



Proposed Biennial Budget July 1, 2025 - June 30, 2027



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Prineville
Oregon**

For the Biennium Beginning

July 01, 2023

Christopher P. Morrill

Executive Director



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Mayor Jason Beebe

City of Prineville Elected Officials

Mission Statement

Adopted February 9, 2016

The City of Prineville provides quality municipal services and programs which contribute to our reputation as a desirable place to live, work and play.

We strive to improve our quality of life through transparency; open communication; investment in essential infrastructure; public safety; community programs; and business, while staying within the constraints of fiscally responsible government.



Councilor Jerry Brummer



Councilor Shane Howard



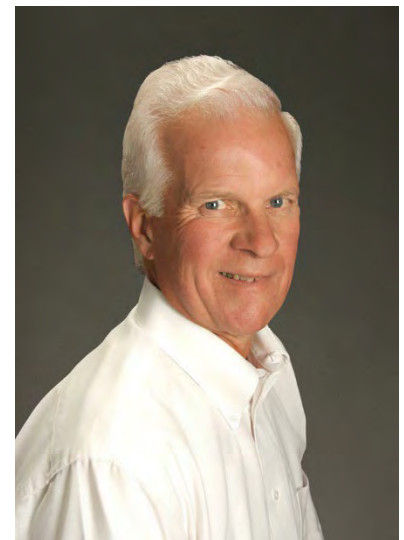
Councilor Janet Hutchison



Councilor Scott Smith



Councilor Marv Sumner



Council President Steve Uffelman



City of Prineville Budget Committee



Marty Bailey



John Charles



Casey Daly



Brian Kroessin



Gail Merritt



Jeff Papke



Dr. Paul Slater

The City of Prineville would like to thank its city councilors and citizen members of the budget committee for their participation in the budget process for the BN 27. Without their time and input, crafting a budget with citizens' best interests in mind would not be possible.



Crooked River Wetlands in 2023





Proposed Biennial Budget



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Attention

If you are reading this budget in its PDF format, there are links included within the document to make navigation easier.

- Page numbers and headings within the table of contents are linked to take readers to the appropriate page
- Starting in the “City Manager’s Budget Message” section, a table of contents button is located on the upper right hand corner of each page to take readers back to the table
- Referenced pages within body text are linked to their stated page numbers
- Each icon representing a Prineville City Council goal is linked to take readers back to page 39 within the “Strategic Planning” section that explains the goal
- Bookmarks are utilized in the document for all major headings and topics. If a bookmark has a + next to it, it can be clicked to open up a list of subheadings for that section
- Several external links are included to items referenced within the document, such as news articles, references and regional rate comparisons

If you wish to skip to information on individual funds and departments, but first want information on how to read these sections, please see the included documentation on the format on pages 141 – 146.

Tip: If readers want to move back to the original page they were on before clicking a link and don’t want to have to scroll back, it is helpful to enable the previous view button within Adobe Acrobat. If it isn’t available on the navigation bar within the program, it can be enabled by right clicking the bar and selecting “page navigation” and clicking on “previous view.” A new button on the bar will appear that can be clicked to return to the previous view. Alternatively, pressing Alt + Left Arrow (Windows) or Command + Left Arrow (Mac OS) will accomplish the same thing.



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

City Manager's Budget Message



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City Manager's Budget Message

Mayor Beebe, Prineville City Council members, Citizen Budget Committee members, and Citizens of Prineville,

On behalf of the City of Prineville's management team, Finance Director Lori Hooper Antram and her team, and every City of Prineville team member, I present the biennial budget for the City of Prineville. For this biennial budget, the period commences July 1, 2025 and ends June 30, 2027. The budget is presented by fund and department categories for a biennial period. Our team has worked to develop the financial stability that allowed us to move to a two-year format, allowing more effective use of staff time to focus on long-range strategic planning and modeling, processes and policy, and being able to extend project timing into a second year.

The City's budget is a working document utilized each day that provides our team with guidance to efficiently leverage every taxpayer dollar for the benefit of our community. We use the budget to measure efficiency, effectiveness, financial performance, strategic planning and continuous improvement opportunities. We compare our budget to the best award-winning budgets in the country to learn about what worked well for others in our efforts to develop "best practices" for the City of Prineville.

We are very pleased to announce we have received the Governmental Finance Officers Association (GFOA) Distinguished Budget Presentation Award for the 19th consecutive year. In addition, the City has also received the prestigious Certificate of Achievement for Excellence in Financial Reporting for the 8th year consecutively. The proposed Biennial Budget for 2025-2027 (BN 27) totals \$125,811,587. The General Fund total for BN 27 is \$37,789,137.

Each biennium the City Council and City staff updates the City's mission, principles and council goals, which serve as the foundation for strategic planning and our long-term financial modeling. We review our successes and build upon them and learn from our failures as we continuously improve processes to prepare for our future.

Strategic Planning Process

The City's strategic planning process is developed from input and policies coming from the following committees, departments and organizations:

- Finance Department
- Public Works Department
- Public Safety
- Transportation
- Community Development
- Economic Development
- Planning Commission
- Railroad Commission
- Chamber of Commerce
- Central Oregon Area Commission on Transportation (COACT)
- Central Oregon Cities Organization (COCO)
- Community Renewable Energy Association (CREA)
- Crook County Fair Board
- Habitat Conservation Plan (HCP)
- NeighborImpact
- County Natural Resources Committee
- Local Intergovernmental Committee
- School District Facilities Committee



City Manager Steve Forrester

These committees and organizations are made up of citizens, City staff, council members, local business leaders and other community leaders. The City Council develops strategic policy, goals and project priorities based on input received from these committees and organizations. Each City department aligns their resources with our City Council's goals. In addition to our committees, the City works strategically with Crook County, Crook County Fire and Rescue, Ochoco Irrigation District and many local nonprofit agencies. For more information on the City of Prineville's strategic planning process, please see page 33.

Mission Statement

The City of Prineville provides quality municipal services and programs which contribute to our reputation as a desirable place to live, work and play.

We strive to improve quality of life through transparency, open communication, investment in essential infrastructure, public safety, community programs and business, all while staying within the constraints of a fiscally responsible government.

Council Goals

- Fiscal responsibility
- Provide quality municipal services and programs
- Transparency and effective communication
- Position the City for the future
- Community safety

State of Local Economy

The City's economy is linked with that of the entire Central Oregon region. Within the last 15 years, Meta and Apple constructed major data centers in Prineville, helping to diversify the economy. Prineville serves as a hub-community for residents of Crook County, with significant commercial and industrial development. The top 10 largest employers in Prineville include, Meta Data Center, Crook County School District, Les Schwab Distribution Facility, Endura Products, Crook County, St. Charles Health Systems, Ochoco National Forest, Bureau of Land Management, Western Heavy Haul / SMAF and the City of Prineville. Additionally, agriculture plays a significant cultural and economic role in Prineville.

Our city and county, along with all Central Oregon, continue to be one of the fastest growing regions in the nation. We remain focused on strengthening our business environment to recruit new businesses, as well as retain and grow existing businesses, bringing new family wage job opportunities. Over the last 15 years, the City's collaboration and partnerships formed have resulted in [Crook County having the third highest annual wage](#) of all 36 counties in the State of Oregon (all industries), behind only Washington and Multnomah Counties.

The City has 15 companies taking advantage of tax abatements as of June 30th, 2024, which has affected the local economy in a positive way. These tax abatements offer a long-term benefit to the community through capital investments, higher wage jobs and community investment. Since the program was initiated, there have been over 2,660 jobs created, \$11.8 billion in capital investments, and any agreement over 3 years must pay employees at least 130 percent of the county's average wage. As of June 30th, 2024, 9 of the 15 active agreements qualified for the wage requirement.

Oregon's unemployment rate for FY 25 began at 4.2 percent and has been on a steady increase to 4.6 percent as of March 2025. Crook County began at 5.3 percent and decreased slightly to 5.2 percent as of March 2025 according to the Oregon Employment Department. Unemployment has still been remarkably low and steady in the last 3 years during this period of higher-than-normal inflation. Demand for goods and services remained steady due to high employment and a significant increase in federal spending on infrastructure through the "Inflation Reduction Act". Supply chain issues have normalized, and inflation has slowed nearing the Federal Reserve's 2 percent target. The Central Oregon region in general is attracting a significant amount of growth that will likely insulate the region from any significant economic downturn caused by a reversal in interest rate trends. At this time, it appears as though the economy will have a soft landing with slow intentional rate cuts through 2025. However, common economic

assumptions that have guided investors, business and consumers prior to the pandemic no longer seem to apply and the current federal administration has prior history of being unpredictable.

According to reports from the City's realtor of record, the median home sale price for Crook County was approximately \$484,000 with indicators that prices are starting to come down. Raising interest rates helped curtail prices over the last few years with new and existing home sales declining due to unwillingness to finance at higher rates and the Federal Reserve System signaling cuts at the end of 2024 and into 2025. With the demand for housing in the region, we are unlikely to see a collapse of the market. For now, housing prices in Central Oregon have found a new floor that is significantly higher than pre-pandemic prices.

Dwelling approvals for FY 24 include 44 single-family dwellings, 2 accessory dwelling units and a 17-unit manufactured home park that will not likely be built. No multi-family applications were received. This was an approximate 22 percent decrease in single-family approvals while multi-family was nonexistent. The previous year's numbers are attributed to two large projects just now beginning to develop. Total dwelling approvals for FY 16 – FY 24 were 38, 76, 114, 229, 111, 88, 455, 378 and 63, respectively. Through April of FY 25 the City has seen 42 dwelling approvals. This is roughly the same as the 38 dwellings in the same period last year. Last year's prediction of approximately 40 single-family dwellings in FY 25 has proved accurate. Expectations for single-family development in FY 26 remain the same, around 40 single-family units, as existing developments build out. While FY 26 may be on par with FY 25, the lack of new applications for housing developments is concerning. Some of the housing pressure may subside, with the two large multi-family housing projects getting underway.

Continued data center development, as well as a noticeable increase in commercial and industrial development, has maintained a healthy economy even as residential development has declined due to high interest rates needed to combat inflation. At this time, it appears a national economic downturn may have been avoided. It is possible that in the event of a national downturn, Prineville will be somewhat insulated due to local and regional demand.

New commercial construction continued on the Ochoco Mill site, including a new carwash. Crook County's Justice Center and the Bowman Museum expansion are now complete. The service commercial zone created in the airport industrial area in FY 23 is under construction. Other commercial development has slowed with few new applications and several small developments finishing through the winter.

Industrial development is still the bright spot in the community with continued development in the Tom McCall Business Park and continued interest in the Baldwin and Murphy Court Industrial Parks.

The public sector has been extremely busy planning and implementing large infrastructure projects, such as the expansion of the City's aquifer storage and recovery system (ASR), design of NE Peters Road intersection, the NE Combs Flat Road extension and irrigation piping, 3rd Street rebuild, 30" water lines for industrial development, airport expansion and rail tie replacement.

City Financial Condition

For the biennial budget 2025-2027, 10 out of 12 funds are fully funded to policy levels in working capital and 10 out of 13 funds are meeting other emergency appropriation, capital project and debt service reserves. The City of Prineville's financial condition is based in stability and strength. In FY 15, the City was given a credit rating of A+ from Standard and Poor's, since that time we have refunded or paid off most of the City debt with private funding. Our lending institution has commented they are impressed with financial management and high credit quality. We remain committed to financial responsibility across all funds. We measure, compare and adjust as needed throughout the year.

Financial Policies

The Prineville City Council approved changes to the [financial policies](#) in December of 2024. No policy changes are proposed for BN 27. In FY 25, reserve policies were increased in the General Fund from six months working capital to nine months and established three new reserve categories for future strategic planning. Fund balance and reserve policies are an important indicator of the City's financial position. The policies establish the amounts the City will strive to reach and maintain. These amounts are expressed as goals, recognizing that fund balance levels can fluctuate

from year to year in the normal course of operations for any local government. Also added to the financial policies were asset management policies. A more detailed description of policy reserve requirements can be found on page 64.

Policy Analysis - Reserves by Fund for BN 27

Fund	Adopted Budget Reserves Amount	Working Capital Reserve Amount	Adopted Budget/Over (Under) Policy	Meets Working Capital Reserve Requirements	Five Percent Appropriation Reserve Amount	Debt Service Reserve	Total Policy Reserve Amount	Adopted Budget/Over (Under) Policy	Meets both Working and Appropriation Reserve
General *	10,851,637	1,494,713	9,356,925	Yes	2,848,710	N/A	10,543,423	308,215	Yes
Transportation	408,636	278,301	130,334	Yes	127,150	N/A	405,451	3,184	Yes
Emergency Dispatch	514,027	362,215	151,812	Yes	150,136	N/A	512,351	1,676	Yes
Planning	94,904	81,825	13,079	Yes	N/A	N/A	81,825	13,079	Yes
PERS/POB Fund	511,840	N/A	N/A	N/A	N/A	358,900	358,900	152,940	Yes
Transportation SDC	2,148,266	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water SDC	929,528	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater SDC	335,569	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Railroad *	819,396	993,500	-174,104	No	406,759	N/A	1,400,259	-580,863	No
Airport *	3,190	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water	997,284	711,271	286,013	Yes	270,875	350,000	1,332,146	-334,862	No
Wastewater	1,761,207	688,710	1,072,497	Yes	274,298	458,000	1,421,007	340,200	Yes
Golf Course and Restaurant	474,565	318,559	156,006	Yes	108,645	N/A	427,204	47,361	Yes
Admin/Financial Support Services	849,572	794,850	54,722	Yes	N/A	N/A	794,850	54,722	Yes
Public Works Support Services	395,742	477,968	-82,226	No	N/A	N/A	477,968	-82,226	No
Building Facilities/Property Fund	1,106,615	97,905	1,008,710	Yes	N/A	559,600	657,505	449,110	Yes
Plaza Maintenance	22,340	3,315	19,025	Yes	N/A	N/A	3,315	19,025	Yes
Total	22,224,317	6,303,131	11,992,793	10 out of 12	4,186,573	1,726,500	18,416,204		10 out of 13

* General Fund maintains 20 percent of current year estimated revenue as appropriation reserve.

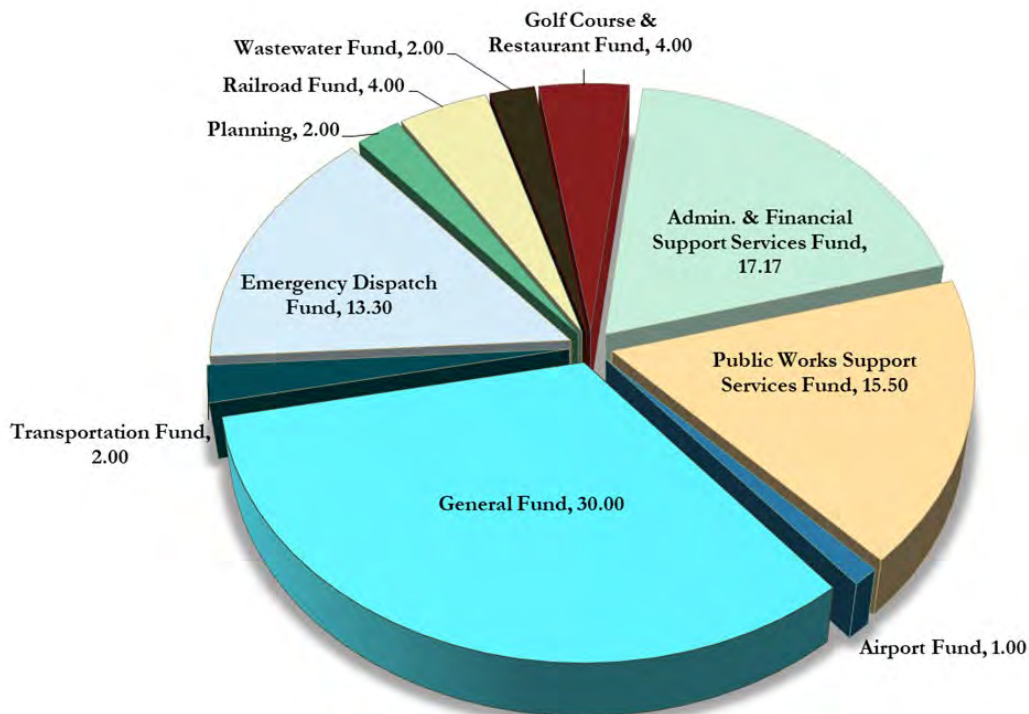
* Railroad Fund shall maintain one year's operating expense and twenty (20) percent of total budget for capital reserve.

* Airport is a joint venture with the City of Prineville and Crook County. Intergovernmental agreement states the fund will be reconciled to zero annually.

City Team Members (FTE)

The City's most valuable asset is our team members. The City continues our heritage of investing in our staff with opportunities for education and certifications. We remain focused on health, wellness and safety for our team members. In the next biennium, we are adjusting our employment level from 87.97 full-time equivalents (FTE) to 90.97. This is an increase of three FTEs. Changes include an increase of two in the Prineville Police Department and one in the Information Technology Department.

FTE by Fund



The BN 27 budget reflects the City of Prineville's commitment to all stakeholders in our community depending on us for safety and services. We are ever mindful of respecting the fact taxpayer dollars are an investment entrusted to our stewardship in order to provide effective and valuable services to our customers.

Our strategic planning, modeling and culture of continuous improvement guides the City for today and prepares us for our future needs. Working relationships with local, state and federal partners continue to develop and strengthen. We look forward to presenting to you the City of Prineville's BN 27 adopted budget.

Changes and Challenges in BN 27

1. Maintaining a financial position that allows for the capital to maintain City-owned assets and provide City services effectively.
2. Maintaining fund balances within adopted City policy levels.
3. Stabilize operational funding for public safety/911 dispatch.
4. Legislative initiatives to combat housing and homelessness.
5. Significant infrastructure needs for future development within the urban growth boundary (UGB).
6. Reduce staff turnover, increase training and secession planning including developing out the box ideas on both recruitment and retention of police officers and dispatchers to avoid long stretches of low staffing and maintaining staff certifications to meet the demands of increasingly, technologically advanced infrastructure monitoring and control systems.
7. Managing the increasing costs and administrative burden on large projects associated with the expanding permitting and regulatory requirements.
8. Identify additional, sustainable revenue sources to fund street maintenance and improvements.

Strategic Action Plan to Address Challenges

1. Have the discipline to manage reserve and contingency balances at or above policy levels, adjusting reserves for debt and capital coverage provides the City with stability.
2. Continue to have reserves in the PERS/POB Fund to manage unfunded liability, reduce bonded debt and offset future State of Oregon Public Employee Retirement System (PERS) rate increases. This will further strengthen the City's financial position.
3. Proactively update system master plans and system development charge (SDC) methodology to keep SDC fees competitive, while effectively funding infrastructure expansions needed to serve growth.
4. Expedite the land use process to facilitate increasing low-cost and entry-level housing opportunities.
5. Continue to develop an investment grade municipal biomass energy project that leverages the need for more energy capacity in Central Oregon, active treatment of forest land, air and water quality, forest health, and community resiliency as related to a wildfire, Cascadia event and/or other natural disasters.
6. Update and improve the 911 dispatch five-year plan, including an examination into potentially providing 911 services to additional counties in the Central Oregon region.
7. Seek out new ways to address retention and recruitment by utilizing internships and teaching and recruiting those that graduate from Crook County High School, attend local colleges and are a part of our military.

Significant Accomplishments for BN 25

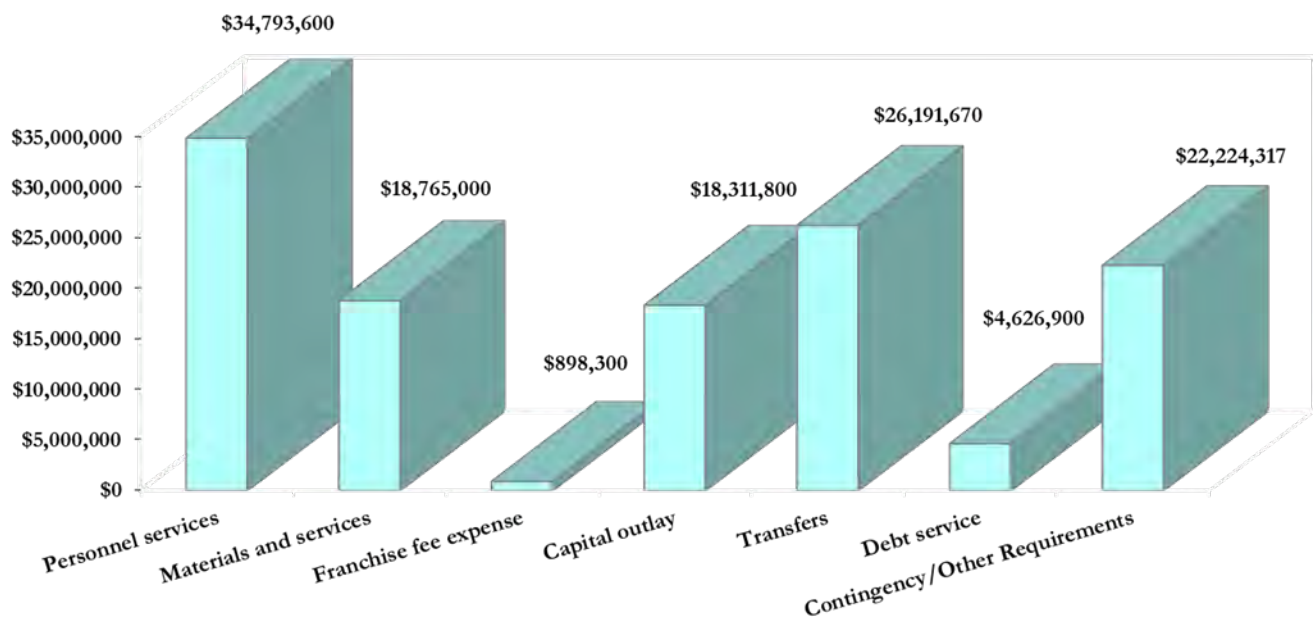
1. Inspected and evaluated the entire street network in accordance with Metropolitan Transportation Standards. The inspection showed the City has successfully increased the pavement condition index (PCI) rating of its street network through efficient investment of street maintenance and repair funds.
2. Completed improvements to the storm water collection system off NW 5th St. mitigating local flooding issues.
3. Started the [NE Combs Flat Road to NE Peters Road extension](#) project two years ahead of schedule with an estimated completed date of the summer of 2025
4. The City updated the Water System Master Plan, Wastewater Facilities Master Plan and the corresponding SDC methodologies. The plan and SDC methodology updates provide the basis for keeping SDC fees and utility rates competitive while effectively funding infrastructure expansions needed to serve existing customers and projected growth.

5. Completed a wastewater reuse study that proved the viability of utilizing treated wastewater for certain industrial needs. The City will continue to pursue the development of a wastewater reuse project that will conserve water and reduce industrial demands on the City's potable water system.
6. Rehabilitated and upgraded the capacity of two key municipal wells, increasing the City's source capacity, efficiency of operation and system resiliency. These system upgrades continue to strengthen the City's water system providing the capacity to more reliably serve the existing customers and accommodate future growth.
7. The Prineville Police Department and the E911 Dispatch Department received reaccreditation through the Oregon Accreditation Alliance.
8. The City of Prineville Railway continued to diversify its customer base with the addition of food grade barley being delivered by train to the freight depot.
9. The City of Prineville Railway replaced and rebuilt the McKay Creek Bridge, removed the Lye Creek Bridge, replacing it with large pipe, and also secured a [\\$1.6 million grant for track and safety improvements](#).
10. The City of Prineville Railway purchased an [updated locomotive](#) to replace aging rolling stock.
11. Filled the Police Department's open [mental health crisis officer position](#) with an officer who has a master's degree in psychology and clinical social work.
12. The Prineville Police Department led or participated in several community outreach programs and events including Shop with a Cop, Coffee with a Cop, Random Acts of Kindness, Faith and Blue, and the Crooked River Roundup.
13. Completed concept design of sidewalk enhancements for the Prineville downtown area.
14. Updated the City's fiscal/financial policies in December 2024. They were last updated in December 2018.
15. Implemented a hauled waste/septage program and created a partnership with Crook County for the utilization of the new program.
16. Implemented a city property tax grant reimbursement program for qualifying multi-family housing.
17. Implemented a system development charge deferral program for projects that qualify.
18. Completed construction of the downtown enhancement project funded by a \$3 million grant from State of Oregon House Bill 2017 and in partnership with the Oregon Department of Transportation (ODOT). The project improved pedestrian safety, upgraded an aging storm water collection system, and provided beautification enhancements to the downtown core.
19. Constructed 7,250 feet of new waterline in the airport industrial area, increasing available pressures and fire flows to the industrial users while also creating additional capacity to serve industrial growth.
20. Constructed approximately 16,000 feet of waterline serving new residential, commercial and industrial development.
21. In September 2024, Meadow Lakes was one of 12 golf courses nationwide to host a PGA Junior League Regional Championship.
22. The golf course completed over \$450,000 in capital improvement projects and equipment upgrades during BN 24-25, while keeping fund balance above policy. Projects/equipment upgraded included: Paved parking lot and overflow, updated entry signage and landscaping, replaced tee signs, and purchased two Gators, a Pro-Gator, a backhoe/tractor and 13 used golf carts.
23. The City's Information Technology Department expanded the 911 network to the new Crook County Courthouse and Crook County Sheriff's Office technology relocation.
24. The City remained committed to staff training with a focus on leadership development and began a "next-gen leadership" training program for up-and-coming future leaders. The City's Public Works team increased water and wastewater certifications, utilizing opportunities presented to public works staff to attend continuing education courses associated with preparation for certification exams.
25. Meadow Lakes was the recipient of a grant to launch an [adaptive golf program](#).

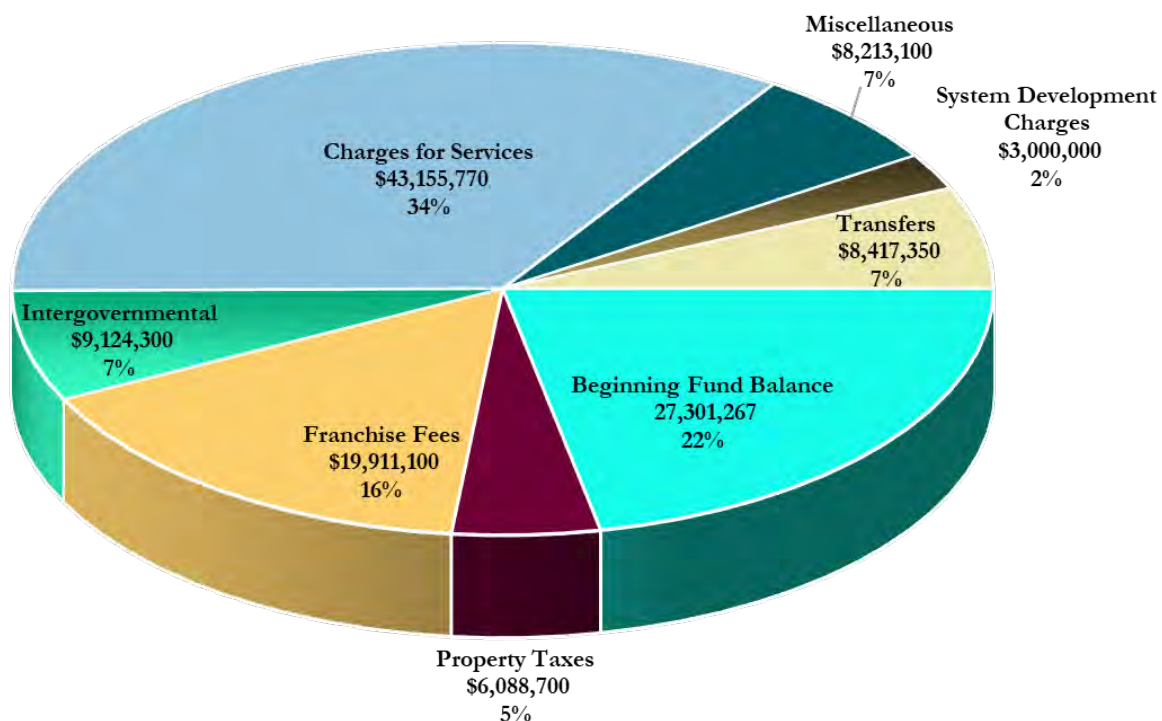


The newest mural beautifying downtown completed the summer of 2023

Budget Overview



Revenue Sources by Type

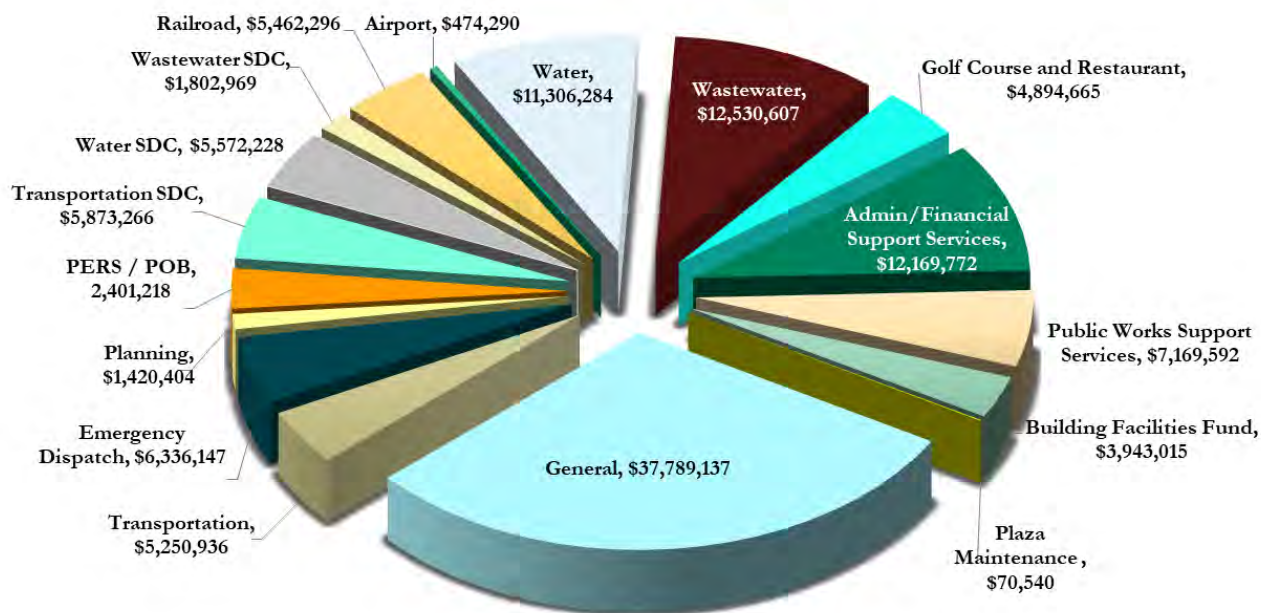


Revenue Assumptions

Overall, charges for service in BN 27 total 34 percent of budget, or roughly \$43.2 million, which is an increase over BN 25's year-end estimate by roughly \$6.3 million. Beginning fund balance for BN 27 is 22 percent of budgeted resources, totaling \$27.3 million. In the prior biennium, balances totaled \$17.1 million, or 13 percent of budget. The increase is primarily the result of unanticipated increases in electrical franchise fees that were collected and capital grants in the SDC funds and the Water Fund.

The Crook County Assessor's Office is predicting property taxes to increase by approximately four percent, and the City is estimating three percent over the previous biennium. Franchise fees total 16 percent of revenue. Electrical franchise fees are estimated to increase roughly \$20,000 in the first year of the biennium and another \$225,500 in the second year of BN 27 with the expectation they will level off in the biennium. Intergovernmental revenue for BN 27 is approximately seven percent of the budget between grants, revenue sharing and other agency funds. Collection projections for the biennium for SDCs are based on 130 residential equivalent dwelling units and additional commercial assumptions throughout the community. For both years of the biennium, water and sewer customers will see their base rates increase by 3 percent. Commodity charges will also increase by 3 percent in both water and sewer.

Total Requirements by Fund



Expenditure Assumptions

For the BN 27 proposed budget, personnel services increased approximately 43 percent over BN 25. Combined total personnel FTEs will increase by three in BN 27. The City of Prineville will meet union contract obligations and provide a modest increase for non-represented employees. Labor negotiations for represented public safety employees are currently taking place. Health insurance costs and worker compensation costs are estimated to increase 10 percent in the first year and 10 percent in the second year of the biennium. Retirement (PERS) increased for BN 27 between five and over seven percentage points, or between 20 and 32 percent, depending on the tier.

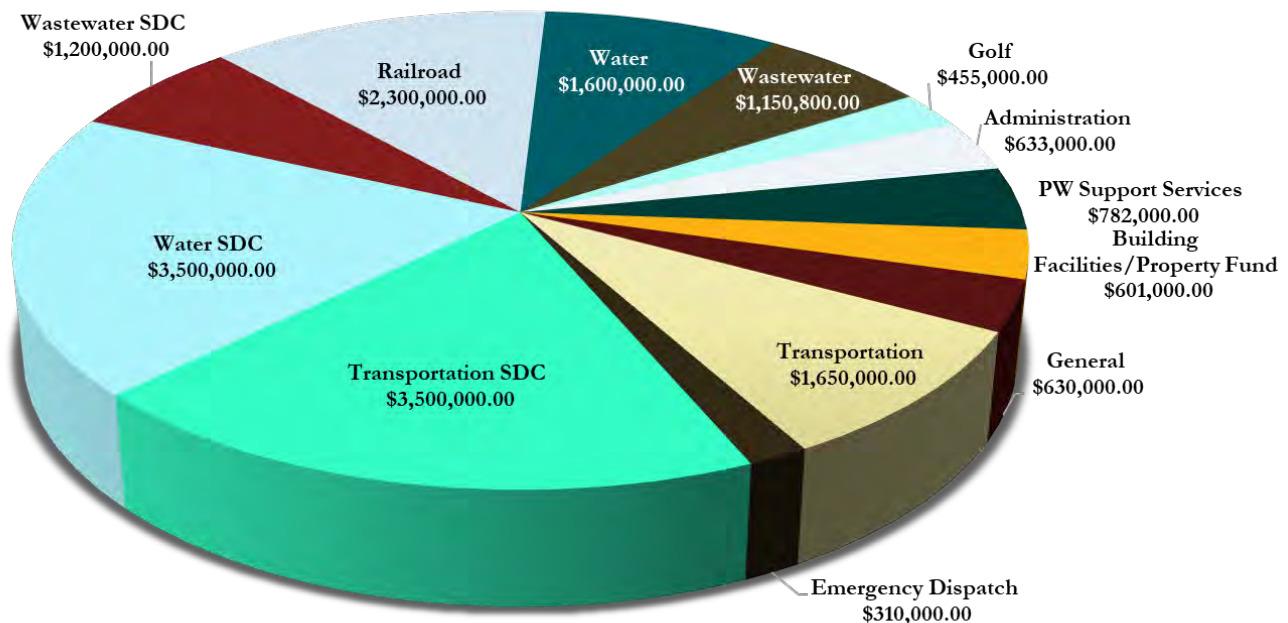
Materials and services requirements are increasing roughly four percent over the next biennium. The increase in BN 27 is largely due to the increase in activity in the community, inflation in the cost of fuel and other products specifically affecting the City's enterprise funds and additional maintenance of equipment.

Debt service requirements remained flat in comparison to BN 25 due to the City budgeting to issue debt in BN 27 for a vector truck in the Public Works Support Services Fund in the amount of \$600,000 and in the Railroad Fund in the amount of \$400,000 to help cover the match for an infrastructure and safety grant that was awarded.

In BN 27, transfers increased roughly 28 percent over the prior biennium. This is largely due to dollars being budgeted for the possibility of an interfund loan for the Railroad and Public Works Support Services Fund, additional dollars being budgeted to support flood plain work in the Planning Fund, additional dollars being budgeted to support Transportation capital improvements, and additional dollars budgeted to support the Administration Fund.

Contingency and reserve funds for the City total \$22.2 million at the end of the biennium. This is a decrease in comparison to BN 25 of roughly \$5.1 million largely due to grant funded projects that the City was given the money up front for being completed.

Capital Improvements



The adopted budget for BN 27 includes approximately \$18.3 million in capital improvements to maintain or increase capabilities. Thirteen funds have budgeted capital improvements. The largest projects for BN 27 are budgeted in the Transportation SDC Fund and the Water SDC Fund in the amount of \$3.5 million each, the Transportation Fund totaling \$1.7 million and the Railroad Fund for \$1.6 million. Detailed descriptions of the capital outlay projects can be found in the Short- and Long-term Strategic Forecasting and Capital Improvement Plans section starting on page 107.

Department Overview

General Fund

General Fund budget total for BN 27 is \$37.8 million. The General Fund includes \$21.2 million for police services for the next two-year period, compared to \$16.1 million in the prior biennium. Also budgeted in the General Fund is non-departmental funding of \$5.8 million, and a contingency balance of \$10.9 million. This fund meets policy guidelines for City operating policy and the 20 percent emergency reserve policy. As mentioned earlier, fiscal policies were updated in December 2024, which changed the reserve policy for the General Fund. More information on the General Funds reserve policy can be found in the Budgeting in The City of Prineville section starting on page 51.

Public Safety and Dispatch

Our citizen's safety is foundational to our community. Leadership of our Police Department consists of the Chief of Police Jeff Profio, Captain Shane Wilson and Lieutenant Tom Vollmer. The Prineville Police Department and 911 Dispatch are fully accredited through the Oregon Accreditation Alliance. The accreditation process ensures the Police Department is using "best practices" in law enforcement, furthering our ability to continuously improve customer service to our community.

The Police Department has recently worked through the lowest staffing we have had in over 20 years. We are ending this fiscal year with a vast improvement in staffing. The Police Department is on pace to be close to fully staffed (24 certified positions and one non-certified community service officer) by the end of FY 25. The Police Department continues to be successful in strengthening the team by recruiting experienced law enforcement personnel into the ranks. Due to numerous promotions and new hires, we are now more than ever committed to professional development through professional training. We must continue to have outside the box thinking on the topic of recruitment, retention, technology and wellness.

Katie Kemper leads our Emergency Dispatch Department, providing emergency communications and 911 services to the Prineville Police Department, Crook County Sheriff's Office, Crook County Fire and Rescue, and other local, state and federal agencies. Though the Emergency Dispatch Department is currently focused on meeting its own staffing goals to serve the community in the most effective way possible, it is also looking toward the future, where it may be feasible to provide additional 911 services outside of Crook County.

As our community continues to grow –and demographics change– we are experiencing increased demand for calls and service.

Planning

Josh Smith is our planning director with Tasha Brackin our associate planner for the department. With support and guidance from our citizen member Prineville Planning Commission, the planning team continues to prepare our community for the present and the future. The planning team receives, reviews and facilitates all applications for new development within the City. In BN 25, the development and construction of single-family home construction remained flat in comparison to the last year of BN 23. Two large apartment complexes of just over 300 units each were approved in BN 23 and construction began in FY 25 with the expectation that they will be completed in the first year of BN 27. Commercial and industrial construction increased to fill the needs of our growing community as well as those of the Central Oregon region. It is expected the upcoming biennium will see steady commercial and residential development with industrial being the main driver of growth.

The Planning Department works with local and state agencies to ensure the City keeps an adequate inventory of appropriately zoned land for future needs, updates comprehensive plans, facility plans and other ordinances vital to the operations of the City. The Planning Department maintains a lead role in the continued revitalization of our downtown including supporting the Downtown Association in efforts to redevelop the downtown business core.

Public Works

Public Works Director/[Assistant City Manager Casey Kaiser](#), with the help of Superintendent Rich Evans, leads our Public Works Department and team. The Public Works team is tasked with efficiently providing the community with water, wastewater and transportation services. The team is also responsible for operating and maintaining the City's technologically advanced infrastructure facilities such as the aquifer storage and recovery system, including its state-of-the-art water treatment facility, and a 180-acre effluent disposal wetland.

During BN 25, the team successfully met the challenge of expanding the City's infrastructure to accommodate the rapid commercial, industrial and residential growth. The rapid growth also drove the need to update the City's long-term plan documents. The Public Works Department, with support from the Planning Department, completed updates to the Water Master Plan, Wastewater Facilities Master Plan and corresponding SDC methodologies. Our SDC fees remained competitive throughout BN 25, and we are well positioned to remain so into the future. We continue to focus on innovative technology, efficient use of resources, and advancing the training and education of our team members to provide high-quality municipal services at competitive rates to the citizens of our community.

Transportation

Street Superintendent Justin Severance and his team continue to maintain the City of Prineville street network in an acceptable condition with limited funds. The street network is the City's largest asset with a current value of \$111 million. All planned maintenance activities were completed in BN 25 and the City's pavement condition index (PCI) increased from an average of 75 to 76. The City has been consistently raising the PCI rating since its initial rating of 71 when the first comprehensive pavement conditioning inspection was completed in 2008. Further inspections have occurred every other year with the last inspection done early 2025. The goal of the Transportation Department is to maintain a reasonable PCI rating with the amount of available funds, which is ideally a calculated overall PCI average of 82 to 85. This level provides the optimum longevity of the wearing surfaces with the minimum investment level.

In the budget biennium, the NE Combs Flat Rd. to NE Peters Rd. extension project will be nearly completed with completion expected in the summer of 2025 and is the largest street project the City has ever done. The Transportation Department completed the concept design of sidewalk enhancements for the Prineville downtown area and completed construction of the 3rd Street corridor project in partnership with the Oregon Department of Transportation (ODOT), upgrading traffic signal infrastructure, stormwater facilities, and Americans with Disabilities Act (ADA) facilities through the 3rd Street/Highway 26 corridor from Meadow Lakes Drive to Combs Flat Road

Water and Wastewater

The City continued to make improvements to the water system capabilities and capacity to meet both current and future needs. The City continues to develop innovative and sustainable projects to expand the capacity of the water system. Through grants and partnerships, the City was able to refine the new water treatment facility for optimal performance, create standard operating procedures, and design, reconstruct and upgrade several aquifer storage and recovery wells in BN 25.

The City's effluent disposal wetland has provided inspiration for other cities to pursue similar projects to expand their wastewater treatment capacity effectively influencing positive environmental impacts well beyond the Prineville city limits. The Crooked River Wetlands Complex has not only provided the capacity to serve the current needs and future growth of the City but has also become a recreation destination for locals and visitors who enjoy the many trails and wildlife viewing activities. In an effort to employ another innovative solution to disposing of treated wastewater and meeting industrial water needs, the City conducted an initial feasibility study on reusing treating wastewater for certain industrial water applications.

Highlights for the biennium include:

- Rehabilitated and upgraded the capacity of two key municipal wells, increasing the City's source capacity and efficiency of operation
- Approximately 3,535 feet of new water lines were installed to replace existing aging and undersized water lines
- Constructed approximately 6,390 feet of new water main along the newly constructed NE Combs Flat Rd. extension, adding resiliency to the City water system and providing connectivity for future growth
- Completed the wastewater reuse research and feasibility study
- Implemented a hauled waste/septage program

With the City's thoughtful planning of innovative projects, rates are projected to remain stable for our customers while capacity needs are met well into the future.

System Development Funds

The City is forecasting and planning SDC funding to develop our infrastructure to meet projected future demands. The City continues to be successful in leveraging SDC funds to obtain grant revenue for large projects to expand the capacity of the water and wastewater infrastructure. This strategy has allowed the City to accomplish projects such as the Crooked River Wetlands Complex, wastewater reuse, aquifer storage and recovery, and significant transportation projects like the Combs Flat to Peter's Road extension.

Railroad and Freight Depot

General Manager Matt Wiederholt and the City of Prineville Railway team moved this strategic fund to operational stability for the seventh and eighth consecutive budget year. The railway received the JAKE award for no reportable injuries from the American Short line association for the 19th consecutive year. To achieve this honor, each member trains 80 hours per year on railroad specific crafts. Investing in maintenance and personnel development is allowing the Railway to keep this key asset in compliance with the Federal Railroad Administration (FRA) and to meet the increasing needs of our customers and business development. Currently, the Railway has over 50 customers utilizing the asset with over 200 direct jobs attributed to it. Safety and railroad preservation will continue to be the top focus moving into the next budget cycle with a \$1.6 million safety improvement grant to help accomplish this.

Prineville-Crook County Airport

Airport Manager Kelly Coffelt continues to develop the Prineville-Crook County Airport into a major transportation and economic engine for our community. In partnership with Crook County, activity at the airport continues to grow. The goal continues to be to support and encourage new business interest and hangar space development. In BN 25, operations were outsourced to a fixed based operator and a new intergovernmental agreement between the City and Crook County was signed.

Meadow Lakes Golf Course and Restaurant

Led by Golf Manager Zach Lampert, the Meadow Lakes team continues to provide Prineville residents and visitors with one of the best public golf experiences in the State of Oregon. Meadow Lakes Golf Course has been recognized by a number of local and national media outlets for its staff friendliness, course conditions and value. *Golf Pass* ranked Meadow Lakes #3 in its list of “Top Public Courses in Oregon” for 2024. The course has also been recognized as an “environmental leader” by *Golf Digest* and as “Central Oregon’s best golf value” by the *Bend Bulletin*. Meadow Lakes’ positive reputation in the golf industry has led to Zach being elected to the board of directors for the Oregon Chapter of the PGA as the tournament committee chair. He also serves on the tournament committee for the Pacific Northwest Section of the PGA.

Calendar year 2024 and FY 24 each marked new highs in all major golf course revenue categories. Total golf revenue increased by 14 percent in FY 24 over FY 23. This increase has allowed management to focus on capital improvement projects totaling nearly \$500,000 in BN25. While staying well within fund balance policies, Meadow Lakes has been able to upgrade aging equipment and address deferred maintenance to keep this facility in top condition.

In addition to the wonderful golf course, Meadow Lakes offers one of Prineville’s most scenic dining venues as well. Back in 2019, restaurant operations were leased out to a third party in an effort to provide financial stability for the Golf Course Fund. The relationship with restaurateur Ron Allen has been successful, and the partnership has evolved from a flat monthly fee structure to a revenue-based payment. What was once a financial drain on the fund balance has turned into a revenue generator.

Meadow Lakes Golf Course and Restaurant is truly a valued asset and remains one of Prineville’s featured amenities for local residents, civic organizations and golfers from all around the Pacific Northwest to enjoy.

Financial and Administrative Services

Finance Director Lori Hooper Antram and her staff continue to adapt to changes and challenges to the City’s financial performance. The team embraces continuous improvement in practices and continues to recruit and develop a multi-functional, cross-trained staff that provides the City Council and community with timely and accurate financial information and award-winning budget presentations. The City – for the 19th consecutive year – received the prestigious Distinguished Budget Presentation Award from the Government Finance Officers Association. For the 8th consecutive year, the City received the coveted Certificate of Achievement for Excellence in Financial Reporting for the annual comprehensive financial report for FY 23 and is awaiting results for FY 24. Although the award recognition is appreciated, the City applies for these awards to have the budget and comprehensive financial statements critiqued by experts from around the country to help improve the documents for its citizens. The City’s commitment to fiscal responsibility, short- and long-term strategic planning, and modeling allows the City of Prineville to maintain its high credit quality.

Human Resources and Safety

Human Resources Manager Karee Miller provides guidance and support to all City departments in recruiting and retaining a diverse workforce that is committed to providing quality service to our community. Through policy direction and training efforts, human resources help reduce the risk of employment-related legal claims and work-related injuries. Human resources promote positive labor-management relations through collaboration, open communications, and fair and inclusive employment practices.

Safety continues to be a priority for our entire team at the City. City Recorder Lisa Morgan, the City's risk manager and safety coordinator, along with our Safety & Wellness Committee has helped to facilitate over 3,110 safety training hours that were completed City-wide. The Safety & Wellness Committee has also been working on the development of a continuity of operations plan. This project is very time-consuming and requires input from every department. This process is anticipated to span several years.

Information Technology

The City's Information Technology (IT) Department led by James Wilson and team, continues to provide the City with a stable IT platform to conduct City business. IT's responsibility has increased significantly since the beginning of the CV-19 pandemic and an increased staff is needed. In BN 23, the IT Department restructured and increased its FTEs by .66. In BN 27, an additional FTE will be added bring the total FTEs for the department to 5.66.

Much of the IT Department's resources have been directed to adapting many City work processes to paperless and virtual workflows while implementing diverse technology platforms to support remote workers and provide citizen engagement. Work continued on migration to a P25 next generation radio system while facing supply chain delays. The IT Department also successfully consolidated infrastructure and migrated to a hyperconverged technology platform. This system provides stability and predictable growth for digital assets into the future.

Budget Summary

The City's commitment to continuous improvement in budgeting, strategic planning and long-range modeling provides the foundation to develop this proposed BN 27 budget. Our team is ever mindful of our city's history and culture. Our work reflects a commitment to protect our heritage while we move forward in time. We believe that Prineville is a place where the "future meets the frontier." We remind ourselves each day that every citizen is our customer and stakeholder, and our citizens' tax dollars are entrusted to us to provide City services effectively and responsibly.

Over the last several years our community has experienced unprecedented challenges. We have successfully managed to keep our community safe and maintained operational effectiveness, providing continuity of City government and delivery of critical City services to our citizens and visitors to Prineville. Prineville continues to benefit from continued investment and growth and expansion of new and existing businesses. We take great pride in managing Prineville in a responsible way, allowing our community to move forward through continued investments that provide additional job opportunities and an improved quality of life all while improving the City's position in the future.

The budget process is a team effort, and on behalf of every City of Prineville employee, I am honored to present the budget committee with the proposed BN 27 budget.

The budget will be distributed on May 19, 2025 at 5:15 p.m., with the next budget meeting scheduled on June 3rd, 2025 at 5:30 p.m.

Sincerely,



Steve Forrester
City Manager



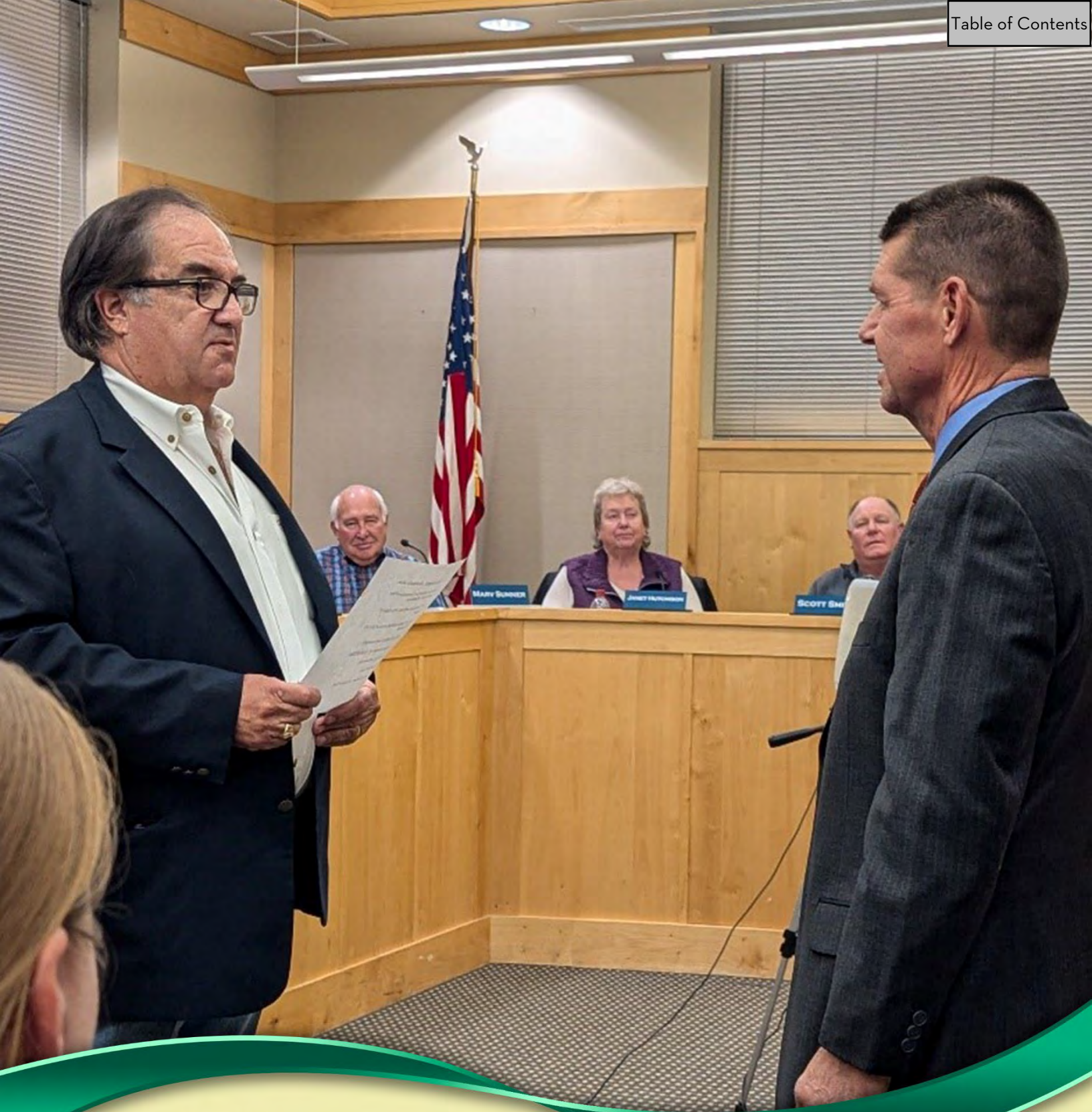
Warpaint on display on April 29th, 2025

Council Goals

	Fiscal Responsibility	Explanation of the Goal The ability for a city to provide services for its citizens is highly dependent on fiscal responsibility. Managing public assets and leveraging those assets to create a community in which the public wants to live, work and play is the objective.
	Provide Quality Municipal Services and Programs	Explanation of the Goal The purpose of a local government is to supply goods and services necessary for the citizens it serves. The City of Prineville aims to provide quality services and programs through employee training and consistent evaluation, as well as working collaboratively and forming relationships with other local and state agencies. This provides a holistic approach to maintaining and improving the livability, desirability and reliability of the city.
	Transparency and Effective Communication	Explanation of the Goal The City of Prineville and its council are committed to practicing equity, diversity and inclusion principals to best serve the citizens of its community. Transparency and open communication are necessary in all the City does to inform citizens of its ability to deliver services and manage public assets. Transparency can be accomplished through effective communication, which enhances public relations and retains community trust.
	Position City for the Future	Explanation of the Goal In order to best serve the citizens of Prineville, the City must position itself for the future. By collaborating with its partners, the City sets objectives to anticipate and meet the community's needs for future growth, services and infrastructure.
	Community Safety	Explanation of the Goal Ensuring the safety of the public is one of the City's highest priorities. The largest responsibility of this goal falls on the Police Department and Emergency Dispatch. It requires highly skilled officers, community trust and citizen involvement.

Council Goals Addressed by Department / Fund in BN 27

	Fiscal Responsibility	Quality Municipal Services and Programs	Transparency and Effective Communication	Position City for the Future	Community Safety
Police					
Emergency Dispatch					
Transportation Operations					
Planning					
Railway / Freight Depot					
Airport					
Water					
Wastewater					
Golf Course					
City Council					
Administration					
Finance					
Information Technology					
Public Works Support					



Proposed Biennial Budget



July 1, 2025 - June 30, 2027



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Welcome to Prineville



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Welcome to Prineville

Community Profile

The City of Prineville is a unique small town with a current population of 11,466 (July 1, 2024), an increase of 340 people over the certified population estimates from July 1, 2022. Prineville is located within Central Oregon, nestled in an ancient volcanic basin that is over 3 million years old. The rim rock plateaus lend their scenic beauty to an extraordinary backdrop. Saturated in a rich historical atmosphere, Prineville is a recreational playground managing to keep its friendly, small-town character and appeal. It is truly a beautiful place to live and work.



View of the City of Prineville from the viewpoint in August of 2024

Not only is Prineville one of Oregon's first incorporated cities under its establishment in 1868, but it's also the oldest community in Central Oregon. Crook County, named after General George Crook, claims Prineville as its only city. Originally part of Wasco County, Crook County separated in 1882. Barney Prine founded the city when he settled on the banks of the Crooked River, where he established a blacksmith shop and a store/saloon. Prineville sat as the primary place of trade in Central Oregon until 1911.

City hall administrative facilities are located downtown across the street from the historic Crook County courthouse and old Prineville Police Department building. The city hall plaza proudly displays a full-size bucking, famous rodeo prize winning horse known as War Paint, complete with a cowboy holding on. War Paint was created by a local artist, using materials specific to ranching and rodeo heritage that were donated from many community members. The City and County co-hosted a dedication of the War Paint sculpture and included special guests from the Klamath Tribes and Confederated Tribes of Warm Springs who were familiar with the successful career of War Paint. Many visitors

and tourists stop by to snap a picture with this intricate statue and to admire the creativity of all the varied materials used. Two of the main corridors are state highways which run north, south, east and west. Regardless of what direction one travels, within minutes they are located among some of the most beautiful scenery and wildlife the northwest has to offer. Main Street, also known as State Highway 27, is recognized by Oregon State Parks and Recreation as a scenic bike way. It travels to the south and as it meanders along the Crooked River, it eventually meets with Bowman Dam. Obtaining this designation was a lengthy competitive process and it is an honor to finally have it approved. The City maintains its presence on social media and utilizes it to communicate with its citizens.



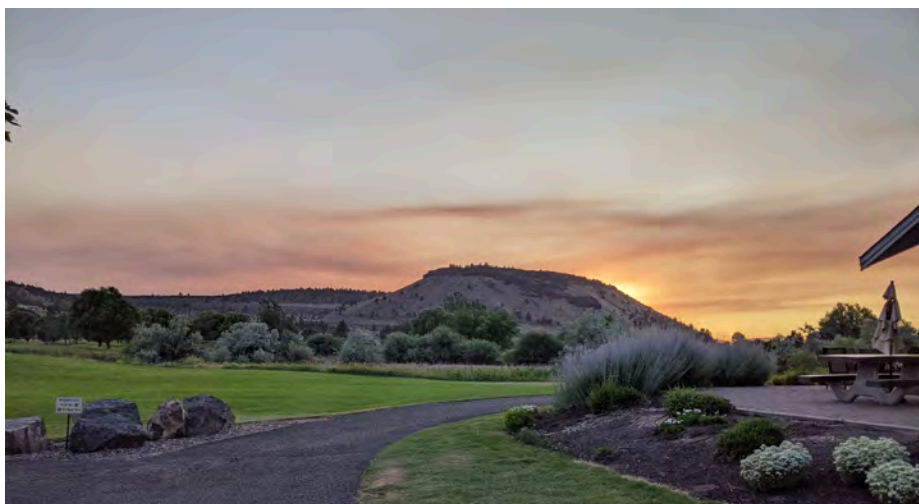
The City of Prineville Railway (COPR) is a vital short-line railroad owned by the City of Prineville, offering critical connections to major Class I railroads such as BNSF Railway and Union Pacific. These connections grant access to key markets across the United States, Canada and Mexico, reinforcing the importance of rail transportation in supporting the region's economy. COPR's primary mission is to drive local economic development and job creation by providing reliable rail services to businesses in the Prineville area.

COPR serves a wide range of local and regional industries, including manufacturing facilities for trusses and poly pipes, four agricultural cattle feed businesses, three industrial chemical transload facilities, and a city-managed warehouse. By enabling rail access to these diverse enterprises, COPR significantly reduces transportation costs and enhances supply chain efficiency, which is essential for thriving in today's global economy. The Railway's role extends beyond simple transportation; it's a cornerstone of economic sustainability. Through its efficient and cost-effective services, COPR ensures businesses in the region remain competitive and resilient. With ongoing investments in infrastructure and service improvements, COPR is poised to continue supporting the economic growth and success of the Prineville community for years to come, while fostering local job creation and business expansion.

In the last several years, the City of Prineville Railway has reached out nationwide to market the railroad to large rail users. This effort, along with positive word of mouth regarding the Railway's excellent customer service, has developed into two long-term anchor tenants at the railroad junction, one of which is already expanding and is a nationally known company. Fifteen years ago, COPR only had a handful of jobs. Today, between the Railway and its customers, it holds steady at over 200 jobs tied directly to it. There are currently over 50 companies utilizing either railroad or railroad-owned facilities. The result is an increase in car traffic, as well as the variety of cargo. Businesses are taking advantage of the award winning, multi-modal freight depot and junction. The City had several activities to celebrate the 100th anniversary in 2018, all of which were highly successful.



*The new City of Prineville Railway train being pulled in May of 2024
Photo: Dade Shank*



Example of the early evening scenery at the Meadow Lakes Golf Course

mountains, rim rocks, beautifully manicured greens, the Crooked River and deer grazing along the river. Customers can take in this picturesque scene while enjoying a fantastic selection of some of the best cuisine in Central Oregon. Meadow Lakes had its 31st anniversary in 2024.

In addition to managing its own municipal railroad, The City of Prineville also owns a municipal golf course. Meadow Lakes Golf Course is associated with wastewater management for Prineville. This makes Meadow Lakes an important asset to the community by serving the dual purpose of recreation and wastewater treatment. The golf course maintains a golf cart fleet with modern features to get players from hole to hole in style. The clubhouse offers spectacular, almost panoramic outdoor views showcasing the surrounding

The Prineville-Crook County Airport is managed by the City in collaboration with Crook County. The airport manager continues to successfully increase business and recreational activities. The automated weather observation service (AWOS) allows pilots anywhere to get all possible weather conditions in Prineville at any time. With this addition and expanded runways, it allows private commercial planes to fly in, take care of business and fly back home. The Airport Master Plan is completed and the review with Federal Aviation Administration (FAA) was approved and adopted by the Prineville City Council. With the plan in place, the Airport moved forward with an exciting, years-in-the-making heliport project with the United States Forest Service. Much like COPR, the Airport has gone from a couple of airport-related jobs to over 30 in the last couple of years.

As part of Central Oregon, Prineville offers many recreational activities for outdoor enthusiasts. It's geographically located near several waterways and reservoirs, as well as mountains and many other natural landscapes providing opportunities for outdoor activity year-round. The City added to these recreational opportunities by purchasing 461 acres – now known as the Barnes Butte Recreation Area – to the east, adjacent to land owned by the Bureau of Land Management (BLM). It features 360-degree views of the surrounding rim rocks and wildlife. This area was purchased by the City primarily for water rights and has become a favorite place to visit in the community. The City was successfully awarded two grants to master plan the Barnes Butte property and has partnered with Crook County Parks and Recreation to incorporate all parks and trails within the Prineville into the plans. There is also a paved 5K path which attracts many marathon groups and state-wide bicycle groups. Standing at the top of the butte, one can see for miles in any direction.

Completion of the national award-winning Crooked River Wetland Complex added to Prineville's extensive network of paths with five more miles of trails. The complex is a refreshing, well-utilized area for jogging, bike riding and dog walking. Additionally, it offers educational opportunities, dramatic views of Grizzly Mountain, abundant wildlife and ample bird watching. Citizens and visitors nationwide – and even internationally – come to enjoy the wetlands



Bee garden at the Crooked River Wetland Complex in June 2024

from dusk to dawn. All visitors are greeted with smiles and area facts by several dedicated community volunteers inspired to help watch over the property. Students from around the region use both the Crooked River Wetland Complex and Barnes Butte Recreation Area for learning opportunities. The wetlands benefited from amazing student and Eagle Scout projects since its opening.

Prineville also borrows from its strong agricultural heritage to lend flair to community events. One popular attraction is a traditional live cattle drive, which occurs right down the main commerce area of town. This kicks off the Crooked River Roundup, a popular annual rodeo event. Additionally, there's the annual county fair and horse races, as well as several other rodeo events throughout the year.

Affordable residential housing rentals continue to be a challenge statewide. Construction of residential homes is currently underway, so this situation is beginning to balance out. Development for multiple family dwelling units is starting to take place, in part thanks to state funding for infrastructure.

Prineville also caters to a variety of job markets. Between construction, manufacturing, retail, government, health and the tech sector, the City touches on all types of employment. The presence of Facebook and Apple with their expansions continue to be positive for the community, bringing numerous construction and other service-related jobs. These employees continue to visit local gas stations, restaurants, stores and hotels. Another strong employer and presence in the community is St. Charles Health System. In 2015, the construction of a beautiful, \$30 million facility was completed to better serve the community's needs, and an expansion is already underway. Growth continues in all sectors – and will – for the foreseeable future. Many smaller businesses have decided to “set up shop” in Prineville, adding to the variety of jobs available in the community.

Prineville once held the highest unemployment rate in the state at over 20 percent, but now sits at 5.1 percent, up 0.1 percent from last budget cycle.

Government

The City of Prineville uses a council/manager form of government. The council is composed of a mayor and six councilors elected from the city at-large. Three councilors are elected at each biennial election and serve a term of four years. At each biennial general election, a mayor is elected for a term of two years.

Government Services

The table below identifies the provider of government services within the City of Prineville

Services	City of Prineville	Crook County	Crook County Fire District	Crook County School District	Crook County Parks and Recreation	Other / Private
AG Extension Office						X
Airport Services	X	X				
Cemetery		X				
Code Compliance	X	X				
Education				X		X
Fire/Rescue Services			X			
Health/Social Services		X				
Museum		X				
Landfill		X				
Library		X				
Municipal Golf Course	X					
Parks and Recreation					X	
Police/Dispatch Services	X					
Industrial Rail Services	X					
Streets and Highways	X	X				X
Water Utilities	X					
Sewer Utilities	X					
Transportation Services						X
Vector Control						X

City of Prineville Services

The table below provides information about the City of Prineville services

Public Safety		Golf	
Sworn Officers	24	Club House	1
School Resource Officers	3	18 Hole Course	1
Dispatchers	13	Rounds of Play	36,670
Community Policing Contacts	2,400		
Calls for Police Assistance	21,498	Sanitary Sewer	
Dispatch Emergency Calls	9,584	Service Connections	4,338
Dispatch Non-Emergency Calls	43,633	Avg. Daily Sewage Treatment (MGD)	1.18
		Sewer Rates	\$ 60.77
		Lineal Miles of System	65
		Treatment Capacity (MGD)	2.60
Community Development		Streets	
Residential Applications	75	Street (Centerline Miles)	59.3
Commercial Applications	42	Sidewalks	38.9
SDC Fees Collected in FY 2024	\$ 1,447,942	Traffic Signals	6
		ADA Ramps (Downtown Area)	118
Railroad		Water	
Diesel Locomotives	4	Service Connections	4,471
Steam Locomotives	-	Avg. Monthly Consumption (Units)	69,035
Cars	7	Water Rates (Average usage)	\$ 46.58
Main Track Miles	18.01	Lineal Miles of System	80
Yard Track Miles	2.46	Water Wells	12
Industrial Track Miles	2.45	Wells Capacity (MGD)	9
Transload Facilities	2	Storage Tanks	6
Public Team Track (Acres)	-	Treatment Capacity (MGD)	9.00
		ASR Treatment Capacity (MGD)	2.88
Airport			
Runways	2		
Terminal	1		

Schools in Crook County

The Crook County School District is one of four school districts located in Central Oregon. Current enrollment is at 3,382 students, an increase of 110 since this time last year. The district consists of one high school, one middle school (grades 6 – 8), two in-town elementary schools (grades K – 5), and one rural school in Paulina (grades K – 8). The Crook County School District is served by the High Desert Educational Service District. Additionally, there is Crook

County Christian School in Prineville (grades preschool – 12), Insight Charter (online) as an alternative educational opportunity, and the charter school in Powell Butte (grades K – 6).



Barnes Butte Elementary opened for the 2015-16 school year

Crook County Open Campus, a partner of Central Oregon Community College in Prineville, continues to increase enrollment numbers. The campus offers a variety of credit classes and a degree partnership program with Oregon State University. This is yet another increasingly popular addition to the community that the City supported to provide higher educational opportunities to citizens. A technical institute offering a variety of skilled training opportunities is also available.

City Demographics

City of Prineville Natural Resources	
Crook County area (in miles)	2,982
Crook County area (in acres)	1,900,000
Elevation at the courthouse	2,864 feet
Climate	Semi-arid, cool nights
Climate zone	Climate division 7
Mean temperature in January – High	43
Mean temperature in January – Low	25
Mean temperature in July – High	86
Mean temperature in July – Low	48
Annual precipitation (in inches)	10.68

Prineville Area Top Employers		
Employer	Employees 2024	Employees 2025
Meta Platforms, Inc. - Facebook Data Center	600	600
Crook County School District	556	556
Les Schwab Prineville Operations	464	458
Brasada Ranch	280	280
Endura Products (Masonite International)	241	241
St. Charles Health System	226	236
Crook County	233	229
Ochoco National Forest	175	141
City of Prineville	97	107
Western Heavy Haul & SMAF	120	97

Source: Economic Development of Central Oregon – 2025 Crook County Largest Employers (Private & Public)

Age, Education and Wage Data	
Oregon's average household income	\$114,465
Prineville's average household income	\$78,034
Median age	39.9
Percent aged 65 years old and over	21.5%
Percent aged 19 years old and under	23.1%
High school graduate or higher, age of at least 25 years	87.9%
Bachelor's degree or higher, age of at least 25 years	20.0%
Persons in poverty	14.8%

Source: Portland State University Population Research Center & United States Census Bureau

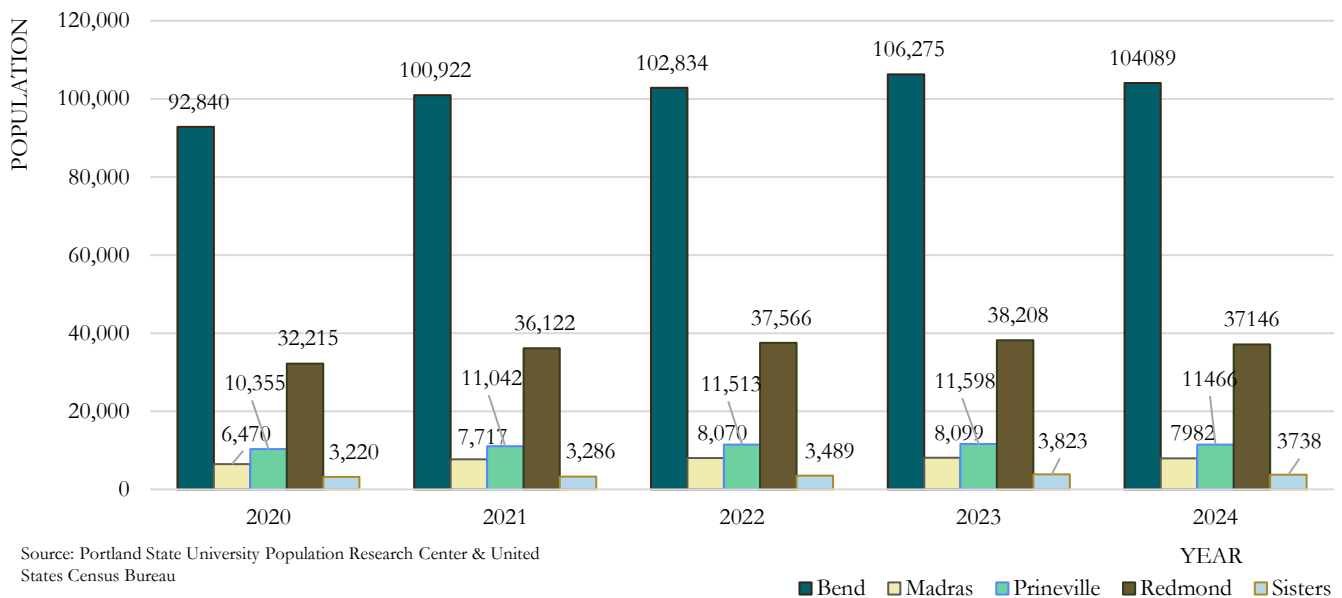
Housing Data	
Total housing units	4,793
Median value of owner-occupied housing units	\$364,600
Median home price	\$425,997
Owner-occupied housing unit rate	60.5%
Average monthly rent for a 3-bedroom house	\$1,245

Source: United States Census Bureau and Economic Development of Central Oregon

Regional Comparisons

The following charts provide a snapshot of how Prineville compares to other cities in the region in terms of population, student enrollment and unemployment. Population growth continues year over year for the region. Counts increased by 13.57 percent from 2022 to 2023 and 8.33 percent over that from 2023 to 2024. Growth within Sisters saw the largest increase from 2022 to 2023 at 6 percent and Prineville came in second with a total population increase of 225 (2 percent) in 2023 and 115 (1 percent) in 2024.

Regional Population Comparison Comparison Against Largest Local Cities by Year



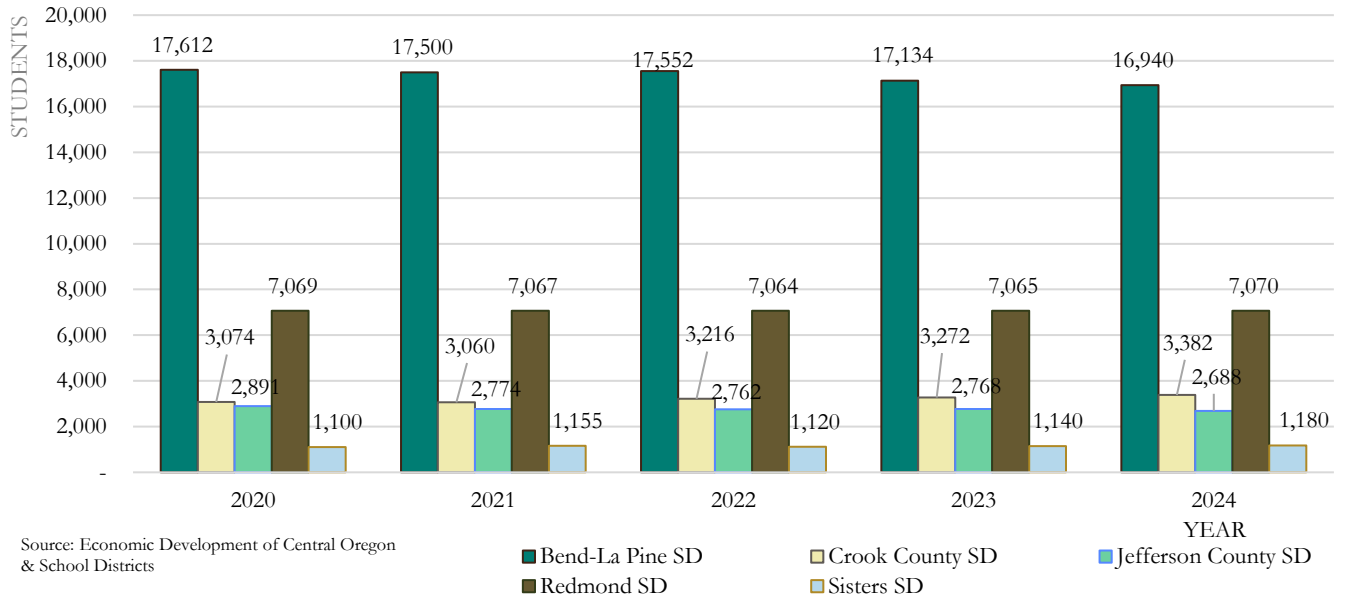
Student enrollments for the region saw a slight increase from both 2022 to 2023 and 2023 to 2024. Overall increases were less than 0.3 percent in 2023 and grew to 0.58 percent in 2024. Bend-La Pine School District experienced a 2.38 percent decrease in 2023, while all other district enrollments increased between 0.01 percent and 1.79 percent. Crook County School District experienced growth in enrollments in both periods with an increase of 1.74 percent in 2023 and 3.36 percent in 2024. Sisters School District led all other districts in enrollments for 2024. Crook County followed closely behind with only a 0.15 percent difference.



Greetings from Prineville Oregon mural in January 2025

Student Enrollment

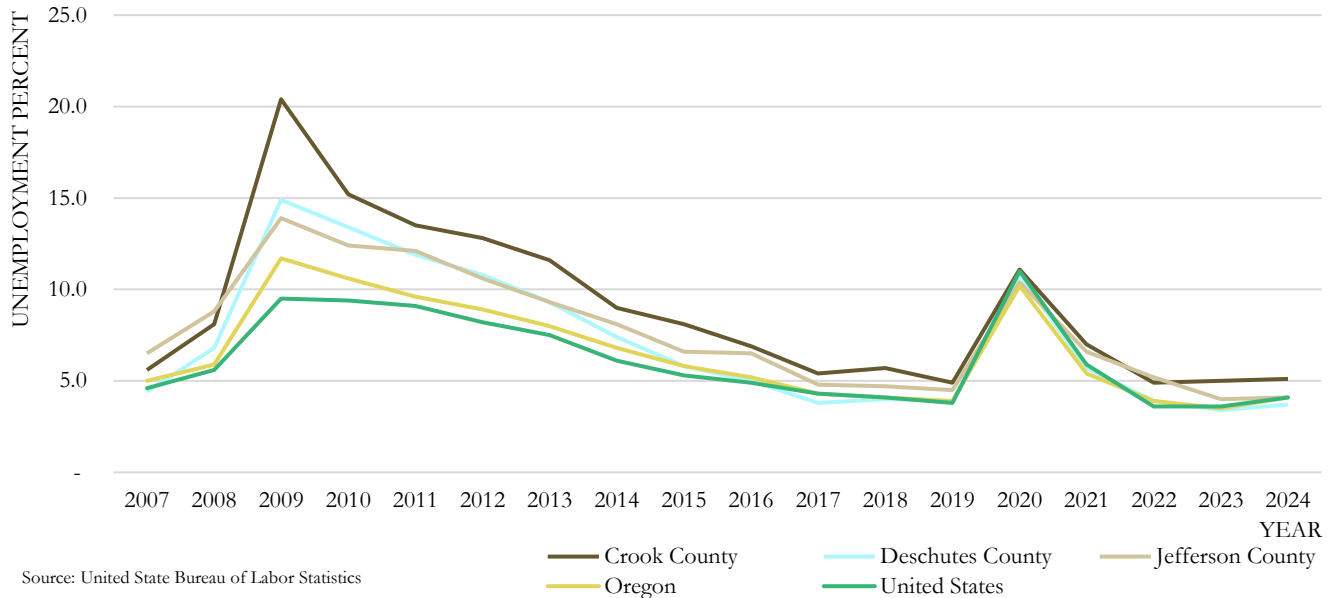
Students Registered with Local Districts by Year



Crooked River Round Up Parade – June 2024

Unemployment Trends

Regional Unemployed Workforce Comparison



Crook County held the highest unemployment rate in the region in 2020, hitting 11.1 percent. This has decreased significantly since that time, but Crook County still has the highest in the region with a current rate of 5.1 percent as of September 2024. Manufacturing jobs, primarily in the wood products industry, have significantly declined. Other jobs, such as transportation, utilities, retail trade, professional and business services, manufacturing, construction (both residential and commercial), education, health services, leisure and hospitality continue to increase.



Wild Ride Brewing selected Prineville for its second location, opening in May 2022



Proposed Biennial Budget



July 1, 2025 - June 30, 2027



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Strategic Planning



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Strategic Planning

Strategic Planning Process

Each year the Prineville City Council and city staff update the City's mission, principles and council goals, which serve as the foundation for strategic planning and long-term financial modeling. Successes are reviewed and built upon, while failures are learned from as processes are continuously improved to prepare for the future. In BN 27, dollars are budgeted for community outreach to help recruit more citizen involvement to ensure that the City's goals align with the citizens.



The City's strategic planning process is developed from input and policies coming from City departments and committees. Committees are made up of citizens, City staff and council members. Each committee reports directly to Prineville City Council with recommendations. The City Council then develops strategic policy, goals and project priorities with the help of staff. Each City department aligns their resources with the City Council's goals. The staff reports, created for the Council, identify all council goals that every decision is aligned with. In addition to the committees, the City works strategically with Crook County, Crook County Fire and Rescue, Ochoco Irrigation District, and many local nonprofit agencies. The City Council members serve on many committees and boards to help them have a better understanding of the community's needs and wants. In March of 2025, several [underutilized committees were dissolved](#) and, in their place, each City councilor was assigned a department as a liaison. A list of City departments, committees and community partners involved in the development of the City's strategic planning process is as follows, with a brief description included where applicable:

Community Development

Finance Department

Public Safety

Public Works Department

Transportation

Central Oregon Area Commission on Transportation (COACT) - COACT was formed in 1998 to serve as a forum for the discussion, understanding, and coordination of transportation issues affecting the Central Oregon region. COACT membership includes representatives from each Central Oregon City and County government, ODOT, the Confederated Tribes of Warm Springs, the private sector and various regional organizations.

Central Oregon Cities Organization (COCO) - A group of nine cities in central Oregon comprised of mayors, councilors and city management that collaborates on projects, issues each city may be facing and provides stronger unified voice in Salem in favor of or against potential laws that would have an impact east of the Cascades.

Central Oregon Intergovernmental Council (COIC) - Provides services in the following areas: employment and training, alternative high school education, business loans, transportation, and community and economic development. The majority of the COIC Board is comprised of elected officials appointed by each of these member governments.



Large rocks like the one pictured here welcome citizens and visitors as they enter the east and west sides of town

Chamber of Commerce - The [Crook County Chamber of Commerce](#) is the Prineville visitor center and a community partner. Additionally, the Chamber offers community grants, internships and support the local businesses in Prineville. Currently, Councilor Scott Smith is a board member.

Community Renewable Energy Association (CREA) - The [Community Renewable Energy Association](#) (CREA), an ORS Chapter 190 organization formed to promote, foster and advance the economic application and public understanding of community-based renewable energy.

County Natural Resources Committee - A Crook County committee formed to engage in coordination with federal agencies in the proper management of natural resources in the county and provide for the health, safety, welfare, use and access for the citizens.

Crook County Fair Board - Oversees activities and operations of the [Crook County Fairgrounds](#).

Economic Development - Founded in 1981, Economic Development of Central Oregon is a non-profit corporation supported by private and public members and stakeholders. Their mission is to create a diversified local economy and a strong base of middle-class jobs in Central Oregon. Currently, the Prineville area director attends weekly City of Prineville department manager meetings advising of opportunities and challenges being faced regarding economic development in Prineville.

Habitat Conservation Plan (HCP) - HCPs are planning documents required as part of an application for an incidental take permit. They describe the anticipated effects of the proposed taking; how those impacts will be minimized or mitigated; and how the HCP is to be funded. For approximately the last 10 years, the City has been partnered with regional irrigation districts to produce an HCP. The Habitat Conservation Plan will ensure that the City, Crook County and the local irrigation district are making improvements to the environment that will ensure the success of the steelhead and salmon reintroduction effort. By committing to making these improvements, the agencies will be protected from penalties assessed by the federal government.

Local Intergovernmental Committee - This committee consists of members from the City, Crook County, Crook County School District, Crook County Fire & Rescue District, Crook County Parks & Recreation District, Economic Development for Central Oregon, Prineville-Crook County Airport, Crook County Sheriff's Office and Prineville Police Department. The committee meets quarterly to discuss the needs of each of the organizations and the community. The purpose is to make sure efforts to meet the needs are not duplicated and can be addressed as efficiently as possible in a cohesive manner.

NeighborImpact - Whether preparing children for kindergarten, distributing over 3 million pounds of food, or supporting a young couple purchasing their first home, [NeighborImpact](#) helps meet the needs of more than 55,000 neighbors each year in Central Oregon.

Planning Commission - The [Planning Commission](#) is a group of volunteers appointed by City Council. Responsibilities of the Commission include reviewing and making decisions on items such as subdivisions and conditional use proposals, and making recommendations to City Council on comprehensive planning and land use codes and policies within Prineville. The commission works closely with city planning staff to interpret and apply land use law to their decisions and act as a liaison between City planners, local political interests, landowners, the City Council and the general public. Prineville has seven planning commissioners who voluntarily apply for the position. Commissioners are from all walks of life with various backgrounds and experience. The commissioners serve a four-year term without compensation.



City of Prineville Railway / Freight Depot

Railroad Commission - The [Railroad Commission](#) is an advisory committee of seven members. The members of the committee are made up of the city manager, the railroad manager, a City Council member, and a user of the railroad. Up to three other members who are citizens of Crook County may be appointed. The purpose of the commission is to discuss and examine problems relative to railroad operations and report to the City Council with findings, potential solutions, and/or recommendations for the railroad. Members of the commission are appointed by the mayor and serve a two-year term.

School District Facilities Committee - A committee formed to evaluate the current and long-term needs of the school district facilities and make recommendations to prepare for meeting those needs.

Mission Statement

The City of Prineville provides quality municipal services and programs which contribute to our reputation as a desirable place to live, work and play.

Vision Statement

The City of Prineville strives to improve quality of life through transparency, open communication, investment in essential infrastructure, public safety, community programs and businesses, all while staying within the constraints of a fiscally responsible government.

Values/Representation

The City Council was asked during a workshop to give one word for each of the letters of the word Prineville that best represents the city and its values. Here are the top answers:

P	Progressive
R	Resilience
I	Innovative
N	Neighborly
E	Efficient
V	Visionary
I	Integrity
L	Livability
L	Leaders
E	Environment



New accessible playground equipment installed near the splash pad in December 2024.

Council Goals

	Fiscal Responsibility	Explanation of the Goal The ability for a city to provide services for its citizens is highly dependent on fiscal responsibility. Managing public assets and leveraging those assets to create a community in which the public wants to live, work and play is the objective.
	Provide Quality Municipal Services and Programs	Explanation of the Goal The purpose of a local government is to supply goods and services necessary for the citizens it serves. The City of Prineville aims to provide quality services and programs through employee training and consistent evaluation, as well as working collaboratively and forming relationships with other local and state agencies. This provides a holistic approach to maintaining and improving the livability, desirability and reliability of the city.
	Transparency and Effective Communication	Explanation of the Goal The City of Prineville and its council are committed to practicing equity, diversity and inclusion principals to best serve the citizens of its community. Transparency and open communication are necessary in all the City does to inform citizens of its ability to deliver services and manage public assets. Transparency can be accomplished through effective communication, which enhances public relations and retains community trust.
	Position City for the Future	Explanation of the Goal In order to best serve the citizens of Prineville, the City must position itself for the future. By collaborating with its partners, the City sets objectives to anticipate and meet the community's needs for future growth, services and infrastructure.
	Community Safety	Explanation of the Goal Ensuring the safety of the public is one of the City's highest priorities. The largest responsibility of this goal falls on the Police Department and Emergency Dispatch. It requires highly skilled officers, community trust and citizen involvement.

Council Goals Addressed by Department / Fund in BN 27

	Fiscal Responsibility	Quality Municipal Services and Programs	Transparency and Effective Communication	Position City for the Future	Community Safety
Police					
Emergency Dispatch					
Transportation Operations					
Planning					
Railway / Freight Depot					
Airport					
Water					
Wastewater					
Golf Course					
City Council					
Administration					
Finance					
Information Technology					
Public Works Support					

Department Goals Linked to Council Goals in BN 27

Police

	Department Goals	Council Goals
A	Staff, train and retain current positions: Ensuring the safety of the public requires highly trained officers and staff. The Police Department's goal is to increase training for each staff member. Retention of staff is instrumental in providing quality services to the community.	
B	Health and wellness of employees: The Police Department is committed to promoting the health and wellness of its staff. Cordico app. implementation will provide additional access to health and wellness tools.	
C	Serve the community in innovative ways: The department continues to build a foundation of trust through community outreach and citizen involvement.	
D	Maintain accreditation into the future: Maintaining accreditation standards ensures the Police Department is following policy and best practices. It creates transparency of its policies and enhances public relations and community trust.	



Public Safety Staff at the awards banquet in May 2024

Emergency Dispatch

	Department Goals	Council Goals
A	Contribute to a safe and secure community, utilizing best practices and coordinated public safety services	
B	Deliver high quality service to the community and our partner agencies through the use of innovative technologies, efficient systems, and accountability for performance standards	
C	Improve recruitment strategies to increase staffing levels; refine training and development efforts to encourage retention	

Transportation

Department Goals		Council Goals
A	Improve the transportation network to serve new customers	
B	Research pavement preservation techniques to lengthen and/or maintain the useful life of Prineville's streets and protect pavement quality	



Downtown archway on April 30, 2025

Planning

Department Goals		Council Goals
A	Provide staff support to and implement initiatives created by the Air Quality Committee and other City sanctioned organizations	
B	Identify, evaluate and recommend potential property acquisitions for economic development, downtown development, future public infrastructure projects, or natural resource and hazard protection	
C	Complete, update and adopt master plans as needed by the City for managing land use, development projects, and parks and recreation facilities	
D	Develop plans and initiate projects to reduce negative impacts of environmental hazards on the community such as floodplain impact areas and air quality	
E	Seek funding opportunities from state and federal agencies to advance community projects and facilities that increase the quality of life for residents and visitors	



Aerial view of the Railroad and Freight Depot facilities

Railroad

Department Goals		Council Goals
A	Increase Revenue: Develop and implement strategies to attract new customers, expand existing services and introduce innovative pricing models, with the goal of boosting overall revenue and ensuring sustainable growth	
B	Enhance Safety: Prioritize safety by investing in comprehensive training and educational programs for employees, implementing rigorous safety protocols, and conducting regular inspections of equipment and infrastructure to maintain the highest safety standards	
C	Improve Customer Satisfaction: Elevate customer satisfaction by ensuring reliable, efficient service delivery, promptly addressing customer inquiries and concerns, and continuously improving the quality of service to meet and exceed customer expectations	
D	Invest in Infrastructure: Focus on long-term growth by making strategic investments in upgrading critical infrastructure, including track, bridges and equipment, to enhance operational efficiency, service quality, and overall reliability	
E	Foster Positive Relationships with Stakeholders: Strengthen relationships with employees, the local community and other stakeholders through open communication, addressing concerns, and actively taking part in railroad community initiatives and events to support local engagement and collaborative growth	

Airport

Department Goals		Council Goals
A	Become a fiscally self-sustaining airport	
B	Aviation-related business and industry growth	

Water

Department Goals		Council Goals
A	Replace all aging and undersized water mains to meet current and future requirements	
B	Retain resources for needed maintenance programs to ensure high-quality service to customers	

Wastewater

Department Goals		Council Goals
A	Provide a friendly and responsive source of information and coordinated services	
B	Maintain an effective and dependable wastewater system at a value to citizens, planning for city growth and environmental changes	

Golf Course

Department Goals		Council Goals
A	Make Meadow Lakes the premiere entertainment venue in Crook County	
B	Self-fund all recurring/routine capital expenditures while maintaining a strong fund balance	



Meadow Lakes Golf Course in October 2022

Administration

Department Goals		Council Goals
A	Follow the ever-changing world of employment laws and how the City will adapt policies and procedures to comply with them	
B	Assure the City's compensation and benefits structure provides a fair and competitive pay rate and benefits program	
C	Encourage continuous leadership/professional development opportunities of valued team members	
D	Hire highly qualified employees with appropriate knowledge, skills and abilities, while being vigilant about retention and succession planning	
E	Implement and strengthen programs, including the safety committee, to reduce exposure to liability and hazards in the field and evolving workplace City-wide	
F	Carefully monitor national, state and regional trends for insurance claims and workers' compensation claims, striving to reduce claims and costs associated with them in the process	

Information Technology

Department Goals		Council Goals
A	Provide and support stable technology platform for City operations	



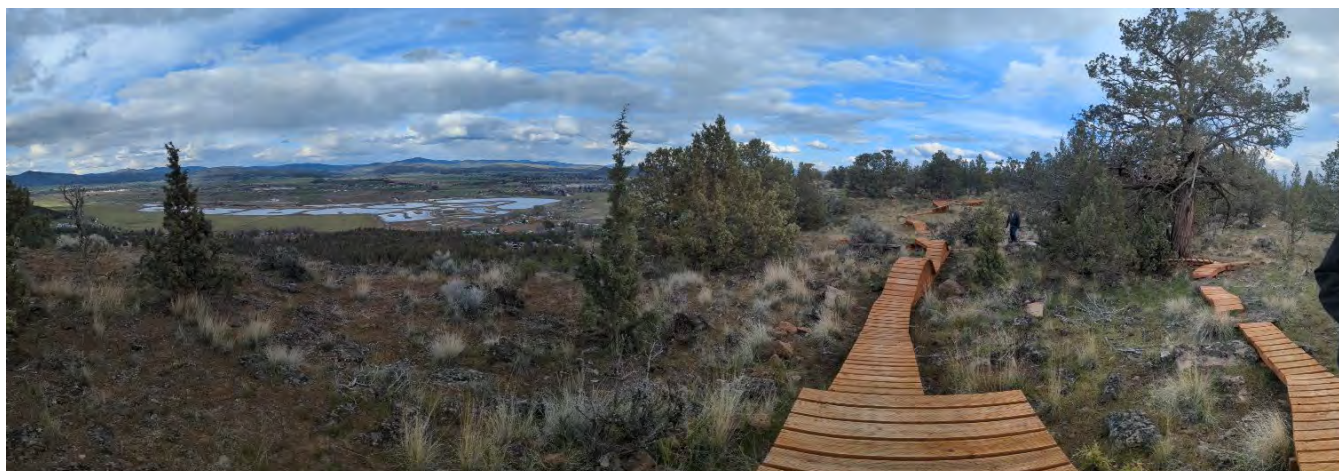
IT performs tower work in December 2024.

Finance

Department Goals		Council Goals
A	Maintain the fiscal health and sustainability of the City of Prineville	
B	Invest in employees through continued education, cross training for department versatility, and other development opportunities as available	
C	Obtain GFOA budget and COA awards, with an eye on special awards, while continuously improving the documents to meet changing needs and priorities	
D	Be responsive to the needs of the City and its constituents by providing great levels of service to all customers, external citizens and internal partners	

Public Works Support

Department Goals		Council Goals
A	Support projects in the system development charge funds	
B	Provide technical support to the Water Fund by developing a long-term water right management plan	
C	Provide technical support to the Transportation Operations Fund via the development of future pavement maintenance activities as well as traffic management plans	
D	Manage all City infrastructures in a proactive manner, with consistent delivery and professional oversight of the fund, thereby extending their useful life at the lowest cost possible.	



66 Trail bike boardwalks in April 2024

Significant Strategic Accomplishments from BN 25

Police – The Prineville Police Department led or took part in several community outreach programs and events including, Shop with a Cop, Coffee with a Cop, Random Acts of Kindness and the Crooked River Roundup. Meeting an established goal, the PD received reaccreditation through the Oregon Accreditation Alliance, ensuring it is following standards, policy and best practices. These items were carried out even though the department was short staffed for most of BN 25. These accomplishments are aligned with the council goal of providing quality municipal services and programs.

Emergency Dispatch – Staff levels were maintained at six qualified dispatchers, including the addition of a bilingual dispatcher. The phone system was updated to include the latest Next Generation 911 (NG911) technologies, adding text from 911 capabilities. The department continued its accreditation through [Oregon Accreditation Alliance](#) and updated its policies and procedures to reflect current practicing. Additionally, wellness-oriented training opportunities were implemented for staff. These accomplishments are aligned with the council goal of providing quality municipal services and programs.

Transportation Operations – The Transportation Department completed the construction of the 3rd Street Corridor project in partnership with the Oregon Department of Transportation. The project upgraded the existing traffic signal infrastructure, storm water facilities and ADA facilities through the 3rd Street/Highway 26 corridor from Meadow Lakes Drive to Combs Flat Road. The storm water upgrades contributed to the creation of increased capacity of stormwater detention facilities at 5th and Claypool. The entire City street network was inspected and evaluated in accordance with Metropolitan Transportation Standards. The StreetSaver online database was updated with the inspection data. Updates were also made to the maintenance report, including needed funding. Additionally, the department extended the life of area roads and increased the City's overall pavement conditioning index (PCI) by utilizing innovative surface treatments to local streets to maintain them in good condition and delay more significant levels of deterioration. Lastly, the concept design of both sidewalk enhancements for the Prineville downtown area and key intersections in the Ochoco Heights neighborhood were completed to increase overall safety. These accomplishments are aligned with the council goal of providing quality municipal services and programs.

Planning – The Planning Department updated the following existing City plans and ordinances: water and wastewater facility plans, the flood ordinance (to the 2020 model ordinance), and Chapters 2 and 5 of the Comprehensive Plan, including an expansion of the urban growth boundary and the completion of a land needs analysis for commercial and industrial use. Additionally, the majority of conflicts associated with the City's current zoning and existing comprehensive plan maps were resolved. The department also completed a right-of-way acquisition and 60 percent design of the NE Peters Rd. and N Main St. roundabout, a design of downtown enhancement improvements for 4th and Main, concept intersection improvements for The Heights, and nearly completed construction of the Combs Flat extension and piping project. A drinking water service line inventory was conducted, finding no use of lead in the City's system. Moreover, a City property tax grant reimbursement program was implemented for qualifying multi-family housing and state grant funds were coordinated for use on infrastructure for multifamily projects. Lastly, a system development charge (SDC) deferral program was implemented for qualifying projects. These accomplishments are aligned with the council goal of positioning the City for the future.



City Engineer Eric Klan, Crook County Commissioner Seth Cranford, Assistant City Manager/Public Works Director Casey Kaiser and Councilor Steve Uffelman in Washington D.C.

Railway / Freight Depot – In BN 25, the Railway completed the replacement and rebuild of the McKay Creek bridge and removed the Lyle Creek bridge, opting to install large pipe in its place. To address future staff needs, a current employee was trained for a trainmaster or operations manager position. To replace a piece of aging rolling

stock, the department also purchased an updated locomotive. These accomplishments are aligned with the Council's goal of positioning the City for the future.

Water - To increase the City's source capacity and efficiency of operation, the department rehabilitated and upgraded the capacity of two key municipal wells. New waterline, approximately 3,535 feet, was installed to replace existing aging and undersized water lines. An added approximate 6,390 feet of new water main along the newly constructed Combs Flat Road extension were constructed, adding resiliency to the City water system and providing connectivity for future growth. Updated Water System Master Plan and SDC methodology reports were completed. Water conservation activities continued, allowing the Water Department to serve more customers with existing infrastructure. These accomplishments support growth, positioning the City for the future and helps to ensure quality municipal services and programs.

Wastewater - In order to provide more efficient delivery of irrigation water to the City's storage, the Wastewater Department installed a new irrigation diversion. Upgrades to the main influent bar screen and headworks at the wastewater treatment plant were also completed. These accomplishments are in line with the council goal of providing quality municipal services and programs.

Golf Course - After another record-breaking revenue period, the department completed over \$450,000 in capital improvement projects and equipment upgrades during the 24-25 biennium while still adding to fund balance. Projects completed/equipment upgraded included:

- Resurfaced the parking lot and paved the overflow gravel area at the north end of the property
- Updated the entry way signage and landscaping
- Replaced the tee signs on the golf course
- Continued replacement of deteriorated cart paths around the course
- Replaced siding on the cart barn
- Installed an electric pond aerator on hole #7
- Installed new shades/blinds in the clubhouse
- Replaced aging reel and bedknife grinding equipment
- Purchased two new Gators, one Pro-Gator and one backhoe/tractor
- Purchased an electrofusion welder for the HDPE pipe used in the new irrigation system
- Purchased 13 used gas golf carts from Quail Valley golf course



Meadow Lakes Parking Lot Paving in May 2024

These accomplishments are aligned with the Council's goal of providing quality municipal services and programs and fiscal responsibility.

Administrative Services - Focus on staff training continued with an emphasis on leadership and succession planning. As part of this, the City began a "next-gen leadership" training program for up-and-coming future leaders. This is aligned with the Council's goal of positioning the City for the future.

Finance - The Finance Department was able to retain staffing through BN 25 after a stint of turnover in BN 23. The team completed training including payroll, accounts receivable and finance officer certifications. An update to financial policies was also completed. These accomplishments are aligned with the Council's goal of providing quality municipal services and programs and fiscal responsibility.

Information Technology - Several projects were completed in BN 25 by the IT Department, including: transitioned public safety users to a digital radio system, expanded fiber optics connectivity to additional City facilities, upgraded end of life hardware, upgraded the 911 telephone system, and expanded the 911 network to the new Crook County

Courthouse. These accomplishments are aligned with the council goal of positioning the City for the future.

Public Works Support Services – Prineville’s Public Works Department successfully supported the construction of several key infrastructure projects which included the construction of the Combs Flat Road Extension, over 23,000 feet of new public waterline, and 7,350 feet of public sanitary sewer line. These accomplishments align with the Council’s goals of positioning the City for the future and providing quality municipal services and program.

Performance Measure Process

The City of Prineville focuses performance measures to align with the strategic planning and goals set by Prineville City Council. Each department is expected to create long-term, meaningful department/unit goals. These goals are to tie back to the mission statement crafted for each staffed department, granting greater depth to the current “responsibilities to the community” sections found in each fund section as a bonus. Additionally, unit goals are expected to tie to the City-wide organization goals set by the City Council.

After the creation of unit goals, performance measures are made that are impactful to those goals. It is important they be measurable, easy to track and tracked routinely, with data that is easily repeatable. It is not expected for a department’s performance measures to be matched up to every department goal, nor to be made merely to cover each one. However, any measure used is expected to be matched to a goal. Otherwise, the measure does not reflect what the department is trying to do. Like unit goals, performance measures are meant to be crafted for the long term but should be routinely evaluated for validity.

Without tying back to an objective or goal, a performance measure is merely an indicator. While indicators are important for giving context into the outputs of a specific department (or workload) on a routine basis, they do not expand on what a unit sets out to do. When only indicators are reported, it neglects to shine light on accountability of public resources. That said, workloads (or indicators) will still be stated along with inputs to give readers insight into the type of work a department is responsible for.

The implementation of this performance measure approach will continue to evolve as the City refines the process to best fit its strategic needs.



Riders during the annual cattle drive that kicks off the Crook County Rodeo in 2023 – Photo: Kelsey Rickart



Proposed Biennial Budget



July 1, 2025 - June 30, 2027



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Budgeting in the City of Prineville



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Budgeting in the City of Prineville

Budget Committee

Budget Committee Members	
Council Members	Citizen Members
Mayor Jason Beebe	Marty Bailey
Steve Uffelman	John Charles
Scott Smith	Casey Daly
Marv Sumner	Brian Kroessin
Jerry Brummer	Gail Merritt
Shane Howard	Jeff Papke
Janet Hutchison	Dr. Paul Slater

The Budget Process

A budget is defined by Oregon State Law (Oregon Revised Statutes, Chapter 294), as a financial plan containing estimates of revenues and expenditures for a given period or purpose, such as the fiscal year or a biennium. The City is required to budget all funds and for each fund to have a balanced budget.

As a rule, local governments in Oregon may budget on a one-year or a two-year cycle. The biennial budget period begins July 1 and ends June 30 of the second following calendar year.

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. Budgeting is critical to cities because it requires local governments to evaluate plans and establish priorities in relation to available financial resources. Also, under Oregon Revised Statutes (ORS), a legally adopted budget is necessary to establish and justify a given rate and or amount of property taxes to be levied on the property within the city.

The City of Prineville prepares and adopts its annual budget in accordance with the city charter and Oregon Local Budget Law (ORS 294.305-294.555, and 294.565). Beginning with FY 2020 and FY 2021, the City of Prineville started using a biennial budgeting process. A biennial budget period is a 24-month period beginning July 1 and ending June 30 of the second succeeding year. For this biennial budget, the period commences July 1, 2025, and ends June 30, 2027. The budget is presented by fund and department categories for a biennial (two-year) period. The city manager has responsibility for management of the overall city budget and maintaining budgetary control at the approved appropriation level. Finance and the respective operating department directors perform ongoing review and monitoring of revenues and expenditures. The Citizens' Budget Committee consists of the governing body plus an equal number of legal voters appointed by the Prineville City Council. Accordingly, the City of Prineville has 14 budget committee members, in which the votes of all members are equal.

Oregon Budget Law Related to Biennial Budgeting

In brief, the differences between fiscal year budgeting and biennial budgeting are:

1. Members of a budget committee reviewing a biennial budget are appointed to four-year terms. The terms of the members should be staggered so that one-fourth of the terms end each year.

2. The budget estimate sheets containing the estimates of resources and expenditures in a biennial budget must show:
 - actual expenditures for the two budget periods preceding the current budget period,
 - the estimated expenditures for the current budget period, and
 - the estimated expenditures for the ensuing budget period.
3. The summary of the budget as approved by the budget committee that is published along with the notice of the budget hearing will show the proposed budget for the two-year biennium.
4. If a taxing district adopts biennial budgeting, the budget committee must approve the amount or rate of ad valorem property taxes for each year of the biennium.
5. After the budget committee approves a biennial budget and before the budget is adopted, the governing body may not increase the amount of estimated expenditures for the biennium in any fund by more than \$10,000 or 10 percent, whichever is greater, and may not increase the amount or rate of the tax levies approved by the budget committee for either year of a biennial budget unless the amended budget document is republished and another budget hearing is held. Once the budget is adopted, the tax amount cannot be increased in the second year.
6. If a district adopts a biennial budget, then after the budget hearing and before the June 30 that precedes the start of the budget period, the governing body must pass a resolution or ordinance to adopt the budget and make appropriations for the ensuing biennium. The governing body must also pass a resolution or ordinance to levy and categorize property taxes for each year of the ensuing biennium.
7. Whether a budget is for a fiscal year or for a biennium, certification of property tax levies and a copy of a resolution or ordinance levying and categorizing taxes for the ensuing year must be submitted to the county assessor every year by July 15.

Oregon budget law states during the transition from fiscal year to biennial budgets, the detail sheets should show a mixture of single-year budget data and two-year budget data, not to attempt “doubling” of the actual or estimated data from fiscal year budget to make it comparable to the proposed budget. Explanation of discrepancy between fiscal year and biennial figures will be mentioned in a footnote, narrative, and the budget message.

The first review of the budget occurs when the budget is presented to the committee. At that time the budget is made publicly available, and the committee begins their review. The committee may approve the proposed budget intact, or change part or all of it prior to final approval. After notices and publications are filed according to local budget law, the budget is forwarded to the council for formal adoption prior to June 30. Budget amendments may be made during the biennium through adoption of a supplemental budget. Supplemental budgets are adopted through a similar process used for the regular budget (including the use of public hearings but excluding Citizens’ Budget Committee meetings) and shall not extend beyond the end of the biennium. Supplemental budgets cannot be used to authorize a tax levy.

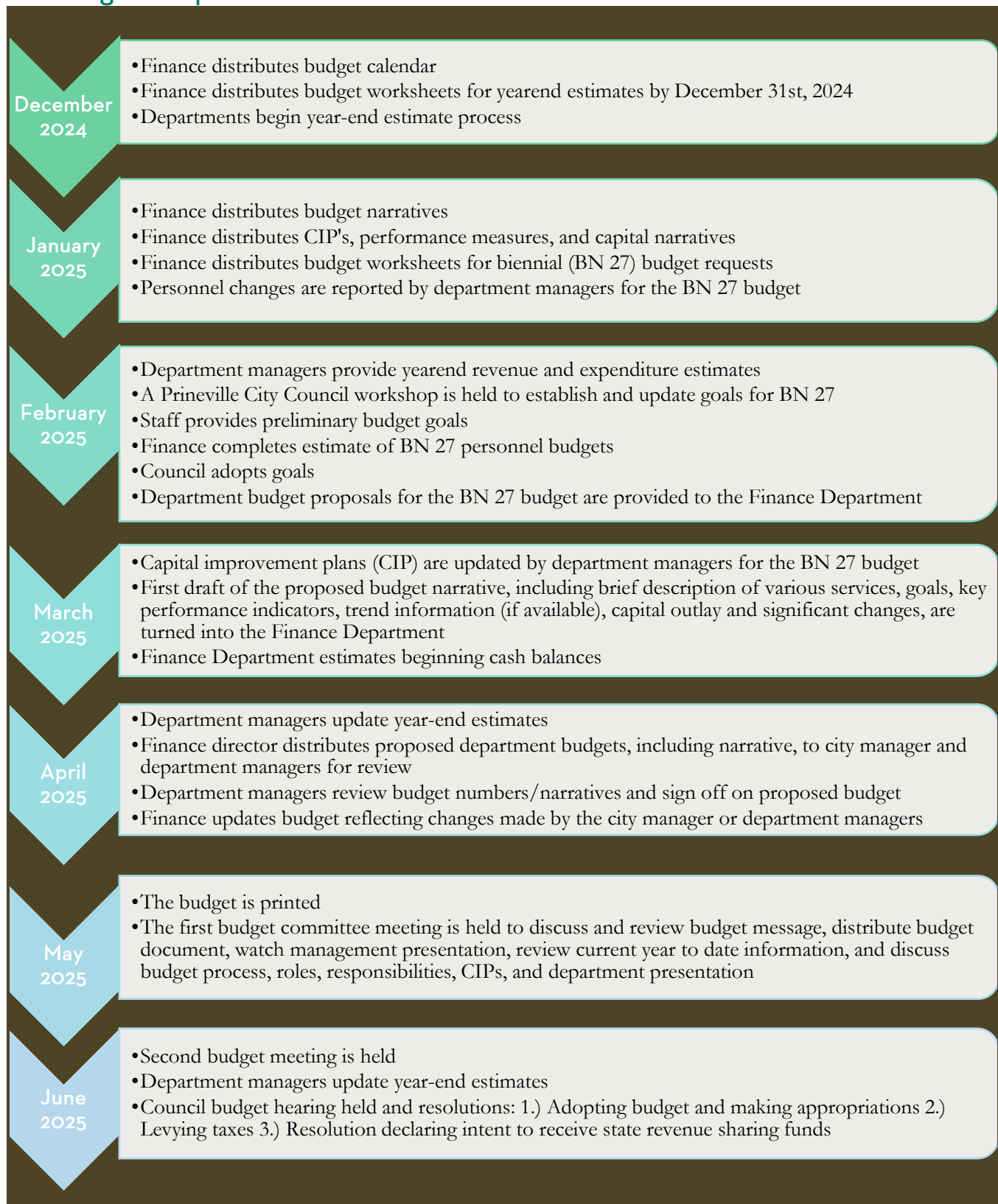
By transferring appropriations, the City usually has enough flexibility to carry out the programs prescribed in its adopted budget. There will be times, however, when an adopted budget has no authority to make certain expenditures or when revenues are received for which the City had no prior knowledge. In those cases, it is possible to use a supplemental budget to authorize expenditures and/or appropriate additional revenues in the current budget period.



Budget books ready for printing for the first budget meeting in May 2025

Biennial Budget Calendar

Pre-Budget Adoption



Post Budget Adoption

October 2025	• Hold informal department meeting / discussions • Present to council with quarterly report, biennium budget estimates
January 2026	• Hold informal department meeting / discussions • Present to council with quarterly report, biennium budget estimates
February 2026	• Department budget meetings are held updating budget goals if needed
March 2026	• Department managers update year-end estimates and budget adjustments are determined if necessary • CIPs updated
April 2024	• Present to council with quarterly report, comparisons of budget to updated estimates
May 2026	• Publish notice of supplemental budget hearing if changes or updates are needed
June 2026	• Council supplemental budget hearing (if needed) and resolutions: • Adopting supplemental budget (if needed) and making appropriations • Levying taxes • Resolution declaring intent to receive state revenue sharing funds

Fiscal Policies

Purpose

The City of Prineville is committed to responsible fiscal management through financial integrity, prudent stewardship of public assets, planning, accountability, and full disclosure. The broad purpose of the fiscal policies is to enable the City to achieve and maintain a long-term stable and positive financial condition. These policies are adopted by the City Council as the basic framework for the overall financial management of the City, to guide day-to-day and long-range fiscal planning and decision making and to achieve the following general financial goals:

- Provide an adequate financial base to sustain the desired level of municipal services to maintain the social well-being and physical conditions of the City.
- Deliver cost effective and efficient services to citizens.
- Provide and maintain essential public facilities, utilities, and capital equipment.
- Protect and enhance the City's credit rating so as to obtain the lowest cost of borrowing, and assure taxpayers and the financial community that the City is well-managed and financially sound.
- Provide the financial stability needed to navigate through economic downturns, adjust to changes in the service requirements of the community, and respond to other changes as they affect the City's residents and businesses.
- Adhere to the highest standards of financial management and reporting practices as set by the Government Finance Officers Association (GFOA), the Governmental Accounting Standards Board (GASB), and other professional standards.
- Fully comply with finance related legal mandates, laws, and regulations.
- Promote intergenerational equity for the City's taxpayers and ratepayers by spreading the cost of new or upgraded City infrastructure over time so that generations benefitting from such infrastructure contribute to the cost.

To achieve these goals, fiscal policies generally cover areas of revenue management, operating and capital budgeting, financial planning and forecasting, investment and asset management, debt management, pension funding, accounting and financial reporting, reserves and internal controls. These policies are reviewed bi-annually by management, the City of Prineville Budget Committee and the City Council and are amended as necessary.

Policies are addressed in 11 areas:

- **Revenue**, which deals with taxes, user fees, and other revenues by which the City generates income to fund programs and services.
- **Operating expenditures**, which relates to budgeting guidelines.
- **Expenditure control**, which addresses the City's efforts to ensure spending is consistent with the City's fiscal plans.
- **Capital equipment and improvements**, which relates to establishing five-year capital equipment and improvement plans for all major equipment and infrastructure systems provided and maintained by the City.
- **Asset management**, guides all asset investment decisions and is a comprehensive approach to making the best decisions in managing assets.
- **Accounting and financial reporting**, which relates to accounting and reporting financial transactions and preparing financial reports.
- **Financial planning**, which addresses long-term financial forecasting to help inform decisions.

- **Debt**, which addresses long-term financing of the City's capital needs and maintaining its bond rating.
- **Pension funding**, which addresses the short and long-term funding policies of the City's pension obligations.
- **Reserves**, which establish minimum working capital balances, required reserves, and operating contingency as needed for routine cash flow, emergency reserves to allow the City to respond to an economic downturn or unanticipated event, and planned or scheduled one-time capital expenditures.
- **Management of fiscal policy**, which sets forth the administration of fiscal policies on a continuing basis.

Revenue Policies

- The City will strive for and maintain diversified and stable revenue sources to prevent undue or unbalanced reliance on any one source of funds. Revenue diversity will also reduce risk to the City from short-term fluctuations in any one revenue source.
- Significant one-time and/or temporary revenues will not be used to fund continuing programs and services, but rather to fund one-time expenditures or fund reserves.
- Revenue from sources that increase substantially over time relative to population changes, inflation, and current service levels costs, such as electrical franchise fees or property taxes, will be evaluated and considered on a periodic basis for the following purpose, as allowed:
 - Funding services traditionally not funded with the revenue source
 - Funding increased service levels
 - Funding reserves
 - Funding capital projects and or debt associated with capital projects that may otherwise require general obligation debt
 - Funding pension obligations
 - Allocations may be on a percentage of revenue basis or fixed dollar amount. Any such allocations made should not infringe on the sustainability of existing service delivery and any new services provided.
- The maximum allowable system development charges (SDC), for each of the public infrastructure systems the City operates and is allowed by state law to impose, shall be determined on a periodic basis (approximately each five years).
- The City Council will determine what amount of SDCs to impose.
- The City will maximize the use of users' charges in lieu of ad valorem taxes and subsidies from other City funds, for services that can be identified and where costs are directly related to the level of service provided.
- Charges for providing utility services shall be sufficient to finance all operating, capital outlay, and debt service expenses of the City's enterprise funds, including operating contingency, reserve requirements, and capital replacement. Consideration will be given to return on investment and existing and or anticipated debt to ensure a debt coverage ratio of no less than 1.25 for debt issued in public markets and 1.1 for debt issued to federal and state agencies.
- User charges shall be sufficient to finance all city costs to perform development review and building activities. User charges include, but are not limited to, land use, engineering inspection, building permit, and building inspection fees.
- Other reimbursable work performed by the City (labor, meals, contracted services, equipment, and other indirect expenses) shall be billed at total actual or estimated total cost.

- Charges for services shall accurately reflect the total actual or estimated total cost of providing a specific service. The cost of providing specific services shall be recalculated periodically, and the fee adjusted accordingly. The City shall maintain a current schedule of fees, indicating when the fees were last reviewed and/or recalculated.
- The City shall pursue an aggressive policy of collecting delinquent accounts. When necessary, the City may discontinue service, present a case at small claims court, send accounts to collection agencies, foreclose on property, assign liens, and use other methods of collection, such as imposing penalties, collection fees, and late charges.
- The City Manager shall approve all grant applications before their submission. Additionally, all potential grants that require matching funds, on-going resource requirements, or include new or additional continuing compliance requirements shall be evaluated and considered before submittal of the application.
- Revenues will be estimated realistically and prudently. Revenues of a volatile nature will be estimated conservatively. The City will estimate its revenues by an objective, analytical process using best practices as defined by the GFOA.

Operating Budget Policies

- The City will prepare a biennial budget with the participation of all departments that incorporates GFOA recommendations relative to budgeting for results and outcomes. The budgeting process will:
 - Determine how much money is available. The budget should be built on expected revenues. This includes base revenues, any new revenue sources, and the potential use of fund balance.
 - Conduct analysis to determine what strategies, programs, and activities will best achieve desired results.
 - Budget available dollars to the most significant programs and activities. The objective is to maximize the benefit of the available resources.
 - The City shall maintain a budget system to monitor expenditures and revenues on a monthly basis, with a thorough analysis and adjustment (if required) at least at mid-year.
- All budgetary procedures will conform to existing state regulations. Oregon budget law requires each local government to prepare a balanced budget, and Oregon Administrative Rules state: (1) 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 (2) the total of all resources of the entity must equal the total of all expenditures and all requirements for the entity.
- The budget process will be coordinated so that major policy issues and department goals and objectives are identified and incorporated into the budget.
- Cost allocation will be reviewed biennially and serve as the basis for distributing general government and internal service costs to other funds and capital projects.
- The City Council shall adopt the budget at the fund, departmental, or program level as a total dollar amount for all appropriations except contingency, unappropriated ending fund balance and reserves, which shall be stated separately.
- Long-term debt or bond financing shall only be used for the acquisition of capital improvements or specialized equipment with a cost greater than \$100,000. Long-term debt or bond financing shall not be used to finance current operating expenditures.
- Every City fund, department, program or activity shall start each budget cycle with no predetermined appropriation amount. Budget appropriation decisions and the allocation of resources shall be based on direction provided by the City Council and implementation of that

direction by the City Manager.

- The City will submit the adopted budget document to the GFOA biennially for review.
- A budget calendar will be prepared detailing the key elements in the development of the budget.

Expenditure Control Policies

- Expenditures will be controlled through appropriate internal controls and procedures. Management must ensure expenditures comply with the legally adopted budget. Each department, division manager or director will be responsible for the administration of his/her department/division budget. This includes accomplishing the goals and objectives incorporated into the budget and monitoring each department/division budget for compliance with spending limitations.
- The City Manager will administer expenditure control at the category level and program or divisional level. Additionally, the City Manager may give authorization to mandate this level of control down to any line item level. Expenditures anticipated to be in excess of these levels require approval of the City Manager, or Finance Director. Any increase in a budget appropriation will require council approval.
- All purchases of goods and services must comply with the City's purchasing policies, guidelines, and procedures, as well as with state laws and regulations.
- All compensation planning and collective bargaining will include analyses of total cost of compensation, which includes analysis of salary increases, health benefits, pension contributions, and other fringe benefits. The City will only propose operating personnel costs that can be supported by continuing operating revenues.
- City staff are to make every effort to control expenditures to ensure city services and programs provided to its citizens and taxpayers are cost effective and efficient. Expenditures that will reduce future costs will be encouraged.

Capital Improvement Policies

- Biennially, the City will approve a five-year capital improvement plan (CIP), congruent with the adoption of its biennial budget. The CIP shall provide details on each capital project: its estimated costs, sources of financing and a description, including a statement identifying: (a) the needs, conditions, and circumstances that have caused the project's creation, and (b) the expected results if the project is approved and implemented, or (c) if no action is taken.
- Biennially, the City will plan its infrastructure investments to meet current and future levels of service given the expected lives of its assets, and request adequate resources in the budget process for rehabilitating existing assets and constructing new assets with an understanding and commitment to the operations and maintenance, modernization, capital repair and replacement funding necessary to cover assets' intended lifecycles.

Asset Management

- The City shall employ comprehensive asset management practices based on a life-cycle approach to managing City assets and that support a balanced approach to decision-making, considering level of service, cost of service, risk mitigation, and community expectations. The asset management framework includes these components:
 - **Asset Inventory** - Each department maintains an accurate computerized register developed around a hierarchy that supports timely and comprehensive asset management functions. Assets are to be recorded in the City's Fixed Asset financial module and reported in the City's Annual Comprehensive Financial Report.
 - **Condition Assessment** - Department Heads, or their designee, conduct condition assessments

of their department's assets on a periodic basis. These assessments help ensure city-wide consideration of service-gaps.

- **Maintenance** - Each Department Head is responsible for maintaining the City's assets they are responsible for to ensure they meet the intended service level and achieve their full expected service life and promote a more equitable intergenerational investment and consumption of infrastructure.
- **Levels of Service** - Levels of service define what assets are required. Each Department Head defines equitable service levels and requests commensurate budget resources to achieve sustainable service delivery. Departments coordinate to ensure defined levels of service are stated within the City's Transportation System Plan, Comprehensive, Water and Wastewater Master Plans, as required by state comprehensive planning statutes and administrative rules.
- **Financial Planning** - Each department understands the value and costs of its assets and the financial resources needed to sustain them over the short- and long-term. Each department considers total life cycle costs and has appropriate funding strategies that match its business needs for current and future levels of service.
- **Risk Management** - Each department monitors, understands, and manages risks to service delivery stemming from its asset portfolio and makes appropriate trade-off decisions to ensure continued service delivery. Business risk assessment is exercised on several levels: strategic, operational, and tactical. Each department ensures that its policies, processes and practices reflect the City's commitment to asset risk management. Departments shall employ a conservative approach to public and employee safety, erring on the side of caution.

Financial Planning Policies

- The Finance Department, collaborating with other departments, will prepare a long-term financial plan for each fund, phased in so that all funds are planned by June 30 of each budget year, to promote responsible planning for the use of resources. The long-term financial plans will include projected revenues, expenditures, and reserve balances for the next five years for all funds, except the Golf Course Fund, which shall include a 10-year financial plan, and the Water and Wastewater Funds, which shall include 20-year financial plans.
- The City's financial plan should be strategic, reflecting the City Council and community priorities for service while providing resources that fund desired service levels.
- Long-term projections of revenues and expenditures will be based upon disclosed assumptions, and prepared consistent with best practices established by the GFOA.
- The long-term financial plans will be integral to the development of the biennial budget.

Accounting and Financial Reporting Policies

- The City shall establish and maintain its accounting systems according to generally accepted accounting practices and shall adhere to generally accepted accounting principles and standards promulgated by the GFOA and GASB.
- Consistent with GASB Statement 54, the City will report fund balances in the following categories:
 - **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by the City Charter, external resource providers, or through enabling legislation.
 - **Committed** fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Council.
 - **Assigned** fund balance classification is intended to be used by the City for specific purposes, but does not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not

- restricted or committed.
 - **Unassigned** fund balance is the residual classification for the City's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification will be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.
 - The City will disclose information about the processes through which constraints are imposed on amounts in the committed and assigned classifications.
 - Authority to classify portions of ending fund balance as assigned is hereby granted to the City Manager and the Finance Director.
 - The City Council considers the spending of restricted fund balances on purposes for which such funds can be used to occur first when funds are spent for restricted and unrestricted purposes. When unrestricted classifications of fund balance are spent, the council will consider what committed amounts will be reduced first, followed by assigned amounts and then unassigned amounts.
- An annual audit shall be performed by an independent public accounting firm, which will issue an opinion on the annual financial statements, along with a management letter identifying areas needing improvement, if necessary.
 - Full disclosure shall be provided in the financial statements and bond representations.
 - Upon request, all departments will provide notice of all significant events and financial and related matters to the Finance Director for the City's annual disclosures to the municipal markets as required by United States Securities and Exchange Commission Rule 15c2-12. Full disclosure will be provided in the financial statements and bond representations. Significant events include delinquencies and defaults related to the City's bonds, adverse tax opinions or events affecting the tax-exempt status of bonds, the release, substitutions or sale of property securing repayment of bonds, and other events having a significant impact on the City's finances and outstanding bonds. The Finance Director will notify all nationally recognized municipal securities information repositories of these significant events.
 - The City's asset capitalization policy is to capitalize and depreciate assets greater than \$10,000 with a useful life beyond one year. Capital assets costing less than \$10,000 or having a useful life of one year or less will be treated as operating expenditures.
 - Up-to-date accounting and budgeting information is available online to all management and authorized support staff. Quarterly actual-to-budget reports showing the current status of revenues and expenditures shall be prepared and distributed to appropriate legislative, staff, and management personnel in a timely manner and made available for public inspection.

Debt Management Policies

- The City may use debt proceeds to finance costs associated with capital infrastructure, equipment, vehicles and other purposes that provide long-term benefits to the community, i.e., benefits that extend more than one year.
- Capital projects financed through the issuance of bonds shall not be financed for a period which (a) exceeds the expected useful life of the project, and (b) is less than 30 percent of the expected useful life of the improvements.
- Financing for non-capital purposes shall not extend beyond the amortization period available for the respective type of obligation, e.g., retirement unfunded liabilities include an amortization period of 25 years.
- The Finance Director will structure all debt issuances and oversee the on-going management of all city debt. Debt includes general obligation bonds, lease purchase obligations, revenue bonds, special assessment obligations, promissory notes, equipment financing agreements, and any other

contractual arrangements that obligate the City to make future principal and interest payments.

- No debt shall be issued for which the City has not identified specific revenue sources sufficient for repayment. Such revenue sources can include internal sources, such as charges to personnel costs that are transferred to a debt service fund for debt repayment. The Finance Director shall prepare an analysis of the source of repayment prior to issuance of any debt.
- The City will not use long-term debt to fund current operations, to balance the budget or to fund projects that can be funded from current resources, unless the use of debt is otherwise determined to be in the best interest of the City.
- The City may utilize short-term debt or interfund loans as permitted; to cover temporary cash flow deficiencies due to timing of cash flows, such as may result from delay in receipting grant proceeds or other revenues or delay in issuance of long-term debt.
- When issuing long-term debt, the City will ensure that the debt is soundly financed by:
 - Incurring debt only when necessary for capital improvements too large to be financed from current available resources,
 - Ensuring that capital projects financed through long-term debt shall be financed for a period not to exceed the useful life of the project,
 - Determining that the benefits of the project financed exceed the cost of financing including interest costs,
 - Analyzing the source of repayment, debt coverage ratios, and the impact of debt service on annual fixed costs prior to issuance of long-term debt.
- All bond issuances, promissory notes, and capital leases will be authorized by resolution of the City Council.
- The City shall maintain its bond rating at the highest level fiscally prudent, so that future borrowing costs are minimized and access to the credit market is preserved.
- The City will commit funds and maintain a debt reserve that equals the annual debt service payments in all funds that include debt.

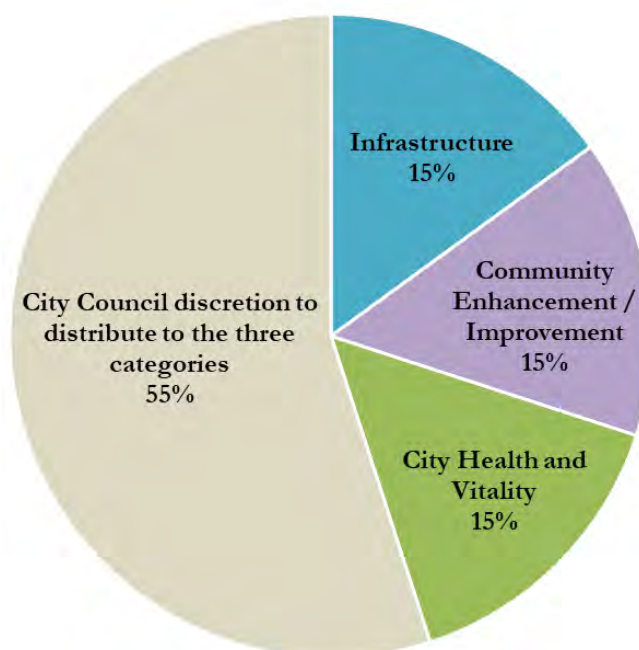
Pension Funding Policies

- The City participates as an Independent Employer in the Oregon Public Employees Retirement System (PERS). The City will use its best efforts to fund its pension obligations in an equitable and sustainable manner. The following principles and objectives shall guide the City:
 - PERS provides no less than biennially an actuarially determined contribution rate (ADC) to serve as the basis for minimum contributions;
 - Although the PERS ADC is calculated in a manner that fully funds the long-term costs of promised benefits, while balancing the goals of keeping contributions relatively stable, and equitably allocating the costs over the employees period of active service; financial impacts due to significant compensation above historical earnings in the last three years may negatively impact the ADC.
 - The City implemented a PERS rate stabilization plan in 2014 to more equitably fund PERS costs on a sustainable basis, with a goal of ensuring its funding status is between 90 percent and 110 percent of its actuarially determined liability.
 - The City commits to fund the full amount of the ADC each period, together with contributions to the Pension Obligation Bond (POB) Fund to cover debt service, debt service reserve, stabilize PERS rates, and fund other accrued liabilities the City may incur related to payroll.
 - The City commits to evaluate biennially and utilizing electrical franchise fees collected to fund additional PERS contributions, as needed, to retain funded status between 90 and 110 percent.

Fund Balance and Reserve Policies

- Fund balance and reserve policies are an important indicator of the City's financial position. The policies establish the amounts the City will strive to reach and maintain, these amounts are expressed as goals, recognizing that fund balance levels can fluctuate from year to year in the normal course of operations for any local government.
- The General Fund shall maintain nine (9) months working capital to allow the City to adequately fund operations until property taxes are received in November of each year without borrowing. Maintain a goal of twenty (20) percent reserve of its revenue budget. It is the intent of the City to limit the use of the General Fund reserves to non-recurring needs, to ensure the City has the flexibility to respond and mitigate short-term economic downturns, short-term volatility in revenues, and unforeseen emergency situations or circumstances, fund other capital needs or other such non-recurring needs. The City will maintain a debt service reserve equal to the annual debt service payment for all debt paid by the General Fund.

Unassigned General Fund reserves will be distributed into three reserves categories, committing them for future use. The three categories are Community Enhancement / Improvement, Infrastructure, and City Health and Vitality. As the reserves build, the City Council will determine what projects will be funded using these reserves during strategic planning and the budgeting process. Each category will have a minimum funding of 15% of the unassigned funds identified.



- The City's business-like funds, excluding the rail road, shall maintain a minimum working capital balance sufficient for sixty (60) days of operating expenses, together with a five (5) percent of budgeted revenue for an emergency repair reserve. Additionally, the City will seek to stabilize utility rates by setting aside funds (capital projects reserve), as funding is available from existing resources, for scheduled capital maintenance programs to reduce future borrowing. Where resources from rates and other sources are insufficient to fund scheduled capital projects, long-term debt may be utilized. Evaluation of future debt service requirements will be incorporated into the financial analysis noted earlier, including funding and maintaining debt service reserves equal to the annual debt service payment for all debt within the funds.
- The City's Transportation fund shall maintain at a minimum working capital balance sufficient for sixty (60) days of operating expenses, together with an emergency reserve of five percent (5.0%) of current year revenue. Additionally, the City will set aside funds (capital projects reserve), as funding

is available from existing resources, for scheduled capital maintenance programs, and one-time capital improvements that are identified in the master plan.

- The City commits to evaluate biennially and utilize electrical franchise fees collected to fund additional capital contributions as needed for projects, and to retain and maintain the pavement condition index (PCI) at the level approved by the City Council.
- The City's internal service funds shall maintain, at minimum, a working capital balance of fifteen (15) percent of operating expenses and the City will commit funds and maintain a debt service reserve equal to the annual debt service payment for all debt within the funds.
- The City's debt service funds shall maintain adequate working capital to pay required debt service without borrowing and fund debt service reserves in an amount equal to the annual debt service payment.
- Due to the variability in revenues resulting from business cycles for the City's rail road operation, the City's rail road fund shall maintain one year's operating expense and twenty (20) percent of total budget for capital reserve. The City will strive to maintain combined total reserves of not less than \$1 million with a target of \$2 million, increased annually by the percent change in the CPI.
- The City's other operating funds shall maintain a minimum working capital balance sufficient for 45 days of operating expenses. For non-recurring capital projects, the City will review annually the five-year CIP and estimate the impact to the budgets and target an appropriate reserve amount to fund the projects or maintain a debt service payment should the project be too large to fund with current resources. The City will also commit funds and maintain a debt service reserve equal to the annual debt service payment for all debt within the funds.
- The policies establish the amounts the City will strive to maintain. They set forth the guidelines for both current activities and long-range planning. The policies are reviewed biennially to assure the highest standards of fiscal management. The City may use the unassigned fund balances on a one-time or temporary basis for purposes described above, committed funds may be spent with approval of the City Council on a one-time basis. The City will develop a plan to restore unassigned and committed reserves to the desired levels.

Fund	Adopted Budget Reserves Amount	Working Capital Reserve Amount	Adopted Budget/Over (Under) Policy	Meets Working Capital Reserve Requirements	Five Percent Appropriation Reserve Amount	Debt Service Reserve	Total Policy Reserve Amount	Adopted Budget/Over (Under) Policy	Meets both Working and Appropriation Reserve
General *	10,851,637	1,494,713	9,356,925	Yes	2,848,710	N/A	10,543,423	308,215	Yes
Transportation	408,636	278,301	130,334	Yes	127,150	N/A	405,451	3,184	Yes
Emergency Dispatch	514,027	362,215	151,812	Yes	150,136	N/A	512,351	1,676	Yes
Planning	94,904	81,825	13,079	Yes	N/A	N/A	81,825	13,079	Yes
PERS/POB Fund	511,840	N/A	N/A	N/A	N/A	358,900	358,900	152,940	Yes
Transportation SDC	2,148,266	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water SDC	929,528	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater SDC	335,569	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Railroad *	819,396	993,500	-174,104	No	406,759	N/A	1,400,259	-580,863	No
Airport *	3,190	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water	997,284	711,271	286,013	Yes	270,875	350,000	1,332,146	-334,862	No
Wastewater	1,761,207	688,710	1,072,497	Yes	274,298	458,000	1,421,007	340,200	Yes
Golf Course and Restaurant	474,565	318,559	156,006	Yes	108,645	N/A	427,204	47,361	Yes
Admin/Financial Support Services	849,572	794,850	54,722	Yes	N/A	N/A	794,850	54,722	Yes
Public Works Support Services	395,742	477,968	-82,226	No	N/A	N/A	477,968	-82,226	No
Building Facilities/Property Fund	1,106,615	97,905	1,008,710	Yes	N/A	559,600	657,505	449,110	Yes
Plaza Maintenance	22,340	3,315	19,025	Yes	N/A	N/A	3,315	19,025	Yes
Total	22,224,317	6,303,131	11,992,793	10 out of 12	4,186,573	1,726,500	18,416,204		10 out of 13

* General Fund maintains 20 percent of current year estimated revenue as appropriation reserve.

* Railroad Fund shall maintain one year's operating expense and twenty (20) percent of total budget for capital reserve.

* Airport is a joint venture with the City of Prineville and Crook County. Intergovernmental agreement states the fund will be reconciled to zero annually.

Management of Financial Policies

- Fiscal policies and changes in policies shall be approved by the City Council and adopted by resolution after a public hearing is held (the approval may be inclusive of the biennial budget adoption process and the associated resolutions to that process).
 - The City Manager or designee shall prepare a report explaining the substantive impact of all recommendations and their impact on the City's operations, service levels, and/or finances.
 - The budget committee shall review the City's fiscal policies biennially.
- The City Manager shall implement fiscal policies and monitor compliance.
 - If the City Manager discovers a material deviation from policy, he/she shall report it in writing to the City Council in a timely manner.
 - As a part of the City's biennial budget document, the City Manager's budget message shall identify: (a) all major changes in policy since the previous budget cycle, and (b) any material variations from policy in the ensuing budget, and (c) fund's that do not meet reserve requirements and provide the developed plan to restore the reserves to the desired levels.

Basis of Budgeting

The City maintains accounting records on a generally accepted accounting principles (GAAP) basis and for budgeting purposes also recognizes capital outlay and debt service as expenditure requirements. Prior to FY 06, the City utilized the cash method of accounting for budgeting purposes. For financial reporting purposes, governmental funds use the modified accrual basis of accounting and proprietary funds use full accrual. Under the modified accrual basis, revenues are recognized when they are both measurable and available, and expenditures are recognized when incurred. Under the full accrual method, revenues are recorded when earned and expenses are recorded when the liability is incurred.

Budgets for all City funds are prepared on a modified accrual basis consistent with GAAP. For transactions, which were initially recorded in compliance with Oregon's Local Budget Law, adjustments may be required for GAAP-basis financial reporting. Examples of these adjustments include the acquisition of proprietary fund fixed assets which are considered expenditures under Oregon Local Budget Law, but are not reported as current year expenditures under GAAP. Receipt of proceeds of proprietary fund debt financing and principal payments received on interfund loans are considered budgetary resources, but are not reported as revenues under GAAP. Depreciation, amortization, and non-cash contributions are also examples of transactions not reported under the budget basis, but are reported in GAAP-basis financial reporting.

Review

Policies will be reviewed, at a minimum, biennially as part of the budget process. The most current update went before council in December 2024.

Definition of Terms

Budget committee – is a committee consisting of the mayor and six city councilors and an equal number of citizen members appointed by the City Council.

Government Finance Officers Association (GFOA) – is the national finance officers' organization whose purpose is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices, while promoting their use through education, training, facilitation of member networking, and leadership.

Category level – for budget control purposes, categories include personnel services, materials and services, capital outlay, debt service, transfers, contingency, reserves, and unappropriated.

Program level – for budget control purposes, programs may include library services, community services, administration, finance, human resources, etc.

Divisional level – for budget control purposes, divisional level would include water, street, storm water, and wastewater divisions within the Public Works Department. Other divisions may include the police field services, police administration, and police support services within the Police Department.

Capital improvement plan (CIP) – the CIP is a schedule of capital projects including estimated cost and timing. There is a separate CIP for each major infrastructure system in the City, e.g., water, streets, sidewalks, stormwater, wastewater, information technology, city facilities, and vehicles.

Debt coverage ratio (DCR) – represents the ratio of net revenues available to pay scheduled debt service. A ratio of 1.0 reflects “net revenues” equal to scheduled debt service. A ratio greater than 1.0 reflects net revenues in excess of scheduled debt services and a ratio less than 1.0 indicates net revenue is less than scheduled debt service.

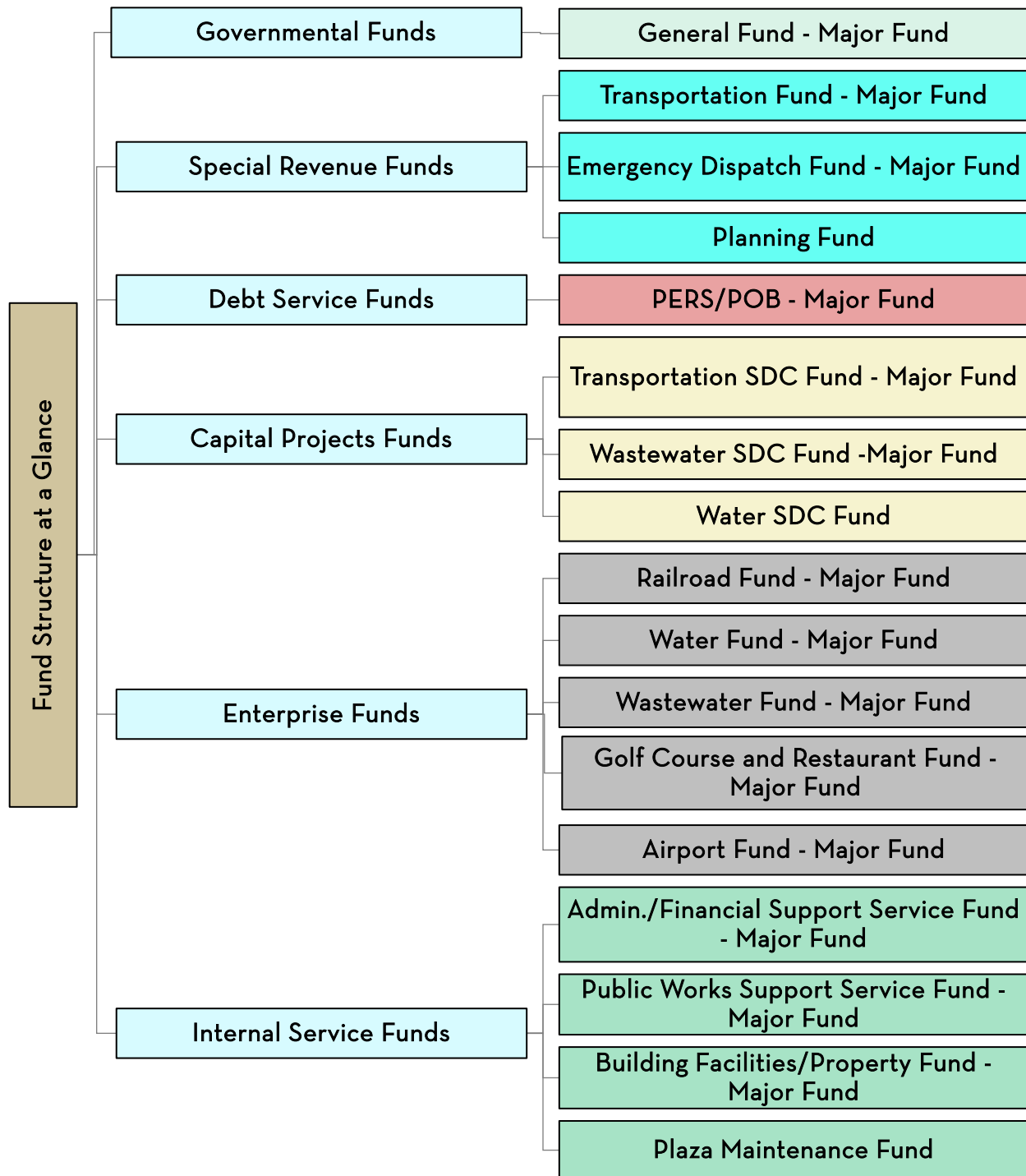
Oregon Revised Statutes (ORS) – Oregon’s compilation of state laws including rules of civil procedure.

For additional terms and acronyms used in this document, please refer to the glossary section starting on page 291. Additional information on Fiscal Policies, including all changes that were made to the previous policies, can be found on the City of Prineville’s website or by clicking [here](#).



The view from the south end of Prineville in 2020

Fund Structure



All funds in the fund structure are appropriated funds in the BN 27 Budget.

Fund Accounting

For accounting purposes, a local government is not treated as a single, integral entity. Rather, a local government is viewed instead as a collection of smaller, separate entities known as “funds.” A fund is 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 activities and objectives. All of the funds used by a government must be classified into one of seven fund types within:

Governmental-type (Governmental funds)

- General
- Special revenue
- Debt service
- Capital projects

Business-type (Proprietary funds)

- Enterprise
- Internal service

Fiduciary-type

- Fiduciary



People pack at the annual horse races in the summer of 2024

Governmental Funds

Many government services are financed through taxes and intergovernmental revenues. These are often called non-exchange revenues because there is not normally a direct relationship between the cost of the service provided and the amounts being paid by either individual taxpayers or other government agencies. When a service is largely funded through non-exchange revenues it can be called a governmental-type activity. The accounting for a governmental-type activity focuses on available spendable resources and the near-term demands upon them.

General Fund

The General Fund accounts for police services provided by the City and council directed funding of outside agencies or other activities. General administrative costs for city hall are paid through internal charges to internal service funds for the following services based upon the cost to the department for using these services: Administrative and financial services, risk management, computer and phone services, and building usage. The costs of these services are at full cost, including replacement cost, thereby providing more accurate costs of providing services.

Special Revenue Fund

The special revenue fund is a fund type used when certain revenues have been earmarked or are legally restricted to expenditure for a specific purpose.

Transportation Operations Fund

The Transportation Operations Fund provides the accounting of the City's street, bike lane, right of way, and storm water maintenance. Funding sources include state highway gas tax, county contributions and state revenue sharing. Heavy equipment, vehicles and maintenance, engineering, project oversight, and public works administration and support services costs, are accounted for through transfers to internal service funds for the estimated costs of the provision of these services.

Emergency Dispatch Fund

The Emergency Dispatch Fund accounts for the activities of the area's emergency services dispatching. The operation is managed by the chief of police and serves the Crook County Sheriff's Department, Crook County Rural Fire District, Bureau of Land Management and the Prineville Police Department. Funds are provided by 911 telephone taxes and payments from entities served.



Fallen Peace Officer Memorial Ceremony in May 2025

Planning Fund

The Planning Fund accounts for the planning activities of the City. A transfer of funds from the General Fund to the Planning Fund helps support the short-term planning needs of the City. General administrative costs are paid through internal charges to internal service funds for the following services based upon the cost to the department for using these services: Administrative and financial services, risk management, and computer and phone services. The costs of these services are at full cost, including replacement cost, thereby providing a more accurate cost of providing services.

Debt Service Fund

This fund type accounts for the accumulation of resources for the payment of debt principal and interest.

LID Debt Service Fund

This fund accounts for the debt service associated with special assessment debt with governmental commitment incurred to fund local improvement district projects. The principal source of revenue is payments from the property owners on bonded and un-bonded assessments. Expenditures are for debt service requirements.



A cloudy day at the Crooked River Wetland Complex in December 2020

PERS/POB Fund

This fund accounts for the potential issuance of pension obligation bonds (POB) to fund the City's existing unfunded actuarial liability (UAL) and associated debt repayment. The principal source of revenue is charges to other funds with salaries subject to PERS via a surcharge. Expenditures are for payments to PERS for the UAL and for debt service requirements.

Capital Project Fund

This fund type accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

Transportation SDC Fund

This fund accounts for the receipt and expenditures of transportation system development charge improvement fees. SDCs are charged to builders to provide a source of income to pay for the expansion of the City's transportation system.

Water SDC Fund

This fund accounts for the receipt and expenditures of water system development charge improvement fees. SDCs are charged to builders to provide a source of income to pay for the expansion of the City's water system.

Wastewater SDC Fund

This fund accounts for the receipt and expenditures of wastewater system development charge improvement fees. SDCs are charged to builders to provide a source of income to pay for the expansion of the City's wastewater system.

Proprietary Fund

Other government services are financed through user charges for which the cost to the individual is proportionate to the benefit received by the individual. When a fund receives a significant portion of its funding through user charges, it can be referred to as a business-type activity. The accounting for a proprietary fund focuses on cost and long-term cost recovery.

Enterprise Funds

Enterprise funds are used to account for operations financed and operated in a manner similar to private enterprises.

Railroad Fund

This fund accounts for the operation of the City's railroad and freight warehousing operation. The principal sources of revenue include rail access fees, rail car fees and customers needing storage, loading or unloading services for freight shipping. Expenditures are for the operation, administration, maintenance and improvement of the railroad and freight depot facilities.



A view of the Freight Depot including its new office in October 2022

Airport Fund

This fund is in the process of transition with the operations of the airport being contracted out to Hood Aero in October 2023. The principal sources of revenue are a transfer from the General Fund and intergovernmental revenue from Crook County. Expenditures are for personnel services for the airport manager.

Water Fund

This fund accounts for the operation of the City's water utility. The principal sources of revenue are user fees. Expenditures are for the operation, administration, maintenance, system betterments and expansion of the system.

Wastewater Fund

This fund accounts for the operation of the City's sewage utility. The principal sources of revenue are user fees. Expenditures are for operation, administration, maintenance, system betterments and expansion of the system.

Golf Course Fund

This fund accounts for the operation of the City's municipal golf course, Meadow Lakes Golf Course and Restaurant, and the effluent disposal site of the wastewater treatment plant. The principal sources of revenue are user fees, food and beverage sales, facility rental and transfers from the Wastewater Fund for disposal site related services. Expenditures are for operation, administration, maintenance and improvements of the Meadow Lakes Golf Course including the effluent disposal site and operation and administration of the restaurant.



A view from the greens at Meadow Lakes Golf Course – Photo: Corinne Phinney

Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, on a cost-reimbursement basis. Effective with the fiscal year beginning July 1, 2005, the City established funds to account for general administration, finance, information technology, public works administration, vehicle and equipment, and building facilities.

Administrative and Financial Services Fund

Activity for the City Council, administration and team services, financial services and information technology services are accounted for in this fund. Revenues are generated through user charges for the cost of providing the services. Expenditures are for personnel services, material and services, and transfers.

Building Facilities/Property Fund

This division accounts for the operation of the city hall building, police facility, public works facilities and the Barnes Butte



Fire fighter memorial in October 2024

property. Revenue is generated by rent charges to other funds and tenants. Expenditures include repairs and maintenance, debt service and improvements.

Plaza Maintenance Fund

This fund accounts for the maintenance of the plaza. Crook County and the City maintain the plaza in a joint effort. Revenues are generated through a transfer from the City and with matching funds from the County. Expenditures are for maintaining the landscaping, sidewalks and lighting.

Public Works Support Services Fund

Public works administration and support services are provided through this operation. Additionally, activity associated with vehicles and heavy equipment utilized by more than one public works division is accounted for in this activity. Revenues are generated through user charges for the cost of providing the services. Expenditures are for vehicle and equipment maintenance, acquisition and replacement. Revenue is generated by user charges to funds utilizing these services. Expenditures include the personnel services, material and services and capital requirements.

Fiduciary Fund

Assets held in a trustee capacity for others and not used to support the City's own programs qualify as fiduciary. The City does not have any Fiduciary Funds.

Park Development Account

The City collects SDCs on behalf of the Crook County Parks and Recreation District. Funds collected are paid to the Crook County Parks and Recreation District for capital improvement expenditures on a yearly basis. The City retains an administrative charge.



Wildland Firefighters Monument at Ochoco Creek Park in the fall of 2024

Debt Overview

The City of Prineville utilizes short- and long-term debt to provide financing for essential capital projects. The following debt types and policies provide the objectives needed to meet the City's fiscal goals to provide and maintain essential public facilities, utilities and capital equipment; and to protect and enhance the City's credit rating.

Types of Borrowing

There are several types of long-term debt issued by the City including:

- General obligation bonds, full faith and credit bonds – these bonds are typically issued for finance improvements benefiting the community as a whole. The City, as issuer, pledges to levy the necessary taxes on all assessable property within its jurisdiction to provide timely repayment of the debt. ORS 287.004 provides that the City may not issue or have outstanding at any one-time general obligation bonds in excess of 3 percent of the real market value of all taxable property within its boundaries. This statute makes specific exception to bonds issued for water, sewage disposal plants and off-street parking facilities, as well as special assessment bonds.
- Pension obligation bonds – the City issued these bonds to fund their unfunded actuarial accrued liability with PERS.
- Revenue bonds – these bonds are issued to finance facilities with a definable user or revenue base. These debt instruments are secured by a specific source of funds, either from the operations of the project being financed or from a dedicated revenue stream, rather than the general taxing powers of the City.
- Federal agency long-term debt – the City has issued several long-term debt obligations with federal agencies to fund wastewater treatment plant improvements.
- Bank notes payable – the City has utilized tax-exempt bank notes payable to fund various local improvement district projects, utility infrastructure improvements and working capital at its golf course.

Debt Management Policies

- Capital projects financed through bond proceeds shall be financed for a period not to exceed the useful life of the project.
- Long-term borrowing will be confined to capital improvements too large to be financed from current available resources.
- Issuance of assessment bonds or use of bank notes payable, secured by the benefited property, will be pursued to finance local improvement projects and repay interim financing approved by the City Council.
- The City will use its credit line, as needed, to provide interim funds for the construction of local improvements approved by the City Council and other projects as deemed appropriate.
- Notes payable – the City also has outstanding, agreements with the Oregon Economic and Planning Department. Proceeds from these notes provided financing for water and water reclamation system improvements to expand services to new and existing manufacturing facilities.

ORS 287.004(2) states: “Unless a lesser limitation upon the issuance of bonds has otherwise been provided by law or charter, no city shall issue or have outstanding at any one-time bonds in excess of 3 percent of real market value of all taxable property within its boundaries, computed in accordance with ORS 308.297, after deducting from outstanding bonds such cash funds and sinking funds as are applicable to the payment of principal thereof.”

Real market value	\$	2,120,199,355
Debt limit: 3% of real market value	\$	63,605,981
Less outstanding debt subject to legal limit (net)	\$	3,707,818
Legal debt margin	\$	59,898,163

Current and Future Debt Planning

A capital equipment loan for a new vector truck and an internal service loan for the Railroad grant match is being budgeted in BN 27. Standard and Poor's Ratings Services affirmed the City's A+ long-term rating in FY 15. Some of the reasons and assumptions cited for affirming this rating level from the rating company were:

- Very strong management practices and policies
- Notable management practices with long-term planning models
- Very strong budgetary flexibility
- Very strong liquidity
- Strong budgetary performance
- Adequate debt and contingent liabilities
- Strong institutional framework

The City refunded the majority of its outstanding debt in FY 18, FY 19 and FY 22 through private lenders, comments from the lender included, "We are once again impressed with the City's management and high credit quality." These refinancing's saved the City roughly \$850,000 in interest over the lives of the loans and have had the biggest impacts on the Wastewater, Water and Golf funds.

The City has \$3,707,818 of debt subject to the legal limit (ORS 287.004 (2)) as of June 30, 2024. This includes a full faith & credit borrowing in 2017 for the Barnes Butte property \$720,000, full faith and credit borrowing for pension related costs in 2018 \$2,549,000, refunding of the United States Department of Agriculture (USDA) city hall loan dated 2017 for \$1,208,000, and a full faith and credit refunding with additional dollars for the new police building totaling \$5,958,000 in 2020. The City does not currently have plans to seek voter approval of general obligation bonds.



View of Prineville in May 2025

Total Outstanding City Debt June 30, 2025

Fiscal Year	Principal	Interest	Total	Balance
2025	-	-	-	16,863,273
2026	1,943,640	300,560	2,244,200	14,919,632
2027	1,661,553	265,479	1,927,032	13,258,079
2028	1,339,766	233,012	1,572,778	11,918,314
2029	1,197,150	209,024	1,406,175	10,721,163
2030	1,235,589	191,450	1,427,038	9,485,574
2031	1,287,627	173,270	1,460,897	8,197,948
2032	686,884	154,316	841,199	7,511,064
2033	713,383	142,478	855,860	6,797,681
2034	739,945	130,161	870,106	6,057,736
2035	767,573	117,364	884,937	5,290,163
2036	221,267	104,068	325,335	5,068,896
2037	224,030	100,201	324,231	4,844,866
2038	226,864	96,263	323,127	4,618,003
2039	229,770	92,253	322,023	4,388,233
2040	232,750	88,169	320,919	4,155,483
2041	235,806	84,008	319,815	3,919,677
2042	238,941	79,769	318,710	3,680,736
2043	250,769	75,450	326,219	3,429,966
2044	211,485	70,962	282,447	3,218,481
2045	214,528	66,815	281,343	3,003,952
2046	217,655	62,584	280,239	2,786,297
2047	220,868	58,267	279,135	2,565,429
2048	224,169	53,862	278,031	2,341,260
2049	227,561	49,366	276,927	2,113,700
2050	231,046	44,777	275,823	1,882,654
2051	234,627	40,092	274,719	1,648,027
2052	238,306	35,308	273,615	1,409,721
2053	242,087	30,424	272,510	1,167,634
2054	245,971	25,435	271,406	921,663
2055	249,963	20,340	270,302	671,700
2056	254,064	15,134	269,198	417,636
2057	258,278	9,816	268,094	159,358
2058	159,359	4,382	163,741	-
	16,863,273	3,224,859	20,088,132	

Total Outstanding Debt June 30, 2025 Governmental-type Funds

Fiscal Year	Governmental Principal	Interest	Total	Balance
2025				5,930,402
2026	775,123	116,659	891,782	5,155,279
2027	822,016	97,322	919,339	4,333,262
2028	683,339	76,666	760,005	3,649,923
2029	511,214	61,548	572,762	3,138,709
2030	533,662	53,230	586,892	2,605,047
2031	556,047	44,532	600,579	2,049,000
2032	476,000	35,448	511,448	1,573,000
2033	500,000	27,213	527,213	1,073,000
2034	524,000	18,563	542,563	549,000
2035	549,000	9,498	558,498	-
2036	-	-	-	-
2037	-	-	-	-
2038	-	-	-	-
2039	-	-	-	-
2040	-	-	-	-
2041	-	-	-	-
2042	-	-	-	-
2043	-	-	-	-
2044	-	-	-	-
2045	-	-	-	-
2046	-	-	-	-
2047	-	-	-	-
2048	-	-	-	-
2049	-	-	-	-
2050	-	-	-	-
2051	-	-	-	-
2052	-	-	-	-
2053	-	-	-	-
2054	-	-	-	-
2055	-	-	-	-
2056	-	-	-	-
2057	-	-	-	-
2058	-	-	-	-
	5,930,402	540,678	6,471,080	

Total Outstanding Debt June 30, 2025 Business-type Funds

Fiscal Year	Enterprise Principal	Interest	Total	Balance
2025	-	-	-	10,932,871
2026	1,168,517	183,901	1,352,418	9,764,354
2027	839,537	168,157	1,007,693	8,924,817
2028	656,426	156,346	812,773	8,268,391
2029	685,936	147,476	833,413	7,582,454
2030	701,927	138,220	840,146	6,880,527
2031	731,580	128,739	860,318	6,148,948
2032	210,884	118,868	329,751	5,938,064
2033	213,383	115,265	328,647	5,724,681
2034	215,945	111,598	327,543	5,508,736
2035	218,573	107,866	326,439	5,290,163
2036	221,267	104,068	325,335	5,068,896
2037	224,030	100,201	324,231	4,844,866
2038	226,864	96,263	323,127	4,618,003
2039	229,770	92,253	322,023	4,388,233
2040	232,750	88,169	320,919	4,155,483
2041	235,806	84,008	319,815	3,919,677
2042	238,941	79,769	318,710	3,680,736
2043	250,769	75,450	326,219	3,429,966
2044	211,485	70,962	282,447	3,218,481
2045	214,528	66,815	281,343	3,003,952
2046	217,655	62,584	280,239	2,786,297
2047	220,868	58,267	279,135	2,565,429
2048	224,169	53,862	278,031	2,341,260
2049	227,561	49,366	276,927	2,113,700
2050	231,046	44,777	275,823	1,882,654
2051	234,627	40,092	274,719	1,648,027
2052	238,306	35,308	273,615	1,409,721
2053	242,087	30,424	272,510	1,167,634
2054	245,971	25,435	271,406	921,663
2055	249,963	20,340	270,302	671,700
2056	254,064	15,134	269,198	417,636
2057	258,278	9,816	268,094	159,358
2058	159,359	4,382	163,741	-
	10,932,871	2,684,181	13,617,052	

Total Outstanding City Debt by Fund June 30, 2025

Governmental Type Funds	Principal	Interest	Total
City Hall - Rural Development	603,307	25,790	629,097
Pension Obligation Bond - 2018	873,095	59,690	932,785
The Commerce Bank - Police Facility	4,454,000	455,199	4,909,199
Business Type Funds			
Water - 2021 FFCO	1,266,534	56,588	1,323,122
Water - 2021 IFA - ASR	3,024,900	579,647	3,604,547
Wastewater - 2021 FFCO	2,303,232	79,262	2,382,494
Wastewater - USDA Wetlands	3,572,920	1,907,941	5,480,861
Wastewater - IFA Wetlands	565,645	55,959	621,604
Golf - 2021 FFCO	122,544	1,483	124,027
Public Works - KS St Bank Note Payable	77,097	3,300	80,396
	\$ 16,863,273	\$ 3,224,859	\$ 20,088,132

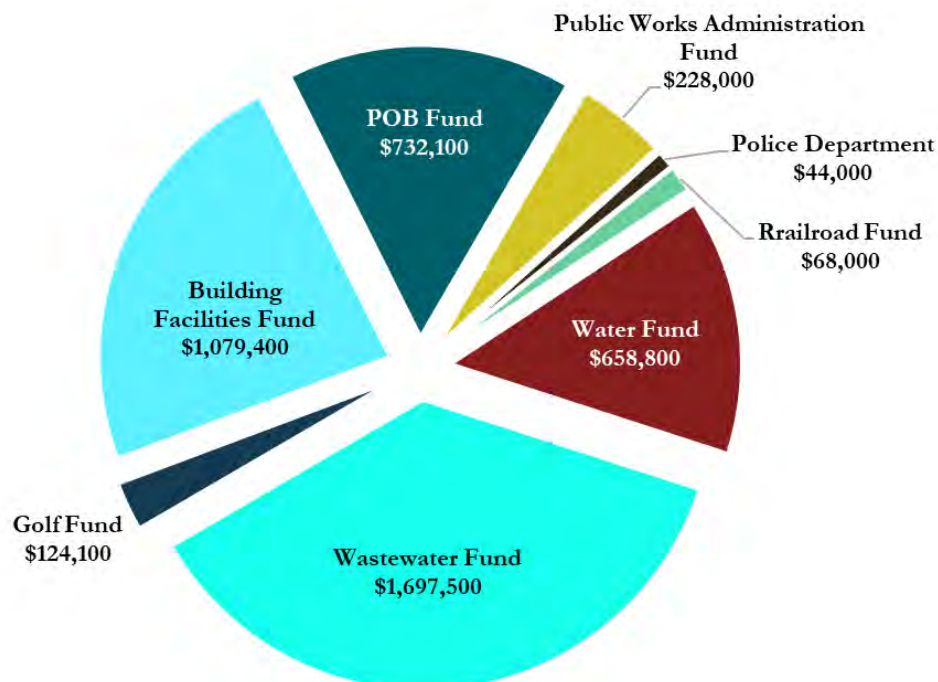


The Crooked River Wetlands Complex in April 2025

Summary of Debt Service Payments BN 27

	Principal	Interest	Total
Police Department			
Taser Lease	\$ 40,000	\$ 4,000	\$ 44,000
Railroad Fund			
Crisi Grant Match (Internal Borrowing)	\$ 50,000	\$ 18,000	\$ 68,000
Water Fund			
2021 FFCO	\$ 363,900	\$ 16,800	\$ 380,700
2021 IFA - ASR*	\$ 147,000	\$ 131,100	\$ 278,100
Wastewater Fund			
2021 FFCO	\$ 1,250,000	\$ 46,800	\$ 1,296,800
2017 USDA	\$ 137,800	\$ 194,700	\$ 332,500
2017 State of Oregon IFA	\$ 57,100	\$ 11,100	\$ 68,200
Golf Fund			
2021 FFCO	\$ 122,600	\$ 1,500	\$ 124,100
Golf Carts Loan			
Building Facilities Fund			
City Hall	\$ 196,800	\$ 13,500	\$ 210,300
Police Facility	\$ 721,000	\$ 148,100	\$ 869,100
Barnes Butte Property			\$ -
POB Fund			
Pension Obligation Bond	\$ 679,500	\$ 52,600	\$ 732,100
Public Works Administration Fund			
Street Sweeper	\$ 77,100	\$ 3,900	\$ 81,000
New Vector Truck	\$ 120,000	\$ 27,000	\$ 147,000

**Budgeted Estimates - amounts could change once financing is finalized*





Proposed Biennial Budget



July 1, 2025 - June 30, 2027

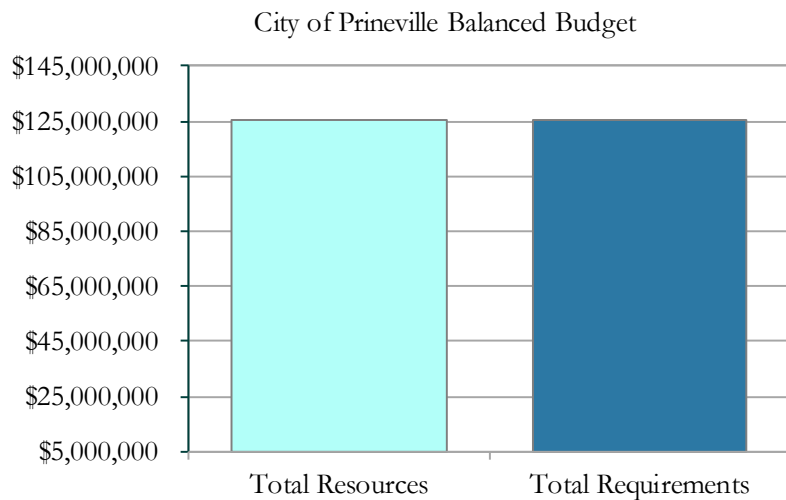
Consolidated Budgets & Analysis



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Balanced BN 27 Budget Summary

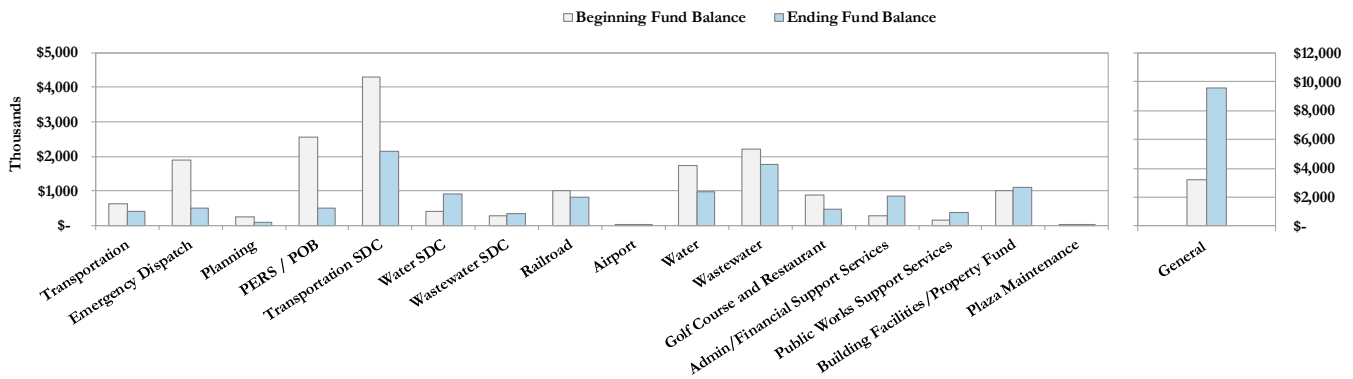
Balanced Budget Summary	
Beginning Fund Balance	\$27,301,267
Other Resources	-
Current Year Resources	98,510,320
Total Resources	\$ 125,811,587
Requirements	\$103,587,270
Contingency	20,373,817
Other Requirements	1,850,500
Total Requirements	\$ 125,811,587
Difference	-



The biennial budget for 2027 will show charts and graphs that include data for the biennium – a two-year period – and information from the previous biennial budget estimate of 2025.

Charts and Graphs

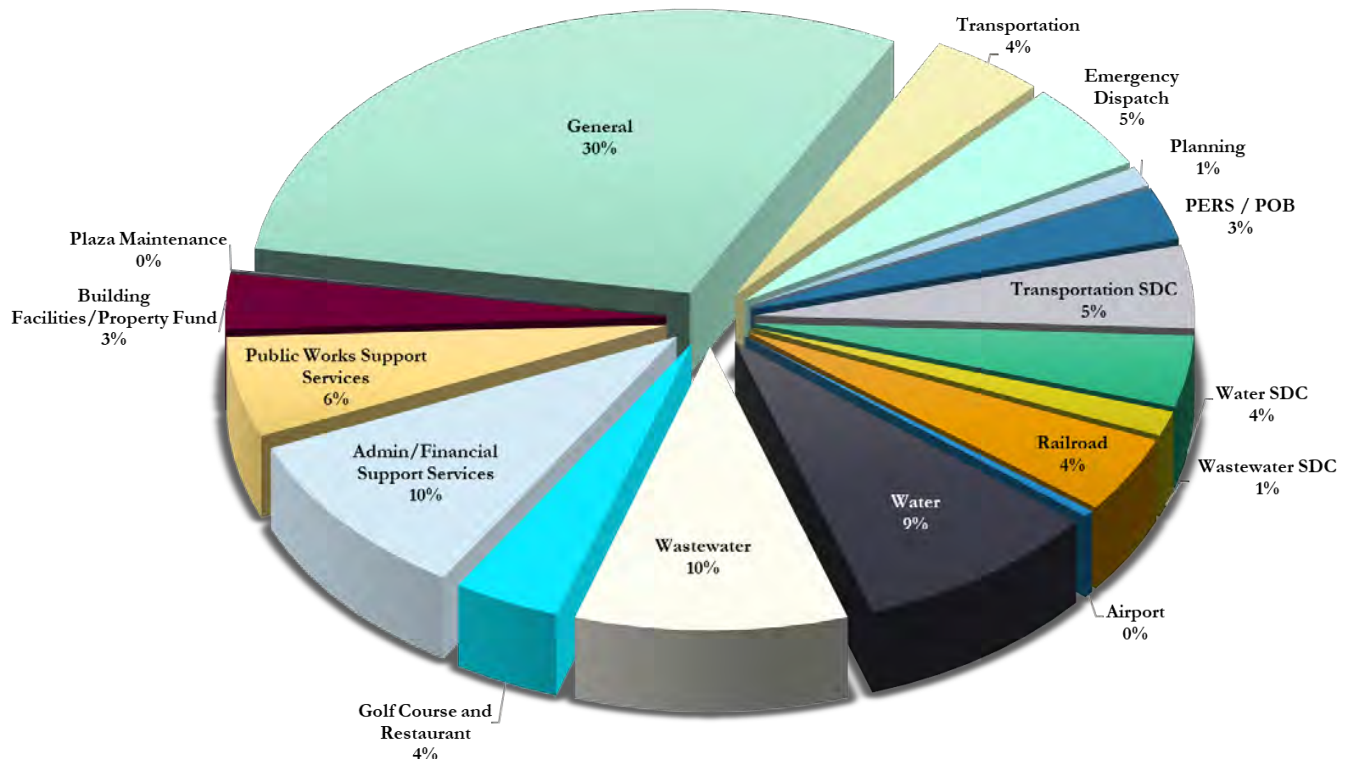
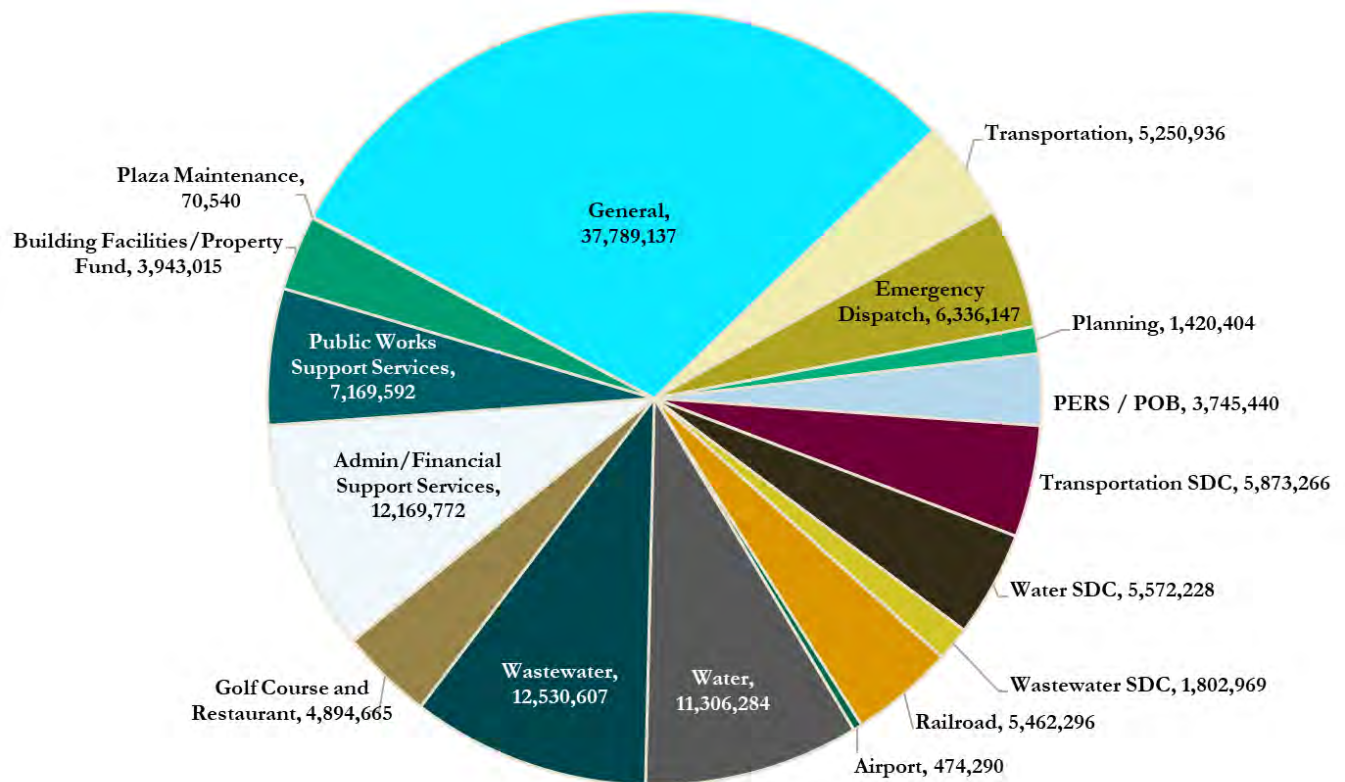
BN 27 Beginning and Ending Fund Balance Comparison



*Detailed discussion of changes in beginning and ending fund balance included in specific fund detail pages of the budget document.

Fund balance is defined as the balance of net financial resources that is spendable or available for appropriation.

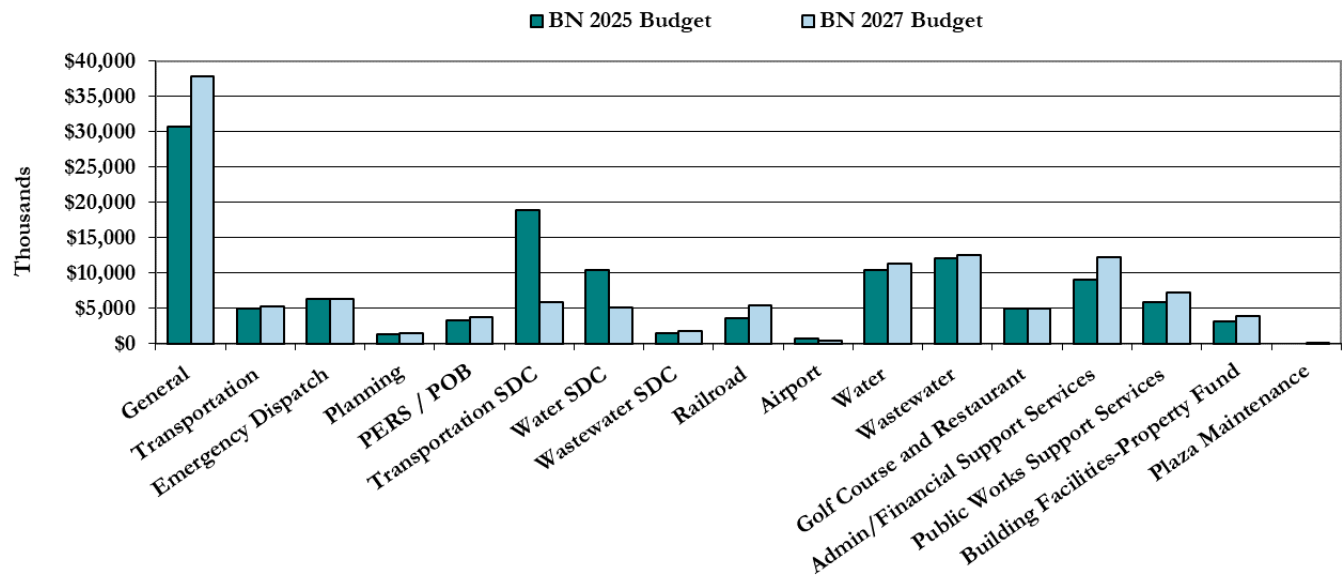
Total Current Year Requirements by Fund



BN 25 & BN 27 Budget Comparison

Fund	BN 2025 Budget	BN 2027 Budget	Percent Change
General	\$30,700,611	\$37,789,137	23%
Transportation	\$4,919,092	\$5,250,936	7%
Emergency Dispatch	\$6,292,745	\$6,336,147	1%
Planning	\$1,362,607	\$1,420,404	4%
PERS / POB	\$3,241,654	\$3,745,440	16%
Transportation SDC	\$18,941,155	\$5,873,266	-69%
Water SDC	\$10,376,627	\$5,572,228	-46%
Wastewater SDC	\$1,487,236	\$1,802,969	21%
Railroad	\$3,575,603	\$5,462,296	53%
Airport	\$722,703	\$474,290	-34%
Water	\$10,480,605	\$11,306,284	8%
Wastewater	\$12,062,949	\$12,530,607	4%
Golf Course and Restaurant	\$4,981,173	\$4,894,665	-2%
Admin/Financial Support Services	\$9,045,371	\$12,169,772	35%
Public Works Support Services	\$5,803,445	\$7,169,592	24%
Building Facilities- Property Fund	\$3,198,142	\$3,943,015	23%
Plaza Maintenance	\$63,616	\$70,540	11%
Total	\$127,255,333	\$125,811,587	-1%

BN 25 & BN 27 Budget Comparison



Fund Use by Department

The following table shows which funds each department is a part of:

Department	Fund														
	General Fund	Transportation	Emergency Dispatch	Planning	PERS/ POB	SDC Funds	Railroad	Airport	Water	Wastewater	Golf	Admin. Services	Plaza	Building Facilities	Public Works Service
Police	*		*									*		*	
Non-Departmental	*	*		*	*			*				*		*	
Emergency Dispatch	*		*									*			
Transportation	*	*		*		*						*			*
Planning	*	*		*		*			*	*		*		*	
PERS/POB	*	*	*	*	*			*		*	*	*			*
Railroad / Freight Depot	*						*					*			
Airport	*							*				*			
Water		*		*		*			*			*			*
Wastewater		*		*		*				*	*	*			*
Golf Course										*	*	*			
Council	*	*	*	*			*	*	*	*	*	*		*	*
City Manager	*	*	*	*			*	*	*	*	*	*		*	*
Finance	*	*	*	*		*	*	*	*	*	*	*		*	*
Information Technology	*	*	*	*			*	*	*	*	*	*	*	*	*
Plaza Maintenance													*	*	
Building Facilities	*											*	*	*	*
Public Works Support Services		*				*			*	*		*		*	*

Department/Fund Relationships

Governmental Funds



General Fund
↓
Departments
Police
Non-Departmental

Special Revenue Funds
↓
Emergency Dispatch
Planning
Transportation
Transportation SDC

Debt Service Funds
↓
POB/ PERS Fund

Enterprise Funds



Meadow Lakes Golf Course
↓

Departments
Restaurant
Course Maintenance
Golf Operations

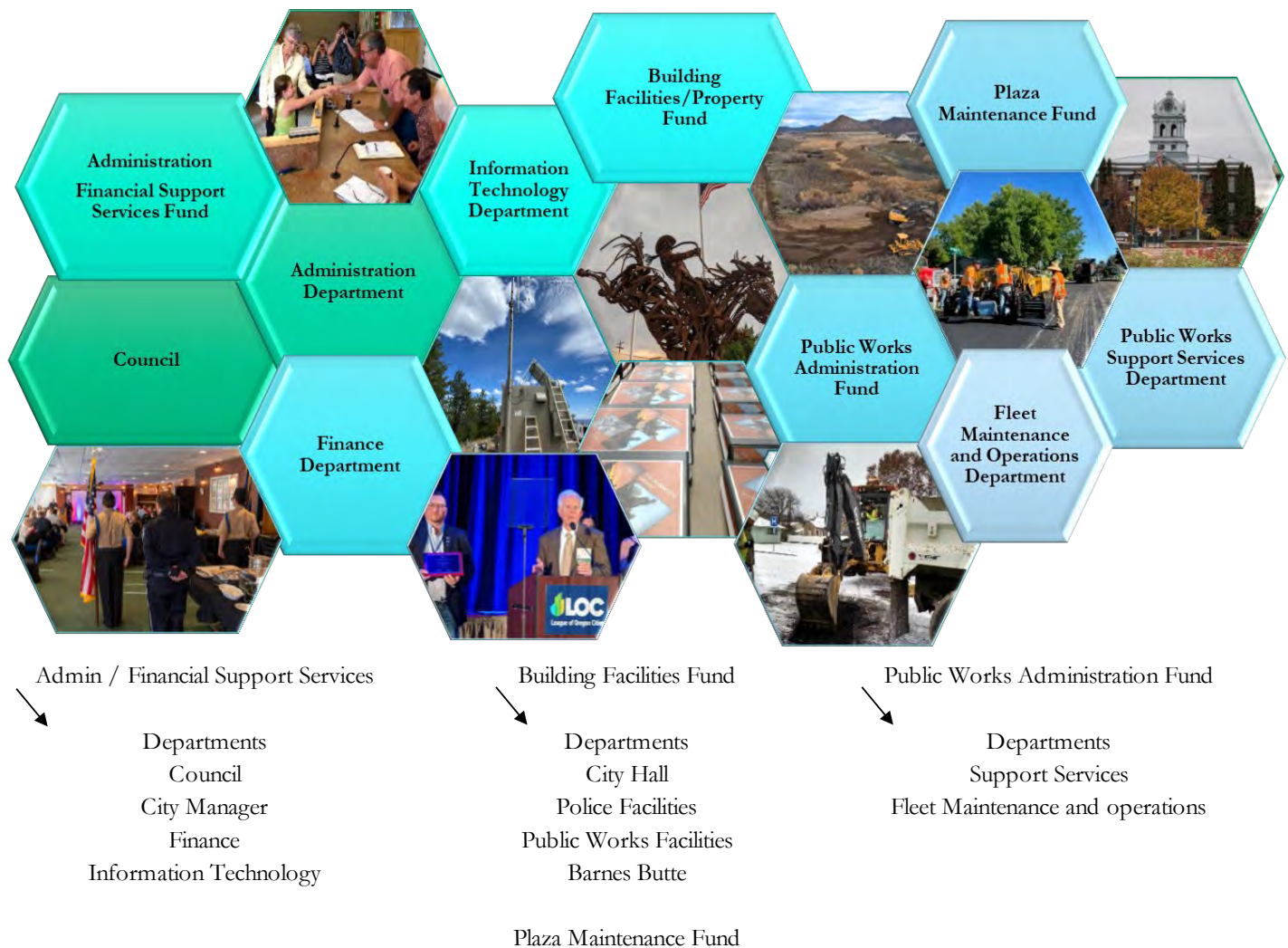
Airport Fund

Railroad Fund

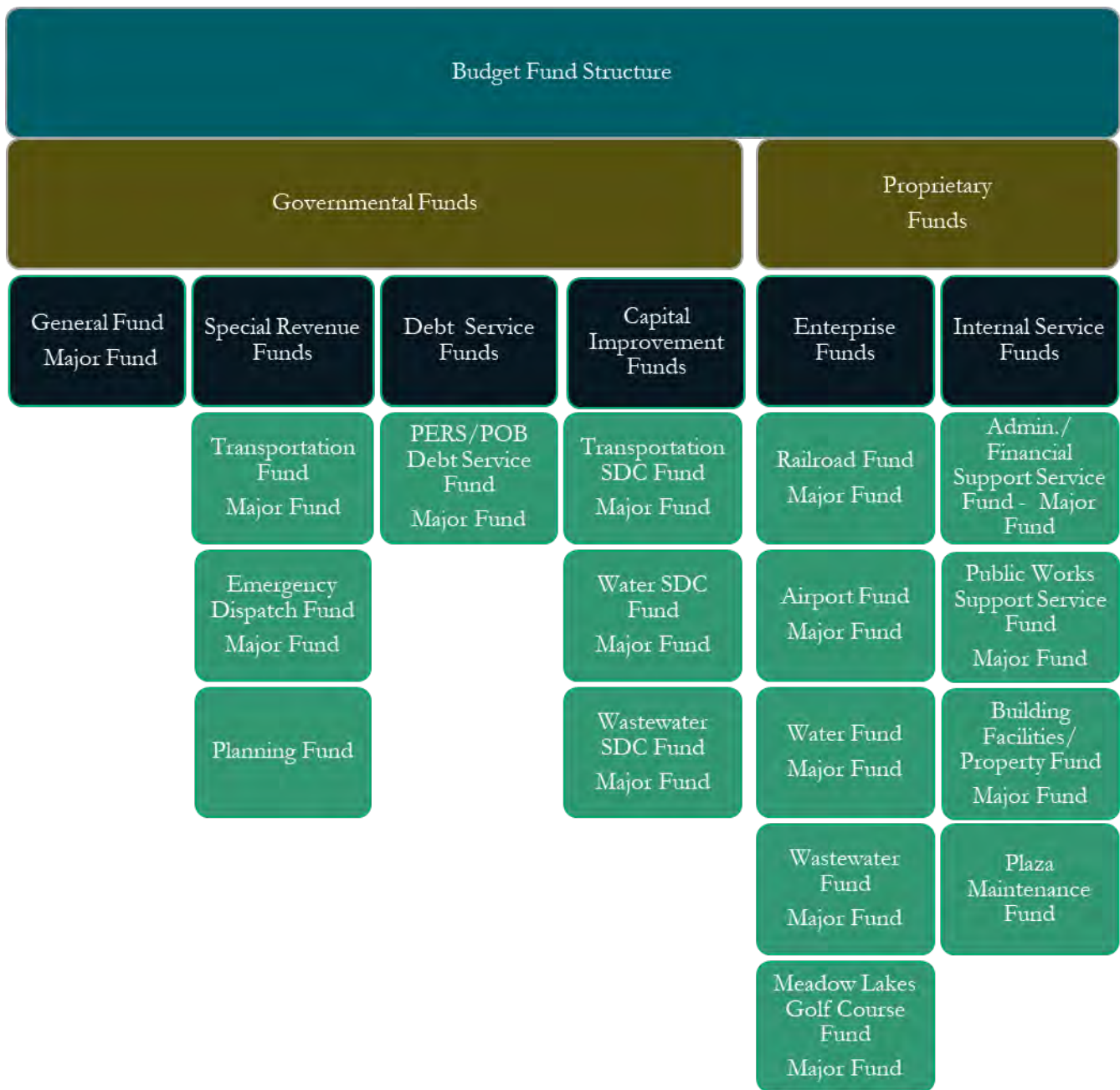
Enterprise Funds/Capital Projects Funds



Internal Service Funds



Fund Structure



All funds in the fund structure are appropriated funds in the BN 2027 Budget.

Consolidated Budget BN 27

Fund	Beginning Fund Balance	Other Resources	Total Biennial Resources	Total Biennial Requirements	Contingency	Other Requirements	Total Biennial Requirements	Ending Fund Balance
General	\$ 9,567,887	\$ -	\$ 28,221,250	\$ 26,937,500	\$ 10,851,637	\$ -	\$ 37,789,137	\$ 10,851,637
Transportation	645,336	-	4,605,600	4,842,300	408,636	-	5,250,936	408,636
Emergency Dispatch	1,887,147	-	4,449,000	5,822,120	514,027	-	6,336,147	514,027
Planning	245,004	-	1,175,400	1,325,500	94,904	-	1,420,404	94,904
PERS / POB	2,566,940	-	1,178,500	3,233,600	152,940	358,900	3,745,440	511,840
Transportation SDC	4,303,266	-	1,570,000	3,725,000	2,148,266	-	5,873,266	2,148,266
Water SDC	418,228	-	5,154,000	4,642,700	929,528	-	5,572,228	929,528
Wastewater SDC	300,969	-	1,502,000	1,467,400	335,569	-	1,802,969	335,569
Railroad	1,015,796	-	4,446,500	4,642,900	819,396	-	5,462,296	819,396
Airport	90	-	474,200	471,100	3,190	-	474,290	3,190
Water	1,748,784	-	9,557,500	10,309,000	647,284	350,000	11,306,284	997,284
Wastewater	2,200,707	-	10,329,900	10,769,400	1,303,207	458,000	12,530,607	1,761,207
Golf Course and Restaurant	893,165	-	4,001,500	4,420,100	350,565	124,000	4,894,665	474,565
Admin/Financial Support Services	276,602	-	11,893,170	11,320,200	849,572	-	12,169,772	849,572
Public Works Support Services	176,692	-	6,992,900	6,773,850	395,742	-	7,169,592	395,742
Building Facilities/Property Fund	1,022,415	-	2,920,600	2,836,400	547,015	559,600	3,943,015	1,106,615
Plaza Maintenance	32,240	-	38,300	48,200	22,340	-	70,540	22,340
Total	\$ 27,301,267	\$ -	\$ 98,510,320	\$ 103,587,270	\$ 20,373,817	\$ 1,850,500	\$ 125,811,587	\$ 22,224,317

Ending fund balance is equal to contingency and other requirements.



The statue named Warpaint in the plaza – January 2024



Consolidated Budget BN 25

Fund	Beginning Fund Balance	Other Resources	Current Year Resources	Current Year Requirements	Contingency	Other Requirements	Total Current Year Requirements
General	\$ 2,610,081	\$ -	\$ 20,399,650	\$ 21,500,800	\$ 1,508,931	\$ -	\$ 23,009,731
Transportation	487,198	-	4,100,400	4,273,900	313,698	-	4,587,598
Emergency Dispatch	1,107,340	-	4,871,000	5,567,000	411,340	-	5,978,340
Planning	218,351	-	1,080,400	1,256,800	41,951	-	1,298,751
PERS/POB Fund	1,427,357	-	1,500,100	674,800	1,893,757	358,900	2,927,457
Transportation SDC	11,054,372	-	15,075,000	14,615,000	11,514,372	-	26,129,372
Water SDC	180,913	-	11,765,000	11,601,800	344,113	-	11,945,913
Wastewater SDC	7,710	-	1,467,000	1,443,000	31,710	-	1,474,710
Railroad	1,354,624	-	2,061,000	2,972,100	443,524	-	3,415,624
Airport Fund	100,068	-	1,732,000	1,762,900	69,168	-	1,832,068
Water	1,491,817	-	7,488,700	8,598,200	64,902	317,415	8,980,517
Wastewater	1,752,887	-	9,217,000	9,666,200	327,372	976,315	10,969,887
Golf Course and Restaurant	1,018,692	-	3,392,000	3,834,700	451,992	124,000	4,410,692
Admin/Financial Support Services	639,699	-	8,395,100	8,959,700	75,099	-	9,034,799
Public Works Support Services	520,752	-	5,206,200	5,725,500	1,452	-	5,726,952
Building Facilities	551,197	-	2,791,400	2,654,000	155,597	533,000	3,342,597
Plaza Maintenance	29,273	-	40,400	47,200	22,473	-	69,673
Total	\$ 24,552,330	\$ -	\$ 100,582,350	\$ 105,153,600	\$ 17,671,450	\$ 2,309,630	\$ 125,134,680

Consolidated Estimated Budget BN 25

Fund	Beginning Fund Balance	Other Resources	Current Year Resources	Current Year Requirements	Contingency	Other Requirements	Total Current Year Requirements
General	\$ 3,231,995	\$ -	\$ 27,468,616	\$ 21,132,724	\$ -	\$ -	\$ 30,700,611
Transportation	702,065	-	4,217,027	4,273,755	-	-	4,919,092
Emergency Dispatch	1,400,515	-	4,892,230	4,405,598	-	-	6,292,745
Planning	256,699	-	1,105,908	1,117,603	-	-	1,362,607
PERS/POB Fund	1,821,141	-	1,420,513	674,714	-	-	3,241,654
Transportation SDC	1,323,642	-	17,617,513	14,637,889	-	-	18,941,155
Water SDC	(83,898)	-	10,460,525	9,958,399	-	-	10,376,627
Wastewater SDC	119,699	-	1,367,537	1,186,267	-	-	1,487,236
Railroad	1,259,728	-	2,315,875	2,559,807	-	-	3,575,603
Airport Fund	145,669	-	577,034	722,613	-	-	722,703
Water	1,836,311	-	8,644,294	8,731,821	-	-	10,480,605
Wastewater	2,110,033	-	9,952,916	9,862,242	-	-	12,062,949
Golf Course and Restaurant	1,109,422	-	3,871,751	4,088,008	-	-	4,981,173
Admin/Financial Support Services	373,384	-	8,671,987	8,768,769	-	-	9,045,371
Public Works Support Services	784,560	-	5,018,885	5,626,753	-	-	5,803,445
Building Facilities	665,937	-	2,532,205	2,175,726	-	-	3,198,142
Plaza Maintenance	39,353	-	24,263	31,376	-	-	63,616
Total	\$ 17,096,254	\$ -	\$ 110,159,079	\$ 99,954,064	\$ -	\$ -	\$ 127,255,333



Proposed Biennial Budget



July 1, 2025 - June 30, 2027



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Resource Requirements & Analysis



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Resources and Requirements Overview

Resources	Actual BN 21	Actual BN 23	Budgeted BN 25	Estimated BN 25	Proposed Budget BN 27
Charges for services	25,394,103	28,071,888	36,809,200	36,612,568	43,155,770
Debt proceeds	8,958,000	8,644,306	-	-	600,000
Franchise fees	7,705,823	9,324,182	11,400,450	17,958,490	19,911,100
Intergovernmental revenue	9,244,652	10,828,831	23,202,500	26,201,450	9,124,300
Miscellaneous	3,358,319	4,704,779	14,121,800	12,763,772	8,213,100
Property taxes	4,762,773	5,321,237	5,695,100	5,877,537	6,088,700
System development charges	9,740,992	2,875,650	2,315,000	3,572,943	3,000,000
Transfers	13,605,566	13,763,114	7,038,300	7,172,319	8,417,350
Beginning Fund Balance	20,352,182	14,051,335	24,552,330	17,096,254	27,301,267
Total	\$ 103,122,409	\$ 97,585,322	\$ 125,134,680	\$ 127,255,333	\$ 125,811,587

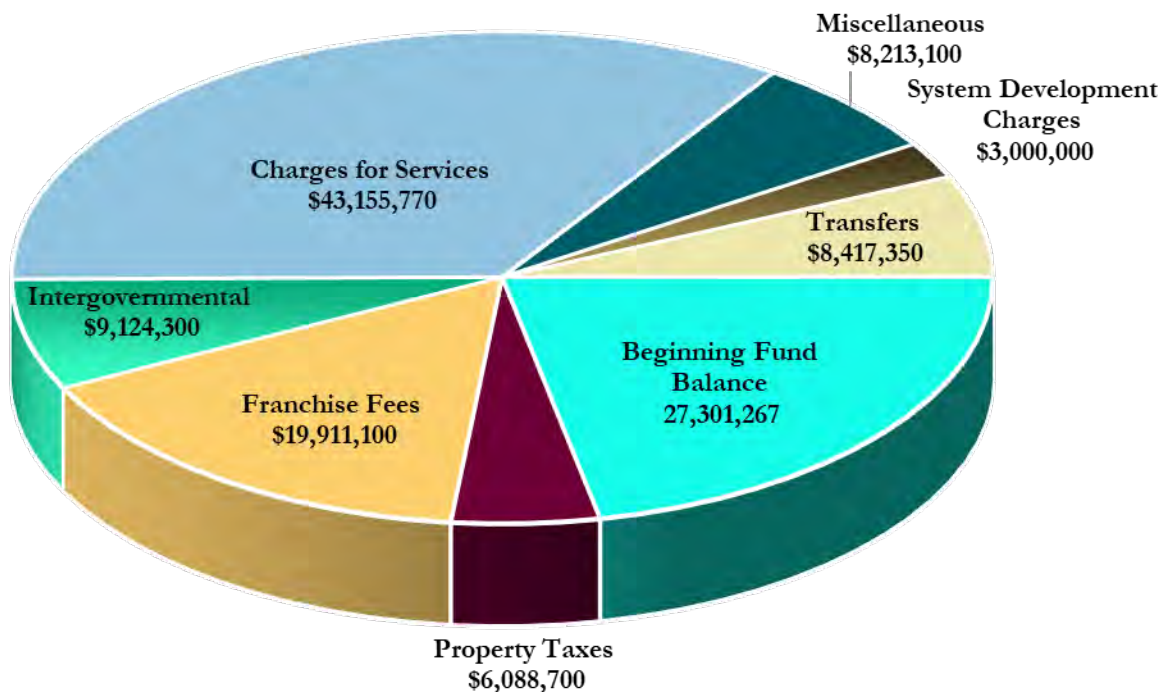
Expenditures	Actual BN 21	Actual BN 23	Budgeted BN 25	Estimated BN 25	Proposed Budget BN 27
Personnel services	17,653,836	20,081,402	25,985,800	24,364,965	34,793,600
Materials and services	11,592,933	15,987,387	19,113,600	18,051,419	18,765,000
Franchise fee expense	693,000	693,000	908,700	908,400	898,300
Capital outlay	32,769,509	11,156,458	33,816,700	31,594,044	18,311,800
Transfers	18,375,965	19,461,043	20,544,200	20,383,962	26,191,670
Debt service	7,985,828	13,109,778	4,784,600	4,651,273	4,626,900
Contingency/Other Requirements	-	-	19,981,080	27,301,269	22,224,317
Total	\$ 89,071,072	\$ 80,489,068	\$ 125,134,680	\$ 127,255,333	\$ 125,811,587

Types of Resources and Requirements

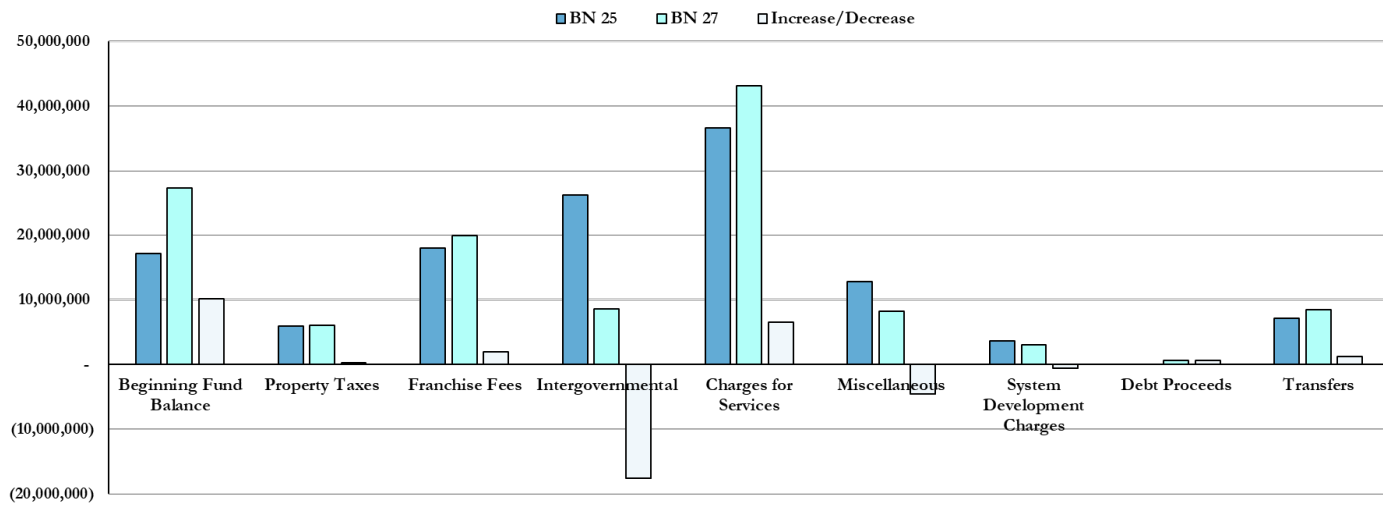
All Revenue Sources

Nine main revenue categories comprise the revenue sources for the BN 27 budget. Of these nine categories, charges for service is the largest at 34 percent, beginning fund balance at 22 percent, franchise fees are 16 percent, intergovernmental revenue, miscellaneous and transfers are all at 7 percent, property taxes at 5 percent, system development charges fees (SDC) 2 percent, and debt proceeds are at 0 percent. The top six sources comprise 92 percent of total revenues. This section will examine these revenue sources, as well as property taxes.

Revenue Summary	
	Percent of Total
Beginning Fund Balance	22%
Property Taxes	5%
Franchise Fees	16%
Intergovernmental	7%
Charges for Services	34%
Miscellaneous	7%
System Development Charges	2%
Debt Proceeds	0%
Transfers	7%

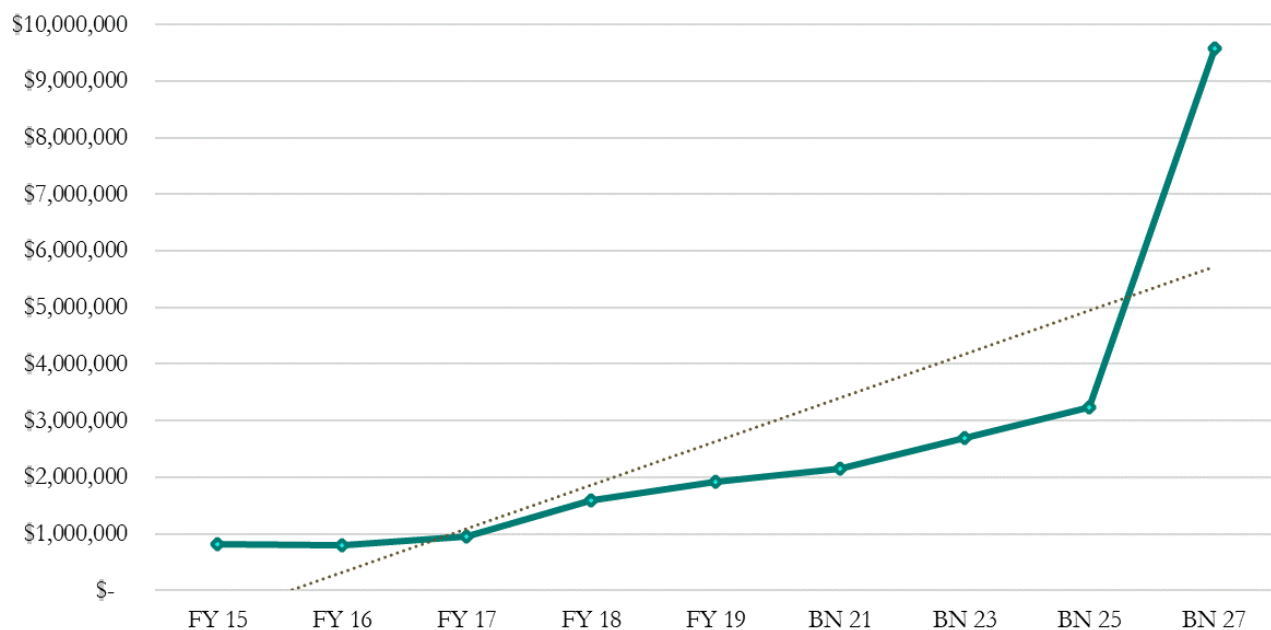


All Revenue Sources Comparison City of Prineville, FY 15 – BN 27



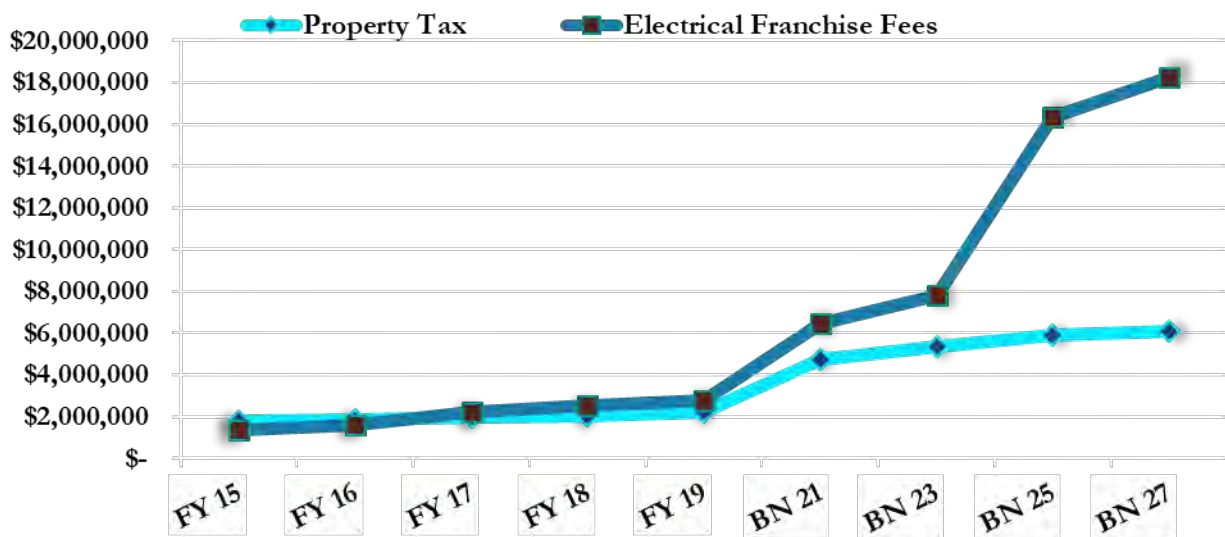
Decreases to revenue sources for BN 27 are largely associated with grant funded projects in intergovernmental revenue and project reimbursements in miscellaneous revenue. Franchise fee increases are associated with increases in electrical franchise fees and charges for services increases are largely associated with utility rate increases and increased activity at the golf course.

Beginning/Ending Fund Balance General Fund BN 27



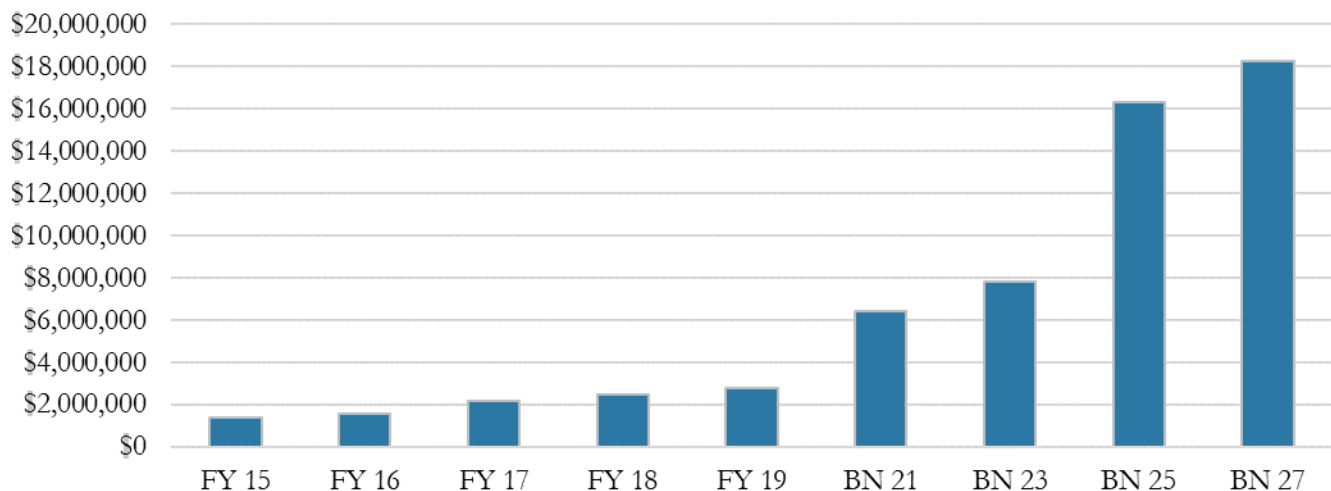
General Fund beginning fund balance in FY 15 was \$820,598 and has grown over the years. BN 25 beginning fund balance was \$3.2 million. Year-end estimates project beginning fund balance for BN 27 to be \$9.6 million, an increase of roughly \$6.3 million. This increase is largely attributed to the increase in electrical franchise fees with the continuation of data center build out.

Revenue Collection Trend



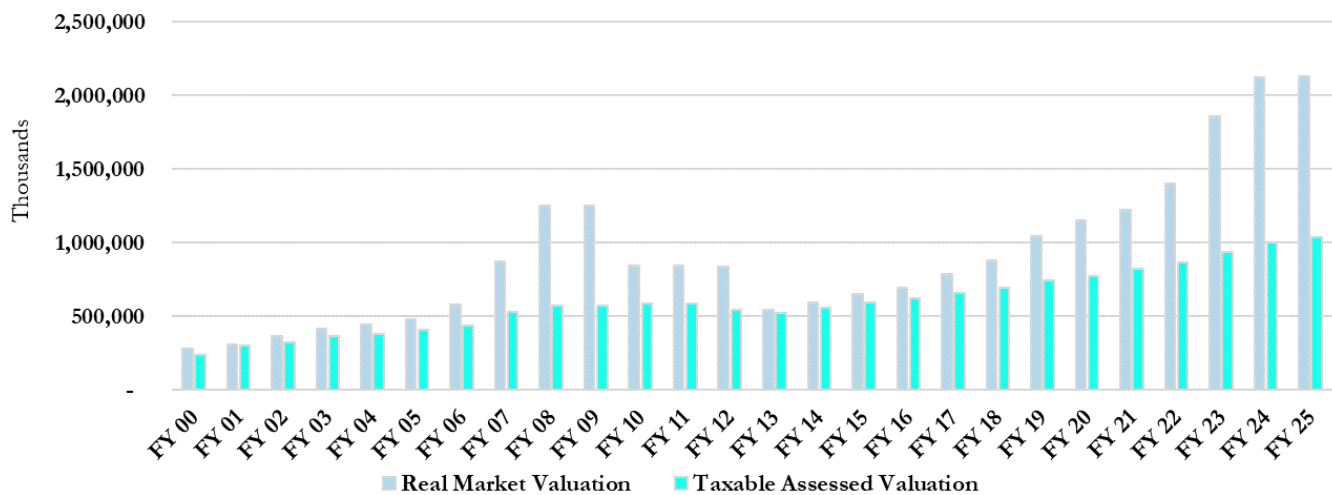
Property taxes have increased year over year for more than 10 years with a significant jump from BN 19 to BN 21. Prior to data centers, the electrical franchise fees were roughly \$350,000 annually. From 2011 to 2016, the City collected roughly \$6.6 million in electrical franchise fees filling the gap of lost property tax collection from the [Great Recession](#). In FY 17, actual collections for electrical franchise fees exceeded the amount of property tax collected and the gap between the two has grown larger as time goes on. Property tax is estimated to increase roughly \$211,000 over the coming biennium. Franchise fees are projected to increase roughly \$1.9 million through BN 27.

Electrical Franchise Fees



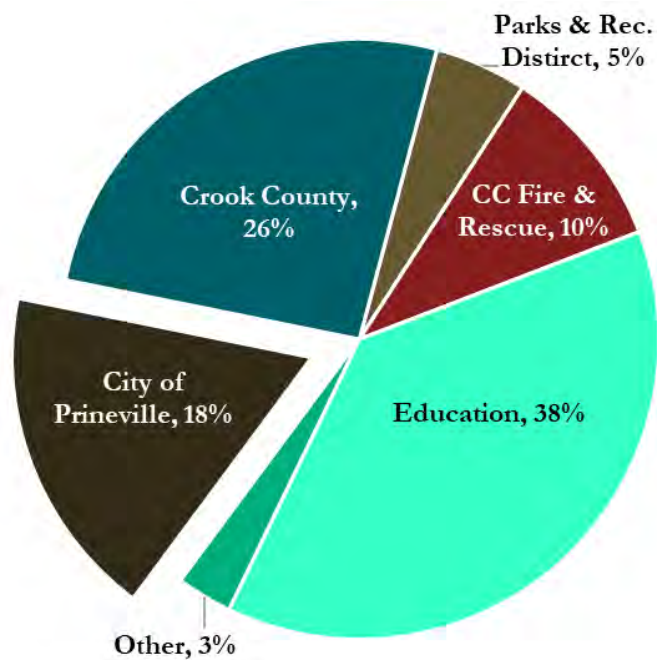
Electrical franchise fees are estimated for BN 27 at roughly \$18.3 million. [Data center construction](#) finished and the buildings came online right at the end of BN 23. This is the largest reason that electrical franchise fees increased so significantly in BN 25, coupled with electricity rate hikes that were greater than expected.

Real Market Value / Taxable Assessed Value City of Prineville, FY 00 - FY 25



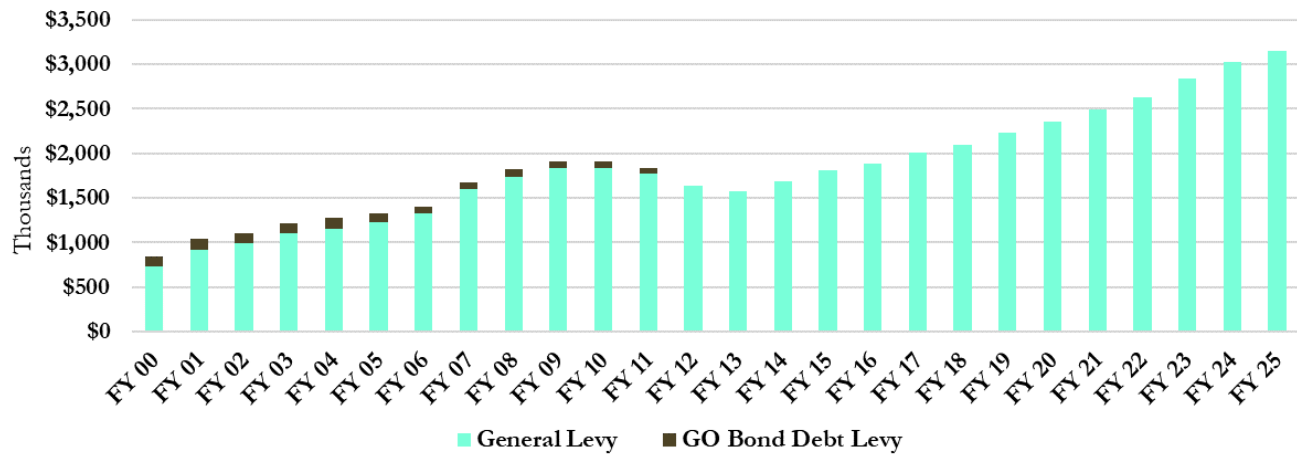
The permanent tax rate of \$3.0225 per thousand is applied to the projected taxable assessed value of property to generate property tax revenues. Property taxes are shown as revenues in the General Fund.

Taxing Districts Percentages BN 27



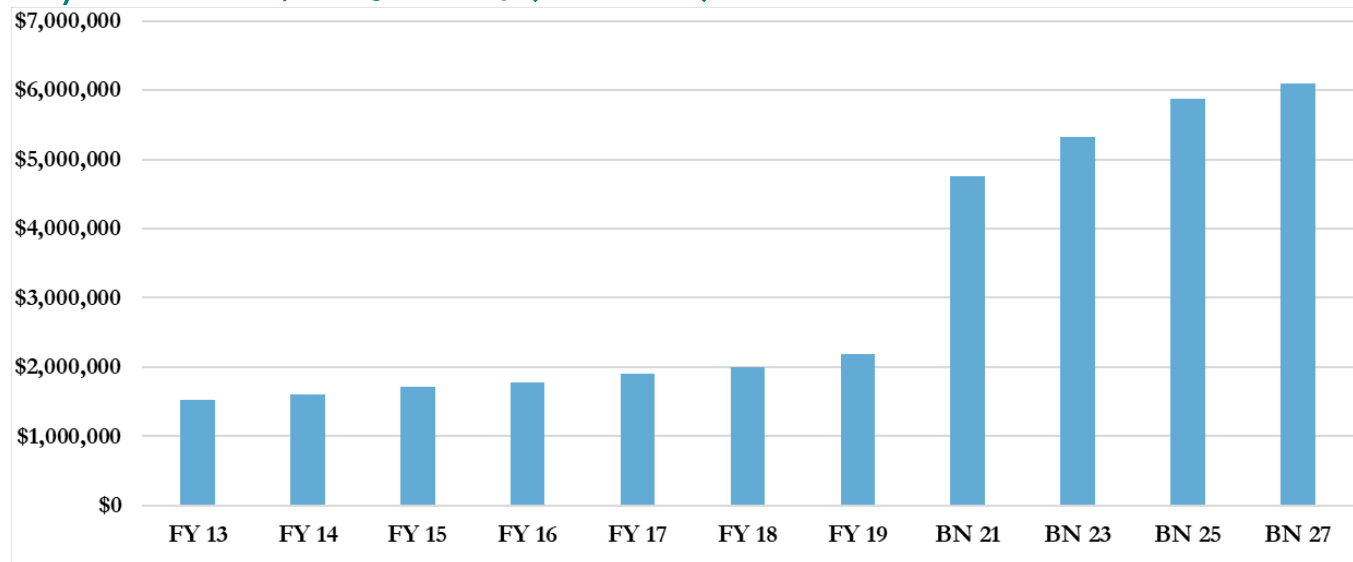
Approximately 18 percent of property tax dollars come to the City of Prineville, helping fund a portion of public safety. The other 82 percent of tax dollars go to the other taxing districts as shown in the chart above. The other category, representing 3 percent, includes vector control and the AG extension service.

Property Taxes Levied City of Prineville, FY 00 – FY 25



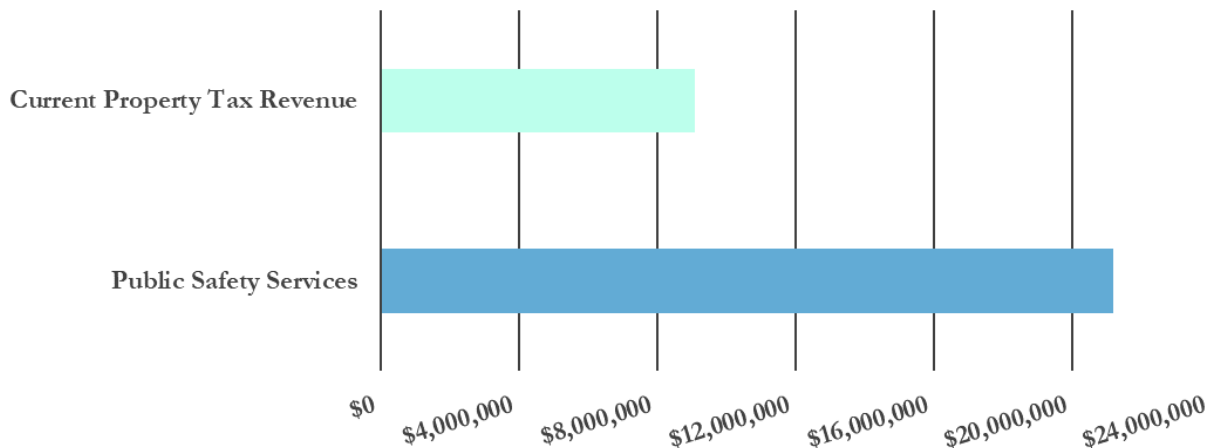
Taxable assessed value of property and the permanent property tax rate are used to calculate property taxes in the City of Prineville. Taxable assessed values of existing property are limited to an increase of 3 percent per year. Value added to a community via new construction increases the assessed value over the 3 percent growth rate limited by Measure 50. For FY 26, taxable assessed value is projected by the Crook County Assessor's Office to increase approximately 3 to 4 percent over last year's-imposed tax. The City is taking a conservative approach and estimated roughly a 3 percent year-over-year increase over the prior year for the biennial period. The general obligation bond for water improvement matured in FY 11.

Current Property Tax Collection City of Prineville, FY 15 – BN 27 (Estimated)



Property tax collection is estimated at \$3 million in the first year of BN 27 and \$3.09 million in the second year, an increase of roughly \$211,000 for the biennium.

Current Property Tax Collection Comparison to Public Safety Costs

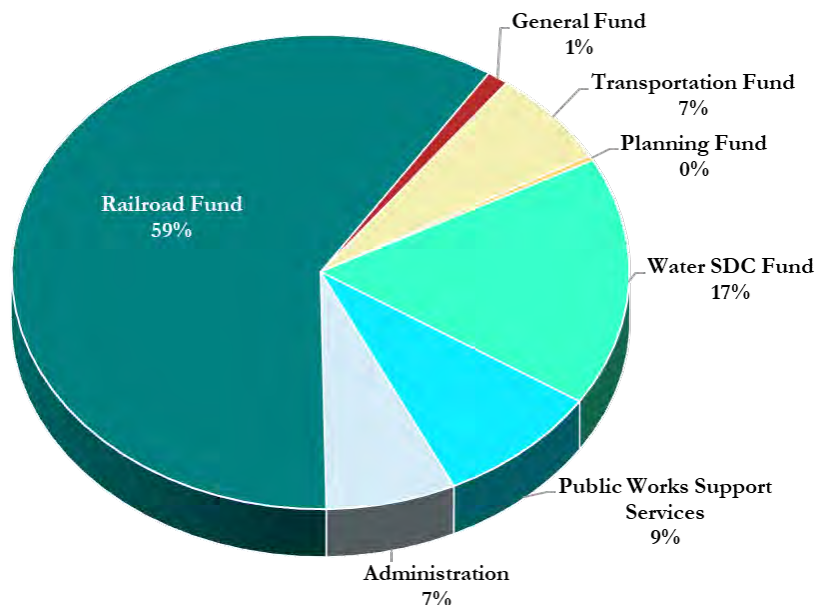


Public safety services proposed biennial budget totals \$21.2 million for the BN 27 budget while property tax revenue is estimated at roughly \$6.1 million.

Intergovernmental Revenue

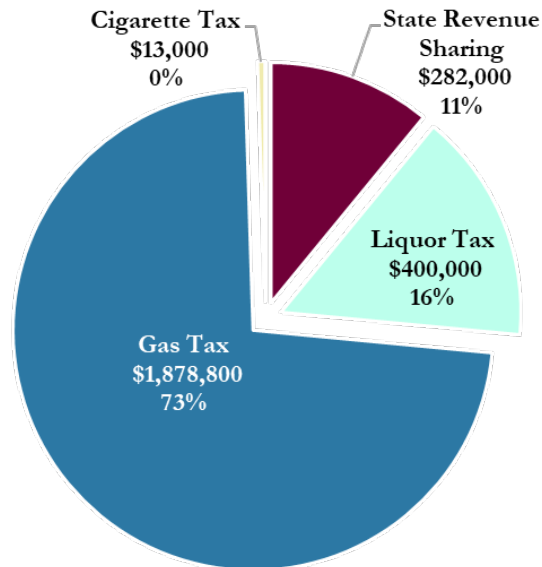
Intergovernmental revenue is budgeted at roughly \$9.1 million for BN 27, with grant revenue at \$2.9 million of that total, state shared revenue estimates totaling \$2.6 million, and other agency revenues making up the remaining total of roughly \$3.6 million.

Grant Revenue BN 27



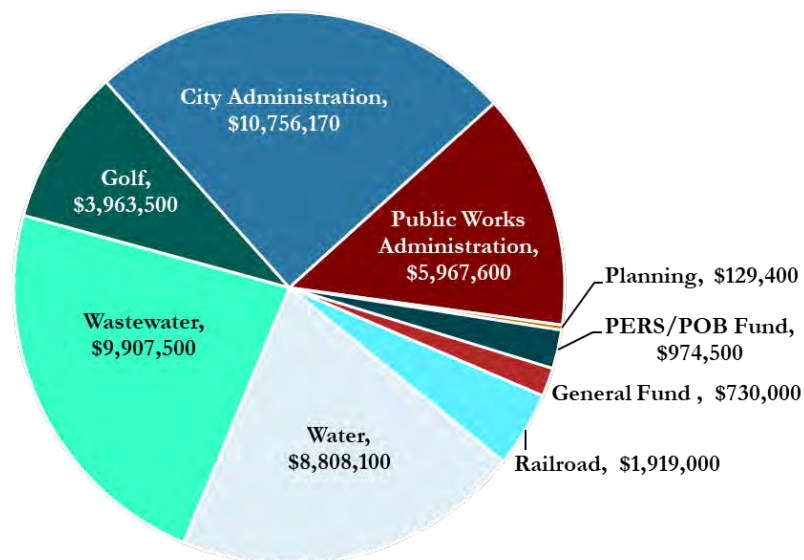
Grant revenue totals approximately \$2.9 million for BN 27, with the largest portion of dollars going to the Railroad Fund for a track improvement and restoration project and an electric pickup truck. In the Water SDC Fund, the City of Prineville is looking to secure a \$500,000 grant to continue to expand the ASR system with the hopes to be able to connect underserved areas within the city limits to the City water system. In the General Fund, there is \$33,000 budgeted for police safety grants. Other funds budgeted to receive grant dollars include: The Administration Fund in the amount of \$200,000 for an electric truck and charging station; a \$192,800 pass through grant in the Transportation Fund for the transit project; \$10,000 from the Oregon Department of Environmental Quality (DEQ) air quality grant in the Planning Fund; and State Transportation Improvement Program (STIP) funds from the Oregon Department of Transportation (ODOT) in the Public Works Support Services Fund.

State Shared Revenue, BN 27



State shared revenues are projected at \$2.6 million for BN 27. State revenues are distributed to cities based on state statute, which defines formulas incorporating population and per capita income. The League of Oregon Cities provides the source data for state [revenue sharing projections](#). In Prineville, liquor and cigarette tax revenues are shown in the General Fund. Gas tax and state revenue sharing are shown in the Transportation Operations Fund.

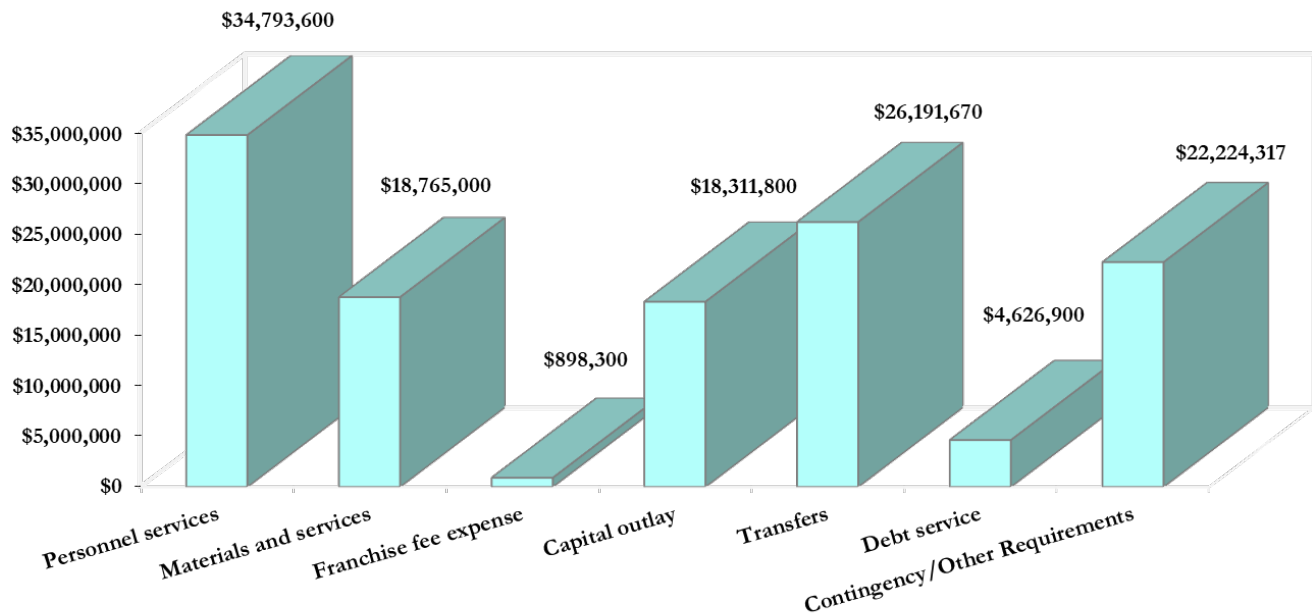
Charges for Services City of Prineville, BN 27



Charges for services total \$43.2 million for BN 27. Charges for water, wastewater, rail service, engineering and golf are charged to users in the City of Prineville and with certain services throughout the region. The fees for utility services and governmental funds are established through the City's fees and charges resolution, updated yearly. Internal customers are charged for provided services in administration, finance, information technology, grant administration and human resources. The fees are based on a percent of personnel, operating and direct costs and revenue for administration is the largest in the category at \$10.8 million for BN 27.

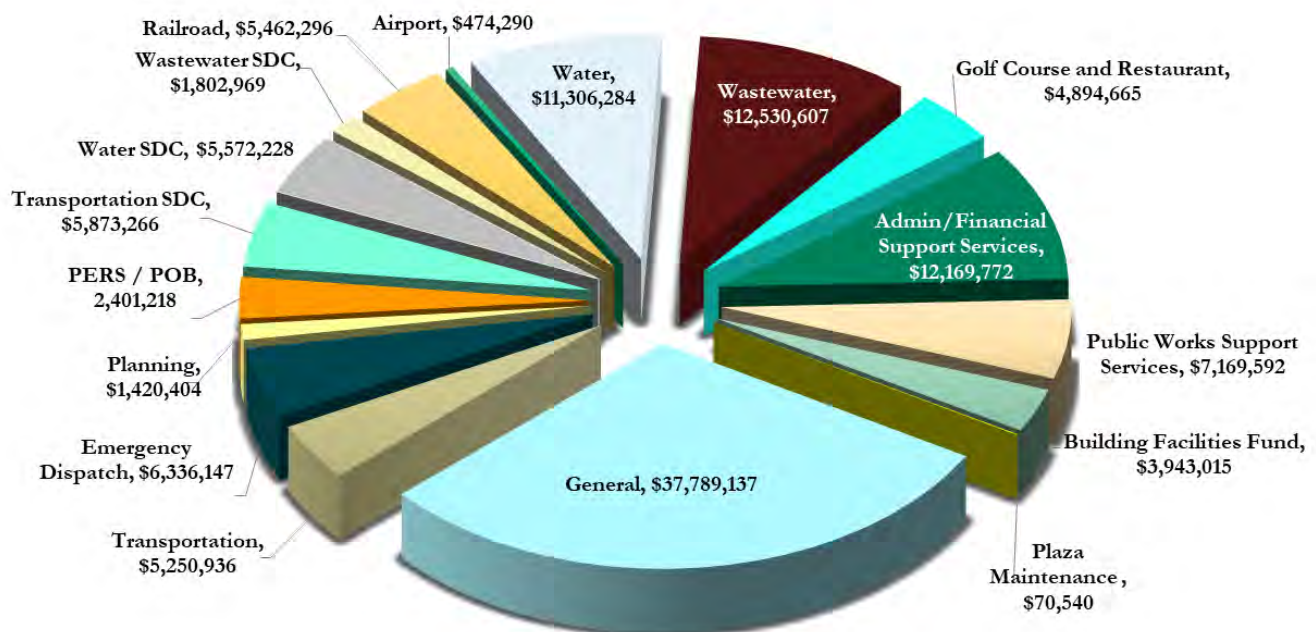
Requirements

Budget by Major Category BN 27



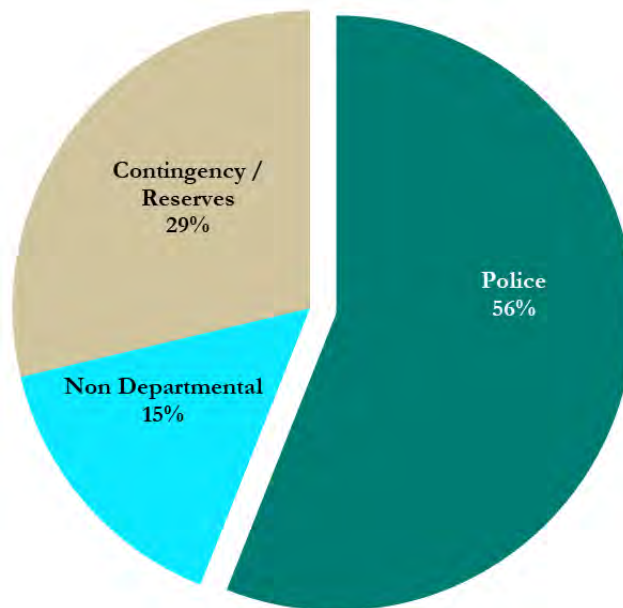
Operational requirements total approximately 64 percent of the budget for BN 27. These categories include personnel services, materials and services, franchise fees and transfers.

Total Requirements by Fund BN 27



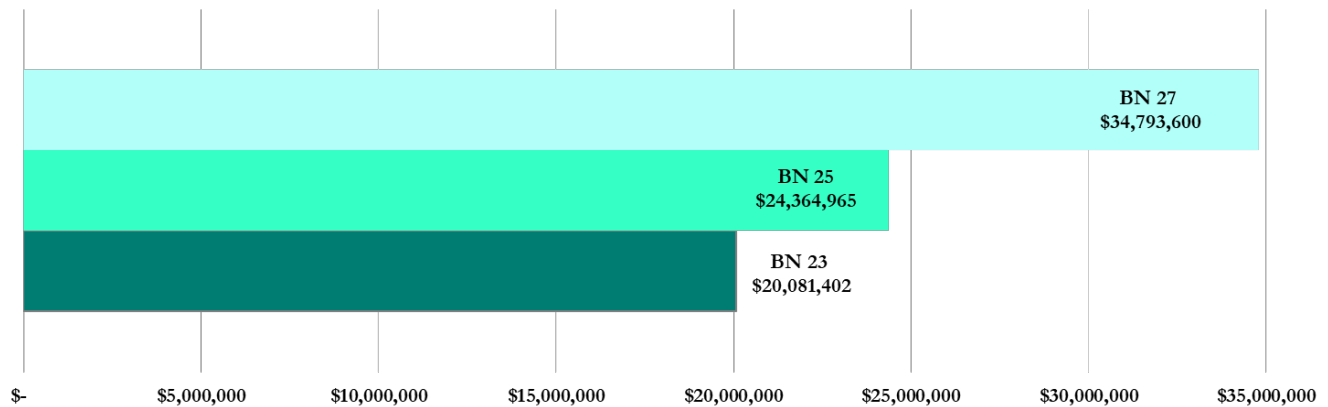
All funds total requirements equal \$125,811,587 for BN 27. The City's largest fund in BN 27 is the General Fund at \$37.8 million, followed by the Wastewater Fund at \$12.5 million. The third largest fund is the Administration/Financial Services Fund totaling \$12.2 million.

General Fund Requirements in Total and By Department BN 27



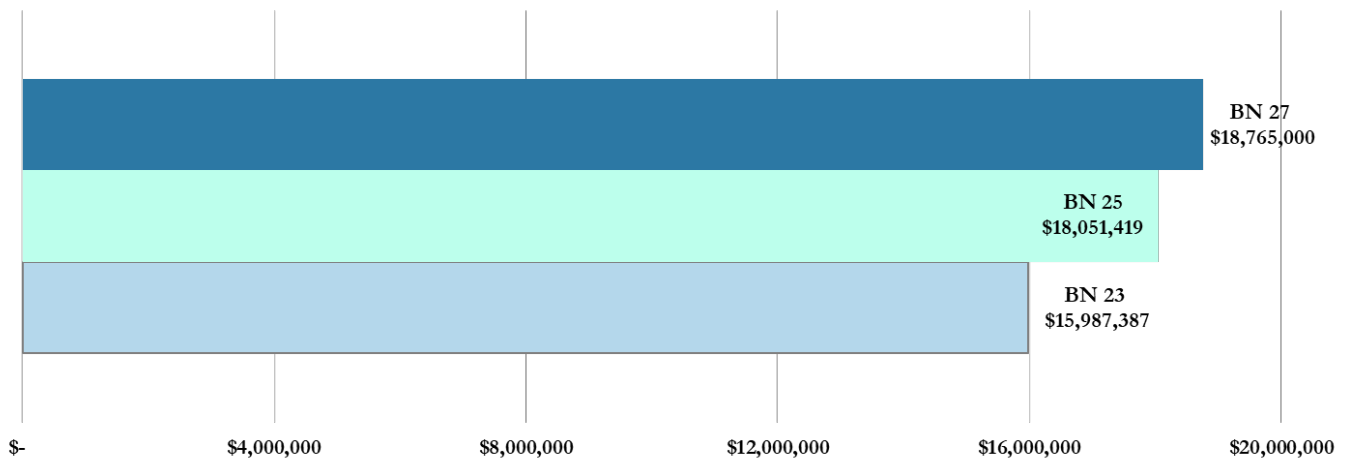
For BN 27, the requirements for the police department total 56 percent of the General Fund, non-departmental requirements are 15 percent and contingency/reserves total 29 percent of the total requirements. In December of 2024, the fiscal policies were updated requiring that unassigned General Fund reserves be distributed into three reserves categories, committing them for future use. The three categories are community enhancement/improvement, infrastructure, and City health and vitality.

Personnel Services Requirement Trends BN 23 – BN 27



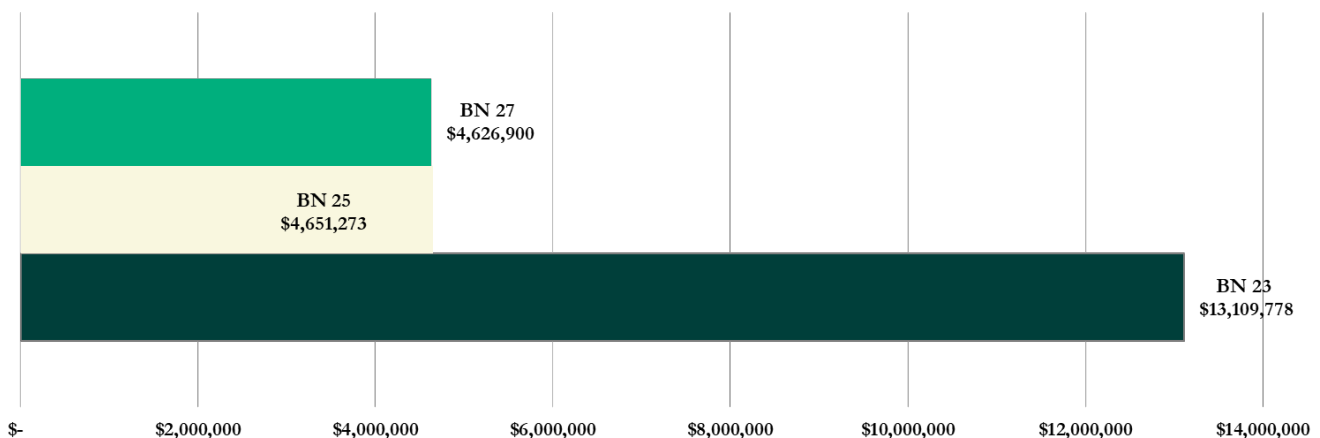
The proposed personnel services budget for BN 27 increased approximately 43 percent over BN 25. Full-time equivalents (FTE) will increase by three additional FTEs in BN 27, bringing the total FTE count to 90.97. Two additional police officers are budgeted, and one new information technology position will be added. In BN 25, many budgeted positions went unfilled especially in police and emergency dispatch. In BN 27, those unfilled positions are budgeted to be filled. Prineville will meet union contract obligations and provide a modest increase for non-represented employees based on a cost-of-living adjustment (COLA) and performance. Health insurance costs are estimated to increase 10 percent in the first year and 10 percent in the second year of the biennium. Retirement (PERS) increased for BN 27 between 20 and 32 percent (5 to over 7 percentage points) depending on the tier with most FTEs being in the tier that increased 32 percent. The City is charging an additional 6 percent estimated rate on all subject payroll sufficient to repay debt service on the pension note. The City will also transfer \$100,000 annually from the General Fund to the POB Fund for future liabilities.

Materials & Services Requirement Trends BN 23 – BN 27



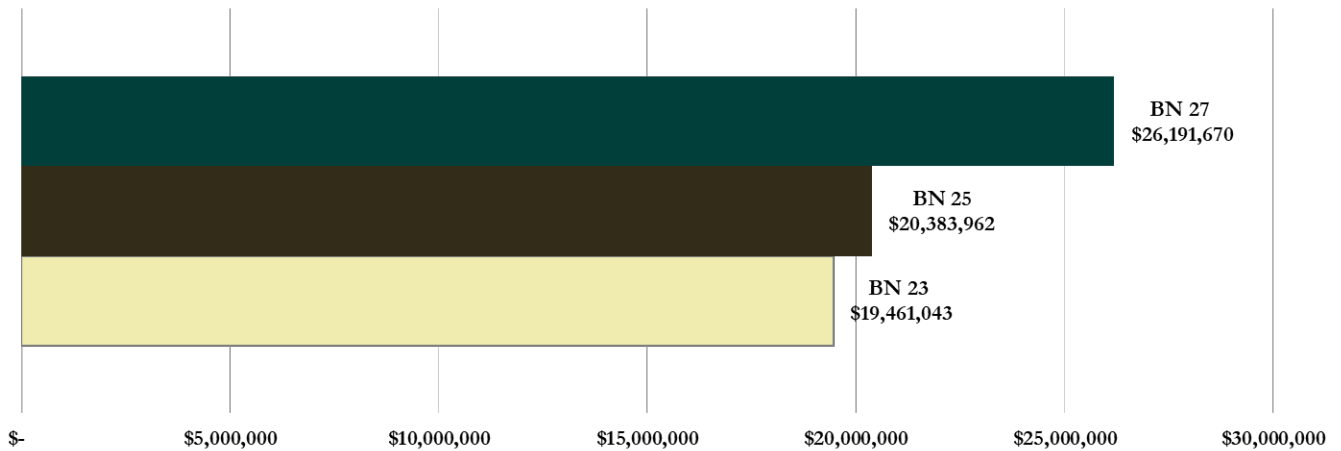
Materials and services requirements are increasing roughly 4 percent over the next biennium. The increase in BN 27 is largely due to the increase in activity in the community, inflation in the cost of fuel and other products specifically affecting the City's enterprise funds and additional maintenance of equipment. The growth in activity also affects the administration materials and service as far as legal fees for contracts, single audits for larger projects and IT projects for expansions.

Debt Service Requirement Trends BN 23 – BN 27



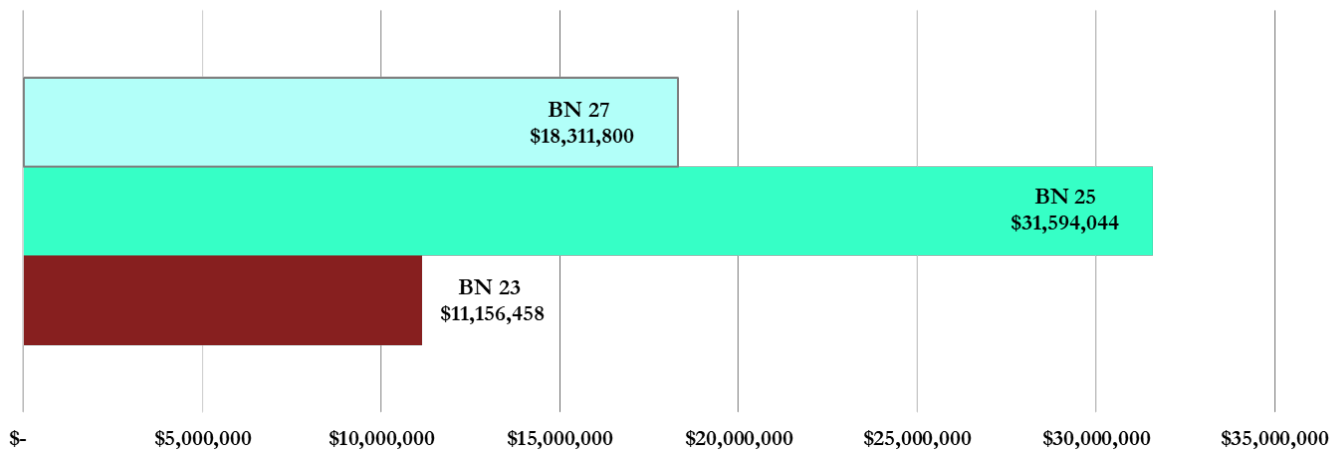
Debt service requirements are decreasing slightly in BN 27 compared to BN 25. City debt of \$8.1 million was refunded in BN 23 with additional dollars needed to fund the purchasing of new golf carts. The refunding with the additional dollars of roughly \$329,000 was secured at an interest rate of 1.21 percent resulting in significant saving in future interest payments. No new debt was issued in BN 25. The City is currently budgeting to issue debt for a vector truck in the Public Works Support Services Fund in the amount of \$600,000 and in the Railroad Fund in the amount of \$400,000 to help cover the match for an infrastructure and safety grant that was awarded.

Transfer Requirement Trends BN 23 – BN 27



In BN 27, transfers increased roughly 28 percent over prior BN 25. This is largely due to dollars being budgeted for the possibility of an interfund loan for the Railroad and Public Works Support Services Fund, additional dollars being budgeted to support flood plain work in the Planning Fund, additional dollars being budgeted to support transportation capital improvements, and additional dollars budgeted to support the Administration/Financial Services Fund. The transfer to the POB/PERS Debt Service Fund is being budgeted back to its original amount of \$100,000 in each year of the biennium. When budgeting in BN 25, reserves amounts were under policy, so the transfer was lowered.

Capital Outlay Requirement Trends BN 23 – BN 27



Capital outlay for BN 27 totals approximately \$18.3 million. Capital project expenditures for the previous BN 25 totaled approximately \$31.6 million. The largest projects for BN 27 are budgeted in the Transportation SDC Fund and the Water SDC Fund in the amount of \$3.5 million each, the Transportation Fund totaling \$1.7 million and the Railroad Fund for \$1.6 million. A more detailed description of all the capital projects can be found in the Short- & Long-term Strategic Forecasting & Capital Improvement Plan section beginning on page 107.



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Short- & Long-term Strategic Forecasting & Capital Improvement Plans



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Long-range Strategic Financial Planning Process

The City of Prineville prepared 20-year, long-range planning models for the FY 13 budget process in Water, Wastewater, and Golf and Restaurant Funds. In FY 14, the City completed the General Fund long-range planning model. These models are updated and used by staff to strategically plan, develop and educate the Prineville City Council and various committees about current and future needs, as well as the resource assumptions to fund these needs. The forecasting models consider projected increases and decreases in revenues and expenditures.

Budget assumptions include rate adjustments, consumer price index (CPI) adjustments, estimates for population growth, personnel service adjustments, debt service, future financing, and capital improvement plans (CIP). The model analysis examines the effect on debt coverage ratio, available fund balance, reserve policies and funding gaps. Master plans for water, sewer and transportation are updated approximately every five years. The Water and Sewer Master plans were updated along with the system development charges (SDC) methodology and adopted in BN 25. The Transportation Master plan is currently in the process of being updated, with the estimated completion in early FY 26. These master plan documents provide long-range planning (20 years) for necessary capital improvements and investments in the City's infrastructure and have the potential to drive project priorities, depending on the growth. Five-year capital improvement plans are updated and reviewed in this process for nonrecurring and recurring projects. The results of these plans are essential in keeping an updated financial forecasting model.

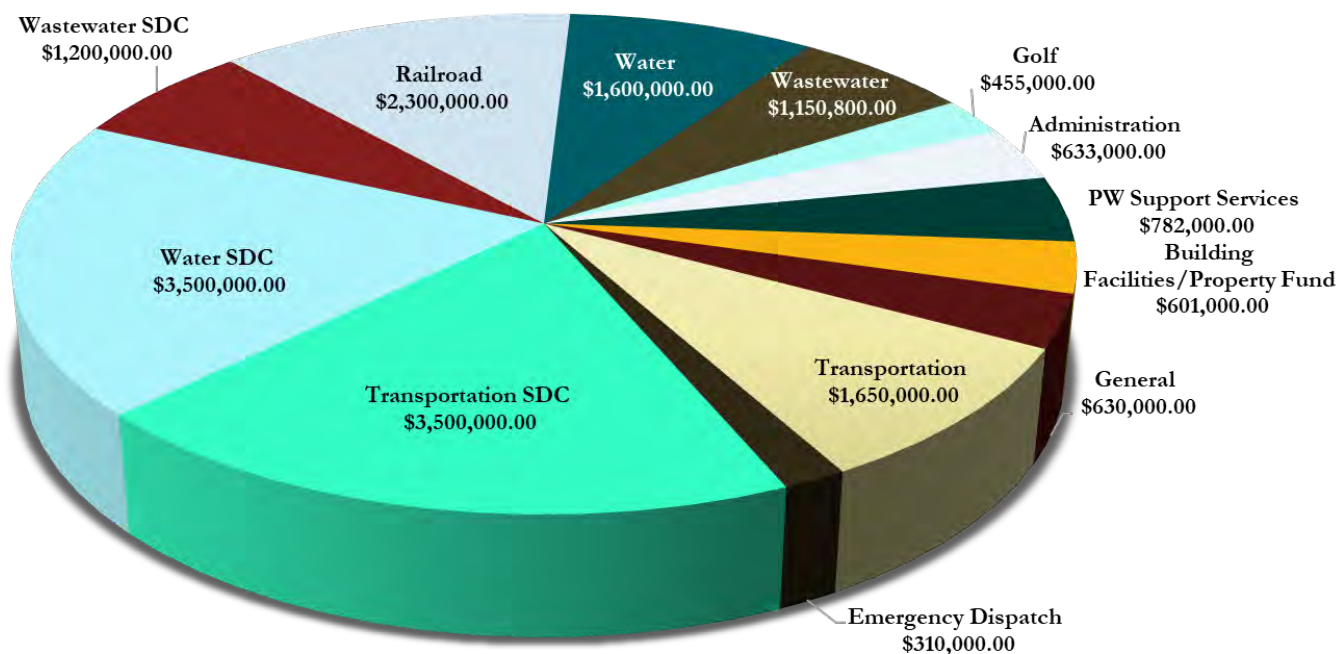
A review of the pavement condition index (PCI), master plans for water and sewer, and the financial forecasts are reviewed annually. Findings are then presented to the Prineville Budget Committee during the budget process prior to the committee's approval of the budget. The long-range planning models are the key to strategizing, studying different financial outcomes, determining feasibility on timelines for financial goal setting, modeling demographic trends, anticipating changes in revenue streams, and forecasting utility rates. They are essential to the decision and development process of the budget document.

The City is working towards establishing a long-range model for each fund. A copy of the latest version of the City's updated projections for Water, Wastewater, Golf and Restaurant, and General Funds (showing only 5 of the 20-year plans) are placed at the back of this chapter.



View looking over the treatment ponds at the wastewater facility in April 2024

Capital Outlay Summary

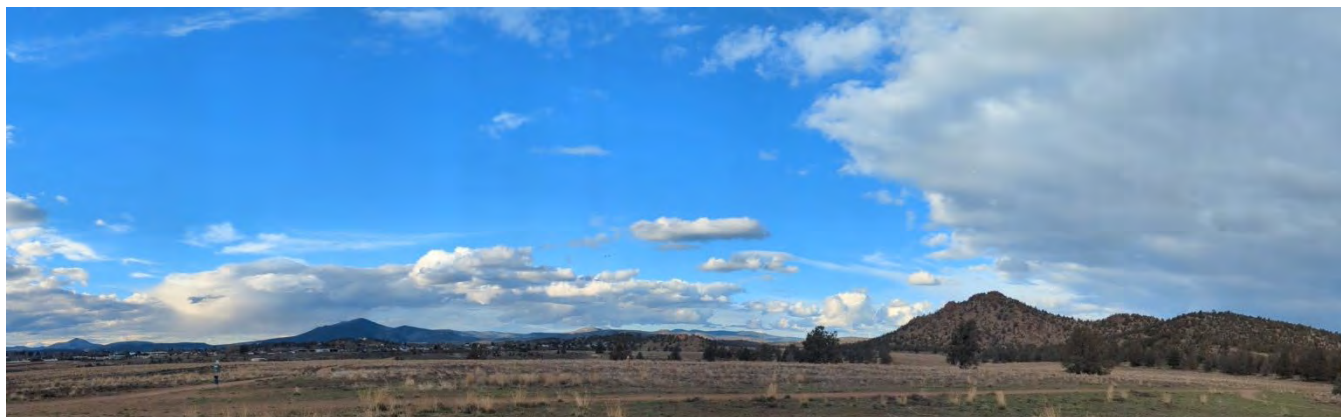


The City defines a capital expenditure as using the following three criteria: (I) relatively high monetary value (equal to or greater than \$10,000), (II) long asset life (equal to or greater than 5 years of useful life), and (III) results in the creation of a fixed asset or the revitalization of a fixed asset.

The total overall capital outlay budget for BN 27 is \$18,311,800. Thirteen programs have budgeted capital improvements with the largest being in the Transportation SDC and Water SDC Funds with approximately \$3.5 million budgeted in each fund. Also, significant projects are budgeted in the Railroad Fund totaling roughly \$2.3 million and the Transportation Fund totaling \$1.7 million.

Capital Resources

The City of Prineville's funding for capital projects comes from a variety of sources for BN 27, but generally falls into one of several categories – grants, debt proceeds, gasoline taxes, shared revenue, impact fees, franchise fees, user fees or reserves. Grants covering projects are roughly \$2.4 million, intergovernmental revenue totals \$1.7 million, impact and user fees along with fund balance will cover approximately \$4.9 million, debt will cover \$1 million, and franchise fees/other will cover the largest portion at \$8.3 million.



Barnes Butte in February 2024

Summary of Capital Improvement

Capital Improvement Summary City of Prineville Biennial 2025									
Expenditures				Resources					
Department/Project Description	Capital Outlay	Recurring	Non-recurring	Taxes AD Valorem	Revenue Sharing/ Intergovernmental	Debt Proceeds	Grants	User/Impact Fees Fund Balance	Franchise Fees/Other
General Fund									
New Police Vehicles and equipping	618,000	*							618,000
Radar Trailer for Police	12,000	*							12,000
Emergency Dispatch									
Tower Upgrades	190,000	*						190,000	
Radio Console for Emergency Operations Center	120,000	*						120,000	
Transportation Fund									
Capital Rehabilitations	1,144,100	*			1,144,100				
Capital Maintenance	125,000	*			125,000				
Seal Coat / Slurry Seal	330,900	*			330,900				
Storm Water Improvements	50,000	*			50,000				
Transportation SDC Fund									
Combs Flat Extension to N. Peters Rd	1,000,000		*						1,000,000
N. Main St and Peters Rd Intersection	2,440,000		*						2,440,000
ADA Transition Plan	60,000		*						60,000
Water Fund									
Transmission	1,600,000	*						1,600,000	
Water SDC Fund									
Source Improvements	3,000,000		*						3,000,000
Transmission Improvements	500,000		*				500,000		
Wastewater SDC Fund									
Wastewater Treatment Plant Chlorine Conversion	900,000		*						900,000
SE Melrose / SE Willowdale Wastewater Design	300,000		*						300,000
Wastewater Fund									
Sanitary Sewer - Collection Improvements	370,000	*						370,000	
Treatment Plant Upgrades	480,000	*						480,000	
SLARRA/USDA Requirement (Short-Lived Asset Replacement Reserve Account)	300,800	*						300,800	
Railroad Fund									
Equipment	1,265,000	*					1,265,000		
Track	1,035,000	*				400,000	483,500	151,500	
Golf Course Fund									
Golf Course Equipment	245,000	*						245,000	
Clubhouse - Replace Doors and Exterior Columns	50,000	*						50,000	
Clubhouse - Replace Carpet	30,000	*						30,000	
Clubhouse - Exterior Paint	15,000	*						15,000	
Course - Cart Path Paving	75,000	*						75,000	
Beverage Cart	20,000	*						20,000	
Restaurant - Banquet Room Furniture/Equipment	10,000	*						10,000	
Restaurant - Kitchen Equipment	10,000	*						10,000	
Administrative Services									
Vehicle and Upfit	216,000	*					200,000	16,000	
Service Monitor Refresh	92,000	*						92,000	
Hyper-converged Infrastructure Hardware Refresh	325,000	*						325,000	
Building Facilities / Property Fund									
City Hall	50,000		*					50,000	
Police Facility Upgrades	385,000		*					385,000	
Public Works Facilities Improvements	66,000		*					66,000	
Barnes Butte Property Improvements	100,000		*					100,000	
Public Works Administration Services Fund									
Fleet/Equipment Management	782,000	*				600,000		182,000	
Total Capital Outlay	\$ 18,311,800			\$ -	\$ 1,650,000	\$ 1,000,000	\$ 2,448,500	\$ 4,883,300	\$ 8,330,000

Capital Expenditures by Category



Capital Improvement Plan

Nonrecurring

Roads.....	\$	3,500,000
Wastewater		1,200,000
Water		3,500,000
Buildings.....		601,000
Total CIP Expenditures	\$	8,801,000

Recurring

Vehicles.....	\$	1,781,000
Major Maintenance.....		6,535,800
Other.....		1,194,000
Total Routine.....	\$	9,510,800
Total Capital.....	\$	18,311,800

Major Nonrecurring Capital Improvements by Project

Transportation SDC Fund

Project Title: N Main St. and NE Peters Rd. Intersection Improvements

Department: Transportation SDC



Project Description

As part of the City's commitment to upkeep of its most valuable asset, a need to improve the intersection at N Main St. and NE Peters Rd. was identified. The main purpose is to replace the aging road infrastructure, realigning the intersection and installing a control device to ease the flow of traffic on the north end of Prineville. Doing so will revitalize an important asset and improve public safety in the vicinity. Additionally, by addressing this infrastructure necessity, it will support travel and rail services to stimulate economic development in the area. Over and above safety and economic pluses, the project enables an increase to the number of new home sites (approximately 160) and additional development of affordable apartments units (approximately 11) in that region of town.

Budget Information and Projected Costs (In Thousands)

Actual FY 21	Actual FY 22	Actual FY 23	Actual FY 24	Projected FY 25	Budget FY 26	Budget FY 27	Projected FY 28	Projected FY 29	Total
\$ 7	\$ 19	\$ 831	\$ 602	\$ 43	\$ -	\$ 2,440	\$ -	\$ -	\$ 3,942

Total Projected Cost Breakdown (In Thousands)

Design / Engineering	\$ 821
Construction	\$ 2,287
Right of Way Acquisition	\$ 834
Total	\$ 3,942

Funding Sources			Future Operating Cost Impact
Fund Balance	Yes		This project is anticipated to increase annual electricity and maintenance costs for the new control device and added lighting.
Intergovernmental	Yes		
Grant	Yes		
Debt Proceeds	No		
Other	Yes		

Key Drivers for CIP Project / Analysis of Need

Currently, the intersection of N Main St. and NE Peters Rd. is nearing failure and preventing continued residential and industrial growth in the area as well as creating safety concerns. This work is important to complete now in order to provide transportation infrastructure to support continued residential and industrial growth, improve safety at the intersection, and increase available home sites and affordable housing. Housing demand in Prineville is currently out pacing available supply, so there is an immediate need for more housing inventory.

Project Title: NE Combs Flat Rd. Extension to Peters Road
Department: Transportation SDC



Project Description

The adopted 2013 City of Prineville Transportation System Plan identified the need to create an additional north/south connection within the City transportation network. To accomplish this, an extension of NE Combs Flat Rd. to NE Peters Rd. was identified. In 2017, the City purchased 460 acres from Brooks Resources which allowed for this connection to be made. The facility is currently on it's way to being completed, funded with the help of American Rescue Plan Act funding. Not only is this an important project for the City, but also for one of its community partners in Ochoco Irrigation District (OID). As part of the extension the City and OID worked together, changing the path of the irrigation water supply that previously ran via canal in the area to an underground piping system in tandem with construction of the new roadway. Partnering together allowed both agencies to save on cost. The project is scheduled to complete in FY 26.

Budget Information and Projected Costs (In Thousands)

Actual FY 20	Actual FY 21	Actual FY 22	Actual FY 23	Actual FY 24	Projected FY 25	Budget FY 26	Budget FY 27	Projected FY 28	Total
\$ 5	\$ 185	\$ 207	\$ 169	\$ 170	\$ 12,957	\$ 1,000	\$ -	\$ -	\$ 14,693

Total Projected Cost Breakdown (In Thousands)

Design / Engineering	\$ 1,300
Construction	\$ 13,393
Equipment	\$ -
Total	\$ 14,693

Funding Sources	Future Operating Cost Impact
Fund Balance	With the construction of new roads, future maintenance costs are incurred. The Transportation Fund will need to budget approximately 1 percent of the construction cost of the road every five years to maintain it in its optimum condition.
Intergovernmental	
Grant	
Debt Proceeds	
Other	

Key Drivers for CIP Project / Analysis of Need

Extension of NE Combs Flat Rd. to NE Peters Rd. will greatly increase north/south traffic connectivity within the community. Currently, only N Main St. provides this major arterial connectivity. If N Main St. were to close, travelers would be required to take a five mile detour to reach their destination. This road extension will alleviate the issue and is identified in the adopted City of Prineville Transportation System Plan. The extension affords the added bonus of connecting northside residents to the east side of town, granting alternative access to businesses and residential areas.

Nonrecurring Five-year Capital Improvement Plans by Fund

Emergency Dispatch Fund

City of Prineville
Emergency Dispatch Capital Improvement Plan
Fiscal Years 2026 - 2030

Project Description	Current Year Construction Estimate	2026	2027	2028	2029	2030
Tower Upgrades		\$ 145,000	\$ 45,000	\$ 45,000	\$ 50,000	\$ 50,000
Radio Console for Emergency Operations Center		\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -
CAD Replacement/Upgrade		\$ -	\$ -	\$ -	\$ -	\$ 350,000
Viper Phone System Update					\$ 950,000	
Total	\$ -	\$ 205,000	\$ 105,000	\$ 45,000	\$ 1,000,000	\$ 400,000

Project Description

The City of Prineville's Emergency Dispatch Department, also known as Crook County 911, strives to contribute to the safety of the community. A prerequisite in ensuring safety for the public is to first take all measures possible to ensure the safety of the first responders in the field. One critical aspect of responder safety is the quality of communications equipment. The Stearns Butte site was acquired to improve radio coverage in parts of Juniper Canyon, in which areas of limited coverage have been identified. During FY 26, supplemental (non-recurring) monies will be allocated to obtain all necessary equipment to start using the Stearns Butte tower.

The department will complete the setup of backup dispatch positions in Crook County's Emergency Operations Center (EOC) facility to ensure continuity of operations in case of emergency where evacuation of the Prineville Police Department building is necessary. In order to reach full operational status, additional radio equipment will be purchased and installed at the EOC consoles in FY 26 and FY 27.

The department currently uses Computer Aided Dispatch (CAD) software provided by Executive Information Services (EIS). The CAD system is due for an update/replacement to a more efficient technologically advanced software with more valuable and user-friendly features. The implementation of a new CAD system is a large undertaking with numerous components including compatibility with records management system (RMS), jail management system (JMS) and mobile data terminals (MDT). Careful coordination with user groups will be necessary to make the transition successful. The implementation of a new CAD system is slated for 2030.

Another crucial component of meeting goals for public safety is the department's 911 phone system called Viper. In FY 24, the phone system was upgraded to the newest and most advanced version of Viper. Due to rapidly evolving technology, another upgrade will be necessary in FY 29 when the current Viper service term comes to an end. An estimate of that expense is included in the CIP to ensure the department is prepared to keep up with the aforementioned technological changes. Following best practice by staying current with available tools helps enable Crook County 911 to provide the best possible service to the citizens of Crook County.

Transportation SDC Fund

City of Prineville Transportation SDC Capital Improvement Plan Fiscal Years 2026 - 2030

Project Description (SDC Eligible Projects, Short- and Medium-term)	Current Year Construction Estimate	2026	2027	2028	2029	2030
Combs Flat Road Extension to NE Peters		\$ 1,000,000				
N Main and NE Peters Intersection			\$ 2,440,000	\$ 360,000		
ADA Transition Plan			\$ 60,000			
NE Peters Connection to NW Lamonta				\$ 4,000,000		
Roundabout Turn Lanes				\$ 600,000		
Combs Flat Road Widening Project						\$ 250,000
Total	\$ -	\$ 1,000,000	\$ 2,500,000	\$ 4,960,000	\$ -	\$ 250,000

Project Description

There are two projects budgeted in the Transportation SDC Fund for BN 27.

The City secured American Rescue Plan Act funding to apply towards the construction of the NE Combs Flat Rd. to NE Peters Rd. Extension project which will provide a much needed alternative to N. Main St. connecting residents in the northern developments with the commercial centers of the city. The initial phases of the project including final design, rough grading and constructing roadbed crossing the wetland were all completed within BN 25. Final phases of the project, including finish paving, striping, curb, sidewalk and street lighting, are all anticipated to be completed within the first quarter of BN 27.

The City will also complete the updated Americans with Disabilities Act (ADA) Transition Plan within the budget biennium. The City places a high priority on providing accessible facilities and devotes resources consistently to meeting ADA standards. The ADA Transition Plan will identify the remaining needed updates to ADA facilities within the City and determine the plans and timelines for making the improvements.



Completed realignment of the intersection of 10th / N Main in 2021

Water SDC Fund

City of Prineville Water SDC Capital Improvement Plan Fiscal Years 2026 - 2030

Project Description	Current Year Construction Estimate	2026	2027	2028	2029	2030
Source						
ASR Injection and Recovery Well #2		\$ 2,250,000				
Horizontal Well		\$ 750,000				
Storage						
Ochoco Tank and Booster Pump Upgrades				\$ 1,500,000		
Hospital Tanks - New 1.5 MG, Rehabilitate Existing 0.5 MG					\$ 4,000,000	
Transmission						
SE Melrose / SE Willowdale Waterline Design		\$ 500,000				
SE Williamson Zone - Piping and Booster Pump				\$ 4,000,000		
Total	\$ -	\$ 3,500,000	\$ -	\$ 5,500,000	\$ 4,000,000	\$ -

Project Description

In BN 25, the City's aquifer storage and recovery (ASR) system continued its success in meeting the growing water demands of the city. With an ASR system, water is collected in the aquifer during periods of cooler temperatures, higher streamflow and lower demands. The stored water is then recovered and used during periods of hotter temperatures and higher water demands, thereby easing peak demand stress on native water sources and reducing the need to build expensive storage facilities. The City will continue to expand the capacity of the ASR system. In BN 25, the City completed design of an additional ASR injection/recovery well and a source well on the valley floor. In BN 27, the City will construct both of these capacity building wells in the ASR system.

The Ochoco Booster Pump Station is a critical piece of infrastructure necessary to maintain water pressure throughout a significant portion of the City. The City plans to reconstruct the Ochoco Booster Pump Station in BN 27, upgrading it to current standards and increasing its capacity.

Wastewater SDC Fund

City of Prineville Wastewater SDC Capital Improvement Plan Fiscal Years 2026 - 2030						
Project Description (SDC Eligible Projects, Short- and Medium-term)	Current Year Construction Estimate	2026	2027	2028	2029	2030
Capital Rehabilitation						
Wastewater Treatment Plant Chlorine Conversion			\$ 900,000			
Collection System and Lift Station Improvements				\$ 500,000		
Upsize Mainline from 10th to Lamonta (Pinckard)			\$ 300,000	\$ 200,000	\$ 500,000	\$ 445,000
SE Melrose / SE Willowdale Wastewater Design						
Total	\$ -	\$ -	\$ 1,200,000	\$ 700,000	\$ 500,000	\$ 445,000

Project Description

Projects planned for BN 27 to be funded by SDCs include upgrades to the wastewater collection system and lift stations within the city. The improvements are identified in the City's Wastewater Facilities Master Plan. The City also plans to upgrade the chlorine treatment system at the wastewater treatment plant using a combination of grant and SDC funds.



Improvements made at the Crooked River Wetlands Complex in BN 25

Building Facilities Fund

City of Prineville Building Facilities Fund / Property Capital Improvement Plan Fiscal Years 2026 - 2030

Project Description	Current Year Construction Estimate	2026	2027	2028	2029	2030
City Hall Facilities						
Interior Painting/Sealing		\$ 50,000				
Police Facility						
Land Purchase for Patrol Car Parking		\$ 50,000	\$ 115,000			
Update Parking Area & Purchase Vehicle Covers	\$ 75,000	\$ 50,000				
Finish Spaces Remaining from Facility Structural Remodel	\$ 75,000	\$ 50,000				
Conference Room HVAC Upgrade		\$ 120,000				
Public Works Facilities						
Equipment Shed Expansion		\$ -	\$ 66,000			
Barnes Butte						
Parking Lot & Track Area Improvements		\$ 50,000	\$ 50,000	\$ 100,000	\$ 30,000	
Equipment Shed						
UTV with Sprayer						
Seal Coat Trail and Parking Area Paving						\$ 50,000
Total	\$ 165,000	\$ 370,000	\$ 231,000	\$ 100,000	\$ 30,000	\$ 50,000

Project Description

City Hall Facilities

At the City Hall facilities, interior painting and exterior window sealing will be conducted in the next biennium.

Police Facility

The police department took occupancy of the new facility located at 1251 NE Elm Street in the middle of 2021. There is approximately 1100 square feet of unfinished space on the second floor of the building. The priority for FY 26 will be to finish this space upstairs. The proposed plan is to utilize the space as a fitness area and a training area specifically for defensive tactics. There is also office space that will be utilized as the police department continues to grow. An associated project will be to upgrade the HVAC system for the conference room and public meeting room on the first floor of the facility. The current HVAC is insufficient and outdated.

Additional projects for police facilities include obtaining additional parking space and a carport for patrol vehicles. The new structure will help keep vehicle temperatures moderately controlled to encourage less idle time, longer life/protection of electronics and to maintain paint and graphics.

Public Works Facilities

In BN 27, the City will construct an addition to an equipment shed at the public works yard. The addition will expand the area under the roof for storage of vital vehicles and equipment.

Barnes Butte

In BN 25, the City constructed a 5K paved loop path around the perimeter of the lowland area of Barnes Butte Recreation Area along with ADA improvements to the main parking lot. These improvements significantly increased the accessibility of the site and it continues to be a beloved destination for residents and visitors of the city. In BN 27, the City will continue the development of the site with additional improvements to the trailheads, parking lot areas, historic racetrack and pond. The City will also complete construction of new segments of off-street paved paths adjacent to the newly constructed Combs Flat Rd. extension.



Barnes Butte Recreational Complex as seen in August 2024

Recurring/Routine Five-year Capital Improvement Plans by Fund

General Fund

City of Prineville
Police Capital Improvement Plan
Fiscal Years 2026 - 2030

Project Description	Current Year Construction Estimate	2026	2027	2028	2029	2030
Radar Trailer	\$ 12,000	\$ 12,000				
Police Vehicles and Equipment	\$ 100,000		\$ 618,000			
Update Body Worn and Car Cameras to New System					\$ 90,000	
Total	\$ 112,000	\$ 12,000	\$ 618,000	\$ -	\$ 90,000	\$ -

Project Description

The Prineville Police Department needs six new, marked patrol vehicles. Currently, the department utilizes 14 marked patrol vehicles. Two of these vehicles are 2014 model year vehicles, each with more than 85,000 miles on them, which are due to be removed from patrol service. Adding four patrol vehicles will help equip the expanding patrol force. The remaining vacant full-time equivalent positions are estimated to be filled by the end of FY 25. Once the department has filled those positions, three of the marked patrol cars will need to be shared. In doing so, the shared vehicles will be operating 24 hours a day, seven days a week. With the addition of two officer positions at the start of FY 26, these incoming officers make obtaining additional vehicles a requirement. At this time, patrol vehicles are taking anywhere from 8 to 12 months from time of purchase to time of delivery. For this reason, the vehicles will be ordered as soon as possible, with a payment date expected in FY 27.

The purchase of a radar trailer will help with traffic calming and special events throughout the city. It will be shared with Prineville Public Works, who will use it to conduct traffic surveys. This trailer will be more versatile and have more capability than the current radar trailer.



Police presence during a 9-11 Memorial Display in September 2024

Administration Fund

City of Prineville Information Technology Department Capital Improvement Plan Fiscal Years 2026 - 2030

Project Description	Current Year Construction Estimate	2026	2027	2028	2029	2030
Vehicle and Upfit		\$ 216,000				
Service Monitor Refresh		\$ 92,000				
Hyper-converged Infrastructure Hardware Refresh			\$ 325,000			
Total	\$ -	\$ 308,000	\$ 325,000	\$ -	\$ -	\$ -

Project Description

In FY 27, the administration fund will be completing the following three projects:

Vehicle Purchase and Upfit - Funds the purchase and installation of aftermarket equipment to provide the Information Technology (IT) Department with City-owned vehicles to perform its work at City worksites and remote communications sites. Currently, the IT Department pays mileage reimbursement for staff to drive their personal vehicles for City work. This project will change that model and provide City vehicles for this job-related travel. The upfit equipment includes toolboxes, mobile radio equipment and towing packages.

Service Monitor Refresh - This radio service tool allows for calibration and alignment of mobile and portable radios, fixed site infrastructure and telemetry equipment. The current service monitor is 10 years old and is due to be replaced. Annual alignment of radio equipment is necessary for reliability and availability of critical networks. This tool is used on all emergency communications sites as well as police and fire vehicles and portable radios. It is also used to tune and align public works and railway radios and ancillary supervisory control and data acquisition (SCADA) equipment.

Hyper Converged Infrastructure Hardware Refresh - The City's IT back-end runs on virtualized hardware that is fault tolerant, redundant and scalable. This hardware is nearing the end of life and will be migrated to new hardware through this project prior to the end of vendor support for the current hardware.



Danial Ego, IT Specialist II, and Darrell Antram, IT Systems Administrator, outfitting a new conference area in December 2024.

Transportation Fund

City of Prineville
Transportation Capital Improvement Plan
Fiscal Years 2026 - 2030

Project Description	Current Year Construction Estimate	Area (sqft.)	Current PCI	2026	2027	2028	2029	2030
Capital Rehabilitation								
S Main - SE 3rd to SE Lynn		142,000		\$ 600,000				
N Main - NW 9th to NW 3rd		108,000			\$ 212,000			
NE Mariposa - NE Clearview to NE Cobblestone		64,200			\$ 126,500			
NE Alabama - NE Mariposa to End		16,100			\$ 35,400			
NE Bailey - NE Mariposa to End		15,700			\$ 35,400			
NE Clearview - NE Mariposa to End		15,900			\$ 35,000			
NE Deedie - NE Mariposa to End		14,500			\$ 34,200			
NE Lisa - NE Mariposa to End		14,100			\$ 33,400			
NE Larry - NE Mariposa to End		11,400			\$ 32,200			
NW 7th - N Main to NW Fairmont		84,000				\$ 164,900		
NW 8th - N Main to NW Fairmont		77,500				\$ 152,200		
NW Fairmont - NW 10th to End		51,100				\$ 128,200		
NW Ewen - NW 10th to NW 7th		45,225				\$ 116,600		
NW Claypool - NW 10th to NW 7th		45,300				\$ 92,300		
NW Beaver - NW 10th to End		45,600				\$ 90,300		
NW Nelson - NW Fairmont to End		8,000				\$ 22,600		
NW Creeks Edge - NW Fairmont to End		5,500				\$ 16,500		
Intersection Reconstruction - NE Elm and NE Ochoco							\$ 501,500	
NE Lookout Ave - NE Elm to NE Oregon Intersection							\$ 92,300	
NE Ochoco Ave - NE Elm to NE Oregon Intersection							\$ 90,300	
Intersection Reconstruction - NE Ochoco & NE Oregon								\$ 324,000
Intersection Reconstruction - NE Lookout and NE Oregon								\$ 218,600
Intersection Reconstruction - NE Loper and NE Oregon								\$ 114,600
NE Oregon - NE Loper to NE Ochoco								\$ 63,900
Capital Maintenance								
Crack Seal				\$ 50,000	\$ 75,000	\$ 40,000	\$ 75,000	\$ 75,000
Seal Coat								
Seal Coating - Surface Treatment				\$ 100,000	\$ 230,900	\$ 75,000	\$ 125,000	\$ 125,000
Stormwater Improvements								
S. Main Stormwater Improvements				\$ 50,000				
Total	\$ -			\$ 800,000	\$ 850,000	\$ 898,600	\$ 884,100	\$ 921,100

Project Description

The recurring CIPs listed above are expenditures primarily related to the rehabilitation of existing transportation facilities to serve the citizens of the City of Prineville. A new street begins to deteriorate as soon as construction is complete. However, this deterioration is not linear. If a street is allowed to severely deteriorate, maintenance activities become significantly more expensive than if the street is maintained in better condition. An example of rehabilitation activities that are applied to significantly deteriorated streets would be pavement overlays, grind with inlay, and reconstruction. The City employs pavement preservation activities such as slurry seals, crack seals and seal coats. By preserving the pavement asset before a significant decrease in quality, the economic efficiency of the investment can be maximized. The BN 27 proposed capital improvements are not expected to require additional staffing. However, due to increases in construction materials costs, the budget anticipates increased maintenance dollars.



The Combs Flat Extension project in April 2025.

Railroad Fund

City of Prineville Railroad Capital Improvement Plan Fiscal Years 2026 - 2030

Project Description	2026	2027	2028	2029	2030
Plant					
Roundhouse Relocation					\$ 750,000
Yard Paving Replacement			\$ 100,000		
Rolling Stock					
Hyrail Excavator/Rail Maintenance Equipment	\$ 1,100,000				
Pickup	\$ 165,000				
Lift Truck XL80			\$ 75,000		
Signals / Crossing					
Gardner Signal			\$ 11,000		
O'Neil Signal			\$ 11,000		
Long Lamonta Crossing				\$ 110,000	
Long Lamonta Crossing Signal				\$ 11,000	
Track					
All Track	\$ 1,035,000				
Total	\$ 2,300,000	\$ -	\$ 197,000	\$ 121,000	\$ 750,000

Project Description

During the next biennium, several railway capital improvements are planned for BN 27. The City of Prineville Railway received two grants to support these capital improvements in the upcoming budget cycle. The first is a \$2,000,000 federal Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant, which will fund track and equipment purchases. The second is a \$165,000 state grant to purchase an electric truck for the rail depot and crew travel.

In FY 26, efforts will focus on utilizing and implementing these grants. The CRISI grant will allow the Railway to replace 9,700 cross and switch ties across the entire 18-mile rail line. Additionally, the grant will fund the purchase of essential equipment to install and maintain ties, ensuring long-term track stability. The equipment purchases will include: a tamping machine to level and align the track surface, track regulator to maintain and recover lost ballast, hi-rail excavator to clean and maintain the railway's right-of-way and a railroad tie inserter to facilitate tie replacement. The total project cost is \$2,135,000, with the city contributing \$400,000 (20 percent) in matching funds. An additional \$135,000 in in-kind contributions will cover fuel and labor costs. The state grant supports municipal fleet electrification. The City has been awarded \$165,000 to purchase an electric pickup truck and a charging system for the railway. This grant requires a \$16,500 (10 percent) match from the City.

In FY 28, capital improvement efforts will focus on the warehouse facility, aging equipment and infrastructure. The City will allocate \$100,000 to replace most of the asphalt at the warehouse facility. The facility sees 200 truckloads per week, which has significantly deteriorated the pavement. The existing asphalt, installed in 2007, has exceeded its expected lifespan. In addition, \$75,000 will be invested in upgrading one of the warehouse forklifts. The current lift, a 2000 model, handles the majority of warehouse moves, but reliability issues and parts availability have become concerns. These investments will ensure the continued efficiency, safety and sustainability of railway and warehouse operations.



The Mt. Emily Shay steam engine was moved to a new home in BN 25

Water Fund

City of Prineville

Water Improvement / Repair and Maintenance (R&P) Capital Improvement Plan

Fiscal Years 2026 - 2030

Project Description	2026	2027	2028	2029	2030
Transmission					
NW Fairmont - NW 7th to NW 10th	\$ 420,000				
NW Beaver - NW 7th to NW 10th	\$ 370,000				
NW Ewen - NW 7th to NW 9th	\$ 40,000				
Replace 5 Hydrants	\$ 20,000				
NE 10th - NE Court to NE Elm		\$ 212,000			
NE Elm - NE 10th to Railroad Tracks		\$ 165,000			
NW 10th - NW Beaver to NW Claypool and NW Lamonta		\$ 154,000			
Replumb Stearns Well		\$ 145,000			
NW 8th - NW Fairmont to NW Ewen		\$ 40,000			
Replace 7 Hydrants		\$ 34,000			
NE Court - NE 3rd to E 1st			\$ 238,000		
NE 2nd - N Main to NE Court			\$ 220,000		
NE 2nd - NE Dunham to NE Fairview			\$ 215,000		
NW 12th - NW Harwood to NW Seehale			\$ 60,000		
Replace 10 Hydrants			\$ 45,000		
NE Loper - Tanks to NE Tyler				\$ 885,000	
NE McRae - NE Ochoco to NE Sunrise					\$ 425,000
NE Powell - NE Ochoco to NE Sunrise					\$ 425,000
Total	\$ 850,000	\$ 750,000	\$ 778,000	\$ 885,000	\$ 850,000

Project Description

Most of the projects in the Water Fund are recurring in nature and are associated with the repair and maintenance of the water infrastructure. The capital improvements shown above are primarily related to maintenance activities needed to support and improve the City of Prineville's water system. The City invests each year in replacing aging and undersized waterlines in order to continually improve the reliability and efficiency of the water distribution system.



Pipe ready to be installed for the Waterline extension / Resiliency project in January 2024

Wastewater Fund

City of Prineville

Wastewater Repair and Maintenance (R&P) Capital Improvement Plan

Fiscal Years 2026 - 2030

Project Description	2026	2027	2028	2029	2030
Treatment Plant					
SLARRA					
New Flyte Pumps @ Headworks	\$ 85,000	\$ 85,000	\$ 30,000		
Distribution Upgrades	\$ 55,400	\$ 50,400	\$ 25,000	\$ 60,000	
Wetland Projects	\$ 25,000		\$ 25,000	\$ 40,000	\$ 40,000
Sludge Survey			\$ 60,000		
Irrigation Pump Rebuilds				\$ 60,000	\$ 65,000
Seal Wetland Parking Area and Paths					\$ 55,000
Treatment Plant Upgrades					
Miscellaneous Treatment Plant Upgrades	\$ 275,000	\$ 100,000	\$ 300,000	\$ 300,000	\$ 300,000
SCADA Upgrades	\$ 75,000	\$ 30,000			
Sanitary Sewer					
Collection Improvements	\$ 60,000	\$ 60,000	\$ 60,000	\$ 90,000	
Lift Station Upgrades		\$ 200,000	\$ 100,000		\$ 100,000
Infiltration and Inflow Reduction Improvements		\$ 50,000		\$ 50,000	\$ 40,000
Total	\$ 575,400	\$ 575,400	\$ 600,000	\$ 600,000	\$ 600,000

Project Description

Most of the projects in the Wastewater Fund are recurring in nature and are associated with repair and maintenance of the wastewater infrastructure. Infrastructure, such as lift station pumps, blowers and other mechanical equipment, requires routine repair and replacement. The capital improvements shown above are primarily related to maintenance activities needed to support the aging City of Prineville wastewater collection and treatment system. These projects, once complete, will lower costs associated with nonscheduled downtime (breakdowns). Unscheduled downtime can be quite expensive in overtime and “rush” repair costs.



Utility Line work being done in BN 25

Golf Course Fund

City of Prineville Meadow Lakes Capital Improvement Plan Fiscal Years 2026 - 2030

Project Description	Current Year Cost Estimate	2026	2027	2028	2029	2030
Sprayer (Used)		\$ 75,000				
Clubhouse - Replace Doors and Exterior Columns		\$ 50,000				
Rough Mower (Used)		\$ 50,000				
Clubhouse - Replace Carpet		\$ 30,000				
Clubhouse - Exterior Paint		\$ 15,000				
Fairway Mower (1 New, 1 Used)			\$ 120,000			
Course - Cart Path Paving			\$ 75,000		\$ 75,000	
Beverage Cart			\$ 20,000			
Restaurant - Banquet Room Furniture/Equipment			\$ 10,000			
Restaurant - Kitchen Equipment			\$ 10,000			
Golf Cart Fleet Replacement				\$ 350,000		
Greens Mowers (2)				\$ 100,000		
Tractor/Gang Mower					\$ 60,000	
Course - Replace Restrooms					\$ 50,000	
Simulator					\$ 25,000	
Course - Bunker Sand					\$ 15,000	
Clubhouse - Replace Windows and Seals						\$ 75,000
Resurface/Reseed Tee Boxes						\$ 50,000
Trim Mower						\$ 45,000
Fairway Aerator						\$ 30,000
Bunker Rake						\$ 15,000
Restaurant - Replace Kitchen Floor						\$ 10,000
Total	\$ -	\$ 220,000	\$ 235,000	\$ 450,000	\$ 225,000	\$ 225,000

Project Description

Over the next several years, there will be a number of capital expenditure projects designed to enhance the efficiency, profitability and curb appeal of Meadow Lakes Golf Course. With the improvements in the overall fund balance due to record revenues during the past biennium, the Golf Department is continuing forward with an aggressive capital improvement plan to address a number of needed projects and equipment upgrades.



An icy morning at the golf course

In FY 26, Meadow Lakes plans to purchase a rough mower to replace the current rough mower which has the most hours amongst the current fleet. A sprayer will also be purchased to replace the old unit which is nearing the end of its lifespan and starting to have high repair costs. The new sprayer will have global positioning system (GPS) mapping capability which will cut down on chemical costs for dye required for the current non-GPS unit. The GPS will also cut down on wasted chemicals due to less unintended overlap during the application process. Re-carpeting the clubhouse will occur in FY 26 in order to replace the current carpet as it reaches the end of its lifecycle. The clubhouse exterior will also undergo renovation as the exterior doors, columns and paint will all be replaced. The current doors are showing heavy wear and are neither weather-proof, nor energy-efficient. The exterior columns have been damaged by birds and will be replaced with faux-rock that's bird repellent and much more visually appealing. The paint is also needed to maintain the integrity of the current siding, especially on the south and west facing sides which are beginning to deteriorate.



New Signage put in in BN 25

In FY 27, the department plans to continue the process of replacing low-quality cart paths to increase the curb appeal of the golf course and reduce the wear and tear on the golf cart fleet. Low quality paths identified on holes 6, 7, 8, 9, 10, 11 and 15 will be the focus of a paving project. A new fairway and a used fairway mower will be purchased to replace the oldest two fairway mowers in the fleet. By this time, the hours on those pieces of equipment will be extremely high and the old units will need to be cycled out. Additional kitchen equipment is scheduled for purchase in FY 27 to replace the oldest equipment in service as well as an upgrade of furniture in the banquet room. Banquets are a large portion of restaurant revenue and the furniture in that portion of the facility is beginning to deteriorate. Lastly, a newer model beverage cart will be purchased. The current beverage cart is very worn and outdated. Newer models are more visually appealing, user-friendly and practical than the old model which staff believes will increase sales on the golf course. There is also additional space and storage which will help staff be on the course longer without having to stop to restock.

In FY 28, it will be time to trade out the current fleet of electric golf carts with a new fleet. Industry standard for swap out of golf carts is 4 to 5 years. The current fleet will be 6 years old in FY 28 and the battery life will be close to an end. In addition to the carts, two new greens mowers are budgeted for purchase. Greens are the most important asset on the golf course and Meadow Lakes' greens are often regarded as the best among the public courses in the region. The two existing greens mowers will be repurposed as tee mowers to replace the current mowers which will be nearing the end of their life-cycle.

Two outhouse-style restrooms on the golf course will be replaced in FY 29 by one new outhouse near hole 17 and one comfort station accessible on holes 5, 8 and 13. A comfort station is a significant upgrade to the current out-building. The department will look to add more sand to the green-side bunkers on the golf course. Sand needs to be added to the bunkers every 3 to 5 years to replace sand which blows away in windstorms and packs down due to irrigation and weather. On the equipment side, the gang mower will be replaced that cuts rough. The current gang mower is very outdated and requires nearly 80+ hours of mechanic time to keep it operational on an annual basis. Lastly, the golf course will add a simulator that can be used during the winter months for golfers while the course is closed or for those who don't wish to be out in the harsh elements. A remodel of the men's and women's shower rooms which currently sit unused will allow for the space to be repurposed for the simulator in the clubhouse near the pro shop.

In FY 30, A fairway aerator will be purchased as the fairways have not been aerated in many years due to not having the necessary equipment. This caused the fairways to become thick with thatch and softer than staff and golfers would

like for ideal playing conditions. The staff also plans to resurface and reseed a number of tee boxes on the golf course which have become crowned over the years. Tee boxes typically last around 30 years and then need to be addressed to maintain playability and high course condition standards. A bunker rake will be purchased to replace the oldest bunker rake in the fleet. For the restaurant, installation of a new kitchen floor to replace the current, aging one is planned. The existing floor is discolored and beginning to deteriorate. A new floor is necessary to maintain high health and cleanliness standards in the restaurant. The final project for FY 30 is the replacement of 22 windows and seals in the dining room and banquet room. Seals on the targeted windows have broken, which causes moisture, cobwebs and dust to get in-between the two panes. These bad seals also cause energy bills to be higher, due to cold air that gets into the building in the winter and warm air during summer months. It is estimated that new energy-efficient windows could save the facility upwards of \$1,000 per year in energy costs.

Public Works Administration Fund

City of Prineville Public Works Capital Improvement Plan Fiscal Years 2026 - 2030

Project Description	2026	2027	2028	2029	2030
Vactor Truck	\$ 650,000				
Truck with Utility Bed	\$ 64,000	\$ 68,000	\$ 68,000	\$ 70,000	\$ 70,000
Dump truck			\$ 325,000		
Backhoe				\$ 175,000	
Camera Truck					\$ 125,000
Total	\$ 714,000	\$ 68,000	\$ 393,000	\$ 245,000	\$ 195,000

Project Description

The CIPs shown above are associated with equipment upgrades. The Public Works Maintenance Department closely tracks maintenance costs for each and every piece of equipment. As equipment ages, maintenance costs increase while dependability decreases. By scheduling equipment upgrades each year, the equipment fleet of the City of Prineville can be maintained in good, reliable condition at the lowest cost possible.



New excavating equipment purchased in BN 21

Capital Improvement Projects Operating Impact Summary

City of Prineville
Capital Improvement Projects Estimated Operating Impact Summary in thousands
BN 27

Fund / Department	Project Description	Long- term Operating Costs / Saving Benefit Associated	2026	2027	2028	2029	2030	5 Year Total
General Fund								
Police	Radar Trailer	No Impact to operation budget						\$ -
Police	Police Vehicles and Equipment	Anticipated decrease in maint.	\$ (20.0)	\$ (15.0)	\$ (10.0)	\$ (5.0)		\$ (50.0)
Emergency Dispatch Fund								
Dispatch	Tower Upgrades	No Impact to operation budget						\$ -
Dispatch	Radio Console for Emergency Operations Center	No Impact to operation budget						\$ -
Transportation Fund								
Transportation	Capital Rehab. - S Main - SE 3rd to SE Lynn	No Impact to operation budget						\$ -
Transportation	Capital Rehab. - N Main - NW 9th to NW 3rd	No Impact to operation budget						\$ -
Transportation	Capital Rehab. - NE Mariposa - NE Clearview to NE Cobblestone	No Impact to operation budget						\$ -
Transportation	Capital Rehab. - NE Alabama - NE Mariposa to End	No Impact to operation budget						\$ -
Transportation	Capital Rehab. - NE Bailey - NE Mariposa to End	No Impact to operation budget						\$ -
Transportation	Capital Rehab. - NE Clearview - NE Mariposa to End	No Impact to operation budget						\$ -
Transportation	Capital Rehab. - NE Deedie - NE Mariposa to End	No Impact to operation budget						\$ -
Transportation	Capital Rehab. - NE Lisa - NE Mariposa to End	No Impact to operation budget						\$ -
Transportation	Capital Rehab. - NE Larry - NE Mariposa to End	No Impact to operation budget						\$ -
Transportation	Crack Seal	No Impact to operation budget						\$ -
Transportation	Seal Coating - Surface Treatment	No Impact to operation budget						\$ -
Transportation	S Main Stormwater Improvements	No Impact to operation budget						\$ -
Transportation SDC Fund								
Transportation SDC	Combs Flat Road Extension to NE Peters	Future maintance on a 5 year cycle					\$ 50.0	\$ 50.0
Transportation SDC	N Main and NE Peters Intersection	Future maintance on a 5 year cycle					\$ 10.0	\$ 10.0
Transportation SDC	ADA Transition Plan	No Impact to operation budget						\$ -
Water Fund								
Water	NW Beaver - NW 7th to NW 10th	Anticipated decrease in maint.	\$ (10.0)					\$ (10.0)
Water	NW Fairmont - NW 7th to NW 10th	Anticipated decrease in maint.		\$ (10.0)				\$ (10.0)
Water	NW Ewen - NW 7th to NW 9th	Anticipated decrease in maint.			\$ (10.0)			\$ (10.0)
Water	Replace 5 Hydrants	Anticipated decrease in maint.				\$ (10.0)		\$ (10.0)
Water	NE 10th - NE Court to NE Elm	Anticipated decrease in maint.					\$ (10.0)	\$ (10.0)
Water	NE Elm - NE 10th to Railroad Tracks	Anticipated decrease in maint.	\$ (10.0)					\$ (10.0)
Water	NW 10th - NW Beaver to NW Claypool and NW Lamonta	Anticipated decrease in maint.		\$ (10.0)				\$ (10.0)
Water	Replumb Stearns Well	Anticipated decrease in maint.			\$ (10.0)			\$ (10.0)
Water	NW 8th - NW Fairmont to NW Ewen	Anticipated decrease in maint.				\$ (10.0)		\$ (10.0)
Water	Replace 7 Hydrants	Anticipated decrease in maint.					\$ (10.0)	\$ (10.0)
Water SDC Fund								
Production	ASR Injection and Recovery Well #2	Future maintance on a 5 year cycle					\$ 25.0	\$ 25.0
Production	Horizontal Well	Future maintance on a 5 year cycle					\$ 25.0	\$ 25.0
Water SDC	SE Melrose / SE Willowdale Waterline Design	No Impact to operation budget						\$ -
Wastewater Fund								
Treatment Plant	New Flyte Pumps @ Headworks	Anticipated decrease in maint.	\$ (5.0)	\$ (4.0)	\$ (3.0)	\$ (2.0)		\$ (14.0)
Treatment Plant	Distribution Upgrades	No Impact to operation budget						\$ -
Treatment Plant	Wetland Projects	No Impact to operation budget						\$ -
Treatment Plant	Miscellaneous Treatment Plant Upgrades	Anticipated decrease in maint.	\$ (5.0)	\$ (4.0)	\$ (3.0)	\$ (2.0)		\$ (14.0)
Treatment Plant	SCADA Upgrades	Anticipated decrease in maint.	\$ (5.0)	\$ (4.0)	\$ (3.0)	\$ (2.0)		\$ (14.0)
Sewer	Collection Improvements	Anticipated decrease in maint.	\$ (5.0)	\$ (4.0)	\$ (3.0)	\$ (2.0)		\$ (14.0)
Wastewater SDC Fund								
Treatment Plant	Wastewater Treatment Plant Chlorine Conversion	Anticipated decrease in maint.	\$ (25.0)	\$ (25.0)	\$ (25.0)	\$ (25.0)	\$ (10.0)	\$ (110.0)
Sewer	SE Melrose / SE Willowdale Wastewater Design	No Impact to operation budget						\$ -



Golf Course in March of 2025

City of Prineville
Capital Improvement Projects Estimated Operating Impact Summary in thousands - Continued
BN 26-27

Fund / Department	Project Description	Long-term Operating Costs / Saving Benefit Associated	2026	2027	2028	2029	2030	5 Year Total
Railroad Fund								
Maint. of Equip.	Hyrail Excavator/Rail Maintenance Equipment	Regular maint. & mechanic time	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0	\$ 15.0	\$ 27.0
Maint. of Equip.	Pickup	Regular maint. & mechanic time	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 6.0	\$ 10.0
Maint. of Way	All Track	Anticipated decrease in maint.	\$ (10.0)	\$ (10.0)	\$ (10.0)	\$ (10.0)	\$ (10.0)	\$ (50.0)
Golf Course and Restaurant Fund								
Golf Course	Sprayer (Used)	Anticipated decrease in maint. & mechanic time	\$ (1.0)	\$ (1.0)	\$ (1.0)			\$ (3.0)
Golf Course	Clubhouse - Replace Doors and Exterior Columns	No Impact to operation budget						\$ -
Golf Course	Rough Mower (Used)	Anticipated decrease in maint. & mechanic time	\$ (1.0)	\$ (1.0)	\$ (1.0)			\$ (3.0)
Golf Course	Clubhouse - Replace Carpet	No Impact to operation budget						\$ -
Golf Course	Clubhouse - Exterior Paint	No Impact to operation budget						\$ -
Golf Course	Fairway Mower (1 New, 1 Used)	Anticipated decrease in maint. & mechanic time	\$ (2.0)	\$ (2.0)	\$ (2.0)	\$ (1.0)	\$ (1.0)	\$ (8.0)
Golf Course	Course - Cart Path Paving	No Impact to operation budget						\$ -
Golf Course	Beverage Cart	Anticipated decrease in maint. & mechanic time	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (5.0)
Restaurant	Restaurant - Banquet Room Furniture/Equipment	No Impact to operation budget						\$ -
Restaurant	Restaurant - Kitchen Equipment	Anticipated decrease in maint.	\$ (0.2)	\$ (0.2)	\$ (0.2)			\$ (0.6)
Building Facilities / Property Fund								
City Hall	Interior Painting/Sealing	No Impact to operation budget						\$ -
Police Facility	Land Purchase for Patrol Car Parking	Future maintenance on a 5 year cycle					\$ 10.0	\$ 10.0
Police Facility	Update Parking Area & Purchase Vehicle Covers	Future maintenance on a 5 year cycle					\$ 10.0	\$ 10.0
Police Facility	Finish Spaces Remaining from Facility Structural Remodel	No Impact to operation budget						\$ -
Police Facility	Conference Room HVAC Upgrade	No Impact to operation budget						\$ -
Public Works Facilities	Equipment Shed Expansion	No Impact to operation budget						\$ -
Barnes Butte Prop.	Parking Lot and Track Improvements	Regular trail maint. & possible snow plowing	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 10.0
Admin. / Financial Support Service Fund								
IT	Vehicle and Upfit	Regular maint. & mechanic time	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 6.0	\$ 10.0
IT	Service Monitor Refresh	No Impact to operation budget						\$ -
IT	Hyper-converged Infrastructure Hardware Refresh	No Impact to operation budget						\$ -
Public Work Support Service Fund								
Fleet Maint. & Ops	Vector Truck	Anticipated decrease in maint.	\$ (1.0)	\$ (1.0)	\$ (1.0)	\$ (1.0)		\$ (4.0)
Fleet Maint. & Ops	Truck with Utility Bed	Anticipated decrease in maint.	\$ (1.0)					\$ (1.0)
Total			\$ (95.2)	\$ (85.2)	\$ (76.2)	\$ (64.0)	\$ 116.0	\$ (204.6)



The Highway 26 Y-intersection as seen by travelers as they come into the west side of town



Long-range Planning Models

Water - 6 Years of a 20 Year Forecast	BN 25		BN 27		BN 29		BN 31	
(amounts in thousands)	Actual	Estimated	Budget		Forecast	Forecast	Forecast	Forecast
Resources	2024	2025	2026	2027	2028	2029	2030	2031
Charges for services	\$ 3,609	\$ 3,933	\$ 4,223	\$ 4,585	\$ 4,724	\$ 4,867	\$ 5,014	\$ 5,165
Connection charges	104	90	93	95	99	103	107	111
Restoration fees	47	35	29	30	30	30	30	30
Intergovernmental	306	130	-	-	-	-	-	5,000
Interest	46	50	30	10				
Miscellaneous	67	155	265	10	10	10	10	10
SDC Reimbursement Fee	172	174	176	258	264	270	276	283
Debt Proceeds		-	-	-	-	-	-	5,000
Total resources	4,200	4,442	4,694	4,863	4,998	5,147	5,300	15,458
Expenditures								
Personal services	-	-	-	-	-	-	-	-
Materials and services	1,240	1,512	1,460	1,497	1,544	1,592	1,641	1,691
- one time system optimization and SOP	309							
Franchise fee	215	180	201	213	236	243	251	258
Capital outlay	587	825	850	750	750	750	750	10,200
Equipment								
Improvements	587	825	850	1,832	1,876	1,921	1,967	2,014
Debt service								
Principal	159	163	237	274	286	300	308	322
Refunding Bonds - 2021	159	163	164	200	210	223	229	241
OFA ASR Bonds	-	-	73	74	76	77	79	81
Interest	42	83	81	67	74	69	66	61
Refunding Bonds - 2021	19	17	15	2	11	8	6	3
OFA ASR Bonds	23	66	66	65	63	61	60	58
Transfers	1,676	1,739	2,062	2,617	2,136	2,200	2,267	2,335
Total expenditures	4,228	4,502	4,891	5,418	5,026	5,154	5,283	14,867
Revenue over/(under) expenditures	(28)	(60)	(197)	(555)	(28)	(7)	17	591
Beginning fund balance	1,837	1,809	1,749	1,552	997	969	962	979
Ending fund balance	\$ 1,809	\$ 1,749	\$ 1,552	\$ 997	\$ 969	\$ 962	\$ 979	\$ 1,570

Assumptions

Rate - single family home (8 CCF/mo)	\$ 41.53	\$ 42.78	\$ 44.06	\$ 45.38	\$ 46.74	\$ 48.14	\$ 49.58	\$ 51.07
% of CPI - rate increase	100.0%	117.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
% increase - rates	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
\$ change - rates - SF home (8 CCF/mo)	1.21	1.25	1.28	1.32	1.36	1.40	1.44	1.49
CPI %	2.97%	2.56%	2.51%	2.45%	2.42%	2.39%	2.38%	2.37%
CPI-U June	314.175							
Cumulative CPI %	150.76%	154.6%	158.5%	162.4%	166.3%	170.3%	174.3%	178.5%
Cumulative CPI % - CIP 2023 100	103.0%	105.6%	108.2%	110.9%	113.6%	116.3%	119.1%	121.9%
Population growth rate	0.74%	1.1%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Population increase	85	(132)	80	81	81	82	83	83
Population - per Portland State University	11,598	11,466	11,546	11,627	11,708	11,790	11,873	11,956
Franchise fee - (%)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

DCR Analysis

Revenue	\$ 3,609	\$ 3,933	\$ 4,223	\$ 4,585	\$ 4,724	\$ 4,867	\$ 5,014	\$ 5,165
Expenditures	2,916	3,251	3,522	4,114	3,680	3,792	3,908	4,026
Net revenue	693	682	701	471	1,044	1,075	1,106	1,139
Debt service - excluding refunding	201	246	318	341	360	369	374	383
DCR	3.45	2.77	2.20	1.38	2.90	2.91	2.96	2.97
Revenue with SDC reimbursement	3,781	4,107	4,399	4,843	4,988	5,137	5,290	5,448
DCR with SDC reimbursement	4.30	3.48	2.76	2.14	3.63	3.64	3.70	3.71

Wastewater Fund 6 Years of a 20 Year	BN 25		BN 27		BN 29		BN 31	
(amounts in thousands)	Actual	Estimated	Budget		Forecast	Forecast	Forecast	Forecast
Resources	2024	2025	2026	2027	2028	2029	2030	2031
Charges for services	\$4,401	\$ 4,582	\$4,859	\$5,049	\$5,235	\$5,429	\$5,629	\$5,837
Intergovernmental								
Interest	89	78	40	20	43	53	57	62
Miscellaneous	194	72	74	94	76	78	80	81
SDC Reimbursement Fee	165	371	97	97	90	92	97	100
Total resources	4,849	5,103	5,071	5,260	5,444	5,652	5,863	6,080
Expenditures								
Sanitary Sewer								
Personal services	262	266	295	320	304	316	332	345
Material and services - total	967	1,127	1,120	1,145	1,026	1,056	1,087	1,119
Franchise fee	290	224	238	247	262	271	281	292
Capital outlay	534	736	575	575	1,063	1,400	1,500	1,500
Debt service								
Interest	151	143	132	120	122	116	111	105
Transfers	1,732	1,765	2,079	2,478	1,893	1,935	1,977	2,021
Total expenditures	4,762	5,100	5,283	5,486	5,009	5,451	5,655	5,766
Resources over/(under) expenditures	87	4	(213)	(226)	435	201	208	315
Beginning fund balance	2,110	2,197	2,201	1,988	1,762	2,197	2,398	2,606
Ending fund balance	\$2,197	\$ 2,201	\$1,988	\$1,762	\$2,197	\$2,398	\$2,606	\$2,921
Fund balance analysis								
Minimum fund balance								
Debt service reserve	978	981	976	721	462	474	478	489
Operating capital - 60 days (operating costs)	493	526	582	657	537	551	566	581
Contingency - 10% (excludes debt)	378	412	431	477	455	498	518	528
Total minimum fund balance	1,849	1,919	1,989	1,855	1,454	1,523	1,562	1,598
Ending fund balance	2,197	2,201	1,988	1,762	2,197	2,398	2,606	2,921
Fund balance above (below) minimum	348	282	(1)	(93)	743	875	1,044	1,323
Ending fund balance % of minimum	119%	115%	100%	95%	151%	157%	167%	183%
Assumptions								
Rate - single family home	\$57.28	\$ 59.00	\$60.77	\$62.59	\$64.47	\$66.40	\$68.39	\$70.44
Rate - SFR per 100 cf (net of billing cost of \$5.0)	\$10.46	\$ 10.80	\$11.15	\$11.52	\$11.89	\$12.28	\$12.68	\$13.09
CPI %	3.0%	2.56%	2.51%	2.45%	2.42%	2.39%	2.38%	2.37%
% increase - SFR (% of CPI)	2.00%	117.4%	100.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Rate adjustment %	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Cumulative CPI % - 2023 forward	103.0%	105.6%	108.3%	110.9%	113.6%	116.3%	119.1%	121.9%
Medical	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
PERS	15%	0%	25%	0%	7%	0%	7%	0%
Population growth rate	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Population increase	85	(132)	80	81	81	82	83	83
Population	11,598	11,466	11,546	11,627	11,708	11,790	11,873	11,956

Golf Course Fund	BN 25		BN 27		BN 29		BN 31	
6 Years of 20 Year Forecast	Actual	Estimated	Adopted Budget		Forecast		Forecast	
(amounts are in thousands)	2024	2025	2026	2027	2028	2029	2030	2031
Resources								
Charges for services	\$ 1,503	\$ 1,511	\$ 1,578	\$ 1,645	\$ 1,716	\$ 1,787	\$ 1,859	\$ 1,930
Interest	54	45	10	7	5	5	5	5
Miscellaneous	10	10	11	11				
Transfers	370	370	370	370	370	370	370	370
Debt proceeds	-	-	-	-	-	-	-	-
Total resources	1,936	1,936	1,969	2,033	2,091	2,162	2,234	2,305
Expenditures	1,602	1,720	1,903	1,937	1,987	2,038	2,091	2,145
Golf course	747	818	913	983	1,012	1,043	1,074	1,106
Waste disposal	821	865	949	907	925	944	963	982
Restaurant	34	37	41	47	49	52	54	57
Capital outlay	257	255	220	235	150	150	100	100
Debt service								
Principal - FFC	-	-	-	-	-	-		
Interest - FFC	-	-	-	-	-	-		
Principal - 2021 refunding	124	124	123	-	-	-	75	75
Interest - 2021 refunding	4	3	2	-	-	-	10	10
Total expenditures	1,987	2,102	2,248	2,172	2,137	2,188	2,276	2,330
Resources over/(under) expenditure	(50)	(166)	(279)	(140)	(46)	(26)	(42)	(25)
Beginning fund balance	1,109	1,059	893	614	474	429	403	360
Ending fund balance	\$ 1,059	\$ 893	\$ 614	\$ 474	\$ 429	\$ 403	\$ 360	\$ 336



Barnes Butte Lake in August 2024

General Fund										
6 years of 20 Year Forecast										
(amounts in thousands)	BN 25		BN 27		BN 29		BN 31		BN 33	
	Actual	Estimates	Budget		Forecast		Forecast		Forecast	
Revenue	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Property taxes	2,920	2,958	3,000	3,089	5,181.67	5,285	5,391.01	7,499	7,648.81	7,802
Transient lodging tax	453	477	500	500	500	500	500	500	500	500
Franchise taxes	7,686	9,364	9,393	9,620	9,812	10,009	10,209	10,413	10,621	10,834
Licenses & permits	6	6	6	6	6	6	6	6	6	6
Intergovernmental	1,437	670	473	323	400	400	400	400	400	400
Charges for Services	394	350	360	370	330	330	330	330	330	330
Miscellaneous	363	386	246	166	50	50	50	50	50	50
Transfers	-			170						
Total revenue	13,259	14,210	13,978	14,244	16,280	16,579	16,885	19,197	19,556	19,921
Expenses										
Police	7,649	8,444	10,368	10,798	10,485	10,800	10,506	10,821	11,146	10,862
Non Dept. General	2,000	3,041	3,422	2,349	2,200	2,200	2,350	2,350	2,500	2,500
Total expenditures	9,649	11,485	13,790	13,147	12,685	13,000	12,856	13,171	13,646	13,362
Revenue over/(under) expenditures	3,610	2,725	188	1,097	3,594	3,579	4,029	6,026	5,910	6,559
Beginning fund balance	3,232	6,842	9,568	9,755	10,852	14,446	18,025	22,055	28,081	33,991
Prior period adjustment										
Ending fund balance	6,842	9,568	9,755	10,852	14,446	18,025	22,055	28,081	33,991	40,549



Warpaint in April 2025



Proposed Biennial Budget



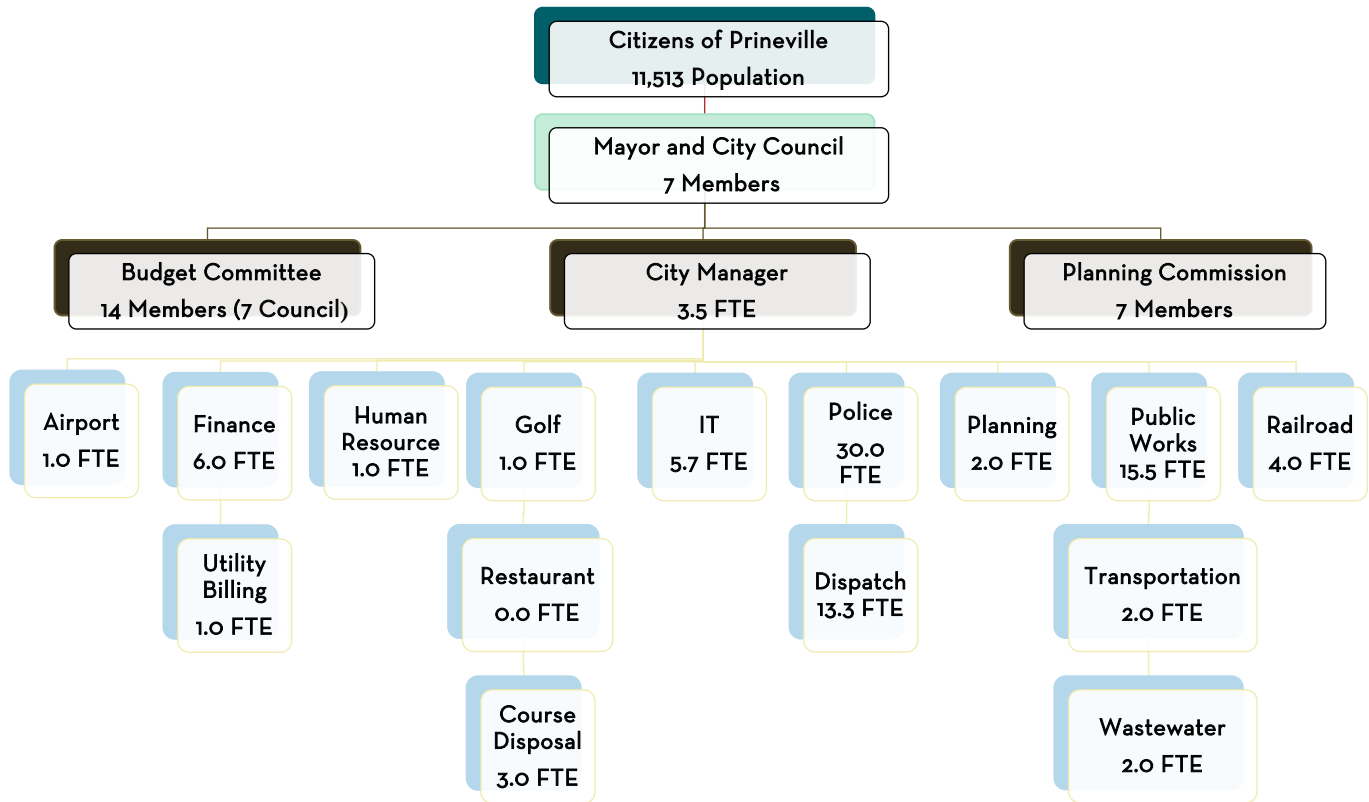
July 1, 2025 - June 30, 2027

Personnel



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Organizational Chart



Prineville Police supporting the Crook County little league car wash fundraiser during the summer of 2021

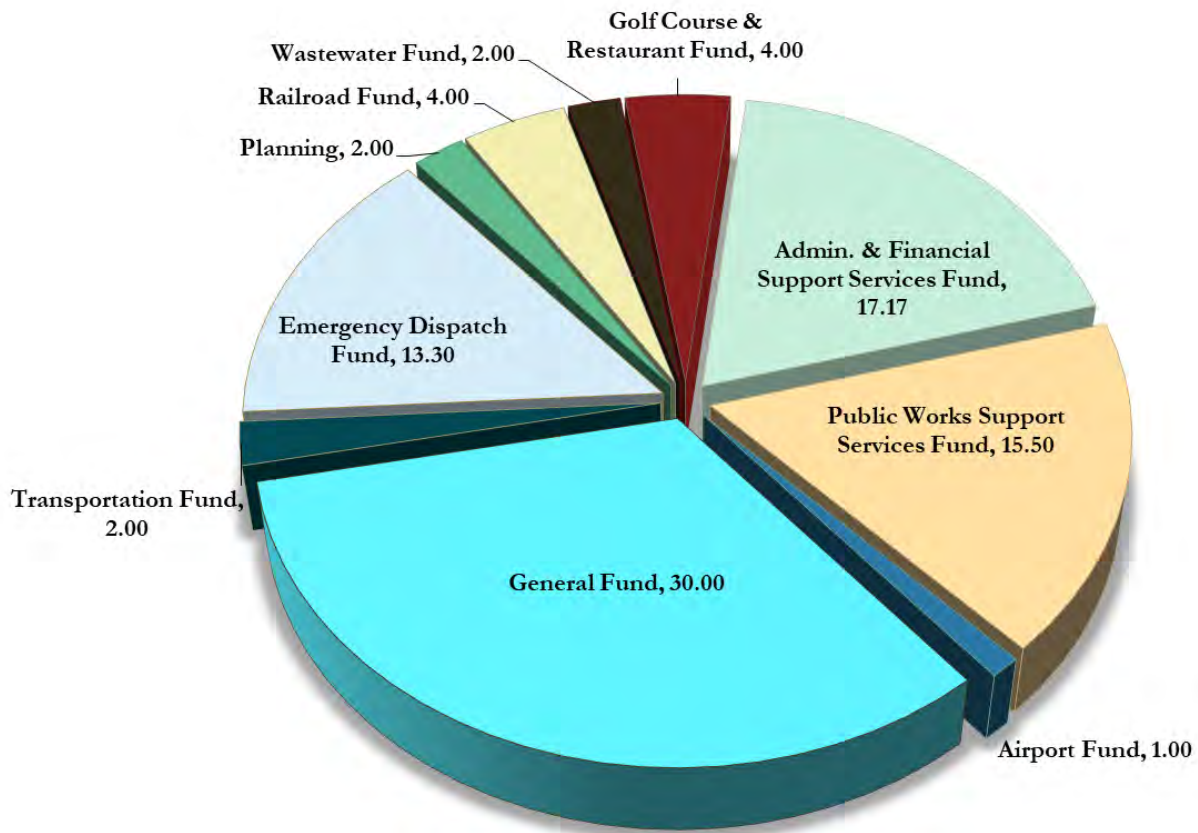


FTEs Budgeted Positions and Salary Ranges by Fund

Positions - Prior Years and Budget Year by Functional Area
Excludes Part-time and Seasonal Help

Department & Position	BN 21	BN 23	BN 25	BN 27	Monthly BN 27 Salary Range		Yearly Salary	
					Low	High	Low	High
General Fund								
Police Department								
Chief of Police	1.00	1.00	1.00	1.00	10,355	16,310	124,260	195,716
Captain	1.00	1.00	1.00	1.00	9,180	13,495	110,160	161,935
Lieutenant	0.00	0.00	1.00	1.00	8,153	11,556	97,836	138,676
Administrative Services Manager	0.00	1.00	1.00	1.00	6,298	8,597	75,576	103,169
Certified Police Services Manager	1.00	0.00	0.00	0.00	6,797	9,278	81,564	111,334
Sergeant	3.00	4.00	5.00	5.00	7,243	9,887	86,916	118,642
Police Officer	15.00	15.00	16.00	18.00	5,390	6,863	64,680	82,354
Community Services Officer (not a sworn position)	0.00	0.00	1.00	1.00	4,507	5,630	54,084	67,561
Evidence Officer	0.70	1.00	1.00	1.00	3,986	5,049	47,832	60,593
Office Technician	1.00	1.00	1.00	1.00	3,986	5,049	47,832	60,593
Police Department Total	22.70	24.00	28.00	30.00				
FY20 - Evidence officer split changed, Admin services manager position was restructured and Janitorial services contracted out.								
FY 21 - Increased Officer positions and decreased Sergeant positions.								
FY 22 - At the end of FY21 an Officer was promoted to Sergeant								
FY 23 - Police personnel restructuring took place with the retirement of the former Police Chief in June 2022.								
FY 25 - PPOA in negotiations as of May 2025. Salary info will be updated once the contract is implemented.								
General Fund Total	22.70	24.00	28.00	30.00				
Planning Fund								
Planning Director	1.00	1.00	1.00	1.00	8,153	11,556	97,836	138,676
Senior Planner	0.00	1.00	0.00	0.00	7,243	9,887	86,916	118,642
Associate Planner	1.00	0.00	1.00	1.00	5,599	7,348	67,188	88,175
Planning Department Total	2.00	2.00	2.00	2.00				
FY 21- Associate Planner was promoted to Senior Planner								
FY 24 - Senior Planner promoted to Public Works Director								
Transportation Fund								
Streets Supervisor	1.00	1.00	1.00	1.00	6,298	8,597	75,576	103,169
Senior Lead Utility Worker	0.00	1.00	1.00	1.00	5,768	6,730	69,216	80,760
Utility Worker	1.00	0.00	0.00	0.00	5,278	6,159	63,336	73,908
Transportation Fund Total	2.00	2.00	2.00	2.00				
FY 22 - Streets Supervisor retired resulting in two promotions.								
Emergency Dispatch Fund								
Communications Director	1.00	1.00	1.00	1.00	8,153	11,556	97,836	138,676
Communications Supervisor	0.00	2.00	2.00	2.00	6,298	8,597	75,576	103,169
Public Safety Dispatcher	9.00	8.30	8.30	8.30	4,507	5,630	54,084	67,561
Public Safety Call Taker	0.00	0.00	2.00	2.00	3,831	4,785	45,972	57,424
Evidence Officer	0.30	0.00	0.00	0.00	3,986	5,049	47,832	60,593
Emergency Dispatch Fund Total	10.30	11.30	13.30	13.30				
FY 22 - Communication supervisor positions budgeted but not filled as of 7/1/21								
FY 24 - Two Call Taker positions will be added and salary range estimated								
Railroad Fund								
Operations Manager	1.00	1.00	1.00	1.00	9,180	13,495	110,160	161,935
Engineer	2.00	2.00	2.00	2.00	5,899	6,762	70,788	81,144
Freight Depot/Track Maintenance	1.00	1.00	1.00	1.00	5,398	6,188	64,776	74,256
Railroad Fund Total	4.00	4.00	4.00	4.00				
FY21 - New Freight Depot position added and Conductor was promoted to Engineer.								
Airport Fund								
General Manager	1.00	1.00	1.00	1.00	7,243	9,887	86,916	118,642
Airport Fund Total	1.00	1.00	1.00	1.00				

Department & Position	BN 21	BN 23	BN 25	BN 27	Salary Range		Yearly Salary	
					Low	High	Low	High
Wastewater Fund								
Wastewater Treatment Plant Supervisor	1.00	1.00	1.00	1.00	6,298	8,597	75,576	103,169
Utility Worker	0.00	1.00	1.00	1.00	5,278	6,159	63,336	73,908
Wastewater Fund Total	1.00	2.00	2.00	2.00				
FY22 - New Utility Worker Position Dedicated to the Wastewater Treatment Plant								
Golf Course Fund								
Golf Manager/Head Professional	1.00	1.00	1.00	1.00	8,153	11,556	97,836	138,676
Golf Course Disposal Site								
Superintendent	1.00	1.00	1.00	1.00	6,298	8,597	75,576	103,169
Assistant Superintendent	1.00	1.00	2.00	2.00	4,868	6,389	58,416	76,671
Golf Course Disposal Site Total	2.00	2.00	3.00	3.00				
Golf Course Fund Total	3.00	3.00	4.00	4.00				
Administration & Financial Support Services Fund								
City Manager	1.00	1.00	1.00	1.00	12,167	19,164	146,004	229,963
Assistant City Manager/Public Works Director	0.00	0.00	0.50	0.50	10,873	17,941	130,473	215,287
Director of Strategy & Economic Development	0.00	0.00	1.00	1.00	8,153	11,556	97,836	138,676
City Recorder/Risk Manager	1.00	1.00	1.00	1.00	6,298	8,597	75,576	103,169
Finance Director	1.00	1.00	1.00	1.00	10,355	16,310	124,260	195,716
Finance Assistant II	3.00	5.00	5.00	5.00	4,868	7,348	58,416	88,175
Finance Assistant III	1.00	1.00	0.00	0.00	5,599	8,597	67,188	103,169
Finance Supervisor	0.00	0.00	1.00	1.00	6,298	8,597	75,576	103,169
Accounting Manager	1.00	0.00	0.00	0.00	8,153	11,556	97,836	138,676
IT Manager	1.00	0.67	0.67	0.67	9,180	13,495	110,160	161,935
IT Specialist II	2.00	1.00	2.00	3.00	5,599	7,348	67,188	88,175
IT Systems Administrator	0.00	1.00	1.00	1.00	7,243	9,887	86,916	118,642
IT Operations Lead	0.00	1.00	1.00	1.00	7,243	9,887	86,916	118,642
Human Resources Manager	1.00	1.00	1.00	1.00	8,153	11,556	97,836	138,676
Administration & Financial Support Services Fund Total	12.00	13.67	16.17	17.17				
FY 20 - IT Specialist position added.								
FY 21 - IT Specialist position added.								
FY 22 - Finance Director retired prompting a restructuring of the Finance Department								
FY 23 - IT Manager went to 2/3 time (hourly) and restructured the IT Department's personnel								
FY 24- Finance Assistant III was promoted to Finance Supervisor								
FY 25 - Assistant City Manager Designation was assigned to the current Public Works Director. The role is split 50/50 between Admin and PW funds. This designation results in additional scope of responsibilities.								
Accordingly, various percentage adjustments reflect the differences in pay at the min and max attributable to the expansion of the pay range at the executive level.								
FY 25- Capital Projects Manager in the PW Dept. was changed to Director of Strategy & Economic Dev. and moved to the Admin dept.								
Public Work Support Services Fund								
City Engineer/Public Works Director	1.00	0.00	0.00	0.00	9,180	13,495	110,160	161,935
Assistant City Manager/Public Works Director	0.00	1.00	0.50	0.50	10,873	17,941	130,473	215,287
Public Works Superintendent/Inspector	1.00	2.00	2.00	2.00	8,153	11,556	97,836	138,676
Public Works Supervisor/Asst Superintendent			1.00	2.00	6,298	8,597	75,576	103,169
Assistant City Engineer	1.00	1.00	1.00	1.00	7,243	9,887	86,916	118,642
Mechanic	1.00	1.00	1.00	1.00	5,598	6,535	67,176	78,420
Inspector					7,243	9,887	86,916	118,642
Utility Worker	8.00	6.00	7.00	7.00	5,278	6,159	63,336	73,908
Lead Utility Worker	1.00	1.00	1.00	1.00	5,768	6,730	69,216	80,760
Capital Projects Manager	0.00	1.00	1.00	0.00		Hourly		
Public Works Projects Coordinator / Procurement	1.00	1.00	1.00	1.00	4,868	6,389	58,416	76,671
Public Works Support Services Fund Total	14.00	14.00	15.50	15.50				
FY 20 - Utility Worker position added.								
FY 22 - Public Works restructured which included making the Public Works Director position separate from the City Engineer.								
FY 24 - Utility Worker position added.								
FY 24 - Public Works Super./Asst. Superintendent position was added.								
FY 25 - Assistant City Manager Designation was assigned to the current Public Works Director. The role is split 50/50 between Admin and PW funds. This designation results in additional scope of responsibilities.								
Accordingly, various percentage adjustments reflect the differences in pay at the min and max attributable to the expansion of the pay range at the executive level.								
City of Prineville FTE Total	72.00	76.97	87.97	90.97				



City Hall Staff on December 23rd, 2024



Employee Comparison with Other Cities

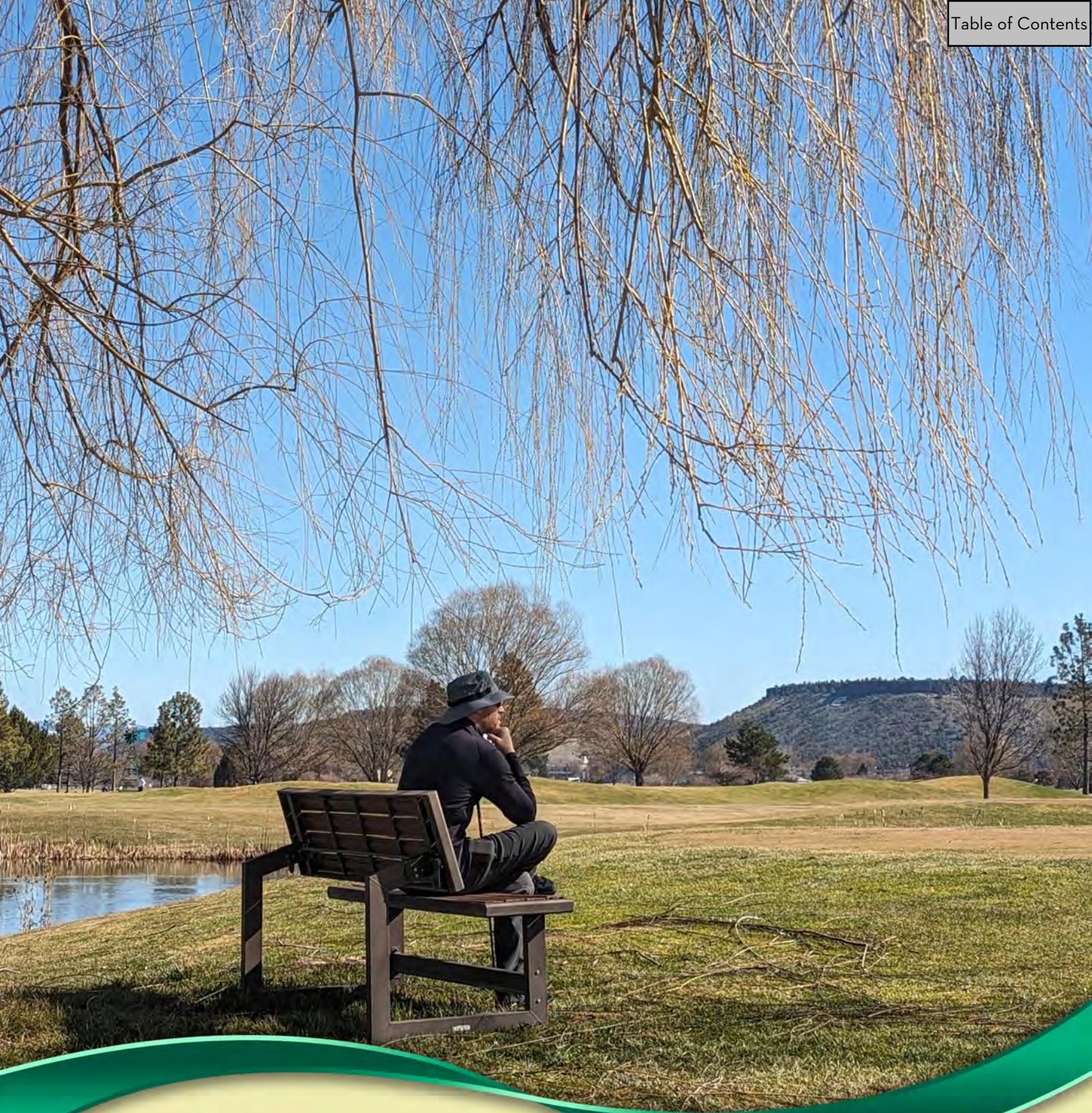
Comparisons With Other Cities including FTE's Per Capita
Measured in Full-Time Equivalents

	City Employees by Department by City (FTEs)				
	Prineville	Madras*	Redmond*	Bend**	Sisters**
Service Departments					
Building			12.00	44.00	
Code Enforcement				5.00	1.00
Engineering			12.00	55.00	
Municipal Court				4.00	
Planning	2.00		6.10	20.00	
Public Safety - Police	30.00	15.00	70.00	157.50	
Public Works / Utilities	16.50	13.25	37.00	133.00	9.50
Transportation	2.00		26.00	56.00	
Service Departments Total	50.50	28.25	163.10	474.50	10.50
Support Departments					
Legal				6.00	
City Manager's Office	1.50	1.00	2.00	38.00	2.00
Communications			1.00	7.75	
City Recorder / Risk Management	1.00	1.00	3.00	2.00	1.00
Contract / Procurement	1.00			7.00	
Community / Economic Development	1.00	2.00	6.90	41.75	4.00
Finance	7.00	4.00	12.00	20.00	3.00
Parks / Facilities Management			22.00	10.00	
Human Resources	1.00	1.00	10.00	14.50	
Information Technology	5.67		9.50	23.00	
Support Departments Total	18.17	9.00	66.40	170.00	10.00
Unique Services					
Cemetery				2.00	
City Fire Department				148.62	
City 911 Dispatch Service	13.30				
City Golf	4.00	4.00	****		
Railroad	4.00				
Airport	1.00	3.61	47.00	2.50	
Unique services Total	22.30	7.61	47.00	153.12	0.00
Total Full Time Equivalents (FTEs)	90.97	44.86	276.50	797.62	20.50
Population	11,466	7,982	37,146	104,089	3,738
FTEs per Capita (per 1,000 of Population)	7.93	5.62	7.44	7.66	5.48

*Based on FY26 Proposed Budget

** Based on FY24-25 Adopted Biennial Budget

****Redmond's golf course is leased.



Proposed Biennial Budget



July 1, 2025 - June 30, 2027



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Understanding the Budget Format

Understanding the Budget Format

Department/Fund Sections

Information within the budget is broken up by sections in order to give readers a straightforward way to read and understand the document. While Sections 3 through 8 give information on the City's structure and how it operates and plans, starting with Section 9, the document drills into the specific funds and departments that make up the entity of the City of Prineville. The format for each department or fund is laid out in a structural template, starting with the foundation of the department (mission statement) and ending with its respective financial information. The following text explains the format and the information as it appears on the page.

Page 1

1. Fund or Department Name
2. Mission Statement – a quick look into a department of the City of Prineville. It points out what the division does as a whole – as in its purpose – that is important to the entity and drives it forward.
3. Accomplishments – a list of notable accomplishments that the department completed in the previous fiscal year.
4. Initiatives – upcoming items of note that the department intends to address, start or otherwise complete in the new budget term.

Note: The General Fund and Golf Course Funds start off with an "Organization of Fund" heading before the mission statement since they are structured as different departments within the fund.

1. Railroad / Freight Depot Fund

2. Mission Statement
The mission of the City of Prineville Railway is to foster job creation, drive economic growth, and deliver a safe, cost-efficient and customer-centric transportation hub that serves as a vital and indispensable transportation solution for the region.

3. BN 25 Accomplishments

- Developed a number of staff for a trainmaster and/or operations manager position
- Purchased an updated locomotive to replace aging existing stock
- Replaced and rebuilt the McKee Creek Bridge
- Removed the Lee Creek Bridge, replacing it with large pipe

4. Initiatives for BN 27

- Create a training co-op with other shoreline railroads
- Furnish the asset replacement plan
- Replace 5,700 railroad ties
- Station, line and ramp the 18-mile main line

City of Prineville, Oregon | Enterprise Fund

Page 2

5. Department Goals / Council Goals – these goals (or directives) give insight into what a department feels its objective is or the strategies it utilizes with an end goal in mind. They are things it reaches for in support of Prineville City Council goals and therefore Prineville as a whole. Department goals tie to a council goal. Department goals are assigned a letter value, which is used later in the performance measure table to reference which goal the measure is working towards.
6. Responsibilities to the Community – narrative from the respective department that describes what it is, what it does and how it is done in service of Prineville. It looks beyond what the mission statement says by getting into more specifics.

5. Department Goals

Department Goals	Council Goals
A. Increase revenue Develop and implement strategies to attract new customers, expand existing services and introduce innovative pricing models, with the goal of boosting overall revenue and ensuring sustainable growth.	1. Economic Development
B. Enhance safety Prioritize safety by investing in comprehensive training and educational programs for employees, implementing rigorous safety protocols, and conducting regular inspections of equipment and infrastructure to maintain the highest safety standards.	2. Public Safety
C. Improve customer satisfaction Elevate customer satisfaction by ensuring reliable, efficient service delivery; promptly addressing customer inquiries and concerns; and continuously improving the quality of service to meet and exceed customer expectations.	3. Customer Service
D. Invest in infrastructure Focus on long-term growth by making strategic investments in upgrading critical infrastructure, including track, bridges and equipment, to enhance operational efficiency, service quality and overall reliability.	4. Infrastructure
E. Foster positive relationships with stakeholders Strengthen relationships with employees, the local community and other stakeholders through open communication, addressing concerns, and actively participating in railroad community initiatives and events to support local engagement and collaborative growth.	5. Community Engagement

6. Responsibilities to the Community

The City of Prineville Railway (COPR) is a vital shortline railroad owned by the City of Prineville, utilizing critical connections to major Class I railroads such as BNSF Railway (BNSF) and Union Pacific Railroad (UP). These connections grant access to key markets across the United States, Canada and Mexico, emphasizing the importance of rail transportation in supporting the region's economy. COPR's primary mission is to drive local economic development and job creation by providing reliable rail services to businesses in the Prineville area.

COPR serves a wide range of local and regional industries, including manufacturing facilities for tractors and pulp pipes, four agricultural cattle feed businesses, three industrial chemical treatment facilities, and a City-managed wastewater. By enabling rail access to these diverse enterprises, COPR significantly reduces transportation costs and enhances supply chain efficiency, which is essential for thriving in today's global economy.

The Railroad's role extends beyond simple transportation; it's a cornerstone of economic sustainability. Through its efficient and cost-effective services, COPR enables businesses to remain competitive and resilient. With ongoing investments in infrastructure and service improvements, COPR is poised to continue supporting the economic growth and success of the Prineville community for years to come, while fostering local job creation and business expansion.

City of Prineville, Oregon | Enterprise Fund

Page 3

7. Executive Summary – the department’s main narrative intended to inform readers what is going on and what is in the future. This includes any challenges the department is facing, either internally or externally, and triumphs to celebrate from the last fiscal year. Its purpose is to add meaning to the “Responsibilities to the Community” and “Mission Statement” sections.
8. Strategic Planning Updates – notes any changes to strategic planning in the short and long term. It is divided into two subsections to account for any items that would alter the vision of a department as it looks towards the future.
9. Did You Know – a notable fact related to the department or Prineville in general.
10. Capital Outlay – Lists the capital expenditures budgeted for the biennium, broken out by fiscal year.

7. Executive Summary
The purpose of the Transportation Operations Fund is to finance the activities of the City's transportation division of the Public Works Department. Prineville's street infrastructure is a network of roads owned and maintained by the City, Crook County and the Oregon Department of Transportation. The Transportation Department holds the primary responsibility of maintaining the City's 29 centimeter miles of streets, right-of-way, road curbs, street sweeping, paving, snow clearing, and bus traffic control signals. It's the mission of the Transportation Department to provide a safe and accessible traffic infrastructure for today, while planning for the needs of the future.

In BN 27, the Transportation Department will reconstruct stormwater facilities and complete the pavement rehabilitation project on S Main Street. This is a significant project that will alleviate surface stormwater issues, improve the ride quality of the pavement segment, and provide upgrades to the curb and sidewalks. As always, the department will perform annual surface treatment and pavement replacement projects that increase the overall pavement condition of the City street network.

8.
The Transportation Department supports not only City departments, but also outside partners such as Crook County Parks and Recreation. In the last biennium, the department assisted in the paving of the basketball courts at the Ochoco Creek Park.

9. Strategic Planning Updates

- Short-term – In the short-term, the Transportation Department will maintain a reasonable PCI rating with the amount of available funds. Grants and other alternative funding sources will continue to be pursued to add supplemental funds for City streets and infrastructure. Improvements will be made to the transportation network in this budget cycle to support new businesses.
- Long-term – The Transportation Department strives to provide a safe, efficient transportation system to support economic opportunity, and create a livable community for the citizens of Prineville. The street network has a replacement value of \$134.1 million (including bridge and traffic signals) making it the most valuable asset of the community. To manage the condition of the street network at the lowest possible cost, the Transportation Department adopted a PCI goal of 82 to 85. The pavement condition index is a high-level indicator for condition of the City's largest asset from a dollar and utilization standpoint. The former PCI, the more expensive the asset to maintain. The City ended BN 26 with a PCI of 76 which was an increase over the previous budget term. In BN 27, the City will strive to build more PCI within its current resources and will continue to investigate new revenue sources to improve the PCI.

10. Capital Outlay

Capital Outlay Overview			
Project	Budgeted Amount FY 26	Budgeted Amount FY 27	
Capital Rehabilitation	\$ 600,000	\$ 544,100	
Capital Maintenance	\$ 50,000	\$ 75,000	
Seal Coat	\$ 100,000	\$ 230,900	
Stormwater Improvement	\$ 50,000	\$	
Capital Outlay Total	\$ 800,000	\$ 849,900	

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Planning or Capital Improvement Plan section of the Budget Planning for page 107.

Page 4

11. Performance Measures – a table showing data relevant to a department’s performance measures selected to achieve its goals, therefore meeting or working towards the goals set by Prineville City Council. The columns include:

- Goal Alignment – the department goal a measure contributes to.
- Indicator – the type of measure, categorized as an input, output efficiency or effectiveness.
- Performance Measures – the named data measured.
- Benchmark – the result for each department to reach or not exceed. Workloads are mostly marked as N/A, indicating they do not have a benchmark to hit since these items are often not controllable.
- Fiscal Year Measurements – five years of measured data from a department separated into columns. This includes data from the three previous fiscal years and the targets for each year of the biennium. Any column noted as “NM” indicates the measure was new for that year.

11. Performance Measures

Measure	Indicator	Performance Measure	Benchmark	FY 2025 Actual	FY 2026 Actual	FY 2027 Estimate	FY 2028 Target	FY 2029 Target
Workload	Input	Complete Utility Service	N/A	74	74	74	74	74
	Output	Percentage of Budget Expenditure for Rehabilitation	20.0%	11.0%	21.0%	8.0%	48.0%	33.0%
	Efficiency	Percentage of Budget Expenditure for Rehabilitation	20.0%	11.0%	21.0%	8.0%	48.0%	33.0%
	Efficiency	Average Revenue per Customer	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
	Efficiency	Average Annual Revenue per Customer	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
	Efficiency	Average Annual Revenue per Customer	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
	Efficiency	Average Annual Revenue per Customer	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00

12. Average Revenue per Customer
The Railway and freight depot serve many types of customers, from large national corporations, like the INSE, UP and Hensel Transportation Systems, to smaller state and local companies like the McCall Oil and Postana Wood Products. Storage, repair and other services to local area businesses are also offered. Even with the efforts to diversify business and increase customer base through new and expanded services, the average revenue per customer is expected to shrink over the biennium until economic conditions improve or stabilize.

Annual Maintenance of Way Expenditures per Mile of Track
In the last several years, the Railway faced difficulty in maintaining funds for track maintenance through declines in rail business. This left the department with perfecting basic maintenance, deferring any major costs to future years. With the slow increase in fund balance building, funds to increasingly diverse customer base, the department is able to put more funds towards maintaining the 18.01 miles of mainline track with a goal of \$5,000 per mile per year. Though the health of the fund continues to improve, other factors – such as the rising cost of crew and in the current economic environment – create challenges for balancing how much track can be repaired based on the health of the different sections of the line. Significant repair work is budgeted for the first year of the biennium and will continue into the second year.

The top part of the table (in green) contains workloads (also known as performance indicators) that give context to the fund or department. The bottom section (in blue) contains the indicators that directly relate to achieving goals.

12. Notable Performance Measures and/or Relevant Information – two performance measures and/or essential information related to the department are singled out for display and greater illustration.

Page 5

13. Department/Fund Budget – budgeted financial information is presented in tables by fund and by department in each section with each table including information on the type of balances, resources and expenditures for the budget year. See the following heading “budgeted financial tables” in this section for an explanation of the budget table format in further detail.

In addition to the budget detail tables for each fund, information below the table may contain:

- Number of full-time equivalent employees (FTEs)
- Fund policy requirements

13. Railroad / Freight Depot Budget

	BN 2025		BN 2026		BN 2027	
	Budget 2025-2025	Budget 2026-2026	Budget 2025-2025	Budget 2026-2026	Budget 2025-2025	Budget 2026-2026
Resources						
Beginning fund balance	\$ 1,127,888	\$ 1,168,887	\$ 1,164,624	\$ 1,228,728	\$ 1,213,786	\$ 1,213,786
Capital resources						
Grants for services	\$ 1,755,000	\$ 1,267,799	\$ 1,882,000	\$ 1,848,449	\$ 939,200	\$ 939,200
Intergovernmental	20,000	-	-	-	1,748,000	1,748,000
Use of money & property	53,287	187,163	188,000	204,732	90,000	90,000
Transfers & other funds	-	-	-	-	400,000	400,000
Miscellaneous	215,043	287,457	294,000	262,607	129,000	85,000
Total current resources	\$ 2,011,414	\$ 1,954,413	\$ 2,086,624	\$ 2,115,873	\$ 3,277,986	\$ 3,119,200
Total resources	\$ 3,142,302	\$ 3,123,300	\$ 3,251,248	\$ 3,344,601	\$ 4,491,772	\$ 4,332,986
Expenditures						
Personnel Services	\$ 713,889	\$ 821,279	\$ 1,013,000	\$ 1,027,149	\$ 498,200	\$ 498,200
Material and services	815,890	888,654	870,000	770,000	374,786	374,786
Capital outlay	483,106	204,233	863,000	565,493	2,300,000	2,300,000
Debt service	-	-	-	-	-	-
Franchise	-	-	-	-	30,000	30,000
Interest	-	-	-	-	8,000	8,000
Transfers	161,700	152,800	202,100	202,100	141,600	123,900
Contingency	-	-	443,124	-	374,286	819,200
Total expenditures	\$ 1,970,485	\$ 2,067,966	\$ 2,688,124	\$ 2,564,742	\$ 2,026,786	\$ 2,043,286
Ending fund balance	\$ 1,171,817	\$ 1,055,334	\$ 563,124	\$ 779,859	\$ 1,465,000	\$ 1,289,700
Budgeted positions (FTEs)	4.00	4.00	4.00	4.00	4.00	4.00
Policy one year's operating expense	961,500	961,500	961,500	961,500	961,500	961,500
20% of total budget for capital outlay	402,261	392,261	402,261	392,261	402,261	392,261

An interlocking with the BN 27 railroad

City of Prineville, Oregon | Interlocking Funds

Page 6

- 14. Beginning Fund Balance and Ending Fund Balance Contingency Comparison** – includes a comparison of prior and current year beginning fund balances along with the percentage of change, proposed ending fund balance, reserve requirements for the fund, and the percentage the fund is over or under policy for reserves. A narrative also accompanies the table explaining the changes.
- 15. Resources and Assumptions** – resource information for the approved budget displayed with a pie chart and percentages per type of revenue source accompanied by a discussion about the assumptions.
- 16. Requirements and Assumptions** - requirement information for the approved budget displayed with a pie chart and percentages per type of requirement accompanied by a discussion about the assumptions.

14. Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Proposed BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Actual Ending Fund Balance / Contingency	Reserve Requirements for Policy	Over Requirements
Railroad	\$1,228,728	\$1,213,786	-1.9%	\$939,200	\$1,489,200	100%

The beginning fund balance from BN 25 to BN 27 shows a 19 percent (-19%) decrease in the Railroad / Freight Depot Fund. The proposed budget for BN 27 shows the fund balance continuing to decrease by year-end. This is due largely due to capital improvements that are scheduled to be completed in the business costing \$2.3 million, with \$1.1 million being funded through grants. Policy requirements for the Railroad / Freight Depot are equal to one year of an operating budget and 20 percent of total budget for capital reserve. This fund does not meet reserve policy requirements by approximately 41 percent (-41%).

15. Resources

Transfer from other funds: 7%

Use of money & property: 8%

Miscellaneous: 4%

Beginning fund balance: 19%

Intergovernmental: 33%

Change in reserves: 30%

Assumptions

In BN 27, beginning fund balance is 19 percent of total resources and changes for services are 35 percent. Intergovernmental revenue is anticipated to be \$1.7 million in grants for capital and safety improvements and equipment. Transfers from other funds is an interfund loan that is being budgeted at \$400,000 or seven percent of the BN 27 budget and is associated with the required match for the grant. Overall, estimated current year resources for BN 27 are up roughly 4 percent in comparison to BN 25 largely due to anticipated annual increases in lease revenue. Management continues to identify and develop diverse new customer base.

16. Requirements

Transfers: 8%

Contingency: 13%

Personnel Services: 22%

Material and services: 14%

Improvements: 43%

Assumptions

Personnel services are increasing 17 percent in comparison to BN 25, with the anticipation of being fully staffed through the whole business, unlike BN 25, and increases in health insurance and other associated payroll expenses. Material and services total 14 percent of requirements in BN 27, which is a slight increase in comparison to BN 25. Capital improvements total roughly \$2.3 million for the business with over 15 percent being grant funded. Transfers for administrative costs total 6 percent for BN 27 and are calculated on a percentage of the operating budget.

City of Prineville, Oregon | Personnel Funds

Note for all sections: departments/funds without personnel may not include items 2, 3, 4, 5, 7, 8, 11 or 12, depending on the fund, thus changing page configurations. Additionally, item 9 is not included in all funds. Item 10 may not be included if the fund has no planned capital expenditures.



Trees shifting to their autumn colors on the pathway by Crook County Fire & Rescue in fall 2021

Budgeted Financial Tables

Budgeted financial information is presented in tables by fund and by department in each of the sections. Each table includes several columns:

Resources	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8

Column 1 – Resource and Requirement Description: Resources are grouped by the different revenue types and requirements are grouped by the different expenditure types or appropriation level.

Columns 2 and 3 – Actual data for the prior two budget timeframes: Revenues and expenditures for BN 21 and BN 23 are shown in the second and third columns of the budget detail for each fund.

Column 4 – Budget for the current biennium: Revenues and expenditures for the current biennium are shown on a budgeted basis in the fourth column of the detail budget.

Column 5 – Estimates for the current biennium data: Revenue and expenditure for the current biennium end are shown on an estimated basis in the fifth column of the budget detail for each fund. The estimates are as of the end of April when the department heads sign off on their proposed budget and narrative.

Column 6 and 7 – Proposed budget for each year: Revenues and expenditures for fiscal years 2026 and 2027 are shown on a proposed basis in the sixth and seventh columns of the budget detail for each fund. Budgeted ending fund balance equals contingency plus other requirements.

Column 8 – Biennial budget total: The biennial total for 2026 and 2027 proposed budgets are added together: this is the appropriation level at which the budget is approved and adopted. Below is an example of the General Fund's budget table for reference:

Resources	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Beginning fund balance	\$ 2,153,326	\$ 2,689,901	\$ 2,610,081	\$ 3,231,995	\$ 9,567,887	\$ 9,755,887	\$ 9,567,887
Current year resources							
Property taxes	\$ 4,762,773	\$ 5,321,237	\$ 5,695,100	\$ 5,877,537	\$ 3,000,000	\$ 3,088,700	\$ 6,088,700
Transient lodging tax	712,036	1,021,250	1,200,000	930,004	500,000	500,000	1,000,000
Franchise fees	7,040,823	8,631,182	10,491,750	17,049,790	9,392,700	9,620,100	19,012,800
Licenses and permits	13,520	11,764	12,200	11,976	5,500	5,500	11,000
Intergovernmental revenues	920,962	3,561,261	2,113,600	2,106,126	473,000	323,000	796,000
Charges for services	290,194	361,591	690,000	544,254	360,000	370,000	730,000
Interest	60,761	30,042	70,000	584,800	200,000	120,000	320,000
Miscellaneous	681,409	780,874	127,000	364,129	46,500	46,000	92,500
Transfers	-	243,757	-		-	170,250	170,250
Total current year resources	\$ 14,482,478	\$ 19,962,958	\$ 20,399,650	\$ 27,468,616	\$ 13,977,700	\$ 14,243,550	\$ 28,221,250
Total resources	\$ 16,635,804	\$ 22,652,859	\$ 23,009,731	\$ 30,700,611	\$ 23,545,587	\$ 23,999,437	\$ 37,789,137
Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Police	\$ 10,867,525	\$ 12,956,176	\$ 16,326,300	\$ 16,091,734	\$ 10,367,500	\$ 10,798,600	\$ 21,166,100
Non-departmental	3,078,378	6,464,688	5,174,500	5,040,990	3,422,200	2,349,200	5,771,400
Contingency	-		1,508,931	-	9,755,887	10,851,637	10,851,637
Total expenditures	\$ 13,945,903	\$ 19,420,864	\$ 23,009,731	\$ 21,132,724	\$ 23,545,587	\$ 23,999,437	\$ 37,789,137
Ending fund balance	\$ 2,689,901	\$ 3,231,995	\$ -	\$ 9,567,887	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	22.70	24.00		28.00		30.00	
Policy 6 months working capital						1,494,713	
20% of revenue budget emergency reserve						2,848,710	
New policy reserve for infrastructure, community enhancements and City health and vitality						6,200,000	
Total policy						10,543,423	

In addition to the budget detail tables for each fund, information about each fund and the services provided by each department are shown, including additional detail on:

- Number of full-time equivalent employees (FTEs)
- Fund policy requirements
- Beginning fund balance and ending fund balance comparisons
- Types of revenues and expenditures
- Description of services provided
- A listing of accomplishments, initiatives and goals
- Capital expenditure data
- Performance measure data



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Governmental Funds

Police Department • Non-departmental

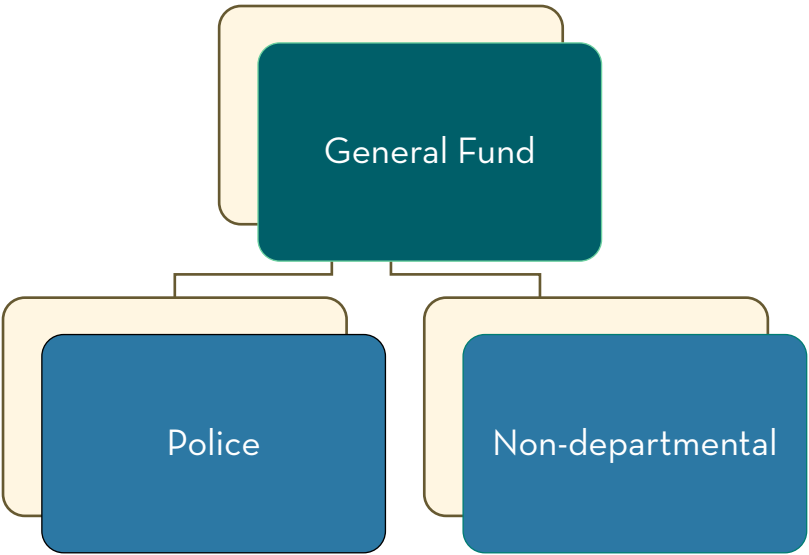


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General Fund

Organization of Fund General Fund

The General Fund is the principal fund of the City that accounts for all financial transactions not accounted for in other funds. The organization of the fund is split between two departments: the Prineville Police Department and Non-departmental.





Peace Officers Memorial Day, Flag Ceremony on May 15, 2022.

Responsibilities to the Community

The purpose of the General Fund is to support the Prineville Police Department and the Prineville City Council's directed funding of outside agencies or other activities using the fund's revenue sources, which are primarily made up of property taxes, franchise fees, transient lodging taxes and Oregon State liquor tax revenues. Public safety is the General Fund's primary responsibility to the community. One department (police) and two organizational units (police and non-departmental) represent the makeup of the General Fund.

Executive Summary

The General Fund is supported through primarily property tax, transient lodging taxes, franchise fees and Oregon State liquor tax revenues. Over half of General Fund revenues are used to support public safety. Other revenues help support Planning, Administration, Transportation and Airport Funds, as well as other requests as directed by the City Council. General administrative costs are paid through internal charges to internal service funds for the following services based upon the cost to the department for using these services, administrative and financial services, risk management, and computer and phone services. The amounts of these services are at full cost – including replacement cost – thereby providing a more accurate picture of providing services.

Strategic Planning Updates

- Short-term – In the short-term, management will review both current and potential revenue sources, as well as ways to be more resourceful, in order to maintain current service levels and meet current policy reserve levels in the General Fund.
- Long-term – Management will continue to develop resources through cost controls in order to achieve staffing goals, contributions to pension liabilities, and contributions to capital projects or nonrecurring onetime expenditures consistent with City Council objectives.

General Fund Budget

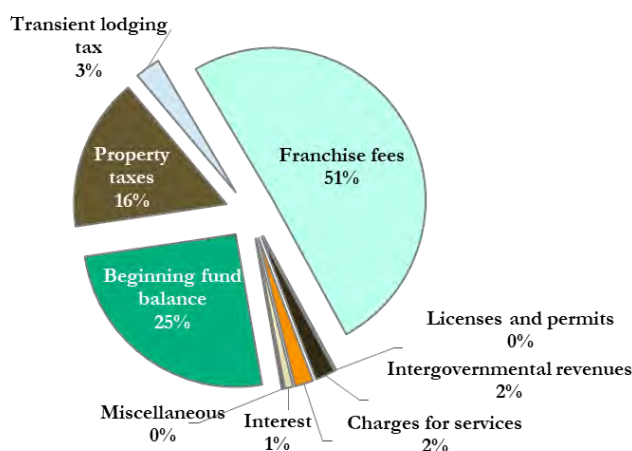
Resources	BN Actual	BN Actual	Adopted BN Budget	Estimated Total Actual	BN 2027		
	2019-2021	2021-2023			Proposed Budget	Proposed Budget	Proposed Total Budget
	2019-2021	2021-2023	2023-2025	2023-2025	2025-2026	2026-2027	2025-2027
Beginning fund balance	\$ 2,153,326	\$ 2,689,901	\$ 2,610,081	\$ 3,231,995	\$ 9,567,887	\$ 9,755,887	\$ 9,567,887
Current year resources							
Property taxes	\$ 4,762,773	\$ 5,321,237	\$ 5,695,100	\$ 5,877,537	\$ 3,000,000	\$ 3,088,700	\$ 6,088,700
Transient lodging tax	712,036	1,021,250	1,200,000	930,004	500,000	500,000	1,000,000
Franchise fees	7,040,823	8,631,182	10,491,750	17,049,790	9,392,700	9,620,100	19,012,800
Licenses and permits	13,520	11,764	12,200	11,976	5,500	5,500	11,000
Intergovernmental revenues	920,962	3,561,261	2,113,600	2,106,126	473,000	323,000	796,000
Charges for services	290,194	361,591	690,000	544,254	360,000	370,000	730,000
Interest	60,761	30,042	70,000	584,800	200,000	120,000	320,000
Miscellaneous	681,409	780,874	127,000	364,129	46,500	46,000	92,500
Transfers	-	243,757	-		-	170,250	170,250
Total current year resources	\$ 14,482,478	\$ 19,962,958	\$ 20,399,650	\$ 27,468,616	\$ 13,977,700	\$ 14,243,550	\$ 28,221,250
Total resources	\$ 16,635,804	\$ 22,652,859	\$ 23,009,731	\$ 30,700,611	\$ 23,545,587	\$ 23,999,437	\$ 37,789,137
Expenditures	BN Actual	BN Actual	Adopted BN Budget	Estimated Total Actual	BN 2027		
	2019-2021	2021-2023			Proposed Budget	Proposed Budget	Proposed Total Budget
	2019-2021	2021-2023	2023-2025	2023-2025	2025-2026	2026-2027	2025-2027
Police	\$ 10,867,525	\$ 12,956,176	\$ 16,326,300	\$ 16,091,734	\$ 10,367,500	\$ 10,798,600	\$ 21,166,100
Non-departmental	3,078,378	6,464,688	5,174,500	5,040,990	3,422,200	2,349,200	5,771,400
Contingency	-		1,508,931	-	9,755,887	10,851,637	10,851,637
Total expenditures	\$ 13,945,903	\$ 19,420,864	\$ 23,009,731	\$ 21,132,724	\$ 23,545,587	\$ 23,999,437	\$ 37,789,137
Ending fund balance	\$ 2,689,901	\$ 3,231,995	\$ -	\$ 9,567,887	\$ -	\$ -	\$ -
Budgeted positions (FTE)	22.70	24.00	28.00		30.00		
Policy 9 months working capital						1,494,713	
20% of revenue budget emergency reserve						2,848,710	
New policy reserve for infrastructure, community enhancements and City health and vitality						6,200,000	
Total policy						10,543,423	

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Proposed BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
General	\$3,231,995	\$9,567,887	196%	\$10,851,637	\$10,543,423	3%

The beginning fund balance is estimated to increase 196 percent from the previous BN 25 budget. The proposed ending fund balance for BN 27 shows an increase of approximately 13 percent from the beginning of FY 26 through the biennium. The increase in fund balance is largely due to increases in electrical franchise fees. This fund meets the new policy requirements put in place in FY 25. Policy requires nine months' working capital, a 20 percent reserve calculated from projected revenues and that unassigned General Fund reserves be distributed into three reserves categories, committing them for future use. The three categories are Community Enhancement / Improvement, Infrastructure, and City Health and Vitality. For BN 27, the General Fund is over policy by \$308,215.

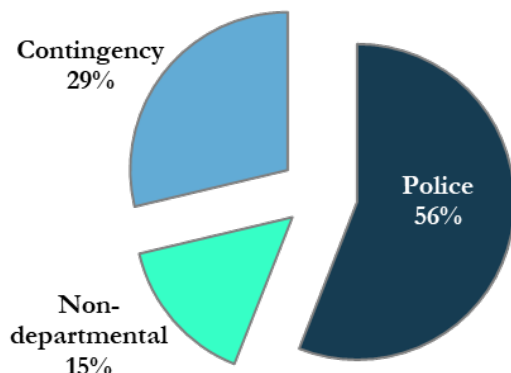
Resources



Assumptions

Projections received from the Crook County Assessor's Office indicate the collection of taxes to be up approximately four percent over prior year. The City took a conservative approach to collection, estimating current tax revenue at a three percent increase year over year for the biennium. Electrical franchise fees are estimated to increase roughly \$20,000 in the first year of the biennium and another \$225,500 in the second year. This is a conservative approach to the increase in electrical franchise fees as it is anticipated that the electrical franchise fees will level off due to [data center expansion](#) being completed. All of the other franchise taxes are budgets with increases of three percent or less. Transient Lodging tax is budgeted to increase roughly five percent in the first year and remain flat in the second year of BN 27.

Requirements



Assumptions

In BN 27, the total requirements for the General Fund are \$37,789,137. The Police Department is at 56 percent of this requirement totaling \$21,166,100, compared to the prior biennium at 52 percent of budget. The Police Department BN 27 budget increased roughly 32 percent over the prior biennial budget with significant increases in personnel services due to an increase in FTEs with the goal of balancing workload, officer safety and time for proactive enforcement and increases in capital outlay and transfers. Non-departmental expenditures include transient taxes to the chamber of commerce, street lighting, the potential tax liability to PacifiCorp and transfers to other funds. Non-departmental is 15 percent of the BN 27 budget compared to 16 percent in the prior biennium. Contingency is 29 percent in BN 27.

Police Department

Mission Statement

The mission of the Prineville Police Department is to protect and serve all citizens, while holding steadfast to our core values of integrity, courage, respect, compassion and service.

BN 25 Accomplishments

- ❖ Acquired or updated much needed items such as vehicle equipment, piranha spikes, shatter balls, suppressed rifles, pistol mounted optics, drones, an evidence refrigerator and freezer, and refurbished the speed radar trailer
- ❖ Led or participated in several community outreach programs and events including: Shop with a Cop, Coffee with a Cop, Random Acts of Kindness, Faith and Blue, and the Crooked River Roundup
- ❖ Reaccredited through the Oregon Accreditation Alliance
- ❖ Several new hires and promotions including: chief of police, captain, lieutenant, sergeants, detectives, school resource officers, patrol positions, evidence technician, front office technician and administrative manager
- ❖ Updated compensation for staff mid-contract to extremely competitive rates, exceeding those offered by much larger cities

Initiatives for BN 27

- Attain an acceptable level of officer wellness
- Digitalize all non-records management system records and report keeping for ease of use and professionalism
- Emphasize new officer, supervision and administration trainings
- Find new ways to improve community relations, with a special emphasis on youth, seniors, veterans and those who cannot care for themselves
- Move forward with committee group, CORDICO wellness app, and other committee member ideas



Department Goals		Council Goals
A	Staff, train and retain current positions: Ensuring the safety of the public requires highly trained officers and staff. The Police Department's goal is to increase training for each staff member. Retention of staff is instrumental in providing quality services to the community.	
B	Health and wellness of employees: The Police Department is committed to promoting the health and wellness of its staff. Cordico app. implementation will provide additional access to health and wellness tools.	
C	Serve the community in innovative ways: The department continues to build a foundation of trust through community outreach and citizen involvement.	
D	Maintain accreditation into the future: Maintaining accreditation standards ensures the Police Department is following policy and best practices. It creates transparency of its policies and enhances public relations and community trust.	

Responsibilities to the Community

The number one responsibility the Prineville Police Department (Prineville PD) has to the community is to keep its community safe. The department accomplishes that objective through a variety of methods, however, one standard that must always maintain is to “be prepared!” To do so means maintaining adequate staffing levels to provide the level of service the community demands with current and professional training for the men and women of the department. The department must also possess the essential equipment, resources and supplies needed to do the job effectively. Additionally, it requires actively and professionally engaging and interacting with our community. Above all, the Prineville Police Department's single focus is on community safety and to that end it works in many different ways to achieve it.



Chief of Police Jeff Profio

- 1. Protecting Public Safety:** This is the primary responsibility of any police department. Prineville's Police Department achieves this through preventing crime, responding to emergencies, and ensuring the general safety of the community by enforcing laws.
- 2. Crime Prevention:** Beyond responding to crime, the department works on proactive measures to prevent crime. This is accomplished through the work of community service officers, school resource officers and a mental health officer. These officers engage in community outreach, building relationships, educating the public about safety and collaborating with other organizations (schools, community-based organizations, etc.) to reduce crime risk factors.
- 3. Community Engagement and Trust-Building:** The Police Department has a responsibility to foster a positive relationship with the community it serves. This involves transparency, accountability and ensuring that its actions align with community values. Prineville PD builds trust primarily through the way it interacts with community members. Utilizing the tenets of procedural justice, the department strives to treat everyone with respect, make neutral decisions, allow community members to be heard and strive to build trust with the community it serves.
- 4. Respecting Civil Rights:** The Police Department must respect and protect the civil rights of all individuals, ensuring that its actions, or the actions of others, do not infringe on constitutional rights.
- 5. Accountability and Transparency:** It is essential that Prineville's police officers (and all department members) are held accountable for their actions. To that end, there is a process in place for handling

compliments and complaints regarding employees. This includes conducting internal investigations, as well as being as transparent as the law allows in how incidents are handled.

6. **Serving All Members of the Community:** The Prineville Police Department is sworn and committed to serving everyone in the community equitably, regardless of race, socioeconomic status, religion or background. This includes victims of crime. Staff are committed to providing support and ensuring victims have access to the services they need, like counseling, legal support, or resources for recovery
7. **Collaboration with Other Agencies:** The Prineville Police Departments works very closely with other local agencies, both law enforcement and non-law enforcement, to make the community a safer place to live. Partnerships are established with agencies such as the Crook County District Attorney's Office, the Crook County Sheriff's Office, the Crook County School District, Oregon Department of Human Services, other mental health organizations (Best Care, etc.), and Crook County Parks and Recreation department to address issues that affect the quality of life in Prineville.

Executive Summary

The journey that the Prineville Police Department has traveled on for the last two years can be summed up in the following quote from Seth Godin.

"Change is not a threat, it's an opportunity. Survival is not the goal, transformative success is."

Transformative success is certainly what the department has achieved! The success over the past couple of years can be measured in several different ways.

Despite the tumultuous leadership transition that has occurred over the last 18 months, the department has not only maintained its staffing levels, but it has increased them! The department is just a few positions away from being fully staffed. This includes the addition of two full-time equivalent positions, added in the middle of the last budget cycle. Other staffing accomplishments included the promotion of three new sergeants, the recruitment and hiring of the non-sworn community service officer, and the hiring of a new mental health officer, a new evidence technician, an administrative services director and several lateral police officers.

Much of the staffing successes can be attributed directly to the City and department staff's commitment to employee welfare. Both City and department leadership embraced the strategy of attending to the needs of the existing employees with the goal of retention. This allowed the department to be competitive with surrounding law enforcement agencies and provided a needed boost in recruitment efforts. The strategy paid dividends almost immediately. While not fully staffed, the Police Department staffing level has both improved and increased throughout the last budget cycle. It will be important moving forward to continue this trend.

Another important accomplishment to recognize during the recent leadership transition period is the change in the culture of the Police Department. This started with setting expectations from the top down. The focus was on promoting a supportive environment while holding people accountable in a professional manner. A concept of ownership and shared responsibility for improvements and changes was instituted. This was met with optimism and positivity and resulted in improved moral for all department employees.

The most immediate need of the Prineville Police Department is to modernize and optimize the day-to-day operations of the department. Modernizing and optimizing will move the department to that next level of being a proactive, professional police department. Modernizing and optimizing day-to-day operations in the Police Department involves leveraging new technologies, refining internal processes and ensuring officers have the tools and training to be



Police Memorial Ceremony May 2025

effective and efficient. Strategies to accomplish this include developing standardized operating procedures and guidelines, considering best practices and professional standards, enhanced employee training and development, intentional staff succession planning, increased emphasis on employee wellness programs and resources, and upgrading department equipment and resources as needed.

What lies ahead for the Prineville Police Department? Prineville is a growing community, and the prognosis is that the growth will continue into the near future. For example, Prineville currently has three multifamily projects approved and one on the way to approval:

- Ochoco Reserve apartments (Madras Highway), likely building ~328 units over three years. Fifty rentable units by the end of 2025.
- Ochoco Mill apartments, likely building ~312 units over three years. Rentable units available in 2026.
- Laughlin Road duplex condominiums, likely building 20-units by the end of 2025.
- Ironhorse duplex condominiums, likely building ~30-units by end of 2026.

In addition, according to the city planning director, the City should plan for the construction of between 40 and 60 single-family homes per year. All this growth requires Prineville PD to continually assess the current staffing model. As can be expected, the Police Department will need to grow commensurate with the population growth in Prineville.

The Prineville Police Department is a healthy, growing, progressive and professional police department. While the recent changes have been challenging, the department has done much more than just survive. The result has been measurable transformative success! The challenge facing the new leadership is moving this department to the next level! There is no doubt that with concentrated effort, the Prineville Police Department can become the premier law enforcement agency in Central Oregon. The result of achieving this next level of proactive professional policing will be a safer, more secure and more comfortable community in which to live, work and play!

Strategic Planning Updates

- Short-term – Increase the professionalism and efficiency of the Police Department by focusing on internal processes and employee training and development. Updating internal processes and protocols to include best practices, standard operating procedures and operational guidelines for all essential functions across the Police Department. Leverage available technology to increase employee efficiency. Prioritize employee training and development. Acquire and update equipment and resources as necessary.
- Long-term – Evaluate department personnel needs on a routine basis to increase effectiveness and lower officer stress, while maintaining a high level of service to the community. Evaluation should include the community's growth in population and infrastructure it has to police, increase in calls for service, types of calls for service, and projected growth patterns over the next 10 years.

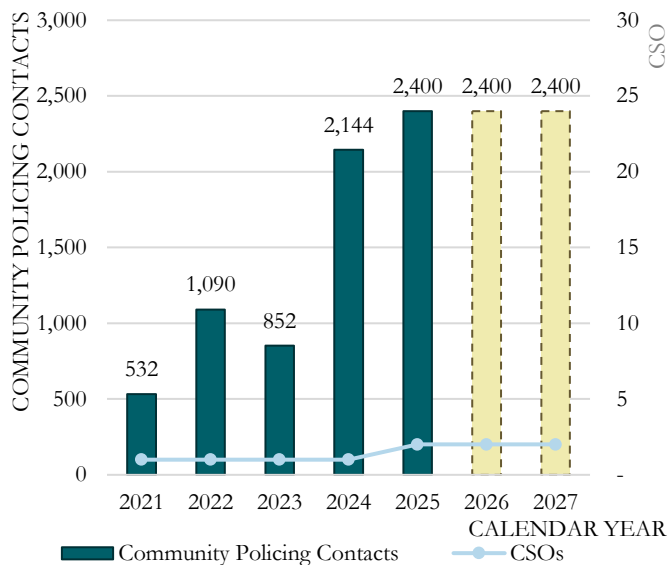
Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Radar Trailer	\$ 12,000	\$ -
Police Vehicles and Equipment	\$ -	\$ 618,000
Capital Outlay Total	\$ 12,000	\$ 618,000

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.

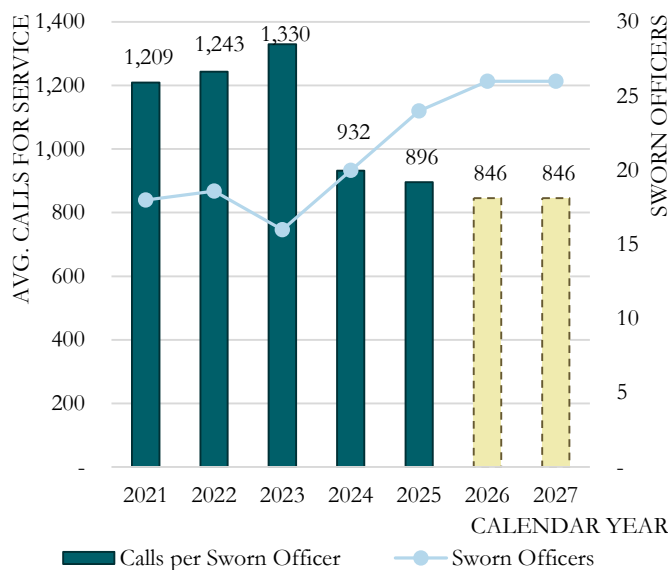
Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2027 Target
Workloads	Input	Sworn Officers	N/A	16	20	24	26	26
	Input	Calls for Service (CY)	N/A	21,272	18,642	21,498	21,998	21,998
	Input	Reports Taken (CY)	N/A	1,537	1,356	1,806	1,806	1,806
	Input	Supplemental Reports Taken (CY)	N/A	1,220	858	1,224	1,249	1,274
	Input	Vehicle Stops (CY)	N/A	4,432	3,937	3,975	3,975	3,975
	Input	Subject Contacts (CY)	N/A	575	813	978	1,174	1,408
	Input	Community Policing Contacts (CY)	N/A	852	2,144	2,400	2,400	2,400
	Output	Training Hours (CY)	2,850	2,355	3,069	3,672	3,978	3,978
D	Efficiency	Average Training Hours per Officer (CY)	150	147	153	153	153	153
D	Efficiency	Average Calls for Service per Officer (CY)	-42% Decrease Over Previous	1,330	932	896	846	846
D	Efficiency	Average Reports Taken per Officer (CY)	+8% Increase Over Previous	120	130	127	132	133
D	Effectiveness	Consecutive Years Maintaining Oregon Accreditation Alliance Accreditation	Previous Year +1	8	9	10	11	12
D	Efficiency	Staff Turnover in Number of Employees Including Retirees	<=1 Retirement Per Year	5	5	1	1	1



Average Community Policing Contacts per CSO

Community policing contacts have numerous positive impacts. It's not only making the city more livable or more desirable, but also helping and serving the community. They allow officers and citizens an opportunity to meet and converse or to know that the department is out and about in the community. This leads to a collaborative approach. Prineville is a diverse community, and the Prineville Police Department conducts and attends several community events throughout the year. Shop with a Cop, D.A.R.E., Crook County Round-Up, the Crook County Fair, the candy, plus many more. Additionally, the Police Department engages with the community through social media which enhances communication. The department also has two community service officers (CSO) that respond to many different ordinance and livability calls. It is not about giving out citations, it is about educating and helping people get past the issue they are having.



Average Calls for Service per Sworn Officer

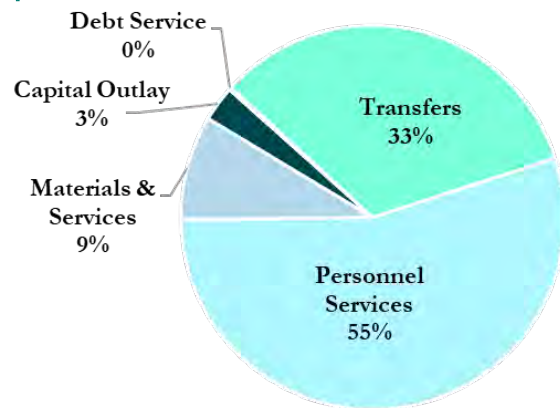
Although calls for service have gone down, the type of calls received require more time and more extensive investigation. Increasing the number of officers helps the department fill its detective positions and allows officers to respond to other calls more effectively and reduces the response time.

Police Department Budget

Expenditures	BN		BN 2025		BN 2027		
	Actual 2019-2021	Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Personnel Services	\$ 6,001,788	\$ 6,910,789	\$ 8,858,600	\$ 8,616,038	\$ 5,639,600	\$ 5,961,200	\$ 11,600,800
Materials & Services	1,046,255	1,259,911	1,647,600	1,496,273	944,100	916,200	1,860,300
Capital Outlay	25,864	444,122	200,000	295,514	12,000	618,000	630,000
Debt Service	190,418	190,418	126,700	190,509	22,000	22,000	44,000
Transfers	3,603,200	4,150,935	5,493,400	5,493,400	3,749,800	3,281,200	7,031,000
Total expenditures	\$ 10,867,525	\$ 12,956,176	\$ 16,326,300	\$ 16,091,734	\$ 10,367,500	\$ 10,798,600	\$ 21,166,100
Budgeted positions (FTEs)	22.70	24.00	28.00		30.00		

More details are available on budgeted positions beginning on page 133.

Requirements



Assumptions

The budgeted expense of personnel services increased over the previous biennium, roughly 35 percent with the addition of two FTEs in FY 26. Materials and services are increasing by 24 percent with increases in overall costs expected and equipping new staff. In BN 27, capital outlay dollars are budgeted to purchase a radar trailer, new police vehicles and equip them in the amount of \$630,000. Debt service is associated with a five-year taser lease. Transfers increased 30 percent over the biennium largely to cover debt service and improvements of the new police facility. The facility budget is located in the Building Facility Fund.



Prineville Police and Crook County Sheriff's Office participate in an annual flag ceremony – May 2024

Non-departmental

Executive Summary

Activities not associated directly with public safety operations are accounted for within the non-departmental budget. In BN 27, transfers include the Planning Fund totaling \$960,000, the PERS/POB Fund for \$200,000, the Airport Fund for operational support in the amount of \$98,000, \$1,150,000 to the Transportation Fund for capital projects, and a transfer to the Buildings Facility Fund for Barnes Butte improvements and expenses of \$220,000. Other discretionary spending such as street lighting, the Prineville-Crook County Chamber of Commerce and the Crook County Fairgrounds are budgeted here.

Non-departmental Budget

Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	BN 2025		Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
			Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025			
Materials & Services	\$ 940,978	\$ 2,135,888	\$ 2,254,500	\$ 2,003,830	\$ 664,200	\$ 659,200	\$ 1,323,400
Capital Outlay	-	-	-	-	-	-	-
Transfers	2,137,400	4,328,800	2,920,000	3,037,160	2,758,000	1,690,000	4,448,000
Debt service	-	-	-	-	-	-	-
Ironhorse Property	-	-	-	-	-	-	-
Total expenditures	\$ 3,078,378	\$ 6,464,688	\$ 5,174,500	\$ 5,040,990	\$ 3,422,200	\$ 2,349,200	\$ 5,771,400
Budgeted positions (FTEs)	22.70	24.00	28.00		30.00		





Proposed Biennial Budget



July 1, 2025 - June 30, 2027



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Special Revenue Funds

Emergency Dispatch • Transportation Operations •
Planning



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Transportation Operations Fund

Mission Statement

The mission of the Transportation Department is to serve the citizens of Prineville by ensuring a fast, safe, efficient, accessible and convenient transportation system that meets the community's vital interests and enhances the quality of life for its constituents, today and into the future.

BN 25 Accomplishments

- ❖ Completed concept design of sidewalk enhancements for the Prineville Downtown area
- ❖ Completed construction of the 3rd Street corridor project in partnership with the Oregon Department of Transportation (ODOT), upgrading traffic signal infrastructure, stormwater facilities, and Americans with Disabilities Act (ADA) facilities through the 3rd Street/Highway 26 corridor from Meadow Lakes Drive to Combs Flat Road
- ❖ Completed design of intersections in the Ochoco Heights neighborhood to increase safety and provide for more efficient and cost-effective long-term maintenance
- ❖ Increased the City's overall pavement condition index (PCI) by utilizing innovative surface treatments to streets to maintain them in good condition and delay significant deterioration
- ❖ Inspected and evaluated the entire street network in accordance with Metropolitan Transportation Standards

Initiatives for BN 27

- ❖ Complete stormwater facility upgrades on S. Main St. in conjunction with the paving capital rehabilitation project
- ❖ Conduct traffic counting studies to gather data for future planning
- ❖ Extend the life of area roads, without needing to repave them, through the crack sealing/seal coating program.
- ❖ Increase the pavement condition index (PCI) of the streets network by completing strategic pavement improvement projects through BN 27
- ❖ Perform continued development and upgrades to the ADA facilities within the city



Department Goals		Council Goals
A	Improve the transportation network to serve new customers	
B	Research pavement preservation techniques to lengthen and/or maintain the useful life of Prineville's streets and protect pavement quality	

Responsibilities to the Community

The objective of the Transportation Department is to provide a source of friendly and responsive information and transportation-related services. Under this division of the City of Prineville's Public Works Department, it's the duty of the Transportation Department to assure and preserve the present and future health, safety and welfare of the public utilizing the City street network. By using cost effective maintenance practices, planning, permitting, inspection and responsible operations, this goal can be achieved. The key to success is through the efficient and motivated efforts of quality through committed staff.

The Transportation Operations Fund provides the accounting of the City's street, bike lane, right-of-way and storm water maintenance. Funding sources include state and federal highway gas taxes, state revenue sharing and transfers from the General Fund. Heavy equipment, vehicles and maintenance, engineering, project oversight, and public works administration and support services costs are accounted for through transfers to internal service funds for the estimated costs of the provision of these services.



Street Superintendent Justin Severance (far left) working on the Tom McCall roundabout project in July 2022

Executive Summary

The purpose of the Transportation Operations Fund is to finance the activities of the City's transportation division of the Public Works Department. Prineville's street infrastructure is a network of roads under the jurisdiction of the City, Crook County and the Oregon Department of Transportation. The Transportation Department holds the primary responsibility of maintaining the City's 59 centerline miles of streets, rights-of-way, weed control, street sweeping, paving, street striping, street signs, storm drains, and one traffic control signal. It's the mission of the Transportation Department to provide a safe and serviceable traffic infrastructure for today, while planning for the needs of the future.

In BN 27, the Transportation Department will reconstruct stormwater facilities and complete the pavement rehabilitation project on S. Main Street. This is a significant project that will alleviate surface stormwater issues, improve the ride quality of the pavement segment, and provide upgrades to the curb and sidewalk. As always, the department will perform annual surface treatment and pavement replacement projects that increase the overall pavement condition of the City street network.

Strategic Planning Updates

- Short-term – In the short-term, the Transportation Department will maintain a reasonable PCI rating with the amount of available funds. Grants and other alternative funding sources will continue to be pursued to add supplemental funds for City streets and infrastructure. Improvements will be made to the transportation network in this budget cycle to support new businesses.
- Long-term – The Transportation Department strives to provide a safe, efficient transportation system to support economic opportunity, and create a livable community for the citizens of Prineville. The street network has a replacement value of \$134.1 million (including bridges and traffic signals) making it the most valuable asset of the community. To manage the condition of the street network at the lowest possible cost, the Transportation Department identified a PCI goal of 82 to 85. The pavement condition index is a high-level indicator for the condition of the City's largest asset from a dollar and utilization standpoint. The lower the PCI, the more expensive the asset is to maintain. The City ended BN 24 with a PCI of 76 which was an increase over the previous budget term. In BN 27, the City will strive to further increase PCI within its current resources and will continue to investigate new revenue sources to improve the PCI.

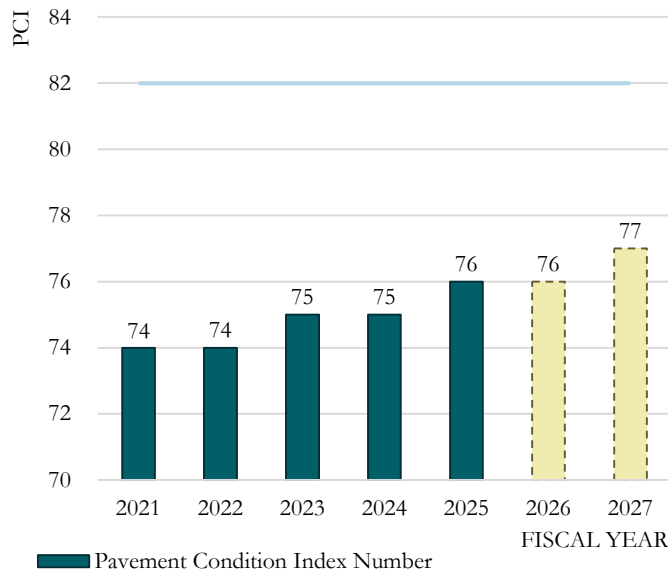
Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Capital Rehabilitation	\$ 600,000	\$ 544,100
Capital Maintenance	\$ 50,000	\$ 75,000
Seal Coat	\$ 100,000	\$ 230,900
Stormwater Improvements	\$ 50,000	\$ -
Capital Outlay Total	\$ 800,000	\$ 850,000

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.

Performance Measures

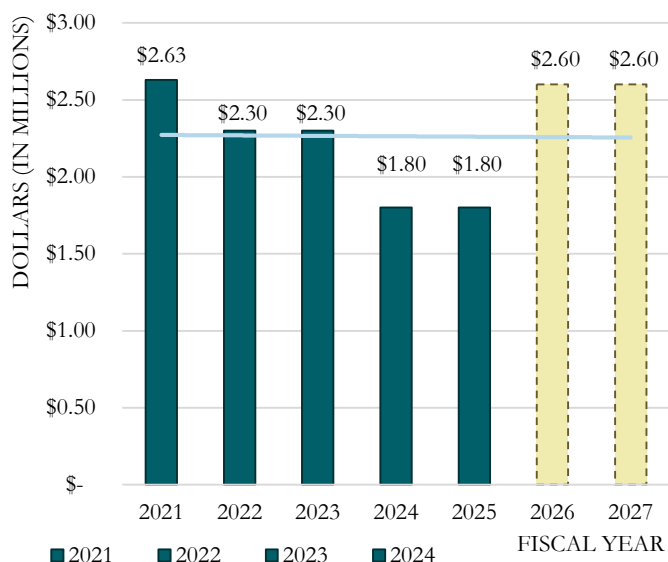
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2026 Target
Workloads	Output	Number of sq. ft. Receiving Asphalt Overlays	N/A	293,000	400,080	260,000	550,000	250,000
	Output	Number of In. ft. Receiving Crack Sealing	N/A	100,000	10,875	70,000	35,000	50,000
	Output	Number of In. ft. Receiving Preservation Treatment (Slurry Seal, Chip Seal, Fog Seal, etc.)	N/A	10,346	5,175	4,185	2,600	9,900
	Output	Street Preventative Maintenance Performed to Maintain PCI in \$	>= 600,000	\$ 711,654	\$ 720,743	\$ 800,000	\$ 800,000	\$ 850,000
	Output	Number of ADA Ramps Replaced	>= 7	5	8	8	6	6
	Output	Amount of Material Swept from City Streets	1,000	720	849	1,000	900	900
B	Effectiveness	Deferred Maintenance Cost (in Millions)	< Previous Year	\$ 2.30	\$ 1.80	\$ 1.80	\$ 2.60	\$ 2.60
B	Effectiveness	Pavement Condition Index Number	>= 82	75	75	76	76	77



Pavement Condition Index

The City of Prineville first inspected and ranked all city streets in the summer of 2008. Further inspections occur every other year with the last inspection done in the spring of 2025. The goal of the Transportation Department is to maintain a reasonable pavement condition index rating with the amount of available funds, which is ideally a calculated overall PCI average of 82 to 85. This level provides the optimum longevity of the wearing surfaces with the minimum investment level.

PCI Index Ratings	
Good	70 - 100
Satisfactory	50 - 69
Fair	25 - 49
Poor	0 - 24



Deferred Maintenance Cost

The Transportation Department utilizes the Metropolitan Transportation Commissions StreetSaver software to identify proposed maintenance activities based upon pavement conditions and available budget. Taking into account the PCI of each street, the software proposes what streets to treat and how to treat them. Maintenance cost measurements are calculated every five years on the system as a whole, with deferred costs estimated every two years in between based on the maintenance and replacement work accomplished. In order to maintain the current PCI of 75, the City needs to invest a minimum of \$600,000 per year in maintenance activities. Due to increasing prices of associated goods and services, deferred maintenance costs are expected to rise to 2.6 million annually by FY 27.

Transportation Operations Budget

Resources	BN	BN	BN 2025		Proposed Budget 2025-2026	BN 2027	
	Actual 2019-2021	Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025		Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Beginning fund balance	\$ 389,301	\$ 345,857	\$ 487,198	\$ 702,065	\$ 645,336	\$ 698,736	\$ 645,336
Current year resources							
Intergovernmental	\$ 1,906,628	\$ 2,491,302	\$ 2,243,400	\$ 2,313,964	\$ 1,176,800	\$ 1,176,800	\$ 2,353,600
Franchise fee	665,000	693,000	908,700	908,700	438,700	459,600	898,300
Interest	7,425	20,278	11,300	79,311	20,000	15,000	35,000
Miscellaneous	106,209	102,330	137,000	115,052	142,200	26,500	168,700
Transfers from other funds	700,000	800,000	800,000	800,000	575,000	575,000	1,150,000
Total current year resources	\$ 3,385,262	\$ 4,106,910	\$ 4,100,400	\$ 4,217,027	\$ 2,352,700	\$ 2,252,900	\$ 4,605,600
Total resources	\$ 3,774,563	\$ 4,452,767	\$ 4,587,598	\$ 4,919,092	\$ 2,998,036	\$ 2,951,636	\$ 5,250,936
Expenditures	BN	BN	BN 2025		Proposed Budget 2025-2026	BN 2027	
	Actual 2019-2021	Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025		Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Personnel Services	\$ 475,586	\$ 546,808	\$ 593,200	\$ 576,663	\$ 322,800	\$ 335,400	\$ 658,200
Material & services	422,286	533,564	956,500	878,156	546,600	558,300	1,104,900
Capital outlay							
Improvements	1,795,534	1,634,830	1,675,000	1,769,735	800,000	850,000	1,650,000
Transfers	735,300	1,035,500	1,049,200	1,049,200	629,900	799,300	1,429,200
Contingency			313,698	-	698,736	408,636	408,636
Total expenditures	\$ 3,428,706	\$ 3,750,702	\$ 4,587,598	\$ 4,273,755	\$ 2,998,036	\$ 2,951,636	\$ 5,250,936
Ending fund balance	\$ 345,857	\$ 702,065	\$ -	\$ 645,336	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	2.00	2.00	2.00		2.00		
Policy 60 days operating budget						278,301	
5% emergency reserve						127,150	
Total Policy						\$ 405,451	



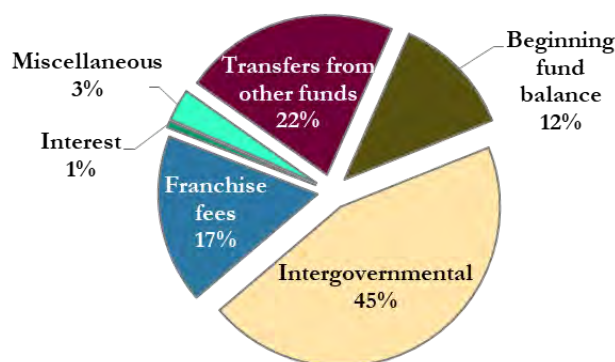
Downtown parking in April 2025

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Proposed BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Transportation	\$702,065	\$645,336	-8%	\$408,636	\$405,451	1%

Fund balance shows a decrease over prior year fund balance of 8 percent (-8%) percent largely due capital improvements. Projects budgeted for BN 27 total \$1.7 million. Fund balance is projected to decrease approximately 37 percent (-37%) by the end of the biennium. Ending fund balance/contingency meets the City's financial policy objectives. Management continues to look for new revenue opportunities and efficiencies within the department.

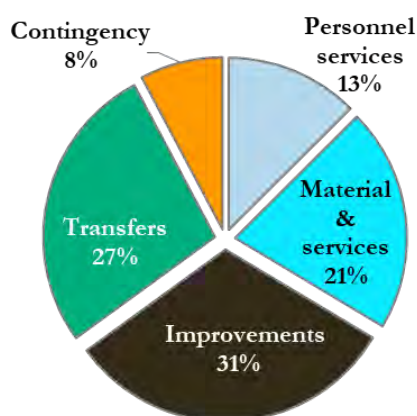
Resources



Assumptions

Overall expected revenues for BN 27 are estimated at \$5.3 million with 12 percent coming from beginning fund balance, 45 percent coming from intergovernmental revenue, 17 percent coming from franchise fees, 1 percent from interest earnings, 3 percent miscellaneous and 22 percent from transfers. Revenues include franchise fees from the Wastewater and Water Funds totaling \$898,300. A transfer from the General Fund of \$1.2 million will be used for capital projects. Projections for the State of Oregon gas tax are approximately \$1.9 million and state revenue sharing is projected at \$282,000.

Requirements



Assumptions

Requirements budgeted overall in BN 27 total \$5.3 million. Personnel services total 13 percent of budget for the biennium or \$658,200, materials and services total 21 percent of budget or \$1.1 million, improvements are 31 percent or \$1.7 million, transfers are at 27 percent of budget totaling \$1.4 million, and contingency is 8 percent of budget or \$408,636. Total budget for BN 27 is increasing roughly 13 percent over the prior biennium with increases in personnel costs, materials and services and transfers to the Public Works Support Service Fund. Budgeted capital expenditures decreased in comparison to the prior biennium with the grant funded EV charging station being completed in BN 25.

Emergency Dispatch Fund

Mission Statement

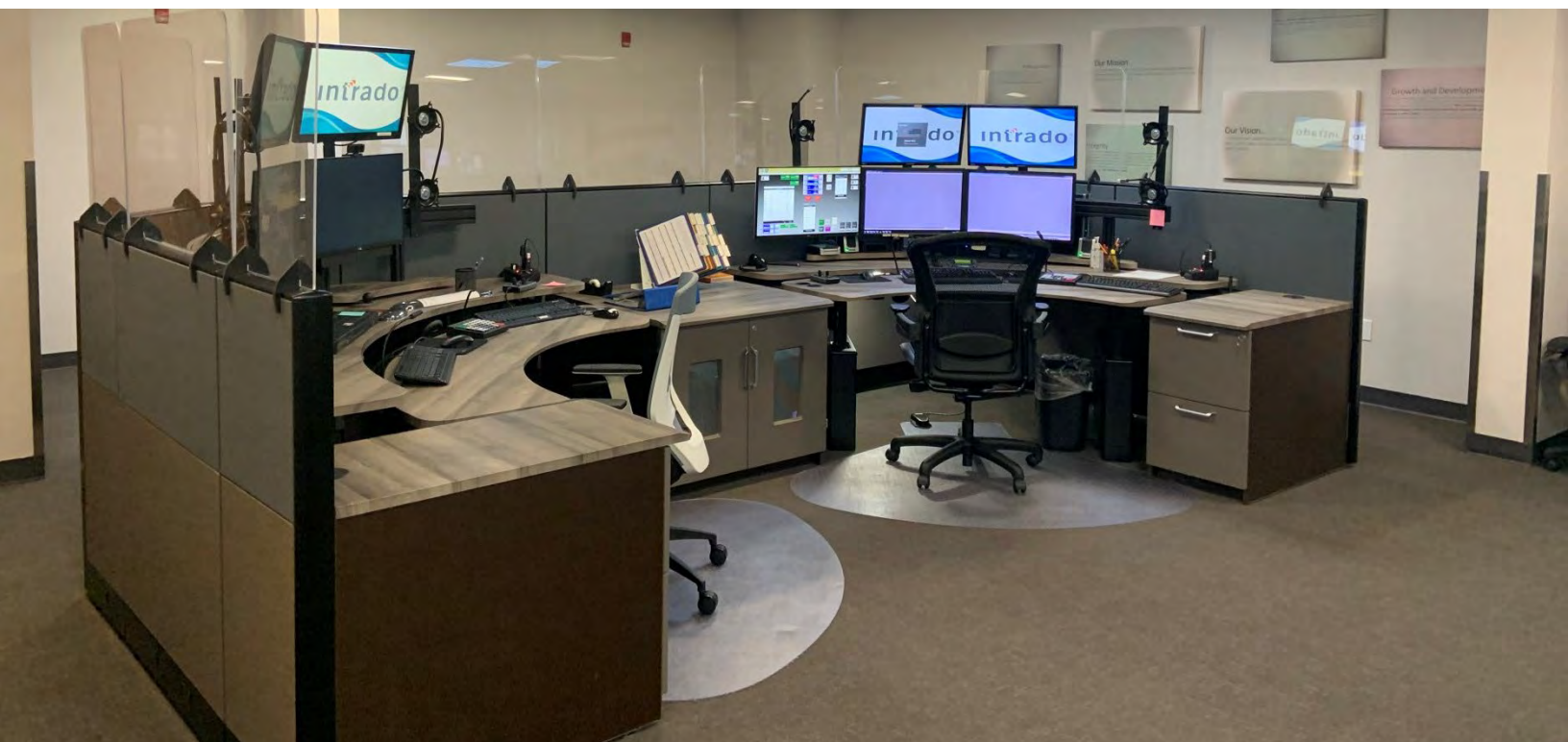
The mission of Crook County 911 is to contribute to the safety of our citizens and public safety partners by following industry best practices, policies, and procedures, and by exceeding the standards set for the profession.

BN 25 Accomplishments

- ❖ Accommodated wellness-oriented training opportunities for staff
- ❖ Added text from 911 capabilities to the dispatch phone system
- ❖ Increased staffing to six dispatchers
- ❖ Maintained accreditation through [Oregon Accreditation Alliance](#)
- ❖ Trained and certified a new bilingual dispatcher
- ❖ Updated dispatch policies and procedures
- ❖ Updated Viper phone system to include latest Next Generation 911 (NG911) technologies

Initiatives for BN 27

- ❖ Achieve accreditation through [International Academies of Emergency Dispatch](#) (IAED)
- ❖ Achieve full functionality of back up consoles and the emergency operations center
- ❖ Expand the 700/800MHz radio system to provide improved radio coverage for police and fire users
- ❖ Improve social media presence and community outreach
- ❖ Increase number of ProQA licenses to keep up with staffing
- ❖ Recruit additional staff and retain existing



Department Goals		Council Goals
A	Contribute to a safe and secure community by utilizing industry best practices to support coordination of public safety services	
B	Deliver high quality service to the community and our partner agencies through the use of innovative technologies, efficient systems, and accountability for performance standards	
C	Improve recruitment strategies to increase staffing levels; refine training and development efforts to encourage retention	

Responsibilities to the Community

The role and responsibility of the emergency dispatch center is to provide the vital communication link between the public and all emergency services. The 911 dispatcher is often the unsung professional of the emergency response team. These professionals, who gather essential information from callers and dispatch the appropriate first responders to the scene, must be able to take control of situations that may be chaotic, heart-wrenching, stressful, confusing and/or frenzied.

The City of Prineville's Emergency Dispatch Department – otherwise known as Crook County 911 – supports public safety by providing interoperable communications throughout Prineville and Crook County, as well as providing the vital communication link between Crook County and the rest of the state. The center is the public safety answering point (PSAP) for Crook County, providing 911 services for all citizens and visitors.

The center provides communication service to the Prineville Police Department, the Crook County Sheriff's Office, Crook County Fire and Rescue and the United States Forest Service (USFS). If other public safety agencies enter Crook County to assist in providing service, like the Oregon State Police, they also are served by the emergency dispatch center.



Katie Kemper, E911 Director

Executive Summary

As with many 911 centers across the nation, meeting staffing needs both in recruiting and retaining staff, is an ongoing challenge. In BN 25, a communications supervisor position was filled, and an additional dispatcher was hired, trained and qualified solo. During the upcoming biennium, the department will work to strengthen its staff growth and development. This will be achieved through implementing creative strategies for recruitment as well as retention. Additionally, the department will improve business practices to better serve the first responders and public. Efforts will include offering innovative training, focusing on employee health and wellbeing, adding additional dispatchers and call takers to the staff, and utilizing technology to streamline processes.

Crook County 911 follows industry-best practices to link the community with public safety services. This includes initiatives such as the addition of call takers, refining call types and associated standard operating procedures, and updating map layers using technology to increase efficiency will improve quality of service. The department responds to community concerns as rapidly as possible to build confidence with the public. Crook County 911 strives to enhance its profession's visibility to the community through local outreach and education.

As the dispatch center looks to the future, the department's need to update and refine processes will be driven by a national movement towards NG911 capabilities. Working with the county's geographic information system provider and phone system vendor Noble 911, the department will continue expanding its ability to receive information from

the public more effectively and in different formats.

Another part of the planned improvements is to continue to expand coverage of the 700/800MHz radio system to provide better communication with police and fire users. With successful implementation, responder safety and dispatch efficiency will be improved.

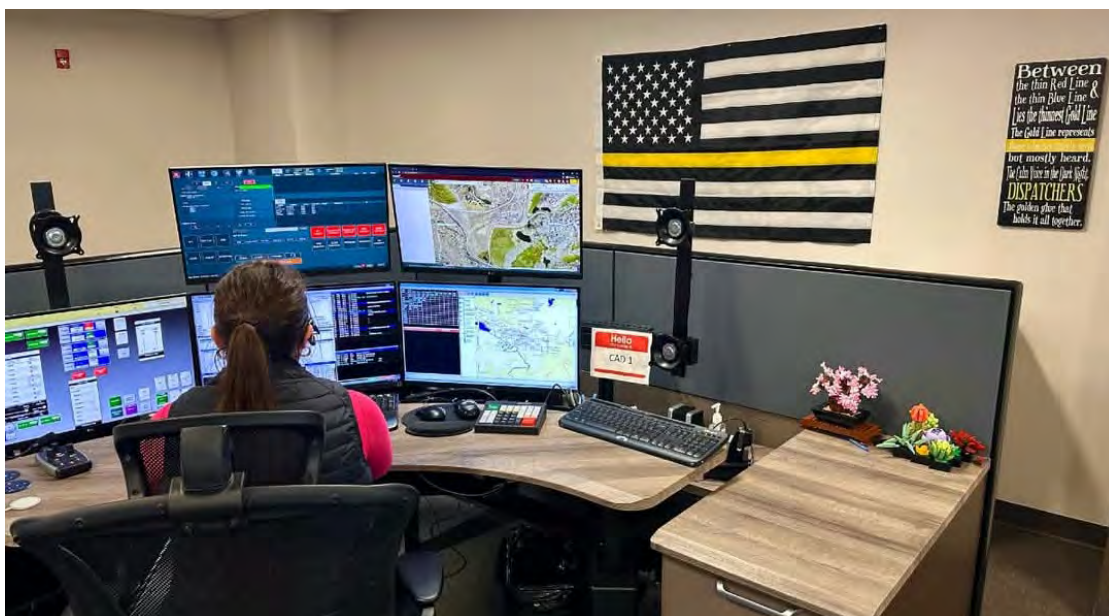
Strategic Planning Updates

- Short-term – Crook County 911 must maintain equipment and software to meet ever evolving technology. Possible updates include components and capabilities of the 911 system, up-fitting a fourth console in the dispatch center, and enabling full operability for two consoles within the backup center in the near term. Additionally, the dispatch center's plans and procedures for emergency evacuation and continuity of operations are in need of update. In efforts to fill full-time equivalent employee vacancies, additional research and outreach efforts will be made for recruitment.
- Long-term – Radio equipment and tower upgrades will be a continual project to keep systems up to date and to provide safety and strong communications abilities for partner agencies. Obtaining infrastructure to expand digital coverage is a priority. The department will also need new CAD software in the next five years to ensure efficiency in data entry and unit status logging.

Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Tower Upgrades	\$ 145,000	\$ 45,000
Radio Console for Emergency Operations Center	\$ 60,000	\$ 60,000
Capital Outlay Total	\$ 205,000	\$ 105,000

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.



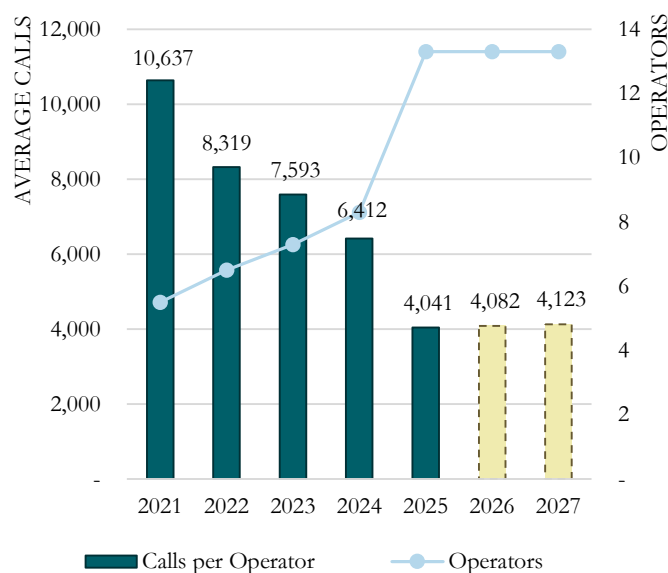
Dispatch hard at work in BN 25.

Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 23 Actual	FY 24 Actual	FY 25 Estimate	FY 26 Target	FY 27 Target
Workloads	Input	FTEs	N/A	8.3	8.3	13.3	13.3	13.3
	Input	Total Calls to Dispatch Center (CY)	+1% per Year	55,426	53,217	53,749	54,287	54,830
	Input	Non-emergency Calls (CY)	+1% per Year	48,726	43,633	44,069	44,510	44,955
	Input	911 Calls (CY)	+1% per Year	6,700	9,584	9,680	9,777	9,874
	Input	Text Sessions to 911 (CY)*	+5% per Year	-	114	120	126	132
	Output	CAD Incidents Created (CY)	+1% per Year	34,496	39,740	40,137	40,538	40,944
	Output	Employee Training Hours	505	649	678	684	692	699
A	Efficiency	Average Calls Taken per Operator	>7,000	7,593	10,041	5,218	5,271	5,323
C	Efficiency	Average Annual Training Hours per Employee	38.00	78.13	81.63	51.45	52.03	52.56

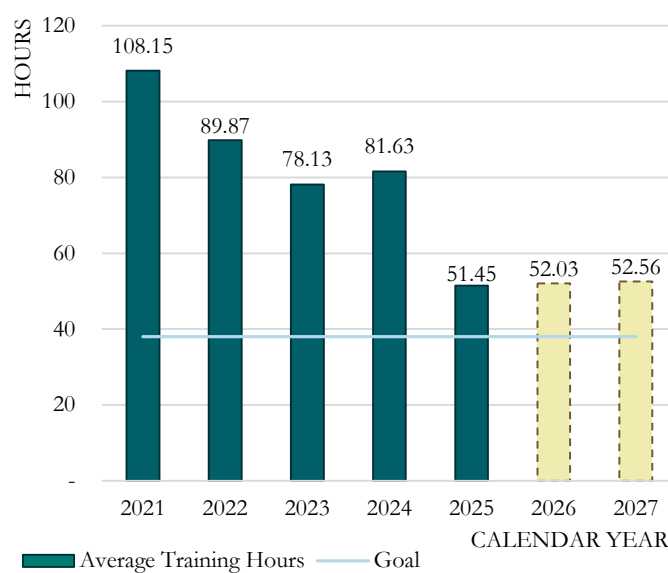
CY = Calendar Year

*System was not yet implemented in FY 23



Average Calls Taken per Operator

911 telecommunicators are often referred to as “the first, first responders.” The City’s dispatchers fit the definition in that they answer all incoming 911 and service calls for the Prineville Police Department, Crook County Sheriff’s Office and Crook County Fire and Rescue. Incoming calls fluctuate from shift to shift, day to day with no tangible way to predict how many calls will come in. Dispatchers can go from no calls to more calls than they can answer and vice versa several times during a shift. This last year’s call volume was impacted by Oregon’s record-breaking fire season, particularly in our jurisdiction. Total calls to the 911 center trended up with limited activities throughout the state. As the population continues to grow, the department’s calls will correlate in an upwards direction. The profession will only get busier as the community grows and technology evolves.



Average Annual Training Hours per Employee

Training for emergency dispatch is a constant, as keeping employees prepared to best serve the community requires upkeep and evolving knowledge. Changes in continuing education programs allowed employees to maintain certification and seek out professional development. Dispatch utilizes innovative ways of training through programs and online services from the Association of Public-Safety Communications Officials, Police Legal Sciences and the IAED for both telecommunications and emergency medical dispatch education opportunities. Training hours increased over the last biennium and should be maintained at this level going forward, with employees receiving – at minimum – 36 hours of training per year through three hour-long monthly sessions in addition to other opportunities to keep them above state and IAED certification requirements.

Emergency Dispatch Budget

Resources	BN	BN	BN 2025		Proposed	BN 2027	Proposed
	Actual	Actual	Adopted BN	Estimated	Budget	Proposed	Proposed
	2019-2021	2021-2023	Budget	Total Actual	2025-2026	Budget	Total Budget
			2023-2025	2023-2025		2026-2027	2025-2027
Beginning fund balance	\$ 505,672	\$ 1,059,703	\$ 1,107,340	\$ 1,400,515	\$ 1,887,147	\$ 1,356,747	\$ 1,887,147
Current year resources							
Intergovernmental	2,095,207	2,299,340	\$ 3,225,500	\$ 3,105,905	\$ 1,394,900	\$ 1,470,300	\$ 2,865,200
Interest	16,772	31,318	12,000	158,725	40,000	6,000	46,000
Miscellaneous	20,696	6,676	6,000	100	-	-	-
Transfers from other funds	1,501,700	1,070,400	1,627,500	1,627,500	854,100	683,700	1,537,800
Total current year resources	\$ 3,634,375	\$ 3,407,734	\$ 4,871,000	\$ 4,892,230	\$ 2,289,000	\$ 2,160,000	\$ 4,449,000
Total resources	\$ 4,140,047	\$ 4,467,437	\$ 5,978,340	\$ 6,292,745	\$ 4,176,147	\$ 3,516,747	\$ 6,336,147
Expenditures	BN	BN	BN 2025		Proposed	Proposed	Proposed
	Actual	Actual	Adopted BN	Estimated	Budget	Budget	Total Budget
	2019-2021	2021-2023	Budget	Budget	2025-2026	2026-2027	2025-2027
			2023-2025	2023-2025			
Personnel Services	\$ 2,014,728	\$ 1,947,423	\$ 3,323,300	\$ 2,367,658	\$ 1,833,800	\$ 2,074,900	\$ 3,908,700
Material & services	518,825	580,323	679,900	670,162	473,400	484,900	958,300
Capital outlay							
Equipment	173,891	138,176	1,082,000	885,978	205,000	105,000	310,000
Transfers	372,900	401,000	481,800	481,800	307,200	337,920	645,120
Contingency			411,340		1,356,747	514,027	514,027
Total expenditures	\$ 3,080,344	\$ 3,066,922	\$ 5,978,340	\$ 4,405,598	\$ 4,176,147	\$ 3,516,747	\$ 6,336,147
Ending fund balance	\$ 1,059,703	\$ 1,400,515	\$ -	\$ 1,887,147	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	10.75	11.30	13.30		13.30		
Policy 45 days operating budget						\$ 362,215	
5% emergency reserve						150,136	
Total Policy						\$ 512,351	



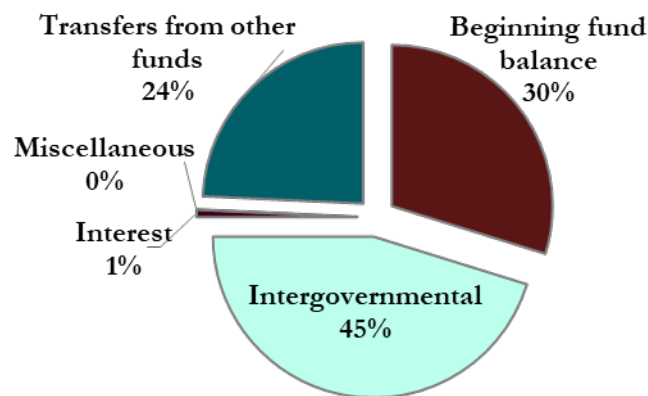
City of Prineville emergency 911 dispatchers helping with Shop with a Cop in December 2024.

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Proposed BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Emergency Dispatch	\$1,400,515	\$1,887,147	35%	\$514,027	\$512,351	0%

Fund balance from BN 25 to BN 27 is estimated to increase approximately 35 percent. Estimates for the BN 27 budget show a 73 percent (-73%) decrease in the ending fund balance with the hope that all budgeted positions will be filled. Dispatch has been under staffed for several years. This fund is within the reserve policy criteria for the City.

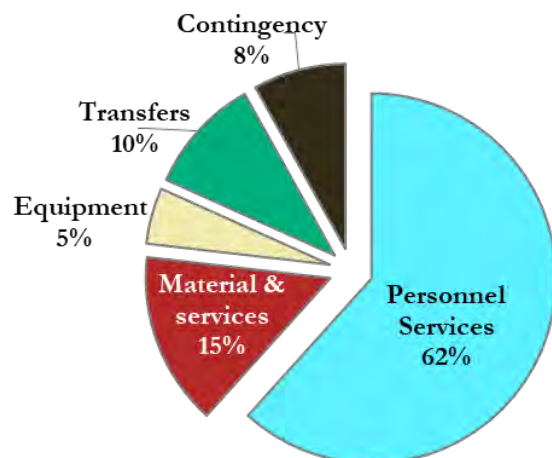
Resources



Assumptions

BN 27 budget totals \$6.3 million with beginning fund balance making up 30 percent of the resources or \$1.9 million. Intergovernmental revenue totals \$2.9 million or 45 percent of budget which is primarily made up from user fees and E-911 tax. Miscellaneous and interest revenue are both 1 percent or less of budgeted resources. Transfers from other funds is at 24 percent, which is associated with the City's share of the user fee of dispatch costs totaling \$1.5 million for BN 27.

Requirements



Assumptions

The BN 27 budget totals \$6.3 million with \$3.9 million in personnel services making up the largest portion of the requirements at 62 percent. Two new call taker positions were added in BN 25 but never filled. The BN 27 budget assumes all budgeted positions will be filled and strides towards this goal were being made by the end of BN 25. Materials and services are 15 percent of the budgeted requirements or roughly \$958,300. Capital equipment totals five percent of the BN 27 budgeted requirements. Transfers are at 10 percent. Contingency totals eight percent. This fund meets the reserve policy criteria for the City.

Planning Fund

Mission Statement

To manage community development within the law, in a fair, honest and responsive manner, enhancing the quality of life in the community through effective planning, enforcement and public involvement, while protecting the natural features and history of the community through inevitable change.

BN 25 Accomplishments

- ❖ Completed right-of-way acquisition and 60 percent design of the NE Peters and N Main roundabout
- ❖ Completed a design of downtown enhancement improvements for 4th and Main
- ❖ Completed concept intersection improvements for the heights
- ❖ Coordinated the use of state grant funds on infrastructure for multi-family projects
- ❖ Implemented a city property tax grant reimbursement program for qualifying multi-family housing
- ❖ Implemented a system development charge deferral program for projects that qualify
- ❖ Updated the City's water and wastewater facility plans and current flood ordinance
- ❖ Updated the City's economic opportunities analysis, Chapters 2 & 5 of the Comprehensive Plan, and expanded the urban growth boundary
- ❖ Updated the majority of conflicts associated with the City's zoning and Comprehensive Plan maps

Initiatives for BN 27

- ❖ Update the Transportation System Plan
- ❖ Update the Natural Hazards Mitigation Plan
- ❖ Update urban growth boundary (UGB) management agreement in coordination with Crook County
- ❖ Work on flood plain issues and identify grant funding for Ochoco Creek flood plain improvements



Department Goals		Council Goals
A	Provide staff support to and implement initiatives created by the Air Quality Committee and other City sanctioned organizations	
B	Identify, evaluate and recommend potential property acquisitions for economic development, downtown development, future public infrastructure projects, or natural resource and hazard protection	
C	Complete, update and adopt master plans as needed by the City for managing land use, development projects, and parks and recreation facilities	
D	Develop plans and initiate projects to reduce negative impacts of environmental hazards on the community such as floodplain impact areas and air quality	
E	Seek funding opportunities from state and federal agencies to advance community projects and facilities that increase the quality of life for residents and visitors	

Responsibilities to the Community

The primary objective of the City of Prineville Planning Department is to manage economic development and sustainable growth, while maintaining the small-town character and overall livability of the community. The Planning Department continues to achieve this by assisting existing and prospective businesses, developers and residents through a consistent land use and development process. The department is often the first point of contact for the general public, whether an individual is planning to build a storage shed or a major corporation is looking to build a large facility. Planning staff facilitates all development review, pulling together input from the public, departments within the City of Prineville, state and federal agencies, and other organizations.

The department is responsible for managing and staffing the Prineville Planning Commission, a seven-member citizen body that reviews and makes decisions on subdivisions, conditional use proposals and provides policy recommendations to the Prineville City Council. The Planning Department is required to comply with all federal, state and local laws regarding community growth and land-use approvals.

Planning also manages the City's UGB and develops current and long-range planning documents, such as the City's comprehensive plan, land use codes and facility plans. These documents support job growth and housing needs, while maintaining Prineville's small-town character. Planning continues to participate in the Downtown Association, the Air Quality Committee, Crooked River Watershed Council and Planning Commission, helping to ensure the City's objectives can be met well into the future.

The Planning Fund accounts for the planning activities of the City of Prineville. When needed, a transfer of funds from the General Fund to the Planning Fund helps support the City's planning needs. General administrative costs are paid through internal charges to internal service funds based upon the cost to the department for using these services. The amounts of these services are at full cost, including replacement cost, thereby providing a more accurate picture of providing services.

Executive Summary

The Planning Department underwent a staffing change this last biennium with the senior planner being promoted to public works director/assistant city manager. The department filled the vacancy with an associate planner position to assist both Planning and Public Works Departments. The position has room to grow into a senior planner position. The department continues to operate lean with only two positions, down from a high of four in 2005.



Planning Director Josh Smith and Public Works Director/ Assistant City Manager Casey Kaiser discussing the Barnes Butte area with archeologists in January 2024.

Prineville – like the rest of the region – witnessed extensive growth in the last four years. This includes residential, commercial and industrial development. Excessively low interest rates and billions of federal stimulus dollars to combat the pandemic drove this phenomenon past what the market would normally correct. With the rapid rise in interest rates in 2022, the United States Federal Reserve purposely tried to slow the economy to tamp out inflation. Yearly inflation has come down, but has yet to hit the target 2 percent. For now, housing prices in Central Oregon have found a new floor that is significantly higher than pre-pandemic prices. Pineville may be insulated from an economic downturn due to the regional effect, but the economic climate is muddy. Common economic assumptions that have guided investors, business and consumers prior to the pandemic no longer seem to apply and the incoming federal administration has prior history of being unpredictable.

Commercial development increased in the last biennium, with significant development at the east end of town on the Ochoco Mill site and a new service commercial site in the airport industrial area. Industrial development other than data centers saw a noticeable increase in construction as business relocate or expand.

Code enforcement is an increasing problem with the high rate of growth and increased housing prices causing many people to find non-traditional options for housing, such as recreational vehicles (RV). Shipping containers, junk and debris, and excessive vehicle ownership is an ongoing aesthetic problem for the community. Violations of setbacks and development standards near natural features such as Ochoco Creek and the Crooked River are now more difficult to prevent and enforce. The City has hired a new community service officer that for the first time is not a sworn police officer. This should provide more continuity with the position as enforcement increases.

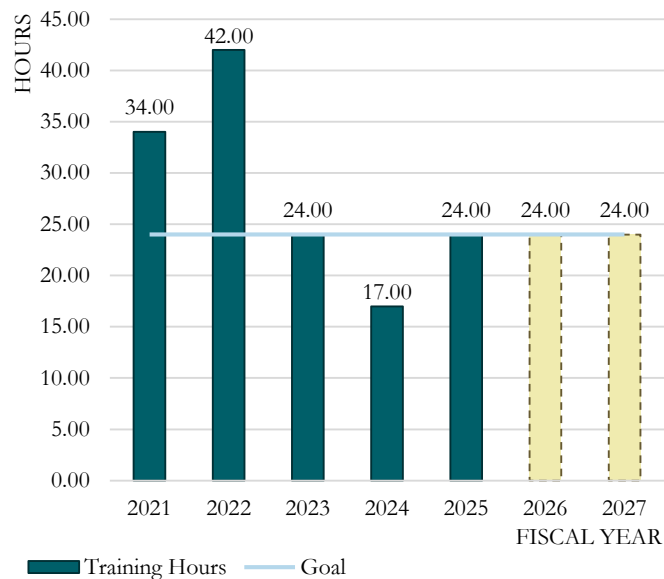
In between development projects, planning staff continues to work on long-range projects. Needed zone error amendments have mostly been completed, but some areas still exist that will be dealt with as needed. Other zone amendments need to be explored such as the Studebaker area and the industrial zoning in the northwest. The UGB expansion for the biomass plant is a key priority for the City that will also require amendments to our Comprehensive Plan. Staff continues to work closely with the Crook County Parks and Recreation District to develop recreational opportunities for the community. Pursuing an update to the UGB management agreement with Crook County is of interest to the department. Regular review of City zoning ordinances and modifications will be done as needed to ensure continued compliance with state law and compatibility with growth and development patterns. The department will also continue to work with the Oregon Department of Environmental Quality (DEQ) on air quality issues.

Strategic Planning Updates

- Short-term – Maintain a high level of customer service by being available and responding to questions quickly and accurately. Provide staff time and technical support for committees, including public and private economic development initiatives.
- Long-term – Ensure land use codes, facility plans and agreements are up to date. Staff will focus on the UGB management agreement with Crook County, Comprehensive Plan updates and master plans. Coordination with partner agencies on plans, processes and issues that overlap jurisdictions will continue.

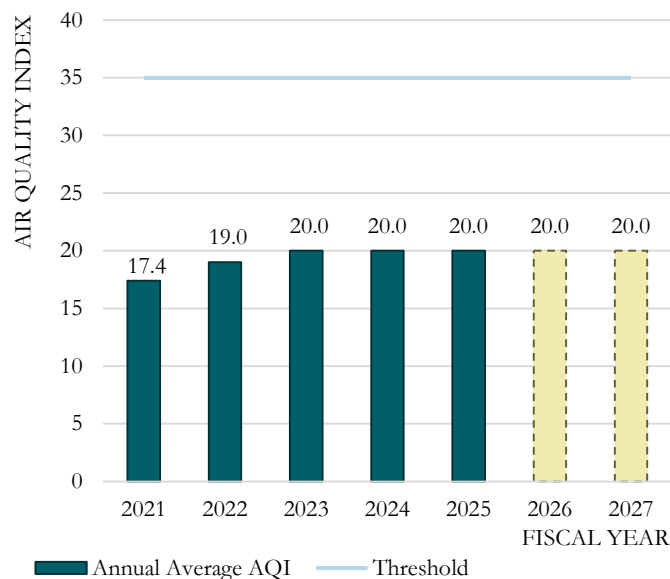
Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2027 Target
Workloads	Output	Planning Counter Open Hours per Week	38.00	39.40	42.20	36.00	36.00	36.00
	Input	Applications Applied for	N/A	130.00	118.00	130.00	130.00	130.00
	Input	New Single-family Dwelling Approvals	N/A	56.00	36.00	65.00	40.00	40.00
A	Effectiveness	Air Quality Daily Index, Three-year Rolling Average	< 35	20.5	20.0	20.0	20.0	20.0
C	Efficiency	Administrative Land Use Application Reviews Completed Within Benchmark	20 days	95%	98%	100%	100%	100%
D	Efficiency	Available Hours of Training per Planning Commissioner	4.00	6.00	2.00	5.50	4.00	4.00
D	Efficiency	Staff Member Training Hours	24.00	24.00	17.00	16.00	24.00	24.00



Average Staff Member Training Hours

In order to provide accurate, informed and professional guidance and information to the public, it is necessary for the Planning Department to be up-to-date on current planning issues, laws and tools. The goal is to achieve an average of at least 24 hours of training per planning staff member. There are numerous opportunities through state and nationwide conferences, the American Planning Association (APA) and agency specific training. In addition, staff is granted opportunities to participate in additional trainings related to job-specific issues offered by the City of Prineville, Crook County and Oregon Department of Land Conservation and Development.



Air Quality Daily Index, Three-year Rolling Average

The City of Prineville and Crook County collaborated with DEQ in developing an action plan to improve air quality in the Prineville area. The reductions in air pollutants will help Prineville and nearby areas remain in attainment, based on the latest health-based standards from the United States Environmental Protection Agency.

Planning Budget

Resources	BN	BN	BN 2025		Proposed	BN 2027	Proposed
	Actual	Actual	Adopted BN	Estimated	Budget	Proposed	Proposed
	2019-2021	2021-2023	Budget	Total Actual	Budget	Budget	Total Budget
			2023-2025	2023-2025	2025-2026	2026-2027	2025-2027
Beginning fund balance	\$ 241,205	\$ 135,505	\$ 218,351	\$ 256,699	\$ 245,004	\$ 255,604	\$ 245,004
Current year resources							
Licenses and permits	\$ 84,859	\$ 123,471	\$ 75,000	\$ 74,135	\$ 35,000	\$ 35,000	\$ 70,000
Interest	4,793	8,408	4,000	24,358	4,000	2,000	6,000
Intergovernmental	30,922	4,491	10,000	3,001	5,000	5,000	10,000
Charges for services	19,588	22,411	141,400	154,414	87,500	41,900	129,400
Transfers from other funds	538,680	781,193	850,000	850,000	550,000	410,000	960,000
Total current year resources	\$ 678,842	\$ 939,974	\$ 1,080,400	\$ 1,105,908	\$ 681,500	\$ 493,900	\$ 1,175,400
Total resources	\$ 920,047	\$ 1,075,479	\$ 1,298,751	\$ 1,362,607	\$ 926,504	\$ 749,504	\$ 1,420,404
Expenditures							
Personnel Services	\$ 466,124	\$ 520,905	\$ 585,200	\$ 570,922	\$ 331,800	\$ 344,900	\$ 676,700
Materials & Services	77,418	34,375	314,700	189,781	132,600	92,800	225,400
Transfers	241,000	263,500	356,900	356,900	206,500	216,900	423,400
Contingency			41,951		255,604	94,904	94,904
Total expenditures	\$ 784,542	\$ 818,780	\$ 1,298,751	\$ 1,117,603	\$ 926,504	\$ 749,504	\$ 1,420,404
Ending fund balance	\$ 135,505	\$ 256,699	\$ -	\$ 245,004	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	2.00	2.00	2.00		2.00		
Policy 45 days operating budget						\$ 81,825	
Total Policy						\$ 81,825	



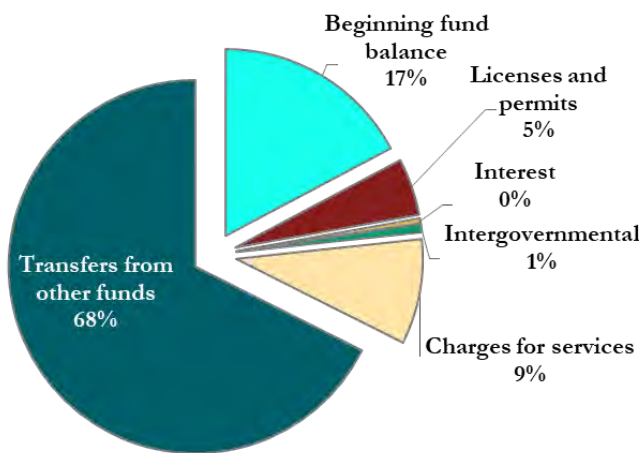
Planning Director Josh Smith and Public Works Director / Assistant City Manager Casey Kaiser inspecting the Combs Flat to Peters Rd project in October 2024.

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Proposed BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Planning	\$256,699	\$245,004	-5%	\$94,904	\$81,825	16%

The Planning Department continues to maintain fund balance within the City's policy requirements. Planning activity is supported by fees and a transfer from the General Fund. Administrative fees to planning for system development charges (SDC) collection is anticipated to flatten during BN 27 with anticipated growth trends.

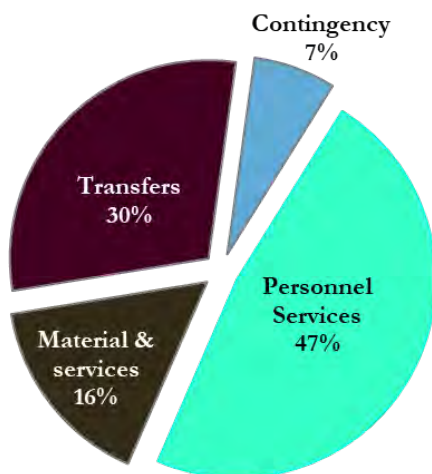
Resources



Assumptions

Revenue estimates from charges for services in BN 27 show a decrease in comparison to BN 25 estimated budget of roughly \$25,000. This is largely due to the completion of an expansion project that the City started in FY 24 where administrative fees were charged to the benefiting entity. Normal administration fees are budgeted based on roughly 65 new equivalent dwelling units in each year of BN 27. Beginning fund balance is 17 percent of BN 27 budget and licenses and permits are roughly 5 percent of budget with the expectation they will remain flat or slightly decline. Transfers from the General Fund are the largest revenue contributors in BN 27 at 68 percent of the budget.

Requirements



Assumptions

The Planning Departments personnel services are 47 percent of requirements in BN 27, totaling \$676,700 with two FTS's in the department. Materials and services are 16 percent for the biennium at \$225,400 with flood plain mapping work expected to continue into BN 27. Transfers are 30 percent of the budget totaling \$423,400 and contingency at is 7 percent of budget. This fund is within the City's policy guidelines.



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Debt Service Funds

PERS/POB



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PERS/POB Fund

Responsibilities to the Community

This fund accounts for the issuance of pension obligation bonds (POB) to fund the City of Prineville's existing unfunded actuarial liability (UAL) and associated debt repayment, it also funds other accrued liabilities the City may incur related to payroll, and reserves could be used to stabilize Oregon Public Employee Retirement System (PERS) rates in the future. The principal source of revenue is charges to other funds with salaries subject to PERS via a surcharge. Expenditures are for payments to PERS for the UAL, debt service requirements and other payroll related accrued liabilities.



Executive Summary

In 2008, the valuation of the City's pension assets invested in PERS declined approximately 27 percent, resulting in the unfunded status at PERS, i.e., the ratio of the value of the City's pension assets invested in PERS to the City's accrued PERS retirement liabilities, declining well below 100 percent. As of December 31, 2008, the ratio fell to 80 percent. Subsequently, the City's pension contribution rate to PERS increases every two years beginning July 1, 2011, and is projected to increase July 1, 2015, July 1, 2017, July 1, 2019, and so on until the rate is sufficient to pay the full cost of PERS.

Incremental increases to the PERS rate are less than otherwise expected due to rate collars smoothing out significant increases. However, as a result of the rate collars, the City's contributions to PERS are not sufficient to stabilize the amount of the unfunded accrued liability (UAL). The City fully funded its UAL in FY 14 in the amount of \$2,846,700 in order to stabilize the City's pension contribution rates. The City received a rate credit of 6 percent beginning December FY 16 through June 30 of FY 17. This credit has increased fund balance significantly. The actuarial valuation report for the City of Prineville as of December 2016 had an 83 percent funded ratio, this actuarial value included the value of the employer's side account.

On June 1, 2018, the City refunded its pension obligation with a private placement. The covenants attached to the pension bond in FY 14 were very restrictive, requiring a debt service reserve of 15 percent in the General Fund and all internal service funds totaling roughly \$1,185,193, for an annual debt service of \$272,000. The interest rate on the 2014 pension bond was 4.94 percent and the refunded interest rate FY 17 was 3.70 percent. Refunding was done with the same maturity date and additional savings to the City.

In FY 18, the City's PERS rate decreased approximately 6 percent for the biennium 19. Within the adopted budget, the City continued to pay the FY 15 contribution rates with the additional 6 percent going into the POB Fund along with the 7 percent surcharge for debt service for the next biennial period. Also, an additional transfer from the General Fund of \$100,000 helped increase the fund balance to give the City options with the next rate change. In BN 21, PERS rates increased roughly 3 percent. The City deposited \$800,000 on May 1, 2019 into a new side account which gave the City a rate credit of -1.35 for the next biennium and an estimated funded ratio of roughly 90 percent. The new side account qualified for 25 percent matching funds from the State of Oregon bringing the total 2019 side account deposits to \$1 million.

As of December 31, 2023, the City has a funded ratio of 70 percent and has an unfunded actuarial liability (UAL) of \$8.87 million, which reflects a decrease of \$1.34 million from December 31, 2022. This UAL number reflects the two side account totals of approximately \$3.8 million. Actuarial assumptions are based on a 6.9 percent return, which was lowered from 7.2 percent in 2020. As previously noted, PERS rate collars do not allow the City to pay the full rate, thereby deferring payments for the UAL to the future and likely requiring a greater UAL rate in the process. Rates of return on investments for 2024, again, did not meet actuarial assumptions and were closer to an average of 5.3 percent. The PERS Board is expected to have a meeting on May 28th to discuss rate of return assumptions. BN 25 returns on investments will affect BN 29 contribution rates.

PERS rates for BN 27 increased between 5 and 7 percentage points, depending on the tier. Effective July 1, 2025 through June 30, 2027, the City's OPERS contribution rates for the Oregon Public Service Retirement Plan (OPSRP) general service, OPSRP police and fire, and tier I / II are 21.19, 26.46 and 25.16 percent respectively. The estimated rate on subject payroll sufficient to repay debt service on the POB is approximately 6 percent. Subject payroll will be charged a 6 percent surcharge for debt service in BN 27. This will keep the fund within its policy reserve requirements. On July 1st, 2025, the City will be spending down its reserves to start a new side account to try and help stabilize future rates.

PERS/POB Budget

Resources	BN Actual 2019-2021	BN Actual 2021-2023	BN 2025		Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
			Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025			
Beginning fund balance	\$ 594,230	\$ 1,377,472	\$ 1,427,357	\$ 1,821,141	\$ 2,566,940	\$ 322,840	\$ 2,566,940
Current year resources							
Interest	\$ 24,040	\$ 54,071	\$ 40,000	\$ 204,413	\$ 2,000	\$ 2,000	\$ 4,000
Miscellaneous	135,546		-	-	-	-	-
Charge for pension costs	1,010,878	822,300	1,088,900	1,116,100	514,400	460,100	974,500
Transfers from other funds	200,000	200,000	371,200	100,000	100,000	100,000	200,000
Total current year resources	\$ 1,370,464	\$ 1,076,371	\$ 1,500,100	\$ 1,420,513	\$ 616,400	\$ 562,100	\$ 1,178,500
Total resources	\$ 1,964,694	\$ 2,453,843	\$ 2,927,457	\$ 3,241,654	\$ 3,183,340	\$ 884,940	\$ 3,745,440
Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	BN 2025		Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
			Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025			
Personnel Services	\$ -		\$ -	\$ -	\$ 2,500,000	\$ -	\$ 2,500,000
Materials & Services	-		-	-	1,500	-	1,500
Debt service							
Principal							
Principal - POB 2014/2018	\$ 419,455	\$ 497,335	\$ 577,700	\$ 577,643	\$ 326,600	\$ 352,900	\$ 679,500
Interest							
Interest - POB 2014/2018	167,767	135,367	97,100	97,071	32,400	20,200	52,600
Transfers							
Contingency	-		1,893,757	-	322,840	152,940	152,940
Total expenditures	\$ 587,222	\$ 632,702	\$ 2,568,557	\$ 674,714	\$ 3,183,340	\$ 526,040	\$ 3,386,540
Other requirements							
Debt service reserve			\$ 358,900	\$ -		\$ 358,900	\$ 358,900
Ending fund balance	\$ 1,377,472	\$ 1,821,141	\$ -	\$ 2,566,940	\$ -	\$ -	\$ -
Policy = Debt service reserve						358,900	



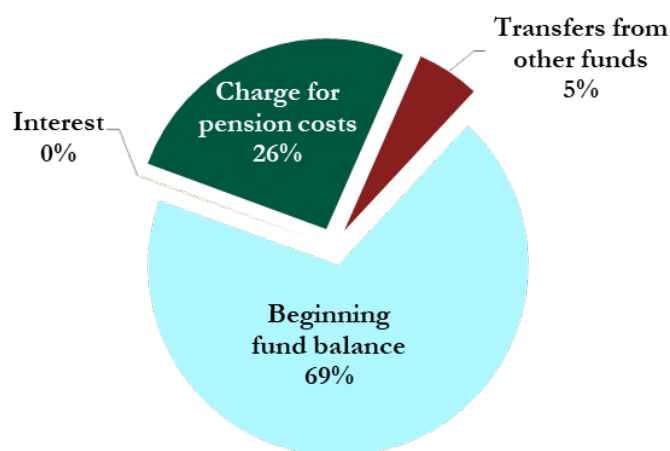
City Hall Staff being silly in October 2024

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Proposed BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
PERS/POB	\$1,821,141	\$2,566,940	41%	\$511,840	\$358,900	43%

Fund balance increased from BN 25 to BN 27 approximately 41 percent. Through BN 27 the fund balance is budgeted to decrease 80 percent (-80%), ending the biennium at \$511,840. This is due to a new side account being created in FY 26. This fund is within policy with a debt service reserve of \$358,900.

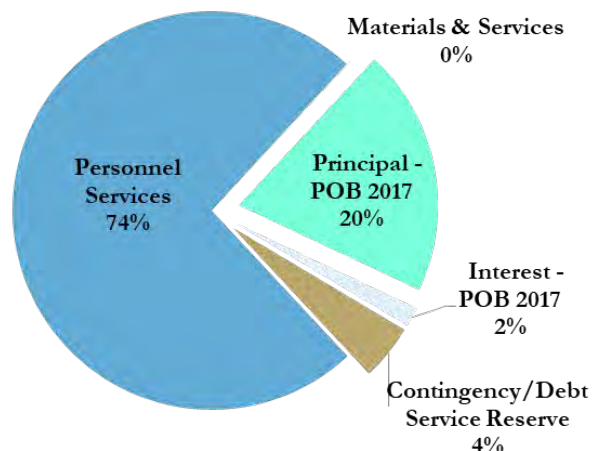
Resources



Assumptions

As mentioned in the executive summary, the City budgeted 6 percent to its personnel services throughout the budget. Those dollars are transferred to this fund to cover debt service for the pension debt and future liabilities. The estimated rate on subject payroll sufficient to repay debt service on the POB is approximately 6 percent. The City has maintained dollars exceeding the debt service in this fund for a future lump sum payment to PERS. BN 27 POB contributions decreased approximately 13 percent (-13%) in comparison to the prior biennium budget largely due to the percentage charged changing from 8 percent to 6 percent in an effort to offset the significant increase in the PERS contribution rate for BN 27. Transfers include \$200,000 from the General Fund.

Requirements



Assumptions

The City refunded its pension obligation bond in FY 18 resulting in a debt service for the City which consists of one annual payment of principal and interest that is funded by transfers from all funds with personnel services. This debt is set to be paid off in FY 28. The State of Oregon is taking applications for new side account deposits with the City's application open date starting on July 1, 2025. The State is matching new side account creations at 25 percent. The City is budgeting for a new side account deposit of \$2.5 million, which makes up the 74 percent of the BN 27 budget in personnel services. The State will contribute an additional \$625,000 to bring the new side account total to \$3.1 million. Contingency and debt service reserve a total of 4 percent of the total budget with it being spent down for the new PERS side account.



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Capital Project Funds

Transportation SDC • Water SDC • Wastewater SDC



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Transportation SDC Fund

Mission Statement

The Transportation System Development Fund strives to impose fair and reasonable fees on new development to construct the needed improvements to the transportation system that will be required to support that new development. System development charges (SDC) insure that “growth pays for growth.”

BN 25 Accomplishments

- ❖ Completed construction of the Downtown Enhancement project funded by a \$3 million grant from State of Oregon House Bill 2017 and in partnership with the Oregon Department of Transportation (ODOT). The project improved pedestrian safety, upgraded an aging storm water collection system, and provided beautification enhancements to the downtown core
- ❖ Completed construction of the initial phases of the NE Combs Flat Rd. to NE Peters Rd. extension project, which included the piping of the Ochoco Irrigation District canal
- ❖ Completed the 2024 update to the City’s Transportation System Plan identifying the short- and long-term improvements to the City’s street network needed to meet current and future traffic demands
- ❖ Completed the design of the N. Main St. and NE Peters Rd. Intersection

Initiatives for BN 27

- ❖ Complete a comprehensive updated Americans with Disabilities Act (ADA) transition plan
- ❖ Complete construction of the final phases of the NE Combs Flat Rd. to NE Peters Rd. extension project, which includes the piping of the Ochoco Irrigation District canal, including final paving, curb, sidewalk, striping and street lighting
- ❖ Update the Transportation System Development Charge Methodology establishing a competitive Transportation SDC fee that enables the City to adequately fund the improvements needed to serve the projected growth of the City





The roundabout in May 2025

Responsibilities to the Community

The purpose of the Transportation System Development Charge Fund is to manage the expansion of the transportation network to best serve the economic growth of the community. This fund accounts for the receipt and expenditures of transportation SDC improvement fees. SDCs are charged to new development to provide a source of income to pay for the expansion of the City of Prineville's transportation system.

Executive Summary

This fund accounts for the receipt and expenditures of transportation system development charge improvement fees. Reasoning behind the creation of the fund is to improve accountability, planning and investment of SDCs in transportation capital improvements. The current SDC is 100 percent of the maximum allowed amount as determined in an analysis of the City's transportation requirements. This amount is competitive compared to other municipalities in the region while still allowing the City to adequately fund improvements needed to serve the projected growth. The amount of the SDCs included in the budget reflects a 1.83 percent increase for FY 27, based upon changes in the *Engineering News Record's* 20 city average construction cost index (CCI).

Transfer for administrative fee costs associated with collecting, accounting and disbursing these funds are consistent with council-adopted methodology – which by definition is consistent with state law. Transfers for the Transportation SDC Fund total 5 percent, with 2 percent going to the Planning Fund and 3 percent to the Administrative Internal Service Fund.

Strategic Planning Update

- Short-term – In the short-term, the Transportation SDC Fund will utilize existing transportation system development funds as well as supplemental grant funds to complete needed, capacity improving projects such as the construction of the critical NE Combs Flat Rd. to NE Peters Rd. Extension project.
- Long-term – The Transportation SDC Fund will plan for needed projects to serve a growing community.

Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
NE Combs Flat Rd. Extension to NE Peters Rd.	\$ 1,000,000	\$ -
N Main St. and NE Peters Rd. Intersection	\$ -	\$ 2,440,000
ADA Transition Plan	\$ -	\$ 60,000
Capital Outlay Total	\$ 1,000,000	\$ 2,500,000

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.



Combs flat extension project in August 2024

Transportation SDC Budget

Resources	BN	BN	BN 2025		Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
	Actual 2019-2021	Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025			
Beginning fund balance	\$ 1,500,753	\$ 894,283	\$ 11,054,372	\$ 1,323,642	\$ 4,303,266	\$ 4,038,266	\$ 4,303,266
Current year resources							
Intergovernmental	\$ 1,549,397	\$ 999,668	\$ 14,000,000	\$ 15,188,342	\$ -	\$ -	\$ -
Other revenue	-	50,000	-	-	-	-	-
Interest	32,429	239,090	175,000	854,806	50,000	20,000	70,000
System development charges	1,416,747	1,397,734	900,000	1,574,365	800,000	700,000	1,500,000
Transfers			-	-	-	-	-
	\$ 2,998,573	\$ 2,686,492	\$ 15,075,000	\$ 17,617,513	\$ 850,000	\$ 720,000	\$ 1,570,000
Total resources	\$ 4,499,326	\$ 3,580,775	\$ 26,129,372	\$ 18,941,155	\$ 5,153,266	\$ 4,758,266	\$ 5,873,266
Expenditures	BN	BN	BN 2025		Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
	Actual 2019-2021	Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025			
Material & services	\$ 18,765	\$ 2,234	\$ 30,000	\$ 30,000	\$ 75,000	\$ 75,000	\$ 150,000
Capital outlay							
Improvements	3,516,580	2,185,700	14,490,000	14,529,171	1,000,000	2,500,000	3,500,000
Transfers	69,698	69,199	95,000	78,718	40,000	35,000	75,000
Contingency			11,514,372		4,038,266	2,148,266	2,148,266
Total expenditures	\$ 3,605,043	\$ 2,257,133	\$ 26,129,372	\$ 14,637,889	\$ 5,153,266	\$ 4,758,266	\$ 5,873,266
Ending fund balance	\$ 894,283	\$ 1,323,642	\$ -	\$ 4,303,266	\$ -	\$ -	\$ -



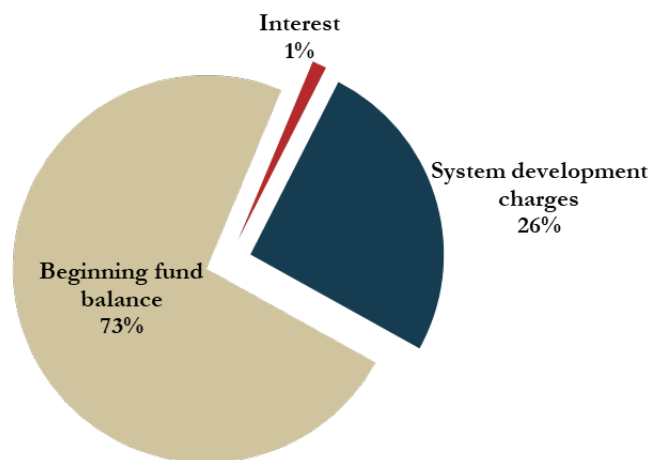
Grant funded safety improvements completed on Peters Road in June 2024

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Adopted BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency
Transportation SDC	\$1,323,642	\$4,303,266	225%	\$2,148,266

Beginning fund balance increased significantly from BN 25 to BN 27 due to grant funding received for the multi-year Combs Flat to Peters Road extension project. This project is anticipated to be completed in the summer of 2025. The proposed ending fund balance of \$2,148,266 is an estimate based on revenue of 130 residential equivalent dwelling units (EDU) over the biennium. Commercial and residential activity has been steady but is anticipated to flatten out by FY 27.

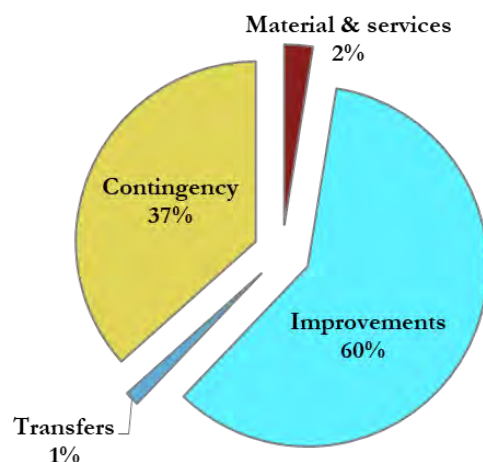
Resources



Assumptions

Revenue assumptions are based on receiving the estimated 130 residential EDUs in each year of the biennium along with estimated commercial fees in other areas of the city. Beginning fund balance is 73 percent of the BN 27 budget with projects over the last biennium being fully grant funded and allowing SDC's to be saved for future projects.

Requirements



Assumptions

Material and services total two percent of the requirements over the biennium. Improvements total 60 percent of budget, with all projects budgeted totaling roughly \$3.5 million. Transfers total less than one percent for administrative fees from the collection of estimated SDC fees. Roughly \$2.1 million remains as contingency or 37 percent of the BN 27 budget.

Water SDC Fund

Mission Statement

The Water System Development Fund strives to impose fair and reasonable fees on new development to construct the needed improvements to the water system that will be required to support that new development. System development charges insure that “growth pays for growth.”

BN 25 Accomplishments

- ❖ Achieved additional successes in ASR project implementation
- ❖ Constructed 7,250 feet of new waterline in the airport industrial area, increasing available pressures and fire flows to the industrial users while also creating additional capacity to serve industrial growth
- ❖ Constructed approximately 16,000 feet of waterline serving new residential, commercial, and industrial development
- ❖ Completed upgrades to the aquifer storage and recovery (ASR) water treatment facility, improving the performance and capacity of the City’s water system
- ❖ Reconstructed the City’s Heliport ASR Well, providing a significant water production capacity increase
- ❖ Updated the Water System Master Plan including updating and adopting the Water System Development Charge Methodology

Initiatives for BN 27

- ❖ Construct the ASR 2 Well in the airport industrial area adding resiliency and increasing capacity of the ASR system
- ❖ Design and construct an additional source well in the Crooked River Wellfield, significantly increasing the City’s water system source capacity
- ❖ Seek out alternative funding scenarios to maintain competitive SDC fees while constructing improvements to expand the capacity of the City’s water system





The new water treatment plant facility, part of the ASR project, in December 2021

Responsibilities to the Community

The purpose of the Water SDC Fund is to manage the expansion of the water system to best serve the economic growth of the community. This fund accounts for the receipt and expenditures of water SDC improvement fees. SDCs are charged to new development to provide a source of income to pay for the expansion of the City of Prineville's water system.

Executive Summary

This fund accounts for the receipt and expenditures of water system development charge improvement fees. The reasoning behind the creation of the fund is to improve accountability, planning and investment of SDCs in water capital improvements. The most recent SDC methodology update in early 2025 recalibrated the SDC fee. The current SDC is 100 percent of the maximum allowed amount as determined in an analysis of the City's water improvement requirements. The amount of the SDCs included in the budget reflects a 1.83 percent increase for FY 27, based upon changes in the *Engineering News Record's* 20 city average construction cost index (CCI).

Transfers for administrative fee costs associated with collecting, accounting and disbursing these funds are consistent with council adopted methodology – which by definition is consistent with state law. Transfers for the Water SDC Fund total approximately 5 percent, with roughly 2 percent going to the Planning Fund and 3 percent to the Administrative Internal Service Fund.

Budget Highlight

The **ASR project**, completed in BN 23, will store water during periods of cooler temperatures and low demands in the airport industrial area aquifer. This water will later be recovered during periods of higher temperatures and higher demands.

Strategic Planning Updates

- Short-term – In the short-term, the Water SDC Fund will utilize existing water system development funds in combination with grants and other funding sources to make needed, capacity improving projects such as additional source wells and large distribution piping.
- Long-term – The Water SDC Fund will plan for needed projects to serve a growing community.

Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Source		
Source	\$ 3,000,000	\$ -
Transmission	\$ 500,000	\$ -
Capital Outlay Total	\$ 3,500,000	\$ -

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.



Contractors working on the Airport Industrial Park Utility project in 2019

Water SDC Budget

Resources	BN	BN	BN 2025		Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
	Actual 2019-2021	Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025			
Beginning fund balance	\$ 1,710,797	\$ 163,653	\$ 180,913	\$ (83,898)	\$ 418,228	\$ 964,928	\$ 418,228
Current year resources							
Intergovernmental	\$ -	\$ 574,548	\$ -	\$ 2,042,601	\$ 500,000	\$ -	\$ 500,000
Interest	28,823	9,088	15,000	-	2,000	2,000	4,000
System development charges	7,889,500	937,827	750,000	1,166,528	400,000	400,000	800,000
Other	6,754	423,063	11,000,000	7,251,396	3,850,000	-	3,850,000
Debt proceeds	3,000,000	-	-	-	-	-	-
Transfers	1,959,000	1,200,000	-	-	-	-	-
Total current year resources	\$ 12,884,077	\$ 3,144,526	\$ 11,765,000	\$ 10,460,525	\$ 4,752,000	\$ 402,000	\$ 5,154,000
Total resources	\$ 14,594,874	\$ 3,308,179	\$ 11,945,913	\$ 10,376,627	\$ 5,170,228	\$ 1,366,928	\$ 5,572,228
Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Material & services	\$ -		\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 100,000
Capital outlay							
Improvements	13,679,570	2,657,852	10,230,000	8,759,601	3,500,000	-	3,500,000
Transfers	751,651	734,225	1,371,800	1,198,798	655,300	387,400	1,042,700
Contingency			344,113		964,928	929,528	929,528
Total expenditures	\$ 14,431,221	\$ 3,392,077	\$ 11,945,913	\$ 9,958,399	\$ 5,170,228	\$ 1,366,928	\$ 5,572,228
Ending fund balance	\$ 163,653	\$ (83,898)	\$ -	\$ 418,228	\$ -	\$ -	\$ -



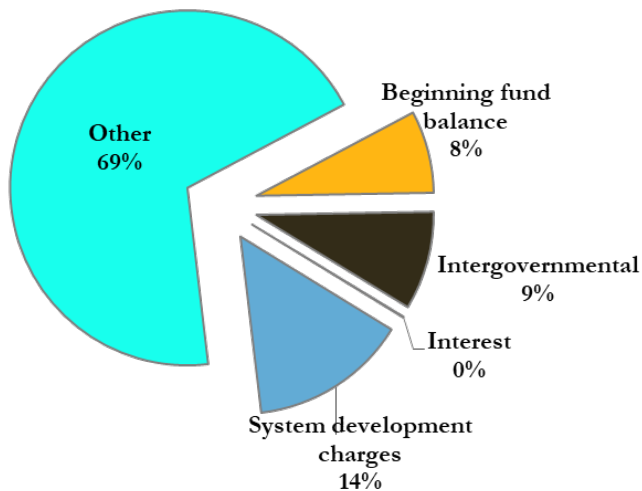
Pipe for the Water Resiliency project in January 2024

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Adopted BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency
Water SDC	-\$83,898	\$418,228	598%	\$929,528

The beginning fund balance BN 25 to beginning fund balance BN 27 increased approximately 598 percent. This is due to the 2022 Congressionally Directed Spending (CDS) awarded for the water treatment facility and ASR well improvements. The starting date for allowable grant expenditures was July of 2022 but a contract was not in place until January of 2024 leading to the negative beginning fund balance for BN 25. In BN 27, the proposed ending fund balance of approximately \$929,528 is based on a revenue estimate of 65 EDUs each year and estimated commercial fees from other areas in the city. Budgeted water improvements are \$3.5 million.

Resources

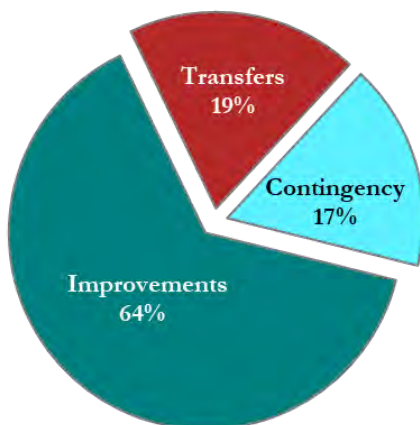


Assumptions

SDC resources are estimated based on the collection of 65 residential EDUs in each year of the biennium and estimated commercial fees collected from other areas in the city. Other revenue is 69 percent of the resource budget and is anticipated for reimbursement for the well projects budgeted in BN 27.

Intergovernmental revenue is associated with grant efforts for the waterline design in the Willowdale area, which is currently not connected to the City's water system.

Requirements



Assumptions

Improvements are 64 percent of the budget and are associated with two well projects and the waterline design project mentioned above totaling \$3.5 million. Transfers are 19 percent of the budget for administrative fees from the collection of estimated SDCs and project delivery fees, and contingency is 17 percent of budget totaling \$529,528.

Wastewater SDC Fund

Mission Statement

The Wastewater System Development Fund strives to impose fair and reasonable fees on new development to construct the needed improvements to the wastewater system that will be required to support that new development. System development charges insure that “growth pays for growth.”

BN 25 Accomplishments

- ❖ Completed an update to the Wastewater Facility Master Plan including updating the Wastewater SDC Methodology
- ❖ Constructed 9,000 feet of new gravity and pressure sewer collection lines to serve new residential, industrial, and commercial growth

Initiatives for BN 27

- ❖ Construct Chlorine Conversion project at the wastewater treatment plant. The project will increase the chlorination capacity of the system as well as reduce treatment costs
- ❖ Perform capacity building upgrades to the wastewater collections system and lift stations as needed to serve growth





Crooked River Wetlands Complex in May 2025

Responsibilities to the Community

The purpose of the Wastewater SDC Fund is to manage the expansion of the wastewater collection and treatment system to best serve the economic growth of the community. This fund accounts for the receipt and expenditures of wastewater SDC improvement fees. SDCs are charged to new development to provide a source of income to pay for the expansion of the City of Prineville's wastewater system.

Executive Summary

This fund accounts for the receipt and expenditures of wastewater system development charge improvement fees. Reasoning behind the creation of the fund is to improve accountability, planning and investment of SDCs in wastewater system capital improvements. The City completed an update to the SDC methodology in conjunction with a Wastewater Facilities Master Plan update in FY 25. The current SDC is 100 percent of the maximum allowed amount as determined in an analysis of the City's wastewater capital requirements. The amount of the SDCs included in the budget reflects a 1.83 percent increase for FY 27, based upon changes in the *Engineering News Record's* 20 city average construction cost index (CCI).

Transfer for administrative fee costs associated with collecting, accounting, and disbursing these funds are consistent with council adopted methodology – which by definition is consistent with state law. Transfers in Wastewater SDC Fund are approximately 5 percent, with roughly 2 percent going to the Planning Fund and 3 percent to the Administrative Internal Service Fund.



Did You Know?

In May 2019, the Crooked River Wetlands project received the Grand Award from the American Council of Engineering Companies (ACEC). The project is recognized as one of the sixteen most innovative and complex projects in the nation.

Strategic Planning Updates

- Short-term – In the short-term, the Wastewater SDC Fund will collect system development funds to construct future, capacity improving projects.
- Long-term – The Wastewater SDC Fund will plan for needed projects to serve a growing community.

Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Wastewater Treatment Plant Chlorine Conversion	\$ -	\$ 900,000
SE Melrose Dr. / SE Willowdale Dr. Wastewater Design	\$ -	\$ 300,000
Capital Outlay Total	\$ -	\$ 1,200,000

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.



June 2024 – Improvements made at the Crooked River Wetlands in BN 25

Wastewater SDC Budget

Resources	BN		BN 2025		BN 2027		
	Actual 2019-2021	Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Beginning fund balance	\$ 3,127,928	\$ 153,715	\$ 7,710	\$ 119,699	\$ 300,969	\$ 518,269	\$ 300,969
Current year resources							
Intergovernmental	\$ -	\$ -	\$ 750,000	\$ 500,000	\$ -	\$ -	\$ -
Interest	69,977	6,587	2,000	16,736	1,000	1,000	2,000
Misc. revenue			50,000	18,751		800,000	800,000
System development charges	434,745	540,089	665,000	832,050	350,000	350,000	700,000
Total current year resources	\$ 504,722	\$ 546,676	\$ 1,467,000	\$ 1,367,537	\$ 351,000	\$ 1,151,000	\$ 1,502,000
Total resources	\$ 3,632,650	\$ 700,391	\$ 1,474,710	\$ 1,487,236	\$ 651,969	\$ 1,669,269	\$ 1,802,969
Expenditures	BN		BN 2025		BN 2027		
	Actual 2019-2021	Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Material & services	\$ 56,225	\$ 13,059	\$ 20,000	\$ 10,000	\$ 20,000	\$ 20,000	\$ 40,000
Capital outlay							
Improvements	1,589,046	230,836	853,000	600,069	-	1,200,000	1,200,000
Transfers	1,833,664	336,797	570,000	576,198	113,700	113,700	227,400
Contingency			31,710		518,269	335,569	335,569
Total expenditures	\$ 3,478,935	\$ 580,692	\$ 1,474,710	\$ 1,186,267	\$ 651,969	\$ 1,669,269	\$ 1,802,969
Ending fund balance	\$ 153,715	\$ 119,699	\$ -	\$ 300,969	\$ -	\$ -	\$ -



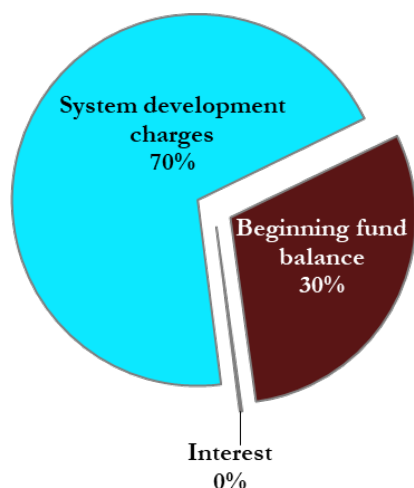
Wastewater treatment facility taken from the 66 Trails in April 2024

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Adopted BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency
Wastewater SDC	\$119,699	\$300,969	151%	\$335,569

BN 25 to BN 27 increase in beginning fund balance is a result of SDC collection coming in higher than anticipated. In BN 27, the ending fund balance of \$335,569 is based on an estimate of 130 EDUs and other commercial fees collected through the biennium. There are \$1.2 million in collection system improvements budgeted in BN 27.

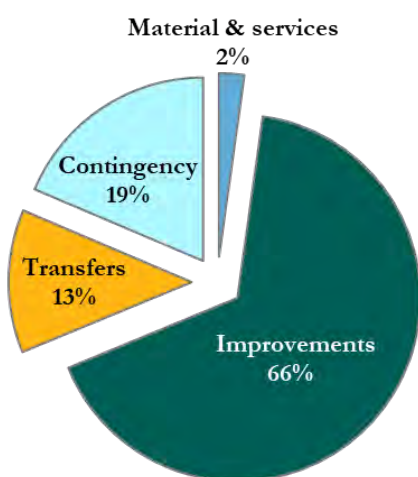
Resources



Assumptions

Beginning fund balance is 30 percent of budgeted resources for BN 27. System development fees for BN 27 are based on the projection of 130 EDUs and estimated commercial fees collected through the biennium.

Requirements



Assumptions

There are \$1.2 million in collection system improvements budgeted in BN 27, which is 66 percent of the budget requirements. Materials and services for the biennium total two percent. The roughly five percent administrative fee for the collection of estimated SDC fees shows as a transfer. Transfers also include a transfer to the Wastewater Fund for SDC reimbursement fees and total transfers are 13 percent of the budget. The proposed ending fund balance is \$335,569.



Proposed Biennial Budget



July 1, 2025 - June 30, 2027



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Enterprise Funds

Railroad/Freight Depot • Airport • Water • Wastewater •
Golf Course



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Railroad / Freight Depot Fund

Mission Statement

The mission of the City of Prineville Railway is to foster job creation, drive economic growth, and deliver a safe, cost-efficient and customer-centric transportation hub that serves as a vital and irreplaceable transportation solution for the region.

BN 25 Accomplishments

- ❖ Developed a member of staff for a trainmaster and/or operations manager position
- ❖ Purchased an updated locomotive to replace aging rolling stock
- ❖ Replaced and rebuilt the McKay Creek Bridge
- ❖ Removed the Lye Creek Bridge, replacing it with large pipe

Initiatives for BN 27

- ❖ Create a training co-op with other shortline railroads.
- ❖ Finish the asset replacement plan
- ❖ Replace 9,700 railroad ties
- ❖ Surface, line and tamp the 18-mile main line



Department Goals		Council Goals
A	Increase revenue: Develop and implement strategies to attract new customers, expand existing services and introduce innovative pricing models, with the goal of boosting overall revenue and ensuring sustainable growth.	
B	Enhance safety: Prioritize safety by investing in comprehensive training and educational programs for employees, implementing rigorous safety protocols, and conducting regular inspections of equipment and infrastructure to maintain the highest safety standards.	
C	Improve customer satisfaction: Elevate customer satisfaction by ensuring reliable, efficient service delivery, promptly addressing customer inquiries and concerns, and continuously improving the quality of service to meet and exceed customer expectations.	
D	Invest in infrastructure: Focus on long-term growth by making strategic investments in upgrading critical infrastructure, including track, bridges and equipment, to enhance operational efficiency, service quality and overall reliability.	
E	Foster positive relationships with stakeholders: Strengthen relationships with employees, the local community and other stakeholders through open communication, addressing concerns, and actively taking part in railroad community initiatives and events to support local engagement and collaborative growth.	

Responsibilities to the Community



*Railroad Engineer Kris Gibson and
Railroad Manager Matt Wiederholt*

The City of Prineville Railway (COPR) is a vital shortline railroad owned by the City of Prineville, offering critical connections to major Class I railroads such as BNSF Railway (BNSF) and Union Pacific Railroad (UP). These connections grant access to key markets across the United States, Canada and Mexico, reinforcing the importance of rail transportation in supporting the region's economy. COPR's primary mission is to drive local economic development and job creation by providing reliable rail services to businesses in the Prineville area.

COPR serves a wide range of local and regional industries, including manufacturing facilities for trusses and poly pipes, four agricultural cattle feed businesses, three industrial chemical transload facilities, and a City-managed warehouse. By enabling rail access to these diverse enterprises, COPR significantly reduces transportation costs and enhances supply chain efficiency, which is essential for thriving in today's global economy.

The Railway's role extends beyond simple transportation; it's a cornerstone of economic sustainability. Through its efficient and cost-effective services, COPR ensures businesses in the region remain competitive and resilient. With ongoing investments in infrastructure and service improvements, COPR is poised to continue supporting the economic growth and success of the Prineville community for years to come, while fostering local job creation and business expansion.

Executive Summary

The City of Prineville Railway faces several significant challenges, including constrained funding for necessary infrastructure upgrades, regulatory compliance requirements, and competition from alternative transportation modes. Nevertheless, the Railway has proactively addressed these obstacles through strategic investments in infrastructure, cultivating robust customer relationships, and pursuing new business opportunities to bolster its operations.

Freight revenue, alongside services provided through the warehouse, is anticipated to be the primary source of income for COPR. The range of commodities transported includes bitumen, road salt, Canadian lumber, oriented strand board, house siding, domestic lumber, fuel additives, acetone, propane, building blocks from Mexico, fatty acid, asphalt additives, golf course sand, solvents, dried distillers' grain, corn screenings, tire ballast, and magnesium chloride. Beyond freight transport and handling, COPR also generates supplementary income from services such as railcar storage, railcar repair and leasing of rail-owned properties.

Labor remains COPR's largest anticipated expense, with other costs—such as fuel, administrative expenses, and insurance—projected to rise. To mitigate these costs, staff will continue maintaining the infrastructure in a manner that supports safe operations and minimizes risks, ultimately allowing the Railway to benefit from reduced insurance premiums due to a track record of safe, derailment-free operations.

During the first year of the budget cycle, COPR plans to invest \$2,300,000 in capital improvements. Notably, \$1,765,000 of the capital funding in the 2026-2027 biennial budget comes from state and federal grants secured in the prior budget cycle. Planned work includes the replacement of 9,700 cross and switch ties, a \$1,100,000 investment in track equipment to preserve railway assets, and the purchase of a \$165,000 Ford Lightning electric pickup. Track maintenance will involve the installation of all 9,700 railroad ties, as well as lining, tamping and surfacing the full 18 miles of rail.

Did You Know?

The City of Prineville Railway is the oldest continuously operated municipal short line in the U.S. and celebrated its 100-year anniversary the summer of 2018.



Engine 1551 pulling the railroad's newest train in April 2025 – Photo: Dade Shank.

As the department moves into the new fiscal year, its focus will remain on ensuring financial sustainability and advancing capital projects. COPR is well-positioned to continue providing vital freight transportation services to the Prineville community while exploring avenues for growth and expansion. Overall, the Railway's budget is balanced, with revenues projected to cover operating costs, while simultaneously expanding capital project funding through available grant opportunities received in 2025.

Strategic Planning Updates

- Short-term – In the immediate term, the focus will be on executing maintenance-of-way and capital projects with federal grant funding. This approach is aimed at preserving the City-owned railway assets at a Class II standard, thereby ensuring the long-term durability and operational efficiency of the infrastructure.
- Long-term – Over the longer term, the department will work to develop a robust and sustainable rail freight business model, positioning it as a reliable and stable source of funding. Additionally, efforts will be made to establish a sustainable track maintenance budget, with the goal of allocating 25 percent of revenue toward track preservation. Future priorities will include capital investments in bridges, increasing rail size, facilities, as well as addressing the increasing costs of personnel to ensure the ongoing preservation and viability of the railway.

Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Rolling Stock	\$ 1,265,000	\$ -
Track	\$ 1,035,000	\$ -
Capital Outlay Total	\$ 2,300,000	\$ -

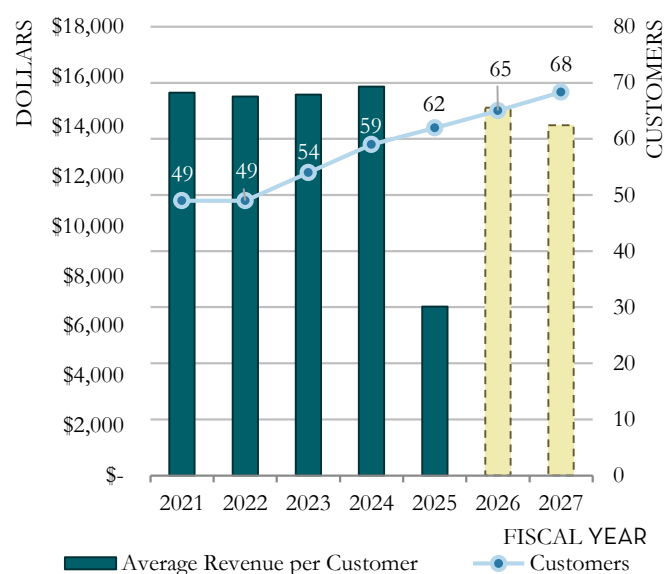
A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.



Railroad Bridge work being done in December 2023

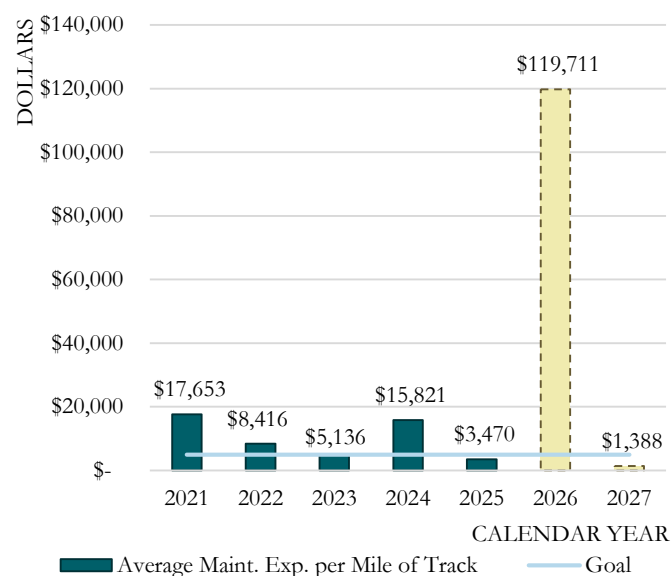
Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2027 Target
Workloads	Output	Freight Cars Interchanged	+2.5% over previous year	586	673	690	707	725
	Input	Customers Utilizing Services	+5% Over Previous Year	54	59	62	65	68
	Input	Percentage of Budget Expenditures for Maintenance of Way	25.00%	11.19%	22.24%	9.38%	65.67%	2.36%
	Output	Cross Ties Replaced Annually	N/A	550	510	50	10,000	-
A	Efficiency	Beginning Fund Balance Change Over Previous Year	> 3%	5.07%	10.52%	-23.75%	-1.66%	-9.99%
A	Efficiency	Average Revenue per Interchanged Freight Car	\$ 380.00	\$ 518.25	\$ 518.24	\$ 434.89	\$ 424.29	\$ 413.94
A	Efficiency	Average Monthly Interchange Revenue	\$ 24,000	\$ 27,084	\$ 32,018	\$ 14,583	\$ 34,542	\$ 34,542
A	Efficiency	Average Annual Charge for Service Revenue per Customer	\$ 6,500	\$ 15,272	\$ 15,592	\$ 6,780	\$ 14,751	\$ 14,048
D	Efficiency	Annual Maintenance of Way Expenditures per Mile of Track	< \$5,000	\$ 5,136	\$ 15,821	\$ 3,470	\$ 119,711	\$ 1,388



Average Revenue per Customer

The Railway and freight depot serve many types of customers, from large national corporations, like BNSF, UP and Heniff Transportation Systems, to smaller state and local companies like McCall Oil and Fontana Wood Products. Storage, repairs and other services to local area businesses are also offered. Even with the efforts to diversify business and increase customer base through new and expanded services, the average revenue per customer is expected to shrink over the biennium until economic conditions improve or stabilize.



Annual Maintenance of Way Expenditures per Mile of Track

In the last several years, the Railway faced difficulty in maintaining funds for track maintenance through declines in rail business. This left the department performing basic maintenance, deferring any major costs to future years. With the slow increase in fund balance building, thanks to an increasingly diverse customer base, the department is able to put more funds towards maintaining the 18.01 miles of mainline track with a goal of \$5,000 per mile per year. Though the health of the fund continues to improve, other factors – such as the rising cost of cross ties in the current economic environment – create challenges for balancing how much track can be repaired based on the health of the different sections of the line. Significant repair work is budgeted for the first year of the biennium and will continue into the second year.

Railroad / Freight Depot Budget

Resources	BN	BN	BN 2025		Proposed	BN 2027	Proposed
	Actual	Actual	Adopted BN	Estimated	Budget	Proposed	Proposed
	2019-2021	2021-2023	Budget	Total Actual	Budget	Budget	Total Budget
	2019-2021	2021-2023	2023-2025	2023-2025	2025-2026	2026-2027	2025-2027
Beginning fund balance	\$ 1,127,669	\$ 1,166,597	\$ 1,354,624	\$ 1,259,728	\$ 1,015,796	\$ 914,296	\$ 1,015,796
Current year resources							
Charges for services	\$ 1,725,104	\$ 1,569,794	\$ 1,682,000	\$ 1,849,456	\$ 959,500	\$ 959,500	\$ 1,919,000
Intergovernmental	20,000				1,748,500		1,748,500
Use of money & property	55,267	167,162	185,000	203,722	90,000	95,000	185,000
Transfers fr other funds	-		-	-	400,000	-	400,000
Miscellaneous	215,043	257,457	194,000	262,697	129,000	65,000	194,000
Total current year resources	\$ 2,015,414	\$ 1,994,413	\$ 2,061,000	\$ 2,315,875	\$ 3,327,000	\$ 1,119,500	\$ 4,446,500
Total resources	\$ 3,143,083	\$ 3,161,010	\$ 3,415,624	\$ 3,575,603	\$ 4,342,796	\$ 2,033,796	\$ 5,462,296
Expenditures	BN	BN	Adopted BN	Estimated	Proposed	Proposed	Proposed
	Actual	Actual	Budget	Total Actual	Budget	Budget	Total Budget
	2019-2021	2021-2023	2023-2025	2023-2025	2025-2026	2026-2027	2025-2027
Personnel Services	\$ 713,689	\$ 925,370	\$ 1,035,000	\$ 1,027,149	\$ 606,200	\$ 596,200	\$ 1,202,400
Material and services	615,991	589,054	870,000	770,063	376,700	397,300	774,000
Capital outlay							
Improvements	465,106	204,258	865,000	560,495	2,300,000	-	2,300,000
Debt Service							
Principal	-		-	-	-	50,000	50,000
Interest	-		-	-	-	18,000	18,000
Transfers	181,700	182,600	202,100	202,100	145,600	152,900	298,500
Contingency			443,524		914,296	819,396	819,396
Total expenditures	\$ 1,976,486	\$ 1,901,282	\$ 3,415,624	\$ 2,559,807	\$ 4,342,796	\$ 2,033,796	\$ 5,462,296
Ending fund balance	\$ 1,166,597	\$ 1,259,728	\$ -	\$ 1,015,796	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	3.00	4.00		4.00		4.00	
Policy one year's operating expense						993,500	
20% of total budget for capital reserve						406,759	
Total Policy						1,400,259	



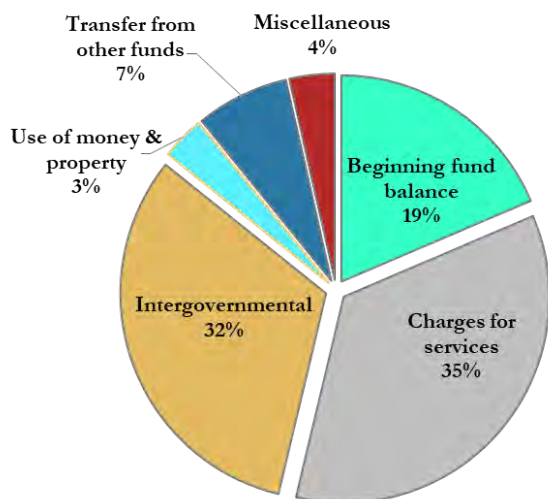
An interchange with the BNSF railroad

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Proposed BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Railroad	\$1,259,728	\$1,015,796	-19%	\$819,396	\$1,400,259	-41%

The beginning fund balance from BN 25 to BN 27 shows a 19 percent (-19%) decrease in the Railroad/Freight Depot Fund. The proposed budget for BN 27 shows the fund balance continuing to decrease by year-end. This is due largely due to capital improvements that are scheduled to be completed in the biennium costing \$2.3 million, with \$1.7 million being funded through grants. Policy requirements for the Railroad/Freight Depot are equal to one year of an operating budget and 20 percent of the total budget for capital reserve. This fund does not meet reserve policy requirements by approximately 41 percent (-41%).

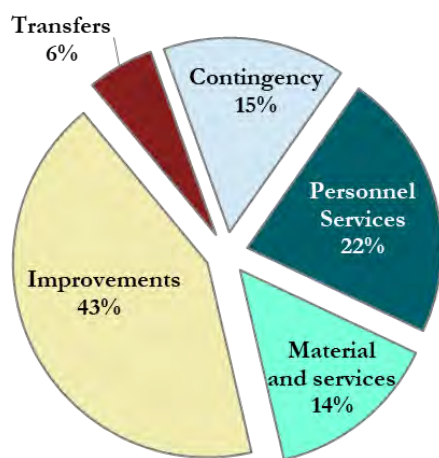
Resources



Assumptions

In BN 27, beginning fund balance is 19 percent of total resources and charges for services are 35 percent. Intergovernmental revenue is associated with \$1.7 million in grants for capital and safety improvements and equipment. Transfers from other funds is an interfund loan that is being budgeted at \$400,000 or seven percent of the BN 27 budget and is associated with the required match for the grant. Overall, estimated current year resources for BN 27 are up roughly 4 percent in comparison to BN 25 largely due to anticipated annual increases in lease revenue. Management continues to identify and develop a diverse new customer base.

Requirements



Assumptions

Personnel services are increasing 17 percent in comparison to BN 25, with the anticipation of being fully staffed through the whole biennium, unlike BN 25, and increases in health insurance and other associated payroll expenses. Material and services total 14 percent of requirements in BN 27, which is a slight increase in comparison to BN 25. Capital improvements total roughly \$2.3 million for the biennium with over 75 percent being grant funded. Transfers for administrative costs total 6 percent for BN 27 and are calculated on a percentage of the operating budget.



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Airport Fund

Mission Statement

The mission of the Prineville-Crook County Airport is to provide a welcoming port facility with a safe operating environment, continued growth and fiscal self-sustainment.

BN 25 Accomplishments

- ❖ Negotiated a new intergovernmental agreement with Crook County where the airport will be run by the County by the end of the five-year agreement.
- ❖ Transitioned airport operations to Hood Aero, a fixed based operator

Initiatives for BN 27

- ❖ Transition the airport to the County



Department Goals		Council Goals
A	Become a fiscally self-sustaining airport	
B	Aviation-related business and industry growth	

Responsibilities to the Community



Airport Manager Kelly Coffelt

In a combined effort with Crook County, the City of Prineville provides oversight and accounting for the Prineville-Crook County Airport's manager. The Prineville-Crook County Airport is a swiftly growing general aviation airport providing a friendly and receptive facility whose purpose is to support the local community. Aviation-related services and support are provided for private users and aviation-related businesses. It is the job of the department to ensure and maintain a safe environment, provide service and support the growth of the airport. These items and more are accomplished through efficient maintenance practices, planning and daily inspections of all operations of the airport.

The newest intergovernmental agreement between the City and Crook County lays out a plan for the airport to be fully funded by the county over the next 4 years, as the airport is a County asset. Currently the funding sources are contributions from the City of Prineville and Crook County. In October of 2023, Hood Aero, a fixed base operator, took over the operations of the airport. All revenues associated with that agreement are going to Crook County.

Executive Summary

The continuing vision of the Prineville-Crook County Airport is to position its facility and services as a major economic generator for the communities of Crook County. This vision continues with the transitions and changes that are currently taking place with Crook County taking over the airport.



Hangars at the Crook County Airport in February 2024

Airport Budget

Resources	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Beginning fund balance	\$ 163,422	\$ 60,483	\$ 100,068	\$ 145,669	\$ 90	\$ 2,090	\$ 90
Current year resources							
Intergovernmental	\$ 742,643	\$ 375,757	\$ 170,000	\$ 154,223	\$ 167,900	\$ 207,900	\$ 375,800
Charges for services	1,004,431	1,733,904	1,391,000	305,993	-	-	-
Interest	1,123	3,296	1,000	4,058	200	200	400
Transfer from other funds	240,000	150,000	170,000	112,760	63,000	35,000	98,000
Total current year resources	\$ 1,988,197	\$ 2,262,957	\$ 1,732,000	\$ 577,034	\$ 231,100	\$ 243,100	\$ 474,200
Total resources	\$ 2,151,619	\$ 2,323,440	\$ 1,832,068	\$ 722,703	\$ 231,190	\$ 245,190	\$ 474,290
Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Personnel Services	\$ 267,528	\$ 336,451	\$ 400,000	\$ 393,074	\$ 205,700	\$ 215,500	\$ 421,200
Materials and services	801,866	1,438,363	1,180,600	266,539	16,800	19,200	36,000
County Lease Payment	50,000	50,000	50,000	25,000	-	-	-
Capital outlay							
Improvements	849,042	-	100	-	-	-	-
Transfers	122,700	352,957	132,200	38,000	6,600	7,300	13,900
Contingency			69,168		2,090	3,190	3,190
Total expenditures	\$ 2,091,136	\$ 2,177,771	\$ 1,832,068	\$ 722,613	\$ 231,190	\$ 245,190	\$ 474,290
Ending fund balance	\$ 60,483	\$ 145,669	\$ -	\$ 90	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	2.00	1.00		1.00		1.00	



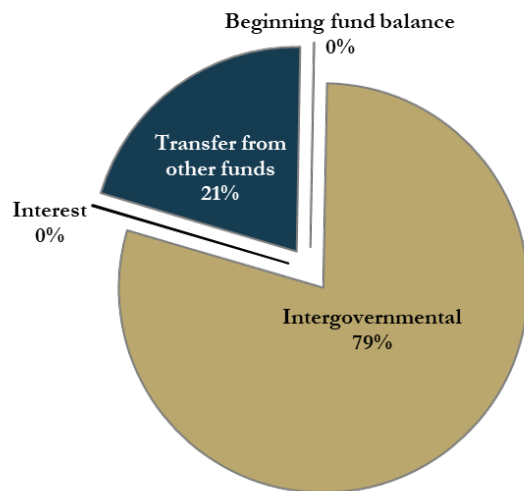
Erickson's Sky Crane training at the Prineville-Crook County Airport

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Adopted BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency
Airport	\$145,669	\$90	-100%	\$3,190

As previously mentioned, the newest intergovernmental agreement between the City and Crook County lays out a plan for the airport to be fully funded by the county over the next 4 years. Until that happens, the airport is reconciled annually to have a fund balance near zero. The intergovernmental agreement states the partners will transfer funds to cover costs associated with the personnel services of the airport manager, who is a City employee. Fund balance is starting BN 27 at roughly \$90 and is budgeted to end the biennium at approximately \$3,000.

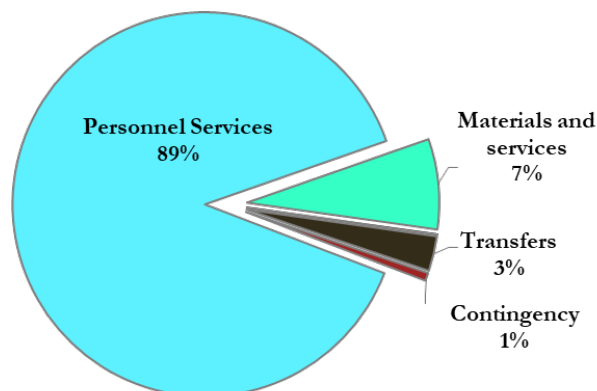
Resources



Assumptions

Resources for the Airport are intergovernmental revenues from Crook County per a schedule that is laid out in an intergovernmental agreement with the City. Transfers from the General Fund make up the difference in the airport's needs to ensure a balanced budget.

Requirements



Assumptions

In BN 27, the requirements total roughly \$474,290 and, of this total, \$421,200 or 89 percent is budgeted for personnel services. Other budgeted categories include seven percent for materials and services which are largely associated with training, three percent for administrative transfers, and one percent for contingency.

Water Fund

Mission Statement

The mission of the Water Fund is to provide an efficient, effective and reliable water service in a cost-effective and sustainable manner.

BN 25 Accomplishments

- ❖ Completed an updated Water System Master Plan and System Development Charge (SDC) Methodology report
- ❖ Constructed approximately 6,390 feet of new water main along the newly constructed NE Combs Flat Rd. extension, adding resiliency to the City water system and providing connectivity for future growth
- ❖ Installed approximately 3,535 feet of new waterline to replace existing aging and undersized water lines
- ❖ Pursued water conservation activities, allowing the Water Department to serve more customers with existing infrastructure
- ❖ Rehabilitated and upgraded the capacity of two key municipal wells, increasing the City's source capacity and efficiency of operation

Initiatives for BN 27

- ❖ Identify and replace aging and under-sized water mains to improve water conservation and increase system reliability and capacity
- ❖ Increase water resource availability to support urban growth boundary (UGB) build out
- ❖ Upgrade and expand the capacity of existing booster pump stations within the City water distribution system
- ❖ Upgrade supervisory control and data acquisition systems (SCADA) including telemetry and remote monitoring and controls throughout the water system, allowing the system to be monitored and operated with maximum efficiency



Department Goals		Council Goals
A	Replace all aging and undersized water mains to meet current and future requirements	
B	Retain resources for needed maintenance programs to ensure high-quality service to customers	

Responsibilities to the Community

The goal of the City of Prineville Water Department is to provide a friendly and responsive source of information and coordinated services. It is the job of the department to assure and maintain the present and future health, safety and welfare of the public through cost effective maintenance, planning, permitting, inspections and operations of the water system. Supporting the capital outlay activities of the Water SDC Fund is also a major focus. The key to the success of the Water Department is in maintaining success with efficient, motivated, quality-driven effort through a committed staff.

This fund accounts for the operation of the City's water utility. The principal sources of revenue are user fees and system development charges. Expenditures are for the operation, administration, maintenance, system improvements and expansion of the system.



Well drilling in March 2025



Water resiliency project in April 2024

Executive Summary

The Water Fund supports the City of Prineville's Water Department, which provides for the delivery of safe, high-quality water to domestic and commercial/industrial water users. The department performs the operations and maintenance of the City's water system and ensures adequate water is supplied for fire protection. The City's water system currently provides water to more than 3,700 residential accounts and 475 commercial/industrial accounts. Annual well production totals approximately 880 million gallons of water. The water system includes a total of 79.9 miles of distribution mains, 27 production wells, a water treatment plant, and six storage tanks. Total well capacity is 9 million gallons per day (MGD), with an actual peak demand of 5.0 MGD.

The Water Department continues to replace and upsize water delivery mains. Several areas within the City still contain water mains that are undersized, deteriorating or do not meet current requirements for pressures or flow. The City strives to replace water main lines each year in order to meet current and future requirements and increase the efficiency of the system. City wells require maintenance on a regular basis to ensure high water quality and maximum production. During BN 27, the Water Department's first priority is to continue retaining the resources needed and implementing maintenance programs to ensure high-quality service to customers.

Strategic Planning Updates

- Short-term – The department will continue to implement the Aquifer Storage and Recovery project funded by the Water SDC Fund.
- Long-term – Management will develop and implement a long-term water resource strategy to secure the City's water needs, supporting the build out of the urban growth boundary. Additionally, the Water Fund will be managed to deliver water at a value, keeping combined water and wastewater rates at manageable levels and provide adequate capital for improvements.

Water Rate Adjustments

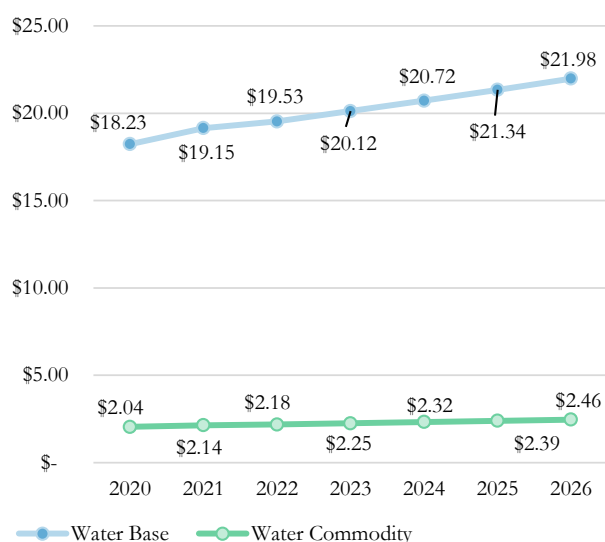
Water conservation has become a top priority to the City of Prineville and great successes have been experienced to date. Oregon Water Resources Department (OWRD) administrative rules for Water Management and Conservation Plans require water suppliers to have a rate structure under which customers' bills are based, at least in part, on the quantity of water metered at the service connections and to adopt rate structures that encourage water conservation (see [Oregon Administrative Rules](#) 690-086-150(4) (d) and (6) (d)). To meet this requirement, the City of Prineville implemented a tiered water rate in the winter of 2023.

Tiered water rates begin with an increase of 10 percent to the commodity rate for consumption 500 percent over wintertime usage (Tier I). Once consumption increases to 750 percent of wintertime usage, the commodity rate increases by 25 percent (Tier II). The majority of customers have not been impacted by tiered rates, as the average residential home consumes 400 percent more water in the summer as compared to the winter.

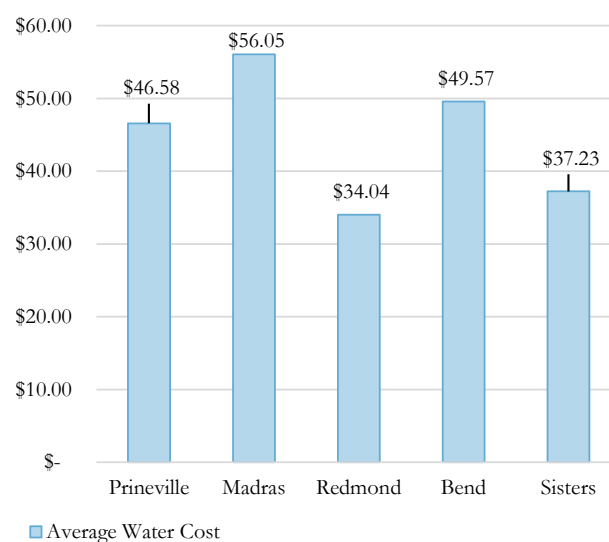
In BN 25, the City completed a comprehensive water rate study and methodology review. The study examined the costs associated with operating and maintaining the water system through the master plan horizon and confirmed the system is adequately funded by the existing methodology and rate structure. The City strategy and approach to the operation and maintenance of the water system continue to prove efficient and cost effective.

Water rates will be adjusted in a fashion to incentivize conservation. Base water rates and commodity charges are budgeted to increase by 3 percent in FY 26 and FY 27. Prineville attempts to keep water rates competitive for the region, while still sustaining funding necessary for system upkeep and improvements. The graph compares Prineville's residential rate (using a metric of 7,500 gallons per month) for FY 26 with other communities in the Central Oregon region. Rate information for [Sisters](#) (FY 26 estimate), [Redmond](#) (FY 25 rates), [Madras](#) (FY 26 estimate), and [Bend](#) (FY 25 rates) can be found at their associated websites.

Trending Water Rates by Fiscal Year



Regional Rate Comparison



Capital Outlay

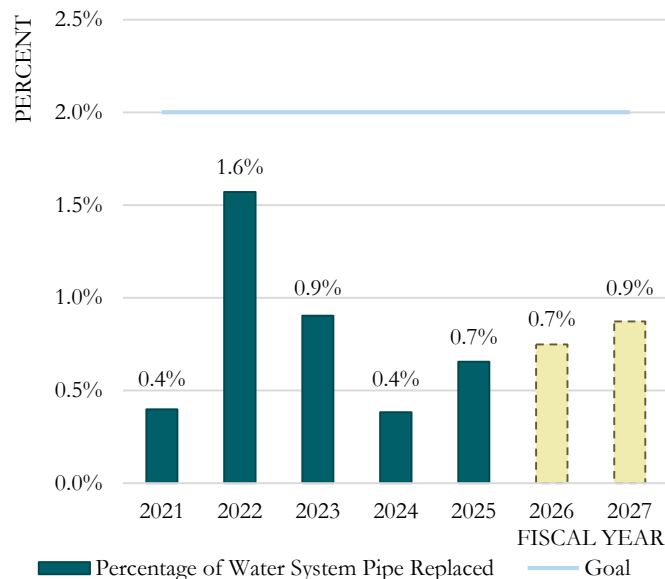
Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Transmission	\$ 850,000	\$ 750,000
Capital Outlay Total	\$ 850,000	\$ 750,000

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.

Performance Measures

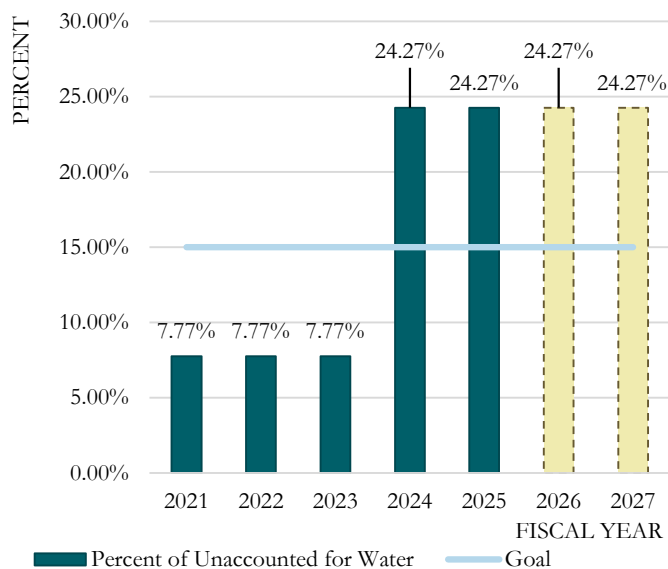
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2027 Target
Workloads	Input	Average Water Bill in \$ (7,500 Gallons Used)	N/A	\$ 42.62	\$ 43.92	\$ 45.31	\$ 47.39	\$ 48.77
	Output	Number of Meters Replaced Annually (CY)	200	109	41	50	55	55
	Output	Number of Gallons of Water Produced	N/A	736,554,000	837,443,108	879,315,263	923,281,027	969,445,078
	Input	Number of Gallons of Water Consumed	N/A	679,302,000	634,209,034	665,919,486	699,215,460	734,176,233
A	Efficiency	Percentage of Entire Water System Pipe Replaced Annually	2.0%	0.9%	0.4%	0.7%	0.7%	0.8%
B	Efficiency	Percent of Unaccounted for Water	< 15%	7.77%	24.27%	24.27%	24.27%	24.27%
B	Efficiency	Lost Revenue from Unaccounted for Water in \$	\$ -	\$ 172,215	\$ 628,671	\$ 680,021	\$ 734,935	\$ 793,640

CY = Calendar Year



Percentage of Entire Water System Pipe Replaced Annually

The industry standard for life expectancy of water lines is 50 years. With the number of lineal feet in the City's water line infrastructure, the goal is to replace 5,000 lineal feet per year. This is aligned with the department goal to replace all aging and undersized water mains to meet current and future requirements.



Percent of Unaccounted for Water

Unaccounted for water is the water produced by the City's wells, but is not sold to customers. This number can be attributed to unmetered customers, leaking lines or inaccurate meters. The OWRD goal for municipalities is to limit unaccounted for water to no greater than 15 percent of the produced water. The City of Prineville has made a concerted effort to lower this amount with great success over recent years. This effort decreases lost revenue that is needed for maintenance programs to ensure high-quality service to customers.

Water Budget

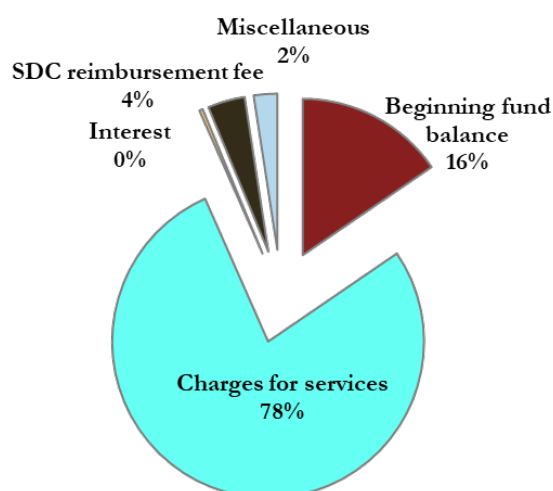
Resources	BN Actual	BN Actual	Adopted BN Budget	Estimated Total Actual	Proposed Budget	BN 2027	
	2019-2021	2021-2023				Proposed Budget	Proposed Total Budget
	2019-2021	2021-2023	2023-2025	2023-2025	2025-2026	2026-2027	2025-2027
Beginning fund balance	\$ 783,298	\$ 1,090,792	\$ 1,491,817	\$ 1,836,311	\$ 1,748,784	\$ 1,551,684	\$ 1,748,784
Current year resources							
Charges for services	\$ 6,258,005	\$ 6,810,933	\$ 7,106,600	\$ 7,542,332	\$ 4,223,200	\$ 4,584,900	\$ 8,808,100
Intergovernmental	2,550	78,184		435,803			
Interest	9,272	36,741	16,000	96,201	30,000	10,000	40,000
SDC Reimbursement Fee	359,525	342,594	346,100	346,100	176,200	258,200	434,400
Miscellaneous	22,557	150,305	20,000	223,858	265,000	10,000	275,000
Debt proceeds		1,915,036	-	-	-	-	-
Total current year resources	\$ 6,651,908	\$ 9,333,793	\$ 7,488,700	\$ 8,644,294	\$ 4,694,400	\$ 4,863,100	\$ 9,557,500
Total resources	\$ 7,435,206	\$ 10,424,585	\$ 8,980,517	\$ 10,480,605	\$ 6,443,184	\$ 6,414,784	\$ 11,306,284
Expenditures	BN Actual	BN Actual	Adopted BN Budget	Estimated Total Actual	Proposed Budget	BN 2027	
	2019-2021	2021-2023				Proposed Budget	Proposed Total Budget
	2019-2021	2021-2023	2023-2025	2023-2025	2025-2026	2026-2027	2025-2027
Materials and services	\$ 1,434,402	\$ 1,812,117	\$ 2,860,000	\$ 3,061,858	\$ 1,460,000	\$ 1,497,000	\$ 2,957,000
Franchise fee expense	292,000	292,000	395,400	395,400	201,000	212,600	413,600
Capital outlay							
Improvements	1,327,845	1,080,547	1,300,000	1,410,649	850,000	750,000	1,600,000
Debt service							
Principal - Refunding bond	276,895	2,058,002	322,500	322,439	163,500	200,400	363,900
Principal - IFA 2022		160,194	147,000	-	73,000	74,000	147,000
Interest - Refunding bond 20	111,572	49,218	36,600	36,527	15,400	1,400	16,800
Interest - IFA 2022		100,196	131,300	89,548	66,300	64,800	131,100
Transfers	2,901,700	3,036,000	3,405,400	3,415,400	2,062,300	2,617,300	4,679,600
Contingency	-	-	64,902	-	1,234,269	647,284	647,284
Total expenditures	\$ 6,344,414	\$ 8,588,274	\$ 8,663,102	\$ 8,731,821	\$ 6,125,769	\$ 6,064,784	\$ 10,956,284
Other requirements							
Debt service reserves	-	-	317,415	-	317,415	350,000	350,000
Ending fund balance	\$ 1,090,792	\$ 1,836,311	\$ -	\$ 1,748,784	\$ -	\$ -	\$ -
Budgeted positions (FTEs)							
Policy 60 days operating budget	-	-	-	-	-	-	-
5% Emergency reserve						711,271	
Debt service reserve						270,875	
Total Policy						350,000	
						\$ 1,332,146	

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Proposed BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Water	\$1,836,311	\$1,748,784	-5%	\$997,284	\$1,332,146	-25%

The 5 percent (-5%) decrease in the beginning fund balance compared to prior biennium is a result of increases in costs in materials and services and capital projects. Ending fund balance projections are estimated to decrease roughly 43 percent during the biennium with increases in costs associated with \$1.6 million in capital projects budgeted in BN 27, bringing the fund 25 percent (-25%) below policy requirements.

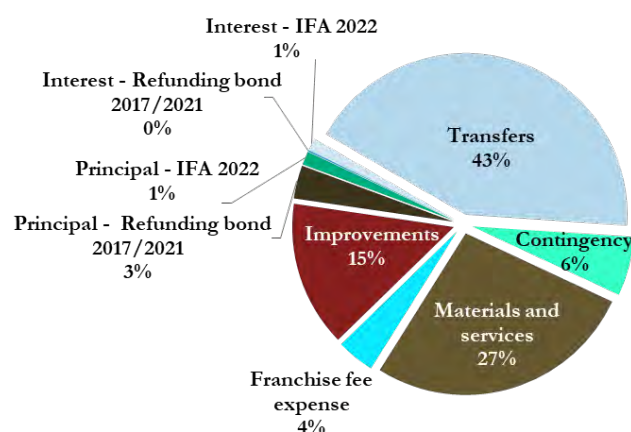
Resources



Assumptions

Beginning fund balance for BN 27 is 16 percent of budgeted resources, or \$1.7 million. Charges for services in total make up 78 percent of the resources for the biennium at \$8.8 million, with SDC reimbursement fees totaling 4 percent of total budget. Residential and commercial customers will see their base rates and commodity charges increase by 3 percent. SDC reimbursement fees are budgeted at \$434,400 for BN 27, which is based on the current adopted SDC Methodology and about \$224,400 less than the water debt transfer schedule. Interest and miscellaneous revenue are projected at less than 2 percent of the total budget.

Requirements



Assumptions

Materials and services are 27 percent of the total budget for the biennium; franchise fees expense totals 4 percent and capital improvements are roughly 15 percent of budget. Capital improvement projects total \$1.6 million for BN 27. Debt service principal and interest total approximately 5 percent of budget with the \$3 million interim financing associated with the construction of the Aquifer Storage and Recovery project. Transfers total 43 percent, which include administration and financial support and public works administration. Contingency is 6 percent of the budget. As stated above, this fund does not meet policy reserve requirements.



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Wastewater Fund

Mission Statement

The mission of the Wastewater Fund is to provide an efficient, effective and reliable wastewater service in a cost-effective and sustainable manner.

BN 25 Accomplishments

- ❖ Completed the wastewater reuse research and feasibility study
- ❖ Completed upgrades to the main influent bar screen and headworks at the wastewater treatment plant
- ❖ Implemented a hauled waste/septage program
- ❖ Installed a new irrigation diversion providing more efficient delivery of irrigation water to the City's storage pond
- ❖ Updated the Wastewater Facility Master Plan including adopting the updated System Development Charge (SDC) Methodology report

Initiatives for BN 27

- ❖ Acquire updated permit for the wastewater treatment plant
- ❖ Complete the replacement of pumps and controls in the wastewater treatment plant headworks
- ❖ Implement the Industrial Pretreatment Plan and Program
- ❖ Persist in preventative infrastructure maintenance activities



Department Goals		Council Goals
A	Provide a friendly and responsive source of information and coordinated services	
B	Maintain an effective and dependable wastewater system at a value to citizens, planning for city growth and environmental changes	

Responsibilities to the Community

The goal of the City of Prineville Wastewater Department is to provide a friendly and responsive source of information and coordinated services. It's the job of the department to assure and maintain the present and future health, safety and welfare of the public through cost effective maintenance, planning, permitting, inspections and operations of the wastewater system. Supporting the capital outlay activities of the Wastewater SDC Fund is also a major focus. The key to the success of the Wastewater Department is in maintaining efficient, motivated, quality driven effort through a committed staff.

This fund accounts for the operation of the City of Prineville's wastewater utility. The principal sources of revenue are user fees and system development charges. Expenditures are for operation, administration, maintenance, system improvements and expansion of the system.

Did You Know?

Through the Crooked River Wetlands Complex's 120 acres, the City is responsibly expanding its wastewater capacity.



Summer evening at the Crooked River Wetlands in August 2024.



Solar field at the wastewater treatment plant facility

Executive Summary

The Wastewater Fund supports the City of Prineville's Wastewater Department, whose primary responsibility is to ensure the City's wastewater collections and treatment systems meet or exceed all regulatory standards and requirements. The department provides for the safe conveyance and treatment of residential, commercial and industrial wastewater for the community. The wastewater collection system includes approximately 66.5 miles of collection lines ranging in size from 3 inches to 48 inches. The existing wastewater treatment plant consists of two parallel, partially aerated facultative lagoon systems capable of processing 2.6 million gallons of influent per day (MGD). Current average inflows to the plant are approximately 1.2 MGD. The existing wastewater treatment facility produces a Class C effluent from Plant 1 and a class D effluent from Plant 2. This effluent is discharged into the Crooked River during the winter under an approved Oregon DEQ permit. At other times, effluent is stored and discharged via irrigation systems onto the City-owned golf course, wetland system and approximately 200 acres of City-owned pasture lands.

Strategic Planning Updates

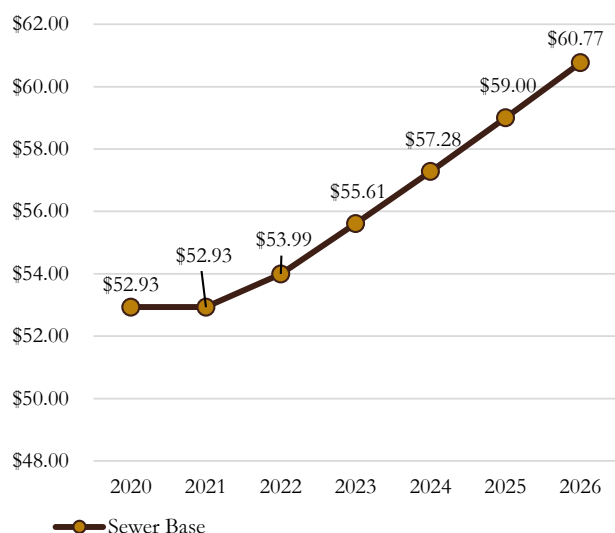
- Short-term – In the short-term, the Wastewater Department will continue preventative maintenance activities.
- Long-term – The department will stabilize the rate structure, provide sustainable capital improvement program dollars and adequate fund balances.

Sewer Rate Adjustments

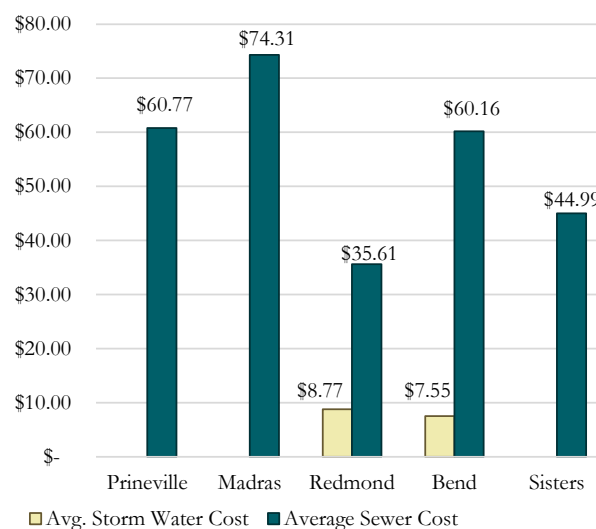
In BN 25, the City completed a comprehensive wastewater rate study and methodology review. The study examined the costs associated with operating and maintaining the wastewater system through the master plan horizon and confirmed the system is adequately funded by the existing methodology and rate structure. The City's strategy and approach to the operation and maintenance of the wastewater system continue to prove efficient and cost effective.

Sewer rates will be adjusted in a fashion similar to water rates to incentivize conservation. Base sewer rates and commodity charges are budgeted to increase by 3 percent in FY 26 and FY 27. Prineville attempts to keep sewer rates competitive for the region, while still sustaining funding necessary for system upkeep and improvements. The graph compares Prineville's residential rate (using a metric of 7,500 gallons per month) for FY 26 with other communities in the Central Oregon region. Rate information for [Sisters](#) (FY 26 estimate), [Redmond](#) (FY 25 rates), [Madras](#) (FY 26 estimate), and [Bend](#) (FY 25 rates) can be found at their associated websites.

Trending Sewer Rates by Fiscal Year



Regional Rate Comparison



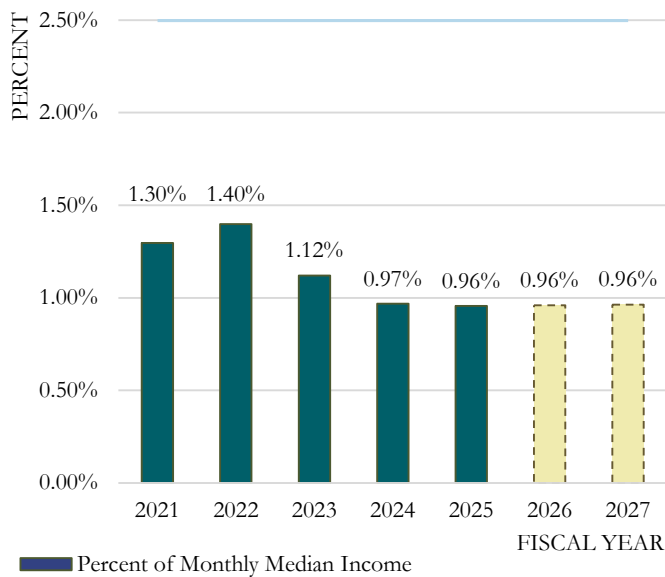
Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Treatment Plant - SLARRA	\$ 165,400	\$ 135,400
Treatment Plant Upgrades	\$ 350,000	\$ 130,000
Sanitary Sewer – Collection Improvements	\$ 60,000	\$ 310,000
Capital Outlay Total	\$ 575,400	\$ 575,400

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.

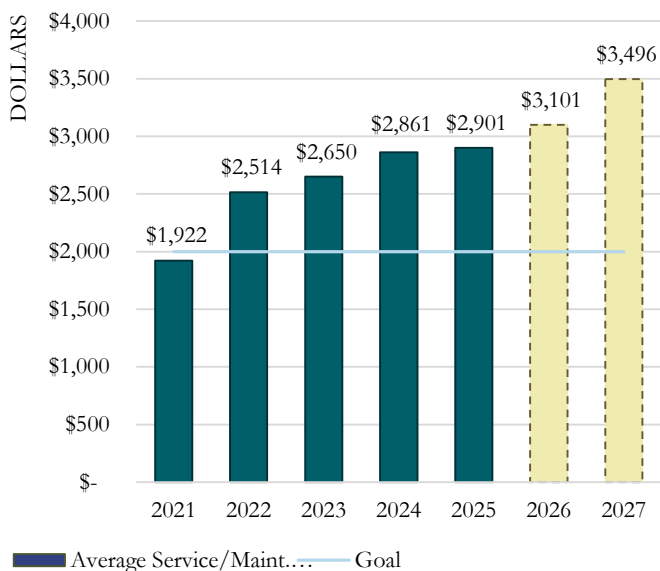
Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2027 Target
Workloads	Output	Miles of Sewer Collection Lines	N/A	65	66	65	67	67
	Input	Average Inflows (MGD)	N/A	1.17	1.20	1.18	1.25	1.13
	Output	Treatment Processing Capability (MGD)	N/A	2.60	2.60	2.60	2.60	2.60
	Output	Annual Sewage Treatment Sample Tests Performed	N/A	745	812	825	850	875
	Output	Annual Testing Expenditures	N/A	\$ 177,902	\$ 128,289	\$ 115,000	\$ 140,000	\$ 140,000
	Output	Annual Chemical Treatment Expenditures	N/A	\$ 121,039	\$ 104,776	\$ 135,000	\$ 135,000	\$ 137,000
B	Efficiency	Monthly Single-family Sewer Rates vs. Median Income	< 2.5%	1.12%	0.97%	0.96%	0.96%	0.96%
B	Efficiency	Average Daily Electrical Costs per MGD	N/A	\$ 430.40	\$ 528.63	\$ 534.01	\$ 526.03	\$ 608.83
B	Efficiency	Wastewater Service/Maintenance Expenditures per Average Daily MGD	< \$2,000	\$ 2,649.91	\$ 2,861.22	\$ 2,900.98	\$ 3,100.82	\$ 3,495.77



Monthly Single-family Sewer Rate Percent of Median Income

The monthly sewer charge for service is generally the largest portion of the monthly utility bill for City customers. The City must maintain pricing that is sufficient to cover upkeep and replacement costs in order to maintain high quality services, while still charging an amount reasonable and affordable for the residents of the City. Over the last 10 years the department has kept the cost to customers under two percent of the annual median income for Prineville.



Service / Maintenance Expenditures per Average Daily MGD

Service and maintenance costs have fluctuated for the City. Costs in the future were projected to increase dramatically with the potential of having to build a mechanical treatment plant to accommodate population and business growth. However, due to the construction of the creative, award-winning Crooked River Wetlands treatment solution which came online in 2018, the department has stabilized the costs to treat the daily inflows into the treatment plant through BN 27 and the master plan horizon beyond.

Wastewater Budget

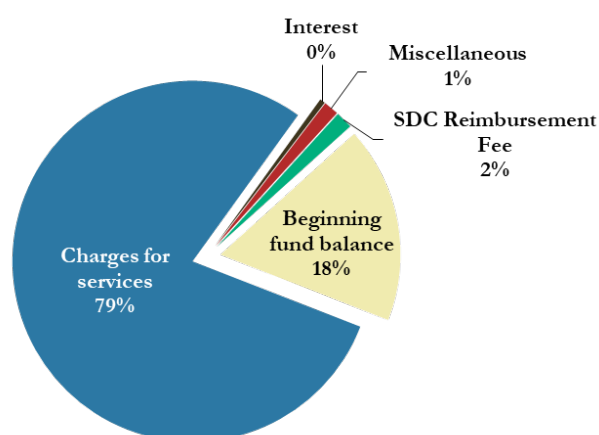
Resources	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Beginning fund balance	\$ 3,940,686	\$ 2,853,603	\$ 1,752,887	\$ 2,110,033	\$ 2,200,707	\$ 1,987,057	\$ 2,200,707
Current year resources							
Charges for services	\$ 7,623,581	\$ 8,456,257	\$ 8,825,000	\$ 8,982,936	\$ 4,858,600	\$ 5,048,900	\$ 9,907,500
Intergovernmental	5,600	-	-	-	-	-	-
Interest	66,231	65,823	50,000	167,042	40,000	20,000	60,000
Miscellaneous	130,444	151,238	148,400	266,767	74,200	94,200	168,400
SDC Reimbursement Fee	-	313,641	193,600	536,171	97,000	97,000	194,000
Debt Proceeds	-	4,961,475	-	-	-	-	-
Transfers	323,788	511,300	-	-	-	-	-
Total current year resources	\$ 8,149,644	\$ 14,459,734	\$ 9,217,000	\$ 9,952,916	\$ 5,069,800	\$ 5,260,100	\$ 10,329,900
Total resources	\$ 12,090,330	\$ 17,313,337	\$ 10,969,887	\$ 12,062,949	\$ 7,270,507	\$ 7,247,157	\$ 12,530,607
Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Personnel Services	\$ 274,882	\$ 424,997	\$ 530,100	\$ 527,648	\$ 295,000	\$ 320,000	\$ 615,000
Materials and services	1,174,557	2,649,515	2,020,000	2,093,927	1,119,750	1,144,950	2,264,700
Franchise fee expense	401,000	401,000	513,300	513,000	237,700	247,000	484,700
Capital outlay							
Improvements	485,237	534,456	840,000	970,472	410,000	440,000	850,000
SLARRA		398,584	302,600	299,402	165,400	135,400	300,800
Debt service							
Principal							
DEQ CWSRF R74682/2	964,562	2,947,927	-	-	-	-	-
Refunding 2017/2021	323,105	3,386,622	1,479,600	1,479,527	748,300	501,700	1,250,000
State of Oregon IFA	53,773	54,854	56,100	56,039	28,400	28,700	57,100
USDA 2018	116,996	122,889	130,500	130,419	68,000	69,800	137,800
Interest							
DEQ CWSRF R74682/2	200,265	45,291	-	-	-	-	-
Refunding 2017/2021	130,899	109,481	82,700	82,971	27,900	18,900	46,800
State of Oregon IFA	14,337	13,256	12,200	12,216	5,700	5,400	11,100
USDA 2018	215,324	187,721	202,000	199,521	98,300	96,400	194,700
Fees							
DEQ CWSRF R74682/2	36,890	14,811	-	-	-	-	-
Transfers	4,844,900	3,911,900	3,497,100	3,497,100	2,079,000	2,477,700	4,556,700
Contingency			327,372		1,266,157	1,303,207	1,303,207
Total expenditures	\$ 9,236,727	\$ 15,203,304	\$ 9,993,572	\$ 9,862,242	\$ 6,549,607	\$ 6,789,157	\$ 12,072,607
Other requirements							
Debt service reserves	\$ -	\$ -	\$ 976,315	\$ -	\$ 720,900	\$ 458,000	\$ 458,000
Ending fund balance	\$ 2,853,603	\$ 2,110,033	\$ -	\$ 2,200,707	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	1.00	2.00		2.00		2.00	
Policy 60 days operating budget						688,710	
5% Emergency reserve						274,298	
Debt service reserve						\$ 458,000	
Total policy						\$ 1,421,007	

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Proposed BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Wastewater	\$2,110,033	\$2,200,707	4%	\$1,761,207	\$1,421,007	24%

The beginning fund balance increased approximately 4 percent from BN 25 to BN 27. Budgeted capital improvement projects for BN 27 totaling roughly \$1.2 million and debt service totaling \$1.7 million will decrease fund balance to \$1.8 million which is 24 percent above the reserve requirement policy.

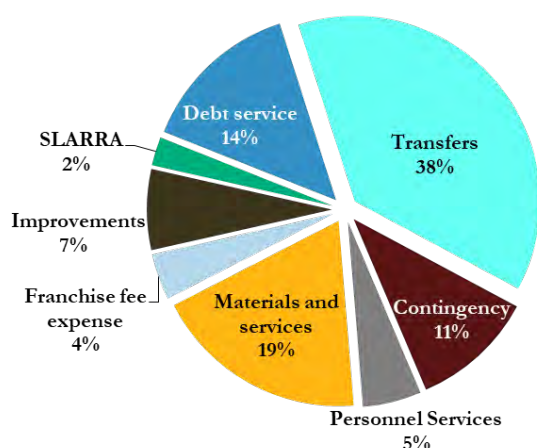
Resources



Assumptions

Beginning fund balance is 18 percent of total resources. Charges for services are budgeted to increase over BN 25 estimates by approximately 10 percent. Base wastewater rates and commodity charges are budgeted to increase 3 percent per year during the upcoming biennium. SDC reimbursement fees are calculated based on the current SDC methodology for 130 EDUs over the biennium which is two percent of resources.

Requirements



Assumptions

For BN 27, personnel services total \$615,000 for the biennium or 5 percent of budgeted requirements. Materials and services, including franchise fee expenses, totals \$2.7 million or 23 percent of requirements. Capital improvements are divided into two categories – improvements and short-lived asset replacement reserve account (SLARRA). This account must be funded annually for not less than \$135,333 as a requirement of the United States Department of Agriculture (USDA) loan for the wetlands. Totals for both capital accounts are budgeted at \$1.2 million or nine percent. Debt service is budgeted at \$1.7 million or 14 percent.



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Golf Course Fund

Mission Statement

To provide Central Oregon golfers an affordable, championship golf facility with exceptional service and a friendly staff while also providing the City of Prineville a cost-effective solution to its wastewater disposal needs.

BN 25 Accomplishments

- ❖ Completed over \$450,000 in capital improvement projects and equipment upgrades during BN 24-25, while keeping fund balance above policy. Projects/equipment upgraded included: Paved parking lot and overflow, updated entry signage and landscaping, replaced tee signs, and purchased two Gators, a Pro-Gator, a backhoe/tractor and 13 used golf carts.
- ❖ Created an aggressive weed prevention plan to address noxious weeds surrounding the Crooked River and in native areas on the course.
- ❖ Golf Course fund balance grew to a new high at the end of FY 24 allowing for additional capital needs to be completed.
- ❖ In September 2024, Meadow Lakes was one of 12 golf courses nationwide to host a PGA Junior League Regional Championship.
- ❖ Total golf revenue increased by 14 percent in FY 24 over FY 23 with new revenue highs achieved in all major golf course revenue streams. FY 25 is projected to surpass FY 24.

Initiatives for BN 27

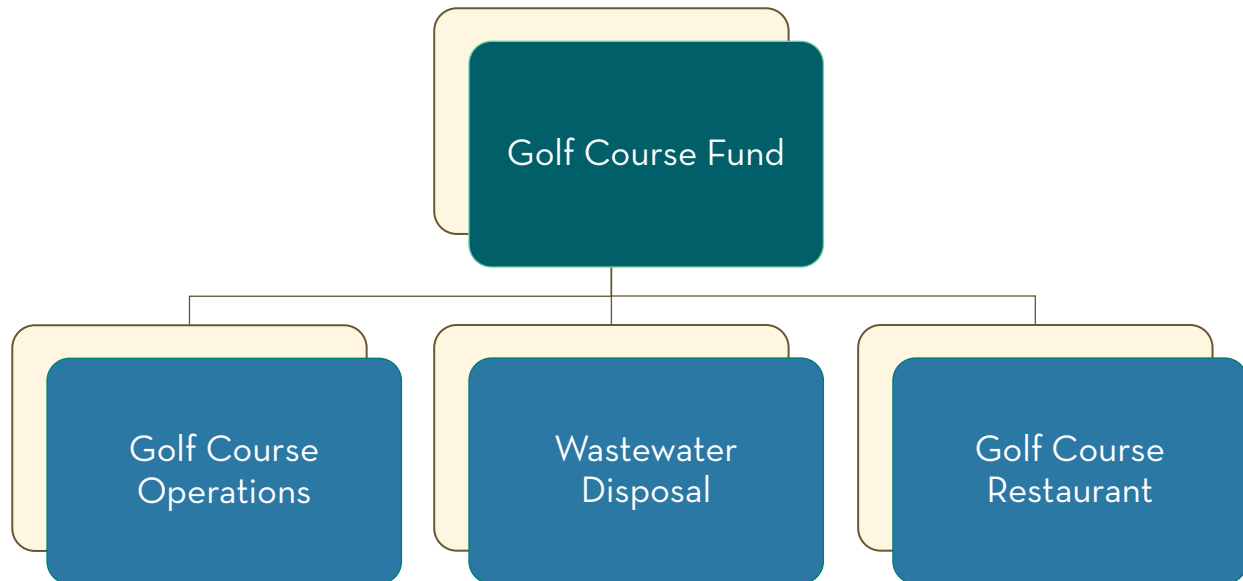
- ❖ Add additional sand to bunkers on the course and begin a process of reshaping sand traps to their original designed specifications.
- ❖ Additional replacement of deteriorating areas of the cart paths around the course
- ❖ Increase overall golf revenue by an additional 5 percent.
- ❖ Paint the exterior of the clubhouse and replace existing faux-stucco columns on clubhouse with wood columns (or another material) that birds cannot penetrate
- ❖ Replace the carpet in the clubhouse
- ❖ Purchase a new beverage cart
- ❖ Purchase a new spray rig for chemical and fertilizer application on the course
- ❖ Purchase a rough mower
- ❖ Purchase two new fairway mowers to replace the oldest units in the fleet
- ❖ Replace the restrooms on the golf course
- ❖ Upgrade and replace banquet room furniture and equipment as well as kitchen equipment



Organization of Fund

Golf Course Fund

The City of Prineville constructed Meadow Lakes Golf Course to be a wastewater disposal site, while also creating a public golf course and restaurant to enrich the surrounding community. There are three units (golf course, wastewater disposal and golf course restaurant) in the Golf Course Fund. This section will provide expenditure detail, executive summary information, goals and objectives of each unit, as well as performance metrics for the golf course.



Meadow Lakes Golf Course
Photo: Corrine Phinney

Department Goals		Council Goals
A	Make Meadow Lakes the premiere entertainment venue in Crook County	
B	Self-fund all recurring/routine capital expenditures while maintaining a strong fund balance	

Responsibilities to the Community

Meadow Lakes Golf Course is charged with the unique task of disposing wastewater in an environmentally responsible way, while also efficiently operating an enterprise fund. While the golf operation's primary goal is to provide outstanding service to patrons in the region, the course disposal team is directed to provide the golfing public with the best playing conditions possible. All divisions follow their primary objectives while maintaining fiscal responsibility by staying within budgetary guidelines set by the revenues received and expenditures planned for the year.

The Golf Course Fund accounts for the operation of the City's municipal golf course and restaurant and the effluent disposal site of the wastewater treatment plant. The principal sources of revenue are user fees, lease revenue from the restaurant operation and transfers from the Wastewater Fund for disposal site related services. Expenditures are for operation, administration, maintenance and improvements to the clubhouse and golf course, including the effluent disposal site. Operating costs are paid from golf revenues and a contribution from the Wastewater Fund from rates. In 2013, the City of Prineville revised its 2006 business plan to reflect the facility's needs in the current economic market along with industry trends. The current budget is developed to maintain the financial direction outlined in the plan.

Did You Know?

Meadow Lakes Golf Course has hosted charity events helping to raise over \$80,000 for local charities just in the last year alone.



An example of the scenery at the Meadow Lakes Golf Course – September 2024



Meadow Lakes in January 2025

Executive Summary

Meadow Lakes serves as both a municipal golf course and a wastewater disposal site to Prineville. Meadow Lakes recently celebrated its 30th anniversary and the course consistently receives positive reviews from the golfing community. For travelers and citizens alike, Meadow Lakes serves as a beautiful entry way for those entering Prineville via Highway 126. Meadow Lakes receives great local and regional support including players who travel from all over the northwest to play at the course recognized as an “environmental leader” by *Golf Digest* and “Central Oregon’s best golf value” by the *Bend Bulletin*. [Golf Pass ranked Meadow Lakes](#) #9 on the list of “Top 25 Value Courses in the United States” in 2018. Recently, the publication placed the course at #3 for the “Top Public Courses in Oregon” in 2024.

The restaurant operation is leased out to a local entrepreneur who is tasked with keeping customer service and food quality at exceptional levels. All of the departments under the banner of the Meadow Lakes operation have dedicated and experienced staff members that take pride in offering the highest quality of service to its patrons.

Meadow Lakes houses a full-service restaurant and lounge with facilities for hosting weddings, auctions, fundraisers and other large events. During the past budget period, Meadow Lakes continued to be an important contributor to charities in the region through donations as well as hosting fundraising events for Crook County Athletics, the Oregon Junior Golf Association, the Central Oregon Junior Golf Association, Your Life Matters teen suicide awareness, Crook County Search and Rescue, and the Humane Society of the Ochocos.

Strategic Planning Updates

- Short-term – the main goal is to offer the highest possible experience for the community while still using the most efficient measures possible to curb expenditures. The Golf Course Fund will continue to be fiscally responsible by monitoring and adjusting expenses to match revenues on a monthly basis, therefore protecting the ending fund balance. The department hopes to capitalize on the current “golf boom” by adding to the existing customer base and improving the overall fund balance to a point where the business can self-fund the majority of the upcoming capital projects.
- Long-term – Meadow Lakes aims to continue a growth model for customer base through expansions in marketing, programming and services. The main goal is to establish Meadow Lakes as a key facility in the community for entertainment. Through business growth, the intention is to build the fund balance to self-fund all capital projects and provide a revenue source that helps offset city-wide operational expenses.

Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Sprayer (Used)	\$ 75,000	\$ -
Clubhouse - Replace Doors and Exterior Columns	\$ 50,000	\$ -
Rough Mower (Used)	\$ 50,000	\$ -
Clubhouse - Replace Carpet	\$ 30,000	\$ -
Clubhouse - Exterior Paint	\$ 15,000	\$ -
Fairway Mower (1 New, 1 Used)	\$ -	\$ 120,000
Course - Cart Path Paving	\$ -	\$ 75,000
Beverage Cart	\$ -	\$ 20,000
Restaurant - Banquet Room Furniture/Equipment	\$ -	\$ 10,000
Restaurant - Kitchen Equipment	\$ -	\$ 10,000
Capital Outlay Total	\$ 220,000	\$ 235,000

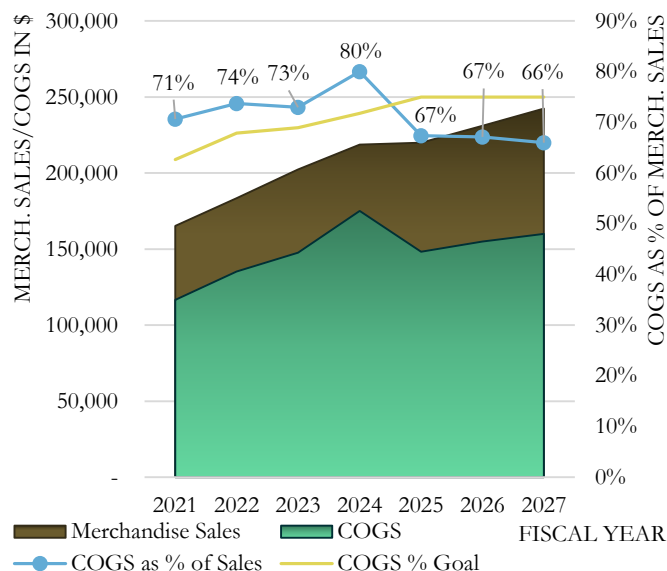
A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.



Frost delay at Meadow Lakes Golf Course in November 2023

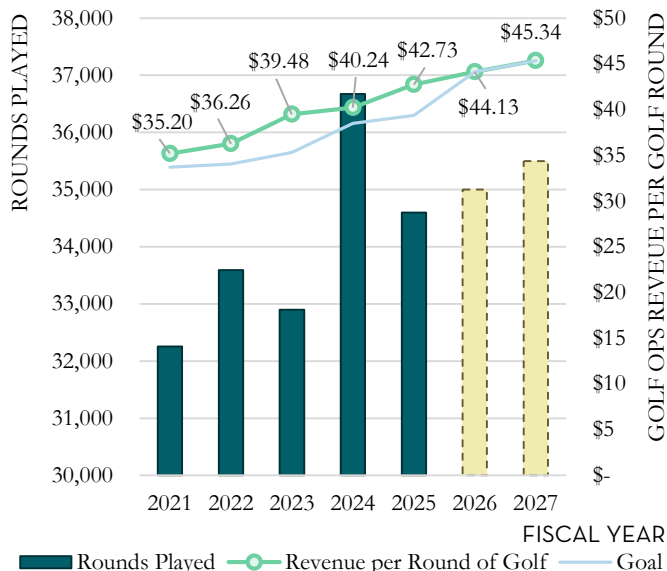
Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2027 Target
Workloads	Input	Rounds Played During Year	Maintain FY 23 Results	32,899	36,670	33,300	35,000	35,500
	Input	Total Golf Revenue	N/A	\$ 1,298,955	\$ 1,475,435	\$ 1,478,300	\$ 1,544,400	\$ 1,609,700
	Input	Annual Daily Play Revenue	N/A	\$ 513,729	\$ 589,652	\$ 600,000	\$ 630,000	\$ 660,000
	Input	Annual Passes Sold (in \$)	N/A	\$ 164,245	\$ 184,895	\$ 185,000	\$ 185,000	\$ 190,000
B	Efficiency	Total Golf Operations Revenue per Round of Golf	\$ 34.00	\$ 39.48	\$ 40.24	\$ 44.39	\$ 44.13	\$ 45.34
B	Efficiency	Cost of Goods Sold as a Percentage of Merchandise Sales	72%	73%	80%	67%	67%	66%



Merchandise Sales vs. Cost of Goods Sold

Cost of goods sold (COGS) as a percentage of sales measures the cost of goods relative to the total merchandise sale revenue during a specific time period. A high value for this metric can be indicative of inefficiencies in the procurement of goods or pricing issues. With many of the golf course suppliers susceptible to new tariff policies, staff has to work diligently to maintain the targeted COGS. The golf course is budgeted to have this metric at 75 percent in BN 27.



Operations Revenue per Golf Round

Total golf operations revenue per round of golf provides good insight into the overall financial health of a golf course. Generally speaking, the more revenue generated per round of golf, the more profitable the facility is. The golf course has been on a record-breaking revenue streak over the last two biennium. Nationally, the number of golfers continues to increase, and this has been the trend locally as well.

Golf Course Budget

Resources	BN	BN	Adopted BN	Estimated	BN 2027		
	Actual	Actual			Proposed	Proposed	Proposed
	2019-2021	2021-2023	Budget	Total Actual	Budget	Budget	Total Budget
			2023-2025	2023-2025	2025-2026	2026-2027	2025-2027
Beginning fund balance	\$ 494,280	\$ 518,550	\$ 1,018,692	\$ 1,109,422	\$ 893,165	\$ 614,565	\$ 893,165
Current year resources							
Charges for services							
Golf Course	\$ 1,930,719	\$ 2,506,652	\$ 2,536,000	\$ 2,942,450	\$ 1,538,100	\$ 1,603,400	\$ 3,141,500
Waste disposal	740,000	740,000	740,000	740,000	370,000	370,000	740,000
Restaurant	33,540	51,360	71,000	71,000	40,000	42,000	82,000
Interest	32,470	30,698	24,000	98,763	10,000	7,000	17,000
Miscellaneous	38,018	21,137	21,000	19,538	10,500	10,500	21,000
Debt proceeds	-	596,044	-	-	-	-	-
Transfer fr other funds	1,250,000	200,000	-	-	-	-	-
Total current year resources	\$ 4,024,748	\$ 4,145,891	\$ 3,392,000	\$ 3,871,751	\$ 1,968,600	\$ 2,032,900	\$ 4,001,500
Total resources	\$ 4,519,027	\$ 4,664,441	\$ 4,410,692	\$ 4,981,173	\$ 2,861,765	\$ 2,647,465	\$ 4,894,665
Expenditures	BN	BN	Adopted BN	Estimated	BN 2027		
	Actual	Actual			Proposed	Proposed	Proposed
	2019-2021	2021-2023	Budget	Total Actual	Budget	Budget	Total Budget
			2023-2025	2023-2025	2025-2026	2026-2027	2025-2027
Golf Course	\$ 2,772,079	\$ 1,807,842	\$ 1,849,100	\$ 2,076,793	\$ 1,133,200	\$ 1,218,500	\$ 2,351,700
Waste disposal	985,797	1,188,817	1,662,900	1,686,498	948,600	907,700	1,856,300
Restaurant	51,094	55,349	68,100	70,390	41,300	46,700	88,000
Debt service							
Principal - BOTC FFC	82,088	264,000	-	-	-	-	-
Interest - BOTC FFC	2,070	1,919	-	-	-	-	-
Principal - Refunding 2017/	90,000	226,488	247,100	247,093	122,600		122,600
Interest - Refunding 2017/2	17,349	10,604	7,500	7,234	1,500		1,500
Contingency			451,992		614,565	474,565	350,565
Total expenditures	\$ 4,000,477	\$ 3,555,019	\$ 4,286,692	\$ 4,088,008	\$ 2,861,765	\$ 2,647,465	\$ 4,770,665
Other Requirements							
Debt Service Reserve	-		124,000		-		124,000
Ending fund balance	\$ 518,550	\$ 1,109,422	\$ -	\$ 893,165	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	3.00	3.00		4.00		4.00	
Policy 60 days operating budget						318,559	
5% Emergency reserve						108,645	
Debt service reserve						-	
Total Policy						427,204	



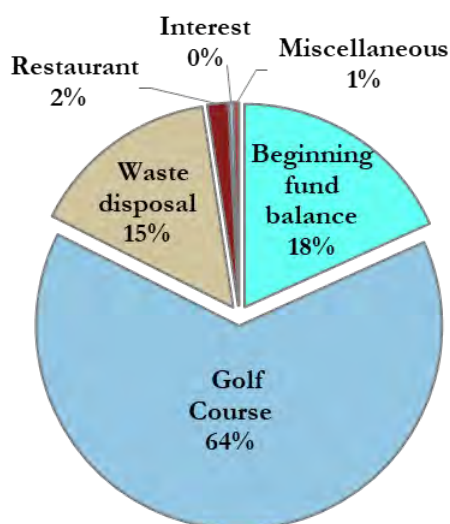
Meadow Lakes Golf Course in May 2025

Beginning Fund Balance and Ending Fund Balance Contingency Comparison

Fund	Actual BN 25 Beginning Fund Balance	Proposed BN 27 Beginning Fund Balance	BN 25 to BN 27 % Change	Adopted Ending Fund Balance / Contingency	Reserve Requirements by Policy	Over (Under) Requirements
Golf Course and Restaurant	\$1,109,422	\$893,165	-19%	\$474,565	\$427,204	11%

BN 27 beginning fund balance decreased approximately 19 percent (-19%) in comparison to the prior biennium due to capital projects that were completed during BN 25. Fund balance is budgeted to decrease roughly 47 percent during BN 27 largely due to \$455,000 in capital projects that are budgeted. This fund exceeds the City's policy requirements by 11 percent.

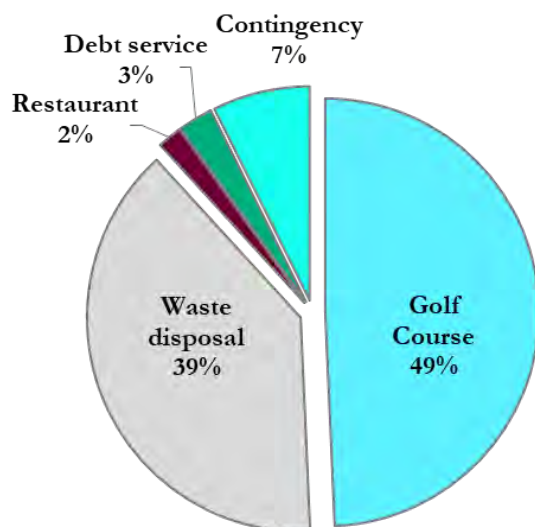
Resources



Assumptions

Golf revenue projections for operations in BN 27 propose a 5 percent increase in golf over BN 25. Golf revenues have exceeded expectations for the last four years with all the new customers the golf course gained during the pandemic. Revenues are anticipated to continue to increase. The restaurant is leased to a third party, so revenue will be associated with the lease agreement during the biennium, budgeted for \$82,000. The transfer from the Wastewater Fund for operations remains the same as the prior biennium.

Requirements



Assumptions

Golf course operations total 49 percent of the requirements for the biennium compared to 51 percent of the requirements in BN 25. The golf course leased out its restaurant operations in February 2019 to a third party, so requirements for the restaurant total 2 percent of budget for minimal materials and services costs, totaling \$88,000 for the biennium. The course saves roughly \$120,000 annually through leasing the restaurant, which management plans to spend on capital projects. Waste disposal is 39 percent of the budgeted requirements compared to 41 percent in BN 25 with a long-term employee retiring in BN 27.

Golf Course Operations

Executive Summary

Meadow Lakes features a championship course, a beautiful clubhouse and a friendly staff eager to make the customer's round of golf an extraordinary experience. *USA Golf Journal* previously featured Meadow Lakes. The course is one of the first-ever recipients of *Golf Digest's* National Environmental Leaders Award. The *Bend Bulletin* has called Meadow Lakes "Central Oregon's best golf value." *Golf Pass* recently ranked the course as the "#9 value course in the United States" as well as the "#3 public golf course in Oregon."

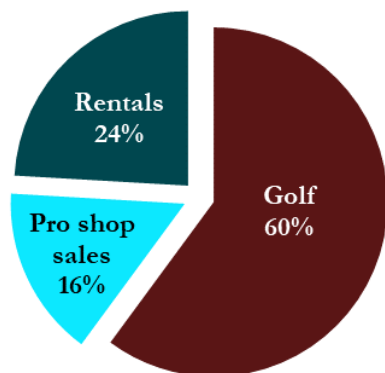
Through superior course conditions and top-notch customer service, increasing rounds of golf and dollars per round of golf played will be the main focus in the next biennium.

Golf Course Operations Budget

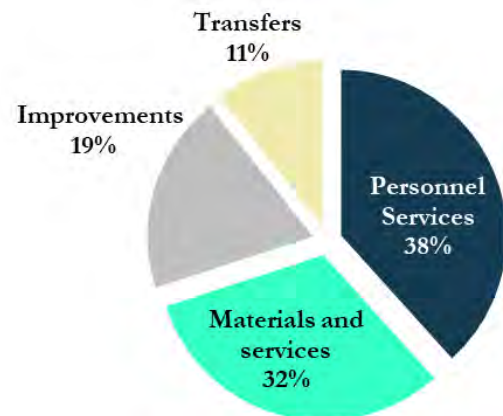
	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Revenue							
Golf	\$ 1,185,524	\$ 1,503,126	\$ 1,504,000	\$ 1,768,370	\$ 926,500	\$ 962,200	\$ 1,888,700
Pro shop sales	284,689	404,856	420,500	461,465	242,500	254,000	496,500
Rentals	460,507	598,940	611,500	712,615	369,100	387,200	756,300
Total revenue	\$ 1,930,719	\$ 2,506,922	\$ 2,536,000	\$ 2,942,450	\$ 1,538,100	\$ 1,603,400	\$ 3,141,500

	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Personnel Services	\$ 403,965	\$ 523,326	\$ 571,400	\$ 658,639	\$ 426,600	\$ 474,500	\$ 901,100
Materials and services	529,714	628,890	662,100	708,800	364,300	380,600	744,900
Capital outlay				-			
Improvements	1,724,599	516,426	418,000	511,754	220,000	235,000	455,000
Transfers	113,800	139,200	197,600	197,600	122,300	128,400	250,700
Total expenditures	\$ 2,772,079	\$ 1,807,843	\$ 1,849,100	\$ 2,076,793	\$ 1,133,200	\$ 1,218,500	\$ 2,351,700
Budgeted positions (FTEs)	1.00	1.00	1.00	2.00			

Resources



Requirements



Wastewater Disposal

Executive Summary

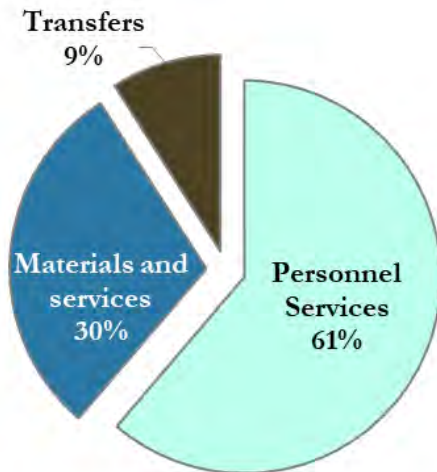
In 1988, the City of Prineville faced fines of up to \$25,000 per day if it did not find a way to dispose of the wastewater being discarded into the Crooked River at the time. Since the City did not possess the capital to construct an expensive mechanical treatment facility, the United States Environmental Protection Agency suggested spraying wastewater over a 400-acre alfalfa field. The mayor, city manager and city council took that idea, modified it, and decided to build a golf course to aid in the disposal of the wastewater. The water is now disposed of through irrigation and the nine evaporation ponds that conveniently double as water hazards for local golfers.

In the upcoming biennium, Meadow Lakes will continue to strategically improve the condition of the golf course and upgrade aging equipment throughout the facility using the allocated resources. Projects that extend the life of the course and reduce maintenance/operating costs are the primary focus.

Wastewater Disposal Budget

	BN Actual 2019-2021	BN Actual 2021-2023	Current Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Personnel Services	\$ 682,404	\$ 798,209	\$ 1,125,000	\$ 1,127,898	\$ 591,200	\$ 545,600	\$ 1,136,800
Materials and services	229,693	289,308	387,100	407,800	275,500	276,100	551,600
Transfers	73,700	101,300	150,800	150,800	81,900	86,000	167,900
Total expenditures	\$ 985,797	\$ 1,188,817	\$ 1,662,900	\$ 1,686,498	\$ 948,600	\$ 907,700	\$ 1,856,300
Budgeted positions (FTEs)	2.00	2.00	3.00		2.00		

Requirements



Meadow Lakes in August 2023

Golf Course Restaurant

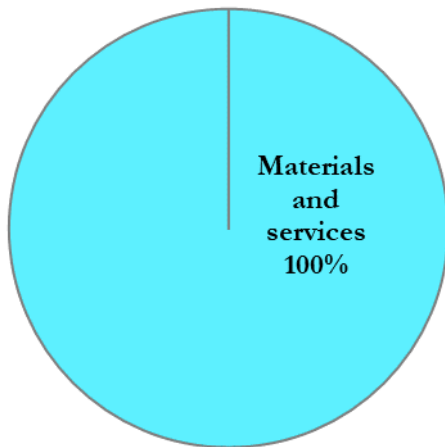
Executive Summary

In February 2019, the Meadow Lakes Restaurant was leased out to local entrepreneur Ron Allen in an effort to lower overhead costs and make the restaurant operation more profitable. Ron's Comfort Food Café is carrying on the tradition of being Central Oregon's best golf restaurant. The delicious food, coupled with a great atmosphere and spectacular views of the golf course and the Crooked River, makes Meadow Lakes one of Prineville's premiere dining destinations. The facility features a large 2,500-square-foot banquet room and full-service bar perfect for hosting parties, weddings, auctions, fundraisers and other large events.

Restaurant Operations Budget

	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Personal services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials and services	51,094	55,349	68,100	70,390	41,300	46,700	88,000
Transfers	-	-	-	-	-	-	-
Total expenditures	\$ 51,094	\$ 55,349	\$ 66,200	\$ 54,687	\$ 41,300	\$ 46,700	\$ 88,000
Budgeted positions (FTEs)	-	-	-	-	-	-	-

Requirements



May 2024 Prineville Police Department banquet set up at Meadow Lakes



Proposed Biennial Budget



July 1, 2025 - June 30, 2027



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Internal Service Funds

Admin./Support Services • Public Works Support Services •
Building Facilities/Property • Plaza Maintenance



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Administration / Financial Support Services Fund

Organization of Fund

Administration / Financial Support Services Fund

The organization of the Administration / Financial Support Service Fund is split between four departments: City Council, Finance, Information Technology and Administration / Human Resources.

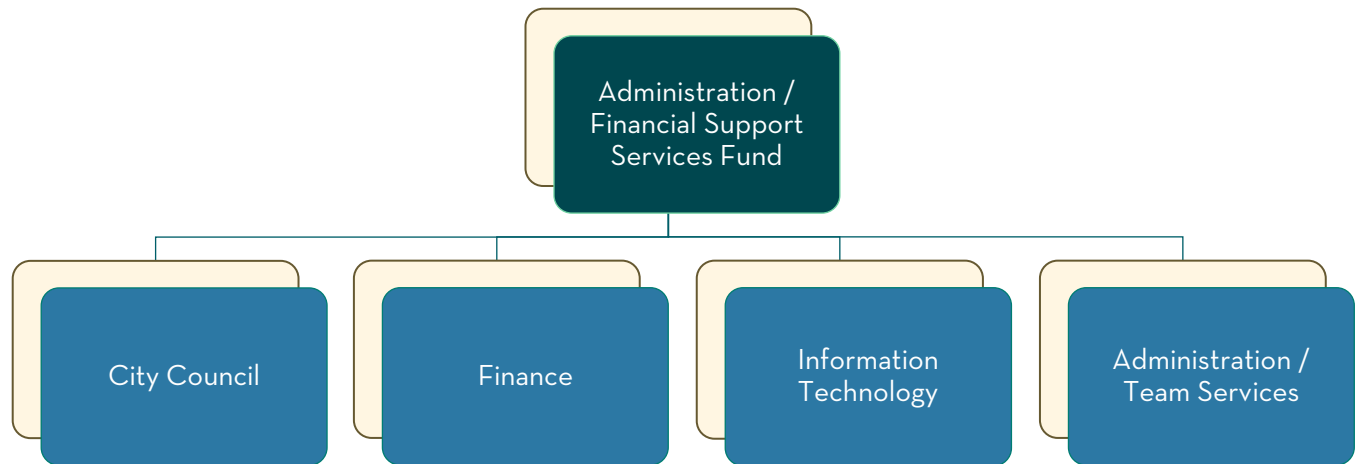


Photo: Jason Chaney/ Central Oregonian

Responsibilities to the Community

The purpose of the Administration / Financial Support Services Fund is to account for the centralized activities of the Prineville City Council and administrative services. This internal service fund accounts for the staff and council volunteers, which keep the community in mind with every decision. The services provided are recovered through charges for services to other funds.



City staff and Councilor Sumner at the Prineville Chamber of Commerce awards dinner in March 2025

Administration / Financial Support Services Budget

Resources	BN Actual 2019-2021	BN Actual 2021-2023	Current Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Beginning fund balance	\$ 281,653	\$ 693,898	\$ 639,699	\$ 373,384	\$ 276,602	\$ 683,502	\$ 276,602
Current year resources							
Charges for services	\$ 757,562	\$ 481,087	\$ 7,575,100	\$ 7,708,218	\$ 5,248,000	\$ 5,508,170	\$ 10,756,170
Intergovernmental	257,975	502	-	-	200,000	-	200,000
Interest	8,574	23,720	20,000	43,769	12,000	5,000	17,000
Trans from other funds	5,561,121	5,927,800	800,000	920,000	460,000	460,000	920,000
Total current year resources	\$ 6,585,232	\$ 6,433,109	\$ 8,395,100	\$ 8,671,987	\$ 5,920,000	\$ 5,973,170	\$ 11,893,170
Total resources	\$ 6,866,885	\$ 7,127,007	\$ 9,034,799	\$ 9,045,371	\$ 6,196,602	\$ 6,656,672	\$ 12,169,772
Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
City Council	\$ 167,871	\$ 160,851	\$ 193,200	\$ 182,153	\$ 111,400	\$ 114,000	\$ 225,400
Administration/team services	1,755,565	1,877,478	2,592,000	2,526,970	1,565,600	1,646,900	3,212,500
Financial services	1,812,380	2,135,619	2,571,000	2,532,404	1,536,200	1,607,900	3,144,100
Information technology	2,437,172	2,579,675	3,603,500	3,527,242	2,299,900	2,438,300	4,738,200
Contingency			75,099		683,502	849,572	849,572
Total expenditures	\$ 6,172,987	\$ 6,753,623	\$ 9,034,799	\$ 8,768,769	\$ 6,196,602	\$ 6,656,672	\$ 12,169,772
Ending fund balance	\$ 693,898	\$ 373,384	\$ -	\$ 276,602	\$ -	\$ -	\$ -
Budgeted positions (FTEs)	12.00	13.67	16.17			17.17	
Policy 15% of Operating Budget						794,850	

City Council

Mission Statement

The City of Prineville provides quality municipal services and programs which contribute to our reputation as a desirable place to live, work and play.

We strive to improve our quality of life through transparency; open communication; investment in essential infrastructure; public safety; community programs; and business, while staying within the constraints of fiscally responsible government.

P	Progressive
R	Resilience
I	Innovative
N	Neighborly
E	Efficient
V	Visionary
I	Integrity
L	Livability
L	Leaders
E	Environment



Council Goals		Council Goals
A	Community safety	
B	Position the City for the future	
C	Fiscal responsibility	
D	Provide quality municipal services and programs	
G	Transparency and effective communication	

Prineville City Council's Goals

The City continues to further review and develop the Prineville City Council's goals and align them with department goals to make sure they are effective, and tie together as illustrated below. Focus begins with citizens, aligning the mission statement to council goals, which leads to the individual department's objectives and guides the budget. It is a never-ending cycle where each component is constantly aligned to the others



Prineville's Council

The City of Prineville uses a council/manager form of government where the council is the policy making board. The council is composed of a mayor and six councilors elected from the city at-large. Three councilors are elected at each biennial election, and serve a term of four years. At each biennial general election, a mayor is elected for a term of two years and terms start on January 1st.

Mayor Jason Beebe



Jason Beebe was born in Prineville in 1973. He has lived in Prineville his entire life, adding to his family roots that date back to the birth of his adopted grandmother Grace Higgins in 1889. Jason graduated from Crook County High School in 1991. Six years ago, Jason switched to the growing tech industry, where previously he worked in the local tire industry. Jason competed in baseball and wrestling during school, as well as motocross and jiu-jitsu mixed martial arts after school. Jason is now involved in local Little League baseball.

In 2003, Jason enlisted in the Army National Guard. He just recently received an Honorable Discharge after serving 12 years. During his military service, he spent 10 months overseas in Iraq in 2009-2010, based at the Victory Base Complex in Baghdad. When he returned home from Iraq, Jason had a desire to serve his community – which brought him to his current position on the city council and involvement in various committees. Jason is currently pursuing the possibility of a sports complex in Prineville and a way to help promote Prineville's tourism and family friendly atmosphere.

"I love Prineville and this community and just want to give back and leave something for my children to enjoy," says Jason.

Jason is married with five children.

Term Expires: December 31, 2026

Council President Steve Uffelman



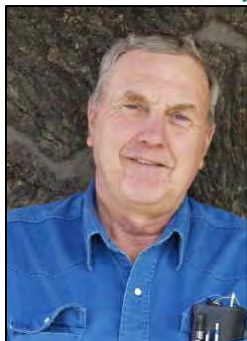
Steve Uffelman obtained a bachelor's degree in pharmacy from Oregon State University in 1969. In 1982, he moved to Prineville where he worked as a pharmacist at Pioneer Memorial Hospital for 27 years. Steve retired from being a pharmacist in 2009 and went into real estate.

Steve was appointed to the Prineville City Council in 1985, serving four terms as mayor. Steve also served on the board of directors for the Oregon Mayors Association, multiple terms on the city council and is currently council president. Additionally, Steve has served on several boards and regional commissions, including the Alaska Pharmaceutical Association, while he lived in Alaska, and the Crook County Parks & Recreation Budget Committee.

Steve is an ordained minister with the Episcopal Church. When there is time for recreation, Steve and his wife Jan enjoy traveling, golfing, fishing and hunting with family.

Term Expires: December 31, 2028

Councilor Jerry Brummer



Jerry Brummer was raised on a ranch between Post and Paulina. He went to the Post one room schoolhouse for his first three years of education. Jerry graduated from Crook County High School in 1967. He always ranched on the side during his working career. Jerry worked in the timber industry for the first 25 years of his career. He then worked for the City of Prineville for the next 20 years, retiring as the Public Works Director in 2012. Jerry has been a County Commissioner, and he has served as a member of the Board of Directors for Crook County Fire and Rescue since 2014.

Jerry has been married to his wife Eloise for 49 years and they have two children, seven grandchildren and four great grandchildren.

Term Expires: December 31st, 2028

Councilor Shane Howard



Shane was born in Redmond, Oregon and raised in Prineville where his family goes back several generations. Shane graduated from Crook County High School in 2004 where he was on the wrestling and golf teams. Later Shane coached the Crook County Middle School Wrestling team for approximately nine years.

In his spare time, he enjoys fishing and golfing.

Before getting his real estate license in 2017, Shane was an arborist keeping utility lines clear.

Shane has two children, son Trenton (5) and step-daughter Kaegan (15).

Shane decided to run for Council in the November 2022 election to be involved and give back to his community.

Term Expires: December 31, 2026

Councilor Janet Hutchison



Janet moved with her parents to Prineville in 1962 from Dubuque, Iowa and has lived in Prineville ever since. She graduated from Crook County High School in 1970. After a few years, Janet decided college was important and graduated from Central Oregon Community College in 1986 with a degree in accounting.

Janet's work career began with Coin Millwork for approximately seven years, then City of Prineville for approximately two years and finally the federal government in both the United States Forest Service (USFS) and Bureau of Land Management (BLM) for nearly 30 years.

Janet began her BLM career as a clerk/typist and finished as a lead for rights-of-way, renewable energy for realty and communications site with the Oregon state office in Portland, Oregon. The position was remotely located in Prineville. In that position, Janet was the expert in the aforementioned disciplines and advised the public and nine districts with Oregon and Washington. Janet was also an equal opportunity counselor for approximately 18 years.

Janet has been retired for four years and enjoys traveling, camping, bike riding, walking and spending time with her family. She has been married to her husband Forrest for 42 years with two daughters, four grandchildren and one great granddaughter.

"I look forward to serving on the City Council and giving back to the community," says Janet.

Term Expires: December 31, 2026

Councilor Scott Smith



Scott was born and raised in Prineville. His family were pioneers to the county with both his paternal grandmother and aunt being Pioneer Queens.

Scott graduated from Crook County High School in 1984 and immediately followed in his father's footsteps into the excavation field. He worked building logging roads for a local construction business until 1987, when he had the opportunity to go to work for the City of Prineville Public Works Department. Scott worked 34 years for the City's street department, the last 20 years of which he served as the street superintendent. Scott retired from the City at the end of 2021. Shortly before his retirement, he was awarded Pavement Manager of the Year from the Northwest Pavement Management Association.

Scott is married to Ronda and has thoroughly enjoyed the two grandkids Ronda brought to the marriage. Scott enjoys sports, camping and watching the grandkids participate in sports and activities. Probably his biggest passion is working. Since his retirement, he has continued to work off and on driving truck or doing a job for a friend with the family backhoe.

In running for Prineville City Council and being elected, Scott has no hidden agenda. Scott is proud of the work he did while a City employee and hopes his position on the City Council will allow him to see some of the unfinished projects to be completed and allow other City employees to grow and achieve the satisfaction that his career provided. Scott says his time on the City Council will be his opportunity to give back to the community that gave so much to him.

Term Expires: December 31, 2026

Councilor Marv Sumner



Marv was born in Prineville. Beginning with his school years, his family lived in John Day and Mt. Vernon, graduating from Grant Union High School. With his close family ties and early affection for Prineville and Crook County, it was a life plan for he and his wife Vicki to return to Prineville. His father had worked in several vocations in and around Prineville and Crook County. His mother was one of seven children of the Andrew and Emily Bernard ranching family of Suplee. Marv spent much time at the family ranch as a youth embracing the lifestyle.

Marv and his wife Vicki have four sons, and through them, nine grandchildren. In adulthood, his employment by a national bank brought him and his family back to Prineville to reside on two separate occasions. He is retired after a 34-year career in his profession. His job took him and his family to seven communities in eastern and central Oregon. Activism in the places he has lived has always been a passion including community and business organizations; Scouting, Future Farmers of America, a bronc/bull riding production, coaching basketball, baseball, softball, and lead advisor for a high school rodeo team, besides participating in adult sports leagues, and more – just enjoying being a part of the dynamics of the places he has lived. Since returning to Prineville in 2016, he has been a Crooked River Roundup director and treasurer, lead in the updating of the Ochoco Creek Park basketball courts, and a member of the City of Prineville Budget Committee.

Term Expires: December 31st, 2028

Responsibilities to the Community

Seven elected volunteer positions make up the Prineville City Council: one mayor and six councilors. As an elected official, members represent the constituents that voted council members into office. Council members function as the ears and voice of the voters to see that the needs of Prineville's citizens both short- and long-term are considered along with a comprehensive pathway forward.

The materials and services budget include training dollars, membership fees, specific support for council-approved contributions and discretionary spending.

Executive Summary

The City Council and staff serve on several state, regional and local committees and boards, with a partial participating list outlined below. Descriptions in parenthesis indicate who facilitates the committee or the many partners and stakeholders in participation. The various committees meet from monthly to quarterly, or more frequently as needed.

- Central Oregon Area Commission on Transportation (State-Region)
- Central Oregon Cities Organization (Regional)
- Chamber of Commerce Board (Community)
- Community Renewable Energy Association (Regional)
- Crooked River Watershed (Environmental)
- Crook County Foundation (Community)
- Deschutes River Conservancy (Environmental)
- Economic Development of Central Oregon (EDCO) (Regional)
- Habitat Conservation Plan – Fish Reintroduction (Regional, state, federal & many additional stakeholders)
- League of Oregon Cities General Governance and Transportation Committee (State)
- Local Intergovernmental Committee (City, county, schools, parks and recreation, chamber of commerce, healthcare services, public safety, EDCO, airport and more)
- Prineville Air Quality Committee (City)
- Railroad Advisory Committee (City)

The City Council is often invited to attend events, fundraisers and organization interests throughout the community and region.

The City Council and Budget Committee also decide to make contributions to other efforts throughout the community. Some of those would include contributing towards the annual fireworks display, the Prineville Senior Center, various afterschool kid's programs, the annual downtown cattle drive during the Crooked River Roundup, and many more. Often these other efforts are first reviewed by a council member to decide whether or not to sponsor before consideration and approval from the City Council.



Meta Community Grant awards in April 2024. Pictured from left to right: City Planner Tasha Brackin, City Councilor Janet Hutchinson, City Councilor Steve Uffelman and City HR Manager Karee Miller.

Council Policies

A Governance Policy Committee was formed to review council policies that serve for current and future council members. The newly formed committee – consisting of three councilors and City staff – looks at the existing policies, compares them to other existing internal policies and makes recommendations to the full council for consideration. The council policies, Prineville City Charter and City of Prineville Code outline council authority, roles, responsibilities and expectations. These policies are to ensure an efficient, cohesive and effective process for the Prineville City Council as members make decisions for today and the future.

Council Priorities Strategy

Over the last decade, billions of dollars' worth of business development has occurred. This development was incentivized with a state incentive program known as the Long-Term Rural Enterprise Zone (LTREZ). This is a program that exempts the development made on land from property tax. Council decided that it was time to start preparing for this and to develop some priority strategies to use or invest these funds by looking at infrastructure, financial investments, amenities, social services and resiliency.

The priorities strategy process is facilitated by a consultant to help the City Council identify what its top priorities are. The priorities that will be identified, will be compared to the adopted council goals to make sure they are in alignment. Another phase of this process is to conduct a citywide survey of what constituents envision for the future of the city. The priorities the City Council identify will also be included in the survey to make sure they are in alignment with Prineville's citizens. The cost of this process is included in this biennial budget.



Crooked River Round Up Cattle Drive in June of 2023.

Photo: Kelsey Rickart of Rickart Photography

City Council Budget

	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Materials and services	\$ 77,871	\$ 68,151	\$ 95,600	\$ 84,553	\$ 59,500	\$ 59,500	\$ 119,000
Transfers	90,000	92,700	97,600	97,600	51,900	54,500	106,400
Total expenditures	\$ 167,871	\$ 160,851	\$ 193,200	\$ 182,153	\$ 111,400	\$ 114,000	\$ 225,400



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Finance

Mission Statement

The mission of the [City of Prineville finance team](#) is to provide the citizens of the city, its council and all employees, with accurate, timely data, to maximize returns on investments, and minimize loss risk. The department strives to achieve its mission in a professional and friendly manner that reflects the integrity of the overall mission of the City.

BN 25 Accomplishments

- ❖ Awarded the Certificate of Achievement (COA) for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) with the submission of the City's comprehensive annual financial report
- ❖ Finance team completed trainings including payroll, accounts receivable and finance officer certifications
- ❖ Implemented a system development charge (SDC) payment deferral and payment installment plan
- ❖ Maintained full staffing levels for the department
- ❖ Received the Distinguished Budget Presentation Award from the GFOA
- ❖ Updated Fiscal Policies
- ❖ Implemented robocalls for past due utility customers.
- ❖ Implemented e-billing for utility customers.

Initiatives for BN 27

- ❖ Create a City investment policy
- ❖ Earn the capital and performance measure special recognitions with the Distinguished Budget Presentation Award from the GFOA
- ❖ Maintain development and update long-range financial plans for all funds
- ❖ Meet all reserve policy requirements
- ❖ Receive a clean audit from the auditors



Department Goals		Council Goals
A	Maintain the fiscal health and sustainability of the City of Prineville	
B	Invest in employees through continued education, cross training for department versatility, and other development opportunities as available	
C	Obtain GFOA budget and COA awards, with an eye on special awards, while continuously improving the documents to meet changing needs and priorities	
D	Be responsive to the needs of the City and its constituents by providing great levels of service to all customers, external citizens and internal partners	

Responsibilities to the Community

The Finance Department serves many diverse types of customers, internally and externally. It is the central hub for all financial activities within the City's departments. It provides the City's financial accounting and reporting, auditing, budget preparation, long-range planning, cash and investment management, payroll, billings and collection, disbursement processing, risk management oversight, grant coordination, and Prineville City Hall reception.

Executive Summary

City-wide growth has led to an increase in workload for the Finance Department, which includes work generated by the continued increase in utility customers, the number of projects City departments are currently engaged in, increases in grant monitoring, and keeping up with all the new Governmental Accounting Standards Board (GASB) pronouncements. Over the past two years, the Finance Department updated the [City's Fiscal Policies](#), implemented new [SDC payment options through deferral or installments](#), updated the internal control manual, and continued staff development through outside trainings.

Over the next two fiscal years, the Finance Department plans to look forward and stay mindful of potential economic issues. There will continue to be a concentration on cross training and employee development. Currently, one of the hot topics in government finance is employee retainage and succession planning. The Finance Department is looking to stay ahead of the issue through continued employee development. As operations continue to grow and the demand on the Finance Department increases, the finance team will adapt to the changing environment.

Strategic Planning Updates

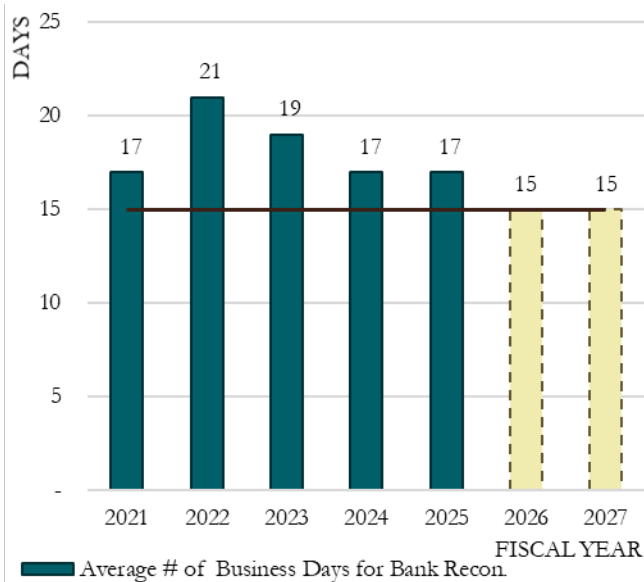
- Short-term – Maintain employee training and cross training goals. Create an investment policy.
- Long-term – Maintain the confidence of the community, council, partners and staff by continually identifying, developing and advancing fiscal strategies, policies and practices for public benefit, and improving communication and transparency of these actions through the department's financial documents and reporting.

Did You Know?

The City's debt to total assets ratio is roughly 12 percent as of June 30, 2024. This means that only 12 percent of the historical costs of all the city-owned assets are currently leveraged with long-term debt.

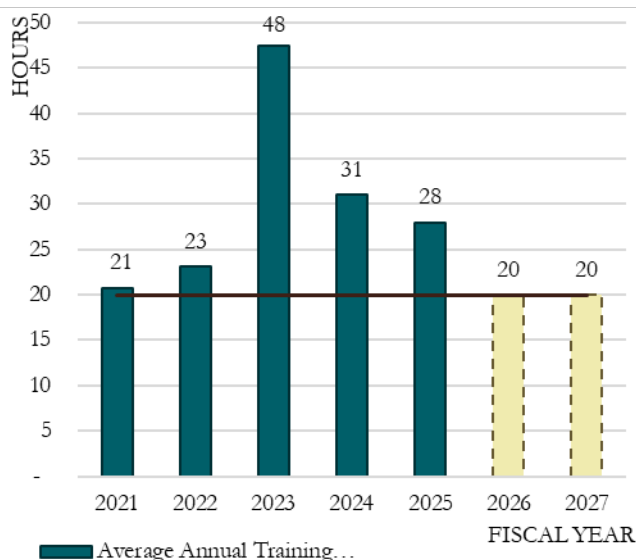
Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2027 Target
Workload	Input	Number of Online Payments	+5% Increase	18,872	20,810	21,851	22,943	24,090
	Input	Number of Credit Card Phone Payments	-5% Decrease	4,708	5,674	5,390	5,121	4,865
	Output	Annual Accounts Payable Checks/ACH Drafts	+5% Increase	5,336	5,432	5,595	5,763	5,936
	Output	Utility Accounts Opened/Closed	N/A	864	825	900	925	950
A	Efficiency	Average Number of Business Days to Complete All Bank Account Reconciliations	15	18	17	17	15	15
B	Efficiency	Average Annual Training Hours per Employee	20	48	31	28	20	20
C	Effectiveness	Consecutive Years Earning GFOA Distinguished Budget Presentation Award	Previous Year +1	18	19	20	21	22
C	Effectiveness	Consecutive Years Earning GFOA Certificate of Achievement for Excellence in Financial Reporting	Previous Year +1	7	8	9	10	11



Average Number of Business Days to Complete All Bank Account Reconciliations

Timely completion of bank reconciliations is important in order to help ensure the soundness of the City's financial records. Reviewing records for accuracy is an important piece of the Finance Department's duties as outlined in the Internal Control Manual. The aim of the department is to complete reconciliation within 15 business days in order to catch entries that could be flagged as potential errors, omissions or fraudulent transactions, keeping them to a minimum.



Annual Average Training Hours per Employee

The world of government finance is constantly evolving. In order to keep up with the changes, it is important to keep staff up to date on their trainings. Encouraging new trainings and cross training helps keep employees engaged and promotes a team-oriented environment. Attending training in the various aspects of the financial field helps create a wider pool of knowledge for the department, which aids general understanding, idea contributions and an increased potential in cross training.

Finance Budget

Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Personnel Services	\$ 1,323,067	\$ 1,492,276	\$ 1,795,500	\$ 1,532,595	\$ 1,102,400	\$ 1,162,200	\$ 2,264,600
Materials and services	411,712	563,443	682,100	906,409	383,000	392,300	775,300
Transfers	77,600	79,900	93,400	93,400	50,800	53,400	104,200
Total expenditures	\$ 1,812,380	\$ 2,135,619	\$ 2,571,000	\$ 2,532,404	\$ 1,536,200	\$ 1,607,900	\$ 3,144,100
Budgeted positions (FTEs)	6.00	7.00	7.00				7.00



City of Prineville finance team in December 2024

Information Technology

Mission Statement

The mission of the Information Technology Department (IT) is to provide cost-effective technology services – both internally and externally – which meet the needs of a diverse user group while enabling dissemination of information to the general public through the use of varied, present-day technology.

BN 25 Accomplishments

- ❖ Expanded 911 network to new Crook County Courthouse and Crook County Sheriff's Office technology relocation
- ❖ Expanded fiber optic connectivity to additional City facilities
- ❖ Transitioned public safety users to digital radio system
- ❖ Upgraded 911 dispatch center's 911 telephone system
- ❖ Upgraded end of life hardware

Initiatives for BN 27

- ❖ Develop additional communications sites to increase coverage of public safety radio system
- ❖ Install hardware/software in support of backup 911 center at county emergency operations center
- ❖ Migrate additional City facilities to fiber optic connections
- ❖ Replace HCI hardware that is end of life



Department Goals	Council Goals
A Provide and support stable technology platform for City operations	

Responsibilities to the Community

As an internal department, the City of Prineville's IT Department primarily provides support to other, public-facing City departments such as 911 dispatch, police, public works, airport, golf and railway. The services provided by the IT Department allow these departments to provide timely, accurate services to the public. Additionally, the IT Department manages the City's web presence – including several websites, social media accounts and live streaming infrastructure – administrative telephone system, video conferencing solutions, 911 phone system and text-to-911, public meeting audio archive, and online payments website.

Executive Summary



IT Operations Lead Arron Tavernia working on several computer updates

The IT Department provides cost-effective technology services to the City of Prineville. The City's infrastructure has been virtualized, allowing for redundancy, resiliency and continuity of operations, ensuring that the technology platform that supports City business is dependable into the future. End of life hardware is scheduled for replacement in BN 27.

The department upgrades software and hardware, manages maintenance of computers and communications devices, installs electronic equipment in vehicles, manages the City's computer network and websites, and manages the Crook County 911 fixed radio site infrastructure. IT also provides support services to other functional departments and city staff so they can perform their daily responsibilities as well as additional projects.

The City IT Department also supports the public safety network throughout Crook County and provides IT services to the Police Department, Crook County Sheriff's Office, Crook County Parole and Probation, the Crook County Jail, and Crook County Fire and Rescue. The IT Department also manages mobile data and communications systems across all public safety vehicle fleets,

including public works. The department keeps all forms of communication within the City running efficiently, assists in grant writing and meetings and much more. The IT Department continuously provides excellent support with a can-do attitude and keeps the City of Prineville on the cutting edge of technology.

Strategic Planning Updates

- Short-term – The department is transitioning to hyperconverged infrastructure to allow for better resiliency of systems and leverage cloud technologies where feasible. IT will continue to expand its dark fiber network, connecting additional facilities and installing redundancy where possible. The department has seen personnel turnover during the last biennium. Training replacement full-time employee will be a priority for BN 27.

The City of Prineville IT Department also supports the Crook County Sheriff's Department, Crook County Parole and Probation, and Crook County Fire and Rescue.

- Long-term – The IT Department follows a long-range strategy to keep technology platforms current. Established budget resources allow for lifecycle hardware replacement of all IT managed assets. Workstations are replaced on a five-year life cycle, handheld devices on a three-year lifecycle and server hardware on a five-to seven-year cycle. The City maintains software support subscriptions to all production software, allowing those platforms to stay up-to-date and ensure timely patches to vulnerabilities. As the City grows and additional personnel are added in other departments and new technologies are adopted, keeping adequate IT staffing levels to support these systems and users will become paramount.

Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Vehicle and Upfit	\$ 216,000	\$ -
Service Monitor Refresh	\$ 92,000	\$ -
Hyperconverged Infrastructure Hardware Refresh	\$ -	\$ 325,000
Capital Outlay Total	\$ 308,000	\$ 325,000

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.

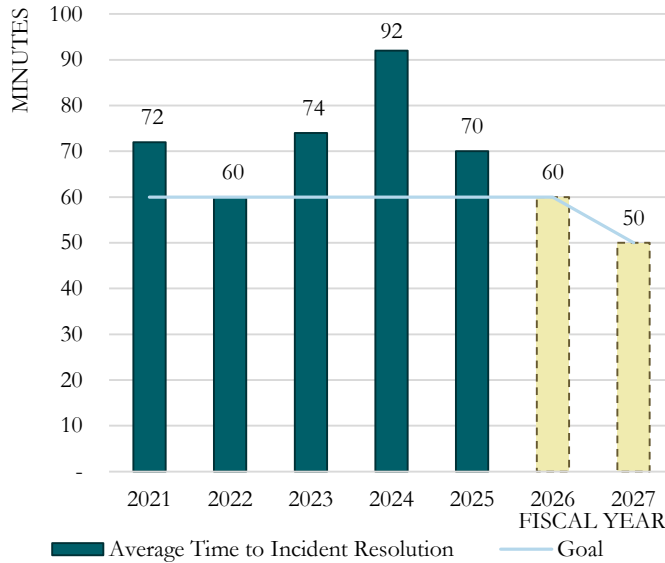


IT Operations Lead Arron Tavernia climbing the radio tower at the Police Department in BN 25.

Performance Measures

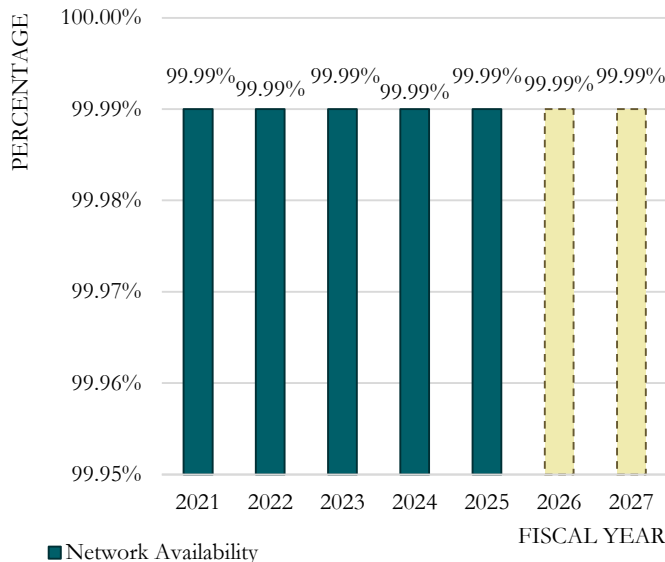
Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2027 Target
Workloads	Output Input	Network Availability Percentage	N/A	99.99%	99.99%	99.99%	99.99%	99.99%
		Production Incidents	N/A	5	3	4	3	2
A	Efficiency	FTE Supported per IT Staff Member*	30	48.2	56.5	50.0	50.0	40.0
A	Efficiency	Average Time to Incident Resolution in Minutes	< 60	74	92	70	60	50

*City IT services are provided to all countywide public safety agencies through intergovernmental agreement with the City's 911 center



Average Time to Incident Resolution

Average time to resolution measures the time, on average, that a support issue takes to resolve, from the time it is reported to the IT Department, until the issue is cleared. This average is generally a blend of two types of incidents, those that are addressed immediately and those that are addressed the next business day. Issues are prioritized and addressed by severity. This metric measures all support incidents, including those of high (immediate) and low (next business day) items. It includes all support incidents, including routine items like user account creation, off boarding of employees and scheduled maintenance. It does not include tickets created for project work or new installations.



Network Availability

Network availability is a metric used to track uptime and availability of resources located on the enterprise network. As the City added levels of redundancy and fault tolerance, the metric has remained consistently high.

Information Technology Budget

	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Personnel Services	\$ 744,079	\$ 1,021,406	\$ 1,234,200	\$ 1,151,651	\$ 816,800	\$ 931,200	\$ 1,748,000
Materials and services	1,545,723	1,405,218	2,233,300	2,278,906	1,149,400	1,155,100	2,304,500
Capital outlay							
Equipment	87,622	92,303	75,000	35,761	308,000	325,000	633,000
Debt service							
Capital lease	28,848	28,848	14,500	14,424	0	-	-
Transfers	30,900	31,900	46,500	46,500	25,700	27,000	52,700
Total expenditures	\$ 2,437,172	\$ 2,579,674	\$ 3,603,500	\$ 3,527,242	\$ 2,299,900	\$ 2,438,300	\$ 4,738,200
Budgeted positions (FTEs)	3.00	3.67	4.67				5.67



IT Specialist Daniel Ego working on an IT project in the 911 Dispatch Center in BN 25.



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Administration / Team Services

Mission Statement

It is the mission of administration and team services departments of the City of Prineville to provide accurate, transparent information; support elected officials, the community and fellow team members; provide quality, knowledgeable personal service to both internal and external customers; cultivate respectful, collaborative relationships with other agencies, businesses and individuals; and to efficiently, purposefully and responsibly meet current and future needs of the community.

BN 25 Accomplishments

- ❖ Began a “next-gen leadership” training program for up-and-coming future leaders
- ❖ Instituted a respiratory mask program for the safety manual
- ❖ Over 3,110 safety training hours were completed City-wide
- ❖ Remained committed to staff training with a focus on leadership development
- ❖ Started development on a continuity of operations plan

Initiatives for BN 27

- ❖ Complete development of the continuity of operations plan
- ❖ Conduct a review and update the City’s safety policy
- ❖ Implement an electronic document management program to free up precious storage space for paper copies, increase transparency, increase information retrieval speed, and reduce the number of times a document is handled
- ❖ Review/update job hazard analysis (JHA) sheets and incorporate into the safety policy
- ❖ Identify and implement strategic generative AI policy, practices, and applications that align with council goals and objectives.



Department Goals		Council Goals
A	Follow the ever-changing world of employment laws and how the City will adapt policies and procedures to comply with them	
B	Assure the City's compensation and benefits structure provides a fair and competitive pay rate and benefits program	
C	Encourage continuous leadership/professional development opportunities of valued team members	
D	Hire highly qualified employees with appropriate knowledge, skills and abilities, while being vigilant about retention and succession planning	
E	Implement and strengthen programs, including the safety committee, to reduce exposure to liability and hazards in the field and evolving workplace City-wide	
F	Carefully monitor national, state and regional trends for insurance claims and workers' compensation claims, striving to reduce claims and costs associated with them in the process	

Responsibilities to the Community

The city manager is responsible for the city administration including implementation of Prineville City Council policies; long-range plans and goals; enforcement of ordinances and resolutions; supervision over department managers and employees; preparation of the budget; risk management; and general management of the City's operations.

The Human Resource Department, along with the city manager, assists department heads and employees in the areas of recruitment, classification, compensation, performance evaluation, training, benefits, workers' compensation, labor/employee relations and related human resource functions. The department supports the City's effort to attract, develop and retain a diverse, productive workforce that is capable of providing quality services to the citizens of Prineville. The department's goal is to ensure that employees are managed fairly, are well-trained, supported and assigned job duties to accomplish the City's business objectives in a cost-effective, efficient and safe manner.

Responsibilities of the city recorder/risk manager include: providing support to City administration and the Prineville City Council; implementation of policies and procedures as it relates to property; handles casualty and liability claims to minimize potential risks to the City; acts as the City of Prineville Safety Committee coordinator; serves as the elections officer for City officials and candidates; coordinates council meeting agendas and supporting documents; oversees all official City documents and records management; and coordinates codification of City ordinances.

Did You Know?

The City of Prineville's Safety Committee has a mission statement. It is:

"The City of Prineville holds in high regard the safety, welfare and health of our employees. It is our policy to provide and maintain safe working conditions and to follow operating practices that will safeguard all employees. No job will be considered so important or urgent that we cannot take time to perform or work safely, as safety is crucial to the success of the City."

Executive Summary

Protection of the taxpayers' dollars from unnecessary spending is important. The City endeavors to earn and keep the citizens' trust by being transparent and keeping the public informed of City projects and accomplishments.

The City continues to offer employees a competitive benefit package, including full health, life, accident, disability, Oregon Public Employees Retirement Service (PERS) retirement benefits, paid holidays, vacation, sick time and wellness programs. A variety of other programs and services are offered with the option of purchasing as a payroll deduction. These programs help fill the gap between what expenses are for these services and what insurance will pay. The City also supports staff wishing to seek a higher education by offering tailor-fit incentives.

As of July 1, 2024, state unemployment insurance rate remains the same at 0.1 percent since 2017. This rate was higher at 1.7 percent in 2013. The City's way of doing business is to keep a watchful eye on claims and every attempt is made to keep costs down. Workers' compensation premiums are expected to increase between three and ten percent, depending on job classification, for BN 27. A strong partnership exists with the State Accident Insurance Fund (SAIF), an organization that continues to assist the City with its efforts to keep injuries low and safety standards high. SAIF has joined efforts with Citycounty Insurance Services (CIS). Since then, the City has gone from quarterly reporting and premium payments to an annual basis. This change provided additional savings by paying the premium at the beginning of each fiscal year.

The City collaborates with team members to be safety and wellness conscious. "Safety first!" remains the City's motto. The Safety Committee is reviewing past and present functions of the committee and identifying areas in need of updating and improvement. Dedicated to bringing the City's safety culture to the next level, the Safety Committee possesses the full buy-in of management to do so. The City previously developed the Safety-Wellness Incentive Policy to encourage and expand participation in practicing safety and wellness activities.

Property, casualty and liability claim counts for the City are down significantly. Additionally, police and jail (excessive force) claims are keeping liability claims up for CIS, resulting in a significant increase for premiums again in the new biennium. This upcoming renewal period the City is expecting those increases to be passed along to cities and are budgeting appropriately.

Strategic Planning Updates

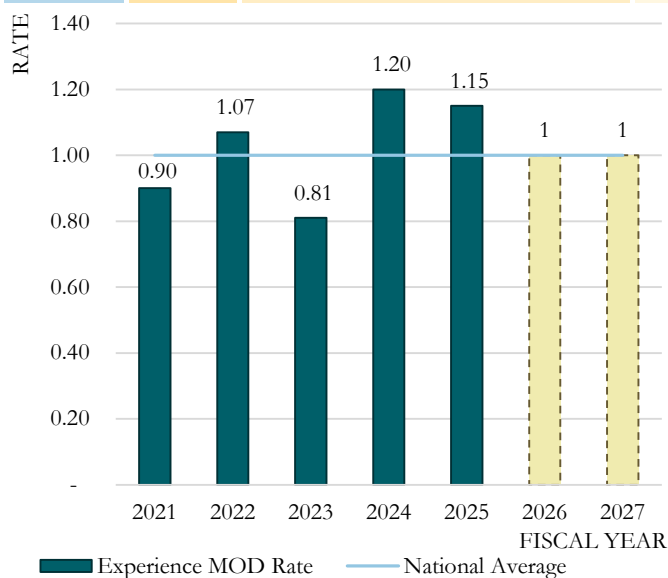
- Short-term – Remain diligent in recruiting and maintaining quality, fully staffed departments during the challenges of the current national employment environment.
- Long-term – Remain proactive in identifying and evaluating potential risks to the City, its employees and its citizens, adjusting accordingly as necessary.



Members of staff participate in a supervisor training in January 2025

Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2027 Target
Workloads	Input	Workers' Compensation Claims	≤ 1	6	6	3	-	-
	Input	Property, Casualty and General Liability Claims	≤ 1	9	3	6	-	-
	Input	Time Loss Claims	≤ 1	1	-	1	-	-
	Input	Time Loss Days	≤ 1	1	-	2	-	-
	Output	Annual Safety Training Hours	N/A	1,317	3,110	3,200	3,300	3,400
	Output	Annual Safety Events & Newsletters	N/A	6	8	8	9	9
	Output	Requests for Public Records Processed	N/A	8	25	6	6	6
	Output	City Policies Updated	N/A	4	4	4	7	7
D	Efficiency	Candidate Applications Reviewed per Requisition	≤ Previous Year	1:18	1:26	1:25	1:27	1:30
E	Efficiency	Experience Modification Rate	< 1.0	0.81	1.20	1.15	1.00	1.00
E	Efficiency	Average Cost of Property, Casualty and General Liability Claim Per Annual Claims	\$ -	\$ 6,667	\$ 25,844	\$ 12,922	\$ -	\$ -
E	Efficiency	Average Number of Time Loss Days per Claim	≤ 1	1.00	-	2.00	-	-
E	Efficiency	Annual Safety Training Hours per FTE	12.0	17.1	35.4	36.4	36.3	37.4
F	Efficiency	Workers' Compensation Claim Percentage per FTE	≤ 1%	7.8%	6.8%	3.4%	0.0%	0.0%
F	Efficiency	Average Cost of Workers' Compensation Claim Per Claim	\$ -	\$ 4,167	\$ 5,000	\$ 10,000	\$ -	\$ -

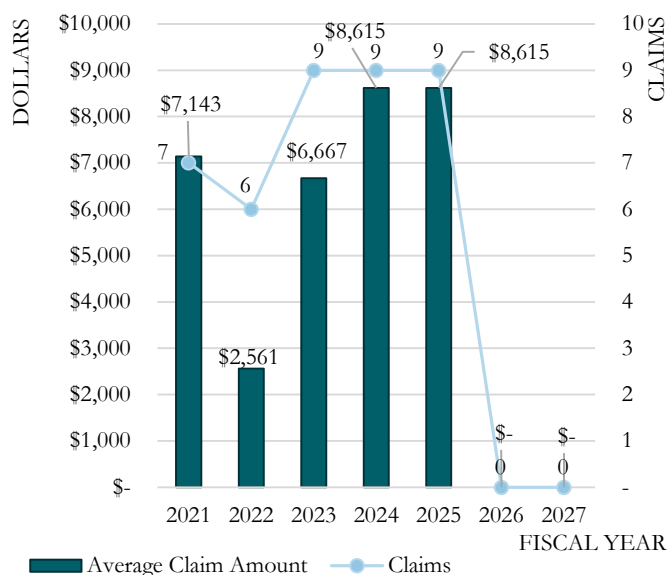


Experience Modification Rate

The Experience Modification Rate (ER Mod) is a numerical representation of the City's historical workers' compensation claims and losses compared to the average for the industry. It is used to adjust premium amounts. An ER Mod of 1.0 is considered the industry average. Below 1.0 indicates a safer workplace and potentially lower premiums, while above 1.0 indicates higher risk of claims and potentially higher premiums. Workers' compensation claims did fractionally decrease during the last biennium as the City continues to improve its safety and training programs and strive to lower the number of claims and the associated ER Mod.

Annual Average Property, Casualty and General Liability Claim

The City's average annual cost per claim and number of claims have dropped again from 13 claims in 2022 to 3 in FY 25. Nationwide claim amounts are expected to rise, driven by an increase in filings related to continued significant increases in materials cost and anticipated increases due to tariffs. In turn, this influences the types of claims estimated. Though the City was fortunate to record two more consecutive years of low claim numbers in 2023 through 2025, the average over the last six years is 9 – one lower than the previous period.



Administration / Team Services Budget

Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Personnel Services	\$ 1,022,215	\$ 1,157,560	\$ 1,749,200	\$ 1,732,241	\$ 1,110,500	\$ 1,170,900	\$ 2,281,400
Materials and services	659,250	643,618	757,900	709,829	409,200	427,800	837,000
Transfers	74,100	76,300	84,900	84,900	45,900	48,200	94,100
Total expenditures	\$ 1,755,565	\$ 1,877,478	\$ 2,592,000	\$ 2,526,970	\$ 1,565,600	\$ 1,646,900	\$ 3,212,500
Budgeted positions (FTEs)	3.00	3.00	4.50				4.50



City Manager Steve Forrester giving a speech during the Warpaint dedication ceremony in June 2021



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Public Works Support Services Fund

Mission Statement

The mission of the Public Works Department is to provide the highest quality public works services to the public and support other City departments, balanced through efforts to maintain a cost-effective operation and to provide these services in a responsible and efficient manner.

BN 25 Accomplishments

- ❖ Increased water and wastewater certifications of existing employees, utilizing opportunities presented to public works staff to attend continuing education courses associated with preparation for certification exams
- ❖ Led the design and construction of large capital projects in the system development charge (SDC) funds while managing the utility departments
- ❖ Performed water and wastewater system master plan updates, comprehensive review and analysis of the water and wastewater rate structure, and facilitated the adoption of an updated water and wastewater System Development Charge Methodology
- ❖ Successfully supported the construction of several key infrastructure projects including the construction of the NE Combs Flat Road extension, over 23,000 feet of new public waterline, and 7,350 feet of public sanitary sewer line

Initiatives for BN 27

- ❖ Identify and develop funding sources for large capital infrastructure improvement projects
- ❖ Support the SDC funds in the development and construction of large, capacity increasing projects
- ❖ Support the utility departments and other departments within the City of Prineville



Department Goals		Council Goals
A	Support projects in the system development charge funds	
B	Provide technical support to the Water Fund by developing a long-term water right management plan	
C	Provide technical support to the Transportation Operations Fund via the development of future pavement maintenance activities as well as traffic management plans	
D	Manage all City infrastructures in a proactive manner, with consistent delivery and professional oversight of the fund, thereby extending their useful life at the lowest cost possible	

Responsibilities to the Community

The objective of the Public Works Support Services Fund is to provide technical and administrative services in support of the City of Prineville's Water, Wastewater and Transportation Operations Funds. It is the duty of the department to ensure orderly growth of the City's infrastructure. A goal of the department is to manage all City infrastructures in a proactive manner, with consistent delivery and professional oversight of the fund, thereby extending the useful life at the lowest cost possible.

The Public Works Support Services Fund is an internal service fund supporting and accounting for the infrastructure-related activities and fleet maintenance operations. All costs associated with these activities are accounted for within this fund and costs are recovered through charges to funds receiving the services.

Executive Summary

The Public Works Support Services Fund provides technical and administrative services in support of the City of Prineville's Water, Wastewater and Transportation Operations Funds. As part of this support, vehicle and equipment management, as well as facilities maintenance, are managed under this fund. Revenues for this fund consist of financial transfers from the Water, Wastewater and Transportation Operations Funds to support the actions and services rendered.



PW employees working at the wastewater treatment plant in April 2025

Strategic Planning Updates

- Short-term – In the short-term, the goal is to support the SDC funds in the construction of large capital projects.
- Long-term – Strategies for the long-term are to develop and implement secure funding for the City's public works infrastructure needs to support the build out of the urban growth boundary. A constant eye is to be held on the Public Works Support Services Fund to deliver services at a value and keep rate increases within reasonable levels.

Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
Vactor Truck	\$ 650,000	\$ -
Truck with Utility Bed	\$ 64,000	\$ 68,000
Capital Outlay Total	\$ 714,000	\$ 68,000

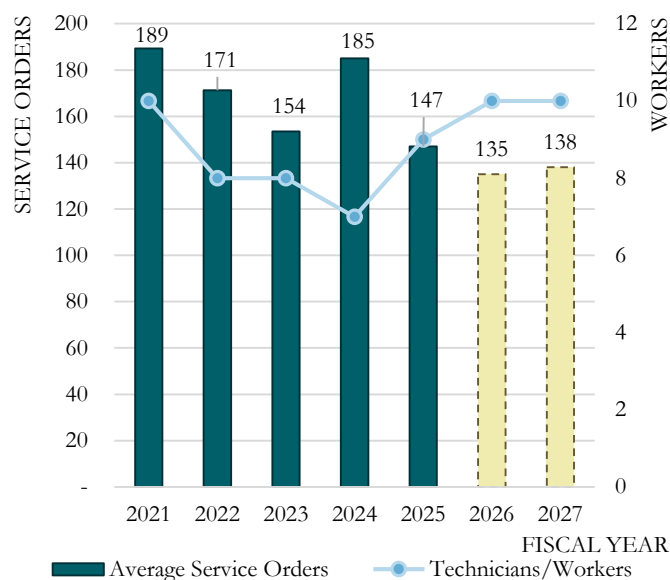
A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.



The Dunham waterline project in August 2023

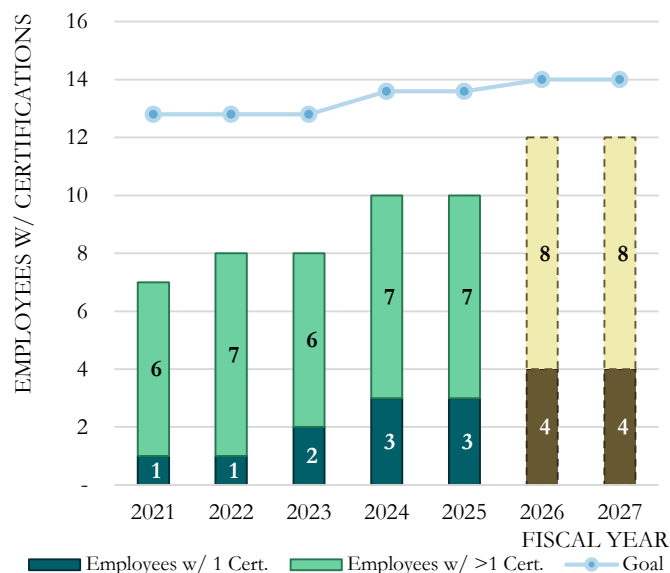
Performance Measures

Goal Alignment	Indicator	Performance Measure	Benchmark	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Target	FY 2027 Target
Workload	Input	Technicians/Workers	N/A	8	7	9	10	10
	Input	# of Employee Certifications	N/A	36	38	38	39	40
	Output	Utility Service Orders Generated	N/A	1,228	1,295	1,323	1,353	1,382
D	Efficiency	Average Service Orders per Employee	< 175	154	185	147	135	138
D	Efficiency	Percentage of Qualified Employees with Certifications	80%	50%	65%	59%	65%	61%



Average Service Orders per Worker

One of many duties of the utility workers and technicians of the Public Works Department is support of the base of water and wastewater customers within the city. Requests for service come from customers regarding service changes, potential service issues or those related to potential billing disputes. Staff responds to service orders created by the Finance Department, which typically acts as the first point of contact for utility billing. Service orders are one metric used to gauge workload relative to the number of staff available, while still keeping in mind the various tasks the Public Works employees perform in support of other departments. Service order outputs increased through early BN 25 consistent with growth and expansion of the City's infrastructure. Staffing levels were increased in FY 25, decreasing the average service orders per technician/utility worker. Current utility worker staffing levels are anticipated to remain sufficient through BN 27.



Percentage of Employees with Certifications

Most public works employees perform duties related to the maintenance, repair and operation of the City's critical infrastructure including the water distribution system, water treatment systems, wastewater collections system, wastewater treatment plant, and street network. In many cases, this work requires certifications. Certifications also offer a path for employees to advance their job specific technical knowledge and stay up to date with the most current standards related to their positions. Employees of the City who continue to grow professionally and advance their job specific education ultimately have opportunities for increased compensation based on obtaining certain industry recognized certifications. In BN 25, the Public Works team increased both the number of employees with one or more professional certifications and the total number of certifications held by the team.

Public Works Support Services Budget

Resources	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Beginning fund balance	\$ 183,109	\$ 375,558	\$ 520,752	\$ 784,560	\$ 176,692	\$ 170,892	\$ 176,692
Current year resources							
Intergovernmental	\$ 239,628	\$ 251,630	\$ 220,000	\$ 288,903	\$ 125,000	\$ 131,300	\$ 256,300
Charges for services	4,000,500	4,515,600	4,962,200	4,655,415	2,631,600	3,336,000	5,967,600
Interest	5,078	21,303	4,000	53,246	2,000	2,000	4,000
Miscellaneous	78,267	20,220	20,000	21,321	155,000	10,000	165,000
Debt Proceeds	-	184,940	-	-	600,000		600,000
Total current year resources	\$ 4,323,473	\$ 4,993,693	\$ 5,206,200	\$ 5,018,885	\$ 3,513,600	\$ 3,479,300	\$ 6,992,900
Total resources	\$ 4,506,582	\$ 5,369,251	\$ 5,726,952	\$ 5,803,445	\$ 3,690,292	\$ 3,650,192	\$ 7,169,592
Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Public Works Support Service	\$ 3,451,334	\$ 3,696,195	\$ 4,448,500	\$ 4,355,348	\$ 2,576,000	\$ 2,808,950	\$ 5,384,950
Public Works Fleet & Vehicle:	679,689	888,496	1,277,000	1,271,405	943,400	445,500	1,388,900
Contingency			1,452		170,892	395,742	395,742
Total expenditures	\$ 4,131,023	\$ 4,584,691	\$ 5,726,952	\$ 5,626,753	\$ 3,690,292	\$ 3,650,192	\$ 7,169,592
Ending fund balance	\$ 375,558	\$ 784,560		\$ 176,692	\$ -	\$ -	
Budgeted positions (FTEs)	14.00	14.00	15.50			15.50	
Policy 15% Operating budget						477,968	



Crook County Commissioner Brian Barney, City Engineer Eric Klann and City Manager Steve Forrester at the American Council of Engineering Companies awards in Washington D.C.

Public Works Support Services Budget

	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Personnel Services	\$ 3,263,781	\$ 3,475,883	\$ 4,185,100	\$ 4,082,789	\$ 2,332,700	\$ 2,546,000	\$ 4,878,700
Materials and services	81,953	106,712	107,900	117,059	59,300	60,800	120,100
Transfers	105,600	113,600	155,500	155,500	184,000	202,150	386,150
Total expenditures	\$ 3,451,334	\$ 3,696,195	\$ 4,448,500	\$ 4,355,348	\$ 2,576,000	\$ 2,808,950	\$ 5,384,950

Fleet Maintenance and Operations Budget

	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Material and services	\$ 275,653	\$ 360,098	\$ 357,000	\$ 416,016	\$ 189,200	\$ 194,700	\$ 383,900
Capital outlay	370,097	483,670	836,000	775,984	714,000	68,000	782,000
Debt service				-	-	-	-
Capital lease - Sweeper	33,939	44,728	84,000	79,405	40,200	40,200	80,400
Capital lease - Vactor Truck			-	-	-	142,600	142,600
Total expenditures	\$ 679,689	\$ 888,496	\$ 1,277,000	\$ 1,271,405	\$ 943,400	\$ 445,500	\$ 1,388,900



Crews removed the last wooden water line during FY 24 Q1 – Photo: Jason Chaney/The Central Oregonian

Building Facilities/Property Fund

Responsibilities to the Community

The purpose of the Building Facilities Fund is to account for the use, maintenance and improvements of all governmental buildings and facilities in the City of Prineville. The facilities are managed to recover full costs, including replacement costs through transfers from related funds. Operating expenses, debt service and replacement funds are accounted for within this fund.

Prineville City Hall is utilized by a variety of departments including the Prineville City Council and the Administration, Team Services, Finance, Information Technology and Planning Departments. City Hall is located at 387 NE 3rd St.

The police facility budget pays for the utilities and maintenance of the building used by the Prineville Police Department and the 911 Emergency Dispatch Center. The City purchased a new building, located at 1251 NW Elm St., in FY 19 and it was retrofitted to house the City's Police Department and 911 Emergency Dispatch Center. Both departments moved into the new building in April 2021.

The City of Prineville Public Works Facility is located at 1233 NW Lamonta Rd. This central facility supports the Water, Wastewater and Transportation Operations Departments. The 4.2-acre site is home to the public works office, breakroom, shop and various sheds that house the public works fleet. Aggregate, cinders and traffic control devices are stored here, which allow the public works team to quickly respond whenever issues arise.

[The Barnes Butte property](#) was purchased in 2016 and is 460 acres of open space within the eastern bounds of the city limits. This land is located adjacent to several high-density neighborhoods and the 700-student Barnes Butte Elementary School.



Capital Outlay

Capital Outlay Overview		
Project	Budgeted Amount FY 26	Budgeted Amount FY 27
City Hall	\$ 50,000	\$ -
Police Facility	\$ 270,000	\$ 115,000
Public Works Facility	\$ -	\$ 66,000
Barnes Butte	\$ 50,000	\$ 50,000
Capital Outlay Total	\$ 370,000	\$ 231,000

A more detailed summary of capital outlay can be found in the Short- and Long-term Strategic Forecasting & Capital Improvement Plans section of this budget beginning on page 107.



The front of the Prineville's city hall building as seen from across NE 3rd St. on April 27th, 2025

Building Facilities / Property Fund Budget

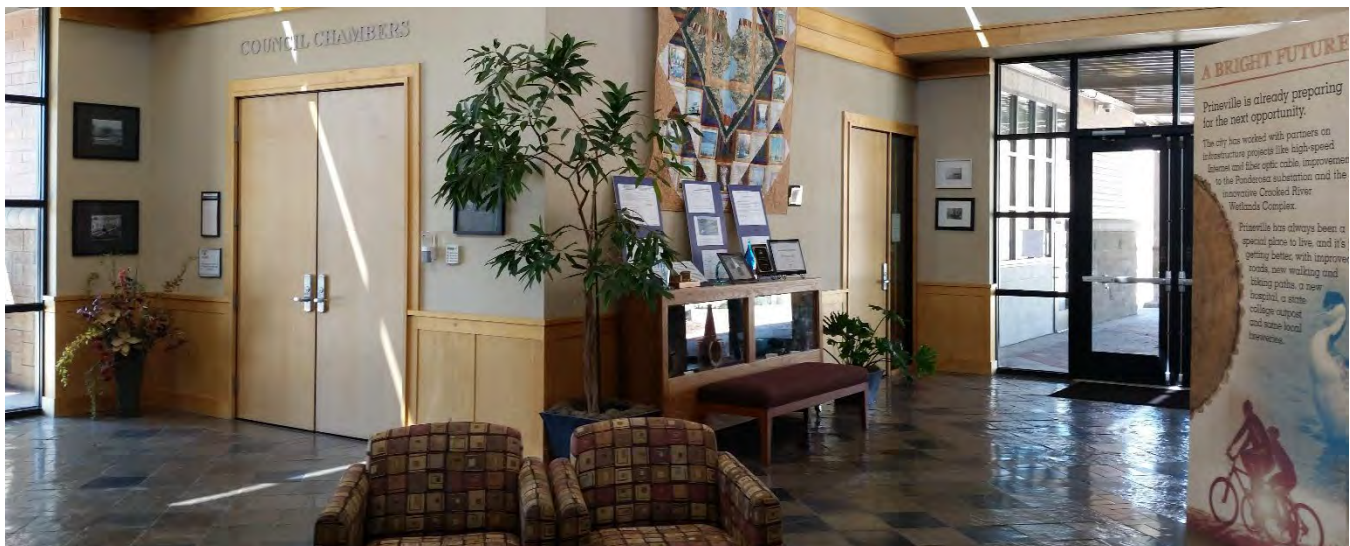
Resources	BN Actual 2019-2021	BN Actual 2021-2023	Current Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Beginning fund balance	\$ 3,117,775	\$ 448,426	\$ 551,197	\$ 665,937	\$ 1,022,415	\$ 1,189,515	\$ 1,022,415
Current year resources							
Rent and royalties	\$ 428,900	\$ 446,600	\$ 452,900	\$ 499,400	\$ 274,300	\$ 288,100	\$ 562,400
Intergovernmental	1,462,688	173,419	450,000	52,694	-	-	-
Interest	78,658	24,834	10,000	93,910	5,000	5,000	10,000
Miscellaneous	181,091	364,913	18,600	16,301	7,100	7,100	14,200
Transfers	961,300	2,003,700	1,859,900	1,869,900	1,353,000	981,000	2,334,000
Debt Proceeds	5,958,000	986,811	-	-	-	-	-
Total current year resources	\$ 9,070,637	\$ 4,000,277	\$ 2,791,400	\$ 2,532,205	\$ 1,639,400	\$ 1,281,200	\$ 2,920,600
Total resources	\$ 12,188,412	\$ 4,448,703	\$ 3,342,597	\$ 3,198,142	\$ 2,661,815	\$ 2,470,715	\$ 3,943,015
Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	Current Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
City Hall Facilities	\$ 426,411	\$ 1,417,543	\$ 588,300	\$ 516,143	\$ 308,800	\$ 263,800	\$ 572,600
Police Facilities	9,524,938	1,123,004	1,364,200	1,359,035	924,300	790,700	1,715,000
Public Works Facilities	71,102	74,445	82,500	72,769	43,800	110,300	154,100
Barnes Butte Property	351,635	1,152,808	619,000	227,779	195,400	199,300	394,700
Senior Center	1,365,900	14,966	-	-	-	-	-
Contingency			155,597		656,515	547,015	547,015
Total expenditures	\$ 11,739,986	\$ 3,782,766	\$ 2,809,597	\$ 2,175,726	\$ 2,128,815	\$ 1,911,115	\$ 3,383,415
Other requirements							
Debt Reserve City Hall Facili	\$ -	\$ -	\$ 105,000	\$ -	\$ 105,000	\$ 105,000	\$ 105,000
Debt Reserve Police Facility			428,000	-	428,000	454,600	454,600
Debt Reserve Barnes Butte Property				-	-	-	-
Ending fund balance	\$ 448,426	\$ 665,937	\$ -	\$ 1,022,415	\$ -	\$ -	\$ -
Policy 15% Operating budget						97,905	
Debt service reserves						559,600	
Total Policy						657,505	

City Hall Facilities



The front of the Prineville's city hall building as seen from across NE 3rd St. on June 14th, 2023

	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Materials and services	\$ 188,052	\$ 206,433	\$ 309,000	\$ 297,302	\$ 145,000	\$ 148,400	\$ 293,400
Debt service							
Capital Outlay	5,127	-	50,000	-	50,000	-	50,000
Principal							
Refunding 2017/2021	166,000	1,167,517	191,100	191,033	97,600	99,200	196,800
Interest							
Refunding 2017/2021	56,779	24,864	18,200	17,920	7,300	6,200	13,500
Transfers	10,452	18,729	20,000	9,888	8,900	10,000	18,900
Total expenditures	\$ 426,411	\$ 1,417,543	\$ 588,300	\$ 516,143	\$ 308,800	\$ 263,800	\$ 572,600



Prineville City Hall lobby in May 2019



The Prineville Police Department and 911 Dispatch Center getting roof repairs in March 2024.

Police Facilities Budget

	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Material and services	\$ 218,168	\$ 285,304	\$ 394,000	\$ 407,171	\$ 226,200	\$ 234,700	\$ 460,900
Capital outlay	5,080,599	65,336	150,000	132,130	270,000	115,000	385,000
Debt service							
Principal							
Chase Bank - 2018	4,014,000	581,000	649,000	649,000	351,000	370,000	721,000
Interest							
Chase Bank - 2018	212,171	191,364	171,200	170,734	77,100	71,000	148,100
Total expenditures	\$ 9,524,938	\$ 1,123,004	\$ 1,364,200	\$ 1,359,035	\$ 924,300	\$ 790,700	\$ 1,715,000

Public Works Facilities

	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Material and services	\$ 71,102	\$ 74,445	\$ 82,500	\$ 72,769	\$ 43,800	\$ 44,300	\$ 88,100
Capital outlay	-	-	-	-	-	66,000	66,000
Total expenditures	\$ 71,102	\$ 74,445	\$ 82,500	\$ 72,769	\$ 43,800	\$ 110,300	\$ 154,100



Winter melt off at the Public Works offices in January 2017

Barnes Butte Property

	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Expenditures							
Material and services	\$ 26,570	\$ 168,737	\$ 50,000	\$ 51,450	\$ 79,300	\$ 79,300	\$ 158,600
Capital outlay	227,849	474,396	450,000	57,329	50,000	50,000	100,000
Debt Service							
Principal							
BOTC - 2017	64,052	491,712	-	-	-	-	-
Interest							
BOTC - 2017	33,163	17,964	-	-	-	-	-
Transfer to other funds			119,000	119,000	66,100	70,000	136,100
Total expenditures	\$ 351,635	\$ 1,152,808	\$ 619,000	\$ 227,779	\$ 195,400	\$ 199,300	\$ 394,700



Barnes Butte in February 2025

The City continues working on the Barnes Butte Recreation Area after its purchased in 2016. With input from the community, the City is looking into the future for the beautiful public resource.

Plaza Maintenance Fund

Responsibilities to the Community

The purpose of the Plaza Maintenance Fund is to account for the maintenance of the plaza adjoining Prineville City Hall and the Crook County Annex building. Crook County and the City maintain the plaza in a joint effort. Starting in 2005, the County held the responsibility for accounting for the maintenance of the plaza per a City and County intergovernmental agreement. After a revision occurred in the agreement, the City assumed the accounting responsibility for maintenance of the plaza starting in FY 13. Revenues are generated through a transfer from the City, with matching monies from the County. Expenditures are for maintaining the landscaping, sidewalks, and lighting.



Plaza Maintenance Budget

Resources	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	BN 2027 Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
	\$ 37,077	\$ 23,339	\$ 29,273	\$ 39,353	\$ 32,240	\$ 26,240	\$ 32,240
Current year resources							
Intergovernmental	\$ 10,452	\$ 18,729	\$ 20,000	\$ 9,888	\$ 8,900	\$ 10,000	\$ 18,900
Miscellaneous	-	-	-	-	-	-	-
Interest	1,278	1,022	400	4,487	300	200	500
Transfers	10,452	18,729	20,000	9,888	8,900	10,000	18,900
Total current year resources	\$ 22,182	\$ 38,480	\$ 40,400	\$ 24,263	\$ 18,100	\$ 20,200	\$ 38,300
Total resources	\$ 59,259	\$ 61,819	\$ 69,673	\$ 63,616	\$ 50,340	\$ 46,440	\$ 70,540
Expenditures	BN Actual 2019-2021	BN Actual 2021-2023	Adopted BN Budget 2023-2025	Estimated Total Actual 2023-2025	Proposed Budget 2025-2026	Proposed Budget 2026-2027	Proposed Total Budget 2025-2027
Materials and services	\$ 31,920	\$ 18,467	\$ 43,200	\$ 27,376	\$ 22,100	\$ 22,100	\$ 44,200
Transfers	4,000	4,000	4,000	4,000	2,000	2,000	4,000
Contingency			22,473	-	26,240	22,340	22,340
Total expenditures	\$ 35,920	\$ 22,467	\$ 69,673	\$ 31,376	\$ 50,340	\$ 46,440	\$ 70,540
Ending fund balance	\$ 23,339	\$ 39,353	\$ -	\$ 32,240		\$ -	\$ -
Policy 15% Operating budget					\$ 3,315		



The plaza on a snowy day in January 2024.



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Proposed Biennial Budget



July 1, 2025 - June 30, 2027



Proposed Biennial Budget



July 1, 2025 - June 30, 2027

Glossary



Left blank intentionally

Glossary of Terms

Accrual

Adjustments to revenues that have been earned but are not yet recorded in the accounts, and to expenses that have been incurred but are not yet recorded in the accounts. Accruals need to be added via adjusting entries so that the financial statements report these amounts.

Actual

Actual, as used in the fund summaries, revenue summaries, and department and division summaries within the budget document, represents the actual costs results of operations. This category is presented on a budgetary basis, and thus excludes depreciation and amortization and includes principal payments on debt.

Ad Valorem Tax

A tax based on the assessed value of a property.

Adopted Budget

Adopted, as used in the fund summaries and department and division summaries within the budget document, represents the final budget approved by the City Council. Adopted budget becomes effective July 1. Subsequent to adoption; Council may make changes throughout the year.

Amortization

The process of paying off debt through a series of fixed payments over time.

Approved Budget

Approved, as used in the fund summaries, revenue summaries, represents the proposed budget with changes made by the budget committee, if any.

Appropriations

Legal authorization granted by the City Council to spend public funds. Appropriations within each program may not be exceeded.

Assessed Valuation

The value set on taxable property as a basis for levying property taxes. A tax initiative passed in 1997 that reduced AV below real market value and set a three percent maximum annual growth rate in the AV, exclusive of certain improvements.

Assets

Resources having a monetary value and that are owned or held by an entity.

Audit

A report prepared by an external auditor. As a rule, the audit shall contain a statement of the scope of the audit, explanatory comments concerning exceptions of the auditor as to the applicant on generally accepted auditing standards, explanatory comments concerning verification procedures, financial statements and schedules, and sometime statistical tables, supplemental comments and recommendations.

Balanced Budget

A budget where 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.

Base Budget

Cost of continuing the existing levels of service in the current budget year. Base budget is also referred to as a status quo budget.

Beginning Balance

The beginning balance is the residual non-restricted funds brought forward from the previous financial year (ending balance).

Bond or Bond Issue

Bonds are debt instruments that require repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate or according to a formula for determining the interest rate.

Bond Funds

Established to account for bond proceeds to be used only for approved bond projects.

Budget

A budget is a plan of financial operation embodying an estimate of proposed expenditures and the means of financing them. Used without any modifier, the term usually indicates a financial plan for a since fiscal year. In practice, the term budget is used in two ways. Sometimes it designates the financial plan presented for adoption and other times it designates the plan finally approved. It is usually necessary to specify whether the budget under consideration is preliminary and tentative, or whether the appropriating body has approved it.

Budget Calendar

A schedule of key dates followed by a government in the preparation and adoption of the budget.

Budget Committee

A group comprised of the elected officials plus an equal number of concerned citizens for the purpose of reviewing the proposed budget and recommending changes leading to an approved budget.

Budget Document

A written report that shows a government's comprehensive financial plan for a specified period, usually one year, which includes both the capital and the operating budgets.

Budget Message

Written explanation of the budget and the City's financial priorities for the next fiscal year; prepared by the city manager.

Budgetary Basis

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), with the exception that neither depreciation nor amortization are budgeted for proprietary funds, and bond principal in the enterprise funds is subject to appropriation.

Capital Budget

The City's budget for projects, major repairs, improvements and additions to the City's fixed assets (streets, sidewalks, roads, sewers, storm water, parks, and buildings).

Capital Expenditures

The City defines a capital expenditure as using the following three criteria: (1) relatively high monetary value (equal or greater than \$10,000), (2) long asset life (equal to or greater than five years useful life), and (3) results in the creation of a fixed asset, or the revitalization of a fixed asset.

Capital Improvement

A term defined in the ORS 310.410 (10) to include land, structures, facilities, machinery, equipment, or furnishings having a useful life of longer than one year.

Capital Improvement Project

Any project having assets of significant value and having a useful life of five years or more. Capital projects include the purchase of land, design, engineering and construction of buildings, and infrastructure items such as parks, streets, bridges, drainage, street lighting, water and sewer systems and master planning.

Capital Outlay

Includes the purchase of land, the purchase and/or construction of buildings, structures and facilities of all types, in addition to machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as a capital outlay expenditure it must meet all of the following requirements: (1) have an estimated useful life of more than one year; (2) typically have a unit cost of \$10,000 or more; and (3) be a betterment or improvement. Replacement of a capital item is classified as capital outlay under the same code as the original purchase. Replacement or repair parts are classified under materials and services.

Capital Projects

Major repairs, improvements or additions to the City's fixed assets (streets, sidewalks, roads, sewers, storm water, parks, and buildings).

Cash Management

Management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest income. Cash management refers to the activities of forecasting inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest return available for temporary cash balances.

Charges for Service

Includes a wide variety of fees charged for services provided to the public and other agencies.

Comprehensive Annual Financial Report

The annual audited results of the City's financial position and activity.

Comprehensive Plan

An official statement of the goals, objectives and physical plan for the development of the city. Contains a narrative of goals, objectives and policies that describe the desired form, nature and rate of city development.

Consumer Price Index

A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted. Contingency may be appropriated for a specific purpose by the City Council upon the approval of a resolution. The City separates contingencies into those that are designated for specific purposes and undesignated. (Also see Designated Contingency and Unappropriated Ending Fund Balance)

Cost Center

An organizational budget/operating unit within each city division or department.

Debt Service

Interest and principal on outstanding bonds due and payable during the fiscal year.

Debt Service Fund

A fund established to account for the accumulation of resources and for the payment of general long-term debt principle and interest that are not services by the Enterprise funds. It does not include contractual obligations accounted for in the individual funds.

Department

Led by a general manager, this combination of divisions of the City share specific and unique sets of goals and objectives (i.e., Police, Fire, Financial Services, Water Resources, etc.).

Division

A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives.

Depreciation

Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of physical elements, inadequacy, or obsolescence.

Designated Contingency

Amounts set aside for anticipated non-recurring cash flow needs. This includes items such as moving and remodeling, major building repairs, emergency management, and capital project or equipment purchases.

Elderly and Disabled

Provides funding for transportation alternatives for seniors and persons with disabilities. This includes taxi and bus services for employment, medical, shopping, and other necessary trips.

Employee Benefits

Contributions made by a government to meet commitments or obligations for employee-related expenses. Included is this is the government's share of costs for social security and the various pension, medical and life insurance plans.

Encumbrance

Amount of money committed and set aside, but not yet expended, for the purchases of specific goods or services.

Ending Balance

The residual, non-restricted funds that are spendable or available for appropriation at the end of the fiscal year.

Enterprise Funds

Established to account for operations, including debt service that are financed and operated similarly to private businesses – where the intent is the service is self-sufficient, with all costs supported predominantly by user charges.

Estimated Actual

A projection of the revenue or expenditure, as appropriate, to be recognized during the current fiscal period.

Expenditures

Represents decreases in net financial resources. They include current operating expenses, which require the current or future use of net current assets, debt services, and capital outlays.

Fees

Charges for specific services levied by local government in connection with providing a service, permitting an activity, or imposing a fine or penalty.

Fiscal Management

A government's directive with respect to revenues, spending, reserves and debt management as these relate to governmental services, programs and capital investment. Financial policy provides an agreed upon set of principles for the planning and programming of governmental budgets and its funding.

Fiscal Year

A 12-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Prineville's fiscal year is July 1 through June 30.

Five-year Financial Plan

An estimation of revenues and expenses required by the City to operate for the next five-year period.

Fixed Assets

Property, plant and equipment which includes vehicles, furniture and fixtures, computer hardware and software with a cost basis in excess of \$10,000.

Franchise Fee

Charged to all utilities operating within the City and is a reimbursement to the general fund for the utility's use of City streets and right of ways.

Full-time Equivalent

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 a self-balancing set of accounts. Records cash and other financial resources together with all related liabilities and residual equities, or balances and changes therein. These are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance

The balance of net financial resources that is spendable or available for appropriation.

General Fund

This is the primary operating fund of the City. It exists to account for the resources devoted to finance the services traditionally associated with local government.

General Long-term Debt

Represents any un-matured debt not considered to be a fund liability. General Obligation (GO) bonds are secured by the full faith and credit of the issuer. GO bonds issued by local units of government are secured by a pledge of the issuer's property taxing power (secondary portion). Usually this is issued to pay for general capital improvements such as parks and City facilities.

Goal

The result or achievement toward which effort is directed; aim; end.

Grant

A contribution that is made by one government unit to another. The contribution is usually made to aid in the support of a specified function (i.e., library, transit, or capital projects).

Governmental Fund

Functions that are typical of government are accounted for in governmental funds. An example of this would include police or emergency dispatch.

Infrastructure

Public domain fixed assets such as roads, bridges, streets, sidewalks, and similar assets that are immovable.

Indirect Charges

In support of an operating program, these administrative costs that are incurred in the General Fund or Planning Fund. These charges are budgeted as interfund transfers.

Indirect Cost Allocation

Funding transferred to the General Fund and Planning Fund from other funds for specific administrative functions, which benefit those funds.

Interfund Transfers

Appropriation category used in the City's budget resolution which includes amounts distributed from one fund to pay for services provided by another fund. Transfers from the other funds appear as non-departmental expenditures called "Interfund Transfers".

Intergovernmental Revenues

Levied by one government, but shared on a predetermined basis with another government or class of governments.

Job Access/Reverse Commute

Grant funds available to help with operating costs of equipment, facilities, and associated expenses related to providing access to jobs.

Levy

Gross amount of property taxes imposed on taxable property. The net amount received by a government will be less than the gross levy as a result of delinquent or uncollectible payments or early payment discounts. Budgets are developed on the basis of the projected amount of property taxes receivable.

Line-Item Budget

The traditional form of budget, where proposed appropriations are based on individual objects of expense within a department or program.

Local Budget Law

Oregon Revised Statutes (ORS) dictates local budgeting practices. ORS Chapter 294 contains Local Budget Law provisions.

Local Improvement District

Consists of property owners desiring improvements to their property. Bonds are issued to finance these improvements, which are repaid by assessments on their property. Local Improvement District debt is paid for by a compulsory levy (special assessment) made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Local Option Levy

Under Measure 50, local governments and special districts were given the ability to ask voters for temporary authority to increase taxes through approval of a local option levy. The maximum length of time for a local option levy is 10 years, depending on the purpose of the levy. A local option levy must be approved by a majority of voters at a general election or an election with a 50 percent voter turnout.

Major Fund

Funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds.

Materials and Services

Expendable items purchased for delivery and city services. This classification includes supplies, repair and replacement parts, small tools, and maintenance and repair materials that are not of a capital nature.

Measure 5

In November 1990, the State of Oregon voters passed a constitutional limit on property taxes. The new law sets a maximum \$10 tax rate on individual properties for the aggregate of all non-school taxing jurisdictions. Schools' maximum rate is limited to \$15 in FY 1991-92 with a phased in reduction to \$5 in FY 1995-96.

Measure 50

A 1997 voter approved initiative which rolled back assessed values to 90 percent of their levels in fiscal year FY 1995-96 and limits future annual increases to three percent, except for major improvements. Tax rates are now fixed and not subject to change. Voters may approve local initiatives above the fixed rates provided a majority approves at either (1) a general election in an even numbered year; or (2) at any other election in which at least 50 percent of registered voters cast a ballot.

Mission

Defines the primary purpose of the City and is intended to guide all organizational decisions, policies and activities (internal and external) on a daily basis.

Non-operating Budget

Part of the budget composed of the following items: Interfund transfers, reserves, contingencies, capital projects, and debt service payments.

Objective

A target to be accomplished in specific, well-defined and measurable terms, and that is achievable within a specific time frame.

Operating Budget

The plan for current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled.

Operating Revenue

Funding received by the government as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Ordinance

A formal legislative decree enacted 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 a constitutional provision, it has the full force and effect of the law within the boundaries of the municipality to which it applies.

Outstanding Debt

The balance due at any given time which resulted from the borrowing of money or from the purchase of goods and services.

Performance Measure

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

Permanent Tax Rate

Under Measure 50, each school district, local government, and special district was assigned a permanent tax rate limit in fiscal year 1998. This permanent rate applies to property taxes for operations.

Personnel Services

The salaries and wages paid to employees, in addition to the City's contribution for fringe benefits such as retirement, social security, and health and workers' compensation insurance.

Property Tax

Based according to assessed value of property and is used as the source of monies to pay general obligation debt and to support the General Fund.

Project Manager

An individual that is responsible for budgeting for a project and managing project to its completion.

Proposed Budget

A financial document that combines operating, non-operating and resource estimates prepared by the city manager, which is submitted to the public and the budget committee for review and approval.

Resolution

A special or temporary order of a legislative body requiring city council action.

Resources

Total of revenues, interfund transfers in and beginning fund balance.

Retained Earnings

An equity account that reflects the accumulated earning of an enterprise or internal service fund.

Revenue

Funds received by the City from either tax or non-tax sources.

Revenue Bonds

Bonds payable from a specific source of revenue, which does not pledge the taxing authority of the issuer. Pledged revenues may be derived from operation of the financed project, grants, excise, or other specified non-property tax.

Special Assessment

A compulsory levy made against certain properties to defray part of the cost of a capital improvement or service deemed to be beneficial primarily to those properties. (Also see Local Improvement District)

Special Assessment Bond

A bond issue payable from the payments on special assessments imposed against properties that have been specially benefited by the construction of public improvements such as sidewalks, roads, or sewer systems.

Special Revenue Funds

A fund established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Supplemental Budget

Appropriations established to meet needs not anticipated at the time the budget was originally adopted. A supplemental budget cannot increase the tax levy.

System Development Charges

Charges paid by developers and builders to fund the expansion of infrastructure systems necessary due to increased usage. Such charges are collected for water, sewer, storm drains, streets, and parks and are paid by developers and builders as part of the permit process.

Tax Levy

The total amount of property taxes needed to pay for General Fund operations and for principal and interest on bonds.

Tax Rate

The amount of tax levied for each \$1,000 of assessed valuation.

Tax Revenue

Includes property taxes, hotel and motel room tax.

Tax Roll

The official list showing the amount of taxes levied against each property.

Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges, such as water service.

Transfers

An authorized exchange of cash or other resources between funds.

Trust Funds

A fund established to administer resources received and held by the City as the trustee or agent for others. Uses of these funds facilitate the discharge of responsibility placed upon the City by virtue of law or other similar authority.

Unappropriated Ending Fund Balance

An account which records a portion of the fund balance. It must be segregated for future use and is not available for current appropriation or expenditure.

Unreserved Fund Balance

The portion of a fund's balance that is not restricted for a specific purpose. It is available for general appropriation.

Unrestricted General Capital Fund

Established to account for transfers-in from the General Fund and for any other activity for which a special capital fund has not been created.

User Fees

The fee charged for services to the party or parties who directly benefits. They are also referred to as Charges for Service.

Working Capital

Capital used for day-to-day operations, calculated as the current assets minus the current liabilities.

Acronyms

ACMP Advisory Community for Master Planning
 ADA Americans with Disabilities Act
 AIPUE Airport Industrial Park Utility Extension
 APA American Planning Association
 APCO Association of Public Safety Communications Officials
 ARRA American Recovery and Reinvestment Act
 ATV All-Terrain Vehicle
 AV Assessed Value
 AWOS Automated Weather Observation System
 BLM Bureau of Land Management
 BMP Bridge Management Plan
 BPA Bonneville Power Administration
 CAD Computer-Aided Dispatch
 CAFR Comprehensive Annual Financial Report
 CCF&R Crook County Fire and Rescue
 CCI Construction Cost Index
 CD Community Development
 CD Compact Disk
 CEAHAC Cascades East Area Health Education Center
 CIP Capital Improvement Projects
 CIS Citycounty Insurance Service
 CJIS Criminal Justice Information Service
 CMFR Comprehensive Monthly Financial Reports
 COAR Critical Oregon Airport Relief
 COLA Cost of Living Adjustment
 COP Certificates of Participation
 COTA Central Oregon Trail Alliance
 CPA Certified Public Accountant
 CPI Consumer Price Index
 CRM Customer Relations Management
 CSO Community Service Officer
 CTO Communications Training Officer
 DCFC Direct Current Fast Charger
 DCR Debt Coverage Ratio
 DDG Distillers Dried Grains with Soluble
 DEQ Oregon Department of Environmental Quality
 DLCD Oregon Department of Land Conservation and Development
 DMR Digital Mobile Radio
 DO Dissolved Oxygen
 DOT Department of Transportation
 DRB Development Review Board
 DSP Downtown Strategic Planning
 DUI Driving Under the Influence
 DVD Digital Video Disk
 E&D Elderly and Disabled
 EDCO Economic Development for Central Oregon
 EDU Equivalent Dwelling Units
 EMD Electro-Motive Diesel
 EMD Emergency Medical Dispatch

EPA Environmental Protection Agency
 FAA Federal Aviation Administration
 FASB Financial Accounting Standards Board
 FDP Final Development Plan
 FEMA Federal Emergency Management Agency
 FICA Federal Income Contributions Act
 FRA Federal Railroad Administration
 FTE Full-Time Equivalent
 FY Fiscal Year
 GAAP Generally Accepted Accounting Principles
 GAC Granulated Activated Carbon
 GASB Governmental Accounting Standards Board
 GCOR General Code of Operating Rules
 GFOA Government Finance Officers Association
 GIS Geographic Information Systems
 GP General Purpose
 H2R Hire to Retire
 HB House Bill
 HR Human Resources
 HSGP Homeland Security Grant Program
 HVAC Heating, Ventilation, and Air Conditioning
 I&I Infiltration and Inflow
 IAED International Academies of Emergency Dispatch
 IECGP Interoperable Emergency Communications Grant Program
 IFR Instrument Flight Rules
 IS Information Systems
 IT Information Technology
 ISP Internet Service Provider
 ITS Intelligent Transportation System
 JARC Job Access / Reverse Commute
 LAN Local Area Network
 LCDC Land Conservation and Development Board of Commissioners
 LED Light Emitting Diodes
 LID Local Improvement District
 LSTA Library Services and Technology Act
 MAV Maximum Assessed Value
 MGD Million Gallons per Day
 MOD Modification
 MTC Metropolitan Transportation Commission
 NG911 Next Generation 911
 NPDES National Pollutant Discharge Eliminating System
 OAA Older Americans Act
 OAR Oregon Administrative Rules
 OBDD Oregon Business Development Department
 ODOT Oregon Department of Transportation
 OECD Oregon Economic and Community Development Department
 OEM Oregon Emergency Management
 OEMDC Oregon Emergency Medical Dispatch Cards
 OMA Oregon Mayors Association
 OPSRP Oregon Public Service Retirement Plan

OR Oregon
 ORS Oregon Revised Statutes
 OSHA Occupational Safety and Health
 Administration
 OSP-LWCF Open Space Plan – Land and Water
 Conservation Fund
 OWEB Oregon Watershed Enhancement Board
 OWRD Oregon Water Resource Department
 PC Personal Computer
 PCI Pavement Condition Index
 PDA Personal Digital Assistant
 PDP Preliminary Development Plan
 PEG Public Educational Government
 PERS Oregon Public Employees Retirement System
 PGA Professional Golfers Association
 PM Particulate Matter
 PMH Pioneer Memorial Hospital
 POB Pension Obligation Bond
 PPACA Patient Protection and Affordable Care Act
 PSAP Public Safety Answering Point
 PSNET Public Safety Network
 PW Public Works
 RMV Real Market Value
 ROW Right-of-way
 SAIF State Accident Insurance Fund

SAP Specific Area Plan
 SCADA Supervisory Control and Data Acquisition
 SDC System Development Charges
 SEIU Service Employees International Union
 SEP Supplemental Environmental Program
 SLARRA Short-Lived Asset Replacement Reserve
 Account
 SRO School Resource Officer
 STP Surface Transportation Program
 TAG Technical Assistance Grant
 TDM Transportation Demand Management
 TDS Total Dissolved Solids
 TGM Traffic Growth Management
 TMP Transit Master Plan
 TOC Total Organic Carbon
 TSP Transportation System Plan
 UAL Unfunded Accrued Liability
 UGB Urban Growth Boundary
 UIC Underground Injection Control Device
 UGMA Urban Growth Management Agreement
 USDA United States Department of Agriculture
 VoIP Voice-over Internet Protocol
 VPN Virtual Private Network
 WAN Wide Area Network
 WWTP Wastewater Treatment Plant



Proposed Biennial Budget



July 1, 2025 - June 30, 2027