

Pre budget meeting

Manzanita Budget Committee

April 15, 2025



AGENDA

- Roles and Responsibilities
- FY 25|26 Budget Process Overview
- Orientation to Budgets: Departments and Funds
- General Projected Resources and Requirements for FY 25|26

Role of the Budget Committee

What is the budget committee's main function?

In a series of public meetings, the budget committee meets to review, discuss, make additions or deletions, and approve the proposed budget presented by the local government's budget officer. Upon completion of its deliberations, the committee approves the budget and sets the tax rate or amount needed to balance the budget.

ORS 294.305

Can the budget committee add or delete programs or services?

- Generally, the budget committee's role is not to directly establish or eliminate specific programs or services. Standards and budget parameters established by the governing body give the budget officer and administrative staff general guidelines for budget development. The budget officer then prepares a budget which reflects the governing body's parameters. This proposed budget is what the budget committee considers during its meetings. Budget committee influence on programs and services is most often exerted at a higher level, when it approves the overall budget and establishes the tax levy. Having said all that, if a majority of the budget committee agrees, it can add or delete funding for specific services. Public participation at budget committee meetings may influence budget committee decisions. However, final authority for administration rests with the governing body. The governing body can make changes after the budget committee has approved the budget, although they may have to re-publish the budget and hold another public hearing to do so.

Pre meeting

Budget Mtg 1

Budget Mtg 2

Public Hearing

Revenue sharing

City Council

Today!

April 29, 2025

April 30, 2025

May 6, 2025

May 28, 2025

- Third Quarter Financial Review
- Budget Process Overview
- Orientation to FY 25-26 Departments and Funds
- FY 25/26 Projected Resources and Requirements

- Budget Message
- GF Revenue
- Administration Dept
- Public Safety
- Court Dept
- Parks Dept
- Tourism Fund
- City Hall Fund
- Building Fund
- SDC Fund
- Water Utility
- Public Works Reserve

- Continued if needed

- Public Hearing
- Revenue Sharing
- BC Recommendation

- Adoption of Budget,
- Revenue Sharing and Resolutions

Governmental Funds

General Fund

The City's primary operating fund, used for general services and activities that do not require separate fund accounting.

Capital Project Funds

Dedicated to the financing of major infrastructure projects, such as road improvements, public facilities, or equipment purchases. These funds exist only for the duration of the project and therefore are temporary.

Special Revenue Funds

Used to track revenue designated by law for a specific purpose. These funds are restricted for specific uses such as the revenue from state gas taxes can only be used for funding street maintenance, road repairs, and other transportation related uses.

Debt Service Funds

Manage the repayment of principal and interest on long-term debt, including bonds issued for capital projects. Proprietary fund debt is serviced directly within those funds rather than through a separate debt service fund.

Permanent Funds

Account for financial resources in which only the earnings, not the principal, may be expended for the benefit of the government and its residents. Currently, the City of Manzanita does not maintain any permanent funds.

PROPRIETARY AND FIDUCIARY FUNDS

Proprietary Funds

Proprietary funds operate similarly to private-sector businesses, tracking revenues and expenses to determine net income. These funds are used when municipal services generate revenue through user fees. The City follows applicable Financial Accounting Standards Board (FASB) pronouncements issued before November 30, 1989, as well as all subsequent Governmental Accounting Standards Board (GASB) statements.

- Enterprise Funds – Account for services provided to the public on a fee-for-service basis, such as water utilities.

Fiduciary Funds

Fiduciary funds manage assets that the City holds in a trustee or agency capacity on behalf of external parties, such as other governments or individuals. These funds are not available for city operations and as such, there is no budgetary information regarding these funds.

Governmental Funds

General
Fund

Special
Revenue
Fund

Capital
Projects
Fund

Building
Fund

City Hall
Expansion
Fund

Transportation
Fund

System
Development
Charges Fund

Tourism
Fund

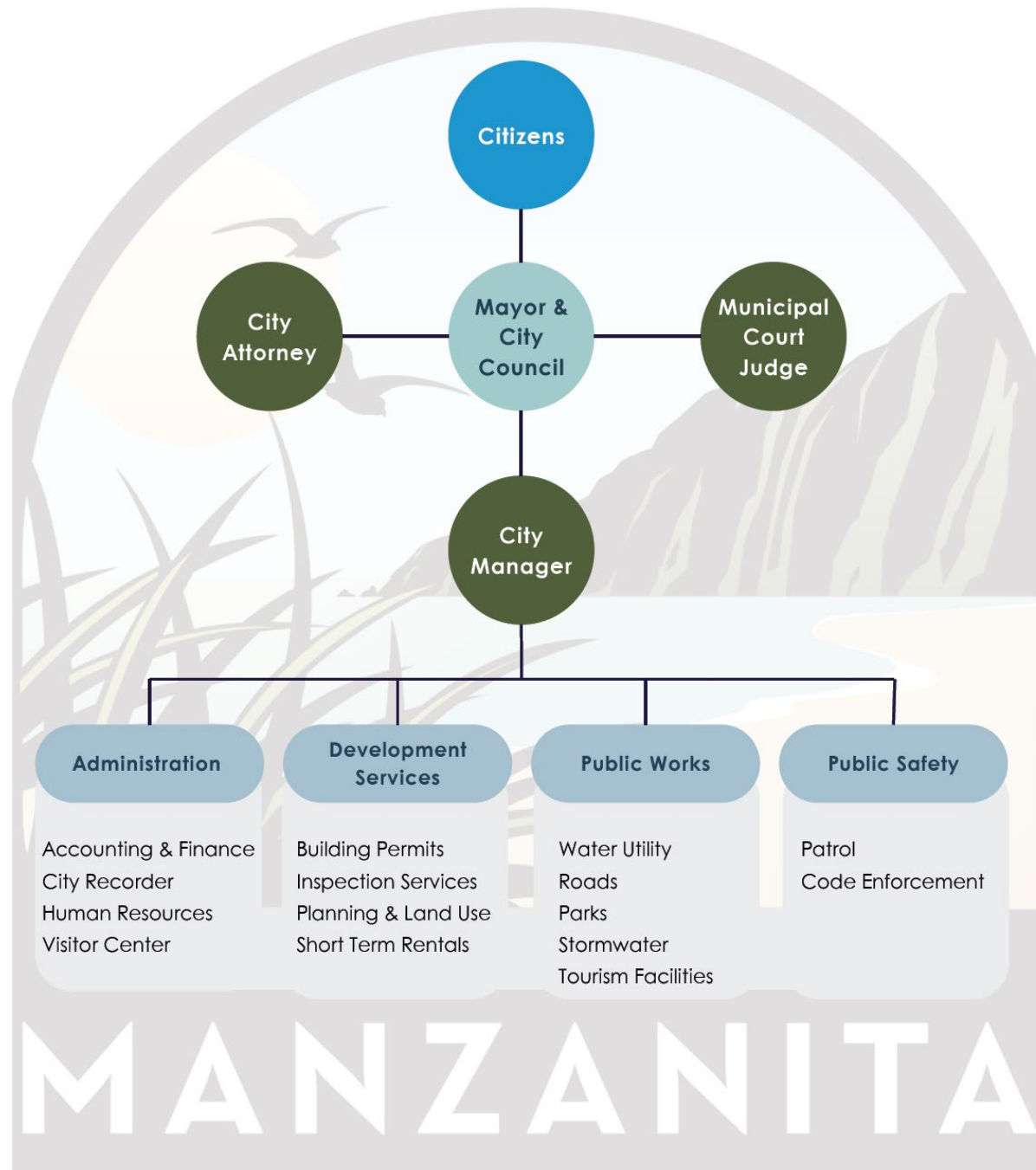
Public Works
Reserve
Fund

Proprietary Funds

Enterprise
Fund

Water Utility
Fund

City Organizational Chart



GENERAL FUND

ADMINISTRATION DEPARTMENT (#110)

CATEGORY	HISTORICAL ACTUALS		CURRENT FISCAL YEAR 2024/2025		BUDGET FOR 2025/2026		
	Fiscal Year 2022/2023	Fiscal Year 2023/2024	Adopted Budget	Estimated Actuals	Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Body
PERSONNEL SERVICES							
Salaries & Wages	\$ 327,192	\$ 358,639	\$ 378,000				
Employee Benefits	192,489	195,531	256,000				
TOTAL PERSONNEL SERVICES	\$ 519,681	\$ 554,170	\$ 634,000	\$	\$		
# of Full Time Equivalent Positions	4.30	4.60	4.00				
MATERIALS & SERVICES							
Contractual Services:							
Professional Services	268,193	437,316	525,000				
Planning & Zoning Services	12,934	22,662	25,000				
Building:							
Operations	10,485	9,058	14,900				
Maintenance & Supplies	1,579	36	4,000				
Advertising	923	731	2,000				
Dues & Subscriptions	28,134	32,632	42,000				
General Office Supplies	8,049	11,818	9,000				
Travel & Training	6,597	7,831	10,000				
Liability Insurance	4,828	5,844	8,000				
Miscellaneous	583	8,284	3,000				
TOTAL MATERIALS & SERVICES	342,305	536,212	642,900				
CAPITAL OUTLAY							
Office Equipment	5,726	5,803	9,000				
TOTAL CAPITAL OUTLAY	5,726	5,803	9,000				
ADMINISTRATION DEPARTMENT	\$ 867,712	\$ 1,096,185	\$ 1,285,900	\$	\$		

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General Fund Revenue

- General Fund is in a solid financial position even as we anticipate taking on new debt
- TLT revenue is (so far) a bit ahead compared to last year (2023)
- Staff are proposing to estimate revenue for TLT closer to actuals for the last three years
- Potential for modest increase in TLT if County Ballot initiative passes
- New Short Term Rental policy.
- Estimated higher interest revenue but still conservative (about 50% of what we estimate to receive this current FY)

Revenue

- Water Utility is in a solid financial position including having a sufficient reserve
- Water utility rates were adjusted to reflect inflation, and revenue will be estimated similarly
- Building fund raising fees to account for additional staff but development starts remain unpredictable
- Transportation fund has sufficient reserve from previous general fund transfers but is not sustainable in the long term. Additional dedicated revenue for the Transportation fund will be essential for long term success otherwise the fund will require general fund subsidization which is unsustainable and will impact the GF in the long term.
- Grant funds for Classic Street Connection Project and Grant Funds for Housing Code work will carry over to FY 2025-2026
- Awaiting final confirmation that grant funds for CSC will be carried over by the state.

Expenditures

- Professional Services in Administration will be lower this year.
- Addition of one new FTE in Administration
- Uncertainty in new costs related to city hall and maintaining old buildings so estimates may be higher.
- Classic Street Connection will be our only major capital project this year
- Public Works maintenance/resilience projects
- Revisiting the Capital Improvement Plan



Questions?

