



CITY OF SHERWOOD

FY 2018-2019 ADOPTED BUDGET



Cover Page Photos

Top: Unity Art Project 2017

Bottom: Path at Snyder Park

Photo Credit to: David Gilmore

City of Sherwood Annual Budget

For the Fiscal Year

July 1, 2018 - June 30, 2019



CITY COUNCIL:

Keith Mays, *Mayor*

Sean Garland, *Council President*

Jennifer Kuiper, *Council Member*

Kim Young, *Council Member*

Renee Brouse, *Council Member*

Tim Rosener, *Council Member*

Russell Griffin, *Council Member*

BUDGET COMMITTEE:

Meerta Meyer, *Chair*

Paul Mayer, *Vice Chair*

Susan Claus

Amy Kutzkey

Kurt Studer

Tyrone Stammers

Nancy Taylor

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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City of
Sherwood
Oregon

Home of the Tualatin River National Wildlife Refuge



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sherwood
Oregon**

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morill

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, 2017.

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 Urban Renewal Agency (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 Full Time Equivalent (FTE) schedules, salary schedules, financial policies, and a glossary with acronyms.

Fiscal Year 2018-19**City Manager's Budget Message****April 27, 2018****The Honorable Mayor Keith Mays****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 2018-19 (FY2018-19) 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 different 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. This is my sixth proposed budget for the City of Sherwood in my role as City Manager. I am pleased to be able to propose a fiscally responsible budget that continues 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 the exception of a few significant program changes that we want to implement in the upcoming year. Two of those significant changes are implementation of the new speed camera enforcement program as directed by City Council and adjustments to our compensation plan due to our recent compensation study completed this current fiscal year.

As we near the end of the current fiscal year, I am happy to report that the overall city finances are stronger than anticipated a year ago. For example, we budgeted an ending fund balance in the General Fund to be \$2.5 million (or 20% of total operating revenues). The revised projected ending fund balance for the current year is estimated to be \$3.52 million (or 28% of total operating revenues). This is well above our overall fiscal policy of ending fund balance of 20% of total operating revenues. While there are numerous reasons for this projection, the primary reason for this increase is the unanticipated sale of city-owned property to the Sherwood School District as part of their development of a new Sherwood High School.

The next page shows a summary of the proposed budget by the different funds in comparison to the current adopted budget.

Total Budget (All Funds)

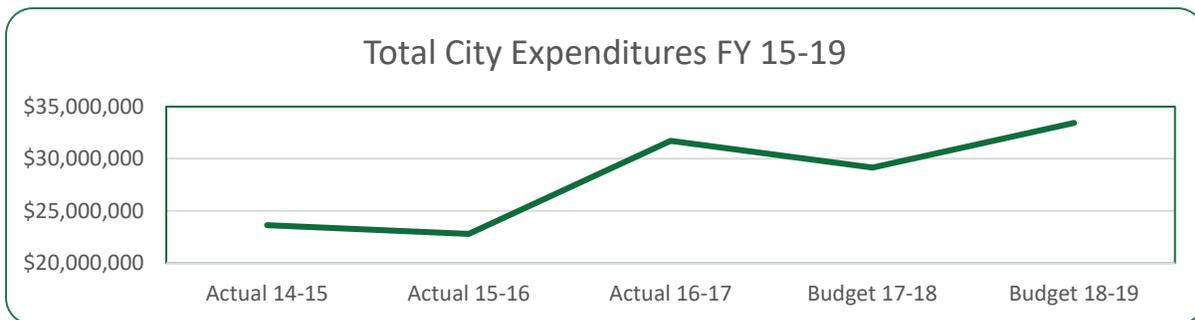
The proposed total budget for FY2018-19 for all funds is \$33.44 million. This represents an increase of \$4.29 million or 14.8% from the current adopted FY2017-18 budget.

Budget in Brief				
Expenditures	2017-18 Budget	2018-19 Proposed	Variance	% Change
General Fund				
Administration	2,737,348	3,149,256	411,908	15.0%
Community Development	1,836,091	2,093,298	257,207	14.0%
Police Services	3,938,876	4,112,795	173,919	4.4%
Community Services	2,060,774	2,248,181	187,407	9.1%
Public Works	2,410,439	2,903,923	493,484	20.5%
Transfers Out	11,406	-	(11,406)	-100.0%
Subtotal General Fund	12,994,934	14,507,453	1,512,519	11.6%
Debt Service Fund	271,750	269,475	(2,275)	-0.8%
General Construction Fund	916,798	1,101,754	184,956	20.2%
Transient Lodging Tax Fund	-	-	-	
Grants Fund	95,000	82,000	(13,000)	-13.7%
Street Operations Fund	2,634,766	3,376,615	741,849	28.2%
Street Capital Fund	1,755,109	1,223,180	(531,929)	-30.3%
Subtotal General Govt. Funds	18,668,357	20,560,477	1,892,120	10.1%
Water Enterprise Fund	6,596,009	8,071,081	1,475,072	22.4%
Sanitary Enterprise Fund	1,555,828	1,230,980	(324,848)	-20.9%
Storm Enterprise Fund	1,784,156	3,046,022	1,261,866	70.7%
Broadband Fund	535,783	530,317	(5,466)	-1.0%
Subtotal Enterprise Funds	10,471,776	12,878,400	2,406,624	23.0%
Total All Funds	\$ 29,140,133	33,438,877	\$4,298,744	14.8%

Within this total budget, Personal Services accounts for \$12.9 million. This figure is 7.3% higher than the current FY2017-18 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

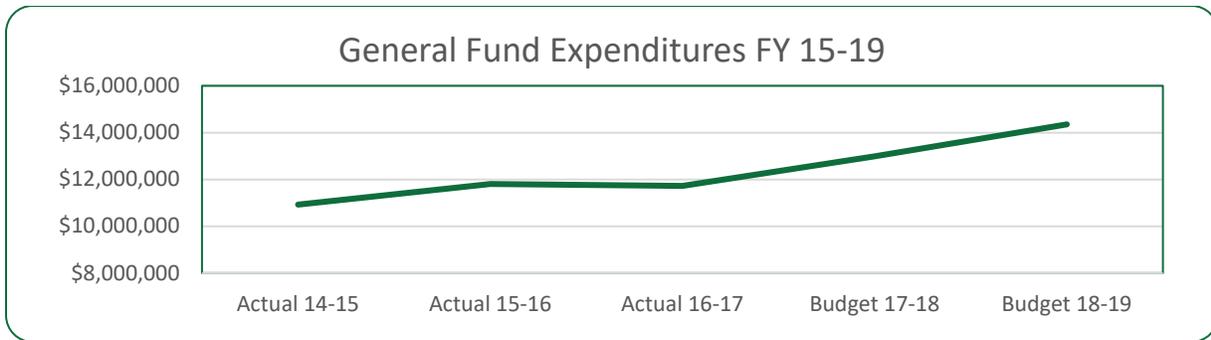
expenses for the proposed budget are \$10.0 million, a 1.8% decrease from the current fiscal year budget.

Capital Outlay is \$8.1 million, which is a significant increase over the current budget year (146%) and is contributing to the overall total increase of 14.8%. Capital Outlay consists of vehicle and large equipment purchases as well as infrastructure improvements in the General Construction, Water, Storm and Streets funds.



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 \$10.6 million. This figure is 7.7% higher than the current FY2017-18 budget. The total M&S expenses for the proposed budget is \$3.0 million, a 2.3% increase from the current fiscal year budget. Capital Outlay is also projected to increase by \$690,300, an increase of 489.6% over the current fiscal year. About \$200,000 of the Capital Outlay increase is related to previously deferred asset replacement and maintenance costs in last budget cycle while additional capital costs are for fleet replacements, CDBG grant related project costs, and IT costs. The combination of increases in each of these categories leads to an overall increase of 11.6% in the proposed General Fund budget.

As in past years, I am again recommending the use of a portion of the General Fund ending fund balance as well as one-time revenues to fund one-time expenditures (\$1,000,830) 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 – this proposed budget funds all of our planned expenditures in our various asset management plans as well as completing a number of deferred projects from our previous budget cycle.

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 and vibrant economy are evident in a variety of key areas. Our unemployment rate continues to be one of the lowest among cities in Washington County and the Portland region. Local businesses have indicated that finding adequate labor in such a tight labor market is one of their most significant challenges. Development activity continues to be strong within the community. This includes numerous projects in the pipeline as well as actual construction activity. New homes are being built, especially near the Ridges school campus in northwestern Sherwood. Commercial growth continues to be strong with significant activity along our major commercial corridors 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. In the short-term horizon, all indications are that such strong economic activities should continue within Sherwood and Washington County.

Personal Services changes

The proposed budget funds a total workforce of 117.1 Full Time Equivalent (FTE) positions, an increase of 2.0 FTE positions from the current workforce. The following is a summary of these personnel changes:

- Change half time code compliance position to full time (+0.5 FTE) in Community Development
- Change half time property evidence position to full time community services officer (+0.5 FTE) in Public Safety
- Add multiple part time positions equivalent to 40 hours a week for camera related speed enforcement activities (+1.0 FTE) in Public Safety

Total Personal Services costs are budgeted to increase by 7.7% for the General Fund and 7.3% for all funds between the current year budget and the proposed FY2018-19 budget. Key personal services cost increases in this proposed budget are as follows:

- Salaries have increased in the proposed budget due in part to a larger increase in cost of living indices than we have seen in recent years. In addition to this, the proposed budget includes the implementation of a recently completed compensation study to adjust employee compensation in line with the market. Salaries have increased by \$595,382 for the General Fund (9.4% increase) and \$717,003 for all funds (9.3% increase). While these are significant increases, it is critical to update our compensation program in order to retain and recruit employees in a competitive marketplace.
- PERS rates are set for a biennium and do not increase for this budget period. The increase in PERS is therefore linked only to the increase in salaries. This is an increase of \$119,755 for the General Fund (8.0% increase) and \$134,653 for all funds (7.4% increase).

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 as well as expansions in the Water infrastructure in the Brookman and Tonquin Employment areas are all included in this budget.
- With the passage of the Sherwood School District bond in November 2016, the City continues to coordinate closely 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.

Special Revenue, Capital, and Enterprise Funds

Grants and Transient Lodging Tax (TLT) Funds

These are special revenue funds where the uses of revenues that are designated for a specific purpose are tracked. This proposed budget includes only Metro Community Enhancement Program (CEP) funds in the Grants fund. The TLT fund is a new fund and is currently used only to account for the small amount of revenue received. There are no expenditures proposed from this fund at this time.

Street Operations Fund

The Street Operations Fund accounts for all maintenance projects related to City streets and sidewalks. This fund will see increased revenue in FY2018-19 due to the revised transportation package (HB2017). The fund balance remains strong at this time and additional maintenance projects have been included in this proposed budget to keep the City's 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 for FY2018-19 is the Oregon Street Improvements project. Other projects include the intersection of Sunset Blvd and Highway 99W and the Sunset Blvd sidewalk infill.

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 FY2017-18. It has been included

in this proposed budget. Other projects include the next steps toward constructing a skate park, construction or improvement of a dog park that will be open year-round, and continuing work on the Cedar Creek Trail project.

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 both for current usage and to expand the capacity for future needs, the completion of the update to our Water Conservation and Management Plan, an update of the Water Resiliency Plan, and expansions in the Brookman and Tonquin Employment areas, 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. An increase of 2% in rates for both the city sewer and stormwater rates are in this proposed budget. Several stormwater projects are included which will be completed in coordination with the larger street maintenance projects such as the Oregon Street Improvements project.

Broadband Fund

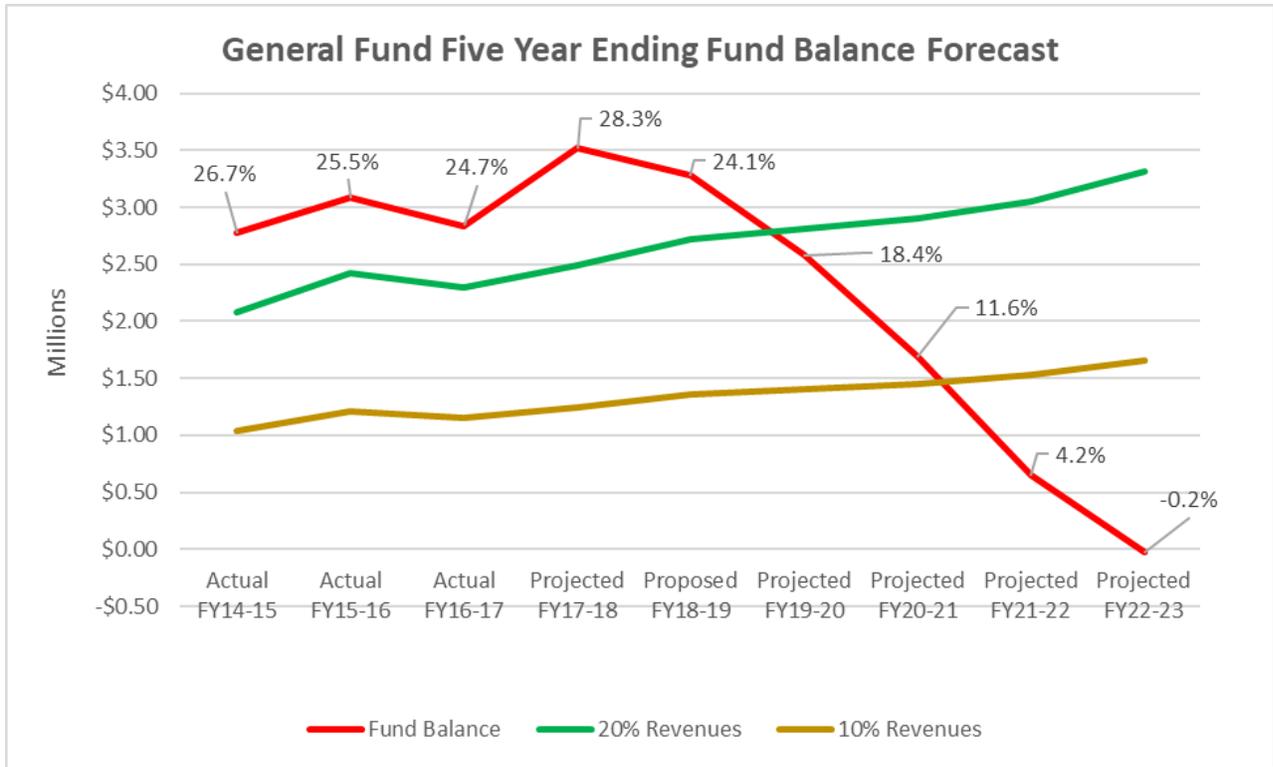
This fund has become self-sustaining over the past few years and has a significant fund balance. The current budget includes an intentional spend down of a small amount of fund balance in order to fund some fiber projects for new customers and a pilot project to extend Broadband service to residential customers.

Fund Balances

Below is a chart showing the proposed change in fund balances for FY2018-19:

	General Fund	General Construction Fund	Debt Service Fund	TLT Fund	Grants Fund	Street Operations Fund	Street Capital Fund	Water Fund	Sanitary Fund	Storm Fund	Broadband Fund
Change in Fund Balance											
Beginning Fund Balance	3,520,998	886,917	29,063	1,055	23,393	2,634,202	3,859,972	11,574,588	2,746,140	4,098,357	368,663
Increase in Fund Balance	-	-	500	1,315	2,000	-	-	-	-	-	-
Decrease in Fund Balance	(245,638)	(160,804)	-	-	-	(1,330,357)	(591,685)	(1,216,611)	(359,202)	(996,726)	(58,991)
Ending Fund Balance	3,275,360	726,113	29,563	2,370	25,393	1,303,845	3,268,287	10,357,977	2,386,938	3,101,631	309,672

As part of our normal five-year financial forecasting, we have updated our General Fund Ending Fund Balance forecast using the proposed budget. As in previous years, the forecast does indicate some financial challenges on the horizon in FY2020-21 and beyond. One of the primary reasons for the projected decline is another significant PERS increase that we will need to absorb in FY2019-20. Difficult choices involving cuts in personnel and services are likely on the horizon and/or exploration of additional revenue streams will be necessary over the next few years to alter these financial forecasts.



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

- Since FY2015-16, City Council has decided to use some of the General Fund fund balance towards one time deferred maintenance expenditures as well as towards one-time projects. 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 24.1%, which exceeds our financial goal.

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

Operating Revenue	\$13,603,816
Operating Expense	<u>(\$13,506,624)</u>
Net Normal Operations	\$ 97,192
Less One Time Expenses Net	<u>(\$342,830)</u>
Change in Fund Balance	<u>(\$245,638)</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 FY2018-19 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 Finance Director, and Jean Macaulay, our Finance Technician, who both did an amazing job in putting the pieces of this proposed budget together.

Respectfully Submitted,



Joseph P. Gall, ICMA-CM
City Manager

Budget Committee Changes from Proposed to Approved Budget

- Correction of Street Operations expenses across years.
- Elimination/reduction of 3.25 FTE including Assistant City Manager, Business Systems Analyst, Finance Tech I, and reallocation of duties.
- Additional changes to achieve \$400,025 in reductions from General Fund expenditures in Fiscal Year 2018-19.
- Overall total reduction of expenditures of \$1,106,693 for all funds.

Council Changes from Approved to Adopted Budget

- None

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 that 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 that 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 2018, the City is four and a half square miles and has a population of 19,350.

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 are now 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

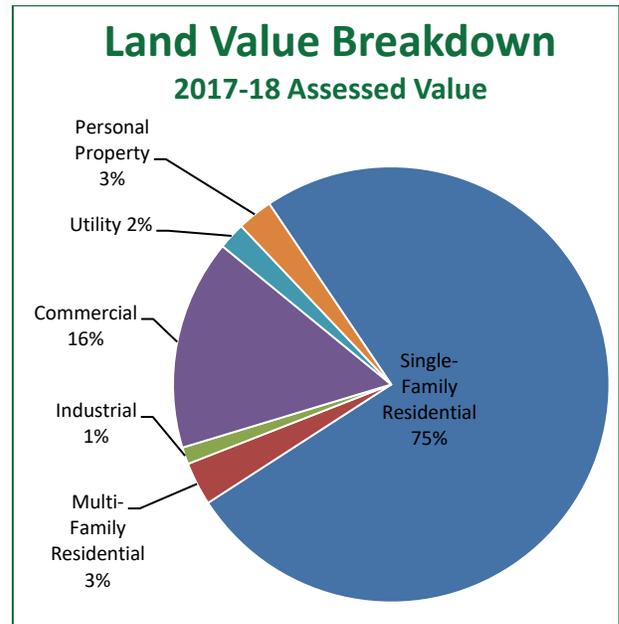
Economy

The City of Sherwood is highly suited to support the following industries: small to mid-size light manufacturing; specialty contractors and construction firms; creative services; amusement, recreation, sporting and lodging hospitality; educational facilities; and nursing and health care support services and facilities. Several new

businesses, which fall into these categories, are in the process of being built or are projected to come to Sherwood within the near future. Currently most 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.

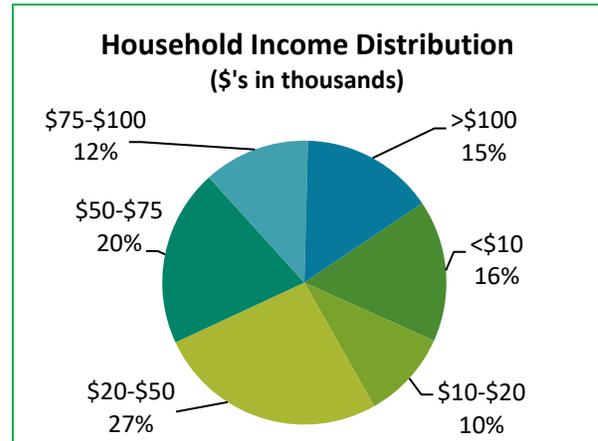
The City’s economy is linked with that of the Portland/Vancouver Metro Region, but is more insulated from economic downturns due to the high education and skill level of its population.

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.



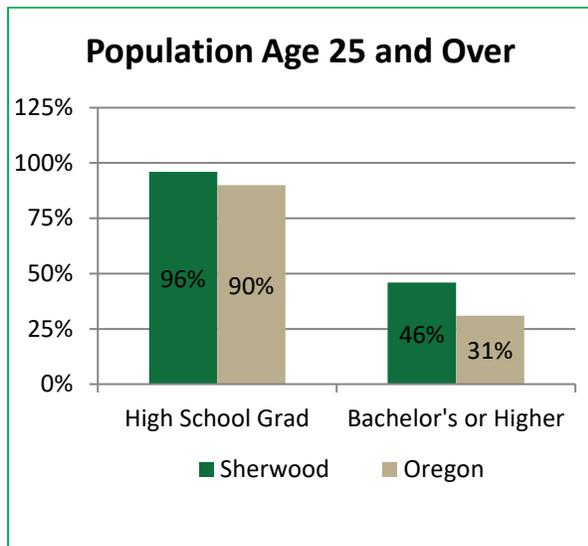
Demographics

Over the last two decades, Sherwood has been one of the fastest growing communities in the State. Between 2000 and 2018, the population has grown 64% compared to 23% for the state as a whole. Sherwood has an average of 3.4 people per household as compared to 3.2 in Oregon as a whole. 50% of Sherwood's population is female, compared to Oregon at 50%.

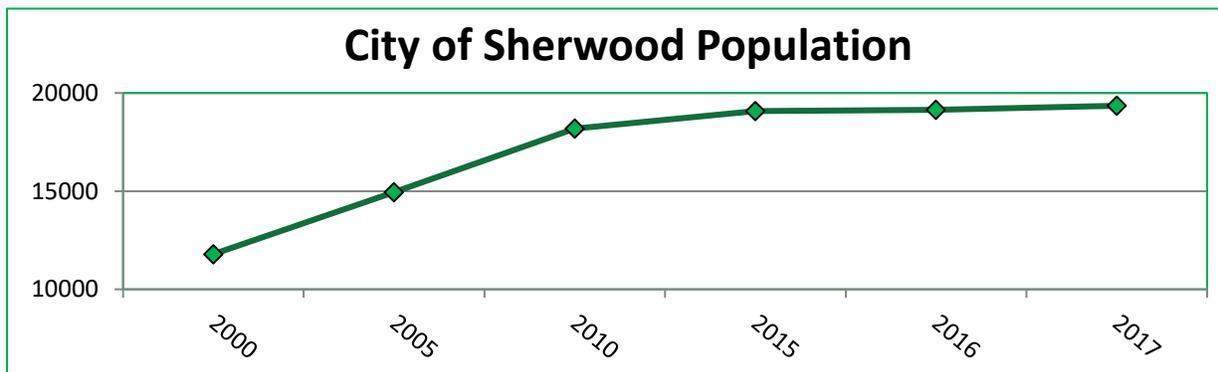


78% of the homes in Sherwood are less than 25 years old. Owner-occupied homes represent 74% of the community as opposed to 61% of Oregon as a whole.

Age	Total	Percent
0-19	6,598	34.1%
20-39	4,334	22.4%
40-59	5,901	30.5%
60+	2,517	13.0%



Job Type	Percent
Management	17%
Business/Financial/Engineering	15%
Sales	14%
Office/Administrative	12%
Health/Personal Care	10%
Production/Construction	9%
Education/Library	7%
Food Preparation/Serving	3%
Public Safety	3%
Other	10%



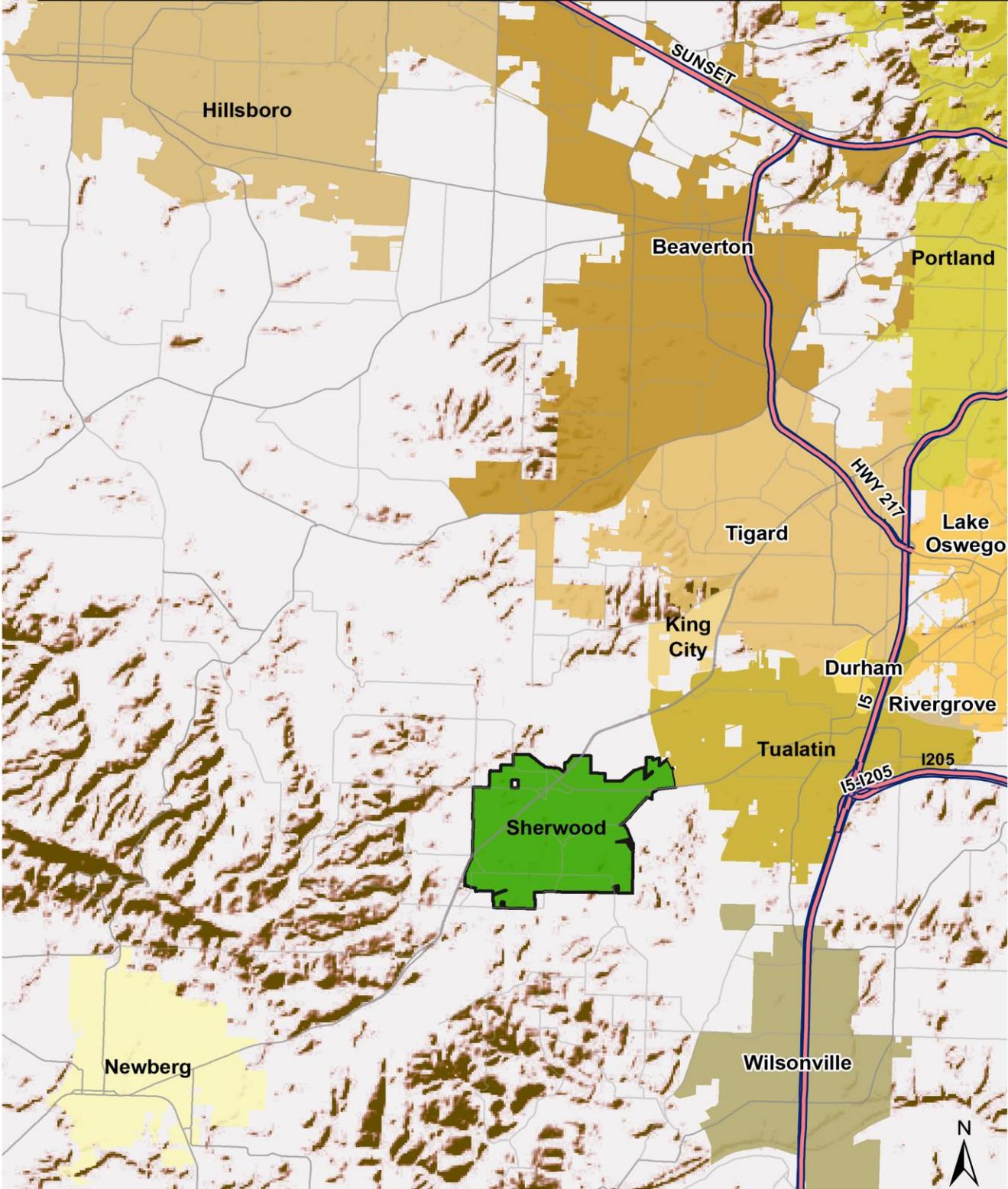
CITY OF SHERWOOD PRINCIPAL EMPLOYERS		
Employer	2018	
	Employees	% of Total City Employment
Sherwood School District	578	14%
Allied Systems Company	250	6%
WalMart Stores Inc	220	5%
NW Natural	149	4%
Target	133	3%
Home Depot	125	3%
Fettig Commercial Construction	120	3%
City of Sherwood	115	3%
Kohl's	112	3%
Treske Precision Machining	100	2%
Safeway	99	2%

Source: 2018 Business License data provided to the City

CITY OF SHERWOOD PRINCIPAL PROPERTY TAXPAYERS TODAY AND NINE YEARS AGO						
Taxpayer	2018			2009		
	Assessed Value	Rank	% of Total City Taxable Assessed Value	Assessed Value	Rank	% of Total City Taxable Assessed Value
WalMart Stores, Inc	27,333,635	1	1.4%	N/A	-	-
MGP X Properties LLC	20,978,980	2	1.1%	N/A	-	-
Bir Sunfield, LLC	17,716,880	3	0.9%	13,578,560	3	1.0%
Target Corporation	17,416,050	4	0.9%	13,722,905	2	1.0%
Creekview Crossing SPE LLC	14,837,540	5	0.8%	N/A	-	-
Juniper Ridge Investments, LLC	11,913,130	6	0.6%	9,132,440	8	0.7%
Allied Systems Company	11,907,810	7	0.6%	11,137,820	5	0.8%
Portland General Electric	11,655,000	8	0.6%	9,546,000	7	0.7%
Comcast Corp.	10,417,600	9	0.5%	N/A	-	-
Home Depot	10,399,780	10	0.5%	8,997,891	9	0.7%
Retail Property Partners	N/A			16,407,930	1	1.2%
BMC West Corporation	N/A			11,771,635	4	0.9%
Northwest Natural Gas Co	N/A			11,098,700	6	0.8%
Wirkkala Sherwood Property	N/A			7,101,190	10	0.5%
	<u>\$154,576,405</u>		<u>8.1%</u>	<u>\$105,393,881</u>		<u>8.2%</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

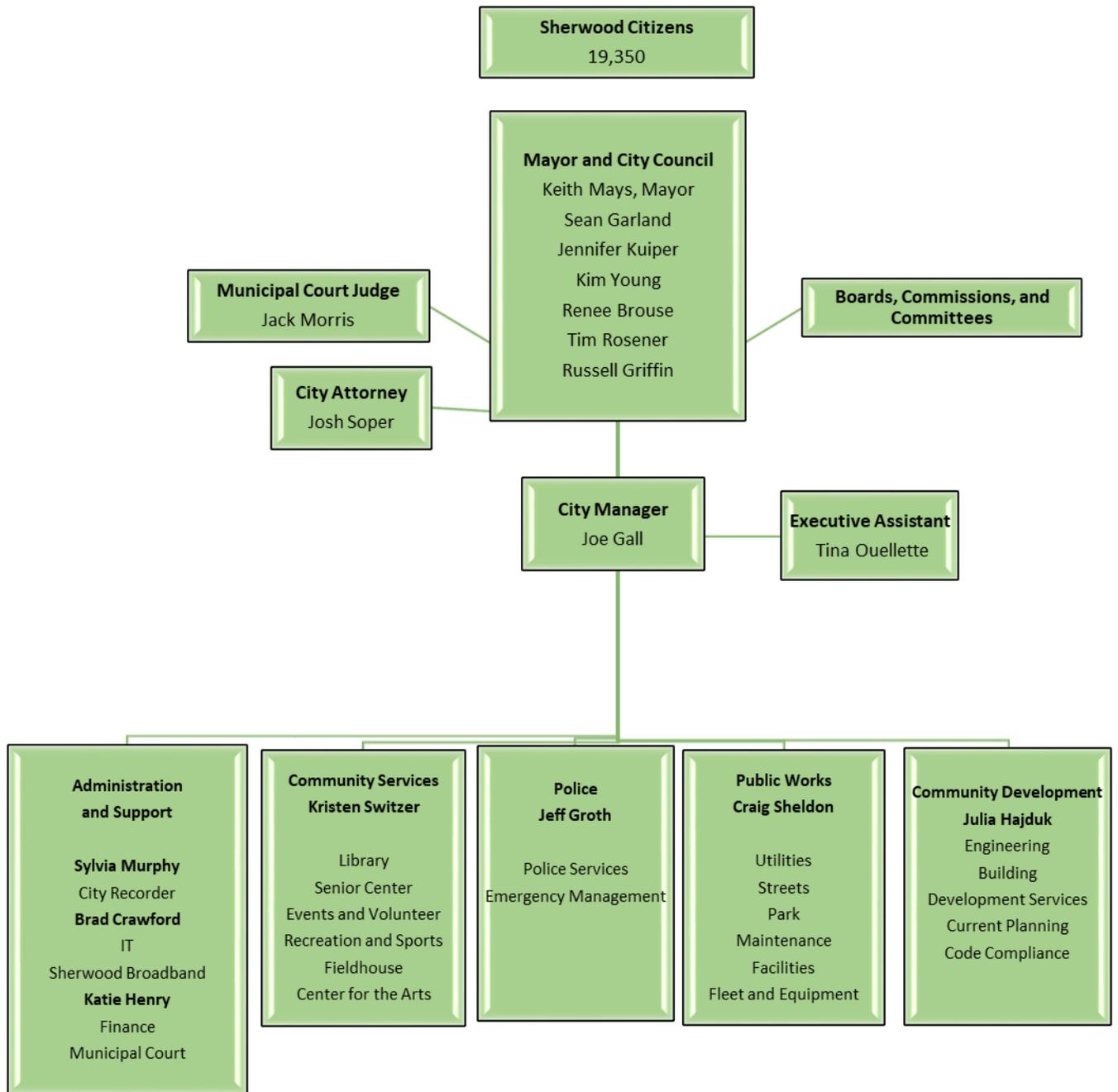
“The City of Sherwood will provide opportunity for responsible community development and growth.”

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 typically 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 preparing 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. Long-term compensated absences, however, 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 accounted for in this fund is the Community Enhancement Program (CEP).

Transient Lodging Tax (TLT) fund – accounts for Transient Lodging Taxes received from short term lodging establishments like hotels or bed and breakfasts. This fund has very little activity at this time but will begin to accumulate funds as the City collects them.

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 (SDCs) 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 SDCs 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 SDCs charged on new construction.

Stormwater 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 SDCs charged on new construction.

Broadband 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 & TLT Funds (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			
Transient Lodging Tax (TLT)				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)	Broadband (Non-Major)		
Operations	X	X	X			
Capital	X	X	X			
Broadband				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 of
Sherwood
Oregon

Home of the Tualatin River National Wildlife Refuge

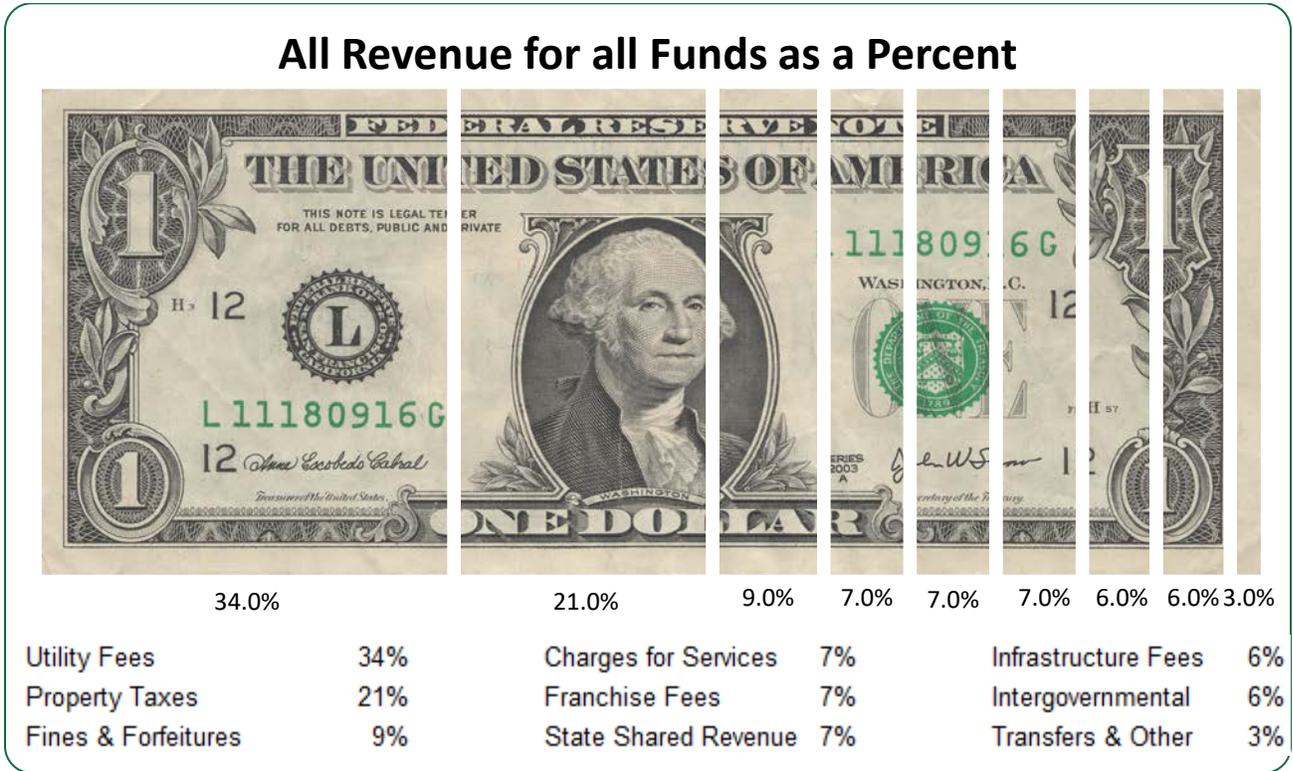
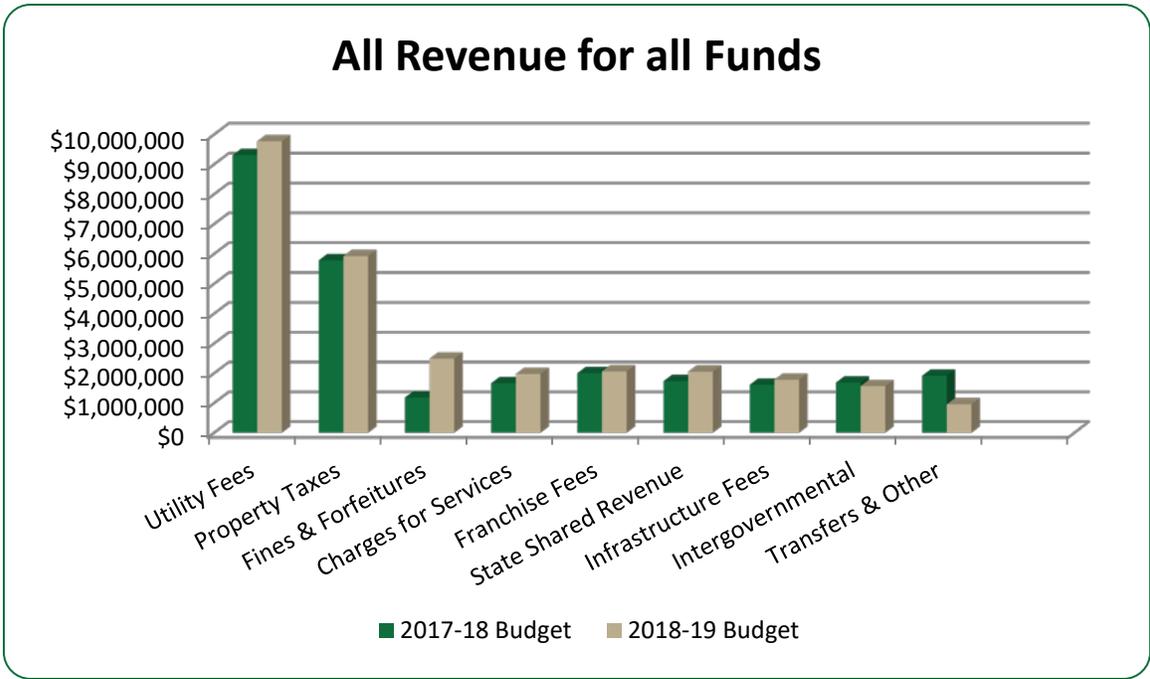
City-Wide Revenue Summary by Source

Summary of Resources by Source

	Actual 2015-16	Actual 2016-17	Adopted Budget 2017-18	Adopted Budget 2018-19
Utility Fees	8,835,981	8,646,113	9,305,261	9,768,595
Taxes	6,276,975	6,091,515	5,783,550	5,923,495
Infrastructure Fees	1,970,450	1,073,640	1,610,873	1,779,265
Franchise Fees	1,899,666	1,902,898	2,001,522	2,060,625
State Shared Revenue	1,613,202	1,658,968	1,734,012	1,975,175
Intergovernmental	1,581,164	1,420,431	1,684,019	1,640,262
Fines and Forfeitures	1,226,410	1,158,489	1,182,150	2,487,500
Charges for services	1,179,414	1,611,688	1,587,568	1,903,361
Licenses and permits	88,778	83,529	74,000	68,000
Interest and Other Revenue	423,093	509,468	456,317	536,516
Transfers In	315,074	102,757	1,456,535	417,805
Sale of Fixed Assets	234,306	4,793	1,780,780	-
Inter fund Loan Payments	179,874	-	-	-
Debt Proceeds	-	9,189,000	-	-
Total Current Resources	\$25,824,387	\$33,453,291	\$ 28,656,587	\$28,560,599
Beginning fund balance	\$22,515,378	\$25,551,846	\$ 25,858,140	\$29,053,369
Total Resources	\$48,339,766	\$59,005,136	\$ 54,514,727	\$57,613,968

Detail of Transfers between Funds:

Purpose	Transfer From:	Transfer To:
	Fund	General Construction
1	Street Capital Fund	\$ 417,805
	Total	\$ 417,805
Purpose:	1 Transfer for Bike Station, Way Finding, and Cedar Creek Trail projects.	



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 two 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 resolution.
2. *Reserved for future years* are total sources less total expenses and contingency. 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
- Re-zoning occurs and the property is used consistent with re-zoning

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.

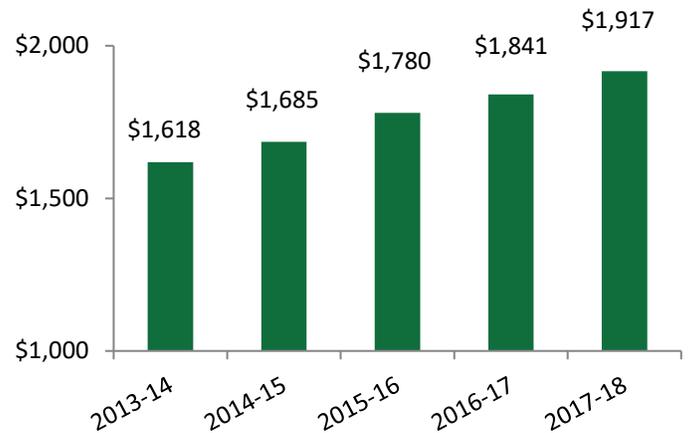
The Urban Renewal Agency began operations in 2001-02. The assessed value in the district was determined at that date and became the frozen base. In subsequent years, the incremental assessed value is the difference between the assessed value in the district and the frozen base. Each year, the URA receives 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.

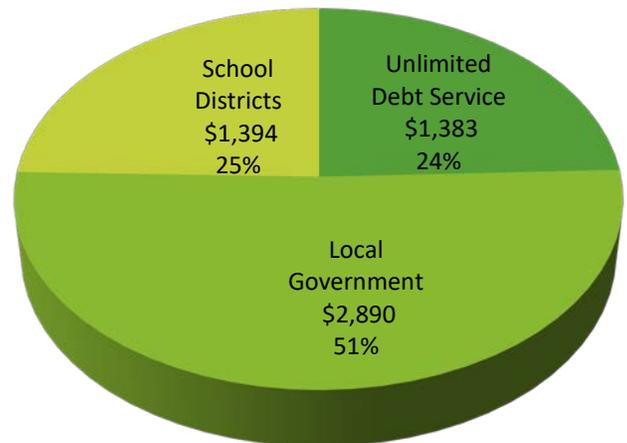
Each taxing jurisdiction has a tax rate that is applied to a parcel’s assessed value to determine the amount of property taxes owed by that parcel. The County Assessor lowers the other taxing jurisdiction’s tax rates based upon the Urban Renewal District’s incremental assessed value and the taxing jurisdiction’s 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:

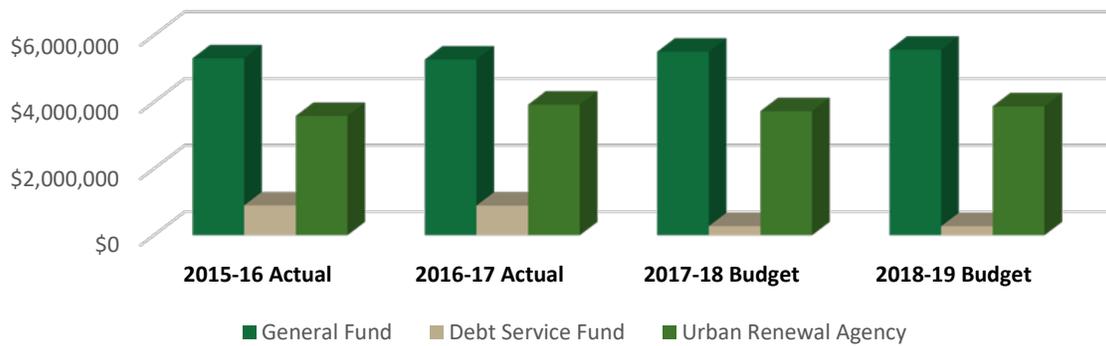
- Sherwood School District
- Portland Community College
- ESD – NW Regional

Property Tax Allocation



Property taxes represent approximately 40% of General Fund revenue.

Property Tax Revenue



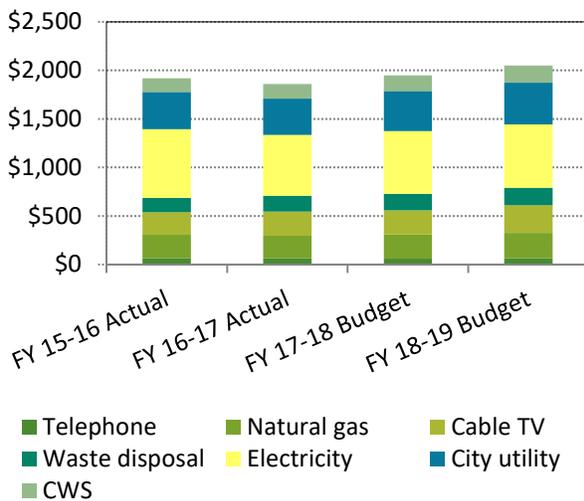
Infrastructure Development Fees

These are fees for private development plan review and inspection and system development charges (SDCs) on new construction. SDCs 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 plus anticipated increases due to new programs.

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 Intergovernmental Agreement (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 and adjusted for programmatic changes

Transfers and Other Revenue

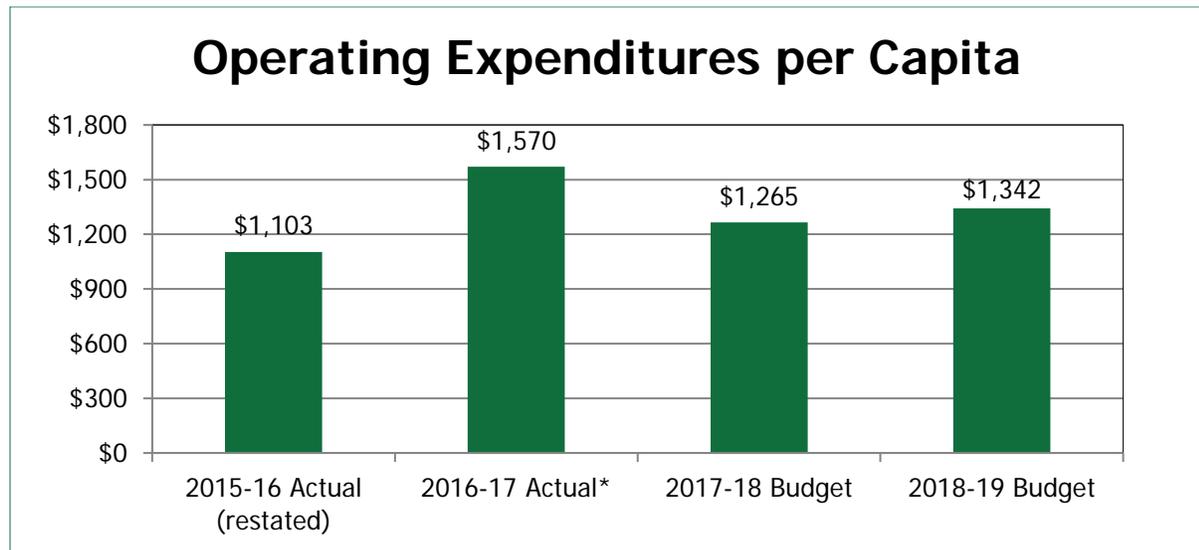
- Transfers in from other funds
- Interest earned on bank accounts
- Sale of fixed assets
- Proceeds from the issuance of debt

City-Wide Expenses by Category

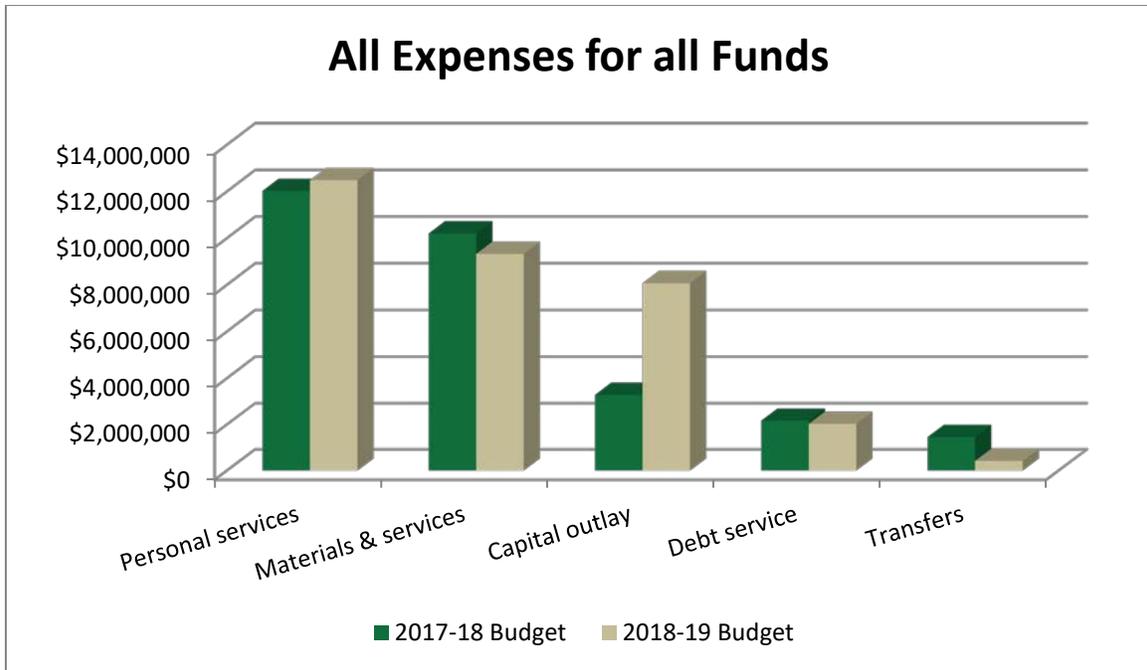
Summary of Expenditures by Category

	Actual 2015-16	Actual 2016-17	Adopted Budget 2017-18	Adopted Budget 2018-19
Personal Services	10,371,854	10,681,260	12,024,228	12,487,792
Materials and Services	7,267,957	6,881,337	10,202,667	9,326,223
Capital Outlay	1,729,271	1,956,528	3,286,783	8,072,283
Debt Service	3,103,911	12,097,922	2,169,920	2,028,081
Transfers Out	315,074	102,757	1,456,535	417,805
Total Current Expenses	\$22,788,067	\$31,719,804	\$ 29,140,133	\$32,332,184
Ending Fund Balance	25,551,699	27,285,332	25,374,594	25,281,784
Total Uses	\$48,339,766	\$59,005,136	\$ 54,514,727	\$57,613,968

Citywide operating costs are budgeted to increase 7.3% in FY2018-19. Population increased by 205 people (only 1%) resulting in an increase in cost per capita for our citizens.



*2016-17 appears much higher than other years due to the refunding of debt in the Water fund that shows as both a revenue and an expense.



All Expenses for all Funds as a Percent

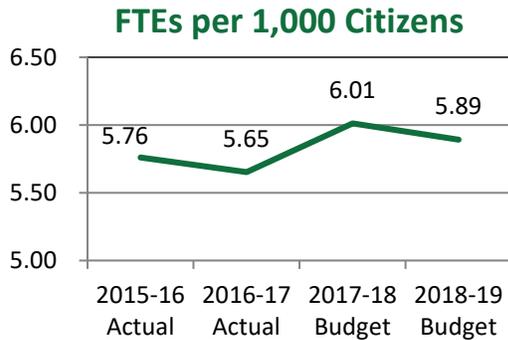


Revenue & Expenditures Overview of Major Categories of Expense

Personal Services

Full-Time Equivalent (FTE)

The following compares City staffing to population growth.



Positions added in this budget are:

- ½ FTE Code Compliance (position becomes full time)
- ½ FTE Community Services Officer (position becomes full time)
- Multiple part time positions equivalent to 1 FTE for camera related speed enforcement in Police.

Positions reclassified in this budget are:

- 1 Administrative Assistant (Reception) reclassified to Court Clerk I

Positions eliminated in this budget are:

- Assistant City Manager
- Finance Tech I
- Business Analyst

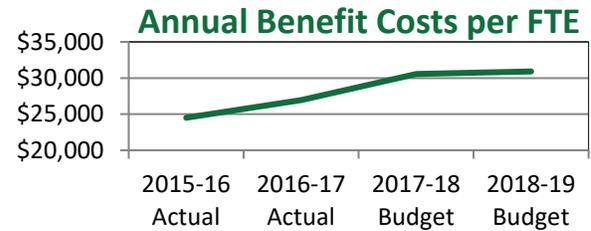
Wages

The budget includes a 3.0% 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 2.5% in 2018-19. Overall benefit costs did not increase as much as in the previous budget cycle due mainly to the fact the Public Employees Retirement System (PERS) rates

will not increase during FY2018-19. The average cost of benefits per employee is shown in the following graph:



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

	FY16-17	FY17-18	FY18-19
Tier 1 & 2	17.15	21.76	21.76
OPSRP	10.81	13.77	13.77
OPSRP Police	14.92	18.54	18.54

Materials and Services

Materials and services include costs for:

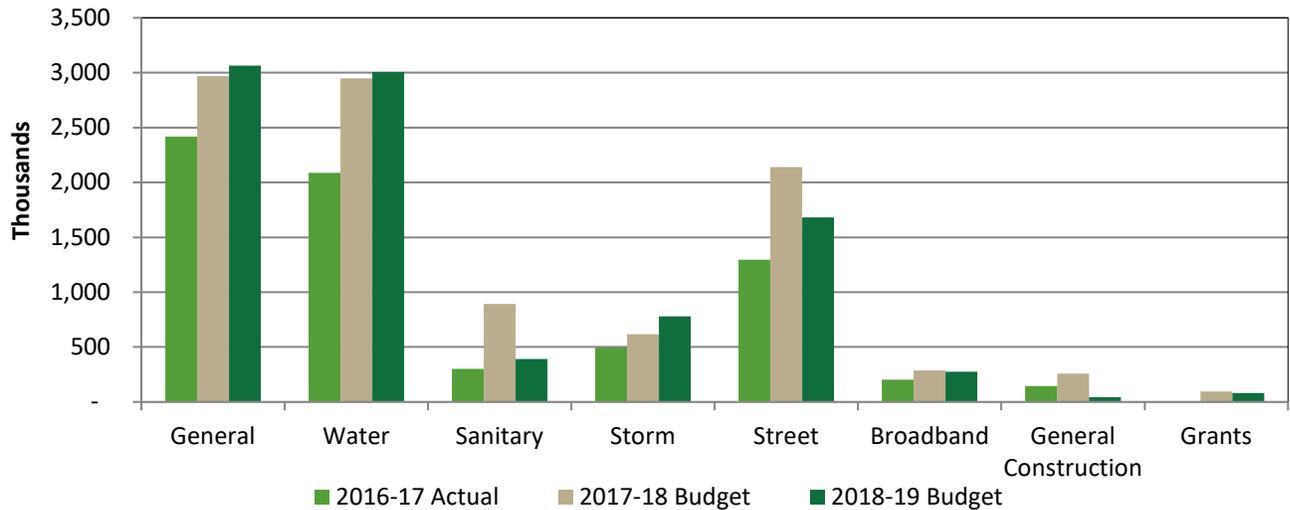
- Utilities
- Training
- Professional services
- Insurance
- Software maintenance
- Office and other supplies

Overall materials and services expenses are proposed to decrease in FY2018-19 despite the restoration of travel and training that was cut in the previous budget cycle, the addition of professional services related to camera speed enforcement, and the completion of several deferred maintenance projects. This is due to fluctuations in materials and services in the Enterprise and Capital funds related to the timing of maintenance and capital projects.

The comparison of total materials and services expenses by fund is shown in the graph on the following page.

Revenue & Expenditures Overview of Major Categories of Expense

Materials and Services



Capital Outlay

Capital outlay is related to vehicles and equipment as well as to capital projects. This section will cover the capital outlay for vehicles and equipment only. The capital improvement plan can be found on page 37. The significant FY2018-19 capital outlay budgeted expenditures for vehicles and equipment are:

Program	Purchase	Cost
IT	Replace Server	\$110,000
IT	Business License Software	20,000
Fleet	Replace 3 Police Vehicles	147,000
Fleet	Replace Two Pick Up Trucks	50,000
Fleet	Replace 1 5 yard Dump Truck	110,000
Fleet	Replace 1 Street Sweeper	150,000
Fleet	New Cargo Trailer	10,000
Fleet	New Steam Cleaner	6,000
Street	Retroreflectometer	10,000
Storm/Sanitary	2 nd Transporter Camera	34,000
Broadband	Router Lease	30,000
Broadband	Network Equipment	10,000
Total Capital Outlay		\$687,000

Description of Long-Term Debt

The City’s debt is separated into two categories: governmental activities and enterprise activities.

Governmental activities include the following:

- General Obligation Bonds for the construction of the Police Station.
- Four long term loans on behalf of the Sherwood URA for capital projects

General Obligation Bonds for the construction of recreational facilities were paid off in 2016. This has reduced the amount of taxes levied for debt service.

There are intergovernmental agreements for the URA to make the debt service payments on the four URA loans used to construct capital assets.

Enterprise activities include two loans for water projects to provide a long-term water solution for the City.

Sherwood’s Aa3 rating for General Obligation Debt was affirmed by Moody’s in September 2012 in anticipation of a new bond issue. In February 2017, Moody’s upgraded the City’s Full Faith and Credit obligations from A1 to Aa3.

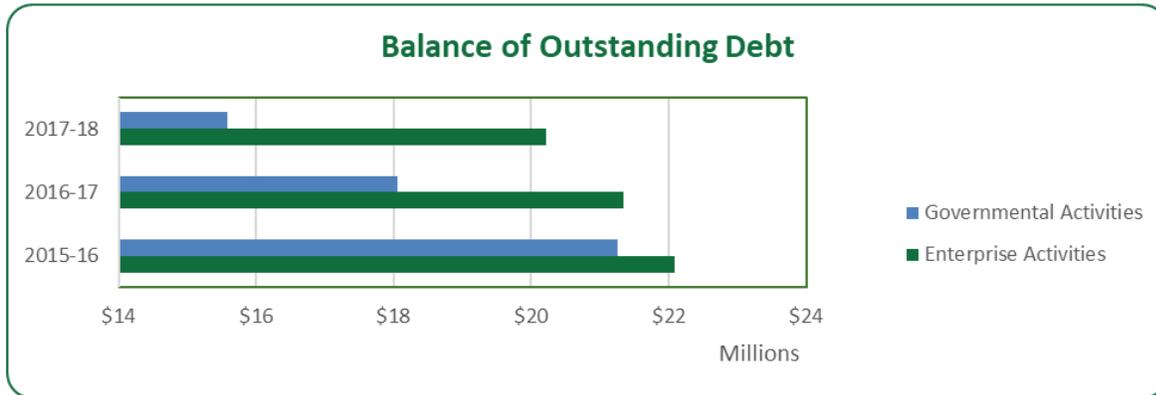
General Obligation Bond Limitations

Total assessed value on January 1, 2018:	<u>\$ 1,696,473,865</u>
Debt limitation: 3% of total assessed value	50,894,216
Debt outstanding at June 30, 2018:	
General obligation bonds outstanding	765,000
Less amount available for repayment of GO bonds	<u>(29,063)</u>
Net debt outstanding that is subject to limitation	735,937
Amount of GO bonds that could be issued	<u>\$ 50,158,279</u>

Summary of Long-Term Debt

	<u>Original Amount</u>	<u>Outstanding June 30, 2018</u>	<u>Principal Pmt FY 2018-19</u>
Governmental activities			
General Obligation Bonds			
2011 Police Refunding (interest 2-4.04%)	\$2,305,000	\$ 765,000	\$ 245,000
Long-term Loans URA:			
2006 URA Streets #2 (3.66% -4.45%)	6,400,000	3,543,389	331,595
2010 URA Cannery & Streets (interest 4.65%)	7,065,000	4,995,000	315,000
2010 URA Cannery Projects (interest 0.55%)	8,500,000	3,609,176	1,179,315
2012 Civic bldg & Street Refunding (interest 3.0%)	5,245,000	2,660,000	485,000
Total Governmental Activities		<u>\$ 15,572,565</u>	<u>\$ 2,555,910</u>
Enterprise Activities			
Long-term Obligations for Enterprise activities			
2011 Water Projects (interest 2-5%)	14,165,000	11,730,000	440,000
2017 Water Refinancing (interest 2.29%)	9,189,000	8,482,000	594,000
Total Enterprise Activities		<u>\$20,212,000</u>	<u>\$ 1,034,000</u>
		<u>\$ 35,784,565</u>	<u>\$ 3,589,910</u>
Total City Activities			

Long-Term Debt Principal and Interest Schedule



	General Obligation Bonds		City Loans
	2011 Police Facility Refunding	2011 Bonds for Water	2017 Water Refinancing
Original Amount	\$ 2,305,000	\$ 14,165,000	\$ 9,189,000
Balance at 6/30/18	765,000	11,730,000	8,482,000
Payment Source	Property taxes	Water Rates	Water Rates
Paying Fund	Debt Service	Water	Water
Year Ending June 30			
2019	269,475	977,169	781,437
2020	270,700	979,569	781,674
2021	270,300	981,169	781,590
2022	-	981,969	781,186
2023	-	981,969	781,449
2024-2028	-	4,901,756	3,905,024
2029-2033	-	4,891,044	1,941,300
2034-2038	-	2,941,500	-
	<u>\$ 810,475</u>	<u>\$ 17,636,145</u>	<u>\$ 9,753,660</u>

	City Loans for Sherwood Urban Renewal Agency Projects					
	2006 Downtown Streets	2010 Streets & Cannery	2010 Cannery	2012 City Hall/Street Refinancing	Total Debt on behalf of URA	Total Debt to Outside Parties
Original Amount	\$ 6,400,000	\$ 7,065,000	\$ 8,500,000	\$ 5,245,000	\$ 27,210,000	\$ 52,869,000
Balance at 6/30/18	3,543,389	4,995,000	3,609,176	2,660,000	14,807,565	35,784,565
Payment Source	Tax Increment					
Paying Fund	URA Operations					
Year Ending June 30						
2019	482,619	551,745	1,251,499	554,156	2,840,019	4,868,100
2020	481,619	555,680	1,251,498	549,456	2,838,253	4,870,196
2021	484,863	553,595	1,251,499	554,306	2,844,263	4,877,322
2022	482,263	555,768	-	430,506	1,468,537	3,231,692
2023	484,088	553,563	-	388,806	1,426,457	3,189,875
2024-2028	1,935,431	2,763,000	-	389,091	5,087,522	13,894,302
2029-2033	-	1,107,773	-	-	1,107,773	7,940,117
2034-2038	-	-	-	-	-	2,941,500
	<u>\$ 4,350,883</u>	<u>\$ 6,641,124</u>	<u>\$ 3,754,496</u>	<u>\$ 2,866,321</u>	<u>\$ 17,612,824</u>	<u>\$ 45,813,104</u>

Capital Improvement Plan

A portion of the total City budget is for capital projects for building or improving the City infrastructure to handle growth. The projects and their total costs are detailed below. Expenditures for capital projects may vary dramatically between years, depending on the particular projects in process.

City of Sherwood Five Year Capital Improvement Plan (FY19 Through FY23)						
STREET PROJECTS; INCL STORM AND SANITARY	Estimated Cost	18/19	19/20	20/21	21/22	22/23
Sunset boulevard/Highway 99 W improvement (design)	991,262	117,209	789,177			
Kruger/Elwert Intersection improvements, City contribution and coordination with County	1,687,036	32,597	295,362			
Tualatin-Sherwood Road widening coordination with County	150,000	25,000	50,000			
Oregon St Improvements (Design and Construction; includes regional WQF)	6,155,450	478,320		4,257,846	1,419,284	
Sunset Blvd sidewalk infill	243,672	215,046				
Sunset Blvd/Pine St Intersection Improvements	6,000		6,000			
Oregon St @ Tonquin Rd & Murdock Rd Improvements	2,624,000			500,000	2,124,000	
Pine Street Phase II	1,850,000					1,850,000
Meinecke Road/Highway 99W Intersection Improvements	102,813		102,813			
Galbreath from Gerda Lane to Power Lines (grind and overlay)	197,720	197,720				
Foundry from Willamette end of road (reconstruct)	220,870	220,870				
Sunset Boulevard between Richen Park and Eucalyptus (grind and overlay)	422,710	422,710				
Washington Street from Second to Third Street (reconstruct)	89,820	89,820				
Washington Street from Willamette to barricade (reconstruct)	114,920	114,920				
Main Street from Railroad to Sunset (grind and overlay)	200,000		200,000			
Ladd Hill from Sunset to City limits (grind and overlay)	121,000		121,000			
Division Street from Snyder Park Entrance to Cuthill (reconstruct)	214,000		214,000			
Hall Street from Merriman to Willamette (reconstruct)	93,000		93,000			
Shaumburg from Division to end of road (reconstruct)	180,000			180,000		
Washington from Tualatin to Shaumburg (reconstruct)	145,000			145,000		
Oregon Street from Lincoln to Hall (grind and overlay)	154,000			154,000		
Oregon Street from Hall to Brickyard (reconstruct)	182,000			182,000		
Oregon Street from Brickyard to Roundabout (grind and overlay)	78,000			78,000		
Borchers between Edy Road and Roy Rogers (grind and overlay)	164,000				164,000	
Borchers between Roy Rogers and Sydney (grind and overlay)	28,000				28,000	
Langer Drive from Sherwood Blvd to Holland (grind and overlay)	342,000				342,000	
Baler between T/S Road and Langer (grind and overlay)	45,000				45,000	
Willamette Street from Norton to Foundry (reconstruct)	137,000					137,000
Willamette Street from Orcutt to Pine (reconstruct)	79,000					79,000
Mansfield from Division to Smock (reconstruct)	183,000					183,000
Timbrel from Middleton to Sunset (grind and overlay)	18,000					18,000
	\$ 17,219,273	\$ 1,914,212	\$ 1,871,352	\$ 5,496,846	\$ 4,122,284	\$ 2,267,000

City of Sherwood Five Year Capital Improvement Plan (FY19 Through FY23)						
Stormwater	Estimated Cost	18/19	19/20	20/21	21/22	22/23
Oregon Street Regional WQF	704,404	324,184	380,220			
2nd & Park St Storm Water Facility Rehab (Design & construction)	375,944	303,639				
Gleneagle Dr Storm Water Facility	120,000		120,000			
Gleneagle Village Storm Water Facility	120,000		120,000			
Extended detention Basin, N side of Oregon Street	149,930					149,930
St Charles (North) Storm Water Facility	85,000			85,000		
St Charles (South) Storm Water Facility	95,000			95,000		
Murdock Apartment swale	271,718	221,718				
Citywide Catch Basin Remediation program	480,000	60,000	60,000	60,000	60,000	60,000
Drainage Swale Upgrade - Stella Olsen Park	110,000			110,000		
May Court (draingage)	110,000		110,000			
Cascade Court (draingage)	50,000	50,000				
Willamette Street near Kathy Street	25,000			25,000		
Michael Court and Lowell	140,000		140,000			
Woodhaven Swales	502,450	102,450	100,000	100,000	100,000	100,000
Golden Pond Swale	25,000			25,000		
Water Quality Facility Refurbishments	400,000	100,000	50,000	50,000	50,000	50,000
Cedar Brook outfall project	76,998	63,698				
Fair Oaks Drainage	60,000					60,000
	\$ 3,901,444	\$ 1,225,689	\$ 1,080,220	\$ 550,000	\$ 210,000	\$ 419,930
Sanitary Sewer	Estimated Cost	18/19	19/20	20/21	21/22	22/23
Old Town Laterals	771,053			48,000	48,000	48,000
Old Town Mid-block sewer point repair	32,000	32,000				
Washington St Sewer Rehab	52,750	52,750				
Gleneagle Dr Sanitary Sewer Rehab	49,850					49,850
Schaumburg Dr/Division St Sanitary Sewer Rehab	250,000		100,000	150,000		
Rock Creek Trunk Capacity Upgrade Ph I	736,671	105,441	631,230			
Rock Creek Trunk Capacity Upgrade Ph II	651,229	82,441	568,788			
South Tonquin Employment Area Pipeline	630,388				126,000	126,000
North Tonquin Employment Area Pipeline	2,370,076				474,000	474,000
Brookman Area Sanitary Sewer Conveyance extension - CWS project (anticipated City share only)	55,777	37,237				
Sanitary Master Plan	250,000				50,000	50,000
	\$ 5,849,794	\$ 309,869	\$ 1,300,018	\$ 198,000	\$ 698,000	\$ 747,850
Water	Estimated Cost	18/19	19/20	20/21	21/22	22/23
Brookman Expansion - Loop from Prop SW Sherwood PRV to Hwy 99 (M7)	68,000	68,000				
WTP Master Plan with TVWD	75,000					
Water Treatment Plant Surge Mitigation	622,514	507,514				
Water Treatment Plant Capacity Increase from 5.0mgd to 5.8mgd with upgrades	745,000	80,320	435,805	166,282		
Water Treatment Cpacity - 5mgd buy in	806,000					
Water Treatment Plant 20.0 mgt Expansion	1,282,847	205,455	538,696	538,696		
Routine Waterline Replacement Program	400,000	50,000	50,000	50,000	50,000	50,000
Upgrade SCADA System	98,650	98,650				
WTP Capacity Increase (Upgrade to 9.7 MGD)	7,560,818				1,500,000	6,060,818
Generator and Electrical Upgrade at WTP	3,840,070	624,666	1,607,702	1,607,702		
Update Resiliency Plan	182,201	182,201				
Brookman Expansion -Loop from prop SW Sherwood PRV to Hwy 99 (M8)	204,000	204,000				
Brookman Expansion - Loop from prop SW Sherwood PRV to Hwy 99 (M9)	239,000	239,000				
TEA Expansion Loop -Loop with existing Oregon Street mains (M29)	154,000	154,000				
SW Sherwood PRV (V-1)	150,000	150,000				
Update Water Management and Conservation Plan	75,000	25,000				
TEA Expansion Loop -Loop with existing Oregon Street mains (M30 and M31)	702,000		702,000			
TEA Expansion Loop -Loop with existing Oregon Street mains (M32, M33, and M34)	607,000			607,000		
Fire Flow - Norton Avenue	141,500	141,500				
Water Life Safety and Seismic Upgrades	502,331	213,018	207,313			
	\$ 18,455,931	\$ 2,943,324	\$ 3,541,516	\$ 2,969,680	\$ 1,550,000	\$ 6,110,818

City of Sherwood Five Year Capital Improvement Plan (FY19 Through FY23)						
General Construction	Estimated Cost	18/19	19/20	20/21	21/22	22/23
Cedar Creek Trail - Segment 8 & 9 Design & Construction (local contribution only)	865,000	381,900				
Parks Master Plan & SDC Update	175,000	175,000				
Ice-Age Tonquin Trail WCVA grant funded project (bike stations)	55,000	35,000				
Ice-Age Tonquin Trail Way Finding Signage Project	105,000	69,990				
Cedar Creek Trail - Segment 11 Design & Construction	500,000					
Dog Park Design - North of Hwy 99	105,000	100,000				
Skate Park (Design & Constuction)	580,000	561,043				
	\$ 2,385,000	\$ 1,322,933	\$ -	\$ -	\$ -	\$ -
Total Annual Expenditures	\$ 43,909,998	\$ 6,490,338	\$ 6,712,886	\$ 8,664,526	\$ 6,370,284	\$ 9,125,668

Street Capital Projects

The Street Capital Fund relies on County traffic improvement fees and City system development charges.

Sunset Boulevard and Highway 99 Improvements: This project includes adding westbound and eastbound left turn lanes on Sunset Boulevard, and changing the signal phasing from permissive to protected/permissive phasing.

Kruger-Elwert-Highway 99 Intersection Improvements: This project includes construction of a roundabout and relocation of the intersection of Kruger/Elwert Roads. This is a joint City/County/State controlled project. This project will improve safety and traffic volume along Elwert.

Tualatin Sherwood Road Widening: This project includes widening Tualatin Sherwood Road to include two westbound lanes between Langer Farms Parkway and Borchers. This is a joint project with the County.

Oregon Street Improvements: This project includes upgrading Oregon Street from railroad crossing east to Murdock Road roundabout to include a three-lane collector road with bike lanes, sidewalks and planter strips.

Sunset Boulevard North Side Sidewalk: This project is to construct a new sidewalk at Sunset Boulevard and Pine Street and plant rain gardens.

Galbreath from Gerda Lane to Powerlines: This project will grind off the existing road surface and place one or more layers of asphalt pavement.

Foundry from Willamette end of road: This project includes the reconstruction of Foundry from Willamette to the end of the road.

Sunset Boulevard between Richen Park and Eucalyptus: This project includes grinding off the existing surface and replacing with one or more layers of asphalt pavement.

Washington Street from Second to Third: This project includes reconstruction of Washington Street from Second to Third.

Washington Street from Willamette to barricade: This project includes reconstruction of Washington Street from Willamette to the barricade.

Stormwater Capital Projects

The Stormwater Fund collects SDCs for storm infrastructure expansion and reserves a portion of user charges for capital construction.

Oregon Street Regional Stormwater Facility: This project constructs a regional stormwater treatment facility located north of Oregon Street and west of the Murdock Road roundabout.

2nd & Park Street Regional Stormwater Quality Facility Remediation: This project consists of conducting design analysis and providing engineering design solutions to existing regional water quality facility which is not meeting operational and regulatory requirements. No additional staffing needed. Reconstruction of facility anticipated to be conducted in a future fiscal year.

Murdock Apartment Swale: Design and construct new water quality swale and storm sewer on the south side of Murdock, near apartments.

City Wide Catch Basin Remediation program: This program consists of replacement of un-sumped catch basins located within the City's storm drainage conveyance system, in compliance with CWS's MS4 Permit.

Cascade Court Drainage: This project consist of constructing additional catch basin and piping.

Woodhaven Swales: Water Quality Facility Rehabilitation is needed to remove sediments from the facility to ensure continued operation of existing structural facilities that protect surface waters from adverse impacts of stormwater runoff. These ponds are responsible for holding water, removing pollutants and providing flood prevention and water quality treatment.

Water Quality Facility Refurbishments: Water Quality Facility Rehabilitation is needed to remove sediments from the facility to ensure continued operation of existing structural facilities that protect surface waters from adverse impacts of stormwater runoff. These ponds are responsible for holding water, removing pollutants and providing flood prevention and water quality treatment.

Cedar Brook Outfall Project: Cedar Brook Outfall project is to repair an existing slope erosion issue northeast of Cedar Brook Way and northwest of Highway 99W by extending the existing storm sewer to a point where a new outfall can be constructed that will eliminate the erosion issues.

Sanitary Capital Projects

The Sanitary Fund collects SDCs for sanitary infrastructure expansion.

Old Town Mid-Block Sewer Point Repair: This project consists of designing and constructing a point repair to overcome an obstruction that impedes correct operation of the sanitary sewer conveyance system. This obstruction creates a health and safety issue for the local residents and businesses who must rely on the system for sanitary waste disposal.

Washington Street Sewer Rehab: This project consists of replacing approximately 250 linear feet of existing 6-inch diameter sanitary sewer with 8-inch diameter pipe. This upgrade will alleviate flow restrictions and bring this section into compliance with minimum pipe sizes for public sanitary sewer conveyance systems. City maintenance capability of the upgraded line will also be enhanced.

Rock Creek Sanitary Trunk Line Capacity Upgrade Phase I: This project includes up-sizing approximately 1,910 linear feet of 18" diameter sanitary trunk line to 24" diameter.

Rock Creek Sanitary Trunk Line Capacity Upgrade Phase II: This project includes replacement of approximately 2,600 linear feet of existing 15" diameter RCP sanitary sewer trunk pipeline with 18" diameter HDPE sanitary sewer trunk line.

Brookman Sanitary Sewer Trunk Line: This project extends a public sanitary conveyance system mainline through the Brookman Area annexed property. This mainline extension will provide service for the future growth of the area.

Water Capital Projects

The Water Fund collects SDCs and user charges for water infrastructure expansion and capital construction.

Brookman Expansion-Loop from prop SW Sherwood PRV to Hwy 99 (M7): This project will install new water main along old HWY 99W South of Crooked River Lane to proposed SW Sherwood PRV (V-1).

Water Treatment Plant Surge Mitigation: This project consists of two improvement projects at the plant related to surge mitigation and disinfectant contact time in order to deliver the current 15 mgd (millions of gallons per day) capacity.

Water Treatment Capacity Increase: This project consists of the purchase of 5 million gallons per day (mgd) of additional capacity in the Willamette River Water Treatment Plant's (WRWTP) oversized intake facilities to meet long-term supply needs.

Water Treatment Plant 20.0 mgd Expansion: The existing treatment processes will be updated for the 20 mgd (millions of gallons per day) WRWTP expansion. Increasing the Actiflo® flow rate from 7.5 mgd per basin to 10 mgd per basin. Increasing the ozonation basin flow rate from 7.5 mgd per basin to 10 mgd per basin.

Routine Waterline Replacement Program: This project includes replacement of pipes based on a 100-year life cycle adopting the following prioritization: 1. Known pipe capacity and condition issues 2. Pipe material – based on City record of pipe material and era of manufacture; Highest priorities are galvanized pipe and post-1950 cast iron 3. Pipe age – coordinate replacement of pipes 50 years or older with other City utilities and transportation (City, County or State) projects.

Upgrade SCADA System: This project will allow for upgrades to the Supervisory Control and Data

Acquisition (SCADA) computer system to ensure continued ability to monitor water facility performance and security systems at drinking water reservoirs and pump stations.

Generator and Electrical Upgrade at WTP: To meet the 2022 site capacity of nominally 20 mgd (millions of gallons per day), the plant's electrical supply and distribution system will need significant upgrades. Preliminary engineering for the capacity expansion will require detailed analysis of electrical supply alternatives, including backup power requirements.

Update Resiliency Plan: This project includes addressing the need for a local water system resilience plan to achieve the seismic response and recovery goals for Willamette Valley water utilities presented in the Oregon Resilience Plan.

Brookman Expansion-Loop from prop SW Sherwood PRV to Hwy 99: This project will install new water main along old Hwy 99W from proposed Southwest Sherwood PRV across Goose Creek.

Brookman Expansion-Loop from prop SW Sherwood PRV to Hwy 99: This project will install new water main along proposed Goose Creek arterial from Old Hwy 99W northwest to Hwy 99W.

TEA Expansion Loop – Loop with existing Oregon Street mains: This project will extend Cipole Road main south from Tualatin Sherwood Road to proposed TEA water main backbone.

SW Sherwood PRV (V-1): This project will install a pressure reducing valve to provide an emergency connection between the existing 455 Zone distribution mains and future 380 Zone mains on Old Highway 99W at the Brookman Annexation Boundary.

Water Management and Conservation Plan Upgrade: This project includes compliance with Oregon Water Resources Department (OWRD) requirements for groundwater permit holders. The City is required to complete an update of their Water Management and Conservation Plan (WMCP) every 10 years.

Fire Flow – Norton Avenue: This project will upgrade 6-inch main along Norton Street from Willamette Street south to fire hydrant at Forest Avenue to an 8" water mainline. The current sized pipeline does not support the necessary fire flow requirement for the land use/occupancy type.

General Construction Projects

The General Construction Fund collects system development charges for park infrastructure expansion. This fund also accounts for park and trail projects that are funded from multiple combined sources.

Cedar Creek Trail, Segments 8 & 9 Design and Construction: This project consists of developing construction level plans, specifications, and construction cost estimates. Project funding from Regional Flexible Funds. Staffing needed to maintain new trail system.

Parks Master Plan Update: This project consists of updating the existing Park master plan and creating a needs list of parks projects, which will be used to update the parks SDCs and Rates. This will identify projects over the next several years.

Dog Park Design: This project consists of identifying property and completing the design. Additional cost for maintenance will only happen if the park is built. These costs will include 300 hours of labor, additional cost for doggie bags, trash removal, and bark chips depending on the use.

Skate Park: This project consists of design and construction of a skate park located at the City's recreation facility site at the corner of Sunset Boulevard and Hwy 99W.

Ice-Age Tonquin Trail Wayfinding Signage: This project will provide wayfinding signage along the City's regional trails, specifically for the "west-fork" of the regional Ice-Age Tonquin Trail System, commonly referred to as the Cedar Creek Trail or Greenway in Sherwood.

Ice-Age Tonquin Trail Bike Stations: The project will include installation of bicycle repair stations in Old Town and the Washington St Parking Lot near Stella Olsen Park. This project will be funded by a WCVA (Washington County Visitors Association) grant.



Home of the Tualatin River National Wildlife Refuge

Budget Detail

City in Total

Actual 2015-16 (restated)	Actual 2016-17	Budget 2017-18		Proposed 2018-19	Approved 2018-19	Adopted 2018-19
\$22,515,378	\$25,551,846	\$ 25,858,140	RESOURCES			
			Beginning fund balance	\$29,743,347	\$29,053,369	\$29,053,369
			Revenue			
6,276,975	6,091,515	5,783,550	Taxes	5,923,495	5,923,495	5,923,495
1,899,666	1,902,898	2,001,522	Franchise Fees	2,060,625	2,060,625	2,060,625
88,778	83,529	74,000	Licenses and permits	68,000	68,000	68,000
3,194,365	3,079,399	3,418,031	Intergovernmental	3,615,437	3,615,437	3,615,437
10,015,395	10,257,802	10,892,829	Charges for services	11,632,206	11,671,956	11,671,956
1,970,450	1,073,640	1,610,873	Infrastructure development	1,779,265	1,779,265	1,779,265
1,649,503	1,667,957	1,638,467	Fines, interest and other	2,985,845	3,024,016	3,024,016
25,095,133	24,156,740	25,419,272	Total revenue	28,064,873	28,142,794	28,142,794
			Other sources			
315,074	102,757	1,456,535	Transfers in	417,805	417,805	417,805
234,306	4,793	1,780,780	Sale of fixed assets	-	-	-
179,874	-	-	Interfund loan payments	-	-	-
-	9,189,000	-	Issuance of long-term debt	-	-	-
729,254	9,296,550	3,237,315	Total other sources	417,805	417,805	417,805
48,339,766	59,005,136	54,514,727	Total resources	58,226,025	57,613,968	57,613,968
			REQUIREMENTS			
			Expenditures			
			Personal services			
6,973,461	7,135,379	7,728,734	Salaries and wages	8,445,737	8,161,427	8,161,427
680,515	640,519	775,313	Payroll taxes	824,198	802,116	802,116
2,717,878	2,905,362	3,520,181	Benefits	3,634,616	3,524,249	3,524,249
10,371,854	10,681,260	12,024,228	Total personal services	12,904,552	12,487,792	12,487,792
			Materials and services			
1,916,356	1,553,250	2,597,696	Professional & technical	2,466,488	2,446,488	2,446,488
2,646,286	3,108,835	4,591,677	Facility and equipment	4,944,243	4,272,970	4,272,970
1,388,107	1,443,424	1,590,482	Other purchased services	1,664,379	1,660,279	1,660,279
968,282	561,588	692,175	Supplies	732,037	731,262	731,262
31,329	45,677	29,400	Community activities	24,650	24,650	24,650
373,887	233,904	218,700	Minor equipment	215,570	215,570	215,570
543	1,051	517,617	Other materials & services	10,000	10,000	10,000
(56,833)	(66,304)	(35,080)	Cost Allocation	(41,211)	(34,996)	(34,996)
7,267,957	6,881,425	10,202,667	Total materials & services	10,016,156	9,326,223	9,326,223
			Capital outlay			
-	-	35,000	CWIP	-	-	-
1,238,487	1,700,643	3,070,283	Infrastructure	7,336,783	7,336,783	7,336,783
168,496	4,513	-	Buildings	5,500	5,500	5,500
3,187	11,438	-	Other improvements	43,000	43,000	43,000
129,682	125,677	167,000	Vehicles	307,000	307,000	307,000
189,419	114,257	14,500	Furniture and equipment	380,000	380,000	380,000
1,729,271	1,956,528	3,286,783	Total capital outlay	8,072,283	8,072,283	8,072,283
19,369,081	19,519,212	25,513,678	Total expenditures	30,992,991	29,886,298	29,886,298
			Debt service			
2,059,703	10,928,569	1,377,000	Principal	1,279,000	1,279,000	1,279,000
1,044,208	1,132,986	792,920	Interest	749,081	749,081	749,081
-	36,367	-	Issuance costs	-	-	-
3,103,911	12,097,922	2,169,920	Total debt service	2,028,081	2,028,081	2,028,081
			Other uses			
315,074	102,757	1,456,535	Transfers out	417,805	417,805	417,805
315,074	102,757	1,456,535	Total other uses	417,805	417,805	417,805
25,551,699	27,285,244	-	Ending Fund Balance	-	-	-
-	-	1,129,677	Contingency	1,264,406	1,267,952	1,267,952
-	-	24,244,917	Reserved for Future Years	23,522,743	24,013,832	24,013,832
\$48,339,766	\$59,005,136	\$ 54,514,727	Total requirements	\$58,226,025	\$57,613,968	\$57,613,968

Budget Detail

City by Fund

	General Fund	General Construction Fund	Debt Service Fund	Transient Lodging Tax Fund	Grants Fund	Street Operations Fund	Street Capital Fund	Water Fund	Sanitary Fund	Storm Fund	Broadband Fund	Adopted 2018-19 Budget
RESOURCES												
Beginning fund balance	\$ 3,685,457	\$ 886,917	\$ 29,063	\$ 1,055	\$ 23,393	\$ 1,779,764	\$ 3,859,972	\$ 11,574,588	\$ 2,746,140	\$ 4,098,357	\$ 368,663	\$ 29,053,369
Revenue												
Taxes	5,654,020	-	269,475	-	-	-	-	-	-	-	-	\$ 5,923,495
Francise Fees	2,020,625	40,000	-	-	-	-	-	-	-	-	-	\$ 2,060,625
Licenses and permits	68,000	-	-	-	-	-	-	-	-	-	-	\$ 68,000
Intergovernmental	2,083,604	43,045	-	1,300	84,000	1,402,488	-	-	1,000	-	-	\$ 3,615,437
Charges for services	1,810,036	18,000	-	-	-	624,270	55,000	6,072,825	703,000	1,923,499	465,326	\$ 11,671,956
Infrastructure development	-	381,950	-	-	-	-	576,495	591,645	128,378	100,797	-	\$ 1,779,265
Fines, interest and other	2,696,251	40,150	500	15	200	19,500	-	190,000	39,400	32,000	6,000	\$ 3,024,016
Total revenue	14,332,536	523,145	269,975	1,315	84,200	2,046,258	631,495	6,854,470	871,778	2,056,296	471,326	\$ 28,142,794
Other sources												
Transfers in	-	417,805	-	-	-	-	-	-	-	-	-	\$ 417,805
Total other sources	-	417,805	-	-	-	-	-	-	-	-	-	\$ 417,805
Total resources	\$18,017,993	\$ 1,827,867	\$299,038	\$ 2,370	\$107,593	\$3,826,022	\$4,491,467	\$18,429,058	\$3,617,918	\$6,154,653	\$ 839,989	\$ 57,613,968
REQUIREMENTS												
Expenditures												
Personal services												
Salaries and wages	6,646,819	46,294	-	-	-	295,664	36,042	438,521	236,565	371,478	90,044	8,161,427
Payroll taxes	647,303	4,265	-	-	-	30,570	3,455	44,020	24,689	40,112	7,702	802,116
Benefits	2,917,507	22,240	-	-	-	122,814	15,833	176,315	89,077	140,991	39,472	3,524,249
Total personal services	10,211,629	72,799	-	-	-	449,048	55,330	658,856	350,331	552,581	137,218	12,487,792
Materials and services												
Professional & technical	1,485,099	-	-	-	82,000	131,000	10,000	567,669	50,620	86,600	33,500	2,446,488
Facility and equipment	1,394,421	-	-	-	-	1,174,537	-	1,541,222	2,200	22,800	137,790	4,272,970
Other purchased services	901,998	-	-	-	-	28,009	-	461,673	108,019	133,405	27,175	1,660,279
Supplies	423,562	-	-	-	-	73,700	-	123,200	15,400	70,400	25,000	731,262
Community activities	24,650	-	-	-	-	-	-	-	-	-	-	24,650
Minor equipment	179,070	-	-	-	-	7,000	-	5,000	9,500	10,000	5,000	215,570
Other materials & services	10,000	-	-	-	-	-	-	-	-	-	-	10,000
Cost Allocation	(1,354,301)	43,210	-	-	-	215,520	42,471	306,752	206,385	457,279	47,688	(34,996)
Total materials & services	3,064,499	43,210	-	-	82,000	1,629,766	52,471	3,005,516	392,124	780,484	276,153	9,326,223
Capital outlay												
Infrastructure	179,800	983,000	-	-	-	619,000	696,000	2,618,905	460,850	1,679,228	100,000	7,336,783
Buildings	5,500	-	-	-	-	-	-	-	-	-	-	5,500
Other improvements	43,000	-	-	-	-	-	-	-	-	-	-	43,000
Vehicles	307,000	-	-	-	-	-	-	-	-	-	-	307,000
Furniture and equipment	296,000	-	-	-	-	10,000	-	-	17,000	17,000	40,000	380,000
Total capital outlay	831,300	983,000	-	-	-	629,000	696,000	2,618,905	477,850	1,696,228	140,000	8,072,283
Total expenditures	14,107,428	1,099,009	-	-	82,000	2,707,814	803,801	6,283,277	1,220,305	3,029,293	553,371	29,886,298
Debt service												
Principal	-	-	245,000	-	-	-	-	1,034,000	-	-	-	1,279,000
Interest	-	-	24,475	-	-	-	-	724,606	-	-	-	749,081
Total debt service	-	-	269,475	-	-	-	-	1,758,606	-	-	-	2,028,081
Other uses												
Transfers out	-	-	-	-	-	-	417,805	-	-	-	-	417,805
Total other uses	-	-	-	-	-	-	417,805	-	-	-	-	417,805
Contingency	716,627	-	-	-	4,210	102,313	-	308,141	35,670	77,425	23,566	1,267,952
Reserved for Future Years	3,193,938	728,858	29,563	2,370	21,383	1,015,895	3,269,861	10,079,034	2,361,943	3,047,935	263,052	24,013,832
Total requirements	\$18,017,993	\$ 1,827,867	\$299,038	\$ 2,370	\$107,593	\$3,826,022	\$4,491,467	\$18,429,058	\$3,617,918	\$6,154,653	\$ 839,989	\$ 57,613,968

Budget Detail

General Fund in Total

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
(restated)			RESOURCES			
\$ 2,777,517	\$ 3,082,999	\$ 2,726,385	Beginning fund balance	\$ 3,520,998	\$ 3,685,457	\$ 3,685,457
			Revenue			
5,402,898	5,185,821	5,511,800	Taxes	5,654,020	5,654,020	5,654,020
1,844,808	1,862,444	1,961,522	Franchise Fees	2,020,625	2,020,625	2,020,625
88,778	83,529	74,000	Licenses and permits	68,000	68,000	68,000
1,916,127	1,862,747	2,000,088	Intergovernmental	2,083,604	2,083,604	2,083,604
1,072,581	1,083,867	1,523,488	Charges for services	1,770,286	1,810,036	1,810,036
(1,184)	-	-	Infrastructure development	-	-	-
1,508,413	1,403,125	1,341,067	Fines, interest and other	2,665,280	2,696,251	2,696,251
11,832,422	11,481,532	12,411,965	Total revenue	14,261,815	14,332,536	14,332,536
			Other sources			
84,870	-	825,000	Transfers in	-	-	-
11,791	4,793	-	Sale of fixed assets	-	-	-
179,874	-	-	Interfund loan payments	-	-	-
276,535	4,793	825,000	Total other sources	-	-	-
14,886,474	14,569,324	15,963,350	Total resources	17,782,813	18,017,993	18,017,993
			REQUIREMENTS			
			Expenditures			
			Personal services			
5,811,746	5,947,686	6,341,574	Salaries and wages	6,936,956	6,646,819	6,646,819
564,401	531,514	628,732	Payroll taxes	670,104	647,303	647,303
2,249,407	2,412,611	2,903,249	Benefits	3,030,679	2,917,507	2,917,507
8,625,555	8,891,811	9,873,555	Total personal services	10,637,740	10,211,629	10,211,629
			Materials and services			
1,145,600	961,502	1,208,942	Professional & technical	1,505,099	1,485,099	1,485,099
941,748	1,135,194	1,419,837	Facility and equipment	1,410,301	1,394,421	1,394,421
737,344	831,155	835,616	Other purchased services	906,098	901,998	901,998
318,852	360,304	403,075	Supplies	424,337	423,562	423,562
31,329	45,677	29,400	Community activities	24,650	24,650	24,650
282,059	161,895	162,400	Minor equipment	179,070	179,070	179,070
543	96	10,000	Other materials & services	10,000	10,000	10,000
(821,013)	(1,078,651)	(1,100,297)	Cost Allocation	(1,421,142)	(1,354,301)	(1,354,301)
2,636,462	2,417,171	2,968,973	Total materials & services	3,038,413	3,064,499	3,064,499
			Capital outlay			
24,691	-	-	Infrastructure	179,800	179,800	179,800
9,303	-	-	Buildings	5,500	5,500	5,500
-	11,438	-	Other improvements	43,000	43,000	43,000
129,682	125,677	134,000	Vehicles	307,000	307,000	307,000
84,416	103,827	7,000	Furniture and equipment	296,000	296,000	296,000
248,092	240,942	141,000	Total capital outlay	831,300	831,300	831,300
11,510,109	11,549,923	12,983,528	Total expenditures	14,507,453	14,107,428	14,107,428
			Debt service			
126,140	133,560	-	Principal	-	-	-
10,574	3,606	-	Interest	-	-	-
136,714	137,166	-	Total debt service	-	-	-
			Other uses			
156,653	45,000	11,406	Transfers out	-	-	-
156,653	45,000	11,406	Total other uses	-	-	-
3,082,999	2,837,235	-	Ending Fund Balance	-	-	-
-	-	620,598	Contingency	713,091	716,627	716,627
-	-	350,000	Reserved for Future Years - Maint.	297,788	297,788	297,788
-	-	1,997,818	Reserved for Future Years	2,264,481	2,896,150	2,896,150
\$ 14,886,474	\$ 14,569,324	\$ 15,963,350	Total requirements	\$ 17,782,813	\$ 18,017,993	\$ 18,017,993

Budget Detail

General Fund by Division

2015-16 Actual	2016-17 Actual	2017-18 Budget	General Fund Resources	2018-19 Proposed Budget	2018-19 Approved Budget	2018-19 Adopted Budget
(restated)						
\$ 2,777,517	\$ 3,082,999	\$ 2,726,385	Beginning fund balance	\$ 3,520,998	\$ 3,685,457	\$ 3,685,457
			Revenue			
5,402,898	5,185,821	5,511,800	Taxes	5,654,020	5,654,020	5,654,020
1,844,808	1,862,444	1,961,522	Franchise Fees	2,020,625	2,020,625	2,020,625
88,778	83,529	74,000	Licenses and permits	68,000	68,000	68,000
1,916,127	1,862,747	2,000,088	Intergovernmental	2,083,604	2,083,604	2,083,604
1,072,581	1,083,867	1,523,488	Charges for services	1,770,286	1,810,036	1,810,036
(1,184)	-	-	Infrastructure development	-	-	-
1,508,413	1,403,125	1,341,067	Fines, interest and other	2,665,280	2,696,251	2,696,251
11,832,422	11,481,532	12,411,965	Total revenue	14,261,815	14,332,536	14,332,536
			Other sources			
84,870	-	825,000	Transfers in	-	-	-
11,791	4,793	-	Sale of fixed assets	-	-	-
179,874	-	-	Interfund loan payments	-	-	-
276,535	4,793	825,000	Total other sources	-	-	-
14,886,474	14,569,324	15,963,350	Total resources	17,782,813	18,017,993	18,017,993
			Requirements			
			Administration Division			
			Personal services			
1,303,315	1,407,022	1,476,974	Salaries and wages	1,596,987	1,347,390	1,347,390
120,534	119,982	131,828	Payroll taxes	140,689	120,392	120,392
484,919	569,172	684,404	Benefits	702,862	614,682	614,682
1,908,769	2,096,177	2,293,206	Total personal services	2,440,538	2,082,464	2,082,464
18.0	19.1	19.4	FTE	19.4	16.6	16.6
			Materials and services			
470,766	385,543	441,625	Professional & technical	506,057	486,057	486,057
183,178	179,009	159,010	Facility and equipment	169,590	153,710	153,710
514,616	572,412	584,370	Other purchased services	630,000	625,900	625,900
12,091	12,276	16,250	Supplies	16,400	15,625	15,625
18,379	16,661	13,550	Community activities	7,800	7,800	7,800
130,585	105,987	63,500	Minor equipment	116,500	116,500	116,500
543	96	-	Other materials & services	-	-	-
(676,700)	(814,832)	(834,163)	Cost Allocation	(867,629)	(800,788)	(800,788)
653,459	457,152	444,142	Total materials & services	578,718	604,804	604,804
			Capital outlay			
42,848	69,942	-	Furniture and equipment	130,000	130,000	130,000
42,848	69,942	-	Total capital outlay	130,000	130,000	130,000
2,605,076	2,623,270	2,737,348	Total Administration Expenditures	3,149,256	2,817,268	2,817,268
			Community Development			
			Personal services			
852,373	878,877	919,897	Salaries and wages	1,025,441	982,034	982,034
77,701	75,414	82,823	Payroll taxes	91,798	88,370	88,370
333,072	355,527	397,459	Benefits	442,648	418,480	418,480
1,263,146	1,309,818	1,400,179	Total personal services	1,559,887	1,488,884	1,488,884
13.4	12.7	13.6	FTE	14.1	13.6	13.6
			Materials and services			
266,411	182,822	439,750	Professional & technical	577,590	577,590	577,590
502	771	1,508	Facility and equipment	-	-	-
55,802	62,424	47,265	Other purchased services	47,590	47,590	47,590
2,900	3,951	3,275	Supplies	6,037	6,037	6,037
-	-	-	Community activities	1,000	1,000	1,000
19,203	3,115	300	Minor equipment	7,200	7,200	7,200
(20,477)	(33,748)	(56,186)	Cost Allocation	(106,006)	(106,006)	(106,006)
324,341	219,334	435,912	Total materials & services	533,411	533,411	533,411
\$ 1,587,487	\$ 1,529,152	\$ 1,836,091	Total Community Dev. Expenditures	\$ 2,093,298	\$ 2,022,295	\$ 2,022,295

Budget Detail

General Fund by Division

2015-16 Actual	2016-17 Actual	2017-18 Budget	General Fund Requirements Continued	2018-19 Proposed Budget	2018-19 Approved Budget	2018-19 Adopted Budget
			Police Services			
			Personal services			
2,073,234	1,992,956	2,170,245	Salaries and wages	2,346,264	2,343,180	2,343,180
215,111	189,427	239,810	Payroll taxes	248,672	248,530	248,530
849,881	847,008	1,064,739	Benefits	1,080,308	1,079,011	1,079,011
<u>3,138,226</u>	<u>3,029,390</u>	<u>3,474,794</u>	Total personal services	<u>3,675,245</u>	<u>3,670,721</u>	<u>3,670,721</u>
26.3	23.8	25.5	FTE	27.0	27.0	27.0
			Materials and services			
231,056	212,192	218,330	Professional & technical	229,675	229,675	229,675
41,948	30,537	42,440	Facility and equipment	42,100	42,100	42,100
71,430	86,755	88,312	Other purchased services	93,775	93,775	93,775
41,953	56,558	56,500	Supplies	55,000	55,000	55,000
2,619	2,567	2,000	Community activities	3,500	3,500	3,500
93,481	7,909	46,500	Minor equipment	3,500	3,500	3,500
-	-	10,000	Other materials & services	10,000	10,000	10,000
<u>482,487</u>	<u>396,517</u>	<u>464,082</u>	Total materials & services	<u>437,550</u>	<u>437,550</u>	<u>437,550</u>
7,824	-	-	Furniture and equipment	-	-	-
<u>7,824</u>	<u>-</u>	<u>-</u>	Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
<u>3,628,537</u>	<u>3,425,907</u>	<u>3,938,876</u>	Total Police Expenditures	<u>4,112,795</u>	<u>4,108,271</u>	<u>4,108,271</u>
			Community Services			
			Personal services			
974,909	1,010,830	1,110,749	Salaries and wages	1,247,044	1,243,182	1,243,182
86,176	84,158	98,246	Payroll taxes	110,487	110,405	110,405
364,257	379,418	461,238	Benefits	491,535	490,223	490,223
<u>1,425,342</u>	<u>1,474,406</u>	<u>1,670,233</u>	Total personal services	<u>1,849,066</u>	<u>1,843,810</u>	<u>1,843,810</u>
18.8	19.3	20.6	FTE	20.8	20.8	20.8
			Materials and services			
67,662	102,987	70,300	Professional & technical	84,800	84,800	84,800
220	1,944	3,550	Facility and equipment	500	500	500
51,749	58,907	76,031	Other purchased services	81,465	81,465	81,465
137,560	171,782	208,950	Supplies	202,000	202,000	202,000
10,123	26,374	12,800	Community activities	10,800	10,800	10,800
11,517	16,942	18,910	Minor equipment	19,550	19,550	19,550
<u>278,831</u>	<u>378,935</u>	<u>390,541</u>	Total materials & services	<u>399,115</u>	<u>399,115</u>	<u>399,115</u>
<u>\$ 1,704,173</u>	<u>\$ 1,853,341</u>	<u>\$ 2,060,774</u>	Total Community Services Expenditures	<u>\$ 2,248,181</u>	<u>\$ 2,242,925</u>	<u>\$ 2,242,925</u>

Budget Detail

General Fund by Division

2015-16 Actual	2016-17 Actual	2017-18 Budget	General Fund Requirements Continued	2018-19 Proposed Budget	2018-19 Approved Budget	2018-19 Adopted Budget
			Public Works			
			Personal services			
607,916	658,000	663,709	Salaries and wages	721,220	731,033	731,033
64,879	62,534	76,025	Payroll taxes	78,458	79,606	79,606
217,278	261,486	295,409	Benefits	313,326	315,111	315,111
890,073	982,019	1,035,143	Total personal services	1,113,004	1,125,750	1,125,750
11.8	13.0	12.6	FTE	12.7	13.0	13.0
			Materials and services			
109,705	77,958	38,937	Professional & technical	106,977	106,977	106,977
715,898	922,933	1,213,329	Facility and equipment	1,198,111	1,198,111	1,198,111
43,747	50,657	39,638	Other purchased services	53,268	53,268	53,268
124,348	115,738	118,100	Supplies	144,900	144,900	144,900
207	75	1,050	Community activities	1,550	1,550	1,550
27,273	27,942	33,190	Minor equipment	32,320	32,320	32,320
(123,837)	(230,071)	(209,948)	Cost Allocation	(447,507)	(447,507)	(447,507)
897,342	965,232	1,234,296	Total materials & services	1,089,619	1,089,619	1,089,619
			Capital outlay			
24,691	-	-	Infrastructure	179,800	179,800	179,800
9,303	-	-	Buildings	5,500	5,500	5,500
-	11,438	-	Other improvements	43,000	43,000	43,000
129,682	125,677	134,000	Vehicles	307,000	307,000	307,000
33,744	33,886	7,000	Furniture and equipment	166,000	166,000	166,000
197,419	171,000	141,000	Total capital outlay	701,300	701,300	701,300
1,984,834	2,118,252	2,410,439	Total Public Works Expenditures	2,903,923	2,916,669	2,916,669
			Unallocated Expenditures			
			Debt service			
126,140	133,560	-	Principal	-	-	-
10,574	3,606	-	Interest	-	-	-
136,714	137,166	-	Total debt service	-	-	-
			Transfers out			
156,653	-	-	Transfers to General Const.	-	-	-
-	45,000	-	Transfers to Debt Service	-	-	-
-	-	11,406	Transfers to Grants	-	-	-
156,653	45,000	11,406	Total Transfers Out	-	-	-
3,083,001	2,837,235		Ending Fund Balance			
		620,598	Contingency	713,091	716,627	716,627
		350,000	Reserved for Future Years - Maint.	297,788	297,788	297,788
		1,997,818	Reserved for Future Years	2,264,481	2,896,150	2,896,150
\$ 14,886,474	\$ 14,569,324	\$ 15,963,350	Total requirements	\$ 17,782,813	\$ 18,017,993	\$ 18,017,993

Budget Detail

General Fund - Administration

Administration

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

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed Budget	2018-19 Approved Budget	2018-19 Adopted Budget
			Revenue			
5,402,898	5,185,821	5,511,800	Taxes	5,654,020	5,654,020	5,654,020
1,844,808	1,862,444	1,961,522	Franchise Fees	2,020,625	2,020,625	2,020,625
-	5,514	-	Licenses and Permits	65,000	65,000	65,000
500,545	613,870	600,574	Intergovernmental	669,132	669,132	669,132
59,833	64,606	69,300	Charges for Services	67,850	67,850	67,850
1,447,276	1,341,476	1,246,400	Fines, Interest, and Other	2,563,500	2,594,471	2,594,471
179,874	-	825,000	Transfers in & Other Sources	-	-	-
<u>9,435,233</u>	<u>9,073,731</u>	<u>10,214,596</u>	Total revenue	<u>11,040,127</u>	<u>11,071,098</u>	<u>11,071,098</u>
			Expenditures			
1,908,769	2,096,177	2,293,206	Personal services	2,440,538	2,082,464	2,082,464
653,459	457,152	444,142	Materials and services	578,718	604,804	604,804
42,848	69,942	-	Capital outlay	130,000	130,000	130,000
136,714	137,166	-	Debt service	-	-	-
138,653	45,000	11,406	Transfers out & Other Uses	-	-	-
<u>\$ 2,880,443</u>	<u>\$ 2,805,437</u>	<u>\$ 2,748,754</u>	Total expenditures	<u>\$ 3,149,256</u>	<u>\$ 2,817,268</u>	<u>\$ 2,817,268</u>
18.0	19.1	19.4	FTE	19.4	16.6	16.6

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.

2017-18 Highlights

- Projected to adopt 12 ordinances and 80 resolutions during FY18

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Increase transparency	Council meetings	19	26	24
	Work sessions	17	18	20
	Executive sessions	14	13	10
Training for Council members & Regional Meeting participation	Conferences: Oregon Mayor’s Assoc. Conf. (2) League of OR Cities Annual Conf. NLC National League of Cities Conf. New Partners for Smart Growth	4	4	8
	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	58	56	62

City Recorder

The City Recorder is the custodian of records; is 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.

2017-18 Highlights

- Elections - Coordinated 1 Initiative Petition for proposed Code Amendment
- Elections - Coordinated 3 Recall Petitions
- Elections - Coordinated 3 Special and 1 General Election
- Oversaw 3 Municipal Code Amendments
- Established City Records Management Committee to oversee City Records Management
- 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

2018-19 Goals

- Implement City Records Management Software System (pending budget approval)
- Migrate Records into new Records Repository
- Draft City Records Management Procedures
- Purge City records per State Records Retention Schedule (ongoing)

Performance Measures

Strategy	Measures	FY16 -17 Actual	FY17-18 Projected	FY18-19 Projected
Adhere to public records law and respond to public records requests	Public records requests	70	60	60
	Responded within 5 business days	35	40	40
Develop and implement a Records Management Program	Staff Records Management Training	2	4	6
	Coordinate Citywide Records Management Days	2	2	2
Maintain Current Code Updates	Municipal Code updates	2	5	5
Coordinate Accurate and Transparent Elections	Process Election Candidate filings	5	5	0

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 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.

2017-18 Highlights

- Completed a new operating agreement with YMCA to operate the city-owned Recreational Center.
- Completed a Compensation Study for all positions within the organization.
- Conducted two sessions of the Sherwood Citizens University program to increase citizen understanding of city government.

2018-19 Goals

- Explore possible partnership with Tualatin Valley Community Television to provide governmental programming on our cable access channel (Citywide Value – Quality Services).
- Continue to support enhanced programs and activities to engage the public on issues facing the community (Citywide Value – Citizen Participation).
- Continue to implement enhancements to City intranet to ensure efficient sharing of important information to employees (Citywide Value – Quality Services).

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Increase communication with the public	Newsletter Frequency	Every Two Months	Every Two Months	Every Two Months
	Number of Facebook Friends	1,931	2,250	2,500
	Number of Twitter Followers	250	525	750

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.

2017-18 Highlights

- Hired a summer law clerk as a means to increase departmental productivity at little to no cost and to provide an educational service.
- Finalized inventory of prior counsel’s files.
- Assisted staff and Council with numerous elections issues.
- Completed negotiations on the Willamette Intake Facilities project.
- Assisted with comprehensive review and update of Council Rules.

2018-19 Goals

- Continue to compile City Administrative Rules in a centralized and codified document. This is a multi-year project.
- Conduct comprehensive review and update of the City’s public contracting and expenditure authority policies and rules.
- Continue to review City ordinances and performance of housekeeping updates. This is a multi-year project.
- Finalize development of an RFP template.
- Continue and build upon summer law clerk program.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Increase communication with City Council	Frequency of Sharing Project Tracking System with Council	N/A	Quarterly upon launch	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.

2017-18 Highlights

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

2018-19 Goals

- Implement NeoGov recruitment management software (City- wide Value – Fiscal Responsibility).
- Implement updated employee manual to assist managers and employees (Citywide Value – Fiscal Responsibility).

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Provide efficient external recruitment service	Number of applicants for all positions	463	208	400
	Working days for external recruitments	62.3 days	62.3 days	55 days
Perform facility inspections by Safety Committee to minimize unsafe conditions	Number of identified unsafe practices eliminated	0	2	2
Maintain a low number of accidents and the cost of worker compensation claims	Number of accidents	8	7	8
	Time loss (days)	1	2	5
	Annual cost of worker compensation claims	\$300	\$600	\$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.

2017-18 Highlights

- Completed a major firewall upgrade and migration.
- Completed major software/hardware upgrades to several key systems.
- Storage, Virtualization, Phone, Backup
- Implemented a new IT service management application.
- Implemented a new reporting and business intelligence tool.
- Continued security awareness training for staff.
- Established direct connectivity to Washington County for access to GIS, Jail and Dispatch resources.
- Extended IT services and Infrastructure to the Senior Center.
- Upgraded all staff computers with hard drive, memory and Windows 10.

2018-19 Goals

- Install and migrate to a new primary storage system.
- Evaluate current backup procedures and potentially implement new strategies to address changing data retention needs.
- Perform security penetration tests on several key systems.
- Install audio/video upgrades at the Police station and install cameras at the Arts Center (if budget allows).
- Implement a disaster recovery site at our Hillsboro data center.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Effectively maintain and support computer and informational systems throughout the City	Major Software Applications Supported	67	67	67
	Computer Systems Supported	242	260	250
	Network Systems Supported	59	47	50
	Terabytes of data maintained and	45 TB	57 TB	60 TB
	Help desk tickets submitted	1,000	1,000	1,200
Productivity Through IT Service Management process improvement	Help desk tickets resolved within 30 min. (Estimate)	10%	10%	10%
	Satisfaction Rate: Good or better	97.7%	98%	98%
	IT Staff Training Hours	160	8	120

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.

2017-18 Highlights

- Received the GFOA Budget Award for the Fiscal Year 2017-18 budget document.
- Submitted for the GFOA Award for Excellence in Financial Reporting for FY2016-17.
- Implemented OpenGov Financial Transparency Stories platform.
- Obtained and implemented the 5Cast financial projection model.

2018-19 Goals

- Fine tune and improve the 5Cast financial projection model (Citywide Value – Fiscal Responsibility).
- Expand the use of OpenGov and develop consistent periodic reporting for management and Council (Citywide Value – Fiscal Responsibility) as well as for the citizens (Citywide Value – Transparent Government).
- Implement new fixed asset policy and inventory process (Citywide Value – Fiscal Responsibility).

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Maintain high levels of financial integrity	Independent auditor opinion	Unqualified	Unqualified	Unqualified
	Number of GFOA reviewer comments on the CAFR	8	5	4
Deliver efficient, effective financial services	Credit rating	Aa3	Aa3	Aa3
	Actual cost to deliver financial services	\$635,923	\$601,092	\$647,554
	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.

2017-18 Highlights

- Implemented court software upgrade to the current version.
- Implemented new process/rules for the revised cell phone law.
- Implemented new presumptive fine schedule.
- Completion of RFP for camera speed enforcement.
- Trained additional court staff.
- Began Implementation of camera speed enforcement.

2018-19 Goals

- Move court software to new server.
- Streamline court workflow.
- Finalize implementation of camera speed enforcement.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Manage an efficient and effective Municipal Court	Traffic violations	8,306	9,000	21,500*
	Parking violations	86	130	150
	City Ordinance violations	13	20	25
	Total violations processed	8,469	9,400	23,000
	Number of court staff	2.5	2.5	3.5
	Number of violations processed annually per clerk	3,387	3,760	6,571
	Operating expenses	\$540,968	\$514,113	\$749,300
	Operating expenses per processed violation	\$63.88	\$54.69	\$32.58

*12,000 (represents estimated violations – camera speed enforcement) included in total of FY18-19 projected.

Budget Detail

General Fund - Community Development

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.

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed Budget	2018-19 Approved Budget	2018-19 Adopted Budget
			Revenue			
85,478	74,200	72,000	Licenses and Permits	-	-	-
285,260	60,139	139,855	Intergovernmental	50,725	50,725	50,725
634,752	620,318	1,014,413	Charges for Services	1,279,466	1,319,216	1,319,216
(1,184)	-	-	Infrastructure & Development fees	-	-	-
-	696	300	Fines, Interest, and Other	-	-	-
<u>1,004,306</u>	<u>755,353</u>	<u>1,226,568</u>	Total revenue	<u>1,330,191</u>	<u>1,369,941</u>	<u>1,369,941</u>
			Expenditures			
1,263,146	1,309,818	1,400,179	Personal services	1,559,887	1,488,884	1,488,884
324,341	219,334	435,912	Materials and services	533,411	533,411	533,411
<u>\$ 1,587,487</u>	<u>\$ 1,529,152</u>	<u>\$ 1,836,091</u>	Total expenditures	<u>\$ 2,093,298</u>	<u>\$ 2,022,295</u>	<u>\$ 2,022,295</u>
13.4	12.7	13.6	FTE	14.1	13.6	13.6

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.

2017-18 Highlights

- Comprehensive Plan Community Advisory Committee formed and consultant selected.
- Annexed a portion of the Brookman area and adopted Comprehensive Plan/Zoning, Title 11 plan, and amended Sherwood West Concept Plan for the new high school facility.
- Consulted with the Sherwood West Community about the potential Urban Growth Boundary Expansion.
- Updated the City’s Housing Needs Analysis 2018-2038.
- Managed the environmental review of the Tannery Site.

2018-19 Highlights

- Commence the Sherwood community-visioning project to help inform the Comprehensive Plan Update (Citywide Goal-Livability).
- Build the Comprehensive Plan on solid sources of information the Economic Opportunities Analysis and Housing Needs Analysis to construct meaningful plan policies for Sherwood’s future (Citywide Goal-Livability).
- Establish Comprehensive Plan policies based on visioning and background documents
- Continue to provide excellent customer service to citizens, Council and developers alike.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 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	8	7	7
	Land use decisions made by City staff (Type II)	1	9	4
	Land use decisions made by City staff (Type I)	79	92	90
	Land use decisions made by Hearing Officer or Planning Commission	15	7	13
	Land use decisions made by City Council	9	7	2
	Number of land use appeals	0	1	0
	% of staff recommendations upheld on appeal	N/A	100%	100%
Improve clarity and effectiveness of Code	Code amendment projects undertaken	6	2	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.

2017-18 Highlights

- Issued permits, completed required inspections, and granted occupancy approval for new Smockville Brewhouse pub/restaurant.
- Permitted and approved Love Bites by Carnie production area and tenant improvement.
- Completed occupancy approvals for 40-lots in Mandel Farms residential sub-division.

2018-19 Goals

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

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Provide timely service	Building inspection performed same day	100%	100%	100%
	Plan review turnaround within 2 weeks’ time for single family	98%	98%	98%
	Plan review turnaround within 2 weeks’ time for commercial improvements	95%	95%	95%
	Plan review turnaround within 4 weeks’ time for new commercial buildings	95%	95%	95%
Permits: Identify and track workload measures to enable appropriate staffing	Total number of permits	635	675	680
	New single-family homes	34	42	45
	New Multi-family homes	0 Units	17 Units	8 Units
	Residential remodel/additions	28	35	30
	New commercial buildings	9	10	10
	Commercial tenant improvement	58	41	40
	Miscellaneous (Mech, Plumb, AS)	441	420	425
Number of inspections	2,661	2,500	2,600	

Engineering

The Engineering department plans, designs, and oversees construction of the City's Capital Improvement Projects (CIPs), 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.

2017-18 Highlights

- Completed removal of the downtown monuments.
- Completed construction of a public parking lot within downtown Sherwood.
- Commenced construction of the Pine Street sanitary sewer extension project.
- Continued coordination efforts with the Sherwood School District for site development of a new Sherwood High School. Includes coordination efforts with ODOT and WACO on transportation issues, CWS for sanitary sewer issues, and City planning staff and Metro for land use issues.
- Continued coordination of engineering design efforts for the Cedar Creek Trail project.
- 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.
- Initiated a traffic data analysis program that is designed to provide technical response to complaints of traffic volume and speed at specific location within the City.
- Provided design coordination efforts between ODOT, WACO, CWS, and developers on private site developments. The major projects include Cedar Creek Plaza, Hampton Inn Hotel, and Zenport developments.

2018-19 Goals

- Explore creation of a traffic calming program to respond to citizen transportation concerns (Citywide Goal-Public Safety)
- 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 (Citywide Goal – Infrastructure and Public Safety)
- Prepare preliminary design analysis of sanitary sewer trunk line running through the Brookman area. Coordinate with CWS on design goals, timelines, and budget development (Citywide Goal – Infrastructure, Economic Development, Livability)
- Commence design modifications to the Park Street stormwater quality treatment

facility and update the facility to meet regulatory operating standards (Citywide Goal- Infrastructure and Livability)

- Commence preliminary design efforts upgrading the Rock Creek sanitary sewer trunk line, which crosses Tualatin-Sherwood Road. Intent is to upgrade the portion of the sanitary trunk line crossing Tualatin- Sherwood Road prior to installation of large diameter waterline running from Tualatin to Hillsboro, and reconstruction of Tualatin-Sherwood Road by WACO (Citywide Goal – Infrastructure, Livability)

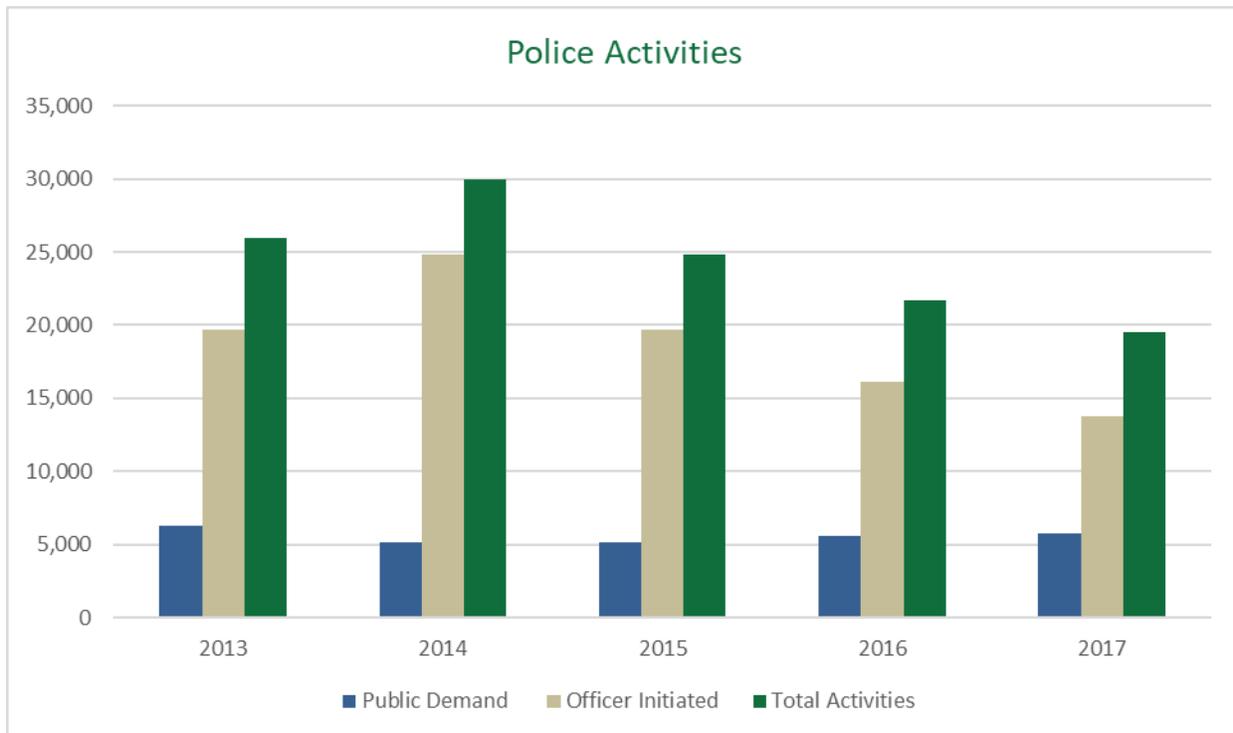
Performance Measures

Strategy	Measures	FY 17-18 Projected	FY17-18 Actual	FY18-19 Projected
Provide professional infrastructure design and management services	Capital projects designed, managed, and/or inspected	9	9	10
	Public improvement projects designed managed & inspected	6	5	9
	Private development pre-applications reviewed	10	9	10
	Private development applications reviewed for final approval	12	8	10
Protect infrastructure and right-of-ways. Enforce engineering design and construction standards	Right-of-way permits issued	60	50	60
	SFR lot ESC plan reviews performed	40	50	40
	SFR lot ESC inspections performed	366	530	425
	ESC inspections performed under Compliance Agreement projects	350	210	250

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.

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed Budget	2018-19 Approved Budget	2018-19 Adopted Budget
			Revenue			
3,300	3,815	2,000	Licenses and Permits	3,000	3,000	3,000
67,182	51,205	118,339	Intergovernmental	69,021	69,021	69,021
6,762	6,704	6,000	Charges for Services	4,000	4,000	4,000
1,065	-	2,750	Fines, Interest, and Other	120	120	120
78,309	61,724	129,089	Total revenue	76,141	76,141	76,141
			Expenditures			
3,138,226	3,029,390	3,474,794	Personal services	3,675,245	3,670,721	3,670,721
482,487	396,517	464,082	Materials and services	437,550	437,550	437,550
7,824	-	-	Capital outlay	-	-	-
\$ 3,628,537	\$ 3,425,907	\$ 3,938,876	Total expenditures	\$ 4,112,795	\$ 4,108,271	\$ 4,108,271
26.3	23.8	25.5	FTE	27.0	27.0	27.0



Police

2017-18 Highlights

- Maintained community engagement at community events and through social media.
- Worked with City Council and Police Advisory Board to determine future police staffing (Citywide Goal – Public Safety).
- Continued to enhance community engagement by enhancing social media efforts and increasing shared public safety information (Citywide Value – Citizen Participation).
- Acquired our K-9 comfort dog, Mila, to enhance the Officer Wellness Program and to assist victims of trauma.

2018-19 Goals

- Continue to enhance volunteer opportunities through reserve program re-start and newly formed community support team (Citywide 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.
- 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.
- Development of Officer Wellness Program; this involves a K-9 comfort dog, Chaplain and Peer Support.

Performance Measures

Strategy	Measures	2016 Actual	2017 Actual	2018 Projected
Maintain safety through proactive activities	Number of sworn officers	23	23	23
	Population served	19,145	19,145	19,350
	Number of proactive activities	16,107	13,739	14,000
	Total all calls & activities	21,667	19,500	20,000

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 Marjorie Stewart Center offers programs, classes and meals for seniors.

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed Budget	2018-19 Approved Budget	2018-19 Adopted Budget
			Revenue			
828,983	865,347	896,320	Intergovernmental	901,726	901,726	901,726
355,560	380,713	421,650	Charges for Services	405,700	405,700	405,700
40,322	41,847	73,137	Fines, Interest, and Other	79,087	79,087	79,087
<u>1,224,865</u>	<u>1,287,907</u>	<u>1,391,107</u>	Total revenue	<u>1,386,513</u>	<u>1,386,513</u>	<u>1,386,513</u>
			Expenditures			
1,425,342	1,474,406	1,670,233	Personal services	1,849,066	1,843,810	1,843,810
278,831	378,935	390,541	Materials and services	399,115	399,115	399,115
<u>\$ 1,704,173</u>	<u>\$ 1,853,341</u>	<u>\$ 2,060,774</u>	Total expenditures	<u>\$ 2,248,181</u>	<u>\$ 2,242,925</u>	<u>\$ 2,242,925</u>
18.8	19.3	20.6	FTE	20.8	20.8	20.8

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 1.6 million items—including 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, newspapers, games and more. 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.

2017-18 Highlights

- Welcomed 246,000 visits, 20,500 visits per month, and 1,300 new library cardholders.
- Provided 363,000 uses of the library’s physical and digital collections—32 per patron.
- Provided 708 events and classes with 24,300 participants.
- Added 6,500 items to the local collection.
- Installed new interior wayfinding signage for easier browsing.
- Added popular collections: picture books by topics, video games and Playaways.
- Implemented Book Match, a reader’s advisory service in English and Spanish.
- Provided professional development for staff in diversity, reader’s advisory, research and emergencies, and updated procedures and services to incorporate new knowledge.

2018-19 Goals

- Evaluate library programming with the Public Library Association’s Project Outcome
- Launch an Adult Winter Reading Program.
- Curate a circulating Library of Things collection of equipment, tools, games and more.
- Create a separate New Book collection for juvenile and young adult materials.
- Implement Science Fiction/Fantasy genre labels for Adult Fiction.
- Audit the library spaces for ADA access.
- Increase usability of website and access to electronic resources.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Increase availability and use of popular materials	Picture Book circulation	33,428	34,000	34,050
	Juvenile Fiction circulation	27,004	27,200	27,300
Enhance library services to reflect inclusion, diversity and accessibility	World language materials	776	950	1,130
	National Edge Assessment score for technology accessibility (out of 1000)	570	735	785

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.

2017-18 Highlights

- An estimated 417 volunteers contributed a total of 10,333 hours, equivalent to 4.97 FTE. Nearly double from FY16-17.
- Coordinated and offered 7 weeks of Music on the Green concerts at Stella Olsen Park to approximately 1,400 people each week.
- Coordinated annual Veterans Day Ceremony.
- Managed, developed and implemented Citywide 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, 26 Monument Requests, and 68 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 and park clean ups.
- Community Garden full with 8 people on the waiting list.
- Coordinated and managed 417 volunteers.

2018-19 Goals

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

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Increase Citywide volunteer opportunities	Volunteer Hours	5,249	10,333	10,500
Accommodate special events and festivals	Special Event Permits Issued	38	38	40
Increase attendance at City sponsored events	Attendance at Music on the Green	9,800	9,800	9,900
	Attendance at Movies in the Park	2,100	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.

2017-18 Highlights

- Made up for a big time long-term rental with a bunch of small ones.
- Managed three nights a week of adult leagues and over 800 hours of rentals.
- Offered 2 sessions of youth soccer with over 30 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.

2018-19 Goals

- Increase service to 20,000 people (Citywide Goal – Resident Well Being).
- Add a fourth night of adult leagues (Citywide Goal – Resident Well Being).
- Maximize the use of field and gym space during school bond improvements (Citywide Goal – Resident Well Being).

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Provide quality recreational opportunities for Sherwood citizens.	Number people served in the Fieldhouse	17,500	18,500	20,000
	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.*

2017-18 Highlights

- During its second full year of operations, Sherwood Center for the Arts greatly expanded programming and rentals (Citywide Value – Community Livability).
- Installed *the Sherwood Unity Project*, a temporary public art exhibit and interactive experience (Citywide Value – Citizen Participation).
- Enhanced the Family Matinee Series to encourage audience engagement and support audience development (Citywide Value – Citizen Participation).
- Partnered with the Friends of the Sherwood Center for the Arts to offer over \$6,000 in Assistance to the community in the form of Scholarships and Production grants. (Citywide Value – Citizen Participation).
- A projected 28,837 community members visited the Center for the Arts in FY 2017-18 for classes, events rentals and other activities.
- Eight companies call the Center for the Arts their performance home, offering 25 productions, with 62 performances serving over 20,000 audience members in FY 2017-18. (Citywide Value – Citizen Participation).

2018-19 Goals

- Develop and write the Sherwood Public Art Master Plan (Citywide Value – Community Livability).
- Launch a new Performance Series focusing on more mature audiences (Citywide Value – Citizen Participation).
- Start planning on Phase 2 of the Sherwood Cultural Walking Tour (Citywide Value – Community Livability).
- Increase sponsorships to support programs at the Center for the Arts (Citywide Value – Community Partnerships).

Performance Measures

Strategy	Measures	FY16-17 Actuals	FY17-18 Projected	FY18-19 Projected
Increase participation and utilization of the Center for the Arts facility and programs	Number of registrations for classes, workshops or camps	452	527	550
	Number of production rentals	23	25	30
	Number of facility rentals	50	56	60
	Number of tickets sold to Center for the Arts programs & events	938	933	1,000
	Number of attendees for free arts events	2,516	2,906	3,000
	Number of attendees for visiting events & rentals	18,700	24,388	27,000

Marjorie Stewart Center

The Marjorie Stewart Center opened in 1982. It was originally built using 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 Highlights

- Transitioned operations of the Marjorie Stewart Center with no disruption to services and programs.
- Transitioned all volunteers to the City Volunteer Program.
- Provided a meal (lunch) 5 times a week.
- Increased lunch service from approximately 80 per week to approximately 134 per week, serving a total of 6,968 meals.
- Offered 127 program over the course of month.
- Trained 50 volunteers for help operate the program.

2018-19 Goals

- Increase programs offered for seniors (Citywide Goal – Resident Well Being).
- Increase participation in Meal program (Citywide Goal – Resident Well Being).
- Increase participation in programs (Citywide Goal – Resident Well Being).

Performance Measures

Strategy	Measures	FY17-18 Projected	FY18-19 Projected
Provide quality programs for Seniors. Provide a meal program for Seniors.	Number of programs offered per month	127	135
	Number of Seniors served meals	6,968	7,228

Public Works

The Public Works Division is responsible for operation and maintenance activities of the City’s infrastructure. Maintenance includes: water, sewer, stormwater, streets, parks, sport fields, facilities and fleet. Public Works provides critical services 24/7 to all residents. Water, sewer, stormwater, and streets are accounted for in separate funds while activity related to parks, sport fields, facilities and fleet is shown below.

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed Budget	2018-19 Approved Budget	2018-19 Adopted Budget
			Revenue			
234,158	272,186	245,000	Intergovernmental	393,000	393,000	393,000
15,675	11,527	12,125	Charges for Services	13,270	13,270	13,270
19,750	19,105	18,480	Fines, Interest, and Other	22,573	22,573	22,573
96,661	4,793	-	Transfers in & Other Sources	-	-	-
<u>366,244</u>	<u>307,611</u>	<u>275,605</u>	Total revenue	<u>428,843</u>	<u>428,843</u>	<u>428,843</u>
			Expenditures			
890,073	982,019	1,035,143	Personal services	1,113,004	1,125,750	1,125,750
897,342	965,232	1,234,296	Materials and services	1,089,619	1,089,619	1,089,619
197,419	171,000	141,000	Capital outlay	701,300	701,300	701,300
18,000	-	-	Transfers out & Other Uses	-	-	-
<u>\$ 2,002,834</u>	<u>\$ 2,118,252</u>	<u>\$ 2,410,439</u>	Total expenditures	<u>\$ 2,903,923</u>	<u>\$ 2,916,669</u>	<u>\$ 2,916,669</u>
11.8	13.0	12.6	FTE	12.7	13.0	13.0

Facilities

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

2017-18 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.
- Replaced roof at YMCA Teen Center.
- Lighting upgrade to bookshelves in Library.
- Replaced Variable Frequency Drive (VFD) at City Hall for HVAC System.
- Completed repairs to Firing Range at Police Department.
- Sealed exterior of the Civic Building.
- Completed weekly inspections of all City facilities (Citywide Goal – Infrastructure).
- Completed inspections of all contracted work (Citywide Goal – Infrastructure).
- Crack-sealed Civic building parking lot.

2018-19 Goals

- Preventative Maintenance of HVAC Systems for all City facilities.
- Seal building exterior at YMCA Teen Center.
- Paint exterior at YMCA Teen Center.
- Repair parking lot at YMCA.
- Seal coat the parking lot at Civic building.
- Set up and take down for all City meetings.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 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	0	0	0

Parks Maintenance

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

2017-18 Highlights

- Completed weekly playground inspections.
- Completed trash pickup three times a week during peak usage.
- Maintained 8,137 irrigation heads.
- Completed striping and prep of athletic fields for schools and leagues.
- Completed 149 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 35 weeks out of the year.
- Maintained 2 water features.
- Replaced turf at Snyder Park baseball field.
- Completed Recycling Program in identified parks throughout City.
- Installed uniform park signage throughout City parks.
- Completed installation of public restroom at Cannery square.

2018-19 Goals

- Implement plan for Skate Park facility (pending receipt of Grant) (Citywide Goal – Infrastructure).
- Design and construct year-round dog park at Snyder Park (Citywide Goal – Infrastructure).
- Provide weekly playground inspections (Citywide Goal – Infrastructure).
- Provide weekly mowing at parks and athletic fields (Citywide Goal – Infrastructure).
- Provide 7-day/week staffing during peak season (Citywide Goal – Infrastructure).
- Resurface tennis courts at Snyder Park.
- Replace 3 bleachers at the softball complex.
- Installation of new playground structure at Pioneer Park.
- Pave lower half of the granite trail at Snyder Park.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 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	160	160	155
	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.

2017-18 Highlights

- Completed annual reporting requirements to the State.
- Purchased 100% of budgeted equipment.
- Outfitted two (2) police vehicles and one (1) public works vehicle.
- Surplus vehicles and equipment scheduled in 2017/18.
- Maintained three (3) Chargepoint Stations throughout City.

2018-19 Goals

- Meet annual state requirements (Citywide Goal – Infrastructure).
- Produce detailed cost reports to each division for fleet costs (Citywide Value – Fiscal Responsibility).
- Look at ways to improve sustainable practices (Citywide Value – Community Livability).
- Minimize percentage of fleet vehicles or equipment that are out of service at any time (Citywide Goal – Infrastructure).
- Purchase and outfit three (3) police vehicles; spec and purchase 100% of budgeted equipment.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 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	85	60	65
	Number of scheduled equipment maintenance work orders	40	40	45
	Total number of equipment work orders	260	250	255
	Total number of vehicle work orders	360	400	405

Budget Detail

Debt Service Fund

Debt Service Fund

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.

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
RESOURCES						
\$ (10,615)	\$ (33,640)	\$ 14,460	Beginning fund balance	\$ 29,063	\$ 29,063	\$ 29,063
Revenue						
874,077	905,694	271,750	Taxes	269,475	269,475	269,475
2,117	2,810	3,100	Fines, interest and other	500	500	500
876,194	908,504	274,850	Total revenue	269,975	269,975	269,975
Other sources						
-	45,000	-	Transfers in	-	-	-
-	45,000	-	Total other sources	-	-	-
865,578	919,863	289,310	Total resources	299,038	299,038	299,038
UNALLOCATED REQUIREMENTS						
Debt service						
585,000	600,000	-	Principal - 2004 A&B refunding	-	-	-
225,000	230,000	240,000	Principal - 2011 Police Ref GO	245,000	245,000	245,000
43,594	22,500	-	Interest - 2004 A&B refunding	-	-	-
45,625	38,800	31,750	Interest - 2011 Police Ref GO	24,475	24,475	24,475
899,219	891,300	271,750	Total debt service	269,475	269,475	269,475
(33,640)	28,563	17,560	Ending Fund Balance	-	-	-
-	-	-	Reserved for Future Years	29,563	29,563	29,563
\$ 865,578	\$ 919,863	\$ 289,310	Total requirements	\$ 299,038	\$ 299,038	\$ 299,038

Transient Lodging Tax (TLT) Fund

The Transient Lodging Tax Fund is a special revenue fund used to account for the tax charged to anyone occupying a hotel, motel, dwelling unit used for temporary overnight occupancy or recreational vehicle spaces for 30 consecutive calendar days or less. This tax has been in existence since 1972 and on July 1, 2006, the tax was increased to 9%. A minimum of 70% of net revenue from County and Local TLT receipts must be used for the promotion of tourism; the remaining 30% can be used for any purpose.

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
RESOURCES						
\$ -	\$ -	\$ -	Beginning fund balance	\$ 1,055	\$ 1,055	\$ 1,055
Revenue						
-	-	-	Intergovernmental	1,300	1,300	1,300
-	-	-	Fines, interest and other	15	15	15
-	-	-	Total revenue	1,315	1,315	1,315
-	-	-	Total resources	2,370	2,370	2,370
REQUIREMENTS						
Expenditures						
-	-	-	Total expenditures	-	-	-
-	-	-	Ending Fund Balance	-	-	-
-	-	-	Contingency	-	-	-
-	-	-	Reserved for Future Years	2,370	2,370	2,370
\$ -	\$ -	\$ -	Total requirements	\$ 2,370	\$ 2,370	\$ 2,370

2018-19 Goals

- Accumulate revenue from Transient Lodging Tax.

Performance Measures

At this time, the fund is only accumulating a balance until there is enough money built up to fund projects. Once it reaches this level, performance measures will be put into place.

Grants Fund

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 in this fund 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. It 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.

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
			RESOURCES			
\$ -	\$ -	\$ -	Beginning fund balance	\$ 23,393	\$ 23,393	\$ 23,393
-	-	82,000	Revenue			
-	-	8,000	Intergovernmental	84,000	84,000	84,000
-	-	90,000	Fines, interest and other	-	200	200
-	-		Total revenue	84,000	84,200	84,200
			Other sources			
-	-	27,311	Transfers in	-	-	-
-	-	27,311	Total other sources	-	-	-
-	-	117,311	Total resources	107,393	107,593	107,593
			REQUIREMENTS			
			Expenditures			
-	-	87,000	Materials and services			
-	-	8,000	Professional & technical	82,000	82,000	82,000
-	-	-	Supplies	-	-	-
-	-	95,000	Cost Allocation	-	-	-
-	-		Total materials & services	82,000	82,000	82,000
-	-	95,000	Total expenditures	82,000	82,000	82,000
-	-	-	Ending Fund Balance	-	-	-
-	-	-	Contingency	4,200	4,210	4,210
-	-	22,311	Reserved for Future Years	21,193	21,383	21,383
\$ -	\$ -	\$ 117,311	Total requirements	\$ 107,393	\$ 107,593	\$ 107,593

2017-18 Highlights

- Received applications from a variety of groups around the community.
- Awarded funds to applicants totaling \$87,000.
- Implemented program in accordance with Metro’s guidelines.

2018-19 Goals

- Provide opportunities to groups who have not learned about the program yet.
- Research additional grants that may be available for City improvements and maintenance.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Increase awareness to potential grant recipients.	Number of applicants	12	13	14

Budget Detail

Street Operations Fund

Street Operations Fund

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

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
\$ 1,744,507	\$ 2,166,298	\$ 2,087,494	RESOURCES			
			Beginning fund balance	\$ 2,634,202	\$ 1,779,764	\$ 1,779,764
			Revenue			
1,197,665	1,215,524	1,177,943	Intergovernmental	1,402,488	1,402,488	1,402,488
602,843	652,716	607,000	Charges for services	624,270	624,270	624,270
14,834	24,271	20,300	Fines, interest and other	19,500	19,500	19,500
<u>1,815,343</u>	<u>1,892,511</u>	<u>1,805,243</u>	Total revenue	<u>2,046,258</u>	<u>2,046,258</u>	<u>2,046,258</u>
3,559,850	4,058,809	3,892,737	Total resources	4,680,460	3,826,022	3,826,022
			REQUIREMENTS			
			Expenditures			
			Personal services			
218,171	251,661	269,136	Salaries and wages	296,073	295,664	295,664
23,622	24,171	30,587	Payroll taxes	30,562	30,570	30,570
87,336	104,526	121,146	Benefits	122,979	122,814	122,814
<u>329,129</u>	<u>380,359</u>	<u>420,869</u>	Total personal services	<u>449,614</u>	<u>449,048</u>	<u>449,048</u>
			Materials and services			
184,030	140,668	132,500	Professional & technical	131,000	131,000	131,000
484,070	686,232	1,503,068	Facility and equipment	1,829,930	1,174,537	1,174,537
29,096	25,456	28,209	Other purchased services	28,009	28,009	28,009
22,757	56,932	67,400	Supplies	73,700	73,700	73,700
978	9,974	7,000	Minor equipment	7,000	7,000	7,000
146,247	231,428	213,220	Cost Allocation	228,362	215,520	215,520
<u>867,179</u>	<u>1,150,690</u>	<u>1,951,397</u>	Total materials & services	<u>2,298,001</u>	<u>1,629,766</u>	<u>1,629,766</u>
			Capital outlay			
178,385	233,398	255,000	Infrastructure	619,000	619,000	619,000
-	-	7,500	Furniture and equipment	10,000	10,000	10,000
<u>178,385</u>	<u>233,398</u>	<u>262,500</u>	Total capital outlay	<u>629,000</u>	<u>629,000</u>	<u>629,000</u>
<u>1,374,692</u>	<u>1,764,447</u>	<u>2,634,766</u>	Total expenditures	<u>3,376,615</u>	<u>2,707,814</u>	<u>2,707,814</u>
			Other uses			
18,859	-	-	Transfers out	-	-	-
<u>18,859</u>	<u>-</u>	<u>-</u>	Total other uses	<u>-</u>	<u>-</u>	<u>-</u>
2,166,298	2,294,362	-	Ending Fund Balance	-	-	-
-	-	90,262	Contingency	102,313	102,313	102,313
-	-	25,000	Reserved for Future Years - Maint.	183,318	183,318	183,319
-	-	1,142,709	Reserved for Future Years	1,018,214	832,577	832,576
\$ 3,559,850	\$ 4,058,809	\$ 3,892,737	Total requirements	\$ 4,680,460	\$ 3,826,022	\$ 3,826,022
3.7	4.0	4.7	FTE	4.6	4.6	4.6

Street Operations

2017-18 Highlights

- Responded to all storm events.
- Replaced 161 Street Name Signs.
- Completed landscape right-of-way maintenance.
- Continue wooden light pole program.
- Completed Pavement Management Program projects/slurry seal/crack sealing.
- Continue implementation of ADA ramp program.
- Completed inspection of all contract work.
- Continued the Sidewalk program; completed 211 sidewalk deficiencies, 169 shaves and 42 replacements.
- Continued Tree Trimming program.
- Updated the City entry signs.

2018-19 Goals

- Continue wooden light pole program (Citywide Goal – Infrastructure).
- Pavement Management Program projects/slurry seal (Citywide Goal – Infrastructure).
- Check reflectivity of City’s street signs (Citywide Goal – Infrastructure).
- Sidewalk Replacement Program (Citywide Goal – Infrastructure).
- Continue implementation of ADA ramp program.
- Continue Tree Trimming program.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Maintain roads and right-of-way to the highest quality standard	Citywide average PCI rating	80	86	86
	Number of street segments reconstructed	4	10	7
	Number of street segments slurry sealed	68	48	68
	Feet of cracks sealed	70,000	70,000	90,000
	Number of signs updated	40	35	120
Maintain street signage and striping for safety	Number of street miles restriped	15.37	15.37	15.37
	Number of thermo-plastic street legends installed or replaced	45	35	60

FY 2018-19 Street Capital Projects

- Sunset Boulevard and Highway 99W Improvements
- Kruger-Elwert Intersection Improvements
- Tualatin Sherwood Road Widening
- Oregon Street Improvements
- Sunset Boulevard – North Sidewalk
- Galbreath Overlay
- Foundry Road Reconstruct
- Sunset Blvd Overlay
- Washington Street Reconstruct

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

2015-16 Actual (restated)	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
\$ 2,296,941	\$ 2,666,521	\$ 2,992,716	RESOURCES			
			Beginning fund balance	\$ 3,859,972	\$ 3,859,972	\$ 3,859,972
			Revenue			
4,781	-	158,000	Intergovernmental	-	-	-
54,107	63,804	51,000	Charges for services	55,000	55,000	55,000
629,597	503,312	149,000	Infrastructure development	576,495	576,495	576,495
16,942	31,429	26,000	Fines, interest and other	-	-	-
<u>705,427</u>	<u>598,544</u>	<u>384,000</u>	Total revenue	<u>631,495</u>	<u>631,495</u>	<u>631,495</u>
			Other sources			
-	-	1,780,780	Sale of fixed assets	-	-	-
-	-	1,780,780	Total other sources	-	-	-
<u>3,002,368</u>	<u>3,265,065</u>	<u>5,157,496</u>	Total resources	<u>4,491,467</u>	<u>4,491,467</u>	<u>4,491,467</u>
			REQUIREMENTS			
			Expenditures			
			Personal services			
29,998	30,909	42,202	Salaries and wages	36,042	36,042	36,042
2,602	2,769	4,190	Payroll taxes	3,455	3,455	3,455
11,559	13,215	17,791	Benefits	15,846	15,833	15,833
<u>44,158</u>	<u>46,894</u>	<u>64,183</u>	Total personal services	<u>55,343</u>	<u>55,330</u>	<u>55,330</u>
			Materials and services			
71,507	93,874	157,300	Professional & technical	10,000	10,000	10,000
376	146	-	Other purchased services	-	-	-
-	25,659	-	Supplies	-	-	-
11,861	24,384	29,402	Cost Allocation	44,032	42,471	42,471
<u>83,745</u>	<u>144,063</u>	<u>186,702</u>	Total materials & services	<u>54,032</u>	<u>52,471</u>	<u>52,471</u>
			Capital outlay			
134,392	51,144	75,000	Infrastructure	696,000	696,000	696,000
<u>134,392</u>	<u>51,144</u>	<u>75,000</u>	Total capital outlay	<u>696,000</u>	<u>696,000</u>	<u>696,000</u>
<u>262,295</u>	<u>242,101</u>	<u>325,885</u>	Total expenditures	<u>805,375</u>	<u>803,801</u>	<u>803,801</u>
			Other uses			
73,552	57,757	1,429,224	Transfers out	417,805	417,805	417,805
<u>73,552</u>	<u>57,757</u>	<u>1,429,224</u>	Total other uses	<u>417,805</u>	<u>417,805</u>	<u>417,805</u>
2,666,521	2,965,206	-	Ending Fund Balance	-	-	-
-	-	3,402,387	Reserved for Future Years	3,268,287	3,269,861	3,269,861
<u>\$ 3,002,368</u>	<u>\$ 3,265,065</u>	<u>\$ 5,157,496</u>	Total requirements	<u>\$ 4,491,467</u>	<u>\$ 4,491,467</u>	<u>\$ 4,491,467</u>
0.4	0.4	0.6	FTE	0.4	0.4	0.4

FY2018-19 General Construction Projects

- Dog Park
- Cedar Creek Trail
- Skate Park
- Parks Master Plan
- Ice-Age Tonquin Trail

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

2015-16 Actual (restated)	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
\$ 1,160,829	\$ 1,524,411	\$ 688,407	RESOURCES			
			Beginning fund balance	\$ 886,917	\$ 886,917	\$ 886,917
			Revenue			
54,858	40,455	40,000	Franchise Fees	40,000	40,000	40,000
74,543	-	-	Intergovernmental	43,045	43,045	43,045
19,719	23,428	18,000	Charges for services	18,000	18,000	18,000
652,115	262,682	107,090	Infrastructure development	381,950	381,950	381,950
7,582	12,553	7,000	Fines, interest and other	40,150	40,150	40,150
<u>808,817</u>	<u>339,118</u>	<u>172,090</u>	Total revenue	<u>523,145</u>	<u>523,145</u>	<u>523,145</u>
			Other sources			
230,204	57,757	604,224	Transfers in	417,805	417,805	417,805
<u>230,204</u>	<u>57,757</u>	<u>604,224</u>	Total other sources	<u>417,805</u>	<u>417,805</u>	<u>417,805</u>
<u>2,199,851</u>	<u>1,921,286</u>	<u>1,464,721</u>	Total resources	<u>1,827,867</u>	<u>1,827,867</u>	<u>1,827,867</u>
			REQUIREMENTS			
			Expenditures			
			Personal services			
56,620	33,845	54,457	Salaries and wages	46,687	46,294	46,294
4,922	2,750	5,290	Payroll taxes	4,275	4,265	4,265
22,394	14,748	25,858	Benefits	22,347	22,240	22,240
<u>83,936</u>	<u>51,343</u>	<u>85,605</u>	Total personal services	<u>73,309</u>	<u>72,799</u>	<u>72,799</u>
			Materials and services			
5,226	23,019	193,750	Professional & technical	-	-	-
809	4,034	17,600	Other purchased services	-	-	-
42,888	-	-	Supplies	-	-	-
55,124	27,930	-	Minor equipment	-	-	-
-	531	-	Other materials & services	-	-	-
<u>33,171</u>	<u>28,686</u>	<u>45,748</u>	Cost Allocation	45,445	43,210	43,210
<u>137,218</u>	<u>84,201</u>	<u>257,098</u>	Total materials & services	<u>45,445</u>	<u>43,210</u>	<u>43,210</u>
			Capital outlay			
161,296	808,500	558,190	Infrastructure	983,000	983,000	983,000
159,193	4,513	-	Buildings	-	-	-
3,187	-	-	Other improvements	-	-	-
83,073	-	-	Furniture and equipment	-	-	-
<u>406,749</u>	<u>813,013</u>	<u>558,190</u>	Total capital outlay	<u>983,000</u>	<u>983,000</u>	<u>983,000</u>
<u>627,903</u>	<u>948,557</u>	<u>900,893</u>	Total expenditures	<u>1,101,754</u>	<u>1,099,009</u>	<u>1,099,009</u>
			Debt service			
43,860	46,440	-	Principal	-	-	-
3,677	1,254	-	Interest	-	-	-
<u>47,537</u>	<u>47,694</u>	<u>-</u>	Total debt service	<u>-</u>	<u>-</u>	<u>-</u>
			Other uses			
-	-	15,905	Transfers out	-	-	-
<u>-</u>	<u>-</u>	<u>15,905</u>	Total other uses	<u>-</u>	<u>-</u>	<u>-</u>
1,524,411	925,035	-	Ending Fund Balance	-	-	-
<u>-</u>	<u>-</u>	<u>547,923</u>	Reserved for Future Years	726,113	728,858	728,858
<u>\$ 2,199,851</u>	<u>\$ 1,921,286</u>	<u>\$ 1,464,721</u>	Total requirements	<u>\$ 1,827,867</u>	<u>\$ 1,827,867</u>	<u>\$ 1,827,867</u>
0.8	0.4	0.6	FTE	0.5	0.5	0.5

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.

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
(restated)			RESOURCES			
\$ 8,436,245	\$ 9,533,036	\$ 10,435,677	Beginning fund balance	\$ 11,574,588	\$ 11,574,588	\$ 11,574,588
			Revenue			
5,371,062	5,450,689	5,695,503	Charges for services	6,072,825	6,072,825	6,072,825
613,760	252,157	658,870	Infrastructure development	591,645	591,645	591,645
56,719	111,591	145,000	Fines, interest and other	190,000	190,000	190,000
6,041,541	5,814,437	6,499,373	Total revenue	6,854,470	6,854,470	6,854,470
			Other sources			
-	9,189,000	-	Issuance of long-term debt	-	-	-
-	9,189,000	-	Total other sources	-	-	-
14,477,786	24,536,472	16,935,050	Total resources	18,429,058	18,429,058	18,429,058
			REQUIREMENTS			
			Expenditures			
			Personal services			
407,209	395,080	432,321	Salaries and wages	443,829	438,521	438,521
40,330	35,777	44,638	Payroll taxes	44,374	44,020	44,020
167,015	168,591	201,692	Benefits	178,463	176,315	176,315
614,553	599,449	678,651	Total personal services	666,666	658,856	658,856
			Materials and services			
153,875	170,435	541,750	Professional & technical	567,669	567,669	567,669
1,125,022	1,152,278	1,522,122	Facility and equipment	1,541,222	1,541,222	1,541,222
394,409	371,365	455,710	Other purchased services	461,673	461,673	461,673
536,771	56,282	113,400	Supplies	123,200	123,200	123,200
6,235	9,756	11,400	Minor equipment	5,000	5,000	5,000
253,421	326,427	304,213	Cost Allocation	328,140	306,752	306,752
2,469,733	2,086,544	2,948,595	Total materials & services	3,026,904	3,005,516	3,005,516
			Capital outlay			
-	73,315	1,070,593	Infrastructure	2,618,905	2,618,905	2,618,905
-	73,315	1,070,593	Total capital outlay	2,618,905	2,618,905	2,618,905
3,084,287	2,759,308	4,697,839	Total expenditures	6,312,475	6,283,277	6,283,277
			Debt service			
899,829	9,918,569	1,137,000	Principal	1,034,000	1,034,000	1,034,000
939,838	1,066,826	761,170	Interest	724,606	724,606	724,606
-	36,367	-	Issuance costs	-	-	-
1,839,668	11,021,762	1,898,170	Total debt service	1,758,606	1,758,606	1,758,606
			Other uses			
20,975	-	-	Transfers out	-	-	-
20,975	-	-	Total other uses	-	-	-
9,532,857	10,755,402	-	Ending Fund Balance	-	-	-
-	-	287,025	Contingency	308,141	308,141	308,141
-	-	130,000	Reserved for Future Years - Maint	175,661	175,661	175,661
-	-	4,930,504	Reserved for Future Years - Ops	6,342,193	6,370,349	6,370,349
-	-	4,991,512	Reserved for Future Years - Cap	3,531,982	3,533,024	3,533,024
\$ 14,477,786	\$ 24,536,472	\$ 16,935,050	Total requirements	\$ 18,429,058	\$ 18,429,058	\$ 18,429,058

Water Operations

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
(restated)			RESOURCES			
\$ 3,785,461	\$ 4,259,171	\$ 4,885,570	Beginning fund balance	\$ 5,993,382	\$ 5,993,382	\$ 5,993,382
			Revenue			
5,366,022	5,450,689	5,695,503	Charges for services	6,072,825	6,072,825	6,072,825
25,241	43,334	45,000	Fines, interest and other	90,000	90,000	90,000
<u>5,391,263</u>	<u>5,494,022</u>	<u>5,740,503</u>	Total revenue	<u>6,162,825</u>	<u>6,162,825</u>	<u>6,162,825</u>
			Other sources			
-	9,189,000	-	Issuance of long-term debt	-	-	-
-	9,189,000	-	Total other sources	-	-	-
<u>9,176,724</u>	<u>18,942,193</u>	<u>10,626,073</u>	Total resources	<u>12,156,207</u>	<u>12,156,207</u>	<u>12,156,207</u>
			REQUIREMENTS			
			Expenditures			
			Personal services			
406,139	394,289	423,340	Salaries and wages	426,988	421,865	421,865
40,236	35,708	43,834	Payroll taxes	42,776	42,425	42,425
166,716	168,318	197,424	Benefits	171,431	169,338	169,338
<u>613,091</u>	<u>598,315</u>	<u>664,598</u>	Total personal services	<u>641,195</u>	<u>633,628</u>	<u>633,628</u>
			Materials and services			
128,586	152,080	144,750	Professional & technical	147,450	147,450	147,450
1,125,022	1,152,278	1,522,122	Facility and equipment	1,541,222	1,541,222	1,541,222
394,409	371,365	455,710	Other purchased services	461,673	461,673	461,673
536,771	56,282	113,400	Supplies	123,200	123,200	123,200
6,235	9,756	11,400	Minor equipment	5,000	5,000	5,000
252,797	326,068	298,394	Cost Allocation	316,716	296,127	296,127
<u>2,443,819</u>	<u>2,067,829</u>	<u>2,545,776</u>	Total materials & services	<u>2,595,261</u>	<u>2,574,672</u>	<u>2,574,672</u>
			Capital outlay			
-	73,315	170,000	Infrastructure	335,150	335,150	335,150
-	73,315	170,000	Total capital outlay	335,150	335,150	335,150
<u>3,056,910</u>	<u>2,739,460</u>	<u>3,380,374</u>	Total expenditures	<u>3,571,606</u>	<u>3,543,450</u>	<u>3,543,450</u>
			Debt service			
899,829	9,918,569	1,137,000	Principal	1,034,000	1,034,000	1,034,000
939,838	1,066,826	761,170	Interest	724,606	724,606	724,606
-	36,367	-	Issuance costs	-	-	-
<u>1,839,668</u>	<u>11,021,762</u>	<u>1,898,170</u>	Total debt service	<u>1,758,606</u>	<u>1,758,606</u>	<u>1,758,606</u>
			Other uses			
20,975	-	-	Transfers out	-	-	-
20,975	-	-	Total other uses	-	-	-
4,259,171	5,180,971	-	Ending Fund Balance	-	-	-
-	-	287,025	Contingency	308,141	308,141	308,141
-	-	130,000	Reserved for Future Years - Maint	175,661	175,661	175,661
-	-	4,930,504	Reserved for Future Years	6,342,193	6,370,349	6,370,349
<u>\$ 9,176,724</u>	<u>\$ 18,942,193</u>	<u>\$ 10,626,073</u>	Total requirements	<u>\$ 12,156,207</u>	<u>\$ 12,156,207</u>	<u>\$ 12,156,207</u>

7.5	6.5	6.8	FTE	6.5	6.5	6.5
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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.

2017-18 Highlights

- Completed annual reporting requirements to the State.
- Completed June Court Water Line Improvements.
- Coordinate and managed testing of all 2,857 active backflow assemblies.
- Updated Water Management and Conservation Plan.
- Implemented on-line backflow test reporting.
- Restored Century Drive roadway damaged by waterline break.
- Completed Water Infrastructure Facility (WIF) IGA.

2018-19 Goals

- Continue to Integrate AMI System efficiency into daily operations (leak detection, customer service, etc.) (Citywide goal – infrastructure).
- Implement recommended CIP Program (Citywide goal – infrastructure).
- Upgrade Supervisory Control Acquisition Data Advisory (SCADA) System (Citywide goal – infrastructure).
- Perform preventative maintenance on half of public fire hydrants (Citywide goal – infrastructure).
- Provide Uni-Directional flushing program (Citywide goal – infrastructure).
- All Backflow Assemblies tested annually (Citywide goal – infrastructure).

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Provide clean and safe water via an efficiently maintained and operated water system	Million gallons of water used Citywide annually	627	680	705
	Million gallons of water flushed to maintain water quality	1.8	2	2
	Number of reservoirs maintained	3	3	3
	Number of pump stations maintained	2	2	2
	Miles of water lines maintained	83	82	82.
	Active service connections	6,013	6,075	6,120
	Number of water quality samples taken annually	350	350	350
Assure back flow prevention program is current and meets all	Number of backflow systems installed within City limits	2,857	2,900	3,000
	Percentage of backflow systems tested	97.5%	100%	100%

FY 2018-19 Water Capital Projects

- Water Treatment Surge Mitigation
- Water Treatment Capacity Increase
- Water Management Conservation Plan Update
- Water Treatment Plant Expansion
- Brookman Expansion
- Routine Water Replacement Program
- SCADA System Upgrade
- Generator and Electrical Upgrade
- Resiliency Plan Upgrade
- TEA Expansion Loop
- Norton Avenue Fire Flow
- Water Life and Seismic Upgrades

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

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
\$ 4,650,784	\$ 5,273,865	\$ 5,550,107	RESOURCES			
			Beginning fund balance	\$ 5,581,206	\$ 5,581,206	\$ 5,581,206
5,040	-	-	Revenue			
613,760	252,157	658,870	Charges for services	-	-	-
31,478	68,257	100,000	Infrastructure development	591,645	591,645	591,645
650,278	320,414	758,870	Fines, interest and other	100,000	100,000	100,000
5,301,062	5,594,279	6,308,977	Total revenue	691,645	691,645	691,645
			Total resources	6,272,851	6,272,851	6,272,851
			REQUIREMENTS			
			Expenditures			
1,070	791	8,981	Personal services			
94	69	804	Salaries and wages	16,841	16,656	16,656
298	273	4,268	Payroll taxes	1,598	1,595	1,595
1,462	1,133	14,053	Benefits	7,032	6,977	6,977
			Total personal services	25,471	25,228	25,228
25,290	18,355	397,000	Materials and services			
446	626	5,819	Professional & technical	420,219	420,219	420,219
25,736	18,981	402,819	Cost Allocation	11,424	10,625	10,625
			Total materials & services	431,643	430,844	430,844
-	-	900,593	Capital outlay			
-	-	900,593	Infrastructure	2,283,755	2,283,755	2,283,755
			Total capital outlay	2,283,755	2,283,755	2,283,755
27,198	20,115	1,317,465	Total expenditures	2,740,869	2,739,827	2,739,827
5,273,865	5,574,165	-	Ending Fund Balance	-	-	-
-	-	4,991,512	Reserved for Future Years	3,531,982	3,533,024	3,533,024
\$ 5,301,062	\$ 5,594,279	\$ 6,308,977	Total requirements	\$ 6,272,851	\$ 6,272,851	\$ 6,272,851
-	-	0.1	FTE	0.1	0.1	0.1

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.

2015-16 Actual (restated)	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
\$ 3,213,784	\$ 3,227,588	\$ 3,107,723	RESOURCES			
			Beginning fund balance	\$ 2,746,140	\$ 2,746,140	\$ 2,746,140
			Revenue			
1,249	1,129	-	Intergovernmental	1,000	1,000	1,000
622,281	677,285	655,364	Charges for services	703,000	703,000	703,000
48,353	29,869	596,373	Infrastructure development	128,378	128,378	128,378
23,051	39,623	49,000	Fines, interest and other	39,400	39,400	39,400
694,935	747,905	1,300,737	Total revenue	871,778	871,778	871,778
			Other sources			
888	-	-	Sale of fixed assets	-	-	-
888	-	-	Total other sources	-	-	-
3,909,606	3,975,493	4,408,460	Total resources	3,617,918	3,617,918	3,617,918
			REQUIREMENTS			
			Expenditures			
			Personal services			
180,686	170,972	202,448	Salaries and wages	237,001	236,565	236,565
17,799	15,477	21,209	Payroll taxes	24,698	24,689	24,689
73,063	71,533	89,923	Benefits	89,234	89,077	89,077
271,548	257,981	313,580	Total personal services	350,933	350,331	350,331
			Materials and services			
127,058	62,834	82,620	Professional & technical	50,620	50,620	50,620
225	3,468	2,600	Facility and equipment	2,200	2,200	2,200
97,818	85,618	97,341	Other purchased services	108,019	108,019	108,019
11,855	12,916	15,400	Supplies	15,400	15,400	15,400
1,341	3,731	6,400	Minor equipment	9,500	9,500	9,500
-	-	507,617	Other materials & services	-	-	-
138,459	131,271	180,770	Cost Allocation	216,458	206,385	206,385
376,755	299,836	892,748	Total materials & services	402,197	392,124	392,124
			Capital outlay			
11,447	124,834	349,500	Infrastructure	460,850	460,850	460,850
-	-	-	Furniture and equipment	17,000	17,000	17,000
11,447	124,834	349,500	Total capital outlay	477,850	477,850	477,850
659,750	682,651	1,555,828	Total expenditures	1,230,980	1,220,305	1,220,305
			Other uses			
22,268	-	-	Transfers out	-	-	-
22,268	-	-	Total other uses	-	-	-
3,227,588	3,292,842	-	Ending Fund Balance	-	-	-
-	-	33,218	Contingency	35,670	35,670	35,670
-	-	30,000	Reserved for Future Years - Maint	195,510	195,510	195,510
-	-	479,920	Reserved for Future Years - Ops	301,198	310,616	310,616
-	-	2,309,494	Reserved for Future Years - Cap	1,854,560	1,855,817	1,855,817
\$ 3,909,606	\$ 3,975,493	\$ 4,408,460	Total requirements	\$ 3,617,918	\$ 3,617,918	\$ 3,617,918

Budget Detail

Sanitary Operations

Sanitary Operations

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
(restated)			RESOURCES			
\$ 450,882	\$ 552,598	\$ 583,545	Beginning fund balance	\$ 740,314	\$ 740,314	\$ 740,314
			Revenue			
1,249	1,129	-	Intergovernmental	1,000	1,000	1,000
622,281	677,285	655,364	Charges for services	703,000	703,000	703,000
32	-	-	Infrastructure development	-	-	-
5,292	6,380	9,000	Fines, interest and other	9,400	9,400	9,400
628,855	684,794	664,364	Total revenue	713,400	713,400	713,400
			Other sources			
888	-	-	Sale of fixed assets	-	-	-
888	-	-	Total other sources	-	-	-
1,080,625	1,237,392	1,247,909	Total resources	1,453,714	1,453,714	1,453,714
			REQUIREMENTS			
			Expenditures			
			Personal services			
161,313	154,625	177,503	Salaries and wages	208,253	207,837	207,837
16,026	14,106	18,746	Payroll taxes	21,947	21,937	21,937
63,501	65,288	77,802	Benefits	77,307	77,158	77,158
240,840	234,019	274,051	Total personal services	307,507	306,932	306,932
			Materials and services			
31,045	33,326	60,620	Professional & technical	50,620	50,620	50,620
225	3,468	2,600	Facility and equipment	2,200	2,200	2,200
96,582	85,482	97,341	Other purchased services	108,019	108,019	108,019
11,555	12,916	15,400	Supplies	15,400	15,400	15,400
1,341	3,731	6,400	Minor equipment	9,500	9,500	9,500
124,171	115,977	157,359	Cost Allocation	181,957	173,114	173,114
264,919	254,899	339,720	Total materials & services	367,696	358,853	358,853
			Capital outlay			
-	20,593	91,000	Infrastructure	229,133	229,133	229,133
-	-	-	Furniture and equipment	17,000	17,000	17,000
-	20,593	91,000	Total capital outlay	246,133	246,133	246,133
505,759	509,510	704,771	Total expenditures	921,336	911,918	911,918
			Other uses			
22,268	-	-	Transfers out	-	-	-
22,268	-	-	Total other uses	-	-	-
552,598	727,883	-	Ending Fund Balance	-	-	-
-	-	33,218	Contingency	35,670	35,670	35,670
-	-	30,000	Reserved for Future Years - Maint	195,510	195,510	195,510
-	-	479,920	Reserved for Future Years	301,198	310,616	310,616
\$ 1,080,625	\$ 1,237,392	\$ 1,247,909	Total requirements	\$ 1,453,714	\$ 1,453,714	\$ 1,453,714
2.9	2.7	3.0	FTE	3.3	3.3	3.3

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.

2017-18 Highlights

- Met all required CWS performance measures.
- Cleaned 105,114 feet of sanitary main lines, ¼ of our Sanitary System.
- Videoed 51,049 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.

2018-19 Goals

- Meet CWS performance measures (Citywide Value – Community Partnerships).
- 100% of the sanitary collections system to be NASSCO rated (Citywide Goal – Infrastructure).
- Continue to increase public awareness of FOG (Citywide Goal – Infrastructure).
- No sanitary sewer overflows (Citywide Goal – Infrastructure).

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Scheduled maintenance of wastewater infrastructure	Total feet of sanitary lines	320,000	320,373	322,000
	Percentage of lines cleaned	24%	25%	25%
	Percentage of lines video inspected	15%	13%	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	98	50	50

FY 2018-19 Sanitary Capital Projects

- Old Town Mid-block Sanitary Sewer Point Repair
- Brookman Area Sanitary Sewer Conveyance Extension
- Washington Street Sewer Rehab
- Rock Creek Trunk Capacity Upgrade, Phase I and II

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

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
			RESOURCES			
\$ 2,762,902	\$ 2,674,990	\$ 2,524,178	Beginning fund balance	\$ 2,005,826	\$ 2,005,826	\$ 2,005,826
			Revenue			
48,320	29,869	596,373	Infrastructure development	128,378	128,378	128,378
17,759	33,242	40,000	Fines, interest and other	30,000	30,000	30,000
66,079	63,111	636,373	Total revenue	158,378	158,378	158,378
2,828,981	2,738,101	3,160,551	Total resources	2,164,204	2,164,204	2,164,204
			REQUIREMENTS			
			Expenditures			
			Personal services			
19,373	16,347	24,945	Salaries and wages	28,748	28,728	28,728
1,773	1,371	2,463	Payroll taxes	2,751	2,752	2,752
9,562	6,244	12,121	Benefits	11,927	11,919	11,919
30,708	23,962	39,529	Total personal services	43,426	43,399	43,399
			Materials and services			
96,012	29,508	22,000	Professional & technical	-	-	-
1,236	136	-	Other purchased services	-	-	-
300	-	-	Supplies	-	-	-
-	-	507,617	Other materials & services	-	-	-
14,288	15,294	23,411	Cost Allocation	34,501	33,271	33,271
111,836	44,938	553,028	Total materials & services	34,501	33,271	33,271
			Capital outlay			
11,447	104,241	258,500	Infrastructure	231,717	231,717	231,717
11,447	104,241	258,500	Total capital outlay	231,717	231,717	231,717
153,991	173,141	851,057	Total expenditures	309,644	308,387	308,387
2,674,990	2,564,960	-	Ending Fund Balance	-	-	-
-	-	2,309,494	Reserved for Future Years	1,854,560	1,855,817	1,855,817
\$ 2,828,981	\$ 2,738,101	\$ 3,160,551	Total requirements	\$ 2,164,204	\$ 2,164,204	\$ 2,164,204
0.3	0.2	0.1	FTE	0.3	0.3	0.3

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.

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
(restated)			RESOURCES			
\$ 2,732,715	\$ 3,105,420	\$ 3,382,617	Beginning fund balance	\$ 4,098,357	\$ 4,098,357	\$ 4,098,357
			Revenue			
1,748,951	1,860,547	1,890,022	Charges for services	1,923,499	1,923,499	1,923,499
27,809	25,620	99,540	Infrastructure development	100,797	100,797	100,797
18,412	38,483	33,000	Fines, interest and other	25,000	32,000	32,000
<u>1,795,173</u>	<u>1,924,650</u>	<u>2,022,562</u>	Total revenue	<u>2,049,296</u>	<u>2,056,296</u>	<u>2,056,296</u>
			Other sources			
221,627	-	-	Sale of fixed assets	-	-	-
<u>221,627</u>	<u>-</u>	<u>-</u>	Total other sources	<u>-</u>	<u>-</u>	<u>-</u>
			Total resources	6,147,653	6,154,653	6,154,653
4,749,516	5,030,070	5,405,179	REQUIREMENTS			
			Expenditures			
			Personal services			
256,963	250,802	316,595	Salaries and wages	372,103	371,478	371,478
25,711	23,478	34,498	Payroll taxes	40,126	40,112	40,112
<u>102,160</u>	<u>98,793</u>	<u>129,272</u>	Benefits	<u>141,223</u>	<u>140,991</u>	<u>140,991</u>
<u>384,835</u>	<u>373,074</u>	<u>480,365</u>	Total personal services	<u>553,452</u>	<u>552,581</u>	<u>552,581</u>
			Materials and services			
181,250	76,570	151,334	Professional & technical	86,600	86,600	86,600
225	27,550	16,900	Facility and equipment	22,800	22,800	22,800
<u>121,379</u>	<u>121,335</u>	<u>130,350</u>	Other purchased services	<u>133,405</u>	<u>133,405</u>	<u>133,405</u>
28,931	28,641	60,900	Supplies	70,400	70,400	70,400
1,599	6,049	5,500	Minor equipment	10,000	10,000	10,000
-	424	-	Other materials & services	-	-	-
<u>174,833</u>	<u>236,250</u>	<u>251,807</u>	Cost Allocation	<u>473,137</u>	<u>457,279</u>	<u>457,279</u>
<u>508,216</u>	<u>496,820</u>	<u>616,791</u>	Total materials & services	<u>796,342</u>	<u>780,484</u>	<u>780,484</u>
			Capital outlay			
728,277	409,451	687,000	Infrastructure	1,679,228	1,679,228	1,679,228
-	-	-	Furniture and equipment	17,000	17,000	17,000
<u>728,277</u>	<u>409,451</u>	<u>687,000</u>	Total capital outlay	<u>1,696,228</u>	<u>1,696,228</u>	<u>1,696,228</u>
			Total expenditures	<u>3,046,022</u>	<u>3,029,293</u>	<u>3,029,293</u>
<u>1,621,327</u>	<u>1,279,345</u>	<u>1,784,156</u>	Other uses			
			Transfers out	-	-	-
<u>22,768</u>	<u>-</u>	<u>-</u>	Total other uses	<u>-</u>	<u>-</u>	<u>-</u>
			Ending Fund Balance	-	-	-
3,105,420	3,750,726	-	Contingency	77,425	77,425	77,425
-	-	75,651	Reserved for Future Years - Maint	82,103	82,103	82,103
-	-	40,000	Reserved for Future Years - Ops	2,288,764	2,304,288	2,304,288
-	-	2,291,404	Reserved for Future Years - Cap	653,339	661,544	661,544
-	-	1,213,968	Total requirements	\$ 6,147,653	\$ 6,154,653	\$ 6,154,653
\$ 4,749,516	\$ 5,030,070	\$ 5,405,179				

Budget Detail

Stormwater Operations

Stormwater Operations

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
(restated)			RESOURCES			
\$ 1,709,047	\$ 2,522,103	\$ 2,590,188	Beginning fund balance	\$ 2,950,127	\$ 2,950,127	\$ 2,950,127
			Revenue			
1,348,921	1,460,547	1,490,022	Charges for services	1,523,499	1,523,499	1,523,499
13,139	30,926	23,000	Fines, interest and other	25,000	25,000	25,000
<u>1,362,061</u>	<u>1,491,473</u>	<u>1,513,022</u>	Total revenue	<u>1,548,499</u>	<u>1,548,499</u>	<u>1,548,499</u>
			Other sources			
221,627	-	-	Sale of fixed assets	-	-	-
<u>221,627</u>	<u>-</u>	<u>-</u>	Total other sources	<u>-</u>	<u>-</u>	<u>-</u>
3,292,735	4,013,576	4,103,210	Total resources	4,498,626	4,498,626	4,498,626
			REQUIREMENTS			
			Expenditures			
			Personal services			
221,616	232,022	303,722	Salaries and wages	344,700	344,075	344,075
22,532	22,016	33,234	Payroll taxes	37,497	37,481	37,481
84,967	91,505	123,334	Benefits	128,321	128,090	128,090
<u>329,115</u>	<u>345,543</u>	<u>460,290</u>	Total personal services	<u>510,518</u>	<u>509,646</u>	<u>509,646</u>
			Materials and services			
111,484	58,893	95,334	Professional & technical	86,600	86,600	86,600
225	27,550	16,900	Facility and equipment	22,800	22,800	22,800
120,702	121,202	130,350	Other purchased services	133,405	133,405	133,405
28,785	28,641	60,900	Supplies	70,400	70,400	70,400
1,599	6,049	5,500	Minor equipment	10,000	10,000	10,000
148,571	220,389	239,881	Cost Allocation	438,883	424,231	424,231
<u>411,366</u>	<u>462,724</u>	<u>548,865</u>	Total materials & services	<u>762,088</u>	<u>747,436</u>	<u>747,436</u>
			Capital outlay			
201,667	201,069	687,000	Infrastructure	760,728	760,728	760,728
-	-	-	Furniture and equipment	17,000	17,000	17,000
<u>201,667</u>	<u>201,069</u>	<u>687,000</u>	Total capital outlay	<u>777,728</u>	<u>777,728</u>	<u>777,728</u>
<u>942,147</u>	<u>1,009,336</u>	<u>1,696,155</u>	Total expenditures	<u>2,050,334</u>	<u>2,034,810</u>	<u>2,034,810</u>
			Other uses			
22,768	-	-	Transfers out	-	-	-
<u>22,768</u>	<u>-</u>	<u>-</u>	Total other uses	<u>-</u>	<u>-</u>	<u>-</u>
2,327,820	3,004,240	-	Ending Fund Balance	-	-	-
-	-	75,651	Contingency	77,425	77,425	77,425
-	-	40,000	Reserved for Future Years - Maint	82,103	82,103	82,103
-	-	2,291,404	Reserved for Future Years	2,288,764	2,304,288	2,304,288
\$ 3,292,735	\$ 4,013,576	\$ 4,103,210	Total requirements	\$ 4,498,626	\$ 4,498,626	\$ 4,498,626
4.3	4.2	5.0	FTE	5.6	5.6	5.6

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.

2017-18 Highlights

- Cleaned 59,874 feet of Stormwater main lines.
- Cleaned/inspected 2053 catch basins.
- Cleaned 79 water quality manholes semi-annually.
- Treated 1,727 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 1,180 yards of leaves.
- Planted 1,749 trees.
- Completed monthly street sweeping.

2018-19 Goals

- Meet CWS Performance Standards (Citywide Value – Community Partnerships).
- All private water quality facilities (WQF) are operational (Citywide Goal – Infrastructure).
- Perform monthly street sweeping (Citywide Goal – Infrastructure), increase sweeping schedule to Tualatin-Sherwood Rd and downtown streets.
- Retrofit four (4) unsumped catch basins to sumped (Citywide Goal – Infrastructure).
- Rehabilitate three (3) public WQF’s, continue to increase % of functional facilities (Citywide Goal – Infrastructure).

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Scheduled maintenance of Stormwater infrastructure	Total feet of Stormwater lines	338,824	340,470	342,000
	Percentage of system videoed	15%	15%	13%
	Percentage of Stormwater lines cleaned	18%	21%	21%
	Total number of sumped catch basins	1716	1,730	1,740
	Percentage of catch basins cleaned	100	100	100
	Number of WQFs rehabilitated/enhanced	2	2	3

FY2018-19 Stormwater Capital Projects

- 2nd and Park Street Stormwater Facility Rehab
- Oregon Street Regional Water Quality Facility
- Murdock apartment Swale
- Citywide Catch Basin Remediation Program
- Cascade Court Drainage
- Woodhaven Swales
- Water Quality Facility Refurbishments
- Cedar Brook Outfall Project

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

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
\$ 1,023,668	\$ 583,317	\$ 792,429	RESOURCES			
			Beginning fund balance	\$ 1,148,230	\$ 1,148,230	\$ 1,148,230
			Revenue			
400,030	400,000	400,000	Charges for services	400,000	400,000	400,000
27,809	25,620	99,540	Infrastructure development	100,797	100,797	100,797
5,273	7,557	10,000	Fines, interest and other	-	7,000	7,000
<u>433,112</u>	<u>433,177</u>	<u>509,540</u>	Total revenue	<u>500,797</u>	<u>507,797</u>	<u>507,797</u>
1,456,780	1,016,494	1,301,969	Total resources	1,649,027	1,656,027	1,656,027
			REQUIREMENTS			
			Expenditures			
			Personal services			
35,347	18,780	12,873	Salaries and wages	27,403	27,403	27,403
3,179	1,462	1,264	Payroll taxes	2,629	2,631	2,631
17,194	7,289	5,938	Benefits	12,902	12,901	12,901
<u>55,720</u>	<u>27,531</u>	<u>20,075</u>	Total personal services	<u>42,934</u>	<u>42,935</u>	<u>42,935</u>
			Materials and services			
69,766	17,677	56,000	Professional & technical	-	-	-
677	133	-	Other purchased services	-	-	-
146	-	-	Supplies	-	-	-
-	424	-	Other materials & services	-	-	-
26,262	15,861	11,926	Cost Allocation	34,254	33,048	33,048
<u>96,850</u>	<u>34,096</u>	<u>67,926</u>	Total materials & services	<u>34,254</u>	<u>33,048</u>	<u>33,048</u>
			Capital outlay			
526,610	208,382	-	Infrastructure	918,500	918,500	918,500
<u>526,610</u>	<u>208,382</u>	<u>-</u>	Total capital outlay	<u>918,500</u>	<u>918,500</u>	<u>918,500</u>
<u>679,180</u>	<u>270,009</u>	<u>88,001</u>	Total expenditures	<u>995,688</u>	<u>994,483</u>	<u>994,483</u>
777,600	746,486	-	Ending Fund Balance	-	-	-
-	-	1,213,968	Reserved for Future Years	653,339	661,544	661,544
\$ 1,456,780	\$ 1,016,495	\$ 1,301,969	Total requirements	\$ 1,649,027	\$ 1,656,027	\$ 1,656,027
0.6	0.4	0.3	FTE	0.4	0.4	0.4

Broadband Fund

The Broadband 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. Broadband also supports economic development within Sherwood and the surrounding area.

2015-16 Actual	2016-17 Actual	2017-18 Budget		2018-19 Proposed	2018-19 Approved	2018-19 Adopted
(restated)			RESOURCES			
\$ 163,456	\$ 279,214	\$ 422,661	Beginning fund balance	\$ 368,663	\$ 368,663	\$ 368,663
			Revenue			
523,850	445,468	452,452	Charges for services	465,326	465,326	465,326
1,432	4,073	6,000	Fines, interest and other	6,000	6,000	6,000
525,282	449,541	458,452	Total revenue	471,326	471,326	471,326
688,738	728,756	881,113	Total resources	839,989	839,989	839,989
			REQUIREMENTS			
			Expenditures			
			Personal services			
12,068	54,423	70,001	Salaries and wages	77,046	90,044	90,044
1,127	4,582	6,169	Payroll taxes	6,604	7,702	7,702
4,944	21,345	31,250	Benefits	33,845	39,472	39,472
18,139	80,350	107,420	Total personal services	117,495	137,218	137,218
			Materials and services			
47,809	24,347	42,500	Professional & technical	33,500	33,500	33,500
94,997	104,113	127,150	Facility and equipment	137,790	137,790	137,790
6,876	4,316	25,656	Other purchased services	27,175	27,175	27,175
6,229	20,854	24,000	Supplies	25,000	25,000	25,000
26,552	14,569	26,000	Minor equipment	5,000	5,000	5,000
6,187	33,901	40,057	Cost Allocation	44,357	47,688	47,688
188,650	202,101	285,363	Total materials & services	272,822	276,153	276,153
			Capital outlay			
-	-	35,000	CWIP	-	-	-
-	-	75,000	Infrastructure	100,000	100,000	100,000
-	-	33,000	Vehicles	-	-	-
21,930	10,430	-	Furniture and equipment	40,000	40,000	40,000
21,930	10,430	143,000	Total capital outlay	140,000	140,000	140,000
228,719	292,882	535,783	Total expenditures	530,317	553,371	553,371
			Debt service			
179,874	-	-	Principal	-	-	-
900	-	-	Interest	-	-	-
180,774	-	-	Total debt service	-	-	-
279,244	435,873	-	Ending Fund Balance	-	-	-
-	-	22,923	Contingency	23,566	23,566	23,566
-	-	322,407	Reserved for Future Years	286,106	263,052	263,052
\$ 688,738	\$ 728,755	\$ 881,113	Total requirements	\$ 839,989	\$ 839,989	\$ 839,989
0.1	0.6	0.7	FTE	0.8	0.8	0.8

Broadband Fund

2017-18 Highlights

- Redesigned the Sherwood Broadband website.
- Designed new marketing materials for advertising our business services.
- Updated our construction standard details.
- Revised all contract and sales order templates.
- Automated our sales order process and customer tracking.
- Obtained Franchise/License agreements with Newberg, Tigard and Tualatin.
- Purchased a vehicle so staff can perform our own fiber splicing.
- Acquired 6 new customers, generating over \$35k in new revenue.
- Implement the residential service proof of concept, if approved by Council.

2018-19 Goals

- Implement a marketing strategy for business and residential (if approved).
- Implement billing functionality into our sales and customer tracking system.
- Install and configure new core Internet routers.
- Construct fiber to a few business districts in Sherwood that are currently not served.
- Continue the residential service proof of concept, if approved by Council.
- Install and configure new Sherwood Broadband servers.
- Migrate network architecture to support greater scalability and ease of management.

Performance Measures

Strategy	Measures	FY16-17 Actual	FY17-18 Projected	FY18-19 Projected
Provide quality broadband services to the business community	Total number of accounts (SBB & Partner)	30	35	40
	Number of new accounts (SBB & Partner)	1	6	5
	Number of accounts lost (SBB & Partner)	1	1	0



Home of the Tualatin River National Wildlife Refuge

Personnel FTE Comparison to Prior Years

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	Adopted 2017-18 Budget	Proposed 2018-19 Budget	Approved 2018-19 Budget	Adopted 2018-19 Budget
Administration	16.5	16.5	18.0	19.1	19.4	19.4	16.6	16.6
Community Development	9.7	12.5	13.4	12.7	13.6	14.1	13.6	13.6
Public Safety	26.6	24.4	26.3	23.8	25.5	27.0	27.0	27.0
Community Services	13.8	15.2	18.8	19.3	20.6	20.8	20.8	20.8
Public Works Operations	11.9	11.8	13.0	12.6	13.3	12.7	13.0	13.0
General Fund Total	78.5	80.4	89.5	87.5	92.4	94.0	91.0	91.0
Water Operations	6.6	6.9	7.5	6.5	6.8	6.5	6.5	6.5
Water Capital	-	-	-	-	0.1	0.1	0.1	0.1
Water Fund Total	6.6	6.9	7.5	6.5	6.9	6.6	6.6	6.6
Sanitary Operations	2.5	2.7	2.9	2.7	3.0	3.3	3.3	3.3
Sanitary Capital	0.3	0.2	0.3	0.2	0.1	0.3	0.3	0.3
Sanitary Fund Total	2.8	2.9	3.2	2.9	3.1	3.6	3.6	3.6
Storm Operations	4.1	3.5	4.3	4.2	5.0	5.6	5.6	5.6
Storm Capital	0.2	0.4	0.6	0.4	0.3	0.4	0.4	0.4
Storm Fund Total	4.2	3.9	4.9	4.6	5.3	6.0	6.0	6.0
Grants					-	-	-	-
Street Operations	3.5	3.2	3.7	4.0	4.7	4.6	4.6	4.6
Street Capital	0.7	0.2	0.4	0.4	0.6	0.4	0.4	0.4
General Construction	0.3	0.3	0.8	0.4	0.6	0.5	0.5	0.5
Telecom	0.4	0.3	0.1	0.6	0.7	0.8	0.8	0.8
URA Operations	0.3	0.3	0.7	1.0	0.8	0.6	0.5	0.5
URA Capital	0.7	0.7	0.1	-	-	-	-	-
Total	98.9	99.1	110.9	107.9	115.1	117.1	114.0	114.0

Changes to personnel for Revised FY2018-19

Administration	
Assistant City Manager	(1.0)
Finance Tech I	(1.0)
Business Systems Analyst	(1.0)
Community Development	
Code Compliance (from 0.5 to 1.0 FTE)	0.5
Planning Coordinator	(0.3)
Community Services	
On Call Recreation Assistant	0.2
Public Safety	
Change Evidence Tech to Community Services Officer (from 0.5 to 1.0 FTE)	0.5
Add part-time positions for duties related to camera speed enforcement	1.0
	<u>(1.1)</u>

Management/Supervisory/Confidential (Effective July 1, 2018)

Position	Group Range	Minimum Hourly	Maximum Hourly	Minimum Monthly	Maximum Monthly
Admin Asst III – Confidential Legal Assistant Payroll Financial Specialist	1100N	24.41	30.96	4,232	5,366
None	1200N	26.37	33.44	4,570	5,796
Business Systems Analyst Fleet Supervisor Court Supervisor	1300N	29.27	37.11	5,073	6,433
PW Program Analyst Systems Administrator Adult Community Center Manager	1400N	31.32	39.71	5,428	6,884
Art Center Manager PW Utility Supervisor Engineering Associate II Recreation Supervisor Human Resources Analyst	1500N	33.82	42.89	5,863	7,434
Civil Engineer Library Operations Supervisor PW Operations Supervisor Senior IT Analyst	1600N	36.87	46.75	6,390	8,103
City Recorder Planning Manager Police Sergeant Senior Network Engineer	1700N	39.82	50.49	6,901	8,752
Building Official Library Manager Utility Manager	1800N	42.20	53.52	7,315	9,277
City Engineer Police Captain	1900N	48.11	61.01	8,340	10,575
IT Director Community Develop Director Finance Director Public Works Director Community Services Director	2000N	54.37	68.94	9,423	11,950
Police Chief Assistant City Manager	2100N	57.63	73.08	9,989	12,667
Municipal Judge City Attorney City Manager	Contract Employees				

SPOA/AFSCME (Effective July 1, 2018)

SPOA Represented	Group Range	Minimum Hourly	Maximum Hourly	Minimum Monthly	Maximum Monthly
Police Officer		28.99	37.00	5,024	6,413
AFSCME Represented					
Library Page Recreation Assistant	500	13.20	16.74	2,288	2,901
None	600	15.18	19.25	2,631	3,336
Library Asst. I Admin Asst. I	700	16.70	21.18	2,894	3,670
Admin Asst II Library Asst II Maintenance Worker I	800	19.20	24.35	3,329	4,220
City Records Technician Engineering Tech I Finance Tech I Court Clerk I Permit Specialist Kitchen Coordinator Recreation Specialist Utility Billing Technician	900	20.93	26.54	3,628	4,601
Police Records Specialist Maintenance Worker II Engineering Program Associate	1000	22.61	28.67	3,918	4,969
Court Clerk II Engineering Tech II Finance Tech II Lead Permit Specialist Lead Utility Billing Tech Librarian I Maintenance Worker III Mechanic Planning Coordinator Program and Event Coordinator City Volunteer Coordinator	1100	24.41	30.96	4,232	5,366
Asset Management Specialist Assistant Planner Code Compliance/Evidence Tech Lead Maintenance Worker	1200	26.37	33.44	4,570	5,796
Accountant Associate Planner Engineering Associate I Environmental Program Coordinator GIS Programmer/Analyst Librarian II Technical Services Librarian	1300	29.27	37.11	5,073	6,433
None	1400	31.32	39.71	5,428	6,884
Senior Planner	1500	33.82	42.89	5,862	7,434

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 policies 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

Adopted 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 as 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 populations 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.



City of
Sherwood
Oregon

Home of the Tualatin River National Wildlife Refuge