

City of Bend, Oregon
2021-2023 Adopted Biennial Budget

General Fund

	ACTUALS ¹ 2017-2019	ADJUSTED	ESTIMATE ¹ 2019-2021	BIENNIAL BUDGET		
		BUDGET 2019-2021		PROPOSED 2021-2023	APPROVED 2021-2023	ADOPTED 2021-2023
RESOURCES						
Beginning working capital	\$ 16,105,187	\$ 9,748,200	\$ 9,748,173	\$ 13,857,200	\$ 13,857,200	\$ 13,857,200
Property taxes	61,711,372	67,512,600	69,366,836	76,290,900	76,290,900	76,290,900
Room tax	13,322,392	10,605,700	12,752,898	16,239,500	16,239,500	16,239,500
Franchise fees	13,335,539	16,272,200	16,464,175	16,663,200	16,663,200	16,663,200
Local marijuana tax	1,787,246	2,363,600	2,429,570	2,934,200	2,934,200	2,934,200
Commercial/Industrial Construction tax	-	120,000	120,000	1,100,000	1,100,000	1,100,000
Licenses and permits	202,090	207,800	178,188	164,400	164,400	164,400
Intergovernmental revenues	6,414,831	12,695,350	9,665,485	7,309,900	9,309,900	9,309,900
Charges for services	877,100	1,991,400	2,149,166	870,600	870,600	870,600
Fines and forfeitures	2,427,613	2,138,700	1,776,685	2,124,400	2,124,400	2,124,400
Miscellaneous	2,644,567	661,300	2,470,020	354,700	354,700	354,700
Interfund loan repayments	2,610,000	2,497,600	2,349,300	2,488,900	2,488,900	2,488,900
Interfund transfers	58,668	270,000	246,349	326,300	326,300	326,300
TOTAL RESOURCES	\$121,496,605	\$ 127,084,450	\$ 129,716,848	\$ 140,724,200	\$ 142,724,200	\$ 142,724,200
	ACTUALS¹ 2017-2019	BUDGET 2019-2021	ESTIMATE¹ 2019-2021	PROPOSED 2021-2023	APPROVED 2021-2023	ADOPTED 2021-2023
REQUIREMENTS						
<i>By Service Area/Program:</i>						
Public Safety Program						
Police	\$ 42,552,602	\$ 50,707,100	\$ 49,925,120	\$ 59,052,900	\$ 59,052,900	\$ 59,052,900
Municipal court	1,084,774	1,280,500	1,241,588	1,357,300	1,357,300	1,357,300
Total Public Safety Program	43,637,376	51,987,600	51,166,709	60,410,200	60,410,200	60,410,200
Infrastructure Program						
Accessibility	352,656	424,500	404,337	-	-	-
Total Infrastructure Program	352,656	424,500	404,337	-	-	-
Community & Econ Dev. Program						
Growth management	1,659,094	2,474,300	2,097,603	1,588,700	1,588,700	1,588,700
Code enforcement	968,278	1,203,100	1,108,440	1,246,100	1,246,100	1,246,100
Juniper Ridge city owned land	-	1,197,900	481,900	623,000	623,000	623,000
Community projects	3,046,160	7,118,450	4,544,770	3,842,800	5,842,800	5,842,800
Total Community & Econ Dev. Program	5,673,532	11,993,750	8,232,714	7,300,600	9,300,600	9,300,600
Interfund Transfers	62,084,868	56,375,700	56,055,897	64,073,900	64,073,900	64,378,900
Contingency	-	4,623,600	-	6,258,700	6,258,700	5,953,700
Reserves Room Tax	-	1,679,300	-	2,680,800	2,680,800	2,680,800
TOTAL REQUIREMENTS	\$111,748,432	\$ 127,084,450	\$ 115,859,656	\$ 140,724,200	\$ 142,724,200	\$ 142,724,200
<i>By Category:</i>						
Personnel services	\$ 41,610,876	\$ 47,566,035	\$ 47,152,117	\$ 53,549,400	\$ 53,549,400	\$ 53,549,400
Materials & services	7,330,909	11,832,415	10,372,195	11,132,100	13,132,100	13,132,100
Capital outlay	721,780	5,007,400	2,279,447	3,029,300	3,029,300	3,029,300
Interfund Transfers	62,084,868	56,375,700	56,055,897	64,073,900	64,073,900	64,378,900
Contingency	-	4,623,600	-	6,258,700	6,258,700	5,953,700
Reserves Room Tax	-	1,679,300	-	2,680,800	2,680,800	2,680,800
TOTAL REQUIREMENTS	\$111,748,432	\$ 127,084,450	\$ 115,859,656	\$ 140,724,200	\$ 142,724,200	\$ 142,724,200

¹Due to rounding, actuals and estimated numbers may not add up precisely with the totals provided.

Note: The City's fiscal policies require that the General Fund maintain unassigned reserves of at least 16% of the operating budget, and that reserve balances in the General Fund Stabilization Fund will be considered when evaluating total General Fund reserve levels. The adopted 2021-2023 budget is in compliance with this policy requirement.

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**General Fund
Subsidies, Loans & Transfers**

	ACTUALS ¹ 2017-2019	ADJUSTED BUDGET 2019-2021	ESTIMATE ¹ 2019-2021	BIENNIAL BUDGET		
				PROPOSED 2021-2023	APPROVED 2021-2023	ADOPTED 2021-2023
REQUIREMENTS						
General Fund Subsidies:						
Fire/EMS	\$ 26,590,000	\$ 29,955,400	\$ 29,993,500	\$ 33,791,700	\$ 33,791,700	\$ 33,791,700
Streets & Operations	13,199,500	12,541,900	12,541,900	11,674,900	11,674,900	11,674,900
Airport	115,000	72,200	-	-	-	-
Planning	1,123,000	-	-	-	-	-
Private Development Engineering	152,000	-	-	-	-	-
Accessibility Construction	488,900	-	-	-	-	-
Business Advocacy	172,000	120,000	120,000	125,600	125,600	125,600
Cemetery	283,141	478,100	357,400	444,200	444,200	444,200
	\$ 42,123,541	\$ 43,167,600	\$ 43,012,800	\$ 46,036,400	\$ 46,036,400	\$ 46,036,400
General Fund Year End Loans:						
Metropolitan Planning Organization	\$ 187,000	\$ 200,000	\$ 157,000	\$ 200,000	\$ 200,000	\$ 200,000
Community Development Block Grant	-	200,000	100,000	200,000	200,000	200,000
Airport	3,364,000	1,000,000	550,000	400,000	400,000	400,000
Murphy Crossing Urban Renewal Area	-	307,100	271,000	389,300	389,300	389,300
Juniper Ridge Urban Renewal Area	-	320,500	800,300	626,800	626,800	626,800
Core Area Urban Renewal Area	-	-	-	672,800	672,800	672,800
	\$ 3,551,000	\$ 2,027,600	\$ 1,878,300	\$ 2,488,900	\$ 2,488,900	\$ 2,488,900
General Fund Transfers						
Internal Service - Overhead	\$ 6,878,100	\$ 8,521,200	\$ 8,521,400	\$ 11,476,600	\$ 11,476,600	\$ 11,476,600
Interfund Charges	800,106	928,200	992,469	1,536,200	1,536,200	1,536,200
Special Purpose to Commercial & Industrial Constr. Tax Fund	-	120,000	120,000	1,100,000	1,100,000	1,100,000
Special Purpose to PERS DS	-	453,700	453,700	-	-	-
Special Purpose for Council Goal Initiatives	-	-	-	1,025,000	1,025,000	1,025,000
Special Purpose - all other	8,455,607	950,800	855,002	259,700	259,700	564,700
GF Revenue Stabilization Fund	276,513	206,600	222,227	151,100	151,100	151,100
	\$ 16,410,327	\$ 11,180,500	\$ 11,164,797	\$ 15,548,600	\$ 15,548,600	\$ 15,853,600
TOTAL REQUIREMENTS	\$ 62,084,868	\$ 56,375,700	\$ 56,055,897	\$ 64,073,900	\$ 64,073,900	\$ 64,378,900

¹Due to rounding, actuals and estimated numbers may not add up precisely with the totals provided.

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**General Fund
Community Projects**

	ACTUALS ¹ 2017-2019	ADJUSTED BUDGET 2019-2021	ESTIMATE ¹ 2019-2021	BIENNIAL BUDGET		
				PROPOSED 2021-2023	APPROVED 2021-2023	ADOPTED 2021-2023
REQUIREMENTS						
Community & Econ Dev. Program						
Personnel services	\$ -	\$ 935	\$ -	\$ -	\$ -	\$ -
Materials & services - Transit	2,868,558	2,077,800	2,037,273	2,014,500	2,014,500	2,014,500
Materials & services - CARES Act	-	212,150	2,253,200	-	-	-
Materials & services - Housing ²	-	-	-	1,400,000	3,400,000	3,400,000
Materials & services	177,602	2,327,565	232,767	428,300	428,300	428,300
Capital outlay	-	2,500,000	21,530	-	-	-
Total Community & Econ Dev. Program	3,046,160	7,118,450	4,544,770	3,842,800	5,842,800	5,842,800
Interfund Transfers	1,804,931	-	-	395,200	395,200	395,200
TOTAL REQUIREMENTS	\$ 4,851,091	\$ 7,118,450	\$ 4,544,770	\$ 4,238,000	\$ 6,238,000	\$ 6,238,000

¹Due to rounding, actuals and estimated numbers may not add up precisely with the totals provided.

²Expenditures in the 2019-2021 biennial budget related to housing and homeless outreach were in the Police Department budget.

GENERAL FUND

Overview

The City's General Fund (GF) is the primary operating fund of the City, accounting for operations of the Police department, Municipal Court, Growth Management, Code Enforcement and other activities not accounted for in any other fund. The General Fund also allocates monies to the following Funds and Service Areas: Fire/EMS Fund, Streets & Operations Fund, Community & Economic Development Service Area and Infrastructure Service Area. Details of these allocations can be found on the Subsidies, Loans & Transfers financial summary earlier in this section. In the Adopted 2021-2023 Biennial Budget, General Fund expenditures are allocated 80% to public safety (Police, Fire and Municipal Court), 9% to the Streets & Operations Fund and the remaining 11% to community and economic development and other general city funding needs. The City's goal is to ensure the financial stability of the General Fund and to provide long term funding for public safety and transportation operation needs.

The City's fiscal policies require that the General Fund maintain unassigned reserves of at least 16% of the operating budget, and reserve balances in the General Fund Stabilization Fund will be considered when evaluating total General Fund reserve levels. The adopted 2021-2023 budget is in compliance with this policy requirement.

The City will receive \$14.08 million from the federal government as part of the American Rescue Plan Act (ARPA). These revenues are not included in the original 2021-2023 Adopted Biennial Budget. A supplemental budget was approved by City Council on August 18, 2021 to record the use of approximately \$6.0 million of ARPA funds. In general, these funds will help support Council Goals, particularly those strategies and actions included in the 'Shared Prosperity' and 'Housing' Goals.

General Fund Support for Council Goals

As part of the 2021-2023 biennial budget development, the City identified approximately \$3.1 million of General Fund revenues available to provide additional support for City Council's 2021-2023 goals. A table summarizing the amounts included in the adopted General Fund budget by goal area is below. Detailed explanations of the use of funds are included in each department narratives for the programs and departments receiving General Fund dollars to implement Council's goals.

Council Goal: Accessible and Effective City Government

Community Projects Division of General Fund	\$	25,000
Special Purpose Transfers to Office of Performance Management		25,000
Special Purpose Transfers to Project Management Office		80,000
Special Purpose Transfers to Communications		95,000
Special Purpose Transfers to City Council		275,000
Council Goal: Accessible and Effective City Government Total	\$	500,000

Council Goal: Environment and Climate

Special Purpose Transfers to Sustainability Program	\$	100,000
Special Purpose Transfers to Insurance & Risk Management		150,000
Council Goal: Environment and Climate Total	\$	250,000

Council Goal: Safety, Health, Accountability and Justice

Police Program	\$	500,000
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General Fund Subsidy to Fire/EMS	280,000
Council Goal: Safety, Health, Accountability and Justice Total	\$ 780,000
Council Goal: Shared Prosperity	
Special Purpose Transfers to Procurement	\$ 150,000
Special Purpose Transfers to Business Advocacy	100,000
Council Goal: Shared Prosperity Total	\$ 250,000
Council Goal: Transportation and Infrastructure	
Special Purpose Transfers to Streets & Operations	\$ 50,000
Council Goal: Transportation and Infrastructure Total	\$ 50,000
Council Goal: Housing	
Community Projects Division of General Fund	\$ 1,250,000
Council Goal: Housing Total	\$ 1,250,000
Total	\$ 3,080,000

General Fund Programs

The following programs are charged directly to the General Fund because they rely almost solely on general fund discretionary revenues. Budget and program details are presented under each of the City’s major service areas in accordance with the organization of this budget. (This budget document is organized by the City’s service areas: General Fund, Public Safety, Infrastructure, Community & Economic Development, and Administration & Central Services). The budget amounts in each program below include program costs (personnel services, materials & services and capital outlay) as well as transfers for overhead, garage services and other special purpose transfers.

- Police
 - In this 2021-2023 Adopted Biennial Budget, General Fund support of the Police Department is \$69.9 million. The allocation of discretionary revenues to the Police Department continues to be a City Council priority as noted in Council Goals and Actions to keep pace with a growing demand in calls for service. The adopted budget includes \$500,000 allocated to the Police program specifically to support Council’s goal of Safety, Health, Accountability and Justice. The Police Department budget and program details are presented under the City’s “Public Safety Service Area”.

- Municipal Court
 - The Bend Municipal Court provides resolution and collection services for minor traffic infractions, parking citations, and city ordinance violations. The Municipal Court with a adopted 2021-2023 budget of \$1.9 million, is accounted for as a program of the General Fund as it is funded solely by General Fund discretionary revenues. The budget and program details are presented under the City’s “Public Safety Service Area”.

- Accessibility
 - The Accessibility Program’s main goal is improving the level of accessibility of City services, addressing barrier removal needs and coordination of accessibility infrastructure projects. In the 2021-2023 Adopted Biennial Budget the Accessibility Program has moved and is part of the Diversity, Equity, Inclusion and Accessibility Division. The budget and program details are now presented under the City’s “Administration & Central Services Service Area.”
- Growth Management
 - The Growth Management Program was created to bring together the city's long range planning and transportation planning staff to identify and manage projects of a long-term nature including land use, public facility and transportation planning. The Growth Management division of the General Fund has an adopted budget of approximately \$2.5 million in this biennium and is presented under the City’s “Community & Economic Development Service Area”.
- Code Enforcement
 - The City’s Code Enforcement Program ensures compliance with Bend's land use, environmental, building, and city code. The Code Enforcement division of the General Fund has a budget of approximately \$1.6 million this biennium and is presented under the City’s “Community & Economic Development Service Area”.
- Juniper Ridge City Owned Land
 - The Juniper Ridge City Owned Land division accounts for land sale proceeds and development and maintenance costs for city-owned land in Juniper Ridge. The 2021-2023 Adopted Budget of approximately \$0.9 million is presented under the City’s “Community & Economic Development Service Area”.

Subsidies, Loans & Transfers

The General Fund allocates general discretionary revenues to various city operations that require supplemental revenue to meet service level expectations. General Fund discretionary revenues consist primarily of property taxes, franchise fees, room taxes, municipal court fines, and state shared revenues. These revenues are allocated as a General Fund subsidy to other funds based on the priorities and values of City Council and the current needs of city operations. The General Fund also makes loans to other funds, transfers, and captures general expenditures not accounted for in any other fund.

General Fund subsidies and loans are described below:

- Fire/EMS Fund
 - The General Fund supports over half of the Fire/EMS operating budget. The City provides fire protection and emergency medical services in partnership with the Deschutes County Rural Fire Protection District #2 (DCRFPD#2). Through a contract between the City and DCRFPD#2, each entity contributes to the partnership. The funding rate in the adopted budget includes an increase from \$1.185 to \$1.205 per \$1,000 of taxable assessed valuation (TAV). The City also contributes approximately \$139,000 per year to the Fire/EMS fund to cover fire station rent expense. Total allocation to Fire/EMS over the 2021-2023 biennium is \$33.8 million. The total includes approximately \$280,000 allocated to the Fire/EMS Fund specifically to support Council’s goal of Safety, Health, Accountability and Justice. Budget and program details of the City’s Fire/EMS program are presented under the City’s “Public Safety Service Area”.

- **Streets & Operations Fund**
 - Street operations are primarily funded by an allocation of General Fund revenues, State Highway apportionment (i.e. allocation of State gas taxes), garbage franchise fees and grants. In order to support the overlay and street preservation work needed to maintain the Pavement Condition Index (PCI) and other programs to support mobility options and related programming, the adopted 2021-2013 biennial budget includes a General Fund subsidy of \$11.7 million. Street operations are accounted for in the Streets & Operations Fund, which is presented under the City's "Infrastructure Service Area".
- **Business Advocacy Fund**
 - The 2021-2023 Adopted Biennial Budget includes a \$125,600 contribution to the Business Advocacy program for support of Economic Development of Central Oregon (EDCO). The Business Advocacy program is presented under the "Community & Economic Development Service Area".
- **Cemetery Fund**
 - Included in the 2021-2023 Adopted Biennial Budget is General Fund support of \$444,200 for operation of the City-owned Cemetery. This funding is necessary to support the operation and maintenance costs of the cemetery that are not covered by lot sales and burial fee operating revenues. In the 2019-2021 biennium the Cemetery proposed a business plan that included purchase of two columbaria in an effort to generate additional revenue and reduce the need for general fund subsidization. Construction of the columbaria was completed in spring of 2021, and additional revenues are anticipated in the 2021-2023 biennium. The Cemetery program is presented under the City's "Infrastructure Service Area".
- **General Fund Loans**
 - The 2021-2023 Adopted Biennial Budget includes the following short term, year-end operating loans that are necessary to provide cash flow for operations before grant funds are received on a reimbursement basis:
 - \$200,000 to the Bend Metropolitan Planning Organization (MPO)
 - \$200,000 to the Community Development Block Grant (CDBG) Fund
 - \$400,000 to the Airport Fund for capital expenditures funded by grants
 - The 2021-2023 Adopted Biennial Budget also includes operating loans totaling \$1,688,900 to the Bend Urban Renewal Agency for work related to the Juniper Ridge, Murphy Crossing and Core Area urban renewal plans that is eligible for funding from property tax revenues generated in each respective urban renewal area (also referred to as TIF – Tax Increment Financing). TIF can only be used to pay debt service, so the City General Fund will loan funds to each urban renewal agency and the loan will be repaid with TIF.
- **Internal Service – Overhead**
 - The 2021-2023 Adopted Biennial Budget includes \$11.7 million in overhead transfers to the Internal Service Fund – City Wide Administration. These transfers support departments like Human Resources, Finance, and Procurement which are presented in the "Administration & Central Services Service Area." The transfer expenses are assigned to the General Fund programs listed above and to the Community Projects division of the General Fund based on allocation drivers that represent usage. For more details on the transfer expenditures please refer to each General Fund program individually.

- Interfund Charges
 - The 2021-2023 Adopted Biennial Budget includes \$1.6 million in interfund charges that pay for billable maintenance and repair work performed by other city departments. The majority of the charges in the General Fund relate to work performed by the Fleet Management program. For more details on the transfer expenditures please refer to each General Fund program individually.
- Special Purpose Transfer to the Commercial and Industrial Construction Tax Fund
 - An ordinance creating the Commercial and Industrial Construction Tax and directing staff to create a new special revenue fund was adopted by the City Council on December 29th, 2020. Revenue from the tax is required to be deposited into the City's General Fund. Per Bend Municipal Code Chapter 9.45, the revenues from the tax must be transferred to a special revenue fund (the Commercial and Industrial Construction Tax Fund) to implement and administer the tax. The fund will use revenue collected to support creation of additional housing units and expansion of existing services for the homeless and formerly homeless populations.
- Special Purpose Transfer for Council Goal Initiatives
 - \$1,025,000 of the \$3,080,000 allocated to directly support City Council's 2021-2023 Goals are accounted for as special purpose transfers. Refer to the table above that details which City Funds and programs will receive funding. Detailed explanations of the use of funds are included in each department narratives for the programs and departments receiving General Fund dollars to implement Council's goals.
- Special Purpose Transfers – all other
 - The 2021-2023 adopted biennial budget includes an additional \$305,000 in special purpose transfers to the Planning Fund to support an additional Senior Planner position. The position was approved by the Budget Committee on May 12, 2021.
- Transfer to the General Fund Revenue Stabilization Fund
 - The City created a General Fund Revenue Stabilization Fund in 2009-2010 to provide reserves for future unanticipated events. The stabilization fund is funded by half of the interest earnings in the General Fund and other funds. For the 2021-2023 biennium, \$151,100 is expected to be transferred from the General Fund to the Revenue Stabilization Fund.

Community Projects

The 2021-2023 adopted General Fund budget also includes the following expenditures not accounted for in any other fund:

- \$2.0 million to purchase a low barrier shelter, funded by a grant from the state from the American Rescue Plan Act (ARPA) as approved by the Budget Committee on May 12, 2021
- \$2.0 million paid to Central Oregon Intergovernmental Council (COIC) for operation of the Cascades East Transit system
- \$1.4 million in support of City Council's 2021-2023 Housing goal strategy 4, to invest in programs and partnerships that result in collaborative, concrete actions toward ending homelessness in Bend
 - \$1.25 million was allocated specifically as part of the \$3,080,000 of funding allocated to support City Council's goals and is included in the table above

- \$150,000 is an extension of the 2019-2021 biennial budgeted amounts to support housing and homelessness outreach
- \$428,300 for miscellaneous audits, studies, analysis and contributions including support for Art in Public Spaces, Lines for Life, Bend 2030 and Bend Collective Impact

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General Fund Revenue Stabilization Fund

	ACTUALS ¹ 2017-2019	ADJUSTED BUDGET 2019-2021	ESTIMATE ¹ 2019-2021	BIENNIAL BUDGET		
				PROPOSED 2021-2023	APPROVED 2021-2023	ADOPTED 2021-2023
RESOURCES						
Beginning working capital	\$ 2,519,200	\$ 3,419,200	\$ 3,502,027	\$ 4,282,600	\$ 4,282,600	\$ 4,282,600
Miscellaneous	134,314	154,700	103,602	150,700	150,700	150,700
Interfund transfers	848,514	1,220,900	676,948	501,600	501,600	501,600
TOTAL RESOURCES	\$ 3,502,027	\$ 4,794,800	\$ 4,282,577	\$ 4,934,900	\$ 4,934,900	\$ 4,934,900
	ACTUALS 2017-2019	ADJUSTED BUDGET 2019-2021	ESTIMATE ¹ 2019-2021	PROPOSED 2021-2023	APPROVED 2021-2023	ADOPTED 2021-2023
REQUIREMENTS						
Reserves	\$ -	\$ 4,794,800	\$ -	\$ 4,934,900	\$ 4,934,900	\$ 4,934,900
TOTAL REQUIREMENTS	\$ -	\$ 4,794,800	\$ -	\$ 4,934,900	\$ 4,934,900	\$ 4,934,900

¹Due to rounding, actuals and estimated numbers may not add up precisely with the totals provided.

GENERAL FUND
General Fund Revenue Stabilization Fund

Overview

The General Fund Revenue Stabilization Fund is a special revenue fund that was established in 2009-2010 to ensure the continued delivery of City services in the event of another severe recession and to protect the City's bond rating. City Council adopted a policy to make funds from this Revenue Stabilization Fund available only for severe economic downturns or major unforeseen events. Individual operating funds will continue to maintain their own contingencies and reserves for operations within each fund. This Revenue Stabilization Fund serves as the City's "rainy day fund" for the General Fund and use of reserves in this fund are not permitted without Council approval. Further criteria on when reserves can be used can be found in the City's fiscal policies in the introductory section of the budget document.

The City's fiscal policies require that the General Fund maintain unassigned reserves of at least 16% of the operating budget, and reserve balances in the General Fund Stabilization Fund will be considered when evaluating total General Fund reserve levels. The adopted 2021-2023 budget is in compliance with this policy requirement.

Goals for the 2021 – 2023 Biennial Budget

- Continue funding the Revenue Stabilization Fund to increase the City's emergency funds

Major Accomplishments during the 2019 – 2021 Biennium

- Increased the General Fund Stabilization Fund balance to approximately \$4.9 million