Sherwood community through diverse activities that enhance the quality of life.*

2016-17 Highlights

- In its first full year of operations, the Sherwood Center for the Arts greatly expanded programming and rentals
- Strengthened partnerships to develop community arts and culture events like the Old Town Sherwood Art Walk
- Developed and launched the first season of Summer Arts Camps – with over 200 students registered throughout the summer
- Partnered in the development of the Friends of the Sherwood Center for the Arts, and the Second Annual Gala Fundraiser to support a new Assistance Program to provide financial aid for people participating in programs at the Sherwood Center for the Art
- 21,616 community members visited the Center for the Arts in FY 2016-17 for classes, events rentals and other activities

2017-18 Goals

- Install *the Sherwood Unity Project*, a temporary public art exhibit and interactive experience (City-wide Value – Citizen Participation)
- Start planning on Phase 2 of the Sherwood Cultural Walking Tour (City-wide Value – Community Livability)
- Enhance the Family Matinee Series to encourage audience engagement and support audience development (City-wide Value – Citizen Participation)

Increase sponsorships to support programs at the Center for the Arts (City-wide Value – Community Partnerships)

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Increase participation and utilization of the Center for the Arts facility and programs	Number of registrations for classes, workshops or camps	290	450	500
	Number of production rentals	10	19	20
	Number of facility rentals	45	50	55
	Number of tickets sold to Center for the Arts programs & events	1,497	1,500	1,800
	Number of attendees for free arts events	2,402	2,500	3,000
	Number of attendees for visiting events & rentals	8,375	18,700	23,000

Marjorie Stewart Center

The Marjorie Stewart Center opened in 1982 and was originally built utilizing a Community Development Block Grant and many hours of volunteer labor. The City has been awarded 5 subsequent Block Grants to expand and improve the facility. The Center features a commercial kitchen, a dining room that seats 125, 3 classrooms, Lounge/Library and a gift shop. The Center serves as a place for Seniors to gather and offers programs such as Art Classes, Fitness Classes, Ballroom Dancing, Social Service Referrals, Day Trips, Health Support Programs (foot care, blood pressure, etc.) and Special Events (Holiday Celebrations, etc.).

2017-18 Goals

- Take over operations of the Marjorie Stewart Center with little disruption to services and programs (City-wide Goal – Resident Well Being)
- Increase programs offered for Seniors (City-wide Goal – Resident Well Being)
- Transition all volunteers to the City Volunteer Program.
- Provide a meal (lunch) at minimum 3 times a week (City-wide Goal – Resident Well Being)

Performance Measures

Strategy	Measures	FY17-18 Projected
Provide quality programs for Seniors. Provide a meal program for Seniors.	Number of programs offered	20
	Number of Seniors served meals	2,340

Public Works

The Public Works Division is responsible for operation and maintenance activities of the City’s infrastructure. Maintenance includes: water, sewer, storm, streets, parks, sport fields, facilities and fleet. Public Works provides critical services 24/7 to all residents.

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed Budget	2017-18 Approved Budget	2017-18 Adopted Budget
			Revenue			
\$ 230,991	\$ 234,158	\$ 240,000	Intergovernmental	\$ 245,000	\$ 245,000	\$ 245,000
14,496	15,675	12,400	Charges for Services	12,125	12,125	12,125
27,507	19,750	18,500	Fines, Interest, and Other	18,480	18,480	18,480
12,245	96,661	160,284	Transfers in & Other Sources	140,640	140,640	140,640
<u>285,239</u>	<u>366,244</u>	<u>431,184</u>	Total revenue	<u>416,245</u>	<u>416,245</u>	<u>416,245</u>
			Expenditures			
856,835	890,073	1,003,598	Personal services	1,035,143	1,035,143	1,035,143
754,755	897,342	1,309,707	Materials and services	1,325,153	1,313,153	1,313,153
235,281	197,419	179,800	Capital outlay	141,000	141,000	141,000
-	18,000	-	Transfers out & Other Sources	-	-	-
<u>\$ 1,846,871</u>	<u>\$ 2,002,834</u>	<u>\$ 2,493,105</u>	Total expenditures	<u>\$ 2,501,296</u>	<u>\$ 2,489,296</u>	<u>\$ 2,489,296</u>
13.8	11.7	23.2	FTE	23.7	23.7	23.7

Facilities

The Facilities department is responsible for environmental health, safety, operations, maintenance, and repair of all city facilities.

2016-17 Highlights

- Completed annual reporting requirements to the State
- Completed set up and take down for Kids Reading, City Council, Planning Commission, Court and other Library events 230 times during the year
- Completed weekly inspections of all City facilities (City-wide Goal – Infrastructure)
- Completed inspections of all contracted work (City-wide Goal – Infrastructure)
- Removed/replaced 25 trees in poor condition at YMCA (City-wide Goal – Infrastructure)
- Interior painting at Police Department
- Replaced Variable Frequency Drive (VFD) at City Hall for HVAC System
- Replaced roof at YMCA Teen Center
- Completed repairs from water damage at City Hall
- Completed energy audit at the Police Department and City Hall

2017-18 Goals

- Preventative Maintenance of HVAC Systems for all City facilities
- Repairs to Firing Range at Police Department
- Continue to provide customer service for all City facilities
- Provide Janitorial Service to all City facilities
- Complete striping of all City facility parking lots
- Complete annual fire alarm system testing
- Complete grounds maintenance at all City facilities

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Provide attractive, clean, safe, and well maintained facilities for the public and City employees	Number of facility inspections per month	5	5	5
	Number of OSHA or safety violations reported	0	0	0
	Met requirements for meeting set-up and tear-down as requested	100%	100%	100%
	Number of insurance claims involving City facilities	1	0	0

Parks Maintenance

The Parks department maintains the parks, trail systems, School District property, athletic fields and open spaces.

2016-17 Highlights

- Completed weekly playground inspections
- Completed trash pickup and recycling three times a week during peak usage
- Maintained 8,137 irrigation heads
- Completed striping and prep of athletic fields for schools and leagues
- Completed 157 park reservations
- Provided 7-day/week staffing coverage during peak season
- Worked with independent contractors to ensure contract agreements are followed and work progresses smoothly
- Completed weekly mowing for parks and athletic fields for 37 weeks out of the year
- Maintained 2 water features
- Completed Recycling Program in identified parks throughout City.
- Complete implementation of Phase I of Community Garden
- Completed construction of Phase II of Woodhaven Park
- Completed design for Skate Park facility

2017-18 Goals

- Maintain Phase II of Woodhaven Park (City-wide Goal – Infrastructure)
- Provide uniform park signage throughout City parks (City-wide Goal – Infrastructure)
- Construct second dog park (City-wide Goal – Infrastructure)
- Provide weekly playground inspections (City-wide Goal – Infrastructure)
- Provide weekly mowing at parks and athletic fields (City-wide Goal – Infrastructure)
- Provide 7-day/week staffing during peak season (City-wide Goal – Infrastructure)
- Replace turf at Snyder Park Baseball Field

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Support and maintain parks, recreation land, and natural areas	Developed park acres	56.61	56.61	56.61
	Restrooms cleaned daily	7	7	9
	Number of park reservations	157	160	160
	Number of sports fields maintained (multi use)	24	24	24
	Number of playgrounds inspected weekly	9	9	9

Fleet and Equipment

The Fleet Maintenance department maintains and repairs city vehicles and equipment with an emphasis on safety, cost effectiveness and dependability.

2016-17 Highlights

- Completed annual reporting requirements to the State
- Purchased 100% of budgeted equipment
- Outfitted two (2) police vehicles and two (2) public works vehicles
- Surplus vehicles and equipment scheduled in 2016/17
- Maintained three (3) Chargepoint Stations throughout City

2017-18 Goals

- Meet annual state requirements (City-wide Goal – Infrastructure)
- Produce detailed cost reports to each division for fleet costs (City-wide Value – Fiscal Responsibility)
- Look at ways to improve sustainable practices (City-wide Value – Community Livability)
- Minimize percentage of fleet vehicles or equipment that are out of service at any time (City-wide Goal – Infrastructure)
- Purchase and outfit two (2) police vehicles; spec and purchase 100% of budgeted equipment

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Maintain City’s fleet of vehicles and equipment at a high level of quality with minimal cost	Number of scheduled vehicle maintenance work orders	59	90	100
	Number of scheduled equipment maintenance work orders	60	60	75
	Total number of equipment work orders	247	275	285
	Total number of vehicle work orders	502	505	510

Debt Service

The Debt Service fund accounts for property tax revenues levied for payment of general obligation bonds. Payment of long-term debt other than general obligation bonds is accounted for in the funds responsible for paying the debt.

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
RESOURCES						
\$ 10,101	\$ (10,615)	\$ 1,708	Beginning fund balance	\$ 14,460	\$ 14,460	\$ 14,460
			Revenue			
872,145	874,077	891,300	Taxes	271,750	271,750	271,750
1,532	2,117	1,750	Fines, interest and other	3,100	3,100	3,100
873,677	876,194	893,050	Total revenue	274,850	274,850	274,850
			Other sources			
-	-	45,000	Transfers in	-	-	-
-	-	45,000	Total other sources	-	-	-
883,778	865,578	939,758	Total resources	289,310	289,310	289,310
UNALLOCATED REQUIREMENTS						
			Debt service			
560,000	585,000	600,000	Principal - 2004 A&B refunding	-	-	-
220,000	225,000	230,000	Principal - 2011 Police Ref GO	240,000	240,000	240,000
63,194	43,594	22,500	Interest - 2004 A&B refunding	-	-	-
51,200	45,625	38,800	Interest - 2011 Police Ref GO	31,750	31,750	31,750
894,394	899,219	891,300	Total debt service	271,750	271,750	271,750
(10,615)	(33,640)	-	Ending Fund Balance	-	-	-
-	-	48,458	Reserved for Future Years	17,560	17,560	17,560
\$ 883,778	\$ 865,578	\$ 939,758	Total requirements	\$ 289,310	\$ 289,310	\$ 289,310

Grants

The Grants Fund is a special revenue fund used to account for Federal, State, and Local grants. Funds received must only be used in accordance with the grant agreement(s).

For the current fiscal year the only grant funded program is the Community Enhancement Program (CEP). CEP is an exciting opportunity for citizens to participate in making Sherwood a place where families and businesses thrive. This program derives its funding from a partnership between Sherwood and Metro and is generated by a \$1.00 per ton surcharge collected at the Pride Recycling Company transfer station located at 13980 SW Tualatin-Sherwood Road, in Sherwood.

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
			RESOURCES			
\$ -	\$ -	\$ -	Beginning fund balance	\$ -	\$ -	\$ -
			Revenue			
-	-	-	Intergovernmental	82,000	82,000	82,000
-	-	-	Total revenue	82,000	82,000	82,000
			Other sources			
-	-	-	Transfers in	22,038	22,038	22,038
-	-	-	Total other sources	22,038	22,038	22,038
-	-	-	Total resources	104,038	104,038	104,038
			REQUIREMENTS			
			Expenditures			
			Materials and services			
-	-	-	Professional & technical	87,000	87,000	87,000
-	-	-	Total materials & services	87,000	87,000	87,000
-	-	-	Total expenditures	87,000	87,000	87,000
-	-	-	Ending Fund Balance	-	-	-
-	-	-	Contingency	4,100	4,100	4,100
-	-	-	Reserved for Future Years	12,938	12,938	12,938
\$ -	\$ -	\$ -	Total requirements	\$ 104,038	\$ 104,038	\$ 104,038
-	-	-	FTE	-	-	-

2016-17 Highlights

- Received applications from a variety of groups around the community
- Awarded funds to eight applicants totaling \$81,000
- Implemented program in accordance to Metro’s guidelines

2017-18 Goals

- Develop uniform scoring system for awarding grants
- Provide opportunities to groups who haven’t learned about the program yet

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Increase awareness to potential grant recipients.	Number of applicants	6	12	13

Budget Detail

Street Operations Fund

Street Operations

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 1,620,979	\$ 1,744,507	\$ 1,718,198	RESOURCES			
			Beginning fund balance	\$ 2,087,494	\$ 2,087,494	\$ 2,087,494
			Revenue			
1,154,815	1,197,665	1,138,000	Intergovernmental	1,177,943	1,177,943	1,177,943
608,084	602,843	586,740	Charges for services	607,000	607,000	607,000
13,931	14,834	10,325	Fines, interest and other	20,300	20,300	20,300
1,776,829	1,815,343	1,735,065	Total revenue	1,805,243	1,805,243	1,805,243
			Other sources			
2,500	-	-	Sale of fixed assets	-	-	-
2,500	-	-	Total other sources	-	-	-
3,400,308	3,559,850	3,453,263	Total resources	3,892,737	3,892,737	3,892,737
			REQUIREMENTS			
			Expenditures			
			Personal services			
188,703	218,171	246,517	Salaries and wages	269,136	269,136	269,136
21,079	23,622	28,611	Payroll taxes	30,587	30,587	30,587
76,627	87,336	95,906	Benefits	121,146	121,146	121,146
286,409	329,129	371,034	Total personal services	420,869	420,869	420,869
			Materials and services			
98,712	184,030	125,500	Professional & technical	132,500	132,500	132,500
414,638	484,071	1,227,120	Facility and equipment	1,503,068	1,503,068	1,503,068
31,207	29,096	29,234	Other purchased services	28,209	28,209	28,209
36,110	22,757	59,200	Supplies	67,400	67,400	67,400
9,978	978	14,550	Minor equipment	7,000	7,000	7,000
130,994	146,247	187,174	Cost Allocation	182,620	182,620	182,620
721,639	867,180	1,642,778	Total materials & services	1,920,797	1,920,797	1,920,797
			Capital outlay			
610,804	178,385	25,000	Infrastructure	255,000	255,000	255,000
36,950	-	-	Furniture and equipment	7,500	7,500	7,500
647,754	178,385	25,000	Total capital outlay	262,500	262,500	262,500
1,655,802	1,374,693	2,038,812	Total expenditures	2,604,166	2,604,166	2,604,166
			Other uses			
-	18,859	72,597	Transfers out	30,600	30,600	30,600
-	18,859	72,597	Total other uses	30,600	30,600	30,600
1,744,507	2,166,297	-	Ending Fund Balance	-	-	-
-	-	86,753	Contingency	90,262	90,262	90,262
-	-	25,000	Reserved for Future Years - Maint.	25,000	25,000	25,000
-	-	1,230,101	Reserved for Future Years	1,142,709	1,142,709	1,142,709
\$ 3,400,308	\$ 3,559,850	\$ 3,453,263	Total requirements	\$ 3,892,737	\$ 3,892,737	\$ 3,892,737
3.1	3.8	1.0	FTE	1.0	1.0	1.0

Street Operations

The Street Operations fund is responsible for the repair and maintenance of over 55 miles of transportation system which includes paved streets, sidewalks, signals, street lights, signs and markings.

2016-17 Highlights

- Responded to all storm events
- Replaced 132 Street Name Signs
- Paved Tualatin Street and Highland Street
- Completed over 102,000 feet of crack sealing
- Completed landscape right-of-way maintenance
- Completed inspection of all contract work
- Continued the Sidewalk program; completed 147 sidewalk deficiencies, 84 shaves and 63 replacements
- Continued Tree Trimming program
- Installed pedestrian crossing on Langer Farms Parkway
- Re-rated road conditions for Pavement Management Index

2017-18 Goals

- Continue wooden light pole program (City-wide Goal – Infrastructure)
- Pavement Management Program projects/slurry seal (City-wide Goal – Infrastructure)
- Replace 1/4 of City’s street name signs (City-wide Goal – Infrastructure)
- Sidewalk Replacement Program (City-wide Goal – Infrastructure)
- Continue implementation of ADA ramp program
- Repair all of the street marking damaged from the snow and ice

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Maintain roads and right-of-way to the highest quality standard	City-wide average PCI rating	79	80	80
	Number of streets reconstructed	3	3	4
	Number of street segments slurry sealed	78	55	70
	Feet of cracks sealed	102,248	70,000	90,000
Maintain street signage and striping for safety	Number of signs updated	38	35	40
	Number of street miles restriped	15.37	15.37	15.37
	Number of thermo-plastic street legends installed or replaced	50	70	45

FY 2017-18 Street Capital Projects

- Kruger-Elwert-Highway 99W Intersection Improvements
- Sunset Boulevard and Highway 99W Improvements
- Tualatin Sherwood Road Widening
- Upper Roy from Willamette to Cochran
- Sunset Boulevard – North Sidewalk
- Ice-Age Tonquin Trail Way Finding Signage

For a complete description of these projects refer to the Debt Service & CIP Section

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 3,195,894	\$ 2,296,941	\$ 1,995,933	RESOURCES			
			Beginning fund balance	\$ 2,992,716	\$ 2,992,716	\$ 2,992,716
			Revenue			
3,261	4,781	158,000	Intergovernmental	158,000	158,000	158,000
54,195	54,107	50,000	Charges for services	51,000	51,000	51,000
201,507	629,597	496,785	Infrastructure development	149,000	149,000	149,000
16,242	16,942	13,000	Fines, interest and other	26,000	26,000	26,000
275,204	705,427	717,785	Total revenue	384,000	384,000	384,000
3,471,098	3,002,368	2,713,718	Total resources	3,376,716	3,376,716	3,376,716
			REQUIREMENTS			
			Expenditures			
			Personal services			
15,564	29,998	52,434	Salaries and wages	42,202	42,202	42,202
1,360	2,602	5,058	Payroll taxes	4,190	4,190	4,190
5,502	11,559	21,331	Benefits	17,791	17,791	17,791
22,426	44,158	78,823	Total personal services	64,183	64,183	64,183
			Materials and services			
46,176	71,507	155,609	Professional & technical	157,300	157,300	157,300
-	-	15,000	Facility and equipment	-	-	-
288	376	-	Other purchased services	-	-	-
419	-	-	Supplies	-	-	-
20,247	11,861	49,822	Cost Allocation	29,402	29,402	29,402
67,130	83,745	220,431	Total materials & services	186,702	186,702	186,702
			Capital outlay			
907,615	-	-	Land	-	-	-
13,688	134,392	461,789	Infrastructure	75,000	75,000	75,000
921,303	134,392	461,789	Total capital outlay	75,000	75,000	75,000
1,010,859	262,295	761,043	Total expenditures	325,885	325,885	325,885
			Other uses			
163,299	73,552	165,371	Transfers out	604,224	604,224	604,224
163,299	73,552	165,371	Total other uses	604,224	604,224	604,224
2,296,941	2,666,521	-	Ending Fund Balance	-	-	-
-	-	1,787,304	Reserved for Future Years	2,446,607	2,446,607	2,446,607
\$ 3,471,098	\$ 3,002,368	\$ 2,713,718	Total requirements	\$ 3,376,716	\$ 3,376,716	\$ 3,376,716
0.4	0.3	-	FTE	-	-	-

FY2017-18 General Construction Projects

- Dog Park
- Skate Park
- Ice-Age Tonquin Trail
- Woodhaven Park Phase II
- Cannery Square Restrooms
- Cedar Creek Trail
- Parks Master Plan

For a complete description of these projects refer to Debt Service & CIP section.

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 1,556,762	\$ 1,160,829	\$ 1,153,758	RESOURCES			
			Beginning fund balance	\$ 688,407	\$ 688,407	\$ 688,407
			Revenue			
-	54,858	40,000	Franchise Fees	40,000	40,000	40,000
-	74,543	-	Intergovernmental	-	-	-
21,037	19,719	16,000	Charges for services	18,000	18,000	18,000
179,552	652,115	347,464	Infrastructure development	107,090	107,090	107,090
7,180	7,582	6,000	Fines, interest and other	7,000	7,000	7,000
207,769	808,817	409,464	Total revenue	172,090	172,090	172,090
			Other sources			
163,299	230,204	165,371	Transfers in	604,224	604,224	604,224
163,299	230,204	165,371	Total other sources	604,224	604,224	604,224
1,927,830	2,199,851	1,728,593	Total resources	1,464,721	1,464,721	1,464,721
			REQUIREMENTS			
			Expenditures			
			Personal services			
21,989	56,620	38,701	Salaries and wages	54,457	54,457	54,457
1,908	4,922	3,791	Payroll taxes	5,290	5,290	5,290
7,773	22,394	14,848	Benefits	25,858	25,858	25,858
31,670	83,936	57,340	Total personal services	85,605	85,605	85,605
			Materials and services			
11,566	5,226	187,000	Professional & technical	192,500	192,500	192,500
106	809	-	Other purchased services	17,600	17,600	17,600
1,079	42,887	-	Supplies	-	-	-
120,268	55,124	90,000	Minor equipment	-	-	-
28,583	33,171	45,120	Cost Allocation	45,748	45,748	45,748
161,601	137,217	322,120	Total materials & services	255,848	255,848	255,848
			Capital outlay			
205,194	161,296	1,148,345	Infrastructure	558,190	558,190	558,190
-	159,193	-	Buildings	-	-	-
320,004	3,187	-	Other improvements	-	-	-
-	83,073	-	Furniture and equipment	-	-	-
525,198	406,749	1,148,345	Total capital outlay	558,190	558,190	558,190
718,468	627,902	1,527,805	Total expenditures	899,643	899,643	899,643
			Debt service			
42,570	43,860	46,800	Principal	-	-	-
5,963	3,677	1,183	Interest	-	-	-
48,533	47,537	47,983	Total debt service	-	-	-
			Other uses			
-	-	-	Transfers out	15,980	15,980	15,980
-	-	-	Total other uses	15,980	15,980	15,980
1,160,829	1,524,412	-	Ending Fund Balance	-	-	-
-	-	152,805	Reserved for Future Years	549,098	549,098	549,098
\$ 1,927,830	\$ 2,199,851	\$ 1,728,593	Total requirements	\$ 1,464,721	\$ 1,464,721	\$ 1,464,721
0.3	0.8	-	FTE	-	-	-

Water Fund in Total

The Water fund consists of two programs: operations and capital. The operations program is responsible for ongoing maintenance of the water utility. The capital program is responsible for construction of water infrastructure.

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 8,386,176	\$ 8,436,245	\$ 8,471,183	RESOURCES			
			Beginning fund balance	\$ 10,435,677	\$ 10,435,677	\$ 10,435,677
			Revenue			
4,862,602	5,371,062	5,132,736	Charges for services	5,695,503	5,695,503	5,695,503
140,082	613,760	423,261	Infrastructure development	658,870	658,870	658,870
44,020	56,719	46,000	Fines, interest and other	145,000	145,000	145,000
5,046,704	6,041,541	5,601,997	Total revenue	6,499,373	6,499,373	6,499,373
13,432,880	14,477,786	14,073,180	Total resources	16,935,050	16,935,050	16,935,050
			REQUIREMENTS			
			Expenditures			
			Personal services			
386,100	407,209	407,471	Salaries and wages	432,321	432,321	432,321
39,284	40,330	42,078	Payroll taxes	44,638	44,638	44,638
159,249	167,015	173,635	Benefits	201,692	201,692	201,692
584,633	614,553	623,184	Total personal services	678,651	678,651	678,651
			Materials and services			
212,941	153,875	133,400	Professional & technical	541,750	541,750	541,750
1,259,722	1,125,022	1,431,116	Facility and equipment	1,522,122	1,522,122	1,522,122
353,416	394,409	391,174	Other purchased services	455,710	455,710	455,710
658,728	536,771	266,400	Supplies	113,400	113,400	113,400
5,699	6,235	9,750	Minor equipment	11,400	11,400	11,400
273,281	253,421	279,503	Cost Allocation	270,563	270,563	270,563
2,763,786	2,469,733	2,511,343	Total materials & services	2,914,945	2,914,945	2,914,945
			Capital outlay			
55,333	-	206,000	Infrastructure	1,070,593	1,070,593	1,070,593
65,045	-	-	Furniture and equipment	-	-	-
120,378	-	206,000	Total capital outlay	1,070,593	1,070,593	1,070,593
3,468,797	3,084,287	3,340,527	Total expenditures	4,664,189	4,664,189	4,664,189
			Debt service			
872,415	899,829	922,886	Principal	956,609	1,137,000	1,137,000
965,252	939,838	913,582	Interest	882,408	761,170	761,170
1,837,668	1,839,668	1,836,468	Total debt service	1,839,017	1,898,170	1,898,170
			Other uses			
-	20,975	32,259	Transfers out	33,650	33,650	33,650
-	20,975	32,259	Total other uses	33,650	33,650	33,650
8,126,416	9,532,857	-	Ending Fund Balance	-	-	-
-	-	274,525	Contingency	-	287,025	287,025
-	-	130,000	Reserved for Future Years - Maint	197,500	197,500	197,500
-	-	2,901,748	Reserved for Future Years - Ops	5,209,182	4,863,004	4,863,004
-	-	5,557,653	Reserved for Future Years - Cap	4,991,512	4,991,512	4,991,512
\$ 13,432,880	\$ 14,477,786	\$ 14,073,180	Total requirements	\$ 16,935,050	\$ 16,935,050	\$ 16,935,050

Water Operations

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 4,175,065	\$ 3,785,907	\$ 3,354,194	RESOURCES			
			Beginning fund balance	\$ 4,885,570	\$ 4,885,570	\$ 4,885,570
			Revenue			
4,462,602	5,366,022	5,111,300	Charges for services	5,695,503	5,695,503	5,695,503
20,614	25,241	25,000	Fines, interest and other	45,000	45,000	45,000
4,483,216	5,391,263	5,136,300	Total revenue	5,740,503	5,740,503	5,740,503
8,658,281	9,177,170	8,490,494	Total resources	10,626,073	10,626,073	10,626,073
			REQUIREMENTS			
			Expenditures			
			Personal services			
386,030	406,139	402,694	Salaries and wages	423,340	423,340	423,340
39,278	40,236	41,659	Payroll taxes	43,834	43,834	43,834
159,237	166,716	171,652	Benefits	197,424	197,424	197,424
584,545	613,091	616,005	Total personal services	664,598	664,598	664,598
			Materials and services			
154,259	128,586	118,400	Professional & technical	144,750	144,750	144,750
1,259,722	1,125,022	1,431,116	Facility and equipment	1,522,122	1,522,122	1,522,122
353,416	394,409	391,174	Other purchased services	455,710	455,710	455,710
658,728	536,771	266,400	Supplies	113,400	113,400	113,400
5,699	6,235	9,750	Minor equipment	11,400	11,400	11,400
273,281	253,421	276,649	Cost Allocation	264,744	264,744	264,744
2,705,104	2,444,443	2,493,489	Total materials & services	2,512,126	2,512,126	2,512,126
			Capital outlay			
55,333	-	206,000	Infrastructure	170,000	170,000	170,000
-	-	-	Furniture and equipment	-	-	-
55,333	-	206,000	Total capital outlay	170,000	170,000	170,000
3,344,982	3,057,535	3,315,494	Total expenditures	3,346,724	3,346,724	3,346,724
			Debt service			
872,415	899,829	922,886	Principal	956,609	1,137,000	1,137,000
965,252	939,838	913,582	Interest	882,408	761,170	761,170
1,837,668	1,839,668	1,836,468	Total debt service	1,839,017	1,898,170	1,898,170
			Other uses			
-	20,975	32,259	Transfers out	33,650	33,650	33,650
-	20,975	32,259	Total other uses	33,650	33,650	33,650
3,475,632	4,258,992	-	Ending Fund Balance	-	-	-
-	-	274,525	Contingency		287,025	287,025
-	-	130,000	Reserved for Future Years - Maint	197,500	197,500	197,500
-	-	2,901,748	Reserved for Future Years	5,209,182	4,863,004	4,863,004
\$ 8,658,281	\$ 9,177,170	\$ 8,490,494	Total requirements	\$ 10,626,073	\$ 10,626,073	\$ 10,626,073
6.9	7.5	3.0	FTE	3.0	3.0	3.0

Water Operations

The Water Operation program’s primary responsibility is to repair, maintain and expand the water system while providing a high quality, dependable water supply to its customers.

2016-17 Highlights

- Completed annual reporting requirements to the State
- Completed Senior Center Water Line Improvements
- Coordinate and managed testing of all 2,781 active backflow assemblies

2017-18 Goals

- Continue to Integrate AMI System efficiency into daily operations (leak detection, customer service, etc.) (City wide goal – infrastructure).
- Implement on-line backflow test reporting for efficient reporting (City wide goal – infrastructure).
- Implement recommended CIP Program (City wide goal – infrastructure).
- Upgrade Supervisory Control Acquisition Data Advisory (SCADA) System (City wide goal – infrastructure).
- Complete IGA for Willamette Governance Group (City wide goal – infrastructure).
- Perform preventative maintenance on half of public fire hydrants (City wide goal – infrastructure).
- Provide Uni-Directional flushing program (City wide goal – infrastructure).
- All Backflow Assemblies tested annually (City wide goal – infrastructure).
- Update Water Management and Conservation Plan.

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Provide clean and safe water via an efficiently maintained and operated water system	Million gallons of water used City-wide annually	711	705	705
	Million gallons of water flushed to maintain water quality	2.5	2.5	2.5
	Number of reservoirs maintained	3	3	3
	Number of pump stations maintained	2	2	2
	Miles of water lines maintained	81.5	82	82
	Active service connections	5,854	5,850	5,900
	Number of water quality samples taken annually	350	370	370
Assure back flow prevention program is current and meets all requirements	Number of backflow systems installed within City limits	2,725	2,800	2,850
	Percentage of backflow systems tested	99.30%	100%	100%

FY 2017-18 Water Capital Projects

- Water Treatment Surge Mitigation
- Water Treatment Capacity Increase
- Water Management Conservation Plan Update
- Water Treatment Capacity Buy-In
- Water Treatment Plant Master Plan Update
- Water Life, Safety, and Seismic Upgrades

For a complete description of these projects refer to Debt Service & CIP section.

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 4,211,200	\$ 4,650,784	\$ 5,116,989	RESOURCES	\$ 5,550,107	\$ 5,550,107	\$ 5,550,107
400,000	5,040	21,436	Beginning fund balance	-	-	-
140,082	613,760	423,261	Revenue	658,870	658,870	658,870
23,406	31,478	21,000	Charges for services	100,000	100,000	100,000
563,488	650,278	465,697	Infrastructure development	758,870	758,870	758,870
4,774,688	5,301,062	5,582,686	Fines, interest and other			
			Total revenue	6,308,977	6,308,977	6,308,977
			Total resources			
			REQUIREMENTS			
			Expenditures			
			Personal services			
70	1,070	4,777	Salaries and wages	8,981	8,981	8,981
6	94	419	Payroll taxes	804	804	804
12	298	1,983	Benefits	4,268	4,268	4,268
87	1,462	7,179	Total personal services	14,053	14,053	14,053
			Materials and services			
58,682	25,290	15,000	Professional & technical	397,000	397,000	397,000
89	446	2,854	Cost Allocation	5,819	5,819	5,819
58,771	25,736	17,854	Total materials & services	402,819	402,819	402,819
			Capital outlay			
-	-	-	Infrastructure	900,593	900,593	900,593
65,045	-	-	Furniture and equipment	-	-	-
65,045	-	-	Total capital outlay	900,593	900,593	900,593
			Total expenditures	1,317,465	1,317,465	1,317,465
123,904	27,198	25,033	Ending Fund Balance	-	-	-
			Reserved for Future Years	4,991,512	4,991,512	4,991,512
4,650,784	5,273,865	-	Total requirements	\$ 6,308,977	\$ 6,308,977	\$ 6,308,977
-	-	5,557,653				
\$ 4,774,688	\$ 5,301,062	\$ 5,582,686				
			FTE	-	-	-
-	0.01	-				

Budget Detail

Sanitary Fund in Total

Sanitary Fund in Total

The Sanitary fund consists of two programs: operations and capital. The operations program is responsible for ongoing maintenance of the sanitary utility. The capital program is responsible for construction of sanitary infrastructure.

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 3,358,045	\$ 3,213,784	\$ 3,349,537	RESOURCES			
			Beginning fund balance	\$ 3,107,723	\$ 3,107,723	\$ 3,107,723
			Revenue			
1,321	1,249	40,900	Intergovernmental	-	-	-
603,587	622,281	644,620	Charges for services	655,364	655,364	655,364
10,841	48,353	52,134	Infrastructure development	596,373	596,373	596,373
20,450	23,051	19,000	Fines, interest and other	49,000	49,000	49,000
636,199	694,935	756,654	Total revenue	1,300,737	1,300,737	1,300,737
			Other sources			
-	888	-	Sale of fixed assets	-	-	-
-	888	-	Total other sources	-	-	-
3,994,244	3,909,606	4,106,191	Total resources	4,408,460	4,408,460	4,408,460
			REQUIREMENTS			
			Expenditures			
			Personal services			
165,158	180,686	183,104	Salaries and wages	202,448	202,448	202,448
17,610	17,799	18,803	Payroll taxes	21,209	21,209	21,209
67,957	73,063	82,321	Benefits	89,923	89,923	89,923
250,725	271,548	284,228	Total personal services	313,580	313,580	313,580
			Materials and services			
42,995	127,058	126,955	Professional & technical	82,620	82,620	82,620
12,844	225	3,100	Facility and equipment	2,600	2,600	2,600
85,520	97,818	99,329	Other purchased services	97,341	97,341	97,341
33,663	11,855	15,150	Supplies	15,400	15,400	15,400
2,993	1,341	10,250	Minor equipment	6,400	6,400	6,400
-	-	-	Other materials & services	507,617	507,617	507,617
117,452	138,459	162,634	Cost Allocation	146,720	146,720	146,720
295,467	376,755	417,418	Total materials & services	858,698	858,698	858,698
			Capital outlay			
240,617	11,447	259,260	Infrastructure	349,500	349,500	349,500
19,982	-	-	Vehicles	-	-	-
269	-	-	Furniture and equipment	-	-	-
260,868	11,447	259,260	Total capital outlay	349,500	349,500	349,500
807,060	659,750	960,906	Total expenditures	1,521,778	1,521,778	1,521,778
			Other uses			
-	22,268	19,831	Transfers out	34,050	34,050	34,050
-	22,268	19,831	Total other uses	34,050	34,050	34,050
3,187,183	3,227,588	-	Ending Fund Balance	-	-	-
-	-	32,526	Contingency	33,218	33,218	33,218
-	-	30,000	Reserved for Future Years - Maint	30,000	30,000	30,000
-	-	313,236	Reserved for Future Years - Ops	479,920	479,920	479,920
-	-	2,623,737	Reserved for Future Years - Cap	2,309,494	2,309,494	2,309,494
\$ 3,994,244	\$ 3,909,606	\$ 3,980,236	Total requirements	\$ 4,408,460	\$ 4,408,460	\$ 4,408,460

Sanitary Operations

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 493,503	\$ 450,882	\$ 495,110	RESOURCES	\$ 583,545	\$ 583,545	\$ 583,545
1,321	1,249	900	Beginning fund balance	-	-	-
603,587	622,281	644,620	Revenue	655,364	655,364	655,364
-	32	-	Intergovernmental	-	-	-
5,606	5,292	5,000	Charges for services	9,000	9,000	9,000
610,514	628,855	650,520	Infrastructure development	664,364	664,364	664,364
-	888	-	Fines, interest and other	-	-	-
-	888	-	Total revenue	664,364	664,364	664,364
1,104,017	1,080,625	1,145,630	Other sources	-	-	-
			Sale of fixed assets	-	-	-
			Total other sources	-	-	-
			Total resources	1,247,909	1,247,909	1,247,909
			REQUIREMENTS			
			Expenditures			
			Personal services			
154,444	161,313	158,396	Salaries and wages	177,503	177,503	177,503
16,684	16,026	16,374	Payroll taxes	18,746	18,746	18,746
63,738	63,501	71,757	Benefits	77,802	77,802	77,802
234,866	240,840	246,527	Total personal services	274,051	274,051	274,051
			Materials and services			
41,338	31,045	112,825	Professional & technical	60,620	60,620	60,620
12,844	225	3,100	Facility and equipment	2,600	2,600	2,600
85,520	96,582	99,329	Other purchased services	97,341	97,341	97,341
33,663	11,555	15,150	Supplies	15,400	15,400	15,400
2,993	1,341	10,250	Minor equipment	6,400	6,400	6,400
101,669	124,171	136,901	Cost Allocation	123,309	123,309	123,309
278,027	264,919	377,555	Total materials & services	305,670	305,670	305,670
			Capital outlay			
146,861	-	-	Infrastructure	91,000	91,000	91,000
19,982	-	-	Vehicles	-	-	-
-	-	-	Furniture and equipment	-	-	-
166,843	-	-	Total capital outlay	91,000	91,000	91,000
679,735	505,759	624,082	Total expenditures	670,721	670,721	670,721
			Other uses			
-	22,268	19,831	Transfers out	34,050	34,050	34,050
-	22,268	19,831	Total other uses	34,050	34,050	34,050
424,282	552,598	-	Ending Fund Balance	-	-	-
-	-	32,526	Contingency	33,218	33,218	33,218
-	-	30,000	Reserved for Future Years - Maint	30,000	30,000	30,000
-	-	313,236	Reserved for Future Years	479,920	479,920	479,920
\$ 1,104,017	\$ 1,080,625	\$ 1,019,675	Total requirements	\$ 1,247,909	\$ 1,247,909	\$ 1,247,909
2.6	3.0	3.0	FTE	3.0	3.0	3.0

Sanitary Operations

The Sanitary Operations program manages and operates over 61 miles of pipe ranging in size from 6”-21” in the wastewater collection system in the city limits of Sherwood. The Sanitary Operations program maintains and operates a safe and reliable wastewater collection system that protects public health, protects the environment, and meets or exceeds all regulatory standards.

2016-17 Highlights

- Met all required CWS performance measures
- Cleaned 80,000 feet of sanitary main lines, 1/4 of our Sanitary System
- Videoed 40,000 feet of sanitary main lines, 1/8th of our Sanitary System
- Completed brushing and posting program
- Completed annual inspections at City businesses to ensure Fat Oil and Grease (FOG) compliance
- Provide semi-annual cleaning of sanitary sewer mainlines which are inherent to FOG from our food establishments

2017-18 Goals

- Meet CWS performance measures (City-wide Value – Community Partnerships)
- 60% of the sanitary collections system to be NASSCO rated (City-wide Goal – Infrastructure)
- Continue to increase public awareness of FOG (City-wide Goal – Infrastructure)
- No sanitary sewer overflows (City-wide Goal – Infrastructure)

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Scheduled maintenance of wastewater infrastructure	Total feet of sanitary lines	319,329	320,000	322,000
	Percentage of lines cleaned	33%	37%	25%
	Percentage of lines video inspected	13%	15%	13%
	Number of overflows or backups	0	0	0
	Percentage of businesses inspected and in compliance with City’s FOG Program	100%	100%	100%
	Percentage of manholes inspected	0%	100%	50%

FY 2017-18 Sanitary Capital Projects

- Old Town Mid-block Sanitary Sewer Point Repair
- Brookman Sanitary Sewer Trunk line
- Pine Street Sanitary Sewer Extension

For a complete description of these projects refer to Debt Service & CIP section.

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 2,864,542	\$ 2,762,902	\$ 2,854,427	RESOURCES			
			Beginning fund balance	\$ 2,524,178	\$ 2,524,178	\$ 2,524,178
			Revenue			
-	-	40,000	Intergovernmental	-	-	-
10,841	48,320	52,134	Infrastructure development	596,373	596,373	596,373
14,844	17,759	14,000	Fines, interest and other	40,000	40,000	40,000
25,685	66,079	106,134	Total revenue	636,373	636,373	636,373
2,890,227	2,828,981	2,960,561	Total resources	3,160,551	3,160,551	3,160,551
			REQUIREMENTS			
			Expenditures			
			Personal services			
10,714	19,373	24,708	Salaries and wages	24,945	24,945	24,945
926	1,773	2,429	Payroll taxes	2,463	2,463	2,463
4,219	9,562	10,564	Benefits	12,121	12,121	12,121
15,859	30,708	37,701	Total personal services	39,529	39,529	39,529
			Materials and services			
1,658	96,012	14,130	Professional & technical	22,000	22,000	22,000
-	1,236	-	Other purchased services	-	-	-
-	300	-	Supplies	-	-	-
-	-	-	Other materials & services	507,617	507,617	507,617
15,783	14,288	25,733	Cost Allocation	23,411	23,411	23,411
17,441	111,836	39,863	Total materials & services	553,028	553,028	553,028
			Capital outlay			
93,756	11,447	259,260	Infrastructure	258,500	258,500	258,500
269	-	-	Furniture and equipment	-	-	-
94,025	11,447	259,260	Total capital outlay	258,500	258,500	258,500
127,325	153,991	336,824	Total expenditures	851,057	851,057	851,057
2,762,902	2,674,990	-	Ending Fund Balance	-	-	-
-	-	2,623,737	Reserved for Future Years	2,309,494	2,309,494	2,309,494
\$ 2,890,227	\$ 2,828,981	\$ 2,960,561	Total requirements	\$ 3,160,551	\$ 3,160,551	\$ 3,160,551
0.2	0.3	-	FTE	-	-	-

Budget Detail

Stormwater Fund in Total

Stormwater Fund in Total

The Stormwater fund consists of two programs: operations and capital. The operations program is responsible for ongoing maintenance of the stormwater utility. The capital program is responsible for construction of stormwater infrastructure.

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 2,624,791	\$ 2,732,715	\$ 2,292,843	RESOURCES	\$ 3,382,617	\$ 3,382,617	\$ 3,382,617
1,733,389	1,748,951	1,868,954	Beginning fund balance			
1,857	27,809	63,504	Revenue			
13,243	18,412	11,000	Charges for services	1,890,022	1,890,022	1,890,022
1,748,489	1,795,173	1,943,458	Infrastructure development	99,540	99,540	99,540
-	-	400,000	Fines, interest and other	33,000	33,000	33,000
-	221,627	-	Total revenue	2,022,562	2,022,562	2,022,562
-	221,627	400,000	Other sources			
			Transfers in	-	-	-
			Sale of fixed assets	-	-	-
			Total other sources	-	-	-
4,373,280	4,749,516	4,636,301	Total resources	5,405,179	5,405,179	5,405,179
			REQUIREMENTS			
			Expenditures			
			Personal services			
209,175	256,963	272,621	Salaries and wages	316,595	316,595	316,595
23,898	25,711	29,475	Payroll taxes	34,498	34,498	34,498
86,799	102,160	110,257	Benefits	129,272	129,272	129,272
319,872	384,835	412,353	Total personal services	480,365	480,365	480,365
			Materials and services			
142,956	217,250	334,975	Professional & technical	151,334	151,334	151,334
13,717	225	7,400	Facility and equipment	16,900	16,900	16,900
116,432	121,379	129,226	Other purchased services	130,350	130,350	130,350
13,620	28,931	60,900	Supplies	60,900	60,900	60,900
10,978	1,599	12,750	Minor equipment	5,500	5,500	5,500
15,000	-	-	Other materials & services	-	-	-
173,137	174,833	207,173	Cost Allocation	209,467	209,467	209,467
485,839	544,216	752,424	Total materials & services	574,451	574,451	574,451
			Capital outlay			
823,097	728,277	558,963	Infrastructure	687,000	687,000	687,000
4,600	-	-	Other improvements	-	-	-
19,982	-	-	Vehicles	-	-	-
50,725	-	-	Furniture and equipment	-	-	-
898,404	728,277	558,963	Total capital outlay	687,000	687,000	687,000
1,704,114	1,657,327	1,723,740	Total expenditures	1,741,816	1,741,816	1,741,816
			Other uses			
-	22,768	435,597	Transfers out	42,340	42,340	42,340
-	22,768	435,597	Total other uses	42,340	42,340	42,340
2,669,166	3,069,420	-	Ending Fund Balance	-	-	-
-	-	112,903	Contingency	205,160	205,160	205,160
-	-	40,000	Reserved for Future Years - Maint	40,000	40,000	40,000
-	-	819,039	Reserved for Future Years - Ops	2,161,894	2,161,894	2,161,894
-	-	635,240	Reserved for Future Years - Cap	1,213,968	1,213,968	1,213,968
\$ 4,373,280	\$ 4,749,516	\$ 3,766,519	Total requirements	\$ 5,405,179	\$ 5,405,179	\$ 5,405,179

Budget Detail

Stormwater Operations

Stormwater Operations

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 1,347,910	\$ 1,709,047	\$ 1,719,082	RESOURCES			
			Beginning fund balance	\$ 2,590,188	\$ 2,590,188	\$ 2,590,188
			Revenue			
1,333,329	1,348,921	1,868,954	Charges for services	1,490,022	1,490,022	1,490,022
7,301	207,422	11,000	Fines, interest and other	23,000	23,000	23,000
<u>1,340,630</u>	<u>1,556,344</u>	<u>1,879,954</u>	Total revenue	<u>1,513,022</u>	<u>1,513,022</u>	<u>1,513,022</u>
			Other sources			
-	221,627	-	Sale of fixed assets	-	-	-
-	221,627	-	Total other sources	-	-	-
			Total resources	4,103,210	4,103,210	4,103,210
2,688,540	3,487,018	3,599,036	REQUIREMENTS			
			Expenditures			
			Personal services			
183,957	221,616	261,750	Salaries and wages	303,722	303,722	303,722
21,727	22,532	28,414	Payroll taxes	33,234	33,234	33,234
76,280	84,967	105,998	Benefits	123,334	123,334	123,334
<u>281,964</u>	<u>329,115</u>	<u>396,162</u>	Total personal services	<u>460,290</u>	<u>460,290</u>	<u>460,290</u>
			Materials and services			
142,671	147,484	258,975	Professional & technical	95,334	95,334	95,334
13,717	225	7,400	Facility and equipment	16,900	16,900	16,900
116,432	120,702	129,226	Other purchased services	130,350	130,350	130,350
13,620	28,785	60,900	Supplies	60,900	60,900	60,900
10,978	1,599	12,750	Minor equipment	5,500	5,500	5,500
15,000	-	-	Other materials & services	-	-	-
<u>133,060</u>	<u>148,571</u>	<u>198,654</u>	Cost Allocation	<u>197,541</u>	<u>197,541</u>	<u>197,541</u>
<u>445,476</u>	<u>447,366</u>	<u>667,905</u>	Total materials & services	<u>506,525</u>	<u>506,525</u>	<u>506,525</u>
			Capital outlay			
244,895	201,667	330,000	Infrastructure	687,000	687,000	687,000
19,982	-	-	Vehicles	-	-	-
50,725	-	-	Furniture and equipment	-	-	-
<u>315,602</u>	<u>201,667</u>	<u>330,000</u>	Total capital outlay	<u>687,000</u>	<u>687,000</u>	<u>687,000</u>
<u>1,043,042</u>	<u>978,147</u>	<u>1,394,067</u>	Total expenditures	<u>1,653,815</u>	<u>1,653,815</u>	<u>1,653,815</u>
			Other uses			
-	22,768	435,597	Transfers out	42,340	42,340	42,340
-	22,768	435,597	Total other uses	42,340	42,340	42,340
1,645,497	2,486,103	-	Ending Fund Balance	-	-	-
-	-	179,952	Contingency	205,160	205,160	205,160
-	-	40,000	Reserved for Future Years - Maint	40,000	40,000	40,000
-	-	819,039	Reserved for Future Years	2,161,894	2,161,894	2,161,894
\$ 2,688,540	\$ 3,487,018	\$ 2,868,655	Total requirements	\$ 4,103,210	\$ 4,103,210	\$ 4,103,210
3.5	4.4	2.0	FTE	2.0	2.0	2.0

Stormwater Operations

The Stormwater Operations program provides a safe and reliable stormwater system and implements watershed protection and restoration actions that consistently promote surface water quality and stream health.

2016-17 Highlights

- Cleaned 61,000 feet of stormwater main lines
- Cleaned/inspected 2007 catch basins
- Cleaned 82 water quality manholes semi-annually
- Treated 1,708 catch basins for prevention of West Nile Virus
- Completed leaf curbside pickup for all public city streets and held 1 leaf drop off date at public works facility; collecting 1,020 yards of leaves
- Planted 931 trees in compliance with Healthy Streams program
- Completed monthly street sweeping

2017-18 Goals

- Meet CWS Performance Standards (City-wide Value – Community Partnerships)
- All private water quality facilities (WQF) are operational (City-wide Goal – Infrastructure)
- Perform monthly street sweeping (City-wide Goal – Infrastructure)
- Retro-fit four (4) unsumped catch basins to sumped (City-wide Goal – Infrastructure)
- Rehabilitate three (3) public WQF’s, continue to increase % of functional facilities (City-wide Goal – Infrastructure)

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Scheduled maintenance of stormwater infrastructure	Total feet of storm lines	334,879	336,000	337,000
	Percentage of system videoed	13%	13%	13%
	Percentage of storm lines cleaned	18 %	16%	16%
	Total number of sumped catch basins	1,708	1,730	1,730
	Percentage of catch basins cleaned	100%	100%	100%
	Number of WQFs rehabilitated/enhanced	4	4	3

FY2017-18 Stormwater Capital Projects

- 2nd and Park Street Stormwater Quality Facility Remediation
- Upper Roy from Willamette to Cochran - Storm

For a complete description of these projects refer to Debt Service & CIP section.

2014-15 Actual	2015-16 Actual	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
			RESOURCES			
\$ 1,276,881	\$ 1,023,668	\$ 573,761	Beginning fund balance	\$ 792,429	\$ 792,429	\$ 792,429
			Revenue			
400,060	400,030	-	Charges for services	400,000	400,000	400,000
1,857	27,809	63,504	Infrastructure development	99,540	99,540	99,540
5,942	(189,010)	-	Fines, interest and other	10,000	10,000	10,000
407,859	238,829	63,504	Total revenue	509,540	509,540	509,540
			Other sources			
-	-	400,000	Transfers in	-	-	-
-	-	400,000	Total other sources	-	-	-
1,684,740	1,262,497	1,037,265	Total resources	1,301,969	1,301,969	1,301,969
			REQUIREMENTS			
			Expenditures			
			Personal services			
25,218	35,347	10,871	Salaries and wages	12,873	12,873	12,873
2,171	3,179	1,061	Payroll taxes	1,264	1,264	1,264
10,519	17,194	4,259	Benefits	5,938	5,938	5,938
37,907	55,720	16,191	Total personal services	20,075	20,075	20,075
			Materials and services			
285	69,766	76,000	Professional & technical	56,000	56,000	56,000
-	677	-	Other purchased services	-	-	-
-	146	-	Supplies	-	-	-
-	-	-	Other materials & services	-	-	-
40,077	26,262	8,519	Cost Allocation	11,926	11,926	11,926
40,362	96,850	84,519	Total materials & services	67,926	67,926	67,926
			Capital outlay			
578,202	526,610	228,963	Infrastructure	-	-	-
4,600	-	-	Other improvements	-	-	-
582,802	526,610	228,963	Total capital outlay	-	-	-
661,072	679,180	329,673	Total expenditures	88,001	88,001	88,001
1,023,669	583,317	-	Ending Fund Balance	-	-	-
-	-	707,592	Reserved for Future Years	1,213,968	1,213,968	1,213,968
\$ 1,684,740	\$ 1,262,497	\$ 1,037,265	Total requirements	\$ 1,301,969	\$ 1,301,969	\$ 1,301,969
0.4	0.6	-	FTE	-	-	-

Budget Detail

Telecommunications

Telecommunications Fund

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget		2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 67,091	\$ 163,456	\$ 205,297	RESOURCES			
			Beginning fund balance	\$ 422,661	\$ 422,661	\$ 422,661
			Revenue			
487,387	523,850	468,860	Charges for services	352,452	352,452	352,452
498	1,432	1,200	Fines, interest and other	6,000	6,000	6,000
487,885	525,282	470,060	Total revenue	358,452	358,452	358,452
			Total resources	781,113	781,113	781,113
			REQUIREMENTS			
			Expenditures			
			Personal services			
20,160	12,068	77,571	Salaries and wages	70,001	70,001	70,001
1,807	1,127	6,934	Payroll taxes	6,169	6,169	6,169
8,063	4,944	27,325	Benefits	31,250	31,250	31,250
30,031	18,139	111,830	Total personal services	107,420	107,420	107,420
			Materials and services			
22,718	47,809	15,000	Professional & technical	5,000	12,500	12,500
130,261	94,997	117,150	Facility and equipment	120,150	120,150	120,150
6,978	6,876	4,500	Other purchased services	28,156	20,656	20,656
9,044	6,229	20,000	Supplies	15,000	15,000	15,000
27,868	26,552	15,000	Minor equipment	15,000	15,000	15,000
14,621	6,187	60,249	Cost Allocation	40,057	40,057	40,057
211,489	188,650	231,899	Total materials & services	223,363	223,363	223,363
			Capital outlay			
-	-	50,000	Infrastructure	75,000	75,000	75,000
-	-	-	Vehicles	25,000	25,000	25,000
-	21,930	10,000	Furniture and equipment	-	-	-
-	21,930	60,000	Total capital outlay	100,000	100,000	100,000
241,520	228,719	403,729	Total expenditures	430,783	430,783	430,783
			Debt service			
148,359	179,874	-	Principal	-	-	-
1,641	900	-	Interest	-	-	-
150,000	180,774	-	Total debt service	-	-	-
163,456	279,214	-	Ending Fund Balance	-	-	-
-	-	23,503	Contingency	17,923	17,923	17,923
-	-	248,125	Reserved for Future Years	332,408	332,408	332,408
\$ 554,976	\$ 688,708	\$ 675,357	Total requirements	\$ 781,113	\$ 781,113	\$ 781,113
0.3	0.2	1.0	FTE	1.0	1.0	

Telecommunications

The Telecommunications fund supports the communication needs of the City, local businesses, school district, and residents. Services within this utility are primarily sold and managed through third party service providers. Currently there are over 70 sites within this network and over 100 miles of fiber optic cable.

Telecommunications also support economic development within Sherwood and the surrounding area.

2016-17 Highlights

- Rehired the Senior Network Engineer position
- Revised the Sherwood Broadband Business Plan (expected in June '17)
- Began a marketing effort to help expand the utilities customer base
- Revised the utility’s website and logo
- Developed a proof of concept for a potential residential service
- Began documenting and inventorying all utility assets inside the utilities new fiber management software
- Increased the number of free WiFi hotspots to 34
- Upgraded management/monitoring server hardware and software.

2017-18 Goals

- Maintain current customers and revenue streams
- Purchase a fiber splicing trailer to increase fiber maintenance abilities
- Continue documenting all utility assets and integrate them into the fiber management software
- Construct fiber to a few business districts in Sherwood that are currently not served
- Implement the residential service proof of concept, if approved by Council
- Upgrade network hardware to support higher bandwidth links

Performance Measures

Strategy	Measures	FY15-16 Actual	FY16-17 Projected	FY17-18 Projected
Provide quality broadband services to the business community	Total number of customers (SBB & Partner)	63	64	66
	Number of new customers (SBB & Partner)	1	1	3
	Number of customers lost (SBB & Partner)	1	1	0

Personnel FTE Comparison to Prior Years

	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	Adopted 2016-17 Budget*	Proposed 2017-18 Budget*	Approved 2017-18 Budget*	Adopted 2017-18 Budget*
Administration	15.6	16.5	16.2	17.2	19.9	18.9	18.9	18.9
Community Development	8.6	9.7	12.9	13.6	15.5	15.5	15.5	15.5
Public Safety	25.6	26.6	25.3	25.7	26.0	26.0	26.0	26.0
Community Services	13.4	13.8	15.9	18.0	19.4	20.4	20.4	20.4
Public Works Operations	10.9	11.9	13.8	11.7	23.2	23.7	23.7	23.7
General Fund Total	74.1	78.4	84.1	86.2	104.0	104.5	104.5	104.5
Water Operations	7.3	6.6	6.9	7.5	3.0	3.0	3.0	3.0
Water Capital	0.05	-	-	0.0	-	-	-	-
Water Fund Total	7.4	6.6	6.9	7.5	3.0	3.0	3.0	3.0
Sanitary Operations	2.9	2.5	2.6	3.0	3.0	3.0	3.0	3.0
Sanitary Capital	0.3	0.3	0.2	0.3	-	-	-	-
Sanitary Fund Total	3.2	2.8	2.8	3.3	3.0	3.0	3.0	3.0
Storm Operations	4.4	4.1	3.5	4.4	2.0	2.0	2.0	2.0
Storm Capital	0.1	0.2	0.4	0.6	-	-	-	-
Storm Fund Total	4.5	4.2	3.9	5.0	2.0	2.0	2.0	2.0
Grants						-	-	-
Street Operations	3.8	3.5	3.1	3.8	1.0	1.0	1.0	1.0
Street Capital	0.9	0.7	0.4	0.3	-	-	-	-
General Construction	0.2	0.3	0.3	0.8	-	-	-	-
Telecom	0.1	0.4	0.3	0.2	1.0	1.0	1.0	1.0
URA Operations	0.5	0.3	0.3	0.7	-	-	-	-
URA Capital	0.9	0.7	0.7	0.1	-	-	-	-
Total	96.5	97.9	102.8	107.9	114.0	114.5	114.5	114.5

Changes to personnel for Proposed FY2017-18

Administration	
Finance Tech-Court Clerk (1.0 FTE)	(1.0)
Community Services	
Program Coordinator-Marjorie Stewart Center (1.0 FTE)	1.0
Mechanic (from 0.5 to 1.0 FTE)	0.5
	<u>0.5</u>

* This table reflects a change of FTE count allocated based on home department of the employee, rather than based on time worked allocation.

Management/Supervisory/Confidential (Effective July 1, 2017)

Position	Group Range	Minimum Hourly	Maximum Hourly	Minimum Monthly	Maximum Monthly
Admin Asst III - Confidential	A1	20.25	25.92	3509	4492
Payroll Finance Tech	A2	22.27	28.50	3860	4941
Program/Project Supervisor II Fleet Supervisor Legal Assistant	B	24.50	31.36	4246	5435
Program Project Manager I PW Operations Supervisor Program Analyst Supervising Librarian Recreation Supervisor Court Supervisor	C	26.93	34.48	4669	5976
PW Operations Supervisor II Engineering Associate II System Administrator Senior IT Analyst Cultural Arts Center Manager Human Resources Analyst	D	29.37	37.60	5091	6517
Civil Engineer Police Sgt (non-exempt) Planning Manager Utility Manager	E	32.02	40.99	5550	7105
Building Official Library Manager City Recorder	F	34.58	44.26	5993	7672
Police Captain Senior Network Engineer	G	37.34	47.80	5993	7672
City Engineer	H	39.95	51.13	6472	8285
IT Director Community Develop Director Finance Director Public Works Director Community Services Director	I	42.75	54.72	7410	9485
Police Chief Assistant City Manager	J	45.74	58.56	7929	10150
City Manager Municipal Judge City Attorney	Contract Employees				

SPOA/AFSCME (Effective July 1, 2017)

SPOA Represented	Group Range	Minimum Hourly	Maximum Hourly	Minimum Monthly	Maximum Monthly
Police Officer		26.47	33.78	4588	5856
AFSCME Represented					
Library Page I Recreational Assistant	1	11.70	14.98	2028	2596
Library Page II	2	13.68	17.51	2371	3036
Library Asst. I Admin Asst. I Recreation Specialist	3	15.74	20.15	2729	3493
Admin Asst II Library Asst II Maintenance Worker I	4	17.78	22.76	3082	3945
Maintenance Worker II Billing Tech Admin Asst. III Engineering Tech I	5	19.74	25.26	3421	4379
Finance Tech Code Compliance Evidence Tech Department/Program Coord Lead Utility Billing Tech Maintenance Worker III Permit Specialist Public Works Tech Mechanic Events & Volunteer Coordinator Engineering Tech II Librarian	6	21.71	27.79	3763	4817
Youth Services Librarian Maintenance Worker Lead Accountant Assistant Planner	7	23.66	30.28	4101	5249
Associate Planner Engineering Associate I Inspector I	8	25.8	33.02	4471	5724
Inspector II	9	27.87	35.67	4830	6183
Senior Planner	10	29.81	38.16	5167	6615

Overview of Financial Policies

Purpose

In order to carry out the mission of the City of Sherwood and support the City's values, this set of financial policies has been created by the City of Sherwood.

The purpose of these financial policies is to provide a cohesive long term approach to financial management of the City of Sherwood. These policies establish a means for guiding today's financial decisions in order to achieve the mission of the City of Sherwood in a manner that reflects the City's values.

Goal

The goal of these policies is to provide the financial stability needed to navigate through economic changes, adjust to changes in the service requirements of the community and respond to other changes as they affect the City's residents.

Responsibilities

1. **Stewardship:** The City of Sherwood is a steward of public funds. These funds are entrusted to the City through the payment of taxes, fees, and fund transfers from other governments. The City of Sherwood is responsible for using all funds efficiently and effectively and for the purposes for which they were intended.
2. **Asset Protection:** The assets of the City of Sherwood exist in a variety of forms. All these assets must be protected through an effective accounting and internal control System. The System must track assets and document the costs of acquisition, maintenance, and replacement.
3. **Legal Conformance:** The City of Sherwood is subject to federal, state, and local statutes and rules regarding purchasing, entering into debt, budgeting, accounting, and auditing: regulations that govern virtually all financial transactions. The City also voluntarily enters into contracts which include significant financial and operational covenants. The City of Sherwood is responsible for conforming to laws, rules, and covenants to which it is subject.
4. **Standards:** The Government Finance Officers Association (GFOA) and the Governmental Accounting Standards Board (GASB) set polices and guidelines for public sector accounting and financial reporting. The City of Sherwood is responsible for adhering to the requirements of these organizations and for seeking guidance from policies, standards and best practices set forth by these organizations.
5. **Authority:** The Sherwood City Council is the sole authority for deleting, modifying, or adding to these policies. Every two years, the Council shall engage the Budget Committee to review and update these policies'

Policy 1 - Funds

1. The City of Sherwood will maintain an orderly and logical fund structure that provides stakeholders with ready access to financial information.
2. The City of Sherwood will conform to Generally Accepted Accounting Principles (GAAP) and the Government Finance Officers Association's best practices for establishing and maintaining funds.
3. The City of Sherwood will establish and maintain those funds required by law and sound financial administration. Acknowledging that unnecessary funds result in inflexibility, complexity, and inefficient financial administration, only the minimum number of funds consistent with legal and operating requirements will be established.
4. The criteria for establishing a new fund are variable, but include triggers such as;
 - a. Inauguration of a new dedicated revenue stream and a concurrent service.
 - b. The need for increased clarity of financial information.
 - c. The establishment of a new enterprise.
 - d. Covenants embodied in financing agreements.
 - e. Changes in state law or financial management/accounting standards.
5. Only the Sherwood City Council has the authority to create or delete funds. The Council shall create or delete funds by resolution.

Policy 2 - Budgeting

1. The City of Sherwood budget process shall consist of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets.
2. The purpose of the budget process is to help decision makers make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process.
3. The City of Sherwood budget process shall:
 - a. Incorporate a long term perspective (minimum three fiscal years)
 - b. Establish linkages to broad organizational goals
 - c. Focus budget decisions on results and outcomes
 - d. Involve and promote effective communication with stakeholders
4. All budgetary procedures will conform to existing state and local regulations. Oregon budget law requires each local government to prepare a balanced budget and Oregon Administrative Rules state:
 - a. The budget must be constructed in such a manner that the total resources in a fund equal the total of expenditures and requirements for that fund, and
 - b. The total of all resources of the municipality must equal the total of all expenditures and all requirements for the municipality.
5. A cost allocation plan will be developed and incorporated into the City of Sherwood budget. The cost allocation plan will be the basis for distribution of general government and internal service costs to other funds, divisions, and capital projects.
6. The Sherwood City Council shall adopt the budget at the fund, division, or program level (as appropriate to each fund) as a total dollar amount for all appropriations except contingency, unappropriated ending fund balance and reserves, which shall be stated separately.
7. Inter-fund Transfers shall be kept to a minimum. Inter-fund loans shall be documented in a resolution that cites the terms of the loan.
8. As part of the annual budget process, the City of Sherwood will maintain a three-year revenue and expenditure forecast. This forecast will be created using an objective, analytical process incorporating applicable projections from the State of Oregon's latest Economic Forecast and conservative assumptions where State developed data is not available. Revenues will be estimated realistically and prudently using best practices as defined by the Government Finance Officers Association. Revenues shall be forecasted conservatively.

Policy 2 – Budgeting (Continued)

9. Oregon budget law provides a means to adjust the budget for emergency expenditures or unforeseen circumstances. All resolutions adjusting the budget will be prepared by the Finance department for City Council approval to ensure compliance with budget laws.
10. Prior to submittal to City Council, the Budget Officer will convene the Budget Committee to review supplemental budget resolutions. If time does not allow for this action, Budget Committee members shall be informed of the City Council’s action on the resolution promptly.
11. A mid-year review process will be conducted by the City Manager and Finance Director in order to make any necessary adjustments to the Adopted budget.
12. In the City’s effort to strive for excellence, the City of Sherwood will make every effort to obtain the Award for Distinguished Budget Presentation from the Government Finance Officers Association (GFOA).
13. Reports comparing actual to budgeted expenditures will be prepared quarterly by the Finance Department and distributed to the City Council, City Manager and Department Directors.

Policy 3 - Revenue

1. City of Sherwood revenues are either unrestricted or dedicated. Unrestricted revenues can be used for any purpose. Dedicated revenues are restricted in the ways they can be used by federal or state regulations, contractual obligations, or by City Council action. The City of Sherwood will adhere to the restrictions applied to dedicated revenues.
2. The City of Sherwood will maintain a diversified revenue stream that is managed strategically to mitigate the impact of short term fluctuations in any revenue source.
3. The City of Sherwood will identify sustainable revenue levels and, to the extent possible, current operations will be funded by current sustainable revenues.
4. One-time revenues will be used for one-time expenditures or as contributions to reserves and will not be used to pay for established services.
5. The City of Sherwood will not respond to long-term revenue shortfalls with deficit financing and borrowing to support established services. Expenses will be reduced and/or revenues will be increased to conform to the long-term revenue forecasts.
6. During the budget process, the Sherwood City Council will identify those programs which are to be supported in whole or in part by cost recovery and ensure that revenue collections reflect the cost of providing associated services by adjusting fees accordingly.
7. The City of Sherwood will charge fees for services where such an approach is permissible, and where a limited and specific group of beneficiaries who can pay such charges is identifiable.
8. New or expanded unrestricted revenue streams should first be applied to support existing programs. When existing programs are adequately funded, such revenue may be used as contributions to reserves or to fund new or expanded programs.

Policy 4 - Expenditures

Controls

1. By resolutions, the City Council will establish a purchasing policy that conforms to state statutory requirements for purchasing and contracting and invests the City Manager with purchasing and contracting authority.
2. By Budget and Supplemental Budget Resolutions, the City Council shall establish and limit expenditure appropriations by statutory categories. The City Manager shall be responsible for limiting expenditures to those appropriation levels.

Specific Expenditures

1. **Personal Services.** Pursuant to the City Charter, the City Manager or designee is responsible for the management of employee staffing and compensation. The City Manager or designee shall negotiate salaries and benefits for represented employee groups in conformance with the Oregon Public Employees Collective Bargaining Act and the Employee Relations Board decisions and arbitration decisions that emanate from the Act.
2. **Capital Improvement Impacts.** Whenever Capital Improvement expenditures will result in increases to future operating expenses or asset replacement contributions, estimates of those impacts shall be incorporated into the long term financial plan.
3. **Capital Outlay.** By resolution, the City Council shall define the characteristics of a capital asset by specifying the minimum purchase price and minimum term of service. The City will provide for adequate maintenance of Capital Assets.
4. **Capital Improvement Plan.** The City Manager or designee will prepare a five-year Capital Improvement Plan (CIP) annually and submit it to the City Council for approval via resolution.

Policy 5 - Revenue Constraints and Fund Balance

Nature of Constraints

The City of Sherwood will maintain the following categories of revenue constraints in conformance with GASB 54. Fund Balances shall be accounted for on the basis of these categories.

1. **Non-spendable.** Assets that are not in a spendable form or are required to be maintained intact.
2. **Restricted.** Cash that can be spent only for specific purposes stipulated by third parties or by statutes. Only the constraining party can lift constraints on Restricted funds.
3. **Committed.** Cash that can be used only as directed by formal action of City Council. Council action may be in the form of a motion or resolution. Only the City Council can lift constraints on committed funds. Such a change must be made using the same action that established the constraint.
4. **Assigned.** Cash the City intends to use for specific purposes. The City Council delegates the authority to create this constraint to the City Manager. In addition, for all funds except the general fund, all cash not in one of the Non-spendable, Restricted, or Committed categories, or specifically assigned under this category will, by default, be assigned to this category.
5. **Unassigned.** General Fund cash that is not otherwise categorized fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications.

Other Considerations

1. **Stabilization.** The purpose of stabilization arrangements is to provide a revenue source to maintain service delivery during periods of diminished revenues. The City may choose to create stabilization arrangements either by creating new funds or dedicating revenues within existing funds. Stabilization arrangements will be created by the City Council and the authorizing legislation shall include the policies on funding and accessing the arrangement.
2. **Order of Use.** If multiple categories of fund balance are applicable to an expenditure, the City shall access funds in the following order: Restricted, Committed, Assigned, Unassigned.
3. **Purpose of Special Revenue Funds.** Special Revenue funds are general government funds created to track the use of dedicated revenues. The City legislation creating a special revenue fund will specify which specific revenues and other resources are authorized to be reported in the fund.
4. **Fund Balance.** Unrestricted fund balance is the sum of Committed, Assigned and Unassigned fund balance in any individual fund. In the General Fund, the City will maintain an Unrestricted fund balance of at least 10% of fund revenue and strive to maintain 20%.

Policy 6 - Continuing Disclosure**Continuing Disclosure In General**

Issuers of municipal securities and entities working on their behalf disclose material information to the marketplace such as annual financial information and material event notices. In December 2008, the Securities and Exchange Commission directed the Municipal Securities Rulemaking Board to establish a continuing disclosure service of the MSRB's Electronic Municipal Market Access (EMMA) system effective July 1, 2009. The continuing disclosure service of EMMA collects continuing disclosure documents from the issuer community and makes them available to the public for free through EMMA.

In conformance with the "Continuing Disclosure Certificate" entered into by the City of Sherwood in bond issuances, the City shall comply with Rule 15c2-12 of the Securities Exchange Act of 1934 (Exchange Act). As noted above, these disclosures generally are divided between submissions made to update financial or operating information about the issuer and notices that disclose the occurrence of specific events that may have an impact on the bonds. These disclosures are described below.

City Responsibility

The Finance Director shall be responsible for adhering to the City's Continuing Disclosure Obligations.

Debt

The City will borrow only to finance capital assets. The City will not borrow for operating purposes.

No bonds will mature more than 20 years from the date of issuance. No debt will be issued with a life exceeding the estimated useful life of the capital assets being financed. The City will limit bonded debt to 3% or less of total assessed value, as required by ORS 287.004. Repayment sources are identified for every debt prior to issuance.

Policy 6 - Continuing Disclosure (continued)**Rule 15c2-12 Disclosures**

Rule 15c2-12 rule requires, for most new offerings of municipal securities, that the following types of information be provided to the MSRB's EMMA system:

1. Financial or operational information
 - a. Annual financial information concerning issuers or other obligated persons, or other financial information and operating data provided by issuers or other obligated persons
 - b. Audited financial statements for issuers or other obligated persons, if available
2. Event Notices
 - a. Principal and interest payment delinquencies
 - b. Non-payment related defaults, if material
 - c. Unscheduled draws on debt service reserves reflecting financial difficulties
 - d. Unscheduled draws on credit enhancements reflecting financial difficulties
 - e. Substitution of credit or liquidity providers, or their failure to perform
 - f. Adverse tax opinions, Internal Revenue Service (IRS) notices or material events affecting the tax status of the security
 - g. Modifications to rights of security holders, if material
 - h. Bond calls, if material
 - i. Tender offers
 - j. Defeasances, release, substitution, or sale of property securing repayment of the securities, if material
 - k. Rating changes
 - l. Bankruptcy, insolvency, receivership or similar event;
 - m. Merger, consolidation, or acquisition, if material; and appointment of a successor or additional trustee, or the change of name of a trustee, if material
 - n. Notices of failures to provide annual financial information on or before the date specified in the written agreement

Proposed Budget - The final budget appropriations approved by the City Council, which becomes the budget of the City.

AFSCME - American Federation of State, County and Municipal Employees. One of the union organizations representing the bargaining employees of the City.

Accrual basis - A method of timing in the recognition of transactions and events. Please see modified accrual basis for the alternative method. Accrual basis records revenue when earned and expenses as soon as a liability is incurred.

Approved Budget – The budget recommended by the Budget Committee for adoption by the City Council.

Appropriation - Authorization to spend a specific amount of money. The City Council gives appropriation authority by adopting the budget.

Assessed value - The value set on real and personal property as a basis for imposing taxes. Assessed values are determined by Washington County.

Budget – A plan of financial operation embodying an estimate of proposed expenditures for a given purpose and/or period. The budget is the financial plan of the City's allocations of the resources to provide services, and to accomplish the City's objectives.

Budget Calendar – Key dates or events which a government follows in the preparation and adoption of the budget.

Budget Committee - A committee required by Oregon Local Budget Law (ORS 294.305) which must recommend a budget and approve the maximum tax levy.

Budget Message – A written explanation of the budget and the City's financial priorities presented to the Budget Committee by the City Manager which is required by Oregon Local Budget Law, ORS 294.

Budget Officer - The Finance Director or other person appointed by the City Council to prepare the proposed budget. This designation is required by Oregon Local Budget Law (ORS 294.305)

CAFR - The Comprehensive Annual Financial Report, the audited report of the City's finances for the fiscal year.

Capital Lease - Lease of a capital asset. The lease may or may not result in the City's ownership of the item at the end of the lease term.

Capital Assets - Items which have a useful life of two or more years and a cost of \$5,000 or more. These include land, infrastructure, buildings, improvements other than buildings, vehicles, and certain furniture and equipment.

Capital Improvement Plan (CIP) - A schedule of planned capital projects and their costs, for three or more years.

Capital Outlay - Expenditures for capital assets. Includes all purchased capital assets. Expenditures for constructed capital projects appear in capital outlay, materials and services, and reimbursements, depending on the nature of the expenditure.

Capital Projects – Projects which purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

COLA - Cost of living. A COLA increases all salaries at all classes and steps by the same percentage.

Contingency – An amount appropriated in anticipation that some operating expenditures will become necessary which cannot be foreseen and planned in the budget.

CWS - Clean Water Services, the regional sewer treatment entity. CWS is a County Service District, defined by ORS 451. The City of Sherwood owns and operates sewer and storm water pumping and transmission facilities; CWS receives and treats the wastewater.

Debt Service - Principal and interest payments on long-term debt.

Division - An organizational unit with a distinct budget.

Department – Units within a division consisting of one or more.

Enterprise Funds - A fund that accounts for operations that are financed and operated in a manner similar to private business enterprises. They are usually self-supporting. The City's enterprise funds are the Water, Sanitary, Storm, and Telecommunications funds.

ESC – Erosion and Sediment Control.

Fiscal Year - The twelve month period to which the operating budget applies. The City's fiscal year is July 1 through June 30.

Franchise Fee – Fees charged to utilities for the use of public right-of-way.

FTE - Full-Time Equivalent - A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year.

Fund - A fiscal and accounting entity, segregating resources for the purpose of carrying on specific activities in accordance with legal restrictions.

Fund Balance - The amount of available, spendable, financial resources in any given fund at a specified date.

GASB - The Governmental Accounting Standards Board, the body that defines generally accepted accounting principles for governments.

General Fund – The City’s primary operating fund. There are no restrictions as to the purpose in which the revenues in this fund can be used.

General Obligation Bond (G. O. Bond) – A government pledge of full faith and credit to the repayment of the bonds issued by the government. They are usually issued to pay for general capital improvements.

GFOA – Government Finance Officers Association.

Goal – A statement of direction, purpose or intent based on the needs of the community, generally to be completed in a specified amount of time.

Grant – A donation or contribution by one government unit or organization to another. This is usually made to aid a specified purpose.

Infrastructure - Infrastructure are assets that are immovable and of value only to the City. It includes roads, bridges, curbs and gutters, sidewalks, drainage systems, lighting systems, and water and sewer systems.

Interfund Loan - A loan made by one fund to another and authorized by the City Council.

Levy - The amount of property tax certified by the City Council.

Materials and Services – Expendable items purchased for delivery of services. This includes supplies, repairs, maintenance and replacement parts that are not of capital nature.

Mission – Defines the primary purpose of the City.

Modified Accrual - A method of timing in the recognition of transactions and events. Please see Accrual basis for the alternative method. Modified accrual basis records revenue when earned, if they are collectible within the period or soon enough afterwards to be used to pay liabilities of the period. Expenditures are recorded when a liability is incurred except that debt service payments and other specific accrued liabilities are recognized only when payment is due.

Objective - What we want to accomplish. City-wide objectives are longer term than one year, cross departments, and/or are comprehensive in scope.

Operating Budget - Sources and uses necessary for day-to-day operations.

Ordinance – A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

ORS - Oregon Revised Statutes, laws of the State of Oregon.

PEG - Public, Educational and Governmental Access Channel designations for cable television. Certain franchise fee revenue from cable providers is restricted to the costs of providing such access.

Performance Measure – Data collected to determine how effective or efficient a program is in achieving its objectives.

PERS - Public Employees Retirement System. A State of Oregon defined benefit pension plan to which both employees and employer contribute.

Personal Services - Expenditures for payroll, payroll taxes, and employee benefits.

Project - Projects are distinct, with a definable result, process, and beginning and end. Projects are capital or operating.

Property Tax Levy – Based upon the assessed value of property and is used as the source of monies to pay general obligation debts and to support the general fund.

PSU - Portland State University. The University prepares population estimates each July 1 for all Oregon Municipalities.

Reserved for Future Years – An amount budgeted, but not appropriated, that is not anticipated to be spent in the fiscal year, but rather carried forward into future fiscal years.

Resolution – An action by the governing body which requires less formality and has a lower legal status than an ordinance.

Resources - Financial resources that are or will be available for expenditure during the fiscal year.

Restricted Revenue – Financial resources that are subject to some level of restriction based on statutory, legislative or council action.

Revenue – The gross receipts and receivables that the City receives such as: tax payments, licenses, fines and forfeitures, grants and interest income.

SFR – Single Family Residential.

System Development Charges (SDC) - Fees charged upon issuance of building permits to offset the cost of infrastructure improvements that are or will be required to provide capacity to serve the development. SDC's are charged for parks, water, sanitary, stormwater, and streets.

SPOA - Sherwood Police Officers' Association union.

Supplemental Budget – Appropriations established to meet the needs not anticipated at the time the budget was proposed.

Transfers - Amounts moved from one fund to finance activities in another fund, with no requirement of repayment.

TRNWR - Tualatin River National Wildlife Refuge. The Refuge lies in and outside the northwest edge of Sherwood.

TSP - Transportation System Plan. A long-range plan for transportation needs and facilities.

TVWD - Tualatin Valley Water District, a regional water supplier.

Unappropriated Ending Fund Balance – An amount set aside in the budget to be used as a cash carryover to the next year's budget; providing the local government with operating cash until tax money is received in November.

Unrestricted Revenue - Revenue that may be used for any legitimate City purpose. Please refer to "restricted revenue".

URA - The City of Sherwood Urban Renewal Agency. The Agency is a municipal corporation distinct from the City. The Sherwood City Council serves as the Board of Directors for the URA, and its budget may be obtained from the City of Sherwood.

URD - The urban renewal district, the geographic area encompassed by the City of Sherwood Urban Renewal Agency.

User Charges - A fee charged for services to a person who directly benefits from the service.

Uses - The ways in which financial resources will be used during the fiscal year.

WCCLS - Washington County Cooperative Library Services. This regional entity receives property taxes from each city in the consortium. The money is used to fund county-wide services such as the circulation software and interlibrary loan. A portion is returned to each city based on a formula that includes circulation, open hours, and other service-related measures.