

City of Oregon City, Oregon

Adopted 2013 - 2015 Biennial Budget

July 1, 2013 through June 30, 2015



About our cover:

This photograph was taken during a 4th of July celebration overlooking the Oregon City Willamette River Bridge. This historic bridge, designed by Conde McCullough, opened for public use on December 28, 1922 and was added to the National Register of Historic Places in 2005. The photograph was taken by Gary Weber, Aerial photographer for Oregon Department of Transportation Photo and Video Services

CITY OF OREGON CITY, OREGON

Adopted 2013–2015 Biennial Budget
July 1, 2013 through June 30, 2015



OREGON CITY BUDGET COMMITTEE

ELECTED MEMBERS

Mayor

Doug Neeley

Commission Members:

Kathy Roth

Rocky Smith, Jr.

Carol Pauli

Betty Mumm

CITIZEN MEMBERS

Chris Geiger

William Gifford

Autumn Rudisel

Robert Stoll

Laura Zentner

OREGON CITY STAFF

David W. Frasher, City Manager/Budget Officer

Scott Archer, Community Services Director

Maureen Cole, Library Director

Mike Conrad, Police Chief

Nancy Ide, City Recorder

Tony Konkol, Community Development Director

John Lewis, Public Works Director

Jim Loeffler, Human Resources Director

Wyatt Parno, Finance Director

Eric Underwood, Economic Development Manager

TABLE OF CONTENTS

INTRODUCTION..... i

 Budget Message i

 City Commission Goals and Priorities xi

 Organization Chart xiv

 How to Use this Budget Document..... xv

 Budget Process xvii

 Financial Policies xx

 City Information xxii

 City at a Glance xxiv

BUDGET SUMMARY1

 Budget Summary – All Funds Combined 1

 Where the Money Comes From – All Funds Combined.....2

 Where the Money Goes – All Funds Combined3

 Resources and Requirements by Fund4

 Biennial Budget Summary of Changes5

 Budget Comparison by Year6

 Revenue Assumptions and Trends7

GENERAL FUND11

 Fund Overview 11

 Budget Highlights 12

 Revenues 13

 Expenditures..... 14

 Policy & Administration..... 15

 City Commission..... 18

 City Manager 20

 City Recorder..... 22

 Finance..... 24

 Municipal Court..... 26

 Human Resources 28

 Economic Development 30

 Information Services..... 32

 Legal 34

 Non-Departmental 36

Table of Contents

Police	37
Police Operations.....	40
Police Support and Communications	42
Community Services	45
Parks & Cemetery Maintenance.....	48
Recreation Aquatics.....	50
Pioneer Community Center	52
Recreation Programs	54
Carnegie.....	56
COMMUNITY DEVELOPMENT FUNDS	57
Community Development Fund	61
Fund Overview.....	61
Planning.....	63
Geographic Information Systems (GIS).....	65
Building Fund.....	67
Fund Overview.....	67
Building Operations	68
LIBRARY FUNDS	71
Funds Overview	72
Library	73
PUBLIC WORKS FUNDS	77
Funds Overview	78
Engineering	81
Street (Street Operations and Pavement Maintenance).....	85
Water	91
Wastewater	97
Stormwater	103
System Development.....	109
Fleet.....	115
Public Works Reserves.....	117
OTHER FUNDS.....	119
SUPPLEMENTARY INFORMATION.....	143
Personnel	145
Capital Improvement Program	155
Debt Administration.....	169

Schedule of Revenues and Other Sources, Expenditures and Other Uses and Projected
Changes in Fund Balances for Major Funds and Other Funds in the Aggregate172
Legal Compliance174
Long Term Planning186
Glossary.....187

BUDGET MESSAGE

April 15, 2013

Honorable Mayor Neeley and Commission Members,
 Budget Committee Members, and Citizens of Oregon City,

INTRODUCTION

It is my pleasure to present the Biennial Budget for fiscal years 2014 and 2015. The budget is balanced and has been prepared in accordance with Oregon budget law. For the period July 1, 2013 through June 30, 2015 the total budget is \$132.4 million. This is Oregon City’s first biennial budget, specifically designed to coordinate with the City Commission elections and the goal setting process. In addition, the change to budgeting every two years will save hundreds of hours of administrative time, allowing policy makers and staff more time to focus on important projects for the community.

This budget message provides an executive summary of the budget document and is divided into four sections. First is a presentation of biennial budget changes including an overview of the total biennial budget and significant changes from the prior annual budget. Next are highlights from City Commission priorities and important department goals. The third section gives an overview of the City’s major fund activity including summaries of revenues, expenditures and major programs. Finally, the budget message includes a description of the fiscal policies and assumptions that guided development of the budget.

I. BIENNIAL BUDGET CHANGES

Oregon budget law requires prior budget information to be presented on an *annual* basis for the first three years after cities adopt a *biennial* budget. When comparing the two budgets, it is helpful to discuss the proposed biennial budget in terms of two combined fiscal years. The Biennial Budget of \$132.4 million combines \$82 million in the first year (2014) and \$70.6 million in the second year (2015), after subtracting \$20.2 million of shared mid-biennium contingency/beginning fund balance that is required to balance the annual presentations. The prior year (2013) adopted budget was \$81.4 million.

The first year of the biennium is generally consistent with the prior year budget in total. However, there are some significant differences in the details.

In 2013, the City completed the Jughandle Project (Highway 213/205 interchange improvements). State transportation funds were secured to complete the \$22 million project. Almost \$7.9 million was spent to finish the Jughandle project in 2013, and the Street SDC Fund budget is reduced by approximately that amount in 2014.

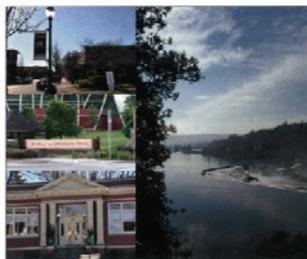
Oregon City Total Budget (in millions)			
Prior Annual Budget		Current Biennial Budget	
2013	\$ 81.4	2014	\$ 82.0
		2015	70.6
			(20.2)
		Biennial	\$ 132.4

Several factors offset the reduction in the first year of the biennium. The largest is an increase of \$5.9 million in ending fund balances/contingencies saved for upcoming projects (Public Works and Library facilities, for example) and as working capital reserves in each fund. An additional \$2 million in increases includes \$.6 million to be collected from utility customers by the Wastewater Fund and paid to Clackamas County Water and Environmental Services for sewer treatment, a \$.5 million commitment to the Willamette Falls Legacy Project (from project partner contributions), \$.4 million to fund three new police officers and related expenses, and \$.5 million in various other programs and for inflationary adjustments.

The second year of the biennium (2015) shows a reduction of \$11.4 million from the first year (2014). This is primarily due to major projects *presented* as occurring in 2014 and the use of ending fund balances/contingencies reserves accumulated from prior years. Administratively, project expenditures can be made in either year since both are combined in the Biennial Budget. Major projects include the construction of the Public Works and Library facilities budgeted at \$5.3 million and \$2.3 million, respectively and investment in the Willamette Falls Legacy Project of \$.5 million. Reserves are reduced by \$3.7 million by the end of 2015, including \$1 million in the General Fund, \$.7 million in the Street Development Fund and smaller reductions across several other funds. Additional information on the use of General Fund reserves is discussed below. Changes in staffing levels are discussed throughout the Budget Message and are discussed in detail starting on page 145.

II. BUDGET HIGHLIGHTS

In January, the City Commission and executive staff participated in a biennial goal setting process and developed the **CITY COMMISSION 2013 – 2015 GOALS AND PRIORITIES**. The Proposed Budget was developed with a focus on achieving those goals. Major highlights include providing enhanced public safety through the addition of three new police officers, increasing community livability including important contributions to the Willamette Falls Legacy Project, investing in public facilities to provide services and support to the community, and efficiently managing City operations to maintain fiscal health. A complete presentation of the Commission’s goals and priorities follows the budget message.



2013 - 2015
GOALS AND
PRIORITIES
City Commission



Public Safety

In 2004, the City’s Blue Ribbon Task Force recommended a police staffing level of 1.5 officers per 1,000 of population by 2014. During their biennial strategic planning session, the City Commission confirmed public safety as a top priority for our residents. Consistent with **COMMISSION GOAL 3 – ENHANCE THE LIVABILITY OF THE COMMUNITY**, the budget includes funding for three new police officers.

When our community voted to annex to the Clackamas Fire District in November of 2007, City leaders committed to a fixed property tax rate for five years, maintaining the rate at \$.8981 per thousand, below the maximum allowed in the Oregon Constitution. I am pleased to report that the City has kept that five year pledge and will continue to levy a rate that is well below the maximum. The proposed budget includes a tax rate increase of \$0.25 per \$1,000 of assessed property value to fund the new officers, leaving an additional amount of \$.6481 per thousand which

could be levied should the need arise. The impact of the \$.25 increase is approximately \$60 per year to the average home in Oregon City.

A recurring request at neighborhood meetings has been to increase traffic safety enforcement. The Oregon City Police Department is implementing a grant funded “eTicket” system that will build an interface between Police and Court records systems. This enhancement will greatly increase efficiency because officers in the field will be able to enter data directly, thereby eliminating the need for police

records and court staff to duplicate that effort. The addition of three new officers will thus allow the department to create a traffic enforcement unit, one that will be focused exclusively on changing the behavior of traffic violators, with an emphasis on education and increased police presence, rather than on penalties.

Community Livability

The “Willamette Falls Legacy Project” is one of the most important undertakings in our City’s history. The 23-acre former Blue Heron industrial site along the Willamette River represents an opportunity to reconnect our community with the beautiful Willamette Falls and reclaim a significant portion of the City’s original downtown footprint.

The City Commission highlighted the importance of this project under **COMMISSION GOAL 3 – ENHANCE THE LIVABILITY OF THE COMMUNITY**, and the Budget reflects Oregon City’s continued and expanding contribution of funding and staff resources to the project. A vacant position in Community Development will be refilled and partially dedicated to managing consultants and other aspects of the redevelopment. The position will be funded by the combination of a Metro grant and General Fund dollars already committed (along with Metro, Clackamas County and State of Oregon funding) to long-term redevelopment efforts at the site.

Engaging the public will be one of our highest priorities for the Willamette Falls Legacy Project because of its significance to surrounding neighborhoods and to the region as a whole. In partnership with Metro, the State of Oregon, and Clackamas County, and with growing support from regional and national organizations, the vision is to prepare the area for redevelopment focusing on four primary areas: public access, economic revitalization, cultural and historic interpretation, and environmental restoration.



Willamette Falls Legacy Project Values

- * Public Access
- * Economic Revitalization
- * Cultural & Historical Interpretation
- * Environmental Restoration

Commission Goal 3 prioritizes completion of two additional major planning projects for the community. First, the Beavercreek Road Concept Plan guides the creation of a complete and sustainable community along the 453-acre site on Beavercreek Road in southeast Oregon City. The remaining planning work can be completed once all appeals have been addressed. Second, the South End Concept planning effort, which began in fall 2012, is engaging residents to determine potential annexation, zoning and development expectations for the 478-acre South End Area. The South End Concept plan is scheduled for completion during the biennium.

Public Facility Investment

COMMISSION GOAL 2 – ADDRESS CRITICAL FACILITY NEEDS renews our commitment to build a new library facility that will effectively serve our growing community. The library employs the latest technology to provide reading and reference materials and educational programs. For example, library staff recently acquired a grant to digitize historic Oregon City newspapers and to provide access, through the internet, to researchers around the globe. The library provides a resource for historians and residents of all income levels to access traditional and modern technology learning tools. As a result, demand for library services is as strong as ever.

The City has been fiscally responsible with library district revenues, setting aside funds each year for future construction of library facilities. The budget includes capital outlay for potential land acquisition and building design for the new library. Once the scope of the facility is further defined, we will request authority to issue bonds to finance the remaining cost. Using reserve funds and committing future district revenues, our goal is to pay for the new Library with little or no additional money from taxpayers.

Commission Goal 2 also identifies the much needed replacement of our Public Works facility as a top priority. The new facility will consolidate Public Works management and staff to support operational responsiveness and ongoing repairs to publically owned water, wastewater, stormwater and transportation systems. An added benefit to consolidating Public Works is that the City will realize its plan to move Community Development to the City Hall facility. This will save a significant amount of money in lease payments currently being paid to house the department at a privately owned facility. Public Works has been tasked with acquiring a site, developing design concepts and obtaining financing in the next biennium.

Efficient Management

Consistent with **COMMISSION GOAL 5 – MAINTAIN FISCAL HEALTH & LONG TERM STABILITY**, the City Commission is in the process of enacting a Utility Right-of-Way (ROW) Ordinance. This action will save our residents hundreds of thousands of dollars in staff resources, City Commission time, and attorney fees by simplifying the process of negotiating ROW usage agreements commensurate with those requirements set forth in the municipal code. The ordinance will replace the current practice of negotiating individual franchise agreements with each service provider. An additional benefit to the service providers is greater equality and consistency among them with improved predictability about the requirements for operating in the City ROW.

Increased revenues from the ROW Ordinance will fund a new position in Public Works to support the program. An additional position may be added to the City Recorder's Office to provide much needed risk management oversight. The City's risk management function has been understaffed, which is cause for concern given our large investment in community property. Hiring will not occur for either of these positions unless it is confirmed that legal cost savings and new ROW usage revenues are sufficient to fund the positions.

Commission Goal 5 also identifies enhanced financial reporting and stewardship as a top priority. The Finance Department supports this priority with dedication to providing effective financial reports and a renewed focus on protection of the City's assets. The City is subject to annual financial report audits and has received clean opinions the last several years, which has helped maintain our strong credit rating. However, internal controls testing performed during those audits is limited in scope. The budget includes funds to complete a separate independent internal controls review for service areas that manage significant resources.

The Public Employees Retirement System (PERS) recently issued new rates that will take effect in July of 2013. Oregon City is in a much better position than many other agencies due to decisions City leaders made several years ago. For example, in 2005 the City issued pension obligation bonds to save money

and reduce rates. Several other jurisdictions participated in the bond issuance as well, but Oregon City was unique in establishing a reserve. The City continued to charge the same rates internally and set aside the difference into the PERS Rate Differential Fund.

Rates will increase an average of 5.2% of employee payroll in July. At that time we will have accumulated \$1.5 million in the PERS Rate Differential Fund. The budget includes only a 2.6% increase in PERS charges for personnel over the next two years. At the end of the biennium, there will be \$1.2 million remaining in the reserve.

PERS was severely impacted by the market downturn beginning in 2008. In 2007, PERS was fully funded, but in 2008 the system lost 27% of its assets (about \$20 billion). Poor market earnings have been insufficient to support PERS commitments. It is possible that future investment earnings will reduce the overall liability, but that is not expected in the near term.

In 1996 and 2003 significant reforms were made to the PERS system. New employees entering the system do not have the same rate guarantee as the first tier of retirees. However, it will take some time before tier one employees exit the system. The City’s Human Resources Department and represented workers have been negotiating in good faith to share the cost burden of pension benefits committed to past employees.

Hundreds of properties in the City, largely owned by State, County and other agencies create a higher demand for public services, but are exempt from payment of property taxes. As a result, our residents are required to pay more than their fair share for services, such as police, parks and recreation.

While Oregon City appreciates its partnerships with tax-exempt agencies, a more equitable method of funding services must be pursued to achieve **COMMISSION GOAL 5 – MAINTAIN FISCAL HEALTH & LONG TERM STABILITY.**

The method of charging our residents for public services should be equitable.

Utility charges, in lieu of property tax increases, paid by both residents and tax-exempt entities alike will help ensure that tax-exempt customers pay their share of costs for City services and will be recommended as an alternative funding strategy whenever practicable.

III. MAJOR FUNDS OVERVIEW

General Fund

Property tax revenues are projected at \$20.7 million for the biennium. This reflects a 3.5% increase in assessed value in year one and 2.5% increase in year two, with 0.5% compression, and a 94% collection rate after discounts and delinquencies. As described previously, the Proposed Budget includes a \$0.25 per \$1,000 assessed value increase in the tax rate to fund three new police officers. The remaining major sources of revenue for the General Fund are: franchise fees in the amount of \$4.5 million for the biennium, intergovernmental revenues of \$2.7 million, charges for services of \$2.1 million, and fines and penalties of \$1.4 million. Other resources totaling \$2.1 million are transfers in from other funds, other financing sources, licenses and permits, and miscellaneous income. With the addition of the Utility ROW Ordinance the General Fund could realize several thousand dollars in additional revenues from internet service providers that currently operate in the City’s right-of-ways but do not pay for that use. These additional revenues were budgeted very conservatively in this biennium to ensure resulting appropriations are not over estimated. The budget document includes a section on the General Fund that describes revenues in more detail.

General Fund program expenditures are for Policy and Administration, the Police Department, and Community Services. Policy and Administration is a collection of departments that provide governance

services directly to the community and provide services and support to front-line operating departments throughout the City.

The Police Department, with a total budget of \$15.9 million, is the largest department in the General Fund, representing 42% of expenditures. Policy and Administration (City Commission, City Manager, City Recorder, Finance, Municipal Court, Human Resources, Economic Development, Information Services and Legal) and Community Services (Parks and Cemetery Maintenance, Recreation and Aquatics, Pioneer Community Center operations, and Carnegie Center maintenance) have budgets of \$7.6 million (20% of General Fund expenditures) and \$7.1 million (19%), respectively. The remaining 19% of the General Fund budget is composed of Non-Departmental, Transfers, and Contingency.

General Fund operations are budgeted within the means of operating revenues. Total revenues (resources excluding beginning fund balance) are \$33.5 million for the biennium. Expenditures for Policy and Administration departments, Police, Community services, and the General Fund's share of non-departmental costs (\$1.3 million) total \$31.3 million. Street lighting costs add an additional \$.9 million for a total of \$32.2 million.

The General Fund is using reserves to pay for services from other departments and partially to support their operations. Transfers are made to Community Development and GIS (\$1 million), Development Engineering (\$.4 million) and Building Operations (\$.2 million). The total of these transfers is \$1.6 million.

Community projects for the biennium, funded out of the General Fund's Non-Operating Department include \$.4 million to the Library building reserve, \$.3 million for the Willamette Falls Legacy Project (Blue Heron development), \$.15 million in contributions to the Ermatinger Restoration project, \$.2 million for Municipal Elevator operations, \$.14 million for maintenance at the End of the Oregon Trail interpretive center, and a small contribution to the Willamette Falls Area Heritage Coalition. General Fund community projects are budgeted at approximately \$1.2 million.

At the conclusion of the biennium, the General Fund is budgeted to have \$.6 million in ending fund balance. Including the loan receivable principal balance of \$.4 million from South Fork Water Board, ending fund balance is \$1 million. The General Fund ending balance will likely exceed this amount given conservatively forecasted revenues, potential return funding from operating departments (vacant positions, unspent materials budgets, etc.), the likelihood that at least some projects will not fully expend allocated amounts, and the potential for additional revenue from the Utility ROW Ordinance.

The City will be defining policies related to fund balance reserves during the biennium. Preliminary forecasts indicate a \$2 million to \$2.5 million reserve is appropriate for the General Fund, including a fully funded "rainy day" reserve.

Community Development Funds

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

The Community Development Fund is budgeted at \$4 million for the biennium and includes two programs; Planning and Geographic Information Systems (GIS). The largest source of revenue is charges for services at \$1.7 million; however that total includes \$1.2 million in pass-through revenues and expenditures for the Oregon City School District (construction excise taxes for school facilities). The remaining \$.5 million is anticipated for actual development review work for customers.

The next major revenue source, "other financing sources" is projected at \$1.4 million and includes transfers from the General Fund of \$1 million and direct charges for services to other funds of \$.4 million. Planning provides significant general government services (long-range community planning, for example) and using General Fund resources to pay for those services is appropriate. However, with reduced

economic activity the amount of funds transferred has been increasing over the past several years. Community Development recently implemented a time tracking system to provide detailed information on the allocation of work performed for the General Fund, private developers and others. In addition, the department will be performing a development fee review during the biennium to confirm that fees, indexed for inflation, have remained appropriate since the last update.

Intergovernmental revenues in the fund are for anticipated grants. The first year of the biennium includes over \$.5 million in contributions from partners for the Willamette Falls Legacy Project. Anticipated contributions are \$400,000 from Metro (construction excise tax grant), \$100,000 from Clackamas County, and \$50,000 from the Blue Heron property trust. These funds, if realized, will be used to provide staffing and consultant services for a comprehensive community engagement and planning effort.

The Community Development Planning Division provides the following services: annexations, zone changes, master planning, site plan and design reviews, subdivisions and partitions, conditional use permits, sign permits, natural resource overlay district permits, floodplain protection, historic reviews and various other land use related services. The Planning budget is \$2 million (after subtracting pass through payments) in personnel and materials. The GIS Division provides complex mapping support for the entire City and is budgeted at \$.4 million. At the conclusion of the biennium, the fund will have an ending balance (contingency) of approximately \$.2 million.

The Building Fund total budget is \$2.5 million. Licenses and permits revenue of \$1.9 million, charges for services and beginning balance reserves of \$.4 million, and General Fund transfers of \$.2 million are projected to fund services. Building revenues are inextricably tied to development activity and the City was forced to vacate two positions, a plans examiner and a building inspector, in the prior period.

The fund has been sustained in the near-term by two major residential developments; “The Landing”, nearly two hundred town-homes and an apartment complex composed of nine buildings on Glen Oak Road, and “Pavilion Park”, a ninety five lot subdivision of single family homes near Pease Road. Activity at the two subdivisions is expected to wind down during the biennium and revenues are budgeted accordingly.

The building program ensures that new buildings constructed in the City are safe and structurally sound. Proposed service levels are sustainable in the near-term; however due to market uncertainty, program activity and related expenditures will continue to require careful monitoring. Managing the program requires balancing immediate service needs and sustaining the program to provide long-term responsiveness for future development. The Building Division has implemented the same time tracking system as Planning and will be reviewing fees during the biennium as well.

Library Funds

The Library Department manages two funds: the Library Fund and the Library Reserve Fund.

The Library Fund is budgeted at \$4.3 million for the biennium. District property taxes are projected conservatively at \$3.5 million and comprise 82% of total resources. The remaining resources are beginning fund balance of \$.7 million and miscellaneous charges for services of \$.1 million, comprising 16% and 2% of total resources, respectively. This fund accounts for all Library operations. The budget for staffing and materials purchases is \$3.1 million. An additional \$.9 million will be transferred to the Library Reserve Fund, leaving \$.3 million in ending fund balance (contingency).

The Library Reserve Fund is used to account for money set aside for the new Library facility. The City has been fiscally responsible with District funds and \$2.3 million has been saved for the project. Budgeted transfers from the General Fund and Library Fund, along with a small amount of interest earnings will add \$1.3 million during the biennium. The total of \$3.6 million has been appropriated for site acquisition and development. Once the scope of the facility is further defined, the City will request voter authority (pursuant to the City Charter) to issue bonds and finance the remaining cost of the new Library.

Public Works Funds

The Public Works Department manages a series of funds for each of the City's utilities: Streets, Water, Wastewater, and Stormwater. The utility systems each have unique operational and infrastructure replacement needs. To protect our public investment in these systems, updated master planning is underway or has been scheduled over the next three years. The Water master plan was most recently completed and shows a significant need for replacement of older distribution lines. The Street Transportation System Plan (TSP) is under review by the Planning Commission and will provide further direction on future transportation needs. Wastewater and Stormwater master planning are scheduled for completion during the biennium.

Streets

The Street Division is responsible for the construction and maintenance of roadways, pathways, sidewalks, traffic signalization, and guardrails. Funding is budgeted across three major funds: Street Operations, Pavement Maintenance Utility, and Street System Development.

The Street Operations Fund is mainly financed by state gasoline taxes which are anticipated at \$3.7 million for the biennium (including only slight increases in each year). The major expenditures in this fund are for roadway maintenance, system improvements and safety enhancements. Some of these expenses include \$.3 million for roadway resurfacing and repairs, \$.2 million for elevator staffing, \$.1 million in grant matching funds for Main Street improvements (10th to 15th Street), \$.1 million for landscaping, and \$35,000 for Gaffney Lane sidewalk improvements. Additionally, the fund will transfer \$.3 million for each of the Public Works building and fleet replacement reserves, providing for sustainable programming.

The Pavement Maintenance Utility Fund collects revenues from street utility customers to implement the City's annual pavement maintenance plan, both through contracts and in-house paving. Revenues are not anticipated to increase significantly and are budgeted at \$3.7 million for the biennium. Proposed expenditures include City-wide roadway reconstruction projects of \$2.4 million, reconstruction of Clairmont Way at a cost of \$.5 million, and a Molalla Avenue Phase III money match at \$.1 million.

The Street System Development Fund is projected to receive \$1 million in System Development Charges during the biennium. This is consistent with the prior annual budget and anticipated development. Project funding totals \$2.4 million for the biennium and includes concept planning for certain corridor (street arterials and collectors) improvements. Examples of these planning areas include Division Street, Pease Road, Meyers Road, and Molalla Avenue. Other expenditures include money match funds for important City projects, should the City be successful in securing grant funding. Top project priorities include Molalla Avenue Phase III, Holcomb Boulevard Pedestrian Enhancements, Main Street from 10th to 15th, and Meyers Road from High School Lane to Highway 213.

Water

The Water Division maintains the City's potable water distribution system. Division activities are accounted for in the Water Operations Fund and Water Development Fund.

The Water Operations Fund is budgeted at \$12.7 million for the biennium. Water utility charges are projected to be \$10.8 million. Water rates are budgeted at current levels with 3% increases in each year. The budget assumes rates will not be set back to 1994 levels. If rates are set back, the City will be required to adjust the budget and reduce appropriations by approximately \$3 million (27%).

Operational costs include significant replacement projects such as the Clairmont Way water line at a cost of \$.4 million, Main Street pipe replacements at \$.2 million, and Whitney Lane upgrades at \$.1 million. Smaller replacement projects will be constructed as well, using in house resources (Madison Street, Polk Street, Lincoln Street, and Jersey Avenue). Service contracts are included in the budget for engineering,

paving and patching, leak detection, and emergency repairs. Funding is also allocated for waterline replacements associated with the annual Pavement Maintenance Utility program. Expenditures in the fund also include purchases for treated water from South Fork Water Board at a cost of \$3.1 million.

The Water Development Fund is budgeted at \$2.7 million for the biennium and addresses priority growth related infrastructure as identified in the master plan. Place-holders are budgeted should development occur for the following projects: Taylor Street pipe upgrade, Center Street PRV and pipe extension, Whitney Lane pipe upsizing, Pope Lane/Forsythe Road and others.

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 Operations Fund and Wastewater System Development Fund.

The Wastewater Operations Fund is projected to receive \$6.6 million in utility revenue for the biennium. This includes a scheduled rate increase of \$.80 per dwelling unit in the first year and an inflationary increase of 3% in the second year of the biennium. The fund is budgeted to collect \$6.7 million in pass through charges that are budgeted as payments to the Tri-City Wastewater Treatment operation managed by Clackamas County.

Significant projects in the Wastewater Operations Fund include Barclay Hills Pump Station repairs of \$.3 million, Main Street pipe repairs of \$.3 million, contracted inspection and leak detection services for \$.1 million, Washington Street pipe repairs, and various inspections and manhole installation projects.

The Wastewater Development Fund is budgeted at \$2.5 million for the biennium and addresses priority growth related sewer projects. The budget includes expenditures for completion of the Sanitary Sewer Master Plan and rate study, as well as several smaller sewer line extension and capacity upgrade 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 control. Division activities are accounted for in the Stormwater Operations Fund and Stormwater System Development Fund.

The Stormwater Operations Fund is budgeted to receive utility customer revenue of approximately \$2.5 million. This includes scheduled rate increases of \$0.25 per dwelling unit in each year of the biennium.

Expenditures are budgeted for 7.5 miles per year of video inspections and assessments as part of the "Pipe Assessment Condition Program", more than 1,400 catch basin cleanings annually, and maintenance of the City's seventy five storm water quality retention ponds eighteen times each year. Additionally, the following capital projects are proposed: Harding Boulevard is funded at \$.2 million, 14th Street at \$.1 million, Van Buren at \$.1 million, and several other general reconstruction projects.

Stormwater Development is budgeted at approximately \$.6 million for the biennium and funds the completion of a City-Wide Surface Water Management Master Plan and a 5-Year Capital Improvement Program as well as the adoption of updated low impact development stormwater design standards.

IV. FISCAL POLICIES AND BUDGET ASSUMPTIONS

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

Revenues

Revenues are forecasted conservatively in response to uncertainties about the regional and national economy. Major revenue assumptions include annual 3.5% and 2.5% increases in assessed value for property taxes. Water utility charges for services assume that no rate setback occurs and that 3% increases occur each year. Other utility charges include adjustments based on currently established Commission resolutions or inflation of generally 2 to 3%. Other charges for services and general revenues, not controlled by Commission action, are calculated based on a six year average with conservative adjustments as requested by departments.

Expenditures

Positions were not added without an identified new revenue source. To support our existing employees, 2% cost of living increases are included for salaries. An additional 1% can be provided in the first year if represented employees agree to three year contracts. Management and labor are working together to share in cost increases required by the PERS pension program and for the provision of health care.

Budget expenditure guidelines included inflation assumptions of 3% for materials and service contracts, and 2% for capital purchases. Capital improvement/development fund budgets are exceptions to the capital guidelines because projects are often funded with non-operating resources such as grants and system development charges. Departments were directed to maintain existing service levels while continuing to provide the highest quality possible.

CONCLUSION

The Budget was developed through many hours of in-depth analysis, discussion and cooperation among supervisory staff, the Executive Team, and my office. The result is a balanced budget that supports our Commission's goals and provides for vital municipal services that will benefit every citizen and visitor.

This document could not have been developed without the dedicated efforts of our entire City staff. The commitment demonstrated by our departments in support of our community continues to amaze me. The Department Directors work creatively and diligently as a team to accomplish the goals established by our Commission. They also strive to make their departments function more efficiently, often in small ways that add up significantly over time, even if they do not generate headlines. Our team strives to share resources and ideas while making the City a fun and challenging environment in which to work. The Finance Department deserves special recognition for the development of our first biennial budget. Finance Director, Wyatt Parno and his new Deputy Finance Director, Mireya McIlveen have taken the Department to new higher levels of performance that will pay enormous dividends to the City in its ability to provide services, sound fiscal analysis, and funding for capital needs.

Our Mayor and City Commissioners tirelessly demonstrate, through their volunteer service, the value of representative governance that has been a hallmark of Oregon City longer than any other in the western United States. Their dedication to establishing public policy, goals and priorities has provided the foundation for this budget.

I want to thank the Budget Committee for assuming an important task of receiving this budget on behalf of our community. The time they take to review the budget, attend meetings, and stay informed about community issues is very much appreciated.

Sincerely,



David W. Frasher
City Manager

CITY COMMISSION GOALS AND PRIORITIES

In addition to their regular public meetings, the Oregon City Commissioners meet for an extended period every two years to develop, update and adopt City Goals. Priorities and milestones to be accomplished during the biennium are also developed and adopted. 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). The City goals serve as the framework and help to identify long-term funding gaps as well as help management develop budget strategies and prioritize limited resources. The proposed budget is developed to support and meet those priorities during the biennium. Long-term goals continue beyond the two-year period.

OREGON CITY VISION

Celebrate Oregon City’s historic role as a regional hub.

MISSION

Build a sustainable, healthy community that promotes safety, economic opportunity, livability, environment, and uniqueness.

GOALS

- Implement Economic Development Strategy and Maintain an Environment for Success
- Address Critical Facility Needs
- Enhance the Livability of the Community
- Seek Opportunities to Maintain Communications with Citizens and Facilitate Citizen Participation
- Maintain Fiscal Health and Long Term Stability



Oregon City Commissioners

Betty Mumm, Rocky Smith, Mayor Doug Neeley, Carol Pauli, and Kathy Roth

**CITY COMMISSION GOALS AND PRIORITIES
2013 VISIONING AND PLANNING SESSION**

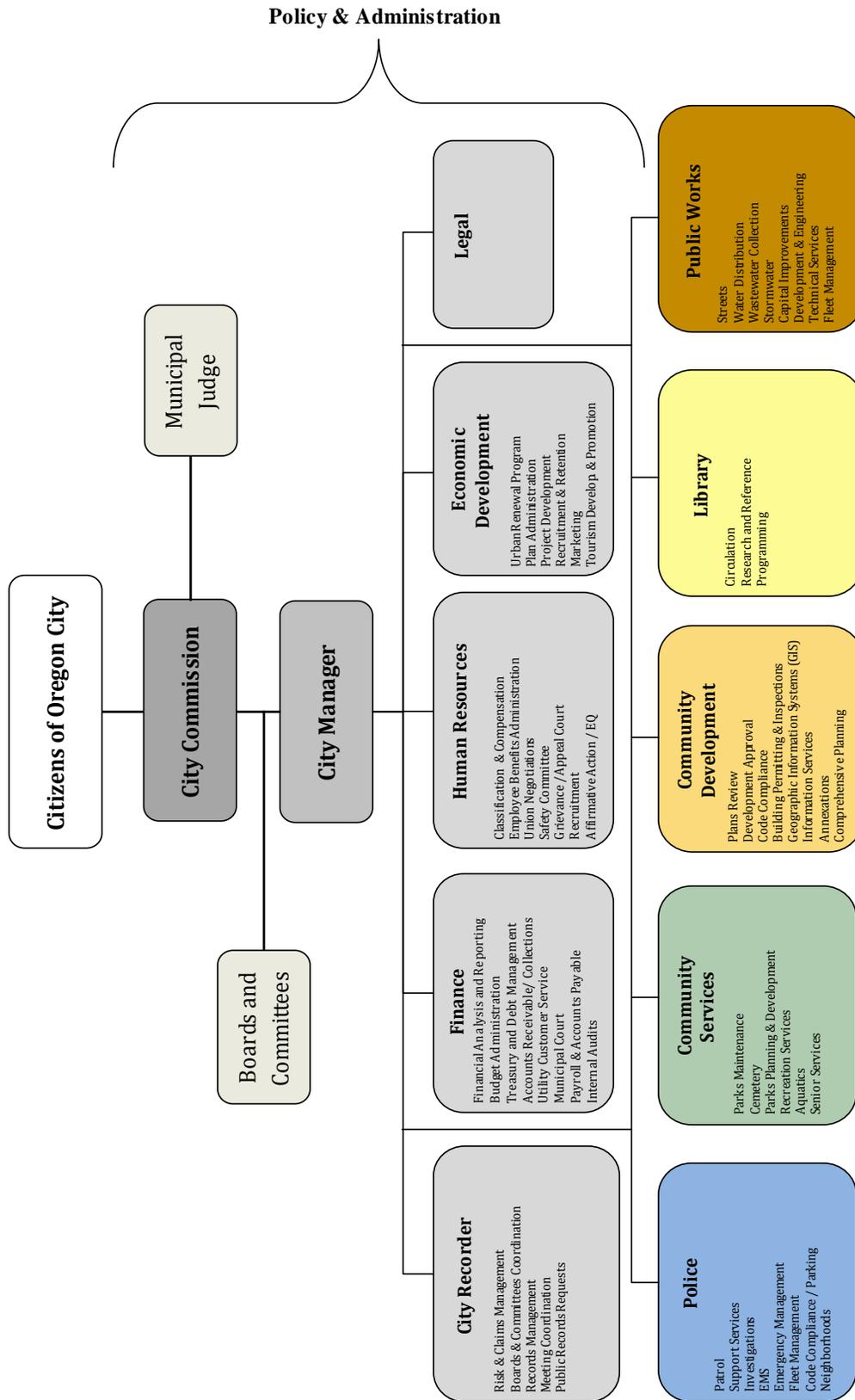
GOAL 1: Implement Economic Development Strategy and Maintain an Environment for Success	
Priority	Milestones
Cove Project	Finalize a Disposition and Development Agreement for the Cove project
Oregon City Market Place Project (Rossman landfill)	Continue to work with property owners and developers
Downtown	Continue interface with the City and Main Street
Incorporating and Incentivizing Industrial Land	Identify focus area and type of development Begin discussions with property owners Plan for site(s) development and preparation

GOAL 2: Address Critical Facility Needs	
Priority	Milestones
Library	Site acquisition Bond election held Architect selection and preliminary site design plans Site dedication
Public Works	Site acquisition in 2013 Design concepts and financing in 2014
Campus Facility	Clarify a location for a City campus facility
Police Station	Conduct public opinion poll Determine financing for new police station
Ermatinger House	Continue seeking grants to reach funding goal Determine maintenance and operations Full restoration by end of 2014
End of the Oregon Trail Interpretive Center	Vision and programming for the site Consider other partners Plan for building repair and maintenance

GOAL 3: Enhance the Livability of the Community	
Priority	Milestones
South End Concept Planning Process	Complete and adopt the South End concept plan and associated code amendments to implement the plan
Beavercreek Road Concept Plan	Complete the adoption process for the Beavercreek Road concept plan once all appeals have been addressed
Willamette Falls Site	Continue in due diligence for safety and stability Investigate a process to master plan the property Determine City's commitment to the property
Promenade, Municipal Elevator and Carnegie Center National Register Nomination	Complete RFP for nomination package and hire consultant Submit nomination to the State of Oregon for consideration
Police Staffing	Increase tax rates to fund and hire three or four new police officers
Sign Code	Complete RFP for public outreach facilitator Review, revise, and adopt associated code amendments

GOAL 4: Seek Opportunities to Maintain Communications with Citizens and Facilitate Citizen Participation	
Priority	Milestones
Revitalize Arts Commission	Review goals and implementation options at a Work Session in 2013.

GOAL 5: Maintain Fiscal Health and Long Term Stability	
Priority	Milestones
2014 Water Rate Rollback	Prepare for May 2013 ballot measure Review strategic planning timeline for master plan updates and rate studies for all Oregon City Public Works utilities
Parks Maintenance Utility Fee	Consider implementing PMUF Consider incorporation of fees for police and public spaces
Effective Management of the City's Right-of-Ways (ROW)	Develop and adopt master utility ROW ordinance Determine effect to current utility users of ROW Hire new FTE for ROW and risk management, contingent on available funding
Review City Charter	Develop detailed statement of changes, expectations, and required resources
Enhance Financial Reporting & Stewardship	Implement a biennial budget for 2013 – 2015 Develop five-year financial forecasts for the General Fund and major operating funds Adopt financial management policies Design the adopted budget to obtain the Distinguished Budget Presentation Award from GFOA and obtain the award within the next two cycles Develop Popular Annual Financial Report for Oregon City residents



HOW TO USE THIS BUDGET DOCUMENT

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, 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 from a high level overall and fund summary, then to more detailed departmental and unit budgets. Oregon City’s budget document is divided into the sections as shown below:

INTRODUCTION

- ♦ Budget Message: This section highlights the major provisions that have been included in the Adopted Budget. It includes a brief description of the fiscal policies for the coming fiscal year and any significant changes, a description of the major changes from the previous year in appropriations and revenues, a discussion of the major policy issues that were considered and a description of the council goals and priorities which provide the foundation and direction for this budget.
- ♦ Citywide organization chart
- ♦ Budget Process: Discussion of several specific steps that must be followed during the budgeting process and an overview of how Oregon City’s budget is developed. It

also includes information on budgeted funds and their organization

- ♦ Financial Policies: The City’s major financial policies that shape or impact the budget process
- ♦ Economic Information and Assumptions: Analysis of trends and economic information that impact the budget
- ♦ City at a Glance: Demographic and statistical information for Oregon City

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 budgeting 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 adopts the budget at the fund level. Funds are further organized into departments which reflect the major functions the city provides for its citizens: Policy and Administration, Police, Public Works, Community Services, Community Development, and Library Services. Each department contains one or more programs or budget units. Additionally, there are those budgets that don’t fall into any of the above departments and are classified as “Other Budgets.” These include non-operating, debt, and certain restricted reserve funds. The information in this section is organized as follows:

- ♦ Departmental Organization Chart

How to Use the Budget Document

- ♦ Fund Overview: Provides a snapshot of revenues and expenditures in the fund including budgetary highlights
- ♦ Department Narrative: Provides an overview of the department and programs contained within, long term goals and objectives tied back to the organizational goals, selected performance measures, and significant budget changes
- ♦ Program Level Narrative discussing prior year accomplishments and goals for the biennium
- ♦ Summary of Department and Program Expenditures: Additional information on

departmental expenditures by Object Classification and total Authorized Positions

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 (major changes, trend information, salary schedules, staffing summary), Capital Improvement Program, Debt Administration (debt balances, future debt service, compliance and limitation), other required compliance schedules and information, and a Glossary.



THE BUDGET PROCESS

BUDGET DEVELOPMENT AND ADOPTION

According to its city charter and Oregon Law (ORS 294), the City of Oregon City must prepare and adopt annual balanced budgets. Spending in excess of appropriations in any category is prohibited and unexpended budget appropriations lapse at fiscal year end. The budget is presented in fund and department categories for a biennial (two-year) period.

Staff begins preparing the annual 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 year.

In January and February, 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 in to 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 to review the requested budgets. The City Manager makes decisions which are then incorporated into the proposed budget.

In April, a preliminary budget is prepared and 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 summary of the recommended budget is published in the local newspaper and public meetings are held. 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 Commission holds a public hearing to review and adopt the final budget. If they propose any change that increases property taxes or expenditures within a fund by more than ten percent or \$5,000, whichever is greater, the budget must be referred back to the Budget Committee. The City Commission adopts the budget by Resolution and levies taxes 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 AMENDMENTS

Oregon Budget Law allows for amendments to the City budget for reasons unforeseen at the time of adoption. The Commission may adopt resolution changes that decrease one existing appropriation and increase another. Certain changes of ten percent or less to any fund require a supplemental budget. Supplemental budgets are adopted through a similar process used for the regular budget (including the use of public hearings but not requiring Budget Committee action.) Changes over ten percent to any fund require a budget process similar to the annual budget requiring the Budget Committee and a public hearing. 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 (CAFR), accounts for the City's Downtown Urban Renewal Agency (URA), a component unit of the City, as well as the assets of the Water Revenue Bond. 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

The Budget Process

97045. Pursuant to Budget law, this budget also includes historical information for the Art Commission, fund, which was closed in 2011.

Local Budget law allows governments to budget either on a one-year or a two-year cycle, as approved by the governing body. This represents Oregon City’s first 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, 2013 and ends June 30, 2015.

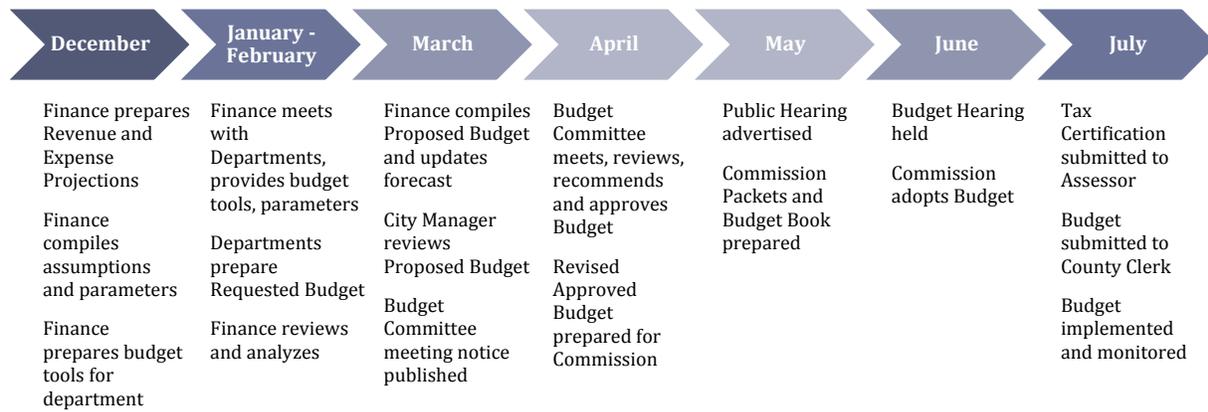
During the year, expenditures and revenues are monitored for compliance with the adopted budget and state law. Monthly revenue and expenditure status reports, including budgetary information, as

well as quarterly financial reports projecting fund and cash balances 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.

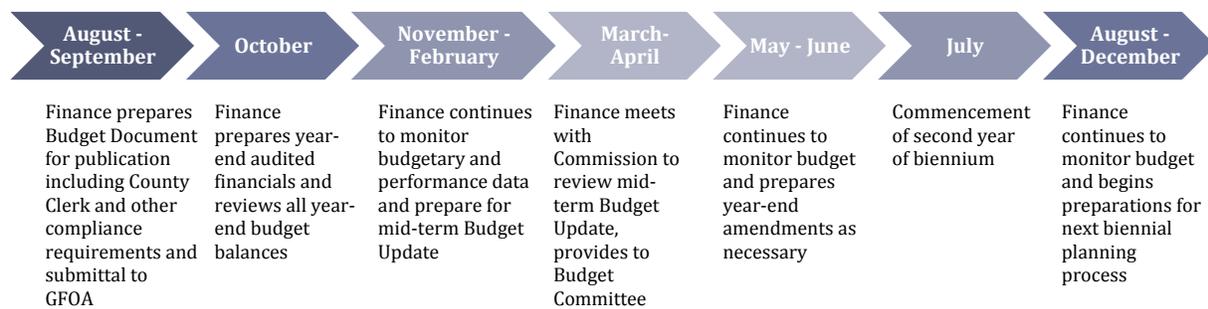
BUDGET CALENDAR

The City’s Biennial Budget development cycle begins in December of even-numbered years and concludes in June of odd-numbered years. The second cycle (review, monitoring, and update) begins with August of odd-numbered years and ends in November of even-numbered years.

Phase 1



Phase 2



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, water 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. These fund types predominantly use “charges for services” as their main revenue source. The City maintains two different types of proprietary funds: **Enterprise** and **Internal Service**.

General	Capital Projects	Enterprise
General Fund	Ernstinger House Restoration	Endowment Care
	Library Reserve	Hopp Sewer Construction
Special Revenue	Pavement Maintenance	Stormwater System Development
Building Operations	Parks System Development	Charges (SDC)
Business Development	Charges (SDC)	Stormwater Operations
Cable TV Operations	Police Building Reserve	Wastewater System
City Cleanup	Police Services Reserve	Development Charges (SDC)
Civic Improvement Trust	Public Works Building Reserve	Wastewater Operations
Code Enforcement	Street System Development	Wastewater Rate Stabilization
Community Development	Charges (SDC)	Water System Development
Downtown Parking	Upgrade Streets Annexed	Charges (SDC)
Economic Development District		Water Operations
Engineering	Debt Service	Water Rate Stabilization
Library	Fire Debt Service	
Oregon City Metro Enhancement	PERS Rate Differential	Internal Service
Parks & Recreation Trust		Fleet
Police Services Reserve	* Arts Commission Fund was closed in	Utility Customer Service
Street Operations	2011 and is shown for historical purposes	

BUDGET ORGANIZATION

Department	Use of Funds by Departments									
	Fund									
	G	CD	B	L	S	W	WW	SW	SD	Other
Policy & Administration	X									
Police	X									X
Community Services	X								X	X
Community Development		X								
Building Department			X							
Library				X						X
Public Works					X	X	X	X	X	X
Other										X

G - General, CD - Community Development, B - Building, L - Library, S - Streets, W - Water, WW - Wastewater, SW - Surface Water, SD - System Development

Note: 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 2013-2015 biennium, the City's General Fund, Water Fund, and Wastewater Fund are the only funds that meet these criteria.

FINANCIAL POLICIES

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 Administrative Rules which state that
 1. The budget must be constructed in such a manner that the total resources in a fund equal the total of expenditures and requirement for that fund, and
 2. The total of all resources of the City must equal the total of all expenditures and 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 however 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
- ❖ 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

CAPITAL IMPROVEMENT POLICY:

- ❖ The City will capitalize all fixed assets and improvements of a long term character which are continued 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:

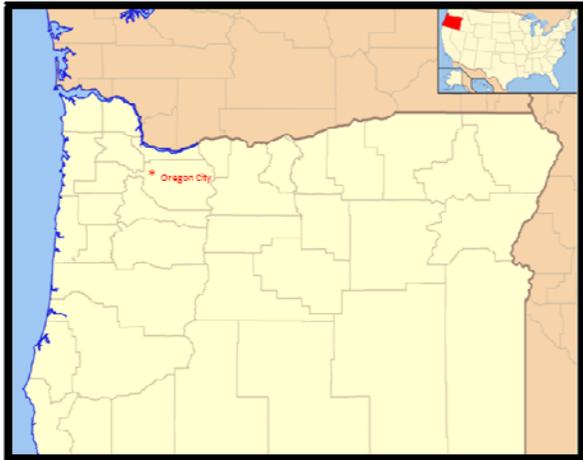
- ❖ The City will not use long-term debt for current operations

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 of general operating expenditures
- ❖ Contingency and unappropriated reserve calculations are based on adopted 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

CITY INFORMATION

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, becoming the capital of the Oregon Territory in 1894. It currently encompasses 9.2 square miles and has a current estimated population of 32,825.



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 hold office for 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, hire, direct, and evaluate the City Manager. 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 and

they have their own tax rate due to annexation of the City into their District in 2007.

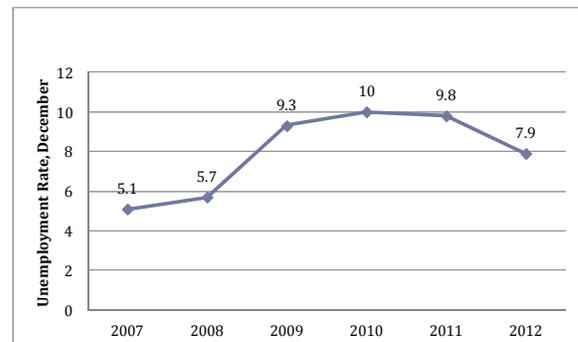
ECONOMIC CONDITION AND OUTLOOK

Fiscal Year 2013 provided some positive signs that the local, regional and national economies may be on a path towards economic recovery. However, this path is slow; there will not be much immediate improvement in economic growth. Federal government cutbacks and tax increases are weighing on the economy and Oregon City continues to feel the impact of the economic recession. The City's economy is linked with that of the entire Portland Metropolitan area, Clackamas County, and statewide economic trends. Clackamas County is located just south and east of the City of Portland and, together with neighboring Multnomah, Washington, and Yamhill counties, comprises the Portland Metropolitan Statistical Area. Together, these four counties include over 46 percent of the population of the State of Oregon according to U.S. Census estimates.

Oregon City's real property market value and assessed value is finally increasing after seeing declines since FY 2009; the assessed (or taxable) value, however, remains significantly lower than the real market value. Expectations call for continued slow growth over the next year.

Employment in the city, as well as state and county-wide continues to increase at a slow, subdued pace, at approximately the same rate as seen nationally. As of December, 2012, the unemployment rate in Oregon City was 7.9%, slightly lower than the state average of 8.2%.

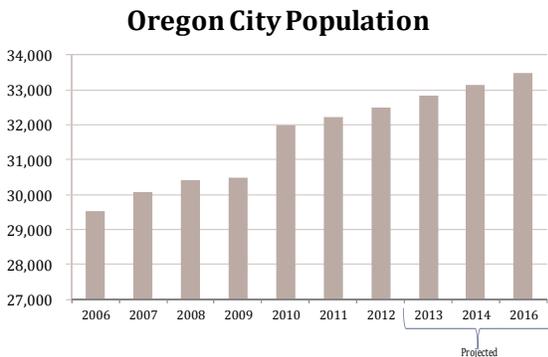
Oregon City Unemployment



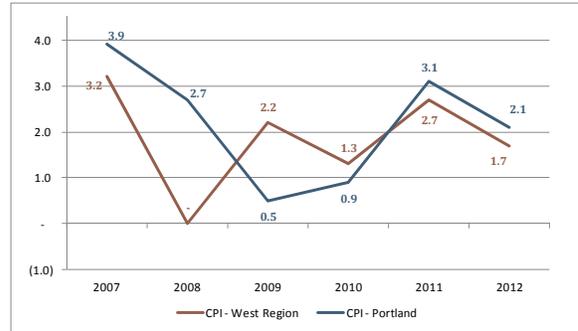
While several mills operated in the city and surrounding communities, all have closed in Oregon City with the last one filing for

bankruptcy last year and finally closing its doors this fiscal year. Efforts have been made to attract and retain local business, with the addition of 30 net new businesses over the past two years in the downtown area. Additionally, Oregon City is home to Clackamas Community College; one of the largest community colleges in the state of Oregon, as well as to Providence Willamette Falls Medical Center, a 243,000 square foot acute care hospital operated by Providence Health & Services.

The City continues to have population increases with nearly a 28% increase since 2000. Future growth will likely continue in the 1-3% range over the next few years as the City still contains undeveloped land within its Urban Growth Boundary. The table below shows historic and projected population for Oregon City.



The Consumer Price Index (CPI) is a leading economic indicator that measures inflation and represents the changes in prices of all goods and services purchased for consumption. This indicator is tracked and published by the U.S. Department of Labor’s Bureau of Labor Statistics. The Portland metropolitan service area (MSA) CPI is comprised of Clackamas, Columbia, Marion, Multnomah, Polk, Washington, and Yamhill Counties in the state of Oregon. Portland MSA’s CPI for the year ended December 31, 2012, was 2.1%. This means that in December 2012, goods as a whole cost 2.1% more than in December 2011. The index for all items less food and energy increased 2.5 percent over the last year. The chart below highlights the Portland MSA and the U.S. Western Region CPI for the past five years.



ECONOMIC ASSUMPTIONS USED IN DEVELOPING BUDGET

General

- ❖ The City's population will grow 1% in each of the next two years
- ❖ Consumers will cautiously increase their spending in response to moderate gains in employment, income, and net worth

Resources

- ❖ Assessed values, the basis of property tax revenues, will grow by 3.5% in 2014 and 2.5% in 2015, or \$61.05 million in 2014 and \$62.58 million in 2015
- ❖ Property tax revenues are estimated to increase by approximately 8.6% over the two-year period due to the property value increase and the increased tax rate of \$0.25 per \$1,000 assessed value
- ❖ Charges for services are scheduled to increase between 3% and 9% depending on previously approved indexing schedules
- ❖ Interest rates on investments will be 0.54% based on prevailing rates and are not projected to increase in the biennium

Requirements

- ❖ Cost for goods and contracts are projected to increase 3% annually while capital projects and equipment costs are projected at a 2% increase
- ❖ Cost of Living increases are 2% to 3% for all employees
- ❖ Health benefit costs are projected at 10% and 11% annual increases based on claims and premiums projections prepared by Oregon City’s benefits broker
- ❖ Public Employees Retirement System (PERS) contributions increased by 5%

City Information

CITY AT A GLANCE

City Information

Incorporated	1844
Assessed Valuation	\$2.53 billion
Bond Rating	AA-

Demographics

Population

(As of July 1 each year, from Center for Population Research and Census, School of Urban and Public Affairs, Year 2010 is U.S. Census Bureau)

2009	30,470
2010	31,995
2011	32,220
2012	32,500
2013	32,782

Median Age	36.3
Median Income	\$ 54,700
Median Property Value	\$ 275,144

Sex Composition

Male	49.30%
Female	50.70%

Racial Composition

White	87.0%
Hispanic	7.3%
Two or more races	2.5%
Asian alone	1.7%
American Indian	0.7%
Black	0.5%
Other	0.3%

Service Statistics

Land Area	9.2 square miles
Number of Water Customers	9,873
Cubic Feet Annual Water Consumption	14.3 million
Police Calls for Service	26612
Number of Recreational Facilities	28
Miles of Roads Maintained	136
Miles of Water Lines Maintained (City)	167
Miles of Sewer Lines Maintained (City)	132

Municipal Government Employment Data

FTEs by Function

General Government	24.60
Police	52.64
Public Works	13.05
Culture and Recreation	42.48
Planning & Building	12.12
Utilities	30.65
Total FTEs	175.54

Education

Education Attainment

Less than high school	13.79%
High school or higher	67.80%
Bachelor's degree	13.10%
Graduate or professional degree	5.31%

Schools

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



BUDGET SUMMARY – ALL FUNDS COMBINED

The chart below summarizes all resources and requirements by category for the 2013-2015 biennium and compares them to FY 2011 and 2012 actual totals as well as to the FY 2013 Budget.

	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2014 Adopted Budget	2014-2015 Adopted Budget	2013-2015 Adopted Biennium
Resources						
Beginning Fund Balance	\$ 22,946,893	\$ 22,893,643	\$ 27,040,928	\$ 31,911,844	\$ 20,217,708	\$ 31,911,844
Property Taxes	9,092,962	9,363,040	9,710,602	10,496,353	10,751,937	21,248,290
Franchise Fees	2,191,378	2,422,801	2,384,781	2,572,891	2,611,732	5,184,623
Intergovernmental	7,662,622	16,779,224	14,182,222	6,447,348	5,310,315	11,757,663
Charges for Services	16,878,429	19,687,122	18,220,346	20,624,254	21,404,811	42,029,065
Licenses & Permits	1,278,246	1,748,495	1,240,270	1,437,450	1,511,225	2,948,675
Fines and Penalties	864,835	1,078,240	695,000	865,000	910,000	1,775,000
Miscellaneous Income	2,011,312	1,779,269	1,529,337	1,552,083	1,504,773	3,056,856
Transfers	5,340,044	5,440,734	5,755,857	5,566,386	5,695,430	11,261,816
Other Financing Sources	517,049	602,279	616,334	607,614	606,414	1,214,028
Total Resources	\$68,783,770	\$81,794,847	\$81,375,677	\$82,081,223	\$70,524,345	\$132,387,860
Requirements by Category						
Personnel Services	\$ 16,536,602	\$ 17,238,654	\$ 18,620,644	\$ 20,042,376	\$ 20,821,061	\$ 40,863,437
Operating Materials & Services	12,209,026	13,481,094	15,868,784	17,595,014	16,334,232	33,929,246
Capital Outlay	7,373,595	16,067,817	22,581,272	16,347,932	8,892,588	25,240,520
Debt Service	2,167,985	2,223,241	2,281,352	2,311,807	2,361,374	4,673,181
Transfers	5,320,045	5,440,734	5,755,857	5,566,386	5,695,430	11,261,816
Other Uses - Loans	2,282,874	-	1,934,821	-	-	-
Contingency	-	-	11,110,892	14,826,570	10,823,172	10,823,172
Ending Unappropriated Fund Balance	22,893,643	27,343,307	3,222,055	5,391,138	5,596,488	5,596,488
Total Requirements	\$68,783,770	\$81,794,847	\$81,375,677	\$82,081,223	\$70,524,345	\$132,387,860

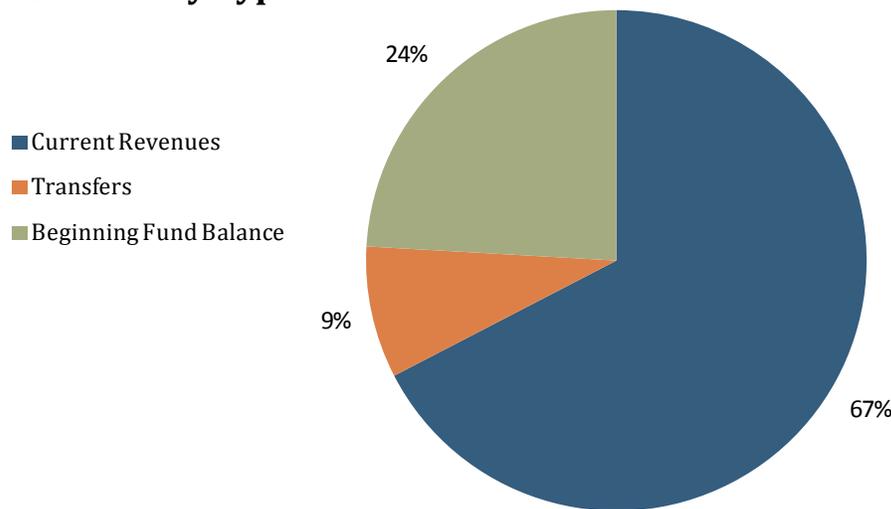
The chart below summarizes all requirements by Department or Function for the 2013-2015 biennium and compares them to FY 2011 and 2012 actual totals as well as to the FY 2013 Budget.

	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2014 Adopted Budget	2014-2015 Adopted Budget	2013-2015 Adopted Biennium
Requirements by Department/Function						
Policy & Administration	\$ 6,868,244	\$ 5,211,202	\$ 6,412,051	\$ 6,619,810	\$ 6,752,759	\$ 13,372,569
Community Services	2,981,817	3,209,733	3,231,841	3,538,949	3,598,258	7,137,207
Community Development	1,017,029	1,300,080	1,359,983	2,158,700	1,661,835	3,820,535
Building	1,211,886	1,207,803	1,155,429	1,180,487	1,201,707	2,382,194
Police Department	6,684,256	6,761,529	7,298,647	7,820,230	8,093,829	15,914,059
Library	1,135,883	1,894,133	4,776,035	4,932,672	2,666,913	7,599,585
Engineering	319,402	356,614	359,680	487,009	499,737	986,746
Streets	2,729,473	3,176,057	4,435,131	4,375,600	4,240,437	8,616,037
Water	5,359,982	5,422,223	6,109,683	6,190,635	6,219,071	12,409,706
Wastewater	5,483,213	5,587,112	5,744,413	6,792,428	6,692,087	13,484,515
Stormwater	2,059,600	2,055,005	2,170,080	2,526,666	2,428,777	4,955,443
Governmental Debt Service	2,228,229	1,492,665	1,564,240	1,584,153	1,650,301	3,234,454
System Development	4,777,052	14,062,966	11,529,010	3,566,510	4,159,060	7,725,570
Customer Service	771,782	775,764	823,353	924,376	944,494	1,868,870
Code Enforcement & Parking	540,874	579,631	774,067	784,673	758,566	1,543,239
Business & Economic Development	372,012	383,461	472,931	370,175	372,175	742,350
Other Capital & Reserve Funds	1,349,393	975,562	8,826,156	8,010,442	2,164,679	10,175,121
Contingency	-	-	11,110,892	14,826,570	10,823,172	10,823,172
Ending Unappropriated Fund Balance	22,893,643	27,343,307	3,222,055	5,391,138	5,596,488	5,596,488
Total Requirements	\$68,783,770	\$81,794,847	\$81,375,677	\$82,081,223	\$70,524,345	\$132,387,860

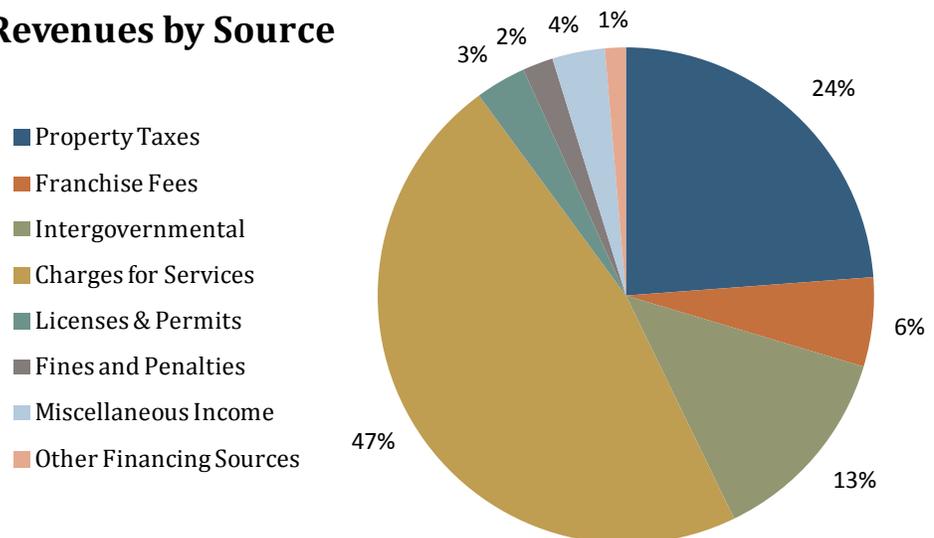
WHERE THE MONEY COMES FROM – ALL FUNDS COMBINED

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.

Resources by Type



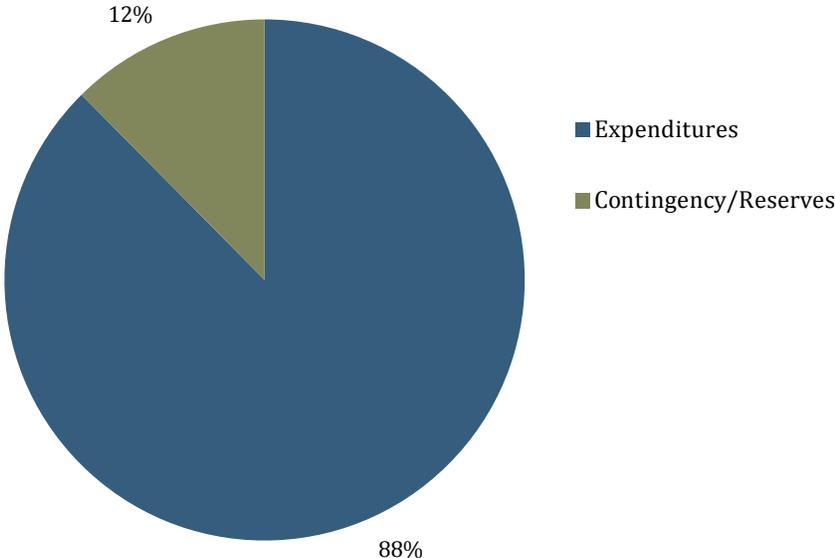
Revenues by Source



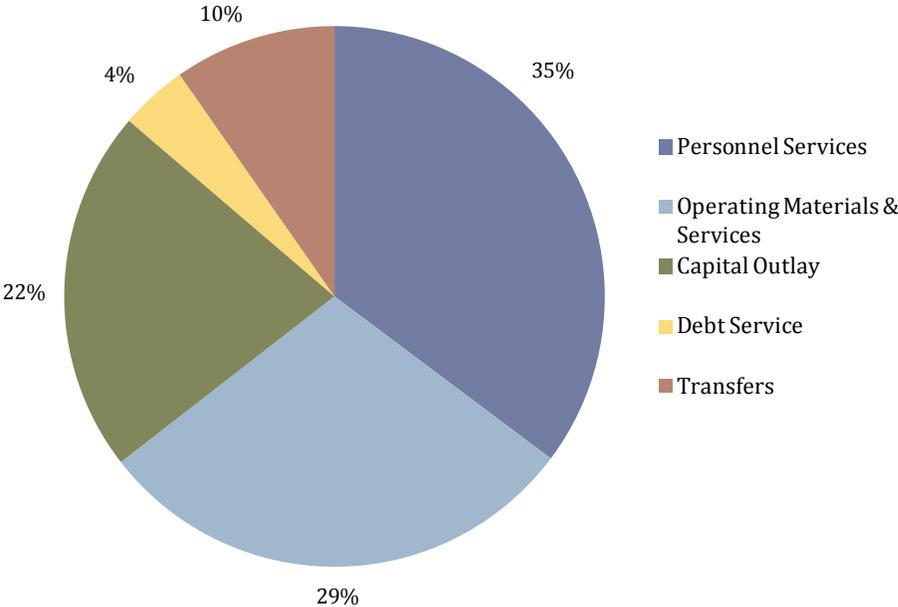
WHERE THE MONEY GOES – ALL FUNDS COMBINED

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 by category or function.

Requirements by Type



Expenditures by Category



Budget Summary

RESOURCES & REQUIREMENTS – ALL FUNDS

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

Fund	2010-11 Actual	2011-12 Actual	2012-13 Amended Budget	2013-14 Adopted Budget	2014-15 Adopted Budget	2013-2015 Adopted Biennium
General	\$ 19,362,217	\$ 18,810,862	\$ 17,888,331	\$ 20,101,051	\$ 19,073,706	\$ 37,052,695
Special Revenue Funds						
Building Operations	1,256,073	1,411,243	1,236,556	1,279,804	1,289,932	2,470,419
Business Development	180,402	101,943	81,100	63,875	63,750	113,925
Cable TV	194,398	216,646	232,300	222,600	282,400	370,900
City Clean Up	438,551	429,521	406,000	392,950	334,330	588,900
Civic Improvement Trust	112,955	83,746	86,200	86,000	88,000	168,000
Code Enforcement	225,441	249,307	266,600	266,800	254,998	498,600
Community Development	1,168,304	1,388,013	1,384,309	2,346,375	1,835,414	3,994,114
Downtown	450,847	513,108	535,950	601,925	516,454	1,057,525
Economic Improvement District	45,738	105,519	130,050	115,375	115,500	230,500
Engineering Group	326,038	402,230	365,843	506,600	502,991	990,000
Library	2,204,301	2,913,954	2,756,016	2,507,808	2,343,895	4,327,774
Oregon City Metro Enhancement	273,433	265,270	259,600	174,914	170,414	295,414
Parks & Recreation Trust	196,416	222,141	233,569	230,450	233,000	273,000
Street	1,863,188	2,458,545	2,406,972	2,589,301	2,448,608	4,700,588
Capital Projects Funds						
Public Works Building Reserve	3,057,703	4,132,692	5,294,200	6,382,692	1,100,000	7,482,692
Ermatinger House Restoration	-	250,222	415,500	480,500	81,000	531,000
Library Reserve	388,742	1,345,371	2,307,861	2,948,793	645,763	3,594,556
Parks Development SDC	1,571,214	1,892,119	1,136,367	1,753,699	1,572,699	2,340,699
Police Building Reserve	246,078	122,721	97,000	67,224	77,224	87,224
Police Services Reserve	187,690	367,606	414,600	566,100	738,850	738,850
Street Development SDC	6,551,379	14,670,053	11,370,706	3,477,970	2,723,995	4,118,970
Pavement Maintenance	1,830,027	2,278,584	2,348,497	2,337,698	2,091,409	4,215,029
Upgrade Streets Annexed	223,265	189,940	190,975	192,000	162,750	192,750
Enterprise Funds						
Cemetery Endowment Care	103,394	103,920	104,400	105,020	105,570	105,570
HOPP Sewer Construction	41,547	31,395	22,400	18,000	18,650	30,800
Wastewater Development SDC	1,812,268	1,964,198	1,820,141	2,258,208	1,819,058	2,526,208
Wastewater	5,828,642	5,897,086	6,066,872	6,977,569	7,005,241	13,797,669
Wastewater Rate Stabilization	623,252	623,252	623,252	623,252	623,252	623,252
Stormwater Development SDC	353,085	349,527	387,163	518,387	371,727	644,887
Stormwater	2,364,041	2,432,031	2,327,019	2,676,876	2,517,445	5,044,111
Water Development SDC	1,179,479	1,678,642	1,592,665	2,140,620	2,227,395	2,650,620
Water	6,848,687	6,961,362	7,074,492	6,694,494	6,513,508	12,704,143
Water Rate Stabilization	492,242	492,242	492,242	492,242	492,242	492,242
Internal Service Funds						
Fleet	2,487,953	2,792,587	5,099,761	5,639,762	5,846,582	6,589,112
Utility Customer Service	774,654	783,373	843,665	943,188	969,563	1,893,939
Debt Service Funds						
Fire Bond	421,064	424,367	423,313	421,345	422,320	812,883
PERS Rate Differential	3,096,392	2,439,509	2,653,190	2,879,756	2,844,710	4,038,300
Closed Funds						
Arts Commission	2,670	-	-	-	-	-
Total All Funds	\$ 68,783,770	\$ 81,794,847	\$ 81,375,677	\$ 82,081,223	\$ 70,524,345	\$ 132,387,860

BIENNIAL BUDGET SUMMARY OF CHANGES – ALL FUNDS

As indicated in the table below, there were no changes between the proposed, approved, and adopted budgets.

Fund	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
General	\$ 37,052,695	\$ 37,052,695	\$ 37,052,695
<i>Special Revenue Funds</i>			
Building Operations	2,470,419	2,470,419	2,470,419
Business Development	113,925	113,925	113,925
Cable TV	370,900	370,900	370,900
City Clean Up	588,900	588,900	588,900
Civic Improvement Trust	168,000	168,000	168,000
Code Enforcement	498,600	498,600	498,600
Community Development	3,994,114	3,994,114	3,994,114
Downtown	1,057,525	1,057,525	1,057,525
Economic Improvement District	230,500	230,500	230,500
Engineering Group	990,000	990,000	990,000
Library	4,327,774	4,327,774	4,327,774
Oregon City Metro Enhancement	295,414	295,414	295,414
Parks & Recreation Trust	273,000	273,000	273,000
Street	4,700,588	4,700,588	4,700,588
<i>Capital Projects Funds</i>			
Public Works Building Reserve	7,482,692	7,482,692	7,482,692
Ermatinger House Restoration	531,000	531,000	531,000
Library Reserve	3,594,556	3,594,556	3,594,556
Parks Development SDC	2,340,699	2,340,699	2,340,699
Police Building Reserve	87,224	87,224	87,224
Police Services Reserve	738,850	738,850	738,850
Street Development SDC	4,118,970	4,118,970	4,118,970
Pavement Maintenance	4,215,029	4,215,029	4,215,029
Upgrade Streets Annexed	192,750	192,750	192,750
<i>Enterprise Funds</i>			
Cemetery Endowment Care	105,570	105,570	105,570
HOPP Sewer Construction	30,800	30,800	30,800
Wastewater Development SDC	2,526,208	2,526,208	2,526,208
Wastewater	13,797,669	13,797,669	13,797,669
Wastewater Rate Stabilization	623,252	623,252	623,252
Stormwater Development SDC	644,887	644,887	644,887
Stormwater	5,044,111	5,044,111	5,044,111
Water Development SDC	2,650,620	2,650,620	2,650,620
Water	12,704,143	12,704,143	12,704,143
Water Rate Stabilization	492,242	492,242	492,242
<i>Internal Service Funds</i>			
Fleet	6,589,112	6,589,112	6,589,112
Utility Customer Service	1,893,939	1,893,939	1,893,939
<i>Debt Service Funds</i>			
Fire Bond	812,883	812,883	812,883
PERS Rate Differential	4,038,300	4,038,300	4,038,300
<i>Closed Funds</i>			
Arts Commission	-	-	-
Total All Funds	\$ 132,387,860	\$ 132,387,860	\$ 132,387,860

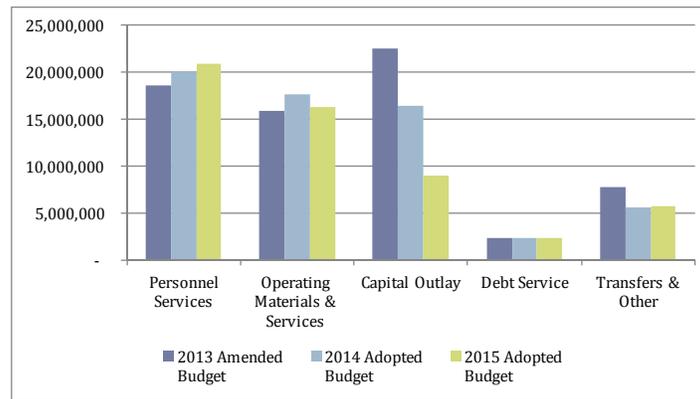
BUDGET TRENDS BY YEAR

The table below compares the adopted 2013-2015 biennial budget to the FY 2013 budget. Major changes between ending fund balances and contingencies from year to year cause the most significant variations between each year.

The following section compares budgeted expenditures by year, excluding fund balance and contingency. As shown below, overall expenditures decreased in each year of the biennium. (Further discussion on the changes in fund balance is found in the Budget Message.)

	2013 Adopted Budget	2014 Adopted Budget	2015 Adopted Budget	2013-2015 Adopted Biennium
Total Budget	\$ 81,375,677	\$ 82,081,223	\$ 70,524,345	\$ 132,387,860
Less Ending Fund Balance and Contingency	(14,332,947)	(20,217,708)	(16,419,660)	(16,419,660)
Total Expenditures	\$ 67,042,730	\$ 61,863,515	\$ 54,104,685	\$ 115,968,200

The chart below compares each year of the adopted biennial budget (FY 2014 and FY 2015) to prior year budgeted expenditures (FY 2013) by Category for all budgeted funds.



Personnel Services: Personnel costs increased by \$1.4 million in 2014 and \$779,000 in 2015. This increase is mainly due to the addition of three police officers and a Risk and Contract Coordinator in 2014. A ROW Coordinator was added in 2015. Additionally, budgeted wages and fringe benefits were projected to increase between 4% and 8% annually due to raises and the rising cost of healthcare and retirement. Further analysis of personnel costs and changes is found starting on page 145.

Operating Materials & Services: Operating costs increased by \$1.7 million in 2014 and decreased in 2015 by \$1.3 million. This one-year increase is mostly due to investment in the Willamette Falls Legacy Project of \$500,000 and an increase in school excise taxes collected for and transmitted to the School District. Additional discussion on these items is found in the Budget Message and on pages 64-65.

Capital Outlay: The largest expenditure change is in Capital Outlay. Budgeted capital decreased by \$6.2 million in 2014 due to the completion of the \$22 million Highway 213/205 construction project (Jughandle) in 2013; however 2014 still has \$9.2 million budgeted in major projects (Oregon City Library and Public Works Building.) A further decrease of \$7.5 million in 2015 is due to the bulk of these two projects being budgeted in 2014; \$1.75 million was budgeted for the Library and Public Works building in 2015. These projects are explained in more detail in the Budget Message and in the Capital Section beginning on page 155.

Debt Service: Debt Service remained relatively stable throughout the three years. Information on the City's debt is located on pages 169-171.

Transfers & Other Uses: This category includes funding of a \$1.9 million loan to the Urban Renewal Agency in 2013.

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.

Property Taxes (24%)

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 FY 1995-96 levels and then reduced by 10%.

Assessed value increases are limited to 3% per year. Annual 3.5% and 2.5% increases in assessed value for property taxes are built into the calculation due to economic factors, valuation increase limits, and county assessor information. For FY 2013, Oregon City’s total assessed value was approximately 90% of the real market value. This gap is expected to widen in the coming years due to the cap on assessed value increases. Assessed value is used for spreading the operating

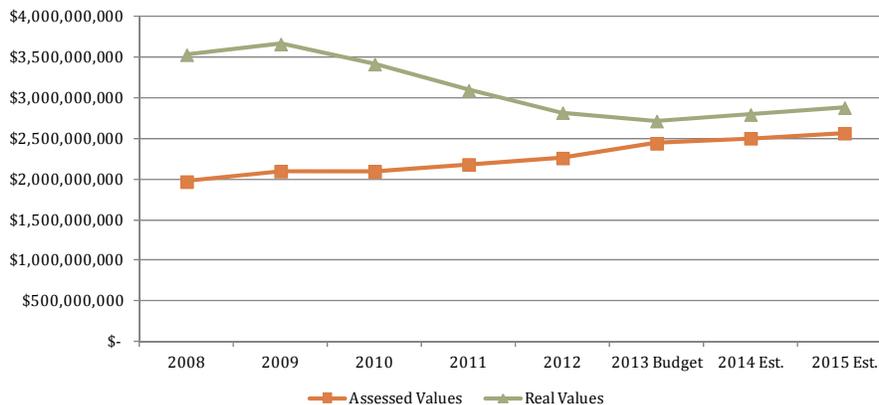
levies, while market values are used to meet Measure 5 cap requirements, approved by voters in 1990, which limit tax rates to \$15 per \$1,000 of real market value (\$5.00 for schools and an aggregate \$10.00 for all other governments), and to spread debt service levies, which are exempt from Measures 5 and 50.

During the November 2007 fire annexation election, the city reduced the authorized (or permanent) tax rate of \$5.0571 per \$1,000 of assessed value to \$4.159 per \$1,000 and further pledged that the rate would not be increased for five years. The adopted budget includes the first increase in the tax rate since that pledge in an amount of \$0.25 per \$1,000. The budgeted rate of \$4.409 per \$1,000 is still below the City’s Permanent Tax Rate.

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 94% collection rate on property taxes for the FY 2013-2015 biennium. This is in line with previous year’s collection estimates and reflective of the current collection rate.

	2011 Actual	2012 Actual	2013 Amended Budget	2014 Adopted Budget	2015 Adopted Budget	2013-2015 Adopted Biennium
Property Taxes	\$ 9,092,962	\$ 9,363,040	\$ 9,710,602	\$10,496,353	\$10,751,937	\$21,248,290
Assessed Value (Millions)	2,182.00	2,260.50	2,442.13	2,527.61	2,590.80	

The table above shows property tax collections by year and compares them to assessed property value. The chart and table below show the historic and projected assessed values by year in comparison to real market property values from 2008 through the current biennium.



Budget Summary

Year	Assessed Value	Real Value	Percentage of Real Value
2015 Est.	\$2,590,795,869	\$2,879,701,165	90%
2014 Est.	\$2,527,605,726	\$2,795,826,374	90%
2013	\$2,442,131,136	\$2,714,394,538	90%
2012	\$2,260,500,253	\$2,818,469,932	80%
2011	\$2,181,996,329	\$3,092,724,735	71%
2010	\$2,097,567,632	\$3,415,274,093	61%
2009	\$2,098,547,513	\$3,662,707,654	57%
2008	\$1,970,655,118	\$3,531,262,250	56%

Franchise Fees (6%)

Franchise fees are charged to private utilities for the use of publicly owned right-of-ways (ROW). Private franchised activities include electricity, tele-communications, natural gas, and cable television. Additionally, the City's water, wastewater and stormwater funds pay matching 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 at the rates charged based on individual agreements with the different franchisees. Current franchise rates and projected revenues are shown below. The City anticipates adoption of a new ROW Ordinance to capture previously uncharged utilities. Revenues in the biennium include a projection for this additional revenue.

Service	Rate	2010-11 Actual	2011-12 Actual	2013 Amended Budget	2014 Adopted Budget	2015 Adopted Budget	2013-15 Adopted Biennium
Electricity	3.5%	\$ 620,108	\$ 898,155	\$ 885,000	\$ 850,000	\$ 850,000	\$ 1,700,000
Cable TV	5.0%	350,722	359,110	350,000	368,000	377,000	745,000
Water Utility	6.0%	375,598	297,823	306,757	317,861	327,396	645,257
Natural Gas	5.0%	285,684	285,539	280,000	280,000	280,000	560,000
Wastewater Utility	6.0%	160,039	160,000	160,000	189,960	203,244	393,204
Garbage	4.0%	190,490	190,875	200,000	192,000	195,000	387,000
Stormwater Utility	6.0%	93,024	93,024	93,024	134,070	138,092	272,162
Telecommunications	5.0%	115,713	138,275	110,000	125,000	125,000	250,000
R.O.W. Ordinance	N/A	-	-	-	100,000	100,000	200,000
Other	6.0%	-	-	-	16,000	16,000	32,000
Total Franchise Fees		\$ 2,191,378	\$ 2,422,801	\$ 2,384,781	\$ 2,572,891	\$ 2,611,732	\$ 5,184,623

Charges for Services (47%)

Charges for water, wastewater, pavement maintenance, and stormwater are charged to all utility customers throughout the City. These fees are established through resolution and are based on individual utility master plans and rate studies. The City Commission approves the rates based on costs to provide services according to City Charter. Revenues are estimated based on number of utility customers (total connections) times approved rates. Water utility charges for services assume that no rate setback occurs and that 3% increases occur each year. Other utility charges include adjustments based on currently established

Commission resolutions or inflation of generally 2% to 3%.

Charges for services also include fees charged to users of various city services, such as parks, library services and cemetery. Other charges for services not controlled by Commission action are calculated based on a six year average with conservative adjustments as requested by departments.

Revenues 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.

Further, services are provided between City departments daily. Each department providing a service is reimbursed a “charge for service” which is then recorded as an expense 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. Various departments in the General Fund charge user fees associated with providing goods and services to external customers as well. Services provided by these departments are charged directly when the benefit is for specific customers rather than the entire community. A breakdown of Charges for Services is shown below.

Type of Charge	2010-11 Actual	2011-12 Actual	2013 Amended Budget	2014 Adopted Budget	2015 Adopted Budget	2013-15 Adopted Biennium
Wastewater	\$ 4,923,974	\$ 5,520,067	\$ 5,631,000	\$ 6,500,150	\$ 6,799,600	\$ 13,299,750
Water	5,437,860	5,463,990	5,392,622	5,840,419	5,999,349	11,839,768
Stormwater	1,804,394	2,062,977	2,012,657	2,247,500	2,314,535	4,562,035
Streets & Pavement Maintenance	1,364,602	1,613,264	1,825,500	1,856,850	1,911,431	3,768,281
System Development Charges	1,172,810	2,476,280	1,200,000	1,633,000	1,783,000	3,416,000
Excise Taxes and Other Pass-Throughs	302,992	616,660	347,500	730,970	738,090	1,469,060
Parks & Recreation User Fees	406,119	424,972	385,200	403,450	416,728	820,178
Planning & Review Fees	281,875	307,079	242,574	288,500	318,950	607,450
Parking	239,430	280,352	330,150	290,250	280,100	570,350
Cemetery Fees	319,953	230,920	294,775	267,550	267,550	535,100
Reimbursement from Other Funds	166,604	229,363	230,218	234,365	240,728	475,093
Fleet	243,735	249,463	133,500	146,500	150,000	296,500
Police Department Fees	43,763	56,227	62,900	61,400	61,400	122,800
Library Services	42,026	41,919	48,000	40,050	40,050	80,100
Rental Fees	21,485	36,403	34,200	35,500	35,500	71,000
Finance and Other	45,712	29,591	34,900	33,650	33,650	67,300
Court Fees	61,089	47,595	14,650	14,150	14,150	28,300
Total Charges for Services	\$ 16,878,423	\$ 19,687,122	\$ 18,220,346	\$ 20,624,254	\$ 21,404,811	\$ 42,029,065

Intergovernmental Revenues (9%)

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, 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 intergovernmental revenues include charges to governmental agencies for goods or services provided.

Source	2010-11 Actual	2011-12 Actual	2013 Amended Budget	2014 Adopted Budget	2015 Adopted Budget	2013-15 Adopted Biennium
State Shared Revenues	\$ 2,333,884	\$ 2,629,817	\$ 2,563,694	\$ 2,768,609	\$ 2,858,443	\$ 5,627,052
Library District Tax Distribution	1,747,745	1,798,798	1,727,935	1,777,916	1,777,916	3,555,832
Operating Grants & Assistance Programs	648,175	909,112	911,621	1,130,100	455,100	1,585,200
Capital Grants & Assistance Programs	2,782,697	11,314,274	8,870,000	660,000	110,000	770,000
Other Government Charges	135,030	104,336	108,972	100,723	103,856	204,579
Legal Fees Reimbursement	15,091	22,887	-	10,000	5,000	15,000
Total Intergovernmental Revenues	\$ 7,662,622	\$16,779,224	\$14,182,222	\$ 6,447,348	\$ 5,310,315	\$11,757,663

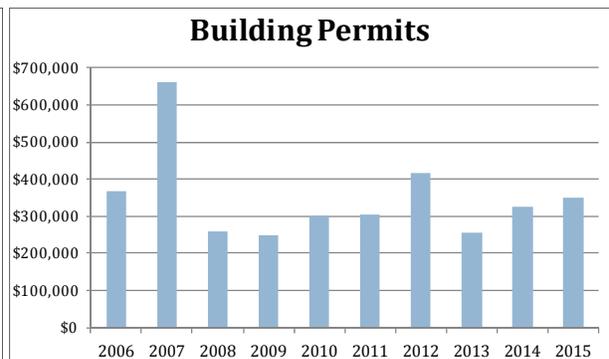
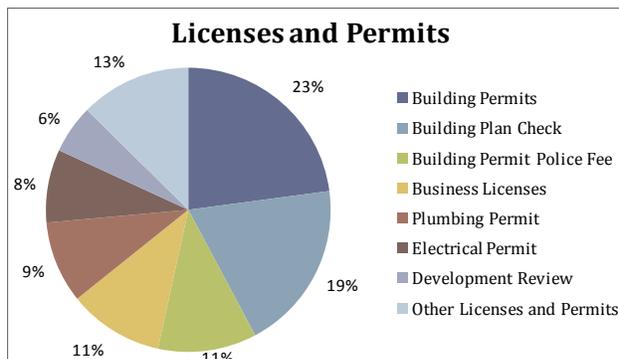
Budget Summary

Licenses and Permits (3%)

The charts below show the various types of Licenses and Permits. Building Permits make up the largest share of all permitting activity at 36%. The subsequent chart compares Building Permit Revenues over 10 years (inclusive of the biennium.) While there is a slight uptick in

Building Department activity, revenues are not projected to be at the level they were before the recession. 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.

Source	2010-11 Actual	2011-12 Actual	2013 Amended Budget	2014 Adopted Budget	2015 Adopted Budget	2013-15 Adopted Biennium
Building Permits	\$ 304,641	\$ 415,985	\$ 255,000	\$ 325,000	\$ 350,000	\$ 675,000
Building Plan Check	241,058	318,323	210,000	280,000	290,000	570,000
Building Permit Police Fee	56,000	178,500	150,000	160,000	170,000	330,000
Business Licenses	133,340	126,502	146,000	158,900	160,400	319,300
Plumbing Permit	119,166	232,066	130,000	135,000	140,000	275,000
Electrical Permit	105,870	166,150	115,000	120,000	125,000	245,000
Development Review	183,970	116,681	72,000	78,000	85,000	163,000
Erosion Control	26,344	57,656	40,000	50,000	51,500	101,500
Mechanical Permits	43,346	47,224	42,000	40,000	41,200	81,200
ROW Permits	20,066	40,436	27,720	33,000	38,000	71,000
Other Licenses and Permits	44,445	48,972	52,550	57,550	60,125	117,675
Total Intergovernmental Revenues	\$ 1,278,246	\$ 1,748,495	\$ 1,240,270	\$ 1,437,450	\$ 1,511,225	\$ 2,948,675



Fines and Penalties (2%)

In the biennial budget, Fines and Penalties account for 2% of all resources. This source of revenue includes traffic and civil infraction citations, which are processed by the Municipal Court. Fine collections are directly related to the number of citations issued. Revenues are estimated based on

trend analysis of numbers of citations issued over the past five-years in comparison to revenues collected and any legislative issues. The current biennium shows an increase in City court fines due to anticipating implementation of electronic ticketing. The chart below breaks out these revenues.

Fines and Penalties	2010-11 Actual	2011-12 Actual	2013 Amended Budget	2014 Adopted Budget	2015 Adopted Budget	2013-15 Adopted Biennium
Court Fines - City	\$ 569,986	\$ 721,109	\$ 400,000	\$ 570,000	\$ 600,000	\$ 1,170,000
Parking Fines	125,207	156,564	200,000	170,000	175,000	345,000
Other City Court Penalties	85,686	119,611	30,000	50,000	50,000	100,000
Court Fines - State	30,371	42,255	20,000	30,000	40,000	70,000
Police Towing Fees	40,220	29,700	35,000	35,000	35,000	70,000
Other Fines	13,365	9,001	10,000	10,000	10,000	20,000
Total Fines and Penalties	\$ 864,835	\$ 1,078,240	\$ 695,000	\$ 865,000	\$ 910,000	\$ 1,775,000

GENERAL FUND

FUND OVERVIEW

The General Fund is the principal operating fund of the city and is used to account for the City’s revenues and expenditures that are not required to be recorded in another fund. General Fund revenues include property taxes, fees and charges for services, revenue 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 Services, as well as legal expenses (service programs collectively shown as Policy and Administration), the Police Department, the Community Services Department, and other Non-Departmental functions. Additional expenditures include transfers to other funds for capital improvements projects and to support programs in those funds.

General Fund revenues on the whole are projected to have minimal increases over the biennium. Property tax revenues are expected to increase over the next two years due to a projected 3.5% increase in assessed value in 2014 and a 2.5% increase in 2015, combined with an increase of \$0.25 per \$1,000 assessed value in the tax rate to fund three new police officers. Most other major revenues, including franchise fees (paid by utility companies for their use of public right-of-ways), charges for services, and intergovernmental revenues (state liquor and cigarette taxes, and grants for example) are projected to remain relatively flat during the biennium. These revenue sources continue to see very limited growth due to the downturn in the economy.

Total Resources and Total Requirements in the General Fund for the past two years, the current budget year, and the proposed, approved and adopted biennium are shown below.

General Fund	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 4,408,103	\$ 2,827,901	\$ 2,465,445	\$ 3,511,900	\$ 3,511,900	\$ 3,511,900
Property Taxes	8,831,150	9,101,954	9,448,723	20,719,675	20,719,675	20,719,675
Franchise Fees	1,860,599	2,088,282	2,044,781	4,501,623	4,501,623	4,501,623
Intergovernmental	1,449,318	1,770,738	1,362,664	2,747,208	2,747,208	2,747,208
Charges for Services	1,032,056	1,041,544	1,033,543	2,080,871	2,080,871	2,080,871
Licenses & Permits	108,771	102,152	122,000	239,300	239,300	239,300
Fines and Penalties	726,263	912,675	485,000	1,410,000	1,410,000	1,410,000
Miscellaneous Income	96,307	128,722	84,825	140,158	140,158	140,158
Other Financing Sources	197,100	229,950	229,950	459,960	459,960	459,960
Transfers In	652,550	606,944	611,400	1,242,000	1,242,000	1,242,000
Total Resources	\$ 19,362,217	\$ 18,810,862	\$ 17,888,331	\$ 37,052,695	\$ 37,052,695	\$ 37,052,695
Requirements by Department						
Policy & Administration	\$ 2,813,532	\$ 2,934,619	\$ 3,448,494	\$ 7,550,823	\$ 7,550,823	\$ 7,550,823
Police	6,560,256	6,677,529	7,163,647	15,598,059	15,598,059	15,598,059
Community Services	2,841,817	3,069,733	3,078,287	6,829,207	6,829,207	6,829,207
Non-Departmental	1,544,638	1,287,759	1,779,943	3,418,632	3,418,632	3,418,632
Transfers Out	2,774,073	1,212,823	1,472,168	3,027,114	3,027,114	3,027,114
Contingency	-	-	945,792	628,860	628,860	628,860
Unappropriated Fund Balance	2,827,901	3,628,399	-	-	-	-
Total Requirements	\$ 19,362,217	\$ 18,810,862	\$ 17,888,331	\$ 37,052,695	\$ 37,052,695	\$ 37,052,695

General Fund

BUDGET HIGHLIGHTS

The 2013-2015 biennial revenues (excluding Beginning Fund Balance) increased over last year's budget by a combined total of \$1.53 million, or 4.8% annually. Total expenditures increased by a combined total of \$1.5 million, or an average of 4.3% annually.

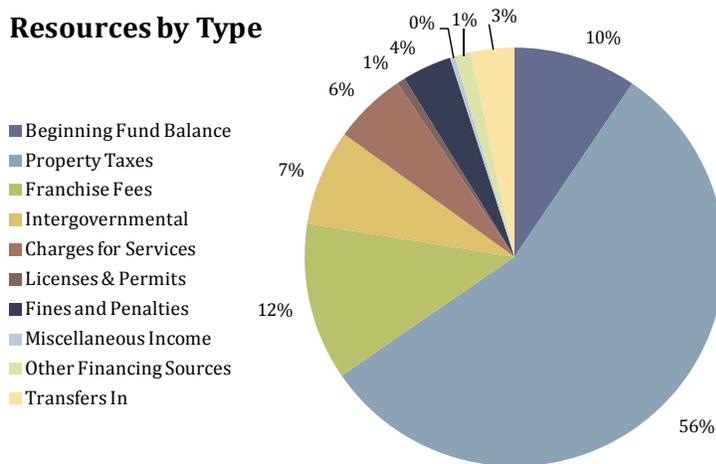
Property taxes continue to be the largest revenue source for the general fund, at 56% of total resources (62% of revenues, excluding beginning fund balance). Police receives the largest share of those resources at 42% of all General Fund Requirements.

In the General Fund, it is important to carry over enough unappropriated beginning 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 invoices for goods and services need to be paid for several months prior

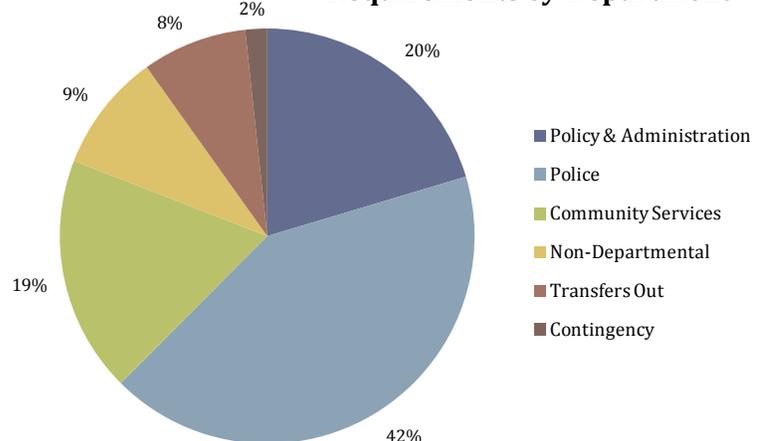
to when property taxes are collected in November. The amount needed is generally about 10-15 percent of the operating budget. In addition, maintaining a fund balance provides stability to meet the City's current and future needs. The General Fund unappropriated beginning fund balance is projected to be \$3.51 million, approximately 21% of the operating budget. Some of this balance is being used for important one-time projects in the biennium, bringing the balance to approximately \$600,000, or 4% of the operating budget. Oregon City's goal is to maintain its unreserved fund balance at approximately \$2 to \$2.5 million. Anticipated revenues in subsequent years as well as the reduction in these one-time costs will help the City restore the unreserved fund balance to desired levels.

The charts below show the relative percentages of resources by type and requirements by department.

Resources by Type

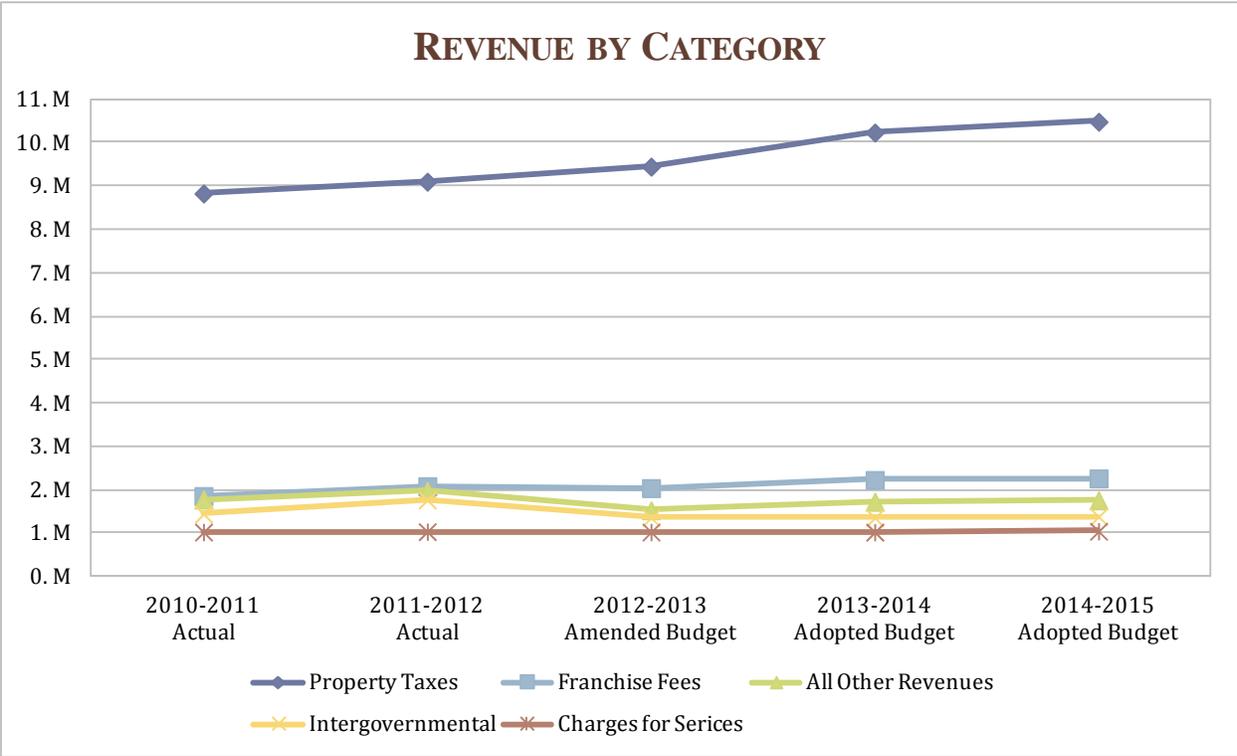


Requirements by Department



GENERAL FUND REVENUES

The chart below shows General Fund Revenues by Category over time. As noted earlier, revenues are projected to increase by approximately 4.8% annually during the biennium.



GENERAL FUND EXPENDITURES

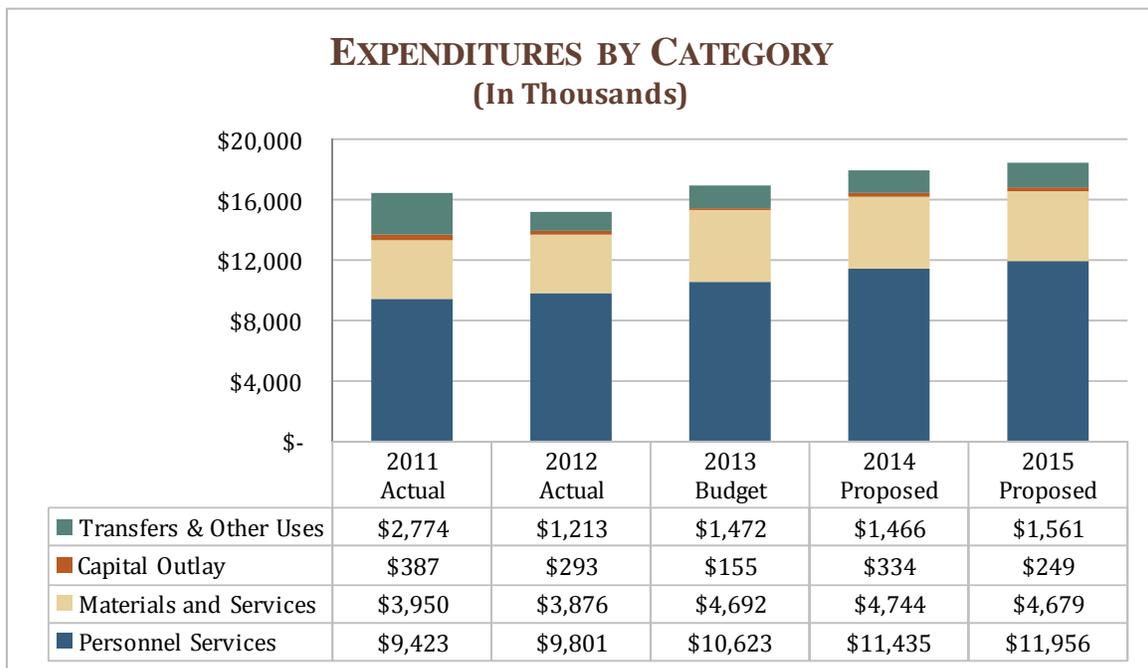
The chart below shows General Fund expenditures by category for the proposed, approved and adopted biennium, prior year budget, and two previous years’ actual. As shown in the chart below, total materials and services costs have been reduced across most departments over the two year period. Personnel costs have increased by approximately 10%,

primarily due to the rising cost of health insurance and Public Employees Retirement System payments.

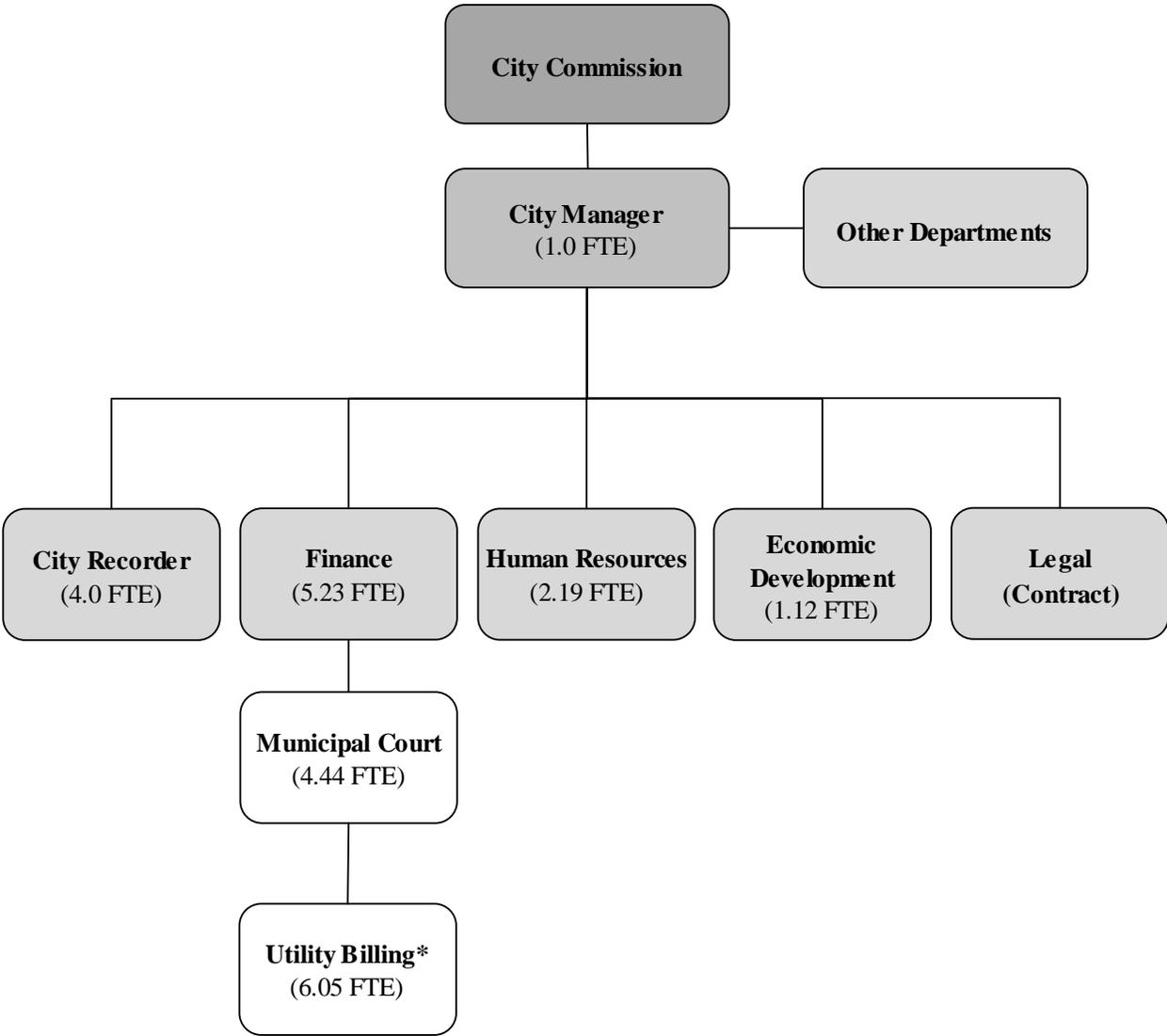
Later sections contain further detail on these expenditures by department and program for the previous two years, the current year budget and the proposed, approved, and adopted biennial budgets.

General Fund

General Fund	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Requirements by Category						
Personnel Services						
Salaries	\$ 5,893,230	\$ 6,061,679	\$ 6,473,918	\$ 14,020,119	\$ 14,020,119	\$ 14,020,119
Benefits	3,529,600	3,739,059	4,149,285	9,370,695	9,370,695	9,370,695
Total Personnel Services	9,422,830	9,800,738	10,623,203	23,390,814	23,390,814	23,390,814
Materials & Services						
Contract Services	1,453,665	1,414,533	1,644,922	3,278,298	3,278,298	3,278,298
Employee Costs	166,653	150,688	214,341	444,810	444,810	444,810
Maintenance Costs	536,784	515,688	584,134	1,182,905	1,182,905	1,182,905
Materials	67,118	50,139	189,860	375,469	375,469	375,469
Office Costs	215,868	187,025	203,509	423,338	423,338	423,338
Office Equipment	247,871	276,063	394,085	843,508	843,508	843,508
Operations Costs	386,967	414,447	263,026	561,791	561,791	561,791
Other & Miscellaneous Costs	246,417	191,152	245,746	494,981	494,981	494,981
Special Programs and Services	628,765	676,436	952,334	1,817,910	1,817,910	1,817,910
Total Materials & Services	3,950,108	3,876,171	4,691,957	9,423,010	9,423,010	9,423,010
Capital Outlay						
Equipment	76,493	56,000	126,664	367,897	367,897	367,897
Infrastructure Improvements	85,240	236,731	3,547	190,000	190,000	190,000
New Construction	225,550	-	25,000	25,000	25,000	25,000
Total Capital Outlay	387,283	292,731	155,211	582,897	582,897	582,897
Transfers and Other Uses	2,774,073	1,212,823	1,472,168	3,027,114	3,027,114	3,027,114
Contingency	-	-	945,792	628,860	628,860	628,860
Unappropriated Fund Balance	2,827,923	3,628,399	-	-	-	-
Total General Fund	\$19,362,217	\$18,810,862	\$17,888,331	\$37,052,695	\$37,052,695	\$37,052,695



Policy and Administration



Total 24.03 FTE
(17.98 in General Fund)

* Utility Billing function reports to Finance but is not in the General Fund; the FTE and budgeted expenses are reported within the Utility Billing Fund (see page 120).

OVERVIEW

The Policy and Administration departments connect the City with the public. They include a wide variety of functions that encompass the areas of administrative support, strategic planning, city management, financial management, accounting, utility billing, municipal court, human resource management, economic development, information services, records management, risk management, legal, and contracts and purchasing.

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. Staffing in Policy and Administration consists of the City Manager, Assistant to the City Manager, City Recorder, Finance Director, Deputy Finance Director, Human Resources Director, Human Resources Technician, Economic Development Manager, Accounting and Administrative

personnel. The Legal Department is a contracted service.

DEPARTMENT GOALS

- ❖ To provide responsive leadership and governance, excellent customer service and engaging government, and to be transparent, efficient and effective with public funds
- ❖ **TO OVERSEE AND IMPLEMENT THE COMMISSION GOALS AS ESTABLISHED FOR THE 2013-2015 BIENNIUM**

SIGNIFICANT BUDGET CHANGES

- ❖ Increased staffing by one FTE in City Recorder for risk assessment and management and implementation of the City’s Ordinances; position funded by anticipated contract savings in both legal and insurance.

**POLICY & ADMINISTRATION EXPENDITURES
(COMBINED WITH NON-DEPARTMENTAL)**

<u>Description</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013-2015 Proposed</u>	<u>2013-2015 Approved</u>	<u>2013-2015 Adopted</u>
Personnel Services						
Salaries	\$ 1,143,421	\$ 1,242,158	\$ 1,390,989	\$ 3,014,392	\$ 3,014,392	\$ 3,014,392
Benefits	839,840	905,282	1,056,279	2,452,240	2,452,240	2,452,240
Total Personnel Services	<u>1,983,261</u>	<u>2,147,440</u>	<u>2,447,268</u>	<u>5,466,632</u>	<u>5,466,632</u>	<u>5,466,632</u>
Materials & Services						
Contract Services	1,065,398	1,024,297	1,200,245	2,408,415	2,408,415	2,408,415
Employee Costs	60,312	48,523	77,211	155,252	155,252	155,252
Maintenance Costs	146,639	96,099	168,600	348,815	348,815	348,815
Materials	1,987	3,494	6,000	6,000	6,000	6,000
Office Costs	89,893	75,826	82,988	172,916	172,916	172,916
Office Equipment	234,330	266,296	382,420	816,802	816,802	816,802
Operations Costs	5,750	7,797	15,450	41,514	41,514	41,514
Other & Miscellaneous Costs	96,757	67,358	126,395	201,833	201,833	201,833
Special Programs and Services	427,283	480,249	693,860	1,282,276	1,282,276	1,282,276
Total Materials & Services	<u>2,128,349</u>	<u>2,069,939</u>	<u>2,753,169</u>	<u>5,433,823</u>	<u>5,433,823</u>	<u>5,433,823</u>
Capital Outlay	246,561	5,000	28,000	69,000	69,000	69,000
Transfers and Other Uses	2,510,073	988,823	1,183,614	2,403,114	2,403,114	2,403,114
Contingency	-	-	945,792	628,860	628,860	628,860
Unappropriated Fund Balance	2,827,923	3,628,399	-	-	-	-
Total Policy & Administration	<u>\$ 9,696,167</u>	<u>\$ 8,839,601</u>	<u>\$ 7,357,843</u>	<u>\$14,001,429</u>	<u>\$14,001,429</u>	<u>\$14,001,429</u>

Policy and Administration Performance Measures						
Commission Goal	Milestone or Outcome	Measure	2012 Results	2013 Target	2014 Goal	2015 Goal
Seek Opportunities to Maintain Communication with Citizens and Facilitate Citizen Participation	Maintain updated records in compliance and destroy records that have reached their retention requirement (currently stored at the offsite records storage facility)	Percentage of eligible records destroyed	10%	25%	50%	100%
	Maintain all Boards and Committee meeting minutes up to date (available at the following meeting)	Percentage of meeting minutes completed and available up to date	75%	90%	100%	100%
	Education in Records Management	Percentage of staff up to date with training	N/A	75%	100%	100%
	Internet Presence	Number of Unique Visitors Monthly	N/A	26,000	30,000	30,000
Maintain Fiscal Health and Long Term Stability	Enhance financial reporting and stewardship	Number of accidents	66%	90%	90%	90%
		Time Loss	67	70	<80	<80
		Independent Auditor Opinion	Unqualified	Unqualified	Unqualified	Unqualified
		Number of Audit Adjustments	5	0	0	0
		Number of days after month-end to prepare financials	N/A	30	15	15
	Effective management of City's Right-of-Ways (ROW)	Percentage collection on identified ROWs	N/A	25%	50%	75%
	Maintain effective Municipal Court operations	Operating expenses per court case	\$92.99	\$99.87	\$100.00	\$100.00
Address Critical Facility Needs	Maintain and support electronic systems effectively and efficiently city-wide	IT Helpdesk response time: tickets closed within 10 days within 5 days	N/A N/A	76% 47%	75% 50%	75% 50%
	Complete deferred facility maintenance	Complete scheduled facility upgrades and maintenance	75%	100%	100%	100%
Enhance Livability of Community	Complete and adopt South End Concept Plan and associated code amendments	Percentage completion	10%	50%	75%	100%

N/A = Data not available / not measured during the time period.

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 2014. 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.

Every two years, the City Commission prepares goals for the upcoming year. These goals provide major policy direction for the coming biennium, specifically as they relate to budget and time allocations. The Commission goals and accomplishments are listed in the Introduction Section of this budget as they relate to the organization as a whole.

Regular Commission meetings occur twice a month with regular workshops 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

The Commission goals and accomplishments are listed in the Introduction Section of this budget as they relate to the organization as a whole and are reflected throughout this document (pages xi-xiii).



CITY COMMISSION EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Materials & Services						
Contract Services	\$ 33,803	\$ 13,472	\$ 57,200	\$ 85,000	\$ 85,000	\$ 85,000
Elections	-	8,890	10,000	20,000	20,000	20,000
Employee Costs	38,699	24,964	36,461	71,398	71,398	71,398
Neighborhood Group Costs	35,905	19,467	25,000	51,000	51,000	51,000
Office Costs	835	1,004	1,050	2,176	2,176	2,176
Operations Costs	519	2,152	2,000	10,000	10,000	10,000
Other & Miscellaneous Costs	29,380	15,104	21,045	33,000	33,000	33,000
Trail News	-	27,514	30,860	64,526	64,526	64,526
Volunteer Recognition	769	1,543	5,000	10,000	10,000	10,000
Total City Commission	\$ 139,910	\$ 114,110	\$ 188,616	\$ 347,100	\$ 347,100	\$ 347,100

BUDGET HIGHLIGHTS

This year’s budget is a combined decrease of \$7,500 from last year’s budget that included additional equipment purchases. Major expenses include:

Other & Miscellaneous Costs are composed of expenditures relating to community events and functions.

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

Contract Services include audiovisual contracts (e.g. video recording) and various consultants.

City Commission

- Mayor Doug Neeley
- Kathy Roth, Position 1
- Rocky Smith, Jr., Position 2
- Carol Pauli, Position 3
- Betty Mumm, Position 4



CITY MANAGER

OVERVIEW

The City Manager is appointed by the Commission and serves as the Chief Administrative Officer of the City. He 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 and as the Executive Director of the City's Urban Renewal Agency.

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:

- ❖ Developed project work plans to support all major Commission goals and objectives
- ❖ Monitored and communicated progress on Commission goals

- ❖ Addressed 100% of Commission goals with completion of 50% (18) and implementation of the remainder. The 18 not completed are multi-year goals which are in progress or will be ongoing.

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 listed below:

- ❖ 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	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 201,248	\$ 206,761	\$ 160,584	\$ 357,346	\$ 357,346	\$ 357,346
Benefits	94,657	100,613	77,472	181,508	181,508	181,508
Total Personnel Services	295,905	307,374	238,056	538,854	538,854	538,854
Materials & Services						
Employee Costs	5,686	5,735	6,700	14,200	14,200	14,200
Office Costs	2,119	2,574	2,900	5,885	5,885	5,885
Office Equipment	4,841	3,495	5,460	9,300	9,300	9,300
Operations Costs	1,958	261	350	720	720	720
Other & Miscellaneous Costs	120	3,569	3,800	8,150	8,150	8,150
Total Materials & Services	14,724	15,634	19,210	38,255	38,255	38,255
Capital Outlay	-	-	3,000	6,000	6,000	6,000
Total City Manager	\$ 310,629	\$ 323,008	\$ 260,266	\$ 583,109	\$ 583,109	\$ 583,109
Total FTE	2.00	2.00	1.00	1.00	1.00	1.00

BUDGET HIGHLIGHTS

The 2013-2015 biennial budget shows a combined increase over last year’s budget of \$35,000, or 6% annually, due to personnel costs. Total operating costs have been maintained at

the same level, if not reduced, over the two year period. Other and Miscellaneous Costs are composed of community functions, publications and subscriptions. Employee costs include training and memberships.



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 Citywide records management program; coordinate the agenda process for City Commission and Urban Renewal Commission meetings; process City general liability insurance claims and keep records of legal proceedings; negotiate right-of-ways and utility license franchise agreements; facilitate codification of the City Code; maintain the City's Seal; and manage the administration of City boards and committees.

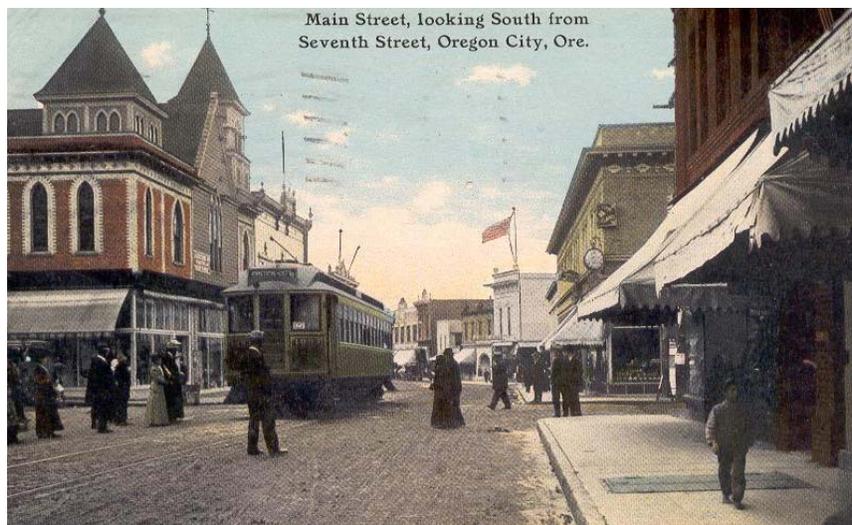
ACCOMPLISHMENTS

- ❖ Implemented “Legistar”, a new workflow system for producing agendas and minutes and providing one-stop-shopping tool for the public and staff to obtain information on City meetings
- ❖ Implemented electronic voting and recordkeeping during City meetings; meeting Commission **Goal #5** to increase communications to citizens

- ❖ Improved administration of City's boards and commissions process and launched a “Boards and Commissions Training Video” on the City's Website
- ❖ Filled 100% of openings on boards and committees
- ❖ Completed risk management training which qualified the City for a 1% discount on general liability insurance for the coming year as well as \$1,000 reduction for each bonus tract completed
- ❖ Negotiated the renewal of 2 franchise agreements and finalized a new application

GOALS AND PROJECTS

- ❖ **GOAL 5 MAINTAIN FISCAL HEALTH AND LONG TERM STABILITY**
 - ♦ Implement the City's Right-of-Way Ordinance
 - ♦ Effectively manage the City's Franchise Fees
 - ♦ Revise the 5-year Records Management Strategic Plan
 - ♦ Increase access to public records for the public via the City's Website
 - ♦ Hire Risk Specialist risk assessment and management



CITY RECORDER EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 114,422	\$ 128,484	\$ 208,272	\$ 496,587	\$ 496,587	\$ 496,587
Benefits	74,973	86,035	131,618	338,558	338,558	338,558
Total Personnel Services	189,395	214,519	339,890	835,145	835,145	835,145
Materials & Services						
Contract Services	43,630	40,811	68,295	142,000	142,000	142,000
Employee Costs	1,514	3,093	4,900	10,487	10,487	10,487
Office Costs	2,062	3,218	3,811	9,434	9,434	9,434
Office Equipment	-	-	10,000	20,000	20,000	20,000
Operations Costs	57	170	2,250	4,600	4,600	4,600
Other & Miscellaneous Costs	456	773	13,000	26,455	26,455	26,455
Total Materials & Services	47,719	48,065	102,256	212,976	212,976	212,976
Total City Recorder	\$ 237,114	\$ 262,584	\$ 442,146	\$ 1,048,121	\$ 1,048,121	\$ 1,048,121
Total FTE	2.00	2.00	3.00	4.00	4.00	4.00

BUDGET HIGHLIGHTS

This biennium’s budget includes an increase of personnel of 1.0 FTE for implementation of the City’s Right-of-Way (ROW) Ordinance and for contract review and compliance. This position is expected to be paid for with increased revenues and reduced legal fees. In the coming two years, issues that will impact the City Recorder budget are shown below.

- ❖ Finalize contract for audiovisual and cable broadcast services
- ❖ Administer the Election for charter amendment on water rate rollback, City Commission candidates, others
- ❖ Additional position (and related expenditures) for ROW ordinance and risk assessment and risk and contract management, phased in over a two-year period contingent on available funding

Operating expenses remained relatively comparable to current year budget.

Contract Services increased by \$2,700 due to an increase in records storage costs, offset by reductions in Granicus costs; expenditures include the following:

Granicus: Agenda, meeting/minutes/ website license and maintenance	\$69,840
Software training & implementation	\$8,000
Minutes transcription	\$12,000
Munimetrix annual maintenance	\$4,360
Records storage and supplies	\$23,400
Codification update	\$24,000
General Code Corp	<u>\$400</u>
Total Contract Services	\$142,000

FINANCE

OVERVIEW

The Finance Department supports responsible planning and management of the City's financial resources. Core services include: financial analysis and reporting, budget administration, treasury and debt management, accounts receivable/collections, utility customer service, municipal court administration, payroll, accounts payable, and internal auditing.

Finance forecasts operating fund balances and 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 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, collection of utility payments and general revenues, and processing payments.

Finance prepares the City for annual financial audits required under Oregon law and Federal grant audits, and produces the Comprehensive Annual Financial Report (CAFR).

The Department performs internal audits on a rotating basis and recommends control procedures for operating departments and also provides general accounting services for the South Fork Water Board and Oregon City Urban Renewal Agency.

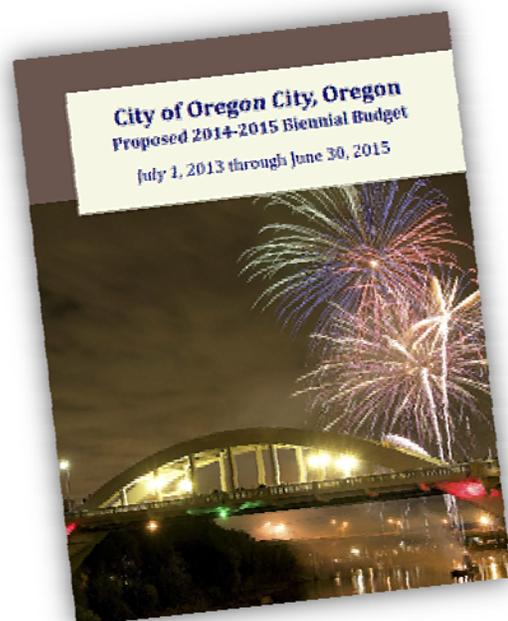
ACCOMPLISHMENTS

- ❖ Received the City's first CAFR Award for Excellence in Financial Reporting for the year ended June 30, 2011
- ❖ Submitted June 30, 2012 CAFR for award consideration
- ❖ Prepared the City's first biennial budget for the years ending June 30, 2014 and 2015

GOALS AND PROJECTS

❖ GOAL 5 MAINTAIN FISCAL HEALTH AND LONG TERM STABILITY

- ♦ Improve efficiency through automation of several department processes
- ♦ Complete review of key programs and develop written procedures to strengthen internal controls
- ♦ Implement cross training program for critical functions within the accounting division
- ♦ Develop useful and timely financial information for City Residents including a Popular Annual Financial Report
- ♦ Develop forecasts for the General Fund and major operating funds
- ♦ Adopt City-wide financial policies
- ♦ Design the Biennial Budget document to obtain the GFOA Distinguished Budget Presentation Award
- ♦ Develop and implement a formal Indirect Cost Allocation Plan
- ♦ Audit City-wide revenue systems and payment processing. Manage contract for City-wide risk assessment



FINANCE EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 270,949	\$ 299,880	\$ 375,512	\$ 796,329	\$ 796,329	\$ 796,329
Benefits	161,375	179,900	235,518	522,136	522,136	522,136
Total Personnel Services	<u>432,324</u>	<u>479,780</u>	<u>611,030</u>	<u>1,318,465</u>	<u>1,318,465</u>	<u>1,318,465</u>
Materials & Services						
Contract Services	10,100	200	20,000	26,000	26,000	26,000
Employee Costs	7,183	6,724	8,700	18,000	18,000	18,000
Office Costs	9,465	11,484	11,800	23,600	23,600	23,600
Office Equipment	41,678	43,017	62,500	125,000	125,000	125,000
Operations Costs	1,172	1,695	4,200	8,000	8,000	8,000
Other & Miscellaneous Costs	4,606	2,860	9,800	20,000	20,000	20,000
Total Materials & Services	<u>74,204</u>	<u>65,980</u>	<u>117,000</u>	<u>220,600</u>	<u>220,600</u>	<u>220,600</u>
Total Finance	<u>\$ 506,528</u>	<u>\$ 545,760</u>	<u>\$ 728,030</u>	<u>\$ 1,539,065</u>	<u>\$ 1,539,065</u>	<u>\$ 1,539,065</u>
Total FTE	4.55	4.55	5.55	5.23	5.23	5.23

BUDGET HIGHLIGHTS

The Finance Department’s budget has stayed fairly consistent over the biennium; the only increases are staffing costs. Some costs have decreased due to savings that will be realized by automating and reorganizing some key processes, including some shared savings with the Utility Customer Service Division. A reduction in part-time hours and contracted temporary labor is also reflected.

Contract Services for the two year period include:

Computer Maintenance	\$10,000
Financial Reports Design	4,000
Risk Assessment Audit	<u>\$12,000</u>

***Total Contract Services* \$26,000**

Office Equipment costs make up the largest share of the Materials and Services budget (57%). Financial Software license, maintenance and support are budgeted at \$60,000 annually and computer supplies and training make up the remaining \$2,500 each year.

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 3,600 traffic cases annually. Additionally, the Court handles approximately 500 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

- ❖ Accomplished same level of service despite an annual decrease in revenues of \$34,000 due to House Bill 2712 which increased the fees allocable to the State and reduced maximum fine amounts available to the City
- ❖ Hired new court bailiff

GOALS AND PROJECTS

- ❖ **GOAL 5 MAINTAIN FISCAL HEALTH AND LONG TERM STABILITY**
 - ♦ Implement new computer system in Court for more efficient operations including
 - decreasing file preparation time
 - coordination with the systems of neighboring jurisdictions
 - enhancing internal controls
 - ♦ Coordinate with the Police Department to integrate new Court software with the eTicket system in an effort to reduce data input redundancy for both Police and Court.



MUNICIPAL COURT EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 183,652	\$ 241,874	\$ 240,771	\$ 513,562	\$ 513,562	\$ 513,562
Benefits	123,750	150,835	161,521	358,216	358,216	358,216
Total Personnel Services	307,402	392,709	402,292	871,778	871,778	871,778
Materials & Services						
Contract Services	150,831	111,026	132,850	276,255	276,255	276,255
Employee Costs	1,350	1,577	2,050	4,287	4,287	4,287
Maintenance Costs	529	-	600	1,255	1,255	1,255
Materials	1,987	3,494	6,000	6,000	6,000	6,000
Office Costs	17,193	21,793	18,927	39,575	39,575	39,575
Office Equipment	1,866	1,914	8,460	92,707	92,707	92,707
Operations Costs	125	-	100	209	209	209
Other & Miscellaneous Costs	5,140	963	8,000	16,728	16,728	16,728
Total Materials & Services	179,021	140,767	176,987	437,016	437,016	437,016
Total Municipal Court	\$ 486,423	\$ 533,476	\$ 579,279	\$ 1,308,794	\$ 1,308,794	\$ 1,308,794
Total FTE	3.90	4.22	4.22	4.44	4.44	4.44

BUDGET HIGHLIGHTS

This biennial budget proposes funding for software purchases and training for Court operations and related to the Police Department’s eTicket system. Over the long-term, these systems will result in more efficient operations and improved revenue collection.

The Court Manager will retire in December of 2013 after 24 years. The Finance Department will recruit for a new manager beginning in July.

The contracts for Judge and court attorneys will expire and need to be renegotiated or requests for proposals issued.

There is a measure currently in the Oregon House of Representatives that would decrease

the State’s percentage of fees charged to Court and increase the fine amount for cell phone use while driving. If this measure passes, revenues will increase. While the budget does contain the estimated increase due to eTicketing, it does not include this potential revenue.

Contract Services include the following:

Court Attorneys	\$160,000
Prosecution	\$104,545
Safety Class and Certification	\$5,437
Microfiche Records & Other	<u>\$6,273</u>

Total Contract Services **\$276,255**

Office Equipment is increased to implement the new Court system. The upgrade will be paid for with revenue from Court operations (fines).

HUMAN RESOURCES

OVERVIEW

The mission of the Human Resources Department is to perform as human resources professionals for the City of Oregon City. Human Resources core services and projects support the City Commission goal of financial management as well as supporting its primary customers, the user departments. These customers include the City Manager, department heads, line managers and employees.

Key service areas include management coaching, legal compliance, recruitment / selection, classification & compensation, training, benefits administration and cost containment, labor/employee relations, and other related human resources functions. Human Resources 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. Additionally, they provide essential liaison relationships with Union representatives. The efficiency and effectiveness with which City services are delivered to the public depends, on a large part, on the quality and motivation of the workforce providing those services. The City’s employees are its most important asset in accomplishing its varied goals and objectives.

ACCOMPLISHMENTS

- ❖ Received second League of Oregon Cities and “CityCounty Insurance Services Employee Gold Safety Award”, the highest level, for loss prevention programs and overall low accident and injury rates
- ❖ Decreased premiums for Workers’ Compensation for sixth year in a row for overall safety initiatives and low incident rates
- ❖ Received certification in online applicant tracking and selection process system to allow the department to increase efficiency and effectiveness of the hiring process

GOALS AND PROJECTS

- ❖ **GOAL 5 MAINTAIN FISCAL HEALTH AND LONG TERM STABILITY**
 - ♦ Direct insurance renewal processes and employee open enrollment for all insurance contracts
 - ♦ Complete Union contract negotiations
 - ♦ Implement position control payroll processes to assist Finance Department with strengthening of internal controls



HUMAN RESOURCES EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 160,153	\$ 163,481	\$ 169,696	\$ 363,320	\$ 363,320	\$ 363,320
Benefits	81,398	85,730	98,528	222,064	222,064	222,064
Total Personnel Services	241,551	249,211	268,224	585,384	585,384	585,384
Materials & Services						
Contract Services	52,286	67,909	85,000	150,000	150,000	150,000
Employee Costs	5,073	4,390	6,400	14,050	14,050	14,050
Office Costs	2,663	2,508	2,850	5,100	5,100	5,100
Office Equipment	1,340	-	6,500	-	-	-
Operations Costs	1,091	1,293	1,350	4,000	4,000	4,000
Other & Miscellaneous Costs	-	220	-	-	-	-
Total Materials & Services	62,453	76,320	102,100	173,150	173,150	173,150
Total Human Resources	\$ 304,004	\$ 325,531	\$ 370,324	\$ 758,534	\$ 758,534	\$ 758,534
Total FTE	2.00	2.00	2.19	2.19	2.19	2.19

BUDGET HIGHLIGHTS

The biennial budget continues funding for safety and mandatory training as well as the City’s wellness program. The reduction in Office Equipment costs from prior year to current year is due to computer materials and training funded out of HR in 2013. This is budgeted in individual departments for the biennium.

Contract Services make up the majority (87%) of the Materials and Services budget and are composed of the following:

Legal fees	\$80,000
Eden software and training	\$30,000
Classification & Compensation study	\$25,000
Required safety training	\$6,000
Required supervisor training	\$5,000
Wellness program	<u>\$4,000</u>
Total Contract Services	\$150,000

ECONOMIC DEVELOPMENT

OVERVIEW

The Economic Development Department is focused on working with key stakeholders to promote economic development throughout the City in an effort to make Oregon City the best place to do business. 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.

- ❖ Strategy development geared toward business recruitment and retention of targeted industries is an ongoing mission of the program. It is the Department's goal to develop these strategies in a manner that is consistent with City goals. When necessary, the Department will recruit consultants and specialists to assist in the implementation efforts that are focused on achieving these goals and to maximize the effectiveness of the economic development program.

ACCOMPLISHMENTS

- ❖ Established partnerships with State (Business Oregon), Clackamas County,
- ❖ Greater Portland, Inc., Oregon Economic Development Association and Chamber of Commerce

- ❖ Coordinated with the Chamber of Commerce on Economic Gardening and a business assessment survey
- ❖ Established a program to welcome new business to Oregon City
- ❖ Held developer tours for the former Blue Heron site
- ❖ Developed criteria and successfully managed the Adaptive Reuse / Rehab grant program
- ❖ Identified economic development opportunity sites at the north end of downtown

GOALS AND PROJECTS

- ❖ **GOAL 1 IMPLEMENT ECONOMIC DEVELOPMENT STRATEGY AND MAINTAIN AN ENVIRONMENT FOR SUCCESS**
 - ♦ Finalize plans for Cove Project
 - ♦ Work cooperatively with Planning, Willamette Falls Legacy Project partners and other City Departments to explore Blue Heron facility/site redevelopment options
- ❖ **GOAL 3 ENHANCE THE LIVABILITY OF THE COMMUNITY**
 - ♦ Promenade and Elevator National Register



ECONOMIC DEVELOPMENT EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 103,897	\$ 76,119	\$ 100,380	\$ 203,125	\$ 203,125	\$ 203,125
Benefits	56,734	38,752	55,242	120,637	120,637	120,637
Total Personnel Services	160,631	114,871	155,622	323,762	323,762	323,762
Materials & Services						
Contract Services	-	6,199	50,000	150,000	150,000	150,000
Employee Costs	807	1,551	9,800	16,800	16,800	16,800
Office Costs	38	431	850	1,100	1,100	1,100
Operations Costs	-	425	3,200	5,865	5,865	5,865
Other & Miscellaneous Costs	175	3,768	11,250	22,500	22,500	22,500
Total Materials & Services	1,020	12,374	75,100	196,265	196,265	196,265
Total Economic Development	\$ 161,651	\$ 127,245	\$ 230,722	\$ 520,027	\$ 520,027	\$ 520,027
Total FTE	1.00	1.00	1.12	1.12	1.12	1.12

BUDGET HIGHLIGHTS

Funding for this biennium includes consultant costs for the Willamette Falls Legacy Project (Blue Heron facility and area redevelopment)

including a feasibility study, industrial lands research, and related marketing reported under Contract Services. This is being done in conjunction with the Development Services Department.

INFORMATION SERVICES

OVERVIEW

The City employs an Information Technology Supervisor who supervises technical staff in GIS, Asset Management, and contracted IT services. Other IT services include website management and support, application development, database administration, and technical user support to all departments. Information Technology supports hardware, software, networking, wireless networks, mobile infrastructure and strategic technical plans. Supported services include eMail and webmail, virtual private network (VPN), active directory administration, archiving, Structured Query Language (SQL) database support, and departmental-specific application support. Certain networking activities require cooperation with other Regional, County, and State agencies. Security activities include firewalls, use of SSL certificates, secure online payment processing, virus protection, data backup and disaster-recovery.

ACCOMPLISHMENTS

- ❖ Added Sharepoint Services for improved document and cross-departmental communication
- ❖ Implemented automated Bids and Request for Proposals (RFP) website
- ❖ Rebuilt Pioneer Community Center Website
- ❖ Added mobile and desktop kiosk capability
- ❖ Supported 100+ desktops and end-user hardware and software
- ❖ Supported 20+ Servers, Voice over Internet Protocol (VoIP) phones and associated network equipment

GOALS AND PROJECTS

- ❖ **GOAL 2 ADDRESS CRITICAL FACILITY NEEDS**
 - ♦ Review technology services contract to address the following:

- Network assessment
- High level project management
- Security
- User support
- ♦ As part of the overall comprehensive review, the department wishes to migrate to a virtualized server environment to accomplish the following:
 - Create redundancy in data availability and backups
 - Maximize uptime
 - Reduce equipment replacement costs
- ♦ Extend fiber optic connectivity to Cemetery and Pool
- ♦ Increase remotely managed services for network and desktops, increase responsiveness for hardware and software troubleshooting
- ❖ **GOAL 4 SEEK OPPORTUNITIES TO MAINTAIN COMMUNICATION WITH CITIZENS AND FACILITATE CITIZEN PARTICIPATION**
 - ♦ Expand use and access to Document Management system, email records, and public records request
 - ♦ Add Mobile technology as a resource for employee work and public feedback tool



INFORMATION SERVICES EXPENDITURES

Description	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 44,139	\$ 45,408	\$ 46,320	\$ 96,265	\$ 96,265	\$ 96,265
Benefits	19,891	19,813	26,191	58,267	58,267	58,267
Total Personnel Services	64,030	65,221	72,511	154,532	154,532	154,532
Materials & Services						
Contract Services	30,730	38,123	30,000	100,945	100,945	100,945
Employee Costs	-	99	1,200	4,000	4,000	4,000
Office Costs	1,578	2,131	2,000	6,596	6,596	6,596
Office Equipment	183,595	201,085	237,000	516,000	516,000	516,000
Other & Miscellaneous Costs	4,166	922	4,500	5,000	5,000	5,000
Total Materials & Services	220,069	242,360	274,700	632,541	632,541	632,541
Capital Outlay	21,011	5,000	-	38,000	38,000	38,000
Total Information Services	\$ 305,110	\$ 312,581	\$ 347,211	\$ 825,073	\$ 825,073	\$ 825,073
Total FTE	0.50	0.50	0.50	0.50	0.50	0.50

BUDGET HIGHLIGHTS

The Information Services budget includes funding to accomplish the major goals of increasing responsiveness and mobility. Overall, the proposal is for a 37% increase over the two years and is explained below:

Contract Services totals \$100,945, an increase of \$28,500 in 2014 and a decrease in 2015 of \$16,000 for fiber installation and virtualization implementation in 2014:

Iron Mountain data backup	\$30,450
Web hosting	\$17,661
OC Requests	\$9,744
Fiber Install	\$10,000
Software subscriptions	\$6,090
Virtualization implementation	<u>\$27,000</u>
Total Contract Services	\$100,945

Office Equipment totals \$516,000 for the biennium, an increase of \$21,000 for anticipated increase in the IT services and additional consulting for the police department network infrastructure:

Core IT consulting services	\$240,000
Audiovisual & field technology	\$95,000
Police and network consulting	\$60,000
Citywide support	\$50,000
Wireless mesh (Public Works and Police remote sites)	\$10,000
Network equipment	\$10,000
SharePoint, mobile, and network training	\$12,000
Miscellaneous peripherals	\$4,000
Citywide software (Microsoft, Adobe, Project)	<u>\$35,000</u>
Total Office Equipment	\$516,000

LEGAL

OVERVIEW

Contracting legal services provides the City with access to expert advice that specialized in-house counsel may not be able to provide. A firm of lawyers can coordinate areas of expertise and availability without the City incurring the expense of having to staff a full legal department. Activities include preparing contracts and ordinances, providing legal advice and support, representing the City in all civil litigation and appellate cases, attendance at all City Commission meetings to monitor the proceedings. Control of the expenditures for legal services resides with the City Manager.

ACCOMPLISHMENTS

- ❖ Successfully assisted in the development and adoption of the City’s Right-of-Way Ordinance

GOALS AND PROJECTS

- ❖ Continue to provide expert legal advice to Commission and City Departments
- ❖ Continue to provide clear analyses and alternate suggestions for resolution of issues and informed decision making
- ❖ Continue to monitor legal expenses and reimbursements

LEGAL EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Materials & Services						
Contract Services	\$ 362,164	\$ 390,353	\$ 301,900	\$ 621,000	\$ 621,000	\$ 621,000
Total Legal	\$ 362,164	\$ 390,353	\$ 301,900	\$ 621,000	\$ 621,000	\$ 621,000

BUDGET HIGHLIGHTS

The Legal budget remains fairly consistent with the 2013 budget but represents a decrease from actual spending in prior years due to implementation of ROW Ordinance and the addition of staff to assist with implementation

and risk management. The individual legal spending by program is shown in the next page. Legal expenses are all budgeted in the General Fund and then reimbursed through interfund transfers by the different funds housing those programs.

LEGAL EXPENDITURES BY TYPE

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
City Commission Meetings	\$ 87,274	\$ 68,850	\$ 65,000	\$ 110,000	\$ 110,000	\$ 110,000
City Manager	14,082	17,864	3,000	20,000	20,000	20,000
City Recorder	10,940	14,726	1,000	32,000	32,000	32,000
City Ordinances	17,621	18,094	12,000	20,000	20,000	20,000
Personnel and Labor Issues	7,893	7,860	5,000	6,000	6,000	6,000
Finance and Purchasing	8,532	24,879	8,000	30,000	30,000	30,000
Community Development	85,769	100,612	6,000	184,000	184,000	184,000
Court	12,245	210	2,000	2,000	2,000	2,000
Police Department	860	3,930	3,000	4,000	4,000	4,000
Library	15,230	10,168	3,000	60,000	60,000	60,000
Parks & Recreation	12,066	19,741	7,900	37,000	37,000	37,000
Public Works	57,296	25,027	6,200	61,000	61,000	61,000
Urban Renewal	15,091	34,781	-	15,000	15,000	15,000
Cable TV	11,255	38,174	30,000	30,000	30,000	30,000
Other	120	2,329	500	-	-	-
Out of Pocket Costs	5,890	3,108	3,500	10,000	10,000	10,000
Total Legal	\$ 362,164	\$ 390,353	\$ 156,100	\$ 621,000	\$ 621,000	\$ 621,000

NON-DEPARTMENTAL

OVERVIEW

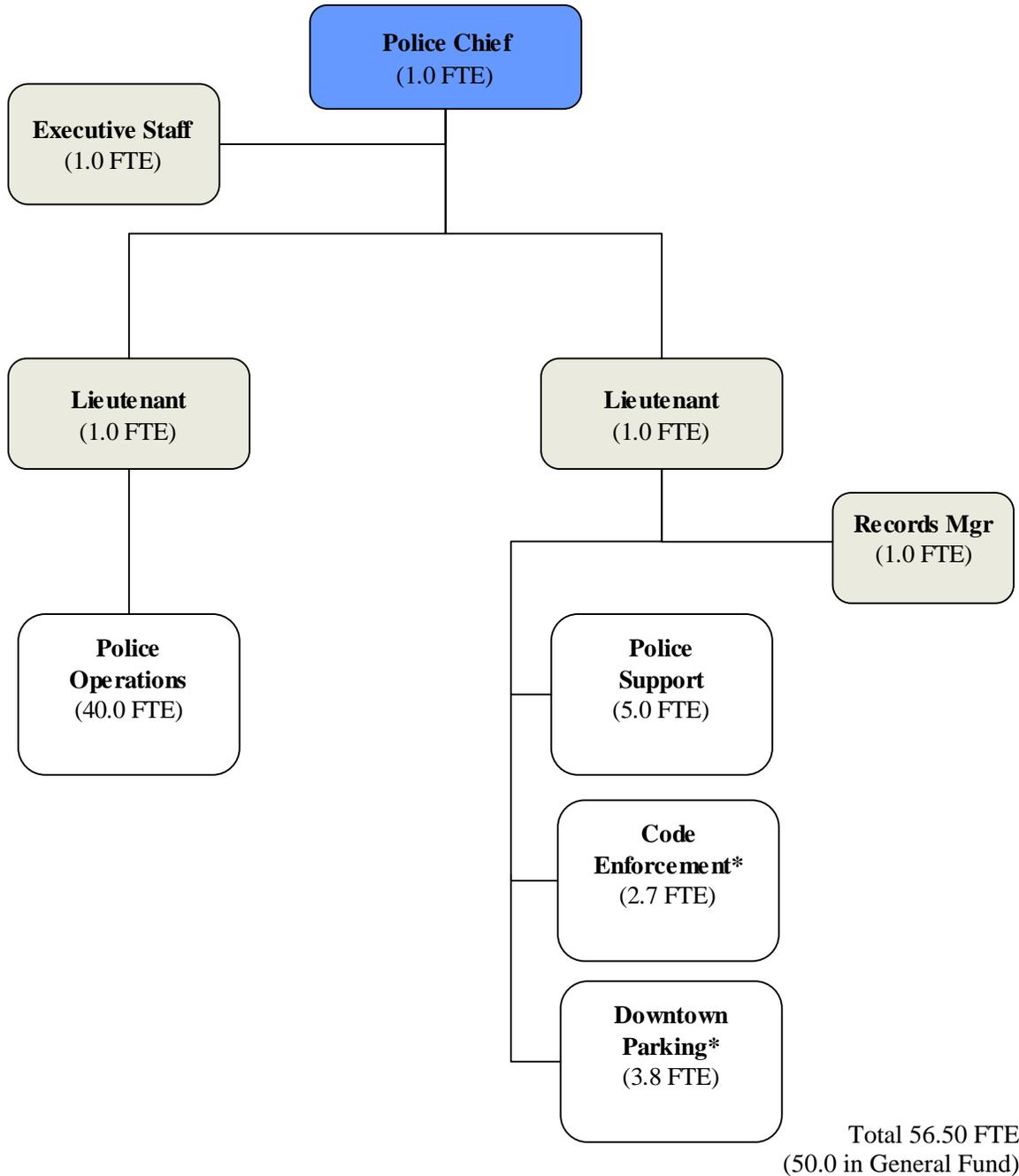
Expenditures that relate to all General Fund Departments or the City as a whole are reported as “Non-Departmental”. These include city hall building maintenance and utilities, citywide insurance, annual audit costs, postage, and

streetlights. Capital Outlay contains funding for a proposed remodel to the mail and supply room to convert to a much-needed conference room (\$23,000) and Risk Management Coordinator office space (\$2,000). Important community projects and expenditures are allocated to other departments through transfers and are included as well.

NON-DEPARTMENTAL EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 64,961	\$ 80,151	\$ 89,454	\$ 187,858	\$ 187,858	\$ 187,858
Benefits	227,062	243,604	270,189	650,854	650,854	650,854
Total Personnel Services	292,023	323,755	359,643	838,712	838,712	838,712
Materials & Services						
Audit Expense	30,605	31,850	38,000	81,000	81,000	81,000
Blue Heron Expenditures	-	16,956	225,000	270,000	270,000	270,000
Building Maintenance - City Hall	102,089	52,221	48,000	106,060	106,060	106,060
Building Maintenance - EOT	-	-	70,000	140,000	140,000	140,000
Employee Costs	-	390	1,000	2,030	2,030	2,030
Insurance	334,159	311,181	370,000	718,360	718,360	718,360
Materials	-	-	-	-	-	-
Office Costs	53,940	30,683	38,800	79,450	79,450	79,450
Office Equipment	1,010	16,785	52,500	53,795	53,795	53,795
Operations Costs	828	1,801	2,000	8,120	8,120	8,120
Other & Miscellaneous Costs	52,714	24,179	40,000	40,000	40,000	40,000
Other Contract Services	17,090	13,201	47,000	57,855	57,855	57,855
Other Special Programs	2,118	4,228	8,000	14,150	14,150	14,150
Street Lighting	388,491	401,651	390,000	852,600	852,600	852,600
Utilities	44,021	43,878	50,000	101,500	101,500	101,500
Willamette Falls Area Heritage Coalition	-	15,000	15,000	30,000	30,000	30,000
Total Materials & Services	1,027,065	964,004	1,395,300	2,554,920	2,554,920	2,554,920
Capital Outlay	225,550	-	25,000	25,000	25,000	25,000
Transfers & Other Uses						
Building Operations	287,236	-	221,706	176,000	176,000	176,000
Building Reserve - Library	196,145	202,029	208,090	435,096	435,096	435,096
Community Development	397,962	311,875	388,935	979,000	979,000	979,000
Engineering	-	85,111	85,982	390,000	390,000	390,000
Ermatinger Restoration	-	250,000	100,000	150,000	150,000	150,000
Fleet Reserve	-	-	35,000	12,000	12,000	12,000
Geographic Information Systems	57,950	57,950	57,950	75,900	75,900	75,900
Street-Elevator	70,780	81,858	85,951	185,118	185,118	185,118
Loan to South Fork Water Board	1,500,000	-	-	-	-	-
Total Transfers & Other Uses	2,510,073	988,823	1,183,614	2,403,114	2,403,114	2,403,114
Contingency	-	-	945,792	628,860	628,860	628,860
Unappropriated Fund Balance	2,827,923	3,628,399	-	-	-	-
Total Non-Departmental	\$ 6,882,634	\$ 5,904,981	\$ 3,909,349	\$ 6,450,606	\$ 6,450,606	\$ 6,450,606

Police



* Code and Downtown Parking functions report to Police but are not in the General Fund; the FTEs and budgeted expenses are reported within their respective funds.

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.

The Department is part of the community and serves its citizens with integrity, courage, professionalism, excellence and commitment.

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.

DEPARTMENT GOALS

- ❖ **GOAL 2 ADDRESS CRITICAL FACILITY NEEDS**
 - Police Station needs to be brought up to seismic standards by 2022 through either remodeling the current facility or building a new station
- ❖ **GOAL 3 ENHANCE THE LIVABILITY OF THE COMMUNITY**
 - Increase traffic enforcement to address community concerns
- ❖ **GOAL 4 SEEK OPPORTUNITIES TO MAINTAIN COMMUNICATIONS WITH CITIZENS AND FACILITATE CITIZEN PARTICIPATION**
 - Continue educational and outreach programs

SIGNIFICANT BUDGET CHANGES

- ❖ Increased staffing by three (3) sworn officers to keep pace with the community growth and bring the department in line with state staffing levels

Police Department Performance Measures						
Commission Goal	Milestone or Outcome	Measure	2012 Results	2013 Target	2014 Goal	2015 Goal
Enhance the Livability of the Community	Increased safety (additional Property Detective)	Increase in closed property cases (monthly)	N/A	N/A	5	5
	Reduction in accidents (additional Traffic Officer)	Moving violations per traffic officer (monthly)	N/A	N/A	130	130
Seek Opportunities to Maintain Communication with Citizens and Facilitate Citizen Participation	Increased community outreach	Neighborhood Group Meetings attended (monthly)	N/A	3	5	5
		Annual community events organized	N/A	5	10	10

N/A = Data not available / not measured during the time period.

POLICE DEPARTMENT EXPENDITURES (COMBINED)

<u>Description</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013-2015 Proposed</u>	<u>2013-2015 Approved</u>	<u>2013-2015 Adopted</u>
Personnel Services						
Salaries	\$ 3,472,541	\$ 3,524,551	\$ 3,698,059	\$ 8,050,958	\$ 8,050,958	\$ 8,050,958
Benefits	2,040,037	2,143,828	2,314,809	5,161,585	5,161,585	5,161,585
Total Personnel Services	<u>5,512,578</u>	<u>5,668,379</u>	<u>6,012,868</u>	<u>13,212,543</u>	<u>13,212,543</u>	<u>13,212,543</u>
Materials & Services						
Contract Services	380,326	383,144	427,270	835,385	835,385	835,385
Employee Costs	90,593	74,396	107,623	227,909	227,909	227,909
Maintenance Costs	64,795	68,498	103,433	171,129	171,129	171,129
Materials	335	1,022	106,416	224,680	224,680	224,680
Office Costs	68,656	50,596	57,575	120,358	120,358	120,358
Office Equipment	12,402	8,839	8,310	17,375	17,375	17,375
Operations Costs	242,698	280,266	172,907	354,198	354,198	354,198
Other & Miscellaneous Costs	131,311	112,544	100,060	249,312	249,312	249,312
Special Programs	42,610	29,845	60,185	120,670	120,670	120,670
Total Materials & Services	<u>1,033,726</u>	<u>1,009,150</u>	<u>1,143,779</u>	<u>2,321,016</u>	<u>2,321,016</u>	<u>2,321,016</u>
Capital Outlay	13,952	-	7,000	64,500	64,500	64,500
Transfers	124,000	84,000	135,000	316,000	316,000	316,000
Total Police Department	<u>\$ 6,684,256</u>	<u>\$ 6,761,529</u>	<u>\$ 7,298,647</u>	<u>\$ 15,914,059</u>	<u>\$ 15,914,059</u>	<u>\$ 15,914,059</u>



POLICE OPERATIONS

OVERVIEW

This program funds that portion of the police budget most visible to the public, the Operations or Patrol (Uniform) Division. The most important function of the police department is answering emergency 9-1-1 calls. Staffing for Police Operations includes 40 sworn officers, supported by a reserve police officer unit. The sworn staff, at full strength, consists of the Chief of Police (allocated between Operations and Support), 2 lieutenants, 6 patrol sergeants, 1 Tri-Met officer, 1 school resource officer and 24 patrol officers. Officers from the patrol division include 2 K-9 units and 2 members of the Clackamas County Sheriff's Office Multi-Agency SWAT team. 5 Detectives are assigned to the Support Division

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

ACCOMPLISHMENTS

- ❖ Adopted entirely new policy manual and system. This was done through the purchase of a program called Lexipol. This risk management based system provides the department with a current policy manual that is continuously updated to meet changes in case law, best practices and legislative changes. It also puts the department in a better position from a risk management perspective and additionally lowered the department's liability insurance cost.
- ❖ Started OCPD Neighborhood Police Liaison program, assigning an individual officer to each of the City's Neighborhood Associations.
- ❖ Through the new policy system, started a Daily Training Bulletin (DTB) program, providing our officers with training every day of the month. This training covers everything from workplace issues to use of force issues.

- ❖ Overhauled training program to include annual training plan and improved instructor development.
- ❖ Conducted complete department-wide refresher training on domestic violence.
- ❖ Continued community partnership programs such as Meet Your Police, Chief's Advisory Group, and National Night Out to educate and interact with members of the public.
- ❖ Developed Neighborhood Watch program, assigning a records staff member to manage the program.
- ❖ Purchased Automated License Plate Reader (ALPR) and software; and implemented program for its use.
- ❖ Researched, chose and purchased employee scheduling software.
- ❖ The Police Department was awarded a grant through ODOT for the purchase of the eTicket program which allows the officers to electronically print citations. The program removes the necessity for police records and municipal court employees to manually enter citation information thereby eliminating redundancy and increasing efficiency. The grant amount was just under \$70,000.

GOALS AND PROJECTS

- ❖ Assess our current community policing efforts and make adjustments as needed
- ❖ Purchase software and implement comprehensive plan for usage of the Automated License Plate Reader
- ❖ Increase traffic enforcement, specifically in the areas of Speeding, Failure to Obey a Traffic Control Device and Following Too Closely
- ❖ Reduce our City's numbers of injury and non-injury crashes.
- ❖ Increase the police staffing levels in accordance with the 2004 Blue Ribbon Task Force recommendations

POLICE OPERATIONS EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$2,989,015	\$3,011,967	\$3,209,660	\$7,063,676	\$7,063,676	\$7,063,676
Benefits	1,741,244	1,833,314	1,980,711	4,426,651	4,426,651	4,426,651
Total Personnel Services	<u>4,730,259</u>	<u>4,845,281</u>	<u>5,190,371</u>	<u>11,490,327</u>	<u>11,490,327</u>	<u>11,490,327</u>
Materials & Services						
Contract Services	50,301	60,962	71,990	156,586	156,586	156,586
Employee Costs	82,176	63,851	96,268	204,166	204,166	204,166
Maintenance Costs	1,282	761	1,385	-	-	-
Materials	335	1,022	106,416	224,680	224,680	224,680
Office Costs	2,569	3,675	4,592	9,602	9,602	9,602
Office Equipment	8,791	5,319	4,573	9,562	9,562	9,562
Operations Costs	232,649	269,031	161,642	330,669	330,669	330,669
Other & Miscellaneous Costs	89,890	80,837	58,737	114,099	114,099	114,099
Special Programs	41,765	27,808	43,302	86,904	86,904	86,904
Total Materials & Services	<u>509,758</u>	<u>513,266</u>	<u>548,905</u>	<u>1,136,268</u>	<u>1,136,268</u>	<u>1,136,268</u>
Capital Outlay	13,952	-	7,000	64,500	64,500	64,500
Transfer to Fleet	124,000	84,000	135,000	276,000	276,000	276,000
Total Police Operations	<u>\$5,377,969</u>	<u>\$5,442,547</u>	<u>\$5,881,276</u>	<u>\$12,967,095</u>	<u>\$12,967,095</u>	<u>\$12,967,095</u>
Total FTE	39.00	39.00	39.00	42.00	42.00	42.00

BUDGET HIGHLIGHTS

Materials and Services expenses remained relatively consistent in the biennium. Increases to Personnel are related to the three new officers anticipated to be hired in 2014, in conjunction with overall staffing cost increases.

Operations Costs includes vehicle and building maintenance for the Department. Materials include fuel, investigation, crime prevention, and prisoner supplies and materials. Employee Costs relate to training materials and classes, uniforms, and laundry costs.

Contract Services are broken out below:

Public Safety Chaplaincy	5,040
Firearms range costs	13,886
Personal development	4,404
Netmotion (mobile workforce security software)	4,200
Clackamas County 800 MHz	73,950
Oregon Accreditation Association	1,550
Data Cards, Pager	27,936
Flash News	420
Forensics Software Maintenance	7,600
Lexipol (public safety risk management)	11,100
MapFinder (US Geological Survey Topographic Map Index)	1,700
Arbour & Assoc parking spaces	<u>4,800</u>
Total Contract services	\$156,586

POLICE SUPPORT AND COMMUNICATIONS

OVERVIEW

The Police Support Services functions to carry out the directives of the Police Department in support of strategic plans and objectives. This program funds personnel and services that support and enhance the general Police Operations. It is also responsible for administrative functions such as technological support, training, evidence control, communications liaison, dispatch center, policy and procedures, and community service / public education coordination. Police Communications includes the dispatch contract with Clackamas County.

Personnel staffing include; 3 police records specialists and a records unit manager assigned to records, an evidence/property control officer, a community service officer, and an administrative assistant to the Chief of Police. Additionally, one-half of the salary/benefit cost for the Chief of Police, and the support services lieutenant position are contained in this portion of the police budget.

ACCOMPLISHMENTS

- ❖ Trained an additional officer in Computer Forensics; which includes personal communication devices. This position analyzes computers and personal communication devices to assist in investigations such as child pornography, drugs trafficking and financial crimes.
- ❖ Continued development and implementation of Community Policing strategies.
- ❖ Continued digital archiving of old homicide investigative files to maintain integrity of investigations.
- ❖ Continued digital archiving of case files and purged files as required by retention period schedules.
- ❖ Continued investigation of cold case homicides.

- ❖ Continued Citizens Academy and included involvement of past graduates in future planning.
- ❖ Hired one new records specialist.
- ❖ Continued training for Community Service Officer specializing in Computer Forensics; this position was instrumental in the investigation, arrest and prosecution of several suspects involved in child pornography.
- ❖ Re-organized the Property & Evidence control officer position. The position is now a Community Service officer position and one of the collaborated duties of the position is being responsible for Property & Evidence control.
- ❖ Distribute police reports electronically to neighboring agencies and community partners.
- ❖ Completed a complete inventory audit of our property and evidence room.

GOALS AND PROJECTS

- ❖ Continue participation in Clackamas County multi-agency Major Crimes Team, Child Abuse and Vulnerable Adult team.
- ❖ Continue computer Forensic Analysis program to identify and arrest suspects involved in child pornography, drugs trafficking and financial crimes.
- ❖ Continue investigation of cold homicide cases.
- ❖ Continue monthly meetings with Chief's Advisory Group and communication with active neighborhood associations.
- ❖ Continue sponsorship and evolution of National Night Out and Youth Summer Camp.
- ❖ Assign one of the three (3) projected additional positions to the detective division to focus on reducing property crimes.
- ❖ Implement bar code scanning system for all property received in the property and evidence room.

POLICE SUPPORT EXPENDITURES

<u>Description</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013-2015 Proposed</u>	<u>2013-2015 Approved</u>	<u>2013-2015 Adopted</u>
Personnel Services						
Salaries	\$ 483,526	\$ 512,584	\$ 488,399	\$ 987,282	\$ 987,282	\$ 987,282
Benefits	298,793	310,514	334,098	734,934	734,934	734,934
Total Personnel Services	<u>782,319</u>	<u>823,098</u>	<u>822,497</u>	<u>1,722,216</u>	<u>1,722,216</u>	<u>1,722,216</u>
Materials & Services						
Contract Services	37,489	12,442	42,503	30,636	30,636	30,636
Employee Costs	8,417	10,545	11,355	23,743	23,743	23,743
Maintenance Costs	63,513	67,737	102,048	171,129	171,129	171,129
Office Costs	66,087	46,921	52,983	110,756	110,756	110,756
Office Equipment	3,611	3,520	3,737	7,813	7,813	7,813
Operations Costs	10,049	11,235	11,265	23,529	23,529	23,529
Other & Miscellaneous Costs	41,421	31,707	41,323	135,213	135,213	135,213
Special Programs	845	2,037	16,883	33,766	33,766	33,766
Total Materials & Services	<u>231,432</u>	<u>186,144</u>	<u>282,097</u>	<u>536,585</u>	<u>536,585</u>	<u>536,585</u>
Transfers to Building Reserves	-	-	-	40,000	40,000	40,000
Total Police Support	<u>\$1,013,751</u>	<u>\$1,009,242</u>	<u>\$1,104,594</u>	<u>\$2,298,801</u>	<u>\$2,298,801</u>	<u>\$2,298,801</u>
Total FTE	8.50	8.00	8.00	8.00	8.00	8.00

POLICE COMMUNICATION EXPENDITURES

<u>Description</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013-2015 Proposed</u>	<u>2013-2015 Approved</u>	<u>2013-2015 Adopted</u>
Materials & Services						
Contract Services	\$ 292,536	\$ 309,740	\$ 312,777	\$ 648,163	\$ 648,163	\$ 648,163
Total Police Communications	<u>\$ 292,536</u>	<u>\$ 309,740</u>	<u>\$ 312,777</u>	<u>\$ 648,163</u>	<u>\$ 648,163</u>	<u>\$ 648,163</u>

BUDGET HIGHLIGHTS

Materials and Services expenses remained relatively consistent in the biennium.

Contract Services in *Police Support* are broken out below:

Juvenile Diversion Program	\$9,000
In Time Services Scheduling	\$8,800
Police Software Maintenance	\$5,350
Training and Development	\$2,800
Oregon Accreditation	\$1,550
Water Systems and Supplies	\$1,236
Armored Service	\$1,100
Iron Mountain (Shredding)	<u>\$800</u>
Total Contract services	\$30,636

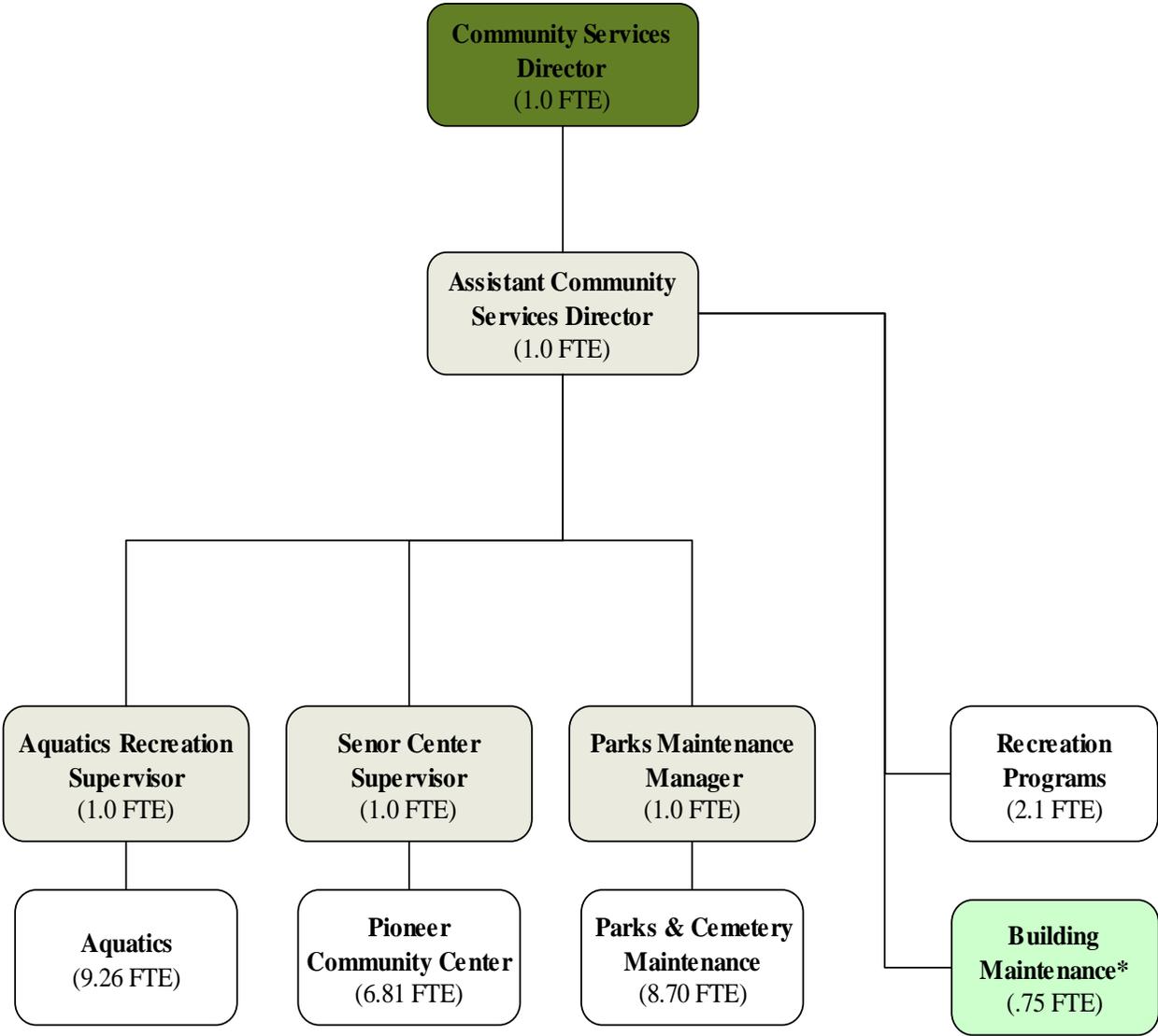
Decrease to Contract Services is due to the reduction of the Juvenile Diversion Program costs.

Other & Miscellaneous Costs include equipment rental costs and replacement of small equipment and parts.

Contract Services in *Police Communication* contain the contract for dispatch through Clackamas County Department of Communications (C-COM),



Community Services



Total 31.87 FTE
(Excluding Building Maintenance)

* Building Maintenance function reports to Assistant Community Services Director. However, the FTE and budgeted expenses are reported within Policy and Administration Department as Non-Departmental

Community Services Department

OVERVIEW

The Community Services 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 Community Services Department are assigned to five major programs: Parks Operations Maintenance, Aquatics, Recreation, Pioneer Adult Community Center, and Mt. View Cemetery.

MISSION

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

DEPARTMENT GOALS

- ❖ **GOAL 2 ADDRESS CRITICAL FACILITY NEEDS**
 - Pursue grants and funding for historical homes and museums

(Ermatinger House, End of Oregon Trail Interpretive Center)

- Replace failing and inefficient equipment
- Plan for building repair and maintenance

❖ GOAL 3 ENHANCE THE LIVABILITY OF THE COMMUNITY

- Continue to provide recreational programs and events to engage the community
- Continue to provide meals to low income/homebound residents

❖ GOAL 5 MAINTAIN FISCAL HEALTH AND LONG TERM STABILITY

- Consider implementing and develop plan for Parks Maintenance Utility Fee

SIGNIFICANT BUDGET CHANGES

- ❖ Combined Parks Maintenance and Cemetery Maintenance for improved administration and reporting
- ❖ Converted part time assistant to full time

Community Services Department Performance Measures						
Commission Goal	Milestone or Outcome	Measure	2012 Results	2013 Target	2014 Goal	2015 Goal
Address Critical Facility Needs	Complete key facility upgrades	% of scheduled projects completed	N/A	100%	100%	100%
	Complete Parks Master Plan	Master Plans Completed	N/A	N/A	1 (Glen Oak)	1 (Filbert Run)
Enhance the Livability of the Community	Community outreach	Number of meals served (congregate and Meals on Wheels)	40,539	38,000	38,000	38,000
	Recreational opportunities	Annual Senior recreation registrations	N/A	N/A	25,000	25,000
		Annual pool visits		120,434	110,000	112,000

N/A = Data not available / not measured during the time period.

DEPARTMENT EXPENDITURES (COMBINED)

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 1,277,270	\$ 1,294,970	\$ 1,384,870	\$ 2,954,769	\$ 2,954,769	\$ 2,954,769
Benefits	649,723	689,949	778,197	1,756,870	1,756,870	1,756,870
Total Personnel Services	1,926,993	1,984,919	2,163,067	4,711,639	4,711,639	4,711,639
Materials & Services						
Contract Services	7,962	7,093	17,407	34,498	34,498	34,498
Employee Costs	15,748	27,769	29,507	61,649	61,649	61,649
Maintenance Costs	325,350	351,091	312,101	662,961	662,961	662,961
Materials	64,796	45,623	77,444	144,789	144,789	144,789
Office Costs	57,319	60,603	62,946	130,064	130,064	130,064
Office Equipment Costs	1,139	928	3,355	9,331	9,331	9,331
Operations Costs	138,519	126,384	74,669	166,079	166,079	166,079
Other & Miscellaneous Costs	18,349	11,250	19,291	43,836	43,836	43,836
Special Programs	158,872	166,342	198,289	414,964	414,964	414,964
Total Materials & Services	788,054	797,083	795,009	1,668,171	1,668,171	1,668,171
Capital Outlay	126,770	287,731	120,211	449,397	449,397	449,397
Transfers & Other Uses	140,000	140,000	153,554	308,000	308,000	308,000
Total Community Services	\$ 2,981,817	\$ 3,209,733	\$ 3,231,841	\$ 7,137,207	\$ 7,137,207	\$ 7,137,207

Parks & 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. Lattourette																							
End of the Trail																							
Hartke																							
Hazelwood																							
Hillendale																							
Jon Storm																							
McLoughlin Promenade																							
Old Canemah																							
Park PlacePark Place																							
Richard Bloom Sr. Tot Lot																							
River Access Trail																							
Rivercrest																							
Shenandoah																							
Singer Creek																							
Sportcraft																							
Stafford																							
Waterboard Park																							
Wesley Lynn																							

PARKS AND CEMETERY MAINTENANCE

OVERVIEW

Parks and Cemetery Maintenance provide the community with a system of neighborhood, community, and regional parks, which include play equipment, sports facilities and open green spaces. They ensure these facilities are safe, clean and green, and provide picnic facilities, shelters, restrooms and other facilities to support an active recreation program.

Cemetery Operations provide families with their needs for loved ones 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

- ❖ Have identified and removed hazard trees as budget allows
- ❖ Continued partnering with Oregon City High School Construction Corps with improvements to Oregon City Parks
- ❖ Continued to identify sites and plant trees and native plant material as part of re-forestation goals

GOALS AND PROJECTS

- ❖ Maintain city parks and open spaces to the highest possible standards with our available resources
- ❖ Identify and repair/replace aged infrastructure throughout park system (trails, sidewalks, play equipment) as possible with limited funds

- ❖ Continue program of invasive plant species eradication and re-plant with native species
- ❖ Coordinate projects with volunteer groups and individuals to support our parks management system
- ❖ Complete master plan for Clackamette RV Park and seek funding implementation of improvements
- ❖ Support initiation of re-forestation goal
- ❖ Continue exploration of a Parks & Open Spaces Utility Fee
- ❖ Apply for grants to design and start construction of new cremation niche garden
- ❖ Provide outstanding customer service to individuals and families
- ❖ Finish cremation garden started last year and start selling lots as soon as possible
- ❖ Continue training of office staff to facilitate sales and customer service
- ❖ Continue expanding burial options: design new nature walk/cremation area; natural area cremation scattering
- ❖ Design and install new landscaping throughout cemetery grounds to improve appearance and sales
- ❖ Host social events to raise community awareness of Mountain View Cemetery
- ❖ Explore new software programs to update cemetery database
- ❖ Start construction on Parents of Murdered Children memorial
- ❖ Expansion of office hours if part-time budget is increased



PARKS & CEMETERY MAINTENANCE EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 500,620	\$ 521,523	\$ 545,660	\$ 1,180,425	\$ 1,180,425	\$ 1,180,425
Benefits	291,345	318,834	321,947	768,423	768,423	768,423
Total Personnel Services	791,965	840,357	867,607	1,948,848	1,948,848	1,948,848
Materials & Services						
Contract Services	1,536	6,510	14,031	27,438	27,438	27,438
Employee Costs	6,201	12,323	11,000	23,921	23,921	23,921
Maintenance Costs	109,226	118,081	81,700	181,216	181,216	181,216
Materials	52,783	34,918	66,036	119,402	119,402	119,402
Office Costs	17,342	17,603	16,684	37,427	37,427	37,427
Office Equipment Costs	1,139	928	3,355	9,331	9,331	9,331
Operations Costs	87,010	73,346	51,502	119,174	119,174	119,174
Other & Miscellaneous Costs	5,877	484	7,669	16,035	16,035	16,035
Special Programs	25,215	63,689	70,647	143,547	143,547	143,547
Total Materials & Services	306,329	327,882	322,624	677,491	677,491	677,491
Capital Outlay	116,570	236,731	9,287	191,890	191,890	191,890
Transfers to Fleet	140,000	140,000	153,554	308,000	308,000	308,000
Total Parks & Cemetery Maintenance	\$ 1,354,864	\$ 1,544,970	\$ 1,353,072	\$ 3,126,229	\$ 3,126,229	\$ 3,126,229

Total FTE 10.11 10.05 10.15 10.35 10.35 10.35

BUDGET HIGHLIGHTS

This budget combines Parks and Cemetery Operations for efficiency and more accurate reporting. The prior year actual totals and current year budget numbers have been adjusted to combined totals for ease of review and reporting. Overall, the budget shows an 8% increase, mostly due to staff costs. Significant expenses are highlighted below:

Maintenance Costs: Expenditures are broken down as follows:

Building Maintenance	\$59,136
Grounds Maintenance	\$63,620
Utilities	<u>\$58,460</u>
Total Maintenance Costs	\$181,216

Materials Costs account for materials purchased for both parks and the cemetery operations

including chemicals, boxes and liners, headstones, and name plates.

Operations Costs refer to supplies and equipment maintenance; Vehicle Maintenance, at \$98,398, accounts for the majority of these costs.

Special Programs include the Waterway Land Lease and the Transient Room Tax; the Tree Replacement Program, at \$100,000 for the biennium, accounts for the majority of these costs.

Capital Outlay includes replacement of play structures at Barclay Hills and Chapin Park; also funds repairs to Chapin Park parking lot.

Transfers to Fleet include funding to replace a mower, two Gators, and a truck that have exceeded their life cycles.

RECREATION AQUATICS

OVERVIEW

The Aquatics Program strives to meet high standards in aquatic safety, service and facility maintenance by providing the community with a 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.

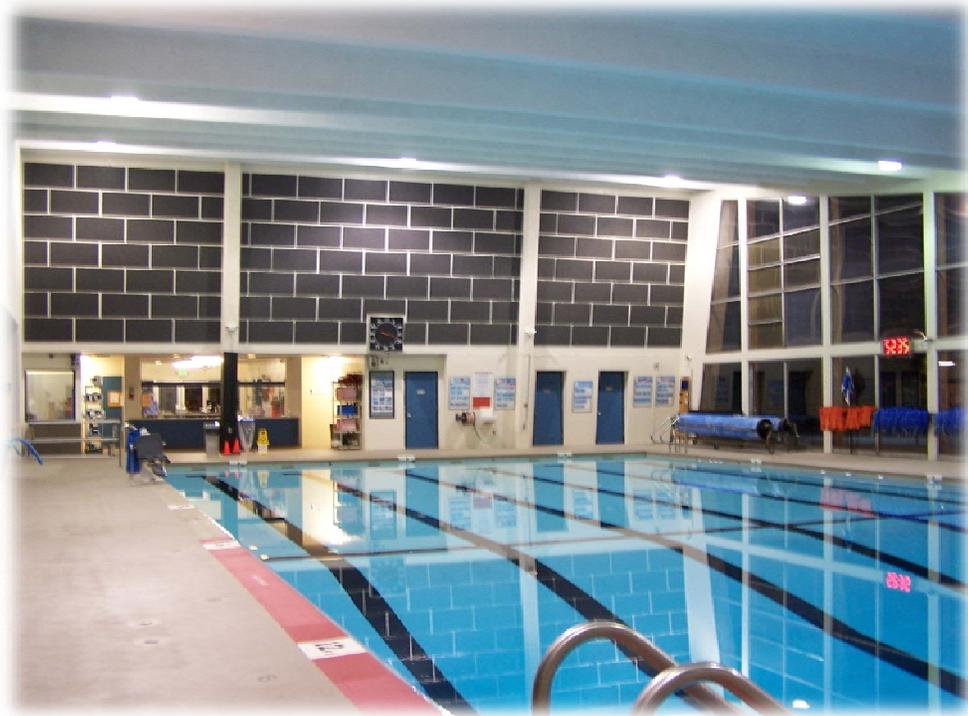
ACCOMPLISHMENTS

- ❖ Exceeded revenue projections and maintained revenue even with the loss of our school lesson program
- ❖ Increased facility rentals both pool and event room
- ❖ Received positive patron feedback about the room upgrades
- ❖ Implemented online reservation process
- ❖ Created a process to automatically check patrons residency or non-residency
- ❖ Replaced 40 year old boiler

- ❖ Developed new aquatic programs and classes to meet the needs of the community

GOALS AND PROJECTS

- ❖ Continue to meet the increased community demands through creative programming and use of facility space
- ❖ Continue to increase revenue for upgrades to the facilities
- ❖ Seek additional partnerships within the community
- ❖ Carry on efforts to replace failing and inefficient equipment
- ❖ Meet ADA requirements in regard to facility inventory and action plan
- ❖ Seek to increase aquatic facility programming revenues to offset the reduction of school lesson program revenues



RECREATION AQUATICS PROGRAM EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 320,401	\$ 308,876	\$ 334,976	\$ 702,277	\$ 702,277	\$ 702,277
Benefits	130,450	135,428	156,499	331,114	331,114	331,114
Total Personnel Services	450,851	444,304	491,475	1,033,391	1,033,391	1,033,391
Materials & Services						
Employee Costs	3,044	4,966	4,398	9,196	9,196	9,196
Maintenance Costs	127,011	141,159	125,391	262,180	262,180	262,180
Materials	12,013	10,705	11,408	25,387	25,387	25,387
Office Costs	18,333	19,765	20,782	43,453	43,453	43,453
Operations Costs	3,995	5,601	4,967	8,850	8,850	8,850
Other & Miscellaneous Costs	1,448	2,251	2,300	8,309	8,309	8,309
Special Programs	1,084	3,142	9,400	19,654	19,654	19,654
Total Materials & Services	166,928	187,589	178,646	377,029	377,029	377,029
Capital Outlay	-	51,000	100,000	235,000	235,000	235,000
Total Recreation Aquatics	\$ 617,779	\$ 682,893	\$ 770,121	\$ 1,645,420	\$ 1,645,420	\$ 1,645,420
Total FTE	11.27	10.66	10.71	10.71	10.71	10.71

BUDGET HIGHLIGHTS

This biennial budget proposes an increase of approximately 3% in each year for staffing costs and an additional increase of \$17,000 annual funding for replacement equipment.

These Capital Outlay items include: a pool vacuum, replacement of gutter tiles, sandblasting

and painting the pool shell, and shower plumbing and tile wall repair and replacement. The Department is also seeking Energy Trust grant funding for new natatorium windows.

Maintenance Costs include Building Maintenance, Janitorial Supplies, and Utilities.

PIONEER COMMUNITY CENTER

OVERVIEW

The Pioneer Adult Community Center is a multi-purpose facility offering nutritional, recreational, educational, and social services to adults in the community. The primary responsibility 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 31,000 meals on wheels, 11,000 congregate meals, and provides 11,200 rides annually. Additionally, approximately 26,000 attendants participate in the Center's recreational opportunities. The Pioneer Center is a highly used facility and continues to try and accommodate as many users as possible. It is at capacity for the staff currently assigned to this department. The Department continually seeks to co-sponsor events and activities to utilize outside resources as much as possible.

ACCOMPLISHMENTS

- ❖ Increased staffing hours and reassigned some tasks to have better use of time and resources
- ❖ Continued monitoring of customer requests and modified program offerings to meet needs of community

- ❖ Added programs to include hiking, more active trips, cooking classes, movie series, and Zumba.
- ❖ Replaced one freezer motor, replaced the computer work stations for 2 staff, and upgraded work stations for the computer lab and replaced the public computers.
- ❖ Pioneer Center web page was updated with a new look and the ability to sign up for the newsletter on line

GOALS AND PROJECTS

- ❖ Maintain and 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 at large.
- ❖ Manage budget to support services to seniors and disabled in the most productive way by increasing staffing without an increase in budget dollar request.
- ❖ Monitor customer needs; add needed or requested programs and eliminate underutilized programs.
- ❖ Replace and repair aging equipment throughout building including new paint and removal or replacement of the 15+ year old carpet for the basement, which gets a lot of use.
- ❖ Upgrade computers as needed for public use.



PIONEER COMMUNITY CENTER PROGRAM EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 378,346	\$ 383,565	\$ 408,454	\$ 850,929	\$ 850,929	\$ 850,929
Benefits	196,306	196,472	258,666	562,353	562,353	562,353
Total Personnel Services	574,652	580,037	667,120	1,413,282	1,413,282	1,413,282
Materials & Services						
Employee Costs	2,201	3,518	4,917	10,281	10,281	10,281
Maintenance Costs	85,656	89,871	91,897	192,148	192,148	192,148
Office Costs	14,110	17,748	16,870	35,274	35,274	35,274
Operations Costs	25,549	24,686	18,200	38,055	38,055	38,055
Other & Miscellaneous Costs	11,024	8,515	9,322	19,492	19,492	19,492
Special Programs	49,975	43,293	44,538	93,126	93,126	93,126
Total Materials & Services	188,515	187,631	185,744	388,376	388,376	388,376
Capital Outlay	10,200	-	10,924	22,507	22,507	22,507
Total Pioneer Community Center	\$ 773,367	\$ 767,668	\$ 863,788	\$ 1,824,165	\$ 1,824,165	\$ 1,824,165
Total FTE	7.62	7.84	8.33	8.26	8.26	8.26

BUDGET HIGHLIGHTS

Maintenance Costs include janitorial supplies and services, utilities, and building maintenance.

This budget includes Capital Outlay funding for a 9- passenger bus to be purchased through grant funding from Ride connection and Clackamas

County as well as required upgrades for ADA compliance. The budget proposes annual increases of 3.5% and 4% which include these purchases as well as increased staff costs.



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, preserve our past and build for our future. The recreation budget supports overall department administration functions, including the positions of Community Services Director and Assistant Parks & Recreation Director. The objective of the department is to provide overall direction and support and administration of Community Services, implement major park acquisition and development projects per the Park connection charges plan and plan, develop and maintain recreation programs.

ACCOMPLISHMENTS

- ❖ Continued to offer additional recreational opportunities for the community
- ❖ Improved attendance at our Concerts in the Park series - 3500 for final event

- ❖ Added two additional movies in the park at Wesley Lynn Park (for a total of four)
- ❖ Granted funding for the restoration of the restroom at Rivercrest Park
- ❖ Research and study recreational and programming trends to meet the needs and desire of the community

GOALS AND PROJECTS

- ❖ Maintain recreation programs as possible with staffing limitations
- ❖ Be a strong and reliable resource of recreational events for the community
- ❖ Continue to seek funding mechanisms to complete the restoration process for the Ermatinger House
- ❖ Seek direction for the EOT Site, operations, management, facility maintenance while not in operation
- ❖ Explore potential Dog Park sites and development plan
- ❖ Develop master plans for the RV Park, Glen Oak and Filbert Run properties



RECREATION PROGRAM EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 77,903	\$ 81,006	\$ 95,780	\$ 221,138	\$ 221,138	\$ 221,138
Benefits	31,622	39,215	41,085	94,980	94,980	94,980
Total Personnel Services	109,525	120,221	136,865	316,118	316,118	316,118
Materials & Services						
Contract Services	808	583	3,376	7,060	7,060	7,060
Employee Costs	4,302	6,962	9,192	18,251	18,251	18,251
Office Costs	6,080	5,487	8,610	13,910	13,910	13,910
Operations Costs	21,965	22,751	-	-	-	-
Special Programs	48,293	47,574	73,704	158,637	158,637	158,637
Total Materials & Services	81,448	83,357	94,882	197,858	197,858	197,858
Total Recreation Programs	\$ 190,973	\$ 203,578	\$ 231,747	\$ 513,976	\$ 513,976	\$ 513,976
Total FTE	1.67	2.27	2.24	2.55	2.55	2.55

BUDGET HIGHLIGHTS

This budget includes an increase of \$21,900 and \$6,600 for years 2014 and 2015, respectively, for costs relating to staffing the programs. In total, an increase of 650 hours of recreational programming is included in this budget for improved programs and continuation of Oregon City’s Summer Concerts and other popular events.

Special Programs are composed of the following:

Trail News	\$58,800
Summer Concerts Programs	\$32,000
Crafts & Project Supplies	\$30,924
Ermatinger House Events	\$17,868
	\$13,970
	\$5,075
Total Special Programs	\$158,637

Community Services Department – Carnegie

CARNEGIE

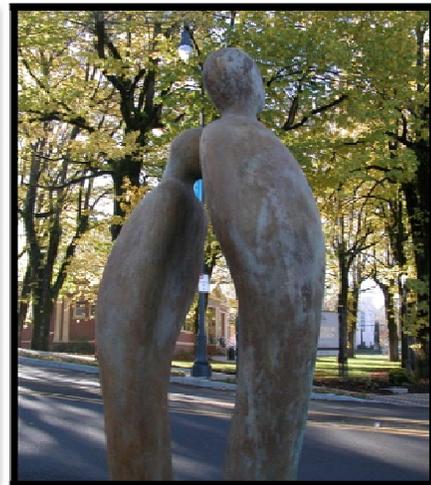
OVERVIEW

Two years ago a Carnegie Center Task Force created a report and recommendations for the

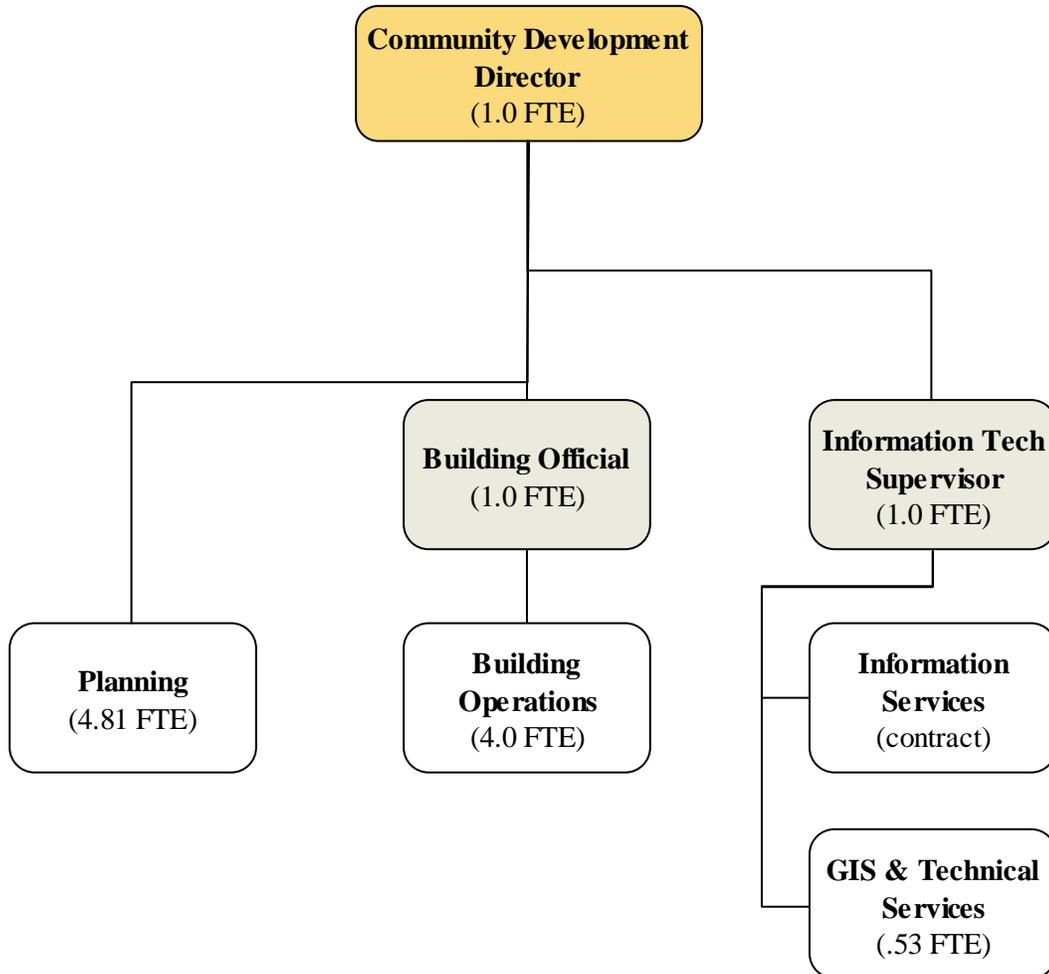
future usage of the facility as a community center. These plans have been suspended while the Carnegie Center houses the Library as it seeks a permanent home.

CARNEGIE EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Materials & Services						
Office Costs	\$ 1,454	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance Costs	3,457	1,980	13,113	27,417	27,417	27,417
Special Programs	34,305	8,644	-	-	-	-
Contract Services	5,618	-	-	-	-	-
Total Materials & Services	44,834	10,624	13,113	27,417	27,417	27,417
Total Carnegie	\$ 44,834	\$ 10,624	\$ 13,113	\$ 27,417	\$ 27,417	\$ 27,417



Community Development



Total 12.34 FTE
(11.84 in Community Development Fund)

Only 1/2 (or .50 FTE) of the Information Tech Supervisor is funded in this Department. The remaining costs are funded in the Policy and Administration Department.

OVERVIEW

The Community Development Department contains the following programs: **Planning & Development Review**, **Building** and **Geographic Information Systems (GIS)**. The Community Development department manages the Planning Commission, Historic Review Board and Natural Resource Committee and attends community events as required or requested.

This Department is funded by two different funds: **Community Development** and **Building**.

The department performs long-range planning projects and community outreach; interprets and applies Land Development Code standards and appropriate Comprehensive Plan policies to proposed development projects; interprets and applies construction codes and standards to approved projects; and implements the City's development policies and programs.

MISSION

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

DEPARTMENT GOALS

❖ GOAL 2 ADDRESS CRITICAL FACILITY NEEDS

- Continue to investigate alternative locations for the Community Development Department

❖ GOAL 3 ENHANCE THE LIVABILITY OF THE COMMUNITY

- Complete and adopt the South End concept plan and associated code amendments to implement the plan
- Complete the adoption process for the Beaver Creek Road concept plan once all the appeals have been addressed
- Secure funding and complete the Willamette Falls public outreach, master plan and entitlements
- Complete the Sign Code review
- Complete the National Register nomination for McLoughlin Promenade, Carnegie Center and Municipal Elevator

❖ GOAL 4 SEEK OPPORTUNITIES TO MAINTAIN COMMUNICATIONS WITH CITIZENS AND FACILITATE CITIZEN PARTICIPATION

- Provide the public with powerful, intuitive tools to access City data

SIGNIFICANT BUDGET CHANGES

- ❖ Additional staff to manage the Willamette Falls master planning process and current work loads.
- ❖ Additional \$400,000 to complete the Willamette Falls master planning process. Sources of the funds to be secured from Oregon City, Clackamas County, the Bankruptcy Trustee and a Construction Excise Tax grant from Metro. Budgeted funds are proposed to be spent as funds are received or secured.



Community Development Department Performance Measures						
Commission Goal	Milestone or Outcome	Measure	2012 Results	2013 Target	2014 Goal	2015 Goal
Enhance the Livability of the Community	Meet Statutory requirements	Average number of days to complete plan completeness review (30 days)	N/A	20	30	30
		Average number of days to issue decision (120 days)	N/A	68	80	80
	Provide efficient service	Percentage of completeness review completed within 20 days	N/A	35%	50%	50%
		Percentage of notice of decision issued with 75 days	N/A	65%	70%	70%
Address Critical Facility Needs	Identify underground pipe assets for replacement or maintenance	% of water pipes identified (225 total)	N/A	63%	68%	73%
		% of sewer pipes identified (225 total)	N/A	6%	11%	16%
		% of storm conduits identified (225 total)	N/A	5%	10%	15%

N/A = Data not available / not measured during the time period.

Planning Division Permit Activity				
	2012 Results	2013 Estimated	2014 Projected	2015 Projected
Total Number of Permits	520	530	500	500
Single Family Site Plan	305	315	300	300
Street Tree	85	90	80	80
Sign Permits	36	35	30	30
Pre-applications	32	30	30	30
Land Use Applications	31	30	30	30
Other (Type I, annexations)	31	30	30	30

Building Division Permit Activity				
	2012 Results	2013 Estimated	2014 Projected	2015 Projected
Total Number of Permits	N/A	2,191	2,000	2,000
Building Permits	N/A	403	350	350
Single Family Unit	N/A	233	200	200
Single Family Addition	N/A	26	25	25
Single Family Alteration	N/A	44	35	35
New Commercial	N/A	5	5	5
Tenant Improvement	N/A	95	85	85
Mechanical Permits	N/A	586	535	535
Plumbing Permits	N/A	523	485	485
Electrical Permits	N/A	679	630	630

Community Development

DEPARTMENT EXPENDITURES (COMBINED)

Description	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Department Total By Function						
Personnel Services	\$ 1,320,506	\$ 1,314,838	\$ 1,308,942	\$ 2,933,209	\$ 2,933,209	\$ 2,933,209
Materials and Services	740,780	1,026,433	1,074,075	2,964,270	2,964,270	2,964,270
Capital Outlay	15,860	-	-	-	-	-
Transfers & Other Uses	151,769	166,612	132,395	305,250	305,250	305,250
Contingency	-	-	105,453	261,804	261,804	261,804
Unappropriated Fund Balance	195,462	291,373	-	-	-	-
	<u>\$ 2,424,377</u>	<u>\$ 2,799,256</u>	<u>\$ 2,620,865</u>	<u>\$ 6,464,533</u>	<u>\$ 6,464,533</u>	<u>\$ 6,464,533</u>
Department Total By Fund						
Community Development Fund*	\$ 1,168,304	\$ 1,388,013	\$ 1,384,309	\$ 3,994,114	\$ 3,994,114	\$ 3,994,114
Building Fund	1,256,073	1,411,243	1,236,556	2,470,419	2,470,419	2,470,419
	<u>\$ 2,424,377</u>	<u>\$ 2,799,256</u>	<u>\$ 2,620,865</u>	<u>\$ 6,464,533</u>	<u>\$ 6,464,533</u>	<u>\$ 6,464,533</u>

* The Building Fund includes only the Building Operations. Community Development Fund includes the programs listed below:

Planning	\$ 962,522	\$ 1,192,833	\$ 1,177,088	\$ 3,568,454	\$ 3,568,454	\$ 3,568,454
GIS	205,782	195,180	207,221	425,660	425,660	425,660
	<u>\$ 1,168,304</u>	<u>\$ 1,388,013</u>	<u>\$ 1,384,309</u>	<u>\$ 3,994,114</u>	<u>\$ 3,994,114</u>	<u>\$ 3,994,114</u>

COMMUNITY DEVELOPMENT FUND

FUND OVERVIEW

Planning and Geographic Information Systems (GIS) are reported in the Community Development Fund. This fund accounts for the City’s long range and current planning as well as the City’s mapping and database needs.

Revenues in this fund are projected to increase due to the Willamette Falls Legacy Project; the

former Blue Heron facility redevelopment is funded in part by intergovernmental revenues and transfers from the General Fund. Expenditures relating to this project are also shown as an increase.

The table below compares Total Resources and Total Requirements in the Community Development Fund for the past two years, the current budget year, and the biennium.

Community Development	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 98,671	\$ 151,275	\$ 80,000	\$ 185,000	\$ 185,000	\$ 185,000
Intergovernmental	-	9,000	305,000	695,000	695,000	695,000
Charges for Services	429,450	691,060	386,574	1,686,250	1,686,250	1,686,250
Licenses & Permits	14,430	17,609	15,850	43,750	43,750	43,750
Miscellaneous Income	1,841	1,244	2,000	2,000	2,000	2,000
Transfers In	623,912	517,825	594,885	1,382,114	1,382,114	1,382,114
Total Resources	\$1,168,304	\$1,388,013	\$1,384,309	\$3,994,114	\$3,994,114	\$3,994,114
Requirements by Category						
Personnel Services	\$ 528,713	\$ 610,821	\$ 661,507	\$ 1,532,690	\$ 1,532,690	\$ 1,532,690
Materials & Services	386,687	588,647	635,275	2,096,595	2,096,595	2,096,595
Capital Outlay	15,860	-	-	-	-	-
Transfers Out	85,769	100,612	63,201	191,250	191,250	191,250
Contingency	-	-	24,326	173,579	173,579	173,579
Unappropriated Fund Balance	151,275	87,933	-	-	-	-
Total Requirements	\$1,168,304	\$1,388,013	\$1,384,309	\$3,994,114	\$3,994,114	\$3,994,114

Community Development

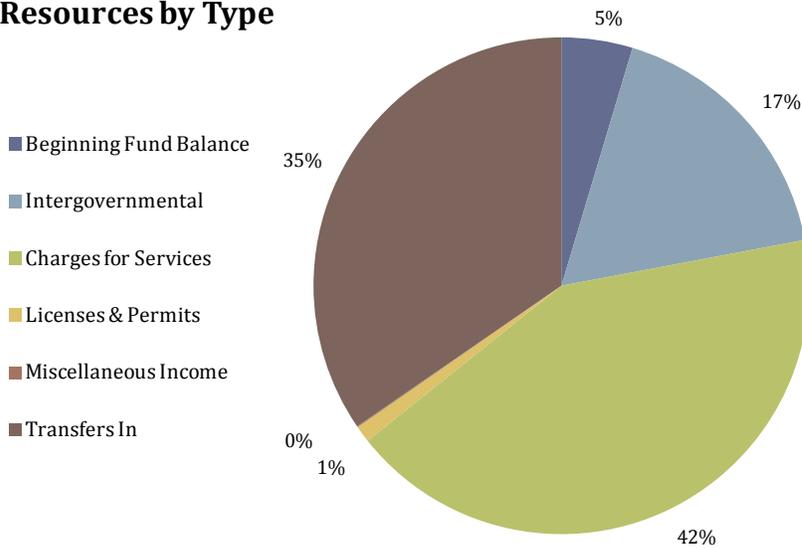
The charts below show the relative percentages of resources by type and requirements by category.

As shown, the largest source of revenues for the biennium is transfers charges for services at 42% followed by Other Financing Sources (mainly transfers in) at 35%. Charges for Services include a pass through for School Excise Taxes collected at \$1.2 million for the biennium.

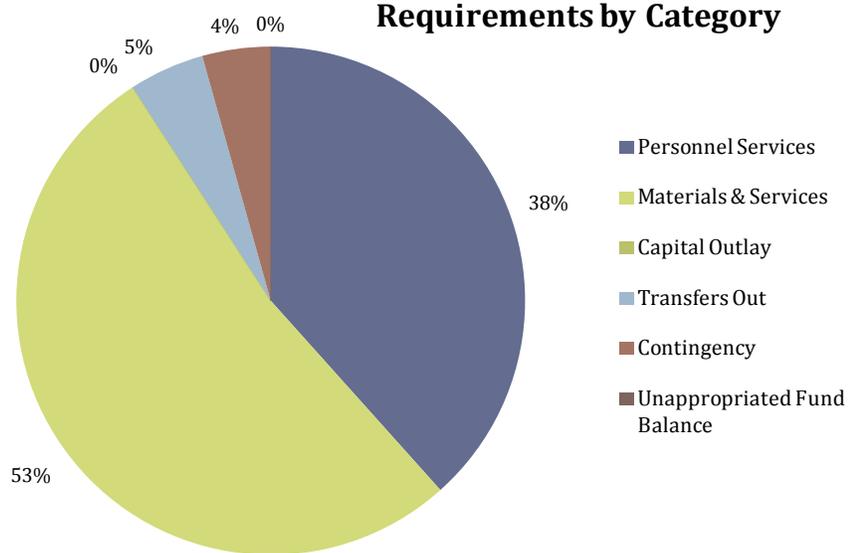
Intergovernmental Revenues includes funding for the Blue Heron project discussed later in this section.

The largest expenditure is Materials and Services, which includes the expenditure for the Excise Taxes in approximately the same amount. Aside from that pass-through of revenues and expenses, Personnel costs are the largest expenditure, at 38% of total spending.

Resources by Type



Requirements by Category



PLANNING

OVERVIEW

The Community Development Department's Planning team is a combination of current and long range planning.

Current planning 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 and various other land use related reviews.

The department addresses daily planning and land use inquiries from the general public through phone calls, emails and daily staffing of the department counter, working closely with the Building and Development Services Departments to coordinate permit review.

Long range planning includes concept and neighborhood plans and research, development of new codes, and studies needed to support comprehensive plan amendments, urban growth boundary adjustments and to maintain compliance with regional and state requirements. This division also assists in economic development and planning projects, particularly as they relate to development of the

regional center, and provides city representation to Metro and other statewide planning and policy decisions.

ACCOMPLISHMENTS

- ❖ Obtained the Tree City USA designation for the City, 2012
- ❖ Was awarded a \$275,000 construction excise tax grant to complete the South End concept plan
- ❖ Completed the due diligence work on the Blue Heron property and continue to work with our partners and the Bankruptcy Trustee to adopt a long-term plan for the site
- ❖ In 2012, Planning staff processed 523 land use related permits, including 306 residential house permits and 85 street tree permits

GOALS AND PROJECTS

- ❖ Complete the South End Concept Planning process
- ❖ Secure funding and complete the Willamette Falls public outreach, master plan and entitlements
- ❖ Complete review of Sign Code
- ❖ Address the outstanding appeal of the Beaver Creek Road concept plan



Community Development – Planning

PLANNING EXPENDITURES

Description	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 256,372	\$ 281,944	\$ 343,954	\$ 748,877	\$ 748,877	\$ 748,877
Benefits	151,416	175,807	182,157	491,148	491,148	491,148
Total Personnel Services	407,788	457,751	526,111	1,240,025	1,240,025	1,240,025
Materials & Services						
Office Costs	19,984	13,971	13,550	26,250	26,250	26,250
Office Equipment	3,901	5,219	6,300	12,000	12,000	12,000
Operations Costs	3,752	3,072	6,800	11,100	11,100	11,100
Other & Miscellaneous Costs	52,617	52,058	54,500	117,500	117,500	117,500
Materials	12,354	9,985	11,250	22,750	22,750	22,750
Employee Costs	2,179	4,414	2,550	6,500	6,500	6,500
Special Programs	188,804	446,112	435,000	1,726,000	1,726,000	1,726,000
Contract Services	34,099	11,706	33,500	41,500	41,500	41,500
Total Materials & Services	317,690	546,537	563,450	1,963,600	1,963,600	1,963,600
Transfers	85,769	100,612	63,201	191,250	191,250	191,250
Contingency	-	-	24,326	173,579	173,579	173,579
Unappropriated Fund Balance	151,275	87,933	-	-	-	-
Total Planning	\$ 962,522	\$ 1,192,833	\$ 1,177,088	\$ 3,568,454	\$ 3,568,454	\$ 3,568,454
Total FTE	3.42	3.63	4.36	5.43	5.43	5.43

BUDGET HIGHLIGHTS

Funding for this biennium includes consultant costs for the Blue Heron facility redevelopment including a feasibility study industrial lands research, and related marketing. This is being done in conjunction with the Development Services Department (Public Works Engineering). This budget also includes pass-through revenues and expenses for School Excise Taxes; an equal amount is budgeted as revenues and collections, less an administrative fee, are remitted to the School District quarterly.

These expenditures are included in the category Special Programs, which can further be broken down as follows:

Tree Replacement Program	\$ 26,000
Sign Code Update	\$ 25,000
South End Concept	\$ 75,000
Blue Heron Facility	\$ 400,000
School Excise Taxes	<u>\$ 1,200,000</u>
Total Special Programs	\$ 1,726,000

GIS

OVERVIEW

The Geographic Information Systems (GIS) program is responsible for developing, maintaining, and distributing maps, applications, and other databases serving citywide needs. GIS provides digital data, application development, maps, analysis, and web management/updates necessary for the operation of mapping services in the City.

GIS supports all City departments in providing employees, contractors, businesses and the public with timely access to databases and mapping tools. The GIS staff works closely with: Public Works to provide utility, asset, and services, with Building to provide address and permit information, with Planning to provide zoning amendments, development, and resource information, and with Development Services for as-built drawings, plat maps, and annexation information. The resources produced and provided by the GIS team benefit all city departments, the general public and the business community. GIS is also a central component of developing enterprise technology solutions for the City.

ACCOMPLISHMENTS

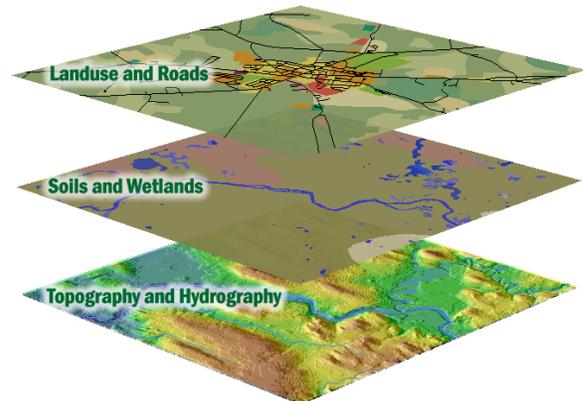
- ❖ Developed a web mapping "portal", including several low-cost, project-based web mapping applications to increase the distribution of project information to staff and to the public
- ❖ Implemented the "Storm" module to Lucity Asset Management System, resulting in more cost-effective infrastructure maintenance
- ❖ Researched and began development of prototype field mapping application for tablets/smart phones, with the goal of

reducing reliance on expensive "ruggedized" field laptops

- ❖ Continued ongoing mapping updates, spatial data analysis, and map production in support of all City departments

GOALS AND PROJECTS

- ❖ Embed GIS functions throughout the city website, where they can be accessed independently from the web mapping site
- ❖ Implement a web-based tablet application to allow the utility crews to use Lucity in the field
- ❖ Develop a high accuracy 3-D model of the street corridors using advanced lidar/photo mapping
- ❖ Develop additional project-based web mapping applications for easy, intuitive access to GIS data
- ❖ Upgrade to ArcGIS Server v10.1, which will allow much greater power and flexibility for web mapping



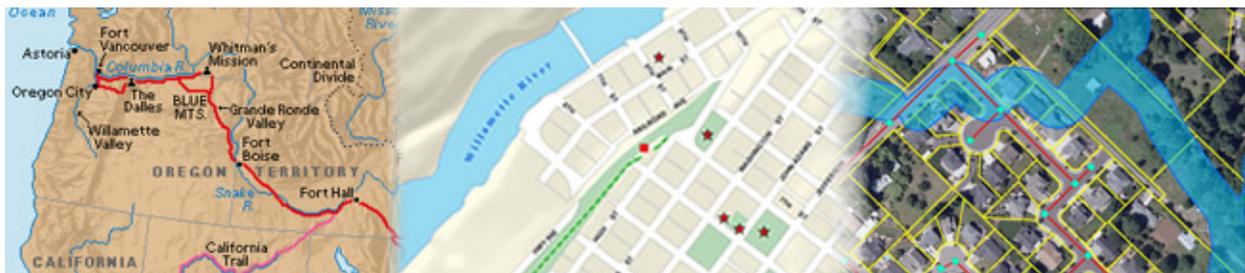
GIS EXPENDITURES

Description	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 80,648	\$ 99,399	\$ 85,650	\$ 179,590	\$ 179,590	\$ 179,590
Benefits	40,277	53,671	49,746	113,075	113,075	113,075
Total Personnel Services	120,925	153,070	135,396	292,665	292,665	292,665
Materials & Services						
Office Costs	1,473	1,797	2,000	4,250	4,250	4,250
Office Equipment	17,847	25,155	28,050	45,600	45,600	45,600
Operations Costs	-	-	-	975	975	975
Other & Miscellaneous Costs	1,380	33	4,900	11,300	11,300	11,300
Materials	1,704	2,601	1,500	3,100	3,100	3,100
Employee Costs	4,326	5,641	7,375	14,270	14,270	14,270
Contract Services	42,267	6,883	28,000	53,500	53,500	53,500
Total Materials & Services	68,997	42,110	71,825	132,995	132,995	132,995
Capital Outlay	15,860	-	-	-	-	-
Total GIS	\$ 205,782	\$ 195,180	\$ 207,221	\$ 425,660	\$ 425,660	\$ 425,660
Total FTE	1.08	1.03	1.03	1.03	1.03	1.03

BUDGET HIGHLIGHTS

The GIS budget indicates a 7.4% decrease in Materials and Services for the two years. The total budget is fairly consistent with prior years. Contract services account for over 40% of the Materials and Services budget and are composed of the following:

- ♦ Mapping software and support
- ♦ Copier service
- ♦ Metro photo and data
- ♦ Geographics and aerials
- ♦ GIS server development
- ♦ Web development



BUILDING OPERATIONS FUND

FUND OVERVIEW

The Building Operations Division, while housed in the Community Development Department, operates under dedicated funding that requires

that revenues generated by permits be utilized for actual Building Division expenses. Total Resources and Total Requirements in the Building Operations Fund for the past two years, the current budget year, and the biennium are shown below.

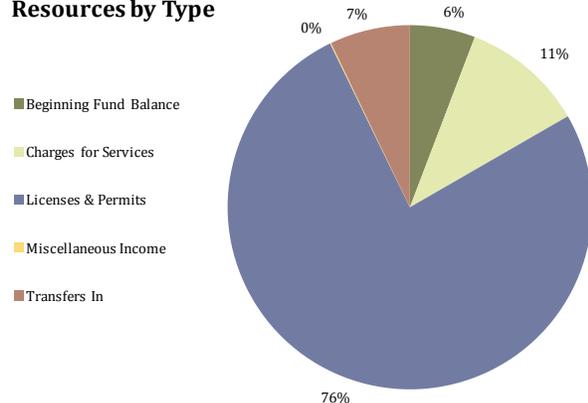
Building Operations	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 20,318	\$ 44,187	\$ 100,000	\$ 143,034	\$ 143,034	\$ 143,034
Charges for Services	114,188	170,723	147,500	269,060	269,060	269,060
Licenses & Permits	834,142	1,194,896	766,700	1,880,325	1,880,325	1,880,325
Miscellaneous Income	189	1,437	650	2,000	2,000	2,000
Transfers In	287,236	-	221,706	176,000	176,000	176,000
Total Resources	\$ 1,256,073	\$ 1,411,243	\$ 1,236,556	\$ 2,470,419	\$ 2,470,419	\$ 2,470,419
Requirements by Category						
Personnel Services	\$ 791,793	\$ 704,017	\$ 647,435	\$ 1,400,519	\$ 1,400,519	\$ 1,400,519
Materials & Services	354,093	437,786	438,800	867,675	867,675	867,675
Transfers Out	66,000	66,000	69,194	114,000	114,000	114,000
Contingency	-	-	81,127	88,225	88,225	88,225
Unappropriated Fund Balance	44,187	203,440	-	-	-	-
Total Requirements	\$ 1,256,073	\$ 1,411,243	\$ 1,236,556	\$ 2,470,419	\$ 2,470,419	\$ 2,470,419

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

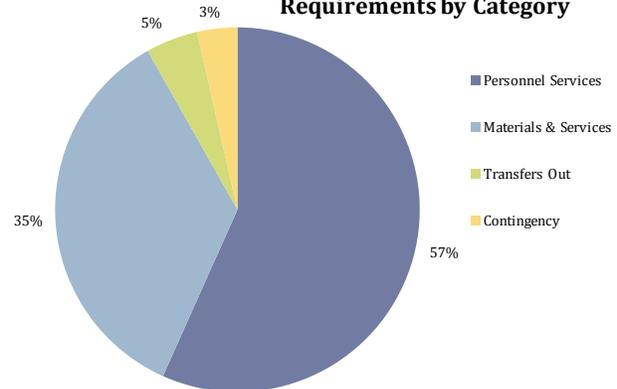
As shown, the largest source of revenues for the biennium is Licenses and Permits at 76% of all resources.

The largest expenditure is Materials and Services, which includes the expenditure for the Excise Taxes in approximately the same amount. Aside from that pass-through of revenues and expenses, Personnel costs are the largest expenditure, at 57% of total spending.

Resources by Type



Requirements by Category



BUILDING OPERATIONS

OVERVIEW

The overall mission of Building Operations is to assist in ensuring the safety, usability, energy efficiency, accessibility, and code compliance in an economically responsible fashion, in the built environment.

The program mission is accomplished by the utilization of a large variety of adopted standards including the Oregon Structural, Residential, Electrical, Plumbing, Mechanical, Energy, Accessibility and Solar Codes, as well as a number of national and state standards. These standards are implemented through the use of comprehensive plan review and progress inspections on commercial, industrial and residential developments. A portion of this process, specifically commercial plumbing and all electrical inspections, are currently

accomplished utilizing the use of contract Clackamas County staff.

ACCOMPLISHMENTS

- ❖ Provided digital plans for inspectors in the field to have direct access to the building permit system, increasing efficiency and reducing paper use
- ❖ Processed 295 permits for new construction, including 143 single-family detached homes, 137 townhouses and 15 new commercial permits

GOALS AND PROJECTS

- ❖ Continue to progress to a paperless building permit submittal, review and inspection process
- ❖ Continue to cross train employees on the city's permit system (EDEN)
- ❖ Improve the collection and auditing of fee collections in the Community Development Department



BUILDING OPERATIONS EXPENDITURES

Description	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 505,354	\$ 441,486	\$ 398,770	\$ 840,972	\$ 840,972	\$ 840,972
Benefits	286,439	262,531	248,665	559,547	559,547	559,547
Total Personnel Services	791,793	704,017	647,435	1,400,519	1,400,519	1,400,519
Materials & Services						
Office Costs	15,342	13,094	14,300	27,300	27,300	27,300
Office Equipment	7,337	24,611	8,250	71,500	71,500	71,500
Operations Costs	93,370	91,134	94,650	204,875	204,875	204,875
Other & Miscellaneous Costs	1,679	1,385	2,000	4,000	4,000	4,000
Special Programs	213,482	296,623	265,000	453,000	453,000	453,000
Materials	2,692	1,019	1,750	2,750	2,750	2,750
Employee Costs	7,035	9,397	7,850	14,250	14,250	14,250
Contract Services	13,156	523	45,000	90,000	90,000	90,000
Total Materials & Services	354,093	437,786	438,800	867,675	867,675	867,675
Transfers	66,000	66,000	69,194	114,000	114,000	114,000
Contingency	-	-	81,127	88,225	88,225	88,225
Unappropriated Fund Balance	44,187	203,440	-	-	-	-
Total Building	\$1,256,073	\$1,411,243	\$1,236,556	\$2,470,419	\$2,470,419	\$2,470,419
Total FTE	6.94	7.47	5.38	5.38	5.38	5.38

BUDGET HIGHLIGHTS

The biennial budget for the Building Program shows a slight (1.1%) decrease in Materials and Services overall. Major expenditure categories are budgeted as follows:

Operations Costs:

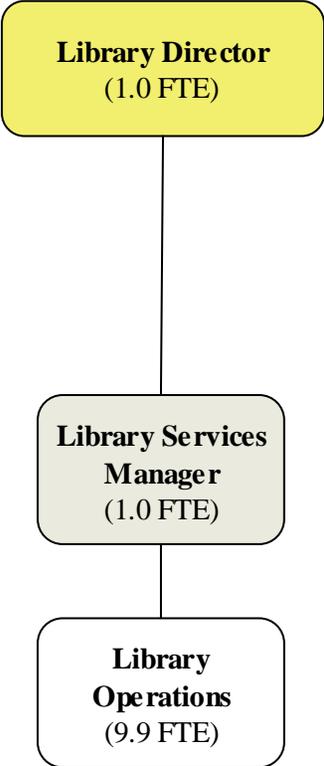
Lease Payments	\$ 195,000
Vehicle Maintenance	\$ 5,000
Printing, dues, books, etc.	\$ 2,575
Outreach	\$ 1,500
Safety Equipment	\$ 800
Total Operations Costs	\$ 204,875

Special Programs (these are all pass-through expenditures; amounts collected are remitted to other governments):

County Permit Fees	\$ 189,000
State Surcharge	\$ 150,000
Metro Excise Tax	\$ 114,000
Total Special Programs	\$ 453,000



Library



Total 11.9 FTE

LIBRARY FUNDS

FUND OVERVIEW

The entire operations of Oregon City’s Library are accounted for in the Library Fund. Approximately 75% of its funding comes from Clackamas County Library District tax revenues, which pay for personnel and materials costs. District property taxes are budgeted based on Clackamas County Library District projections. Savings have been set aside in the Library Reserve Fund and are designated for future site

acquisition and development of a much needed new library facility.

The tables below compare Total Resources and Total Requirements for the Library and the Library Reserve Fund for the past two years, the current budget year, and the biennium.

Library Services are discussed further in this section. Library Reserves include funding for the purchase of land for the new library facility out of funds previously set aside for such purpose as well as construction funds to offset borrowing costs.

Library Operations	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 411,451	\$ 1,068,418	\$ 978,881	\$ 687,842	\$ 687,842	\$ 687,842
Intergovernmental						
District Property Taxes	1,747,745	1,790,846	1,720,913	3,540,832	3,540,832	3,540,832
Other Intergovernmental	-	7,952	7,022	15,000	15,000	15,000
Charges for Services	42,026	41,919	48,000	80,100	80,100	80,100
Miscellaneous Income	3,079	4,819	1,200	4,000	4,000	4,000
Total Resources	\$ 2,204,301	\$ 2,913,954	\$ 2,756,016	\$ 4,327,774	\$ 4,327,774	\$ 4,327,774

Requirements by Category

Personnel Services	\$ 865,502	\$ 946,802	\$ 1,023,052	\$ 2,130,729	\$ 2,130,729	\$ 2,130,729
Materials & Services	255,151	187,163	465,122	954,300	954,300	954,300
Capital Outlay	-	-	200,000	-	-	-
Transfers Out	15,230	760,168	780,000	920,000	920,000	920,000
Contingency	-	-	287,842	322,745	322,745	322,745
Unappropriated Fund Balance	1,068,418	1,019,821	-	-	-	-
Total Requirements	\$ 2,204,301	\$ 2,913,954	\$ 2,756,016	\$ 4,327,774	\$ 4,327,774	\$ 4,327,774

Library Reserves	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ -	\$ 388,742	\$ 1,344,771	\$ 2,303,460	\$ 2,303,460	\$ 2,303,460
Miscellaneous Income	1,097	4,600	5,000	6,000	6,000	6,000
Transfers In	387,645	952,029	958,090	1,285,096	1,285,096	1,285,096
Total Resources	\$ 388,742	\$ 1,345,371	\$ 2,307,861	\$ 3,594,556	\$ 3,594,556	\$ 3,594,556

Requirements by Category

Capital - Land	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000
Capital - New Construction	-	-	1,407,861	2,694,556	2,694,556	2,694,556
Unappropriated Fund Balance	388,742	1,345,371	-	-	-	-
Total Requirements	\$ 388,742	\$ 1,345,371	\$ 2,307,861	\$ 3,594,556	\$ 3,594,556	\$ 3,594,556

LIBRARY

OVERVIEW

The Library’s mission is to provide the information, inspiration, and ideas that empower, enrich, and educate each resident of our service area. The Library serves the entire community through its collections, reference services, programs and electronic resources. Opportunities for personal, educational, cultural, and recreational enrichment are offered.

The library hosts approximately 190,000 annual visits and provides over 200 children’s programs.

ACCOMPLISHMENTS

- ❖ Increased children’s programming opportunities including crafts; young adult activities including monthly gaming nights; First Friday Film series; National Night Out and the 2nd Annual Green Fair
- ❖ Held our first Oregon Humanities Conversation Project.
- ❖ Increased attendance at children’s programs by almost 1,900 people
- ❖ Formed a citizen selection committee for the Community Wide Read. A memoir writing workshop for women and additional speaker on the Pacific Crest Trail supplemented the author program (local author Cheryl Strayed)

- ❖ Hosted Oregon Poet Laureate Paulann Petersen for program and poetry workshop and to judge a k-12 student poetry contest emphasizing trees and Arbor Day
- ❖ Conducted two surveys relating to technology use and specific library use
- ❖ Received a \$22,000 LSTA grant to digitize historic Oregon City newspapers
- ❖ Planned and held the celebration of the 100th anniversary of the opening of the library in the Carnegie

GOALS AND PROJECTS

- ❖ **GOAL 2 ADDRESS CRITICAL FACILITY NEEDS**
 - ♦ Acquire a site for a permanent Library home, either in the form of land or existing building
 - ♦ Conduct bond election to acquire funds for building
 - ♦ Select architect and complete design work for building
- ❖ **GOAL 3 ENHANCE THE LIVABILITY OF THE COMMUNITY**
 - ♦ Meet community needs through programs and materials
 - ♦ Participate in more community events, e.g. Teddy Bear Parade



Library Performance Measures						
Commission Goal	Milestone or Outcome	Measure	2012 Results	2013 Target	2014 Goal	2015 Goal
Enhance the Livability of the Community	Increase Circulation available and overall Borrowers	Annual Circulation	502,083	880,250	900,000	920,000
		Registered Borrowers	20,983	19,830	20,000	20,200
		Circulation per Registered Borrower	23.9	44.4	45.0	45.5
		Circulation per Capita (Service Area 54,853)	9.15	16.04	16.40	16.80
	Provide high quality, well attended programming	Programs Provided	186	275	285	300
		Program Attendees	4,622	6,363	6,500	7,000

N/A = Data not available / not measured during the time period.

LIBRARY OPERATIONS EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015	2013-2015	2013-2015
				Proposed	Approved	Adopted
Personnel Services						
Salaries	\$ 577,296	\$ 619,516	\$ 641,478	\$1,335,259	\$1,335,259	\$1,335,259
Benefits	288,206	327,286	381,574	795,470	795,470	795,470
Total Personnel Services	<u>865,502</u>	<u>946,802</u>	<u>1,023,052</u>	<u>2,130,729</u>	<u>2,130,729</u>	<u>2,130,729</u>
Materials & Services						
Office Costs	15,277	11,685	9,400	18,800	18,800	18,800
Office Equipment	2,943	5,588	6,000	16,000	16,000	16,000
Operations Costs	225	-	2,500	5,000	5,000	5,000
Computer Equipment Under \$5,000	12,631	7,014	20,000	65,000	65,000	65,000
Other & Miscellaneous Costs	5,808	16,319	15,500	37,000	37,000	37,000
Maintenance Costs	27,281	45,379	57,000	114,000	114,000	114,000
Materials	71,503	92,204	139,222	267,400	267,400	267,400
Special Programs and Services	1,880	3,258	8,000	16,000	16,000	16,000
Employee Costs	3,578	3,956	7,500	15,100	15,100	15,100
Technical Services (Building)	114,025	1,760	200,000	400,000	400,000	400,000
Total Materials & Services	<u>255,151</u>	<u>187,163</u>	<u>465,122</u>	<u>954,300</u>	<u>954,300</u>	<u>954,300</u>
Capital Outlay	-	-	200,000	-	-	-
Transfers & Other Uses						
Transfer to Building Reserves	-	750,000	750,000	850,000	850,000	850,000
Transfer for Legal Reimbursement	15,230	10,168	30,000	60,000	60,000	60,000
Transfer to GIS	-	-	-	10,000	10,000	10,000
Total Transfers & Other Uses	<u>15,230</u>	<u>760,168</u>	<u>780,000</u>	<u>920,000</u>	<u>920,000</u>	<u>920,000</u>
Contingency	-	-	287,842	322,745	322,745	322,745
Unappropriated Fund Balance	1,068,418	1,019,821	-	-	-	-
Total Library	<u>\$ 2,204,301</u>	<u>\$ 2,913,954</u>	<u>\$ 2,756,016</u>	<u>\$4,327,774</u>	<u>\$4,327,774</u>	<u>\$4,327,774</u>
Total FTE	11.81	11.69	11.90	11.90	11.90	11.90

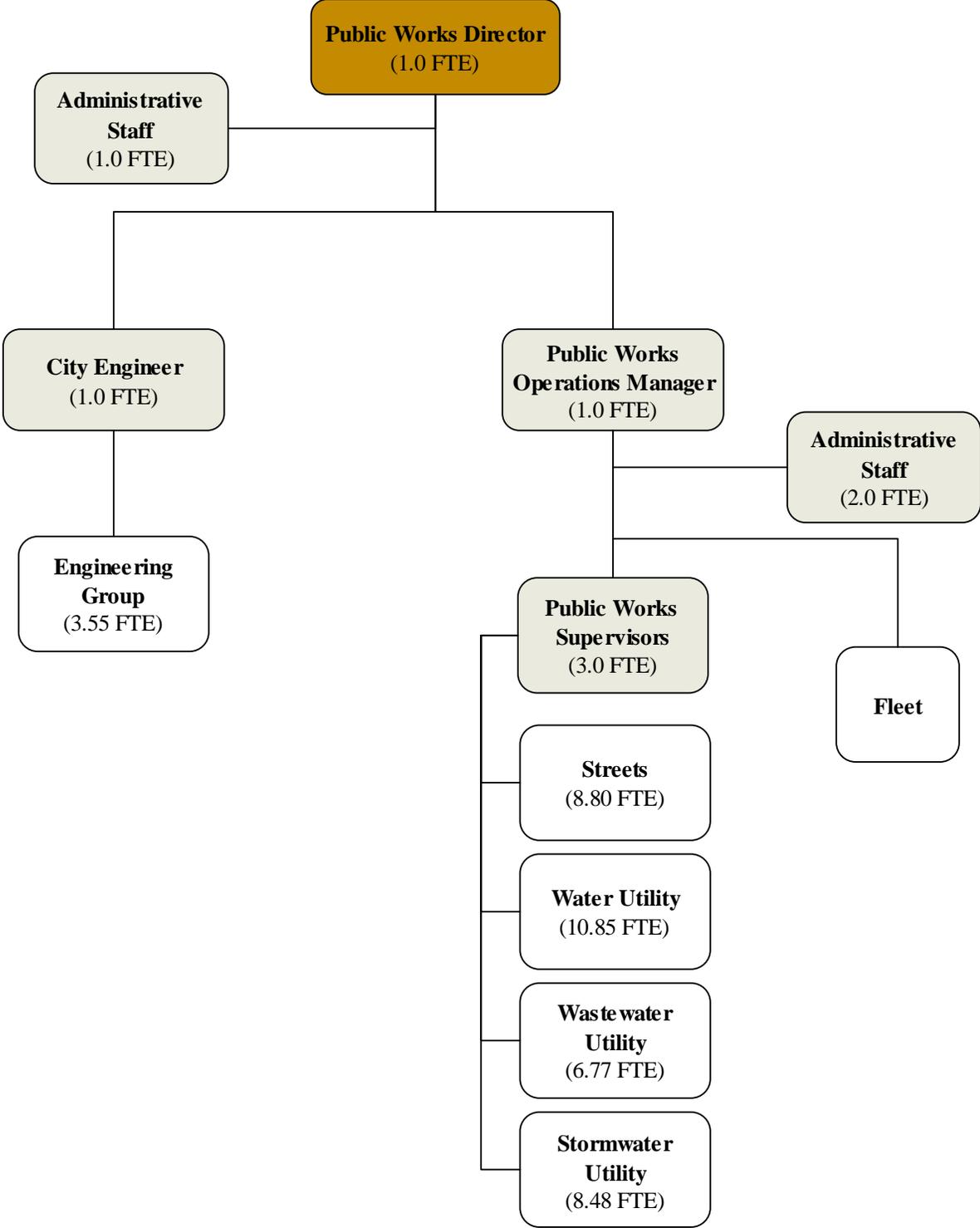
BUDGET HIGHLIGHTS

The biennial budget continues funding of transfers to the Library Building fund to offset borrowing costs for the new facility.

Additionally, *Technical Services* includes funding for initial architectural, engineering, legal, and bond counsel for the new facility.



Public Works



47.45 FTE

PUBLIC WORKS FUNDS

FUNDS OVERVIEW

The Public Works Department is one of the largest within the city with 46.2 FTE. The department contains various funds and programs split between the following groups:

The Engineering Group 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 Operational Group is responsible for operating and maintaining the Oregon City public infrastructure systems, including Streets, Water Utility, Wastewater (Sewer) Utility, and Stormwater Utility as well as managing the City's fleet, excluding the Police Department's.

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

MISSION

To operate and maintain existing public infrastructure; plan and construct capital improvements; and protect public health and safety, water quality, and natural resources to assure the community is provided with safe, sustainable, and financially sound systems for potable water distribution, wastewater collection, surface water management, and multi-modal transportation.

DEPARTMENT GOALS

❖ GOAL 2 ADDRESS CRITICAL FACILITY NEEDS

- ♦ Address Public Works Facility needs for the Operations Group by acquiring a site and designing concepts and financing
- ♦ Continue to deliver safe and reliable sewer, storm water, transportation, and potable water systems in an efficient and fiscally responsible manner.

❖ GOAL 3 ENHANCE THE LIVABILITY OF THE COMMUNITY

- ♦ Assist with completion, adoption, and implementation of South End Concept Plan

❖ GOAL 5 MAINTAIN FISCAL HEALTH AND LONG TERM STABILITY

- ♦ Effective management of the City's Right-of-Ways (ROW) by implementing Ordinance and hiring Coordinator to review, research, and enforce
- ♦ Address Water Rate Rollback issue including preparation for upcoming ballot measure
- ♦ Review strategic planning timeline for master plan updates and rate studies for all Oregon City Public Works utilities

Public Works Performance Measures						
Commission Goal	Milestone or Outcome	Measure	2012 Results	2013 Target	2014 Goal	2015 Goal
Address Critical Facility Needs	Deliver safe and reliable sewer, storm water, transportation, and potable water systems efficiently	Citywide average Pavement Condition Index (PCI)	60	60	> 60	> 60
		Complete scheduled projects under annual pavement maintenance plan	100%	100%	100%	100%
		Drinking water and stormwater samples in compliance with regulations	100%	100%	100%	100%
		Complete scheduled projects under leak detection program	100%	100%	100%	100%
		Complete scheduled projects under video inspections and line cleaning program	100%	100%	100%	100%
Maintain Fiscal Health and Long Term Stability	Provide timely and efficient service	Average time to act in response to a citizen request	1.6 days	< 2.0 days	< 2.0 days	< 2.0 days
		Average time to respond to an afterhours call for service	2.0 hours	< 2.0 hours	< 2.0 hours	< 2.0 hours
	Track permitting and land use decisions to ensure effective and efficient staff	Total Right-of way permits issued	211	210	210	210
		Total Land Use decisions that resulted in an issued permit (non ROW Permits)	27	27	25	25
		Total pre-application conferences	38	40	40	40

Public Works

DEPARTMENT EXPENDITURES (ALL COMBINED)

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Department Total By Function						
Personnel Services	\$ 4,059,262	\$ 4,297,057	\$ 4,597,903	\$ 10,139,259	\$ 10,139,259	\$ 10,139,259
Materials and Services	6,366,803	7,375,660	7,880,917	17,802,260	17,802,260	17,802,260
Capital Outlay	6,401,126	15,043,204	19,323,200	19,183,067	19,183,067	19,183,067
Debt Service	723,030	730,976	732,612	1,453,727	1,453,727	1,453,727
Transfers & Other Uses	3,509,218	2,966,994	4,984,286	6,319,032	6,319,032	6,319,032
Contingency	-	-	9,750,907	11,682,178	11,682,178	11,682,178
Unappropriated Fund Balance	14,558,545	16,719,140				
	<u>\$35,617,984</u>	<u>\$47,133,031</u>	<u>\$ 47,269,825</u>	<u>\$ 66,579,523</u>	<u>\$ 66,579,523</u>	<u>\$ 66,579,523</u>
Department Total By Fund						
Engineering Division						
Engineering Group	\$ 326,038	\$ 402,230	\$ 365,843	\$ 990,000	\$ 990,000	\$ 990,000
Street Division						
Street Fund	1,863,188	2,458,545	2,406,972	4,700,588	4,700,588	4,700,588
Pavement Maintenance Utility	1,830,027	2,278,584	2,348,497	4,215,029	4,215,029	4,215,029
Water Division						
Water Utility	6,848,687	6,961,362	7,074,492	12,704,143	12,704,143	12,704,143
Water Rate Stabilization	492,242	492,242	492,242	492,242	492,242	492,242
Wastewater Division						
Wastewater Utility	5,828,642	5,897,086	6,066,872	13,797,669	13,797,669	13,797,669
Wastewater Rate Stabilization	623,252	623,252	623,252	623,252	623,252	623,252
Stormwater Division						
Stormwater Utility	2,364,041	2,432,031	2,327,019	5,044,111	5,044,111	5,044,111
Fleet						
Fleet & Equipment	2,487,953	2,792,587	5,099,761	6,589,112	6,589,112	6,589,112
Public Works Development Funds						
Street Development	6,551,379	14,670,053	11,370,706	4,118,970	4,118,970	4,118,970
Water Development	1,179,479	1,678,642	1,592,665	2,650,620	2,650,620	2,650,620
Wastewater Development	1,812,268	1,964,198	1,820,141	2,526,208	2,526,208	2,526,208
Stormwater Development	353,085	349,527	387,163	644,887	644,887	644,887
Reserves						
Building Reserve Fund	3,057,703	4,132,692	5,294,200	7,482,692	7,482,692	7,482,692
	<u>\$35,617,984</u>	<u>\$47,133,031</u>	<u>\$ 47,269,825</u>	<u>\$ 66,579,523</u>	<u>\$ 66,579,523</u>	<u>\$ 66,579,523</u>



ENGINEERING

FUND OVERVIEW

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 past two years, the current budget year, and the biennium.

The only significant change in this fund was the additional personnel for the ROW Ordinance implementation, to be funded from ROW revenues, accomplishing a department goal. Likewise, associated revenues have also increased as this position is funded by the increase in ROW revenues transferred in from the General Fund.

The table below compares Total Resources and Total Requirements in the Engineering Fund for

Engineering	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 2,304	\$ 6,636	\$ 24,141	\$ 43,000	\$ 43,000	\$ 43,000
Charges for Services	41,229	61,956	56,000	121,200	121,200	121,200
Licenses & Permits	205,225	166,057	109,720	253,800	253,800	253,800
Miscellaneous Income	280	470	-	2,000	2,000	2,000
Transfers In	77,000	167,111	175,982	570,000	570,000	570,000
Total Resources	\$ 326,038	\$ 402,230	\$ 365,843	\$ 990,000	\$ 990,000	\$ 990,000
Requirements by Department						
Personnel Services	\$ 313,115	\$ 320,320	\$ 339,910	\$ 901,786	\$ 901,786	\$ 901,786
Materials & Services	6,287	22,294	19,770	84,960	84,960	84,960
Transfers	-	14,000	-	-	-	-
Contingency	-	-	6,163	3,254	3,254	3,254
Unappropriated Fund Balance	6,636	45,616	-	-	-	-
Total Requirements	\$ 326,038	\$ 402,230	\$ 365,843	\$ 990,000	\$ 990,000	\$ 990,000

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

- ❖ Successful completion of the Jughandle project with the City's first roundabout
- ❖ Received Beacon Award of Excellence for public outreach implemented for the Jughandle construction project
- ❖ Received American Public Works Association Oregon Chapter Project of the Year Award
- ❖ Oregon State Review Committee selected Main Street Two-Way project as the Best Public Improvement Project

GOALS AND PROJECTS

- ❖ Provide assistance to public requiring engineering assistance for inquiries, utility connections to homes and businesses, design and construction standards and requirements
- ❖ Review and process land use applications and design plans accurately and promptly and in compliance with Oregon City Public Works standards, master plans, NPDES requirements, and the municipal code
- ❖ Hire ROW Coordinator to assist with implementation and enforcement of new City Ordinance
- ❖ Complete and update Master Plans and Rate Studies for all Public Works Departments
- ❖ Acquire site and develop financing and design for Public Works facility



ENGINEERING EXPENDITURES

<u>Description</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013-2015 Proposed</u>	<u>2013-2015 Approved</u>	<u>2013-2015 Adopted</u>
Personnel Services						
Salaries	\$ 221,122	\$ 202,398	\$ 209,169	\$ 536,907	\$ 536,907	\$ 536,907
Benefits	91,993	117,922	130,741	364,879	364,879	364,879
Total Personnel Services	<u>313,115</u>	<u>320,320</u>	<u>339,910</u>	<u>901,786</u>	<u>901,786</u>	<u>901,786</u>
Materials & Services						
Office Costs	4,308	4,095	4,400	9,205	9,205	9,205
Office Equipment Costs	1,305	3,675	3,600	9,800	9,800	9,800
Operations Costs	150	1,163	870	1,795	1,795	1,795
Other & Miscellaneous Costs	193	2,297	200	2,700	2,700	2,700
Employee Costs	331	-	700	1,460	1,460	1,460
Contract Services	-	11,064	10,000	60,000	60,000	60,000
Total Materials & Services	<u>6,287</u>	<u>22,294</u>	<u>19,770</u>	<u>84,960</u>	<u>84,960</u>	<u>84,960</u>
Transfers & Other Uses						
Transfer to Fleet	-	9,000	-	-	-	-
Transfer to General Fund	-	5,000	-	-	-	-
Total Transfers & Other Uses	<u>-</u>	<u>14,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contingency	-	-	6,163	3,254	3,254	3,254
Unappropriated Fund Balance	6,636	45,616	-	-	-	-
Total Development Services	<u>\$ 326,038</u>	<u>\$ 402,230</u>	<u>\$ 365,843</u>	<u>\$ 990,000</u>	<u>\$ 990,000</u>	<u>\$ 990,000</u>
Total FTE	3.00	2.85	2.70	3.85	3.85	3.85

BUDGET HIGHLIGHTS

This division’s budget includes an increase in FTE and in funding for the ROW position mentioned previously. This position is funded with anticipated revenues from enacting the ROW Ordinance.

Contract Services also increased in the budget for Civil Engineering work currently being performed by outside engineering firms.

Current year (2013) projected spending is \$32,000 for this category.

Contract Services includes the following:

Civil Engineering	\$46,000
Geotechnical	\$8,000
Electrical	\$3,000
Environmental Consulting/Testing	<u>\$3,000</u>
Total Contract Services	\$60,000



STREET FUNDS

OVERVIEW

The Street 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.

Operations for the Street Division are accounted for in the **Street Operations** and **Pavement Maintenance Utility** funds. Additionally, there

is a Street System Development fund which is discussed later in the Public Works section.

Gas tax revenues are anticipated to increase by approximately \$60,000 each year according to state estimates. Pavement Maintenance revenues are anticipated to increase by less than an average \$40,000 annually due to scheduled rate increases tied to CPI.

The table below compares Total Resources and Total Requirements for these two funds for the past two years, the current budget year, and the biennium.

Street Operations	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 91,406	\$ 254,745	\$ 433,948	\$ 544,847	\$ 544,847	\$ 544,847
Intergovernmental (State Gasoline Tax)	1,525,819	1,748,752	1,766,623	3,709,623	3,709,623	3,709,623
Charges for Services	132,767	149,089	30,500	75,000	75,000	75,000
Transfers In	112,780	130,158	175,701	365,118	365,118	365,118
Miscellaneous Income	416	175,801	200	6,000	6,000	6,000
Total Resources	\$ 1,863,188	\$ 2,458,545	\$ 2,406,972	\$ 4,700,588	\$ 4,700,588	\$ 4,700,588

Requirements by Department

Personnel Services	\$ 816,205	\$ 908,546	\$ 971,255	\$ 2,200,557	\$ 2,200,557	\$ 2,200,557
Materials & Services	503,379	633,013	570,166	1,108,640	1,108,640	1,108,640
Capital Outlay	30,446	44,321	332,000	569,000	569,000	569,000
Transfers Out	258,413	257,075	325,850	685,100	685,100	685,100
Contingency	-	-	207,701	137,291	137,291	137,291
Unappropriated Fund Balance	254,745	615,590	-	-	-	-
Total Requirements	\$ 1,863,188	\$ 2,458,545	\$ 2,406,972	\$ 4,700,588	\$ 4,700,588	\$ 4,700,588

Pavement Maintenance	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 594,261	\$ 708,997	\$ 550,197	\$ 514,948	\$ 514,948	\$ 514,948
Charges for Service (Street Maintenance)	1,231,835	1,464,175	1,795,000	3,693,281	3,693,281	3,693,281
Miscellaneous Income	3,931	105,412	3,300	6,800	6,800	6,800
Total Resources	\$ 1,830,027	\$ 2,278,584	\$ 2,348,497	\$ 4,215,029	\$ 4,215,029	\$ 4,215,029

Requirements by Department

Materials & Services	\$ 177,254	\$ 288,072	\$ 340,110	\$ 613,240	\$ 613,240	\$ 613,240
Capital Outlay	895,776	990,730	1,800,000	3,246,900	3,246,900	3,246,900
Transfers Out	48,000	54,300	95,750	192,600	192,600	192,600
Contingency	-	-	112,637	162,289	162,289	162,289
Unappropriated Fund Balance	708,997	945,482	-	-	-	-
Total Requirements	\$ 1,830,027	\$ 2,278,584	\$ 2,348,497	\$ 4,215,029	\$ 4,215,029	\$ 4,215,029

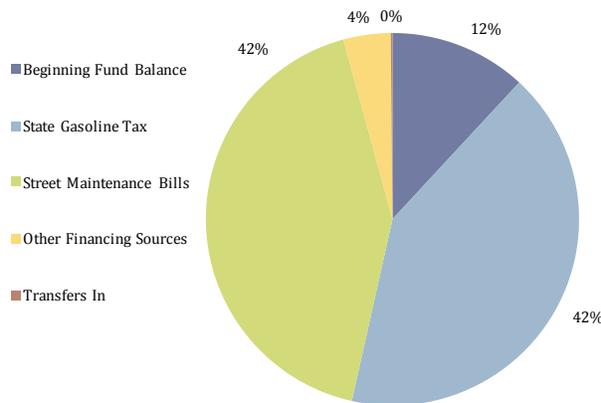
Public Works - Street

The charts below show the relative percentages of resources by type and requirements by

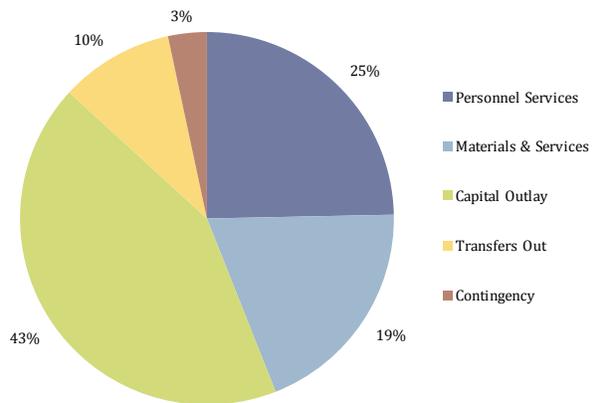
category for the two funds combined (as shown in the table below).

Street Funds (combined)	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 685,667	\$ 963,742	\$ 984,145	\$ 1,059,795	\$ 1,059,795	\$ 1,059,795
Intergovernmental	1,525,819	1,748,752	1,766,623	3,709,623	3,709,623	3,709,623
Charges for Service	1,364,602	1,613,264	1,825,500	3,768,281	3,768,281	3,768,281
Other Financing Sources	112,780	130,158	175,701	365,118	365,118	365,118
Transfers In	4,347	281,213	3,500	12,800	12,800	12,800
Total Resources	\$ 3,693,215	\$ 4,737,129	\$ 4,755,469	\$ 8,915,617	\$ 8,915,617	\$ 8,915,617
Requirements by Department						
Personnel Services	\$ 816,205	\$ 908,546	\$ 971,255	\$ 2,200,557	\$ 2,200,557	\$ 2,200,557
Materials & Services	680,633	921,085	910,276	1,721,880	1,721,880	1,721,880
Capital Outlay	926,222	1,035,051	2,132,000	3,815,900	3,815,900	3,815,900
Transfers Out	306,413	311,375	421,600	877,700	877,700	877,700
Contingency	-	-	320,338	299,580	299,580	299,580
Unappropriated Fund Balance	963,742	1,561,072	-	-	-	-
Total Requirements	\$ 3,693,215	\$ 4,737,129	\$ 4,755,469	\$ 8,915,617	\$ 8,915,617	\$ 8,915,617

Resources by Type



Requirements by Department



As shown in the charts above, Streets Operations and Pavement Maintenance are funded equally, 42% each, State Shared Gas Taxes as well as by Street Maintenance billings (Pavement Maintenance Utility Fee). Transfers from other funds make up the additional required funding for annual street projects. The majority of

funding is spent on Capital outlay projects. As shown in the table above, capital projects totals decreased in the current year, mainly due to the completion of the Jughandle Project.

STREET OPERATIONS

OVERVIEW

Street Operations encompasses pavement maintenance and improvement, traffic management and safety improvements, signalization and pavement markings, landscape maintenance of highways, street trees, and medians, maintenance of guardrails and street furnishings, emergency response, city beautification, and municipal elevator maintenance. Approximately 136 miles of roads, 135 miles of sidewalks, 1,125 miles of right-of-ways, and 37 detention tanks are maintained.

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 Streets 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, potholes, and asphalt skin patches.

ACCOMPLISHMENTS

- ❖ Completed Jughandle construction project
- ❖ Municipal Elevator maintenance of Singer Hill steps, tunnel, floor drains
- ❖ Completed the Transportation System Plan (TSP) Update
- ❖ Completed the Pearl Street widening and guardrail replacement project
- ❖ Completed the Barclay Hills Drive reconstruction project
- ❖ Completed the Gaffney Lane (south) concept engineering for future street widening
- ❖ Completed an emergency repair of a basalt gravity wall failure
- ❖ Completed signal equipment and controllers upgrades to include permissive flashing yellow arrow signals along Molalla Avenue at the intersections of Gaffney Lane and Clairmont Way and Warner Milne Rd

and Beaver Creek Road; new 2070 controllers along Molalla Avenue

- ❖ Created a proactive program (Roadside Audit for Maintenance and Safety) to seek out upcoming maintenance issues within our city streets
- ❖ Completed scheduled 2012 Slurry Seal Project (898 tons of in-house paving asphalt and 27,580 lbs crack seal placed)

GOALS AND PROJECTS

- ❖ Complete transportation enhancement (TSP defined) projects (walking projects; biking projects; and shared use projects)
- ❖ Continue our integrated vegetation program utilizing targeted herbicide application to reduce noxious weeds and improve sight distance, aesthetics, and safety
- ❖ Complete the Gaffney Lane widening project
- ❖ Obtain federal, state or regional grant funding for Molalla Avenue Phase III (Development charges and pavement maintenance charges to provide local match)
- ❖ Obtain federal, state or regional grant funding for Main Street (10th to 15th)
- ❖ Provide staff and resources for the City’s hanging flower basket program, banners, public art, and holiday decorations, for traffic control during parades, community events, and emergency road conditions
- ❖ Continued to increase citizen communication to enhance public awareness about street tree maintenance on residential properties
- ❖ Complete the exterior refurbishing and painting of the Oregon City Municipal Elevator
- ❖ Maximize the use of Street Saver and Asset management software, (Lucity)

STREET OPERATIONS EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 509,349	\$ 553,965	\$ 586,542	\$ 1,263,578	\$ 1,263,578	\$ 1,263,578
Benefits	306,856	354,581	384,713	936,979	936,979	936,979
Total Personnel Services	816,205	908,546	971,255	2,200,557	2,200,557	2,200,557
Materials & Services						
Office Costs	10,807	9,619	8,250	17,500	17,500	17,500
Office Equipment Costs	15,740	10,079	10,500	22,120	22,120	22,120
Operations Costs	77,229	67,600	67,450	105,170	105,170	105,170
Other & Miscellaneous Costs	29,668	10,274	22,900	40,245	40,245	40,245
Maintenance Costs	30,625	23,077	27,500	59,370	59,370	59,370
Materials	1,036	1,947	3,000	44,600	44,600	44,600
Special Programs	148,551	252,987	212,000	372,000	372,000	372,000
Employee Costs	7,140	11,350	9,450	14,935	14,935	14,935
Contract Services	182,583	246,080	209,116	432,700	432,700	432,700
Total Materials & Services	503,379	633,013	570,166	1,108,640	1,108,640	1,108,640
Capital Outlay						
Transportation Enhancement						
Capital Projects	22,746	37,924	320,000	515,000	515,000	515,000
Equipment Purchases	7,700	6,397	12,000	54,000	54,000	54,000
Total Capital Outlay	30,446	44,321	332,000	569,000	569,000	569,000
Transfers & Other Uses						
Transfers to Fleet Reserves	101,000	103,000	123,850	258,100	258,100	258,100
Transfers to Building Reserves	100,000	100,000	150,000	300,000	300,000	300,000
Transfer to General Fund & GIS	57,413	54,075	52,000	127,000	127,000	127,000
Total Transfers & Other Uses	258,413	257,075	325,850	685,100	685,100	685,100
Contingency	-	-	207,701	137,291	137,291	137,291
Unappropriated Fund Balance	254,745	615,590	-	-	-	-
Total Street Operations	\$ 1,863,188	\$ 2,458,545	\$ 2,406,972	\$ 4,700,588	\$ 4,700,588	\$ 4,700,588
Total FTE	9.89	10.20	11.05	11.26	11.26	11.26

BUDGET HIGHLIGHTS

This division’s budget continues transfers to Building Reserve Fund of \$300,000 as well as Fleet replacement reserve funding for a total of \$258,100 for the biennium.

The following Transportation Enhancement Capital Projects are scheduled for completion in the Streets Fund for this biennium:

Transportation Plan Projects	\$300,000
Main Street – 10 th to 15 th Street	\$130,000
Elevator refurbishing	\$40,000
Gaffney Lane sidewalks	\$35,000
Main Street alley improvements	<u>\$10,000</u>

Total Capital Projects \$515,000

Contract Services budget includes the following items:

Elevator Staffing	\$210,600
Landscaping Contract	\$120,000
Master Planning & Grants	\$20,000
Elevator Service Contract	\$16,000
Traffic Control	\$14,000
Electrical	\$10,000
Civil Engineering	\$8,000
Geotechnical	\$7,000
Environmental	\$6,100
Other	<u>\$21,000</u>

Total Contract Services \$432,700

PAVEMENT MAINTENANCE EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Materials & Services						
Office Costs	\$ 111	\$ 733	\$ 110	\$ 240	\$ 240	\$ 240
Operations Costs	-	-	20,000	-	-	-
Materials	82,314	78,856	100,000	209,000	209,000	209,000
Contract Services - Slurry Seal	94,829	208,483	220,000	404,000	404,000	404,000
Total Materials & Services	177,254	288,072	340,110	613,240	613,240	613,240
Capital Outlay: Roadway Reconstruction						
	895,776	990,730	1,800,000	3,246,900	3,246,900	3,246,900
Transfers & Other Uses						
Transfer to Streets	42,000	48,300	89,750	180,000	180,000	180,000
Transfer to General Fund	5,000	5,000	5,000	10,000	10,000	10,000
Transfer to GIS	1,000	1,000	1,000	2,600	2,600	2,600
Total Transfers & Other Uses	48,000	54,300	95,750	192,600	192,600	192,600
Contingency	-	-	112,637	162,289	162,289	162,289
Unappropriated Fund Balance	708,997	945,482	-	-	-	-
Total Pavement Maintenance	\$ 1,830,027	\$ 2,278,584	\$ 2,348,497	\$ 4,215,029	\$ 4,215,029	\$ 4,215,029

BUDGET HIGHLIGHTS

This budget continues the implementation of the City’s annual pavement management and maintenance plan (both through contracts and in-house paving) using fees collected and deposited in the Pavement Maintenance Utility fund.

The following Capital Projects are scheduled for this biennium:

Oregon City Road Reconstruction

Project Phase II	\$2,419,400
Clairmont Way Reconstruction	\$517,500
Molalla Avenue Phase III	\$175,000
Main Street – 10 th to 15 th Street (matching funds)	\$125,000
Downtown Pedestrian Areas	\$10,000
Total Capital Projects	\$3,246,900





WATER FUNDS

OVERVIEW

The Water Utility Division maintains the City’s potable water supply system including distribution and system maintenance. Operations in this division are accounted for in the **Water Operations** fund. Additionally, funds are reserved in a **Water Rate Stabilization** fund pursuant to Oregon City Resolution requiring funds to be set aside in the same amount as the Debt Service reserve.

Revenues in this fund are projected to increase due to water sales including a 3% annual increase in retail rates. The water utility still faces the issue of the Charter rollback for 2014 which would significantly impact the division’s ability to remain solvent and to continue to provide quality water services.

The tables below compare Total Resources and Total Requirements in the Water Operations and Water Rate Stabilization Funds for the past two years, the current budget year, and the biennium.

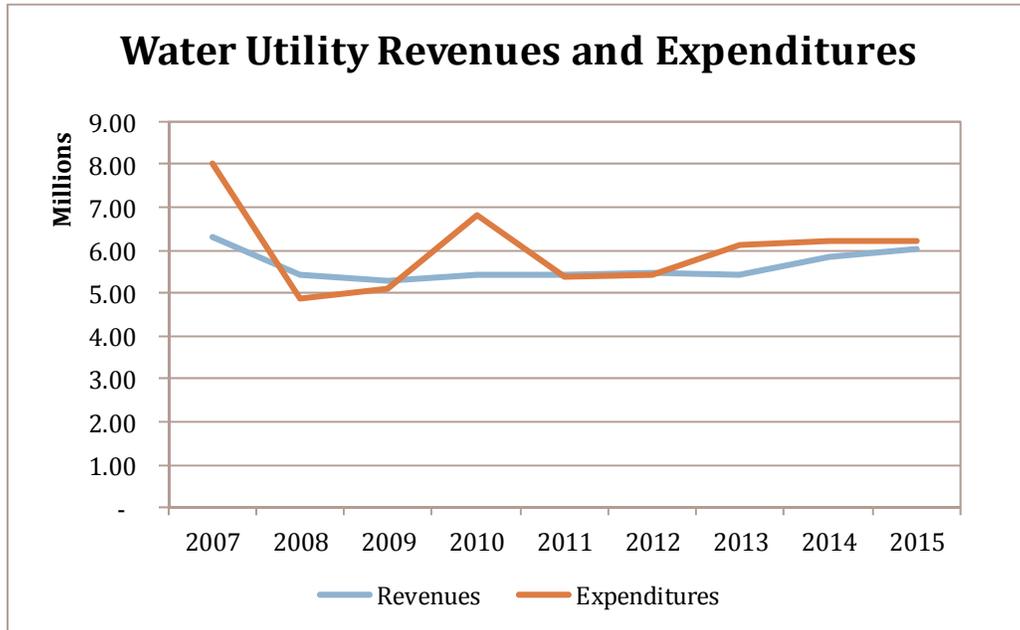
Water Operations	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 1,403,363	\$ 1,488,705	\$ 1,669,870	\$ 843,775	\$ 843,775	\$ 843,775
Charges for Services						
Water Utility	5,089,061	4,913,452	5,112,622	10,754,284	10,754,284	10,754,284
Pumping Charges	24,826	22,344	25,000	48,000	48,000	48,000
South Fork SDC Collections	117,687	291,811	150,000	700,000	700,000	700,000
Other Charges for Service	206,284	236,382	105,000	337,484	337,484	337,484
Miscellaneous Income	7,466	8,668	12,000	20,600	20,600	20,600
Total Resources	\$ 6,848,687	\$ 6,961,362	\$ 7,074,492	\$ 12,704,143	\$ 12,704,143	\$ 12,704,143
Requirements by Department						
Personnel Services	\$ 1,262,601	\$ 1,287,507	\$ 1,413,291	\$ 2,987,817	\$ 2,987,817	\$ 2,987,817
Materials & Services	2,293,360	2,453,244	2,618,707	5,724,156	5,724,156	5,724,156
Capital Outlay	547,980	418,636	785,000	924,500	924,500	924,500
Debt Service	196,318	199,138	201,393	397,664	397,664	397,664
Transfers Out	1,059,723	1,063,698	1,091,292	2,375,569	2,375,569	2,375,569
Contingency	-	-	964,809	294,437	294,437	294,437
Unappropriated Fund Balance	1,488,705	1,539,139	-	-	-	-
Total Requirements	\$ 6,848,687	\$ 6,961,362	\$ 7,074,492	\$ 12,704,143	\$ 12,704,143	\$ 12,704,143

Water Rate Stabilization	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 492,242	\$ 492,242	\$ 492,242	\$ 492,242	\$ 492,242	\$ 492,242
Total Resources	\$ 492,242	\$ 492,242	\$ 492,242	\$ 492,242	\$ 492,242	\$ 492,242
Requirements by Department						
Contingency	\$ -	\$ -	\$ 492,242	\$ 492,242	\$ 492,242	\$ 492,242
Unappropriated Fund Balance	492,242	492,242	-	-	-	-
Total Requirements	\$ 492,242	\$ 492,242	\$ 492,242	\$ 492,242	\$ 492,242	\$ 492,242

Public Works - Water

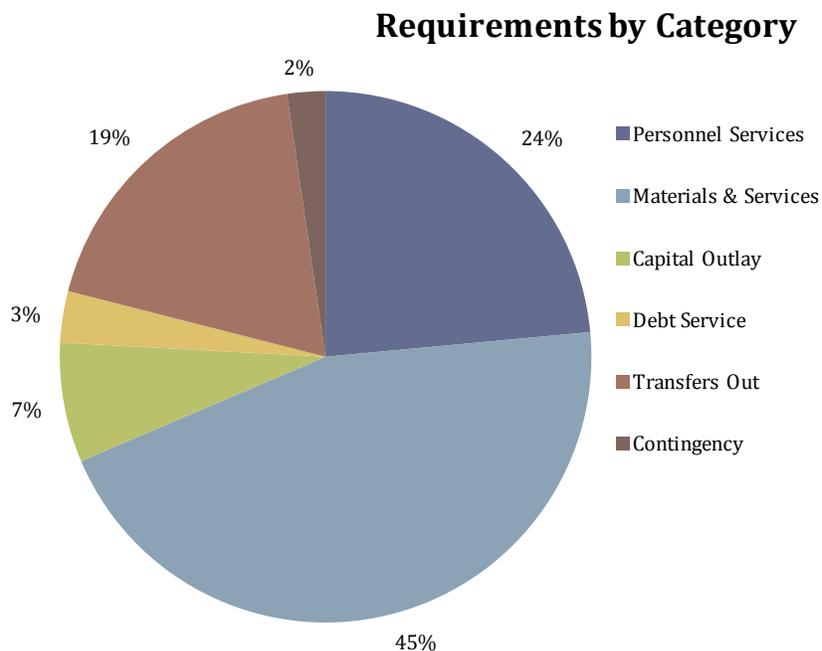
The graph below highlights water revenues and expenditures over time (excluding beginning balances and contingency). As shown, expenditures over time, and in the projected

future, exceed utility revenues. While revenues are sufficient to cover operations, there is a growing amount of deferred maintenance due to this funding shortage.



The chart below shows the relative percentages of resources by type and requirements by category for the biennium. Materials and

services, which include wholesale water purchases account for the majority of expenditures.



WATER OPERATIONS

OVERVIEW

The Water Operations 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 167 miles of water mains, 5 water reservoirs, 1,430 fire hydrants, 23 pressure reducing valves, and services over 9,900 customers over 4,134 acres. The division includes 13.50 FTEs, resulting in no change from the prior year.

The source of supply for the City is surface water from the lower Clackamas River which is supplied by the South Fork Water Board (the Board). The Board is a wholesale water supplier that is equally owned by Oregon City and the city of West Linn. The Board operates an intake and pumping station 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, backflow and cross-connection program, mainline replacement and upgrades program, system flushing and valve, hydrant, reservoir, 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

- ❖ Completed the City’s Water Rate Analysis
- ❖ Completed public awareness effort to prepare the City and Commission with sufficient information so that a public vote approves amending the Charter to avoid a water rate rollback
- ❖ Completed annual pipe replacements
- ❖ Completed the annual leak detection program for 1/3 of the city to reduce potential unaccounted for water
- ❖ In-house water system line replacements and improvements:

- ♦ 225 ft. of 6” cast iron (CI) pipe replaced along Brighton Avenue between Ogden Drive and McKinley Ave.
- ♦ 850 ft. of 6” CI water main replacement along Brighton Avenue between Summit Street & Jersey Avenue
- ❖ Distributed 15,000 state required annual drinking water quality reports

GOALS AND PROJECTS

- ❖ In-house water system line replacements and improvements:
 - ♦ 175 ft. of 8” ductile iron (DI) along Polk Street between 15th St. and end of street
 - ♦ 275 ft. of 4” DI along Lincoln Street between 12th Street and end of street
 - ♦ 1,000 ft. of 8” DI along Madison Street between 12th and 15th streets
 - ♦ 950 ft. of 8” DI along Jersey Avenue between Charman Street and Brighton Avenue
- ❖ Replace one large meter per year
- ❖ Complete scheduled annual pipe replacements and pavement improvement-related water line upgrades
- ❖ Continue planning and public awareness to prepare City Commission to increase water rates to a level that help to address unfunded capital needs (old pipe replacement program)
- ❖ Remain compliant with State / Federal / 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

WATER OPERATIONS EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 778,054	\$ 781,511	\$ 854,621	\$ 1,749,642	\$ 1,749,642	\$ 1,749,642
Benefits	484,547	505,996	558,670	1,238,175	1,238,175	1,238,175
Total Personnel Services	<u>1,262,601</u>	<u>1,287,507</u>	<u>1,413,291</u>	<u>2,987,817</u>	<u>2,987,817</u>	<u>2,987,817</u>
Materials & Services						
Office Costs	17,806	20,598	16,100	31,500	31,500	31,500
Office Equipment Costs	32,181	15,934	24,500	43,520	43,520	43,520
Operations Costs	73,530	86,775	67,800	82,270	82,270	82,270
Other & Miscellaneous Costs	17,609	16,574	17,600	29,100	29,100	29,100
Maintenance Costs	9,647	11,724	7,000	20,850	20,850	20,850
Materials	149,165	177,259	148,500	301,800	301,800	301,800
Wholesale Water Purchase	1,227,932	1,260,340	1,443,750	3,077,354	3,077,354	3,077,354
Pump Station Operations	75,639	99,324	110,000	230,000	230,000	230,000
South Fork SDC Transfer	117,677	291,811	150,000	700,000	700,000	700,000
Special Programs	11,392	12,735	20,000	32,480	32,480	32,480
Employee Costs	9,905	7,436	7,700	15,225	15,225	15,225
Franchise Fees	375,598	297,823	306,757	645,257	645,257	645,257
Contract Services	175,279	154,911	299,000	514,800	514,800	514,800
Total Materials & Services	<u>2,293,360</u>	<u>2,453,244</u>	<u>2,618,707</u>	<u>5,724,156</u>	<u>5,724,156</u>	<u>5,724,156</u>
Capital Outlay	547,980	418,636	785,000	924,500	924,500	924,500
Debt Service	196,318	199,138	201,393	397,664	397,664	397,664
Transfers & Other Uses						
Transfer to Fleet	52,500	70,000	82,500	204,000	204,000	204,000
Transfers to GIS and Planning	10,000	10,000	10,000	43,000	43,000	43,000
Transfers to Engineering	10,000	20,000	20,000	40,000	40,000	40,000
Transfer to Building Reserves	450,000	400,000	400,000	800,000	800,000	800,000
Transfer to Utility Customer Service	425,209	446,469	468,792	1,058,569	1,058,569	1,058,569
Transfers to General and Legal	112,014	117,229	110,000	230,000	230,000	230,000
Total Transfers & Other Uses	<u>1,059,723</u>	<u>1,063,698</u>	<u>1,091,292</u>	<u>2,375,569</u>	<u>2,375,569</u>	<u>2,375,569</u>
Contingency	-	-	964,809	294,437	294,437	294,437
Unappropriated Fund Balance	<u>1,488,705</u>	<u>1,539,139</u>	-	-	-	-
Total Water Operations	<u>\$ 6,848,687</u>	<u>\$ 6,961,362</u>	<u>\$ 7,074,492</u>	<u>\$ 12,704,143</u>	<u>\$ 12,704,143</u>	<u>\$ 12,704,143</u>
Total FTE	12.63	12.79	13.50	13.27	13.27	13.27

BUDGET HIGHLIGHTS

Capital Outlay includes the following projects:

Clairmont Water Line	\$426,000
Main Street Pipe Replacement	\$150,000
Whitney Lane Pipe Upgrade	\$100,000
Water Line Replacements	\$60,500
I-205 Crossing	\$60,000
Pope Lane/Forsyth Road	\$40,000
Mt. View Fence Replacement	\$30,000
Taylor Street Pipe Replacement	\$25,000
Main Street Alley	\$20,000
Other Capital	<u>\$13,000</u>
Total Capital Projects	\$924,500

Contract Services includes funding for the following:

Paving and Patching	\$70,000
Emergency and Repairs	\$69,300
Civil and Structural Engineering	\$68,000
Capital construction engineering	\$60,000
Planning and Studies	\$45,500
Inspections and leak detection	\$44,000
Pumping services	\$40,000
Safety and Environmental	\$31,000
Land Surveying and Mapping	\$26,000
Landscaping	\$16,000
Meter services	\$16,000
Electrical	\$14,000
General and Other	\$9,500
Traffic Control	<u>\$5,500</u>
Total Contract Services	\$514,800





WASTEWATER FUNDS

OVERVIEW

The Wastewater (Sewer) Utility Division maintains the City’s wastewater collection system in accordance with regulatory standards. Funds in this division are accounted for in the **Wastewater Operations** fund. Additionally, funds are reserved in a **Wastewater Rate Stabilization** fund pursuant to Oregon City Resolution requiring funds to be set aside in the same amount as the Debt Service reserve.

Pursuant to adopted Resolution, there is a scheduled increase of \$0.80 (or 4%) to the monthly rate per Dwelling Unit starting July 1, 2013, positively impacting wastewater utility bills for 2014 by approximately \$278,000. FY 2015 has an estimated increase of \$221,000 due to anticipated CPI increase not to exceed 3%.

Tri-City Service District (TCSD) provides wastewater treatment services at the Tri-City Water Pollution Control Plant, located in Oregon City, to the cities of Oregon City, Gladstone, and West Linn. Oregon City collects monthly wastewater treatment fees on TCSD’s behalf on the utility bill. These collection fees are difficult to project and are part of budgeted revenues and expenses. TCSD collections have exceeded budgeted amounts in the past; FY 2014 indicates an increase due to estimating closer to trends as well as for their scheduled rate increases. A total of \$6.7 million is budgeted for the biennium each for pass through Charges for Service revenues and Materials expense.

The table below compares Total Resources and Total Requirements in the Wastewater Operations and Rate Stabilization Funds for the past two years, the current budget year, and the biennium.

Wastewater Operations	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 860,742	\$ 345,429	\$ 412,872	\$ 456,919	\$ 456,919	\$ 456,919
Charges for Services						
Wastewater Utility	2,661,730	2,808,702	2,888,000	6,553,400	6,553,400	6,553,400
Tri-City Collections	2,233,166	2,677,829	2,730,000	6,678,000	6,678,000	6,678,000
Other Charges for Services	29,078	33,536	13,000	68,350	68,350	68,350
Transfers In	35,000	20,000	10,000	20,000	20,000	20,000
Other Financing Sources	1,736	6,533	7,000	11,000	11,000	11,000
Miscellaneous Income	7,190	5,057	6,000	10,000	10,000	10,000
Total Resources	\$ 5,828,642	\$ 5,897,086	\$ 6,066,872	\$ 13,797,669	\$ 13,797,669	\$ 13,797,669

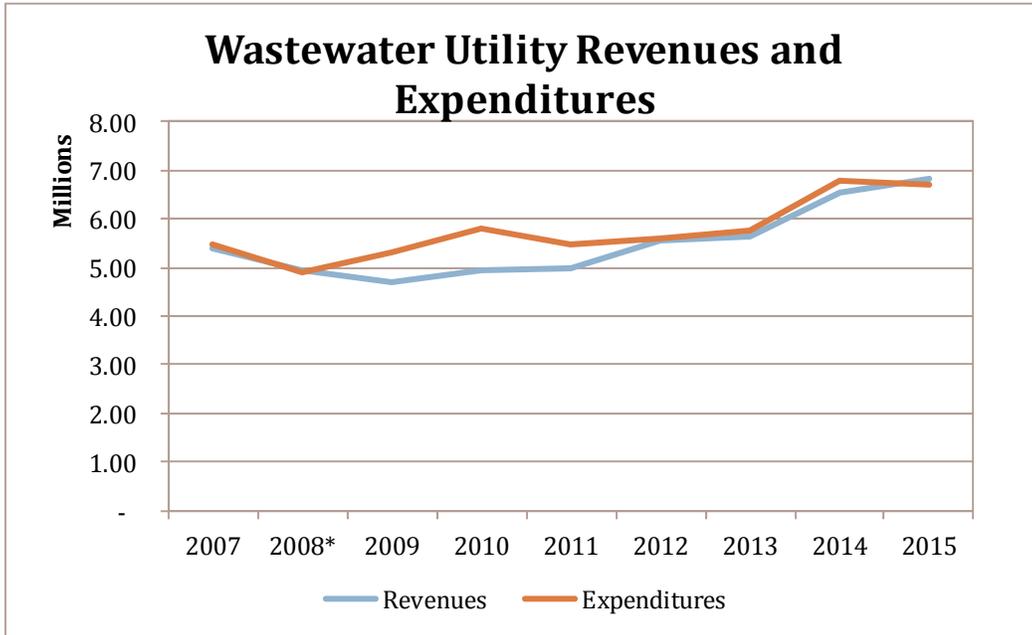
Requirements by Department						
Personnel Services	\$ 778,896	\$ 802,260	\$ 851,099	\$ 1,812,744	\$ 1,812,744	\$ 1,812,744
Materials & Services	2,684,326	3,216,381	3,274,550	7,886,424	7,886,424	7,886,424
Capital Outlay	246,996	160,248	275,700	968,000	968,000	968,000
Debt Service	526,712	531,838	531,219	1,056,063	1,056,063	1,056,063
Transfers Out	1,246,283	876,385	811,845	1,761,284	1,761,284	1,761,284
Contingency	-	-	322,459	313,154	313,154	313,154
Unappropriated Fund Balance	345,429	309,974	-	-	-	-
Total Requirements	\$ 5,828,642	\$ 5,897,086	\$ 6,066,872	\$ 13,797,669	\$ 13,797,669	\$ 13,797,669

Wastewater Rate Stabilization	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 623,252	\$ 623,252	\$ 623,252	\$ 623,252	\$ 623,252	\$ 623,252
Total Resources	\$ 623,252	\$ 623,252	\$ 623,252	\$ 623,252	\$ 623,252	\$ 623,252

Requirements by Department						
Unappropriated Fund Balance	\$ 623,252	\$ 623,252	\$ 623,252	\$ 623,252	\$ 623,252	\$ 623,252
Total Requirements	\$ 623,252					

The graph below highlights wastewater revenues and expenditures over time. As shown, expenditures over time, and in the projected future, exceed utility revenues. While revenues

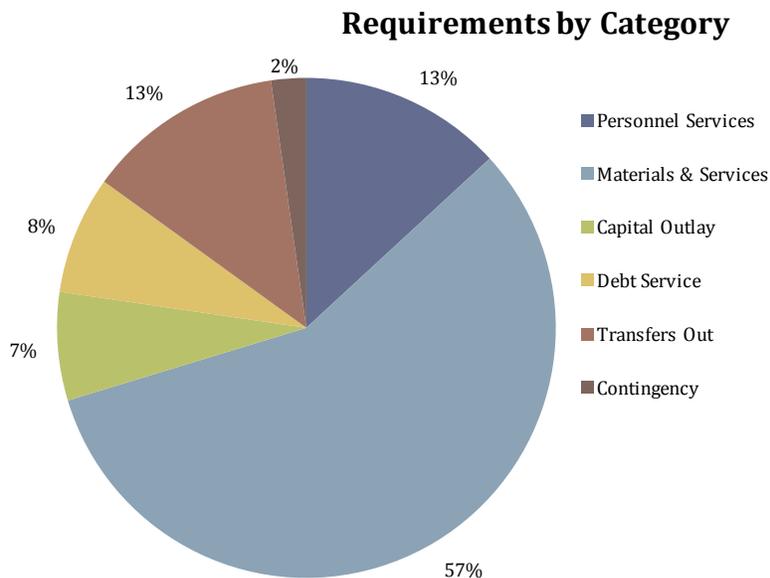
are sufficient to cover operations, there is a growing amount of deferred maintenance due to this funding shortage.



The chart below shows the relative percentages of requirements by category for the biennium.

paid to treat the wastewater collected and connection charges paid. Combined, these cost approximately \$6.7 million for the biennium.

As shown, Materials and Services make up the bulk of the expenditures; this includes the cost



WASTEWATER OPERATIONS

OVERVIEW

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

The City's wastewater collection system includes 12 pump stations and 136 miles of pipes (force main and gravity) serving over 9,400 customers. The division includes 8.7 FTEs, (no change from the prior year).

Key annual projects include a system-wide cleaning program, a TV inspection, pump station maintenance and replacement, asset management, and a pipeline replacement and upgrade program.

Once the wastewater is collected, it is treated by the Tri-City Service District (Tri-City). Tri-City provides wastewater treatment services at the Tri-City Water Pollution Control Plant. 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

- ❖ Completed scheduled small works improvements projects
- ❖ Completed alternatives analysis and concept design for the Barclay Hills pump station improvement project
- ❖ Main Street manhole installations for improved access
- ❖ Provided Oregon City citizens with an efficient and environmentally safe wastewater collection system.
- ❖ Completed the hydraulic modeling

needed for the Sanitary Sewer Master Plan update

- ❖ Completed routine operations and maintenance of critical facilities using the SCADA (Supervisory Control And Data Acquisition) system, weekly pump station records, and cleaning.
- ❖ Completed sewer system inspections and sewer separation associated with the annual pavement maintenance program's capital improvement list.

GOALS AND PROJECTS

- ❖ Complete contract documents, award bid, and begin construction for Barclay Hills pump station improvements
- ❖ Upgrades to Hidden Creek pump station
- ❖ Pavement maintenance-related sewer system upgrades
- ❖ Annual small works, pipe replacement, and separation projects through capital works or routine operations and maintenance, such as:
 - ◆ Line cleaning, TV inspections, and root intrusion control
 - ◆ Infiltration of subsurface water and surface water inflow abatement
 - ◆ Customer service and 24/7 on-call emergency response to sewer needs
 - ◆ Facility management of 18 wastewater pump stations, including 6 Septic Tank Effluent Pumping (STEP) systems
 - ◆ Oversee the City's SCADA software and radio communication systems
 - ◆ Annual pipe repairs (small works) identified through routine inspections and emergency response
- ❖ Complete the system assessment necessary to complete the Sanitary Sewer Master Plan Update
- ❖ Continue to communicate with citizens to enhance public awareness about sewer connection responsibilities and maintenance

WASTEWATER OPERATIONS EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 479,044	\$ 488,424	\$ 521,266	\$ 1,064,588	\$ 1,064,588	\$ 1,064,588
Benefits	299,852	313,836	329,833	748,156	748,156	748,156
Total Personnel Services	778,896	802,260	851,099	1,812,744	1,812,744	1,812,744
Materials & Services						
Office Costs	10,131	10,989	10,000	19,975	19,975	19,975
Office Equipment Costs	15,248	13,885	14,000	59,760	59,760	59,760
Operations Costs	58,787	98,076	79,300	122,700	122,700	122,700
Other & Miscellaneous Costs	10,908	11,912	14,450	28,790	28,790	28,790
Maintenance Costs	9,657	11,462	9,700	21,650	21,650	21,650
Materials	9,713	10,835	17,000	67,500	67,500	67,500
Tri-City Sewer Collections	2,190,463	2,650,980	2,730,000	6,678,000	6,678,000	6,678,000
Pump Station Operations	118,445	99,816	69,000	203,000	203,000	203,000
Employee Costs	4,559	4,307	6,100	11,445	11,445	11,445
Franchise Fees	160,039	160,000	160,000	393,204	393,204	393,204
Contract Services	96,376	144,119	165,000	280,400	280,400	280,400
Total Materials & Services	2,684,326	3,216,381	3,274,550	7,886,424	7,886,424	7,886,424
Capital Outlay	246,996	160,248	275,700	968,000	968,000	968,000
Debt Service	526,712	531,838	531,219	1,056,063	1,056,063	1,056,063
Transfers & Other Uses						
Transfer to Fleet	115,000	117,000	125,700	300,000	300,000	300,000
Transfers to GIS and Planning	10,000	10,000	10,000	43,000	43,000	43,000
Transfers to Engineering	40,000	20,000	20,000	40,000	40,000	40,000
Transfer to Building Reserves	756,000	400,000	300,000	600,000	600,000	600,000
Transfer to Utility Customer Service	217,442	228,314	251,145	568,284	568,284	568,284
Transfers to General and Legal	107,841	101,071	105,000	210,000	210,000	210,000
Total Transfers & Other Uses	1,246,283	876,385	811,845	1,761,284	1,761,284	1,761,284
Contingency	-	-	322,459	313,154	313,154	313,154
Unappropriated Fund Balance	345,429	309,974	-	-	-	-
Total Wastewater	\$ 5,828,642	\$ 5,897,086	\$ 6,066,872	\$ 13,797,669	\$ 13,797,669	\$ 13,797,669
Total FTE	7.80	8.18	8.73	8.70	8.70	8.70

BUDGET HIGHLIGHTS

The following Capital Projects are scheduled in this biennium:

Barclay Hills Pump Station	\$345,000
Main Street Pipes	\$250,000
Pavement Related Improvements	\$75,000
Washington Street Pipes	\$60,000
Inspection Projects	\$50,000
Emergency Repairs	\$50,000
Manhole Installations	\$42,500
Hidden Creek Pump	\$35,000
Main Street Alley Sewer	\$18,000
Canemah Pump Station	\$15,000
Terrace Avenue Pipe	\$11,000
Cook Street Pump Station	\$10,000
Other Capital	<u>\$6,500</u>
Total Capital Projects	\$968,000

The Main Street and Barclay Hills pump station projects were reduced in the budget, and thus in scope, due to lack of funding. Additionally, other projects were not proposed in this biennium.

Contract Services includes funding for the following:

Inspections & Leak Detection	\$110,000
Capital Construction Engineering	\$35,000
Paving & Patching	\$34,000
SCADA	\$10,000
Other Consulting	\$20,000
Emergency & Repairs	\$18,000
Electrical	\$16,000
Pump Maintenance	\$14,400
Landscape	\$10,000
Traffic Control	\$8,000
Environmental & Testing	<u>\$5,000</u>
Total Contract Services	\$280,400





STORMWATER FUND

OVERVIEW

The Stormwater (Storm drain) 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 Operations** fund.

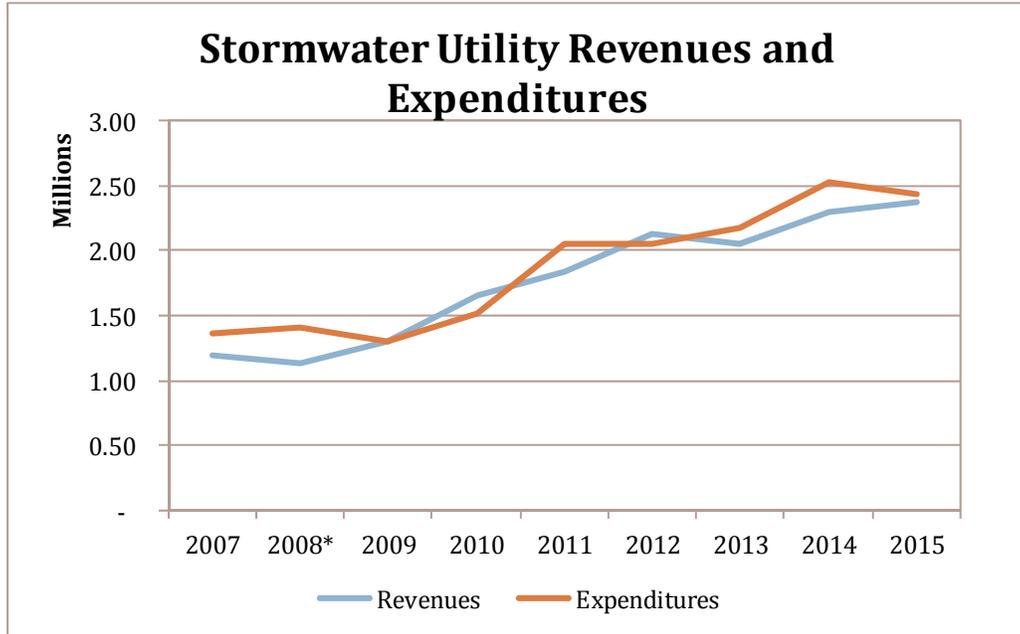
Pursuant to adopted Resolution, there is a scheduled increase of \$0.25 per Dwelling Unit to the monthly rate each year on January 1, 2014 and 2015. Billed revenues are expected to increase by approximately \$233,000 in 2014 and \$67,000 in 2015 due to this rate change.

The table below compares Total Resources and Total Requirements in the Stormwater Operations Fund for the past two years, the current budget year, and the biennium.

Stormwater Operations	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 525,333	\$ 304,441	\$ 271,962	\$ 378,176	\$ 378,176	\$ 378,176
Charges for Services						
Stormwater Utility Bills	1,776,428	1,978,193	2,001,657	4,536,035	4,536,035	4,536,035
Other Charges for Services	27,966	84,784	11,000	26,000	26,000	26,000
Licenses & Permits	26,344	57,657	40,000	101,500	101,500	101,500
Miscellaneous Income	1,237	870	1,200	2,400	2,400	2,400
Other Financing Sources	6,733	6,086	1,200	-	-	-
Total Resources	\$ 2,364,041	\$ 2,432,031	\$ 2,327,019	\$ 5,044,111	\$ 5,044,111	\$ 5,044,111
Requirements by Department						
Personnel Services	\$ 888,445	\$ 978,424	\$ 1,022,348	\$ 2,236,355	\$ 2,236,355	\$ 2,236,355
Materials & Services	422,618	411,266	493,254	1,115,304	1,115,304	1,115,304
Capital Outlay	218,267	121,308	124,750	588,500	588,500	588,500
Transfers Out	530,270	544,007	529,728	1,015,284	1,015,284	1,015,284
Contingency	-	-	156,939	88,668	88,668	88,668
Unappropriated Fund Balance	304,441	377,026	-	-	-	-
Total Requirements	\$ 2,364,041	\$ 2,432,031	\$ 2,327,019	\$ 5,044,111	\$ 5,044,111	\$ 5,044,111

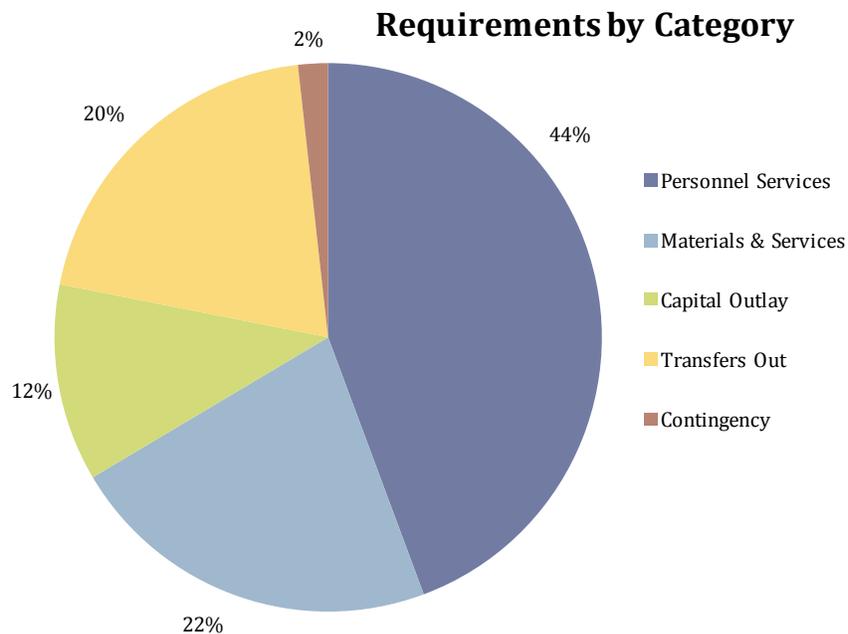
The graph below highlights stormwater revenues and expenditures over time. As shown, expenditures over time, and in the projected future, exceed utility revenues. While revenues

are sufficient to cover operations, there is a growing amount of deferred maintenance due to this funding shortage.



The chart below shows the relative percentages of requirements by category for the biennium.

As shown, Personnel accounts for the largest portion of Stormwater Expenditures.



STORMWATER OPERATIONS

OVERVIEW

The Storm Drain 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 22 drainage basins, 53 detention ponds, 4,400 catch basins, 30 miles of streams, and 37 underground detention tanks. There are 10.2 FTEs funded in the budget. 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, any damaged lines 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 "Healthy Streams Plan" 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

- ❖ Swept 3,147 curb miles and collected 685 cubic yards of debris and leaves
- ❖ Completed over 250 erosion control inspections and issued 4 notices of non-compliance
- ❖ DEQ issued new Municipal Separate Storm Sewer System Permit (MS4)
- ❖ Completed new Municipal Separate Storm Sewer System Permit (MS4) Requirements as scheduled
- ❖ Developed and implemented private storm water quality facility inspection program

- ❖ Developed Commercial/Industrial inspection program
- ❖ Inventoried municipal facilities and developed pollution reduction strategies
- ❖ Continued coordinated stormwater sampling program (adding pesticide & mercury) with Clackamas County Service District #1 and co-permittees
- ❖ Performed flood control, cleaning, maintenance and repair of the City's stormwater system as reported in 2012 NPDES Annual Report
- ❖ Repaired 4 storm mains, 2 culverts, 2 manholes
- ❖ Cleaned and video inspected 15,500 ft. of pipe
- ❖ Maintained 75 detention ponds, mowed 17 drainage ditches and bioswales (7700 ft.)
- ❖ Inspected and/or cleaned 1,491 catch basins and 45 pollution control manholes removing 82.5 cubic yards of debris
- ❖ Screened 685 cubic yards of street sweeping debris; recycled and blended to make high quality topsoil
- ❖ Completed underground utility locate services

GOALS AND PROJECTS

- ❖ Utilize industry leading best management practices to adaptively manage the stormwater collection system work programs and infrastructure to comply with the newly issued National Pollutant Discharge Elimination System (NPDES) MS4 permit
- ❖ Formalize storm maintenance evaluation & assessment program
- ❖ Complete 7.5 miles of video Inspections per year; transition video assessment to standardized "Pipe Assessment Condition Program" codes
- ❖ Clean lines as needed based on video inspection assessment
- ❖ Develop pipe replacement needs based on video inspection assessment

- ♦ Clean 1,476 catch basins per year, 4,430 catch basins every 3 years
- ♦ Complete 42 annual Pollution Control Manholes/Vault & Detention Pipe Cleaning
- ♦ Maintain 75 storm water quality ponds 18 times per year
- ❖ Utilize consultant services to assist with new permit implementation including, sampling and lab fees, annual reporting, permit fees, public outreach, Stormwater Management Plan implementation, and system regulation and evaluation
- ❖ New Municipal Separate Storm Sewer System Permit (MS4) Requirements
 - ♦ 2014 – Identify a storm water quality retrofit project
 - ♦ Update post-construction stormwater standards & codes and ensure enforcement strategies are in place.
 - ♦ Update City erosion manual or adopt Clackamas County manual and ensure enforcement strategies are in place
 - ♦ Develop hydro modification assessment plan & retrofit strategy
 - ♦ Evaluate TMDL (temperature/shade) program
- ♦ Continued coordinated stormwater sampling program (adding pesticide & mercury) with Clackamas County Service District #1 and co-permittees
- ❖ Complete scheduled pipe repair, replacement, and system upgrades
 - ♦ 1101 14th Street – Storm replacement
 - ♦ Van Buren Street, (8th to 9th Street) - Storm replacement
 - ♦ Harding Boulevard – Storm extension
- ❖ Complete Pavement Maintenance-related storm system upgrades
- ❖ Continue public education of stormwater quality/watershed health through cooperative efforts with co-permittees such as KOIN 6 – “Do the right thing” ads, Trail News articles, storm drain decals & stencils.
- ❖ Continue work to finalize and implement Low Impact Construction Design Standards for storm water management



STORMWATER UTILITY EXPENDITURES

<u>Description</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013-2015 Proposed</u>	<u>2013-2015 Approved</u>	<u>2013-2015 Adopted</u>
Personnel Services						
Salaries	\$ 553,589	\$ 593,279	\$ 622,386	\$ 1,310,214	\$ 1,310,214	\$ 1,310,214
Benefits	334,856	385,145	399,962	926,141	926,141	926,141
Total Personnel Services	<u>888,445</u>	<u>978,424</u>	<u>1,022,348</u>	<u>2,236,355</u>	<u>2,236,355</u>	<u>2,236,355</u>
Materials & Services						
Office Costs	7,669	8,157	7,280	14,712	14,712	14,712
Office Equipment Costs	7,983	11,862	17,500	23,330	23,330	23,330
Operations Costs	101,429	123,336	91,250	149,750	149,750	149,750
Other & Miscellaneous Costs	7,103	12,695	16,500	28,600	28,600	28,600
Maintenance Costs	9,040	9,959	8,500	17,250	17,250	17,250
Materials	18,287	20,805	26,000	119,000	119,000	119,000
Employee Costs	6,213	8,733	7,000	11,500	11,500	11,500
Franchise Fees	93,024	93,024	93,024	272,162	272,162	272,162
Contract Services	171,870	122,695	226,200	479,000	479,000	479,000
Total Materials & Services	<u>422,618</u>	<u>411,266</u>	<u>493,254</u>	<u>1,115,304</u>	<u>1,115,304</u>	<u>1,115,304</u>
Capital Outlay	218,267	121,308	124,750	588,500	588,500	588,500
Transfers & Other Uses						
Transfer to Fleet	57,000	57,000	78,000	170,000	170,000	170,000
Transfers to GIS and Planning	10,000	10,000	10,000	43,000	43,000	43,000
Transfers to Engineering	5,000	10,000	15,000	30,000	30,000	30,000
Transfer to Building Reserves	346,000	350,000	300,000	500,000	500,000	500,000
Transfer to Utility Customer Service	92,270	96,884	101,728	230,284	230,284	230,284
Transfers to General and Legal	20,000	20,123	25,000	42,000	42,000	42,000
Total Transfers & Other Uses	<u>530,270</u>	<u>544,007</u>	<u>529,728</u>	<u>1,015,284</u>	<u>1,015,284</u>	<u>1,015,284</u>
Contingency	-	-	156,939	88,668	88,668	88,668
Unappropriated Fund Balance	304,441	377,026	-	-	-	-
Total Stormwater	<u>\$ 2,364,041</u>	<u>\$ 2,432,031</u>	<u>\$ 2,327,019</u>	<u>\$ 5,044,111</u>	<u>\$ 5,044,111</u>	<u>\$ 5,044,111</u>
Total FTE	9.85	9.68	10.23	10.37	10.37	10.37

BUDGET HIGHLIGHTS

The following projects are not funded in this biennial budget: Coffee Creek Culvert Replacement, Kathaway Court Storm Reroute, Willamette Street Storm Replacement, and Main Street Storm Replacements. Additionally, there is no budget for emergency repairs or any PMUF related storm system upgrades due to lack of funding.

The following Capital Projects are scheduled in this biennium:

Harding Blvd.	\$219,000
14 th St.	\$136,000
Van Buren St.	\$102,000
Roadway Reconstruction	\$80,000
Clairmont Way	\$30,000

Other Minor Capital \$21,500

Total Capital Projects \$588,500

Contract Services includes funding for the following:

Environmental	\$158,000
Landscape	\$150,000
Construction Engineering	\$50,000
Inspections & Leak Detection	\$40,000
Paving & Patching	\$40,000
General & Other	\$19,000
Equipment Repair	\$12,000
Traffic Control	\$8,000
Electrical	<u>\$2,000</u>

Total Contract Services \$479,000



**SYSTEM DEVELOPMENT FUNDS
OVERVIEW**

System Development Charges (SDC's) 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:

- ❖ Street
- ❖ Water
- ❖ Wastewater
- ❖ Stormwater

The Street SDC fund also includes Intergovernmental Revenues in the form of capital grants received for roadway construction.

The tables below show Total Resources and Total Requirements for each of the SDC funds for the past two years, the current budget year, and the biennium.

Street SDC	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 3,162,509	\$ 2,833,942	\$ 2,305,706	\$ 2,577,970	\$ 2,577,970	\$ 2,577,970
Intergovernmental	2,765,697	11,312,916	8,630,000	430,000	430,000	430,000
Charges for Services	576,301	498,215	400,000	1,050,000	1,050,000	1,050,000
Miscellaneous Income	46,872	24,980	35,000	61,000	61,000	61,000
Total Resources	\$ 6,551,379	\$ 14,670,053	\$ 11,370,706	\$ 4,118,970	\$ 4,118,970	\$ 4,118,970

Requirements by Department

Materials & Services	\$ 24,573	\$ 70,195	\$ 52,000	\$ 384,060	\$ 384,060	\$ 384,060
Capital Outlay	3,640,435	12,789,757	9,460,250	2,446,175	2,446,175	2,446,175
Transfers Out	52,429	34,441	57,500	45,684	45,684	45,684
Contingency	-	-	1,145,862	977,957	977,957	977,957
Unappropriated Fund Balance	2,833,942	1,775,660	655,094	265,094	265,094	265,094
Total Requirements	\$ 6,551,379	\$ 14,670,053	\$ 11,370,706	\$ 4,118,970	\$ 4,118,970	\$ 4,118,970

Water SDC	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 909,239	\$ 964,378	\$ 1,287,665	\$ 1,630,620	\$ 1,630,620	\$ 1,630,620
Charges for Services	265,602	707,810	300,000	1,000,000	1,000,000	1,000,000
Miscellaneous Income	4,638	6,454	5,000	20,000	20,000	20,000
Total Resources	\$ 1,179,479	\$ 1,678,642	\$ 1,592,665	\$ 2,650,620	\$ 2,650,620	\$ 2,650,620

Requirements by Department

Materials & Services	\$ 23,719	\$ 18,441	\$ 44,100	\$ 128,200	\$ 128,200	\$ 128,200
Capital Outlay	161,342	20,038	369,000	789,250	789,250	789,250
Transfers Out	30,040	32,696	42,500	71,973	71,973	71,973
Contingency	-	-	1,137,065	1,661,197	1,661,197	1,661,197
Unappropriated Fund Balance	964,378	1,607,467	-	-	-	-
Total Requirements	\$ 1,179,479	\$ 1,678,642	\$ 1,592,665	\$ 2,650,620	\$ 2,650,620	\$ 2,650,620

Public Works– System Development

Wastewater SDC	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 1,698,469	\$ 1,583,447	\$ 1,610,141	\$ 1,990,208	\$ 1,990,208	\$ 1,990,208
Charges for Services	104,649	371,993	200,000	516,000	516,000	516,000
Miscellaneous Income	9,150	8,758	10,000	20,000	20,000	20,000
Total Resources	\$ 1,812,268	\$ 1,964,198	\$ 1,820,141	\$ 2,526,208	\$ 2,526,208	\$ 2,526,208
Requirements by Department						
Materials & Services	\$ -	\$ 27,909	\$ 225,650	\$ 171,300	\$ 171,300	\$ 171,300
Capital Outlay	198,821	223,900	338,250	1,055,750	1,055,750	1,055,750
Transfers Out	30,000	32,696	32,500	65,196	65,196	65,196
Contingency	-	-	1,223,741	1,233,962	1,233,962	1,233,962
Unappropriated Fund Balance	1,583,447	1,679,693	-	-	-	-
Total Requirements	\$ 1,812,268	\$ 1,964,198	\$ 1,820,141	\$ 2,526,208	\$ 2,526,208	\$ 2,526,208
Stormwater SDC						
Stormwater SDC	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 313,983	\$ 211,343	\$ 274,163	\$ 391,887	\$ 391,887	\$ 391,887
Charges for Services	37,716	136,800	100,000	250,000	250,000	250,000
Miscellaneous Income	1,386	1,384	13,000	3,000	3,000	3,000
Total Resources	\$ 353,085	\$ 349,527	\$ 387,163	\$ 644,887	\$ 644,887	\$ 644,887
Requirements by Department						
Materials & Services	\$ -	\$ -	\$ 20,110	\$ 225,220	\$ 225,220	\$ 225,220
Capital Outlay	104,182	13,643	174,250	240,000	240,000	240,000
Transfers Out	37,560	32,696	37,500	56,342	56,342	56,342
Contingency	-	-	155,303	123,325	123,325	123,325
Unappropriated Fund Balance	211,343	303,188	-	-	-	-
Total Requirements	\$ 353,085	\$ 349,527	\$ 387,163	\$ 644,887	\$ 644,887	\$ 644,887

STREET SYSTEM DEVELOPMENT

OVERVIEW

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

ACCOMPLISHMENTS

- ❖ Completed the Jughandle project construction
- ❖ Adopted the City’s Transportation System Plan update
- ❖ Provided the local match for Main Street (5th to 10th Street) sidewalk
- ❖ Began the public involvement and design for Phase 2 McLoughlin Boulevard Enhancement Plan
- ❖ Completed construction for eastbound right-turn lane on Beaver Creek Road at Molalla Avenue (\$340,000 from Clackamas County Transportation Impact Fee)

GOALS AND PROJECTS

- ❖ Complete a Transportation System Development Charge study consistent with the recently completed Transportation System Plan update
- ❖ Continue to work with TriMet to enhance transit service in Oregon City through routine service enhancements and combining resources as co-applicants for grant opportunities
- ❖ Complete concept level designs for corridors including Division Street,

- Pease Road, Meyers Road, Molalla Avenue Phase III, Meyers Road (Hwy 213 to High School Lane) and Partlow Road
- ❖ Continue to implement the City’s annual traffic counting program
- ❖ Continue to seek \$8.5 million federal authorization funding for OR 213/Redland Road lane improvements project
- ❖ Continue to seek \$2.5 million federal appropriations funding for Main Street (10th to 15th Street) sidewalk project construction
- ❖ Continue to seek \$5.3 million state, or regional funding for the Molalla Avenue Phase III (Beaver Creek Road to Hwy 213) Corridor improvement project; (13/14 - \$200,000 14/15 - \$400,000 placeholder(s) for local match)
- ❖ Continue to seek \$5.0 million state or regional funding for the Holcomb Boulevard (Holcomb School to Winston Street) bike and pedestrian improvements (13/14 - \$110,000, 14/15 - \$80,000 local match placeholder)
- ❖ Begin construction for McLoughlin Boulevard Enhancement (\$900,000 funding from Urban Renewal)
- ❖ Seek out concept design, land acquisition agreements, and local match funding for the construction of the Meyers Road Extension (Hwy 213 to High School Lane)

STREET DEVELOPMENT EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015	2013-2015	2013-2015
				Proposed	Approved	Adopted
Materials & Services						
Office Costs	\$ 571	\$ 302	\$ 2,000	\$ 4,060	\$ 4,060	\$ 4,060
Contract Services	24,002	69,893	50,000	380,000	380,000	380,000
Total Materials & Services	24,573	70,195	52,000	384,060	384,060	384,060
Roadway Improvement Projects	3,640,435	12,789,757	9,460,250	2,446,175	2,446,175	2,446,175
Transfers	52,429	34,441	57,500	45,684	45,684	45,684
Contingency	-	-	1,145,862	977,957	977,957	977,957
Unappropriated Fund Balance	2,833,942	1,775,660	655,094	265,094	265,094	265,094
Total Street Development	\$ 6,551,379	\$14,670,053	\$ 11,370,706	\$ 4,118,970	\$ 4,118,970	\$ 4,118,970

WATER SYSTEM DEVELOPMENT

OVERVIEW

Provide 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

- ❖ Completed waterline replacement and upgrade on Main St. between 6th and 10th Streets

GOALS AND PROJECTS

- ❖ Complete water system project planning and system analysis as needed

- ❖ Complete a reservoir site study for a new Fairway Downs Reservoir
- ❖ Address priority infrastructure as identified in master plan
 - ♦ Taylor Street pipe upgrade
 - ♦ Center Street PRV and pipe extension
 - ♦ Whitney Lane pipe upsizing
 - ♦ Pope Lane / Forsythe Road; I-205 undercrossing #1
 - ♦ I-205 undercrossing #2
- ❖ SDC Credits (\$250,000 placeholder)
- ❖ Complete Water SDC update

WATER DEVELOPMENT EXPENDITURES

<u>Description</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013-2015 Proposed</u>	<u>2013-2015 Approved</u>	<u>2013-2015 Adopted</u>
Materials & Services						
Office Costs	\$ 71	\$ 4	\$ 2,100	\$ 4,200	\$ 4,200	\$ 4,200
Contract Services	23,648	18,437	42,000	124,000	124,000	124,000
Total Materials & Services	<u>23,719</u>	<u>18,441</u>	<u>44,100</u>	<u>128,200</u>	<u>128,200</u>	<u>128,200</u>
Water Improvement Projects	161,342	20,038	369,000	789,250	789,250	789,250
Transfers	30,040	32,696	42,500	71,973	71,973	71,973
Contingency	-	-	1,137,065	1,661,197	1,661,197	1,661,197
Unappropriated Fund Balance	964,378	1,607,467	-	-	-	-
Total Water Development	<u>\$ 1,179,479</u>	<u>\$ 1,678,642</u>	<u>\$ 1,592,665</u>	<u>\$ 2,650,620</u>	<u>\$ 2,650,620</u>	<u>\$ 2,650,620</u>

WASTEWATER SYSTEM DEVELOPMENT

OVERVIEW

Provide 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.

ACCOMPLISHMENTS

- ❖ Began and continue work on the Sanitary Sewer Master Plan
- ❖ Complete the design of the Barclay Hills Pump Station
- ❖ Completed sewer capacity upgrades

GOALS AND PROJECTS

- ❖ Complete the update to the Sanitary Sewer Master Plan

- ❖ Complete the Sanitary Sewer rate study
- ❖ Complete sewer extension concept planning for Meyers Road and Falcon Drive
- ❖ Complete the construction of the Barclay Hills pump station upgrades
- ❖ Address infrastructure needs identified in Wastewater Master Plan
- ❖ Provide incremental wastewater collection infrastructure to un-serviced areas within developed City limits (sewer extension projects – \$280,000 placeholder)
- ❖ Sewer capacity upgrades (\$500,000 placeholder)
- ❖ SDC Credits (\$50,000 placeholder)

WASTEWATER DEVELOPMENT EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Materials & Services						
Office Costs	\$ -	\$ -	\$ 650	\$ 1,300	\$ 1,300	\$ 1,300
Contract Services	-	27,909	225,000	170,000	170,000	170,000
Total Materials & Services	-	27,909	225,650	171,300	171,300	171,300
Water Improvement Projects	198,821	223,900	338,250	1,055,750	1,055,750	1,055,750
Transfers	30,000	32,696	32,500	65,196	65,196	65,196
Contingency	-	-	1,223,741	1,233,962	1,233,962	1,233,962
Unappropriated Fund Balance	1,583,447	1,679,693	-	-	-	-
Total Wastewater Development	\$ 1,812,268	\$ 1,964,198	\$ 1,820,141	\$ 2,526,208	\$ 2,526,208	\$ 2,526,208

STORMWATER SYSTEM DEVELOPMENT

OVERVIEW

Provide 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.

ACCOMPLISHMENTS

- ❖ Supported the NPDES MS4 permit capital improvement planning

GOALS AND PROJECTS

- ❖ Complete a City-Wide Surface Water Management Master Plan
- ❖ Adopt updated low impact development stormwater design standards
- ❖ Complete a 5-year Capital Improvement Program
- ❖ Complete new development related basin planning (Caufield, South End)
- ❖ Acquire the property required for a regional water quality facility
- ❖ SDC Credits (\$100,000 placeholder)

STORMWATER DEVELOPMENT EXPENDITURES

<u>Description</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013-2015 Proposed</u>	<u>2013-2015 Approved</u>	<u>2013-2015 Adopted</u>
Materials & Services						
Office Costs	\$ -	\$ -	\$ 110	\$ 220	\$ 220	\$ 220
Contract Services	-	-	20,000	225,000	225,000	225,000
Total Materials & Services	-	-	20,110	225,220	225,220	225,220
Water Improvement Projects	104,182	13,643	174,250	240,000	240,000	240,000
Transfers	37,560	32,696	37,500	56,342	56,342	56,342
Contingency	-	-	155,303	123,325	123,325	123,325
Unappropriated Fund Balance	211,343	303,188	-	-	-	-
Total Stormwater Development	\$ 353,085	\$ 349,527	\$ 387,163	\$ 644,887	\$ 644,887	\$ 644,887

FLEET SERVICES AND EQUIPMENT

OVERVIEW

The Fleet Division of Oregon City Public Works purchases and maintains the City's fleet which includes dump trucks, vactor trucks, street sweepers, excavators, pickups, and fleet vehicles as well two "green" bicycles for shorter commutes. 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.

Staff is responsible for evaluating the City's overall fleet purchasing strategy and recommends new vehicles or replacement vehicles based on use, age, and safety requirements. 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 reserves and replacements are accounted for separately as **Fleet Equipment** while services provided to the City's fleet are accounted for as **Fleet Services**.

Fleet Services & Equipment	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 1,552,195	\$ 1,876,759	\$ 4,155,511	\$ 4,668,262	\$ 4,668,262	\$ 4,668,262
Charges for Services	243,734	249,463	133,500	296,500	296,500	296,500
Miscellaneous Income	85,024	61,365	44,322	40,000	40,000	40,000
Transfers In	607,000	605,000	766,428	1,584,350	1,584,350	1,584,350
Total Resources	\$ 2,487,953	\$ 2,792,587	\$ 5,099,761	\$ 6,589,112	\$ 6,589,112	\$ 6,589,112
Requirements by Department						
Materials	\$ 229,313	\$ 234,845	\$ 122,500	\$ 260,756	\$ 260,756	\$ 260,756
Capital Outlay	356,881	260,623	469,800	972,300	972,300	972,300
Transfers Out	25,000	25,000	25,000	50,000	50,000	50,000
Other Uses (Loan)	-	-	1,934,821	-	-	-
Contingency	-	-	5,179	5,444	5,444	5,444
Unappropriated Fund Balance	1,876,759	2,272,119	2,542,461	5,300,612	5,300,612	5,300,612
Total Requirements	\$ 2,487,953	\$ 2,792,587	\$ 5,099,761	\$ 6,589,112	\$ 6,589,112	\$ 6,589,112

Public Works – Fleet

FLEET EQUIPMENT EXPENDITURES

<u>Description</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013-2015 Proposed</u>	<u>2013-2015 Approved</u>	<u>2013-2015 Adopted</u>
Capital Outlay						
Purchases - Street	\$ -	\$ -	\$ -	\$ 268,000	\$ 268,000	\$ 268,000
Purchases - Water	-	-	140,000	119,000	119,000	119,000
Purchases - Storm	-	-	52,500	123,000	123,000	123,000
Purchases - Parks & Cemetery	-	-	97,300	69,000	69,000	69,000
Purchases - Parking	-	-	-	25,000	25,000	25,000
Purchases - Engineering	-	-	-	32,000	32,000	32,000
Purchases - Police Department	-	-	135,000	316,000	316,000	316,000
Replacement of Equipment	350,511	260,623	35,000	-	-	-
Total Capital Outlay	<u>350,511</u>	<u>260,623</u>	<u>459,800</u>	<u>952,000</u>	<u>952,000</u>	<u>952,000</u>
Transfers	20,000	20,000	20,000	40,000	40,000	40,000
Other Uses - Loan to OCURA	-	-	1,934,821	-	-	-
Unappropriated Fund Balance / Reserve for Future Purchases	1,873,706	2,259,435	2,542,461	5,300,612	5,300,612	5,300,612
Total Fleet Equipment	<u>\$ 2,244,217</u>	<u>\$ 2,540,058</u>	<u>\$ 4,957,082</u>	<u>\$ 6,292,612</u>	<u>\$ 6,292,612</u>	<u>\$ 6,292,612</u>

FLEET SERVICES EXPENDITURES

<u>Description</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013-2015 Proposed</u>	<u>2013-2015 Approved</u>	<u>2013-2015 Adopted</u>
Materials & Services						
Office Costs	\$ 1,179	\$ -	\$ -	\$ -	\$ -	\$ -
Operations Costs	4,475	9,169	-	-	-	-
Other & Miscellaneous Costs	5,549	3,675	5,500	12,165	12,165	12,165
Materials	97,228	86,227	66,000	141,000	141,000	141,000
Employee Costs	1,801	1,088	1,000	2,091	2,091	2,091
Contract Services	119,081	134,686	50,000	105,500	105,500	105,500
Total Materials & Services	<u>229,313</u>	<u>234,845</u>	<u>122,500</u>	<u>260,756</u>	<u>260,756</u>	<u>260,756</u>
Capital Outlay	6,370	-	10,000	20,300	20,300	20,300
Transfers	5,000	5,000	5,000	10,000	10,000	10,000
Contingency	-	-	5,179	5,444	5,444	5,444
Unappropriated Fund Balance	3,053	12,684	-	-	-	-
Total Fleet Services	<u>\$ 243,736</u>	<u>\$ 252,529</u>	<u>\$ 142,679</u>	<u>\$ 296,500</u>	<u>\$ 296,500</u>	<u>\$ 296,500</u>

PUBLIC WORKS BUILDING RESERVES

OVERVIEW

This fund is used to account for money set aside for construction of a new Public Works Center.

The source of revenues is transfers from other Public Works funds.

Public Works Building Reserves	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 1,394,209	\$ 2,864,229	\$ 4,134,200	\$ 5,282,692	\$ 5,282,692	\$ 5,282,692
Transfers In	1,652,000	1,250,000	1,150,000	2,200,000	2,200,000	2,200,000
Miscellaneous Income	11,494	18,463	10,000	-	-	-
Total Resources	\$ 3,057,703	\$ 4,132,692	\$ 5,294,200	\$ 7,482,692	\$ 7,482,692	\$ 7,482,692
Requirements by Department						
Materials & Services	\$ 1,974	-	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Capital Outlay						
Land	-	-	4,500,000	4,500,000	4,500,000	4,500,000
New Construction	-	-	694,200	2,882,692	2,882,692	2,882,692
Transfers Out	191,500	-	-	-	-	-
Unappropriated Fund Balance	2,864,229	4,132,692	-	-	-	-
Total Requirements	\$ 3,057,703	\$ 4,132,692	\$ 5,294,200	\$ 7,482,692	\$ 7,482,692	\$ 7,482,692



OTHER FUNDS

Oregon City utilizes various other funds to account for specific revenues or operations. This section includes the following funds:

Fund	Page
❖ Utility Customer Service	120
❖ Downtown Operations	122
❖ Code Enforcement	124
❖ Parks Development	126
❖ Business Development / Business License Fund	128
❖ Economic Improvement District	129
❖ Oregon City Metro Enhancement	130
❖ Cable TV	131
❖ City Cleanup	132
❖ Upgrade Streets Annexed	133
❖ H.O.P.P. Sewer Construction	134
❖ Police Building Reserves	135
❖ Police Services Reserves	135
❖ Parks & Recreation Trust	136
❖ Civic Improvement Trust	137
❖ Ermatinger House	138
❖ Fire Bond	139
❖ PERS Bond	140
❖ Cemetery Endowment Fund	141

Other Funds

UTILITY CUSTOMER SERVICE

FUND OVERVIEW

The Utility Customer Service program acts as an internal service fund to the City. Revenues are from charges to other funds for billing and collection of user charges and general customer service to Oregon City citizens. Internal services are provided primarily to Water, Wastewater, Pavement Maintenance and Stormwater utilities. Consolidation of these services provides the most economical program and minimizes the number of referrals for users with questions.

ACCOMPLISHMENTS

- ❖ Reviewed and formalized Utility Billing and Customer Service policies and procedures
- ❖ Redesigned utility customer invoices to improve understanding of service areas

GOALS AND PROJECTS

- ❖ Improve efficiencies by automating various processes including billing of master meters
- ❖ Review cost and benefits of outsourcing utility bill printing and mailing, and implement if appropriate
- ❖ Enhance customer service quality with increased training and new approaches

Utility Customer Service	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 7,483	\$ 2,872	\$ -	\$ -	\$ -	\$ -
Charges for Services						
Collection Fees	32,131	8,666	22,000	36,300	36,300	36,300
Services to Public Works Funds	734,921	771,667	821,665	1,857,139	1,857,139	1,857,139
Miscellaneous Income	119	168	-	500	500	500
Total Resources	\$ 774,654	\$ 783,373	\$ 843,665	\$ 1,893,939	\$ 1,893,939	\$ 1,893,939
Requirements by Category						
Personnel Services	\$ 511,223	\$ 525,290	\$ 559,724	\$ 1,262,870	\$ 1,262,870	\$ 1,262,870
Materials & Services	250,559	250,474	261,700	603,000	603,000	603,000
Transfers Out	10,000	-	1,929	3,000	3,000	3,000
Contingency	-	-	20,312	25,069	25,069	25,069
Unappropriated Fund Balance	2,872	7,609	-	-	-	-
Total Requirements	\$ 774,654	\$ 783,373	\$ 843,665	\$ 1,893,939	\$ 1,893,939	\$ 1,893,939

UTILITY CUSTOMER SERVICE EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 306,362	\$ 322,498	\$ 336,308	\$ 736,025	\$ 736,025	\$ 736,025
Benefits	204,861	202,792	223,416	526,845	526,845	526,845
Total Personnel Services	511,223	525,290	559,724	1,262,870	1,262,870	1,262,870
Materials & Services						
Office Costs	130,574	140,350	148,500	360,000	360,000	360,000
Office Equipment	16,962	20,890	20,000	44,000	44,000	44,000
Operations Costs	2,028	2,040	1,500	4,000	4,000	4,000
Other & Miscellaneous Costs	23,246	11,073	12,500	35,000	35,000	35,000
Employee Costs	5,059	1,075	1,200	4,000	4,000	4,000
Meter Reading Contract	72,690	75,046	78,000	156,000	156,000	156,000
Total Materials & Services	250,559	250,474	261,700	603,000	603,000	603,000
Transfers and Other Uses	10,000	-	1,929	3,000	3,000	3,000
Contingency	-	-	20,312	25,069	25,069	25,069
Unappropriated Fund Balance	2,872	7,609	-	-	-	-
Total Utility Customer Service	\$ 774,654	\$ 783,373	\$ 843,665	\$ 1,893,939	\$ 1,893,939	\$ 1,893,939
Total FTE	5.65	6.47	6.47	6.05	6.05	6.05

BUDGET HIGHLIGHTS

This Biennial Budget includes funding for outsourcing various manual processes such as the printing and mailing of utility bills. Savings are reflected in the budget by a reduction in part-time hours and contracted temporary labor.

The budget includes increases of \$35,000 in bank service and online payment charges and \$28,000 in credit card merchant service charges. In prior years, banking charges had been offset by interest earnings on deposit balances, however earnings over the past few years have been reduced substantially due to economic conditions. As such, net banking charges have increased substantially. In addition, electronic customer transactions have increased (on line and check free payments, transfers and ACH transactions, etc.) as have the number of customers paying utility bills with credit cards (web based and point of sale).

Prior period budgets allocated a portion of these costs to the General Fund; however charges are more appropriately budgeted in the fund providing services to utility customers.

Office Costs include the following:

Merchant Card Services	\$108,000
Bank Charges	\$105,000
Postage	\$100,000
Office supplies	\$40,000
Telephone	<u>\$7,000</u>
Total Office Costs	\$360,000

Contract Services includes the following:

Meter Reading Contractor	\$150,000
Equipment Maintenance	<u>\$6,000</u>
Total Contract Services Costs	\$156,000

DOWNTOWN OPERATIONS

FUND OVERVIEW

Downtown parking operations, maintenance, and enforcement of regulated parking areas are all recorded in the Downtown Operations Fund. This fund also includes the Trolley operations.

The City worked closely with Clackamas County and the downtown business community to address downtown parking concerns. A study of downtown parking was completed providing recommendations to address the various needs and competing uses. This study, which was done in collaboration with various shareholders, (business owners, Chamber of Commerce, county agencies, state agencies, TriMet) analyzed use, occupancy and demand for customer and employee spaces throughout the downtown. As a result of the data collection and analysis, as well as continuing discussions with the City and stakeholders, specific parking management strategies were identified and recommended for consideration. Some of these strategies are included in the biennial budget

ACCOMPLISHMENTS

- ❖ Continued implementation of the Parking Plan
- ❖ Continued collection of unpaid parking citations through ticketing, collection agency, and boot ordinance
- ❖ Coordinated City’s tree lighting ceremony
- ❖ Provided support for the winter and summer Farmer’s Market

GOALS AND PROJECTS

- ❖ Continue implementation of parking study recommendations
- ❖ Provide routine monitoring, chalking, and citations for parking violations
- ❖ Provide meter maintenance and parts inventory
- ❖ Continue meeting with downtown business groups, discuss parking issues, parking plan, and promote future success
- ❖ Contribute to seasonal activities that promote downtown; Halloween, tree lighting, etc.

Downtown Operations	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 65,549	\$ 70,410	\$ 4,000	\$ 139,575	\$ 139,575	\$ 139,575
Charges for Services	239,430	280,352	330,150	570,350	570,350	570,350
Fines & Penalties	125,207	156,564	200,000	345,000	345,000	345,000
Intergovernmental	18,500	4,000	-	-	-	-
Miscellaneous Income	2,161	1,782	1,800	2,600	2,600	2,600
Total Resources	\$ 450,847	\$ 513,108	\$ 535,950	\$ 1,057,525	\$ 1,057,525	\$ 1,057,525
Requirements by Category						
Personnel Services	\$ 232,045	\$ 226,013	\$ 325,117	\$ 611,621	\$ 611,621	\$ 611,621
Materials & Services	90,892	120,439	114,905	206,269	206,269	206,269
Capital Outlay	-	-	20,000	40,000	40,000	40,000
Transfers Out	57,500	75,000	75,000	190,000	190,000	190,000
Contingency	-	-	928	9,635	9,635	9,635
Unappropriated Fund Balance	70,410	91,656	-	-	-	-
Total Requirements	\$ 450,847	\$ 513,108	\$ 535,950	\$ 1,057,525	\$ 1,057,525	\$ 1,057,525

DOWNTOWN OPERATIONS EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 153,394	\$ 149,342	\$ 202,503	\$ 365,889	\$ 365,889	\$ 365,889
Benefits	78,651	76,671	122,614	245,732	245,732	245,732
Total Personnel Services	<u>232,045</u>	<u>226,013</u>	<u>325,117</u>	<u>611,621</u>	<u>611,621</u>	<u>611,621</u>
Materials & Services						
Office Costs	9,202	9,345	7,936	21,300	21,300	21,300
Office Equipment	-	409	1,000	1,000	1,000	1,000
Operations Costs	54,310	63,915	59,351	58,227	58,227	58,227
Other & Miscellaneous Costs	418	1,434	1,500	3,400	3,400	3,400
Maintenance Costs	-	-	-	-	-	-
Materials	-	-	4,000	5,400	5,400	5,400
Employee Costs	1,523	1,982	6,618	8,300	8,300	8,300
Special Programs	20,786	38,805	24,000	57,000	57,000	57,000
Contract Services	4,653	4,549	10,500	51,642	51,642	51,642
Total Materials & Services	<u>90,892</u>	<u>120,439</u>	<u>114,905</u>	<u>206,269</u>	<u>206,269</u>	<u>206,269</u>
Capital Outlay	-	-	20,000	40,000	40,000	40,000
Transfers	57,500	75,000	75,000	190,000	190,000	190,000
Contingency	-	-	928	9,635	9,635	9,635
Unappropriated Fund Balance	70,410	91,656	-	-	-	-
Total Parking Operations	<u>\$ 450,847</u>	<u>\$ 513,108</u>	<u>\$ 535,950</u>	<u>\$ 1,057,525</u>	<u>\$ 1,057,525</u>	<u>\$ 1,057,525</u>
Total FTE	3.76	4.10	4.60	4.60	4.60	4.60

BUDGET HIGHLIGHTS

This program's proposed budget includes funding for the automated parking stations as well as parking area aesthetic improvements. The total increase for the budget period is approximately 1% and less than \$25,000 over the two-year period.

The current Trolley program will be supported for the budget year of 2013-2014. During the following budget year, we will be transitioning resources used in the Trolley program to enable a more proactive approach to our city Code of Ordinances. In the 2014-2015 budget year the

funds allocated to the Trolley program will be re-allocated to the Code Enforcement & Parking budget to support an additional Code Enforcement Officer. This will directly impact and enhance the scenic and other aesthetic qualities of the city as it will free up the resources to monitor and enforce ordinances that have been overlooked, such as the sign ordinance.

CODE ENFORCEMENT

FUND 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.

ACCOMPLISHMENTS

- ❖ Increased efficiency of Code Enforcement by implementing scanning of citations and other archived documents. This increased productivity with the ability to retrieve records electronically rather than manually
- ❖ Responded to over 1200 resident complaints and worked with other departments to resolve issues
- ❖ Clean up of 19 illegal dump sites and abated 4 nuisance properties

GOALS AND PROJECTS

- ❖ Work with all departments in enforcing code
- ❖ Work with neighborhood associations and the business community to identify code enforcement priorities to improve community and neighborhood livability, including enhancement projects
- ❖ Continue public education, neighborhood meetings, code enforcement presentations to inform the community about code enforcement issues

The tables below compare Total Resources and Total Requirements for the entire Downtown Operations fund for the past two years, the current budget year, and the proposed biennium.

Code Enforcement	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Beginning Fund Balance	\$ 41,286	\$ 65,004	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000
Charges for Services	538	4,861	1,300	2,600	2,600	2,600
Fines and Penalties	13,365	9,001	10,000	20,000	20,000	20,000
Miscellaneous Income	252	441	300	1,000	1,000	1,000
Transfers	170,000	170,000	170,000	390,000	390,000	390,000
Total Resources	\$ 225,441	\$ 249,307	\$ 266,600	\$ 498,600	\$ 498,600	\$ 498,600

Requirements by Category

Personnel Services	\$ 125,234	\$ 127,916	\$ 182,703	\$ 394,935	\$ 394,935	\$ 394,935
Materials & Services	30,203	25,263	51,342	90,414	90,414	90,414
Transfers & Other Uses	5,000	5,000	5,000	10,000	10,000	10,000
Contingency	65,004	91,128	27,555	3,251	3,251	3,251
Total Requirements	\$ 225,441	\$ 249,307	\$ 266,600	\$ 498,600	\$ 498,600	\$ 498,600

CODE ENFORCEMENT EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Personnel Services						
Salaries	\$ 77,144	\$ 77,942	\$ 107,731	\$ 199,656	\$ 199,656	\$ 199,656
Benefits	48,090	49,974	74,972	195,279	195,279	195,279
Total Personnel Services	<u>125,234</u>	<u>127,916</u>	<u>182,703</u>	<u>394,935</u>	<u>394,935</u>	<u>394,935</u>
Materials & Services						
Office Costs	4,322	4,559	8,652	12,018	12,018	12,018
Office Equipment	55	409	1,494	1,928	1,928	1,928
Operations Costs	6,003	3,865	2,145	8,370	8,370	8,370
Other & Miscellaneous Costs	666	287	515	4,100	4,100	4,100
Materials	-	-	7,000	6,000	6,000	6,000
Employee Costs	2,221	844	4,326	5,998	5,998	5,998
Special Programs	10,252	8,348	20,000	40,000	40,000	40,000
Contract Services	6,684	6,951	7,210	12,000	12,000	12,000
Total Materials & Services	<u>30,203</u>	<u>25,263</u>	<u>51,342</u>	<u>90,414</u>	<u>90,414</u>	<u>90,414</u>
Contingency	65,004	91,128	27,555	3,251	3,251	3,251
Transfers	5,000	5,000	5,000	10,000	10,000	10,000
Total Code Enforcement	<u>\$ 225,441</u>	<u>\$ 249,307</u>	<u>\$ 266,600</u>	<u>\$ 498,600</u>	<u>\$ 498,600</u>	<u>\$ 498,600</u>
Total FTE	1.47	1.53	2.03	2.70	2.70	2.70

BUDGET HIGHLIGHTS

This biennial budget includes funding for legal costs associated with Code Enforcement issues as well as nuisance abatement.

As mentioned previously, savings from the current Trolley program are provided to Code Enforcement in 2015 to enable a more proactive approach to our city's Code of Ordinances.

In the 2014-2015 budget year the funds allocated to the Trolley program will be re-allocated to the Code Enforcement & Parking budget to support an additional Code Enforcement Officer. This will directly impact and enhance the scenic and other aesthetic qualities of the city.

PARKS DEVELOPMENT FUND

FUND OVERVIEW

The City collects System Development Charges (SDCs) for Parks Development, similar to the Public Works Development Funds. These monies are used to construct projects which provide additional capacity and increase parks and open space facilities and resources. The Park 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

- ❖ Received funding for Rivercrest Park bathroom facilities; construction commenced in current fiscal year.

GOALS AND PROJECTS

- ❖ Finalize Parks and Recreation Master Plan and implement development

- strategies for acquisition and development, pending available funding
- ❖ Develop master plan for Glen Oak Rd. park property.
- ❖ Develop master plan for Filbert Run park property.
- ❖ Complete restroom facility at Rivercrest Park.
- ❖ Continue process of exploring parks and open spaces maintenance utility fee.
- ❖ Complete Trails Master Plan refinement (for use in planning specific improvements and seeking funding opportunities).
- ❖ Continue to explore potential feasibility of development of a dog park (not budgeted).

The tables below compare Total Resources and Total Requirements for the Parks Development (SDC) Fund for the past two years, the current budget year, and the biennium.

Parks SDC	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 1,331,429	\$ 1,097,263	\$ 827,867	\$ 1,167,199	\$ 1,167,199	\$ 1,167,199
Intergovernmental	17,000	1,358	100,000	200,000	200,000	200,000
Charges for Services	188,542	761,462	200,000	600,000	600,000	600,000
Miscellaneous Income	34,243	32,036	8,500	373,500	373,500	373,500
Total Resources	\$ 1,571,214	\$ 1,892,119	\$ 1,136,367	\$ 2,340,699	\$ 2,340,699	\$ 2,340,699
Requirements by Category						
Materials & Services	\$ 15,805	\$ 33,119	\$ 168,500	\$ 234,000	\$ 234,000	\$ 234,000
Capital Outlay	431,146	706,435	475,000	1,760,000	1,760,000	1,760,000
Transfers Out	27,000	27,000	31,900	52,420	52,420	52,420
Contingency	-	-	460,967	294,279	294,279	294,279
Unappropriated Fund Balance	1,097,263	1,125,565	-	-	-	-
Total Requirements	\$ 1,571,214	\$ 1,892,119	\$ 1,136,367	\$ 2,340,699	\$ 2,340,699	\$ 2,340,699

PARKS DEVELOPMENT EXPENDITURES

Description	2011 Actual	2012 Actual	2013 Budget	2013-2015 Proposed	2013-2015 Approved	2013-2015 Adopted
Materials & Services						
Contract Services	\$ 3,919	\$ 18,129	\$ 135,000	\$ 180,000	\$ 180,000	\$ 180,000
Miscellaneous & Other	11,879	14,990	20,000	50,000	50,000	50,000
Office Costs	7	-	1,000	2,000	2,000	2,000
Operations Costs	-	-	2,500	2,000	2,000	2,000
Special Programs	-	-	10,000	-	-	-
Total Materials & Services	15,805	33,119	168,500	234,000	234,000	234,000
Capital Outlay						
Land	252,616	-	250,000	350,000	350,000	350,000
New Construction	178,530	706,435	225,000	1,410,000	1,410,000	1,410,000
Total Capital Outlay	431,146	706,435	475,000	1,760,000	1,760,000	1,760,000
Transfers & Other Uses	27,000	27,000	31,900	52,420	52,420	52,420
Contingency	-	-	460,967	294,279	294,279	294,279
Unappropriated Fund Balance	1,097,263	1,125,565	-	-	-	-
Total Parks Development	\$ 1,571,214	\$ 1,892,119	\$ 1,136,367	\$ 2,340,699	\$ 2,340,699	\$ 2,340,699

BUDGET HIGHLIGHTS

This proposed budget includes \$150,000 for Parks Master Planning contract for Glen Oak and Filbert Run and \$30,000 for a complete Park Expansion and Capital Improvement Plan. These costs are reported as Contract Services.

New Construction projects are as follows:

Glen Oak/Filbert Run Construction	\$1,050,000
Rivercrest Restrooms	\$250,000
Trail Development	\$100,000
Community Project	\$10,000
Total Capital Outlay	\$1,410,000

BUSINESS DEVELOPMENT/BUSINESS LICENSE FUND

FUND OVERVIEW

This fund was established to account for the 2001 increase in the City’s Business License fee which was designated to be used for business development. It represents 25% of the total license fee. The remaining 75% is revenue to the General Fund.

financing as well as providing mentoring, networking and business opportunities

ACCOMPLISHMENTS

- ❖ Started Business Development Discussion Series to assist small businesses with information relating to

GOALS AND PROJECTS

- ❖ Assisted *Main Street Oregon City* with the “Illuminate Oregon City” project, a quarter million dollar restoration of the Oregon City Municipal Elevator that includes a projected-video art exhibit funded by a National Endowment for the Arts “Placemaking” grant.

Business Development	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 146,671	\$ 70,166	\$ 45,000	\$ 13,825	\$ 13,825	\$ 13,825
Licenses & Permits	33,334	31,625	36,000	100,000	100,000	100,000
Miscellaneous Income	397	152	100	100	100	100
Total Resources	\$ 180,402	\$ 101,943	\$ 81,100	\$ 113,925	\$ 113,925	\$ 113,925
Requirements by Category						
Materials & Services						
Business Promotions	\$ 75,000	\$ 60,000	\$ 70,000	\$ 100,000	\$ 100,000	\$ 100,000
Other Materials & Services	236	132	500	350	350	350
Transfers Out	35,000	-	-	-	-	-
Contingency	-	-	10,600	13,575	13,575	13,575
Unappropriated Fund Balance	70,166	41,811	-	-	-	-
Total Requirements	\$ 180,402	\$ 101,943	\$ 81,100	\$ 113,925	\$ 113,925	\$ 113,925

BUDGET HIGHLIGHTS

While we are projecting a decrease in beginning fund balance for the biennium, we are projecting a slight increase in total licenses collected based

on current trends. Spending for the biennium includes \$50,000 annually in Business Promotions activities for *Main Street Oregon City* funding.

ECONOMIC IMPROVEMENT DISTRICT

FUND OVERVIEW

Oregon City created an Economic Improvement District (EID) in 2011 in order to enhance economic opportunities in the downtown area. Primary business users within each tax lot in the defined area are assessed the lesser of \$1,950 or 1% of the assessed value of the tax lot annually on a calendar year basis. The EID Fund was established by Ordinance No. 11-1001 to account for revenues assessed in the Downtown Economic Development District and related expenditures. Monies collected are to be used to pay for downtown economic development programs focused on business and developer recruitment, marketing and promotions, including special events and projects, infrastructure improvements, and other program operations and management activities.

ACCOMPLISHMENTS

- ❖ Funded *Main Street Oregon City Inc.* (MSOC)'s contract manager to enable the organization to support programs that use the unique and authentic identity, heritage, culture and sense of place to brand and promote Downtown Oregon City to consumers and investors. MSOC is a Nationally and State accredited downtown revitalization program working to make the 166 year-old downtown Oregon City a better place to live work and visit.

GOALS AND PROJECTS

- ❖ Continue to support MSOC contract management to enable them to proceed with various projects including external upgrades to the City's municipal elevator and downtown streetscapes.

Economic Improvement District	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ -	\$ 15,738	\$ 15,000	\$ 250	\$ 250	\$ 250
Other Financing Sources - Assessments	45,731	89,713	115,000	230,000	230,000	230,000
Miscellaneous Income	7	68	50	250	250	250
Total Resources	\$ 45,738	\$ 105,519	\$ 130,050	\$ 230,500	\$ 230,500	\$ 230,500
Requirements by Category						
Materials & Services - Management Contract	\$ 30,000	\$ 102,025	\$ 115,000	\$ 230,000	\$ 230,000	\$ 230,000
Contingency	-	-	15,050	500	500	500
Unappropriated Fund Balance	15,738	3,494	-	-	-	-
Total Requirements	\$ 45,738	\$ 105,519	\$ 130,050	\$ 230,500	\$ 230,500	\$ 230,500

OREGON CITY METRO ENHANCEMENT

FUND OVERVIEW

This fund is used to account for money received from \$0.50 per ton of garbage dumped at a local site pursuant to an intergovernmental agreement between the City and METRO. Money is expended through grants to organizations for community enhancement projects.

The Oregon City-Metro Enhancement Committee (OCMEC) meets to recommend annual projects approved for the grant program. These programs support neighborhood projects are intended to benefit the Oregon City community, affected by the METRO South Transfer Station at Highway 213 and Washington Street. Project proposals are accepted from non-profit organizations such as a neighborhood association or other charitable organizations.

ACCOMPLISHMENTS

- ❖ Funded the following projects:
 - ♦ Willamette Falls Heritage Area Coalition: Heritage Tour
 - ♦ We Love Clean Rivers: art sculpture
 - ♦ Research Foundation for Educational Excellence: Water Board Park improvements
 - ♦ McLoughlin Neighborhood Association and MSOC: Flower Baskets
 - ♦ Oregon City Swim Team: display board

- ♦ Oregon City Farmers Market
- ♦ MSOC: In A Whole New Light, Walk This Way Art
- ♦ Greater Oregon City Watershed Council: Newell Creek Enhancement
- ♦ Downtown Business Coalition: Clean Sweep
- ♦ Clackamas County Historical Society: Stevens-Crawford House improvements
- ♦ Bailey Estate Homeowners Association: park improvements

GOALS AND PROJECTS

- ❖ Continue to support OCMEC approved projects. The following projects were recommended for 2014: (2015 projects will be recommended by OCMEC May 2014)
 - ♦ Clackamas County Historical Society: MOOT steel roof repair and window restoration
 - ♦ John McLoughlin Elementary School: track restoration
 - ♦ MSOC: Downtown Gateways: determine theme and install initial structure
 - ♦ Oregon City High School: park stage
 - ♦ Park Place Neighborhood Association & Earth Crusaders: Pioneer Cemetery enhancements
 - ♦ Social Services of Clackamas County: Oregon City Public Housing recreation and beautification project

Oregon City Metro Enhancement	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 148,966	\$ 146,113	\$ 134,000	\$ 54,414	\$ 54,414	\$ 54,414
Intergovernmental Franchise	118,543	113,662	120,000	240,000	240,000	240,000
Miscellaneous Income	5,924	5,495	5,600	1,000	1,000	1,000
Total Resources	\$ 273,433	\$ 265,270	\$ 259,600	\$ 295,414	\$ 295,414	\$ 295,414
Requirements by Category						
Materials & Services - Community Grants	\$ 74,320	\$ 121,345	\$ 173,186	\$ 140,000	\$ 140,000	\$ 140,000
Transfers & Other Uses	53,000	32,000	32,000	110,000	110,000	110,000
Contingency	-	-	54,414	45,414	45,414	45,414
Unappropriated Fund Balance	146,113	111,925	-	-	-	-
Total Requirements	\$ 273,433	\$ 265,270	\$ 259,600	\$ 295,414	\$ 295,414	\$ 295,414

CABLE TV

FUND OVERVIEW

The Cable TV Systems Improvement Fund receives a franchise fee of 1.6% of cable TV revenues in Oregon City. This translates to 32% of the current franchise fee; the other portion is

recorded in the General Fund. These funds are utilized for local programming and access development. The recording of the City Commission meetings is paid from this fund. Capital equipment to facilitate training and communication by use of this medium is also purchased from this fund.

Cable TV Operations	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 53,924	\$ 72,613	\$ 92,000	\$ 74,300	\$ 74,300	\$ 74,300
Franchise Fees	140,289	143,644	140,000	296,000	296,000	296,000
Miscellaneous Income	185	389	300	600	600	600
Total Resources	\$ 194,398	\$ 216,646	\$ 232,300	\$ 370,900	\$ 370,900	\$ 370,900
Requirements by Category						
Materials & Services - Local Programming	\$ 119,785	\$ 97,778	\$ 96,000	\$ 120,000	\$ 120,000	\$ 120,000
Capital Outlay	-	880	50,000	20,000	20,000	20,000
Transfers Out	2,000	40,174	32,000	37,000	37,000	37,000
Contingency	-	-	54,300	193,900	193,900	193,900
Unappropriated Fund Balance	72,613	77,814	-	-	-	-
Total Requirements	\$ 194,398	\$ 216,646	\$ 232,300	\$ 370,900	\$ 370,900	\$ 370,900

Other Funds

CITY CLEANUP FUND

FUND OVERVIEW

The Garbage pickup services franchise fee agreement stipulates that 4% of gross receipts (rather than free pickup of City containers) would be accounted for separately. This franchise fee revenue would be restricted to

clean up related activities. Thus, the funds are used to pay for the pickup of City containers, the City's flower basket program, and to partially fund a Code Enforcement position through a transfer to the Code Enforcement fund. This fund also accounts for abatement of hazardous conditions throughout the City which are then charged back to the site owner.

City Cleanup	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 247,007	\$ 237,619	\$ 205,000	\$ 200,000	\$ 200,000	\$ 200,000
Franchise Fees	190,490	190,875	200,000	387,000	387,000	387,000
Miscellaneous Income	1,054	1,027	1,000	1,900	1,900	1,900
Total Resources	\$ 438,551	\$ 429,521	\$ 406,000	\$ 588,900	\$ 588,900	\$ 588,900
Requirements						
Contract Services - City Garbage	\$ 68,932	\$ 65,592	\$ 79,000	\$ 151,573	\$ 151,573	\$ 151,573
Flower Basket Program	-	15,706	30,000	96,500	96,500	96,500
Transfers to Code Enforcement	132,000	132,963	132,000	264,000	264,000	264,000
Contingency	-	-	165,000	76,827	76,827	76,827
Unappropriated Fund Balance	237,619	215,260	-	-	-	-
Total Requirements	\$ 438,551	\$ 429,521	\$ 406,000	\$ 588,900	\$ 588,900	\$ 588,900

UPGRADE STREETS ANNEXED

given to the City. Revenues cover the amount required to upgrade those roads to City standards.

FUND OVERVIEW

This fund is used to account for money received from Clackamas County when County roads are

Upgrade Streets Annexed	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 222,208	\$ 188,975	\$ 189,975	\$ 191,000	\$ 191,000	\$ 191,000
Miscellaneous	1,057	965	1,000	1,750	1,750	1,750
Total Resources	\$ 223,265	\$ 189,940	\$ 190,975	\$ 192,750	\$ 192,750	\$ 192,750
Requirements by Category						
Capital Outlay	\$ 34,290	\$ -	\$ 30,000	\$ 60,000	\$ 60,000	\$ 60,000
Contingency	-	-	160,975	132,750	132,750	132,750
Unappropriated Fund Balance	188,975	189,940	-	-	-	-
Total Requirements	\$ 223,265	\$ 189,940	\$ 190,975	\$ 192,750	\$ 192,750	\$ 192,750

Other Funds

HOPP SEWER CONSTRUCTION

FUND OVERVIEW

The HOPP Sewer Construction Fund contains assessment revenues to finance the sewerage of the Holcomb/Overlook/Park Place (HOPP) neighborhood, annexed in 1989. These costs

were funded through loans which are being repaid by assessments to benefited property owners. The assessments to repay this debt are recorded here with funds transferred to the Wastewater fund, which pays for the Debt Service.

HOPP Sewer Construction	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 1,800	\$ 4,534	\$ 2,400	\$ 4,000	\$ 4,000	\$ 4,000
Other Financing Sources	39,715	26,813	20,000	26,800	26,800	26,800
Miscellaneous Income	32	48	-	-	-	-
Total Resources	\$ 41,547	\$ 31,395	\$ 22,400	\$ 30,800	\$ 30,800	\$ 30,800
Requirements by Department						
Materials & Services	\$ 13	\$ 130	\$ 150	\$ 300	\$ 300	\$ 300
Transfers Out	37,000	22,000	12,000	24,000	24,000	24,000
Contingency	4,534	9,265	10,250	6,500	6,500	6,500
Total Requirements	\$ 41,547	\$ 31,395	\$ 22,400	\$ 30,800	\$ 30,800	\$ 30,800

POLICE RESERVES

from Police Operations are the primary source of revenue.

FUND OVERVIEW

The Police Department has established funds through annual savings to assist with the construction of a new Police building. Transfers

Additionally, funds are being set aside out of police fees to fund future law enforcement positions in the Police Services Reserve fund.

Police Building Reserve	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 235,393	\$ 122,188	\$ 95,000	\$ 47,224	\$ 47,224	\$ 47,224
Miscellaneous Income	10,685	533	2,000	-	-	-
Transfers In	-	-	-	40,000	40,000	40,000
Total Resources	\$ 246,078	\$ 122,721	\$ 97,000	\$ 87,224	\$ 87,224	\$ 87,224

Requirements by Category						
Materials & Services	\$ 20,000	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000
Capital Outlay	103,890	24,567	20,000	-	-	-
Reserved for Future Expenses	122,188	98,154	77,000	62,224	62,224	62,224
Total Requirements	\$ 246,078	\$ 122,721	\$ 97,000	\$ 87,224	\$ 87,224	\$ 87,224

Police Services Reserve	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 130,942	\$ 187,690	\$ 263,600	\$ 403,600	\$ 403,600	\$ 403,600
Licenses & Permits	56,000	178,500	150,000	330,000	330,000	330,000
Miscellaneous Income	748	1,416	1,000	5,250	5,250	5,250
Total Resources	\$ 187,690	\$ 367,606	\$ 414,600	\$ 738,850	\$ 738,850	\$ 738,850

Requirements by Category						
Reserved for Future Expenses	\$ 187,690	\$ 367,606	\$ 414,600	\$ 738,850	\$ 738,850	\$ 738,850
Total Requirements	\$ 187,690	\$ 367,606	\$ 414,600	\$ 738,850	\$ 738,850	\$ 738,850

Other Funds

PARKS & RECREATION TRUST

FUND OVERVIEW

The Endowment funds account for fundraisers, collection fees and community and private donations to specific events or facilities and expenditures as designated by the revenue source.

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.

Parks & Recreation Trust	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 135,185	\$ 172,270	\$ 196,769	\$ 188,000	\$ 188,000	\$ 188,000
Miscellaneous	61,231	49,871	36,800	85,000	85,000	85,000
Total Resources	\$ 196,416	\$ 222,141	\$ 233,569	\$ 273,000	\$ 273,000	\$ 273,000
Requirements by Category						
Contract Services	\$ -	\$ -	\$ 50,000	\$ 20,000	\$ 20,000	\$ 20,000
Materials Costs	24,139	14,357	30,000	60,000	60,000	60,000
Office Costs	7	-	-	-	-	-
Special Programs	-	-	3,185	-	-	-
Contingency	-	-	150,384	193,000	193,000	193,000
Unappropriated Fund Balance	172,270	207,784	-	-	-	-
Total Requirements	\$ 196,416	\$ 222,141	\$ 233,569	\$ 273,000	\$ 273,000	\$ 273,000

Miscellaneous income includes donation revenues discussed above:

Miscellaneous income	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Adopted Budget
Donations - Meals on Wheels	30,035	17,439	10,000	20,000
Donations - Pioneer Center	13,103	15,334	10,000	30,000
Donations - Other	17,292	16,112	16,300	32,500
Other	801	986	500	2,500
	\$ 61,231	\$ 49,871	\$ 36,800	\$ 85,000

CIVIC IMPROVEMENT TRUST

FUND OVERVIEW

The City Commission established the Oregon City Civic Improvement Trust (OCCIT) in 1982 as a nonprofit allowed to receive donations and the hotel/motel tax. By City ordinance, the hotel/motel tax is designated for projects that promote tourism within Oregon City boundaries. The OCCIT Committee is comprised of the City Commission and four City residents. Terms cannot exceed four years and are subject to reappointment. The Committee meets annually in the spring to review applications for qualifying grants in the following areas:

- ❖ Acquisition of and improvement to parks and open space
- ❖ Senior Center facilities and activities

- ❖ Library improvements
- ❖ Recreational facilities, including swimming pools and athletic facilities
- ❖ Increasing the significance of the historical heritage of the City
- ❖ Environmental improvements such as beautification and clean-up campaigns and the planting of trees and shrubs
- ❖ Cultural activities such as lectures, concerts, art shows, and educational series.

In addition to receiving donations and lodging tax, this fund includes revenues from Clackamas County Tourism Action Plan grants. The expenditures are primarily in the form of grants to local organizations for tourism enhancing activities as well as Oregon City promotional contracts.

Civic Improvement Trust	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 41,273	\$ 8,499	\$ 6,100	\$ 6,000	\$ 6,000	\$ 6,000
Intergovernmental Revenues	20,000	20,000	30,000	40,000	40,000	40,000
Miscellaneous Income						
Hotel Receipts	51,559	55,222	50,000	122,000	122,000	122,000
Other Miscellaneous Income	123	25	100	-	-	-
Total Resources	\$ 112,955	\$ 83,746	\$ 86,200	\$ 168,000	\$ 168,000	\$ 168,000
Requirements by Category						
Materials and Services						
Tourist Promotions	\$ 61,831	\$ 40,500	\$ 52,245	\$ 122,000	\$ 122,000	\$ 122,000
Tourism Action Grants	42,490	27,205	30,000	40,000	40,000	40,000
Other	135	254	-	-	-	-
Contingency	-	-	3,955	6,000	6,000	6,000
Unappropriated Fund Balance	8,499	15,787	-	-	-	-
Total Requirements	\$ 112,955	\$ 83,746	\$ 86,200	\$ 168,000	\$ 168,000	\$ 168,000

Other Funds

ERMATINGER HOUSE

FUND OVERVIEW

Built by Francis Ermatinger in 1845, the Ermatinger House is the oldest house in Clackamas County. It was placed on the National Register of Historic Places in 1977 and was being operated as a museum. It was in the Ermatinger House's left parlor that the famous coin toss between Francis Pettygrove and Asa Lovejoy occurred, reputedly during a dinner

party held in the house in 1845. The house was relocated in 1910 and again in 1986, causing the foundation to become unstable and windows and frames to break. The house is currently closed to the public while it is undergoing repairs and restoration.

The biennial budget continues funding the Ermatinger House Restoration project a total of \$150,000 in addition to grant revenues and prior year carried funds reserved to offset the costs of restoring the property.

Ermatinger House Restoration	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ -	\$ -	\$ 175,000	\$ 240,000	\$ 240,000	\$ 240,000
Intergovernmental Revenues	-	-	140,000	140,000	140,000	140,000
Transfers In	-	250,000	100,000	150,000	150,000	150,000
Miscellaneous	-	222	500	1,000	1,000	1,000
Total Resources	\$ -	\$ 250,222	\$ 415,500	\$ 531,000	\$ 531,000	\$ 531,000
Requirements by Category						
Ermatinger House Restoration	\$ -	\$ 40,948	\$ 415,500	\$ 531,000	\$ 531,000	\$ 531,000
Other Costs	-	-	-	-	-	-
Unappropriated Fund Balance	-	209,274	-	-	-	-
Total Requirements	\$ -	\$ 250,222	\$ 415,500	\$ 531,000	\$ 531,000	\$ 531,000

FIRE BOND

FUND OVERVIEW

In 1998, the City issued Fire Bonds to build a new fire station, renovate two others and buy fire equipment. The buildings and equipment

were sold to Clackamas Fire District upon annexation in 2008. Dedicated tax revenues and loan payments from Clackamas Fire District pay for the debt service in this fund. This bond matures in 2017.

Fire Debt Service	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 35,249	\$ 39,201	\$ 37,800	\$ 37,000	\$ 37,000	\$ 37,000
Property Taxes	261,812	261,086	261,879	528,615	528,615	528,615
Miscellaneous Income	869	946	500	1,000	1,000	1,000
Clackamas County Fire Payments	123,134	123,134	123,134	246,268	246,268	246,268
Total Resources	\$ 421,064	\$ 424,367	\$ 423,313	\$ 812,883	\$ 812,883	\$ 812,883
Requirements by Category						
Debt Service	\$ 381,463	\$ 385,063	\$ 398,313	\$ 782,101	\$ 782,101	\$ 782,101
Other Costs	400	400	500	-	-	-
Debt Reserves	39,201	38,904	24,500	30,782	30,782	30,782
Total Requirements	\$ 421,064	\$ 424,367	\$ 423,313	\$ 812,883	\$ 812,883	\$ 812,883

FUTURE DEBT

Additional information on Oregon City’s debt is included in the “Additional Information” section of this Budget (see page 169). Future Debt requirements for the Fire bond are shown below:

	Principal	Interest	Total Debt
2014	\$ 330,000	\$ 60,563	\$ 390,563
2015	345,000	46,538	391,538
2016	365,000	31,875	396,875
2017	385,000	16,363	401,363
	\$1,425,000	\$ 155,339	\$1,580,339

Other Funds

PERS BOND

FUND OVERVIEW

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. Additionally, South Fork Water Board borrowed \$2.28 million from Oregon City in 2010. Principal and interest are repaid monthly and deposited into this fund. The loan to SFWB matures in 2017.

PERS Debt Service	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 1,434,935	\$ 1,250,026	\$ 1,347,550	\$ 1,685,953	\$ 1,685,953	\$ 1,685,953
PERS Rate Differential	1,528,244	1,038,151	1,179,590	2,094,347	2,094,347	2,094,347
SFWB Loan Repayment	102,900	120,050	120,050	240,000	240,000	240,000
Miscellaneous Income	30,313	31,282	6,000	18,000	18,000	18,000
Total Resources	\$ 3,096,392	\$ 2,439,509	\$ 2,653,190	\$ 4,038,300	\$ 4,038,300	\$ 4,038,300
Requirements by Category						
Debt Service	\$ 1,063,492	\$ 1,107,202	\$ 1,150,427	\$ 2,437,353	\$ 2,437,353	\$ 2,437,353
Loan to SFWB	782,874	-	-	-	-	-
Other Costs	-	-	15,000	15,000	15,000	15,000
Unappropriated Fund Balance	1,250,026	1,332,307	1,487,763	1,585,947	1,585,947	1,585,947
Total Requirements	\$ 3,096,392	\$ 2,439,509	\$ 2,653,190	\$ 4,038,300	\$ 4,038,300	\$ 4,038,300

FUTURE DEBT

Additional information on Oregon City's debt is included in the "Additional Information" section of this Budget (see page 169). Future Debt requirements for the PERS bond are shown below:

	Principal	Interest	Total Debt
2014	\$ 425,000	\$ 768,590	\$ 1,193,590
2015	495,000	748,763	1,243,763
2016	570,000	724,711	1,294,711
2017	650,000	697,015	1,347,015
2018	735,000	665,432	1,400,432
Thereafter	12,635,000	3,784,399	16,419,399
	\$ 15,510,000	\$ 7,388,910	\$ 22,898,910

CEMETERY ENDOWMENT FUND
FUND OVERVIEW

This fund accounts for customer charges previously collected designated for perpetual care of gravesites.

Cemetery Endowment Fund	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 102,877	\$ 103,394	\$ 103,900	\$ 104,470	\$ 104,470	\$ 104,470
Interest Income	517	526	500	1,100	1,100	1,100
Total Resources	\$ 103,394	\$ 103,920	\$ 104,400	\$ 105,570	\$ 105,570	\$ 105,570
Endowment Care Reserve	\$ 103,394	\$ 103,920	\$ 104,400	\$ 105,570	\$ 105,570	\$ 105,570
Total Requirements	\$ 103,394	\$ 103,920	\$ 104,400	\$ 105,570	\$ 105,570	\$ 105,570

Other Funds

ARTS COMMISSION

HISTORICAL ONLY

Arts Commission	2010-2011 Actual	2011-2012 Actual	2012-2013 Amended Budget	2013-2015 Proposed Budget	2013-2015 Approved Budget	2013-2015 Adopted Budget
Resources						
Beginning Fund Balance	\$ 2,664	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	-	-	-	-
Miscellaneous Income	6	-	-	-	-	-
Total Resources	\$ 2,670	\$ -	\$ -	\$ -	\$ -	\$ -
Requirements						
Office Costs	\$ 37	\$ -	\$ -	\$ -	\$ -	\$ -
Arts Commission	2,633	-	-	-	-	-
Total Requirements	\$ 2,670	\$ -	\$ -	\$ -	\$ -	\$ -

SUPPLEMENTARY INFORMATION

Description	Page
❖ Personnel	145
♦ Overview of Personnel Changes	145
♦ Personnel Trends	146
♦ Personnel Costs	148
♦ Personnel by Department	149
❖ Capital Improvement Program	155
♦ FY 2013-2015 Capital Budget	157
♦ Capital Project Sheets	159
♦ Tangible Personal Property	167
❖ Debt Administration	169
❖ Schedule of Revenues and Other Financing Sources, Expenditures and Other Financing Uses and Projected Changes in Fund Balances	172
❖ Legal Compliance	
♦ Affidavit of Publication and Notice of Budget Committee Meeting	174
♦ Affidavit of Publication and Notice of Budget Hearing (Form LB-1)	175
♦ Resolution Establishing Eligibility to Receive State-Shared Revenues (Resolution 13-14)	177
♦ Resolution Declaring Oregon City's Election to Receive State Revenues for Fiscal Year 2013/14 (Resolution 13-18)	178
♦ Resolution Adopting the Budget, Making Appropriations, Imposing Taxes And Categorizing Taxes for the 2013-2015 Biennium (Resolution 13-17)	179
♦ Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment or Charge on Property (Form LB-50)	185
❖ Glossary	186



PERSONNEL

OVERVIEW OF PERSONNEL CHANGES

The proposed biennial budget increases Full Time Equivalent (FTE) positions with funding from additional revenues. Fiscal Year (FY) 2014 positions increase by 5.43 FTEs and FY 2015 positions increase by 0.20 FTEs for a net increase of 5.63 FTEs for the biennium.

Policy & Administration: Net Increase of 0.80 FTE

City Recorder: Increase of 1.0 FTE

The City Recorder includes funding for a Risk Management Coordinator to assist with implementation of the ROW ordinance, for risk management and contract administration. This position is funded with anticipated additional revenues and reduction in legal expenses and supports **COMMISSION GOAL 5**.

Economic Development: Increase of 0.12 FTE

Part-time grant administration and committee support.

Municipal Court: Increase of 0.22 FTE

Part-time bailiffs have been converted to Oregon City employees instead of contracted personnel as previously budgeted. While the hours served by the bailiffs represent an increase in FTE, there is no increase in cost from FY 2013.

Finance and Customer Service: Decrease of 0.54 FTE

Due to anticipated efficiencies in Finance and Utility Billing, part-time hours are reduced in the proposed budget.

Police: Increase of 2.87 FTE

Police Operations – Increase of 3.0 FTE

The proposed budget includes three (3) new police officers, including a Detective Unit position to address property crimes. During their biennial strategic planning session, the City Commission confirmed public safety as a top priority for residents. In order to more closely align police department staffing with national and local safety standards this change in support of **COMMISSION GOAL 3** utilizes funding from an increase in the property tax rate of \$.25/1,000. City leaders kept the promise to maintain the property tax rate for five years after

annexation of the fire district, and the overall rate will remain \$.6481/1,000 below the maximum rate.

Code and Parking Operations – Decrease of 0.13 FTE

Decrease in staff hours was achieved through a reorganization of part time hours and the reallocation of driver hours to Code Enforcement

Community Services: Net Increase of 0.44 FTE

Parks & Cemetery Maintenance – Increase of 0.44 FTE

An existing Office Specialist is proposed to convert from part-time (0.80 FTE) to full-time to handle administrative needs of the department.

Pioneer Community Center and Recreation Programs – Net increase of 0.24 FTE

Reorganization of part time hours between the Community Center and Recreation and an increase of 500 hours for facility rentals is proposed in the Community Services budget. Programming revenues offset staffing costs.

Community Development: Increase of 0.80 Temporary and 0.28 FTE

Development Review – Increase of 1.08 FTE in 2014 and reduction of 0.80 FTE in 2015

A part-time temporary position is proposed for 2014 to support the Blue Heron project. This position will be funded with related revenues and is proposed to be eliminated in 2015. It represents an increase of 0.80 FTE in 2014.

The budget proposes conversion of a temporary part-time planner to a full time permanent position in FY 2014. This increase of 0.28 FTE will help address workloads that exceed the capacity of existing staff.

Public Works: Increase of 0.25 FTE

Engineering Group Development Services – Increase of 0.25 FTE

Implementation of the Right-of-Way (ROW) Ordinance provides for effective management of City assets, increased revenues and reduced legal costs. The cost savings and additional ROW revenue fund a full-time position to administer right-of-ways, in Engineering.

Personnel

Increase of 520 hours of part time engineering hours to handle current and future expected workloads. This increase in hours is to be funded from increased development engineering fees.

A recently vacated Development Review Manager position was converted to a City Engineer position and was filled through an internal promotion. The resulting vacated position was converted from Senior Engineer to Associate Development Engineer.

PERSONNEL TRENDS

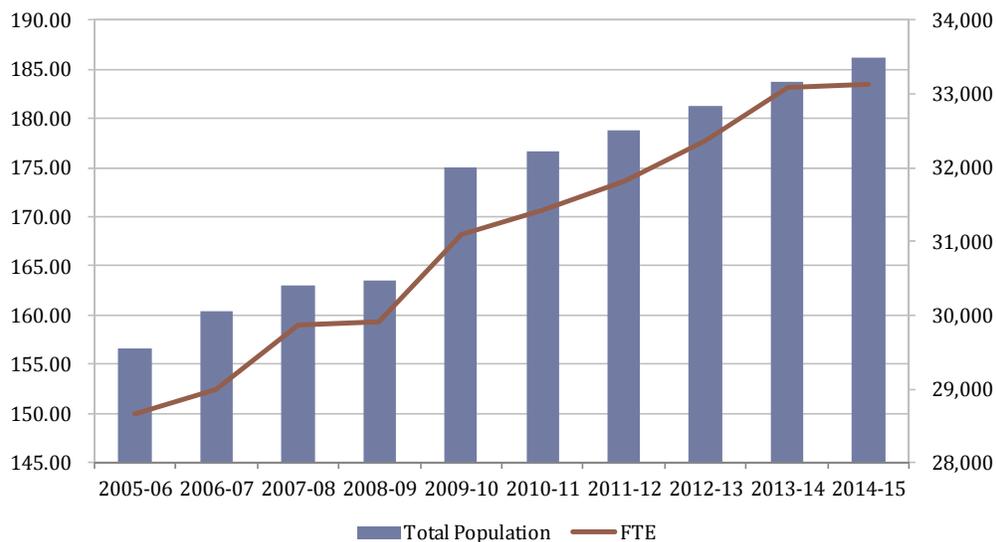
COMPARISON OF PERSONNEL CHANGES BY DEPARTMENT

FTE By Department

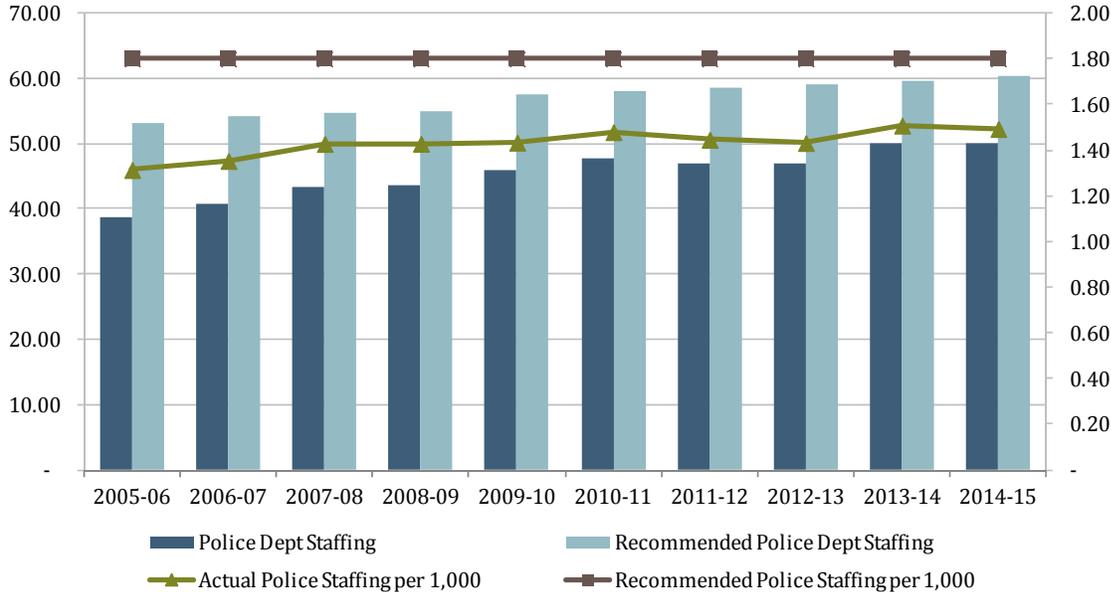
Department	2010-11	2011-12	2012-13	2013-14	2014-15	Change	
	Actual	Actual	Budget	Proposed	Proposed	2014	2015
Policy & Administration	20.90	22.23	23.23	23.03	24.03	-0.20	1.00
Police Department	52.23	52.63	53.63	56.50	56.50	2.87	0.00
Community Services	30.67	30.81	31.43	31.87	31.87	0.44	0.00
Community Development	11.94	12.62	11.26	12.34	11.54	1.08	-0.80
Library	11.81	11.69	11.90	11.90	11.90	0.00	0.00
Public Works	43.17	43.70	46.21	47.45	47.45	1.24	0.00
Non-Departmental	1.50	1.89	1.89	1.89	1.89	0.00	0.00
Total FTEs	172.21	175.57	179.55	184.98	185.18	5.43	0.20

As cities grow in population, the demand for public safety and law enforcement services, utility maintenance, and parks and recreation also increase. While the ratio of Oregon City's staff to population has been fairly consistent, the ratio in the Police Department remains low as compared to existing demand for service and recommended state and national staffing standards. The United States Department of Justice recommends a staffing level of 1.8 officers per 1,000 residents for cities our size. At 1.43 officers per 1,000 in FY 2013, the City is short by approximately 12 officers. The 4.88 FTE net increase proposed over the biennium includes three front-line Police Department positions to start reducing this shortage.

TOTAL FULL TIME EQUIVALENT (FTE) TO POPULATION



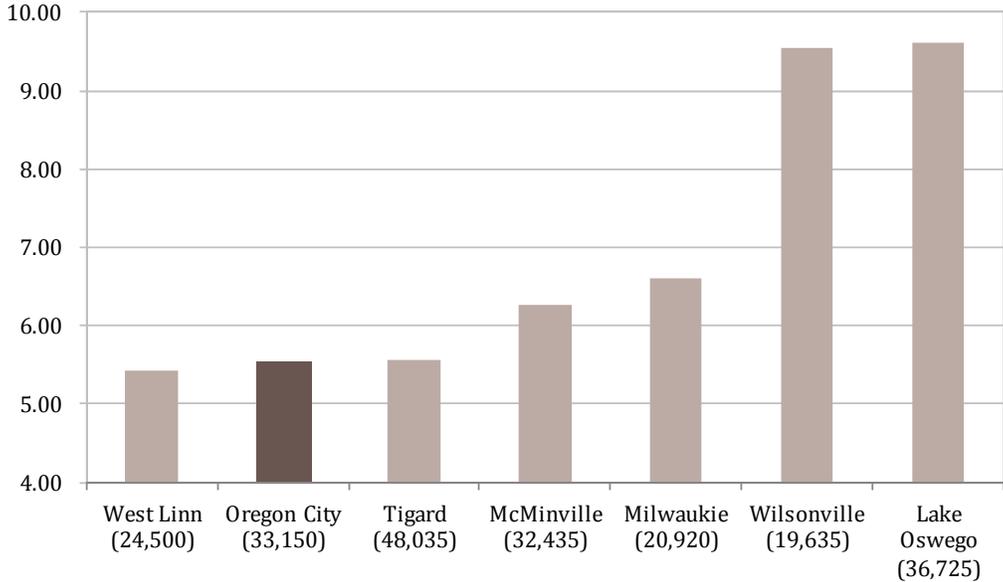
POLICE DEPARTMENT STAFFING TO POPULATION



As shown in the chart below, Oregon City maintains one of the lowest ratios of FTEs to population for similar sized Oregon cities.

COMPARISON OF STAFFING TO POPULATION BY CITY

**Employees Per Capita
(City Population)**



Personnel

PERSONNEL COSTS

Total anticipated wage and overtime costs, excluding fringe benefits, are approximately \$11.9 million in FY 2014 and \$12.3 million in FY 2015. This represents increases of \$511,000 and \$372,000 for FY 2014 and 2015, respectively. Increases in wages are a result of a proposed 2% COLA, step increases called for in the labor contracts, and the proposed new positions. The City has three bargaining units, City of Oregon City Employees Local 350-2 Council 75, of the American Federation of State County and Municipal Employees (AFSCME)

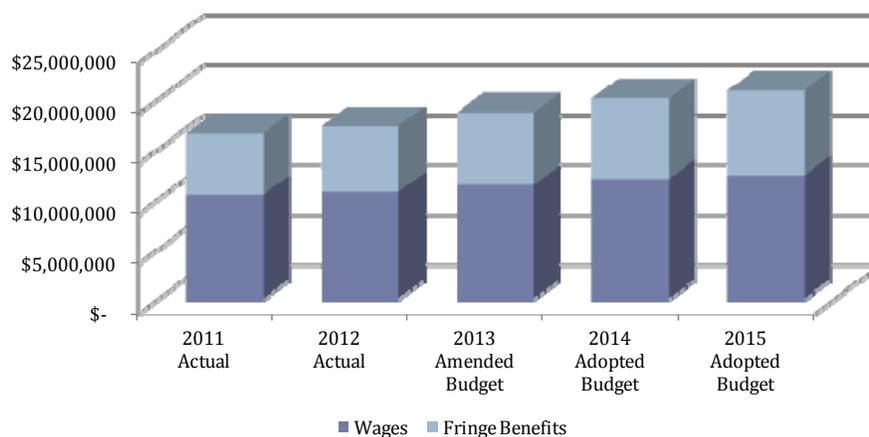
and the Oregon City Police Employees' Association, which represents approximately 87% of all City positions. The current union contracts will expire on June 30, 2013 and are currently under negotiation. Fringe benefits are projected at approximately \$8 million annually. Health insurance makes up the largest percentage of fringe benefit costs and is projected to increase by 11% in 2014 and 10% in 2015. Including fringe benefits, anticipated total personnel costs are approximately \$19.9 million in 2014 and \$20.7 million in 2015.

PERSONNEL EXPENSES BY DEPARTMENT

Department	2010-11	2011-12	2012-13	2013-14	2014-15	Change	
	Actual	Actual	Amended Budget	Adopted Budget	Adopted Budget	2014	2015
Policy & Administration	\$ 1,691,238	\$ 1,823,685	\$ 2,087,625	\$ 2,228,636	\$ 2,399,284	\$ 141,011	\$ 170,648
Public Works	4,059,262	4,297,057	4,597,903	4,973,101	5,166,158	375,198	193,057
Public Safety	5,512,578	5,668,379	6,012,868	6,489,434	6,723,109	476,566	233,675
Community Development	1,320,506	1,314,838	1,308,942	1,453,592	1,479,617	144,650	26,025
Community Services	1,926,993	1,984,919	2,163,067	2,310,907	2,400,732	147,840	89,825
Library	865,502	946,802	1,023,052	1,046,729	1,084,000	23,677	37,271
Non-Departmental	1,160,523	1,202,974	1,427,187	1,539,977	1,568,161	112,790	28,184
Total Wages and Benefits	\$ 16,536,602	\$ 17,238,654	\$ 18,620,644	\$ 20,042,376	\$ 20,821,061	\$ 1,421,732	\$ 778,685

PERSONNEL EXPENSES BY CATEGORY

	2010-11	2011-12	2012-13	2013-14	2014-15	Change	
	Actual	Actual	Amended Budget	Adopted Budget	Adopted Budget	2014	2015
Wages	\$ 10,390,958	\$ 10,673,383	\$ 11,384,296	\$ 12,012,733	\$ 12,338,583	\$ 628,437	\$ 325,850
Fringe Benefits	6,145,644	6,565,271	7,236,348	8,029,643	8,482,478	793,295	452,835
Total Wages and Benefits	\$ 16,536,602	\$ 17,238,654	\$ 18,620,644	\$ 20,042,376	\$ 20,821,061	\$ 1,421,732	\$ 778,685



PERSONNEL BY DEPARTMENT

The table below shows FTEs by department for the previous two years, the current year, and the proposed biennium along with monthly salary ranges by position.

Department and Position	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Proposed	2014-15 Proposed	Change 2013-2015	Monthly Salary Range
Policy and Administration							
<i>City Manager</i>							
City Manager	1.00	1.00	1.00	1.00	1.00	0.00	Contract
Assistant to City Manager	1.00	1.00	0.00	0.00	0.00	0.00	4,661 - 6,437
Total City Manager	2.00	2.00	1.00	1.00	1.00	0.00	
<i>City Recorder</i>							
City Recorder	1.00	1.00	1.00	1.00	1.00	0.00	5,433 - 7,504
Assistant to City Manager	0.00	0.00	1.00	1.00	1.00	0.00	4,056 - 5,603
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	0.00	3,705 - 5,114
Risk & Contract Coordintor	0.00	0.00	0.00	0.00	1.00	1.00	4,661 - 6,425
Total City Recorder	2.00	2.00	3.00	3.00	4.00	1.00	
<i>Municipal Court</i>							
Municipal Court Manager	1.00	1.00	1.00	1.00	1.00	0.00	4,661 - 6,437
Municipal Court Judge PT	0.00	0.22	0.22	0.22	0.22	0.00	16,692
Municipal Court Secretary	2.00	2.00	2.00	2.00	2.00	0.00	3,001 - 3,939
Court/Collections Clerk	0.90	1.00	1.00	1.00	1.00	0.00	2,486 - 3,175
Bailiffs	0.00	0.00	0.00	0.22	0.22	0.22	Part Time
Total Municipal Court	3.90	4.22	4.22	4.44	4.44	0.22	
<i>Human Resources</i>							
Human Resources Director	1.00	1.00	1.00	1.00	1.00	0.00	7,176 - 9,910
Human Resources Technician	1.00	1.00	1.00	1.00	1.00	0.00	4,056 - 5,603
Hourly - Personnel	0.00	0.19	0.19	0.19	0.19	0.00	Part Time
Total Human Resources	2.00	2.19	2.19	2.19	2.19	0.00	
<i>Finance Department</i>							
Finance Director	0.70	0.70	0.70	0.80	0.80	0.10	7,748 - 10,698
Assistant Finance Director	0.00	0.00	1.00	0.70	0.70	(0.30)	5,717 - 7,895
Accounting Technician, Senior	2.55	2.55	2.55	2.55	2.55	0.00	3,642 - 5,021
Business Analyst	0.50	0.50	0.50	0.50	0.50	0.00	3,642 - 5,021
Office Specialist II	0.60	0.60	0.60	0.60	0.60	0.00	2,846 - 3,923
Finance Administrative PT Hourly	0.00	0.00	0.00	0.08	0.08	0.08	Part Time
Total Finance Department	4.35	4.35	5.35	5.23	5.23	(0.12)	
<i>Utility Billing</i>							
Finance Director	0.30	0.30	0.30	0.20	0.20	(0.10)	7,748 - 10,698
Assistant Finance Director	0.00	0.00	0.00	0.30	0.30	0.30	5,717 - 7,895
Accounting Technician, Senior	0.45	0.45	0.45	0.45	0.45	0.00	3,642 - 5,021
Customer Accounting Coordinator	1.00	1.00	1.00	1.00	1.00	0.00	3,642 - 5,021
Utility Customer Service Rep	1.00	1.00	1.00	1.00	1.00	0.00	3,141 - 4,326
Utility Customer Service Rep	1.00	1.00	1.00	1.00	1.00	0.00	3,141 - 4,326
Customer Accounting Clerk	1.00	1.00	1.00	1.00	1.00	0.00	2,988 - 4,120
Office Specialist II	0.40	0.40	0.40	0.40	0.40	0.00	2,846 - 3,923
Business Analyst	0.50	0.50	0.50	0.50	0.50	0.00	3,642 - 5,021
Finance Administrative PT Hourly	0.00	0.82	0.82	0.20	0.20	(0.62)	Part Time
Total Utility Billing	5.65	6.47	6.47	6.05	6.05	(0.42)	
<i>Economic Development</i>							
Economic Development Manager	1.00	1.00	1.00	1.00	1.00	0.00	6,821 - 9,421
Finance Administrative PT Hourly	0.00	0.00	0.00	0.12	0.12	0.12	Part Time
Total Economic Development	1.00	1.00	1.00	1.12	1.12	0.12	
Total Policy & Administration	20.90	22.23	23.23	23.03	24.03	0.80	

Personnel

Department and Position	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Proposed	2014-15 Proposed	Change 2013-2015	Monthly Salary Range
Non-Departmental							
Maintenance Custodian	0.00	1.00	1.00	1.00	1.00	0.00	2,581 - 3,553
Parks Mechanical Specialist	1.00	0.75	0.75	0.75	0.75	0.00	3,467 - 4,777
Custodian PT	0.50	0.14	0.14	0.14	0.14	0.00	Part Time
Total Non-Departmental	1.50	1.89	1.89	1.89	1.89	0.00	
Total Non-Departmental	1.50	1.89	1.89	1.89	1.89	0.00	
Police Department							
Police Operations							
Public Safety Director	0.50	0.50	0.50	0.50	0.50	0.00	8,154 - 11,260
Police Lieutenant	1.00	1.00	1.00	1.00	1.00	0.00	6,651 - 9,185
Police Sergeant	7.00	7.00	7.00	7.00	7.00	0.00	5,820 - 6,428
Police Officer	30.00	30.00	30.00	33.00	33.00	3.00	4,426 - 5,337
Senior Administrative Assistant	0.50	0.50	0.50	0.50	0.50	0.00	4,056 - 5,603
Total Police Operations	39.00	39.00	39.00	42.00	42.00	3.00	
Police Support Services							
Public Safety Director	0.50	0.50	0.50	0.50	0.50	0.00	8,154 - 11,260
Police Lieutenant	1.00	1.00	1.00	1.00	1.00	0.00	6,651 - 9,185
Police Records Manager	1.00	1.00	1.00	1.00	1.00	0.00	4,346 - 6,004
Administrative Assistant, Sr	0.50	0.50	0.50	0.50	0.50	0.00	4,056 - 5,603
Police Records Specialist	3.00	3.00	3.00	3.00	3.00	0.00	3,001 - 3,939
Community Service Officer	1.00	1.00	1.00	1.00	1.00	0.00	3,104 - 4,157
CSO / Property-Evidence Officer	1.00	1.00	1.00	1.00	1.00	0.00	3,029 - 4,056
Total Police Support Services	8.00	8.00	8.00	8.00	8.00	0.00	
Code Enforcement							
Code Enforcement Manager	0.50	0.50	0.50	0.50	0.50	0.00	5,001 - 6,908
Code Compliance Officer	0.55	0.50	1.00	1.50	2.00	1.00	3,150 - 4,327
Parking Enforcement Officer	0.00	0.20	0.20	0.00	0.00	(0.20)	2,650 - 3,642
Office Specialist II	0.00	0.20	0.20	0.20	0.20	0.00	2,846 - 3,923
Code Enforcement PT Hourly	0.42	0.13	0.13	0.00	0.00	(0.13)	Part Time
Total Code Enforcement	1.47	1.53	2.03	2.20	2.70	0.67	
Downtown Operations							
Code Enforcement Manager	0.50	0.50	0.50	0.50	0.50	0.00	5,001 - 6,908
Code Compliance Officer	2.45	0.50	1.00	0.50	1.00	0.00	3,150 - 4,327
Parking Enforcement Officer	0.00	0.80	0.80	1.00	1.00	0.20	2,650 - 3,642
Office Specialist II-Code Enforcement	0.00	0.80	0.80	0.80	0.80	0.00	2,846 - 3,923
Parking Operations PT Hourly	0.10	0.50	0.50	0.50	0.50	0.00	Part Time
Drivers PT Hourly	0.71	1.00	1.00	1.00	0.00	(1.00)	Part Time
Total Downtown Parking Operations	3.76	4.10	4.60	4.30	3.80	(0.80)	
Total Police Department	52.23	52.63	53.63	56.50	56.50	2.87	
Community Services							
Parks Maintenance							
Community Services Director	0.40	0.40	0.40	0.40	0.40	0.00	7,176 - 9,910
Parks Maintenance Manager	1.00	1.00	1.00	1.00	1.00	0.00	5,717 - 7,895
Assistant Parks & Rec Director	0.25	0.25	0.25	0.25	0.25	0.00	6,320 - 8,731
Parks Maintenance Specialist III	3.00	3.00	3.00	3.00	3.00	0.00	3,642 - 5,021
Park Maintenance Specialist II	2.00	2.00	2.00	2.00	2.00	0.00	3,467 - 4,777
Office Specialist II	0.80	0.80	0.80	1.00	1.00	0.20	2,846 - 3,923
Parks Maintenance PT Hourly	2.66	2.60	2.70	2.70	2.70	0.00	Part Time
Total Parks Maintenance	10.11	10.05	10.15	10.35	10.35	0.20	
Recreation Aquatics							
Community Services Director	0.20	0.20	0.20	0.20	0.20	0.00	7,176 - 9,910
Assistant Parks & Rec Director	0.25	0.25	0.25	0.25	0.25	0.00	6,320 - 8,731
Aquatics Recreation Supervisor	1.00	1.00	1.00	1.00	1.00	0.00	4,661 - 6,437
Building/Facility Maintenance Specialist	0.50	0.50	0.50	0.50	0.50	0.00	3,467 - 4,777
Recreation Aquatics PT Hourly	9.32	8.71	8.76	8.76	8.76	0.00	Part Time
Total Recreation Aquatics	11.27	10.66	10.71	10.71	10.71	0.00	

Department and Position	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Proposed	2014-15 Proposed	Change 2013-2015	Monthly Salary Range
Community Services (ctd.)							
<i>Pioneer Community Center</i>							
Community Services Director	0.20	0.20	0.20	0.20	0.20	0.00	7,176 - 9,910
Senior Center Supervisor	1.00	1.00	1.00	1.00	1.00	0.00	4,661 - 6,437
Assistant Parks & Rec Director	0.25	0.25	0.25	0.25	0.25	0.00	6,320 - 8,731
Client Services Coordinator	1.00	1.00	1.00	1.00	1.00	0.00	3,642 - 5,021
Meals on Wheels Coordinator	1.00	1.00	1.00	1.00	1.00	0.00	2,846 - 3,923
Senior Center Program Assistant PT	0.95	0.95	0.95	0.95	0.95	0.00	2,846 - 3,923
Senior Center Nutrition Coordinator PT	0.82	0.82	0.82	0.82	0.82	0.00	2,988 - 4,120
Senior Center Van Driver PT Hourly	1.50	1.50	1.50	1.50	1.50	0.00	2,454 - 3,383
Office Specialist I PT	0.40	0.62	0.94	0.94	0.94	0.00	2,454 - 3,383
Pioneer Center PT Temporary Hourly	0.50	0.50	0.67	0.60	0.60	(0.07)	Part Time
Total Pioneer Community Center	7.62	7.84	8.33	8.26	8.26	(0.07)	
<i>Recreation Programs</i>							
Community Services Director	0.20	0.20	0.20	0.20	0.20	0.00	7,176 - 9,910
Assistant Parks & Rec Director	0.25	0.25	0.25	0.25	0.25	0.00	6,320 - 8,731
Senior Center Nutrition Coordinator PT	0.01	0.01	0.01	0.01	0.01	0.00	2,988 - 4,120
Recreation Programs PT Hourly	1.21	1.81	1.78	2.09	2.09	0.31	Part Time
Total Recreation Programs	1.67	2.27	2.24	2.55	2.55	0.31	
Total Community Services	30.67	30.81	31.43	31.87	31.87	0.44	
Community Development							
<i>Planning</i>							
Community Development Director	0.42	0.63	0.63	0.63	0.63	0.00	7,748 - 10,698
Senior Planner	0.00	0.00	0.00	1.00	1.00	1.00	5,271 - 7,275
Assistant Planner	1.00	1.00	1.00	1.00	1.00	0.00	3,825 - 5,271
Planner	1.00	1.00	1.00	1.00	1.00	0.00	4,548 - 6,266
Planner	1.00	1.00	1.00	1.00	1.00	0.00	4,548 - 6,266
Assistant Planner	0.00	0.00	0.73	0.80	0.00	(0.73)	3,825 - 5,271
Total Planning	3.42	3.63	4.36	5.43	4.63	0.27	
<i>Technical Services</i>							
Information Tech Supervisor	0.50	0.50	0.50	0.50	0.50	0.00	6,011 - 8,300
GIS Coordinator	0.50	0.50	0.50	0.50	0.50	0.00	4,661 - 6,425
Temporary	0.08	0.03	0.03	0.03	0.03	0.00	Part Time
Total Technical Services	1.08	1.03	1.03	1.03	1.03	0.00	
<i>Information Technology</i>							
Information Tech Supervisor	0.50	0.50	0.50	0.50	0.50	0.00	6,011 - 8,300
Total Information Technology	0.50	0.50	0.50	0.50	0.50	0.00	
<i>Building</i>							
Community Development Director	0.580	0.375	0.375	0.375	0.375	0.00	7,748 - 10,698
Building Official	1.00	1.00	1.00	1.00	1.00	0.00	5,861 - 8,096
Building Inspector II	1.00	1.00	1.00	1.00	1.00	0.00	4,548 - 6,266
Building Inspector II	1.00	1.00	0.00	0.00	0.00	0.00	4,548 - 6,266
Permit Technician	1.36	2.00	1.00	1.00	1.00	0.00	3,141 - 4,326
Permit Coordinator	1.00	1.00	1.00	1.00	1.00	0.00	3,642 - 5,021
Plans Examiner - Senior	1.00	1.00	1.00	1.00	1.00	0.00	4,777 - 6,588
Building PT Hourly	0.00	0.09	0.00	0.00	0.00	0.00	Part Time
Total Building	6.94	7.47	5.38	5.38	5.38	0.00	
Total Community Development	11.94	12.62	11.26	12.34	11.54	0.28	

Personnel

Department and Position	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Proposed	2014-15 Proposed	Change 2013-2015	Monthly Salary Range
Library Services							
Library Director	1.00	1.00	1.00	1.00	1.00	0.00	7,176 - 9,910
Library Services Manager	1.00	1.00	1.00	1.00	1.00	0.00	5,171 - 7,142
Librarian	0.91	0.91	0.91	0.90	0.90	(0.01)	3,923 - 5,403
Library Assistant I	0.75	0.75	0.75	0.75	0.75	0.00	2,846 - 3,923
Library Assistant II	3.47	2.47	2.19	2.18	2.18	(0.01)	3,065 - 4,222
Library Assistant III	2.00	3.00	3.00	3.00	3.00	0.00	3,219 - 4,439
Parks Mechanical Specialist	0.25	0.25	0.25	0.25	0.25	0.00	3,467 - 4,777
Reference Librarian PT	0.53	0.53	0.33	0.35	0.35	0.03	3,923 - 5,403
Hourly Library Assistants	0.66	0.54	1.66	1.65	1.65	(0.01)	Part Time
Hourly Shelves	1.24	1.24	0.82	0.82	0.82	0.00	Part Time
Total Library	11.81	11.69	11.90	11.90	11.90	0.00	
Public Works							
<i>Engineering Group - Development Services</i>							
Public Works Director	0.00	0.00	0.00	0.12	0.10	0.10	8,154 - 11,260
City Engineer	0.00	0.00	0.00	0.33	0.30	0.30	6,478 - 8,949
Construction Services Manager	1.00	0.70	0.70	0.70	0.70	0.00	4,885 - 6,745
R-O-W Coordinator	0.00	0.00	0.00	1.00	1.00	1.00	4,661 - 6,425
Engineering Technician III	1.00	1.00	1.00	1.00	1.00	0.00	3,825 - 5,271
Associate Development Engineer	0.00	0.00	0.00	0.60	0.50	0.50	4,120 - 5,678
Development Review Manager	1.00	1.00	1.00	0.00	0.00	(1.00)	6,042 - 8,346
Engineering Group - PT Hourly	0.00	0.15	0.00	0.25	0.25	0.25	Part Time
Total Engineering - Development Services	3.00	2.85	2.70	4.00	3.85	1.15	
<i>Streets</i>							
Public Works Director	0.25	0.25	0.25	0.25	0.26	0.01	8,154 - 11,260
City Engineer	0.00	0.00	0.00	0.17	0.18	0.18	6,478 - 8,949
Public Works Operations Manager	0.25	0.25	0.25	0.25	0.25	0.00	6,478 - 8,949
Public Works Operations Supervisor	1.00	1.00	1.00	1.00	1.00	0.00	4,885 - 6,745
Administrative Assistant, Sr	0.50	0.50	0.50	0.50	0.50	0.00	4,056 - 5,603
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	1.00	0.00	3,825 - 5,271
Lead Mechanic	0.25	0.25	0.25	0.25	0.25	0.00	3,825 - 5,271
Utilities Maintenance Spec II	2.50	1.50	1.50	1.50	1.50	0.00	3,467 - 4,777
Utilities Maintenance Spec I	1.40	3.00	3.00	3.00	3.00	0.00	3,141 - 4,326
Mechanic	0.25	0.25	0.25	0.25	0.25	0.00	3,467 - 4,777
Engineering Technician III	0.10	0.10	0.10	0.10	0.10	0.00	3,825 - 5,271
Project Engineer	0.15	0.15	0.15	0.15	0.15	0.00	4,548 - 6,266
Associate Development Engineer	0.10	0.10	0.10	0.10	0.12	0.02	4,120 - 5,678
GIS Coordinator	0.05	0.05	0.05	0.05	0.05	0.00	4,661 - 6,425
Asset Management Specialist	0.25	0.25	0.25	0.25	0.25	0.00	4,020 - 5,538
Office Specialist III	0.25	0.25	0.25	0.25	0.25	0.00	3,065 - 4,222
Engineering Intern	0.00	0.00	0.05	0.05	0.05	0.00	Part Time
Streets - PT Hourly	1.59	1.30	2.10	2.10	2.10	0.00	Part Time
Total Streets	9.89	10.20	11.05	11.22	11.26	0.21	
<i>Water Utility</i>							
Public Works Director	0.25	0.25	0.25	0.21	0.21	(0.04)	8,154 - 11,260
City Engineer	0.00	0.00	0.00	0.18	0.18	0.18	6,478 - 8,949
Public Works Operations Manager	0.25	0.25	0.25	0.25	0.25	0.00	6,478 - 8,949
Construction Services Manager	0.00	0.10	0.10	0.10	0.10	0.00	4,885 - 6,745
Public Wks Operations Supervisor	1.00	1.00	1.00	1.00	1.00	0.00	4,885 - 6,745
Administrative Assistant, Sr	0.50	0.50	0.50	0.50	0.50	0.00	4,056 - 5,603
Lead Mechanic	0.25	0.25	0.25	0.25	0.25	0.00	3,825 - 5,271
Utilities Maint Team Leader	1.00	1.00	1.00	1.00	1.00	0.00	3,825 - 5,271
Utilities Maintenance Spec III	2.00	2.00	2.00	2.00	2.00	0.00	3,642 - 5,021
Utilities Maintenance Spec II	2.00	2.00	2.00	2.00	2.00	0.00	3,467 - 4,777
Utilities Maintenance Spec I	1.00	1.00	1.00	1.00	1.00	0.00	3,141 - 4,326
Water Quality Coordinator	1.00	1.00	1.00	0.60	0.60	(0.40)	4,220 - 5,822

2014-2015 Biennial Budget

Department and Position	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Proposed	2014-15 Proposed	Change 2013-2015	Monthly Salary Range
Public Works (ctd.)							
<i>Water Utility (ctd.)</i>							
Mechanic	0.25	0.25	0.25	0.25	0.25	0.00	3,467 - 4,777
Engineering Technician III	0.30	0.30	0.30	0.30	0.30	0.00	3,825 - 5,271
Environmental Technician I	0.50	0.50	0.50	0.70	0.70	0.20	3,467 - 4,777
Project Engineer	0.50	0.50	0.50	0.50	0.50	0.00	4,548 - 6,266
Associate Development Engineer	0.30	0.30	0.30	0.10	0.13	(0.17)	4,120 - 5,678
GIS Coordinator	0.00	0.15	0.15	0.15	0.15	0.00	4,661 - 6,425
Asset Management Specialist	0.00	0.25	0.25	0.25	0.25	0.00	4,020 - 5,538
Office Specialist III	0.25	0.25	0.25	0.25	0.25	0.00	3,065 - 4,222
Engineering Intern	0.10	0.10	0.15	0.15	0.15	0.00	Part Time
Water - PT Hourly	1.18	0.84	1.50	1.50	1.50	0.00	Part Time
Total Water Utility	12.63	12.79	13.50	13.24	13.27	(0.23)	
<i>Wastewater (Sewer) Utility</i>							
Public Works Director	0.25	0.25	0.25	0.21	0.22	(0.03)	8,154 - 11,260
City Engineer	0.00	0.00	0.00	0.16	0.18	0.18	6,478 - 8,949
Public Works Operations Manager	0.25	0.25	0.25	0.25	0.25	0.00	6,478 - 8,949
Construction Services Manager	0.00	0.10	0.10	0.10	0.10	0.00	4,885 - 6,745
Public Wks Operations Supervisor	0.50	0.50	0.50	0.50	0.50	0.00	4,885 - 6,745
Administrative Assistant, Sr	0.50	0.50	0.50	0.50	0.50	0.00	4,056 - 5,603
Lead Mechanic	0.25	0.25	0.25	0.25	0.25	0.00	3,825 - 5,271
Utility Maint Team Leader	0.50	0.50	0.50	0.50	0.50	0.00	3,825 - 5,271
Utilities Maint Spec III	1.00	1.00	1.00	1.00	1.00	0.00	3,642 - 5,021
Utilities Maint Spec I	1.90	2.00	2.00	2.00	2.00	0.00	3,141 - 4,326
Mechanic	0.25	0.25	0.25	0.25	0.25	0.00	3,467 - 4,777
Engineering Technician III	0.30	0.30	0.30	0.30	0.30	0.00	3,825 - 5,271
Project Engineer	0.43	0.43	0.43	0.42	0.42	(0.01)	4,548 - 6,266
Associate Development Engineer	0.30	0.30	0.30	0.10	0.13	(0.17)	4,120 - 5,678
GIS Coordinator	0.15	0.15	0.15	0.15	0.15	0.00	4,661 - 6,425
Asset Management Specialist	0.25	0.25	0.25	0.25	0.25	0.00	4,020 - 5,538
Office Specialist III	0.25	0.25	0.25	0.25	0.25	0.00	3,065 - 4,222
Engineering Intern	0.10	0.10	0.15	0.15	0.15	0.00	Part Time
Sewer - PT Hourly	0.62	0.80	1.30	1.30	1.30	0.00	Part Time
Total Wastewater (Sewer) Utility	7.80	8.18	8.73	8.64	8.70	(0.03)	
<i>Stormwater (Storm drain) Utility</i>							
Public Works Director	0.25	0.25	0.25	0.21	0.21	(0.04)	8,154 - 11,260
City Engineer	0.00	0.00	0.00	0.16	0.16	0.16	6,478 - 8,949
Public Works Operations Manager	0.25	0.25	0.25	0.25	0.25	0.00	6,478 - 8,949
Construction Services Manager	0.00	0.10	0.10	0.10	0.10	0.00	4,885 - 6,745
Public Wks Operations Supervisor	0.50	0.50	0.50	0.50	0.50	0.00	4,885 - 6,745
Administrative Assistant, Sr	0.50	0.50	0.50	0.50	0.50	0.00	4,056 - 5,603
Utility Maint Team Leader	0.50	0.50	0.50	0.50	0.50	0.00	3,825 - 5,271
Utilities Maintenance Spec II	1.00	1.50	1.50	1.50	1.50	0.00	3,467 - 4,777
Utilities Maintenance Spec III	1.00	1.00	1.00	1.00	1.00	0.00	3,642 - 5,021
Water Quality Coordinator	0.00	0.00	0.00	0.40	0.40	0.40	4,220 - 5,822
Lead Mechanic	0.25	0.25	0.25	0.25	0.25	0.00	3,825 - 5,271
Mechanic	0.25	0.25	0.25	0.25	0.25	0.00	3,467 - 4,777
Engineering Technician III	0.30	0.30	0.30	0.30	0.30	0.00	3,825 - 5,271
Environmental Technician I	0.50	0.50	0.50	0.30	0.30	(0.20)	3,467 - 4,777
Utilities Maintenance Spec I	1.00	1.00	1.00	1.00	1.00	0.00	3,141 - 4,326
Project Engineer	0.93	0.93	0.93	0.93	0.93	0.00	4,548 - 6,266
Associate Development Engineer	0.30	0.30	0.30	0.10	0.12	(0.18)	4,120 - 5,678
GIS Coordinator	0.15	0.15	0.15	0.15	0.15	0.00	4,661 - 6,425
Asset Management Specialist	0.25	0.25	0.25	0.25	0.25	0.00	4,020 - 5,538
Office Specialist III	0.25	0.25	0.25	0.25	0.25	0.00	3,065 - 4,222
Engineering Intern	0.10	0.10	0.15	0.15	0.15	0.00	Part Time
Stormwater - PT Hourly	1.57	0.80	1.30	1.30	1.30	0.00	Part Time
Total Stormwater (Storm drain) Utility	9.85	9.68	10.23	10.35	10.37	0.14	
Total Public Works	43.17	43.70	46.21	47.45	47.45	1.24	
Total Oregon City	172.21	175.57	179.55	184.98	185.18	5.63	



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 annual 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. Fixed 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 discussion.

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 Infrastructure 20-50 years

Total spending for the city’s CIP in the 2013-2015 biennium is budgeted at \$25,240,520 across all funds. Approximately \$24 million of the projected spending is on capital projects while \$1.2 million is for TPP.

Key projects completed in 2013

Jughandle Construction

Pearl Street Widening

Barclay Hills Drive Reconstruction

Brighton Avenue Pipe Replacement

Barclay Hills Pump Station Improvement

Approximately \$6.8 million, or 27%, 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 or upgrades, 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 \$17.2 million, or 68%, 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 construction of two public facilities: Oregon City Library and Public Works Operations Building.

- ❖ Oregon City Library - For decades, the Library’s major goal has been to locate or build a larger facility that would adequately meet the needs of library patrons. After years of searching for a new library site, the City agreed to expand the facility at its current site at Carnegie Center. While the total cost for the library is estimated at almost \$10 million; the 2013-2015 biennial budget includes \$4.24 million in funding set aside from prior years’ library revenues towards the construction of this facility. Once the scope of the facility has been completely defined and approved, the City will request authority to issue bonds to finance the remaining cost. These bonds are anticipated to be paid from current library revenues; no additional revenue from taxpayers is expected. Estimated increases to the ongoing operational budget (operating impact) of the facility once complete are approximately \$200,000 in staffing, materials, and operations.
- ❖ Public Works Operations Building – The current budget also includes funding in the amount of \$7.38 million for the much needed replacement of Oregon City’s Public Works facility. Funding for this project has been secured from the various public works revenue sources (engineering fees, utility user charges). The new facility will consolidate Public Works management and staff and will improve efficiency and operational responsiveness. The City anticipates

Capital Improvement Program

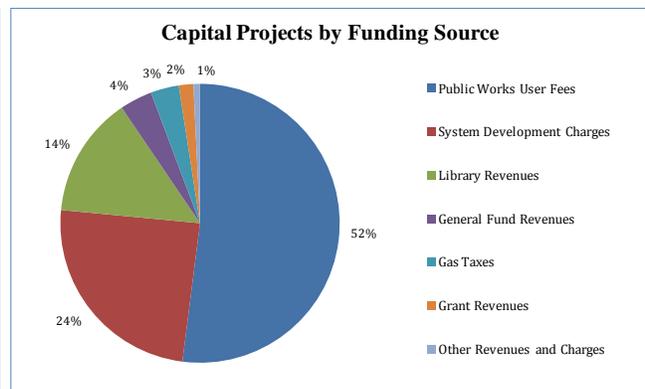
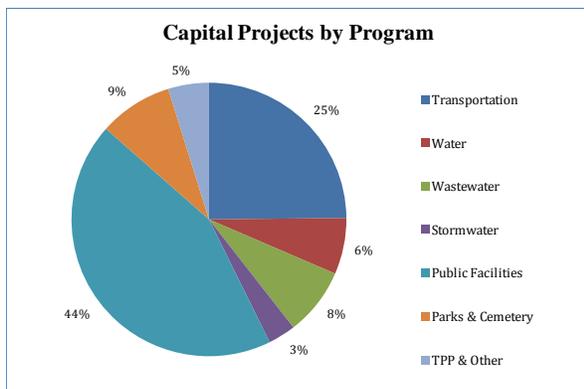
acquiring the site, developing design concepts, and soliciting construction proposals during this biennium. The City does not anticipate increased operating impact for this facility. The building would replace the existing inefficient and inadequate facility and would help in consolidating departments now currently leasing other facilities.

The 2013-2015 CIP reflects the current economic situation facing the City. Due to funding shortfalls and economic uncertainty, the City has begun to track an “unfunded” projects category to track projects without certain funding or those reduced in scope due to funding shortfalls. These unfunded projects total approximately \$3 Million for the biennium. This total does not include the backlog of waterline renewal and replacement projects which have yet to be estimated.

WHERE MONEY COMES FROM / WHERE MONEY GOES

The charts below highlight capital expenditure by funding source and by program for the 2013-2015 Biennium. Generally, funding for capital projects falls into one of several categories: public works user fees (pavement maintenance, water, wastewater, stormwater) library revenues, system development charges, gas taxes, capital grant

development charges, gas taxes, capital grant funds, and general fund revenues (ad valorem property taxes and franchise fees). Capital expenditures are categorized into one of the following programs: transportation, water, wastewater, stormwater, public facilities, parks and cemetery facilities, TPP and other.



OPERATING IMPACT

The operating and capital budget differ in that the operating budget includes expenses that are generally of a recurring nature and are appropriated for one year or biennium only. Capital budgets include one-time costs for projects and may be appropriated over various years. Their connection, however, is that the operating budget assumes the cost of maintaining and operating the facilities and infrastructure that are built under the capital budget. The operating budget impact estimates for capital projects are important for future planning and are included in budget projections used in the annual budget process.

According to City policy, these ongoing operating costs are identified and budgeted as applicable. With new construction, these costs would be phased in; the costs would be included in a future year when the asset comes on-line. Other capital improvements will actually decrease maintenance costs, such as pipe replacements and roadway improvements. Long-term operational and maintenance costs resulting from the CIP are estimated concurrently with project identification where adequate information is available and a reasonably accurate determination is possible.

FY 2013-2015 CAPITAL BUDGET

The following chart itemizes the FY 2013-2015 capital budget. Projects are grouped by program as defined above. Project information includes project description, annual operating impact, total dollar amount of capital expenditures for each year of the biennium and the biennial total, and project type as shown below:

- *Routine / Capital Renewal and Replacement:* Costs 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 water line for improved connectivity or increased capacity of a roadway to improve traffic flow. These projects usually have no impact on the operating budget or also may overtime 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).

The following pages contain detail project information for all capital projects (routine, improvements and new construction) in excess of \$500,000. Projects are grouped by Program.

Project Description	Type	Annual Operating Impact	FY 2013-2014 Adopted Budget	FY 2014-2015 Adopted Budget	2013-2015 Adopted Biennium
Transportation					
Main Street pedestrian alley improvements	Routine/Capital Renewal & Replacement	\$0 or reduction	\$ 20,000		\$ 20,000
Gaffney Lane sidewalks	Routine/Capital Renewal & Replacement	\$0 or reduction	35,000		35,000
Elevator improvements	Routine/Capital Renewal & Replacement	\$0 or reduction	40,000		40,000
Main Street - 10th to 15th Street	Routine/Capital Renewal & Replacement	\$0 or reduction		255,000	255,000
Transportation Enhancement - Walking	Routine/Capital Renewal & Replacement	\$0 or reduction	75,000	75,000	150,000
Transportation Enhancement - Biking	Routine/Capital Renewal & Replacement	\$0 or reduction	50,000	50,000	100,000
Transportation Enhancement - Shared Use	Routine/Capital Renewal & Replacement	\$0 or reduction	25,000	25,000	50,000
Oregon City Roadway Reconstruction Projects	Routine/Capital Renewal & Replacement	\$0 or reduction	1,169,700	1,249,700	2,419,400
Clairmont Way Road Way Reconstruction	Routine/Capital Renewal & Replacement	\$0 or reduction	517,500		517,500
Molalla Avenue Phase III	Routine/Capital Renewal & Replacement	\$0 or reduction		175,000	175,000
Sidewalks and Crosswalks	Improvements and Upgrades	\$0 or reduction	76,875	-	76,875
Hokcomb Blvd - 2012/13 Grant Project	Improvements and Upgrades	\$0 or reduction	112,750	82,000	194,750
Meyers Road (High School Lane to Hwy 213)	Improvements and Upgrades	\$0 or reduction	102,500	512,500	615,000
Main Street Sidewalks	Improvements and Upgrades	\$0 or reduction	2,050	-	2,050
Main Street - 10th to 15th Street	Improvements and Upgrades	\$0 or reduction	-	133,250	133,250
Signal Improvements	Improvements and Upgrades	\$0 or reduction	20,500	20,500	41,000
ITS Infrastructure	Improvements and Upgrades	\$0 or reduction	20,500	20,500	41,000
Molalla Avenue Phase III	Improvements and Upgrades	\$0 or reduction	205,000	410,000	615,000
Jughandle	Improvements and Upgrades	\$0 or reduction	564,750	60,000	624,750
Annexed Streets	Improvements and Upgrades	\$0 or reduction	30,000	30,000	60,000
SDC Other	Improvements and Upgrades	\$0 or reduction	51,250	51,250	102,500
Water					
Clairmont Water Line	Routine/Capital Renewal & Replacement	\$0 or reduction	\$ 426,000		\$ 426,000
Taylor Street Pipe Upgrade Project	Routine/Capital Renewal & Replacement	\$0 or reduction		50,000	50,000
Main Street - 10th to 15th Street	Routine/Capital Renewal & Replacement	\$0 or reduction		150,000	150,000
Main Street pedestrian alley improvements	Routine/Capital Renewal & Replacement	\$0 or reduction	20,000		20,000
Whitney Lane Pipe Upgrade	Routine/Capital Renewal & Replacement	\$0 or reduction		200,000	200,000
Pope Lane / Forsythe Road	Routine/Capital Renewal & Replacement	\$0 or reduction		130,000	130,000
I-205 Undercrossing	Routine/Capital Renewal & Replacement	\$0 or reduction		120,000	120,000
Small Works Capital Projects	Routine/Capital Renewal & Replacement	\$0 or reduction	27,500	33,000	60,500
Center Street Pipe Extension	Improvements and Upgrades	\$0 or reduction	225,000		225,000
SDC Other	Improvements and Upgrades	\$0 or reduction	118,375	170,875	289,250

Capital Improvement Program

Project Description	Type	Annual Operating Impact	FY 2013-2014 Adopted Budget	FY 2014-2015 Adopted Budget	2013-2015 Adopted Biennium
Wastewater					
Barclay Hills Pump Station	Routine/Capital Renewal & Replacement	\$0 or reduction	\$ 422,500	\$ 25,000	\$ 447,500
Main Street Pipes	Routine/Capital Renewal & Replacement	\$0 or reduction	100,000	150,000	250,000
Pavement Related Improvements	Routine/Capital Renewal & Replacement	\$0 or reduction	25,000	50,000	75,000
Washington Street Pipes	Routine/Capital Renewal & Replacement	\$0 or reduction		60,000	60,000
Emergency Repairs	Routine/Capital Renewal & Replacement	\$0 or reduction	25,000	25,000	50,000
Manhole Installations & Inspections	Routine/Capital Renewal & Replacement	\$0 or reduction	42,500	50,000	92,500
Hidden Creek Pump	Routine/Capital Renewal & Replacement	\$0 or reduction	35,000		35,000
Main Street pedestrian alley improvements	Routine/Capital Renewal & Replacement	\$0 or reduction	18,000		18,000
Canemah Pump Station	Routine/Capital Renewal & Replacement	\$0 or reduction		15,000	15,000
Terrace Avenue Pipe	Routine/Capital Renewal & Replacement	\$0 or reduction	11,000		11,000
Cook Street Pump Station	Routine/Capital Renewal & Replacement	\$0 or reduction		10,000	10,000
Sewer Extension projects	Improvements and Upgrades	\$0 or reduction	143,500	143,500	287,000
Sewer Capacity projects	Improvements and Upgrades	\$0 or reduction	256,250	256,250	512,500
SDC Other	Improvements and Upgrades		76,875	76,875	153,750
Stormwater					
Harding Boulevard	Improvements and Upgrades	\$0 or reduction		\$ 219,000	\$ 219,000
14th Street	Routine/Capital Renewal & Replacement	\$0 or reduction	136,000		136,000
Van Buren Street	Routine/Capital Renewal & Replacement	\$0 or reduction	102,000		102,000
Pavement Related Improvements	Routine/Capital Renewal & Replacement	\$0 or reduction	80,000		80,000
Clairmont Way	Routine/Capital Renewal & Replacement	\$0 or reduction	30,000		30,000
Water quality improvement projects	Improvements and Upgrades	\$0 or reduction	15,000		15,000
South End Property Acquisition	Improvements and Upgrades	\$0 or reduction		120,000	120,000
Holcomb Boulevard	Improvements and Upgrades	\$0 or reduction	10,000	10,000	20,000
SDC Other	Improvements and Upgrades	\$0 or reduction	50,000	50,000	100,000
Public Facilities					
Office Space Remodel - Conference Room	Routine/Capital Renewal & Replacement	\$0 or reduction	\$ 25,000		\$ 25,000
Library Land and New Construction	New Construction	200,000	2,948,793	645,763	3,594,556
Mt. View Fence Replacement	Routine/Capital Renewal & Replacement	\$0 or reduction		30,000	30,000
Public Works Building	New Construction (Replace existing)	\$0 or reduction	6,282,692	1,100,000	7,382,692
Cable TV Improvements	Routine/Capital Renewal & Replacement	\$0 or reduction	10,000	10,000	20,000
Parks & Cemetery Facilities					
Replace Barclay Hills Play Structure	Routine/Capital Renewal & Replacement	\$0 or reduction	\$ 65,000		\$ 65,000
Replace Chapin Park Play Structure	Routine/Capital Renewal & Replacement	\$0 or reduction		50,000	50,000
Chapin Park Lot Repair	Routine/Capital Renewal & Replacement	\$0 or reduction	75,000		75,000
ADA entrances for Pool, Community Center	Routine/Capital Renewal & Replacement	\$0 or reduction	12,000	12,000	24,000
Aquatic Center Improvements	Routine/Capital Renewal & Replacement	\$0 or reduction	90,000	131,000	221,000
Community Park Construction	New Construction	\$15,000	50,000	1,000,000	1,050,000
Land	New Construction	N/A	250,000	100,000	350,000
Rivercrest Restrooms	New Construction	\$1,000	250,000		250,000
Trail Development	New Construction	\$1,000	50,000	50,000	100,000
Community Project	New Construction	\$0 or reduction		10,000	10,000
Total Capital Projects			\$ 15,622,360	\$ 8,402,963	\$ 24,025,323
TPP					
IT Equipment Replacement	Fixed Asset	\$0 or reduction	\$ 30,000	\$ 8,000	\$ 38,000
Parks & Cemetery Equipment Replacement	Fixed Asset	\$0 or reduction	10,000	59,000	69,000
Public Works	Fixed Asset	\$0 or reduction	415,500	206,500	622,000
Police Department	Fixed Asset	\$0 or reduction	205,000	175,500	380,500
Other Fleet	Fixed Asset	\$0 or reduction	35,000	10,300	45,300
Parking	Fixed Asset	\$0 or reduction	20,000	20,000	40,000
Total TPP			\$ 715,500	\$ 479,300	\$ 1,194,800
Other Items not Included in CIP					
Miscellaneous	Routine		10,072	10,325	20,397
Total Capital Outlay Expenditures			\$ 16,347,932	\$ 8,892,588	\$ 25,240,520

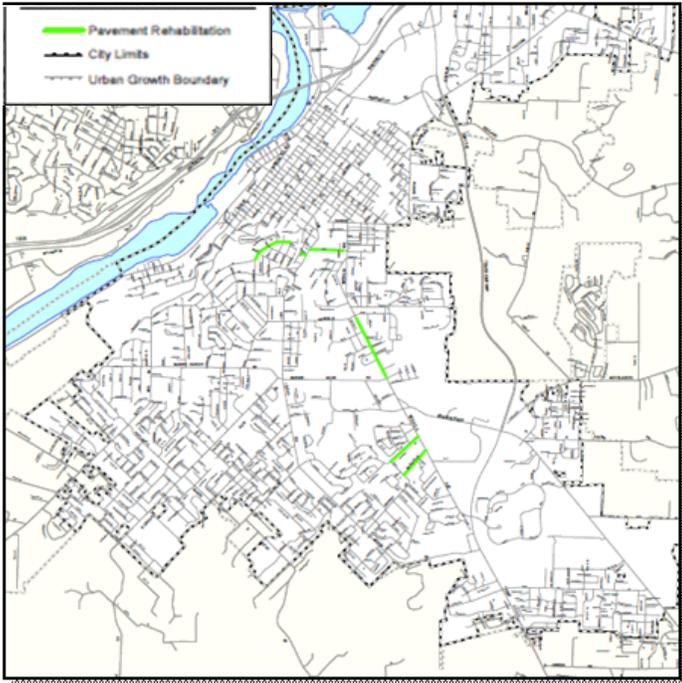
Program	<u>Transportation</u>	Budget Year(s)	<u>2014, 2015</u>
Project Title:	<u>Oregon City Roadway Reconstruction Projects</u>		
Project Type:	<u>Routine/Capital Renewal & Replacement</u>		
Location:	<u>City-wide</u>		

Project Description:
 Annual roadway repair/rehabilitation/reconstruction projects. Six street segments were identified for overlays and reconstruction for the current paving season. The list of streets to be completed include:
 Pearl St. – Molalla Ave. to Linn Ave.
 Hazel St. – Linn Ave. to East St.
 Brighton Ave. – Ogden Dr. to Jersey Ave.
 Molalla Ave. – Holmes Ln. to Warner Milne Rd.
 Clairmont Way – Molalla Ave. to Berta Dr.
 Gaffney Ln. – Molalla Ave. to Berta Dr.

Project Justification:
 Oregon City implemented a street utility fee for the purpose of maintaining streets throughout the City. Streets were identified and prioritized in a Pavement Management Program study published in 2010. The overall goal is to improve the City's Pavement Condition Index (62 out of 100 at the time of the report) as well as improve overall health of the paved street network

Operating Impact:
 No increase to operating budget; this project reduces long term maintenance costs

	<u>2014</u>	<u>2015</u>	<u>Biennium</u>
Project Budget:	\$ 1,169,700	\$ 1,249,700	\$ 2,419,400
Sources of Funds:			
Pavement Maintenance Utility Fee	\$ 1,169,700	\$ 1,249,700	\$ 2,419,400



Capital Improvement Program

Program	<u>Transportation, Water</u>	Budget Year(s)	<u>2014</u>
Project Title:	<u>Clairmont Way Roadway Reconstruction</u>		
Project Type:	<u>Routine/Capital Renewal & Replacement</u>		
Location:	<u>Clairmont Way from Berta Drive to Autumn Lane</u>		

Project Description:

Replacement of the existing waterline with a new 10-inch cast iron waterline, reconstruction of the roadway and new pavement markings to allow for parking on the south side of Clairmont Way, two bike lanes and two vehicle travel lanes.

Project Justification:

A Five Year Pavement Maintenance Plan was completed in 2011 to help guide the City in managing pavement maintenance needs. Clairmont Way between Molalla Avenue and Meyers Road was identified as a roadway segment that needed to be reconstructed. Additionally, Clairmont Way between Berta Street and Meyers Road was identified as a capital improvement project (CIP-7) in the 2012 Water Distribution System Master Plan needing a new 10" waterline.

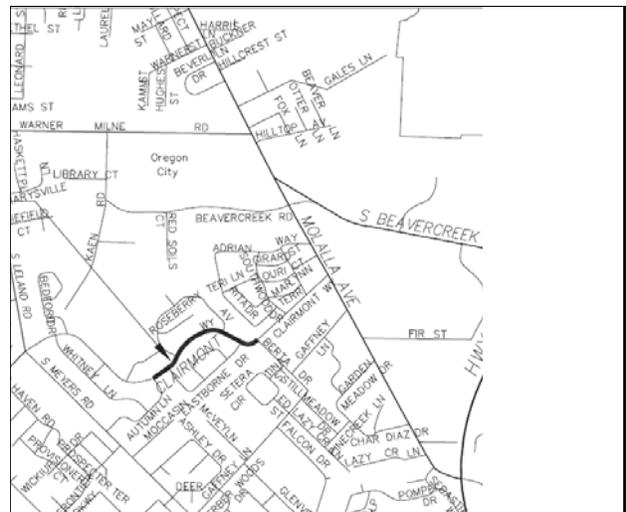
Operating Impact:

No increase to operating budget; this project reduces long term maintenance costs

	<u>2014</u>	<u>2015</u>	<u>Biennium</u>
Project Budget:			
Transportation	\$ 517,500		\$ 517,500
Water	426,000		426,000
	\$ 943,500	\$ -	\$ 943,500

Sources of Funds:

Public Works User Fees - Pavement	\$ 517,500		\$ 517,500
Public Works User Fees - Water	426,000		426,000
	\$ 943,500	\$ -	\$ 943,500



Program	Transportation	Budget Year(s)	2011-2014
Project Title:	OR213, I-205, Redland Road Crossing (Jughandle)		
Project Type:	Improvements and Upgrades		
Location:	Highway 213 / I-205 / Washington St / Clackamas River Dr River Dr		

Project Description:

Design/Engineering/Right-of-Way/Environmental/Construction to Highway 213, Washington Street, Clackamas River Drive and Redland Road. This project was a partnership between Oregon City and ODOT. Project includes the rebuilding of the intersection of Hwy 213/Washington Street/Clackamas River Drive and realigning Washington Street to pass under Hwy 213 just south of the existing railroad bridge. Additionally, it includes improvements on Redland Road for an exclusive eastbound right turn lane at its intersection with Hwy 213. Traffic to and from Washington Street (and Clackamas River Drive) off of Hwy 213 will be served by a "jughandle" configuration.

Project Justification:

To bring significant traffic and safety improvements to one of the state's most congested corridors and I-205's most traveled interchanges. To eliminate the need for left-turns and improve connections to and from Hwy 213.

Operating Impact:

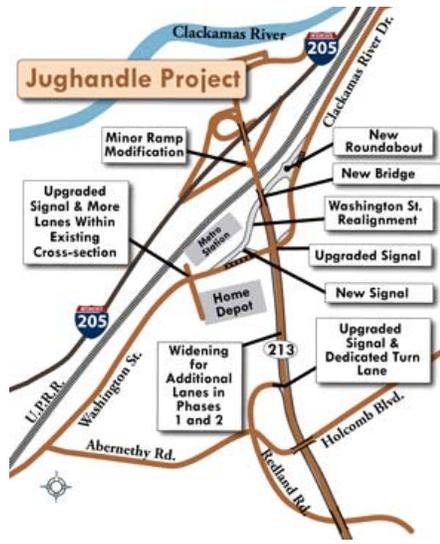
No increase to operating budget; this project reduces long term maintenance costs

Note: Total Project Cost is approximately \$27 million. This biennium includes the completion of the project.

	2014	2015	Biennium
Project Budget:			
Transportation	\$ 564,750	\$ 60,000	\$ 624,750
	\$ 564,750	\$ 60,000	\$ 624,750

Sources of Funds:

Gas Taxes	\$ 370,000		\$ 370,000
Grant Funds (ODOT)	194,750	60,000	254,750
	\$ 564,750	\$ 60,000	\$ 624,750



Capital Improvement Program

Program	<u>Transportation</u>	Budget Year(s) <u>2014, 2015</u>
Project Title:	<u>Meyers Road</u>	
Project Type:	<u>New Construction</u>	
Location:	<u>Meyers Road - High School Ln to Hwy 213</u>	

Project Description:

Connect Meyers Road between Highway 213 and High School Lane (extend eastern and western boundaries of roadway).

Project Justification:

To improve traffic safety and mobility, connect future development site to arterial roadway.

Operating Impact:

This project does not add operating or maintenance costs (no impact to operating budget) in the foreseeable future.

	2014	2015	Biennium
Project Budget:			
Transportation	\$ 102,500	\$ 512,500	\$ 615,000
	\$ 102,500	\$ 512,500	\$ 615,000

Sources of Funds:

System Development Charges	\$ 102,500	\$ 512,500	\$ 615,000
	\$ 102,500	\$ 512,500	\$ 615,000



Program	<u>Transportation</u>	Budget Year(s) <u>2014, 2015</u>
Project Title:	<u>Molalla Avenue Phase III</u>	
Project Type:	<u>Improvements and Upgrades</u>	
Location:	<u>Molalla Avenue from Beavercreek Rd to Hwy 213</u>	

Project Description:

Replacement of outdated signal systems, add medians, improved channelization / access management, and increased transit solutions to improve corridor safety, replace narrow deteriorated sidewalks with new wider pedestrian friendly sidewalks including furnishings, trees and improved transit facilities, replace existing non-conforming ADA ramps with compliant ramps and updated ADA facilities, add 870 linear feet of sidewalks currently missing from the corridor and increase safe pedestrian crossing opportunities using mid block pedestrian activated crosswalks along Molalla Avenue.

Project Justification:

To provide safe and efficient facilities and services for all traveler modes, including public transportation, private automobiles, and pedestrian and bicycle traffic along a busy arterial road.

Operating Impact:

No increase to operating budget; this project reduces long term maintenance costs

Note: Total Project Cost is approximately \$7 million. This biennium includes the initial phase.

	2014	2015	Biennium
Project Budget:			
Transportation	\$ 205,000	\$ 585,000	\$ 790,000
	\$ 205,000	\$ 585,000	\$ 790,000

Sources of Funds:

System Development Charges	\$ 205,000	\$ 410,000	\$ 615,000
Public Works User Fees - Pavement	-	175,000	175,000
	\$ 205,000	\$ 585,000	\$ 790,000



Capital Improvement Program

Program	<u>Public Facilities</u>	Budget Year(s) <u>2014-2016</u>
Project Title:	<u>Public Works Operations Building</u>	
Project Type:	<u>New Construction</u>	
Location:	<u>To be determined</u>	

Project Description:

Acquire land, complete design and bid project to construct new Public Works facility. The current Public Works shops, storage buildings and yards are scattered throughout the City; the office staff is too remote from these resources, the yard space for equipment and bin storage and the fleet shop are inadequate, the Operations administration area is inefficiently laid out and the topographic grade change between the upper and lower sites, coupled with a lack of sidewalks, makes circulation between the two levels difficult and hazardous.

Project Justification:

To consolidate most of the fragmented facilities into one location, either on or around the current site and provide for storage of vehicles and materials; to increase operation efficiency through organization and proximity of related tasks; to ensure site security and safety.

Operating Impact:

No increase to operating budget; this facility would replace the existing facility. The City hopes to achieve operational efficiencies with this facility as well as reduction in some operating costs due to elimination of leased office space.

	<u>2014</u>	<u>2015</u>	<u>Biennium</u>
Project Budget:			
Transportation	\$ 6,282,692	\$ 1,100,000	\$ 7,382,692
	\$ 6,282,692	\$ 1,100,000	\$ 7,382,692

Sources of Funds:

Public Works User Fees *	\$ 6,282,692	\$ 1,100,000	\$ 7,382,692
	\$ 6,282,692	\$ 1,100,000	\$ 7,382,692



* Funding was derived from previous year's user fees set aside in a Capital Projects Fund for this purpose

Program	Public Facilities	Budget Year(s)	2014-2016
Project Title:	Library		
Project Type:	New Construction		
Location:	To be determined		

Project Description:

Expansion of library facility and services at current site; project includes retrofitting and updating existing facility while keeping the original historic structure intact and connecting it to an expanded two-story structure. The City has set aside funds each year for the construction of the library; these funds will offset total construction costs and reduce anticipated borrowings. Total project budget is estimated at almost \$10 million, with approximately \$3.6 million of available funding.

Project Justification:

To provide a facility that adequately meets the needs of library patrons including sufficient shelf space, research materials, programming, and audiovisual and electronic materials. The current library does not have sufficient space to house all of its materials (many materials are in storage) nor is the space adequate to house all of the popular library programs held throughout the year.

Operating Impact:

The City estimates the library expansion will require approximately \$200,000 in additional recurring personnel and operating costs. This additional cost will be budgeted in the next biennium and will be funded from library revenues.

Note: Total Project Cost is approximately \$10 million. This biennium includes funding project costs out of available funds. Once project design is complete, the City will request authority to issue bonds to finance the remaining cost. Anticipated borrowings are less than \$6 million.

	2014	2015	Biennium
Project Budget:			
Transportation	\$ 2,948,793	\$ 645,763	\$ 3,594,556
	\$ 2,948,793	\$ 645,763	\$ 3,594,556
Sources of Funds:			
Library Revenues *	\$ 2,948,793	\$ 645,763	\$ 3,594,556
	\$ 2,948,793	\$ 645,763	\$ 3,594,556



* Funding was derived from previous year's user fees set aside in a Capital Projects Fund for this purpose

Capital Improvement Program

Program	<u>Parks & Cemetery</u>	Budget Year(s)	<u>2014-2016</u>
Project Title:	<u>Community Park Construction</u>		
Project Type:	<u>New Construction</u>		
Location:	<u>To be determined</u>		

Project Description:

Complete planning, design and bid project to construct new park/recreational facility. Currently a site is available at the City's Glen Oak Rd property. However, the 2013-2015 biennium includes plans for a Parks Master Plan and a Parks Expansion & Capital Improvement Plan. Those will be completed before funds are assigned for any specific park, facility, or site.

Project Justification:

Operating Impact:

This project does not add operating or maintenance costs (no impact to operating budget) in the foreseeable future.

	2014	2015	Biennium
Project Budget:			
Transportation	\$ 50,000	\$ 1,000,000	\$ 1,050,000
	\$ 50,000	\$ 1,000,000	\$ 1,050,000

Sources of Funds:

System Development Charges	\$ 50,000	\$ 1,000,000	\$ 1,050,000
	\$ 50,000	\$ 1,000,000	\$ 1,050,000



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. 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 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 Fleet Operations. Vehicles and motorized equipment are also evaluated by the Fleet while computer replacements are recommended by Information Technology. New fixed asset requests include full description, cost, quotes and justification for the additional assets. In the 2013-2015 biennium, new TPP consists of equipment for three new police officers to be hired and computer equipment required as part of IT's virtualization project. The table below summarizes TPP purchases for the 2013-2015 biennium.

Description	Replacement or New Asset	Cost
Public Works Equipment		
Vehicles - Street	Replacement	\$ 268,000
Vehicles - Storm	Replacement	123,000
Vehicles - Water	Replacement	119,000
LED Pedestrian Crossing Units	New	36,000
Vehicles - Engineering	Replacement	32,000
Bobcat Sweeper Attachment	Replacement	18,000
Pipe scope camera (sewer, storm drain)	Replacement	13,000
Water system equipment & Inverter	Replacement	13,000
		\$ 622,000
Police Department		
Vehicles (including gear)	Replacement	\$ 195,500
Vehicles (including gear)	New	185,000
		\$ 380,500
Other Fleet		
Vehicles	Replacement	\$ 45,300
Parks & Cemetery		
Vehicles	Replacement	\$ 69,000
Parking		
Automatic Parking Pay Stations	New	\$ 40,000
IT		
Server	New	\$ 8,000
Virtualization Pod	New	30,000
		\$ 38,000
TOTAL TPP		\$ 1,194,800





DEBT ADMINISTRATION

DEBT SUMMARY

Oregon City will have an estimated \$20.46 million in debt outstanding at the beginning of this budget biennium, or as of June 30, 2013, is described below and consists of the following:

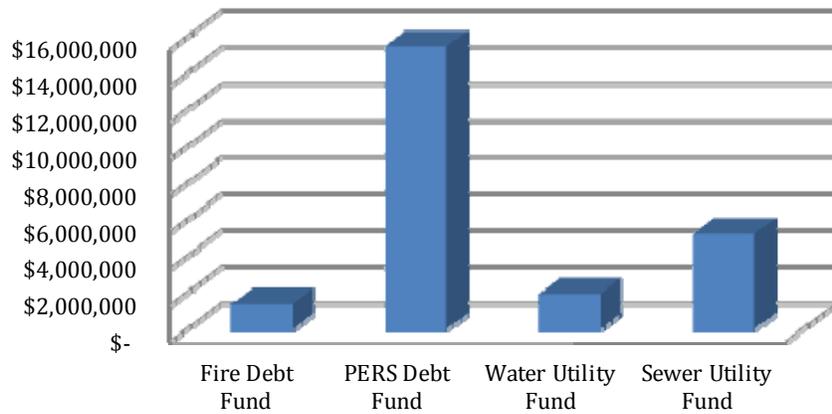
- ❖ Fire General Obligation Bonds: Voter approved General Obligation Refunding bonds issued 11/16/2006 in order to receive a savings in total debt service requirements; matures in 2017.
- ❖ Public Employee Retirement System (PERS) Unfunded Actuarial Liability Bonds: City issued \$17 million in bonds dated 9/28/2005, to fund its PERS actuarial liability; matures in 2028.

- ❖ Water Revenue Bonds: Revenue Refunding bonds issued 01/15/2002; required to be paid back from water system net revenues and are not general obligations of the city; matures in 2015.
- ❖ Sewer Revenue Bonds: Revenue Refunding bonds issued 07/03/2007; required to be paid back from sewer system net revenues and are not general obligations of the city; matures in 2020.

Long term debt directly related and expected to be paid from the enterprise funds (Water Utility and Wastewater Utility) are recorded in these funds. The Fire Bond and PERS Bond are recorded in respective individual funds (see pages 139-140).

	Original Debt Amount	Interest Rates	Beginning Balance as of July 1, 2013	Less: Principal Due	Ending Balance as of June 30, 2014	Less Principal Due	Ending Balance as of June 30, 2015
General Obligation Bonds							
Fire General Obligation Bonds	\$ 3,105,000	4.21-5%	\$ 1,425,000	\$ 330,000	\$ 1,095,000	\$ 345,000	\$ 750,000
Limited Obligation Bonds							
2005 PERS UAL Bond	\$ 17,030,000	3.75-4.25%	\$ 15,510,000	\$ 425,000	\$ 15,085,000	\$ 495,000	\$ 14,590,000
Revenue Bonds							
2002 Water Revenue Bonds	\$ 1,975,000	3.25-4.6%	\$ 380,000	\$ 185,000	\$ 195,000	\$ 195,000	\$ -
2007 Sewer Refunding Bond	\$ 5,245,000	4.25-5%	\$ 3,145,000	\$ 390,000	\$ 2,755,000	\$ 405,000	\$ 2,350,000
Total Debt	\$ 27,355,000		\$ 20,460,000	\$ 1,330,000	\$ 19,130,000	\$ 1,440,000	\$ 17,690,000

Debt Outstanding by Fund 6/30/2013



DEBT LIMITATION

The legal debt limit for fiscal years 2014 and 2015 cannot be determined until November 2013 and 2014, respectively, when the tax assessor distributes property tax information. 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. For 2013, this limitation is 3% of \$2.879 billion, or \$86.39 million. Combining the City’s outstanding general obligation debt and limited obligation debt \$16.935 million as of June 30, 2013, is significantly below the debt limitation of \$84.55 million.

COMPLIANCE

All 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 maintained an AA- underlying bond rating with stable outlook from Standard & Poor’s for the general obligation debt. The outstanding water revenue and sewer bonds have bond insurance provided by Financial Guaranty Insurance Company and this raises the rating to the highest level, AAA.

FUTURE DEBT SERVICE REQUIREMENTS

The following provides a summary of debt service (principal and interest) requirements for Oregon City’s bonds.

TOTAL DEBT SERVICE BY FUND							
Fund	2014	2015	2016	2017	2018	Thereafter	Total Debt Service
FIRE FUND							
<i>Fire General Obligation Bonds</i>							
Principal	330,000	345,000	365,000	385,000	-	-	\$ 1,425,000
Interest	60,563	46,538	31,875	16,363	-	-	\$ 155,339
PERS FUND							
<i>2005 PERS UAL Bond</i>							
Principal	\$ 425,000	\$ 495,000	\$ 570,000	\$ 650,000	\$ 735,000	\$ 12,635,000	\$ 15,510,000
Interest	768,590	748,763	724,711	697,015	665,432	3,784,399	\$ 7,388,910
WATER UTILITY FUND							
<i>2002 Water Revenue Bonds</i>							
Principal	185,000	195,000	-	-	-	-	\$ 380,000
Interest	13,179	4,485	-	-	-	-	\$ 17,664
WASTEWATER UTILITY FUND							
<i>2007 Sewer Refunding Bond</i>							
Principal	390,000	405,000	425,000	450,000	470,000	1,005,000	\$ 3,145,000
Interest	139,475	121,588	101,850	79,975	56,975	45,788	\$ 545,651
Total Principal	\$ 1,330,000	\$ 1,440,000	\$ 1,360,000	\$ 1,485,000	\$ 1,205,000	\$ 13,640,000	\$ 20,460,000
Total Interest	981,807	921,374	858,436	793,353	722,407	3,830,187	8,107,564
TOTAL DEBT SERVICE	\$ 2,311,807	\$ 2,361,374	\$ 2,218,436	\$ 2,278,353	\$ 1,927,407	\$ 17,470,187	\$ 28,567,564

REVENUES AND OTHER FINANCING SOURCES, EXPENDITURES AND OTHER FINANCING USES, AND PROJECTED CHANGES IN FUND BALANCES

Information is presented for individual major funds and non-major funds in the aggregate. As noted earlier, 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. The City's General Fund, Water Fund, and Wastewater Fund are the only funds that meet these criteria. Fund balances/net assets shown represent the difference between fund assets and fund liabilities.

	General Fund					Water Fund					Wastewater Fund				
	2012 Actual	2013 Adopted Budget	2014 Adopted Budget	2015 Adopted Budget	2013-2015 Adopted Biennium	2012 Actual	2013 Adopted Budget	2014 Adopted Budget	2015 Adopted Budget	2013-2015 Adopted Biennium	2012 Actual	2013 Adopted Budget	2014 Adopted Budget	2015 Adopted Budget	2013-2015 Adopted Biennium
Beginning Fund Balance	\$ 2,827,901	\$ 2,465,445	\$ 3,511,900	\$ 2,122,062	\$ 3,511,900	\$1,488,705	\$1,669,870	\$ 843,775	\$ 503,859	\$ 843,775	\$ 345,429	\$ 412,872	\$ 456,919	\$ 185,141	\$ 456,919
Revenues and Other Sources															
Property Taxes	9,101,954	9,448,723	10,235,642	10,484,033	20,719,675	-	-	-	-	-	-	-	-	-	-
Franchise Fees	2,088,282	2,044,781	2,232,891	2,268,732	4,501,623	-	-	-	-	-	-	-	-	-	-
Intergovernmental	1,770,738	1,362,664	1,361,019	1,386,189	2,747,208	-	-	-	-	-	-	-	-	-	-
Charges for Services	1,041,544	1,033,543	1,030,615	1,050,256	2,080,871	5,463,989	5,392,622	5,840,419	5,999,349	11,839,768	5,520,067	5,631,000	6,500,150	6,799,600	13,299,750
Licenses & Permits	102,152	122,000	118,900	120,400	239,300	-	-	-	-	-	-	-	-	-	-
Fines and Penalties	912,675	485,000	685,000	725,000	1,410,000	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	128,722	84,825	74,104	66,054	140,158	8,668	12,000	10,300	10,300	20,600	5,057	6,000	5,000	5,000	10,000
Transfers	606,944	611,400	621,000	621,000	1,242,000	-	-	-	-	-	20,000	10,000	10,000	10,000	20,000
Other Financing Sources	229,950	229,950	229,980	229,980	459,960	-	-	-	-	-	6,533	7,000	5,500	5,500	11,000
Total Available Resources	\$15,982,961	\$15,422,886	\$16,589,151	\$16,951,644	\$33,540,795	\$5,472,657	\$5,404,622	\$5,850,719	\$6,009,649	\$11,860,368	\$5,551,657	\$5,654,000	\$6,520,650	\$6,820,100	\$13,340,750
Expenditures and Other Uses															
Personnel Services	\$ 9,800,738	\$10,623,203	\$11,434,813	\$11,956,001	\$23,390,814	\$1,287,507	\$1,413,291	\$1,469,508	\$1,518,309	\$ 2,987,817	\$ 802,260	\$ 851,099	\$ 888,038	\$ 924,706	\$ 1,812,744
Operating Materials & Services	3,876,171	4,691,957	4,744,280	4,678,730	9,423,010	2,453,244	2,618,707	2,855,819	2,868,337	5,724,156	3,216,381	3,274,550	3,915,680	3,970,744	7,886,424
Capital Outlay	292,731	155,211	334,072	248,825	582,897	418,636	785,000	481,500	443,000	924,500	160,248	275,700	579,750	388,250	968,000
Debt Service	-	-	-	-	-	199,138	201,393	198,179	199,485	397,664	531,838	531,219	529,475	526,588	1,056,063
Transfers	1,212,823	1,472,168	1,465,824	1,561,290	3,027,114	1,063,698	1,091,292	1,185,629	1,189,940	2,375,569	876,385	811,845	879,485	881,799	1,761,284
Other Uses - Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Requirements	\$15,182,463	\$16,942,539	\$17,978,989	\$18,444,846	\$36,423,835	\$5,422,223	\$6,109,683	\$6,190,635	\$6,219,071	\$12,409,706	\$5,587,112	\$5,744,413	\$6,792,428	\$6,692,087	\$13,484,515
Net Change	\$ 800,498	\$ (1,519,653)	\$ (1,389,838)	\$ (1,493,202)	\$ (2,883,040)	\$ 50,434	\$ (705,061)	\$ (339,916)	\$ (209,422)	\$ (549,338)	\$ (35,455)	\$ (90,413)	\$ (271,778)	\$ 128,013	\$ (143,765)
Ending Fund Balance	\$ 3,628,399	\$ 945,792	\$ 2,122,062	\$ 628,860	\$ 628,860	\$1,539,139	\$ 964,809	\$ 503,859	\$ 294,437	\$ 294,437	\$ 309,974	\$ 322,459	\$ 185,141	\$ 313,154	\$ 313,154

The adopted budget is the one biennial total amount showing in the 2013-15 columns, not two separate annual budgets combined. However, to offer comparability, the biennial budget is presented along side the individual fiscal years comprising the biennium.

Non Major Funds					Total All Funds				
2012 Actual	2013 Adopted Budget	2014 Adopted Budget	2015 Adopted Budget	2013-2015 Adopted Biennium	2012 Actual	2013 Adopted Budget	2014 Adopted Budget	2015 Adopted Budget	2013-2015 Adopted Biennium
\$18,231,608	\$ 22,492,741	\$27,099,250	\$ 17,406,646	\$ 27,099,250	\$22,893,643	\$ 27,040,928	\$ 31,911,844	\$20,217,708	\$ 31,911,844
261,086	261,879	260,711	267,904	528,615	9,363,040	9,710,602	10,496,353	10,751,937	21,248,290
334,519	340,000	340,000	343,000	683,000	2,422,801	2,384,781	2,572,891	2,611,732	5,184,623
15,008,486	12,819,558	5,086,329	3,924,126	9,010,455	16,779,224	14,182,222	6,447,348	5,310,315	11,757,663
7,661,522	6,163,181	7,253,070	7,555,606	14,808,676	19,687,122	18,220,346	20,624,254	21,404,811	42,029,065
1,646,343	1,118,270	1,318,550	1,390,825	2,709,375	1,748,495	1,240,270	1,437,450	1,511,225	2,948,675
165,565	210,000	180,000	185,000	365,000	1,078,240	695,000	865,000	910,000	1,775,000
1,636,822	1,426,512	1,462,679	1,423,419	2,886,098	1,779,269	1,529,337	1,552,083	1,504,773	3,056,856
4,813,790	5,134,457	4,935,386	5,064,430	9,999,816	5,440,734	5,755,857	5,566,386	5,695,430	11,261,816
365,796	379,384	372,134	370,934	743,068	602,279	616,334	607,614	606,414	1,214,028
\$31,893,929	\$ 27,853,241	\$21,208,859	\$20,525,245	\$ 41,734,103	\$58,901,204	\$ 54,334,749	\$ 50,169,379	\$50,306,638	\$ 100,476,016
\$ 5,348,149	\$ 5,733,051	\$ 6,250,017	\$ 6,422,045	\$ 12,672,062	\$17,238,654	\$ 18,620,644	\$ 20,042,376	\$ 20,821,061	\$ 40,863,437
3,935,298	5,283,570	6,079,235	4,816,421	10,895,656	13,481,094	15,868,784	17,595,014	16,334,232	33,929,246
15,196,202	21,365,361	14,952,610	7,812,513	22,765,123	16,067,817	22,581,272	16,347,932	8,892,588	25,240,520
1,492,265	1,548,740	1,584,153	1,635,301	3,219,454	2,223,241	2,281,352	2,311,807	2,361,374	4,673,181
2,287,828	2,380,552	2,035,448	2,062,401	4,097,849	5,440,734	5,755,857	5,566,386	5,695,430	11,261,816
-	1,934,821	-	-	-	-	1,934,821	-	-	-
\$28,259,742	\$ 38,246,095	\$30,901,463	\$22,748,681	\$ 53,650,144	\$54,451,540	\$ 67,042,730	\$ 61,863,515	\$54,104,685	\$ 115,968,200
\$ 3,634,187	\$(10,392,854)	\$(9,692,605)	\$(2,223,436)	\$(11,916,041)	\$ 4,449,664	\$(12,707,981)	\$(11,694,137)	\$(3,798,047)	\$(15,492,184)
\$21,865,795	\$ 12,099,887	\$17,406,646	\$15,183,209	\$ 15,183,209	\$27,343,307	\$ 14,332,947	\$ 20,217,708	\$ 16,419,660	\$ 16,419,660



6635 SE Lake Road, Portland, OR 97222 • PO Box 22100, Portland, OR 97209-2100
Phone: 503-694-0300 Fax: 503-620-3433
E-mail: legal@communitynewspapers.com

AFFIDAVIT OF PUBLICATION

State of Oregon, County of Clackamas, SS I, Charlotte Allsop, being the first duly sworn, depose and say that I am Accounting Manager of *Clackamas Review/Oregon City News/Estacada News*, newspapers of general circulation, published at Clackamas/Oregon City, in the aforesaid county and state, as defined by ORS 193.010 and 193.020, that

**City of Oregon City
Notice of Budget Committee Meeting
CLK12782**

a copy of which is hereto annexed, was published in the entire issue of said newspaper for

1 week in the following issue:
March 27, 2013

Charlotte Allsop

Charlotte Allsop (Accounting Manager)

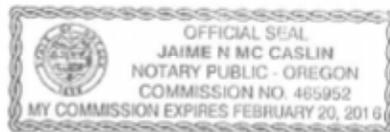
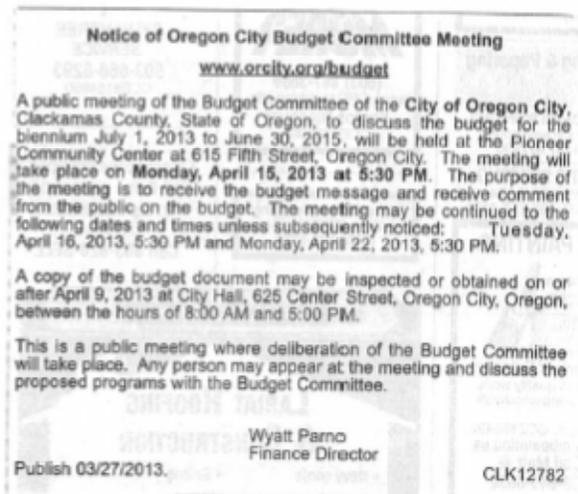
Subscribed and sworn to before me this March 27, 2013.

Jaime N McCaslin

NOTARY PUBLIC FOR OREGON
My commission expires *Feb 20 2016*

Acct #500291
PO# 60237
Attn: Wyatt Parno
City of Oregon City
PO Box 3040
Oregon City, OR 97045-0304

Size: 2 x 3.25"
Amount Due: \$71.10*
*Please remit to address above.



The Oregonian

HILLSBORO
ARGUS



OregonLive.com

**FOREST GROVE
LEADER**

1320 S.W. Broadway, Portland, OR 97201-3499

Affidavit of Publication

G. Hatter

I, _____, duly sworn depose and say that I am the Principal Clerk Of The Publisher of The Oregonian, a newspaper of general circulation, as defined by ORS 193.010 and 193.020, published in the city of Portland, in Multnomah County, Oregon; that the advertisement was published without interruption in the entire and regular issue of The Oregonian or the issue on the following date(s):

6/12/2013

G. Hatter

Principal Clerk of the Publisher:

6-13-13

Subscribed and sworn to before me this date:

Christine D. Casse

Notary:

Ad Order Number: 0003484845



FORM LB-1 NOTICE OF BUDGET HEARING

A public meeting of the Oregon City Commission will be held on June 19, 2013, at 7:00 pm at 625 Center Street (City Hall), Oregon. The purpose of this meeting is to discuss the budget for the biennial period beginning July 1, 2013 and ending June 30, 2015 as approved by the Oregon City Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at 625 Center Street, Oregon City, Oregon, between the hours of 8:30 a.m. and 4:30 p.m. or online at www.orcity.org. This budget is for a biennial budget period. This budget was prepared on a basis of accounting that is consistent with that used the preceding year. However, this is Oregon City's first biennial budget; prior budgets were annual.

Contact: Wyatt Parno, Finance Director Telephone: 503-657-0891 Email: wparno@orcity.org

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2011/12	Adopted Budget This Year 2012/13	Approved Budget Next Biennium 2013/14-2014/15
Beginning Fund Balance/Net Working Capital	22,893,643	27,040,328	31,911,844
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	24,936,658	22,540,397	51,937,363
Federal, State and All Other Grants, Gifts, Allocations and Donations	16,779,234	14,182,222	11,757,663
Interfund Transfers / Internal Service Reimbursements	5,440,734	5,755,857	11,261,816
All Other Resources Except Current Year Property Taxes	2,659,610	2,445,671	4,870,884
Current Year Property Taxes Estimated to be Received	9,084,978	9,410,602	20,648,290
Total Resources	81,794,847	81,376,877	132,387,880

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	17,238,554	18,620,544	40,863,437
Materials and Services	9,530,361	12,199,239	24,503,041
Capital Outlay	16,067,817	22,581,272	25,240,520
Debt Service	2,223,241	2,281,362	4,673,181
Interfund Transfers	5,440,734	5,755,857	11,261,816
Contingencies	0	11,110,892	10,823,172
Special Payments	3,960,733	5,604,366	9,426,206
Unappropriated Ending Balance and Reserved for Future Expenditure	27,343,307	3,222,055	5,596,488
Total Requirements	81,794,847	81,376,877	132,387,880

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM			
Name of Organizational Unit or Program FTE for that unit or program			
Policy & Administration	3,710,383	4,269,918	9,416,693
FTE	23	24	25
Police	7,201,724	7,877,714	16,966,298
FTE	53	53	56
Community Services	3,864,592	4,220,472	9,434,207
FTE	31	31	32
Community Development	2,341,271	2,383,017	5,897,479
FTE	11	11	11
Public Works	24,064,948	29,102,020	40,506,586
FTE	44	46	47
Library	1,133,961	3,996,035	6,679,585
FTE	12	12	12
Non-Departmental	39,477,968	29,526,501	43,487,012
FTE	2	2	2
Total Requirements	81,794,847	81,376,877	132,387,880
Total FTE	178	178	186

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING
 The most significant change is that this is Oregon City's first biennial budget. Previous budgets were annual and are presented as annual amounts above; the current budget is for the biennial period starting July 1, 2013 and ending June 30, 2015. Other changes include the addition of three (3) police officers funded by an increased tax rate of \$0.25 per \$1,000 of assessed property value and a reduction in the Street SDC fund for completion of the Jughandle Project Improvements (\$7 million spent in 2013).

PROPERTY TAX LEVIES				
	Rate or Amount Imposed FY 2011/12	Rate or Amount Imposed FY 2012/13	Rate or Amount Approved FY 2013/14	Rate or Amount Approved FY 2014/15
Permanent Rate Levy (rate limit \$5.0571 per \$1,000)	4.1590	4.1590	4.4090	4.4090
Local Option Levy	None	None	None	None
Levy For General Obligation Bonds	\$268.873	\$275.662	\$278.767	\$286.457

STATEMENT OF INDEBTEDNESS		
LONG TERM DEBT	Estimated Debt Outstanding on July 1, 2013	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$1,425,000	None
Other Bonds	\$19,035,000	None
Other Borrowings	\$0	None
Total	\$20,460,000	\$0

RESOLUTION NO. 13-14

**A RESOLUTION ESTABLISHING ELIGIBILITY TO RECEIVE
STATE-SHARED REVENUES**

WHEREAS, ORS. 221.760 provides as follows:

Section 1. The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820 and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the most recent decennial census, disburse such funds only if the city provides four or more of the following services:

1. Police protection
2. Fire protection
3. Street construction, maintenance, and lighting
4. Sanitary sewer
5. Storm sewers
6. Planning, zoning, and subdivision control
7. One or more utility services

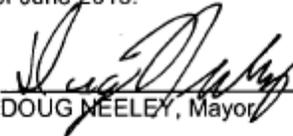
and,

WHEREAS, city officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760.

NOW, THEREFORE, BE IT RESOLVED, that the City of Oregon City hereby certifies that it provides the following four or more municipal services enumerated in Section 1, ORS 221.760:

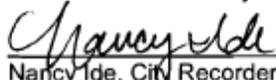
1. Police protection
2. Street construction, maintenance, and lighting
3. Sanitary sewer
4. Storm sewers
5. Planning, zoning, and subdivision control
6. One or more utility services

Adopted, signed and approved this 5th day of June 2013.



DOUG NEELEY, Mayor

Attested to this 5th day of June 2013:



Nancy Ide, City Recorder

Approved as to legal sufficiency:



City Attorney

RESOLUTION NO. 13-14
Effective Date: June 5, 2013

RESOLUTION NO. 13-18

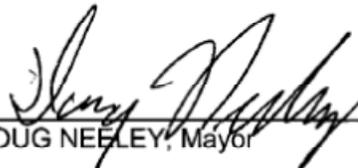
**A RESOLUTION DECLARING THE CITY'S ELECTION
TO RECEIVE STATE REVENUES**

WHEREAS, pursuant to ORS 221.770, Oregon City hereby elects to receive state revenues for fiscal year 2013/14; and

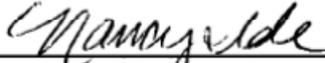
WHEREAS, a public hearing before the Oregon City Budget Committee was held on April 15, 2013, and a public hearing before the Oregon City Commission was held on June 19, 2013, giving citizens an opportunity to comment on the use of State Revenue Sharing.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of Oregon City, Oregon, that the Mayor and City Commission elect to receive state revenues for fiscal year 2013/14.

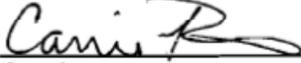
Approved and adopted at a regular meeting of the City Commission held on the 19th day of June 2013.



DOUG NEELEY, Mayor

Attested to this 19th day of June 2013:


Nancy Ide, City Recorder

Approved as to legal sufficiency:


Carrie R.
City Attorney

RESOLUTION NO. 13-17

A RESOLUTION OF THE CITY OF OREGON CITY ADOPTING THE BUDGET, MAKING APPROPRIATIONS,
IMPOSING TAXES AND CATEGORIZING TAXES FOR BIENNIUM 2013 - 2015

ADOPTING THE BUDGET

BE IT RESOLVED that the City Commission of the City of Oregon City, Oregon, hereby adopts the 2013-2015 Biennial Budget in the Amount of \$132,387,860 now on file at City Hall at 625 Center Street, Oregon City, Oregon.

MAKING APPROPRIATIONS

BE IT FURTHER RESOLVED that the amounts for the biennium beginning July 1, 2013 and ending June 30, 2015 and for the purposes shown below are hereby appropriated as follows:

Fund	Department/ Function	Fund Total
GENERAL (300)		
Policy & Administration	\$7,550,823	
Police	15,598,059	
Community Services	6,829,207	
Non-Departmental	3,418,632	
Transfers Out	3,027,114	
Contingency	628,860	
Total		\$37,052,695
COMMUNITY DEVELOPMENT (351)		
Community Development	\$3,629,285	
Transfers Out	191,250	
Contingency	173,579	
Total		\$3,994,114
BUILDING OPERATIONS (355)		
Community Development	\$2,268,194	
Transfers Out	114,000	
Contingency	88,225	
Total		\$2,470,419
ENGINEERING GROUP (357)		
Public Works	\$986,746	
Contingency	3,254	
Total		\$990,000
STREET (401)		
Public Works	\$3,878,197	
Transfers Out	685,100	
Contingency	137,291	
Total		\$4,700,588

Other Supplementary Information – Compliance

PAVEMENT MAINTENANCE (415)			
Public Works		\$3,860,140	
Transfers Out		192,600	
Contingency		162,289	
Total		<u> </u>	\$4,215,029
WATER (501)			
Public Works		\$9,636,473	
Debt Service		397,664	
Transfers Out		2,375,569	
Contingency		294,437	
Total		<u> </u>	\$12,704,143
WASTEWATER (502)			
Public Works		\$3,989,168	
Pass Through (Clackamas County Tri-City Service District)		6,678,000	
Debt Service		1,056,063	
Transfers Out		1,761,284	
Contingency		313,154	
Total		<u> </u>	\$13,797,669
STORMWATER (521)			
Public Works		\$3,940,159	
Transfers Out		1,015,284	
Contingency		88,668	
Total		<u> </u>	\$5,044,111
STREET DEVELOPMENT - SDC (411)			
Public Works		\$2,830,235	
Transfers Out		45,684	
Contingency		977,957	
Total Appropriated		<u> </u>	\$3,853,876
Unappropriated *			265,094
Total			<u> </u>
WATER DEVELOPMENT - SDC (511)			
Public Works		\$917,450	
Transfers Out		71,973	
Contingency		1,661,197	
Total		<u> </u>	\$2,650,620
WASTEWATER DEVELOPMENT - SDC (512)			
Public Works		\$1,227,050	
Transfers Out		65,196	
Contingency		1,233,962	
Total		<u> </u>	\$2,526,208

STORMWATER DEVELOPMENT - SDC (522)			
Public Works	\$465,220		
Transfers Out	56,342		
Contingency	123,325		
Total			\$644,887
LIBRARY (318)			
Library	\$3,085,029		
Transfers Out	920,000		
Contingency	322,745		
Total			\$4,327,774
DOWNTOWN (321)			
Police	\$857,890		
Transfers Out	190,000		
Contingency	9,635		
Total			\$1,057,525
CIVIC IMPROVEMENT TRUST (331)			
Non-Departmental	\$162,000		
Contingency	6,000		
Total			\$168,000
BUSINESS DEVELOPMENT (332)			
Non-Departmental	\$100,350		
Contingency	13,575		
Total			\$113,925
ECONOMIC IMPROVEMENT DISTRICT (338)			
Non-Departmental	\$230,000		
Contingency	500		
Total			\$230,500
OREGON CITY METRO ENHANCEMENT (341)			
Non-Departmental	\$140,000		
Transfers Out	110,000		
Contingency	45,414		
Total			\$295,414
CODE ENFORCEMENT (354)			
Police	\$485,349		
Transfers Out	10,000		
Contingency	3,251		
Total			\$498,600
CABLE TV (409)			
Non-Departmental	\$140,000		
Transfers Out	37,000		
Contingency	193,900		
Total			\$370,900

Other Supplementary Information – Compliance

POLICE BUILDING RESERVE (301)			
Police		\$25,000	
Contingency		62,224	
Total		<u> </u>	\$87,224
POLICE SERVICES RESERVE (307)			
Contingency		\$738,850	
Total		<u> </u>	\$738,850
CITY CLEAN UP (315)			
Non-Departmental		\$248,073	
Transfers Out		264,000	
Contingency		76,827	
Total		<u> </u>	\$588,900
UPGRADE STREETS ANNEXED (412)			
Public Works		\$60,000	
Contingency		132,750	
Total		<u> </u>	\$192,750
ERMATINGER HOUSE RESTORATION (442)			
Community Services		\$531,000	
Total		<u> </u>	\$531,000
WATER RATE STABILIZATION (515)			
Contingency		\$492,242	
Total		<u> </u>	\$492,242
WASTEWATER RATE STABILIZATION (516)			
Contingency		\$623,252	
Total		<u> </u>	\$623,252
HOPP SEWER CONSTRUCTION (531)			
Non-Departmental		\$300	
Transfers Out		24,000	
Contingency		6,500	
Total		<u> </u>	\$30,800
FLEET (559 & 561)			
Public Works		\$1,233,056	
Transfers Out		50,000	
Contingency		5,444	
Total Appropriated		<u> </u>	\$1,288,500
Unappropriated *			5,300,612
Total			<u> </u>
UTILITY CUSTOMER SERVICE (563)			
Policy & Administration		\$1,865,870	
Transfers Out		3,000	
Contingency		25,069	
Total		<u> </u>	\$1,893,939

LIBRARY RESERVE (568)			
Library		\$3,594,556	
Total		<u>3,594,556</u>	\$3,594,556
PUBLIC WORKS BUILDING RESERVE (569)			
Public Works		\$7,482,692	
Total		<u>7,482,692</u>	\$7,482,692
CEMETERY ENDOWMENT CARE (605)			
Contingency		\$105,570	
Total		<u>105,570</u>	\$105,570
PARKS AND RECREATION TRUST (608)			
Community Services		\$80,000	
Contingency		193,000	
Total		<u>273,000</u>	\$273,000
PARKS DEVELOPMENT - SDC (611)			
Community Services		\$1,994,000	
Transfers Out		52,420	
Contingency		294,279	
Total		<u>2,340,699</u>	\$2,340,699
FIRE BOND (446)			
Debt Service		\$782,101	
Total Appropriated		<u>782,101</u>	\$782,101
Unappropriated *			<u>30,782</u>
Total			\$812,883
PERS RATE DIFFERENTIAL (651)			
Debt Service		\$2,437,353	
Non-Departmental		15,000	
Contingency		1,585,947	
Total		<u>4,038,300</u>	\$4,038,300
	Total Appropriated, All Funds		\$126,791,372
	*Total Unappropriated, All Funds		<u>5,596,488</u>
	TOTAL ADOPTED BUDGET		<u>\$132,387,860</u>

IMPOSING THE TAX

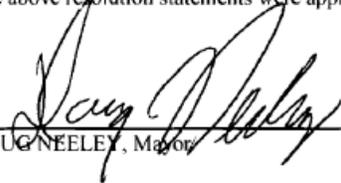
BE IT FURTHER RESOLVED that ad valorem property taxes are hereby imposed upon the assessed value of all taxable property within the district at the rate of \$4.4090 per \$1,000 of assessed value for 2013/14 and at the rate of \$4.4090 per \$1,000 of assessed value for 2014/15 for general operations and in the amounts of \$278,767 for 2013/14 and \$286,457 for 2014/15 for general obligation bonds.

CATEGORIZING THE TAX

BE IT FURTHER RESOLVED that the taxes imposed are hereby categorized for purposes of Article XI section 11b as:

	<u>2013/14</u>	<u>2014/15</u>
Subject to General Government Limitation:		
Permanent Rate Tax (GENERAL FUND)	\$4.4090/\$1,000	\$4.4090/\$1,000
Excluded from Limitation		
General Obligation Bond (FIRE BOND DEBT SERVICE FUND)	\$278,767	\$286,457

The above resolution statements were approved and declared adopted on the 19th day of June 2013.



DOUG NEELEY, Mayor

Attested to the 19th day of June 2013



Nancy Ide, City Recorder

Approved as to legal sufficiency:



Carrie P.
City Attorney

**Notice of Property Tax and Certification of Intent to Impose
a Tax, Fee, Assessment or Charge on Property**

**FORM LB-50
2013-2014**

To assessor of Clackamas County

- Be sure to read instructions in the Notice of Property Tax Levy Forms and Instruction booklet

Check here if this is an amended form.

The City of Oregon City has the responsibility and authority to place the following property tax, fee, charge or assessment on the tax roll of Clackamas County. The property tax, fee, charge or assessment is categorized as stated by this form.

P.O. Box 3040 Oregon City OR 97045 6/25/13
Mailing Address of District City State ZIP code Date
Wyatt Parno Finance Director 503-496-1525 wparno@orcity.org
Contact Person Title Daytime Telephone Contact Person E-Mail

CERTIFICATION - You **must** check one box if your district is subject to Local Budget Law.

- The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.
- The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

PART I: TOTAL PROPERTY TAX LEVY

		Subject to General Government Limits Rate -or- Dollar Amount		
1. Rate per \$1,000 or Total dollar amount levied (within permanent rate limit)	1	4.409		Excluded from Measure 5 Limits Dollar Amount of Bond Levy
2. Local option operating tax	2	0		
3. Local option capital project tax	3	0		
4. Levy for pension and disability obligations	4	0		
5a. Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001	5a.		278,767	
5b. Levy for bonded indebtedness from bonds approved by voters on or after October 6, 2001	5b.		0	
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b)	5c.		278,767	

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per \$1,000	6	5.0571
7. Election date when your new district received voter approval for your permanent rate limit	7	N/A
8. Estimated permanent rate limit for newly merged/consolidated district	8	N/A

PART III: SCHEDULE OF LOCAL OPTION TAXES - Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount -or- rate authorized per year by voters
N/A				

Part IV. SPECIAL ASSESSMENTS, FEES AND CHARGES

Description	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1 N/A		
2		

If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.

The authority for putting these assessments on the roll is ORS N/A (Must be completed if you have an entry in Part IV)

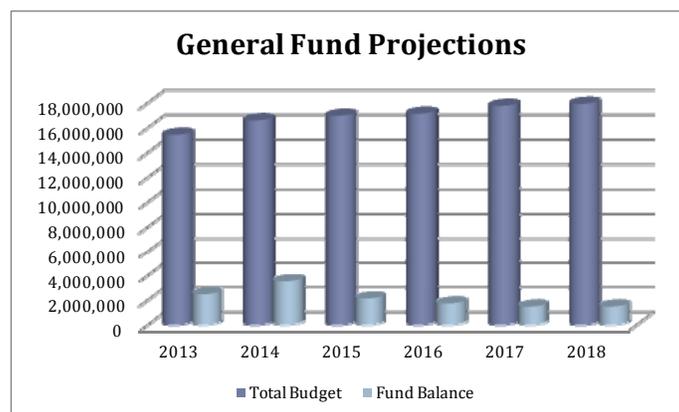
Currently, the City performs long term planning and forecasting for its major funds and its utilities. These plans and forecast allow the city to project expected revenues and expenditures for these funds to help anticipate financial requirements, including property tax rates and utility fees. Additionally, the City has developed individual long-term planning strategies for its major departments and city functions; these plans include linkage to City’s overall goals.

- ❖ Public Works has long term forecasting for each of its utilities (water, wastewater, pavement maintenance, and stormwater) which include capital needs projections and rate projections. These plans are reviewed in conjunction with rate studies to address future rate considerations.
- ❖ Economic Development has a long-term plan that encompasses strategies for economic strength focusing on business outreach, business recruitment and retention, marketing, and collaboration with regional and state partners.
- ❖ Urban Renewal Plan includes objectives and strategies to eliminate blighting conditions, make public improvements, increase taxable values, improve the economic vitality, and to enhance historic, cultural, natural resources in the area.
- ❖ The Library long-term plan includes strategies that will help ensure the library is a community anchor, inspires literacy and lifelong learning, strengthens community, and supports an understanding of Oregon City’s past and present in order to build its future

Oregon City is in the process of developing a comprehensive long term financial forecast model

that will encompass the current biennium and the two following biennia for all funds and will incorporate the individual long-term plans. While these current forecasts are central to financial management, we hope that the comprehensive model being developed will include trends and strategies with linkage to the citywide planning and goal-setting. The City anticipates to include this comprehensive long-term financial forecast in the next biennial budget.

The city forecasts operating and capital fund revenues and expenditures over a five-year period. The forecast is adjusted as each year’s final results are known and as new years are budgeted. As a result of these forecasting efforts and a projected decline in general fund balances due to the recession, the city took steps to reduce expenditures and implemented certain business decisions that not only turned around the decline, but in fact helped to increase reserves. For example, paying off the City’s Public Employees Retirement System (PERS) unfunded liability helped to reduce current PERS rates, approximately \$4 million over the life of the bond. Voters also voted to repeal a utility rate rollback provision which would have caused the Utility to reduce water rates to 1994 levels, greatly impacting the water utility’s ability to fund capital maintenance and improvement projects. Staff also continues to revise current fees and charges based on cost recovery and construction cost indices. The city’s financial forecasting indicates that in the short term the city has some challenges, but most funds are on fairly sound financial footing. The chart below shows the current forecast for the General Fund; discussion on fund balance projections is included in the Budget Message.



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 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 through the year.

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 report prepared by an independent auditing firm.

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 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).

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.

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.

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).

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 right-of-ways.

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.

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.

Measure 50 A 1997 voter approved initiative which rolled back assessed values to 90 percent of their levels in fiscal year FY 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.

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.

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.

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.

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.