



# City of Florence Fiscal Biennium 2025-2027 Budget July 1, 2025 – June 30, 2027

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BUDGET COMMITTEE

MAY 5, 2025

Fiscal  
Biennium  
2025-2027

## Biennial Budget

CITY OF FLORENCE, OREGON

Proposed Budget



# 2025-2027 Proposed Biennial Budget Presentation

## Budget Message

Erin Reynolds, Florence City Manager and City of Florence Budget Officer



# Budget at a Glance

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## PROPOSED 2025-2027

City-Wide Total        \$ 77.1 million

General Fund         \$ 22.0 million

## PRIOR 2023-2025

City-Wide Total        \$ 76.4 million

General Fund         \$ 19.1 million

## BUDGET HIGHLIGHTS

Total Current Resources        \$63.1 million

> *Increase of 8% from prior biennium*

Total Current Expenditures    \$67.2 million

> *Decrease of 3.3% from prior biennium*

Assumes implementation of a Public Safety Fee.

All funds meet their target financial reserves,  
except:

> *Streets, Building, FEC, & Airport*

# Relation to City Work Plan

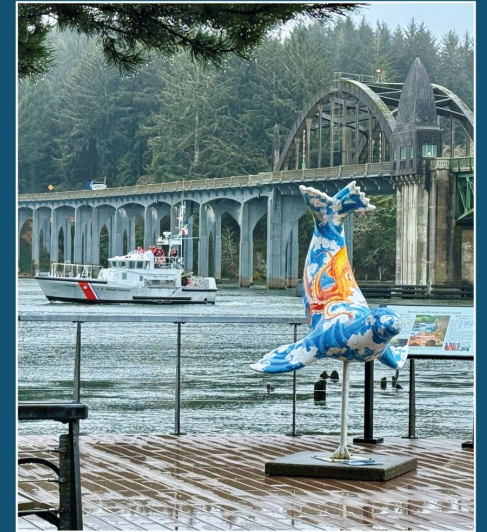
**Vision:** Oregon's Premier Coastal Community!

**Mission:** The mission of the City of Florence is to meet community expectations for municipal services, provide a vision for civic improvements, maintain a quality environment and position Florence to have an economically viable and sustainable future.

**Motto:** A City in Motion

**City Council Goals.** Providing a foundation for the City's Work Plan are five goals that City Council reaffirmed in early 2025. These goals build off the successful work of the past and address the pressing issues currently facing our city.

- **City Service Delivery.**
- **Livability and Quality of Life.**
- **Economic Development.**
- **Communication and Trust.**
- **Financial & Organizational Sustainability.**



**Work Plan**  
CITY OF FLORENCE 2025-2027



# What's in the Proposed Biennial Budget Document?

- Overall City Budget Information
- Fund Details & Summaries
- Program Narratives, Priorities, Highlights, and Changes
- Staffing & Capital Project Details
- Fund Balance Targets & Debt Service Metrics
- What's New?
  - ARPA Fund will close this biennium.
  - Gap in General Fund revenue is addressed.

Fiscal  
Biennium

2025-2027

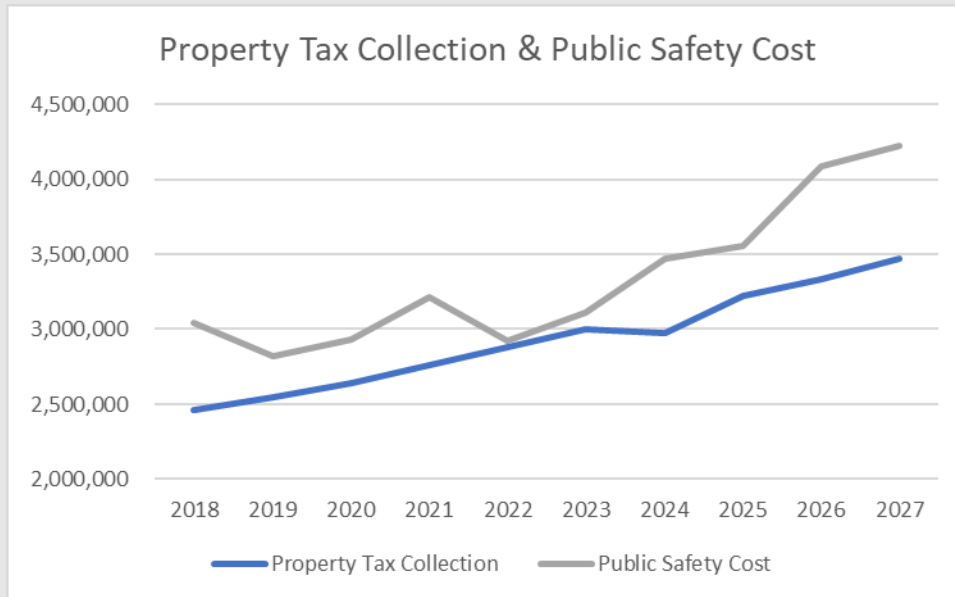
## Biennial Budget

CITY OF FLORENCE, OREGON

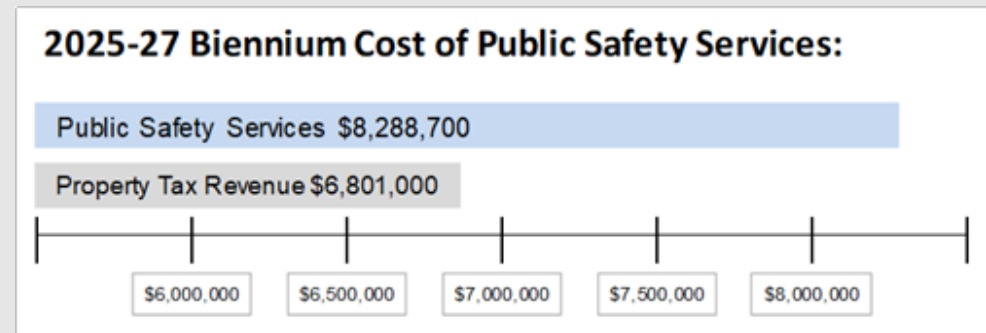
Proposed Budget

# Addressing General Fund Revenue Gap

## ANNUAL PROPERTY TAX COLLECTION COMPARED TO PUBLIC SAFETY COSTS



## 2025-27 BIENNIUM PROPERTY TAX COLLECTIONS COMPARED TO PUBLIC SAFETY COSTS





# Proposed Public Safety Fee

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## Public Safety Fee – 2025-27 Biennium Impacts

\$5 per unit beginning July 1 for Year 1, \$15 per unit beginning January 1, \$18 per unit beginning July 1 in Year 2

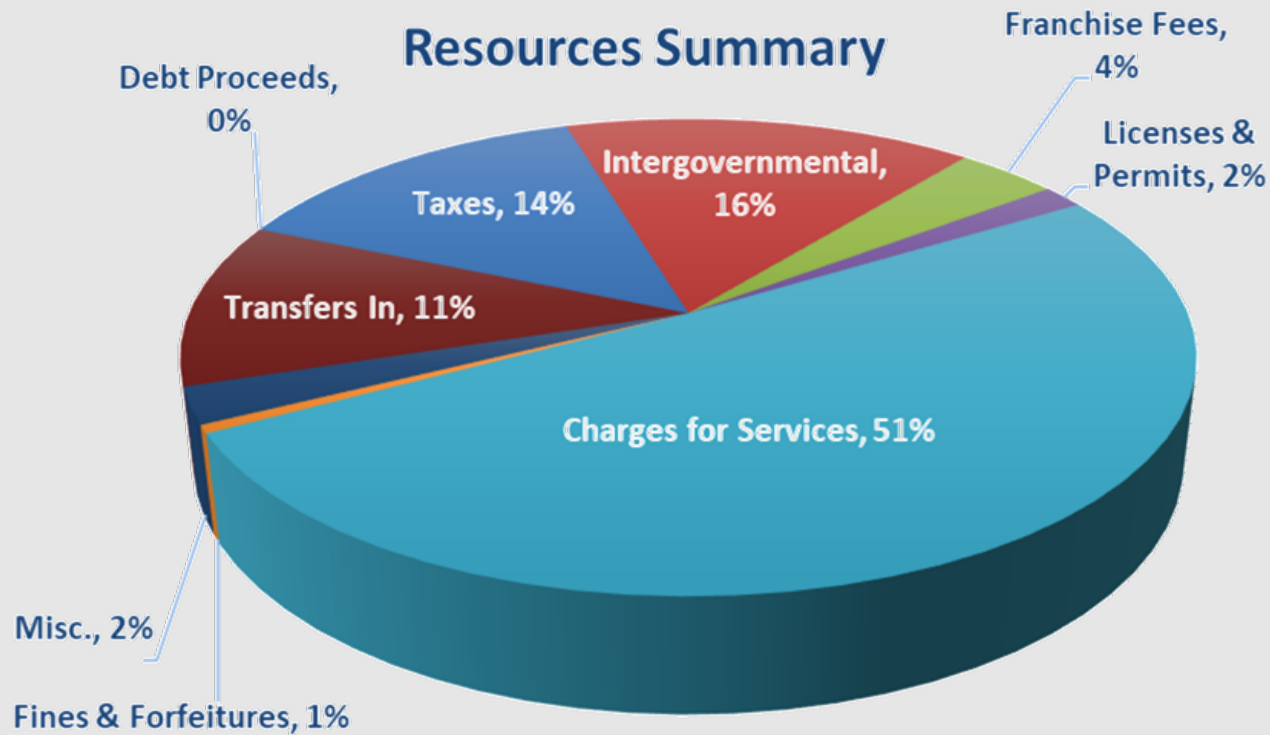
	Year 1	Year 2	Biennium
Flat Rate Total	656,160	1,181,088	1,837,248



# Resources

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## 2025-2027 Biennium Resources Summary



Current Resources: \$ 63.14 million

Beginning Fund Balance: 13.98 million

**Total Resources: \$ 77.12 million**



# Resources – By Category

Resources by Category in Millions	2023-2025 Adj Budget	Current Biennium 2025-2027	Percentage Change
Taxes	\$ 7.70	8.81	14.41%
Intergovernmental	9.62	9.84	2.24%
Franchise Fees	2.42	2.43	0.21%
Licenses & Permits	0.92	1.01	9.89%
Charges for Services	25.52	32.04	25.52%
Fines & Forfeitures	0.30	0.35	16.33%
Miscellaneous	0.67	1.56	133.88%
Transfers In	4.96	7.11	43.17%
Debt Proceeds	6.36	-	-100.00%
<b>Total Current Resources</b>	<b>\$ 58.47</b>	<b>63.14</b>	<b>7.98%</b>
Beginning Fund Balance	18.38	13.98	-23.92%
<b>Total Resources</b>	<b>\$ 76.85</b>	<b>77.12</b>	<b>0.35%</b>

# Resources – Assumptions

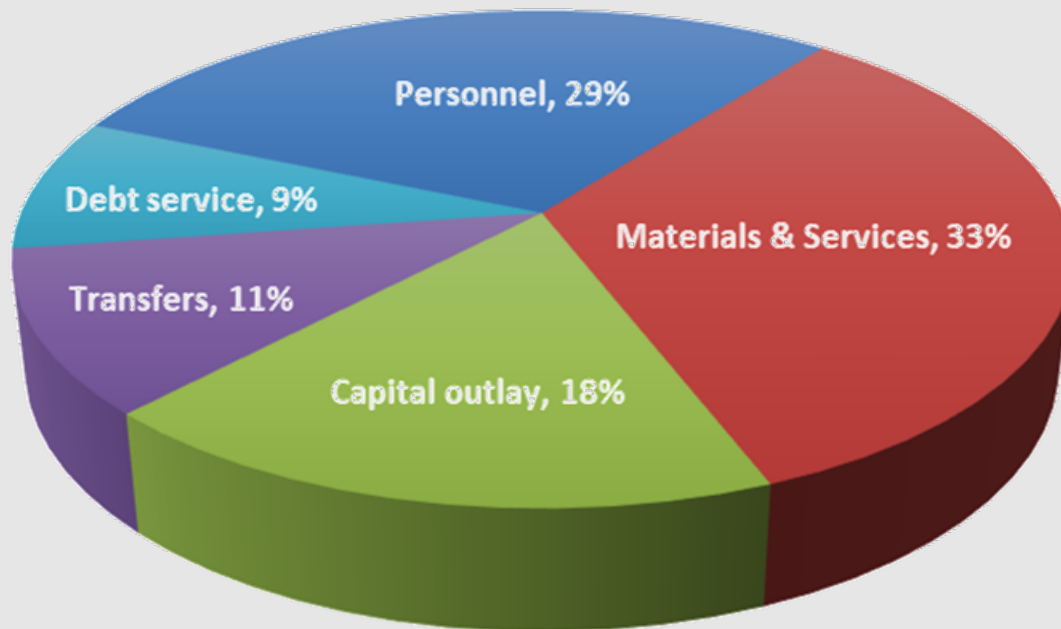
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- Property tax revenues assumed 1% growth and an increase of 3% in taxable assessed value.
- Implementation of Public Safety Fee.
- General assumption across biennium of 3% CPI.
- Street Maintenance Fee increases in both years of the biennium.
- Water, Wastewater, & Stormwater 3% increase in Year 2.
- Charges for service include internal service fees for general and public works administration.
- Building Fund fees are evaluated annually, with 5% increase proposed each year of the biennium and two additional fees.
- All other fees assumed to be increases as detailed in fiscal policies.
- Proposed discontinuation of SDC discount program, after 8 years.
- The Parks program continues to be the second most demanded City service, after Public Safety, and yet it does not have a dedicated funding source.
  - Therefore, City staff continues to seek grant funding to improve or create parks and trails throughout Florence.

# Expenditures

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## 2025-2027 Biennium Expenditure Summary



Current Expenditures: \$ 67.22 million  
Contingency: 9.90 million  
**Total Requirements: \$ 77.12 million**



# Expenditures – Personnel

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BIENNIUM TOTAL PERSONNEL COSTS:  
**\$19.63 MILLION**

TOTAL CITY FTE – CITYWIDE:	74.0
<u>ADDITIONAL CONTRACTED FTE:</u>	<u>15.3</u>
<b>NET FTE – CITYWIDE:</b>	<b>89.3</b>

- Personnel equals 29% of all expenditures.
- Increase 17.6% (\$2.95 million) over previous biennium.
- Currently, 5% (4 positions) of existing positions are currently vacant.

City Changes from Prior	Net Impact
➤ No Added FTE	0.0
➤ Removing 2.0 FTE	- 2.0
➤ <u>Fund Changes 1.5 FTE</u>	<u>0.0</u>
<b>Net Change in City FTE Positions</b>	<b>- 2.0</b>

# Expenditures – Materials & Services

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## BIENNIUM TOTAL

### MATERIALS & SERVICES COSTS:

**\$22.51 MILLION**

- Materials and Services equals 33% of all expenditures.
- Increased 13.1% over previous biennium.
- Administrative Charges are included in Materials & Services Charges.

### NOTABLE ITEMS:

- Economic Development Activities
- Building Official and Inspection Program
- Seasonal workers for the utility funds
- Legal services
- Engineering & GIS Services
- Municipal Court Judge

# Expenditures – Capital Outlay

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## BIENNIUM TOTAL CAPITAL OUTLAY:

**\$12.11 MILLION**

- Capital Outlay equals 18% of all expenditures.
- Significant decrease from previous biennium.
- No additional debt proposed during the biennium.

## NOTABLE PROJECTS:

- NW 9<sup>th</sup> Street Infrastructure Construction
- Safe Routes to School Sidewalk Project
- Coast Guard Road Siuslaw River Slope Stabilization
- Police Department Patrol Vehicle Replacement
- Cardlock Fuel Station Construction
- Airport Beacon and Wind Cone Project
- Planning for Future FEC Expansion
- Significant 911 Equipment Replacement
- Florence Senior & Activities Center Expansion



# Expenditures – By Category

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Expenditures by Category in Millions	2023-2025 Adj Budget	Current Biennium 2025-2027	Percentage Change
Personnel	\$ 16.68	\$ 19.63	17.64%
Materials & Services	19.90	22.51	13.14%
Capital outlay	22.05	12.11	-45.08%
Transfers	4.96	7.11	43.17%
Debt service	5.92	5.86	-0.92%
<b>Total expenditures</b>	<b>\$ 69.52</b>	<b>67.22</b>	<b>-3.30%</b>
Ending Fund Balance/ Contingency	7.33	9.90	34.99%
<b>Total Requirements</b>	<b>\$ 76.85</b>	<b>77.12</b>	<b>0.35%</b>

# Debt & Ending Fund Balance

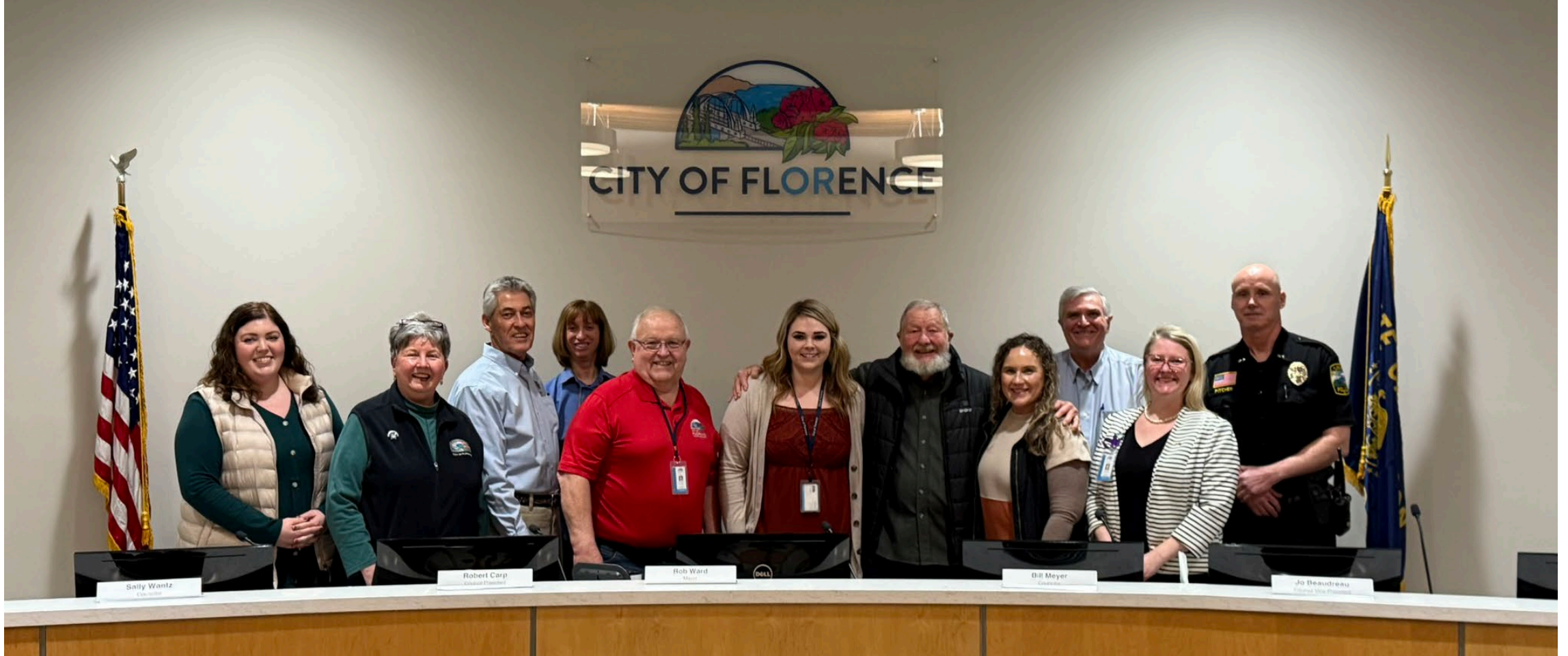
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## DEBT

- No New Proposed New Debt
- Debt Outstanding at Biennium End: \$23.01 million
- Budgeted Debt Service Expenditures: \$5.86 million or 9% of total expenditures

## ENDING FUND BALANCE

- Fund Balance Reserve Policies:
  - All funds meet policy, except the Street, Building, FEC, & Airport Funds.
- As part of the Work Plan Financial Resource Analysis, the City will be having significant policy discussions about how to fund transportation projects in the future.
- Ending Fund Balance Expectations: \$9.90 million



# 2025-2027 Proposed Biennial Budget Message Presentation

THANK YOU!



# 2025 - 2027 Budget Calendar

City Council Work Plan related meetings will be held in person on the dates indicated below in **orange**.

Internal staff meetings and deadlines indicated below in **green**.

Budget Committee & City Council meetings will be held in person beginning at 5:30 pm on the dates indicated below in **blue**.

City Budget Committee: City Council (5) & City Budget Committee Members (5).

FURA Budget Committee: FURA Board Members (9), Additional City Councilors (2), City Budget Committee Members (5), & FURA Budget Committee Members (2).

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

## JAN Work Plan Development

1/10 - City Council Work Plan Session

1/23 - City Council Work Plan Session

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

## FEB Work Plan Development

2/18 - Work Plan Final Draft to City Council

2/20 - City Council Work Plan Work Session

2/24 - City Council Work Plan Adoption

2/28 - Personnel & Administrative Charges Due

Staff will develop the proposed budget throughout the months of February and March.

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

## MAR Year End & Budget Preparation

3/4 - City Director Budget Meetings

3/5 - City Director Budget Meetings

3/6 - City Director Budget Meetings

3/28 - Department Budgets Due to Finance

Staff will develop the proposed budget throughout the months of February and March.

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

## APR Proposed Budget Finalization

4/1 - City & FURA Budget Committee Training, 5:30 pm

4/18 - Send Budget Committee Notices to Newspapers

4/30 - Print Proposed Budget Document

4/30 - Publish Proposed Budget Document to Website

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

## MAY Budget Committee Meetings

5/5 - City Budget Committee Budget Message, 5:30 pm

5/12 - City Budget Committee Meeting, 5:30 pm

5/14 - FURA Budget Committee Meeting, 5:30 pm

5/14 - City Budget Committee Meeting, after FURA meeting

5/15 - City Budget Committee Meeting (if needed), 5:30 pm

5/16 - Send Public Hearing Notices to Newspapers

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

## JUN Budget Finalization & Adoption

6/2 - City Council Budget Public Hearing, 5:30 pm

6/25 - FURA Budget Public Hearing, 5:30 pm

Adoption of FY 2025-27 Budgets by June 30, 2025.



*Thank you!*