CITY OF SHERIDAN

City Hall • 120 SW Mill Street • Sheridan, OR 97378
Phone 503-843-2347 • Fax 503-843-3661
www.cityofsheridanor.com

Budget Committee Meeting Agenda
April 30, 2026, at 6:00 pm
Sheridan City Hall Council Chambers
120 SW Mill Street, Sheridan, Oregon 97378

Capacity is limited, and seats are offered on a first-come, first-serve basis. Public attendance is also available via Zoom, by Phone or Computer except for Executive Sessions. To join via Zoom, please visit our website at www.cityofsheridanor.com and click on Meetings to find meeting-specific links.

A. Call to Order and Welcome by Chairperson Rich Cox Sr.

B. Roll Call

C. Election of Budget Committee Chairperson and Secretary

D. Proposed Budget for Fiscal Year 2026-2027, by City Manager Preston Polasek

E. **Public Hearing on State Shared Revenue 6:00 pm:** *This is an opportunity for people to comment for or against use of State Shared Revenue in the Proposed Budget for FY2027. State your name and city of residence. Time is limited to three minutes per speaker.*

F. **Public Hearing on the Fiscal Year 2026-2027 Proposed Budget:** *This is an opportunity for people to comment for or against any item in the Proposed Budget for FY2027. State your name and city of residence. Time is limited to three minutes per speaker.*

G. Deliberation

H. Approval

Sample Motion: *I move to approve the Proposed Budget for the Fiscal Year Beginning July 1, 2026 making appropriations, levying taxes and categorizing the taxes at the rate of $2.1307 per $1000 of assessed value; to accept the State Shared Revenue funds for Fiscal Year 2026-2027 and appropriate them to the General Fund, in the amount of $668,300.*

I. Recess to next meeting or Adjournment

Sample Motion: *I move to recess the meeting to May 7, 2026 at 6:00 pm to continue deliberations; or*

Sample Motion: *I move to adjourn the meeting at _____ p.m.*

Sheridan

OREGON

Oregon

2026-27 Proposed Budget Draft

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Budget Message

Overview

April 23, 2026

Sheridan Budget Committee members:

It is my pleasure to present you with the Proposed Budget for the City of Sheridan for the fiscal year beginning July 1, 2026 and ending on June 30, 2027 (FY2027). It is my sincere recommendation that this financial plan meets critical needs in the community while taking many initiatives.

Our Beginning Fund Balances are not based on audited numbers, as the City is behind one year on our audit. The FY2025 Audit begins next week, and the City is expected to receive that repo1rt in July/August. The Proposed Budget for FY2027 represents a good faith effort to lay out and recommend this financial plan.

The Revenues for the total budget of $24.9 million is balanced with expenditures for all projects and services funded by City resources. It includes a 3-year Capital Improvement Program (CIP) of $6,841,714 comprising 18 distinct projects that make significant investments in our Water, Sewer, Streets, Storm, and Parks Systems. This multi-year strategic plan for infrastructure addresses current needs and master planning updates, as well as preparing projects that will be sufficiently ready if funding opportunities arise. During each budget cycle when considering the CIP, a particular project scope could be modified, or additions/deletions on this list can be approved due to emerging priorities.

With this recommendation for next fiscal year, I have fulfilled the most important duty as your Budget Officer. It is now the task of the Budget Committee to conduct hearings, deliberate this financial plan, and Approve the City of Sheridan FY2027 Budget. My staff and I will be prepared to answer any questions that arise during your meeting on April 30, 2026 at 6:00 pm.
Respectfully submitted,
Preston Polasek

Preston Polasek
City Manager and Budget Officer

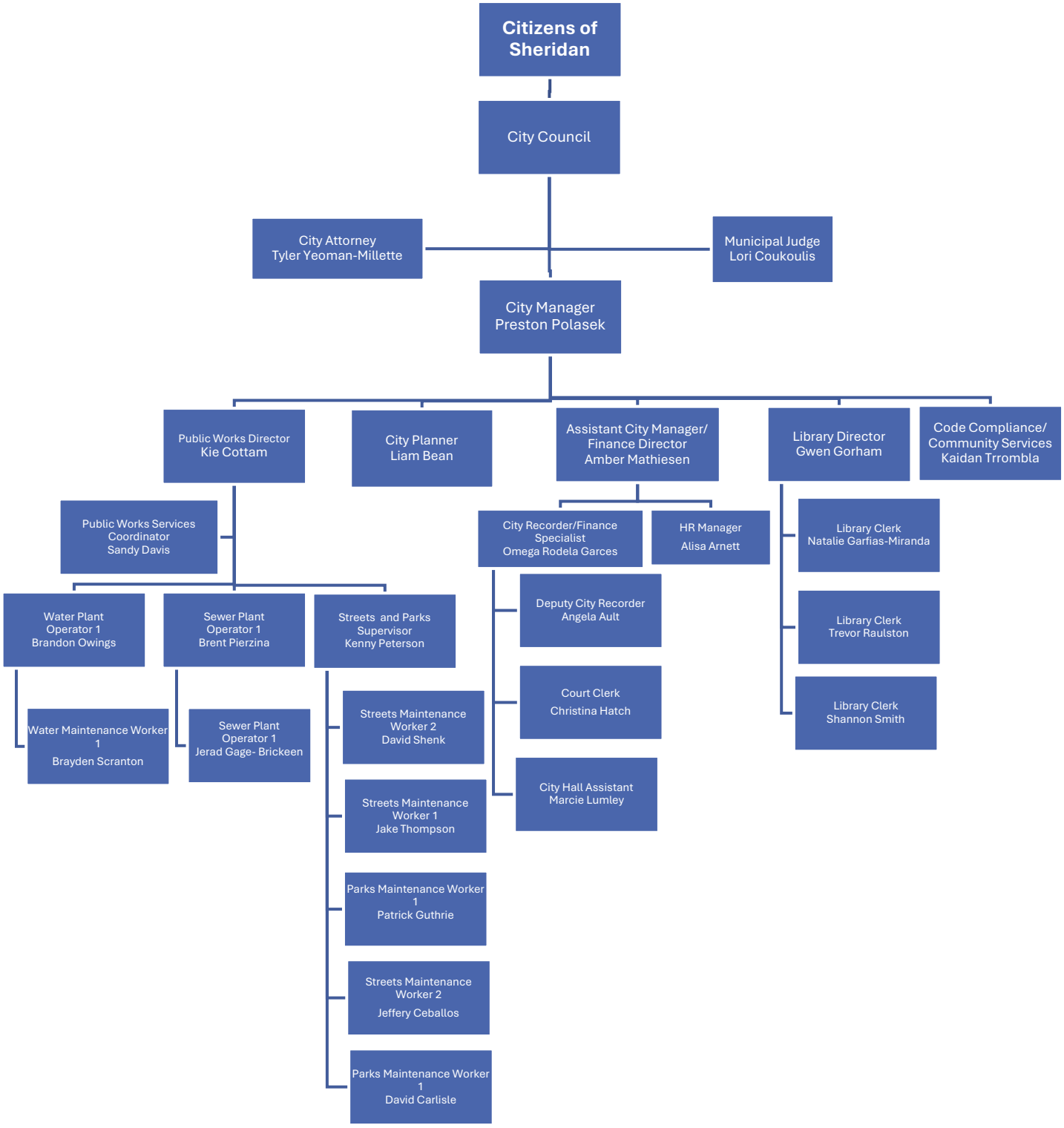
BUDGET COMMITTEE

Sheridan Budget Committee 2027

Budget Committee	Name	Term Ends
Mayor	Cale George	12/31/2026
President	Jim Buckles	12/31/2028
Councilor	Peter Flynn	12/31/2028
Councilor	Lucy Hebert	12/31/2026
Councilor	Jules Allen	12/31/2026
Councilor	Ian Houston	12/31/2026
Councilor	Denny McElroy	12/31/2028
Citizen Member	Judy Adams	12/31/2026
Citizen Member	Larry Deibel	12/31/2026
Citizen Member	Kay Buckles	12/31/2027
Citizen Member	Rich Cox, Chair	12/31/2026
Citizen Member	Gwen Fink	12/31/2026
Citizen Member	Paula Necas	12/31/2027
Citizen Member	Sandra Walker	12/31/2026
	Dana Morfin, Secretary	

City Manager & Budget Officer	Preston Polasek
Assistant City Manager	Amber Mathiesen
Public Works Director	Kie Cottam
Library Director	Gwen Gorham

Organizational Chart



About Sheridan

Government

Sheridan City Council is comprised of six councilors and a Mayor, elected to four-year terms. The Council exercises policy-making and legislative authority and is responsible for legislation, adopting the budget, appointing committees, and hiring the City Manager.

The City Manager and staff are responsible for carrying out the day-to-day operations of the City.

City police protection is provided by the Yamhill County Sheriff's Office, which maintains a substation at City Hall. Sheridan Fire District provides fire protection to the city and more than 100 square miles of the surrounding area.

Sheridan operates its own water and wastewater treatment systems. Drinking water comes from the South Yamhill River and springs on Stony Mo
Mountain to the north.

The City's fiscal year begins July 1 and ends June 30. Current information about services and projects can be found on the website www.cityofsheridanor.com.

City of Sheridan History

Founded in the 1860s and officially incorporated in 1880, the town was laid out by Absolom "Ab" Faulconer. Ab originally settled on the north side of the South Yamhill River in 1847, with family settling on the south side, marking the beginning of the town's history. By 1852, Ab's brother Thomas was running a general store, livery stable, and Ab's farmhouse served as a hotel of sorts. From 1856 to 1861, Lt. Philip Henry Sheridan, stationed at Fort Yamhill, was a frequent visitor.

In 1865, a bridge was constructed connecting the north to the south side, and the next year, the simple can nailed to a post on the Faulconer land (to receive infrequent mail) was replaced with a newly established post office. Ab officially platted and recorded the townsite on portions of the family's original Donation

Land Claim and named it after General Philip Sheridan. The town was a hub for business activity in Yamhill County, with early establishments including stores and blacksmith shops.

Sheridan has survived four major fires in its business district, the worst in 1913 when an entire section on the south side of town was destroyed, and a major flood in 1964. In each instance, rebuilding began immediately, making the structures stronger and safer.

With the fertile soil and mild climate of the south Yamhill River Valley, Sheridan has been a rich agricultural area since Faulconer first set plow to earth. Farming, dairies, and the timber industry kept the community economically sound for decades. When the timber industry faltered in the late 1980s, the community diversified, welcoming an artist community and becoming the first location in Oregon to have a federal prison. The Federal Correctional Institution, Sheridan, built at the edge of town, houses approximately 1,600 medium-security inmates.

Life in Sheridan

In the western part of the Mid-Willamette Valley, at the base of the Northern Oregon Coast Range and along the South Yamhill River, Sheridan is located in one of America's premier wine regions with world-class vineyards and tasting rooms. Surrounded by old-growth timber and fertile farmland, the town's rural regions are host to many locations for bird watching and observing local wildlife. You would have to look for a long time before you found a region with more to offer recreationally, including great fishing, swimming, bicycling, hiking, wineries, and picnicking.

Photo Credit: Karen

Our region also boasts fine dining, balloon rides, paddling trips, waterfalls, and trails. Local food is a theme to be savored from hazelnuts to cheese, craft beer, cider, artisan bread, brick oven pizza, the Bridgettine Monastery chocolates and fudge, and more.

A 45-minute drive west is the Oregon Coast, with its green headlands, crashing surf and miles of beautiful sandy beach.

The Budget Process

A budget, as defined by Oregon State Law (Oregon Revised Statutes (ORS), Chapter 294), is a financial plan containing estimates of revenues and expenditures for a given period or purpose, such as the fiscal year. Sheridan is required to budget all funds and for each fund to have a balanced budget. The state of Oregon defines balanced budgets as one in which total resources, including beginning resources, current resources, and debt proceeds, equal total requirements, including current year expenditures, capital outlay, transfers, debt service, and any other requirements such as debt service reserves.

As a rule, local governments in Oregon operate on a fiscal year that begins on July 1 and ends the following June 30. Sheridan's budget operates on this schedule. Budgeting is critical to the City because it requires the organization to evaluate plans and establish priorities in relation to available financial resources.

The Sheridan's budget will accomplish each of the four major purposes of Oregon Local Budget Law (ORS 294.305 – 294.555 and 294.565), including:

- Establish standard financial procedures
- Outline programs and services in conjunction with the fiscal policy and implement those policies
- Provide methods of estimating revenue, expenditures, and proposed tax levies
- Encourage public involvement in the budgeting process before budget adoption

The city of Sheridan prepares and adopts its annual budget in accordance with its organizational Charter, Oregon Law, and the Government Finance Officers Association budget guidelines.

Before the budget can accomplish these goals, a schedule for preparation is developed. This schedule is called the budget calendar.

2025-26 Budget Calendar

Action	Proposed Date
Staff prepares DRAFT budget	December through April
Publish legal notices in newspapers, in newsletters, on website and social media with key dates and opportunities for public input as part of budget process. (Publish twice, 10 days before meeting, 1newspaper, 1 web)	Per state budget law requirements
Proposed budget document available and posted online	April 24, 2026
Budget Committee meeting – orientation, budget message and public hearings, additional meetings as needed and announced to review funds, discuss amendments, and make a recommendation on the budget	April 30, 2026
Publishing online and to paper by (publish once, not later than 5 days before meeting)	No later than June 5, 2026
Council adopts budget, makes appropriations NOTE: Must be completed by June 30, 2026	June 15, 2026

In May-June, a preliminary budget is prepared and presented to the Budget Committee, which, by law, comprises all 6 City Council members and includes the Mayor, plus 7 citizen members. A hearing notice is published in the local newspaper. The City Council holds a public hearing prior to July 1, which may result in further changes. If a change increases revenues or increases expenditures within a fund by more than ten percent or $5,000, whichever is greater, the budget must be referred to by the Budget Committee. The City Council adopts the budget prior to June 30 each year. The adopted budget is filed with the county clerk and the State of Oregon each year.

The Budget Amendment Process

Oregon Budget Law allows for amendments to the City budget for reasons unforeseen at the time of adoption. The City Council may adopt resolution changes that decrease one existing appropriation and increase another. Certain changes of ten percent or more to any fund require a supplemental budget. All changes over ten percent to any fund require a supplemental budget process, like the annual budget, requiring a public hearing. Further details may be found in ORS Chapter 294.

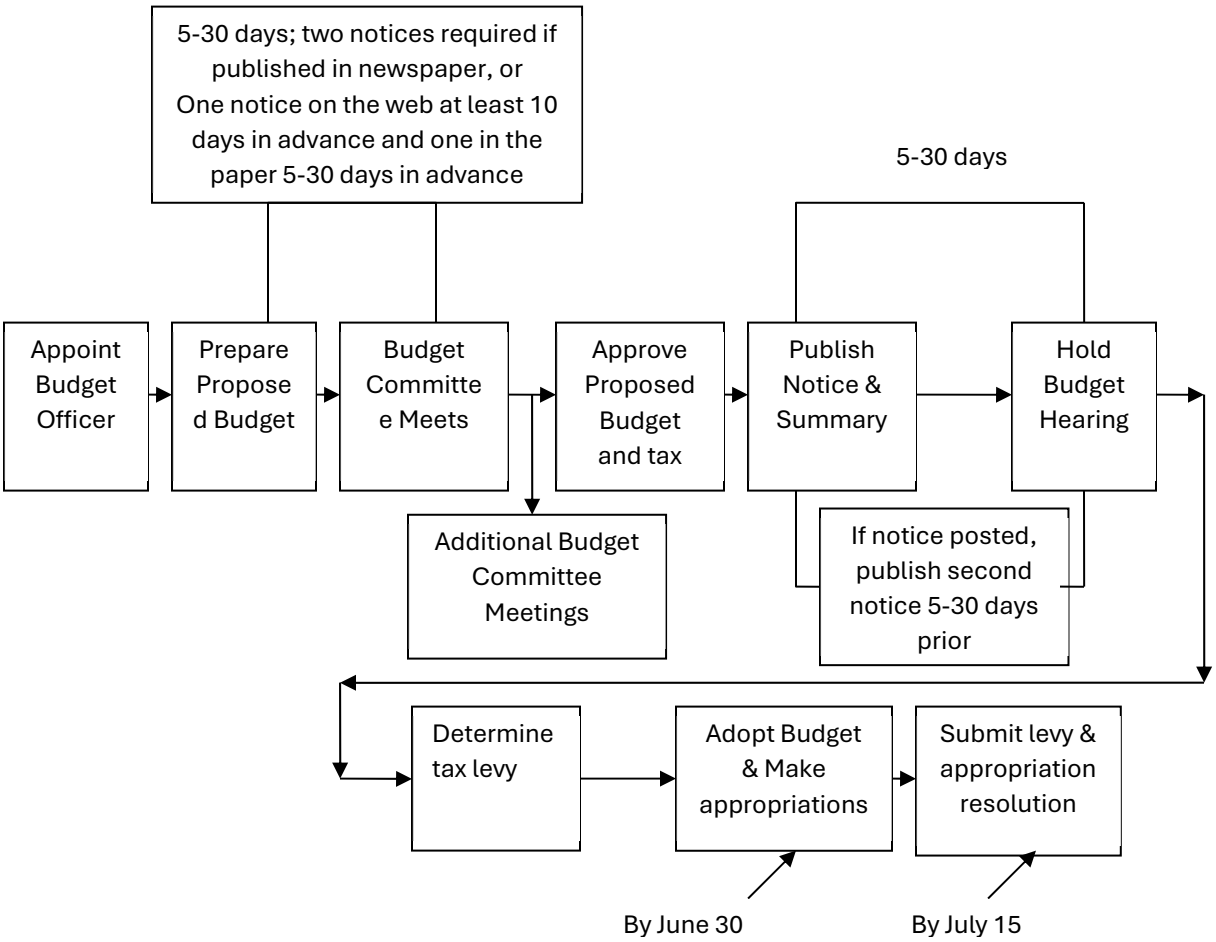
The Budget Committee

The Budget Committee is composed of the City Council, including the Mayor and an equal number(seven) of citizen members appointed by the governing board, for a total of fourteen members.

The appointed members:

- Must live in the City of Sheridan boundaries,
- Cannot be officers, agents, or employees of the local government, and
- Can be spouses of officers, agents, or employees of the City of Sheridan.

The Budget Process Schematic



Oregon's Local Budget Law is governed by Chapter 294 of the Oregon Revised Statutes (ORS 294). This law does two important things: (1) establishes the standard procedures for preparing, presenting, and administering the budget, and (2) requires citizen involvement in the same. The above flowchart depicts this process.

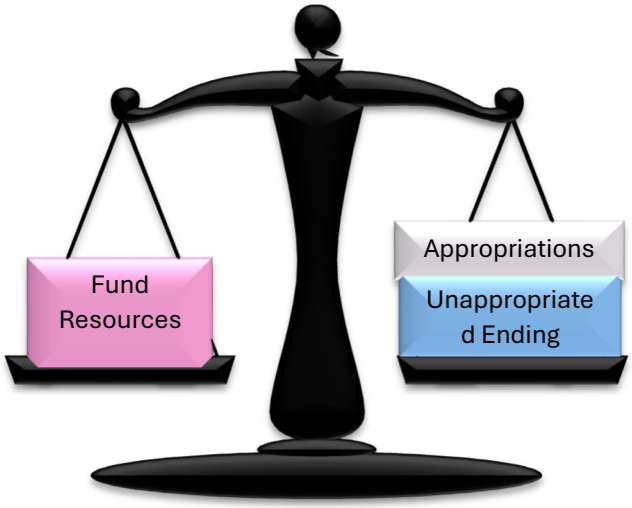
The Budget Basis

The budget is prepared using the modified cash-basis method of accounting. This means that obligations of the City of Sheridan are budgeted as expenses when the expense is paid, and income is recorded when received. The City of Sheridan manages its finances in compliance with the modified cash basis and budget laws of the State of Oregon. During the year, expenditures and revenues are closely monitored to ensure compliance with the adopted budget and state law. Monthly budget comparisons are distributed to management. Financial reports, prepared on the budgetary basis of accounting, are distributed to the City Council, and the public.

Annually, an audit is performed and filed with the State of Oregon by an independent certified public accountant. The City of Sheridan publishes an annual financial report that documents the City's budgetary performance and the financial health of the City. This report compares budgeted to actual revenues and expenditures, thus documenting the City's budgetary compliance.

The government-wide financial statements and the proprietary funds financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting as is the fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when incurred. Grants and similar items are recognized as revenue as soon as received.

Requirements are generally recorded when incurred under accrual accounting. Long-term compensated absences are recorded only when payment is due. Principal and interest on long-term debt are recorded as fund liabilities only when due, or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.



Budget Document

A budget as defined by Oregon State law is a "financial plan containing estimates of revenues and requirements for a single fiscal year." Local governments have the option of budgeting on a 24-month biennial budget period, or by fiscal year.

The City of Sheridan operates on a fiscal year beginning on July 1 and ending the following June 30.

Budgeting requires local governments to evaluate plans and priorities considering the fiscal resources available to meet those needs.

The budget document describes how the City of Sheridan government plans to meet the needs of the members and is a resource for citizens interested in learning more about the operations of their local government.

Budget Resolution

Placeholder for the Resolution once the budget has been adopted.

Staff Summary By Position

Position Title	Annual Salaries at 6/30/2026	
City Manager	$	108,010
Assistant City Manager	$	123,406
Human Resource Manager (PT)	$	45,457
City Recorder & Finance Specialist	$	79,550
Deputy City Recorder &EM Coordinator	$	72,155
Court Clerk (PT)	$	52,366
City Hall Assistant (PT)	$	32,274
Code Compliance	$	51,272
Public Works Director	$	117,542
Streets and Parks Supervisor	$	83,516
Maintenance Worker I - Parks (2)	$	95,139
Plant Operator I -Water	$	77,355
Plant Operator I -Sewer	$	78,956
Maintenance Worker I - Sewer	$	59,363
Maintenance Worker I - Streets	$	56,534
Maintenance Worker I - Water (1)	$	72,155
Maintenance Worker II - Streets (2)	$	134,180
Public Works Services Coordinator	$	56,534
Library Director	$	79,541
Library Clerk III	$	151,798
Total of All Salaries	$	1,627,103

Notes:

The 26-27 fiscal year payroll budget includes the following approximate increases. These impact salaries and/or liabilities.

* Cost of living increase 5%
* Insurance premiums increase approximately 10%
* Employee performance increases 5%
* Added 5% for contingency
* PERS Benefit, no change

Staff Changes By Position

Changes in Personnel Levels

Position Title	Budgeted FTE FY 25-26	Budgeted FTE FY 26-27
City Manager	1	1
Assistant City Manager/Finance Dir.	1	1
Human Resource Manager (PT)	1	1
City Recorder & Finance Specialist	1	1
Deputy City Recorder&EM Coordinator	1	1
Court Clerk (PT)	1	1
City Hall Assistant (PT)	1	1
Code Compliance	1	1
Public Works Director	1	1
Streets and Parks Supervisor	1	1
Maintenance Worker I - Parks (2)	1	2
Plant Operator I -Water	0	1
Plant Operator I -Sewer	2	1
Maintenance Worker I - Sewer	1	1
Maintenance Worker I - Streets	1	1
Maintenance Worker I - Water (2)	2	2
Maintenance Worker II - Streets (2)	2	2
Public Works Services Coordinator	1	1
Library Director	1	1
Library Clerk III	3	3
	24	25

*PT: Part time

City of Sheridan
Capital Improvement Program
FY 2027 through FY 2029

CIP Project No.	Project Description	Budget Lines	Estimate	Water	Sewer	Storm	Street	General
1	Ballston Pump Station SCADA	Yamhill County ARPA Grant	$ 400,000	400,000				
2	Hebert Memorrial Plaza, Phase I - Riverside and Parks	Capital Projects	$ 100,000					100,000
3	Hebert Memorial Plaza, Phase II - Decking	Capital Projects	$ 142,314					142,314
4	Skatepark Rehabilitation and Expansion	Capital Projects	$ 180,000					180,000
5	Sheridan Road Maintenance east of Schley ($550,000 est.)	Streets Fund	$ 550,000				550,000	
	Project nos. 1-5 and a portion of Project no. 11 (Yamhill County ARPA) to be completed by 12/31/26.							
6	Hebert Memorial Plaza Phase III, Morgan Street Parking and Restrooms ($450.000 est)	State Grant - OPRD	$ 250,000					250,000
		Parks SDC**	$ 200,000					
7	Update Study for System Development Charges (SDCs)	SDC Funds**	$ 40,000					
8	Remaining Work for South Side Park	Capital Projects	$ 200,000					200,000
9	Wastewater Facility Study + GIS Mapping	Sewer SDC**	$ 250,000					
10	Water Treatement Plant Disaster Repairs ($2.5 million est.)	Feneral/State Grants	$ 2,000,000					2,000,000
		Water Fund	$ 500,000	500,000				
11	Yamhil Street Sewer Main Lining ($873,000 est.)	Community Development Block Grant	$ 708,000		708,000			
		Yamhill County ARPA Grant	$ 165,000		165,000			
12	Sidewalk Program: Repairs and Extensions	Streets Fund	$ 60,000				60,000	
13	Stony Mountain Development Plan	Water Fund	$ 50,000	50,000				
14	Various Catch Basin and Storm Inlet Improvements	Sewer Fund	$ 200,000			200,000		
15	Wastewater Irrigation Equipment	Sewer Fund	$ 45,000		45,000			
16	Water Line and Pedestrian Bridge over East Creek	Water Fund	$ 250,000	250,000				
17	Jefferson Street Storm Replacement (300') and Cleaning	Sewer Fund	$ 95,000			95,000		
18	Equipment Trailer	Vehicles/Equipment	$ 5,400	2,700	2,700			
	Mobile Speed Radar Unit	Equipment	$ 11,000				11,000	
	Used Skid Steer	Vehicles/Equipment	$ 25,000	12,500	12,500			
	Welding Hood for PW Shop	Vehicles/Equipment	$ 15,000	7,500	7,500			
	360 Degree Excavator Bucket	Vehicles/Equipment	$ 20,000	10,000	10,000			
	Tractor with Overhead Mower	Vehicles/Equipment	$ 220,000	110,000	110,000			
	Maintenance Kubota SXS	Vehicles/Equipment	$ 35,000	17,500	17,500			
	Emergency Response Trailer	Vehicles/Equipment	$ 40,000	17,500	17,500		5,000	
	Jet/Vacuum Trailer	Vehicles/Equipment	$ 65,000		65,000			
	Mobile Generator Unit	Vehicles/Equipment	$ 20,000	10,000	10,000			
		TOTALS	**$ 6,841,714**	**$ 1,387,700**	**$ 1,170,700**	**$ 295,000**	**$ 626,000**	**$ 2,872,314**

**SDC projects will expend monies from dedicated SDC Funds established in FY2027.

6,841,714

CITY OF SHERIDAN

CIP FY 2027-2029 Funding Summary by Source

April 30, 2026

Yamhill County ARPA	$	565,000
CDBG	$	708,000
Fed/State	$	2,250,000
General	$	622,314
SDC Funds	$	490,000
Water	$	987,700
Sewer	$	592,700
Streets	$	626,000
TOTAL	$	6,841,714

THE CIP IS COMPRISED OF 18 DISTINCT PROJECTS:

1. **Ballston Pump Station SCADA** - After determining an Integrator of Record, digital controls and monitoring will be installed at the Ballston Pump Station. The CIP lists the project at $400,000, funded through a Yamhill County ARPA grant. Improving SCADA will help staff monitor and respond faster to issues while maintaining operations. SCADA is an important investment in a reliable and critical water system asset.

2. **Hebert Memorial Plaza, Phase I, Riverside and Parks** -This phase is likely to be completed in FY2026, but a portion of this project ($100k) may get pushed beyond June 30, such as security improvements associated with riprap and fencing.

3. **Hebert Memorial Plaza**, **Phase II, Plaza Decking** - This project will complete decking improvements, including riprap and handrails. The work will improve the plaza's appearance, usability, and safety for the public. It is part of making the space a more complete and functional community asset and complements the park amenities along the Yamhill River.

4. **Skatepark Rehabilitation and Expansion** - This project will improve and expand the City Park Skatepark for community recreation. Signage can promote skateboarding as an Olympic sport, while also recognizing our Olympic Medalist, Jody Huntley, who grew up in Sheridan

5. **Sheridan Road Maintenance east of Schley St** - The driving lanes on a significant of Sheridan Road will be improved. Where appropriate, some road sections that have failed will be dug out and base rock replaced.

6. **Hebert Memorial Plaza, Phase III, Morgan Street Parking Lot** - This project is currently slated for the summer of 2028. It will add parking and restrooms for visitors to patronize downtown businesses, participate in community events, or enjoy the Yamhill River, park amenities, and the Hebert Memorial Plaza.

7. **Update Study for SDCs** - Working with existing master plans, this project seeks to update the methodology used for calculating each of the 5 SDC funds. This work may help identify where our master plans may be deficient in terms of engineering or legislation.

8. **Remaining Work for South Side Park** - This item completes the remaining improvements required under the South Side Park grant and includes two shelters, disc golf, a dog park, and installation of a pedestrian bridge. If the City and Oregon Parks agree, it may be possible to shift grant monies allocated for the fabrication and installation of the bridge ($250k) to CIP no., 4, which comprises the Morgan Street parking lot and restrooms.

9. **Wastewater Facility Study + GIS Mapping** - This project will update the Sewer Master Plan, including the eventual build-out of the 5th lagoon. Improved GIS data will support maintenance and planning for future infrastructure investments. GIS data can also provide future layers of data useable by the public and developers.

10. **Water Treatment Plant Disaster Repairs** - This project makes repairs damage at the water treatment plant following the December 2025 disaster event. Funding comprises grants and the Water Fund. The White House on April 7, 2026 acknowledged the State of Oregon's Disaster Declaration freeing up potential federal disaster recovery funds. These repairs are essential to support our citywide drinking water system.

11. **Yamhill Street Sewer Main Lining** - This project will rehabilitate the existing sewer main on Yamhill Street. A sliplining construction will extend functional life of the main, and reduce the risk of future system failures. This project also addresses DEQ compliance issues by reducing storm and groundwater intrusion into the sewer system.

12. **Sidewalk Program: Repairs and Extensions** - This program will add to existing private contracts and extend repairs where practicable. This project enhances private investments and improves pedestrian safety. Sidewalk improvements are accessible and make our community more walkable. Public Works will also be looking at opportunities to build trade skills among youth by involving high school students in the construction of sidewalks.

13. **Stony Mountain Reservoir Development Plan** - This engineering task will provide the City a pathway for developing Stone Mountain as a year-round resource. With the Water Master Plan as the baseline, this project will identify the necessary steps, including design, costs, and tasks, to

bring this resource on-line within the next 10 years. This necessary plan has been identified as a high funding priority by the City Council and supports responsible growth management.

14. **Various Catch Basin and Storm Inlet Improvements** - This project will repair and improve stormwater catch basins and inlets throughout the City to reduce flooding, safety concerns, and drainage problems. It is important preventive maintenance for the storm system.

15. **Wastewater Irrigation Equipment** - This project will replace or upgrade equipment used for wastewater irrigation. Our water reuse program is essential to maintain depth levels in our lagoons, and DEQ requires us to have newer equipment that functions properly.

16. **Bridge Replacement for Water Main over East Creek** -The current bridge, which holds our water main from the Stony Mountain Reservoir, is old and has failed before. This project replaces the current bridge, protects our water main, and allows for safe maintenance when needed.

17. **Jefferson Street Storm Replacement and Maintenance** - This project will replace approximately 300' of storm main and provide maintenance to the remaining pipe on Jefferson Street. The work will improve drainage and reduce the chance of system blockages. Investing in storm infrastructure helps prevent flooding and potential damage to private property.

18. **Equipment Purchases** - This item includes several pieces of equipment needed for Public Works operations, some of which were carried over from FY2026:

    - Equipment trailer is a new, general-use trailer addition to replace an existing trailer converted to a specific purpose.
    - Mobile radar unit for tracking vehicle data and encouraging people to drive at the speed limit. This unit also tracks speed and volumes needed for traffic control analysis.
    - Used Skid Steer is a multi-use piece of equipment for water and sewer.
    - The Welding Hood provides a safe work environment for welding at the PW office per OSHA mandate.
    - A 360-degree Excavator Bucket expands the utility use of existing equipment.
    - The Tractor with Overhead Mower is a carryover item from FY2026. It replaces a 20-plus year specialized tractor used for maintenance of storm, sewer, and water systems by clearing ditches, access roads and brushy areas.
    - The Kubota SXS will replace a 15-year SXS that has been maintenance heavy and costly.
    - An Emergency Response Trailer will be a great asset in both urgent and non-emergency situations. This trailer provides PW with a quicker response and safe working environment in line with OSHA regulations. The City will be more prepared and less reliant on contractors when responding in an emergency.
    - The Jet/Vacuum Trailer will replace the city's current 41-year-old jetter that is the last known model in existence.

- A Mobile Generator Unit allows the City to power lift stations, and other essential City facilities when the power is out.

Fiscal Year 2026-27 Summaries by Type

The City of Sheridan dedicates its efforts to provide efficient and effective government services through cooperative planning, program development, analysis, and service delivery.

	Historicals			Budget for FY 2026-27		
	Actuals	**Actuals**	**Adopted Budget**	**Proposed**	**Approved**	**Adopted**
Description	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**	**FY 2026-27**	**FY 2026-27**	**FY 2026-27**
Beginning Balance	$ 20,043,088	$ 12,208,583	$ 6,917,976	$ 13,924,551	$ -	$ -
Fees	$ 5,136,232	$ 4,985,950	$ 5,037,600	$ 4,908,500	$ -	$ -
Grants	$ 299,705	$ 609,642	$ 3,744,483	$ 2,959,047	$ -	$ -
Bonds	$ -	$ -	$ -	$ -	$ -	$ -
Interfund Transfers	$ -	$ -	$ 400,000	$ 2,274,076	$ -	$ -
Other Revenue	$ 637,035	$ 584,439	$ 349,360	$ 159,100	$ -	$ -
Property Tax	$ 561,640	$ 512,316	$ 540,000	$ 650,000	$ -	$ -
TOTAL	$ 26,677,700	$ 18,900,930	$ 16,989,419	$ 24,875,274	$ -	$ -
Personal Services	$ 15,307,578	$ 11,224,185	$ 2,745,670	$ 3,287,530	$ -	$ -
Materials and Services	$ 3,627,073	$ 3,159,982	$ 6,066,923	$ 4,126,180	$ -	$ -
Capital Outlay	$ 973,443	$ 427,413	$ 7,311,726	$ 14,725,188	$ -	$ -
Debt Service	$ 236,274	$ 232,900	$ 230,000	$ 231,800	$ -	$ -
Interfund Transfers	$ -	$ -	$ 400,000	$ 2,274,076	$ -	$ -
Contingencies	$ -	$ -	$ -	$ -	$ -	$ -
Special Payments	$ 1,963	$ -	$ 235,100	$ 230,500	$ -	$ -
Unappropriated Ending Balance	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 20,146,331	$ 15,044,480	$ 16,989,419	$ 24,875,274	$ -	$ -
Difference	$ 6,531,369	$ 3,856,450	$ -	$ -	$ -	$ -

Fiscal Year 2026-27 Totals, All Funds Combined

	Historicals			Budget for FY 2026-27		
	Actuals	**Actuals**	**Adopted Budget**	**Proposed**	**Approved**	**Adopted**
Description	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**	**FY 2026-27**	**FY 2026-27**	**FY 2026-27**
Revenue All Funds	$ 26,518,851	$ 18,746,295	$ 16,989,419	$ 24,875,274	$ -	$ -
Expenditures All Funds	$ 14,592,573	$ 11,138,263	$ 16,989,419	$ 24,875,274	$ -	$ -
Difference	$ 11,926,278	$ 7,608,032	$ -	$ -	$ -	$ -

City Funds

Financing for the tasks described in this section is provided through the agency's General Fund, which is supported primarily by the property taxes paid by property owners of the city, and through direct payments of other services such as administrative fees, grants, and other fees for service.

General Fund

The General Fund provides the largest single source of revenue supporting municipal services – the property tax. Another general-purpose, non-restricted revenue is contained within the General Fund.

Mayor & councilors

The Mayor and Councilors are the elected governing body which are responsible for adopting the budget, hiring the City Manager and setting policies and vision for the City.

General Administration

Administrative Services provides traditional management functions for the efficient operation of the organization and provides support services. Provides executive management and coordination of City staff, projects, and activities, including communications and the provision of appropriate facilities and equipment; the development, implementation, and refinement of new services; and coordination with regional, statewide, and national associations of similar organizations. This area includes all aspects of human resources administration (recruitment and selection, personnel policy development and administration, classification and compensation, and employee benefits). General city hall administration also includes organizational support, professional counsel, and policy recommendations to the Mayor and City Council, the City Manager, and Budget Committee.

Land Use Planning Services
Planning and technical expertise are available in the areas of intergovernmental relations, land use planning, transportation, economic analysis and development, land use law, natural resources, public infrastructure finance, local governmental financial issues, geographic information system, Census-related services, and information analysis.

Financial Services
The management of Sheridan's financial system includes budgeting, accounting, payroll administration, financial reporting, cash management, insurance, investment oversight, fiscal records management, property management, analyses, and audit support.

Information Technology Services
City staff develop and implement plans and programs for enhanced use of information technologies; the City maintains and supports the hardware, software, and telecommunications necessary for the efficient operation of the agency's IT equipment, local area network, and internet presence.

Resources

Description	Historicals Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Budget for FY 2026-27 Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
General Fund Resources						
Beginning Fund Balance	$ 5,038,609	$ 2,020,730	$ 1,022,364	$ 807,402		
Current Property Tax	$ 544,510	$ 509,533	$ 530,000	$ 640,000		
Previously Levied Taxes	$ 17,130	$ 2,783	$ 10,000	$ 10,000		
PGE Franchise	$ 172,196	$ 194,515	$ 156,000	$ 195,000		
Cable TV Franchise	$ 14,241	$ 9,127	$ 14,100	$ 14,000		
Telephone Franchise	$ 8,397	$ 5,902	$ 8,000	$ 8,000		
NW Natural Gas Franchise	$ 72,989	$ 71,159	$ 72,000	$ 72,000		
Garbage Franchise	$ 21,676	$ 30,183	$ 28,600	$ 30,000		
Development Recoup Fees	$ 21,676	$ 14,881	$ -	$ 10,000		
Court fines	$ 14,858	$ 11,057	$ 14,000	$ 15,000		
City Permit Revenue	$ 3,692	$ 1,451	$ 2,000	$ 2,000		
Building Permits	$ 6,594	$ 3,635	$ 5,000	$ 5,000		
Land Use Application Fees	$ 2,595	$ 1,125	$ 2,500	$ 2,500		
Library Fines & Fees	$ 602	$ 260	$ 500	$ 500		
OLCC	$ 115,688	$ 100,091	$ 117,400	$ 90,000		
Cigarette Tax	$ 4,086	$ 22,898	$ 4,000	$ 4,000		
State Revenue Sharing	$ 165,436	$ 87,542	$ 120,000	$ 87,300		
State Library System Income	$ 17,997	$ 9,862	$ 15,000	$ 15,000		
ARPA Grant	$ -	$ -	$ 1,329,584	$ -		
Library Grants	$ 1,044	$ 11,041	$ 1,000	$ 1,000		
Grants (placeholder)	$ -	$ 443,966	$ 100,000	$ 100,000		
OR Parks Grant (South Side)	$ 139,812	$ -	$ 558,047	$ 558,047		
OHA Grant IGA Water Protection	$ -	$ -	$ -	$ 50,000		
Federal/State Disaster Recovery	$ -	$ -	$ -	$ 2,000,000		
State Grant ORPD (Hebert Memorial P	$ -	$ -	$ -	$ 250,000		
State Assessments Passthrough(Court	$ 3,947	$ 2,150	$ 4,000	$ 4,000		
Bond/Debt Income	$ -	$ -	$ -	$ -		
Miscellaneous Income	$ 8,058	$ 5,014	$ 3,000	$ 5,000		
Miscellaneous Interest	$ -	$ 9,461	$ 40,000	$ 8,000		
Contract Employee Group Fees	$ 5,439	$ -	$ 30,000	$ 3,000		
Rental Income	$ 3,513	$ 4,563	$ 3,060	$ -		
SDC-Parks	$ 8,686	$ 1,685	$ -	$ -		
Park Donations	$ 420	$ 1,491	$ 500	$ 500		
Library Donations	$ 807	$ 100	$ 500	$ 500		
Transfer in From Streets	$ -	$ -	$ -	$ 100,000		
Transfer in From Water	$ -	$ -	$ -	$ 100,000		
Transfer in From Sewer	$ -	$ -	$ -	$ 100,000		
Total Revenues	**$ 6,414,698**	**$ 3,576,204**	**$ 4,191,155**	**$ 5,287,749**	**$ -**	**$ -**

City Hall Administration Expenses

Description	Historicals Actuals FY 2023-24	Historicals Actuals FY 2024-25	Historicals Adopted Budget FY 2025-26	Budget for FY 2026-27 Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
General Fund Administration Expenses						
Personal Services						
Mayor & Council Salaries	$ 550	$ 998	$ 550	$ 550		
City Hall Wages	$ 67,080	$ 71,120	$ 80,366	$ 60,955		
Payroll Taxes/Benefits	$ 40,353	$ 449,641	$ 49,403	$ 40,637		
Worker's Comp Insurance		$ 9,361		$ -		
Total Personal Services	**$ 107,983**	**$ 531,119**	**$ 130,319**	**$ 102,142**	**$ -**	**$ -**
Materials and Services						
Office Supplies	$ 2,369	$ 1,070	$ 2,000	$ 2,000		
Insurance	$ 12,000	$ -	$ 14,600	$ 16,000		
Telephone	$ -	$ 719	$ -	$ -		
Postage & Printing	$ 1,246	$ 20,979	$ 1,100	$ 1,100		
Utilities	$ 21,405	$ 9,461	$ 24,020	$ 35,600		
Advertising & Promotions	$ 8,906	$ -	$ 10,000	$ 15,000		
Miscellaneous Expenses	$ 574	$ 2,570	$ 2,000	$ 2,500		
Professional Services	$ 23,015	$ 30,349	$ 62,652	$ 492,500		
Audit Expense	$ 1,580	$ 3,200	$ 5,800	$ 16,000		
Comp Maint & Supplies	$ 15,735	$ 22,010	$ 15,500	$ 16,000		
New Finance Software	$ -	$ -	$ -	$ 20,000		
Dues/Memberships	$ 14,356	$ 16,682	$ 20,000	$ 20,000		
COG Interim	$ -	$ -	$ 10,000	$ -		
CM Recruitment	$ -	$ -	$ 6,700	$ -		
ARPA Funds	$ 82,080	$ 14,891	$ 126,603	$ -		
Training & Travel & Education	$ 2,721	$ 726	$ 7,000	$ 7,000		
Grants Out (Placeholder)	$ -	$ -	$ 50,000	$ 100,000		
Grants Community Contributions	$ 214,580	$ 35,984	$ -	$ 5,500		
Community Grants and Events	$ 13,657	$ 11,627	$ 20,000	$ 25,000		
Maintenance & Repairs	$ 8,605	$ 10,869	$ 15,000	$ 15,000		
Custodial Services	$ 4,960	$ 3,760	$ 8,000	$ 8,000		
Development Recoup Fees	$ 19,936	$ 23,566	$ 40,000	$ 40,000		
Fines, Penalties, and Interest	$ -	$ 101,766	$ -	$ -		
Total Materials and Services	**$ 447,725**	**$ 208,463**	**$ 440,975**	**$ 837,200**	**$ -**	**$ -**
Capital Outlay						
Community Building Reserve	$ (75)	$ -	$ 50,000	$ -		
735-11 Grants Out - (Place Holder)	$ -	$ -	$ 50,000	$ 100,000		
Building Improvements				$ 24,929		
South Side Park				$ 200,000		
Capital Projects Hebert Plaza	$ -	$ -	$ 302,981	$ 251,423		
Capital Projects Bridge Street	$ -	$ -	$ 250,000	$ -		
Capital Projects Morgan Street Parkir	$ -	$ -	$ 600,000	$ -		
Water Plant Disaster Recovery				$ 2,000,000		
Total Capital Outlay	**$ (75)**	**$ -**	**$ 1,252,981**	**$ 2,576,352**	**$ -**	**$ -**
Total Administration Expenses	**$ 555,633**	**$ 739,582**	**$ 1,824,275**	**$ 3,515,694**	**$ -**	**$ -**

Legal/Municipal Court Expenses

The Legal Program pays for the municipal court judge contract. It serves as a passthrough for the court fines that are collected from citations and moved to either the state or county for their share of the fines. It also pays the administration fees for legal services. The key functions of the Court are to ensure that each person cited for a violation is guaranteed and provides all their constitutional rights to a fair and speedy judicial process, in such a manner that it preserves both the dignity and rights of the defendant, as well as the members of the Sheridan community. The Municipal Court Judge oversees the judicial process while staff provides customer service, records maintenance, accounts receivable, and support in all court and judicial matters.

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
General Fund: Legal and Municipal Court Expenses						
Materials and Services						
City Attorney	$ 14,300	$ 12,661	$ 58,000	$ -		
State Assessments	$ 3,456	$ -	$ 4,500	$ 4,500		
Municipal Judge Contract	$ 4,320	$ 3,600	$ 4,400	$ 4,500		
Total Materials and Services	**$ 22,076**	**$ 16,261**	**$ 66,900**	**$ 9,000**	**$ -**	**$ -**
Total Court Expenses	**$ 22,076**	**$ 16,261**	**$ 66,900**	**$ 9,000**	**$ -**	**$ -**

Library Expenses

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
General Fund: Library Expenses						
Personal Services						
Library Wages	$ 154,426	$ 179,967	$ 225,724	$ 268,157		
Payroll Taxes/Benefits	$ 99,515	$ 129,011	$ 164,111	$ 178,771		
Total Personal Services	**$ 253,941**	**$ 308,978**	**$ 389,835**	**$ 446,928**	**$ -**	**$ -**
Materials and Services						
Supplies	$ 1,719	$ 1,624	$ 3,000	$ 3,000		
Heat						
Utilities	$ 8,478	$ 10,667	$ 14,300	$ 15,000		
Miscellaneous Expense	$ 849	$ 1,312	$ 1,400	$ 1,500		
Professional Services	$ 7,755	$ 6,821	$ 15,000	$ 15,000		
Training & Travel & Education		$ 58	$ 2,000	$ 2,000		
Maintenance & Repairs	$ 7,791	$ 9,916	$ 15,000	$ 15,000		
Books	$ 4,418	$ 153	$ 8,000	$ 8,000		
Magazines	$ 219		$ 500	$ 500		
Check Out Materials			$ 3,000	$ 3,000		
Furniture	$ 3,996	$ (716)	$ -	$ -		
Total Materials and Services	**$ 35,225**	**$ 29,835**	**$ 62,200**	**$ 63,000**	**$ -**	**$ -**
Total Library Expenses	**$ 289,166**	**$ 338,812**	**$ 452,035**	**$ 509,928**	**$ -**	**$ -**

Parks Expenses

The Parks Division of Public Works is responsible for maintenance and development of parks and recreation coordination. The primary funding source for capital park improvements today is System Development Charges (SDCs).

	Historicals			Budget for FY 2026-27		
Description	**Actuals FY 2023-24**	**Actuals FY 2024-25**	**Adopted Budget FY 2025-26**	**Proposed FY 2026-27**	**Approved FY 2026-27**	**Adopted FY 2026-27**
General Fund: Parks Expenses						
Materials and Services						
Supplies	$ 4,264	$ 2,261	$ 5,000	$ 5,000		
Grant Funds	$ 283,047	$ 421,818	$ 358,047	$ -		
Park Maintenence	$ 18,280	$ 8,908	$ 20,000	$ 20,000		
Park Improvements	$ 34,208	$ 25,862	$ 254,000	$ 37,500		
Utilities	$ 5,376	$ 7,051	$ 6,050	$ 8,500		
Total Materials and Services	**$ 345,175**	**$ 465,899**	**$ 643,097**	$ 71,000		
Capital Outlay						
Dog Park	$ -	$ -	$ -	$ -		
Athletic Complex	$ -	$ -	$ -	$ -		
Capital Outlay	$ 3,533	$ -	$ -	$ 180,000		
Park SDC Expenditure		$ -	$ 220,618	$ -		
Vehicles and Equipment	$ -	$ -	$ 40,000	$ -		
Capital Outlay-S.Side Park	$ -	$ -	$ 200,000	$ -		
Total Capital Outlay	**$ 3,533**	$ -	**$ 460,618**	$ 180,000		
Total Parks Expenditures	**$ 348,708**	**$ 465,899**	**$ 1,103,715**	**$ 251,000**	**$ -**	**$ -**

Police Expenses

Sheridan contracts with the Yamhill County Sheriff's office for the primary duties and responsibilities including, but are not limited to: patrolling city streets, and state and county streets running through Sheridan, enforcing traffic laws, providing community education on crime prevention, addressing municipal code violations and community livability issues, conducting criminal investigations, standing up incident command structure during disasters and emergencies, administering records, enhancing community safety through mutual aid to surrounding police agencies, and responding to routine and emergency public demand calls for service.

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
General Fund: Police Expenses						
Materials and Services						
Dispatch Service	$ 58,406	$ 65,415	$ 68,000	$ 68,000		
Yamco Contract Services	$ 527,160	$ 546,147	$ 642,030	$ 642,030		
School Officer	$ -	$ 21,091	$ -	$ -		
Code Abatement	$ 14,816	$ 4,643	$ 32,000	$ 20,000		
Total Materials and Services	**$ 600,382**	**$ 637,296**	**$ 742,030**	$ 730,030		
Total Police Expenditures	**$ 600,382**	**$ 637,296**	**$ 742,030**	**$ 730,030**	**$ -**	**$ -**

Other General Fund Expenses

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
General Fund:Other Expenses						
Other Expenditures						
Debt Service	$ -	$ -	$ -	$ -		
Transfer Out Park SDC				$ 219,397		
Transfer Out to Veterans Memorial Park Fund				$ 500		
Transfer Out Community Building Reserve				$ 50,000		
Property Taxes:Rental Properties	$ 1,963	$ -	$ 2,200	$ 2,200		
Flood Insurance	$ -	$ -	$ -	$ -		
First Fed S&L Mortgage Payment	$ -	$ -	$ -	$ -		
Unappropriated Fund Balance	$ -	$ -	$ -	$ -		
Contingency	$ -	$ -	$ -	$ -		
Property Taxes:Rental Properties	$ -	$ -	$ -	$ -		
Total Other Expenditures	**$ 1,963**	**$ -**	**$ 2,200**	**$ 272,097**	**$ -**	**$ -**
Total Other Expenditures	**$ 1,963**	**$ -**	**$ 2,200**	**$ 272,097**	**$ -**	**$ -**

Sewer fund

The Sewer Fund collects fees for the operation and maintenance of the sewer collection and treatment processes. The Sewer Fund is an enterprise fund, meaning it is self-supported through the collection of customers' sewer bills.

Resources

	Historicals			Budget for FY 2026-27		
Description	**Actuals FY 2023-24**	**Actuals FY 2024-25**	**Adopted Budget FY 2025-26**	**Proposed FY 2026-27**	**Approved FY 2026-27**	**Adopted FY 2026-27**
Sewer Fund: Resources						
Beginning Fund Balance	$ 4,016,037	$ 1,735,642	$ 2,852,856	$ 2,876,899		
Sewer Grants	$ -	$ -	$ 780,821	$ -		
County ARPA Transfer In	$ -	$ -	$ 400,000	$ -		
Miscellaneous Income	$ 6,228	$ 2,395	$ 2,700	$ 2,500		
Miscellaneous Interest	$ 16	$ -	$ 130,000	$ -		
User Fees	$ 1,652,838	$ 1,746,167	$ 1,600,000	$ 1,700,000		
Storm Water Surcharges	$ 87,352	$ 87,037	$ 85,400	$ 85,000		
SDC Sanitary Sewers	$ 21,872	$ 4,169	$ -	.		
SDC Storm Water	$ 2,815	$ -	$ -	$ -		
Permits-New Res/cml	$ 1,320	$ -	$ 1,200	$ 1,200		
Transfer in from Water				$ 500,000		
Total Revenues	**$ 5,788,478**	**$ 3,575,410**	**$ 5,852,977**	**$ 5,165,599**		

Expenses

Description	Historicals Actuals FY 2023-24	Historicals Actuals FY 2024-25	Historicals Adopted Budget FY 2025-26	Budget for FY 2026-27 Proposed FY 2026-27	Budget for FY 2026-27 Approved FY 2026-27	Budget for FY 2026-27 Adopted FY 2026-27
Sewer Fund: Expenditures						
Personal Services						
PW/SW Wages	$ 586,958	$ 435	$ 676,797	$ 705,341		
PW/SW Payroll Taxes/Benefits	$ 335,394	$ 1,064	$ 435,961	$ 470,227		
Total Personal Services	**$ 8,477,043**	**$ 5,414,283**	**$ 1,112,758**	**$ 1,175,568**	**$ -**	**$ -**
Materials and Services						
Supplies	$ 29,592	$ 14,059	$ 45,000	$ 45,000		
Office Supplies	$ 5,390	$ 5,222	$ 7,100	$ 7,100		
Chemicals	$ 52,954	$ 51,851	$ 52,200	$ 75,000		
Plant Maintenance/Repair	$ 74,033	$ 44,129	$ 150,000	$ 50,000		
Insurance	$ 53,488	$ 58,306	$ 65,700	$ 67,700		
Postage & Printing	$ 8,672	$ 8,957	$ 9,800	$ 9,000		
Utilities	$ 69,367	$ 66,069	$ 82,500	$ 82,500		
Miscellaneous Expense	$ 3,744	$ 8,568	$ 5,000	$ 9,000		
Professional Services	$ 64,529	$ 86,451	$ 60,000	$ 150,000		
New Finance Software	$ -	$ -	$ -	$ 60,000		
Legal Services	$ 66,169	$ 56,973	$ 72,000	$ 60,000		
Audit Expense	$ 7,110	$ 14,400	$ 26,100	$ 27,000		
Storm Projects		$ 4,754	$ 50,000	$ 50,000		
Engineering	$ 32,694	$ 22,069	$ 250,000	$ 30,000		
Computer Services & Supplies	$ 46,314	$ 99,046	$ 69,750	$ 70,000		
Training & Travel & Education	$ 5,317	$ 6,563	$ 6,500	$ 6,500		
MWVCOG - Interim CM	$ -	$ -	$ 45,000	$ -		
City Manager Recruitment	$ -	$ -	$ 30,150	$ -		
Fuel	$ 14,292	$ 9,872	$ 20,000	$ 25,000		
Testing Services	$ 1,398	$ 1,013	$ 7,000	$ 7,000		
Equipment Maintenance	$ 28,571	$ 38,556	$ 50,000	$ 50,000		
Equipment Rental/Hire	$ 914	$ 2,535	$ 5,000	$ 5,000		
Rock & Aggregate	$ 1,711	$ 21,205	$ 15,000	$ 15,000		
Uniforms	$ 3,456	$ 3,276	$ 6,000	$ 6,000		
Planning Services	$ 65,661	$ 55,088	$ 65,000	$ 20,000		
Collection System Maintenence	$ 197,132	$ 67,249	$ 100,000	$ 100,000		
Wetland/Ditch Maintenence	$ 14,547	$ 6,858	$ 140,000	$ 25,000		
Permits and Fees	$ -	$ -	$ 3,500	$ 3,500		
Grant Expenses	$ 363,602	$ 19,537	$ 1,180,821	$ -		
Total Materials and Services	**$ 1,210,657**	**$ 772,607**	**$ 2,619,121**	**$ 1,055,300**	**$ -**	**$ -**

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Sewer Fund: Expenditures						
Capital Outlay						
Yamhill Street Sewer	$ -	$ -	$ -	$ 873,000		
Storm Catch Basin and Inlets	$ -	$ -	$ -	$ 200,000		
Jefferson Street Storm Replacement				$ 95,000		
System Improvements				$ 377,462		
City Hall Office Equipment	$ -	$ -	$ -	$ -		
Sewer Plant Improvements	$ 6,635	$ 43	$ 25,000	$ 107,500		
Lagoon Improvement	$ 27,134	$ -	$ -	$ -		
Vehicles & Equipment	$ 232,924	$ 51,423	$ 305,000	$ 345,000		
New Public Works Building Project	$ -	$ -	$ 200,000	$ 200,000		
Sewer Repairs and Install	$ -	$ -	$ 1,021,073	$ 100,000		
SDC-Sanitary Sewer	$ -	$ -	$ 528,413	$ -		
SDC-Storm Drain	$ -	$ -	$ 41,612	$ -		
Total Capital Outlay	**$ 266,693**	**$ 51,466**	**$ 2,121,098**	**$ 2,297,962**	**$ -**	**$ -**
Other Expenditures						
Transfer Out Sewer SDC	$ -	$ -	$ -	$ 485,248		
Transfer Out Storm SDC	$ -	$ -	$ -	$ 41,521		
Transfer Out to General Fund	$ -	$ -	$ -	$ 100,000		
Tranfer Out to Community Building Fund				$ 10,000		
Unappropriated Fund Balance	$ -	$ -	$ -	$ -		
Contingency	$ -	$ -	$ -	$ -		
Total Other Exoenditures	**$ -**	**$ -**	**$ -**	**$ 636,769**	**$ -**	**$ -**
Total Expenditures	**$ 9,954,393**	**$ 6,238,356**	**$ 5,852,977**	**$ 5,165,599**	**$ -**	**$ -**

Streets fund

The State Highway Tax Apportionment is the sole funding for annual costs for the Street Fund. This money is collected through gasoline sales and DMV fees by the State and then divided up amongst governments in Oregon depending on population size. The Street Fund budgets for repair, maintenance, transportation operation, and lighting of the City's streets, roadways, parks, and parking lots. City Streets do not include Main Street, which is a State road. Also, there are several other smaller streets that are either under the jurisdiction of Yamhill County or in the Homeowners Association and the City does not provide maintenance.

Resources

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Street Fund: Revenues						
Beginning Fund Balance	$ 4,753,212	$ 3,176,940	$ 385,054	$ 3,819,818		
State Gas Tax	$ 477,111	$ 416,838	$ 513,800	$ 487,000		
SDC Streets	$ 3,774	$ 570	$ -	$ -		
ODOT Exchange	$ 158,849	$ 154,635	$ -	$ -		
Grants	$ -	$ -	$ -	$ -		
Grants In - (Place Holder)	$ -	$ -	$ 100	$ -		
TGM GRANT	$ -	$ -	$ 250,000	$ -		
TGM MATCH	$ -	$ -	$ 12,500	$ -		
Miscellaneous Income	$ -	$ 1,300	$ 500	$ 500		
Interest Income	$ -	$ -	$ 100	$ 100		
Total Revenues	**$ 5,392,946**	**$ 3,750,282**	**$ 1,162,054**	**$ 4,307,418**	**$ -**	**$ -**

Expenses

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Street Fund: Expenditures						
Personal Services						
PW/SW Wages				$ 232,394		
PW/SW Payroll Taxes/Benefits				$ 154,930		
Total Personal Services	**$ 5,551,795**	**$ 3,906,216**	**$ -**	**$ 387,324**	**$ -**	**$ -**
Materials and Services						
Supplies	$ 24,150	$ 10,790	$ 25,000	$ 25,000		
Electricity/Street Lights	$ 63,677	$ 31,649	$ 66,000	$ 66,000		
Miscellaneous Expense	$ 34	$ 2,410	$ 2,500	$ 2,500		
Professional Services	$ 42,079	$ 66,736	$ 50,000	$ 150,000		
Legal Services	$ -	$ -	$ 3,000	$ 3,000		
Engineering Services	$ 33,136	$ 14,729	$ 35,000	$ 35,000		
Fuel	$ 4,327	$ 6,839	$ 4,500	$ 6,300		
Equipment Maintenance	$ 11,015	$ 5,547	$ 3,000	$ 5,000		
Equipment Rental/Hire	$ 914	$ 2,535	$ 2,500	$ 2,500		
Rock & Aggregate	$ 1,789	$ 1,960	$ 4,000	$ 5,000		
Grants	$ -	$ -	$ -	$ -		
Grants Out - Place Holder	$ -	$ -	$ 100	$ 100		
TGM Grant XPs	$ -	$ -	$ 250,000	$ -		
TGM MATCH XPS	$ -	$ -	$ 12,500	$ -		
Total Materials and Services	**$ 181,121**	**$ 143,196**	**$ 458,100**	**$ 300,400**	**$ -**	**$ -**

Expenses

Description	Historicals Actuals FY 2023-24	Historicals Actuals FY 2024-25	Historicals Adopted Budget FY 2025-26	Budget for FY 2026-27 Proposed FY 2026-27	Budget for FY 2026-27 Approved FY 2026-27	Budget for FY 2026-27 Adopted FY 2026-27
Street Fund: Expenditures						
Capital Outlay						
Other Street Improvements	$ 154,497	$ 306,327	$ 420,290	$ 432,500		
Sidewalks	$ 14,950	$ 14,700	$ 120,344	$ 60,000		
Other System Improvements				$ 2,204,444		
Storm System Improvements				$ 25,000		
New Finance Software				$ 60,000		
Chip Seal Sheridan Road				$ 550,000		
Street Sweeper Purchase	$ 164,452	$ -	$ -	$ -		
Vehicles and Equipment	$ 58,692	$ 2,027	$ 50,000	$ 65,000		
SDC-Streets	$ -	$ -	$ 113,320	$ -		
Other Requirements	$ -	$ -	$ -	$ -		
Total Capital Outlay	**$ 392,591**	**$ 323,054**	**$ 703,954**	**$ 3,396,944**	**$ -**	**$ -**
Other Expenditures						
Unappropriated Fund Balance	$ -	$ -	$ -	$ -		
Contingency	$ -	$ -	$ -	$ -		
Transfer Out to General Fund	$ -	$ -	$ -	$ 100,000		
Transfer Out to Community Building Fund				$ 10,000		
Transfer Out Street SDC	$ -	$ -	$ -	$ 112,750		
Total	**$ -**	**$ -**	**$ -**	**$ 222,750**	**$ -**	**$ -**
Total Street Expenditures	**$ 573,712**	**$ 466,249**	**$ 1,162,054**	**$ 4,307,418**	**$ -**	**$ -**

Water Fund

The Water Fund collects fees for the operation and maintenance of the water treatment and distribution processes. The Water Fund is an enterprise fund, meaning it is self-supported through the collection of customers' water bills.

Resources

	Historicals			Budget for FY 2026-27		
Description	**Actuals FY 2023-24**	**Actuals FY 2024-25**	**Adopted Budget FY 2025-26**	**Proposed FY 2026-27**	**Approved FY 2026-27**	**Adopted FY 2026-27**
Water Fund: Revenues						
Beginning Fund Balance	$ 6,235,230	$ 5,275,271	$ 2,657,702	$ 6,420,432		
Grant Revenue	$ -	$ -	$ 975,031	$ -		
Miscellaneous Income	$ 11,512	$ 2,354	$ 5,000	$ 5,000		
Miscellaneous Interest	$ 588,409	$ 553,928	$ 130,000	$ 130,000		
User Fees	$ 2,035,252	$ 1,983,582	$ 2,000,000	$ 2,070,000		
Service/Turn On Fees	$ 12,135	$ 6,979	$ 10,000	$ 10,000		
Late Charges	$ 2,782	$ 13,513	$ 2,500	$ 2,500		
Service Installation Fees	$ 2,718	$ 2,160	$ 2,500	$ 2,500		
SDC Fees	$ 34,691	$ 6,613	$ -	$ -		
Permits	$ -	$ -	$ -	$ -		
Logging Stoney Mountain	$ -	$ -	$ -	$ -		
Logging Stoney Mountain Revenue	$ -	$ -	$ 500	$ -		
Total Revenues	**$ 8,922,729**	**$ 7,844,399**	**$ 5,783,233**	**$ 8,640,432**	**$ -**	**$ -**

Expenses

Description	Historicals Actuals FY 2023-24	Historicals Actuals FY 2024-25	Historicals Adopted Budget FY 2025-26	Budget for FY 2026-27 Proposed FY 2026-27	Budget for FY 2026-27 Approved FY 2026-27	Budget for FY 2026-27 Adopted FY 2026-27
Water Fund: Expenditures						
Personal Services						
PW/WT Wages	$ 581,854	$ 657,137	$ 676,797	$ 705,341		
PW/WT Payroll Taxes/Benefits	$ 334,962	$ 406,452	$ 435,961	$ 470,227		
Total Personal Servi ces	**$ 916,816**	**$ 1,063,588**	**$ 1,112,758**	**$ 1,175,568**	**$ -**	**$ -**
Materials & Services						
Supplies	$ 23,713	$ 15,676	$ 25,000	$ 25,000		
Office Supplies	$ 5,499	$ 5,452	$ 6,000	$ 6,000		
Chemicals	$ 27,598	$ 31,721	$ 40,000	$ 40,000		
Plant Maintenance/Repair	$ 90,605	$ 110,425	$ 100,000	$ 100,000		
Insurance	$ 53,489	$ 58,306	$ 65,700	$ 67,700		
Postage & Printing	$ 9,123	$ 8,957	$ 9,500	$ 9,500		
Utilities	$ 81,089	$ 95,566	$ 91,300	$ 91,300		
Miscellaneous Expense	$ 3,584	$ 8,139	$ 5,000	$ 5,000		
Professional Services	$ 66,747	$ 100,420	$ 87,000	$ 150,000		
Legal Services	$ 66,169	$ 56,973	$ 72,000	$ 60,000		
Audit Expense	$ 7,110	$ 14,400	$ 26,100	$ 27,000		
New Finance Software	$ -	$ -	$ -	$ 60,000		
Engineering Services	$ 24,250	$ 14,694	$ 100,000	$ 50,000		
Computer Service & Supplies	$ 47,112	$ 99,046	$ 69,750	$ 69,750		
Training & Travel & Education	$ 14,633	$ 7,229	$ 20,000	$ 20,000		
MWVCOG - Interim CM XPs	$ -	$ -	$ 45,000	$ -		
City Manager Recruitment Expenses	$ -	$ -	$ 30,150	$ -		
Fuel	$ 14,292	$ 10,499	$ 20,000	$ 27,000		
Testing	$ 9,710	$ 8,727	$ 20,000	$ 20,000		
Equipment Maintenance	$ 29,742	$ 41,467	$ 25,000	$ 30,000		
Equipment Rental/hire	$ 914	$ 2,535	$ 7,000	$ 7,000		
Rock & Aggregate	$ 622	$ 2,716	$ 15,000	$ 15,000		
Uniforms	$ 3,456	$ 3,276	$ 5,000	$ 5,000		
Planning Service	$ 65,661	$ 55,088	$ 65,000	$ 65,000		
Garbage Service	$ -	$ -	$ -	$ -		
Distribution System Maint	$ 82,790	$ -	$ 85,000	$ 110,000		
Permits and Fees	$ 11,116	$ -	$ -	$ -		
Grants	$ 45,688	$ 135,114	$ -	$ -		
Total Materials and Services	**$ 784,712**	**$ 886,426**	**$ 1,034,500**	**$ 1,060,250**	**$ -**	**$ -**

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Water Fund: Expenditures						
Capital Outlay						
Water Intake Pumps	$ -	$ -	$ -	$ 50,000		
Land Purchase	$ -	$ -	$ -	$ -		
New Mains	$ -	$ -	$ -	$ -		
Capital Outlay-Ballston SCADA,Sheric	$ -	$ -	$ -	$ -		
Improvements	$ 13,560	$ 1,470	$ 466,771	$ 62,500		
System Improvements				$ 222,354		
Balston SCADA	$ -	$ -	$ 400,000	$ 400,000		
Sheridan Road Looping	$ -	$ -	$ 100,000	$ 100,000		
New Meters	$ 136,062	$ -	$ 75,031	$ 75,000		
Vehicles and Equipment	$ 161,079	$ 51,423	$ 140,000	$ 240,000		
New Public Works Building Project	$ -	$ -	$ 900,000	$ 900,000		
Stoney Mountain Development	$ -	$ -	$ 150,000	$ -		
Water Line/Bridge East Creek				$ 250,000		
Water Plant Disaster Recovery				$ 2,500,000		
SDC-Water	$ -	$ -	$ 541,273	$ -		
Total Capital Outlay	**$ 310,701**	**$ 52,893**	**$ 2,773,075**	**$ 4,799,854**	**$ -**	**$ -**
Debt Service						
Bond Principal	$ 190,000	$ 215,900	$ 200,000	$ 210,000		
Bond Interest	$ 46,274	$ 17,000	$ 30,000	$ 21,800		
Total Debt Service	**$ 236,274**	**$ 232,900**	**$ 230,000**	**$ 231,800**	**$ -**	**$ -**
Other Expenditures						
Unappropriated Fund Balance	$ -	$ -	$ -	$ -		
Contingency	$ -	$ -	$ -	$ -		
Rate Stabilization Rsv	$ -	$ -	$ -	$ -		
Debt Service Reserve	$ -	$ -	$ 232,900	$ 228,300		
Transfer Out to Community Building Fund				$ 10,000		
Fund Transfer Out	$ -	$ -	$ 400,000	$ 500,000		
Transfer Out to General Fund				$ 100,000		
Transfer Out Water SDC Funds				$ 534,660		
Total Other Expenditures	**$ -**	**$ -**	**$ 632,900**	**$ 1,372,960**	**$ -**	**$ -**

New Funds

These are funds that being established this year through transfers from other funds to allow for detailed accounting of the revenue and expenses for money that has restricted uses.

System Development Charge (SDC) fund is a one-time fee imposed on new development or redevelopment to pay for infrastructure capacity needed to serve new growth. These funds (also called System Development Fees or impact fees) are used for capital improvements like water/sewer, transportation, and parks, ensuring growth pays for itself rather than existing residents.

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Water SDC Fund: Revenues						
Beginning Fund Balance	$ -	$ -	$ -	$ -		
SDC Water Improvement	$ -	$ -	$ -	$ -		
SDC Water Reimbursement	$ -	$ -	$ -	$ -		
Transfer in	$ -	$ -	$ -	$ 534,660		
Total Revenues	**$ -**	**$ -**	**$ -**	**$ 534,660**	**$ -**	**$ -**
Water SDC Fund: Expenditures						
Water Improvements	$ -	$ -	$ -	$ 484,660		
Stoney Mountain Development Plan				$ 50,000		
Water Reimbursements	$ -	$ -	$ -	$ -		
Total Capital Outlay	**$ -**	**$ -**	**$ -**	**$ 534,660**	**$ -**	**$ -**

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Sewer SDC Fund: Revenues						
Beginning Fund Balance	$ -	$ -	$ -	$ -		
SDC Sewer Improvement	$ -	$ -	$ -	$ -		
SDC Sewer Reimbursement	$ -	$ -	$ -	$ -		
Transfer in	$ -	$ -	$ -	$ 485,248		
Total Revenues	**$ -**	**$ -**	**$ -**	**$ 485,248**	**$ -**	**$ -**
Sewer SDC Fund: Expenditures						
Sewer Improvements	$ -	$ -	$ -	$ 141,148		
Sewer SDC Plan (Imp)				$ 150,000		
Sewer Reimbursements	$ -	$ -	$ -	$ 94,100		
Sewer SDC Plan (Reimb)				$ 100,000		
Total Capital Outlay	**$ -**	**$ -**	**$ -**	**$ 485,248**	**$ -**	**$ -**

Description	Historicals Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Budget for FY 2026-27 Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Streets SDC Fund: Revenues						
Beginning Fund Balance	$ -	$ -	$ -	$ -		
SDC Street Improvement	$ -	$ -	$ -	$ -		
SDC Street Reimbursement	$ -	$ -	$ -	$ -		
Transfer in	$ -	$ -	$ -	$ 112,750		
Total Revenues	**$ -**	**$ -**	**$ -**	**$ 112,750**	**$ -**	**$ -**
Streets SDC Fund: Expenditures						
Street Improvement	$ -	$ -	$ -	$ 112,750		
Street Reimbursement	$ -	$ -	$ -	$ -		
Total Capital Outlay	**$ -**	**$ -**	**$ -**	**$ 112,750**	**$ -**	**$ -**

Description	Historicals Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Budget for FY 2026-27 Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Storm SDC Fund: Revenues						
Beginning Fund Balance	$ -	$ -	$ -	$ -		
SDC Storm Improvement	$ -	$ -	$ -	**$ -**		
SDC Storm Reimbursement	$ -	$ -	$ -	**$ -**		
Transfer in	$ -	$ -	$ -	$ 41,521		
Total Revenues	**$ -**	**$ -**	**$ -**	**$ 41,521**	**$ -**	**$ -**
Storm SDC Fund: Expenditures						
Storm Improvements	$ -	$ -	$ -	$ 41,521		
Storm Reimbursements	$ -	$ -	$ -	$ -		
Total Capital Outlay	**$ -**	**$ -**	**$ -**	**$ 41,521**	**$ -**	**$ -**

Description	Historicals Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Budget for FY 2026-27 Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Parks SDC Fund: Revenues						
Beginning Fund Balance	$ -	$ -	$ -	$ -		
SDC Park Improvement	$ -	$ -	$ -	**$ -**		
SDC Park Reimbursement	$ -	$ -	$ -	**$ -**		
Transfer in	$ -	$ -	$ -	$ 219,397		
Total Revenues	**$ -**	**$ -**	**$ -**	**$ 219,397**	**$ -**	**$ -**
Parks SDC Fund: Expenditures						
SDC Park Improvement	$ -	$ -	$ -	$ 119,397		
SDC Park Reimbursement	$ -	$ -	$ -	$ -		
Hebert Memorial Plaza	$ -	$ -	$ -	$ 100,000		
Total Capital Outlay	$ -	$ -	$ -	**$ 219,397**	$ -	$ -

A Reserve Fund is a n accounting mechanism used to track funds reserved for a specific purpose, the Community Building Reserve Fund is being established to collect funds to pay for a future Community Building.

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Community Building Reserve Fund: Revenues						
Beginning Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -
Transfer in From General Fund	$ -	$ -	$ -	$ 50,000		
Transfer in From Water				$ 10,000		
Transfer in From Sewer				$ 10,000		
Transfer in From Street				$ 10,000		
Total Revenues	**$ -**	**$ -**	**$ -**	**$ 80,000**	**$ -**	**$ -**
				$ -		
Community Building Reserve Fund: Expenditures						
Community Building	**$ -**	**$ -**	**$ -**	$ 80,000		
Total Capital Outlay	**$ -**	**$ -**	**$ -**	**$ 80,000**	**$ -**	**$ -**

Veterans Memorial Park Donation Fund is being established to collect donations to further develop and improve Veterans Memorial Park.

	Historicals			Budget for FY 2026-27		
Description	Actuals FY 2023-24	Actuals FY 2024-25	Adopted Budget FY 2025-26	Proposed FY 2026-27	Approved FY 2026-27	Adopted FY 2026-27
Veterans Memorial Park Donation Fund: Revenues						
Beginning Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -
Transfer in	$ -	$ -	$ -	$ 500		
Total Revenues	**$ -**	**$ -**	**$ -**	**$ 500**	**$ -**	**$ -**
Veterans Memorial Park Donation Fund: Expenditures						
Park Capital Project	**$ -**	**$ -**	**$ -**	$ 500		
Total Capital Outlay	**$ -**	**$ -**	**$ -**	**$ 500**	**$ -**	**$ -**

Interfund Transfers

These are funds that transferred from one fund or functional area to another in the budget. In this fiscal year several transfers are being used to establish new funds and move money from a parent fund to its own fund to allow for detailed accounting of revenues and expenses for reporting purposes.

	Transfers In	Transfers Out	
Community Building Reserve From General	$ 50,000	$ -	
Water SDC From Water	$ 534,660	$ -	
Sewer SDC From Sewer	$ 485,248	$ -	
Streets SDC From Streets	$ 112,750	$ -	
Storm SDC From Streets	$ 41,521	$ -	
Parks SDC From General Fund	$ 219,397	$ -	
General Fund From Water	$ 100,000	$ -	
General Fund From Sewer	$ 100,000	$ -	
Sewer Transfer in From Water	$ 500,000	$ -	
General Fund Transfer from Streets	$ 100,000	$ -	
Community Building Reserve From Water	$ 10,000	$ -	
Community Building Reserve From Sewer	$ 10,000	$ -	
Community Building Reserve From Streets	$ 10,000	$ -	
Veterans Memorial Park Fund From General	$ 500		
	$ -	$ 50,000	General Fund to Community Building Reserve
	$ -	$ 534,660	Water Fund To Water SDC
	$ -	$ 485,248	Sewer Fund to Sewer SDC
	$ -	$ 112,750	Streets Fund To Streets SDC
	$ -	$ 41,521	Streets Fund to Storm SDC
	$ -	$ 219,397	General Fundto Parks SDC
	$ -	$ 100,000	Sewer to General Fund
	$ -	$ 100,000	Water to General Fund
	$ -	$ 500,000	Water to Sewer
	$ -	$ 100,000	Streets to General
	$ -	$ 10,000	Water to Community Building Reserve
	$ -	$ 10,000	Sewer to Community Building Reserve
	$ -	$ 10,000	Streets to Ccommunity Building Reserve
		$ 500	General Parks to Veterans Memorial Park Donation
Total Transfers	$ 2,274,076	$ 2,274,076	
		$ -	Difference

Funds Closing with the 2026-27 Budget

Function

These are funds that are being closed this fiscal year. The revenues and expenditures are being provided for historical purposes.

Note: This year we are not closing any funds.

Glossary of Budget Terms

(Adapted from the Local Budgeting Manual published by the Oregon Department of Revenue. Oregon Revised Statutes (ORS) are referenced here and are available online at www.oregon.gov)

Accrual. Recording of the financial effects on a municipal corporation of transactions and other events and circumstances that have cash consequences for the municipal corporation in the periods in which those transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the municipal corporation (ORS 294.311).

Adopted budget. Financial plan that is the basis for appropriations. It is adopted by the governing body (ORS 294.435).

Ad valorem tax. A property tax computed as a percentage of the assessed value of taxable property.

Appropriation. Authorization to spend a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body [ORS 294.311(3)].

Approved budget. The budget that is approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing (ORS 294.406).

Assessed value. The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property's maximum assessed value or real market value.

Assessment date. The date on which the value of property is set, January 1 (ORS 308.210, 308.250)

Audit. The annual review and appraisal of a municipal corporation's accounts and fiscal affairs conducted by an accountant under contract (ORS 297.425).

Audit report. A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government's financial statements, and compliance with requirements, orders, and regulations.

Balanced budget. A budgeting process where total revenues are equal to or greater than total expenses.

Budget. Written document showing the local government's comprehensive financial plan for one fiscal year or biennium. It must include a balanced statement of actual revenues and expenditures during each of the last two years and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(4)].

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters appointed from the city (ORS 294.336).

Budget message. Written explanation of the budget and the local government's financial priorities. It is prepared and presented by the executive officer or chairperson of the governing body (ORS 294.391).

Budget officer. Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget (ORS 294.331).

Budget transfers. Amounts moved from one fund to finance activities in another fund or division. They are shown as expenditures in the originating fund and revenues in the receiving fund.

Capital outlay. Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings [ORS 294.352(6)].

Capital projects fund. A fund used to account for resources, such as bond sale proceeds, to be used for major capital item purchase or construction [OAR 150-294.352(1)].

Cash basis. System of accounting under which revenues are accounted for only when received in cash, and expenditures are accounted for only when paid [ORS 294.311(9)]. The City of Sheridan uses cash basis accounting.

Cash Carryover. The accumulated unspent resources carried forward from the prior year into the next fiscal year. These can be used to support the appropriations for the next fiscal year.

Consolidated billing tax rate. The combined total of the billing rates for all taxing Districts in a code area. Does not include the billing rate for any urban renewal special levies or non-ad valorem taxes, fees, or other charges.

Constitutional limits. The maximum amount of tax on property that can be collected from an individual property in each category of limitation (Art. XI, sect. 11b, OR Const.).

Contingency. An amount appropriated in anticipation that some operating expenditures will become necessary which cannot be foreseen and planned in the budget. A general operating fund may contain one line for operating contingency. (ORS 294.352)

Debt service fund. A fund established to account for payment of general long-term debt principal and interest [OAR 150-294.352(1)].

Division of tax. Division of tax refers to the process of and revenue from, apportioning tax to urban renewal agencies based on the relationship of the excess to frozen value, a.k.a. tax increment revenue.

Double majority. A term that refers to an election where at least 50 percent of the registered voters eligible to vote in the election cast a ballot and more than 50 percent voting approve the question.

Education category. The category for taxes that will be used to support the public school system and are not used to pay exempt bonded indebtedness [ORS 310.150(2)].

Encumbrance. An obligation chargeable to an appropriation and for which part of the appropriation is reserved [ORS 294.311(10)].

Enterprise fund. A fund established to account for operations that are financed and operated in a manner like private business enterprises. They are usually self-supporting. Examples of enterprise funds are those for water, gas, and electric utilities, swimming pools, airports, parking garages, transit systems, and ports [OAR 150-294.352(1)].

Equipment. Capital expenses over $5,000. (City of Sheridan guideline; not defined by ORS).

Estimate. (v) To arrive at a rough calculation or an opinion formed from imperfect data. (n) The resulting amount.

Excluded from limitation category. The category for taxes used to pay principal and interest on exempt bonded indebtedness [ORS 310.150(2)].

Exempt bonded indebtedness. 1) Bonded indebtedness authorized by a specific provision of the Oregon Constitution, or 2) bonded indebtedness issued as a general obligation on or before November 6, 1990, incurred for capital construction or capital improvements, or 3) bonded indebtedness issued as a general obligation after November 6, 1990, incurred for capital construction or capital improvements with the approval of the electors of the local government. Bonded indebtedness issued to refund or refinance any bonded indebtedness described above is also included [ORS 310.140(15)].

Expenditures. Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis [ORS 294.311(16)].

Fiscal year (FY). A 12-month period to which the annual operating budget applies. The fiscal year is July 1 through June 30 for local governments [ORS 294.311(17)].

Full-time equivalent (FTE). A calculation used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

Fund. A fiscal and accounting entity with self- balancing accounts to record cash and other financial resources, related liabilities, balances, and changes, all segregated for specific, regulated activities and objectives.

Fund balance. The fund equity of government funds.

Fund type. One of nine fund types: General, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and agency, and reserve [OAR 150-294.352(1) and ORS 280.100].

General fund. A fund used to account for most fiscal activities except for those activities required to be accounted for in another fund [OAR 150-294.352(1)].

General government category. The category for taxes used to support general government operations other than schools that are not for the purposes of paying exempt bonded indebtedness [ORS 310.150(1)].

Good Faith. The standard for estimating budget resources and requirements. Good faith estimates are reasonable and are reasonably likely to prove accurate, based on the known facts at the time.

Governing body. County court, board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit [ORS 294.311(15)].

Governmental fund. Supported by tax revenues, user fees, franchise fees, intergovernmental payments and other revenues. The accounting for a governmental-type activity focuses on available resources and the near-term demands upon them.

Grant. A donation or contribution in cash by one governmental unit to another unit which may be made to support a specified purpose or function, or general purpose [ORS 294.311(19)].

Interfund loans. Loans made by one fund to another and authorized by resolution or ordinance (ORS 294.460).

Interfund transfer. Transfer from an existing appropriation category in one fund to another existing appropriation category in another fund. (ORS 294.450)

Intrafund transfer. Transfer from one existing appropriation category to another within the same fund. (ORS 294.450)

Internal service fund. A fund used to account for fiscal activities when goods or services are provided by one department or agency to other departments or agencies on a cost-reimbursement basis (ORS 294.470).

Legal opinion. The opinion as to legality rendered by an authorized official, such as the Oregon attorney general or city attorney.

Levy. (v) To impose a property tax. (n) Ad valorem tax certified by a local government.

Liability. Debt or other legal obligation arising from transactions in the past which must be liquidated, renewed, or refunded at a future date; does not include encumbrances.

Local government. Any city, county, port, school district, education service district, community college, special district, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipality or municipal corporation under ORS 294.311(25).

Local option tax. Voter-approved taxing authority that is in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose or capital projects. It is limited to five years unless it is for a capital project, then it is limited to the useful life of the project or 10 years, whichever is less [Art. XI, section 11(4)].

Materials and Services. Reflects dollars expended on items other than personnel such as office supplies, payments for contracts or consultants, utilities, and rent.

Maximum assessed value (MAV). A constitutional limitation on the taxable value of real or personal property. It can increase a maximum of 3 percent each year. The 3 percent limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction.

Measure 5. A constitutional amendment (Art. XI, section 11b) passed in 1990 that limits the amount of operating tax that can be imposed on a property to $5 per $1,000 of real market value for education and $10 per 1,000 for general government.

Measure 50. A constitutional amendment (Art. XI, section 11) passed in 1997 that limits the growth in a property's assessed value to 3% per year. It also limits a local government's taxing authority by creating permanent rate limits.

Object classification. A grouping of expenditures, such as personal services, materials and services, capital outlay, debt services, and other types of requirements [ORS 294.311(28)].

Operating rate. The rate determined by dividing the local government's operating tax amount by the estimated assessed value of the local government. This rate is needed when a local government wants to impose less tax than its permanent rate will raise.

Ordinance. A formal legislative enactment by the governing board of a local government.

Organizational unit. Any administrative subdivision of the local government, especially one charged with carrying on one or more specific functions (such as a department, office, or division) [ORS 294.311(30)].

Pass Through Payments. Accounts for dollars that MWVCOG receives and then passes through to other organizations that provide a specified service.

Personal services expenses. Expenses related to the compensation of salaried employees, such as, health and accident insurance premiums, Social Security and retirement contributions, civil service assessments.

Permanent rate limit. The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government or its voters can change a permanent rate limit.

Principal act. The Oregon Revised Statutes that describe how a certain type of municipal corporation is formed and selects its governing body, and the powers it may exercise and the types of taxing authority that its voters may authorize.

Prior years' tax levies. Taxes levied for fiscal years preceding the current one.

Property taxes. Ad valorem tax certified to the county assessor by a local government unit.

Proposed budget. Financial plan prepared by the budget officer. All funds must balance. It is submitted to the public and the budget committee for review.

Proprietary fund. Refers to funds that account for activities that involve business-like interactions, within the government of outside of it.

Publication. Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by first class mail to each street address within the boundaries of the local government; and hand delivery to each street address within the boundaries of the local government [ORS 294.311(34)].

Real Market Value (RMV). The amount in cash which could reasonably be expected by an informed seller from an informed buyer in an arm's-length transaction as of the assessment date. For most properties, the value used to test the constitutional limits (ORS 308.205).

Reserve fund. Established to accumulate money from year to year for a specific purpose, such as purchase of new equipment (ORS 294.525).

Reserve for Future Expenditure. 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. The correct way to "save" money under Local Budget Law.

Resolution. A formal order of a governing body; lower legal status than an ordinance.

Resource. Estimated beginning funds on hand plus anticipated receipts (ORS 294.361).

Special levy. A special levy is an ad valorem tax, imposed for an urban renewal plan on the entire municipality that adopted the plan. It is not a result of a division of tax.

Special revenue fund. A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditure for specific purposes [OAR 150-294.352(1)].

Special payment. A budget expenditure category for pass-through payments, grants made to other organizations and other one-time or unusual expenditures that do not fall into the other categories of personal services, materials and services, capital outlay, etc.

State revenue sharing. A share of certain State revenues that is distributed to the city for general purposes as provided in this section. [Adapted from ORS 221.770]

Supplemental budget. A financial plan adopted during a budget period to meet unexpected needs or to appropriate revenues not anticipated when the regular budget was adopted. It cannot be used to authorize a tax (ORS 294.480).

Tax increment financing. A financial mechanism for urban renewal plans which captures the tax from the growth in property value within a designated geographical area by dividing the taxes of local governments.

Tax on property. Any tax, fee, charge, or assessment imposed by any government unit upon property or upon a property owner as a direct consequence of ownership of that property [ORS 310.140(1)].

Tax rate. The amount of tax stated in terms of a unit of tax for each $1,000 of assessed value of taxable property.

Tax roll. The official listing of the amount of taxes imposed against each taxable property.

Tax year. The fiscal year from July 1 through June 30.

Transportation Fund. Supported by state and county gas tax revenues, contract payments, miscellaneous other revenues

Trust fund. A fund used to account for fiscal activities of assets held in trust by a local government.

Unappropriated. An amount set aside in the budget to be used as a cash carryover to the next year's budget to provide needed cash flow until other money is received.

Unappropriated ending fund balance. Amount set aside in the budget to be carried over to the next year's budget. It provides the local government with cash until tax money or other revenues are received later in the year. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency (ORS 294.398, renumbered from 294.371; ORS 294.481, renumbered from 294.455).

Appendix

Placeholder for Resolution Implementing New Funds.