

Everything you wanted to know about the City of Manzanita's budget, but were afraid to ask!

Sometimes trying to understand the City budget is like.....



- For the purposes of our discussion, we are using budget figures from the 2018/2019 budget as those are the last audited budget figures we have at this point.
- The auditor's report for the 2019/2020 budget was presented at the March City Council meeting and were not available when obtaining information for this presentation.

# TYPES OF FUNDS

- GENERAL FUND
- ENTERPRISE FUND
- SPECIAL FUND

# GENERAL FUND

- General Fund monies are funds that can be spent for any purpose and are not restricted.
- Departments in this fund include police, administration, building, court, parks and non departmental reserves.
- The police department usually has the largest budget in the general fund.

# WHERE DO GENERAL FUND MONIES COME FROM

GENERALLY TWO MAJOR SOURCES.

- Lodging Tax-
- Fiscal Year 2017/18-\$754,421
- Fiscal Year 2018/19-\$867,303
- Property Tax
- Manzanita's Property tax rate is set by law at \$0.4233 per \$1,000 of assessed value. So, for example property with an assessed value of \$100,000 would pay an annual property tax of \$42.33. This tax rate is the lowest in Tillamook County.
- Fiscal Year 2017/18-\$201,035
- Fiscal Year 2018/19-\$214,394

# ENTERPRISE/RESTRICTED FUNDS

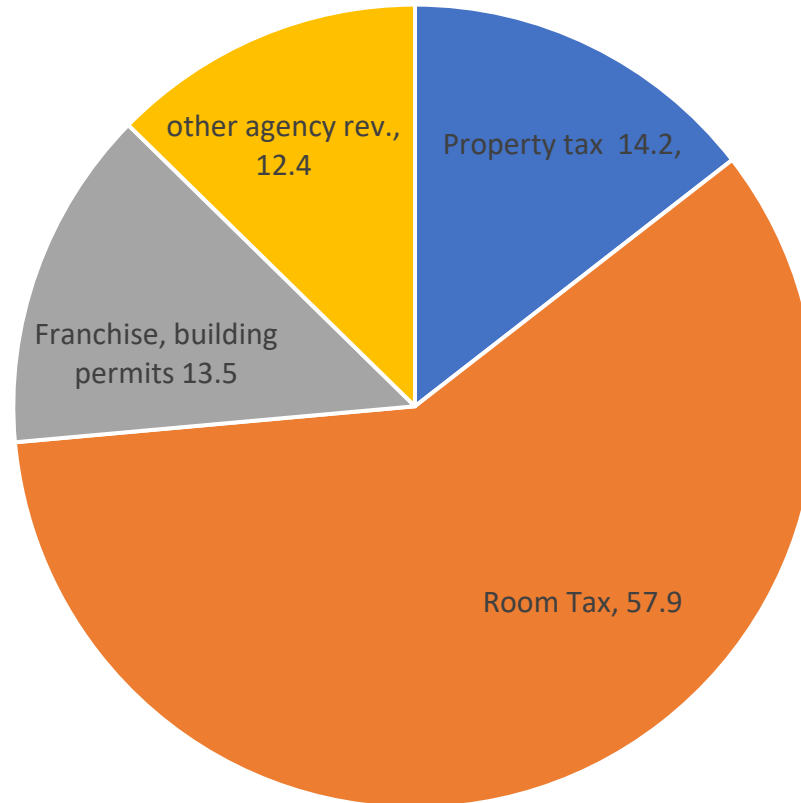
- Funds in this category are restricted funds and can only be used for the purposes of those funds.
- Funds in this category are water and roads.
- Enterprise funds, such as the water fund, is a fund that is paid by user fees. The fees collected must be sufficient to provide the service and any capital improvements needed. (monthly water bill, meter charge etc.).
- The water fund is the largest fund in the enterprise/ restricted fund.
- The road fund is the City's share of the State of Oregon's gas tax. Funds in this category are restricted to street maintenance, repair, and includes bike paths.

# SPECIAL FUNDS

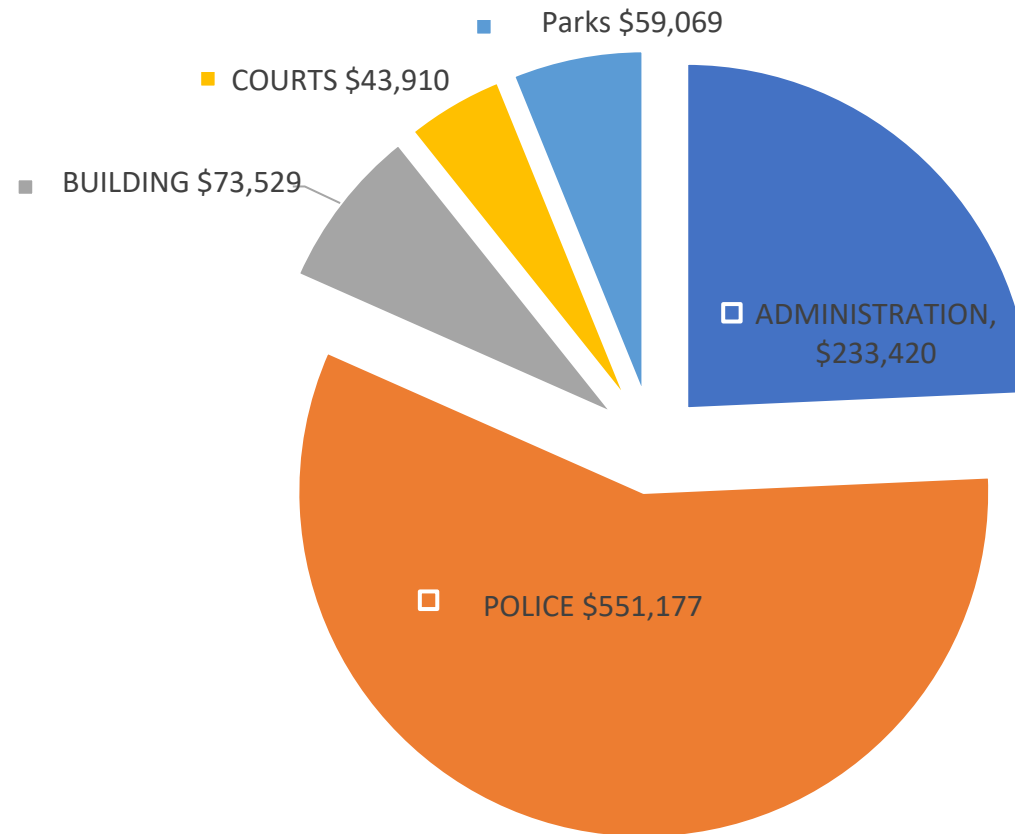
- These are funds that are unique and can vary from city to city
- Manzanita's Special funds include...
- Timber Fund
- Trust Fund
- Housing Rehabilitation Loan Fund.
- Tourism Promotion and Facilities Fund



# SOURCES OF GENERAL FUND REVENUE



# GENERAL FUND EXPENDITURES



# PAYROLL SUMMARIES-DISTRIBUTION OF ANNUALIZED SALARIES WITHIN THE GENERAL FUND

- POSITION
- City Manager 100% General Fund Administration
- Assistant City Manager 100% General Fund Administration
- Court and Utility Clerk 65% General Fund Administration 35% General Fund Court
- Licensing and Ordinance Specialist 100% General Fund Administration
- Finance Specialist 100% General Fund Administration
- Chief of Police and all Officers 100% General Fund Police
- Building/ Code Enforcement 50% General Fund Administration 50% General Fund Building
- Public Works Director 3% General Fund Parks
- 4 Public Works Utility Workers 56%, 20%, 16% and 14% (depending on assignment)

# PAYROLL SUMMARIES- FUNDS OTHER THAN THE GENERAL FUND

- Public Works Director 82% Water Fund, 15 % Road Fund
- Utility Workers 75%, 70%, 61% and 29% Water Fund. 19%, 16%, 15% and 9% Road Fund\*
- \*depending on assignment

# JUST BECAUSE I KNOW IT'S GOING TO COME UP!

- The City currently uses the Indirect Cost Method to recover monies from non general fund accounts back to the general fund.
- Another method used to recover such funds is the Percentage of Time Method. This method estimates, for example, how much time does the City Manager spend working on items in the “special” fund. That percentage would be charged to that fund. For example, say in a certain year the City Manager spends 5% of his or her time working on items within the water department, then 5% of the City Manager’s salary and benefits for that year would come from the water fund. The amount would change from year to year based on the number of projects from the special fund.
- So which way is right?
- They both are. The indirect cost method is more objective, while the percentage is more subjective.

# WRAP-UP

- This is just a very brief view of how our City budget is constructed and a very cursory view of how it works.
- If you have any questions, please feel free to email them to me at [citymanager@ci.manzanita.or.us](mailto:citymanager@ci.manzanita.or.us)
- Also feel free to join us for the City budget meetings in May!