



City Of **Oregon City, Oregon**



Proposed Biennial Budget 2023-2025

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CITY OF OREGON CITY, OREGON

Proposed 2023-2025 Biennial Budget

BUDGET COMMITTEE

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Commissioner Adam Marl
Commissioner Michael Mitchell
Commissioner Frank O'Donnell
Commissioner Rocky Smith, Jr.

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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For the Biennium Beginning

July 01, 2021

Christopher P. Morrell

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Oregon City for its biennial budget for the period beginning July 1, 2021 and ending June 30, 2023. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. This award is valid for a period of two years only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for the award.

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Photos throughout the Oregon City 2023-2025 Biennial Budget are courtesy of Jarrod Lyman, Communications Manager.



BUDGET MESSAGE

April 27, 2023

Honorable Mayor McGriff and City Commissioners,
Budget Committee Members, and Citizens of Oregon City

INTRODUCTION

It is my pleasure to present the 2023 - 2025 Biennial Budget for the City of Oregon City. The budget is balanced and has been prepared in accordance with Oregon budget law. Oregon City's biennial budget is designed to coordinate with the City Commission election and goal setting process. In addition, budgeting every two years saves significant administrative time, allowing policy makers and staff more time to focus on important projects for the community.

As a result of the leadership of our City Commissioners, Oregon City is positioned to serve our residents more effectively than at any other time in recent history. The Commissioners, City staff and community volunteers have worked hard to achieve extraordinary goals the past few years. As discussed below and throughout the budget document, improvements continue to be made in every service area, and we are budgeting strategically to remain fiscally strong.

This message provides an executive summary of the budget document and is divided into four sections. First is a budget overview, including an explanation of the total biennial budget and some of the changes being made to better support our community. The second section provides budget highlights of City Commission priorities and important department specific goals. The third section gives information on the City's major funds including summaries of revenues, expenditures, and key programs. Finally, the message includes a description of the fiscal policies and budget assumptions that guided the development of the budget.

BUDGET OVERVIEW

The proposed budget for the period July 1, 2023 through June 30, 2025 is \$281.3 million. The budget is designed to enhance *Core Services* provided for the citizens of Oregon City. These core services include police protection, parks and recreation, community planning, safe buildings, maintenance of streets, and the provision of safe drinking water and sewer treatment services. In addition, Oregon City continues to provide services to both city and county residents at the library and is working to improve tourism opportunities through supportive programs and increased and targeted marketing.

Along with prioritization of core services, the City Commission is dedicated to improving livability in the community through the accomplishment of *City Commission Goals*. The proposed budget includes funding for the priorities that were identified by the City Commission during their biennial goal-setting process.

There are two types of funding available to provide core services and accomplish Commission goals and priorities – *discretionary* and *dedicated*. Dedicated funds make up the vast majority of the City's budget and include resources that are legally or contractually restricted for specific services. For example, water utility payments are exclusively used to maintain the City's drinking water system.

Discretionary revenues can be used for general purposes and are typically accounted for in the City's General Fund. Property taxes are the most specific example of discretionary revenues and are allocated to police and parks and recreation. Each budget cycle, the City estimates discretionary resources and determines if additional funding will be available for core services or to address City Commission priorities. While many General Fund expenditures are technically not discretionary, the level at which they are funded is discretionary.

**City of Oregon City
Proposed Budget
2023 - 2025 Biennium**

Discretionary		Dedicated	
General Fund		General Fund	
Policy & Administration	\$ 10.7	Policy & Administration	\$ 3.8
Police	27.6	General Government	0.3
Parks & Recreation	12.5	Tourism/Grants/Donations	4.0
General Government	4.7	Pass-Through	0.7
Transfers to:		Unappropriated Fund Balance	5.2
Library	0.5	Library	10.4
Planning	0.7	Planning	4.0
Transportation	0.4	Building	10.6
Reserves	1.6	Transportation	19.0
Equipment Replacement	4.4	Water	27.1
<i>Total Discretionary</i>	<u>\$ 63.1</u>	Wastewater	49.5
		Stormwater	11.3
		Public Works	6.6
		System Development Charges	42.1
		Equipment Replacement	5.9
		Community Facilities	11.3
		Debt Service	6.4
		<i>Total Dedicated</i>	<u>\$ 218.2</u>
		Total Budget	<u>\$ 281.3</u>

(amounts presented in millions)

The table above provides a breakdown of discretionary and dedicated resources for the entire City budget. The budget includes \$63.1 million in programs funded with discretionary revenues. Policy and Administration comprises \$10.7 million or 17% of the discretionary budget. The collection of departments in this category includes the City Commission, City Manager, City Recorder, Finance, Municipal Court, Human Resources, Economic Development, and Information Technology. The proposed budget modestly expands existing service levels for Policy and Administration, primarily through the addition of an Assistant City Manager and part-time Community Engagement specialist, and funding items recommended from the Information Technology strategic plan.

A portion of Policy and Administration includes \$3.8 million of funding from dedicated resources. For example, support departments, such as City Manager, Finance, Human Resources, and Information Technology, provide services to Library, Community Development, and Public Works funds. The General Fund budget also includes \$4 million in dedicated funds for the City's Tourism program, Community Enhancement Grant program, and dedicated Parks donations. In addition, \$0.7 million is budgeted for pass-through payments to the County and State. Finally, \$5.2 million of Unappropriated Fund Balance in the General Fund is considered dedicated in compliance with City Reserve policy.

The Police Department is the primary focus of the City's discretionary resources with \$27.6 million in the General Fund and an additional \$0.7 million in an equipment replacement reserve for equipment and vehicles. The Department represents 45% of discretionary resources.

Parks and Recreation is budgeted at \$12.5 million in the General Fund and \$0.6 million in a reserve for equipment and vehicles, totaling 21% of discretionary funding. Key funding is included in this budget to complete the Parks Master Plan, enhance security at various parks, finish the final phase of the Veterans Memorial rehabilitation, and expand niche capacity.

The General Government category includes \$4.7 million in expenditures for city-wide shared costs and for programs that benefit the entire city, which represents 7% of discretionary funding. Examples of shared costs are general liability, property insurance, and building maintenance and utilities. City-wide programs include street lighting and facilities management. Other discretionary support is provided by transfers to the Library, Planning, Engineering and Transportation (to operate the Municipal Elevator). A portion of General Government includes \$0.3 million in funding from dedicated resources through the services of the Facilities Department to Library, Community Development, and Public Works funds.

The General Fund budget includes an ending balance of \$9.3 million, which is comprised of three types of reserves. *Contingency* represents a reserve for unanticipated events or opportunities during the biennium and is accessible through approval of the City Commission. The City's target is 10% of annual operating expenses. Contingency for the biennium is 5.4% or \$1.6 million. *Unappropriated Ending Fund Balance* represents operating funds set aside to begin the following biennium. The City's reserve policy follows the recommendation by the Government Finance Officers Association of at least 17% (two months) of annual operating expenses, which is \$5.2 million. Oregon budget law restricts access to unappropriated ending fund balance to emergency situations (involuntary conversion, civil disturbance, or natural disaster). Strong reserves also help to maintain the City's strong credit rating, significantly lowering the costs of borrowing. *Reserve for Future Expenditures* represents \$2.5 million of funds at the end of the biennium that are restricted for specific purposes to be spent in a future budget period. There is no specific target for this balance as it is based solely on specific purposes, such as grant funds, donations, or tourism revenue.

BUDGET PRIORITIES

The City Commission holds a formal goal setting process every two years to establish policy direction and goals for the upcoming biennium. The proposed budget is then prepared based on achieving those goals. This budget includes City Commission priorities and meets legal and departmental operating requirements.

The City Commission and executive staff participated in the goal-setting process in March 2023 and developed the **CITY COMMISSION 2023 – 2025 GOALS**. A list of the Commission's goals and priorities can be found immediately following this budget message. In addition, copies of the Goals booklet will be available at City Hall and on the City's website once finalized.

Highlights of the proposed budget include continuing funding toward Commission goals, greater investment in information technology infrastructure, increased investment in transportation, water, wastewater, and stormwater projects, further development of the City's Economic Development and Tourism Plans, investigating the creation of a Destination Marketing Organization, investments in Diversity, Equity and Inclusion, addition of an Assistant City Manager position, and improving citizen engagement in the local government process. Additionally, the City is entering the second and third years of the 3-year contracts with both the Oregon City Police Department and AFSCME, and the costs associated with fulfilling staffing all existing positions is reflected in the proposed budget. The proposed budget maintains existing services, incorporates larger than normal increases due to high labor and materials inflation, and provides for some additional priorities to be incorporated.

American Rescue Plan Act (ARPA)

The City received \$8.3 million in ARPA funds. \$7.6 million was anticipated and budgeted in the current biennium for water infrastructure (\$5.6 million), broadband (\$0.2 million), tourism (\$0.1 million), and transportation (\$0.3 million), with \$1.4 left unallocated. The City received \$0.7 million more than originally anticipated. In 2022, City Commission approved the additional \$0.7 million additional funds and the \$1.4 million of unallocated funds toward a downtown bathroom, homelessness, community meeting spaces, facilities reconfiguration, updating downtown parking kiosks, elevator security enhancements, and grant match for Quiet

Budget Message

Zone and courthouse projects. \$0.6 million will carry over into the 2023-2025 biennium in the General Fund contingency (\$0.4 million toward homelessness solutions and \$0.2 unallocated).

MAJOR FUNDS

General Fund

The General Fund includes programs that are funded by property taxes and general revenues, rather than specific dedicated revenue sources. Police and parks are the primary service areas, as well as economic development and departments that provide city-wide support.

Property tax revenues are projected at \$32.9 million for the biennium. This reflects estimated increases of 3.7% in the assessed value of property for each of the two years, with minimal compression, and 95.5% collection rates after discounts and delinquencies. The budget maintains a property tax rate significantly below the maximum allowed under law. This is very rare for cities in Oregon and saves single family homeowners in Oregon City more than \$324 annually, based on a typical new home's taxable assessed value of approximately \$500,000.

The remaining major sources of revenue for the General Fund are: rights-of-way user (franchise) fees in the amount of \$9.1 million for the biennium, intergovernmental revenues of \$4.5 million, charges for services (primarily park programs and parking revenues) of \$3.7 million, Municipal Court and other program fines and penalties of \$2.2 million and internal service charges of \$4.1 million. Internal service charges provide a mechanism for all departments to pay a fair share for administrative functions like the city manager's office, finance, human resources, information technology, and facilities management. Other revenues totaling \$4.1 million include pass-through revenues paid to the County and State on traffic fines, licenses and permits, assessments and other taxes (lodging and marijuana), and interest income.

The Police Department, with a total budget of \$27.3 million, is the largest department in the General Fund, representing 45% of expenditures. Policy and Administration (City Commission, City Manager, City Recorder, Finance, Municipal Court, Human Resources, Economic Development, and Information Technology) has a budget of \$15.7 million, which is 26% of expenditures. The Economic Development budget is \$2.7 million and includes the tourism and community enhancement grant programs. Parks and Recreation (Parks and Cemetery Maintenance, Recreation and Aquatics, and Pioneer Community Center operations) has a budget of \$12.3 million, which is 20% of expenditures. General government expenditures are budgeted at \$4.8 million, which is 8% of expenditures, and include overall community enhancements (street lighting on City roads, investments in heritage assets and elevator operation) and shared City services (including facilities maintenance and general liability insurance).

Transfers out, while not classified as expenditures, comprise the remaining requirements from the General Fund and includes payments into equipment reserve funds for elevator operations and support to the Library, Planning, Development Engineering, and Transportation service areas.

At the conclusion of the biennium, available reserves, or ending reserves, are \$9.3 million. These reserves are necessary to provide working capital for the beginning of the next budget cycle (\$5.2 million) and to provide protection against unexpected changes in financial conditions (\$1.6 million). General Fund reserves are particularly important to municipalities in Oregon because of limitations on the ability to increase tax revenues. An additional \$2.5 million has been reserved for future expenditure. This includes dedicated resources restricted for the City's Tourism Program, park donations, and Community Enhancement Grants.

Library

The Library Fund is budgeted at \$10.3 million for the biennium. District property taxes are projected at \$5.5 million and comprise 54% of total resources. The remaining significant resources are a beginning fund balance of \$4.2 million and transfers in of \$0.5 million from the General Fund. The City's General Fund has contributed at least \$0.3 million each biennium for the past three biennia; initially to save for the recent expansion of the

Library facility, and after that, to support debt service payments on the bonds that funded that expansion. These remaining resources represent 41% and 4% of total resources, respectively.

The Fund accounts for all Library operations. The budget for staffing and materials purchases is \$6.0 million. Principal and interest payments on the new library bonds are \$0.8 million. The Fund is left with \$3.6 million in ending fund balance (contingency). The Library continues to provide exceptional service to the residents of Oregon City, achieving high marks on the recent community survey.

Community Development Funds

The Community Development Department manages two funds: the Planning Fund and the Building Fund.

The Planning Fund is budgeted at \$4.0 million for the biennium. The primary revenues are charges for services, including \$0.7 million to customers, primarily for review of land use applications, and \$0.7 million for long-range planning services provided to other departments. Transfers in from the General Fund are \$0.7 million to support the Planning Division and services provided to the community.

Pass-through revenues and expenditures total \$1.2 million. The City collects school excise taxes on behalf of the Oregon City School District and remits the funds to the district for construction of school facilities.

The Building Fund total budget is \$10.6 million. Licenses and permits revenue of \$3.4 million are projected to fund operations for the biennium, with resources over operating expenses added to reserves. Pass-through revenues of \$0.6 million include State surcharge and Metro construction excise tax monies that are collected and remitted to those agencies. Operating costs are budgeted consistently with the prior biennium, with the addition of 1.0 FTE for an additional Plans Examiner.

The building program ensures that new facilities constructed in the City are safe and structurally sound. Because the economy and development trends have such a significant impact on revenues, managing the program requires balancing immediate service needs with sustaining the program over a long-term. As a result, it is common for Building funds to accumulate larger ending fund reserves (contingency) during times of active development. The Building Fund ending reserve is budgeted at \$5.5 million, 125% of expenditures.

Public Works Funds

The Public Works Department operates in a series of funds, including the Engineering Fund and one for each of the City's utilities: Transportation, Water, Wastewater, and Stormwater. The utility systems all have unique operational and infrastructure maintenance needs. The Public Works Department is in the approval process for the Water Infrastructure Finance and Innovation Act program which will provide for significant water infrastructure investment over the next several years.

Transportation

The Transportation Division is responsible for the construction and maintenance of roadways, pathways, sidewalks, traffic signalization and guardrails. Street Operations (gas tax funded) and Pavement Maintenance (utility fee funded) are accounted for separately within the Transportation Fund.

The Transportation Fund includes state gasoline tax revenue, which is anticipated at \$6.1 million for the biennium and, in accordance with State law, is required to be spent on transportation system improvements, safety enhancements, and roadway maintenance. The Fund also includes nearly \$1.6 million in Clackamas County vehicle registration fee revenue. The Transportation Fund also collects revenues estimated at \$6.2 million from the pavement maintenance utility fee. That revenue is restricted for use in accordance with the City's annual pavement maintenance plan.

Expenses in the fund include \$8.5 million for transportation operations and maintenance, \$1.5 million for the Highway 213 and Beavercreek Road turn lane project, and \$5.3 million for city-wide roadway reconstruction projects. Other important capital projects include Maple Lane and Linn/Leland/Warner Milne roundabout conceptual designs, as well as several sidewalk enhancements designed to improve pedestrian safety.

Budget Message

Additionally, transfers of \$1.5 million will be made to save for future facility needs, as well as for the funding of fleet replacement reserves.

Water

The Water Division maintains and distributes the City's potable water supply and protects public health by closely monitoring the distribution system and complying with all safe drinking water standards. Division activities are accounted for in the Water Fund.

The Water Fund is budgeted at \$27.1 million for the biennium. Water utility charges are projected to be \$16.4 million, of which nearly \$4.3 million is remitted to South Fork Water Board for the purchase of treated water. Water rates are budgeted with a slight growth in accounts as well as inflationary increases of 3% each year. Operating expenses are generally consistent with the prior biennium, with an increase in internal service charges as referenced in the General Fund section above.

In the current biennium, voters rejected a ballot measure allowing for a temporary increase above the 3% charter limit on water rates. However, voters did approve a ballot measure allowing the City to issue debt to fund necessary capital projects. The City is in the approval process of a \$14 million loan with the Federal Environmental Protection Agency (EPA) through the Water Infrastructure Finance and Innovation Act (WIFIA) program. The City will use water revenue, ARPA funds, and water SDC funds to provide the 51% match to the loan funds. The WIFIA loan is expected to close in July 2023 at a historically very low interest rate between 4-5%. Detailed information may be found in the Water Fund portion of this budget.

Wastewater

The Wastewater Division is responsible for the operation, maintenance, and improvement of the City's sanitary sewer collection system. Division activities are accounted for in the Wastewater Fund.

The Wastewater Fund is projected to receive \$14.4 million in utility revenue for the biennium. This includes inflationary increases of 3% each year. For the biennium, approximately \$0.7 million in rights-of-way usage charges are collected from the County's regional treatment plant and are allocated to support wastewater infiltration and inflow reduction programs. The fund is budgeted to collect \$15.0 million in pass-through charges as well. Those funds are collected from customers for the Clackamas County Tri-City Sewer District. The City also entered into an intergovernmental agreement (IGA) with Water Environmental Services to help fund the City's Infiltration and Inflow (I & I) projects. The IGA is anticipated to generate \$7.1 million in Wastewater revenue.

The proposed budget includes projects to address I & I in the sanitary sewer collection system. The Wastewater expenditure budget includes \$17.4 million in capital spending to further the City's efforts to reduce the infiltration and inflow of ground water into the sanitary sewer system and an additional \$3.8 million to manage the I & I project. Additional projects include generator replacements at five pump station facilities and various pipe and manhole replacement projects.

Stormwater

The Stormwater Division is responsible for the operation, maintenance, and improvement of the City's systems of water runoff conveyance, flood control, and pollution remediation and reduction. Division activities are accounted for in the Stormwater Fund.

The Stormwater Fund is budgeted to receive utility revenue of approximately \$8.1 million. The City Commission adopted a new Stormwater Master Plan in 2020 through the execution of Ordinance 19-1014 and became effective April 17, 2020. A rate study completed in 2021 recommended an annual increase of 8% for five consecutive years beginning January 1, 2022 and ending January 1, 2027. The new rates were adopted by the City Commission resolution in July 2021. The proposed budget reflects the 8% increase each year of the biennium.

Expenditures are for staffing and contracts to clean and maintain 23 drainage basins, 85 detention ponds, 4,500 catch basins, 25 miles of streams and 26 underground detention tanks. The catch basins are cleaned annually,

and the detention ponds undergo scheduled maintenance eighteen times each year. The Stormwater capital budget includes \$2.2 million for Rivercrest neighborhood infrastructure improvements and improvements to the Beemer Way and Barclay Hills outfalls.

System Development

System Development Charges (SDCs) are collected on new development to fund future capacity-increasing projects required to meet the demands of related growth. SDCs fund projects in Parks, Transportation, Water, Wastewater, and Stormwater. Each utility is accounted for separately.

The Parks Division is projected to receive \$1.0 million in SDCs during the biennium. The Parks and Recreation Department will soon be updating the Parks and Recreation Master Plan to inform development decisions; however, several important projects are already identified. The SDC budget includes \$0.3 million in capital outlay for potential property purchases.

Transportation Division SDC revenue is budgeted at \$5.0 million for the biennium. Project funding totals \$6.8 million, including \$2.1 million for Holcomb Boulevard Safe Routes to School (SRTS) project. Other projects include \$1.5 million for a Linn/Leland/Warner Milne roundabout and \$1.5 million for the Beavercreek Road ARTS grant match, as well as several crosswalk enhancements designed to improve pedestrian safety.

The Water Division anticipates \$3.0 million in SDCs for the biennium. Revenues and reserves will be utilized to fund WIFAI projects to match the loan funds.

Wastewater Division SDC revenue is budgeted at \$1.0 million for the biennium, with no significant SDC eligible capital projects proposed.

The Stormwater Division is anticipated to receive approximately \$0.4 million for the biennium, with one capital project budgeted for \$0.1 million for Holcomb Boulevard capacity improvements.

FISCAL POLICIES AND BUDGET ASSUMPTIONS

As discussed above, the Biennial Budget was developed with a focus on achieving City Commission goals and priorities and maintaining vital municipal operations and important departmental goals that are designed to provide efficient and quality services to our citizens. The following fiscal policies and assumptions were also used to guide the budget process.

Revenues

Revenues are forecasted moderately to maintain operations and support necessary ending reserves. Major revenue assumptions include assessed value increases for property taxes of 3.7% in each year of the biennium. Utility rates for water, wastewater, stormwater, and pavement maintenance are budgeted for inflationary increases only, and stormwater rates are budgeted as prescribed by City Commission resolution in 2021 to increase by 8% from 2022 to 2026. Consistent with restrictions imposed in the Oregon City Municipal Code, the Community Safety Advancement Fund fee will not be adjusted. Other charges for services and general revenues are calculated based on a historical average with consideration for external economic factors.

Expenditures

To support our employees, personnel services are budgeted with cost-of-living increases that are consistent with contractual and regional inflation expectations. While medical costs have remained stable for eight years (the City requested proposals for medical services five years ago), renewal rates for the biennium are estimated to range from 4% to 8.1% increase for medical over the two years, with minimal increases for dental.

Public Employees Retirement System (PERS) rates will increase by 1.3% to 5.0% of covered payroll effective July 1. Rate increases are lower than originally projected or anticipated. However, these rates are subject to change each biennium, so the City will continue to carefully monitor the impact of PERS.

As part of the budget request process, departments prepared budgets with flat or inflationary increases in materials and services costs and in capital purchases, assuming minimal change for each of the two years over

Budget Message

current budget funding levels. Requests for expanded services were measured against available discretionary resources. Capital improvement/development fund budgets are exceptions to the capital guidelines because projects are often funded with non-operating resources and reserves accumulate in these funds over time to pay for required improvements. Departments were directed to maintain existing service levels while continuing to provide the highest quality service possible.

CONCLUSION

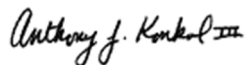
Oregon City continues to embrace the wealth of historical resources in our City while planning for the community that we would like to be in the future. The City Commission has emphasized the need to begin implementing and completing projects that have been identified and prioritized. The proposed budget, guided by the Commission's Goals, balances the investment of the existing revenues being received in order to continue to provide the vital municipal services, needed infrastructure, and programs that are benefiting the community.

The proposed budget was created to address current needs of the City and to position our resources to address the fiscal challenges that lie ahead, such as the inflationary impacts on wages, materials and services provided by the City. While revenues have generally returned or are nearing pre-Pandemic levels, new challenges associated with staffing levels, materials and labor inflation, and utility costs are increasing faster than revenues being generated. Balancing the need to address immediate needs with long-term, prudent fiscal decision making has resulted in a budget that provides additional staffing, identifies funding for priority projects and does not raise taxes. This will also require that, as we move forward, we actively monitor the budget and the programs that the City provides to ensure that we meet the revenue and expenditure assumptions that we have made.

I would like to thank the Directors, Managers and Staff that helped to prepare this budget. Their understanding of upcoming projects and programming needs and their commitment to making Oregon City an amazing community is greatly appreciated and evident in the work they complete.

I would also like to thank the Mayor and the Commission for their leadership and guidance in preparing the goals for the City and representing the community through their many hours of volunteerism. I look forward to working with the Commission and the Budget Committee members as we review the proposed budget and continue to make Oregon City a wonderful place to live and work.

Sincerely,



Anthony J. Konkol III
City Manager

CITY COMMISSION GOALS

In addition to regular public meetings, the Oregon City Commission meets for an extended period every two years to develop and adopt a list of goals for the upcoming biennium. Included with this, or formulated subsequently, are the priorities, strategies, approaches, and milestones associated with these goals. The City Commission Goals serve as the framework for budget development and help to identify and address long-term funding requirements and budget strategies as well as prioritize limited resources. The budget is prepared to support and accomplish those priorities during the biennium. The City's long-term goals should not be confused with the City's budget. The budget is the legal authority for spending and focuses on the near-term (the biennium). Goals may continue beyond the two-year budget period.

OREGON CITY VISION

Embrace and advance Oregon City's historic role as a regional leader

MISSION

Build a dynamic community that leads the State in safety, economic opportunity, livability, and historic significance

GOALS

- Goal 1: DIVERSITY, EQUITY, AND INCLUSION / SAFE INCLUSIVE COMMUNITY** - Create a collaborative environment to promote diversity, equity and inclusion resulting in a safe, inclusive community and organization.
- Goal 2: INFRASTRUCTURE/CITY SERVICES** – Invest in current and future capital needs for safe, sustainable infrastructure and City services.
- Goal 3: GOAL 3: COMMUNITY ENGAGEMENT** – Increase engagement efforts to bring more residents into the policy-making process and ensure all neighborhood associations are active with the Citizen Involvement Committee.
- Goal 4: HOMELESSNESS** – Enact homelessness plan and increase public knowledge of the plan and resources available for the homeless while reducing the visual and safety impacts of homelessness in the community.
- Goal 5: TOURISM & ECONOMIC DEVELOPMENT** – Create and promote a tourism infrastructure that doesn't negatively impact neighborhoods and support economic development to promote a healthy, sustainable local economy.
- Goal 6: HOUSING** – Anticipate state mandates and tailor local policies to best fit the needs of the community while balancing public infrastructure investment for current and future residents.
- Goal 7: ENVIRONMENT** – Protect and preserve our environmental and natural resources for a healthy, sustainable community.



Oregon City Commission:
Rocky Smith, Jr., Adam Marl, Mayor Denyse McGriff, Frank O'Donnell and Michael Mitchell

GOALS REPRESENTED IN THE PROPOSED BUDGET

In recognition of the Oregon City Commission's intent to develop specific strategies and projects supporting the seven goals over an extended period with quarterly work sessions, the connection between the goals and the 2023-2025 Proposed Budget is expressed below with a list of specific funds and departments that are positioned to execute the direction of the Commission as this process unfolds through the budget process and beyond.

Goal 1: DIVERSITY, EQUITY, AND INCLUSION / SAFE INCLUSIVE COMMUNITY - Create a collaborative environment to promote diversity, equity and inclusion resulting in a safe, inclusive community and organization.

- General Fund – Human Resources – \$150,000

Goal 2: INFRASTRUCTURE/CITY SERVICES – Invest in current and future capital needs for safe, sustainable infrastructure and City services.

- General Fund – Information Technology – \$390,000
- General Fund – Parks – \$85,000 Parks planning, including SDC study
- Public Works Funds – Capital Projects - \$55,000,000
- Public Works Fund – Transportation - \$360,000 Sidewalk and Bike Lane Safety/Infill

Goal 3: GOAL 3: COMMUNITY ENGAGEMENT – Increase engagement efforts to bring more residents into the policy-making process and ensure all neighborhood associations are active with the Citizen Involvement Committee.

- General Fund – City Commission - \$60,000 for neighborhood association costs
- General Fund – City Manager – \$450,000 for Communications Manager and part-time Community Engagement Specialist

Goal 4: HOMELESSNESS – Enact homelessness plan and increase public knowledge of the plan and resources available for the homeless while reducing the visual and safety impacts of homelessness in the community.

- General Fund – Contingency – \$400,000 identified from ARPA funds yet to be spent
- General Fund – Police - \$741,000 for Homeless Liaison Officer and Behavioral Health Specialist
- General Fund – Parks - \$40,000 for camp cleanup
- Public Works Fund – Transportation - \$400,000 Sidewalk Assistance Program

Goal 5: TOURISM & ECONOMIC DEVELOPMENT – Create and promote a tourism infrastructure that doesn't negatively impact neighborhoods and supports economic development to promote a healthy, sustainable local economy.

- General Fund – Economic Development – \$1,260,000

Goal 6: HOUSING – Anticipate state mandates and tailor local policies to best fit the needs of the community while balancing public infrastructure investment for current and future residents.

- Planning Fund – \$150,000 Expand housing choices and develop a housing strategy

Goal 7: ENVIRONMENT – Protect and preserve our environmental and natural resources for a healthy, sustainable community.

- Planning Fund – \$90,000 Tree canopy
- Public Works Funds – \$335,000 National Pollutant Discharge Elimination System (NPDES) requirements/sampling; Water compliance/monitoring and backflow prevention program



BUDGET GUIDE

One of Oregon City's most important priorities is adopting a budget which establishes how the City plans on meeting the needs of its citizens. As such, the budget document serves four purposes:

- ❖ A policy document: Oregon City reviews the priorities and goals for the community for the next two years and establishes policy on which ones will be funded in the next biennium.
- ❖ A communication device: It is a resource for citizens to learn more about the operations of the city government; it summarizes significant budget issues (needs, economic factors and constraints), trends and choices made.
- ❖ A financial plan: It summarizes major revenues and expenditures and shows how the organization plans to fund the choices made.
- ❖ An operational guide: It identifies work programs and goals to be achieved for each department or unit in the coming fiscal year.

This budget document has been organized to ensure it meets those four functions. The document is arranged to provide City-wide information, fund summaries, and department detail budgets. Oregon City's budget document is divided into the sections as shown below:

INTRODUCTION

- ❖ Budget Message: Highlights the major provisions that have been included in the budget, describes fiscal policies for the coming fiscal year and any significant changes, discusses the major changes from the previous year in appropriations and revenues and the major policy issues that were considered
- ❖ City Commission Goals: City vision and mission along with Commission goals and

priorities which provide the foundation and direction for this budget

- ❖ Budget Guide: Instructions on how to use the Budget Document
- ❖ City Profile: Demographic, statistical and economic information, trends and assumptions that impact the budget
- ❖ Budget Process: Discussion of several specific steps that must be followed during the budgeting process including a budget calendar, an overview of how Oregon City's budget is developed, and information on budgeted funds and their organization
- ❖ Financial Policies: The City's major financial policies that shape or impact the budget process
- ❖ Citywide Organization Chart

BUDGET SUMMARY

- ❖ Total Budget: This section gives the reader a snapshot of the City's entire budget. This section contains high level summaries and charts.
- ❖ Fund Summary: This section breaks down the City's budget by fund. Under Oregon budget law, expenditures are generally broken down first by fund, then by department and/or program, then by object classification. A fund is a balancing set of accounts set aside to carry on a specific activity or to meet certain objectives in accordance with a specific regulation. Later in this book, expenditures will be described by department, program and object classification.
- ❖ Revenue Assumptions and Trends: This section contains information about the City's primary sources of revenue across all funds, including historic trends. The section also provides a brief explanation of Oregon's property tax system and the City's property tax revenues and assessed valuation.

FUNDS AND DEPARTMENTS

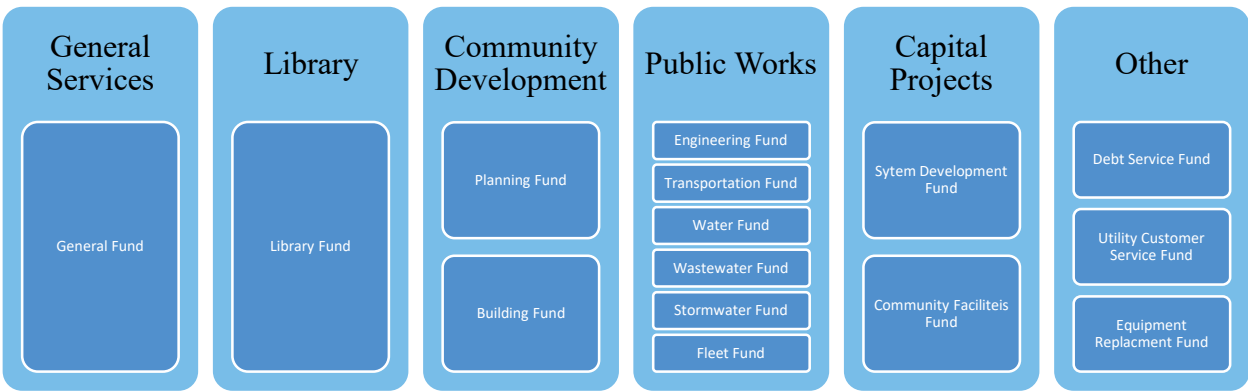
Oregon City’s budget is organized by service area reflecting the major functions the City provides for its citizens. These service areas are then broken out into funds which account for the revenues, expenditures and reserves. The funds are then broken down further into one or more organizational units.

General Services, which are all included in the General Fund, include Policy and Administration, Police, Parks & Recreation, and General Government as organizational units.

Library, **Community Development**, and **Public Works** are each broken down further into funds in which the service area is the sole organizational unit within the fund.

Capital Projects and **Other** each include multiple funds with multiple organizational units.

The graphic below further explains this relationship. More information about the City’s funds and organizational units can be found in the Budget Organization portion of the Budget Process section.



The information in the Funds and Departments section is organized as follows:

- ❖ Organization Chart
- ❖ Budget Overview: Provides a snapshot of revenues and expenditures including budgetary highlights
- ❖ Department Narrative: Provides an overview of the department and programs, long term goals and objectives tied back to the organizational goals, accomplishments, selected performance measures, and significant budget changes
- ❖ Summary of Department and Program Expenditures: Additional information on departmental expenditures by Object Classification:
 - ♦ Personnel Services
 - ♦ Materials & Services
 - ♦ Capital Outlay
 - ♦ Special Payments
 - ♦ Debt Service

- ♦ Transfers
- ♦ Operating Contingency
- ♦ Reserved for Future Expenditures
- ♦ Unappropriated Ending Fund Balance

ADDITIONAL INFORMATION

This final section contains a variety of other budget-related information that may be useful to the reader in understanding Oregon City’s budget and policies. This section includes:

- ❖ Personnel: Summary of personnel changes, positions, cost and trends
- ❖ Capital Improvement Program: Overview of capital program and highlights of major capital projects and property purchases
- ❖ Debt Administration: Debt outstanding, future debt service, compliance and limitation
- ❖ Required compliance schedules and information (Oregon Budget Law)
- ❖ Glossary

City Profile

CITY PROFILE

CITY AT A GLANCE

City Information

Incorporated	1844
2023-25 Tax Rate (per \$1,000)	4.4090
Measure 50 permanent tax rate limit	5.0571
Assessed Valuation, 2021	\$3.85 billion
Bond Rating	AA+

Demographics

Population

(Population estimates are prepared as of July 1 of each year by The Population Research Center of the College of Urban and Public Affairs of Portland State University)

Fiscal Year

2014	certified estimate - 10 years ago	33,760
2023	certified estimate - current year	37,786
2024	forecasted	38,126
2025	forecasted	38,469

Median Age	38.0
Median Household Income	\$ 85,193
Median Property Value	\$ 524,044

Sex Composition

Male	49.30%
Female	50.70%

Racial Composition

White	87.3%
Two or more races	5.4%
Asian	1.2%
American Indian	1.0%
Black	0.4%
Other	0.0%
Hispanic *	4.7%

* Hispanics may be of any race, so also are included in applicable race categories

Population by Age

Under 5 years	6.3%
5-17	16.6%
18-64	62.9%
65-older	14.2%

Education

Education Attainment (Persons over 25 years of age)

High school or higher	94.10%
Bachelor's degree or higher	30.70%

Schools

Elementary Schools	7
Middle Schools	2
High Schools	1
Charter and K-12	4

Service Statistics

Land Area	10.27 square miles
Highest Point	530 feet
Lowest Point	10 feet

Public Works

Number of Water Customers	11,329
Hundred Cubic Feet Annual Water Consumption	1.86 million
Miles of Roads Maintained	144
Miles of Water Lines Maintained (City)	175
Miles of Sewer Lines Maintained (City)	138
Number of Pump Stations	19
Number of Drainage Catch Basins (City)	4,535

Public Safety

Sworn Officers	46
Civilian full-time employees	14
Police Calls for Service	29,253
Municipal Court Cases Processed	5,316

Parks and Recreation

Number of Recreational Facilities	29
Number of Swimming Pool Visits	85,000
Meals Provided to Seniors	36,822

Library

Attendance	113,945
Circulation	535,225

DID YOU KNOW?

Oregon City is the first permanent Euro-American settlement in the Willamette Valley and the first incorporated city west of the Missouri River. Founded in 1829 and incorporated in 1844, it first became the home to fur traders and missionaries. As “the end of the Oregon Trail,” it soon became the final destination for many early immigrants.

GOVERNANCE



Oregon City is the County seat of Clackamas County in Northwest Oregon, thirteen miles south of Portland, Oregon at the confluence of the Willamette and Clackamas Rivers. The City was established in 1829 and incorporated in 1844, later becoming the capital of the Oregon Territory. It currently encompasses 10.27 square miles and is part of the Portland Greater Metropolitan Area.

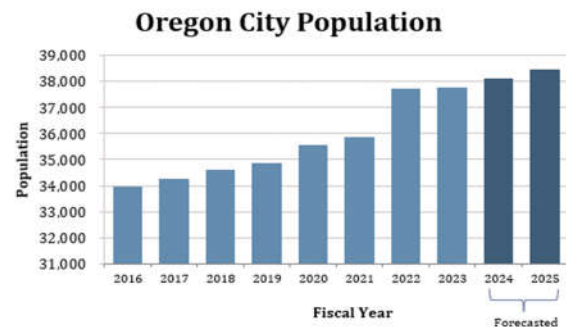
The City operates under the provisions of its own charter and applicable state law with a Council-Manager form of government. The elected officials consist of the Mayor and four Commissioners who serve staggered four-year terms. All positions have term limits, and no

person shall be elected to more than two terms of four years in any ten-year period. The Mayor and Commission vote on all ordinances and legislative matters, set policies for City government, and appoint, direct, and evaluate the City Manager. (The City Commission also appoints the Municipal Judge.) The City Manager is appointed by the City Commission to oversee the delivery of public services and is responsible for all administration and management.

The City provides a full range of municipal services to the community which includes police protection, traffic control and improvements, street maintenance and improvements, water, sewer and storm drain services, planning, zoning and building regulation and inspection, community library service, municipal court and parks and recreation. Fire protection is provided by the Clackamas County Fire District #1 which has its own tax rate.

DEMOGRAPHICS

Oregon City's population is currently estimated at 37,786. The City is one of Oregon's fastest growing with an 11.93% increase since 2014. Future growth will likely continue in the 0.75% – 2.0% range as the City still contains undeveloped land within its Urban Growth Boundary. The state forecasts population to increase by slightly higher percentages than the rest of the country. The table to the right shows 10-year historic and forecasted population for Oregon City, according to estimates from the Population Research Center.



ECONOMY

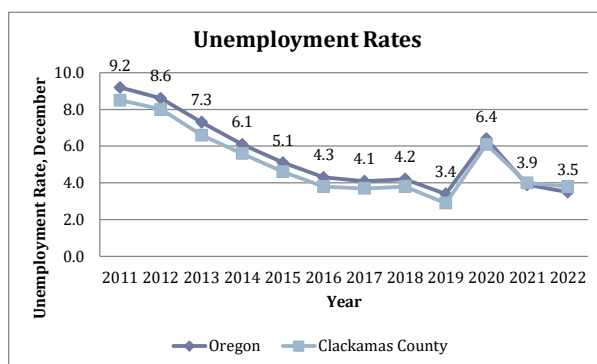
Oregon City's economy is linked with that of Clackamas County, the Portland Metropolitan Service Area (MSA), and the State of Oregon. Oregon City's status as the Clackamas County seat has broadly positive employment and impact on the local economy. Interstate 205 and State Highways 99E and 213 link Oregon City to Portland, Salem and Southwest Clackamas County. The Portland MSA comprises Clackamas, Columbia, Multnomah, Washington and Yamhill Counties in Oregon, which together include over 47 percent of the State's population according to U.S. Census estimates. Oregon City is home to shopping areas, recreational opportunities, businesses, a wide variety of historical and cultural attractions, and several interpretive centers and museums dedicated to celebrating the pioneer spirit.

City Profile

Key economic clusters, which account for a great portion of the area's gross domestic product and have a greater presence in this area relative to the region, include health care, professional business services, high tech and advanced manufacturing, software and media production, and agriculture. Specifically, government and education are the top employment sectors in Oregon City, constituting 29% of all employment. As the Clackamas County seat, Oregon City is home to several County facilities that serve the region. The City is also home to Clackamas Community College's main campus. Founded in 1966, it is now one of the largest community colleges in the state of Oregon, serving an average of 20,000 students annually. Providence Willamette Falls Medical Center, a not-for-profit acute care hospital employing over 625 people, also operates in Oregon City. The following chart shows the top ten employers in the City as of 2022 based on the City's business license data and County records.

Employer	Type of Business
Clackamas County	Government
Oregon City School District	Education
Clackamas Community College	Education
Providence Health	Health Services
Benchmade Knife Co., Inc	Manufacturing
Home Depot	Retail
Fred Meyer	Retail
City of Oregon City	Government
Orchid Orthopedic Solutions Oregon, Inc	Health Services
Safeway	Retail
Avamere	Health Services

Oregon's unemployment rate has decreased to a pre-pandemic level. As of December 2022, Oregon's unemployment stood at 3.5%. The unemployment rate in the County is slightly less than the rate for the State overall, though changes in the County's rate over time have remained consistent with those of the State.

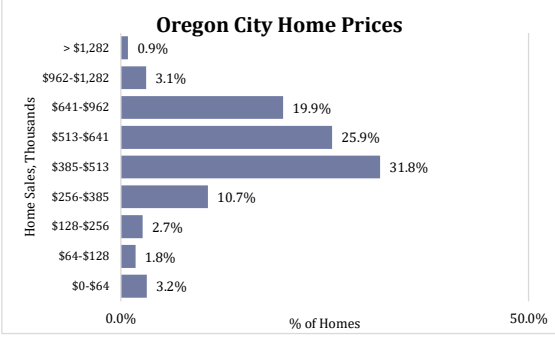
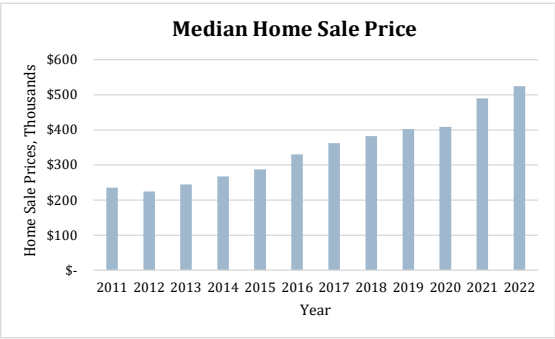


Over the past year, total non-farm employment increased by approximately 3.8% in the State. Most employment categories saw increases due to goods-producing industries like natural resources, construction, and manufacturing. There is still a backlog of orders due to supply chain issues that firms are trying to work through. The current household income in Oregon City is estimated at \$71,504, approximately 11.5% higher than the National average of \$64,117 and 16.4% higher than the State average of \$61,449.

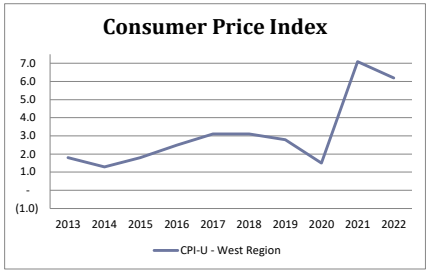
The real property market value and assessed value continue to increase as the City grows. However, as interest rates rise, growth and demand for housing will slow. Oregon home prices are expected to decline with higher interest rates here to stay. While the housing market may take a sharp decline in the near future, medium- and long-term expectations for housing growth remain strong. The median home value in Oregon City is approximately \$524,000, approximately 35.4% higher than the national average and 12.4% higher than the State average.

Oregon City's real property market value and assessed value has also steadily increased after seeing declines in 2008; the assessed (or taxable) value, however, remains significantly lower than the real market value. Expectations call for continued slow growth over the next year. Further information on tax growth

and the difference between assessed and market value is provided later in the budget in the Revenue Trends section. Additional information on housing prices in the City and the top taxpayers are shown below.



The Consumer Price Index (CPI) is a leading economic indicator that measures inflation and represents the changes in prices of all goods and services over time. This indicator is tracked and published by the U.S. Department of Labor’s Bureau of Labor Statistics. The change in the CPI for the West Region from December of 2020 to December of 2022 was 4.7%. This means that in December 2022, goods, on average, cost 4.7% more than in December 2020. The chart to the right highlights the percent change in the CPI over the past ten years.



BUDGET PROCESS

BUDGET DEVELOPMENT AND ADOPTION

According to City Charter and Oregon Revised Statute (ORS 294), the City of Oregon City must prepare and adopt a balanced budget. Local Budget law allows governments to budget either on a one-year or a two-year cycle, as approved by the governing body. The Oregon City budget is presented in fund and department categories for a biennial (two-year) period. Spending in excess of appropriations in any category is prohibited and unexpended budget appropriations lapse at the end of the biennium.

This represents Oregon City's fifth biennial budget. A biennial budget period is a 24-month period beginning July 1 and ending June 30 of the second succeeding year. For this biennial budget, the period commences July 1, 2023 and ends June 30, 2025.

Staff begins preparing the biennial budget several months prior to adoption. Starting in December, staff forecasts revenues, expenditures and fund balances based on known future changes in fees, economic conditions, and other factors. In January, meetings are held with department heads, the Mayor, and City Commission to set goals and priorities for the upcoming biennium.

In February and March, department staff prepares their requested budgets to fulfill the City goals as set by the Commission. These goals and the necessary resources to accomplish them are included in the budget requests and roll up into the overall budget and forecasts. After departments submit their requested budgets, Finance staff reviews the requests and meets with the departments. After analyses and reviews are completed, Finance and the departments meet with the City Manager in March to review the requested budgets. The City Manager makes decisions which are then incorporated into the proposed budget.

In April, a preliminary budget (the proposed budget) is prepared. Budget Committee meeting notices are published in April as well.

In late April or early May, the proposed budget is presented to the Budget Committee, which, by law, comprises the Mayor, City Commission, and the same number of citizen members (in this case, five). A notice of a public meeting is published in

the local newspaper. At each budget meeting, time for public comment and input is provided. After all input has been received, the Budget Committee approves the budget with any changes and forwards it to the Commission for adoption.

The City Commission holds a public hearing to review and adopt the final budget in June. If they propose a change that increases property taxes or expenditures within a fund by more than ten percent or \$10,000, whichever is greater, the amended budget must be republished, and a separate public hearing must be held by the Commission. The City Commission adopts the budget by resolution and approves the tax levy prior to June 30 each year. The adopted budget is filed with the county clerk and State of Oregon, and the property tax levy is certified to the County Assessor by July 15 each year.

BUDGET MONITORING AND ADJUSTMENTS

During each year, expenditures and revenues are monitored for compliance with the adopted budget and state law. Monthly revenue and expenditure status reports, including budgetary information are provided to Management. Annually, an audit is performed and filed with the State of Oregon by an independent certified public accountant. This report includes comparisons of budgeted to actual revenues and expenditures and documents the City's budgetary compliance.

Oregon Budget Law allows for changes to the City budget for reasons unforeseen at the time of adoption. For instance, a transfer from one appropriation category to another can be adopted by resolution of the City Commission. On the other hand, certain changes, such as appropriation increases, require a supplemental budget. Though a supplemental budget does not require the involvement of the budget committee, it does require a public hearing similar to the process followed during the adoption of the budget. Further detail is located in ORS 294.

BASIS OF BUDGETING

The City budgets all of the funds using the modified accrual basis of accounting in accordance with budgetary accounting practices and Generally Accepted Accounting Principles (GAAP) for governmental funds. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

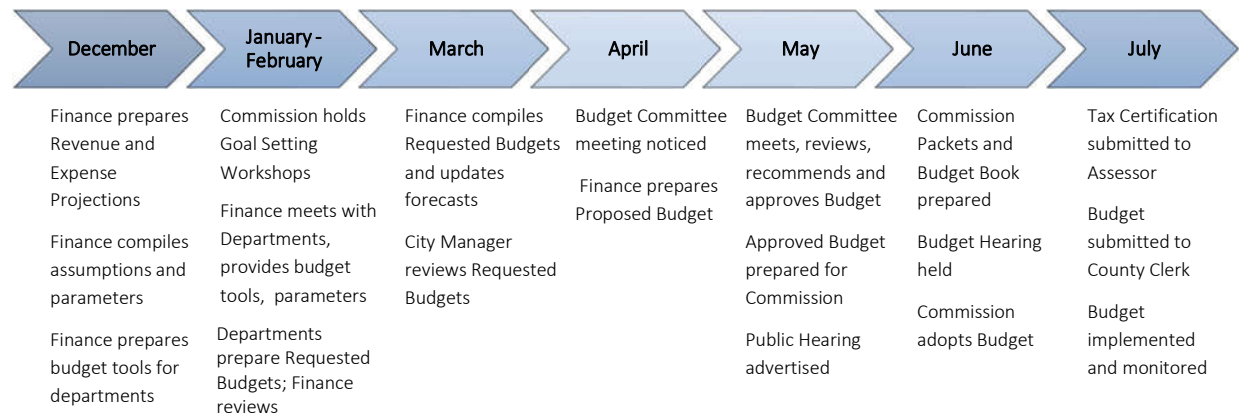
For financial reporting purposes the enterprise funds are converted from the modified accrual

basis to the accrual basis of accounting, but the budgetary enterprise statements are reported with the modified accrual basis of accounting. Additionally, the audit, as reported in the Comprehensive Annual Financial Report, accounts for the City's Downtown Urban Renewal Agency (URA), a component unit of the City. A component unit is a legally separate organization for which the elected officials of the City are financially accountable. The URA adopts a separate budget which may be obtained from the City, 625 Center Street, Oregon City, Oregon 97045. Pursuant to Budget law, this budget also includes historical information for any closed funds that were closed during the years presented.

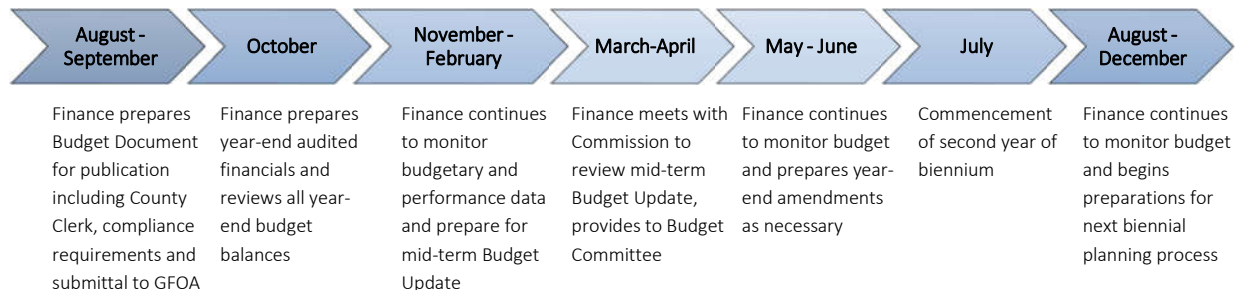
BUDGET CALENDAR

The City's Biennial Budget development cycle begins in December of even-numbered years and concludes in June of odd-numbered years.

Phase I



Phase II



BUDGETED FUNDS

Oregon City uses various funds to account for its revenues and expenditures. Each fund is categorized by type as prescribed by GAAP and Oregon Budget Law. Revenues in each fund may be spent only for the purpose specified by the fund with the exception of the General Fund which is used to account for general purpose, or unrestricted, revenues and operations of the City. Most of the City's principal operations are budgeted in the General Fund as they are funded by general purpose revenues (property taxes, franchise fees, certain state shared revenues). General Fund operations include Administration, Court, Parks and Recreation, and the Police Department. Other City functions, such as the Library and Utilities are budgeted in separate funds due to the specified purpose of their revenues (library tax, utility charges). The definitions for the fund types utilized and budgeted by the City are as follows:

Governmental Funds:

General Fund – accounts for all financial resources not accounted for in another fund

Special Revenue funds – account for proceeds and spending of specific revenues restricted or committed for specified purposes other than debt service or capital

Capital Projects funds – account for financial resources to be used for the acquisition or construction of capital equipment and facilities

Debt Service funds – account for the accumulation of resources for, and the payment of, long-term debt principal and interest

Proprietary funds: account for activities where the emphasis is placed on net income determination (The City maintains two different types of proprietary funds: **Enterprise** and **Internal Service**.)



BUDGET ORGANIZATION

The following chart further helps to illustrate, by service area, the City's funds and organizational units.

			ORGANIZATIONAL UNIT / APPROPRIATION LEVEL							
FUND	FUND TYPE	FUND CATEGORY	Policy and Administration	Police	Parks and Recreation	General Government	Library	Community Development	Public Works	Debt Service
General Services										
★ General Fund	General Fund	Governmental	✓	✓	✓	✓				
Library										
Library Fund	Special Revenue	Governmental					✓			
Community Development										
Planning Fund	Special Revenue	Governmental						✓		
Building Fund	Special Revenue	Governmental						✓		
Public Works										
Engineering Fund	Special Revenue	Governmental								✓
Transportation Fund	Special Revenue	Governmental								✓
★ Water Fund	Enterprise	Proprietary								✓
★ Wastewater Fund	Enterprise	Proprietary								✓
Stormwater Fund	Enterprise	Proprietary								✓
Fleet Fund	Internal Service	Proprietary								✓
Capital Projects										
System Development Fund	Capital Project	Governmental				✓				✓
Community Facilities Fund	Capital Project	Governmental		✓			✓			✓
Other										
Debt Service Fund	Debt Service	Governmental								✓
Utility Customer Service Fund	Internal Service	Proprietary	✓							
Equipment Replacement Fund	Internal Service	Proprietary		✓	✓	✓			✓	

★ = major fund

A major fund is defined as any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the total budget. For the 2023-2025 biennium, the following funds meet this criterion:

General Fund – Accounts for the City's legislative activities and administration, human resources, finance, information technology, police department, municipal court, and parks and recreation; primary revenues are property taxes, franchise fees, fines and forfeitures, and intergovernmental revenues.

Water Fund – Accounts for the operation of the City's water system; customer charges are the primary revenues.

Wastewater Fund – Accounts for the operation of the City's sanitary sewer collection system; customer charges are the primary revenue source.

FINANCIAL POLICIES IMPACTING THE BUDGET

GOALS AND PURPOSE:

- ❖ Provide accurate and relevant financial information for the City Commission and management to enable them to make and implement policy
- ❖ Ensure the financial integrity of City operations
- ❖ Promote and assist with sound management of City government
- ❖ Protect and Enhance the City's bond rating
- ❖ Ensure accountability and transparency
- ❖ Ensure surplus cash is prudently invested
- ❖ Ensure that adequate reserves are maintained
- ❖ Provide adequate funds to operate desired programs and meet the City's debt provisions and obligations

REVENUE POLICY:

- ❖ The City will strive to maintain a diversified and stable revenue system to protect the City from fluctuations in any one revenue source.
- ❖ One-time revenues should not be used for ongoing expenditures, but instead for one-time expenditures.
- ❖ All City funds shall be safely invested to provide first a sufficient level of liquidity to meet cash flow needs and second to provide the maximum yield possible.
- ❖ Utility rates will be set at levels sufficient to cover operating expenditures, meet debt obligations and debt service requirements, and provide adequate levels of working capital.
- ❖ The City will periodically review and revise user fees to recover the costs of those services to the extent possible.
- ❖ The City will estimate its annual revenues objectively, analytically and conservatively.

BUDGET POLICY:

- ❖ The City shall prepare, present, adopt and amend its operating budget in accordance with Oregon Local Budget Law.

- ❖ The City is required to prepare a balanced budget according to Oregon Revised Statutes which state that:
 1. The budget must be constructed in such a manner that the total resources in a fund equal the total requirements for that fund, and
 2. The total of all resources of the City must equal the total of all requirements for the City.
- ❖ The City will avoid budgetary procedures that balance current year expenditures at the expense of meeting future years' expenses.
- ❖ Departmental objectives will be integrated with the City's annual budget.
- ❖ The City Commission shall adopt the budget at the fund or department level (if a fund contains more than one department) as a total dollar amount for all appropriations except contingency, unappropriated ending fund balance and reserves, which shall be stated separately.
- ❖ Funding sources for capital projects will be identified and ongoing operating costs will be quantified.
- ❖ The City will plan for vehicle, equipment, and building replacement to ensure resources are available when needed.
- ❖ Cost analysis of salary increases will include the effect of increases on the City's share of related fringe benefits and will incorporate estimated market and/or merit adjustments as well as all union and other contract obligations.
- ❖ All non-salary benefits will be estimated and their impact on future budgets assessed annually.
- ❖ Monthly reports comparing actual to budgeted expenditures will be prepared by Finance Department and be distributed to the Management.
- ❖ The City will prepare budgets on a biennial basis to coincide with the Commission visioning and will provide annual updates including financial updates and operational progress.

- ❖ The City will submit the Adopted Budget Document for consideration for the Award for Distinguished Budget Presentation from the Government Finance Officers Association (GFOA) for each budget cycle.

CAPITAL IMPROVEMENT POLICY:

- ❖ The City will capitalize all capital assets and improvements of a long-term character which are to be held or used, such as land, buildings, improvements other than buildings, and machinery and equipment with a value of \$5,000 or more.
- ❖ The City will develop a multi-year plan for capital improvements and update it annually.
- ❖ The future operating costs associated with new capital improvements will be projected and included in the operating budget forecast.
- ❖ The City will determine the most effective and efficient financing method for all new projects.
- ❖ System development charges will be used for infrastructure capacity expansion and improvements including in-house engineering and design.

DEBT POLICY:

- ❖ The City will not use long-term debt for current operations.
- ❖ The City will follow a policy of full disclosure on every financial report and required debt disclosure.
- ❖ Capital projects financed through bond proceeds shall be financed for a period not to exceed the useful life of the project.

- ❖ The City shall review its outstanding debt periodically for the purpose of determining if the financial marketplace will afford the City the opportunity to lessen its debt service costs.
- ❖ The City shall periodically review possible actions to maintain or improve its bond ratings and maintain good communications with bond rating agencies about its financial condition.

RESERVE POLICY:

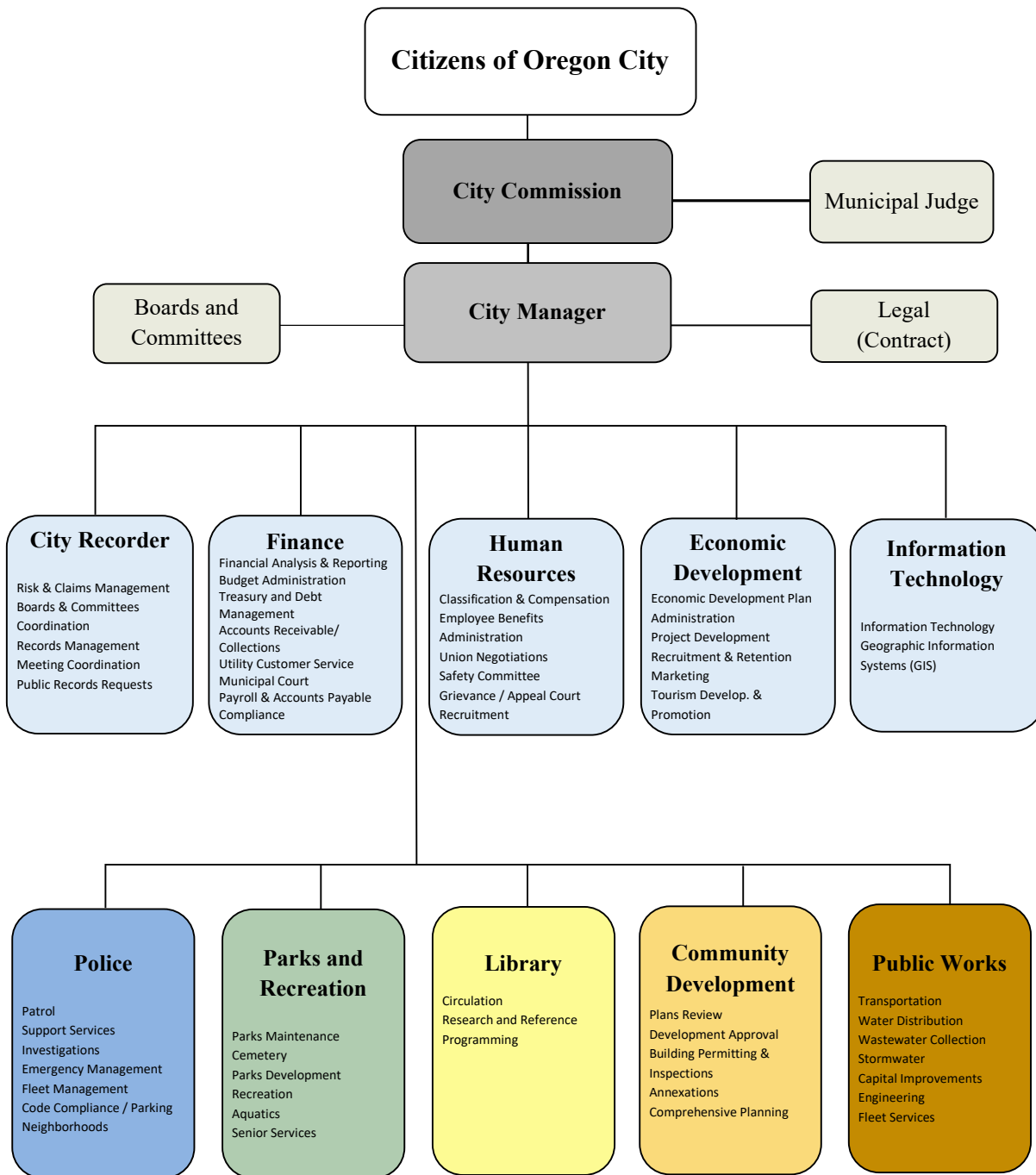
- ❖ The City shall establish a contingency reserve to provide for unanticipated expenditures of a nonrecurring nature and to meet unexpected increases in service delivery costs; these funds may not be directly disbursed from the contingency reserve but only in accordance with local budget law in the State of Oregon.
- ❖ The City will maintain an unallocated and unappropriated fund balance or retained earnings to provide working capital until sufficient revenues arrive to fund current operations equal to a minimum of two months, or 17%, of general operating expenditures.
- ❖ Contingency and unappropriated reserve calculations are based on the budget for all operating funds excluding debt service, capital project, internal service, and reserve funds.
- ❖ It is the intent of the City to use all surpluses generated to accomplish three goals: meet reserve policies, avoid future debt, and reduce outstanding debt.



DID YOU KNOW?

GFOA recommends that governments maintain a minimum unrestricted fund balance in their general fund of no less than two months of regular general fund operating expenditures plus extra reserves based on a government's particular situation.

Organization Chart



BUDGET SUMMARY – ALL FUNDS COMBINED

The table below summarizes all resources and requirements by category for the 2023-2025 biennium and compares them to the current biennial budget and the activity for two previous biennial periods.

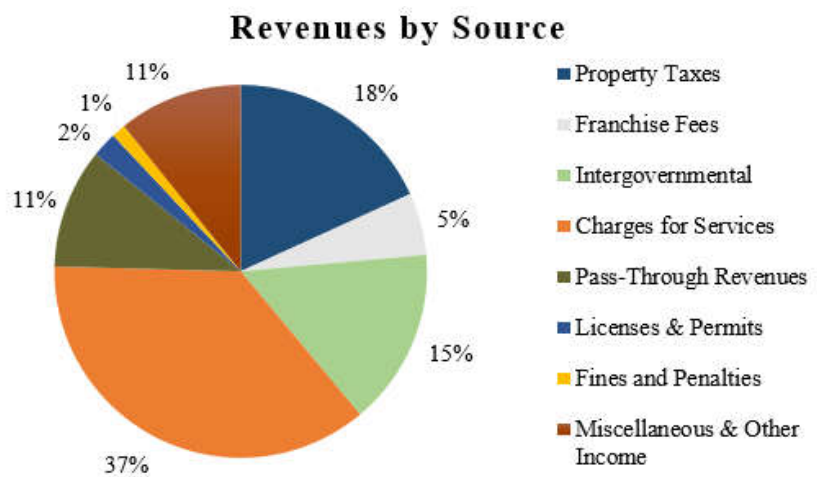
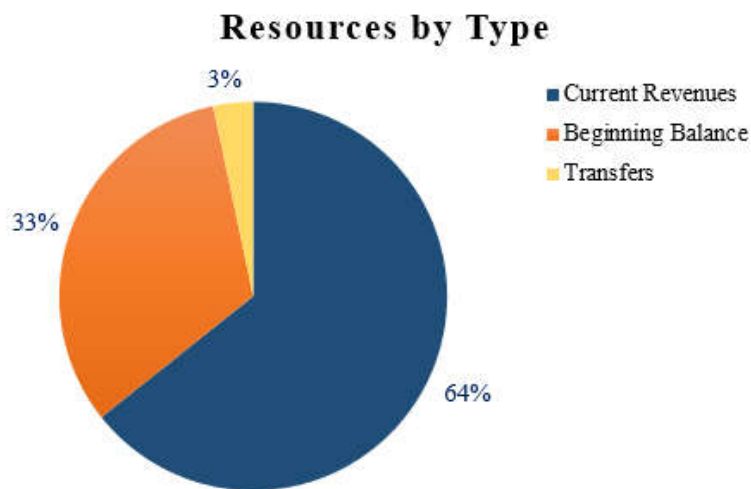
All Funds	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 67,723,122	\$ 91,044,035	\$ 73,977,249	\$ 91,088,500	\$ 81,144,700	\$ 91,088,500
Property Taxes	25,889,865	28,057,100	30,559,291	16,170,400	16,757,400	32,927,800
Franchise Fees	8,142,539	8,576,012	8,863,823	4,780,400	4,964,100	9,744,500
Intergovernmental	14,205,173	22,968,992	24,768,193	13,752,000	13,992,000	27,744,000
Charges for Services	51,332,437	56,580,351	54,399,641	32,409,700	33,623,300	66,033,000
Pass-Through Revenues	13,154,196	13,926,220	14,200,856	9,247,400	9,551,200	18,798,600
Licenses and Permits	4,365,383	5,169,540	3,829,300	1,921,000	2,026,900	3,947,900
Fines and Penalties	2,741,611	1,845,525	2,265,000	1,090,000	1,115,000	2,205,000
Other Taxes and Assessments	999,908	1,264,370	1,196,000	834,900	852,300	1,687,200
Other Income	3,685,093	5,008,005	4,223,902	2,374,800	1,970,700	4,345,500
Sale of Assets	72,873	3,424,769	60,000	2,000,000	-	2,000,000
Contributions	285,809	241,274	220,400	113,500	115,500	229,000
Interest Income	2,977,355	2,235,532	1,186,700	841,000	711,000	1,552,000
Loan Repayments	902,867	-	-	-	-	-
Bond Proceeds	16,157,183	-	-	-	-	-
Internal Service Charges	5,571,009	6,553,614	7,305,830	4,795,100	4,910,200	9,705,300
Other Financing Sources	-	-	434,241	-	-	-
Transfers In	8,384,393	11,426,285	11,210,957	4,619,500	4,710,100	9,329,600
Total Resources	\$226,590,816	\$258,321,624	\$238,701,383	\$186,038,200	\$176,444,400	\$281,337,900
Requirements by Category						
Personnel Services	\$ 47,910,762	\$ 52,492,026	\$ 61,007,601	\$ 33,824,800	\$ 35,284,800	\$ 69,109,600
Materials and Services	31,483,019	33,603,570	39,639,228	22,531,300	22,644,700	45,176,000
Pass-Through Expenses	12,649,079	13,897,994	14,200,856	9,247,400	9,551,200	18,798,600
Capital Outlay	28,645,563	59,259,229	52,573,584	31,351,900	29,316,000	60,667,900
Debt Service	6,473,965	6,128,658	6,437,135	3,318,600	3,391,400	6,710,000
Transfers Out	8,384,393	11,426,285	11,210,957	4,619,500	4,710,100	9,329,600
Contingency	-	-	45,072,816	66,123,400	56,085,100	56,085,100
Reserved for Future Expenditures	53,966,160	33,731,453	8,559,206	10,020,700	10,310,300	10,310,300
Unappropriated Fund Balance	37,077,875	47,782,409	-	5,000,600	5,150,800	5,150,800
Total Requirements	\$226,590,816	\$258,321,624	\$238,701,383	\$186,038,200	\$176,444,400	\$281,337,900

The following table further summarizes all requirements by function.

All Funds	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Requirements by Function						
Policy and Administration	\$ 11,686,685	\$ 12,984,245	\$ 15,983,840	\$ 9,329,000	\$ 9,569,800	\$ 18,898,800
Police	23,153,361	44,829,031	26,392,352	13,982,100	14,282,200	28,264,300
Parks and Recreation	9,071,374	13,064,186	15,613,104	7,169,700	6,241,100	13,410,800
General Government	4,377,388	4,714,347	5,094,238	2,437,800	2,387,700	4,825,500
Library	3,403,287	3,795,290	4,811,654	3,196,600	3,339,400	6,536,000
Community Development	5,281,339	4,593,966	6,039,837	3,530,600	3,626,300	7,156,900
Public Works	51,065,910	61,373,760	79,285,388	48,062,200	47,799,000	95,861,200
Pass-Through Expenses	12,649,079	13,897,994	14,200,856	9,247,400	9,551,200	18,798,600
Debt Service	6,473,965	6,128,658	6,437,135	3,318,600	3,391,400	6,710,000
Transfers Out	8,384,393	11,426,285	11,210,957	4,619,500	4,710,100	9,329,600
Contingency & Reserves	91,044,035	81,513,862	53,632,022	81,144,700	71,546,200	71,546,200
Total Requirements	\$226,590,816	\$258,321,624	\$238,701,383	\$186,038,200	\$176,444,400	\$281,337,900

WHERE THE MONEY COMES FROM – ALL FUNDS COMBINED

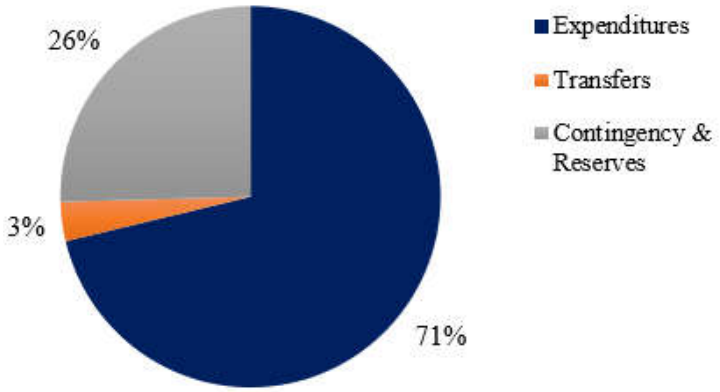
Resources to meet Oregon City's obligations and service needs are derived from three primary sources: beginning fund balance, current revenues, and transfers in from other funds. Beginning fund balance consists of revenues carried forward from previous fiscal years, including reserves for specific purposes (e.g., debt reserves and capital improvements) and monies used for working capital cash flow. Current revenues are those earned from city operations or taxes collected during the fiscal year. The third source is transfers between funds to pay for either direct or indirect costs. The first chart below compares the relative percentage of each source of revenue and the second chart breaks down current revenues (excluding beginning fund balance and transfers) for the biennium.



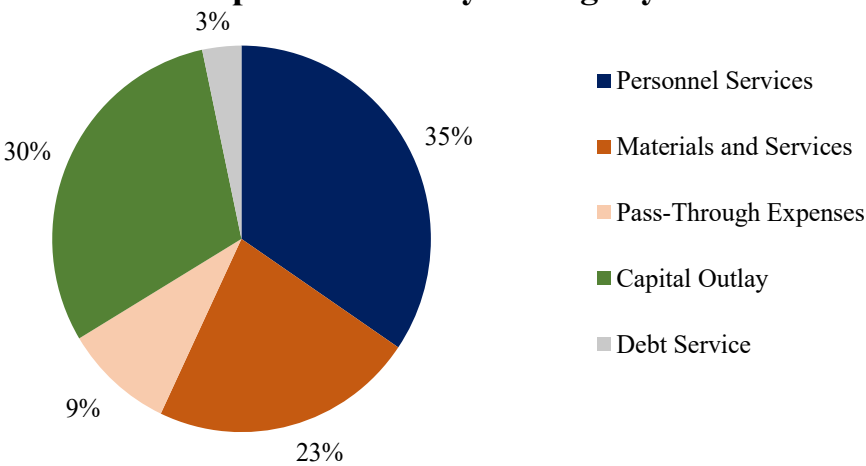
WHERE THE MONEY GOES – ALL FUNDS COMBINED

Oregon City’s requirements fall into two primary categories: expenditures and contingency/reserves. Total requirements consist of all monies appropriated for use during the fiscal year plus contingency, which may be used to meet unanticipated operating needs, and reserve for future expenditures. The following charts break down total appropriations into expenditures and contingency, then further break down expenditures (excluding Contingency & Reserves and Transfers) by category, for the biennium.

Requirements by Type



Expenditures by Category



Budget Summary

RESOURCES AND REQUIREMENTS – ALL FUNDS

The following table summarizes total resources/requirements for each fund, which equal by fund in a balanced budget.

All Funds	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
General Fund	\$ 56,410,146	\$ 62,245,848	\$ 66,517,274	\$ 42,039,600	\$ 41,293,300	\$ 72,720,000
<i>Special Revenue Funds</i>						
Library	7,100,693	8,430,016	9,449,103	7,261,900	7,022,400	10,349,300
Planning	3,696,939	3,976,857	4,058,358	2,355,800	2,074,100	4,040,800
Building	6,840,427	8,712,706	9,378,657	8,511,100	8,124,100	10,612,000
Engineering	2,584,432	2,994,326	2,850,187	1,670,000	1,432,800	2,694,100
Transportation	13,130,583	17,236,636	18,490,904	11,553,600	9,037,300	18,965,500
<i>Capital Projects Funds</i>						
System Development	28,750,727	36,315,119	18,716,786	35,760,900	36,033,800	42,096,200
Community Facilities	35,296,845	37,364,284	13,804,566	8,613,600	9,903,900	11,293,500
<i>Enterprise Funds</i>						
Water	20,254,871	20,693,542	28,268,908	17,479,600	13,970,000	27,101,000
Wastewater	29,749,906	34,964,077	38,158,483	29,456,500	27,573,400	49,509,500
Stormwater	7,238,561	8,146,782	9,285,979	6,968,900	6,100,500	11,328,300
<i>Internal Service Funds</i>						
Fleet Services	483,535	471,397	693,829	321,700	362,100	634,600
Utility Customer Service	2,301,488	2,598,244	2,793,367	1,640,100	1,751,500	3,314,300
Equipment Replacement	6,965,770	7,449,460	9,671,501	8,717,300	8,208,700	10,250,300
<i>Debt Service Funds</i>						
Debt Service	5,785,893	6,722,330	6,563,481	3,687,600	3,556,500	6,428,500
Total All Funds	\$ 226,590,816	\$ 258,321,624	\$ 238,701,383	\$ 186,038,200	\$ 176,444,400	\$ 281,337,900



OVERALL BUDGET HIGHLIGHTS

- ❖ The budget is balanced at \$281.3 million with a tax rate of \$4.409 per \$1,000 assessed value, the same rate as the previous biennium.
- ❖ The 2023-2025 budget represents an increase of \$42.6 million over the amended 2021-2023 biennial budget of \$238.7 million.
- ❖ Total expenditures, excluding transfers, are \$200.5 million, an increase of \$31.0 million from the prior biennial budget. The increase is due primarily to the funding of capital projects in the current biennium, including \$23.4 million for the Wastewater Inflow and Infiltration Program.
- ❖ The budget proposes a 4.15 net increase in Full Time Equivalent (FTE) positions. More information can be found in the Personnel portion of the Additional Information section of this document.

BUDGET TRENDS BY YEAR

The following economic assumptions were used in developing the 2023-2025 Biennial Budget.

General

- ❖ The City's population is estimated to grow 0.89% in each of the next two years.
- ❖ The economy is expected to see a mild recession and a small decline in job losses. Inflation is predicted to slow in the years ahead. The labor market is repeatedly tight due to a strong economy.

Resources

- ❖ Assessed value, the basis of property taxes, are estimated to grow by 3.7% in each year of the biennium, or \$143.7 million in 2024 and \$149.0 million in 2025.
- ❖ Property tax revenues are estimated to increase by approximately 7.8% over the two-year period due to a combination of anticipated property value increases and new development net of reductions for discounts, delinquencies and agency loss.

- ❖ Intergovernmental revenue is expected to increase by \$3.0 million, or 12.0% due to the anticipated receipt of \$7.1 million of funds from the Inflow and Infiltration Intergovernmental Agreement and due to \$2.4 million of funds from State Grants.
- ❖ Revenue sources adversely impacted by the pandemic, such as Charges for Services and Fines and Forfeitures, are expected to continue to return to pre-pandemic levels during the 2024-2025 biennium.
- ❖ Interest rates on investments are budgeted conservatively for the biennium. When inflation is higher interest rates increase, however inflation is predicted to slow during the biennium.
- ❖ All other revenue sources are estimated using trend analysis. More information on revenue trends is provided later in this Budget Summary section.

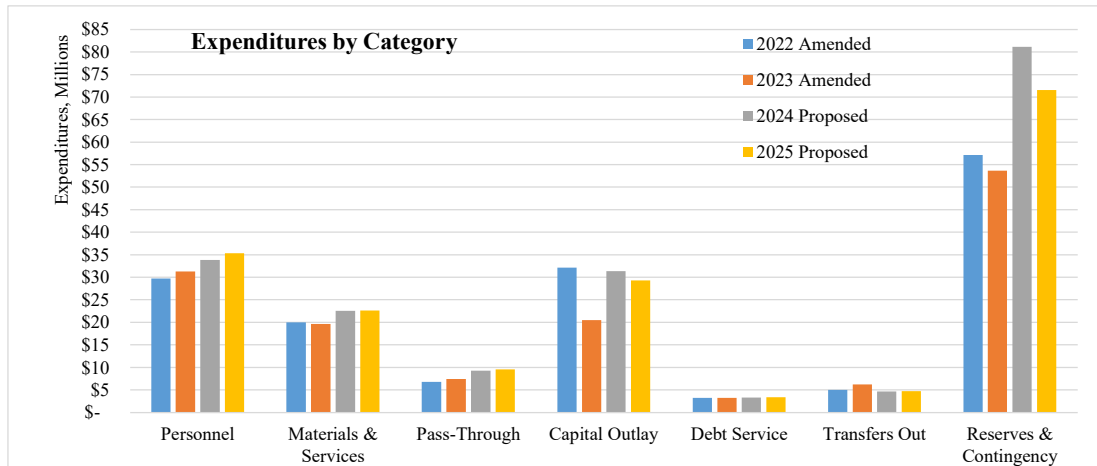
Requirements

- ❖ Cost for goods and contracts are projected with inflationary increases; exceptions or significant variances are explained under Budget Highlights of each Department budget.
- ❖ Capital outlay (projects and equipment) is budgeted at projected acquisition or construction cost based on preliminary estimates.
- ❖ Cost of living increases are 3.0% to 4.0% for all employees; step increases are included on employees' anniversary dates for represented employees.
- ❖ Health benefit costs are projected at 4.0% to 8.1% annual increases based on claims and premiums projections.
- ❖ Public Employees Retirement System (PERS) contributions rates provided by PERS will increase 1.25% to 4.95% of covered wages.

Further discussion of the changes in fund balance is found in the Budget Message.

Budget Summary

The chart below compares each year of the biennial budget (fiscal years 2024 and 2025) to each year of the prior year amended budgeted expenditures (2022 and 2023) by category for all budgeted funds. An explanation of the variances and assumptions used are explained below.



Personnel Services

Personnel costs increased by \$8.1 million, or 13.3%, in the biennium. This increase is mainly due to cost of living and pay grade (step) increases along with projected health insurance increases. Additionally, total FTEs increased by a net 4.15. The additions include an Assistant City Manager, a part-time Community Engagement Specialist, a Code Compliance Officer, a Facilities Maintenance Manager, a Librarian, a Planning Administrative Assistant, a Building Plans Examiner, and additional Lifeguards to comply with new Oregon laws. These positions are required to keep up with the growth of the City and the needs of its citizenry. The proposed budget also reflects an increase in PERS retirement contributions of 1.25% to 4.95% of covered wages, which results in an increase in cost of \$1.3 million over the biennium. Further analysis of personnel costs and changes is found in the Personnel portion of the Additional Information section at the end of this document.

Materials & Services

Excluding internal service charges, which increased by \$2.5 million over the prior biennium, Materials and Services increased by \$3.0 million, or 9.7%. While departments budgeted primarily inflationary increases, materials and services increased due to specific contractual obligations, various grant projects, and special projects that support Commission goals. This includes various initiatives of the Economic Development department, as well as additional investment in information technology. More information about these projects is included

in the departmental budgets later in this document, as well as in the Commission Goals section earlier in this document. Internal service charges are for services provided between departments and have increased as the City improves its cost allocation methods to better reflect services provided across departments and funds. Inflationary increases have unquestionably affected the Enterprise Funds expenses for numerous professional service agreements. For example, the Stormwater Division contracts for landscaping maintenance at over 117 sites and 35 acres of stormwater ponds, roadside planters, swales, ditches, City-owned tracts, and abutting right-of ways.

Capital Outlay

Budgeted capital increased by \$8.1 million, or 15.4%, over the biennium. This increase is mainly due to the investment in the Inflow and Infiltration (I & I) Program. The projects included in the upcoming biennium are explained in more detail in the Budget Message and in the Capital Improvement Program portion of the Additional Information section at the end of this document.

Debt Service

The City's most recently acquired debt was voter approved debt acquired in 2018 for the construction of the Robert Libke Public Safety Building to house the Police Department and Municipal Court. Debt service payments increased by 7.6% in the current biennium. Information on the City's debt is located in the Debt Administration portion of the Additional Information section at the end of this document.

Transfers & Other Uses

In the current biennium, transfers decreased by \$2.7 million, due in part to the departments decreasing transfers to the Community Facilities and Equipment Replacement Funds.

REVENUE ASSUMPTIONS AND TRENDS

The City's major revenue sources are explained below, including the underlying assumptions for the revenue estimates and trend information. Revenues are forecasted conservatively in response to uncertainties about the regional and national economy and legislation.

Property Taxes

Property tax revenues are calculated by applying the City's tax rate, not to exceed the permanent rate, to the assessed value. At the beginning of each fiscal year, the Clackamas County Assessor determines assessed values of properties. With the approval of Measure 50 in 1997, assessed values on individual properties were rolled back to 1995-96 levels and then reduced by 10%.

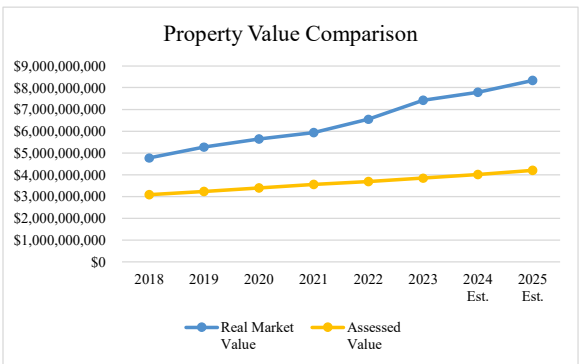
Assessed value increases are limited to 3% per year. City-wide increase of 3.7% in assessed value for property taxes are built into the calculation due to economic factors, anticipated new properties added to the tax roll, and county

assessor information. For fiscal year 2023, Oregon City's total assessed value was approximately 52% of the real market value. This gap has widened as expected due to the cap on assessed value increases. Assessed value is used for spreading the operating levies, while market values are used to meet Measure 5 cap requirements, approved by voters in 1990, which limit tax rates to \$15 per \$1,000 of real market value (\$5.00 for schools and an aggregate \$10.00 for all other governments), and to spread debt service levies, which are exempt from Measures 5 and 50.

The maximum authorized (permanent) tax rate for Oregon City is \$5.0571 per \$1,000 of assessed value. The budgeted rate of \$4.409 per \$1,000 is consistent with that approved during the last two years and is still below the City's permanent tax rate limit.

The City's total projected assessed value is multiplied by its permanent or adopted tax rate per \$1,000 of assessed value to calculate the anticipated property taxes to be received. Due to discounts and collection history, the City assumes a 95.5% collection rate on property taxes for the 2023-2025 biennium. This is in line with previous year's collection estimates and reflective of the current collection rate.

Fiscal Year	Real Market Value	Assessed Value	Ratio of AV to RMV	Total Extended Tax Levy
2018	\$4,774,396,498	\$3,089,502,621	64.7%	\$12,935,275
2019	\$5,274,966,934	\$3,237,628,787	61.4%	\$13,518,480
2020	\$5,648,405,668	\$3,395,555,692	60.1%	\$14,155,665
2021	\$5,942,361,957	\$3,556,637,128	59.9%	\$14,784,687
2022	\$6,549,215,161	\$3,689,012,464	56.3%	\$15,336,496
2023	\$7,417,940,334	\$3,847,250,431	51.9%	\$15,949,956
2024 Est.	\$7,788,837,351	\$4,020,376,700	51.6%	\$16,587,954
2025 Est.	\$8,334,055,965	\$4,201,293,652	50.4%	\$17,251,472



The chart and table above show assessed value by year in comparison to real market value from 2018 through the proposed biennium.

Budget Summary

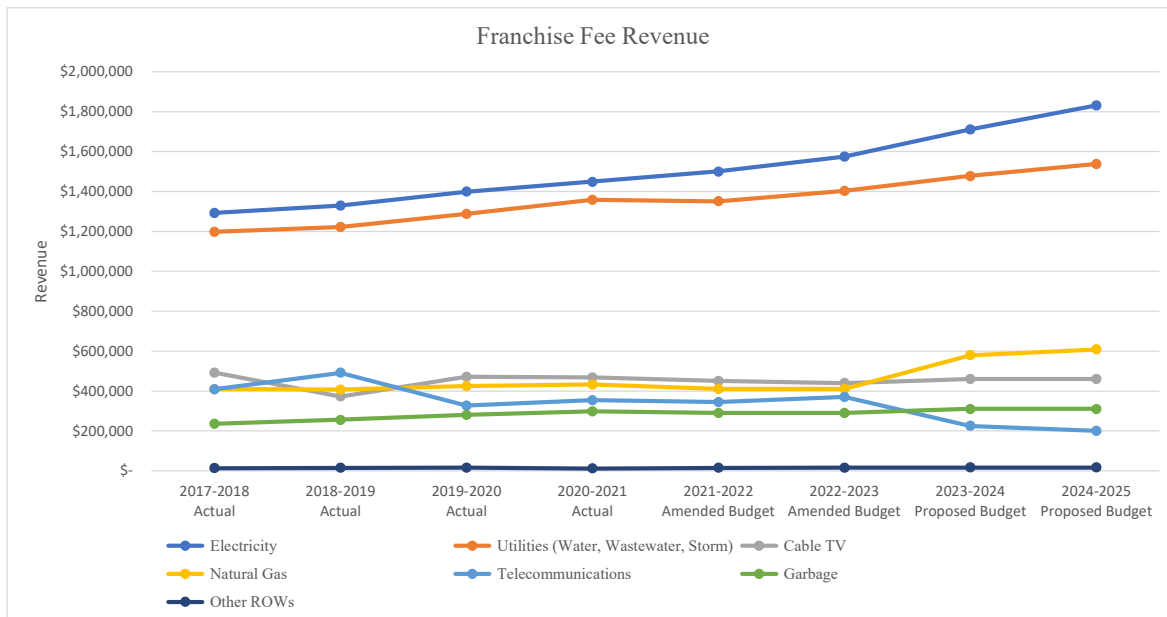
Franchise Fees

Franchise fees are charged to private utilities for the use of publicly owned rights-of-way (ROW). Private franchised activities include electricity, telecommunications, natural gas, and cable television. Additionally, the City's water, wastewater and stormwater funds pay franchise fees. Franchise fees are charged as a percentage

of gross proceeds generated within Oregon City's city limits.

Revenues are estimated based on 6-year trend information assuming no growth in the projected year in the rates charged based on individual agreements with the different franchisees. Current franchise rates and projected revenues are shown below.

Service	Rate	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Electricity	5.0%	\$ 2,621,570	\$ 2,847,691	\$ 3,075,000	\$ 1,711,200	\$ 1,831,000	\$ 3,542,200
Wastewater Utility	6.0%	1,223,274	1,347,179	1,415,607	749,700	778,800	1,528,500
Cable TV	5.0%	864,168	938,809	890,000	460,000	460,000	920,000
Water Utility	6.0%	866,722	931,355	941,192	494,100	503,600	997,700
Natural Gas	5.0%	816,089	857,092	820,000	579,700	608,700	1,188,400
Telecommunications	5.0%	900,347	680,734	715,000	225,000	200,000	425,000
Garbage	4.0%	491,581	578,175	580,000	310,000	310,000	620,000
Stormwater Utility	6.0%	330,477	367,801	397,124	234,000	255,300	489,300
Other ROWs	Various	28,311	27,177	29,900	16,700	16,700	33,400
Total Franchise Fees		\$ 8,142,539	\$ 8,576,011	\$ 8,863,823	\$ 4,780,400	\$ 4,964,100	\$ 9,744,500



Intergovernmental Revenues

In the biennial budget, State Shared Revenues make up the majority of total intergovernmental revenues. State revenues are distributed to cities per Oregon Statutes; revenues are calculated using a formula based on population and income for the individual city. State Shared Revenues include general revenues, cigarette taxes, liquor taxes, marijuana taxes, and gas taxes. Revenues are forecasted based on data provided by the League of Oregon Cities.

The Oregon City Library is a member of the Clackamas County Library Tax District and as such receives an annual tax allotment based on population according to District estimates.

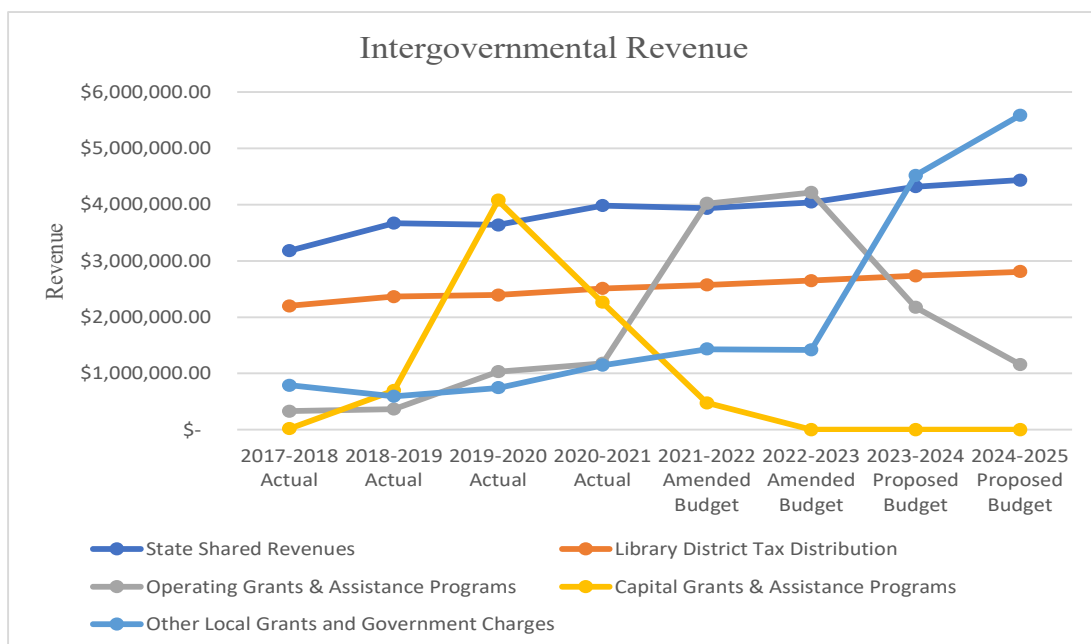
Grants and governmental assistance programs are awarded for operations (such as the Police Department's Crime Prevention grant) and capital programs (such as funding received for highway reconstruction). These are estimated based on approved grants and projected annual eligible grant spending.

Other local grants and government charges include grants provided by other local governmental entities, as well as charges to other local governmental agencies for goods or services provided, often per the terms of an intergovernmental agreement (IGA).

State shared revenues have been growing steadily over time as have library district tax revenues. State share of marijuana taxes started in 2018. However, this revenue was capped in 2020 with Measure 110. Annual revenue dropped by 62% after peaking in 2020. In the proposed biennium, the City expects to receive nearly \$7.0 million in funding from the Inflow and Infiltration Program IGA. The City anticipates receiving \$2.4 million in funding from grants related to All Roads Transportation Safety (ARTS) and Safe Routes to School (SRTS).

The table and chart below show total intergovernmental revenue, by source, on an annual basis, for the proposed biennium and the previous three biennia.

Source	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
State Shared Revenues	\$ 6,853,437	\$ 7,923,376	\$ 7,982,061	\$ 4,319,600	\$ 4,435,200	\$ 8,754,800
Library District Tax Distribution	4,564,130	5,083,456	5,222,490	2,734,800	2,810,000	5,544,800
Operating Grants & Assistance Programs	692,489	5,199,324	8,238,350	2,176,200	1,159,200	3,335,400
Capital Grants & Assistance Programs	711,884	2,737,691	475,000	-	-	-
Other Local Grants and Government Charges	1,383,233	2,579,735	2,850,292	4,521,400	5,587,600	10,109,000
Total Intergovernmental Revenues	\$ 14,205,173	\$ 23,523,582	\$ 24,768,193	\$ 13,752,000	\$ 13,992,000	\$ 27,744,000



Budget Summary

Charges for Services

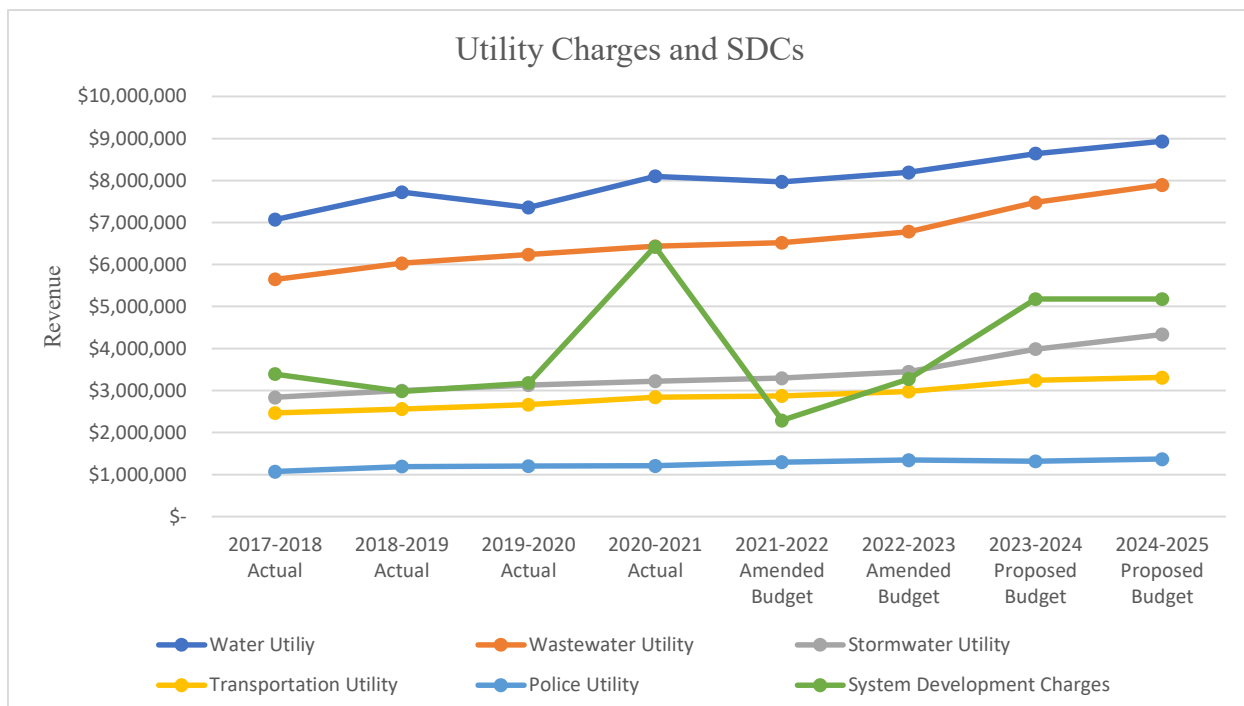
Charges for Services consists primarily of utility service charges and system development charges (SDCs). Utility service charges include water, wastewater, pavement maintenance, public safety, and stormwater. These charges are billed monthly to all utility customers throughout the City. The amount of the charge is based on the cost to provide the service, which is informed by individual utility master plans and rate studies. Utility charges are adopted by resolution of the City Commission in accordance with the City Charter. Revenues are estimated based on number of utility customers (total connections) times approved rates, which include allowances for annual inflationary adjustments of 2% to 3%.

System development charges are driven by development, billed at the time of the issuance of a building permit, and vary from year to year.

Charges for Services also includes fees charged to users of various city services, such as parks, library services and cemetery. Revenue estimates for these charges are based on projected users derived from previous trend analysis for the past six years assuming a 1% annual growth or other adjustments as requested by departments.

A breakdown of Charges for Services is shown in the table below. The chart below shows utility service charge revenue and SDC revenue, on an annual basis, for the proposed biennium and the previous three biennia.

Type of Charge	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Water Utility	\$ 14,788,639	\$ 16,069,356	\$ 16,160,446	\$ 8,641,000	\$ 8,929,400	\$ 17,570,400
Wastewater Utility	11,674,514	12,950,649	13,304,423	7,476,900	7,891,200	15,368,100
Stormwater Utility	5,837,233	6,519,194	6,745,746	3,987,500	4,338,400	8,325,900
Transportation Utility	5,031,393	5,716,740	5,853,850	3,239,200	3,308,600	6,547,800
Police Utility Fee	2,271,524	2,511,250	2,647,460	1,316,800	1,369,900	2,686,700
System Development Charges	6,379,317	8,715,133	5,570,000	5,180,000	5,180,000	10,360,000
Parks & Recreation User Fees	1,207,354	505,209	863,426	783,500	808,400	1,591,900
Planning & Review Fees	1,621,638	1,536,449	1,200,490	648,500	657,000	1,305,500
Code Enforcement & Parking	854,122	187,856	513,200	435,100	435,100	870,200
Cemetery Fees	653,763	661,480	554,800	285,800	280,800	566,600
Other	1,012,940	884,482	985,800	415,400	424,500	839,900
Total Charges for Services	\$51,332,437	\$56,257,798	\$54,399,641	\$32,409,700	\$33,623,300	\$66,033,000

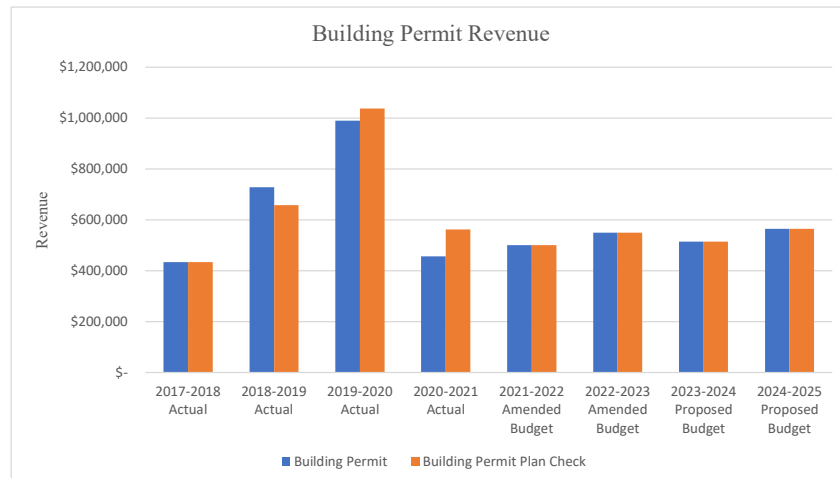
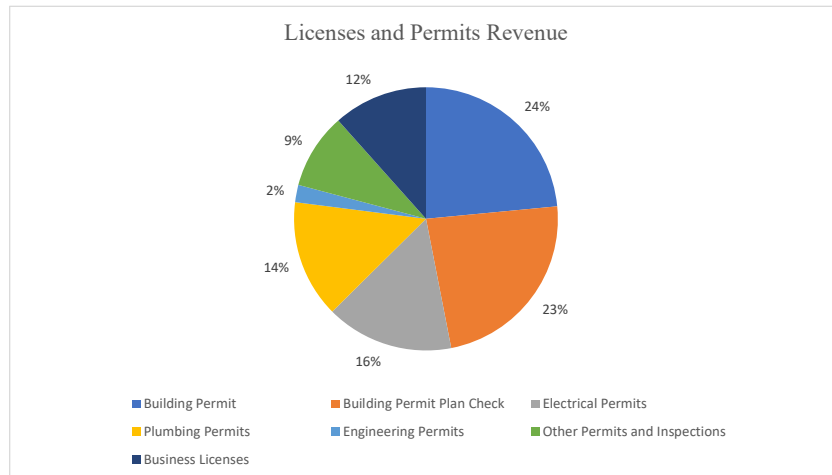


Licenses and Permits

The table and chart below show the various types of license and permit revenue. Building permits make up the largest share of all permitting revenue at 24%. The subsequent chart compares building permit revenues on an annual basis for the proposed biennium and the previous three biennia.

Permit estimates are based on historical information including number of permits issued and projected building activity based on number of building and engineering plans and land use applications submitted.

License / Permit Type	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Building Permit	\$ 1,162,477	\$ 956,007	\$ 1,050,000	\$ 515,000	\$ 565,000	\$ 1,080,000
Building Permit Plan Check	1,091,434	1,061,461	1,050,000	515,000	565,000	1,080,000
Electrical Permits	562,114	432,002	420,400	215,200	215,600	430,800
Plumbing Permits	484,984	546,227	490,400	250,200	250,600	500,800
Engineering Permits	114,133	131,287	76,000	55,000	55,000	110,000
Other Permits and Inspections	373,540	350,923	318,500	161,600	166,700	328,300
Business Licenses	433,201	429,150	424,000	209,000	209,000	418,000
Building Permit Law Enforcement	143,500	-	-	-	-	-
Total Licenses and Permits	\$ 4,365,383	\$ 3,907,057	\$ 3,829,300	\$ 1,921,000	\$ 2,026,900	\$ 3,947,900



Budget Summary

Pass-Through Revenue

A local government may collect taxes, fees, or charges on behalf of other governmental entities that are then paid, on a pass-through basis, to another local government under an intergovernmental agreement or statute. The City

is required to budget these collections as pass-through revenues and the remittances as special payments. The following chart shows the pass-through payments collected by the City and the funds where they are recorded.

Fund	Type of Charge	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
General	State and County Fines	\$ 689,449	\$ 614,105	\$ 700,000	\$ 350,000	\$ 375,000	\$ 725,000
Planning	School Excise Tax	787,904	853,683	1,200,000	600,000	600,000	1,200,000
Building	Metro Excise Tax	171,057	129,987	230,000	115,000	115,000	230,000
Building	State Surcharge	283,964	243,062	365,000	189,000	190,600	379,600
Water	South Fork Connection Charges	575,501	665,844	600,000	650,000	650,000	1,300,000
Wastewater	Tri-City Connection Charges	1,228,237	1,236,978	750,000	1,800,000	1,800,000	3,600,000
Wastewater	Tri-City Service Charges	9,418,082	10,175,581	10,355,856	5,543,400	5,820,600	11,364,000
Total Pass-Through Revenue		\$13,154,194	\$13,919,240	\$14,200,856	\$ 9,247,400	\$ 9,551,200	\$18,798,600

Internal Service Charge Revenue

Services are provided between City departments daily. Each department providing a service is reimbursed a "charge for service" which is then recorded as an expenditure in the department receiving that service. The City calculates these charges based on the approximate time spent and other associated fees. It is important that each City function recover its cost of service, even internally, so that funds entrusted by the public are used for intended purposes and in accordance

with applicable laws and regulations. The City Manager and City Recorder have not charged for services in the past. The City Manager department internal service charge has been added to the 2023-2025 biennium.

The table below shows the departments that incur expenditures for the internal services they receive, along with the departments that provide, and are reimbursed for, those services.

Expenditure	Revenue											
	General Fund						Planning Fund	Engineering Fund	Utility Customer Service Fund	Department Subtotal*	Fleet Maintenance Fund	TOTAL
	City Manager	Finance	Human Resources	Information Technology	GIS	General Government						
General Government							496,800	20,400		517,200	9,000	
Code Enforcement										-	12,000	
Parks Maintenance										-	75,000	
Cemetery											5,000	
Library	91,200	54,800	114,600	81,600	11,900	69,000				423,100		
Planning	51,400	35,600	28,600	45,600		17,200				178,400	500	
Building	107,200	38,000	59,600	122,400	48,000	36,000				411,200	6,200	
Engineering	59,400	23,400	33,000	67,200	29,600	19,800				232,400	1,100	
Transportation	143,000	130,000	79,600	98,400	54,700	48,000	22,800	144,600		721,100	180,000	
Pavement Maintenance		59,400		64,800	12,500				431,100	567,800		
Equipment Replacement		28,400								28,400		
Water	151,000	205,600	83,800	177,600	65,200	50,600	49,200	182,800	1,172,800	2,138,600	70,000	
Wastewater	118,600	296,000	66,000	148,800	67,000	39,800	49,200	799,900	985,900	2,571,200	112,000	
Stormwater	111,600	88,200	62,000	122,400	58,600	37,400	49,200	77,000	494,600	1,101,000	150,000	
Fleet Service		11,000								11,000		
Utility Customer Service	63,400		35,200	55,200	4,100	21,200				179,100	2,000	
South Fork Water Board											2,000	
Total Internal Service Charges	\$ 896,800	\$ 970,400	\$ 562,400	\$ 984,000	\$ 351,600	\$ 339,000	\$ 667,200	\$1,224,700	\$3,084,400		\$ 624,800	\$9,705,300

* Subtotal represents total internal service charges by department, excluding vehicle maintenance internal service charges, which are included in total internal service charge revenue, but are presented in each department's expenditure budget in the "Repair and Maintenance Services" category.

GENERAL FUND

OVERVIEW

The General Fund is the principal operating fund of the City and is used to account for all revenues and expenditures that are not required to be recorded in another fund. General Fund revenues include property taxes, fees and charges for services, income from other agencies, interest, and transfers in from other funds. General Fund expenditures include program costs for services provided by the City Commission, City Manager, City Recorder, Finance, Municipal Court, Human Resources, Economic Development and Information Technology (service area departments grouped as Policy and Administration), and the Police and Parks and Recreation Departments. Additional requirements include transfers to other funds for capital improvement projects and to support programs in those funds.

In the General Fund, it is important to carry over sufficient unappropriated ending fund balance

(an amount not budgeted for spending in the previous year) to provide cash flow for specific operations until current year revenues are received; payroll and bills need to be paid for several months prior to when property taxes are collected. Additionally, maintaining an emergency ending reserve in the event of revenue losses, state mandates, or natural disasters provides stability to meet the City's current and future needs. The target amount is 27% of the annual operating budget, or \$8.2 million. The General Fund Operating Contingency at \$1.6 million and Unappropriated Fund Balance at \$5.2 million total approximately \$6.8 million, or 22%, at the end of the biennium, with an additional \$2.5 million reserved for future program expenditures. These reserves include funding restricted for the Tourism Program, the Metro Enhancement Grant program, and dedicated park donations.

Total resources and requirements in the General Fund for the past two periods, the current budget biennium, and the proposed biennium are shown below.

General Fund	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 7,270,174	\$ 9,816,801	\$ 10,088,373	\$ 12,087,500	\$ 10,612,900	\$ 12,087,500
Property Taxes	25,889,865	28,057,100	30,559,291	16,170,400	16,757,400	32,927,800
Franchise Fees	7,591,943	7,981,985	8,242,423	4,447,800	4,614,900	9,062,700
Intergovernmental	3,937,150	5,538,979	6,164,392	2,322,800	2,211,100	4,533,900
Charges for Services	3,690,157	2,352,630	2,720,486	1,822,900	1,851,800	3,674,700
Pass-Through Revenues	689,449	480,588	700,000	350,000	375,000	725,000
Internal Service Charges	1,451,925	2,133,100	2,556,680	2,047,800	2,056,400	4,104,200
Licenses and Permits	577,709	428,402	426,000	209,500	209,500	419,000
Fines and Penalties	2,609,270	1,800,112	2,225,000	1,090,000	1,115,000	2,205,000
Assessments and Other Taxes	999,908	1,264,370	1,196,000	834,900	852,300	1,687,200
Miscellaneous Income	734,153	1,777,274	834,400	443,000	445,000	888,000
Interest Income	545,801	614,506	450,000	213,000	192,000	405,000
Other Financing Sources	123,134	-	354,229	-	-	-
Transfers In	299,508	-	-	-	-	-
Total Resources	\$ 56,410,146	\$ 62,245,847	\$ 66,517,274	\$ 42,039,600	\$ 41,293,300	\$ 72,720,000
Requirements by Department						
Policy & Administration	\$ 10,225,516	\$ 11,129,035	\$ 13,265,423	\$ 7,769,200	\$ 7,921,800	\$ 15,691,000
Police	21,140,074	22,627,559	25,131,903	13,501,900	13,842,000	27,343,900
Parks and Recreation	7,836,578	9,518,040	11,349,928	6,153,400	6,156,600	12,310,000
General Government	4,337,414	4,586,949	5,059,030	2,423,600	2,373,500	4,797,100
Pass-Through Expenses	-	-	700,000	350,000	375,000	725,000
Principal & Interest	-	-	50,000	25,600	26,200	51,800
Transfers Out	3,053,763	3,226,685	3,559,557	1,203,000	1,267,000	2,470,000
Contingency	-	-	6,102,559	3,176,600	1,629,200	1,629,200
Reserved for Future Expenditure	-	-	1,298,874	2,435,700	2,551,200	2,551,200
Unappropriated Fund Balance	9,816,801	11,157,579	-	5,000,600	5,150,800	5,150,800
Total Requirements	\$ 56,410,146	\$ 62,245,847	\$ 66,517,274	\$ 42,039,600	\$ 41,293,300	\$ 72,720,000

General Fund

BUDGET HIGHLIGHTS

The 2023-2025 biennial revenues (excluding beginning fund balance, internal service charges and transfers) increased over last biennial budget by a combined total of \$3.0 million, or approximately 5.6%. Total expenditures (excluding transfers, internal service charges and contingencies) increased by a combined total of \$5.3 million, or approximately 9.6%.

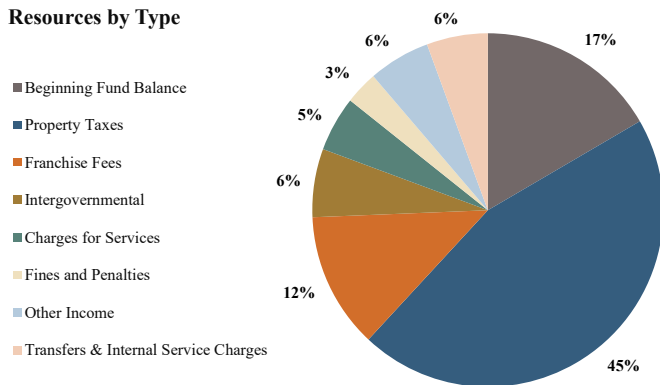
Property tax growth makes up most of the increase to revenues as these continue to be the largest revenue source for the general fund, at 45% of total resources. Property tax revenues are expected to increase over the next two years due to projected 3.7% increases in assessed value for each of the two years. Franchise fees (paid by utility companies for their use of public rights-of-way), are projected to stay relatively stable over the next biennium. Intergovernmental revenue is expected to decrease by \$1.6 million due to the receipt of funds from the American Rescue Plan Act of 2021 recognized in the prior biennium. Revenue sources adversely impacted by the pandemic, such as Charges for Services and Fines and Penalties, are included in the budget at an

increased amount compared to the prior biennium, as reflective of services returning to normal levels after the COVID-19 pandemic.

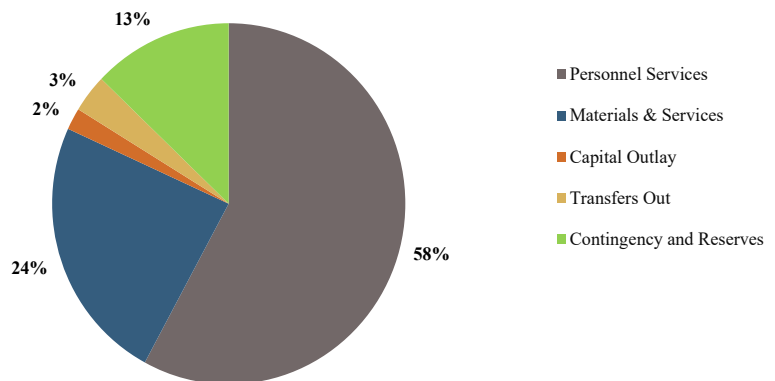
Increases to General Fund expenditures can be attributed to an increase in Personnel Services costs due to additional FTE, annual cost of living adjustments and step increases for employees, coupled with anticipated health insurance and PERS rate increases. These items contributed to an 14.3% increase in General Fund personnel expenditures. Materials and Services costs increased by 9.9% due to several continued initiatives associated with specific Commission goals. This includes a Diversity, Equity and Inclusion initiative, various Economic Development initiatives, and additional investment in information technology. Capital outlay expenditures reflect continued focus on deferred capital maintenance, with a decrease from the prior biennium of \$986,000 due to one-time projects in the prior biennium.

The charts below show the relative percentages of resources by type and requirements by category for the biennium.

Resources by Type

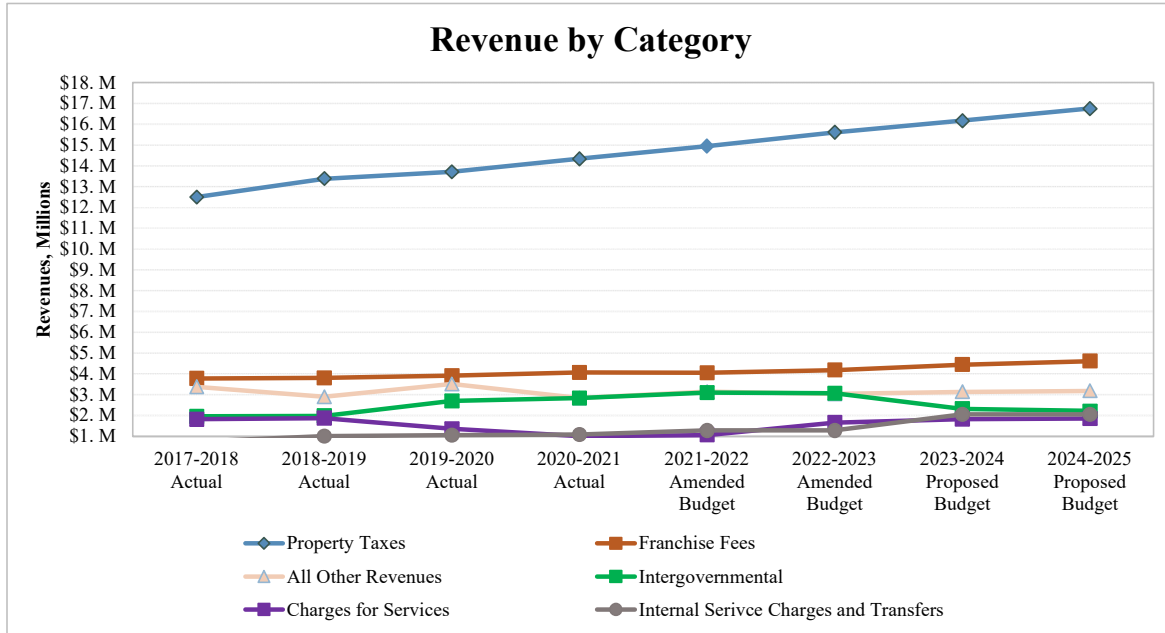


Requirements by Category



GENERAL FUND REVENUES

The chart below shows General Fund revenues by category over time.

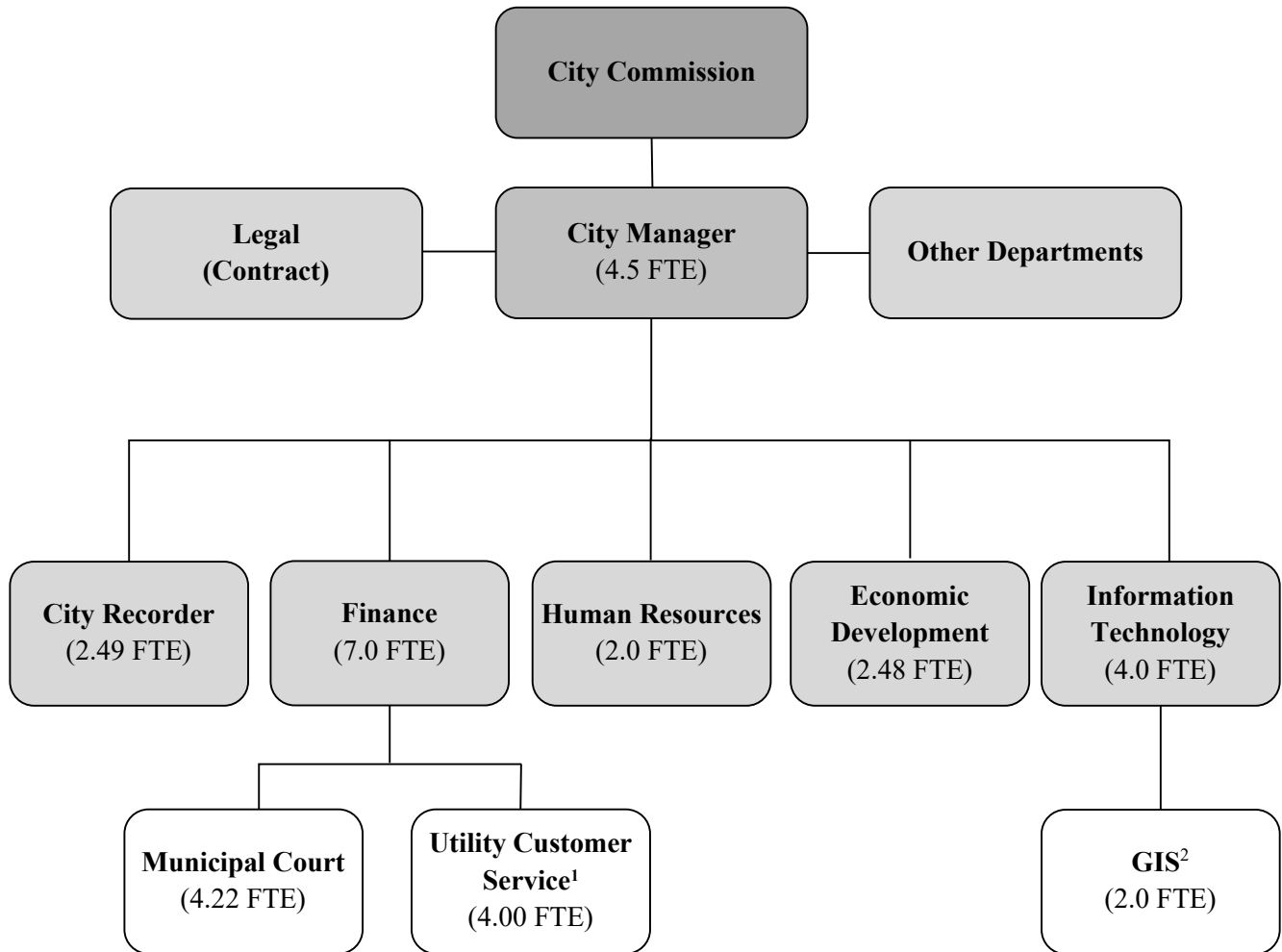
**GENERAL FUND EXPENDITURES**

The following sections contain further detail on General Fund expenditures by category.

General Fund	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Requirements by Category						
Personnel Services						
Salaries	\$ 17,989,949	\$ 18,680,707	\$ 21,382,102	\$ 11,755,500	\$ 12,183,600	\$ 23,939,100
Benefits	11,822,229	13,558,924	15,766,710	8,877,500	9,249,900	18,127,400
Total Personnel Services	29,812,178	32,239,631	37,148,812	20,633,000	21,433,500	42,066,500
Materials & Services						
Professional & Technical Services	2,439,514	2,317,493	2,952,337	1,623,900	1,671,100	3,295,000
Repair & Maintenance Services	3,279,714	3,434,988	4,402,812	2,568,300	2,606,400	5,174,700
Other Services	1,913,850	1,746,959	1,843,600	1,078,700	1,122,600	2,201,300
Employee Costs	517,279	401,528	602,084	320,500	324,400	644,900
Operating Materials & Supplies	796,858	841,212	936,130	531,600	496,800	1,028,400
Office & Administrative Supplies	891,826	870,682	1,097,450	522,200	545,400	1,067,600
Special Programs	963,032	1,653,802	1,176,630	516,200	458,700	974,900
Pass-Through Payments	682,627	480,904	700,000	350,000	375,000	725,000
Community Programs & Grants	750,375	1,372,610	1,792,000	877,000	877,000	1,754,000
Internal Service Charges	502,000	540,400	451,200	258,400	258,800	517,200
Total Materials & Services	12,737,075	13,660,578	15,954,243	8,646,800	8,736,200	17,383,000
Capital Outlay	990,329	1,961,374	2,403,229	918,300	499,200	1,417,500
Principal & Interest	-	-	50,000	25,600	26,200	51,800
Transfers Out	3,053,763	3,226,685	3,559,557	1,203,000	1,267,000	2,470,000
Contingency	-	-	6,102,559	3,176,600	1,629,200	1,629,200
Reserved for Future Expenditure	-	-	1,298,874	2,435,700	2,551,200	2,551,200
Unappropriated Fund Balance	9,816,801	11,157,579	-	5,000,600	5,150,800	5,150,800
Total General Fund	\$ 56,410,146	\$ 62,245,847	\$ 66,517,274	\$ 42,039,600	\$ 41,293,300	\$ 72,720,000



Policy and Administration



Total FTE 32.69

This chart reflects the City's organizational reporting structure. For information about how budgeted expense is allocated to, and reported within, funds and departments, see the Personnel portion of the Additional Information section at the end of this document.

¹ *Utility Customer Service personnel report to Finance. However, the budgeted expense associated with the FTE are reported within the Utility Billing Fund.*

² *GIS personnel report to Information Technology. However, the budgeted expense associated with the FTE are allocated between the General Fund and various Public Works funds.*

POLICY AND ADMINISTRATION

OVERVIEW

The Policy and Administration departments connect the City with the public; they provide the organizational and business management foundation for the City. They include a wide variety of functions that encompass the areas of civic leadership, communication and engagement, administrative support, strategic planning, economic development, city management, financial management and services, customer service, municipal court, human resource and risk management, information technology and records management.

The City Commission and City Manager are the focal points of citizen requests for service. The City Manager, acting with the Commission's direction, guides the various departments.

DEPARTMENT GOALS

- ❖ To provide leadership, engaged governance, and responsive customer service, and to be transparent, efficient and effective with public funds

- ❖ To oversee and implement the City Commission Goals as established for the 2023-2025 biennium

SIGNIFICANT BUDGET CHANGES

- ❖ Includes the addition of an Assistant City Manager and a part-time Community Engagement Specialist. Net FTE decrease of 0.02 due to the elimination of the Tourism Coordinator position and adjustments to part-time hours by Municipal Court and Finance
- ❖ Repair and Maintenance Services includes additional funding for Information Technology department initiatives recommended by IT Strategic Plan including upgrading the City's disaster recovery, network monitoring and backup systems
- ❖ Capital Outlay includes additional funding for installation of hardware to support a move of software to a full virtual environment as well as additional software security including monitored end point security and strengthened firewalls
- ❖ Pass-through payments include fines collected on behalf of county and state agencies

POLICY AND ADMINISTRATION EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 3,726,139	\$ 3,966,939	\$ 4,611,607	\$ 2,639,800	\$ 2,700,600	\$ 5,340,400
Benefits	2,222,000	2,665,271	3,194,249	2,183,100	2,253,500	4,436,600
Total Personnel Services	5,948,139	6,632,210	7,805,856	4,822,900	4,954,100	9,777,000
Materials & Services						
Professional & Technical Services	1,157,043	987,011	1,432,437	631,200	670,400	1,301,600
Repair & Maintenance Services	595,153	626,443	957,110	636,500	673,600	1,310,100
Other Services	322,401	365,836	409,200	141,200	164,100	305,300
Employee Costs	179,401	135,940	236,080	126,500	129,600	256,100
Operating Materials & Supplies	34,191	21,280	29,800	12,600	12,600	25,200
Office & Administrative Supplies	232,113	196,151	301,540	156,500	159,700	316,200
Special Programs	116,965	132,360	202,400	92,000	92,000	184,000
Pass-Through Payments	682,627	480,904	700,000	350,000	375,000	725,000
Community Programs & Grants	750,375	1,372,610	1,792,000	877,000	877,000	1,754,000
Total Materials & Services	4,070,269	4,318,535	6,060,567	3,023,500	3,154,000	6,177,500
Capital Outlay	207,108	178,290	99,000	272,800	188,700	461,500
Total Policy & Administration	\$ 10,225,516	\$ 11,129,035	\$ 13,965,423	\$ 8,119,200	\$ 8,296,800	\$ 16,416,000

CITY COMMISSION

OVERVIEW

The Oregon City Commission is composed of the Mayor and four Commissioners elected by the citizens of Oregon City. The Commission provides legislative and policy leadership for City government. The Mayor and Commissioners are elected to four-year terms. Elections are held in even numbered years, with two Commissioners elected at large. The next Mayoral election is scheduled for 2026. The City Commission also composes five of the ten Budget Committee members, the other five citizen members are appointed. The Commissioners are also the governing board for the Oregon City Urban Renewal Commission, along with two appointed citizen members.

City Commission business meetings occur twice a month and work sessions are held once a month. City Commissioners receive no compensation for

their time. They are reimbursed for expenses incurred during their time of service.

GOALS AND ACCOMPLISHMENTS

Every two years, the City Commission prepares goals and priorities for the upcoming biennium. These goals provide major policy direction for the coming years, specifically as they relate to budget and time allocations. The Commission Goals are listed in the Introduction section of this document and are summarized below. Accomplishments are reflected throughout this document.

- ❖ **Goal 1 – DEI/Safe Inclusive Community**
- ❖ **Goal 2 – Infrastructure/City Services**
- ❖ **Goal 3 – Community Engagement**
- ❖ **Goal 4 – Homelessness**
- ❖ **Goal 5 – Tourism & Economic Development**
- ❖ **Goal 6 – Housing**
- ❖ **Goal 7 – Environment**

CITY COMMISSION EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Materials & Services						
Professional & Technical Services	\$ 68,857	\$ 149,543	\$ 100,000	\$ 50,000	\$ 50,000	\$ 100,000
Other Services	12,932	7,440	20,000	5,000	22,000	27,000
Employee Costs	72,998	59,686	74,400	45,000	46,000	91,000
Office & Administrative Supplies	38,030	21,747	47,400	17,100	22,600	39,700
Special Programs	116,965	123,214	166,000	76,000	76,000	152,000
Community Programs & Grants	3,336	2,156	4,000	2,000	2,000	4,000
Total Materials & Services	313,118	363,786	411,800	195,100	218,600	413,700
Total City Commission	\$ 313,118	\$ 363,786	\$ 411,800	\$ 195,100	\$ 218,600	\$ 413,700

BUDGET HIGHLIGHTS

Professional & Technical Services include legal costs relating to attending meetings and addressing Commission specific ordinances and issues.

Employee Costs include League of Oregon Cities annual membership and training.

Special Programs are as follows:

Trail News	\$ 84,000
Neighborhood groups	60,000
Volunteer recognition	8,000
Total	\$ 152,000

CITY MANAGER

OVERVIEW

The City Manager is appointed by the Commission and serves as the Chief Executive Officer of the City. The City Manager is responsible for ensuring that the organization carries out the goals, objectives, policies and directions of the City Commission. It is the City Manager's responsibility to advise the City Commission in its deliberations on all business and policy matters. The City Manager assists the City Commission in developing their vision, goals, and policies. The City Manager is responsible for communicating the activities and actions of the City to the Commission, staff and the public. The City Manager is also charged with administering the day-to-day operations of the City, and for ensuring enforcement of the laws, regulations, and ordinances within the City's jurisdiction. Additionally, the City Manager serves as the City's Budget Officer.

The City Manager's Office is dedicated to the principles of effective, democratic and transparent local government and to the highest ethical standards as adopted by the International City Management Association. The Office strives to deliver services fairly and sustainably, recognizing that the best interests of the entire community should be considered in each decision. The City Manager and staff acknowledge and respect the values of Oregon City as reflected in the decisions rendered through its governing body.

ACCOMPLISHMENTS

The accomplishments of the City Manager's Office are reflected through the efforts of the entire municipal organization. Each department and program strives to achieve the goals of the Commission as established for the entire City. It is the goal of this office to support achievement of those goals, while taking on specific projects and leadership where needed to obtain desired outcomes. The major accomplishments of the City are documented throughout each department and project. Overall, the City Manager's accomplishments were as follows:

- ❖ Project work plans were developed to support all major Commission goals and objectives
- ❖ Progress on Commission goals was monitored and communicated

GOALS AND PROJECTS

This department provides overall administration of the municipal organization. Thus, the goals of the Office are to implement the broad City-wide goals adopted by the City Commission. Specifically, the goals of the City Manager are:

- ❖ To maintain City services and daily operations to meet the needs of the community
- ❖ To implement and complete the Commission goals throughout each City department within the required time frame
- ❖ To support the Mayor and City Commission activities
- ❖ To provide leadership, guidance and direction to every City department
- ❖ To ensure City departments are engaged and proactively manage issues and achieve stated goals
- ❖ To support and direct communication, internally and externally
- ❖ To pursue intergovernmental relationships and partnerships
- ❖ To promote and sustain community relationships and partnerships
- ❖ To evaluate, develop, and implement strategies to provide municipal services in a cost effective and efficient manner



CITY MANAGER EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 546,737	\$ 695,292	\$ 761,975	\$ 584,500	\$ 604,900	\$ 1,189,400
Benefits	322,918	493,789	546,495	412,900	437,800	850,700
Total Personnel Services	869,655	1,189,081	1,308,470	997,400	1,042,700	2,040,100
Materials & Services						
Professional & Technical Services	121,446	74,672	113,000	36,000	56,000	92,000
Repair & Maintenance Services	-	(156)	3,100	2,000	2,000	4,000
Employee Costs	12,942	16,914	16,400	10,600	10,600	21,200
Office & Administrative Supplies	10,877	13,150	45,300	11,200	11,200	22,400
Community Programs & Grants	5,170	3,724	3,000	10,000	10,000	20,000
Total Materials & Services	150,435	108,304	180,800	69,800	89,800	159,600
Total City Manager	\$ 1,020,090	\$ 1,297,385	\$ 1,489,270	\$ 1,067,200	\$ 1,132,500	\$ 2,199,700

BUDGET HIGHLIGHTS

The 2023-2025 budget shows an increase over last biennial budget due to the inclusion of an additional 1.5 FTE. The Assistant City Manager position enhances the leadership capacity of the City Manager's Office to spearhead City

Commission goals, represent the City in regional partnerships, and successfully direct the core City functions. In addition, the budget includes a part-time Community Engagement Coordinator position to work directly with Youth Advisory Commission, Citizen Involvement Committee, and volunteers across the city.



CITY RECORDER

OVERVIEW

The mission of the City Recorder is to accurately maintain the proceedings of the City Commission; manage and provide accessibility to all official records of the City; administer regular and special municipal elections; provide for a City-wide records management program; coordinate the agenda process for City Commission meetings; facilitate codification of the City Code; and assist with the administration of advisory boards and committees.

ACCOMPLISHMENTS

- ❖ Implemented GovQA software for managing public records requests and improving response times and organization and OnBoard for volunteer board and committee roster and application management
- ❖ Successfully conducted the November 2, 2021 special election (water service rate and borrowing), the May 17, 2022 primary election (3 charter amendments), the August 23, 2022 special election (mayoral special election), and the November 8, 2022 general election
- ❖ Accomplished a variety of goals from the Recorder's Office Records Management Strategic Plan 2019-2023, including the completion a review of our electronic databases and workflow processes to determine capacity and opportunities for improvement
- ❖ Digitized permanent paper records stored offsite and made accessible to the public via

the City's website and reduced the quantity of cartons stored offsite by converting the documents to electronic format, resulting in cost savings

- ❖ Efficiently processed a minimum of 375 public records requests in the 2021-2023 biennium
- ❖ Successfully hired and trained a new Assistant City Recorder, as well as provided records management and agenda management training for at least 21 other staff members in all departments
- ❖ Continued to electronically archive records in the Oregon Records Management Solution (ORMS) cloud-based database

GOALS AND PROJECTS

- ❖ Develop and implement a Records Management Strategic Plan for 2023-2027, which includes an analysis of current business processes, database integrations, and compliance metrics
- ❖ Implement automated solutions for records management and embed records management in our normal business practices
- ❖ Improve public access to our public officials and meetings through improved live-streaming and online forms
- ❖ Continue to digitize large volumes of physical records stored offsite and at City Hall
- ❖ Improve the resilience of our electronic records management system to ensure continuity of operations during emergencies

City Recorder Performance Measures					
	2019	2020	2021	2022	2023
Records management system users	58	57	58	70	57
Records archived	135,987	224,117	237,608	275,202	276,307
Public records request processed	206	203	236	283	42

CITY RECORDER EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 346,185	\$ 322,641	\$ 421,940	\$ 202,500	\$ 211,600	\$ 414,100
Benefits	197,812	198,634	260,264	148,500	157,800	306,300
Total Personnel Services	543,997	521,275	682,204	351,000	369,400	720,400
Materials & Services						
Professional & Technical Services	6,389	19,904	37,600	24,800	24,800	49,600
Repair & Maintenance Services	120,565	119,454	164,200	55,000	55,000	110,000
Other Services	182,764	183,952	212,800	110,000	110,000	220,000
Employee Costs	8,355	5,068	11,400	6,700	6,700	13,400
Office & Administrative Supplies	30,056	10,693	18,500	20,300	14,900	35,200
Total Materials & Services	348,129	339,071	444,500	216,800	211,400	428,200
Capital Outlay	69,587	111,867	20,000	-	45,000	45,000
Total City Recorder	\$ 961,713	\$ 972,213	\$ 1,146,704	\$ 567,800	\$ 625,800	\$ 1,193,600

BUDGET HIGHLIGHTS

The City Recorder budget reflects the cost savings from the replacement of the agenda management software and board and committee roster tracker. The budget includes funds for professional assistance with scanning large volumes of documents stored offsite and at city facilities.

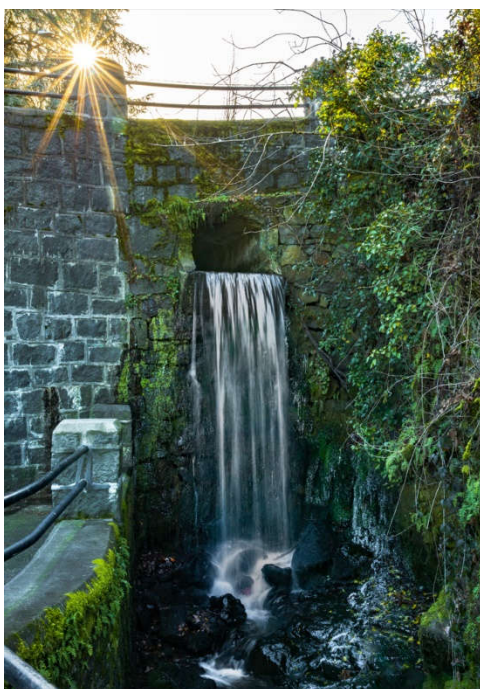
Professional & Technical Services relate to legal expenses, updating city code, as well as technical consultants for assistance with audio-visual equipment in the Chambers.

Repair & Maintenance Services represent program software maintenance costs:

ORMS/Chaves Consulting	\$ 59,000
Public records request portal	17,000
Agenda management	20,000
Boards & committee software	5,000
Miscellaneous	9,000
Total	\$ 110,000

Other Services consists of the following:

Recording of meetings	\$ 170,000
Bulk records scanning	16,000
Records storage, disposal and supplies	6,000
Minutes transcription	25,000
Shredding	3,000
Total	\$ 220,000



FINANCE

OVERVIEW

The Finance Department supports responsible planning and management of the City's financial resources. Core services include: financial accounting and reporting, financial analysis, budget administration, treasury and debt management, accounts receivable/collections, administration, payroll, accounts payable, and compliance.

Finance forecasts operating fund balance reserves, revenues, and expenditures, to support policy decisions and guide in the development of the biennial budget. The department coordinates the budget process and provides analyst support to the City Manager and departments for budget decisions.

Treasury and debt functions involve protecting and investing the City's cash assets, including banking and investment advisory services, and monitoring the City's debt portfolio and making recommendations on the structure of debt issuances. General accounting includes oversight of financial transactions, receipt of utility payments and general revenues, and processing vendor payments.

Finance prepares the City for annual financial audits required under Oregon law and prepares and issues the Comprehensive Annual Financial Report. Finance also prepares the City for Federal grant audits, when applicable.

The Department performs internal compliance and financial reviews and audits on a periodic basis and recommends control procedures for

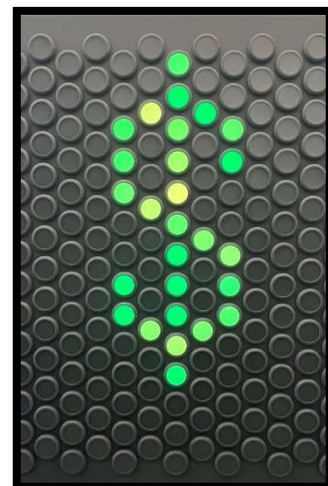
departments. Finance also provides general accounting services for South Fork Water Board.

ACCOMPLISHMENTS

- ❖ Completed annual audits and financial reports for City of Oregon City, Oregon City Urban Renewal Agency and South Fork Water Board (no audit findings)
- ❖ Received Award for Distinguished Budget Presentation for 2021-2023 biennium
- ❖ Received Award for Excellence in Financial Reporting for the years ended June 30, 2020 and 2021. Submitted June 30, 2022 annual financial report for award consideration
- ❖ Secured \$1.0 million in Federal Emergency Management Agency (FEMA) funds, which was 90% of amount expended, reimbursing the City for February 2021 ice storm response
- ❖ Successfully fulfilled all operations while transitioning three staff positions

GOALS AND PROJECTS

- ❖ Implement new budgeting and financial forecasting software
- ❖ Expand utilization of existing software for project accounting for capital projects, grants, and other restricted resources
- ❖ Enhance the financial investment portfolio
- ❖ Develop and implement a formal Indirect Cost Allocation Plan
- ❖ Strengthen purchasing policy and procedures and train departments for greater effectiveness as well as incorporating the City's Diversity, Equity and Inclusion initiative



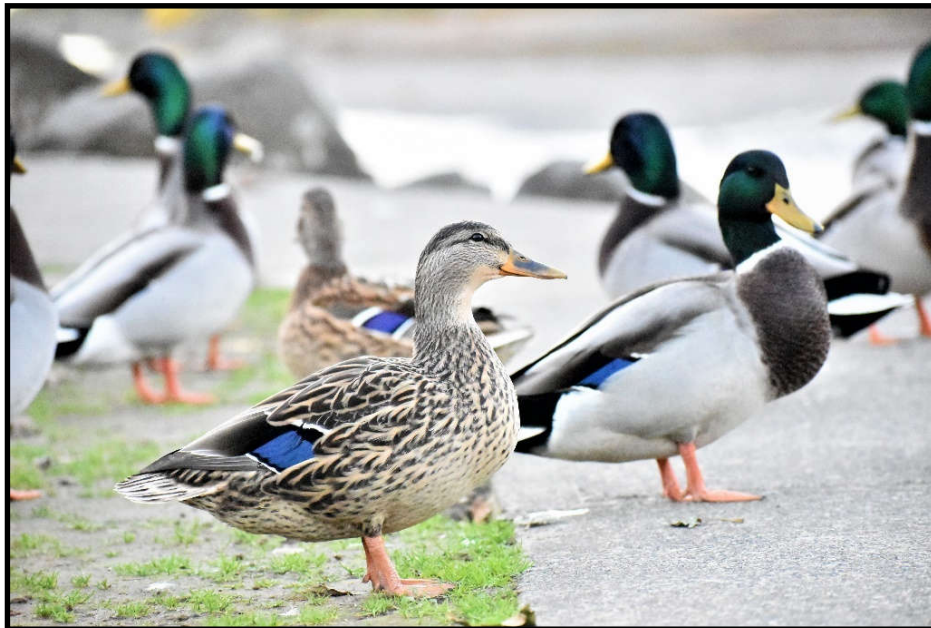
FINANCE EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 964,997	\$ 988,644	\$ 1,040,378	\$ 513,500	\$ 542,200	\$ 1,055,700
Benefits	584,155	631,705	727,181	384,600	405,900	790,500
Total Personnel Services	1,549,152	1,620,349	1,767,559	898,100	948,100	1,846,200
Materials & Services						
Professional & Technical Services	14,260	5,452	15,000	25,000	25,000	50,000
Repair & Maintenance Services	68,243	85,115	84,000	88,100	91,300	179,400
Employee Costs	20,232	15,445	34,000	13,500	13,500	27,000
Operating Materials & Supplies	27	1,679	800	-	-	-
Office & Administrative Supplies	40,505	47,252	56,000	33,600	29,400	63,000
Total Materials & Services	143,267	154,943	189,800	160,200	159,200	319,400
Total Finance	\$ 1,692,419	\$ 1,775,292	\$ 1,957,359	\$ 1,058,300	\$ 1,107,300	\$ 2,165,600

BUDGET HIGHLIGHTS

The Finance budget reflects a reduction of 0.5 FTE and an increase in Repair and Maintenance Services to allow for budgeting and long-range financial forecasting software, at a net zero impact. Other software changes include the

transition to cloud hosting of core accounting software. Additional professional services include compliance with new accounting standards proscribed by the Government Accounting Standards Board.



MUNICIPAL COURT

OVERVIEW

The Municipal Court functions to provide the judicial branch of City government. The Court's mission is to support the quality of life of the citizens of Oregon City by promoting public safety, traffic safety, and respect for the administration of justice by applying sanctions for violations of municipal ordinances.

The mission includes administration of: Subject Matter Jurisdiction, Territorial Jurisdiction, and Personal Jurisdiction. This is accomplished by processing the law enforcement efforts with Oregon City for the Motor Vehicle Code, Criminal Code and City violations. The mission also includes efficient and equal justice for all persons, as well as the protection of citizens' individual and property rights as outlined in the City Charter, Chapter V Powers and Duties of Officers, Section 22 Municipal Judge. This is in accordance with the City Commission's Mission Statement.

The Oregon Legislature sets maximum and minimum fines for all traffic tickets. The Municipal Court handles approximately 5,500 traffic cases annually. Additionally, the Court handles approximately 550 criminal cases annually. Services provided also include court-appointed attorneys for indigent defense on criminal cases and trials and traffic safety diversion programs for traffic citations.

ACCOMPLISHMENTS

- ❖ Acquired a new judge and pro-tem judges signed oath of office.
- ❖ Contracted a new prosecutor.
- ❖ Hired a new Court Clerk with several years of experience working at Circuit Court.
- ❖ Contracted bailiff services with Oregon Patrol.
- ❖ Contracted a new court appointed attorney.
- ❖ Acquired a contract with Trans Union-TLO-XP for detailed and up to date information on customers for data base and collections. Added Utility Billing to the contract.

- ❖ Attended OACA and OMJA Spring and Fall conferences.
- ❖ Continue to attend trainings and learn best practices for Tyler/Incode.
- ❖ Warrants are now entered by Police Records to ensure best practices and compliance are met.
- ❖ More than 100 old warrants from 2017 and prior were cleared with assistance of the prosecutor.
- ❖ Utilizing electronic docket and check in process for efficiency.
- ❖ A Deferred Program is in place with a 12-month probationary period and in-person classes offered at Clackamas Community College.
- ❖ Community Service is eligible for violations not just criminal cases. Met with Community Corrections to ensure a good plan was implemented and followed.
- ❖ Audio updated in court and echo has improved.
- ❖ Text reminders for court dates and payments are in full use.
- ❖ Added an automated telephone line for payments though Tyler/Incode.

GOALS AND PROJECTS

- ❖ Be represented at Oregon Association for Court Administration and Judicial conferences, Oregon Law Enforcement Data Systems, and software trainings to ensure compliance of statutes, consistency with other municipalities, and explore trends to benefit court and the community served.
- ❖ Continue to enhance security and training with Oregon Patrol Services
- ❖ Continue to develop procedures and forms to streamline processes.
- ❖ Renew contracts of court appointed attorneys.
- ❖ Continue to work with Judge on improving forms and processes.

MUNICIPAL COURT EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 669,124	\$ 639,697	\$ 724,975	\$ 359,200	\$ 375,600	\$ 734,800
Benefits	390,552	437,233	489,535	258,300	273,300	531,600
Total Personnel Services	1,059,676	1,076,930	1,214,510	617,500	648,900	1,266,400
Materials & Services						
Professional & Technical Services	253,236	278,923	271,437	165,600	166,800	332,400
Repair & Maintenance Services	36,781	36,542	38,110	21,900	22,000	43,900
Other Services	1,166	-	-	1,800	1,800	3,600
Employee Costs	8,788	4,095	12,600	5,400	5,100	10,500
Operating Materials & Supplies	6,819	2,490	8,000	2,100	2,100	4,200
Office & Administrative Supplies	61,873	62,864	66,540	39,500	47,000	86,500
Pass-Through Payments	682,627	480,904	700,000	350,000	375,000	725,000
Total Materials & Services	1,051,290	865,818	1,096,687	586,300	619,800	1,206,100
Total Municipal Court	\$ 2,110,966	\$ 1,942,748	\$ 2,311,197	\$ 1,203,800	\$ 1,268,700	\$ 2,472,500

BUDGET HIGHLIGHTS

The Municipal Court's budget is consistent with the prior biennium. Contractual increases have been proposed for court appointed attorneys and the prosecuting attorney. These have been offset by other departmental reductions.

Significant changes include bailiff services now being performed by a security company rather than part-time personnel.

Professional & Technical Services include the following:

Court Attorneys	\$ 149,800
Prosecution	135,000
Technical Services	<u>47,600</u>
Total	<u>\$ 332,400</u>



HUMAN RESOURCES

OVERVIEW

The Human Resources Department serves as a strategic resource to all City employees and departments of the City of Oregon City in relation to the City's workforce. The mission is to support the City's efforts to attract, develop, and retain a diverse and productive workforce that is capable of providing quality services to the citizens of Oregon City today and in the future.

The primary services provided by Human Resources include Employee and Labor Relations, Recruitment and Selection, Workforce Development, Classification and Compensation, Employee Benefits Administration, Learning & Development, Personnel Policy Development, Performance Management, Management Coaching and Risk Management.

Risk Management is responsible for providing strategic and progressive risk management, insurance, claims management, safety and loss control services, and compliance with local, state and federal laws. Risk Management is dedicated to protecting the City's human and financial assets by using various proven risk techniques such as cost-effective insurance and the continuous development and implementation of safety and loss control programs.

ACCOMPLISHMENTS

- ❖ Agreed to Collective Bargaining Agreement (CBA) for 2022-2025 with AFSCME Local 350-2 (American Federation State, County, Municipal Employees) and OCPEA (Oregon City Police Employee Association).
- ❖ Recruitment and Selection – Over the last two years, HR successfully coordinated 74 recruitments, received, and processed 2,869 applications, and on-boarded 58 regular status employees including three new department directors
- ❖ Leadership – Effectively supported the organization through the impacts of COVID-19 pandemic including a prompt response in creating meaningful policies, strong communication and overall support to managers and employees
- ❖ DEI Initiatives – Created and lead a Community DEI task force made up of 16 community members; completed an organizational DEI assessment; evaluated City policies and procedures, identifying ways to create a more open and inclusive organization and community; identified four strategic priorities and values of the organization which will provide a framework to guide the City moving forward as well as identify key initiatives that support each priority

GOALS AND PROJECTS

- ❖ **COMMISSION GOAL 1 – DEI/SAFE INCLUSIVE COMMUNITY**
 - ♦ Develop additional initiatives, policies and procedures to advance Diversity, Equity and Inclusion throughout city services
 - ♦ Develop and provide opportunities for city staff supporting and inclusive workplace.
- ❖ Continue to update and improve the City's personnel policies.

HUMAN RESOURCES EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 412,635	\$ 400,779	\$ 446,360	\$ 278,400	\$ 238,400	\$ 516,800
Benefits	254,946	299,122	325,779	494,000	467,500	961,500
Total Personnel Services	667,581	699,901	772,139	772,400	705,900	1,478,300
Materials & Services						
Professional & Technical Services	130,805	196,455	320,000	193,300	211,300	404,600
Repair & Maintenance Services	5,411	3,459	4,000	2,600	2,600	5,200
Employee Costs	17,150	13,087	20,500	10,300	10,300	20,600
Operating Materials & Supplies	-	2,088	-	-	-	-
Office & Administrative Supplies	14,533	6,768	11,200	4,100	4,000	8,100
Special Programs	-	9,146	36,400	16,000	16,000	32,000
Total Materials & Services	167,899	231,003	392,100	226,300	244,200	470,500
Total Human Resources	\$ 835,480	\$ 930,904	\$ 1,164,239	\$ 998,700	\$ 950,100	\$ 1,948,800

BUDGET HIGHLIGHTS

The proposed budget includes funding Diversity, Equity and Inclusion (DEI) initiatives consistent with the City Commission's Goals. Special Programs represents recruitment costs.

The proposed budget reflects an increase in Personnel Services due to inclusion of retirees' insurance costs previously recognized in the General Government department as well as six months of additional personnel expenses due to an over hire while a long-term employee transitions to retirement.

Professional & Technical Services includes the following:

Legal fees	\$170,000
DEI Initiatives	150,000
Deferred comp investment management services	20,000
Class and compensation study	18,000
Unemployment and COBRA administrative services	16,600
Employee assistance services	16,000
City-wide training	10,000
Other	<u>4,000</u>
Total	<u>\$404,600</u>



ECONOMIC DEVELOPMENT

OVERVIEW

Economic development is a strategic and collaborative process that creates an environment that systemically supports new investment, broadens the tax base, and creates primary jobs; therefore, improving the quality of life for people. The Department recognizes that successful economic development does not occur in a vacuum but relies on effective partnerships to implement a comprehensive approach to growth and resiliency. Realizing that partnerships are essential for the City's economic development success, the Department takes a comprehensive approach by forming these partnerships on the local, regional and State levels.

ACCOMPLISHMENTS

- ❖ Assisted 25 businesses with retention and expansion opportunities. The City's Economic Development Department created a partnership with local commercial realtors to help the department maintain a pulse on the ever-changing commercial real estate market.
- ❖ Launched "Talent Ready", a workforce development initiative, bringing together state, county, and nonprofit organizations to serve individuals hampered with a variety of obstacles to employment such as childcare, alcoholism, homelessness, etc.
- ❖ Partnered with EMBOLD, a multi-county community credit union, and Micro-Enterprise Services to provide loans to startup ventures.
- ❖ Established the BIZ POD, a high-quality small business training and education resource that provides mentors and other tools designed to improve the resiliency of small businesses.
- ❖ Commissioned a feasibility study to examine options to establish fiber optics network connectivity throughout the community, not only for businesses but for residences in Oregon City as well.

- ❖ Assisted the Urban Renewal Commission with drafting the 11th amendment to the Urban Renewal Plan. A ballot measure is pending for voters' approval to borrow funds to do specific projects within the Urban Renewal District.
- ❖ Created the Concierge Institute to improve the level of professionalism of nonprofit organizations engaged in tourism development activity
- ❖ Enhanced the tourism website, booked TV broadcasting of various events, developed several new TV commercials highlighting tourism sites, and had banners installed all over the community to establish the hometown brand
- ❖ Established the Oregon City Ars Commission which includes several new initiatives to support the arts in Oregon City have been launched including the approval of more murals and grants to support the development of art.

GOALS AND PROJECTS

❖ COMMISSION GOAL 5 – TOURISM & ECONOMIC DEVELOPMENT

- ♦ Lead and support the development of a public/private partnerships that result in the provision of financial assistance, and the reduction in employment obstacles such as the lack of childcare, skilled labor and the lack of other wrap-around support services.
- ♦ Work to cultivate a business-friendly environment
- ♦ Explore financing options to create shovel-ready industrial sites
- ♦ Continue to support the development of the Urban Renewal District
- ♦ Work to help transition the tourism operation from under the auspices of City government to that of a stand-alone public nonprofit entity.

ECONOMIC DEVELOPMENT EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 310,503	\$ 395,887	\$ 504,473	\$ 227,300	\$ 235,600	\$ 462,900
Benefits	206,994	245,544	371,758	160,700	166,300	327,000
Total Personnel Services	517,497	641,431	876,231	388,000	401,900	789,900
Materials & Services						
Professional & Technical Services	266,456	21,985	310,000	10,000	10,000	20,000
Repair & Maintenance Services	43,898	335	200	22,000	22,700	44,700
Other Services	36,888	363	1,000	2,500	2,500	5,000
Employee Costs	19,521	13,387	24,000	12,600	12,600	25,200
Office & Administrative Supplies	15,866	13,382	22,400	12,500	12,500	25,000
Community Programs & Grants	741,869	1,366,730	1,785,000	865,000	865,000	1,730,000
Total Materials & Services	1,124,498	1,416,182	2,142,600	924,600	925,300	1,849,900
Capital Outlay	50,945	3,095	-	12,600	12,000	24,600
Total Economic Development	\$ 1,692,940	\$ 2,060,708	\$ 3,018,831	\$ 1,325,200	\$ 1,339,200	\$ 2,664,400

BUDGET HIGHLIGHTS

The proposed budget continues to focus on community programs & grants for special projects that support Commission goals. This includes funding for various Economic Development initiatives, including efforts to support the small business community, as well as assisting with the management of a transition of the tourism program from municipal government to a separate legal entity.

Community Programs & Grants includes Tourism Promotion and the Metro Enhancement Grant program which both have funding carrying forward from unused spending in the prior biennium. Expenditures consist of the following:

Community grants	\$ 900,000
Tourism promotion	280,000
Business promotion	450,000
Community functions	<u>100,000</u>
Total	<u>\$ 1,730,000</u>



INFORMATION TECHNOLOGY

OVERVIEW

The Information Technology Department delivers strategic and technical support in Information Technology (IT), Geographic Information Systems (GIS), and Asset Management, to provide technical user support and guidance to all city departments.

The IT Department supports the City's technology infrastructure consisting of hardware, software, networks (including wireless and mobile), and facilities, consistent with the City's strategic technical plans.

Supported services include business productivity and collaboration software, email, remote access, active directory administration and security, document archiving, database administration and support, enterprise application development and support, website management and support, network services, department technology requests and the management of contracted technology services.

IT partners with other regional, county, and state agencies for specific purposes. Risk management services include virus and malware protection, data backup and disaster-recovery, firewalls, security certificates, network and remote access and secure online payment processing.

ACCOMPLISHMENTS

- ❖ Hired a new IT Director in the second year of the biennium
- ❖ Improved risk management by completing multiple updates to improve city-wide safeguards including Multi Factor Authentication, backup and recover (Datto), Darktrace Optimization and continued staff training
- ❖ Improved the City's GIS environment by upgrading to AcrGISPro, migrating applications to ArcGIS Portal with added security and upgraded the Maps Server
- ❖ Began a City website refresh to increase transparency, encourage citizen participation and expand on online service offerings
- ❖ Optimized investments in current enterprise business applications through process

improvement, vendor management and user training

- ❖ Maintained and improved city-wide IT infrastructure by updating current hardware, upgrading server operating systems to more current versions, adding security cameras and maintaining a high level of support to staff by responding to tickets in a timely manner.

GOALS AND PROJECTS

- ❖ Build and implement IT Infrastructure improvement plan by utilizing current capabilities more effectively
- ❖ Migrate to a more robust cloud data center
- ❖ Consolidate existing services for improved user experience and lower total cost of ownership, improving security processes and disaster recovery
- ❖ Separating Supervisory Control and Data Acquisition (SCADA) from the city network and migrating the Tyler environment to their Software as a Service (SaaS) or Hosted environment
- ❖ Complete City website refresh, improve mobile access to the City's public information and resources and support improvement of citizen request processes formalize IT governance structure
- ❖ Develop IT governance framework utilizing standards such as ITIL or FAIR
- ❖ Improve vendor review processes
- ❖ Develop record retention framework and review all PCI and PII compliance requirements
- ❖ Analyze long-term staffing needs
- ❖ Develop IT training and professional development plan to keep IT staff current with new and emerging technology
- ❖ Complete Managed Services Provider (MSP) vendor contract to include support for current and future needs
- ❖ Fill current IT vacancy
- ❖ Implement user training programs
- ❖ Work with all department heads to evaluate all current applications and determine future needs
- ❖ Improve long-term document management

INFORMATION TECHNOLOGY EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 272,080	\$ 322,643	\$ 423,367	\$ 293,500	\$ 307,900	\$ 601,400
Benefits	147,462	226,168	287,939	202,800	217,600	420,400
Total Personnel Services	419,542	548,811	711,306	496,300	525,500	1,021,800
Materials & Services						
Professional & Technical Services	295,019	240,077	265,400	126,500	126,500	253,000
Repair & Maintenance Services	273,581	331,818	606,000	416,000	448,800	864,800
Other Services	84,379	163,451	155,000	15,000	12,000	27,000
Employee Costs	8,961	5,784	25,500	13,000	16,000	29,000
Operating Materials & Supplies	27,345	13,665	20,000	10,000	10,000	20,000
Office & Administrative Supplies	7,351	13,080	18,900	9,900	9,900	19,800
Total Materials & Services	696,636	767,875	1,090,800	590,400	623,200	1,213,600
Capital Outlay	77,581	63,328	79,000	260,200	131,700	391,900
Total Information Technology	\$ 1,193,759	\$ 1,380,014	\$ 1,881,106	\$ 1,346,900	\$ 1,280,400	\$ 2,627,300

BUDGET HIGHLIGHTS

The proposed budget includes \$100,000 in capital outlay expenses related to the installation of needed to move to a full virtual environment including the City's Enterprise Resource Planning (ERP) system and utilizing a Microsoft Azure cloud solution. Additional capital outlay costs include \$72,000 for monitored endpoint security as well as \$70,000 in additional software for firewall security. Personnel services reflects an increase due to two years of IT director costs rather than the one year reflected in the prior biennium.

Professional & Technical Services includes contracted managed network services (server, firewall, monitoring, and data backup management). The current contract is budgeted at \$253,000 for the biennium.

Repair & Maintenance Services includes the following:

Microsoft Licensing	\$ 190,000
Disaster planning backup	134,000
Network monitoring	124,000
Email security and scanning	110,000
Cloud services	80,000
Hardware and equipment maintenance	78,500
Website support	71,100
Software maintenance	42,400
Electronic document management	11,400
PDF software	13,400
Other services	10,000
Total	\$ 864,800

GEOGRAPHIC INFORMATION SYSTEMS

OVERVIEW

The Geographic Information Systems (GIS) program is responsible for mapping and other spatial data services for the City. This involves developing, maintaining, and distributing spatial data layers, performing spatial analysis, developing applications to answer location questions, and publishing maps. GIS supports all City departments, as well as contractors, businesses, and the general public, with timely access to geographic data layers and mapping tools.

The GIS Division works closely with: Public Works, to map the utility systems; Building, to display address and permit locations; Planning, to analyze zoning and resource constraints; and Engineering, to maintain as-built drawings, plat maps, and standard drawings. GIS is also a central component of developing enterprise technology solutions for the City.

ACCOMPLISHMENTS

- ❖ Developed a new traffic count mapping application to show multi-year traffic counts
- ❖ Rearchitected all web mapping GIS services using modern GIS software (ArcGIS Pro) to allow for web editing and remain current with latest technology
- ❖ Converted 88 reports and 97 workflows in OCMAP to stay current with modern Geocortex 5 technology
- ❖ Created field mapping apps to enable field data collection (ADA ramp inspections and water meter line inspections)
- ❖ Created dashboard-style monitoring app to show compliance status for water meter lead and copper rule revisions (LCRR)
- ❖ Supplied GIS data and analysis as part of CRS Flood insurance update
- ❖ Provided mapping support for delineating Clackamas River Water (CRW) service withdrawal area
- ❖ Standardized City engineering standard drawings and updated the title block

GIS EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 203,878	\$ 201,356	\$ 288,139	\$ 180,900	\$ 184,400	\$ 365,300
Benefits	117,161	133,076	185,298	121,300	127,300	248,600
Total Personnel Services	321,039	334,432	473,437	302,200	311,700	613,900
Materials & Services						
Repair & Maintenance Services	46,674	49,876	57,500	28,900	29,200	58,100
Other Services	4,272	10,630	20,400	6,900	15,800	22,700
Employee Costs	10,454	2,474	17,280	9,400	8,800	18,200
Operating Materials & Supplies	-	1,358	1,000	500	500	1,000
Office & Administrative Supplies	13,022	7,215	15,300	8,300	8,200	16,500
Total Materials & Services	74,422	71,553	111,480	54,000	62,500	116,500
Capital Outlay	8,995	-	-	-	-	-
Total GIS	\$ 404,456	\$ 405,985	\$ 584,917	\$ 356,200	\$ 374,200	\$ 730,400

GENERAL GOVERNMENT

OVERVIEW

Expenditures that relate to all City Departments, or the community as a whole, are reported as General Government. These include City Hall

building maintenance and utilities, citywide insurance, annual audit costs, postage, and streetlights. Important community projects and expenditures are allocated to other departments through transfers and are included as well.

GENERAL GOVERNMENT EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 104,252	\$ 198,147	\$ 248,011	\$ -	\$ -	\$ -
Benefits	523,967	518,280	610,239	-	-	-
Total Personnel Services	628,219	716,427	858,250	-	-	-
Materials & Services						
Professional & Technical Services	89,960	88,003	180,000	96,000	89,000	185,000
Repair & Maintenance Services	1,113,119	1,145,727	1,137,080	635,200	635,200	1,270,400
Other Services	1,435,898	1,221,908	1,262,000	831,000	872,000	1,703,000
Employee Costs	4,720	4,939	7,000	2,500	2,500	5,000
Operating Materials & Supplies	11,938	16,184	12,900	2,200	2,200	4,400
Office & Administrative Supplies	105,221	110,521	174,200	59,400	74,400	133,800
Special Programs	305,150	590,971	315,400	7,700	7,700	15,400
Internal Service Charges	400,000	430,500	451,200	258,400	258,800	517,200
Total Materials & Services	3,466,006	3,608,753	3,539,780	1,892,400	1,941,800	3,834,200
Capital Outlay	243,189	261,769	661,000	155,000	54,000	209,000
Transfers Out	1,512,134	2,103,459	2,579,557	801,000	826,000	1,627,000
Contingency	-	-	6,102,559	3,176,600	1,629,200	1,629,200
Reserved for Future Expenditure	-	-	1,298,874	2,435,700	2,551,200	2,551,200
Unappropriated Fund Balance	9,816,801	11,157,579	-	5,000,600	5,150,800	5,150,800
Total General Government	\$ 15,666,349	\$ 17,847,987	\$ 15,040,020	\$ 13,461,300	\$ 12,153,000	\$ 15,001,400

BUDGET HIGHLIGHTS

The current budget includes funding for a tribute to the Cayuse Five and City Hall improvements including a new fire panel and HVAC unit.

The current budget also reflects changes due to the creation of a new Facilities department. All of the personnel and employee costs have been moved to the new department resulting in a reductions in Personnel Services and Materials & Services.

Professional & Technical Services include legal fees, the annual audit and consulting for the completion of a city-wide facility plan.

Repair & Maintenance Services include Building Maintenance for City Hall and the End of the

Oregon Trail facility as well as maintenance of street lights.

Other Services fund the city-wide general property and liability insurance.

Special Programs consist of funding for an annual contribution for the Willamette Falls Heritage Coalition.

Transfers Out include the following:

Transfer to Community	
Development Fund	\$ 672,000
Transfer to Transportation Fund	395,000
Transfer to Library Fund	460,000
Transfer to Engineering Fund	100,000
Total	<u>\$ 1,627,000</u>

FACILITIES

OVERVIEW

The Facilities department oversees approximately 320,000 square feet of commercial space across 14 sites in Oregon City. The department provides assistance in responding to on demand work orders from building managers, and ensures that those City owned buildings are safe, secure, comfortable, and compliant with all occupancy regulations for commercial facilities. They oversee building security access and manage the City's security cameras.

The Facilities department is proposed to be created in 2023-2025 due to the hire of a facilities manager and better management of department expenses as well as project management of other funding sources.

ACCOMPLISHMENTS

- ❖ Upgraded temperature control systems at the pool
- ❖ Finished one year occupancy and warranty review of the new Public Works Operations Complex
- ❖ Converted the former Public Works Engineering space to Economic Development offices at City Hall
- ❖ Replaced the AC unit for City Hall server room and in two Robert Libke Public Safety

building main distribution frame (MDF) rooms

- ❖ Installed new camera systems and upgraded solar panel system at the Library
- ❖ Converted the End of the Oregon Trail parking lot lighting to LED systems
- ❖ Oversaw the installation of new roof at for the Cemetery Mausoleum
- ❖ Continued code compliance reviews of City and fleet fire extinguishers, elevator permits, fire detection and suppression systems, safety inspections, parking lot repairs and striping, first aid kits, and AEDs, at all City buildings.

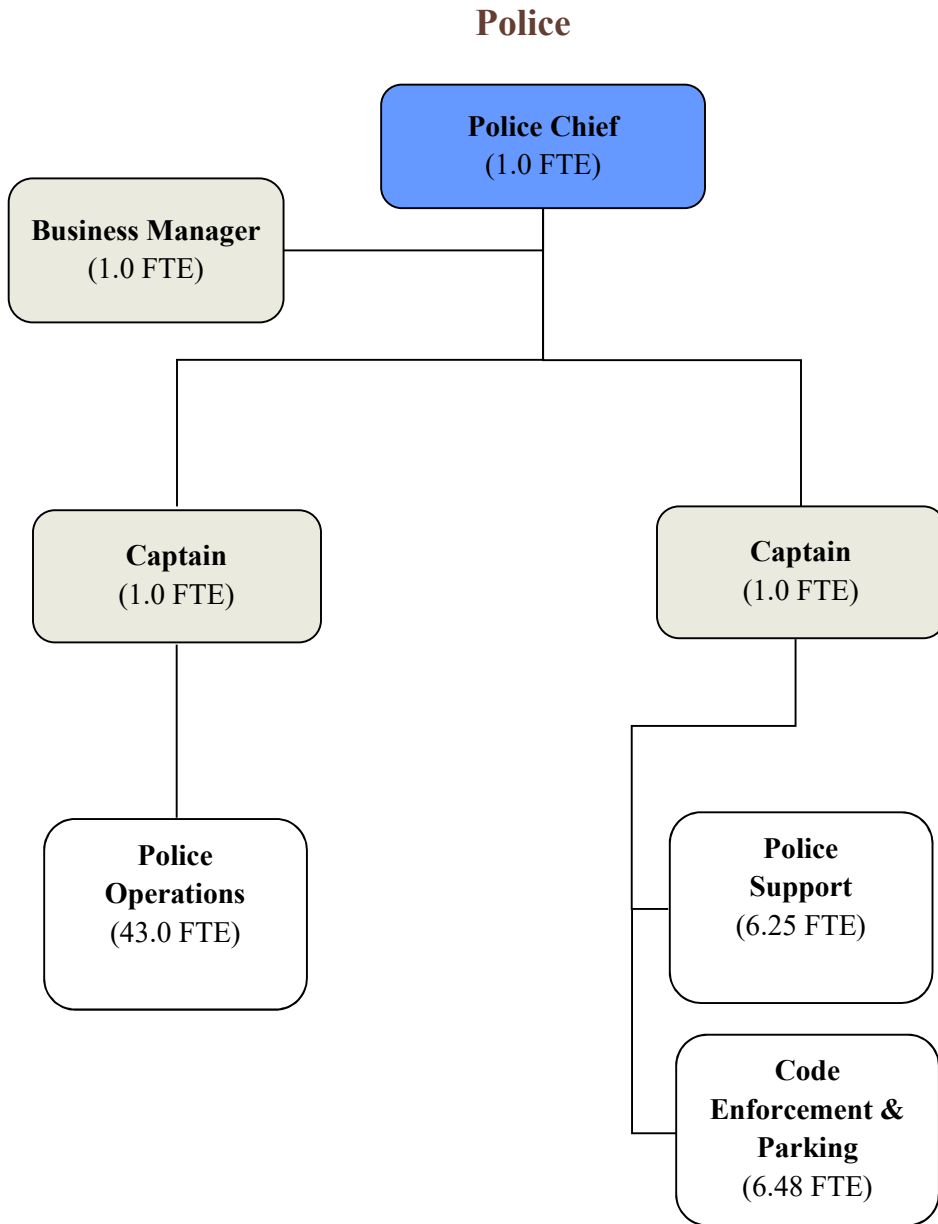
GOALS AND PROJECTS

- ❖ Extend the lifespan of the existing City assets, and bring new assets on board in a sustainable manner that optimizes energy efficiency
- ❖ Upgrade City Hall security access system
- ❖ Decrease maintenance costs over the lifespan of our assets by focusing on increasing the focus on planned maintenance over reactive
- ❖ Support other departments with projects and building maintenance needs
- ❖ Comply with established safety and occupancy regulations

FACILITIES EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ -	\$ -	\$ -	\$ 206,000	\$ 215,400	\$ 421,400
Benefits	-	-	-	136,900	144,700	281,600
Total Personnel Services	-	-	-	342,900	360,100	703,000
Materials & Services						
Professional & Technical Services	-	-	-	20,000	-	20,000
Repair & Maintenance Services	-	-	-	6,200	7,200	13,400
Employee Costs	-	-	-	3,800	5,300	9,100
Operating Materials & Supplies	-	-	-	3,300	3,300	6,600
Office & Administrative Supplies	-	-	-	-	1,800	1,800
Total Materials & Services	-	-	-	33,300	17,600	50,900
Transfers Out	-	-	-	27,000	27,000	54,000
Total Facilities	\$ -	\$ -	\$ -	\$ 403,200	\$ 404,700	\$ 807,900

In prior years, Facilities expenditures were recorded in General Government department.



Total FTE 59.73

Consists of 46 sworn and 14 non-sworn positions, plus part time hours for parking enforcement.

This chart reflects the City's organizational reporting structure. For information about how budgeted expense is allocated to, and reported within, funds and departments, see the Personnel portion of the Additional Information section at the end of this document.

POLICE

OVERVIEW

The Police Department provides quality and professional law enforcement services to the citizens of Oregon City by working with the community and the neighborhoods to help identify and rectify conditions that may lead to the occurrence of crime; by providing efficient and effective officer response to emergencies and requests for assistance; by providing community education in crime prevention and awareness; by providing internal leadership, strategic planning, and staff and policy development; by cooperating and liaising with the municipal court, state and federal law enforcement; by enhancing traffic safety; and by investigating and clearing crimes and violations of the City's codes and ordinances.

MISSION

The Department strives for a safe community, positive community relationships through excellent customer service, well-trained employees who are committed to teamwork, and a satisfying work environment where employees are empowered and have a voice. The Department is part of the community and serves its citizens with integrity, courage, professionalism, excellence and commitment.

DEPARTMENT GOALS

❖ COMMISSION GOAL 3 – COMMUNITY ENGAGEMENT

- ♦ Refine and improve the engagement strategy to enhance two-way engagement and communication and build new relationships in the community
- ♦ Enhance the City's use of online engagement and gather engagement data to track progress

❖ COMMISSION GOAL 4 – HOMELESSNESS

- ♦ Develop partnerships with other local and regional governments to develop local and regional solutions including Oregon City's needs in serving the homeless population

SIGNIFICANT BUDGET CHANGES

The budget includes a contracted services agreement for internal IT position in lieu of FTE.

The budget for funding for Axon products, including tasers, body worn cameras, in-car cameras, and evidence management software of all electronic evidence is \$135,241 annually.

The budget includes the successful negotiation of a police contract with OCPEA.

POLICE OPERATIONS

OVERVIEW

The Police Department protects lives and property in our community through partnering with citizens and promoting public safety and crime prevention through education and enforcement.

The Police Department includes 46 sworn personnel. The sworn staff, at full strength, consists of the Chief of Police, two captains, six patrol sergeants, one training sergeant, 24 patrol officers, one homeless liaison officer (HLO), two school resource officers (SRO), one COPS grant officer, and three traffic officers, along with a traffic sergeant. Also included is the detective unit, consisting of one detective sergeant and three detectives. Special assignment officers from the patrol division include three canine units, one member on the Clackamas County Sheriff's Office Interagency SWAT team, and two crisis negotiators who are assigned to SWAT.

These sworn positions are supported by eight non-sworn personnel responsible for administrative functions such as technological support, records processing and retention, behavioral health response, training, evidence control, communications liaison, policy and procedures, and community service / public education coordination. Emergency (911) dispatch is handled by a dispatch contract with Clackamas County Communications.

ACCOMPLISHMENTS

- ❖ Maintained community awareness and involvement by attending neighborhood association meetings, events, and several other community meetings

- ❖ Received reaccreditation from the Oregon Accreditation Alliance, which is in cooperation with the Oregon Association of Chiefs of Police
- ❖ Replaced the Mobile Data Computers (MDCs) of the patrol division, based on the recommendation of the Information Technology (IT) Department. Officers communicate with 9-1-1 dispatch, write reports, and access databases via these MDCs
- ❖ Through a federal grant, purchased a VirTra180 de-escalation/force simulation system for department (\$149,375)
- ❖ Purchased 30 tasers to replace discontinued/older models
- ❖ Purchased body cameras and video retention system software for entire department
- ❖ Purchased 4 in-car camera systems that will replace 3 outdated traffic in-car systems and outfit one patrol car.
- ❖ Received the following grants:
 - ♦ \$149,375 in DOJ COPS grant for the VirTra 180 Simulator and accessories
 - ♦ \$24,000 for body-worn cameras
 - ♦ \$113,000 in ODOT grants for enforcement

GOALS AND PROJECTS

- ❖ Purchase and equip three new patrol cars
- ❖ Purchase new in-car camera systems for remaining patrol cars
- ❖ Hiring and retaining officers



POLICE OPERATIONS EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 10,086,574	\$ 10,226,733	\$ 11,330,556	\$ 5,986,500	\$ 6,193,900	\$ 12,180,400
Benefits	6,628,838	7,589,101	8,611,202	4,620,500	4,796,300	9,416,800
Total Personnel Services	16,715,412	17,815,834	19,941,758	10,607,000	10,990,200	21,597,200
Materials & Services						
Professional & Technical Services	956,588	1,078,605	1,060,000	700,000	735,000	1,435,000
Repair & Maintenance Services	460,349	475,514	637,142	347,800	347,800	695,600
Other Services	112,959	89,468	100,000	70,000	50,000	120,000
Employee Costs	252,900	209,395	267,000	134,500	134,500	269,000
Operating Materials & Supplies	363,181	448,257	413,000	241,000	211,000	452,000
Office & Administrative Supplies	315,179	382,664	363,000	159,000	159,000	318,000
Special Programs	144,338	182,021	183,400	142,000	84,500	226,500
Internal Service Charges	100,000	107,600	-	-	-	-
Total Materials & Services	2,705,494	2,973,524	3,023,542	1,794,300	1,721,800	3,516,100
Capital Outlay	54,204	151,127	40,000	-	-	-
Transfers Out	1,428,929	740,000	740,000	220,000	220,000	440,000
Total Police	\$ 20,904,039	\$ 21,680,485	\$ 23,745,300	\$ 12,621,300	\$ 12,932,000	\$ 25,553,300

BUDGET HIGHLIGHTS

The increase in Materials & Services includes a \$150,000 increase to contracted emergency dispatch services, a \$200,000 increase for IT professional services, and increased operating costs (utilities, landscaping, etc.) associated with the public safety building,

Professional & Technical Services are broken out as follows:

911 Dispatch	\$ 1,020,000
IT professional services	200,000
Police radios (Clackamas)	105,000
Records management	75,000
Property & evidence management	25,000
Legal fees	<u>10,000</u>

Total \$ 1,435,000



CODE ENFORCEMENT AND PARKING

OVERVIEW

This program enhances community livability through fair and efficient enforcement of Oregon City Municipal Code. Responsibilities include responding to complaints and assisting citizens in finding solutions to code violations.

Additionally, this program is responsible for downtown parking operations and enforcement of regulated parking areas.

The garbage pickup services franchise fee agreement stipulates that 4% of gross receipts would be designated for clean-up related activities. These revenues fund the city garbage collection contract, clean-up activities, and nuisance abatement of hazardous conditions throughout the City.

ACCOMPLISHMENTS

- ❖ Adopted Vacant Property Ordinance/Registration Process
- ❖ Purchased 22 new parking kiosks
- ❖ Installed replacement parking kiosks
- ❖ Taken on initial response to Sign, Fence & Sidewalk Violations.
- ❖ Brought mobile parking app online (HotSpot)
- ❖ Hired an additional Code Enforcement Officer

GOALS AND PROJECTS

- ❖ Bring online registration for vacant property owners to City's new website
- ❖ Conduct a new parking study in 2025 after the County courthouse relocates
- ❖ Reassess downtown parking and permit zones
- ❖ Complete sidewalk and tree replacement at the municipal parking lot



CODE ENFORCEMENT AND PARKING EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 670,426	\$ 665,362	\$ 741,494	\$ 463,000	\$ 480,400	\$ 943,400
Benefits	529,017	554,975	630,209	361,300	380,300	741,600
Total Personnel Services	1,199,443	1,220,337	1,371,703	824,300	860,700	1,685,000
Materials & Services						
Professional & Technical Services	39,127	14,852	33,000	9,000	9,000	18,000
Repair & Maintenance Services	185,557	179,638	200,000	102,100	102,100	204,200
Other Services	41,079	66,778	70,000	35,000	35,000	70,000
Employee Costs	11,219	5,475	10,200	6,100	5,100	11,200
Operating Materials & Supplies	36,236	46,283	44,400	26,700	26,700	53,400
Office & Administrative Supplies	45,737	56,634	60,300	41,400	35,400	76,800
Special Programs	78,997	85,452	112,000	56,000	56,000	112,000
Internal Service Charges	2,000	2,300	-	-	-	-
Total Materials & Services	439,952	457,412	529,900	276,300	269,300	545,600
Capital Outlay	25,569	9,325	225,000	-	-	-
Transfers Out	20,000	39,400	20,000	10,000	10,000	20,000
Total Code Enforcement	\$ 1,684,964	\$ 1,726,474	\$ 2,146,603	\$ 1,110,600	\$ 1,140,000	\$ 2,250,600



BUDGET HIGHLIGHTS

The Code Enforcement budget remained relatively consistent in the biennium, with most increases being inflationary in nature.

Professional & Technical Services are composed of contractual services for the City Prosecutor, as well as additional legal fees for services that do not involve the City Prosecutor.

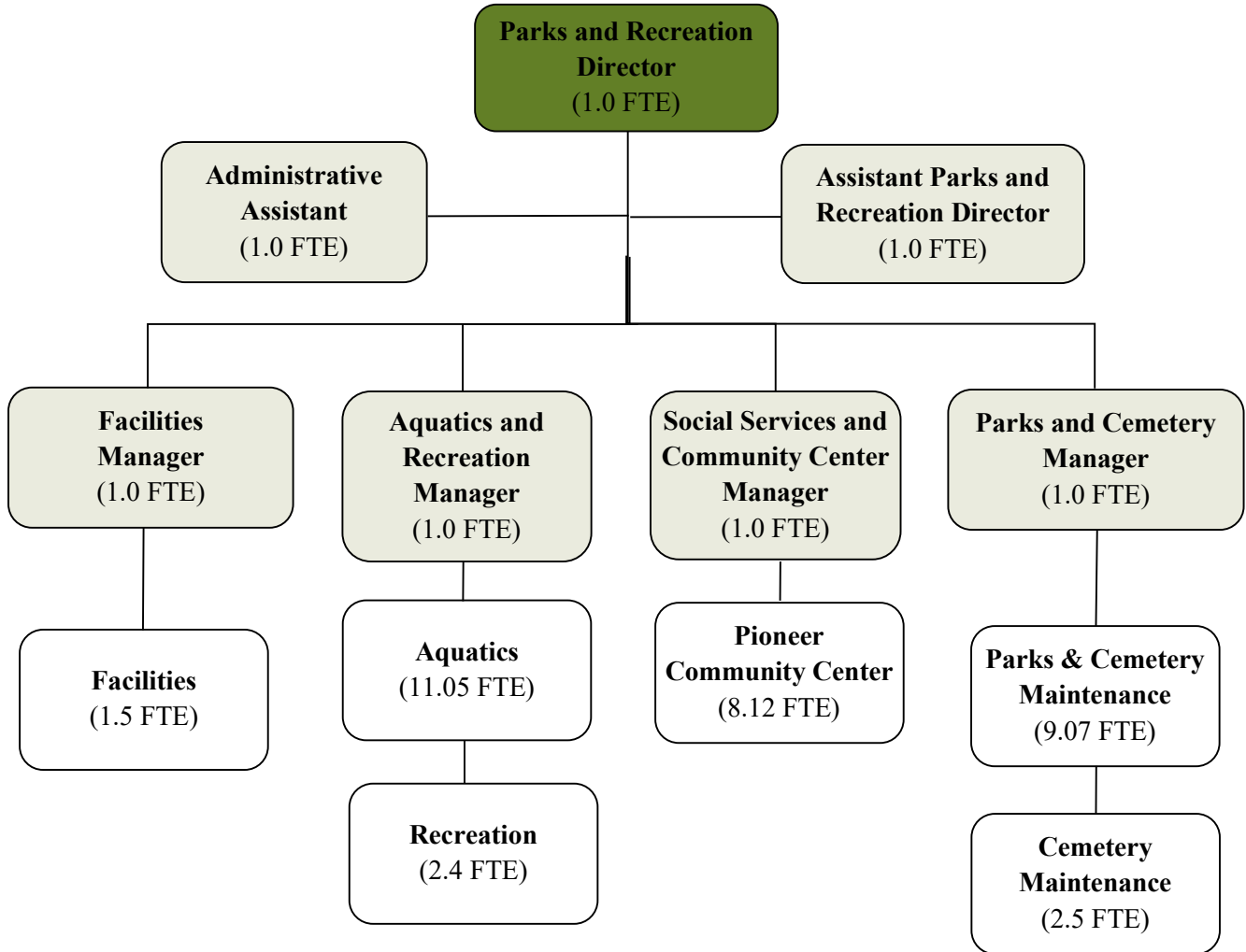
Repair and Maintenance Services include primarily waste disposal for all City locations of \$160,000, as well as other maintenance services, including vehicle, building, and equipment maintenance, totaling \$44,000.

Special Programs & Services are composed of:

Flower basket program	\$ 92,000
Nuisance abatement	<u>20,000</u>
Total	<u>\$ 112,000</u>



Parks and Recreation



Total 41.64 FTE

This chart reflects the City's organizational reporting structure. For information about how budgeted expense is allocated to, and reported within, funds and departments, see the Personnel portion of the Additional Information section at the end of this document.

PARKS AND RECREATION

OVERVIEW

The Parks and Recreation Department creates community in the City through people, parks, and programs. The Department provides space to learn and play as well as programs, services and activities for groups of all ages. The department promotes health and wellness through its recreational facilities and programming; it also maintains the cemetery. The functions of the Parks and Recreation Department are assigned to six major programs: Parks Operations Maintenance, Aquatics, Recreation, Pioneer Community Center, Mountain View Cemetery, and Facilities Maintenance.

MISSION

To create recreation, leisure and cultural opportunities by providing high quality parks, facilities, programming and support services to people of all ages, abilities and backgrounds. We enhance the quality of life within the community.

DEPARTMENT GOALS

❖ COMMISSION GOAL 2 –

INFRASTRUCTURE/CITY SERVICES

- ♦ Complete parks master plan and update system development fees
- ♦ Implement Clackamette Park master plan and prioritize boat ramp relocation

SIGNIFICANT BUDGET CHANGES

The proposed budget includes a \$40,000 increase in our software costs for our SmartRec registration software program and funding for deferred park maintenance.



PARKS AND RECREATION EXPENDITURES (COMBINED)

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 3,402,558	\$ 3,623,526	\$ 4,450,434	\$ 2,460,200	\$ 2,593,300	\$ 5,053,500
Benefits	1,918,407	2,231,297	2,720,811	1,575,700	1,675,100	3,250,800
Total Personnel Services	5,320,965	5,854,823	7,171,245	4,035,900	4,268,400	8,304,300
Materials & Services						
Professional & Technical Services	196,796	149,022	246,900	167,700	167,700	335,400
Repair & Maintenance Services	925,536	1,007,666	1,471,480	840,500	840,500	1,681,000
Other Services	1,513	2,969	2,400	1,500	1,500	3,000
Employee Costs	69,039	45,779	81,804	47,100	47,400	94,500
Operating Materials & Supplies	351,312	309,208	436,030	245,800	241,000	486,800
Office & Administrative Supplies	193,576	124,712	198,410	105,900	115,100	221,000
Special Programs	317,582	662,998	363,430	218,500	218,500	437,000
Total Materials & Services	2,055,354	2,302,354	2,800,454	1,627,000	1,631,700	3,258,700
Capital Outlay	460,259	1,360,863	1,378,229	490,500	256,500	747,000
Principal & Interest	-	-	50,000	25,600	26,200	51,800
Transfers Out	92,700	343,826	220,000	145,000	184,000	329,000
Total Expenditures	7,929,278	9,861,866	11,619,928	6,324,000	6,366,800	12,690,800
Total Parks & Recreation	\$ 7,929,278	\$ 9,861,866	\$ 11,619,928	\$ 6,324,000	\$ 6,366,800	\$ 12,690,800

Parks and Amenities	Basketball Courts	BBQ's	Benches	Boat Dock	Boat Launch	Child's Play Area	Dog Pits	Drinking Fountains	Electricity	Horseshoe Pits	Park Host	Parking Spaces	Picnic Tables	Skate Park	Soccer Fields	Softball Diamonds	Spray Park	Tennis Courts	Trail/Walking Path	Restrooms (seasonal)	Walk Bridge/ Observation Deck	Volleyball Court
Abernethy Creek																						
Atkinson																						
Barclay Hills																						
Canemah Childrens																						
Chapin																						
Carnegie																						
Clackamette																						
Clackamette Cove Trail																						
D.C. Latourette																						
Dement																						
End of the Oregon Trail																						
Hartke																						
Hazel Grove																						
Hazelwood																						
Hillendale																						
Jon Storm																						
McLoughlin Promenade																						
Old Canemah																						
Park Place																						
Richard Bloom Tots																						
River Access Trail																						
Rivercrest																						
Singer Creek																						
Sportcraft																						
Stafford																						
Tyrone S. Woods																						
Waterboard																						
Wesley Lynn																						

PARKS MAINTENANCE

OVERVIEW

The Parks and Cemetery Maintenance department provides the community with a system of neighborhood, community and regional parks which include play equipment, sports facilities and open green spaces. The department oversees 38 park sites, 2 boat ramps, a 56-acre cemetery and an RV Park. The department ensures these facilities are safe, clean and ready for use. We provide picnic facilities, shelters, restrooms and other facilities to support an active recreation program.

ACCOMPLISHMENTS

- ❖ Completed Hazelgrove Park development
- ❖ Completed playground repairs throughout the Park system
- ❖ Identified and repaired multiple safety hazards on hard surface walking trails and parking lots
- ❖ Multiple pollinator Plantings throughout Parks and Cemetery System
- ❖ Cooperatively worked with GOCWC on plantings at Abernethy Creek Park and Singer Creek Park
- ❖ Continued to identify sites and plant trees and native plant material as part of reforestation goals, 107 new trees at multiple parks
- ❖ Completed training for staff including Certified Playground Safety Inspector and Pesticide Applicator Licensing
- ❖ I-205 Widening Project Coordination

- ❖ Initiated master plan for Clackamette Park including site plan review
- ❖ Implemented AP software system for Cemetery records management
- ❖ WES Good Neighbor Project completion at River Access Trail
- ❖ Tyrone S Woods Dog Park renovation
- ❖ Implemented Maintain X work order system

GOALS AND PROJECTS

- ❖ Maintain city parks and open spaces to the highest possible standards with available resources
- ❖ Update the Oregon City Parks and Recreation Master Plan
- ❖ Seek funding Options to Create Sustainable Revenue Streams
- ❖ Assess and update the Oregon City Parks system development charge (SDC) methodology
- ❖ Implement Clackamette Park Master Plan with stakeholders and public process. Prioritize boat ramp relocation while seeking funding sources
- ❖ Develop a Parks Capital Improvement Plan
- ❖ Support ongoing Tree City USA designation
- ❖ Address trail maintenance and repair needs ensuring ADA compliance
- ❖ Complete playground upgrades and repairs throughout the parks system
- ❖ Slurry Seal Mt View drive lanes and Chapin Parking Lot
- ❖ Seek opportunities for community engagement
- ❖ Roofs

PARKS MAINTENANCE EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 1,291,245	\$ 1,480,080	\$ 1,835,393	\$ 746,000	\$ 777,200	\$ 1,523,200
Benefits	819,217	1,042,070	1,278,656	563,900	596,300	1,160,200
Total Personnel Services	2,110,462	2,522,150	3,114,049	1,309,900	1,373,500	2,683,400
Materials & Services						
Professional & Technical Services	196,237	146,718	241,900	160,200	160,200	320,400
Repair & Maintenance Services	435,151	588,470	917,140	483,700	483,700	967,400
Other Services	-	1,851	-	-	-	-
Employee Costs	28,425	25,004	38,000	16,800	16,800	33,600
Operating Materials & Supplies	231,993	206,798	330,400	116,100	116,100	232,200
Office & Administrative Supplies	76,990	48,830	75,600	27,400	27,400	54,800
Special Programs	33,150	465,966	45,000	42,500	42,500	85,000
Total Materials & Services	1,001,946	1,483,637	1,648,040	846,700	846,700	1,693,400
Capital Outlay	147,311	1,179,787	1,271,229	59,500	126,500	186,000
Principal & Interest		-	50,000	25,600	26,200	51,800
Transfers Out	92,700	193,826	220,000	145,000	184,000	329,000
Total Parks Maintenance	\$ 3,352,419	\$ 5,379,400	\$ 6,303,318	\$ 2,386,700	\$ 2,556,900	\$ 4,943,600

BUDGET HIGHLIGHTS

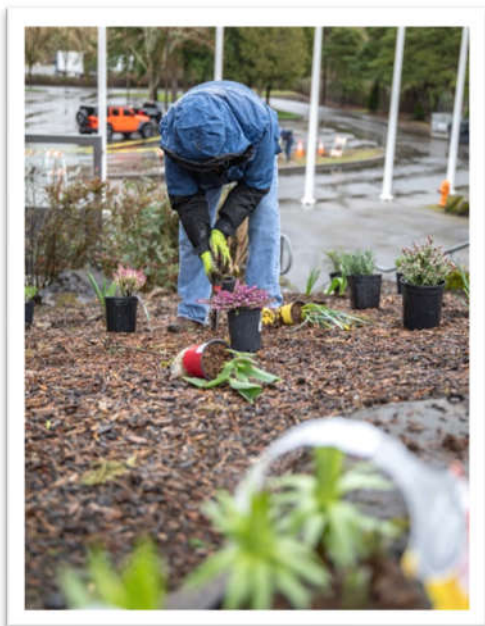
This budget includes additional maintenance costs associated with inflation and increased material costs. Significant expenses are highlighted below:

Repair & Maintenance Services refer to supplies and equipment maintenance. Vehicle maintenance and tree maintenance accounts for the majority of these costs.

Operating Materials & Supplies account for materials purchased for parks operations including equipment to improve sports fields.

Special Programs include Transient Room Taxes paid by the RV Park.

Capital Outlay includes funding to address safety needs in four parks for \$120,000 for installation of security cameras, \$12,000 for Park Place trail improvements, and additional funds for pavement slurry sealing and signage upgrades. The parks division will be using Capital funds to try and leverage grants for the boat ramp replacement.



CEMETERY

OVERVIEW

Cemetery Operations provides families with options for the needs of their loved ones to be placed in a pleasant and serene surrounding. The city cemetery, including the historically important Pioneer Cemetery, is maintained, enhanced and protected. Operations of the Mountain View Cemetery include full body burials, cremations garden, mausoleum, and grounds maintenance.

ACCOMPLISHMENTS

- ❖ Reroofed all 7 Mausoleums at Mt View Cemetery

- ❖ Phase I of Veterans Memorial Renovation
- ❖ Implemented AP software system for Cemetery records management
- ❖ Acquired donations for Veterans War Memorial site construction pavers
- ❖ Restroom replacement
- ❖ Installation of a new flagpole

GOALS AND PROJECTS

- ❖ Replace lights at Mausoleums for energy efficiency and cost savings
- ❖ Complete Veterans Memorial Renovation
- ❖ Add additional Niche spaces to increase revenue stream
- ❖ Finalize restroom replacement



CEMETERY EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ -	\$ -	\$ -	\$ 261,500	\$ 278,300	\$ 539,800
Benefits	-	-	-	203,200	217,900	421,100
Total Personnel Services	-	-	-	464,700	496,200	960,900
Materials & Services						
Professional & Technical Services	-	-	-	5,000	5,000	10,000
Repair & Maintenance Services	-	-	-	47,800	47,800	95,600
Other Services	-	-	-	-	-	-
Employee Costs	-	-	-	5,600	5,600	11,200
Operating Materials & Supplies	-	-	-	64,900	64,900	129,800
Office & Administrative Supplies	-	-	-	15,500	17,500	33,000
Total Materials & Services	-	-	-	138,800	140,800	279,600
Capital Outlay	-	-	-	167,000	100,000	267,000
Total Cemetery	\$ -	\$ -	\$ -	\$ 770,500	\$ 737,000	\$ 1,507,500

Prior to the 2023-2025 biennium, Cemetery expenditures were recorded in the Park Maintenance department.

BUDGET HIGHLIGHTS

Repair & Maintenance Services refer to supplies and equipment maintenance as well as vehicle maintenance accounts for the majority of these costs.

Operating Materials & Supplies account for materials purchased for cemetery operations including chemicals, boxes and liners, headstones, and name plates.

Capital Outlay includes funding to address needed deferred maintenance projects as well as cemetery improvements such as \$12,000 to replace lighting with energy saving cost saving benefits, \$100,000 for niches to increase revenue stream, \$155,000 to complete the third phase of the Veterans Memorial which has been predominantly funded by grants and donations.



RECREATION AQUATICS

OVERVIEW

The Aquatics Program strives to meet high standards in aquatic safety, service and facility maintenance by providing the community with a safe, fun, well supervised facility; offering programs for youth and families, avenues for adults to build lifelong fitness skills, and a place for seniors to maintain good health. We continue to be the only swimming pool in Oregon City, along with neighboring other cities without public pools. As a city with bodies of water, we have to expand access to our swimming pool and teach lifesaving skills.

ACCOMPLISHMENTS

- ❖ Continued to receive positive feedback from patrons on the upkeep of the facility
- ❖ Increased social media outreach and advertising with the use of our new recreation software which has improved communications within our department
- ❖ Continued to provide a safe, professional, and clean facility for the community
- ❖ Started a swim lesson scholarship fund that has allowed our department to award more scholarships
- ❖ Offered new aquatic programs, such as swim lesson tests, longer day camps, and special events like our Glow Swims that appealed to the public, drove up attendance, and brought in additional revenue
- ❖ Navigated the recovery from the COVID-19 pandemic, including being one of the first fully operational swimming pools in the state

and nation during 2021-2023. Many swimming pools have not re-opened fully both in the state and nation

- ❖ Invested in training aquatic staff as Lifeguard Instructors to allow for more staff to help with certifications

GOALS AND PROJECTS

- ❖ Maintain the facility to ensure continued upkeep and safety for the public
- ❖ Evaluate programs against trends to identify areas that are underserved and continue to seek creative ways to program the pool and community room to meet those trends
- ❖ Strive to be fiscally conservative and program facility space and time efficiently to maximize revenue to help offset increased expenses due to the minimum wage increases and increase in operational costs
- ❖ Continue to provide swim lesson scholarships at a higher rate and develop stronger programs for access to swim lessons.
- ❖ Develop more volunteer opportunities within our programs, including a junior swim lesson instructor program
- ❖ Continue to seek additional partnerships within the community and work with the schools to offer programming during school hours whether it be swim lessons, fitness classes, for certification classes
- ❖ Utilize the Departments “Financial Support and Sustainability Strategy Policy” to become more fiscally responsible and improve long-term sustainability

RECREATION AQUATICS EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 835,390	\$ 815,477	\$ 1,013,721	\$ 597,200	\$ 633,900	\$ 1,231,100
Benefits	359,439	364,872	426,433	230,300	246,000	476,300
Total Personnel Services	1,194,829	1,180,349	1,440,154	827,500	879,900	1,707,400
Materials & Services						
Professional & Technical Services	118	2,179	4,000	2,000	2,000	4,000
Repair & Maintenance Services	219,253	235,192	243,420	130,300	130,300	260,600
Other Services	1,513	1,118	1,400	1,000	1,000	2,000
Employee Costs	13,435	9,946	14,400	9,100	9,400	18,500
Operating Materials & Supplies	58,108	50,977	54,940	32,900	28,100	61,000
Office & Administrative Supplies	39,269	35,693	41,730	25,300	32,500	57,800
Special Programs	13,282	8,136	15,320	8,700	8,700	17,400
Total Materials & Services	344,978	343,241	375,210	209,300	212,000	421,300
Capital Outlay	249,296	9,938	50,000	75,000	-	75,000
Total Recreation Aquatics	\$ 1,789,103	\$ 1,533,528	\$ 1,865,364	\$ 1,111,800	\$ 1,091,900	\$ 2,203,700

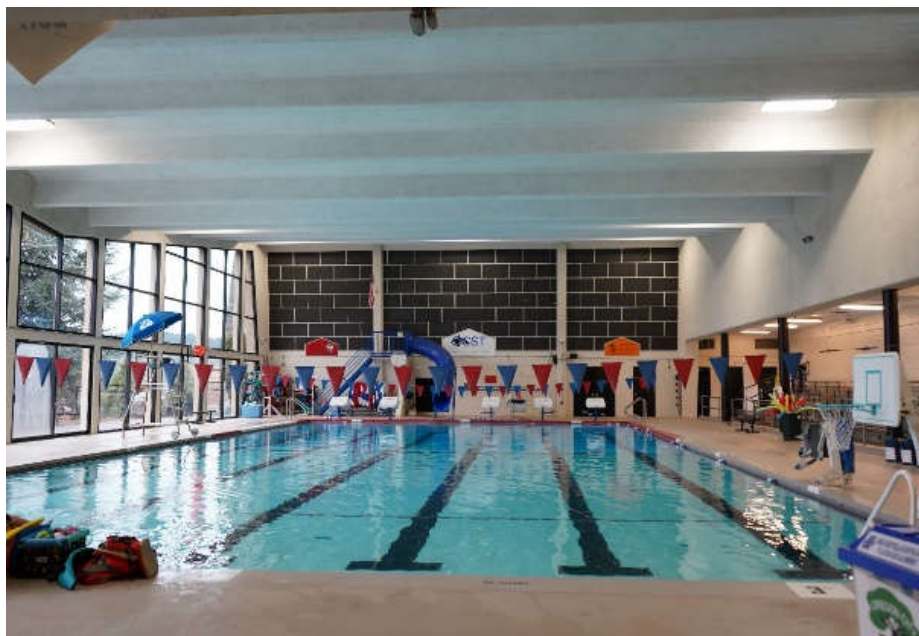
BUDGET HIGHLIGHTS

This biennial budget includes a budget for capital maintenance projects including repainting the bottom of the pool, replacing and redoing insulation that has been lost on steam pipes that run along the pool deck, getting a new UV Light filter that keeps the water disinfected properly, and replacing our chemical controller.

Personnel Services increases are a result of an increase in hours because the Department is now

providing lifeguards during all swim team practices, per rule clarification provided by the Oregon Health Authority. This increase to Personnel Services is directly reimbursed by the teams.

Repair & Maintenance Services includes electric and gas utilities as well as costs to maintain the pool building. The pool will be turning 60 years old in 2025.



PIONEER COMMUNITY CENTER

OVERVIEW

The Pioneer Adult Community Center is a multipurpose facility offering nutritional, recreational, educational, and social services to adults in the community. The primary goal of the Center is to enhance the quality of life for older adults and disabled citizens of the community and provide an opportunity for the elderly to maintain an independent lifestyle.

The program serves approximately 32,000 Meals on Wheels, 8,000 congregate meals, and provides 8,000 rides each year. In addition, approximately 24,000 attendants participate in the Center's recreational opportunities and nearly 40,000 units of social services are provided. The Pioneer Center is a highly used facility and is rented for various private events and meetings. Approximately 130,000 people are served annually as staff strive to serve to accommodate as many users as possible. The Department continually seeks to co-sponsor events and activities to utilize outside resources and make the most of limited staff time.

ACCOMPLISHMENTS

- ❖ Expanded the Meals on Wheels service to include congregate dining participants
- ❖ Requested and received donations of personal items that were delivered to keep seniors in their homes

- ❖ Redesigned recreation and social interaction events by adding virtual seminars, activities, and classes
- ❖ Replaced furniture in an underutilized space for programing
- ❖ Increased social media outreach and advertising
- ❖ Facility received new locks building-wide for enhanced safety and security
- ❖ Passed all required inspections and audits

GOALS AND PROJECTS

- ❖ Enhance programs and services to provide full use of the Pioneer Center and meet the needs of the aging and disabled population and the community
- ❖ Manage budget to support services to seniors and disabled in the most productive way
- ❖ Monitor customer needs and program trends; add needed programs or eliminate underutilized programs
- ❖ Front desk remodel that will optimize space and allow for better community and staff interactions
- ❖ Continue to seek additional partnerships within the community
- ❖ Recruit and manage a large pool of volunteers for continued high service requests once re-opened
- ❖ Continue to offer staff training to ensure high quality of customer service



PIONEER COMMUNITY CENTER EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 990,952	\$ 1,013,451	\$ 1,215,520	\$ 661,800	\$ 700,500	\$ 1,362,300
Benefits	594,196	654,984	798,818	459,100	488,500	947,600
Total Personnel Services	1,585,148	1,668,435	2,014,338	1,120,900	1,189,000	2,309,900
Materials & Services						
Professional & Technical Services	-	-	1,000	500	500	1,000
Repair & Maintenance Services	230,589	159,992	238,820	123,500	123,500	247,000
Employee Costs	6,771	4,051	4,184	2,300	2,300	4,600
Operating Materials & Supplies	44,801	21,888	32,690	18,500	18,500	37,000
Office & Administrative Supplies	50,353	28,572	58,000	22,000	22,000	44,000
Special Programs	98,205	54,115	91,500	53,500	53,500	107,000
Total Materials & Services	430,719	268,618	426,194	220,300	220,300	440,600
Capital Outlay	63,652	155,934	57,000	27,000	30,000	57,000
Total Pioneer Community Center	\$ 2,079,519	\$ 2,092,987	\$ 2,497,532	\$ 1,368,200	\$ 1,439,300	\$ 2,807,500

BUDGET HIGHLIGHTS

Materials & Services have remained fairly consistent with minor increases in the food nutrition program, recorded under Special Programs, which is grant funded.

Capital Outlay includes funds to remodel the front reception desk.



RECREATION PROGRAMS

OVERVIEW

Recreation provides a full range of recreational activities and opportunities to the citizens of Oregon City in settings which are safe, sustainable, green and clean, preserving our past and building for our future. The recreation budget supports overall department administration functions including the positions of Parks and Recreation Director and Assistant Parks and Recreation Director. The objective of the department is to provide overall direction and support and administration of Parks and Recreation, implement major park acquisition and development projects per the Park Master Plan and plan, develop and maintain recreation programs.

ACCOMPLISHMENTS

- ❖ Offered our summer camps at full capacity after the COVID-19 pandemic in the summer of 2022
- ❖ Fostered several new community partnerships to diversify access to recreation programs and compile resources to add more recreational opportunities for the community
- ❖ Continued to work with community partners to explore programming and operation options for the Ermatinger House. We are now offering field trips with a partnership

development that is bringing in 5x the amount of people than previous years now.

- ❖ Received a grant for our summer grants and our Preserve Our Past Art & Poetry Contest

GOALS AND PROJECTS

- ❖ Maintain existing quality of programs while increasing recreation opportunities for the community by utilizing contract services
- ❖ Be a strong and reliable resource of recreational events for the community
- ❖ Continue to provide a series of special events that draw attendances from surrounding communities and contribute to civic pride
- ❖ Identify community needs regarding recreation programs and add or modify programs based on findings
- ❖ Strive to be fiscally conservative and program events and activities to maximize revenue to help offset increased expenses due to the minimum wage increase
- ❖ Continue to look at new recreation opportunities for all age levels within our community and build partnerships to be able to offer these services
- ❖ Utilize the Department's "Financial Support and Sustainability Strategy Policy" to become more fiscally responsible and improve long-term sustainability



RECREATION PROGRAMS EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 284,971	\$ 314,518	\$ 385,800	\$ 193,700	\$ 203,400	\$ 397,100
Benefits	145,555	169,371	216,904	119,200	126,400	245,600
Total Personnel Services	430,526	483,889	602,704	312,900	329,800	642,700
Materials & Services						
Professional & Technical Services	441	125	-	-	-	-
Repair & Maintenance Services	40,543	24,012	72,100	55,200	55,200	110,400
Other Services	-	-	1,000	500	500	1,000
Employee Costs	20,408	6,778	25,220	13,300	13,300	26,600
Operating Materials & Supplies	16,410	29,545	18,000	13,400	13,400	26,800
Office & Administrative Supplies	26,919	11,612	23,080	15,600	15,600	31,200
Special Programs	143,435	109,929	166,000	99,500	99,500	199,000
Total Materials & Services	248,156	182,001	305,400	197,500	197,500	395,000
Total Recreation Programs	\$ 678,682	\$ 665,890	\$ 908,104	\$ 510,400	\$ 527,300	\$ 1,037,700

BUDGET HIGHLIGHTS

There is an increase for Concerts in the Park as the price for bands, music, licensing, security, porta potties, etc. have all risen, causing this program cost to be a lot higher.

The building maintenance is for the Ermatinger House. This biennium we plan to use all the building maintenance towards repainting and repairing the sides of the house, as well as other general maintenance tasks.

Software costs are higher in the recreation budget as the Swimming Pool, Pioneer Community

Center, Parks/Cemetery, and Ermatinger House are now all using the same software and is budgeted in Recreation.

Special Programs are composed of the following:

Concerts	\$ 90,000
Trail News	64,000
Programs	40,000
Events	<u>5,000</u>
Total	<u>\$ 199,000</u>



Parks and Recreation – Dedicated Park Donations

DEDICATED PARK DONATIONS

This division accounts for fundraisers, collection fees and community and private donations to specific events or facilities and expenditures as designated by the revenue source. All donations received are accounted for separately by donor restriction or purpose.

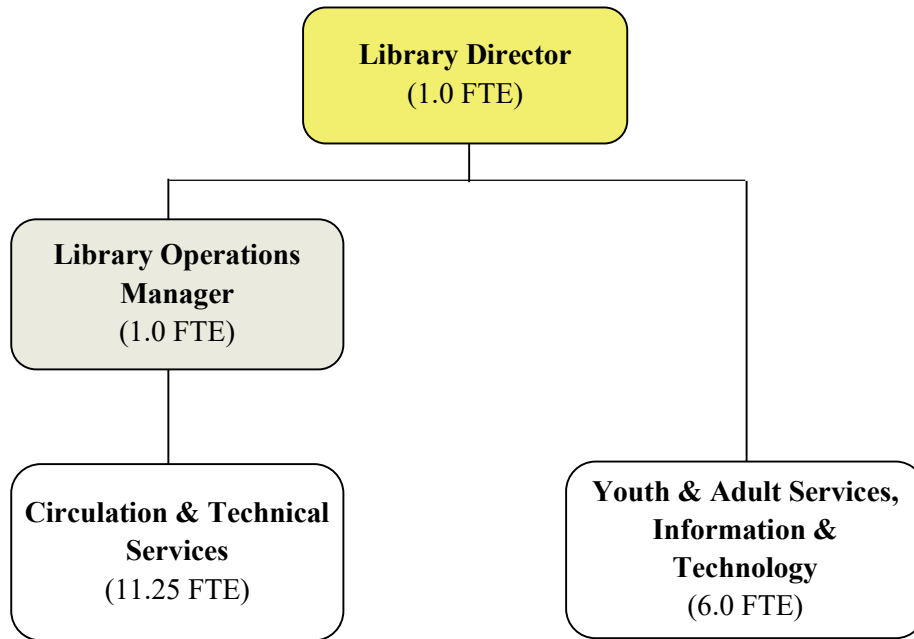
These funds help offset the cost of community-developed projects, community fundraising

events and activities, facility upgrades and events, and special recreational and Heritage events. Additionally, Pioneer Center and Meals on Wheels donations are used to purchase materials for those programs. Capital Outlay projects include a facility kitchen remodel at the Pioneer Community Center for \$140,000.

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Materials & Services						
Office & Administrative Supplies	\$ 45	\$ 5	\$ -	\$ 100	\$ 100	\$ 200
Special Programs	29,510	24,852	45,610	14,300	14,300	28,600
Total Materials & Services	29,555	24,857	45,610	14,400	14,400	28,800
Capital Outlay	-	15,204	-	162,000	-	162,000
Transfers & Other Uses	-	150,000	-	-	-	-
Total Dedicated Donations	\$ 29,555	\$ 40,061	\$ 45,610	\$ 176,400	\$ 14,400	\$ 190,800



Library



Total 19.25 FTE

This chart reflects the City's organizational reporting structure. For information about how budgeted expense is allocated to, and reported within, funds and departments, see the Personnel portion of the Additional Information section at the end of this document.

Library

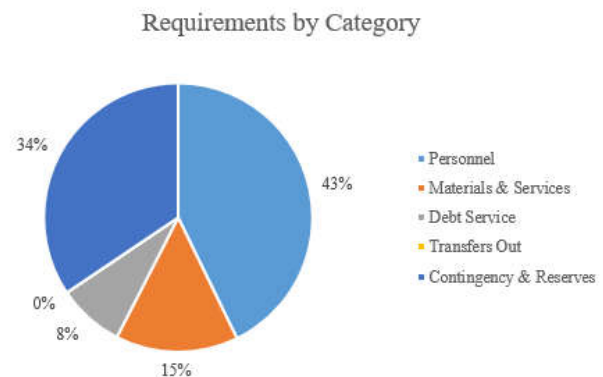
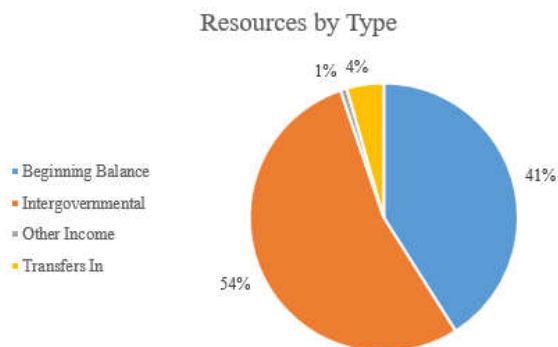
LIBRARY

The entire operations of Oregon City's Library are accounted for in the Library Fund. Approximately 90% of its funding comes from Clackamas County Library District tax revenues, which pay for the majority of library operating expenses, including personnel, materials, and facility maintenance costs. Debt Service payments (principal and interest) are for bonds issued for the construction of the library

expansion. Per Ballot Measure 3-435 passed by City voters in May 2014, the City intended to repay these bonds using existing revenue sources, including the Library District and City funds.

The table below compares total resources and requirements for the Library Fund for the upcoming biennium, the current biennium, and the two previous biennia.

Library	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 1,951,493	\$ 2,912,984	\$ 3,808,673	\$ 4,243,800	\$ 3,935,000	\$ 4,243,800
Intergovernmental						
District Property Taxes	4,564,130	4,903,916	5,222,490	2,734,800	2,810,000	5,544,800
Intergovernmental	17,013	156,395	17,400	9,900	9,900	19,800
Charges for Services	6,957	5,951	5,540	3,900	4,000	7,900
Fines and Forfeitures	99,457	38,473	40,000	-	-	-
Interest Income	81,633	78,094	45,000	34,000	28,000	62,000
Miscellaneous Income	80,010	34,203	10,000	5,500	5,500	11,000
Transfer In	300,000	300,000	300,000	230,000	230,000	460,000
Total Resources	\$ 7,100,693	\$ 8,430,016	\$ 9,449,103	\$ 7,261,900	\$ 7,022,400	\$10,349,300
Requirements						
Personnel Services	\$ 2,377,951	\$ 2,769,804	\$ 3,427,870	\$ 2,156,600	\$ 2,270,700	\$ 4,427,300
Materials & Services	882,727	971,015	1,158,784	754,900	773,700	1,528,600
Capital Outlay	96,289	-	-	-	-	-
Principal & Interest	830,742	830,742	830,742	415,400	415,400	830,800
Transfers Out	-	40,000	40,000	-	-	-
Contingency	-	-	3,991,707	3,935,000	3,562,600	3,562,600
Unappropriated Fund Balance	2,912,984	3,818,455	-	-	-	-
Total Requirements	\$ 7,100,693	\$ 8,430,016	\$ 9,449,103	\$ 7,261,900	\$ 7,022,400	\$10,349,300



LIBRARY

OVERVIEW

The Oregon City Public Library is unique among City departments, in that its defined service area includes not only the 37,000+ residents of the City, but approximately 23,000 residents of unincorporated Clackamas County as well. All residents within the Library's 110 square mile service area are assessed the same Library District tax rate of \$0.3974 per thousand of assessed value. Per Oregon law, this rate cannot increase. The annual Library District assessment on a property valued at \$400,000 is approximately \$159. In FY 21/22, approximately 55% of the tax revenues received by the Library were paid by City residents, while 45% were paid by residents of unincorporated Clackamas County.

Per FY 21/22 data provided by the State Library of Oregon, the Oregon City Public Library had the 13th largest service area population out of approximately 135 public libraries in the State. When looking at public libraries which only have a single location (and not multiple branches), the Oregon City Public Library has the 3rd-largest service area population in the State.

The Library achieved an overall satisfaction rating of 81% on the 2023 Oregon City Community Satisfaction survey, the highest level of satisfaction with any City service. This rating is 15% higher than both national and regional averages.

Specific Areas of Library services that survey respondents indicated should receive more attention in the next biennium include availability of physical resources, availability of digital resources, and events for seniors. In addition, satisfaction levels with availability of events for children has declined from 2018. Addressing these four community-identified priorities has been factored into the Library's 23-25 biennial budget proposal.

ACCOMPLISHMENTS

- ❖ Fully re-opened the Library building and resumed pre-pandemic operating hours.

- ❖ Celebrated the 10th Anniversary of the Elevated Readers Book Club.
- ❖ In conjunction with the Oregon City Library Foundation, launched "1,000 Books Before Kindergarten" early literacy program.
- ❖ Installed the Everbright interactive light board in the Childrens Area.
- ❖ Reactivated our Teen Advisory Committee (TAC) and established the TAC as an official committee of the Oregon City Library Board.
- ❖ Expanded Teen programming, including weekly in-library programs.
- ❖ Hosted our first "Dance Dance Oregon City" program, including a session which took place at a site within the unincorporated portion of our service area.
- ❖ Continued reconfiguration of Library space to enhance operational efficiency and public safety, including new computer carrels in the Carnegie.
- ❖ Established and strengthened connections and partnerships with numerous community groups and agencies.
- ❖ Implemented online Conference Room reservation system.
- ❖ Implemented digital magazine collection, providing unlimited access to current and past issues of hundreds of popular magazines.
- ❖ Developed a new Library Safety Specialist position.
- ❖ Celebrated the return of community favorite in-person events such as "May the 4th" and "Touch-a-Truck".
- ❖ Coordinated the first ever City-sponsored Juneteenth celebration event.
- ❖ Welcomed the return of in-person Summer Reading activities and events.
- ❖ Generated significant positive media coverage for library events and outreach efforts in Pamplin Media.
- ❖ Implemented the ability to make payments online through the LINCC Catalog.
- ❖ Hosted the Arch Bridge Centennial Community Art mural.
- ❖ Revised the Community Room Usage Policy to increase access, particularly to City

Library

Neighborhood Associations and County Community Planning Organizations.

- ❖ Added a new B.A.M. (Because Accessibility Matters) Books collection with titles selected especially for members of our disability community.
- ❖ Started a partnership with the Oregon City Chess Club to feature monthly chess drop-in events at the Library.
- ❖ Hosted our first Stuffie Sleepover Camp.
- ❖ Supported our Teen Advisory Committee (TAC) to produce the first issue of the TAC-generated newsletter, “The Stacks”.

GOALS AND PROJECTS

- ❖ **COMMISSION GOAL 1 – DEI/SAFE INCLUSIVE COMMUNITY**
 - ♦ Continue to support City-wide efforts to develop a comprehensive internal and external DEI framework
 - ♦ Continue to support Resolution 20-19 by continuing providing safe spaces for conversations and learning opportunities to fight racism and inequity
 - ♦ Continue to support LINCC-wide DEI efforts
- ❖ **COMMISSION GOAL 2 – INFRASTRUCTURE/CITY SERVICES**



- ♦ Based on most recent assessment of long-range facility needs and reserve requirements, update the Library’s capital reserve funding plan

❖ **COMMISSION GOAL 3 – COMMUNITY ENGAGEMENT**

- ♦ Identify underserved communities and develop outreach/service plans
- ♦ Continue to strengthen and expand partnerships with Oregon City School District and other community partners
- ♦ Work with partners to improve physical access to library materials throughout the entire Oregon City Public Library service area

❖ **COMMISSION GOAL 4 - HOMELESSNESS**

- ♦ Continue to build relationships and develop partnerships with local agencies, service providers, and community groups.
- ♦ Continue to review and update Library behavior policies and protocols, and to provide supplemental training and support for Library staff.
- ♦ Ensure that the Library continues to be a safe, welcoming space for all patrons

❖ **COMMISSION GOAL 7 - ENVIRONMENT**

- ♦ Strengthen partnerships and identify opportunities for additional collaboration with the Arts community



LIBRARY EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 1,569,354	\$ 1,758,737	\$ 2,152,587	\$ 1,295,300	\$ 1,357,500	\$ 2,652,800
Benefits	808,597	1,011,067	1,275,283	861,300	913,200	1,774,500
Total Personnel Services	2,377,951	2,769,804	3,427,870	2,156,600	2,270,700	4,427,300
Materials & Services						
Professional & Technical Services	3,354	2,093	4,000	6,400	16,400	22,800
Repair & Maintenance Services	258,077	273,039	289,200	174,300	172,800	347,100
Other Services	974	2,777	3,500	4,500	4,500	9,000
Employee Costs	10,515	4,661	20,000	7,200	7,200	14,400
Operating Materials & Supplies	447,482	432,972	488,000	269,700	275,700	545,400
Office & Administrative Supplies	77,810	89,009	80,500	39,000	43,000	82,000
Special Programs	68,815	64,678	69,400	42,400	42,400	84,800
Community Programs & Grants	-	9,986	-	-	-	-
Internal Service Charges	15,700	91,800	204,184	211,400	211,700	423,100
Total Materials & Services	882,727	971,015	1,158,784	754,900	773,700	1,528,600
Capital Outlay	96,289	-	-	-	-	-
Transfers Out	-	40,000	40,000	-	-	-
Principal & Interest	830,742	830,742	830,742	415,400	415,400	830,800
Contingency	-	-	3,991,707	3,935,000	3,562,600	3,562,600
Unappropriated Fund Balance	2,912,984	3,818,455	-	-	-	-
Total Library	\$ 7,100,693	\$ 8,430,016	\$ 9,449,103	\$ 7,261,900	\$ 7,022,400	\$ 10,349,300

LIBRARY PERFORMANCE MEASURES								
Measure	2018	2019	2020	2021	2022	2023 Projected	2024 Goals	2025 Goals
Annual Circulation	535,225	547,386	439,887	255,273	458,749	487,955	500,154	512,353
Number of New Registered Borrowers	3,460	3,266	2,523	921	2,747	3,354	3,438	3,522
Total Registered Borrowers	19,424	20,072	20,658	18,597	18,161	18,087	18,603	19,308
Annual Change in Total Registered Borrowers ¹	255	648	586	-2,061	-436	-74	516	705
% of Service Area Population who are Registered Borrowers	32.6%	33.3%	33.9%	30.3%	29.7%	29.6%	30.4%	31.6%
Net Loans to/from LINCC Libraries ²	-73,241	-48,483	-35,113	-23,041	-12,562	-10,836	-10,294	-9,752
Programs Offered ³	578	561	615	441	548	338	375	400
Program Participation	18,370	21,283	18,640	20,092	22,998	9,713	11,000	12,000

¹ Each year in October, cardholder accounts with no activity for 3 years are purged from the system. The number of new registered borrowers combined with the number of purged accounts results in the net change to annual registered cardholders.

² When this number is negative, it indicates the library borrowed more from other LINCC libraries than it lent. When this number is positive, it indicates the library lent more to other LINCC libraries than it borrowed. Our goal is to be as close to zero as possible, preferably with a positive total (indicating the library is a net lender to the LINCC cooperative).

³ Projected FY 22/23 totals are impacted by post-COVID operational changes and resource availability, as well as by changes in statistics collection implemented in order to be more consistent with State Library of Oregon guidance.

Library

BUDGET HIGHLIGHTS

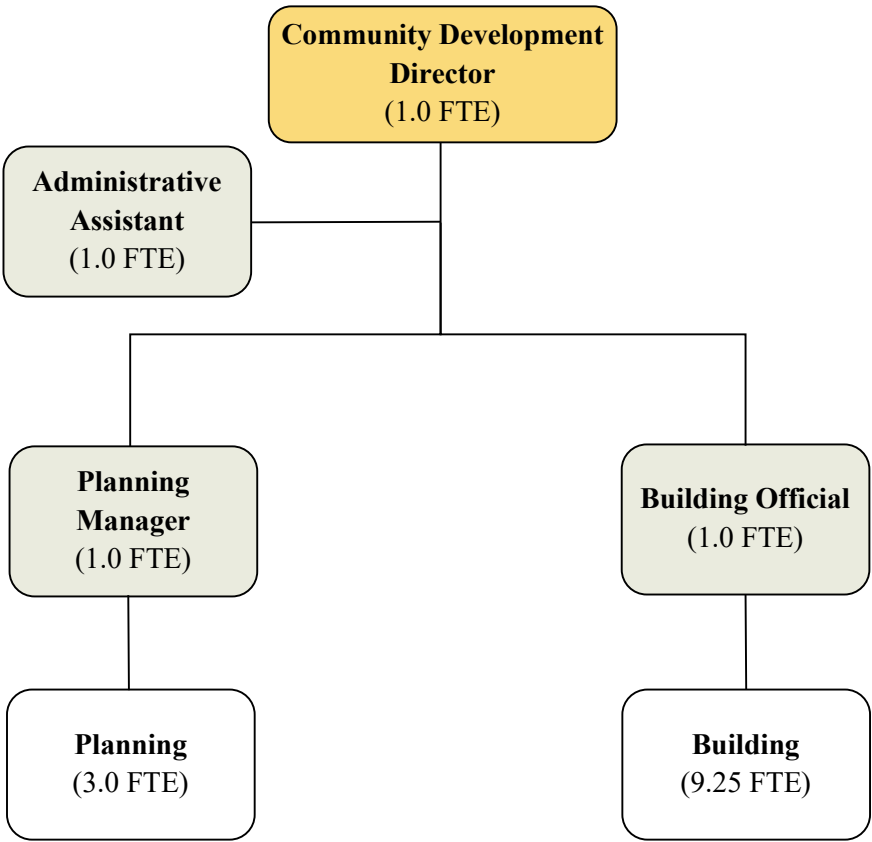
The proposed budget includes the reallocation of approximately 1.5 “on call” FTE into two 0.75 FTE Library Assistant 2 positions (one in Youth Services, one in Circulation). In addition, the proposed budget includes a new Youth Services Librarian (1.0 FTE) position, which is anticipated to increase our ability to serve children and their caregivers. Costs for these positions are being funded from the Library’s fund balance, which is composed primarily of historically unexpended Library District operating revenue.

Repair & Maintenance Services includes utilities, janitorial, and building maintenance costs. The increase in the biennium is attributable to increases in janitorial service costs, as well as projected increases in utility costs.

Operating Materials and Supplies The budget proposal includes an overall biennial increase of approximately \$60,000 on library materials (physical and digital) and library programs.



Community Development



Total 16.25 FTE

COMMUNITY DEVELOPMENT

OVERVIEW

Community Development is responsible for working with the community to guide growth and development within the city limits in accordance with the community's needs and applicable legal framework. The Community Development Department is comprised of the Planning Division and Building Division; the first and the last steps of the development process.

The Planning Division performs long-range planning projects and community engagement, interprets and applies Municipal Code standards and appropriate Comprehensive Plan policies to proposed development projects, land use education and outreach, administration of the City's preservation program, participation in regional policies, and management of a variety of committees.

The Building Division is responsible for issuing building, plumbing, heating/cooling, and electrical permits to ensure the safety of the buildings throughout the community. The permitting process includes reviewing plans and

conducting inspections of work for compliance with the State of Oregon Building Codes and the City's Municipal Code.

MISSION

Work together to facilitate growth and development in Oregon City through coordinated programs of planning, building safety, education, and service to the public.

DEPARTMENT GOALS

❖ COMMISSION GOAL 6 - HOUSING

- ♦ Prepare a plan to identify and implement housing strategies, tools and opportunities that work best for Oregon City

❖ COMMISSION GOAL 7 - ENVIRONMENT

- ♦ Determine and establish relationships with the Tribes that have a shared history with Oregon City
- ♦ Develop a tree canopy maintenance strategy

SIGNIFICANT BUDGET CHANGES

The proposed budget includes implementation of current and proposed City Commission Goals.



PLANNING

The Planning Fund accounts for the City's long-range planning, current planning, and general planning assistance provided to the community.

The following table includes total resources and requirements for the proposed biennial budget,

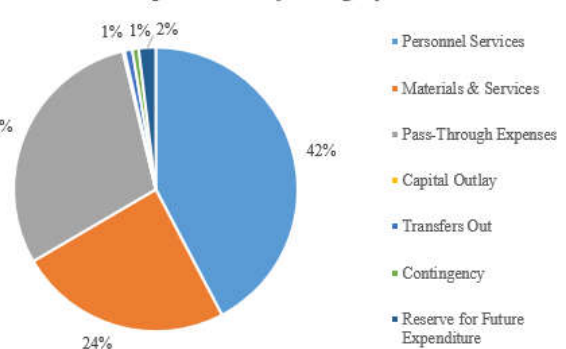
the budget for the current biennium and actual data for the two previous periods. The largest source of revenues are pass-through revenues (excise taxes collected on behalf of the Oregon City School District), followed by internal service charges and land use applications. The largest expenditure is for personnel, as expected for a service department.

Planning	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 710,868	\$ 296,939	\$ 863,068	\$ 695,100	\$ 389,100	\$ 695,100
Intergovernmental	173,104	178,916	102,500	18,700	15,000	33,700
Charges for Services	841,144	1,286,934	578,890	357,700	366,200	723,900
Internal Service Charges	586,071	610,100	637,200	333,600	333,600	667,200
Pass-Through Revenues	787,904	848,736	1,200,000	600,000	600,000	1,200,000
Licenses & Permits	52,141	34,734	30,000	16,700	17,200	33,900
Interest Income	20,367	17,669	7,200	8,000	7,000	15,000
Miscellaneous Income	340	2,829	-	-	-	-
Transfers In	525,000	700,000	639,500	326,000	346,000	672,000
Total Resources	\$ 3,696,939	\$ 3,976,857	\$ 4,058,358	\$ 2,355,800	\$ 2,074,100	\$ 4,040,800
Requirements						
Personnel Services	\$ 1,419,748	\$ 1,534,077	\$ 1,662,780	\$ 831,800	\$ 876,500	\$ 1,708,300
Materials & Services	688,910	494,181	1,065,048	492,100	489,200	981,300
Pass-Through Expenses	787,904	848,736	1,200,000	600,000	600,000	1,200,000
Capital Outlay	420,911	-	21,525	8,800	-	8,800
Transfers Out	82,527	-	2,000	34,000	1,000	35,000
Contingency	-	-	107,005	295,400	29,600	29,600
Reserve for Future Expenditures	-	-	-	93,700	77,800	77,800
Unappropriated Fund Balance	296,939	1,099,862	-	-	-	-
Total Requirements	\$ 3,696,939	\$ 3,976,857	\$ 4,058,358	\$ 2,355,800	\$ 2,074,100	\$ 4,040,800

Resources by Type



Requirements by Category



PLANNING

OVERVIEW

The Planning Division works with the community to determine how to prepare for the future. The Division works together with the community toward solutions, focusing on issues created by the built environment. Planning is not an isolated activity. Rather, it relies on participation of the entire community. The Planning Division brings together data, citizens' ideas and opinions, civic leaders' goals, and good planning practice into a deliberative process of community decision making.

The Planning Division is responsible for all long-range and current planning as well as implementation of the Oregon City Comprehensive Plan and associated Municipal Ordinances. The Division is responsible for reviewing private and public development within the city including annexations, zone changes, master plans, detailed development plans, site plan and design reviews, subdivisions and partitions, conditional use permits, sign permits, natural resource overlay district permits, floodplain protection, historic reviews, home additions, and various other land use related reviews. The division addresses daily inquiries from the public through phone calls, emails and staffing of the department counter, while working closely with the Building and Development Services Departments to coordinate and improve permit review.

Long-range planning supports the community with development of the Municipal Code, comprehensive plan policies, vision documents, and economic development. The Planning Division also facilitates community engagement and education with the Planning Commission, Historic Review Board, Natural Resources Committee, Citizen Involvement Committee, Development Stakeholders Group, and neighborhood associations, while providing city

representation to Metro and other statewide planning and policy decisions.

ACCOMPLISHMENTS

- ❖ Staff maintained continuous service to the community throughout the COVID-19 pandemic with changes such as reformatting applications and a new electronic application submittal process
- ❖ Completed OC2040, the City's Comprehensive Plan update; middle housing code amendments which met the Commission's second strategy of Goal 6 to update our code to provide additional housing opportunities; continued to support preservation programming with Preservation Month activities; completed an update of the Downtown Oregon City Strategic Parking Management Plan; supported the City's tree canopy with activities including Arbor Day Planting, Heritage Tree confirmations, and working with the Natural Resource Committee to update the City's Street Tree list
- ❖ Continued building relationships with the Confederated Tribes of the Grand Ronde and the Confederated Tribes of the Umatilla Indian Reservation as we work toward a tribute to honor the Cayuse Five

GOALS AND PROJECTS

❖ COMMISSION GOAL 6 - HOUSING

- ♦ Prepare a plan to identify and implement housing strategies, tools and opportunities that work best for Oregon City

❖ COMMISSION GOAL 7 - ENVIRONMENT

- ♦ Continue to partner with other City Departments to implement parking refinements based on the strategic parking management plan
- ♦ Continue commitment to community involvement, transparency, and streamlining of development review

PLANNING EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 876,165	\$ 937,574	\$ 995,927	\$ 504,600	\$ 530,500	\$ 1,035,100
Benefits	543,583	596,503	666,853	327,200	346,000	673,200
Total Personnel Services	1,419,748	1,534,077	1,662,780	831,800	876,500	1,708,300
Materials & Services						
Professional & Technical Services	379,776	240,650	573,000	258,000	255,000	513,000
Repair & Maintenance Services	83,306	48,243	62,410	42,900	43,800	86,700
Other Services	8,179	6,756	9,000	21,200	21,700	42,900
Employee Costs	7,588	7,388	10,100	5,200	5,400	10,600
Operating Materials & Supplies	15,207	4,251	950	200	200	400
Office & Administrative Supplies	34,822	25,107	31,140	21,400	19,900	41,300
Special Programs	160,032	118,490	256,000	49,000	49,000	98,000
Pass-Through Payments	787,904	848,736	1,200,000	600,000	600,000	1,200,000
Community Programs & Grants	-	5,495	10,000	5,000	5,000	10,000
Internal Service Charges	-	37,800	112,448	89,200	89,200	178,400
Total Materials & Services	1,476,814	1,342,918	2,265,048	1,092,100	1,089,200	2,181,300
Transfers & Other Uses	82,527	-	2,000	34,000	1,000	35,000
Capital Outlay	420,911	-	21,525	8,800	-	8,800
Contingency	-	-	107,005	295,400	29,600	29,600
Reserved for Future Expenditure	-	-	-	93,700	77,800	77,800
Unappropriated Fund Balance	296,939	1,099,862	-	-	-	-
Total Planning	\$ 3,696,939	\$ 3,976,857	\$ 4,058,358	\$ 2,355,800	\$ 2,074,100	\$ 4,040,800

BUDGET HIGHLIGHTS

The proposed budget does not anticipate any new staff. The most significant changes include the implementation of a variety of City Commission goals, one time funding for improvements related to the community room in the Community Development building, and one time funding for a new vehicle.

Professional & Technical Services is comprised of wetland consulting, annexation consulting, planning services for capacity gaps, a referee for

expedited and middle housing land division appeals. This biennium also includes implementation of multiple grants and funding to implement a variety of City Commission goals such as expanding housing opportunities, and a housing strategy.

Community Programs & Grants includes a program that awards funds to homeowners of designated historic structures to assist with repairs and improvements.



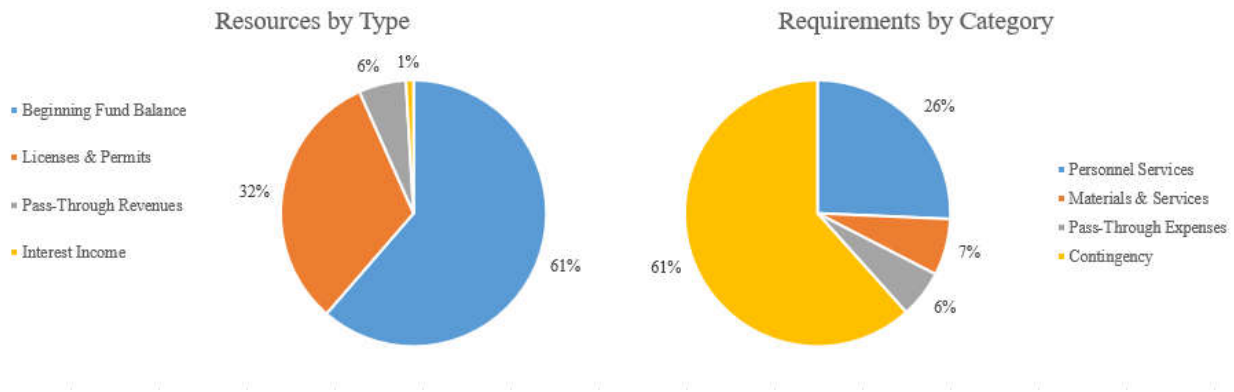
BUILDING

The Building Division, while housed in the Community Development Department, operates under dedicated funding that requires revenues generated by permits to be utilized for Building Division expenses only. Total resources and requirements in the Building Fund are shown

below by type and by expenditure category for the proposed biennium, the current biennial budget and the two prior periods.

Licenses and Permits represent the department's main revenue source while Pass-Through revenues are funds collected and remitted to the State and Metro.

Building	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 2,657,616	\$ 3,554,782	\$ 5,375,057	\$ 6,507,200	\$ 6,023,200	\$ 6,507,200
Licenses & Permits	3,621,400	4,486,146	3,297,300	1,639,800	1,745,200	3,385,000
Intergovernmental	-	58,262	-	-	-	-
Pass-Through Revenues	455,021	495,026	595,000	304,000	305,600	609,600
Charges for Services	6,268	11,851	6,200	5,800	5,800	11,600
Interest Income	98,315	92,062	72,000	54,000	44,000	98,000
Miscellaneous Income	1,807	14,577	600	300	300	600
Transfers In	-	-	32,500	-	-	-
Total Resources	\$ 6,840,427	\$ 8,712,706	\$ 9,378,657	\$ 8,511,100	\$ 8,124,100	\$10,612,000
Requirements						
Personnel Services	\$ 1,709,638	\$ 2,172,889	\$ 2,711,699	\$ 1,767,400	\$ 1,872,900	\$ 3,640,300
Materials & Services	399,727	392,818	508,810	380,200	387,700	767,900
Pass-Through Expenses	438,713	494,940	595,000	304,000	305,600	609,600
Capital Outlay	619,040	-	39,975	16,300	-	16,300
Transfers Out	118,527	40,000	40,000	20,000	20,000	40,000
Contingency	-	-	5,483,173	6,023,200	5,537,900	5,537,900
Reserved for Future Expenditures	-	-	-	-	-	-
Unappropriated Fund Balance	3,554,782	5,612,059	-	-	-	-
Total Requirements	\$ 6,840,427	\$ 8,712,706	\$ 9,378,657	\$ 8,511,100	\$ 8,124,100	\$10,612,000



BUILDING

OVERVIEW

The Building Division is committed to the improved safety and livability of Oregon City by ensuring that construction is safe and built to adopted standards. The Oregon Structural, Residential, Electrical, Plumbing, Mechanical, Energy, Accessibility and Solar Codes, as well as a number of national and state standards regulate how a building is to be constructed; ranging from how strong the walls must be to how much insulation must be in them. The Division is responsible for plan review, issuance of permits, and progress inspections on commercial, industrial and residential developments as well as community education and outreach.

ACCOMPLISHMENTS

- ❖ No interruption in service with COVID-19. Staff maintained continuous service to the

community throughout the pandemic with reformatted applications and a new process to submit and review applications electronically

- ❖ Continued cross training employees to perform multiple types of inspections and become knowledgeable in a variety of topics
- ❖ Added an inspector position allowing the division to provide more services to the community

GOALS AND PROJECTS

- ❖ Improve staff efficiency and customer experience by continuing to cross train employees in multiple types of inspections and plan review
- ❖ Continue to pursue and support staff obtaining more certifications giving us the ability to perform a wider variety of inspections

Building Division Permit Activity								
Permit by Type	2018 Results	2019 Results	2020 Results	2021 Results	2022 Results	2023 Estimated	2024 Projected	2025 Projected
Building Permits	511	341	295	529	734	573	608	610
New Single Family	88	114	96	49	41	50	65	65
Residential Addition	23	21	13	12	14	15	15	15
Residential Alteration	98	64	53	49	45	50	55	55
Other Residential	9	17	14	44	222	150	150	150
New Multi Family	4	2	13	3	8	5	8	10
New Commercial	19	3	5	7	2	3	5	5
Non-Residential Alteration	180	84	73	81	60	60	70	70
Non-Residential Roof	64	14	8	34	47	40	40	40
Other Non-Residential	26	22	20	250	295	200	200	200
Mechanical Permits	548	449	367	609	647	650	650	650
Plumbing Permits	419	383	320	451	374	400	425	450
Electrical Permits	632	426	432	799	759	700	700	700
Total Number of Permits	2,110	1,599	1,414	2,388	2,514	2,323	2,383	2,410

BUILDING EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 1,028,926	\$ 1,292,916	\$ 1,600,235	\$ 1,023,600	\$ 1,077,100	\$ 2,100,700
Benefits	680,712	879,973	1,111,464	743,800	795,800	1,539,600
Total Personnel Services	1,709,638	2,172,889	2,711,699	1,767,400	1,872,900	3,640,300
Materials & Services						
Professional & Technical Services	26,510	35,227	30,600	35,700	35,800	71,500
Repair & Maintenance Services	178,076	91,264	121,950	79,300	79,400	158,700
Other Services	5,969	1,596	6,300	3,300	3,300	6,600
Employee Costs	26,575	15,497	24,200	12,500	12,500	25,000
Operating Materials & Supplies	11,287	7,430	8,600	4,400	4,400	8,800
Office & Administrative Supplies	65,610	92,604	98,280	40,000	46,100	86,100
Pass-Through Payments	438,713	494,940	595,000	304,000	305,600	609,600
Community Programs & Grants	85,700	-	-	-	-	-
Internal Service Charges	-	149,200	218,880	205,000	206,200	411,200
Total Materials & Services	838,440	887,758	1,103,810	684,200	693,300	1,377,500
Capital Outlay	619,040	-	39,975	16,300	-	16,300
Transfers & Other Uses	118,527	40,000	40,000	20,000	20,000	40,000
Contingency	-	-	5,483,173	6,023,200	5,537,900	5,537,900
Unappropriated Fund Balance	3,554,782	5,612,059	-	-	-	-
Total Building	\$ 6,840,427	\$ 8,712,706	\$ 9,378,657	\$ 8,511,100	\$ 8,124,100	\$ 10,612,000

BUDGET HIGHLIGHTS

The proposed budget anticipates the Building Division will sustain increased permitting activities. There are no anticipated FTE additions in this biennium. The most significant expenditures are consulting service for structural engineer plan reviews and digital codes from International Code Council and the National Fire Protection Association.

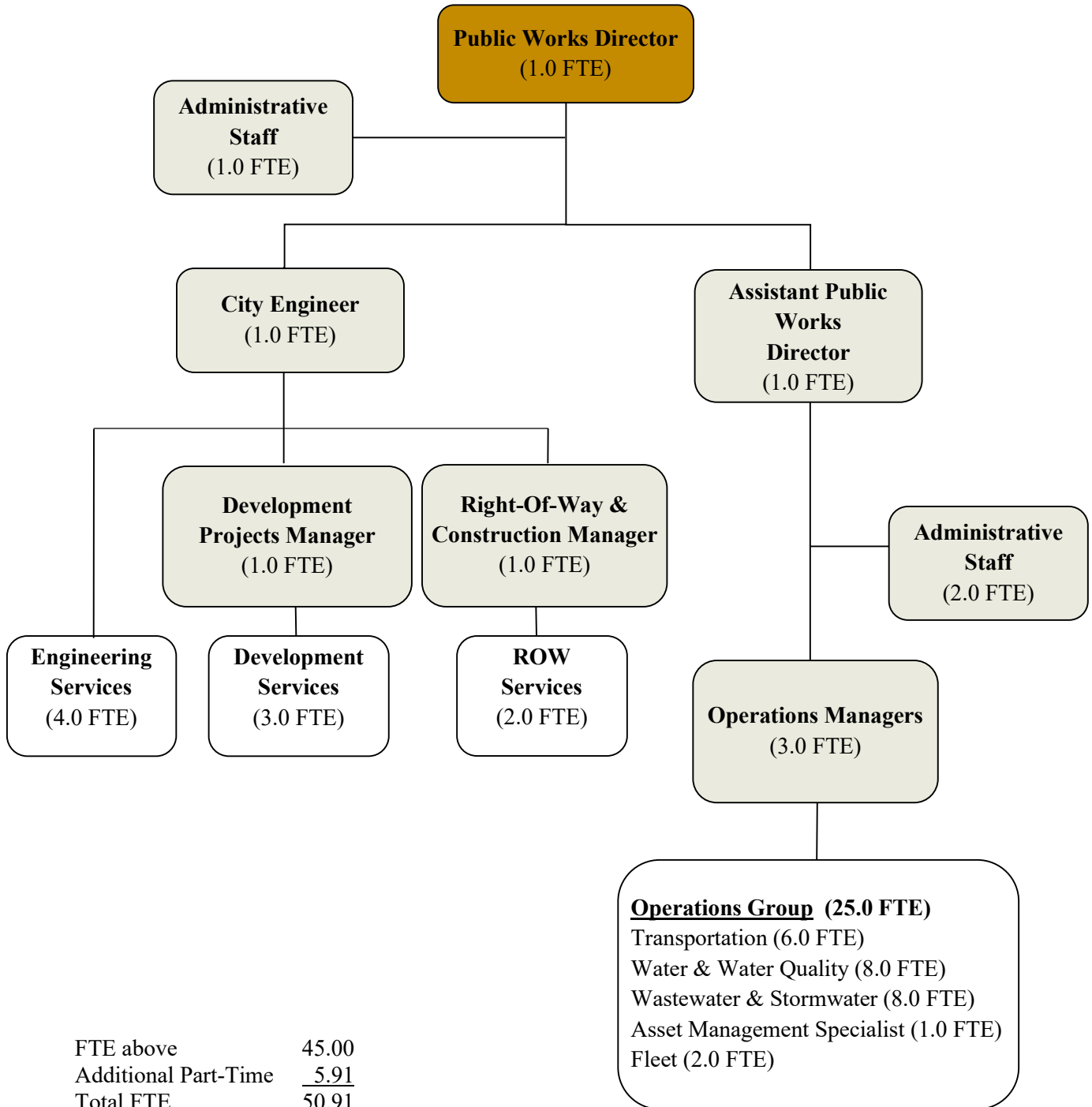
The increase in number of permits issued, beginning in 2022 is a result of the increase in the popularity of solar installations.

Pass-through payments include permitting fees collected on behalf of other agencies.





Public Works



FTE above	45.00
Additional Part-Time	<u>5.91</u>
Total FTE	50.91

This chart reflects the City's organizational reporting structure. For information about how budgeted expense is allocated to, and reported within, funds and departments, see the Personnel portion of the Additional Information section at the end of this document.

PUBLIC WORKS

OVERVIEW

The Public Works Department is one of the largest within the City. The department contains various funds and programs split between the following groups:

Engineering Services is responsible for the planning, design, construction, and database mapping for Oregon City public infrastructure including capital improvement projects, development projects, and asset management.

The Operations Group is responsible for operating and maintaining the Oregon City public infrastructure systems including Transportation, Water Utility, Wastewater Utility, and Stormwater Utility, as well as managing the City's fleet.

Right of Way (ROW) Services coordinates with a variety of internal staff and utility providers to oversee implementation and documentation of the City's adopted ROW ordinances and construction inspections.

The Public Works staff plans, constructs, and maintains these systems with a close eye on high quality, progressive practices, controlling costs, and customer service. Revenues and expenses are

dedicated for the purpose of these departments. Additionally, each fund within the department transfers monies to pay for services provided by other departments. Transfers out of the Department funds are also made to save for future equipment replacement, and future facility needs. The Department is also responsible for the management of the ROW including ensuring work in the right-of-way is compliant with City standards and requirements.

MISSION

To provide the Oregon City Community with safe, enhanced, sustainable, and financially sound systems for potable water distribution, wastewater collection, surface water management, and multi-modal transportation.

DEPARTMENT GOALS

❖ COMMISSION GOAL 2 – INFRASTRUCTURE/CITY SERVICES

- ♦ Prioritize projects in the transportation master plan to maximize safety and connectivity
- ♦ Secure a \$14 million WIFIA loan to help fund Water infrastructure needs

Public Works Performance Measures								
Measure	2018	2019	2020	2021	2022	2023 Forecast	2024 Goal	2025 Goal
Citywide average Pavement Condition Index (PCI) > 60	> 75	74	73	76	75	75	77	77
Complete programmed projects under annual pavement maintenance plan	84%	80%	0%	100%	100%	100%	100%	100%
Complete scheduled drinking water (DW) and stormwater (SW) samples in compliance with regulations	521 DW	692 DW	653 DW	671 DW	716 DW	720 DW	750 DW	750 DW
	44 SW	38 SW	44 SW	48 SW	39 SW	44 SW	44 SW	44 SW
Complete scheduled projects under leak detection program	100%	100%	100%	100%	100%	100%	100%	100%
Complete scheduled miles of video inspections and line cleaning program	47 / 62.3 miles	43.6 / 43.36 miles	41.2 / 34.5 miles	23.5 / 12.6 miles	30.0 / 11.0 miles	23.4 / 16.0 miles	43 / 33 miles	43 / 33 miles
Average time to act in response to a citizen request	< 2.0 days	< 2 days	< 1 day	< 2.0 days	< 1.0 days	< 1.0 days	< 1.0 days	< 1.0 days
Average time to respond to and complete afterhours call for service	< 3.0 hours	unknown	unknown	< 2.9 hours	< 2.6 hours	< 3.0 hours	< 2.8 hours	< 2.5 hours
Right-of-way (ROW) permits issued	149	144	126	270	218	225	240	250
Total pre-application conferences	44	44	31	46	47	40	40	40





ENGINEERING

Engineering accounts for all fees charged and expenditures incurred associated with engineering technical plan checks, construction monitoring/inspection for private development such as site plans and subdivisions and partitions, subdivision and partition plat reviews, new home site plan review, right-of-way and fill/grading permits, and street/easement vacations.

The following table includes total resources and requirements for the proposed biennial budget, the budget for the current biennium and actual data for the two previous periods.

Revenues in the upcoming biennium are budgeted lower than the previous biennium due to the lasting impacts triggered by the pandemic

which now appears to be resulting in a slowdown in the economy. The pandemic contributed to much apprehension and uncertainty, which slowed the rate of development. Though the economy is expected to begin to recover from the downturn in the upcoming biennium, the lag in project timing through the land use process is expected to linger into the second year of the biennium. As such, charges for engineering services, such as development review fees, have been proposed at 93% of the previous biennium.

Overall the total revenue for the Engineering Fund is projected to be just under 95% of the previous biennium, or stated differently the engineering fund biennium revenues are \$156,187 less than the previous biennium.

Engineering	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 529,693	\$ 721,212	\$ 923,947	\$ 674,400	\$ 408,700	\$ 674,400
Charges for Services	774,227	732,468	615,400	285,000	285,000	570,000
Intergovernmental	-	7,799	-	-	-	-
Internal Service Charges	874,200	1,021,700	1,110,840	597,600	627,100	1,224,700
Licenses & Permits	114,132	220,258	76,000	55,000	55,000	110,000
Interest Income	51,401	44,479	34,000	8,000	7,000	15,000
Miscellaneous Income	779	6,410	-	-	-	-
Transfers In	240,000	240,000	90,000	50,000	50,000	100,000
Total Resources	\$ 2,584,432	\$ 2,994,326	\$ 2,850,187	\$ 1,670,000	\$ 1,432,800	\$ 2,694,100
Requirements by Category						
Personnel Services	\$ 1,447,136	\$ 1,515,168	\$ 1,752,035	\$ 850,600	\$ 887,100	\$ 1,737,700
Materials & Services	306,557	347,558	681,234	359,700	360,300	720,000
Transfers Out	109,527	32,000	243,000	51,000	51,000	102,000
Contingency	-	-	173,918	408,700	134,400	134,400
Unappropriated Fund Balance	721,212	1,099,600	-	-	-	-
Total Requirements	\$ 2,584,432	\$ 2,994,326	\$ 2,850,187	\$ 1,670,000	\$ 1,432,800	\$ 2,694,100

ENGINEERING

OVERVIEW

Engineering is the main Public Works point of contact for citizens, title companies, engineering firms, utility companies, and construction firms. It also functions as the Public Works administrative arm and provides all System Development Charge (SDC) calculations for building permits.

ACCOMPLISHMENTS

- ❖ Completed a variety of difficult design and construction projects including Molalla Avenue Phase III Street improvements, kicked off several elements of sewer collection system projects, most of which were associated with the City's infiltration and inflow reduction program. The Oregon City Engineering and Operations Center was completed, unplanned pedestrian safety initiatives were adopted and implemented like Holcomb Blvd Rapid Flashing beacons, along with a wide range of public utility improvements.
- ❖ Implemented the City Commission Authorized Sidewalk Replacement Assistance Program and processed over \$200,000 in sidewalk replacement grants.
- ❖ Continued to manage and enhance the City's EnerGov permitting program. This year's efforts entailed an EnerGov software upgrade of several modules used by Engineering, Planning, Building, Finance and Code Enforcement. This software change impacted routine operations and required a wide range of training and training coordination.
- ❖ Completed several initiatives associated with the Engineering staffing levels. Due to the demanding nature of working with a community anxious about most everything regulated by Engineering, there are staffing opportunities and challenges. Currently there is a hot market for key positions in engineering, water resources, administration, and licensed CDL drivers.
- ❖ Supported ongoing efforts required for Code amendments related to a variety of engineering initiatives that were accompanying the Equitable Housing Code Changes of 2019, as well as code revisions to the Geologic Hazard Overlay District and other ancillary Public Works related development code and standards such as refinements to Public Utility Easements, telecommunication facilities, definitions updates, requirements for undergrounding utilities, sanitary and water system standards and the adoption of policies relating to sidewalk obstructions, parklets outdoor use of sidewalks, and undergrounding utilities
- ❖ Continued to establish or update standardized permit and inspection programs, checklists, and application forms for work in the right-of-way to improve the process for customers needing Public Works Engineering Development Services
- ❖ Continued programs to audit a backlog of open franchise permits and worked with the providers to complete the ROW repairs needed to close out the permits
- ❖ Continued to increase ROW revenues through telecom, wireless and other ROW service agreements, audits, and regular scrutiny of provider programs
- ❖ Continued to support the conceptual engineering work on large scale economic development projects such as the Rossman Landfill site and the Willamette Falls Legacy Project related to public infrastructure and utilities anticipated within the sites
- ❖ Supported the City's efforts to coordinate with regional partners including State, Metro, Clackamas County, TriMet, Tribes, Railroad, and major franchise providers on a long list of topics ranging from transportation planning to solid and food waste to grants and financial auditing
- ❖ Continued to coordinate with other departments on solutions for equitable housing, comprehensive planning, homeless strategies, special events, climate action planning, property management, and volunteer coordination
- ❖ Physically moved the engineering group from City Hall to the Oregon City Engineering and Operations Center on Fir Street and transition the Engineering Group

into day-to-day operations with the full Public Works Department

- ❖ Executed reimbursement agreement with Water Environment Services which will help the City pay 33% of the cost of inflow and infiltration reduction expenditures.
- ❖ Completed an inflow and infiltration reduction program that identifies and prioritizes projects and defines private property policies.
- ❖ ROW program has established a permitting process requiring all ROW users to take out permits for the use of City ROW. This ensures the sustainability of the ROW and ensures the equitable use of the ROW by all utility providers.
- ❖ ROW program has completed audits of electrical franchise; increasing the revenue paid by the franchisee
- ❖ ROW program has successfully transferred three franchises to ROW license user as outlined in Oregon City Municipal Code 13.34.

GOALS AND PROJECTS

- ❖ Provide the public with engineering assistance, which includes discussing utilities, streets, and lot layouts with homeowners and developers who want to develop certain properties in the City, identifying and explaining the City's design and construction standards and requirements, and locating utility connections to homes and businesses in the City
- ❖ Continue to provide the City Commission with updates to policy issues related to funding long- and short-term capital needs of the City's transportation and public utility systems
- ❖ Process no-fee permits for work in the right-of-way by franchise utilities and conduct related inspections
- ❖ Review and process land use applications and design plans for compliance with Oregon City Public Works standards, master plans, National Pollutant Discharge Elimination System (NPDES) requirements, and the Municipal Code
- ❖ Update design and construction standards for use and implementation by the development community (water, wastewater, stormwater, and transportation)
- ❖ Support operating policies or written guidelines to improve consistency in development and land use reviews
- ❖ Monitor/inspect construction of approved private development plans
- ❖ Provide SDC calculations for all development projects
- ❖ Fully implement a paperless environment including digital plan reviews and digital files associated with Oregon Records Management Solution
- ❖ Continued programs to ensure the equitable use of the ROW and encourage the provision of advanced and competitive utility services on the widest possible basis to businesses and residents of the City.
- ❖ Continued programs to secure fair and reasonable compensation to the city and its residents for permitting use of the right of way
- ❖ Develop and adopt Oregon City Street Design and Construction Standards
- ❖ Complete and obtain Land Use approval of the Park Place Urbanization Study
- ❖ Continue to build on staff education and training as it relates to topics such as Diversity, Equity and Inclusion (DEI), anti-harassment, and performance coaching
- ❖ Reach consensus on the need for, and appropriate future use for, the 122 Center Street property (former Operations Facility) and develop an appropriate action plan
- ❖ Continue to issue inflow and infiltration reduction documents focused on completing an inflow and infiltration reduction plan that identifies and prioritizes projects and defines private property policies

Public Works– Engineering

ENGINEERING EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 901,429	\$ 896,824	\$ 1,019,149	\$ 498,100	\$ 517,000	\$ 1,015,100
Benefits	545,707	618,344	732,886	352,500	370,100	722,600
Total Personnel Services	1,447,136	1,515,168	1,752,035	850,600	887,100	1,737,700
Materials & Services						
Professional & Technical Services	171,206	129,468	410,000	125,000	125,000	250,000
Repair & Maintenance Services	15,913	23,219	23,560	43,200	45,200	88,400
Employee Costs	16,021	28,036	54,430	32,700	32,300	65,000
Operating Materials & Supplies	1,330	508	1,700	2,000	2,000	4,000
Office & Administrative Supplies	51,087	58,627	58,000	41,000	39,200	80,200
Internal Service Charges	51,000	107,700	133,544	115,800	116,600	232,400
Total Materials & Services	306,557	347,558	681,234	359,700	360,300	720,000
Transfers Out	109,527	32,000	243,000	51,000	51,000	102,000
Contingency	-	-	173,918	408,700	134,400	134,400
Unappropriated Fund Balance	721,212	1,099,600	-	-	-	-
Total Engineering	\$ 2,584,432	\$ 2,994,326	\$ 2,850,187	\$ 1,670,000	\$ 1,432,800	\$ 2,694,100

BUDGET HIGHLIGHTS

This Division's proposed budget includes transfers into the Department's future facility improvement fund in the amount of \$50,000 and equipment replacement reserve funding of \$52,000.

This fund also General Fund through a transfer in the total amount of \$395,000 in order to support some of the staffing and services necessary to manage the right of way.

Professional & Technical Services includes geotechnical work for new development and services to audit right-of-way payors.

Professional & Technical Services includes the following:

Legal	\$ 110,000
Audit	50,000
Civil engineering	30,000
Total	\$ 250,000



TRANSPORTATION

The Transportation Division maintains the City's transportation system, which includes roadways, pathways, sidewalks, traffic signalization, and guardrails, in order to improve public safety and livability. Operations are performed to enhance mobility while protecting the surrounding environment.

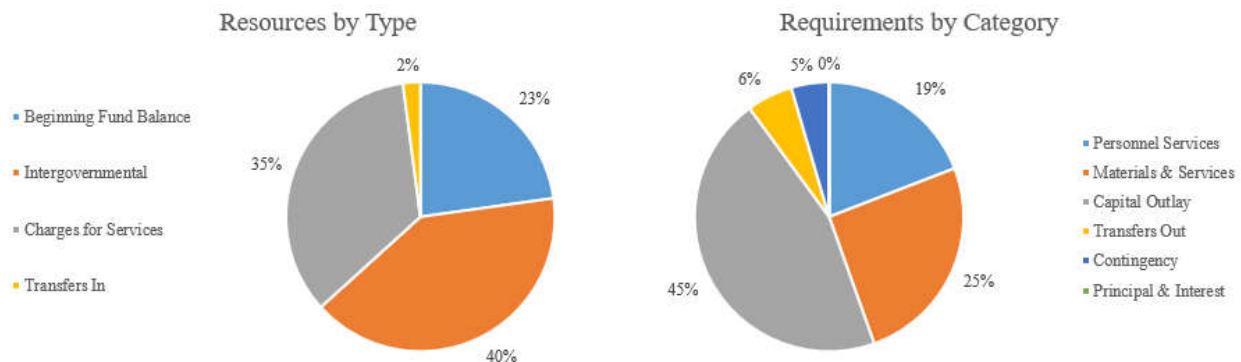
The Transportation Fund accounts for two organizational units: Transportation and Pavement Maintenance. General transportation expenditures including staffing and materials and services for general maintenance and construction are recorded in the Transportation

organizational unit and are funded by gas tax revenues. The Pavement Maintenance fees fund the annual pavement repair and roadway reconstruction contracts recorded in the Pavement Maintenance organizational unit. The revenues and expenses for these two organizational units are kept segregated for accountability. Any amounts remaining at year end (revenues exceeding expenditures) are restricted for future years' transportation projects.

The table below compares total resources and total requirements in the Transportation Fund for the past two budget periods, the current biennial budget, and the proposed biennial budget.

Transportation	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 2,197,398	\$ 2,680,863	\$ 4,019,982	\$ 4,312,800	\$ 1,625,400	\$ 4,312,800
Intergovernmental	5,445,856	8,641,415	7,611,061	3,779,600	3,881,300	7,660,900
Charges for Services	5,031,393	5,508,085	5,853,850	3,239,200	3,308,600	6,547,800
Transfers In	247,134	319,740	960,008	195,000	200,000	395,000
Interest Income	82,464	65,291	26,000	27,000	22,000	49,000
Miscellaneous Income	126,338	21,242	-	-	-	-
Other Financing Sources	-	-	20,003	-	-	-
Total Resources	\$13,130,583	\$17,236,636	\$18,490,904	\$11,553,600	\$ 9,037,300	\$18,965,500
Requirements by Category						
Personnel Services	\$ 2,447,148	\$ 2,833,884	\$ 3,259,301	\$ 1,774,100	\$ 1,855,500	\$ 3,629,600
Materials & Services	2,631,519	3,346,516	3,847,828	2,496,700	2,323,900	4,820,600
Capital Outlay	5,011,053	5,964,252	9,569,523	5,123,000	3,481,300	8,604,300
Principal & Interest			3,000	1,400	1,500	2,900
Transfers Out	360,000	360,000	875,000	533,000	516,000	1,049,000
Contingency	-	-	936,252	1,625,400	859,100	859,100
Unappropriated Fund Balance	2,680,863	4,731,984	-	-	-	-
Total Requirements	\$13,130,583	\$17,236,636	\$18,490,904	\$11,553,600	\$ 9,037,300	\$18,965,500

The charts below shows the percentages of resources and requirements in the Transportation Fund.



TRANSPORTATION

OVERVIEW

The Transportation Division encompasses pavement maintenance and improvement, traffic management, safety improvements, signalization and pavement markings, landscape maintenance including street trees and medians, maintenance of guardrails and street furnishings, emergency response, city beautification, and municipal elevator maintenance. Approximately 144 center line miles of roads (includes 5.2 miles of alleys), 164 miles of sidewalks, and 961 acres (1,188 acres when including State and County ROW) of improved and unimproved rights-of-way are maintained. Operations in this division are accounted for in the Transportation Fund within the Transportation and Pavement Maintenance units. The division includes 12.95 FTEs including shared supervisory and administrative personnel.

The objective is to utilize industry leading best management practices to adaptively manage the City's street and transportation system and infrastructure. To accomplish this, the Transportation Division utilizes a Five-Year Pavement Maintenance Plan which rates, ranks and prioritizes roadways for maintenance. The plan includes asphalt paving, pavement milling, and overlays. Additionally, each year the division repairs and/or seals street cracks and potholes.

ACCOMPLISHMENTS

- ❖ Received 250 requests for service from citizens; completed 953 work orders
- ❖ Sealed over 33 lane miles of city streets. This includes 52,514 pounds of crack seal applied by city crews
- ❖ Removed/replaced 64 trees; trimmed 416 trees
- ❖ Repaired 22 City-owned streetlights; converted 46 City-owned streetlights to LED
- ❖ Managed \$6.8 million in contracted pavement maintenance projects
- ❖ Maintained and upgraded street signs per Federal Highway Administration (FHWA) requirement plan; 650 street signs removed and replaced
- ❖ In-house paving projects (potholes, overlays, rut patching, etc.) totaled 2,201 tons of asphalt
- ❖ Applied approximately 1,740 gallons of Magnesium Chloride (De-ice) to city streets
- ❖ Completed several transportation improvement projects including Molalla Avenue project, Bluff Street, Trillium Drive Landslide Mitigation Project, 2 Holcomb Blvd. repetitive rapid flashing beacons

GOALS AND PROJECTS

- ❖ Complete a variety of Transportation CIP projects including Hwy 213 & Beaver Creek Road West Bound right turn lane, concept design of the Linn/Leland/Meyers/Central Point/Warner Parrott Roundabout, Gardiner Middle School Area Sidewalk Infill, Maple Lane/Walnut Street Roundabout, and various sidewalk infill/pedestrian safety & neighborhood concern project areas
- ❖ Continue to maintain and upgrade street signs per FHWA-required plan
- ❖ Maintain pavement legends and markings and streetlights
- ❖ Manage Oregon City Municipal Elevator service and maintenance
- ❖ Complete the survey and preliminary engineering for the Linn/Leland/Warner Milne roundabout
- ❖ Provide staff and resources for the City's hanging flower basket program, banners, public art, and holiday decorations, traffic control during parades, community events, and emergency road conditions
- ❖ Provide routine inspection and maintenance of Amtrak station
- ❖ Respond to customer and system emergencies (maintain 24/7 on-call service)
- ❖ Respond to winter weather events such as snow, ice, wind and flooding
- ❖ Provide staff and equipment for the City's in-house crack sealing, slurry sealing, and pavement maintenance programs

TRANSPORTATION EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 1,490,268	\$ 1,678,391	\$ 1,900,261	\$ 1,030,500	\$ 1,071,900	\$ 2,102,400
Benefits	956,880	1,155,493	1,359,040	743,600	783,600	1,527,200
Total Personnel Services	<u>2,447,148</u>	<u>2,833,884</u>	<u>3,259,301</u>	<u>1,774,100</u>	<u>1,855,500</u>	<u>3,629,600</u>
Materials & Services						
Professional & Technical Services	519,620	489,068	656,500	403,700	336,100	739,800
Repair & Maintenance Services	607,759	657,213	740,800	392,000	401,100	793,100
Other Services	-	1,851	200	-	-	-
Employee Costs	38,229	34,535	34,500	23,100	23,100	46,200
Operating Materials & Supplies	237,039	231,899	304,000	167,300	167,300	334,600
Office & Administrative Supplies	53,370	38,713	50,266	20,600	20,600	41,200
Special Programs	-	297,851	-	200,000	200,000	400,000
Internal Service Charges	172,400	365,700	391,640	358,200	362,900	721,100
Total Materials & Services	<u>1,628,417</u>	<u>2,116,830</u>	<u>2,177,906</u>	<u>1,564,900</u>	<u>1,511,100</u>	<u>3,076,000</u>
Capital Outlay	712,490	478,811	2,976,523	2,217,000	1,127,300	3,344,300
Principal & Interest			3,000	1,400	1,500	2,900
Transfers Out	360,000	360,000	875,000	533,000	516,000	1,049,000
Contingency	-	-	389,873	1,392,100	639,700	639,700
Total Transportation	<u>\$ 5,148,055</u>	<u>\$ 5,789,525</u>	<u>\$ 9,681,603</u>	<u>\$ 7,482,500</u>	<u>\$ 5,651,100</u>	<u>\$ 11,741,500</u>

BUDGET HIGHLIGHTS

This budget is funded by revenue collected through state gas tax allocations, which includes taxes generated through House Bill 2017 (Keep Oregon Moving), and Clackamas County vehicle registration fees.

This budget includes transfers into the Department's future facility improvement needs of \$300,000 as well as equipment replacement reserve funding of \$749,000 for the biennium.

The Professional & Technical Services budget includes the following items:

Elevator contract and services	\$ 388,300
Legal	20,000
Elevator maintenance	80,000
Grant applications	30,000
ADA transition plan	15,000
Electrician	5,500
Traffic counts	9,000
Civil engineering	8,000
Surveying	4,000
Service Training	20,000

Utility locating services	10,000
Downtown restroom cleaning services	20,000
TSP update grant match	50,000
Elevator lighting and art	50,000
Flagging	6,000
Other	<u>24,000</u>
Total	<u>\$ 739,800</u>

Capital Outlay includes the following:

Hwy 213 & Beavercreek turn lane	\$ 1,500,000
Quiet zone improvements	600,000
Maple Lane roundabout cost sharing agreement	492,000
Sidewalk and Bike Lane Infill	360,000
Gardiner Middle School Sidewalks	225,000
Linn/Leland/Warner Milne Roundabout	107,300
TDM infrastructure grant match	40,000
Trillium Park roadway rehabilitation	<u>20,000</u>
Transportation Capital Outlay	<u>\$ 3,344,300</u>

Public Works – Transportation

PAVEMENT MAINTENANCE EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Materials & Services						
Professional & Technical Services	\$ 163,397	\$ 54,601	\$ 22,000	\$ 138,000	\$ 8,000	\$ 146,000
Repair & Maintenance Services	564,220	565,304	1,000,000	400,000	400,000	800,000
Operating Materials & Supplies	215,628	221,363	230,000	115,000	115,000	230,000
Office & Administrative Supplies	1,800	718	850	400	400	800
Internal Service Charges	58,057	387,700	417,072	278,400	289,400	567,800
Total Materials & Services	1,003,102	1,229,686	1,669,922	931,800	812,800	1,744,600
Capital Outlay	4,298,563	5,485,441	6,593,000	2,906,000	2,354,000	5,260,000
Contingency	-	-	546,379	233,300	219,400	219,400
Unappropriated Fund Balance	2,680,863	4,731,984	-	-	-	-
Total Pavement Maintenance	\$ 7,982,528	\$ 11,447,111	\$ 8,809,301	\$ 4,071,100	\$ 3,386,200	\$ 7,224,000

BUDGET HIGHLIGHTS

This budget is funded by pavement maintenance utility fees. The expenditures show the City's annual pavement management and maintenance plan (both through contracts and in-house paving)

using fees collected and deposited specifically for that purpose.

Capital Outlay includes \$5,260,000 for roadway reconstruction activities including design, construction, and inspection for 2023, 2024, and initiating the design phase for 2025.



WATER

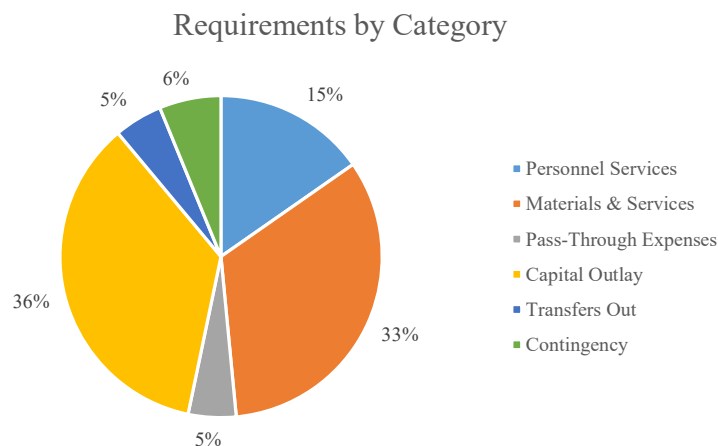
The Water Utility Division operates and maintains the City's potable water distribution system including distribution and system maintenance. Operations in this division are accounted for in the Water Fund.

The table below compares total resources and total requirements in the Water Fund for the for

the upcoming biennium, the current biennium, and the two previous biennia. Revenues in this fund are projected to increase due to a 3% annual increase in rates. During this 2023/25 biennium, due to an aggressive capital improvement program, capital reserves will diminish in order to cover a variety of larger capital projects planned for construction.

Water Operations	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 4,750,864	\$ 4,414,265	\$ 5,826,462	\$ 8,137,600	\$ 4,348,600	\$ 8,137,600
Intergovernmental	-	22,379	5,607,000	-	-	-
Charges for Services	14,788,639	15,458,793	16,160,446	8,641,000	8,929,400	17,570,400
Pass-Through Revenues:						
South Fork SDC Collections	575,501	624,041	600,000	650,000	650,000	1,300,000
Interest Income	137,291	89,925	60,000	51,000	42,000	93,000
Miscellaneous Income	2,576	71,433	15,000	-	-	-
Transfers In	-	12,706	-	-	-	-
Total Resources	\$ 20,254,871	\$ 20,693,542	\$ 28,268,908	\$ 17,479,600	\$ 13,970,000	\$ 27,101,000
Requirements by Category						
Personnel Services	\$ 2,834,948	\$ 3,189,410	\$ 3,819,833	\$ 2,028,300	\$ 2,115,700	\$ 4,144,000
Materials & Services	7,004,025	7,305,621	7,561,923	4,440,700	4,558,900	8,999,600
Pass-Through Expenses	575,528	624,041	600,000	650,000	650,000	1,300,000
Capital Outlay	4,026,105	2,253,352	6,916,003	5,366,600	4,288,000	9,654,600
Debt Service	-	-	3,000	1,400	1,500	2,900
Transfers Out	1,400,000	1,400,000	2,000,000	644,000	673,000	1,317,000
Contingency	-	-	7,368,149	4,348,600	1,682,900	1,682,900
Unappropriated Fund Balance	4,414,265	5,921,118	-	-	-	-
Total Requirements	\$ 20,254,871	\$ 20,693,542	\$ 28,268,908	\$ 17,479,600	\$ 13,970,000	\$ 27,101,000

The chart below shows the percentages of requirements by category for the biennium. Materials and services, which include wholesale water purchases account for the majority of expenditures.



WATER

OVERVIEW

The Water Utility distributes and maintains Oregon City's potable water supply and protects public health by closely monitoring the system and complying with all safe drinking water standards.

The City's water distribution system includes 173 miles of water mains, 5 water reservoirs, 1,529 fire hydrants, 23 pressure reducing valves, and 5 dedicated pump stations; all of which serve over 11,569 active customers. The Division includes 13.35 FTEs, including shared supervisory and administrative personnel.

The source of potable water supply for the City is surface water from the lower Clackamas River which is drawn and treated by the South Fork Water Board (SFWB). SFWB is a wholesale water supplier that is equally owned by Oregon City and the City of West Linn. SFWB operates an intake and pumping station located on the Clackamas River just to the north of the City which delivers raw water to the Board-owned treatment plant and then distributes water to the City at five different locations.

Annual projects include water quality compliance, a backflow and cross-connection program, a mainline replacement and upgrades program, a system flushing program, a valve maintenance program, hydrant, reservoir and pump station maintenance programs, and a leak detection program. The City maintains benchmarks for service quality used to measure performance of the water utility including water quality, pressure, and minimum supply levels for fire protection.

ACCOMPLISHMENTS

- ❖ Received 93 requests for service from citizens; completed 603 work orders
- ❖ Maintained the 2021 Department of Health Water System Survey rating of "Outstanding Performer" (re-evaluation completed every 5 years and OHA is due to inspect in 2021)
- ❖ Completed annual contracted pipe replacement projects, including:
 - ♦ Clairmont Area Pipes (Bedford Drive, Whitney Lane, Autumn Lane)

- ♦ Latourette Street (Caufield Street to end of Latourette Street)
- ♦ Randall Street (Hartke Loop to Canemah Road)
- ❖ Completed the annual leak detection program for 1/3 of the City to reduce potential unaccounted for water
- ❖ Completed the replacement of three pressure reducing valves (Near 18th Street and Anchor Way; near 11th Street and Washington Street; 4th Avenue near Miller Street)
- ❖ Reached agreement and closed on a Henrici Road Property owner on the purchase of additional property for a future Henrici Reservoir
- ❖ Completed improvements at the Mountain View Pump Station including rebuilding the pump drive and operator interface
- ❖ Initiated the Henrici Reservoir rehabilitation work including replacement of conveyance piping, valving, circulation mechanism and coatings
- ❖ Completed the Barlow Crest Reservoir and Boynton Reservoir seismic analysis studies.
- ❖ Initiating the Main Street (10th Street to 15th Street)
- ❖ Obtained voter approval for bonded indebtedness up to \$38 million and City Commission approval for a \$14 million WIFIA loan
- ❖ Completed planning and public awareness to bring before the voters a ballot initiative on water rates needed to support recommendations for capital improvements

GOALS AND PROJECTS

- ❖ Water system line replacements and improvements:
 - ♦ Clairmont Area Phase 2
 - ♦ Main Street (10th to 15th)
 - ♦ McLoughlin
 - ♦ Hartke Loop
 - ♦ Molalla Avenue (Mountain View Reservoir to Beaver Creek Road)
 - ♦ Beaver Creek Road (Meyers to Golf Course entrance)

- ♦ Design phase services for High School Lane
 - ❖ Complete improvements to the Henrici Reservoir including interior and exterior reservoir coatings, passive mixing upgrades, cathodic protection and safety upgrades
 - ❖ Complete the SCADA System Security upgrades
 - ❖ Oversee and manage the WIFIA Loan and administration if approved. Approval is expected in June 2023. Proposed budget recognizes the WIFIA projects, and loan proceeds will be added to budget upon approval.
 - ❖ Support the Pavement Maintenance Utility Fund projects as needed for small waterline repairs associated with the paving limits.
 - ❖ Upgrade the Clackamas River Water (CRW) and Oregon City (OC) Meter Intertie
 - ❖ Respond to customer and system emergencies (maintain 24/7 on-call service)
 - ❖ Remain compliant with federal/state/local water quality rules and regulations including annual water quality report for distribution system
 - ❖ Continue to communicate with the community and businesses to enhance public awareness about water service backflow prevention and winter preparedness to avoid frozen waterlines
- Continue with annual leak detection program for 1/3 of the City (50 miles per year) to reduce potential unaccounted for water



Public Works – Water

WATER EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 1,682,120	\$ 1,883,212	\$ 2,207,481	\$ 1,158,900	\$ 1,204,900	\$ 2,363,800
Benefits	1,152,828	1,306,198	1,612,352	869,400	910,800	1,780,200
Total Personnel Services	<u>2,834,948</u>	<u>3,189,410</u>	<u>3,819,833</u>	<u>2,028,300</u>	<u>2,115,700</u>	<u>4,144,000</u>
Materials & Services						
Professional & Technical Services	349,216	476,098	481,420	266,900	245,700	512,600
Repair & Maintenance Services	485,686	450,674	511,800	286,300	286,400	572,700
Other Services	601,150	651,008	681,131	484,100	498,600	982,700
Employee Costs	38,834	38,733	40,900	21,600	21,600	43,200
Operating Materials & Supplies	4,016,956	4,156,543	4,286,380	2,304,000	2,394,000	4,698,000
Office & Administrative Supplies	68,152	58,701	61,204	25,900	25,900	51,800
Special Programs	-	3,864	-	-	-	-
Pass-Through Payments	575,528	624,041	600,000	650,000	650,000	1,300,000
Internal Service Charges	1,444,031	1,470,000	1,499,088	1,051,900	1,086,700	2,138,600
Total Materials & Services	<u>7,579,553</u>	<u>7,929,662</u>	<u>8,161,923</u>	<u>5,090,700</u>	<u>5,208,900</u>	<u>10,299,600</u>
Capital Outlay	4,026,105	2,253,352	6,916,003	5,366,600	4,288,000	9,654,600
Principal & Interest	-	-	3,000	1,400	1,500	2,900
Transfers Out	1,400,000	1,400,000	2,000,000	644,000	673,000	1,317,000
Contingency	-	-	7,368,149	4,348,600	1,682,900	1,682,900
Unappropriated Fund Balance	4,414,265	5,921,118	-	-	-	-
Total Water	<u>\$ 20,254,871</u>	<u>\$ 20,693,542</u>	<u>\$ 28,268,908</u>	<u>\$ 17,479,600</u>	<u>\$ 13,970,000</u>	<u>\$ 27,101,000</u>

BUDGET HIGHLIGHTS

Operating Materials & Supplies includes the following items:

Water purchases	\$ 4,300,000
Fittings and valves	140,000
Pipe	40,000
Other operating supplies	218,000
Total	<u>\$ 4,698,000</u>

Professional & Technical Services includes funding for the following:

Technical	\$ 164,800
Environmental	157,800
Engineering	70,000
Legal	40,000
Consulting	50,000
Temporary services	30,000
Total	<u>\$ 512,600</u>

The Water fund previously accumulated reserves to take care of deferred capital projects such as water pipe replacements. This budget, as in the

previous, includes instances of one-time spending of capital reserves on deferred capital projects.

Capital Outlay includes capital projects as shown below:

Pipe replacement projects:

WIFIA related pipe replacements
Projects (Clairmont, Main Street,
McLoughlin, Hartke Loop) \$ 2,140,350

Pipe upgrade projects:

WIFIA related pipe upgrade
Projects (Molalla Avenue,
Beavercreek, Fairway Down,
High School Lane) 5,244,250

Other projects:

WIFIA support 2,125,000
Roadway Reconstruction 100,000
Intertie Meter Vault Upgrade 45,000

Total \$ 9,654,600

WASTEWATER

The Wastewater Utility Division maintains the City's wastewater collection system in accordance with regulatory standards. Funds in this division are accounted for in the Wastewater Fund.

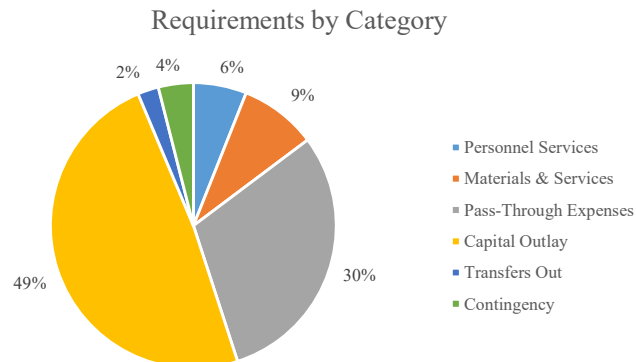
The 2021-2023 biennium included funding to kick the City's infiltration and inflow (I & I) reduction program into project delivery mode. The current biennium will see the completion of renewal and replacement program projects, while

maintaining a strong fund contingency that will account for an ongoing and aggressive I & I reduction program consistent with the aging collection system.

The Fund also includes a new revenue line for funding reimbursement from Water Environment Services intergovernmental agreement for the City's ongoing efforts to address I & I reduction. This IGA is anticipated to generate \$7,140,500 in sewer fund revenue based on an aggressive I & I reduction CIP for the biennium.

Wastewater Operations	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 6,641,700	\$ 9,889,155	\$ 12,976,804	\$ 11,129,100	\$ 7,520,400	\$ 11,129,100
Intergovernmental	-	13,815	-	3,050,500	4,090,000	7,140,500
Charges for Services	11,674,514	12,670,166	13,304,423	7,476,900	7,891,200	15,368,100
Pass-Through Revenues:						
Tri-City Collections	10,646,318	11,477,829	11,105,856	7,343,400	7,620,600	14,964,000
Interest Income	232,056	211,699	150,000	124,000	102,000	226,000
Miscellaneous Income	4,722	94,681	-	-	-	-
Franchise Fees	550,596	594,026	621,400	332,600	349,200	681,800
Transfers In	-	12,706	-	-	-	-
Total Resources	\$ 29,749,906	\$ 34,964,077	\$ 38,158,483	\$ 29,456,500	\$ 27,573,400	\$ 49,509,500
Requirements by Category						
Personnel Services	\$ 2,303,809	\$ 2,430,337	\$ 2,832,063	\$ 1,461,700	\$ 1,526,400	\$ 2,988,100
Materials & Services	3,247,201	3,303,261	3,655,557	2,116,100	2,198,700	4,314,800
Pass-Through Expenses	10,164,307	11,449,371	11,105,856	7,343,400	7,620,600	14,964,000
Capital Outlay	1,334,090	1,626,404	13,142,503	10,438,500	13,683,000	24,121,500
Debt Service	1,531,344	-	3,000	1,400	1,500	2,900
Transfers Out	1,280,000	2,930,000	1,275,000	575,000	598,000	1,173,000
Contingency	-	-	6,144,504	7,520,400	1,945,200	1,945,200
Unappropriated Fund Balance	9,889,155	13,224,704	-	-	-	-
Total Requirements	\$ 29,749,906	\$ 34,964,077	\$ 38,158,483	\$ 29,456,500	\$ 27,573,400	\$ 49,509,500

The chart below shows the percentages of requirements by category for the biennium. As shown, the largest share of the expenditures is Capital Outlay, followed by pass-through expenses, which are costs collected and remitted to Tri-City Service District for sewage treatment.



WASTEWATER

OVERVIEW

The Wastewater Operations Utility Program protects public safety through the operation, maintenance, and improvement of its wastewater system. The wastewater collection system includes pump stations, mainlines, laterals and manholes. They also respond to emergency system bypasses to reduce hazards to human health and the environment. They are responsible for the implementation of best management practices while performing operations to protect the surrounding environment in order to meet or exceed regulatory standards.

The City's wastewater collection system includes 14 pump stations and 136 miles of both force main and gravity pipes, all of which serve over 10,900 customers. The Division includes 10.76 FTEs.

Once wastewater is collected, it is conveyed to, and treated by, Clackamas County Water Environment Services (WES). WES provides wastewater treatment services at the Tri-City water resource recovery facility, located on the Clackamas River in Oregon City, Oregon. The water resource recovery facility provides wastewater treatment for the cities of Gladstone, Oregon City, and West Linn, as well as other Clackamas County jurisdictions outside of the Tri-City district. Daily operations are managed by a department of Clackamas County. Each of the three partner cities is responsible for its own collection and conveyance system as well as billing customers for services.

ACCOMPLISHMENTS

- ❖ Received 35 requests for service from citizens; completed 1006 work orders
- ❖ Completed 22.2 miles of sanitary sewer TV inspection
- ❖ Completed 12.1 miles of sanitary sewer line cleaning
- ❖ Conduct the following I & I reduction projects:
 - ♦ Latourette Street
 - ♦ Washington Street
 - ♦ Rivercrest Neighborhood
 - ♦ 99E pipeline repairs near 8th Street

- ♦ Ongoing support with sewer system access, evaluation, inspection, and troubleshooting associated with the annual I & I program.

- ❖ Hired a consultant to support the City's I & I reduction program to help augment staff capacity to deliver over \$10.2 million in I & I focused projects beginning with high priority areas in the McLoughlin neighborhood, Settlers Point drainage basin, and Canemah neighborhood.
- ❖ Complete improvements to the Canemah Pumps Station (new generator/auto transfer switch and wet well repairs)
- ❖ Completed the first phase of the Rivercrest Basin I & I Reduction Project

GOALS AND PROJECTS

- ❖ Support through staffing and funding the City's Annual I & I reduction program. This program is funded at \$21 Million over the biennium and includes the following services: program management, design services, construction, construction administration and inspection services)
- ❖ Complete a range of Wastewater Pumpstation Generator Replacements:
 - ♦ Settlers Point
 - ♦ Parrish Road
 - ♦ Barclay Hills
 - ♦ Hidden Creek
 - ♦ Newell Crest
 - ♦ Amanda Court
- ❖ Support the City's annual paving program with underground repairs and surface retoration associated with the program.
- ❖ Initiate and support a 10-year long (2023-2033) manhole rehabilitation program.
- ❖ Continue the I & I reduction investigation program including TV inspection, smoke testing, public education, and public policy
- ❖ Complete annual small works, pipe replacement, and separation projects per Sanitary Sewer Master Plan and Capital Improvement Plan through routine operations and maintenance, such as:
 - ♦ Line cleaning, TV inspections, and root intrusion control

- ♦ Facility management of 18 wastewater pump stations (including 6 step systems)
- ♦ Oversee the City's Supervisory control and data acquisition (SCADA) software and radio communication systems
- ♦ Annual pipe repairs (small works) identified through routine inspections and emergency response
- ❖ Communicate with citizens to enhance public awareness about sewer connection responsibilities and maintenance
- ❖ Establish and fund a Sewer Hardship Program (\$100K/year) intended to help fund provision of sewer where septic systems fail, Oregon laws require hook-up and property owners need help funding the design and construction of the public system.



Public Works – Wastewater

WASTEWATER EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 1,379,469	\$ 1,430,860	\$ 1,643,915	\$ 831,800	\$ 865,200	\$ 1,697,000
Benefits	924,340	999,477	1,188,148	629,900	661,200	1,291,100
Total Personnel Services	2,303,809	2,430,337	2,832,063	1,461,700	1,526,400	2,988,100
Materials & Services						
Professional & Technical Services	246,616	128,073	284,000	58,000	78,000	136,000
Repair & Maintenance Services	407,154	436,796	454,950	287,800	288,900	576,700
Other Services	673,078	755,005	794,207	417,100	429,600	846,700
Employee Costs	25,702	24,857	24,338	12,400	12,400	24,800
Operating Materials & Supplies	90,809	81,735	107,508	54,800	54,800	109,600
Office & Administrative Supplies	47,520	55,640	47,898	22,100	25,700	47,800
Special Programs	-	1,555	-	1,000	1,000	2,000
Pass-Through Payments	10,164,307	11,449,371	11,105,856	7,343,400	7,620,600	14,964,000
Internal Service Charges	1,756,322	1,819,600	1,942,656	1,262,900	1,308,300	2,571,200
Total Materials & Services	13,411,508	14,752,632	14,761,413	9,459,500	9,819,300	19,278,800
Capital Outlay	1,334,090	1,626,404	13,142,503	10,438,500	13,683,000	24,121,500
Principal & Interest	1,531,344	-	3,000	1,400	1,500	2,900
Transfers Out	1,280,000	2,930,000	1,275,000	575,000	598,000	1,173,000
Contingency	-	-	6,144,504	7,520,400	1,945,200	1,945,200
Unappropriated Fund Balance	9,889,155	13,224,704	-	-	-	-
Total Wastewater	\$ 29,749,906	\$ 34,964,077	\$ 38,158,483	\$ 29,456,500	\$ 27,573,400	\$ 49,509,500

BUDGET HIGHLIGHTS

Capital Outlay includes the following:

Pipe replacement projects:

PMUF related projects	\$ 290,000
Magnolia Street	220,000
Miscellaneous	357,000

Facility projects:

Settlers Point generator upgrade and I & I evaluation	721,000
Newell Creek generator replacement and geotechnical review	269,000
Parrish Road generator replacement	109,000
Barclay Hills generator replacement	147,000
Hidden Creek generator replacement	63,000
Amanda Court generator replacement	47,000
408 McLoughlin building and demo site restoration	50,000

Inflow & infiltration projects:

Inflow & Infiltration Program project management	3,750,000
Inflow & Infiltration construction projects	17,400,000
Manhole replacement program	488,000
Sewer Hardship Program	200,000
Equipment	10,500
Total Capital Outlay	\$ 24,121,500

Professional & Technical Services includes funding for the following:

Technical	\$ 91,000
Legal	30,000
Engineering	14,000
Environmental	1,000
Total	\$ 136,000

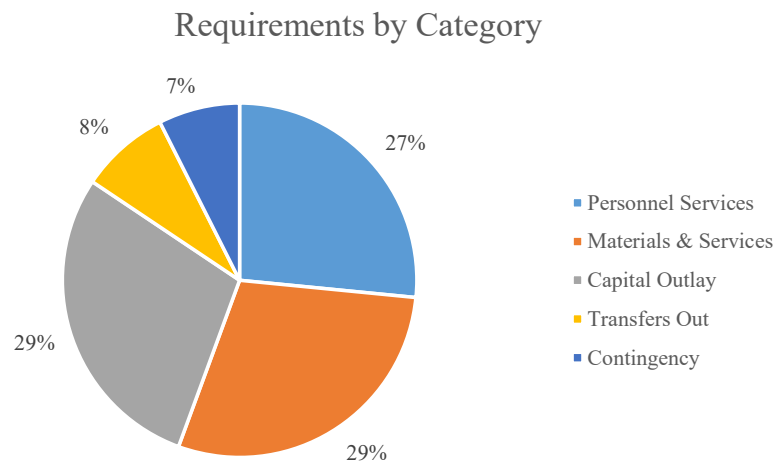
STORMWATER

The Stormwater Utility Division maintains the City's stormwater management system which includes conveyance, flood control, and pollution remediation and reduction. Funds in this division are accounted for in the Stormwater Fund.

With the ramp up of the current rate implementation schedule, the City must accumulate reserves in order to cover the cost of large and costly CIP projects.

Stormwater Operations	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 1,352,381	\$ 1,625,466	\$ 2,526,233	\$ 2,955,400	\$ 1,741,100	\$ 2,955,400
Charges for Services	5,837,233	6,358,291	6,745,746	3,987,500	4,338,400	8,325,900
Intergovernmental	-	48,608	-	-	-	-
Interest Income	47,959	35,667	14,000	26,000	21,000	47,000
Miscellaneous Income	988	66,043	-	-	-	-
Transfers In	-	12,707	-	-	-	-
Total Resources	\$ 7,238,561	\$ 8,146,782	\$ 9,285,979	\$ 6,968,900	\$ 6,100,500	\$ 11,328,300
Requirements by Category						
Personnel Services	\$ 2,204,286	\$ 2,408,183	\$ 2,802,581	\$ 1,460,300	\$ 1,547,500	\$ 3,007,800
Materials & Services	1,768,622	1,879,922	2,231,926	1,643,600	1,645,200	3,288,800
Capital Outlay	830,187	435,043	1,353,003	1,670,500	1,590,000	3,260,500
Debt Service	-	-	3,000	1,400	1,500	2,900
Transfers Out	810,000	810,000	965,000	452,000	475,000	927,000
Contingency	-	-	1,930,469	1,741,100	841,300	841,300
Unappropriated Fund Balance	1,625,466	2,613,634	-	-	-	-
Total Requirements	\$ 7,238,561	\$ 8,146,782	\$ 9,285,979	\$ 6,968,900	\$ 6,100,500	\$ 11,328,300

The chart below shows the percentages of requirements by category for the biennium. As shown, Personnel Services accounts for the largest portion of Stormwater expenditures.



STORMWATER

OVERVIEW

The Stormwater Utility operates and maintains the City's stormwater system for proper conveyance, flood control, and pollution control. It also implements watershed protection and restoration actions that consistently promote surface water quality and stream health. Its main goals are that of stormwater quality and flow control.

The Utility manages the stormwater collection and treatment systems within the city limits of Oregon City including 23 drainage basins, 85 detention ponds, 4,506 catch basins, 25 miles of above ground streams, and 26 underground detention tanks. There are 10.43 FTEs funded in the budget including shared administrative and supervisory personnel. Annually, pipes and storm lines are inspected for structural integrity, root intrusion and service line connections. Storm lines are cleaned every year and debris and sediment are removed, pipes with significant structural damage are repaired or replaced. The entire conveyance system is maintained through mowing, trash pickup, and grate cleaning on detention ponds and swales throughout the City.

In addition to providing customer service and 24-hour emergency response, the division operates a water quality first strategy by taking the lead in coordinating the implementation of healthy streams including tree planting and stream restoration projects, identifying and recommending culvert replacements and outfall retrofits, all for improved water quality/quantity and fish passage.

ACCOMPLISHMENTS

- ❖ Received 97 request for services from Citizens; Completed 551 work orders
- ❖ Swept 12,189 curb miles and collected 4,287 cubic yards debris and leaves
- ❖ Completed over 507 erosion control inspections and issued 25 notices of non-compliance and 4 Stop Work Orders
- ❖ Completed Municipal Separate Storm Sewer System Permit (MS4) Requirements as scheduled
- ❖ Conducted site visits to 60% or 40 different

private water quality facilities and received 26 private storm water quality facility maintenance reports as a result of the City's inspection program

- ❖ Completed all quarterly facility inspections as part of our municipal facilities
- ❖ Continued coordinated stormwater sampling program with WES and other Clackamas County co-permittees
- ❖ Performed flood control, cleaning, maintenance & repair of the City's stormwater system as reported in 2022 the National Pollutant Discharge Elimination System (NPDES) Annual Report
- ❖ No sanitary to storm cross connections were discovered
- ❖ Maintained/inspected 82 detention ponds, 1 rain gardens, and 79 bioswales, 142 roadside stormwater planters, 4 soaker trenches that are maintained each of the two years
- ❖ Inspected and/or cleaned 1,593 catch basins and 160 pollution control manholes, 8 vaults, 44 and underground detentions facilities
- ❖ Completed the Trillium Park Drive outfall improvement project
- ❖ Completed the Scattering Cayon Outfall and Creek improvement project
- ❖ Completed the Gafney Lane Street widening stormwater improvements
- ❖ Coordinated with FEMA to evaluate trees in stormwater quality facilities damaged from ice storm. Received partial reimbursement to address hazard trees.
- ❖ Replanted a portion of McCord stormwater quality facility after hazard tree removal.

GOALS AND PROJECTS

- ❖ Complete the following outfall improvement projects:
 - ♦ Beemer Way Outfall
 - ♦ Barclay Hills Pump Station Outfall
- ❖ Complete the following Pipe Replacement / Stormwater Improvement Projects:
 - ♦ Rivercrest Neighborhood Stormwater Infrastructure Improvement Project
 - ♦ Holcomb Blvd Pipe Segment Replacement (upsizing)

- ❖ Utilize industry leading best management practices to adaptively manage the stormwater collection system work programs and infrastructure to comply with the newly issued NPDES MS4 permit
- ❖ Continue to formalize storm maintenance evaluation & assessment programs
- ❖ Develop system replacement needs based on inspection and assessment
 - ♦ Clean lines as needed based on video inspection assessment
 - ♦ Catch Basin Cleaning – 1,480 catch basins per year, 4,430 catch basins every 3 years
- ♦ Pollution Control Manholes/Vault & Detention Pipe Cleaning – 42 per year or 84 every 2 years
- ♦ Maintain 89 storm water quality ponds
- ❖ Upgrade storm systems in conjunction with pavement maintenance schedule



Public Works – Stormwater

STORMWATER EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 1,305,808	\$ 1,409,140	\$ 1,626,681	\$ 829,900	\$ 858,000	\$ 1,687,900
Benefits	898,478	999,043	1,175,900	630,400	689,500	1,319,900
Total Personnel Services	<u>2,204,286</u>	<u>2,408,183</u>	<u>2,802,581</u>	<u>1,460,300</u>	<u>1,547,500</u>	<u>3,007,800</u>
Materials & Services						
Professional & Technical Services	260,803	190,449	322,950	165,700	146,400	312,100
Repair & Maintenance Services	438,099	505,490	605,198	576,800	567,200	1,144,000
Other Services	330,477	369,652	397,524	234,200	255,500	489,700
Employee Costs	22,405	28,563	27,850	14,300	14,500	28,800
Operating Materials & Supplies	97,125	97,006	127,200	90,700	80,700	171,400
Office & Administrative Supplies	39,412	28,468	46,996	19,100	22,700	41,800
Special Programs	-	5,494	-	-	-	-
Internal Service Charges	580,301	654,800	704,208	542,800	558,200	1,101,000
Total Materials & Services	<u>1,768,622</u>	<u>1,879,922</u>	<u>2,231,926</u>	<u>1,643,600</u>	<u>1,645,200</u>	<u>3,288,800</u>
Capital Outlay	830,187	435,043	1,353,003	1,670,500	1,590,000	3,260,500
Principal & Interest			3,000	1,400	1,500	2,900
Transfers Out	810,000	810,000	965,000	452,000	475,000	927,000
Contingency	-	-	1,930,469	1,741,100	841,300	841,300
Unappropriated Fund Balance	1,625,466	2,613,634	-	-	-	-
Total Stormwater	<u>\$ 7,238,561</u>	<u>\$ 8,146,782</u>	<u>\$ 9,285,979</u>	<u>\$ 6,968,900</u>	<u>\$ 6,100,500</u>	<u>\$ 11,328,300</u>

BUDGET HIGHLIGHTS

The following Capital Outlay is budgeted in this fund:

Pipe replacement projects:

Rivercrest neighborhood infrastructure improvements	\$ 2,215,000
Holcomb Blvd pipe segment replacement	300,000
Scatter Canyon landscape	15,000
Miscellaneous	200,000

Facility projects:

Beemer Way outfall	200,000
Barclay Hills outfall	175,000
Pavement Maintenance	100,000
Equipment	<u>55,500</u>
Total	<u>\$ 3,260,500</u>

Professional & Technical Services includes the following:

Environmental	\$ 175,100
Technical	67,000
Consulting	30,000
Engineering	20,000
Legal	<u>20,000</u>
Total	<u>\$ 312,100</u>

SYSTEM DEVELOPMENT

System Development Charges (SDCs) are charged as part of the permitting process for new development. The purpose of the charges is to fund future capacity-increasing projects as required due to growth. Oregon City imposes and expends system development charges according to Oregon law (ORS 223.297-314) and the Oregon City Municipal Code.

Charges are collected for the following functions:

- ❖ Transportation
- ❖ Water
- ❖ Wastewater
- ❖ Stormwater
- ❖ Parks

The table below shows total resources and requirements for the System Development Fund in total for the past two budget periods, the current biennial budget, and the proposed biennium. The following pages will show the development charges broken out by function.

System Development	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 21,180,484	\$ 22,397,540	\$ 12,287,996	\$ 28,057,300	\$ 29,698,500	\$ 28,057,300
Charges for Services	6,379,317	9,606,717	5,570,000	5,180,000	5,180,000	10,360,000
Intergovernmental	65,419	3,363,560	43,350	1,835,700	974,700	2,810,400
Interest Income	739,513	485,754	207,500	185,000	152,000	337,000
Miscellaneous Income	385,994	461,548	607,940	502,900	28,600	531,500
Transfers In	-	-	-	-	-	-
Total Resources	\$ 28,750,727	\$ 36,315,119	\$ 18,716,786	\$ 35,760,900	\$ 36,033,800	\$ 42,096,200
Requirements by Category						
Materials & Services	\$ 759,024	\$ 785,726	\$ 1,475,420	\$ 429,800	\$ 323,200	\$ 753,000
Capital Outlay	5,594,163	16,160,130	10,798,650	5,632,600	4,488,800	10,121,400
Transfers Out	-	375,000	-	-	-	-
Contingency	-	-	6,442,716	29,698,500	31,221,800	31,221,800
Reserved for Future Expenditures	22,397,540	18,994,263	-	-	-	-
Total Requirements	\$ 28,750,727	\$ 36,315,119	\$ 18,716,786	\$ 35,760,900	\$ 36,033,800	\$ 42,096,200

TRANSPORTATION SYSTEM DEVELOPMENT

OVERVIEW

Provides transportation system improvements that add system capacity or increase level of service to accommodate orderly growth and development in Oregon City.

ACCOMPLISHMENTS

- ❖ Complete the Molalla Avenue Phase III public improvement project
- ❖ Complete the Rectangular Repetitive Flashing Beacon (RRFB) projects on Holcomb Blvd and Linn Avenue
- ❖ Completed concept plan for Loader Road between the Oregon City High School and Beavercreek Road. Continued the ongoing effort to seek grant funding for Main Street (10th Street to 15th Street) sidewalk project construction
- ❖ Continued to participate and remain updated on Oregon Department of Transportation (ODOT) High Speed Rail Study
- ❖ Completed and adopted the Oregon City Street design standards

GOALS AND PROJECTS

- ❖ Complete the Main Street ADA Grant Project (12th and 13th intersection(s) curb ramps)
- ❖ Complete the Holcomb Blvd Safe Routes to School Grant Project
- ❖ Complete the Beavercreek Road ARTS Grant Project

- ❖ Initiate the permitting and design phase for the Hwy 213 & Beavercreek road west bound right turn lane project
- ❖ Complete the Linn/Leland/Central Point/Warner Parrott Roundabout final concept and utility modification plans.
- ❖ Complete the Maple Lane/Walnut Roundabout
- ❖ Obtain speed and traffic count data for 2/3rds of the City. Three year cycle for 100% count completion.
- ❖ Complete the Gardiner Middle School area Safe Routes to Schools pedestrian improvements
- ❖ Continue to complete sidewalk and pedestrian infill pedestrian safety and neighborhood concern projects
- ❖ Complete concept planning for:
 - ♦ Molalla/Division/7th Intersection
 - ♦ Holly Lane (Maple Lane to Beavercreek Concept Plan Area)
- ❖ Continue to seek grants and provide grant match funding as grants become available:
 - ♦ Main Street (10th Street to 15th Street)
 - ♦ 99E Shared Use Path
 - ♦ McLoughlin to Canemah Trail
 - ♦ TSP Update
- ❖ TDM Infrastructure Continue to contribute with ODOT as needed to complete the Hwy 99E/ Railroad Avenue safety improvements associated with the impacts expected from the Willamette Falls Legacy Project

Transportation Development	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 9,016,824	\$ 10,356,395	\$ 5,459,629	\$ 14,917,700	\$ 14,707,400	\$ 14,917,700
Charges for Services	3,031,768	5,045,560	2,070,000	2,500,000	2,500,000	5,000,000
Intergovernmental	65,419	2,889,558	43,350	1,835,700	974,700	2,810,400
Interest Income	609,213	219,340	100,000	83,000	68,000	151,000
Miscellaneous Income	293,023	271,526	412,340	502,900	28,600	531,500
Total Resources	\$ 13,016,247	\$ 18,782,379	\$ 8,085,319	\$ 19,839,300	\$ 18,278,700	\$ 23,410,600
Requirements by Category						
Materials & Services	\$ 180,658	\$ 331,896	\$ 802,656	\$ 288,900	\$ 209,100	\$ 498,000
Capital Outlay	2,479,194	9,773,590	3,765,650	4,843,000	1,988,800	6,831,800
Contingency	-	-	3,517,013	14,707,400	16,080,800	16,080,800
Reserved for Future Expenditures	10,356,395	8,676,893	-	-	-	-
Total Requirements	\$ 13,016,247	\$ 18,782,379	\$ 8,085,319	\$ 19,839,300	\$ 18,278,700	\$ 23,410,600

WATER SYSTEM DEVELOPMENT

OVERVIEW

Provides water system improvements outside of those obligated by new development that add system capacity or increase level of service to accommodate orderly growth and development in Oregon City.

ACCOMPLISHMENTS

- ❖ Continue to maintain updates to the City's computerized hydraulic model and SDC calculator
- ❖ Obtained approval to update the City's Water SDC rates
- ❖ Initiated a long-term service area agreement

with CRW

- ❖ Initiated a Pressure Reducing Valve replacement and upgrade program
- ❖ Adopt the Thimble Creek (Beavercreek Concept Plan (upper pressure zone) new reservoir) siting study.

GOALS AND PROJECTS

- ❖ Contribute to the completion of the Main Street Waterline replacement project
- ❖ Initiate the design and construction of a range of WIFIA and ARPA Funded CIP projects that are to be completed by 2029
- ❖ Continue to maintain updates to the City's computerized hydraulic model

Water Development	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 3,974,159	\$ 4,444,948	\$ 3,197,109	\$ 4,487,900	\$ 5,725,800	\$ 4,487,900
Charges for Services	695,699	1,360,805	1,300,000	1,500,000	1,500,000	3,000,000
Interest Income	47,746	99,568	60,000	39,000	32,000	71,000
Miscellaneous Income	-	17,442				
Total Resources	\$ 4,717,604	\$ 5,922,763	\$ 4,557,109	\$ 6,026,900	\$ 7,257,800	\$ 7,558,900
Requirements by Category						
Materials & Services	\$ 172,679	\$ 134,043	\$ 133,296	\$ 11,500	\$ 11,500	\$ 23,000
Capital Outlay	99,977	1,790,820	3,183,000	289,600	2,400,000	2,689,600
Transfers Out	-	-	-	-	-	-
Contingency	-	-	1,240,813	5,725,800	4,846,300	4,846,300
Reserved for Future Expenditures	4,444,948	3,997,900	-	-	-	-
Total Requirements	\$ 4,717,604	\$ 5,922,763	\$ 4,557,109	\$ 6,026,900	\$ 7,257,800	\$ 7,558,900

WASTEWATER SYSTEM DEVELOPMENT

OVERVIEW

Provides sanitary sewer (wastewater collection) system improvements outside of those obligated by new development that add system capacity or increase level of service to accommodate orderly growth and development in Oregon City.

GOALS AND PROJECTS

- ❖ Complete or contribute to a development required sewer extension off Meyers Road and serving a pocket of the Beavercreek Industrial area

Wastewater Development	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 2,716,567	\$ 1,658,097	\$ 881,380	\$ 2,309,100	\$ 2,707,600	\$ 2,309,100
Charges for Services	886,599	878,325	650,000	500,000	500,000	1,000,000
Interest Income	23,563	32,431	13,500	15,000	12,000	27,000
Miscellaneous Income	-	33,375	-	-	-	-
Total Resources	\$ 3,626,729	\$ 2,602,228	\$ 1,544,880	\$ 2,824,100	\$ 3,219,600	\$ 3,336,100
Requirements by Category						
Materials & Services	\$ 94,430	\$ 79,991	\$ 138,096	\$ 16,500	\$ 16,500	\$ 33,000
Capital Outlay	1,874,202	1,196,857	250,000	100,000	100,000	200,000
Transfers	-	-	-	-	-	-
Contingency	-	-	1,156,784	2,707,600	3,103,100	3,103,100
Reserved for Future Expenditures	1,658,097	1,325,380	-	-	-	-
Total Requirements	\$ 3,626,729	\$ 2,602,228	\$ 1,544,880	\$ 2,824,100	\$ 3,219,600	\$ 3,336,100

STORMWATER SYSTEM DEVELOPMENT

OVERVIEW

Provides stormwater system improvements outside of those obligated by new development that add system capacity or increase level of service to accommodate orderly growth and development in Oregon City.

Generally the Stormwater Master Plan SDC funded projects are larger and more complicated projects (costly) than available in the fund balance for the stormwater SDC fund so this biennium is a set aside time when we collect SDC payments for future use.

ACCOMPLISHMENTS

- ❖ Complied with regulatory requirements associated with the NPDES MS4 Permit
- ❖ Obtained Commission approval to implement new (increased) stormwater SDC rates

GOALS AND PROJECTS

- ❖ Complete Holcomb Blvd Stormwater Improvements as necessary to complete the Holcomb Blvd Safe Routes to School Project
- ❖ Address infrastructure needs as needed in the Stormwater Master Plan
- ❖ Comply with regulatory capital improvement requirements associated with the NPDES MS4 Permit
- ❖ Complete the Beemer Way Outfall Upgrades

Stormwater Development	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 521,242	\$ 390,740	\$ 338,870	\$ 757,000	\$ 841,400	\$ 757,000
Charges for Services	191,584	316,761	150,000	180,000	180,000	360,000
Interest Income	2,785	9,956	4,000	6,000	5,000	11,000
Miscellaneous Income	-	1,744				
Total Resources	\$ 715,611	\$ 719,201	\$ 492,870	\$ 943,000	\$ 1,026,400	\$ 1,128,000
Requirements by Category						
Materials & Services	\$ 124,871	\$ 113,709	\$ 90,196	\$ 1,600	\$ 1,600	\$ 3,200
Capital Outlay	200,000	77,267	-	100,000	-	100,000
Transfers	-	-	-	-	-	-
Contingency	-	-	402,674	841,400	1,024,800	1,024,800
Reserved for Future Expenditures	390,740	528,225	-	-	-	-
Total Requirements	\$ 715,611	\$ 719,201	\$ 492,870	\$ 943,000	\$ 1,026,400	\$ 1,128,000

PARKS SYSTEM DEVELOPMENT

OVERVIEW

The City collects system development charges (SDCs) for parks development to construct projects which provide additional capacity and increase parks and open space facilities and resources. The Parks and Recreation Master Plan and Capital Improvement Plan identify and prioritize projects that are eligible for SDC funding, as defined through Municipal Code. Planning for growth-related system improvements is also considered eligible for SDC funding.

ACCOMPLISHMENTS

- ❖ Began the process for updating the Parks and Recreation master plan

- ❖ Completed construction of Hazel Grove Park

GOALS AND PROJECTS

- ❖ Complete update of Parks and Recreation Master Plan
- ❖ Utilize Parks and Recreation Master Plan to begin developing strategies for acquisition and development recommendations, pending available funding, to implement
- ❖ Complete Trails Master Plan refinement for use in planning specific improvements and seeking funding opportunities
- ❖ Plan implementation of Clackamette Park Master Plan and other SDC eligible projects

Parks Development	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 4,951,692	\$ 5,547,360	\$ 2,411,008	\$ 5,585,600	\$ 5,716,300	\$ 5,585,600
Charges for Services	1,573,667	2,005,266	1,400,000	500,000	500,000	1,000,000
Intergovernmental	-	474,002	-	-	-	-
Interest Income	56,206	124,459	30,000	42,000	35,000	77,000
Miscellaneous Income	92,971	137,461	195,600	-	-	-
Total Resources	\$ 6,674,536	\$ 8,288,548	\$ 4,036,608	\$ 6,127,600	\$ 6,251,300	\$ 6,662,600
Requirements by Category						
Materials & Services	\$ 186,386	\$ 126,087	\$ 311,176	\$ 111,300	\$ 84,500	\$ 195,800
Capital Outlay	940,790	3,321,596	3,600,000	300,000	-	300,000
Transfers	-	375,000	-	-	-	-
Contingency	-	-	125,432	5,716,300	6,166,800	6,166,800
Reserved for Future Expenditures	5,547,360	4,465,865	-	-	-	-
Total Requirements	\$ 6,674,536	\$ 8,288,548	\$ 4,036,608	\$ 6,127,600	\$ 6,251,300	\$ 6,662,600

FLEET SERVICES

OVERVIEW

The Fleet Division of Oregon City Public Works purchases and maintains the City's fleet including dump trucks, street sweepers, excavators, pickups, and fleet vehicles. There are two mechanics responsible for the maintenance of the City's fleet. The goal is to provide a manageable level of repair and maintenance to the City's fleet that will keep the vehicles and equipment functional and safe in an efficient manner.

Fleet Services operates as an internal service fund, meaning it pays for and provides the services to all other city funds and charges those funds for the goods and services provided. Some of the charges are paid for on an actual dollar for dollar basis (for example, tires installed on a vehicle) while other expenses are allocated on a budgetary basis based on expected and historical use (for example, oil).

The Equipment Replacement fund is used for the purchase and replacement of equipment. More information about the Equipment Replacement fund can be found later in this section.

Fleet Services	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 8,579	\$ 4,516	\$ 27,719	\$ 9,800	\$ 49,200	\$ 9,800
Charges for Services	-	-	200	-	-	-
Internal Service Charges	474,813	466,414	665,910	311,900	312,900	624,800
Interest Income	143	231	-	-	-	-
Miscellaneous Income	-	236	-	-	-	-
Total Resources	\$ 483,535	\$ 471,397	\$ 693,829	\$ 321,700	\$ 362,100	\$ 634,600
Requirements by Category						
Materials & Services	\$ 469,157	\$ 464,403	\$ 615,008	\$ 272,500	\$ 324,300	\$ 596,800
Capital Outlay	9,862	-	-	-	-	-
Contingency	-	-	78,821	49,200	37,800	37,800
Unappropriated Fund Balance	4,516	6,994	-	-	-	-
Total Requirements	\$ 483,535	\$ 471,397	\$ 693,829	\$ 321,700	\$ 362,100	\$ 634,600

FLEET SERVICES EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Materials & Services						
Professional & Technical Services	\$ 631	\$ -	\$ 2,000	\$ 1,000	\$ 1,000	\$ 2,000
Repair & Maintenance Services	257,042	278,677	378,600	155,000	205,000	360,000
Employee Costs	10,571	10,489	10,800	5,800	5,800	11,600
Operating Materials & Supplies	177,631	152,317	199,000	98,500	98,500	197,000
Office & Administrative Supplies	13,282	12,008	13,400	6,700	8,500	15,200
Special Programs	-	12	-	-	-	-
Internal Service Charges	10,000	10,900	11,208	5,500	5,500	11,000
Total Materials & Services	469,157	464,403	615,008	272,500	324,300	596,800
Capital Outlay	9,862	-	-	-	-	-
Contingency	-	-	78,821	49,200	37,800	37,800
Unappropriated Fund Balance	4,516	6,994	-	-	-	-
Total Fleet	\$ 483,535	\$ 471,397	\$ 693,829	\$ 321,700	\$ 362,100	\$ 634,600



COMMUNITY FACILITIES

The Community Facilities capital projects fund accounts for the acquisition, construction, and maintenance of facilities. Funds saved in this fund are segregated by purpose. At this time, the fund includes savings for the following:

- ❖ **Public Safety:** Reserves consist of funding for the ongoing maintenance of the Robert Libke Public Safety Building. While the Community Safety Advancement Fund (C-SAF) fee accounts for a significant portion of the revenue in this fund, most of this revenue is transferred out of the fund to the Debt Service fund to pay the debt service payments associated with the bonds which were issued to fund the construction of the building.

- ❖ **Public Works:** Reserves consist of funds set aside from the various Public Works funds for the construction and ongoing maintenance of future facility needs.
- ❖ **Library:** Reserves include funds saved for future capital maintenance of the expanded Library facility, as well as current capital needs.
- ❖ **General:** Reserves consist of savings for general governmental facilities, set aside from annual budgetary savings.

The first chart below shows the proposed biennial budget while the second one shows funds set aside for each of the above purposes.

Community Facilities	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 12,049,825	\$ 25,100,854	\$ 7,166,106	\$ 3,983,800	\$ 7,224,000	\$ 3,983,800
Intergovernmental	2,500	22,949	-	-	-	-
Charges for Services	2,271,524	2,418,631	2,647,460	1,316,800	1,369,900	2,686,700
Miscellaneous Income	39,727	3,405,790	67,000	2,000,000	-	2,000,000
Interest Income	680,157	336,060	19,000	18,000	15,000	33,000
Bond Proceeds	16,157,183	-	-	-	-	-
Transfers In	4,095,929	6,080,000	3,905,000	1,295,000	1,295,000	2,590,000
Total Resources	\$ 35,296,845	\$ 37,364,284	\$ 13,804,566	\$ 8,613,600	\$ 9,903,900	\$ 11,293,500
Requirements						
Materials and Services	\$ 293,650	\$ 135,604	\$ 102,900	\$ -	\$ -	\$ -
Capital Outlay	8,644,738	29,713,407	5,284,673	285,100	295,000	580,100
Debt Service	155,481	-	-	-	-	-
Transfer Out	1,102,122	2,208,600	2,205,400	1,104,500	1,106,100	2,210,600
Contingency	-	-	6,211,593	7,224,000	8,502,800	8,502,800
Reserved for Future Expenditure	25,100,854	5,306,673	-	-	-	-
Total Requirements	\$ 35,296,845	\$ 37,364,284	\$ 13,804,566	\$ 8,613,600	\$ 9,903,900	\$ 11,293,500

	Beginning Funds	Biennium Revenues	Biennium Expenditures	Remaining Funds
Public Works Facilities	\$ 1,710,800	\$ 4,557,000	\$ -	\$ 6,267,800
Public Safety Facilities	425,400	2,728,700	2,210,600	943,500
Library Facility	661,600	9,000	580,100	90,500
General Facilities	1,186,000	15,000	-	1,201,000
	\$ 3,983,800	\$ 7,309,700	\$ 2,790,700	\$ 8,502,800

Equipment Replacement

EQUIPMENT REPLACEMENT

Public Works, in conjunction with the user departments, are responsible for evaluating the City's overall fleet purchasing strategy and recommends new vehicles or replacement vehicles based on use, age, and safety requirements. Additionally, different

departments have the need to set aside funds for future major equipment replacement. Vehicles and equipment are initially purchased by the operating department. Once the initial purchase is made, the vehicle is then charged back to that department on annual installments through a savings fund established for future vehicle or equipment replacement purchases.

Equipment Replacement	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 4,306,776	\$ 5,709,373	\$ 6,452,952	\$ 7,237,300	\$ 6,675,700	\$ 7,237,300
Fines and Forfeitures	32,884	6,941	-	-	-	-
Miscellaneous Income	75,866	65,584	60,000	-	-	-
Interest Income	195,811	127,736	80,000	61,000	50,000	111,000
Loan Repayment	779,733	-	-	-	-	-
Transfers In	1,574,700	1,539,826	3,078,549	1,419,000	1,483,000	2,902,000
Total Resources	\$ 6,965,770	\$ 7,449,460	\$ 9,671,501	\$ 8,717,300	\$ 8,208,700	\$ 10,250,300
Requirements						
Materials and Services	\$ 147,598	\$ 59,795	\$ 385,757	\$ 149,400	\$ 149,400	\$ 298,800
Capital Outlay	1,068,799	1,145,269	3,044,500	1,892,200	990,700	2,882,900
Internal Service Charges	40,000	-	-	-	-	-
Reserved for Future Expenditures	5,709,373	6,244,396	6,241,244	6,675,700	7,068,600	7,068,600
Total Requirements	\$ 6,965,770	\$ 7,449,460	\$ 9,671,501	\$ 8,717,300	\$ 8,208,700	\$ 10,250,300

	Beginning Funds	Biennium Revenues	Biennium Expenditures	Remaining Funds
Parks & Recreation	\$ 854,500	\$ 329,000	\$ 605,000	\$ 578,500
Public Safety	1,252,300	420,000	920,400	751,900
General Equipment	1,352,000	165,000	28,400	1,488,600
Community Development	123,400	75,000	34,000	164,400
Engineering	138,000	52,000	67,200	122,800
Transportation	630,300	749,000	437,500	941,800
Water	1,145,600	317,000	170,000	1,292,600
Wastewater	1,122,300	373,000	165,000	1,330,300
Stormwater	585,200	527,000	754,200	358,000
Customer Service	33,700	6,000	-	39,700
	\$ 7,237,300	\$ 3,013,000	\$ 3,181,700	\$ 7,068,600

UTILITY CUSTOMER SERVICE

OVERVIEW

The Customer Service Division operates within Finance in an internal service fund that provides support to various departments across the City. Revenues are from internal service charges to other funds for billing and collection services. The team emphasizes providing high quality customer service to Oregon City citizens.

Internal services are provided primarily to Water, Wastewater, Stormwater and Pavement Maintenance utilities. The Division also provides services to Water Environment Services (Clackamas County Sewer) and South Fork Water Board (Oregon City and West Linn Water Treatment) and receives compensation from those agencies. Consolidation of these services provides the most economical program and minimizes the number of referrals for users with questions.

ACCOMPLISHMENTS

- ❖ Entered into an agreement to participate in Clackamas County's Low-Income Household Water Assistance (LIHWA) Program to provide low-income housing households with assistance for their drinking water and wastewater service costs.
- ❖ Successfully completed the request for proposal (RFP) process to contract with a meter reading company to read customer water meters
- ❖ Purchased a new utility customer service vehicle

GOALS AND PROJECTS

- ❖ Continue to improve efficiencies by automating various processes
- ❖ Enhance customer service quality with increased training and new approaches

Utility Customer Service	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 81,446	\$ 89,794	\$ 267,167	\$ 40,900	\$ 77,300	\$ 40,900
Charges for Services	31,066	169,835	191,000	93,000	93,000	186,000
Intergovernmental	-	11,997	-	-	-	-
Internal Service Charges	2,184,000	2,322,300	2,335,200	1,504,200	1,580,200	3,084,400
Interest Income	4,950	3,507	-	-	-	-
Miscellaneous Income	26	811	-	2,000	1,000	3,000
Total Resources	\$ 2,301,488	\$ 2,598,244	\$ 2,793,367	\$ 1,640,100	\$ 1,751,500	\$ 3,314,300
Requirements						
Personnel Services	\$ 1,354,100	\$ 1,398,642	\$ 1,590,627	\$ 861,000	\$ 899,000	\$ 1,760,000
Materials & Services	789,667	937,474	1,094,790	698,800	749,000	1,447,800
Transfers Out	67,927	4,000	6,000	3,000	3,000	6,000
Contingency	-	-	101,950	77,300	100,500	100,500
Unappropriated Fund Balance	89,794	258,128	-	-	-	-
Total Requirements	\$ 2,301,488	\$ 2,598,244	\$ 2,793,367	\$ 1,640,100	\$ 1,751,500	\$ 3,314,300

Utility Customer Service

UTILITY CUSTOMER SERVICE EXPENDITURES

Description	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Personnel Services						
Salaries	\$ 802,440	\$ 807,668	\$ 901,851	\$ 482,600	\$ 502,100	\$ 984,700
Benefits	551,660	590,974	688,776	378,400	396,900	775,300
Total Personnel Services	1,354,100	1,398,642	1,590,627	861,000	899,000	1,760,000
Materials & Services						
Professional & Technical Services	178,431	184,465	199,006	105,500	108,700	214,200
Repair & Maintenance Services	36,789	48,108	56,560	34,600	35,100	69,700
Other Services	143,688	140,953	152,000	77,000	77,000	154,000
Employee Costs	714	596	10,000	5,000	5,000	10,000
Operating Materials & Supplies	1,768	2,007	2,000	1,000	1,000	2,000
Office & Administrative Supplies	428,277	522,545	587,200	386,200	432,600	818,800
Internal Service Charges	-	38,800	88,024	89,500	89,600	179,100
Total Materials & Services	789,667	937,474	1,094,790	698,800	749,000	1,447,800
Transfers Out	67,927	4,000	6,000	3,000	3,000	6,000
Contingency	-	-	101,950	77,300	100,500	100,500
Unappropriated Fund Balance	89,794	258,128	-	-	-	-
Total Utility Customer Service	\$ 2,301,488	\$ 2,598,244	\$ 2,793,367	\$ 1,640,100	\$ 1,751,500	\$ 3,314,300

BUDGET HIGHLIGHTS

Office & Administrative Supplies increased from the prior biennium due primarily to increased credit card fees. The cost of accepting credit cards has continued to increase over the past few years; in part as utility rates have increased and as credit card fees have increased, but especially as more customers have begun to utilize credit card as their preferred method of payment.

Internal Service Charges increased to reflect a more equitable allocation of charges for the services the Division receives from other internal support departments such as information technology, etc.



DEBT SERVICE

The Debt Service fund is used to account for the accumulation of resources used for the payment of principal and interest on long-term obligations, of governmental funds; namely General Obligation Bonds, as well as other types of governmental bonds (e.g. revenue bonds).

During the upcoming biennium, debt principal and interest for the Public Employee Retirement System Bonds and the Oregon City Full Faith and Credit Obligation Bonds will be paid from the fund.

Further information on the City's debt is included in a separate section later in this budget.

PERS BONDS

The Public Employee Retirement System (PERS) Unfunded Actuarial Liability Bonds were issued by the City in 2005 in the amount of \$17 million

to fund its PERS actuarial liability. These bonds mature in 2028. Revenues to pay the bonds come from resources set aside annually from savings on employer contributions.

PERS Debt Service	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Beginning Fund Balance	\$ 2,033,828	\$ 1,829,495	\$ 1,426,719	\$ 1,016,500	\$ 815,600	\$ 1,016,500
Miscellaneous Income	2,590,448	2,651,386	2,909,362	1,536,600	1,606,800	3,143,400
Interest Income	59,495	32,849	22,000	30,000	28,000	58,000
Total Resources	\$ 4,683,771	\$ 4,513,730	\$ 4,358,081	\$ 2,583,100	\$ 2,450,400	\$ 4,217,900
Requirements by Category						
Debt Service	\$ 2,854,276	\$ 3,089,316	\$ 3,338,993	\$ 1,767,500	\$ 1,837,700	\$ 3,605,200
Reserved for Future Expenditures	1,829,495	1,424,414	1,019,088	815,600	612,700	612,700
Total Requirements	\$ 4,683,771	\$ 4,513,730	\$ 4,358,081	\$ 2,583,100	\$ 2,450,400	\$ 4,217,900

COMMUNITY SAFETY ADVANCEMENT FUND (CSAF) BONDS

The City issued \$16,000,000 of voter-approved Full Faith and Credit Obligation bonds dated June 5, 2018, to provide a new police and municipal court facility. The bonds were issued at a

premium of \$1,542,183 resulting in face value of the bonds of \$14,615,000. The bond premium is to be amortized over the life of the bonds, which mature in 2038. Interest rates on the bonds range from 3.00% to 5.00%. Revenues to pay the bonds come from a transfer of CSAF Utility fees designated for such purpose.

CSAF Debt Service	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget	2023-2025 Proposed Biennium
Resources						
Transfers In	\$ 1,102,122	\$ 2,208,600	\$ 2,205,400	\$ 1,104,500	\$ 1,106,100	\$ 2,210,600
Total Resources	\$ 1,102,122	\$ 2,208,600	\$ 2,205,400	\$ 1,104,500	\$ 1,106,100	\$ 2,210,600
Requirements by Category						
Debt Service	\$ 1,102,122	\$ 2,208,600	\$ 2,205,400	\$ 1,104,500	\$ 1,106,100	\$ 2,210,600
Total Requirements	\$ 1,102,122	\$ 2,208,600	\$ 2,205,400	\$ 1,104,500	\$ 1,106,100	\$ 2,210,600



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PERSONNEL

OVERVIEW OF PERSONNEL CHANGES

The 2023-2025 biennial budget proposes a net **increase of 4.15 FTE** over the previous adopted 2021-2023 biennial budget. Increases in FTE are funded from additional revenues or offset by cost savings.

Policy and Administration: Net decrease of 0.02 FTE

The budget includes the addition of an Assistant City Manager and Community Engagement Specialist. Juxtaposed by a 1.53 net decrease in Municipal Court, Finance and Economic Development.

Police: Increase of 0.25 FTE

The budget includes the addition of a Code Compliance Officer and a Part-Time Background Investigations Officer, offset by the elimination of the Clackamas Community College Resource Officer, resulting in a 0.25 increase.

Parks and Recreation: Net Increase of 0.92 FTE

The budget includes identifying the Cemetery as a separate department for the biennium. Decreasing seasonal/part-time Parks Maintenance, offset by adding one Parks Maintenance Specialist. Recreation Aquatics added part-time Lifeguards to comply with the new Oregon Administrative Rules. Facilities Maintenance added a Facilities Maintenance Manager.

Library: Increase of 1.0 FTE

The budget includes a recalibration between On-Call/part-time Library Assistants and full-time positions. The addition of a Librarian and two Part-Time Library Assistants, is offset by the elimination of 1.5 On-Call/part-time Library Assistants

Community Development: Increase of 2.0 FTE

The Building Division decreased the number of Building Inspectors by two and added three Plans Examiner positions. Planning added an Administrative Assistant.

PERSONNEL TRENDS

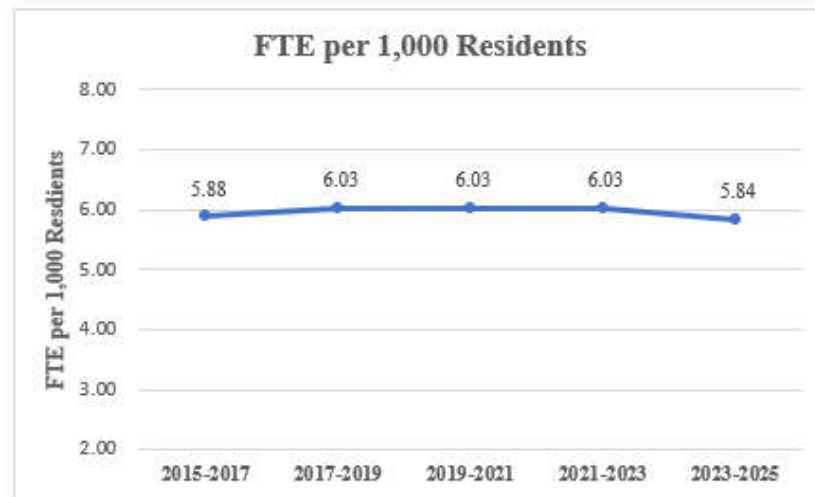
PERSONNEL (FTE) CHANGES BY DEPARTMENT

Department	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Proposed	Change
Policy and Administration	31.36	31.36	32.71	32.69	(0.02)
Police	58.48	59.48	59.48	59.73	0.25
Parks and Recreation	37.72	39.72	40.72	41.64	0.92
Library	16.15	15.90	18.25	19.25	1.00
Community Development	14.00	13.00	14.25	16.25	2.00
Public Works	50.91	50.91	50.91	50.91	0.00
Total FTEs	208.62	210.37	216.32	220.47	4.15

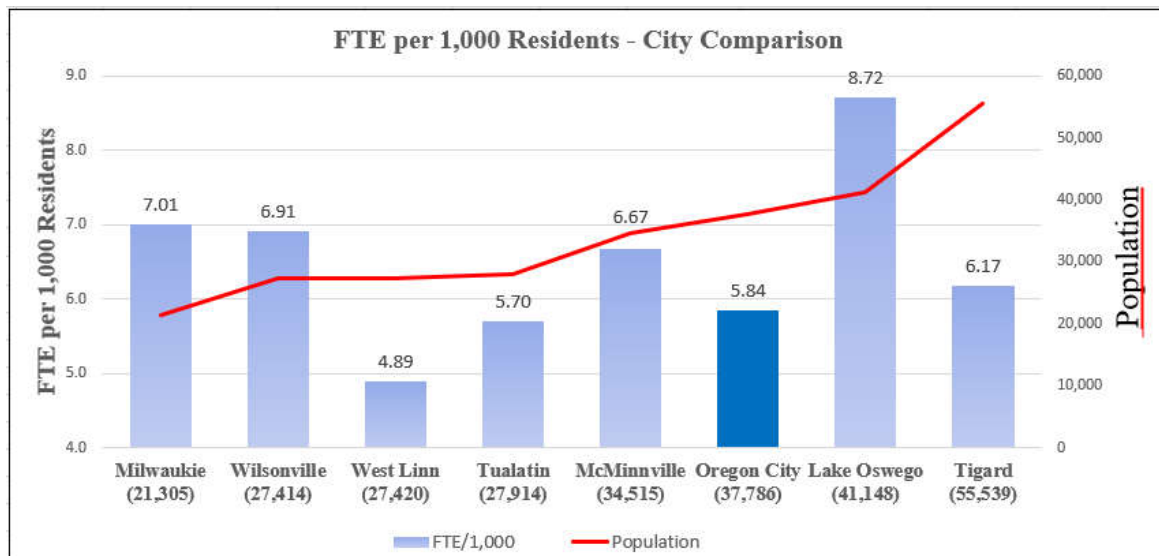
Additional Information – Personnel

As cities grow in population, the demand for services increases, which requires increases in staffing levels. Historically, the City has been consistent in responding to staffing needs given the growth in population and the need for services City-wide.

The chart below shows, for the proposed biennium and the previous four biennia, Oregon City's number of budgeted FTE per 1,000 residents.



As shown in the chart below, Oregon City maintains a relatively low ratio of FTEs to population in comparison to neighboring cities.



PERSONNEL COSTS

Total anticipated costs for wages and fringe benefits are approximately \$69.11 million in the 2023-2025 biennium. This represents an increase of \$8.10 million as compared to the 2021-2023 biennium. Increases in wages are a result of an increase in FTE, as well as annual cost of living adjustments of 3.0 to 4.0%, during the first and second year of the biennium, and step increases called for in the labor contracts. Additionally, the City will experience increases to PERS rates of

1.25% to 4.95% of wages due to PERS legacy costs. The City has two bargaining units, City of Oregon City Employees Local 350-2 Council 75, of the American Federation of State County and Municipal Employees (AFSCME), and the Oregon City Police Employees' Association (OCPEA), which represent approximately 75% of all City positions. Current union contracts expire on June 30, 2025.

PERSONNEL EXPENSES BY DEPARTMENT AND CATEGORY

Department	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2025 Proposed Budget	Change
Policy and Administration	\$ 7,302,239	\$ 8,030,853	\$ 9,396,483	\$ 11,537,000	\$ 2,140,517
Police	17,914,855	19,036,171	21,313,461	23,282,200	1,968,739
Parks and Recreation	5,320,785	5,854,823	7,171,245	8,304,300	1,133,055
General Government	628,219	716,427	858,250	703,000	(155,250)
Library	2,377,952	2,769,803	3,427,870	4,427,300	999,430
Community Development	3,129,386	3,706,966	4,374,479	5,348,600	974,121
Public Works	11,237,326	12,376,981	14,465,813	15,507,200	1,041,387
Total Wages and Benefits	\$ 47,910,761	\$ 52,492,024	\$ 61,007,601	\$ 69,109,600	\$ 8,101,999

Category	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2025 Proposed Budget	Change
Wages	\$ 29,021,881	\$ 30,782,864	\$ 35,430,189	\$ 39,578,600	\$ 4,148,411
Benefits	18,888,880	21,709,162	25,577,412	29,531,000	3,953,588
Total Wages and Benefits	\$ 47,910,761	\$ 52,492,026	\$ 61,007,601	\$ 69,109,600	\$ 8,101,999

Additional Information – Personnel

PERSONNEL BY DEPARTMENT / PERSONNEL BY FUND

The table below shows FTEs for the proposed biennium and the previous three biennia, by department.

The subsequent table shows FTEs for the proposed biennium based on how budgeted expense is allocated to, and reported within, the City's funds.

Department and Position	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Proposed	Change
Policy and Administration					
<i>City Manager</i>					
City Manager	1.00	1.00	1.00	1.00	0.00
Assistant City Manager	0.00	0.00	0.00	1.00	1.00
Executive Assistant to City Manager	1.00	1.00	1.00	1.00	0.00
Community Communications Coordinator	1.00	1.00	1.00	1.00	0.00
Community Engagement Specialist	0.00	0.00	0.00	0.50	0.50
Total City Manager	3.00	3.00	3.00	4.50	1.50
<i>City Recorder</i>					
City Recorder	1.00	1.00	1.00	1.00	0.00
Assistant City Recorder	1.00	1.00	1.00	1.00	0.00
Administrative PT Hourly	0.00	0.00	0.49	0.49	0.00
Assistant to City Manager	0.00	0.00	0.00	0.00	0.00
Total City Recorder	2.00	2.00	2.49	2.49	0.00
<i>Finance</i>					
Finance Director	1.00	1.00	1.00	1.00	0.00
Deputy Finance Director	1.00	1.00	1.00	1.00	0.00
Accountant	1.00	1.00	1.00	1.00	0.00
Senior Accounting Technician	2.00	2.00	2.00	1.00	(1.00)
Accounting Technician	0.00	0.00	0.00	1.00	1.00
Senior Financial Management Analyst	1.00	1.00	1.00	1.00	0.00
Office Specialist III	1.00	1.00	1.00	1.00	0.00
Finance Administrative PT Hourly	0.45	0.49	0.50	0.00	(0.50)
Total Finance	7.45	7.49	7.50	7.00	(0.50)
<i>Utility Customer Service</i>					
Customer Service Team Leader	0.00	0.00	1.00	1.00	0.00
Customer Accounting Coordinator	1.00	1.00	0.00	1.00	1.00
Utility Customer Service Representative	3.00	3.00	3.00	2.00	(1.00)
Total Utility Customer Service	4.00	4.00	4.00	4.00	0.00
<i>Municipal Court</i>					
Municipal Court Manager	1.00	1.00	1.00	1.00	0.00
Municipal Court Judge PT	0.22	0.22	0.22	0.22	0.00
Senior Court Clerk	0.00	0.00	0.00	1.00	1.00
Court Records Specialist	3.00	3.00	3.00	2.00	(1.00)
Court/Collections Clerk	0.20	0.20	0.20	0.00	(0.20)
Bailiff	0.24	0.30	0.30	0.00	(0.30)
Total Municipal Court	4.66	4.72	4.72	4.22	(0.50)
<i>Human Resources</i>					
Human Resources Director	1.00	1.00	1.00	1.00	0.00
Human Resources Analyst	1.00	1.00	1.00	1.00	0.00
Risk Specialist	0.00	0.00	0.00	0.00	0.00
Hourly - Personnel	0.25	0.15	0.00	0.00	0.00
Total Human Resources	2.25	2.15	2.00	2.00	0.00

Department and Position	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Proposed	Change
Policy and Administration continued					
<i>Economic Development</i>					
Economic Development Manager	1.00	1.00	1.00	1.00	0.00
Economic Development Coordinator	1.00	1.00	1.00	1.00	0.00
Tourism Coordinator	1.00	1.00	1.00	0.00	(1.00)
Temporary PT Hourly	0.00	0.00	0.00	0.48	0.48
Total Economic Development	3.00	3.00	3.00	2.48	(0.53)
<i>Information Technology and GIS</i>					
Information Technology Director	0.00	0.00	1.00	1.00	0.00
Information Technology Supervisor	1.00	1.00	1.00	1.00	0.00
GIS Coordinator	1.00	1.00	1.00	1.00	0.00
Support Specialist	1.00	1.00	1.00	1.00	0.00
Network Analyst	1.00	1.00	1.00	1.00	0.00
GIS Analyst	0.00	0.00	0.00	1.00	1.00
GIS Technician	1.00	1.00	1.00	0.00	(1.00)
Total Information Technology and GIS	5.00	5.00	6.00	6.00	0.00
Total Policy & Administration	31.36	31.36	32.71	32.69	(0.02)
Police					
<i>Police Operations</i>					
Police Chief	1.00	1.00	1.00	1.00	0.00
Police Captain	2.00	2.00	2.00	2.00	0.00
Police Sergeant	8.00	9.00	9.00	9.00	0.00
Police Officer	34.00	34.00	33.00	32.00	(1.00)
Business Manager	1.00	1.00	1.00	1.00	0.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00	0.00
Police Records Manager	1.00	1.00	1.00	1.00	0.00
Police Records Specialist	2.00	2.00	2.00	2.00	0.00
Homeless Liaison Officer	1.00	1.00	1.00	1.00	0.00
Behavioral Health Specialist	0.00	0.00	1.00	1.00	0.00
CSO /Forensics	1.00	1.00	1.00	1.00	0.00
CSO / Property-Evidence Officer	1.00	1.00	1.00	1.00	0.00
Police Officer - PT	0.00	0.00	0.00	0.25	0.25
Total Police Operations	53.00	54.00	54.00	53.25	(0.75)
<i>Code Enforcement and Parking Operations</i>					
Code Enforcement Manager	1.00	1.00	1.00	1.00	0.00
Code Compliance Officer	2.00	2.00	2.00	3.00	1.00
Parking Enforcement Officer	1.00	1.00	1.00	1.00	0.00
Office Specialist II	1.00	1.00	1.00	1.00	0.00
Parking Operations PT Hourly	0.48	0.48	0.48	0.48	0.00
Total Code Enforcement and Parking Operations	5.48	5.48	5.48	6.48	1.00
Total Police	58.48	59.48	59.48	59.73	0.25

Additional Information – Personnel

Department and Position	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Proposed	Change
Parks and Recreation					
Parks & Recreation Director	1.00	1.00	1.00	1.00	0.00
Assistant Parks & Recreation Director	1.00	1.00	1.00	1.00	0.00
Administrative Assistant	0.00	0.00	1.00	1.00	0.00
Parks Maintenance					
Parks and Cemetery Maintenance Manager	1.00	1.00	1.00	1.00	0.00
Parks Maintenance Team Lead	0.00	0.00	1.00	1.00	0.00
Parks Maintenance Specialist III	2.00	2.00	3.00	3.00	0.00
Park Maintenance Specialist II	3.00	5.00	2.00	1.00	(1.00)
Park Maintenance Specialist I	1.00	0.00	1.00	2.00	1.00
Administrative Assistant	0.00	0.00	1.00	1.00	0.00
Office Specialist III	1.00	1.00	1.00	1.00	0.00
Office Specialist II	0.75	0.75	0.00	0.00	0.00
Parks Maintenance PT Hourly	2.57	2.57	3.57	1.57	(2.00)
Total Parks Maintenance	11.32	12.32	13.57	11.57	(2.00)
Cemetery Maintenance					
Park Maintenance Specialist II	0.00	0.00	0.00	1.00	1.00
Total Cemetery Maintenance	0.00	0.00	0.00	1.00	1.00
Recreation Aquatics					
Aquatics Recreation Manager	1.00	1.00	1.00	1.00	0.00
Building/Facility Maintenance Specialist	0.50	0.50	0.50	0.00	(0.50)
Office Specialist I PT	0.30	0.30	0.60	0.00	(0.60)
Office Specialist II PT	0.00	0.00	0.00	0.60	0.60
Recreation Programmer	1.00	1.00	1.00	0.00	(1.00)
Recreation Coordinator	0.00	0.00	0.00	1.00	1.00
Recreation Aquatics PT Hourly	8.50	8.50	8.50	9.90	1.40
Total Recreation Aquatics	11.30	11.30	11.60	12.50	0.90
Pioneer Community Center					
Social Services and Community Center Manager	1.00	1.00	1.00	1.00	0.00
Client Services Coordinator	1.00	1.00	1.00	0.00	(1.00)
Social Services Coordinator	0.00	0.00	0.00	1.00	1.00
Meals on Wheels Coordinator	1.00	1.00	1.00	1.00	0.00
Senior Center Recreation Programmer	1.00	1.00	1.00	0.00	(1.00)
Recreation Program Coordinator	0.00	0.00	0.00	1.00	1.00
Senior Center Nutrition Coordinator PT	0.50	0.50	0.50	0.63	0.13
Senior Center Van Driver PT Hourly	1.20	1.20	1.20	1.50	0.30
Food Service Worker	0.80	0.80	0.80	0.88	0.08
Building Attendant	0.90	0.90	0.90	0.50	(0.40)
Office Specialist III	0.00	0.00	0.00	1.00	1.00
Office Specialist PT	1.30	1.30	1.30	0.63	(0.68)
Pioneer Center PT Hourly	0.40	0.40	0.40	0.00	(0.40)
Total Pioneer Community Center	9.10	9.10	9.10	9.12	0.02
Recreation Programs					
Historic House Guide (Limited Duration)	0.50	0.50	0.50	0.50	0.00
Recreation Programs PT Hourly	2.50	2.50	0.95	0.95	0.00
Total Recreation Programs	3.00	3.00	1.45	1.45	0.00
Facilities Maintenance					
Maintenance Custodian	0.00	0.00	0.00	0.00	0.00
Facilities Maintenance Manager	0.00	0.00	0.00	1.00	1.00
Facilities Maintenance Specialist	1.00	2.00	2.00	2.00	0.00
Custodian PT	0.00	0.00	0.00	0.00	0.00
Total Facilities Maintenance	1.00	2.00	2.00	3.00	1.00
Total Parks and Recreation	37.72	39.72	40.72	41.64	0.92

2023-2025 Biennial Budget

Department and Position	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Proposed	Change
Library					
Library Director	1.00	1.00	1.00	1.00	0.00
Library Operations Manager	1.00	1.00	1.00	1.00	0.00
Library Safety Specialist	0.00	0.00	0.00	1.00	1.00
Library Circulation Coordinator	0.00	0.00	0.00	1.00	1.00
Librarian	3.00	3.00	6.00	6.00	0.00
Library Assistant	5.85	3.65	2.75	3.25	0.50
Reference Librarian PT	0.33	0.00	0.00	0.00	0.00
Hourly Library Assistants	4.97	7.25	7.50	6.00	(1.50)
Hourly Shelves	0.00	0.00	0.00	0.00	0.00
Total Library	16.15	15.90	18.25	19.25	1.00
Community Development					
Community Development Director	1.00	1.00	1.00	1.00	0.00
Administrative Assistant	0.00	0.00	0.00	1.00	1.00
Planning					
Planning Manager	0.00	0.00	0.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00	0.00
Assistant Planner	2.00	2.00	2.00	2.00	0.00
Planner	2.00	1.00	1.00	0.00	(1.00)
Total Planning	5.00	4.00	4.00	4.00	0.00
Building					
Building Official	1.00	1.00	1.00	1.00	0.00
Senior Building Inspector	0.00	0.00	1.00	1.00	0.00
Building Inspector	4.00	4.00	4.00	2.00	(2.00)
Permit Technician	1.00	2.00	2.00	2.00	0.00
Permit Coordinator	1.00	1.00	1.00	1.00	0.00
Plans Examiner	0.00	0.00	0.00	3.00	3.00
Plans Examiner - Part-Time	0.00	0.00	0.25	0.25	0.00
Customer Accounting Coordinator	0.00	0.00	0.00	0.00	0.00
Office Assistant	1.00	0.00	0.00	0.00	0.00
Total Building	8.00	8.00	9.25	10.25	1.00
Total Community Development	14.00	13.00	14.25	16.25	2.00
Public Works					
Public Works Director	1.00	1.00	1.00	1.00	0.00
Assistant Public Works Director	1.00	1.00	1.00	1.00	0.00
Sr. Administrative Assistants	2.00	2.00	2.00	2.00	0.00
Administrative Assistants	0.00	0.00	0.00	1.00	1.00
Office Specialist III	1.00	1.00	1.00	0.00	(1.00)
Asset Management Specialist	1.00	1.00	1.00	1.00	0.00
Engineering / Development Services					
City Engineer	1.00	1.00	1.00	1.00	0.00
Assistant City Engineer	1.00	1.00	1.00	1.00	0.00
Senior Project Engineer	1.00	1.00	2.00	2.00	0.00
Project Engineer	5.01	4.00	4.00	4.00	0.00
Engineering Technician III	1.00	1.00	1.00	1.00	0.00
Engineering Group - PT Hourly	0.19	0.20	0.20	0.20	0.00
ROW & Construction Program Mgr.	1.00	1.00	1.00	1.00	0.00
Senior Construction Inspector	0.00	1.00	1.00	1.00	0.00
Construction Inspector	2.00	1.00	1.00	1.00	0.00
Construction Services Manager	0.00	0.00	0.00	0.00	0.00
Project Manager/Inspector	0.00	1.00	0.00	0.00	0.00
Total Engineering	12.20	12.20	12.20	12.20	0.00

Additional Information – Personnel

Department and Position	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Proposed	Change
Public Works continued					
<i>Transportation</i>					
Operations Manager	1.00	1.00	1.00	1.00	0.00
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	0.00
Utilities Maintenance Specialist	4.50	5.00	5.00	5.00	0.00
Streets - PT Hourly	2.00	2.00	2.25	2.25	0.00
Total Transportation	8.50	9.00	9.25	9.25	0.00
<i>Water</i>					
Operations Manager	1.00	1.00	1.00	1.00	0.00
Water Quality Coordinator	1.00	1.00	1.00	1.00	0.00
Environmental Technician I	1.00	1.00	1.00	0.00	(1.00)
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	0.00
Construction Services Manager	0.00	0.00	0.00	0.00	0.00
Utilities Maintenance Specialist	5.00	5.00	5.00	5.00	0.00
Water - PT Hourly	1.25	1.25	1.00	1.00	0.00
Total Water	10.25	10.25	10.00	9.00	(1.00)
<i>Wastewater</i>					
Operations Manager	1.00	1.00	1.00	1.00	0.00
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	0.00
Construction Services Manager	0.00	0.00	0.00	0.00	0.00
Utilities Maintenance Specialist	4.00	4.00	4.00	4.00	0.00
Sewer - PT Hourly	1.23	1.23	1.23	1.23	0.00
Total Wastewater	7.23	7.23	7.23	7.23	0.00
<i>Stormwater</i>					
Construction Services Manager	0.00	0.00	0.00	0.00	0.00
Water Quality Coordinator	0.00	0.00	0.00	1.00	1.00
Utilities Maintenance Specialist	3.50	3.00	3.00	3.00	0.00
Stormwater - PT Hourly	1.23	1.23	1.23	1.23	0.00
Total Stormwater	4.73	4.23	4.23	5.23	1.00
<i>Fleet Service</i>					
Lead Mechanic	1.00	1.00	1.00	1.00	0.00
Mechanic	1.00	1.00	1.00	1.00	0.00
Total Fleet Service	2.00	2.00	2.00	2.00	0.00
Total Public Works	50.91	50.91	50.91	50.91	0.00
Total Oregon City	208.62	210.37	216.32	220.47	4.15



Additional Information – Personnel

	General Fund												
	City Manager	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	General Government	Police	Code Enforcement	Parks and Recreation	Cemetery
City Manager													
City Manager	1.00												
Assistant City Manager	1.00												
Executive Assistant to City Manager	1.00												
Community Communications Coordinator	1.00												
Community Engagement Specialist	0.50												
City Recorder													
City Recorder		1.00											
Assistant City Recorder		1.00											
Administrative Part-Time Hourly		0.49											
Finance													
Finance Director			0.80										
Deputy Finance Director			0.60										
Accountant			1.00										
Senior Accounting Technician			0.80										
Accounting Technician			1.00										
Senior Financial Management Analyst			0.50										
Office Specialist III			0.60										
Municipal Court													
Municipal Court Manager				1.00									
Municipal Court Judge PT				0.22									
Senior Court Clerk				1.00									
Court Records Specialist				1.00									
Court Records Specialist				1.00									
Human Resources													
Human Resources Director					1.00								
Human Resources Analyst					1.00								
Economic Development													
Economic Development Manager						1.00							
Economic Development Coordinator						1.00							
Talent Ready PT						0.48							
IT / GIS													
Information Technology Director							0.50	0.50					
Information Technology Supervisor							0.50	0.50					
GIS Coordinator								0.50					
Support Specialist								1.00					
Network Analyst								1.00					
GIS Analyst													
Utility Customer Service													
Customer Service Team Leader													
Customer Accounting Coordinator													
Utility Customer Service Representative													

[illegible]

Additional Information – Personnel

	General Fund															
	City Manager	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	General Government	Police	Code Enforcement	Parks and Recreation	Cemetery	Recreation Aquatics	Pioneer Community Center	Recreation Programs
Police																
Police Chief										1.00						
Police Captain										0.80	0.20					
Police Captain										1.00						
Police Sergeant										9.00						
Police Officer										32.00						
Homeless Liaison Officer										1.00						
Business Manager										1.00						
Senior Administrative Assistant										1.00						
Police Records Specialist										1.00						
Police Records Manager										1.00						
Police Records Specialist										1.00						
Behavioral Health Specialist										1.00						
CSO /Forensics										1.00						
CSO / Property-Evidence Officer										1.00						
Background Investigations - PT										0.25						
Code Enforcement																
Code Enforcement Manager											1.00					
Code Compliance Officer											3.00					
Parking Enforcement Officer											1.00					
Office Specialist II											1.00					
Parking Operations PT Hourly											0.48					
Parks and Recreation																
Parks and Recreation Director												0.20	0.20	0.20	0.20	0.20
Assistant Parks & Recreation Director												0.20	0.20	0.20	0.20	0.20
Administrative Assistant												0.20	0.20	0.20	0.20	0.20
Parks																
Parks Maintenance Manager												0.50	0.50			
Parks Maintenance Team Leader												0.50	0.50			
Parks Maintenance Specialist III												3.00				
Park Maintenance Specialist II												1.00				
Park Maintenance Specialist I												2.00				
Administrative Assistant												0.50	0.50			
Office Specialist III												0.50	0.50			
Parks Maintenance PT Hourly												1.57				
Cemetery																
Park Maintenance Specialist II												0.50	0.50			
Recreation Aquatics																
Aquatics Recreation Manager														1.00		
Recreation Coordinator														0.35		0.65
Office Specialist II PT														0.30		0.30
Recreation Aquatics PT Hourly														9.90		

Library Fund	Planning Fund	Building Fund	Engineering Fund	Transportation Fund	Water Fund	Wastewater Fund	Stormwater Fund	Utility Customer Service Fund	TOTAL
									1.00
									1.00
									1.00
									9.00
									32.00
									1.00
									1.00
									1.00
									1.00
									1.00
									1.00
									1.00
									1.00
									0.25
									1.00
									3.00
									1.00
									1.00
									0.48
									1.00
									1.00
									1.00
									1.00
									1.00
									3.00
									1.00
									2.00
									1.00
									1.00
									1.57
									1.00
									1.00
									0.60
									9.90

Additional Information – Personnel

	General Fund													
	City Manager	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	General Government	Police	Code Enforcement	Parks and Recreation	Cemetery	Recreation Aquatics
Pioneer Community Center														
Senior Center Manager														1.00
Social Services Coordinator														1.00
Meals on Wheels Coordinator														1.00
Recreation Program Coordinator														1.00
Senior Center Nutrition Coordinator PT														0.63
Senior Center Van Driver PT Hourly														1.50
Food Service Worker														0.88
Building Attendant														0.50
Office Specialist PT														1.63
Recreation Programs														
Historic House Guide (Limited Duration)														0.50
Recreation Programs PT Hourly														0.95
Facilities Maintenance														
Facilities Maintenance Manager									1.00					
Facilities Maintenance Specialist									0.50				0.50	
Facilities Maintenance Specialist									1.00					
Library														
Library Director														
Library Operations Manager														
Library Safety Specialist														
Library Circulation Coordinator														
Librarian														
Library Assistant														
Hourly Library Assistant														
Community Development														
Community Development Director														
Administrative Assistant														
Planning														
Planning Manager														
Senior Planner														
Assistant Planner														
Building														
Building Official														
Building Inspector														
Permit Technician														
Permit Coordinator														
Plans Examiner														
Part-Time Plans Examiner														
Public Works														
Public Works Director														
Assistant Public Works Director														
Sr. Administrative Assistant														
Sr. Administrative Assistant														
Administrative Assistant														
Asset Management Specialist														

Library Fund	Planning Fund	Building Fund	Engineering Fund	Transportation Fund	Water Fund	Wastewater Fund	Stormwater Fund	Utility Customer Service Fund	TOTAL
									1.00
									1.00
									1.00
									1.00
									0.63
									1.50
									0.88
									0.50
									1.63
									0.50
									0.95
									1.00
									1.00
									1.00
1.00									1.00
1.00									1.00
1.00									1.00
1.00									1.00
6.00									6.00
3.25									3.25
6.00									6.00
	0.50	0.50							1.00
	0.50	0.50							1.00
	1.00								1.00
	1.00								1.00
	2.00								2.00
		1.00							1.00
		3.00							3.00
		2.00							2.00
		1.00							1.00
		3.00							3.00
		0.25							0.25
			0.12	0.22	0.22	0.22	0.22		1.00
				0.25	0.25	0.25	0.25		1.00
				0.25	0.25	0.25	0.25		1.00
				0.25	0.25	0.25	0.25		1.00
				0.25	0.25	0.25	0.25		1.00
				0.25	0.25	0.25	0.25		1.00

Additional Information – Personnel

	General Fund															
	City Manager	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	General Government	Police	Code Enforcement	Parks and Recreation	Cemetery	Recreation Aquatics	Pioneer Community Center	Recreation Programs
Engineering / Development Services																
City Engineer																
Assistant City Engineer																
Senior Project Engineer																
Senior Project Engineer																
Project Engineer																
Project Engineer																
Project Engineer																
Project Engineer																
Engineering Technician II																
Engineering Group - PT Hourly																
ROW & Construction Program Mgr																
Senior Construction Inspector																
Construction Inspector																
Transportation																
Operations Manager																
Utility Maintenance Team Leader																
Utilities Maintenance Specialist																
Streets - PT Hourly																
Water																
Operations Manager																
Water Quality Coordinator																
Utility Maintenance Team Leader																
Utilities Maintenance Specialist																
Water - PT Hourly																
Wastewater																
Operations Manager																
Utility Maint Team Leader																
Utilities Maintenance Specialist																
Sewer - PT Hourly																
Stormwater																
Utilities Maintenance Specialist																
Water Quality Coordinator																
Stormwater - PT Hourly																
Fleet Service																
Lead Mechanic																
Mechanic																
TOTAL	4.50	2.49	5.30	4.22	2.00	2.48	3.00	1.50	2.50	53.05	6.68	10.67	3.10	12.65	9.72	3.00

Library Fund	Planning Fund	Building Fund	Engineering Fund	Transportation Fund	Water Fund	Wastewater Fund	Stormwater Fund	Utility Customer Service Fund	TOTAL
			0.30	0.18	0.18	0.18	0.16		1.00
			0.60	0.10	0.10	0.10	0.10		1.00
				0.70	0.10	0.10	0.10		1.00
					0.80	0.10	0.10		1.00
			0.60	0.10	0.10	0.10	0.10		1.00
				0.10	0.10	0.55	0.25		1.00
			0.50			0.50			1.00
				0.05	0.20	0.13	0.62		1.00
			0.60	0.10	0.10	0.10	0.10		1.00
			0.20						0.20
			1.00						1.00
			0.40	0.15	0.15	0.15	0.15		1.00
			0.60	0.10	0.10	0.10	0.10		1.00
				1.00					1.00
				1.00					1.00
				5.00					5.00
				2.25					2.25
					1.00				1.00
					1.00				1.00
					1.00				1.00
					5.00				5.00
					1.00				1.00
						0.50	0.50		1.00
						0.50	0.50		1.00
						4.00			4.00
						1.23			1.23
						3.00			3.00
						1.00			1.00
						1.23			1.23
				0.25	0.25	0.25	0.25		1.00
				0.25	0.25	0.25	0.25		1.00
19.25	5.00	11.25	4.92	12.95	13.35	10.76	10.43	5.70	220.47



CAPITAL IMPROVEMENT PROGRAM

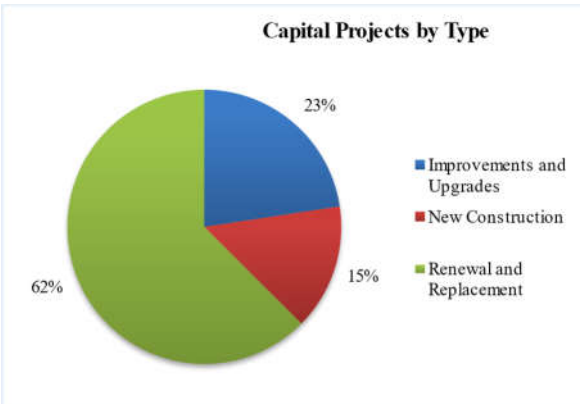
OVERVIEW

Capital Outlay expenditures involve the acquisition or construction of equipment, land, and capital facilities. The Capital Improvement Program (CIP) establishes Oregon City’s budget for capital projects. A capital project is that which improves or adds value to the City’s capital facilities, costs \$5,000 or more, and has a useful life or extends the useful life of infrastructure for 5 years or more. Oregon City’s capital facilities include roads and pathways, parks and cemetery facilities, water distribution system, sanitary sewer collection system, stormwater drainage system, and public and operations buildings. Capital assets and tangible personal property (TPP) replacements with a cost over \$5,000 each and a useful life of more than 1 year are also included in the annual capital budget. Guiding policies and financing strategies for the CIP are included earlier in this document under the Financial Policies section.

The estimated useful lives of the various categories of capital assets (facilities and TPP) are as follows:

- ♦ Buildings and other Facilities 30-40 years
- ♦ Equipment and Fixtures 8-20 years
- ♦ Roads and Pathways 20-50 years
- ♦ Utility Systems 20-50 years

Total capital spending for the City in the 2023-2025 biennium is budgeted at \$60,667,900 across all funds. Approximately \$56.78 million of the projected spending is on capital projects while \$3.88 million is for TPP and software.



Approximately \$35.51 million, or 62%, of Oregon City’s capital projects represent routine or ongoing capital renewal and replacements. These expenditures are included in almost every budget and will have no significant impact on the operating budget. These projects include annually scheduled roadway or pathway improvements (repaving, reconstruction, or repair), park structure replacement, annually scheduled waterline or wastewater line replacements, and stormwater drainage and water quality improvements. In some instances, these projects may generate operating savings in reduced risks and maintenance costs.

A total of \$21.27 million, or 38%, of budgeted capital projects are for either new construction or significant improvements or upgrades to the City’s infrastructure assets. The majority of these expenditures are for City infrastructure projects; together they total \$55.48 million and account for 91% of the total capital projects budget. The following pages provide additional detail on capital outlay spending; significant projects are explained below:

- ❖ Inflow and Infiltration (I & I) Program – The budget includes funding in the amount of \$21.5 million for transition to a consultant managed I & I reduction program to help augment staff capacity to deliver in I & I focused projects beginning with high priority areas in the McLoughlin neighborhood, Settlers Point drainage basin, and Canemah neighborhood.
- ❖ Highway 213 & Beavercreek Rd. – The budget includes \$3.0 million for this Transportation project and approximately half is eligible for System Development Charge (SDC) funding. The City will provide improvements to Highway 213 and Beavercreek Rd. west bound right hand turn lane.
- ❖ Roadway Reconstruction – This biennium includes \$5.38 million in funding for pavement preservation. This will include street overlays, reconstruction of potholed pavement, and slurry seals throughout the city. This project will help to improve the city’s pavement condition index (PCI). The PCI is a numerical index that is used to

Additional Information – Capital Improvement Program

indicate the general condition of pavement. The goal for the 2023-2025 biennium is to increase the City's PCI from 75 to 77.

- ❖ Molalla Avenue 24" Transmission Main North– The budget includes \$2.8 million to replace the main water line on Molalla Avenue. This is one of several major water projects that is included in the biennium. The

city is currently working through the WIFIA loan process. If the loan application is successful, the city will move forward with a low-interest loan (targeted at 5%).

- ❖ The status of many of the city's major Capital Improvement Projects can be found here: <https://www.orcity.org/projects>

2023-2025 BIENNIUM CAPITAL BUDGET

The following chart itemizes the 2023-2025 capital budget. Projects are grouped by program as defined above. Project information includes project description, annual operating impact, and total dollar amount of capital expenditures for each year of the biennium and the biennial total, and project type as shown below:

Renewal and Replacement: These costs are part of ongoing renewal and replacement programs such as roadway reconstruction or waterline improvements. These projects either have zero operating impact or will over time reduce operating costs.

Improvements and Upgrades: These represent expansion or upgrade projects, such as extension of a water line for improved connectivity or increased capacity of a roadway to improve traffic flow. The projects listed usually have no impact on the operating budget or may over time reduce certain indirect costs (fewer requests for service, reduced traffic congestion and accidents).

New Construction: These represent either the expansion or replacement of a facility (building or infrastructure).

2023-2025 Biennial Budget

Project Description	Type	Annual Operating Impact	2023-2024 Budget	2024-2025 Budget	2023-2025 Biennium
Transportation					
Oregon City Roadway Reconstruction (PMUF)	Renewal and Replacement	\$0 or reduction	\$ 2,901,000	\$ 2,474,000	\$ 5,375,000
Trillium Park Dr Roadway Abandonment	Improvements and Upgrades	\$0 or reduction	20,000	-	20,000
Sidewalk and Bike Lane Infill	Improvements and Upgrades	\$1,000	975,000	-	975,000
Linn Ave/Leland Rd/Warner Milne Rd Roundabout	New Construction	\$10,000	-	165,100	165,100
Railroad Quiet Zone	Improvements and Upgrades	\$0 or reduction	600,000	-	600,000
Main Street Roadway Reconstruction - 10th to 15th	Renewal and Replacement	\$0 or reduction	53,000	-	53,000
Hwy 213 & Beavercreek West Bound Right Hand Turn Lane	Improvements and Upgrades	\$0 or reduction	1,000,000	2,000,000	3,000,000
Holcomb Blvd Bike/Pedestrian Improvements (SRTS)	Improvements and Upgrades	\$0 or reduction	2,419,000	535,000	2,954,000
Maplelane Roundabout Cost Sharing	New Construction	\$10,000	751,000	-	751,000
Main Street ADA Grant Project	Improvements and Upgrades	\$0 or reduction	160,000	381,000	541,000
Beavercreek Road ARTS	Improvements and Upgrades	\$0 or reduction	1,500,000	-	1,500,000
Other Transportation Projects	Renewal and Replacement	\$0 or reduction	285,000	35,000	320,000
Water					
Fairway Downs Pump Station Replacement	Renewal and Replacement	N/A	180,000	270,000	450,000
Clairmont Area Pipe Replacement	Renewal and Replacement	\$0 or reduction	880,000	-	880,000
Molalla Avenue 24" Transmission Main North	New Construction	\$1,000	2,181,200	618,000	2,799,200
Hartke Loop	Renewal and Replacement	\$0 or reduction	-	54,800	54,800
Parallel Transmission Main - Mt. View Res. & Beavercreek Rd	New Construction	\$1,000	583,700	1,367,200	1,950,900
McLoughlin Area	Renewal and Replacement	\$0 or reduction	32,400	744,600	777,000
Molalla 18" Transmission Main	New Construction	\$1,000	-	30,000	30,000
High School Avenue 16" Transmission Main	New Construction	\$1,000	-	14,000	14,000
Utility Improvements Project	Improvements and Upgrades	\$0 or reduction	280,000	-	280,000
OC/CRW Intertie Meter Vault Upgrade	Improvements and Upgrades	\$0 or reduction	45,000	-	45,000
Supervisory Control and Data Acquisition Project (SCADA)	Improvements and Upgrades	\$0 or reduction	94,000	-	94,000
Other Water Projects	Renewal and Replacement	\$0 or reduction	1,458,900	3,539,400	4,998,300
Wastewater					
Inflow and Infiltration Program	Renewal and Replacement	\$0 or reduction	9,000,000	12,150,000	21,150,000
Settlers Point Pump Station	Improvements and Upgrades	\$0 or reduction	381,000	340,000	721,000
Parrish Road Pump Station	Improvements and Upgrades	\$0 or reduction	39,000	70,000	109,000
Barclay Hills Pump Station	Improvements and Upgrades	\$0 or reduction	52,000	95,000	147,000
Hidden Creek Pump Station	Improvements and Upgrades	\$0 or reduction	-	63,000	63,000
Newell Crest Pump Station	Improvements and Upgrades	\$0 or reduction	50,000	219,000	269,000
Amanda Court Pump Station	Improvements and Upgrades	\$0 or reduction	-	47,000	47,000
Magnolia Street Sewer Replacement	Renewal and Replacement	\$0 or reduction	35,000	185,000	220,000
Meyers Road 'C' Sewer Extension LID	New Construction	\$0 or reduction	100,000	100,000	200,000
Miscellaneous Pipe Replacement	Renewal and Replacement	\$0 or reduction	150,000	150,000	300,000
Other Wastewater Projects	Renewal and Replacement	\$0 or reduction	394,000	344,000	738,000

Additional Information – Capital Improvement Program

Project Description	Type	Annual Operating Impact	2023-2024 Budget	2024-2025 Budget	2023-2025 Biennium
Stormwater					
Scatter Canyon Channel, Outfall, Water Quality	Improvements and Upgrades	\$1,000	\$ 15,000	-	\$ 15,000
Rivercrest Neighborhood Infrastructure Improvements	New Construction	\$1,000	780,000	1,435,000	2,215,000
Beemer Way Outfall Rehabilitation	Improvements and Upgrades	\$0 or reduction	200,000	-	200,000
Barclay Hills Sanitary Sewer Pump Station Storm Outfall	Improvements and Upgrades	\$1,000	175,000	-	175,000
Other Stormwater Projects	Renewal and Replacement	\$0 or reduction	100,000	100,000	200,000
Public Facilities and Infrastructure					
Economic Development Improvements	Improvements and Upgrades	\$0 or reduction	12,600	12,000	24,600
Library Building Improvements	Improvements and Upgrades	\$0 or reduction	52,500	135,000	187,500
General Government Improvements	Improvements and Upgrades	\$0 or reduction	155,000	54,000	209,000
Community Development Improvements	Improvements and Upgrades	\$0 or reduction	25,100	-	25,100
Parks & Cemetery Facilities					
Park Place Park Development	Land	\$10,000	300,000	-	300,000
Parks Improvements	Improvements and Upgrades	\$0 or reduction	44,500	111,500	156,000
Cemetery	Improvements and Upgrades	\$0 or reduction	167,000	100,000	267,000
Pioneer Center Repairs	Improvements and Upgrades	\$0 or reduction	189,000	30,000	219,000
Total Capital Projects			\$ 28,815,900	\$ 27,968,600	\$ 56,784,500
Tangible Personal Property (TPP)					
Public Works	Renewal and Replacement	N/A	\$ 969,200	\$ 690,700	\$ 1,659,900
Police & Code Enforcement	Renewal and Replacement	N/A	345,000	305,000	650,000
Parks & Recreation	Renewal and Replacement	N/A	680,000	-	680,000
Policy & Administration	Renewal and Replacement	N/A	150,000	138,000	288,000
Library	Renewal and Replacement	N/A	232,600	160,000	392,600
Community Development	Renewal and Replacement	N/A	34,000	-	34,000
Total TPP			\$ 2,410,800	\$ 1,293,700	\$ 3,704,500
Other Capital Items					
Parks Software & Technology	Improvements and Upgrades	N/A	\$ 15,000	\$ 15,000	\$ 30,000
IT Software & Technology	Improvements and Upgrades	N/A	110,200	38,700	148,900
Total Other Items			\$ 125,200	\$ 53,700	\$ 178,900
Total Capital Outlay Expenditures			\$ 31,351,900	\$ 29,316,000	\$ 60,667,900

TANGIBLE PERSONAL PROPERTY (TPP)

TPP are specific items of property excluding real estate that are tangible in nature, have an expected life longer than one year and have a value of \$5,000 or more. The Capital Program includes planning for TPP replacements, and new purchases of vehicles, equipment and furnishings. A total of \$3,704,500, or 6.1% of total capital outlay, is proposed for the 2023-2025 biennium.

Depending on the asset type, most assets are expected to have a useful life of 8 to 20 years. As a result, planned maintenance and periodic replacement is essential. Vehicles, equipment and

furnishings are reviewed for replacement once the asset is 5-7 years old and then annually until replaced. Each department prepares a list of any assets requiring replacement, including a description, location, original cost and estimated budget for the item. These requests are submitted to and budgeted in the Equipment Replacement Fund. Vehicles and motorized equipment are also evaluated by the Fleet Division of the Public Works Department, while computer replacements are recommended by the Information Technology Department. Requests for purchase require cost quotes and justification. The following is a list of requested TPP for the upcoming biennium.

Description	Type	2023-2024 Budget	2024-2025 Budget	2023-2025 Biennium
Public Works, Engineering, and Fleet and Equipment				
Vehicles & Utility Truck - Transportation	Replacement	\$ 152,000	\$ 285,500	\$ 437,500
Vehicles & Traffic Control Truck - Wastewater	Replacement	165,000	-	165,000
Vehicles & Utility Truck - Water	Replacement	170,000	-	170,000
Vehicles & New Sweeper - Stormwater	Replacement	394,200	360,000	754,200
Vehicles - Engineering	Replacement	27,000	40,200	67,200
Concrete mixer	Replacement	5,500	-	5,500
Truck mounted fuel tank	Replacement	5,000	-	5,000
Stormwater Equipment	Replacement	5,000	5,000	10,000
Water tank and accessories	Replacement	5,500	-	5,500
Truck mounted sand bag filler	Replacement	40,000	-	40,000
		\$ 969,200	\$ 690,700	\$ 1,659,900
Public Safety Department				
Police Vehicles (including gear)	Replacement	\$ 285,000	\$ 305,000	\$ 590,000
Code Enforcement Vehicles	Replacement	60,000	-	60,000
		\$ 345,000	\$ 305,000	\$ 650,000
Parks and Recreation				
Pool Shell Paint Touch Up	Replacement	\$ 25,000	\$ -	\$ 25,000
UV Filter	Replacement	25,000	-	25,000
Chemical Controller	Replacement	10,000	-	10,000
Replace and Insulate Pipes	Replacement	10,000	-	10,000
Alert Notification for Power Outages	Replacement	5,000	-	5,000
Cemetery Trim Mower Replacementx2	Replacement	120,000	-	120,000
Parks Trim Mower Replacement	Replacement	60,000	-	60,000
New Truck for Crewmember	Replacement	60,000	-	60,000
Vehicle Replacement of 805	Replacement	60,000	-	60,000
New Truck for Administrator	Replacement	60,000	-	60,000
Batwing Replacement	Replacement	80,000	-	80,000
Aerator	Replacement	43,000	-	43,000
Seeder	Replacement	21,000	-	21,000
Dingo	Replacement	52,000	-	52,000
Aerial Work lift	Replacement	10,000	-	10,000
Top Dresser	Replacement	39,000	-	39,000
		\$ 680,000	\$ -	\$ 680,000
Community Development				
Vehicles	Replacement	\$ 34,000	\$ -	\$ 34,000
		\$ 34,000	\$ -	\$ 34,000
Library				
Study Table Seating Upgrade	Replacement	\$ 7,700	\$ -	\$ 7,700
Laptop Bar Seating Upgrade	Replacement	3,400	-	3,400
New Shelving for Lobby	Replacement	30,000	-	30,000
New Shelving for 1st Floor, Holds Room	Replacement	10,000	-	10,000
New Shelving for Mobile Walls	Replacement	5,000	-	5,000
Outreach Vehicle - Matching Funds	Replacement	100,000	-	100,000
Youth Services Desk Shelving	Replacement	10,000	-	10,000
Carnegie Desk Shelving	Replacement	35,000	-	35,000
Teen Area Reconfiguration	Replacement	30,000	-	30,000
Youth Services "Peanut" Couch	Replacement	1,500	-	1,500
Book Locker Pilot	Replacement	-	100,000	100,000
Additional Shelving (Adults)	Replacement	-	30,000	30,000
Additional Shelving (Youth Services)	Replacement	-	30,000	30,000
		\$ 232,600	\$ 160,000	\$ 392,600
Policy and Administration				
A/V Equipment for Commission Chambers	Replacement	\$ -	\$ 45,000	\$ 45,000
New SAN / SDF Wan and Azure Migration	Replacement	50,000	50,000	100,000
Access Control Upgrade	Replacement	100,000	-	100,000
Network Lifecycle purchases (i.e. switches)	Replacement	-	18,000	18,000
New Firewalls for PD ISP circuit	Replacement	-	25,000	25,000
		\$ 150,000	\$ 138,000	\$ 288,000
TOTAL TPP		\$ 2,410,800	\$ 1,293,700	\$ 3,704,500

Additional Information – Debt

DEBT ADMINISTRATION

DEBT SUMMARY

Oregon City will have an estimated \$23.35 million in debt outstanding at the beginning of this budget biennium, or as of July 1, 2023, as described below and consisting of the following:

- ❖ **Public Employee Retirement System (PERS) Unfunded Actuarial Liability Bonds:** City issued \$17 million in bonds dated September 28, 2005 to fund its PERS actuarial liability; matures in 2028.

- ❖ **Library General Obligation Bonds:** City issued \$6 million in voter approved General Obligation bonds dated January 7, 2015 to renovate and expand the Oregon City Library at Carnegie Center; matures in 2034.
- ❖ **Public Safety Full Faith and Credit Obligations:** The City issued \$16 million in voter-approved bonds dated June 5, 2018 to provide a new public safety building. The bonds were issued at a premium of \$1,542,183 resulting in face value of the bonds of \$14,615,000. Interest rates on the bonds range from 3.00% to 5.00%. Matures in 2038.

	Original Debt Amount	Interest Rates	Beginning Balance as of July 1, 2023	Less: Principal Due	Ending Balance as of June 30, 2024	Less Principal Due	Ending Balance as of June 30, 2025
Limited Obligation Bonds							
PERS Retirement Liability	\$ 17,030,000	3.75-4.25%	\$ 7,445,000	\$ 1,395,000	\$ 6,050,000	\$ 1,535,000	\$ 4,515,000
General Obligation Bonds							
Library Expansion	\$ 6,000,000	3.08%	\$ 3,826,296	\$ 297,521	\$ 3,528,775	\$ 306,685	\$ 3,222,090
Full Faith and Credit Bonds							
Public Safety Building	\$ 14,615,000	3-5%	\$ 12,005,000	\$ 585,000	\$ 11,420,000	\$ 610,000	\$ 10,810,000
Total Debt	\$ 37,645,000		\$ 23,276,296	\$ 2,277,521	\$ 20,998,775	\$ 2,451,685	\$ 18,547,090

COMPLIANCE

City-issued debt contains various legal requirements including debt and rate and revenue covenants as well as mandatory reserves. The City is in compliance with all such requirements and covenants. The City received a credit rating upgrade to AA+ in 2018 from Standard & Poor's for the general obligation debt.

DEBT LIMITATION

Under Oregon Revised Statutes, general obligation (property-tax supported) debt is limited to three percent of real market value of all taxable property within the City's boundaries. The legal debt limit for fiscal years 2024 and 2025 cannot be determined until November 2023 and 2024, respectively, when the tax assessor distributes property tax information. The City's outstanding general obligation debt of \$3.83 million as of June 30, 2023, is significantly below the current debt limitation of \$192.48 million based on the 2022 real value of \$6.55 billion.

FUTURE DEBT SERVICE REQUIREMENTS

The following table provides a summary of debt service (principal and interest) requirements for the current year, next four years, and thereafter, for Oregon City's bonds.

FUND	2024	2025	2026	2027	2028	Thereafter	Total Future Debt Service
DEBT SERVICE FUND							
<i>PERS Debt</i>							
Principal	\$ 1,395,000	\$ 1,535,000	\$ 1,690,000	\$ 1,850,000	\$ 975,000	\$ -	\$ 7,445,000
Interest	372,548	302,742	225,931	141,363	48,789	-	1,091,373
<i>Public Safety Building Debt</i>							
Principal	585,000	610,000	630,000	655,000	685,000	8,840,000	12,005,000
Interest	519,500	496,100	471,700	446,500	420,300	2,195,600	4,549,700
LIBRARY FUND							
<i>Library Building Expansion Debt</i>							
Principal	297,521	306,685	316,130	325,867	335,904	2,244,189	3,826,296
Interest	117,850	108,686	99,240	89,504	79,467	248,036	742,783
Total Principal	\$ 2,277,521	\$ 2,451,685	\$ 2,636,130	\$ 2,830,867	\$ 1,995,904	\$ 11,084,189	\$ 23,276,296
Total Interest	1,009,898	907,528	796,871	677,367	548,556	2,443,636	6,383,856
Total Debt Service	\$ 3,287,419	\$ 3,359,213	\$ 3,433,001	\$ 3,508,234	\$ 2,544,460	\$ 13,527,825	\$ 29,660,152





GLOSSARY

Accrual Basis The recording of the financial transactions of a government, and other events and circumstances that have cash consequences for the government, in the periods in which those transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

ADA Acronym for the Americans with Disabilities Act of 1990.

Adopted Budget The proposed budget, after approval by the Budget Committee, becomes the adopted budget after City Commission takes action on it. The adopted budget becomes effective July 1 and includes all Commission adopted changes throughout the biennium.

Ad Valorem Tax A property tax based on the assessed value of a property.

Agency Fund A fund normally used to account for assets held by government as an agent for individuals, private organizations or other governments and/or other funds.

Amortization The portion of the cost of a limited-life or intangible asset charged as an expense during a particular period.

Appropriation Legal authorization granted by the City Commission to make expenditures and to incur obligations for specific purposes.

Approved Budget Proposed budget as amended and approved by the Budget Committee and recommended to the City Commission for adoption.

APWA Acronym for the American Public Works Association, an international educational and professional association of public agencies, private sector companies, and individuals in the public works fields.

Assessed Valuation A valuation set upon real estate or other property by a government as a basis of levying taxes.

Asset Resource having a monetary value and that is owned or held by an entity.

Audit An annual financial examination conducted by an independent auditing firm; final report includes an opinion on the accuracy of financial information and on compliance with laws and regulations.

Balanced Budget The State of Oregon defines a balanced budget as “the total resources in a fund equal the total of expenditures and requirements for that fund”.

Basis of Accounting A term used to refer to when revenues, expenditures, expenses, and transfers – and the related assets and liabilities – are recognized in the accounts and reported in the financial statements.

Budget A financial and operational plan including an estimate of proposed expenditures and the means of financing them for a given period.

Budget Calendar The schedule of key dates which a government follows to prepare and adopt the budget.

Budget Committee A group comprised of the elected officials plus an equal number of citizens for the purpose of reviewing the proposed budget and recommending changes leading to an approved budget. As dictated by Oregon State Statute, the budget committee consists of the governing body and a like number of appointed citizens.

Budget Document A written report showing a government's comprehensive financial plan for a specified period, typically one or two years, that includes both capital and operations.

Budget Message Discussion and explanation of the submitted budget presented by the City Manager as part of the budget document. It includes the City's financial priorities and goals for the coming budget period as well as a summary of changes from prior years.

Budgetary Basis Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP), with the exception that neither depreciation nor amortization is budgeted for proprietary funds and bond principal in the enterprise funds is subject to appropriation.

Capital Assets Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Capital assets, also referred to as fixed assets, include land, right-of-way, buildings, improvements, infrastructure and equipment costing over \$5,000 with an estimated life of one year or more.

Capital Budget A plan of proposed capital outlays and the means of financing them.

Capital Improvement Program (CIP) A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or other capital needs.

Capital Improvement Project Expenditures which result in the acquisition of land, improvements to existing facilities, and construction of streets, sewers, storm drains and other public facilities.

Capital Outlay Expenditures that result in the acquisition or addition of a capital asset or increase the capacity, efficiency, span of life, or economy of operating as an existing capital asset. It includes expenditures relating to land, buildings, infrastructure, facilities, machinery and equipment.

Capitalization Policy The criteria used by the government to determine which outlays should be reported as fixed assets. For an item to qualify as a capital outlay expenditure it must meet all of the following requirements: (1) have an estimated useful life of more than one year; (2) have a cost of \$5,000 or more per item; and (3) be a betterment or improvement. Replacement of a capital item is classified as capital outlay under the same code as the original purchase.

Capital Projects Fund A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Cash Basis A basis of accounting under which transactions are recognized only when cash is received or disbursed.

Cash Management Management of cash necessary to pay for government services while investing temporary cash excesses in order to earn investment income.

Charges for Service Includes a wide variety of fees charged for services provided to the public and other agencies.

Comprehensive Annual Financial Report The annual audit document publishing the City's financial results including notes, statistics, and the auditor's opinion and comments.

Contingency A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted. Contingency may be appropriated for a specific purpose by the City Commission by resolution.

Consumer Price Index A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Core Services The primary services local governments provide for their citizens to ensure safety and livability within a community. Examples include police, recreation, roads, water and permitting.

Debt An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants and notes.

Debt Limit The maximum amount of outstanding gross or net debt legally permitted.

Debt Service Fund A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service Requirements The amount of money required to pay interest on outstanding debt, serial maturities of principal for serial bonds and required contributions to accumulate monies for future retirement of term bonds.

Dedicated funds Resources that are legally or contractually restricted for use on specific programs or projects. Examples include water utility rates, system development charges and grants,

Deferred Revenue Amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

Delinquent Taxes Taxes remaining unpaid on or after the date to which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or cancelled, the unpaid balances continue to be delinquent taxes until abated, canceled, paid or converted into tax liens.

Department The combination of organizational units of the City headed by a general manager with a specific and unique set of goals and objectives (i.e., Policy and Administration, Police, Community Development, Public Works, etc.)

Depreciation An accounting convention used to charge the expiration in the service life of a fixed asset to the period it benefits.

Discretionary funds Resources of a general nature that are not dedicated to the provision of specific services. Examples include property taxes, state shared revenues and investment income.

Employee Benefits Benefits include social security, retirement, group health, dental and life insurance, workers' compensation, and disability insurance.

Enterprise Fund A fund established to account for operations financed and operated in a manner similar to private business enterprises (e.g., water, airport, sewer).

Additional Information – Glossary

Expenditures Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental grants, entitlements and shared revenues.

Fees Charges for specific services in connection with providing a service, permitting an activity or imposing a fines.

Fiduciary Fund Type The Trust and Agency funds used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other government units and/or other funds

Financial Resources Cash or other assets that, in the normal course of operations, will become cash.

Fiscal Year A twelve month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

Fixed Assets Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets, also referred to as capital assets, include land, right-of-way, buildings, improvements, infrastructure and equipment costing over \$5,000 with an estimated life of one year or more.

Franchise A special privilege granted by a government, permitting the continued use of public property, and usually involving the elements of monopoly and regulation.

Franchise Fee Charged to all utilities operating within the City and is a reimbursement to the General Fund for the utility's use of City streets and rights-of-way.

FTE Abbreviation for Full Time Equivalent. Staffing levels are measured in FTE's to give a consistent comparison from year to year. In most instances an FTE is one full time position filled for the entire year, however, in some instances an FTE may actually consist of several part time positions.

Fund A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances, and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance The difference between fund assets and fund liabilities.

Fund Type Category into which all funds are classified in governmental accounting. Types are: general, special revenue, debt service, capital projects, enterprise, internal service, and trust and agency.

General Fund The fund used to account for all financial resources, except those required to be accounted for in another fund.

Generally Accepted Accounting Principles (GAAP) Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures.

Government Finance Officers Association (GFOA) Professional association of state, provincial and local finance officers in the United States and Canada.

Geographic Information System (GIS) A system designed to capture, store, manipulate, analyze, manage, and present spatial or geographic data.

Governmental Fund Types Funds used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities – except those accounted for in proprietary funds and fiduciary funds.

Grants Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

Infrastructure Assets Public domain fixed assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar assets that are immovable and of value only to the government unit.

Interfund Transfers All interfund transactions except loans.

Intergovernmental Revenues Revenues from other governments in the form of grants, shared revenues, financing agreements, or payments in lieu of taxes.

Internal Service Fund A fund used to account for the financing of goods and services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis.

Levy Gross amount of property taxes imposed on the assessed value of taxable property. The net amount received by a government will be less than the gross levy as a result of delinquent or uncollectible payments or early payment discounts. Budgets are developed on the basis of the projected amount of property taxes receivable.

Liabilities Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

Local Budget Law Oregon Revised Statutes (ORS) dictates local budgeting practices. ORS Chapter 294 contains Local Budget Law provisions.

Local Option Levy Ability provided by ORS to ask voters for temporary authority to increase taxes. The maximum length of time for a local option levy is 10 years for capital purposes or 5 years for operations. A local option levy must be approved by a majority of voters.

Materials and Services Object classification to account for purchases of materials and services excluding capital outlay, personnel and debt service.

Measure 5 A constitutional limit on property taxes passed by voters in the State of Oregon in November 1990. This law sets maximum tax rates on individual properties of no more than \$5 per real market value for education taxing districts and \$10 for general government taxing districts.

Additional Information – Glossary

Measure 50 A 1997 voter approved initiative which rolled back assessed values to 90 percent of their levels in fiscal year 1995-96 and limits future annual increases to three percent, except for major improvements. Property tax rates are now considered permanent and not subject to change.

Metropolitan Service Area (MSA) A geographical region with a relatively high population density at its core and close economic ties throughout the area.

Mission Primary purpose of the City which guides city-wide policies, decisions, and activities.

Modified Accrual Basis of accounting in which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received. All governmental funds are accounted for using the modified accrual basis of accounting.

Net Bonded Debt Gross bonded debt less any cash or other assets available and earmarked for its retirement and less all self-supporting debt (e.g., revenue bonds).

NPDES The federal Clean Water Act requires that all municipal, industrial and commercial facilities that discharge wastewater or stormwater directly from a point source (a discrete conveyance such as a pipe, ditch or channel) into a water of the United States (such as a lake, river, or ocean) must obtain a **National Pollutant Discharge Elimination System (NPDES)** permit.

ODOT Abbreviation for Oregon Department of Transportation.

Operating Budget Planned, current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled.

Ordinance A formal legislative enactment by the governing body of a municipality. The difference between an ordinance and a resolution is that the later requires less legal formality and has a lower legal status.

Oregon Revised Statutes (ORS) The codified body of statutory law governing the U.S. State of Oregon, as enacted by the Oregon Legislative Assembly, and occasionally by citizen initiative. The statutes are subordinate to the Oregon Constitution.

Organizational Unit A responsibility center within a government.

Overlapping Debt The proportionate share, property within each government must bear of the debts of all local governments located wholly or in part within the geographic boundaries of the reporting government.

PERS Abbreviation for the State of Oregon Public Employees Retirement System.

Performance Measure Data collected to determine how the effectiveness or efficiency of a department, program, or activity is doing in achieving its objectives.

Permanent Tax Rate (See Measure 50) Taxing districts were assigned a permanent tax rate maximum in fiscal year 1997-98. This permanent tax rate applies to property taxes for core operations.

Personal Services Object classification to account for compensation to City employees in the form of salaries, wages and employee benefits.

Program A group of related activities to accomplish a major service or function for which the local government is responsible.

Proposed Budget The budget proposed by the City Manager and submitted to the Budget Committee prior to their deliberations.

Property Tax Based off of the assessed value of property times the permanent tax rate and are used as the source of monies to pay general obligation debt and core city services.

Proprietary Fund Types Sometimes referred to as income determination or commercial-type funds, the classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector (i.e., enterprise and internal service funds).

Requirements Total expenditures and unappropriated fund balance.

Reserved Fund Balance The portion of fund balance that is not appropriable for expenditure or that is legally segregated for a specific future use.

Resolution A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources Total amounts available for appropriation consisting of the estimated beginning carryover balance plus anticipated revenues.

Restricted Assets Monies or other resources, the use of which is restricted by legal or contractual requirements.

Retained Earnings An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

Revenues (1) Increases in the net current assets of a governmental fund type from other than expenditure refunds and residual equity transfers. (2) Increases in the net total assets of a proprietary fund type from other than expense refunds, capital contributions and residual equity transfers.

SAIF SAIF Corporation is Oregon's not-for-profit, state-chartered workers' compensation insurance company.

Shared Revenues Revenues levied by one government but shared on a predetermined basis, often in proportion to the amount collected at the local level, with another government or class of governments.

Special Assessment A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Fund A fund used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specific purposes.

Supervisory Control and Data Acquisition (SCADA). A control system architecture that uses computers, networked data communications and graphical user interfaces to interface to the process plant or machinery.

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Supplemental Budget Prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. The supplemental budget cannot be used to increase a tax levy.

Systems Development Charges (SDC's) Fees charged to join or to extend or improve an existing utility system.

Tax Base Oregon law allows cities within the State, with voter approval, to establish a dollar amount of property tax that may be levied on property within the City.

Taxes Compulsory charges levied by taxing districts for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges, such as water service.

Tax Levy The total amount of property taxes needed to pay for basic government operations as well as sufficient amounts to pay for principal and interest on voter-approved bond issues.

Tax Rate The amount of tax levied for each \$1,000 of assessed valuation.

Unappropriated Ending Fund Balance Resources not appropriated but budgeted to account for the cash flow requirements of operations and to preclude the necessity for short-term borrowing of funds prior to receipt of budgeted revenues, or in the event of a declared emergency.

User Fees Charges for services to the specific entity that directly benefits.