## **FUND DESCRIPTIONS**

The City's financial operations are budgeted and accounted for in the funds described below. The funds are grouped by major types, as set forth by the Governmental Accounting Standards Board (GASB).

## **GENERAL FUND**

The General Fund accounts for resources devoted to support the services associated with local government. Operations within the General Fund are City Council, City Manager, Development Community Center, Municipal Court, Municipal Court Support Services, Police Operations, Youth Peer Court, Maintenance, Community Promotions, Engineering, Finance, Library, Broadband Services, and Non-Departmental. Also any other activity for which a special fund has not been created.

## SPECIAL REVENUE FUNDS

These funds account for the proceeds of specific revenues sources that are legally restricted to expenditure for specified purposes. They include the Street Fund, Assessment Fund, Police Communications Fund, Bicycle and Foot Path Fund, Building Inspection Program Fund, Small Business Loan Fund, Housing Rehabilitation Fund, and the Narcotics Forfeiture Fund.

## **ENTERPRISE FUNDS**

Enterprise funds account for goods and services provided on a continuing basis to the public and are structured to be self-supporting. Enterprise funds are operated in a manner similar to private business enterprises. The costs of providing goods and services on a continuing basis are financed or recovered primarily through user charges. The City's Enterprise Funds are:

**Water Fund** – Dedicated to the production and distribution of high quality water.

**Wastewater Fund** – Dedicated to operations and maintenance of the wastewater collection and treatment system.

**Storm Drain Utility Fund –** Dedicated to the collection and conveyance of storm water to the various river outfalls.

**Industrial Park Operations Fund** – Dedicated to the continued maintenance of city-owned properties that are for sale, as well as maintenance of the city-owned property within the Industrial Park.

## **CAPITAL PROJECTS FUNDS**

Capital Project Funds account for and budget the receipt of fees derived from charges the City imposed on new development. Funds can only be used on specific projects as designated by ordinance. Capital Project Funds include the Water System Development Charges (SDC), Street SDC, Wastewater SDC, Storm Drain SDC, and Parks SDC.

## TRUST OR FIDUCIARY FUND

Revenues donated to the City to be used for specified purposes are accounted for in this fund. The stipulations upon the donation may require that only the interest income be used. Oregon Law establishes specific rules for handling private donations to the City for specific purposes.

## **DEBT SERVICE**

The City has established the Debt Service Fund to account for the accumulation of resources for the payment of principal, interest, and fees associated with long-term debt.

## **RESERVE FUNDS**

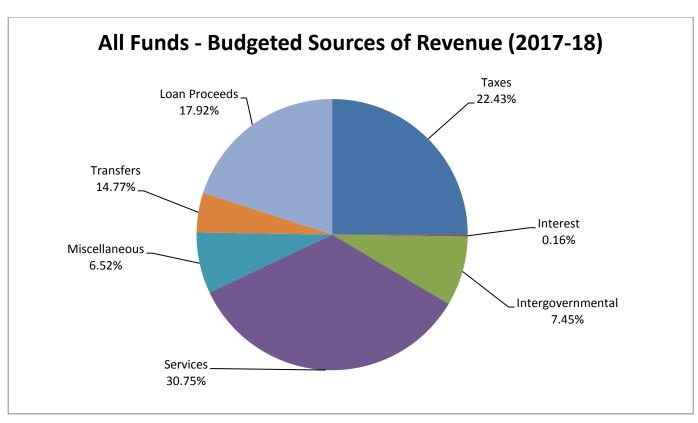
A reserve fund is a type of special revenue fund established to accumulate resources from one fiscal year to another for the cost of any service, project, property, or equipment that can be legally spent. Under Local Budget Law a Reserve Fund is the appropriate way to save money from year to year. Reserve funds are created by Ordinance for specific purposes. The City of Cottage Grove has the following Reserve Funds: General Reserve Fund, Water Reserve Fund, Wastewater Reserve Fund, and Storm Drain Reserve Fund.

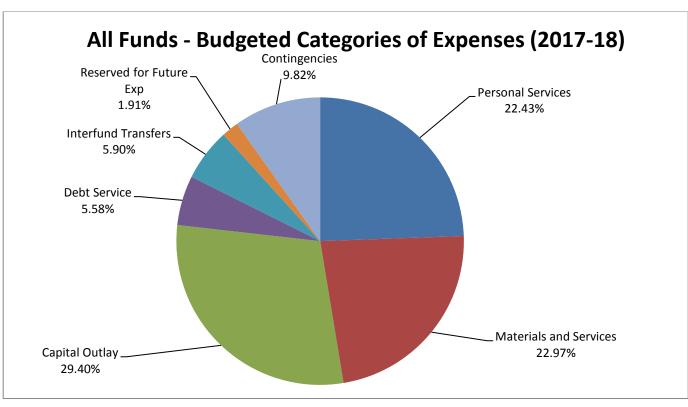


## **SUMMARY OF RESOURCES AND REQUIREMENTS**

The City of Cottage Grove endeavors to provide services essential to the community and that enhance the quality of life. The table below summarizes the major resources and expenditures for all City funds. This financial data is intended to provide a broad overview of the City's budget. Two-year comparisons of budgeted resources and requirements are presented.

	Actual	Actual	Budget	Adopted
	2014-15	2015-16	2016-17	2017-18
RESOURCES:				
Taxes	5,100,445	5,091,115	5,251,410	5,405,430
Interest	50,322	62,951	26,505	37,725
Intergovernmental	795,086	746,864	1,033,060	1,796,270
Services	6,570,270	7,005,411	7,155,766	7,409,840
Miscellaneous	1,480,914	1,205,065	1,198,340	1,571,740
Transfers	1,004,750	940,778	919,605	3,558,660
Loan proceeds	97,685	154,765	3,630,270	4,316,030
Beginning fund balance	7,818,649	8,841,990	9,426,159	9,090,033
Total Resources	22,918,121	24,048,940	28,641,115	33,185,728
REQUIREMENTS:				
Personal services	6,483,990	7,173,806	7,291,838	7,498,824
Materials and services	3,662,090	5,599,750	5,951,988	6,964,522
Capital outlay	762,765	6,981,773	8,279,197	9,101,660
Debt Service	2,171,497	2,326,062	2,476,420	2,464,500
Interfund transfers	985,450	921,478	900,305	3,589,355
Reserved for Future Exp.	0	0	6,500	584,825
Contingencies	0	2,966,392	3,168,617	2,982,042
Total Requirements	14,065,792	25,969,261	28,074,865	33,185,728
Ending Balance	8,852,329	558,550	566,250	0
Requirements + End. Bal.	22,918,121	26,527,811	28,641,115	33,185,728



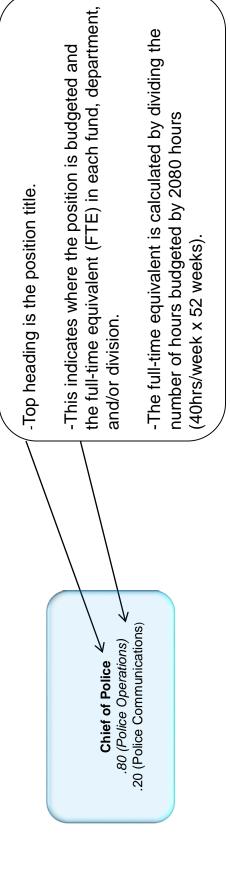




RESOURCES  General  Substance for distance their Working Capital  Substances																							
	pal Street		Police Assessment Communications	Bicycle & ons Footpath	Building Inspection	Housing Rehabilitaition	Narcotics n Forfeiture	Industrial Park	Water	Wastewater	Storm	Water System Development	Wastewater System Development	Storm System Development I	Paris System Development [	Street Svistem Development	General Reserve	Water W	Wastewater Sto Reserve	Storm Drain Reserve	Special	Debt Service AL	RESOURCES TOTAL ALL FUNDS
Ì	\$1,659,700 \$1,137,250	77,250 \$154,885	,885 \$82,000	000 \$62,230		075,62 02	0 \$185,000	0 \$36,725	\$627,365	\$39,865	\$89,235	\$510,785	\$94,680	\$3,20,000	\$193,540	\$983,265	\$172,105	\$533,435	\$475,325	\$1,338,655	\$24,618	8	59,090,033 Beginning Fund Balance/Net Working Capital
																							REVENUES
•	300,000																						\$4,300,000 Current Year Property Taxes Estimated to be Received
Licenses, franchise 54.	542,000																						\$542,000 Licenses, franchise
Fees & Permits 2	22,050				315,000	8																	\$337,050 Fees & Permits
Fines & forfletures	88.100																						\$88,100 Fines & forfletures
System development fees												80,000	12,000	10,000	15,000	12,000							\$129,000 System development fees
Charges for services 50	208,060								1,726,010	1,816,940	339,015							1,384,160	1,117,675	517,980			\$7,409,840 Charges for services
Federal, State and all other Grants, Giffs, Allocations and Donations 70	709,120 46	464,670	146,805		00006																385,675		\$1,796,270 Federal, State and all other Grants, Giffs, Allocations and Donations
Revenue from Bonds and Other Debt		0 1,116,030	.030																3200,000				\$4.316.030 Revenue from Bonds and Other Debt
Other taxes 20	207,000 893	892,745		Y'S	\$89%																		\$1,105,430 Other taxes
interest earnings 1	15,000	3,000	800 2	200	220	30	10 500	0 15	3,000	1,500	200	1200	300	200	800	1,150	250	4,000	95	4,000	250		\$37,725 Interestearnings
Miscellaneous 25	253,200	1000						200,000		14,840	300								0	100			\$475,590 Miscellaneous
Interfund Transfers/Internal Service Reimbursements	0006		500,250		19,300 10,810	01.		25,500						19,300			190,000	250,000		70,000		2,464,500	\$3.558.660 Interfund Transfers/Internal Service Reimbursements
Revenue Total \$6,65	\$1,36	\$1,361,415 \$1,116,830	(830 \$647,255	255 \$115,235	235 \$325,810	01\$ 011	005\$ 0	0 \$225,515	\$1,735,160	\$1,833,280	\$339,815	\$81,200	\$12,300	\$29,800	\$15,800	\$13,150	\$190,250	\$1,638,160	\$4,318,175	\$592,080	\$382,925	\$2,464,500 \$	\$24,095,695 Revenue Total
TOTAL RESOURCES \$8,31:	\$8,313,230 \$2,498,665	8,665 \$1,271,715	217, \$729,255	255 \$177,465	465 \$325,810	10 \$9,380	0 \$185,500	0 \$262,240	\$2,362,525	\$2,233,145	\$429,050	\$591,985	\$106,980	\$3 49,800	\$209,340	\$996,415	\$362,355	\$2,171,595	\$4,793,500	\$1,930,735	\$410,543	\$2,464,500 \$	\$33,185,728 TOTAL RESOUNCES
REQUIREMENTS																							REQUIREMENTS
Personal Services \$4,2.1	\$4,210,234 \$333	\$333,715	\$628,805	302	\$47,070	0,	\$16,175		\$1,061,455	\$1,006,045	\$195,325												57,498,824 Personal Services
Materials and Services 1,95	1,954,299 703	702,035 203,	203,345 80,450		36,540 277,200	00 9,380		0 1,145	711,200	790,020	96,110	76,635	76,740	93,580	7,010	84,405	4,000	373,710	573,730	376,735	391,543		\$6,967,022 Materials and Services
Capital Outlay	138,500 1,097	1,097,170 1,068,370	370	796	94,000		100,000					515,350	30,240	256,220	202,330	912,010	358,355	393,015	3.182,600	737,500	16,000		\$9,101,660 Capital Outlay
Debt Service																						2,464,500	\$2,464,500 Debt Service
Interfund Transfers 1,100		69,245	12,415		28,300 1,540	9	1,640				72,860							800,460	910,970	104,295			\$3,589,355 Interfund Transfers
Contingencies 3.2	329,922 29,	292,250	7,5	7,585 18,6	18,625		20,475	5 200,000	322,450	280,665	64,755							604,410	126,200	712,205			\$2,979,542 Contingencies
																							50 Special Payments
Unappropriated Ending Balance and Reserved for Future Expenditure 57	577,575	4,250																			3,000	0	\$584,825. Unappropriated Ending Balance and Reserved for Future Expenditure.
se op	277 007 17 011 1100 000	212 121 21 21 21	211 (2110)	277 777	010 2000	40,00	0000000	0100000	2000000	************	6430000	4001000	410.6 000	43.40.000	010001	4400	4161188	40 121 500	64700 500	61 010 236	********	41 464 500 4	STANDARD LATOR OF THE STANDARD CO. S. C. S. C. C. S. C.



## Organizational Chart Legend



## Abbreviation Legend

Asst. - Assistant

Bldg. Inspec. - Building Inspection Program Fund

Dir. - Director

Eng.. - Engineering

Equip. – Equipment

FTE – Full-Time Equivalent Groundskpr. – Groundskeeper

Maint. - Maintenance

MW I,II,III - Maintenance Worker 1,2 or 3

Supr. – Supervisor Supt. – Superintendent

Tech. - Technician

WTP - Water Treatment Plant

WTR - Water

WW - Wastewater

WWTP - Wastewater Treatment Plant

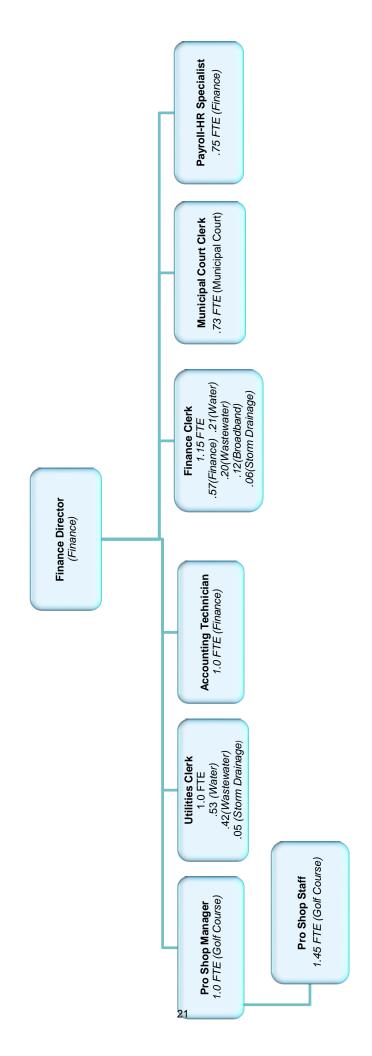
# City of Cottage Grove, Oregon

## Public Works & Development Director .10 (Maintenance) .10 (Development) .10 (Building).10 (Street Fund) .25 (Water Fund) .25(Wastewater Fund).10 (Storm) Municipal Court Judge Contracted (Municipal Court) Organizational Chart **City Recorder** (City Manager Department) **Administrative Assistant** Cottage Grove Mayor and City Council Citizens **Director**.43 (Community Center) .57 (Library) Community Services City Manager (City Manager Department) Contracted (City Manager Department) (Broadband Department) City Attorney IT Specialist Contracted Police Chief .80 (Police Operations) .20 (Police Communications) Finance Director (Finance)

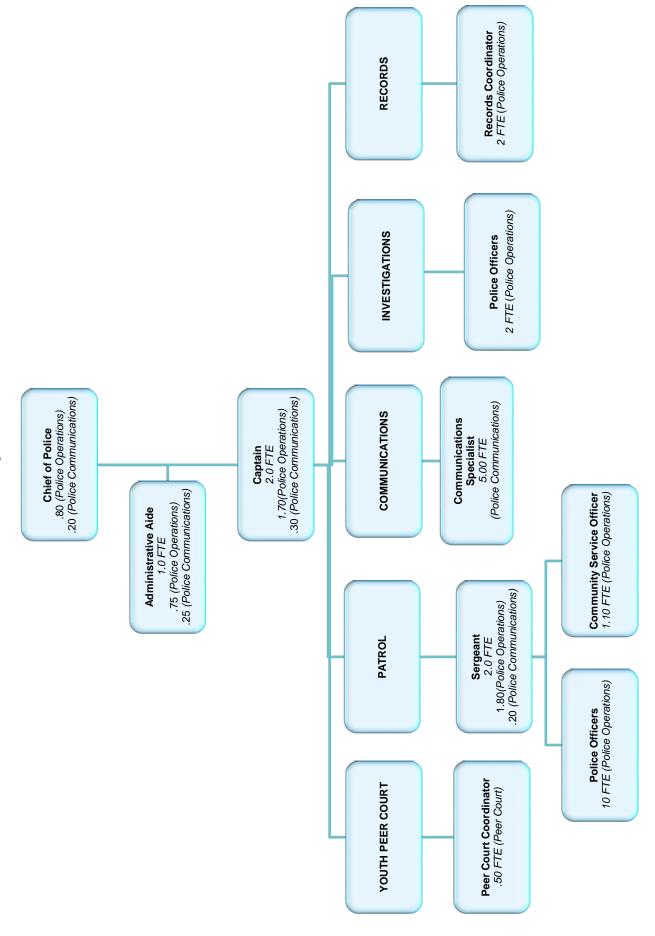
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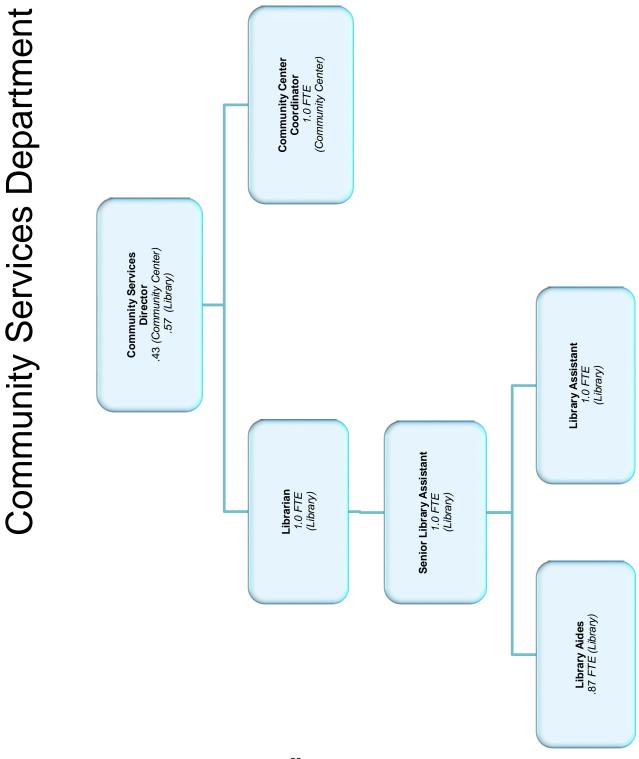
FTE = Full-time Equivalent

## Finance Department

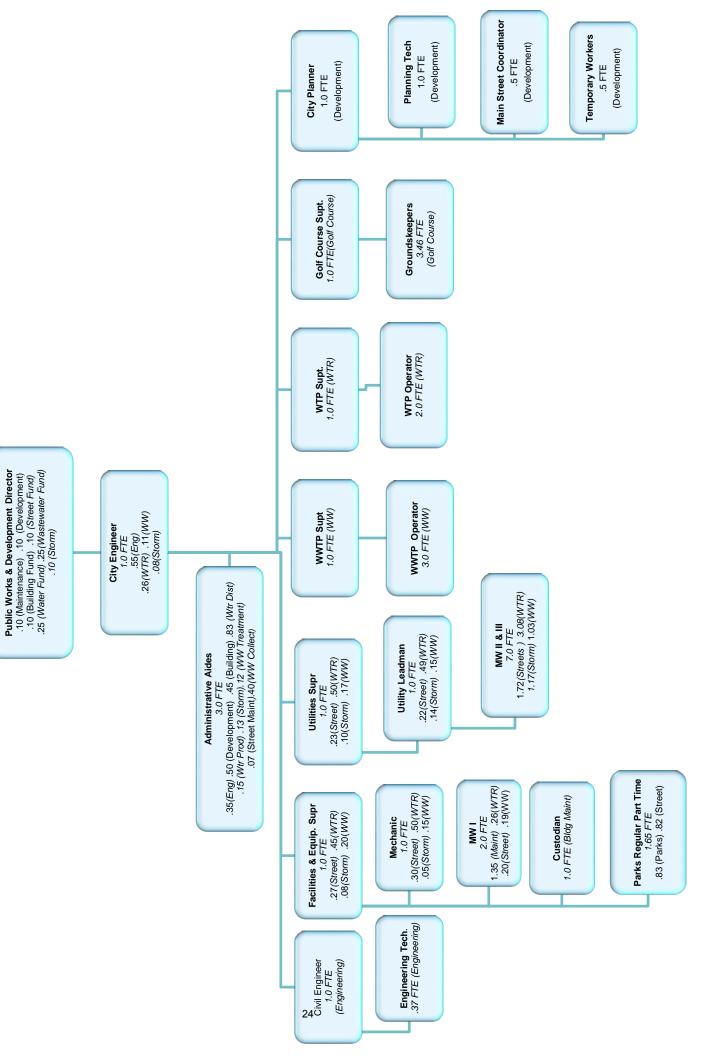


## Police Department





# Public Works & Development Department



## **REVENUE OVERVIEW**

## General Fund -

The principal sources of revenue in the General Fund are property taxes, franchise fees, state shared revenues, and charges for administrative services from other funds.

## Special Revenue Funds -

Special revenue funds account for specific purpose revenues received primarily from intergovernmental sources, charges for service, or taxes such as the State and Local motor vehicle fuel tax, inspection fees, building permit fees, and 9-1-1 tax.

Street Fund Assessment Fund

Police Communications Fund Bicycle & Footpath Fund
Building Inspection Program Fund Small Business Loan Fund
Housing Rehabilitation Fund Narcotics Forfeiture Fund

## Enterprise Funds -

These funds account for goods and services provided on a continuing basis to the public. User fees are charged for the services. An enterprise fund is managed similarly to private business and is structured to be self-supporting. Water, wastewater, and storm drainage fees, and rent or sale of property, generate revenue in these funds.

Water Fund Wastewater Fund

Storm Drain Utility Fund Industrial Park Operations Fund

## Capital Projects Funds -

Capital Project Funds account for the receipt of fees derived from charges the City imposes on new development through system development fees (SDC).

Water SDC Fund Street SDC Fund Storm Drain SDC Fund

Parks SDC Fund

## Reserve Funds -

A type of special revenue fund, a Reserve Fund is established to accumulate money for the cost of any service, project, property, or equipment. Reserve fund revenue is transferred from other funds or through special fees (surcharges).

General Reserve Fund Water Reserve Fund

Wastewater Reserve Fund Storm Drain Reserve Fund

## Trust and Agency Fund –

Revenues donated to be used for specified purposes are accounted for in this fund. The stipulations upon the donation may require that only the interest income be used. Donations, memorials, or gifts from citizens or organizations make up the revenue source for this fund.

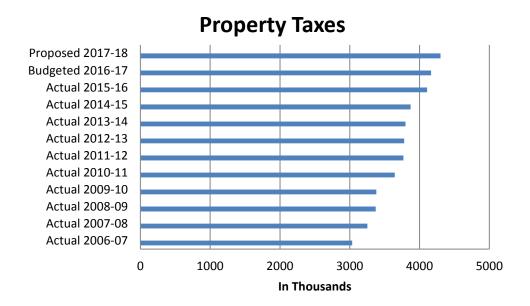
## **GENERAL FUND REVENUES**

## **GENERAL FUND**

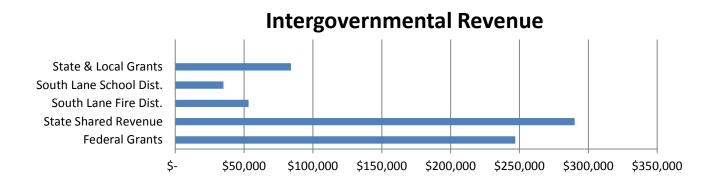
The General Fund is used to account for all revenues and expenditures of a general nature not required to be recorded in another fund. The primary revenues are described below.

Property taxes comprise 52 % of the total revenues. The taxes are generated from a \$7.2087 tax rate per \$1,000 of assessed values. The county assessor determines the assessed value of the property, bills and collects the taxes and remits collections to the City. The proposed 2017-18 budget is based upon 2% growth in assessed value.

Taxes for 2017-18 will be billed late October 2017, and can be paid in thirds on November 15, February 15, and May 15. Discounts are offered for payment made in full in November and February. For more information about property taxes refer to the Property Tax Summary. Budgeted taxes are less than levied amounts due to estimated uncollectable, delinquencies and discounts.



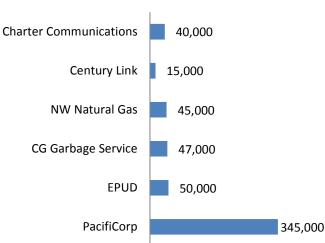
Intergovernmental revenues come from State shared revenues which include alcoholic beverage tax, cigarette tax, marijuana tax, state shared revenues; federal/state grants, South Lane Fire and Rescue District for PERS UAL debt reimbursement, and South Lane School District's contribution to support the School Resource Officer position. These sources total \$709,120 or 8.5% of the fund's total. The revenues are allocated by various formulas.



Franchise fees are the fourth largest revenue source and comprise 6.5% of the total revenues. These fees are charged to various utilities for use of public right-of-way. The proposed 2017-18 budget is based upon trend analysis. The fees are based upon a percentage of net sales within city limits. The franchise fees were last increased fiscal year13-14; a 1.5% increase for electric utilities and a 2% increase for natural gas. The total percentage for both electric and natural gas is 5% of gross revenues. Telecommunications and cable franchise fees are currently at 7%. The sanitation franchise fee is currently 3.5%. The estimated percentages of total franchise fees to be collected by utility category for fiscal year 2017-18 are as follows:

## Estimated Franchise Revenue 2017-18

Charter Communications – 6.51%
Century Link – 5.20%
Natural Gas Northwest Natural Gas 8.36%
Cottage Grove Garbage Service – 8.36%
Emerald People's Utility District – 9.29%
PacifiCorp – 62.27%



The General Fund also receives Administrative Fees from a number of Enterprise Funds, Reserve Funds, and Capital Project Funds. The fees are allocated based on the amount of expenditures incurred in those funds the preceding year.

Certain departments provide services for which fees can be charged or fines can be assessed.

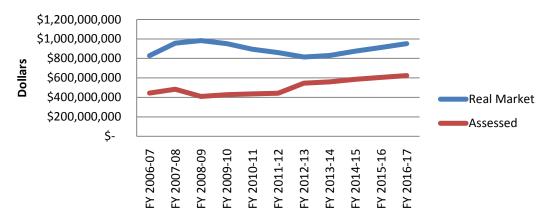
## **PROPERTY TAX SUMMARY**

The State of Oregon has a constitutional limit on property taxes for governmental operations. Under the limitation, tax revenue is separated into those for public schools and those for local governments. The limitation specifies a maximum rate for all local government operations of \$10.00 per \$1,000 of real market value, while schools are similarly limited to a \$5.00 maximum rate.

In May 1997, voters approved Measure 50 which separated real market value from assessed value and rolled back assessed values to 90% of 1995-96 and limited future increases of taxable assessed values to 3% per year, except for major improvements. Tax rates are now fixed and not subject to change. Voters may approve local initiatives above the fixed rate provided a Majority approves at a general election either in an even numbered year, or at any other election in which at least 50% of registered voters cast a ballot.

Cottage Grove's permanent tax rate is \$7.2087 per \$1,000 of assessed valuation. Taxes from the permanent rate are recorded in the General Fund. No local initiative is outstanding for property taxes.

## **Real Market vs Assessed Values**



The real market value at fiscal year-end 2016 was \$952,300,790; the assessed value was \$623,835,385; assessed value was approximately 65.5% of market value.

## Where Every Penny of Your Tax Dollar Goes

DEPARTMENT	FY 2017-18 PROPOSED	DEPARTMENT	FY 2017-18 PROPOSED
Administrative:		Community Services:	
City Council	36,500	Library	446,335
City Manager	385,280	Community Center	152,550
Finance	380,880	Total Community Services	598,885
Community Promotions	122,200	•	
Total Administration	924,860		
		TOTALS:	6,129,633
Public Safety:			
Police Operations	2,783,714	Non-Departmental *	2,183,597
Municipal Court	82,205		
Court Support Services	76,150	TOTAL GENERAL FUND	8,313,230
Youth Peer Court	27,640		
Total Public Safety	2,969,709	* Non-Departmental includes a c General Fund of \$329,922, Trar	• •
Public Works:		Departments of \$1,032,700, an	d an Unappropriated
Maintenance	355,705	Ending Fund Balance of \$577,5	575.
Engineering	314,485		
Broadband Services	338,290		
Development	627,699		
Total Public Works	1,636,179		

