

# YOUR CITY, YOUR BUDGET: A GUIDE TO OAK HARBOR'S 2025-2026 FINANCIAL PLAN

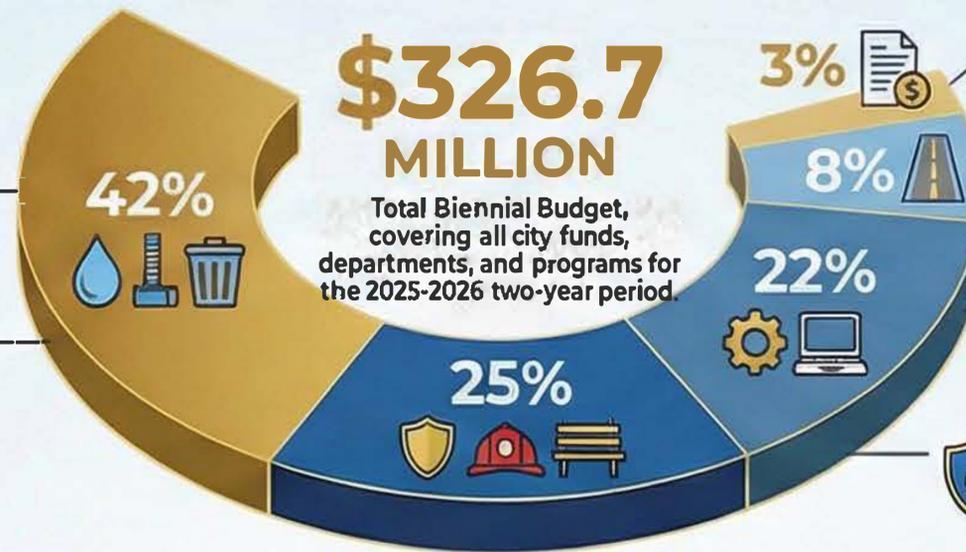
## THE BUDGET BREAKDOWN: WHERE THE MONEY GOES

### What Are Funds?

The city's budget is organized into different "funds," which are like separate bank accounts used for specific legal and operational purposes.

**DEBT SERVICE**  
Funds used to pay the principal and interest on long-term debt.

**ENTERPRISE**  
Self-supporting funds for business-like services (e.g., Water, Sewer, Marina) paid for by user fees.



**CAPITAL PROJECT**  
Funds designated for the acquisition and construction of major capital improvements like parks and buildings.

**SPECIAL REVENUE**  
Funds with specific, restricted revenue sources, such as lodging taxes or street funds from gas tax.

**INTERNAL SERVICE**  
Funds that account for services provided by one city department to another on a cost-reimbursement basis (e.g., vehicle repair, IT replacement).

**GENERAL FUND**  
The city's primary operating fund, supporting services like Police, Fire, Parks, and general government.

## YOUR TAX DOLLARS AT WORK: MAJOR CITY SERVICES

**PUBLIC SAFETY IS A TOP PRIORITY**  
The police and Fire Departments provide essential emergency response, community outreach, and safety services to protect residents.

**MAINTAINING ESSENTIAL UTILITIES**  
The provides four major utilities: Water, Sewer, Solid Waste, and Storm Drain Systems.

**ENHANCING QUALITY OF LIFE**  
The Parks & Recreation Department manages parks, recreational programming for all ages, community events, and the City Marina.

**PLANNING FOR THE FUTURE**  
Development Services helps shape the community's vision by managing the Comprehensive Plan, development regulations, and building permits.

**SUPPORTING CITY OPERATIONS**  
Departments like Finance and Human Resources provide the crucial administrative support that allows all city services to function effectively.

## HOW THE BUDGET IS MADE: A YEAR-ROUND CYCLE

**A Collaborative Process:** The budget process is a year-round activity guided by state law, involving city departments, the Mayor, the City Council, and the public.



**1. STAKEHOLDER INPUT**  
The process begins by gathering input from the community and city officials to understand needs and priorities.



**2. PRIORITIES**  
The City Council establishes its vision, mission, and priorities to guide budget preparation.



**3. NEEDS ASSESSMENT**  
Departments assess their needs and develop proposals for services and projects.



**4. DIRECTION TO STAFF**  
The Mayor's office provides direction to city staff to develop the preliminary budget.



**5. OPERATING/BUDGET IMPACTS**  
Staff analyzes the financial impacts of requests and drafts the "base budget."



**6. REVIEW & DEVELOPMENT**  
The Mayor and Finance department review department requests and finalize the preliminary budget document for the Council.



**7. ADOPT BUDGET**  
Public hearings are held, allowing for community feedback before the City Council formally adopts the final budget.



**8. ADJUST AS NECESSARY**  
The budget is monitored and can be adjusted throughout the two year cycle to respond to changing needs.