

CITY OF WINSTON BUDGET MESSAGE

2020-2021

Honorable Mayor Hayes, City Councilors, Budget Committee Members and Citizens of Winston,

I am happy to present the Proposed Budget for the year 2020-2021 for your review, amendments and approval. All funds are balanced meaning that all fund revenues and expenditures match. Expenditures have been directed towards necessary services such as police, street and storm water maintenance, sewer collection and treatment and land use planning with livability services like parks, senior services, teen services and the community center. These services continue to build on the high quality of life we have all come to know as Winston. The 2020-2021 budget continues the tradition of matching available resources with necessary improvements to further Council goals while providing excellent customer service and ensuring that citizens tax dollars and fees are utilized in the most effective, efficient manner allowed by law.

The 2020-2021 budget represents \$11,245,054 or an 8% increase over the 2019-2020 budget. However, the amount of impact that COVID-19 ultimately has on the economy could impact this proposal. This increase is covered without an increase in taxes or fees or uses of fund reserves and even though we projected the usage of \$49,000 from the general fund reserve in the 2019-2020 budget we did not need to use it. The City's reserve funds contain the following:

General Fund	\$163,146
Street Fund	\$59,979
Sewer Fund	\$1,703,855 + \$1,014,102 = <u>\$2,717,957</u>

Some of the projects proposed for funding in the 2020-2021 budget are:

- Sewer Main Replacement \$375,000
- Public Works Office \$120,000
- South Umpqua Siphon Evaluation \$45,000
- Spring Brook Software \$18,000
- Eastside Paving Project \$206,313
- Drainage Improvements \$84,000
- Pathways \$74,256
- Treatment Plant Office/Breakroom \$86,000
- Police Department Parking Lot \$250,000 URA/Grant \$112,500/\$137,500

At his time there are no new staff positions funded in this budget. Assuming that the schools get back to in house teaching, the School District will fund the School Resource Officer for another year. Also, there is no money set aside for a half time clerical position in Public Works because public works will not have the office setup until midyear at the earliest. In addition to these positions, the police need an additional officer to meet the policing needs of the continued growth in the community.

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The housing market in Winston continues to grow, however, we do not know the full extent of the impact of COVID-19 on the economy and how it will impact new home purchasing. The following are developments currently in process:

• Lookingglass Estates	20 lots
• The Vineyards	40 lots
• Safari Estates	10 lots
• Orchard View	<u>22 Lots</u>
Total:	92 Lots

One new house produces approximately \$1,040 in new property tax revenue. When completed, this will add approximately \$95,680 in new property tax. In addition to these lots, the Safari LLC is working on development of a planned unit development that will contain a mix of condominiums and single-family housing.

The following items are not in the proposed budget because of lack of revenue to support them. They are ranked in priority need:

1. Step Thru Bagging Mower	\$8,500
2. Street Sweeper	\$305,000
3. Additional Street Surfacing	\$100,000-\$200,000/year
4. Community Center Roof	\$65,000-\$100,000
5. Riverbend Pavilion Roof	\$15,000
6. Riverbend Stage Re-Stained	\$12,500
7. RB Park Updating Outdoor Lighting	\$6,200

Again, we are constrained by revenue to accomplish all of the needs identified within the budget. One way to increase revenues without harming those on fixed or limited incomes would be to allow for recreational marijuana sales. One store could generate between \$30,000 and \$40,000 per year in new revenue. The money would be generated thru a "use tax" so only those purchasing the product would be taxed. Another potential revenue source would be to construct a small RV park in Riverbend Park. The revenue generated from the RV Park could be dedicated for use on park projects.

In closing, the City's budgets are balanced without support from the reserve funds. The Staff is committed to improving the quality of life for all citizens of Winston through furthering Council's goals, having a devoted, committed workforce and managing tax dollars efficiently and effectively within the law.