

City of
Oregon City,
Oregon



2017 - 2019 Biennial Budget
Mid-Biennium Financial Update



Executive Summary

This financial report summarizes the City of Oregon City's results of operations at the halfway point of the 2017-2019 Biennial Budget. It compares actual revenues and expenditures to the Budget and highlights significant variances. Progress on City Commission goals is addressed in separate reports to the Commission, while this report focuses on financial status. Financial analysis in this report is provided for all of the City's funds on a combined basis and individually for the City's major programs:

- ◆ General Fund
 - Policy & Administration
 - Police Department
 - Community Services
 - General Government
- ◆ Community Development
 - Planning
 - Building
- ◆ Public Works
 - Engineering
 - Transportation
 - Water
 - Wastewater
 - Stormwater
- ◆ Library
- ◆ Community Facilities



Fiscal Year 2018 marks the end of the first year of the 2017-2019 biennium. The adopted biennial budget appropriated a total of \$191.2 million. During the year, the Commission approved budget adjustments that increased the total budget by approximately \$28.7 million to \$219.9 million. The budget adjustments included recognition of voter approved bond proceeds to fund the Police and Municipal Court Building and appropriations to spend the proceeds and make payments of principal and interest on the bonds. Adjustments were also made to recognize grant funds for the Molalla Avenue Streetscape Project, cost sharing payments from Clackamas Community College for the construction of Meyers Road from Highway 213 to High School Avenue, additional funding from the Oregon Legislature's "Keep Oregon Moving" increase to the gas tax to be spent on transportation projects, new water wheeling revenue from Clackamas River Water District, and successful resolution of legal disputes. Additional adjustments were the addition of a tourism coordinator, increases to pass-through revenues, and early retirement of debt to capitalize on interest savings.

Oregon City continues to manage its resources in a fiscally prudent manner and work toward goals established by the City Commission. The budget remains balanced and in compliance with laws and regulations.

While funding City-wide services remains a challenge, the City must continue to be fiscally conservative in order to maintain adequate ending working capital balances. Preliminary long-range forecasts show that revenue growth does not keep pace with the growth in operating and capital costs. Despite these challenges, the City is doing well overall and planning is underway across several departments, such as conducting rate studies, researching alternate funding sources, and looking for potential cost savings, to assist the Commission and management with addressing these longer-term issues.

Financial Summary

The following chart summarizes City resources and requirements across all funds and compares annual balances to the biennial budget. Budget amounts may be slightly different from the Adopted Budget because this report includes the Commission approved budget adjustments mentioned above.

Revenues

- ◆ Nearly all Revenues across funds are as expected or better for the year.
- ◆ Property Taxes, Franchise Fees, Intergovernmental Revenues, and Charges for Services all met or slightly exceeded anticipated collections (taking into account recent budget adjustments for Intergovernmental).
- ◆ System Development Charges (SDCs) exceeded anticipated collections (62.3% of the budget has already been received). This is due to the completion of development projects sooner than anticipated, improved collection practices and a reduction in deferrals. Permitting activity has decreased from last year but is still very strong.

Executive Summary (Continued)

- ◆ Fines and Penalties exceed estimated revenues due to safety efforts in the Police Department to address traffic concerns raised by the Transportation Advisory Committee and neighborhood associations.
- ◆ Assessments and Other Taxes includes new revenues not budgeted for the biennium.
- ◆ Interest income has outperformed budgeted amounts due to rising investment earnings rates, and higher cash and investments on hand due to bond proceeds and yet unspent capital funds.

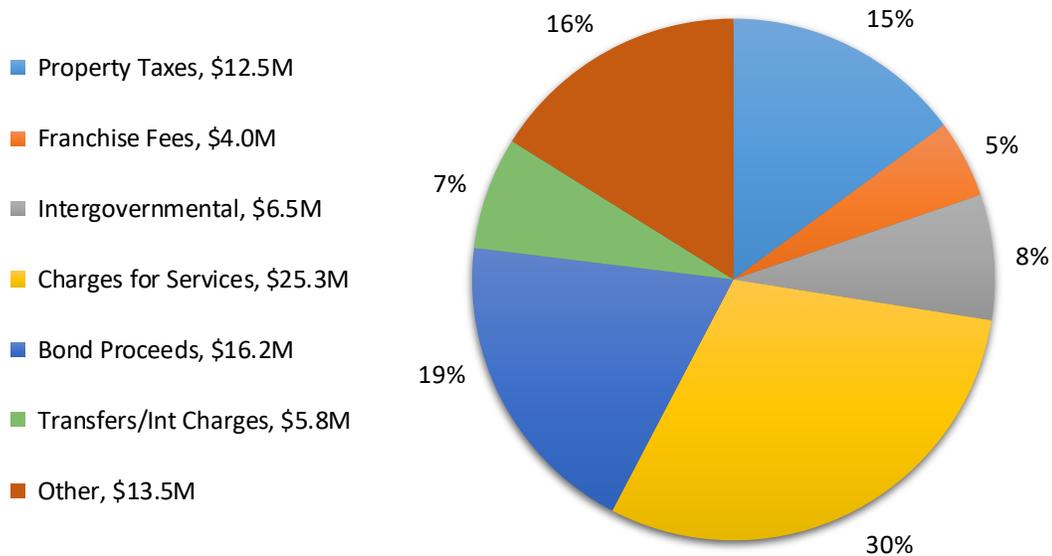
Expenditures

- ◆ Personnel Expenditures, Materials and Services, and Pass Through Payments are approximately as expected for the year. Generally, more funding is allocated in the second half of the biennium to account for inflation. However, in some departments contractual services are scheduled so that the entire or majority of the expense occurs in the first year of the biennium. For these reasons, costs are expected to remain within budget for most programs.
- ◆ Capital expenditures are lower than budgeted since projects are forecasted at maximum anticipated amounts to allow operating flexibility, but the projects may not be completed within the two year time period. For example, all funds in reserve for the Police and Municipal Court Building are appropriated, however funds have not been spent because construction has not yet commenced.

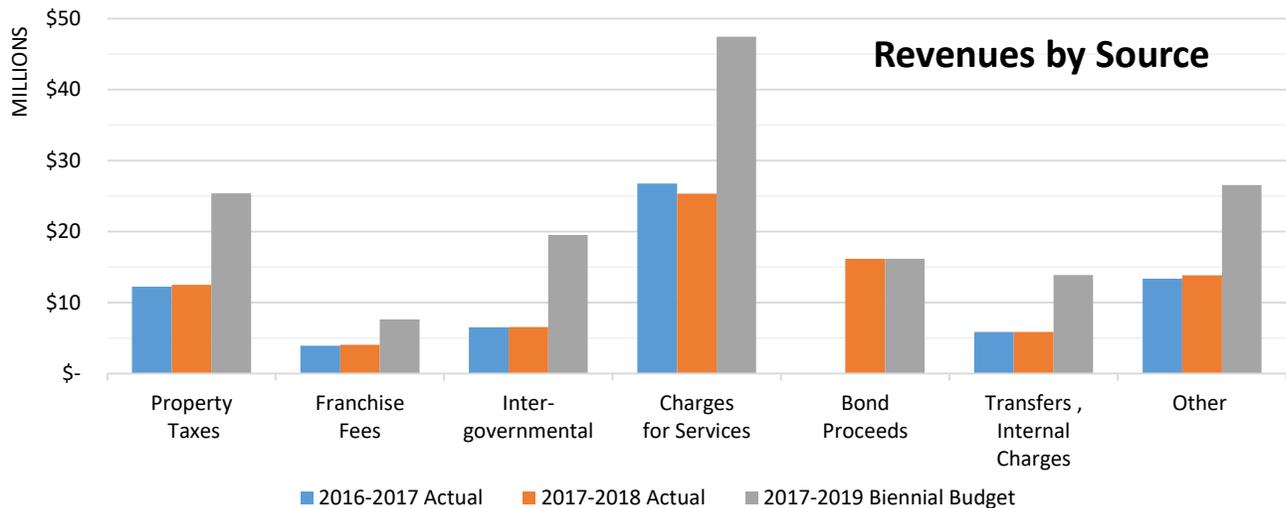
All Funds	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Fund Balance	\$ 63,396,801	\$ 67,723,125	\$ 4,326,324	N/A
Revenues				
Property Taxes	25,353,384	12,500,820	(12,852,564)	49.3%
Franchise Fees	7,621,269	4,049,740	(3,571,529)	53.1%
Intergovernmental	19,517,643	6,517,167	(13,000,476)	33.4%
Charges for Services	41,988,207	21,913,435	(20,074,772)	52.2%
System Development Charges	5,450,000	3,395,367	(2,054,633)	62.3%
Pass-Through Revenues	12,612,027	6,343,887	(6,268,140)	50.3%
Licenses & Permits	4,246,192	1,990,219	(2,255,973)	46.9%
Fines and Penalties	1,964,396	1,395,184	(569,212)	71.0%
Assessments and Other Taxes	427,819	527,877	100,058	123.4%
Miscellaneous Income	5,861,982	1,852,210	(4,009,772)	31.6%
Interest Income	660,086	886,522	226,436	134.3%
Loan Repayments	773,928	510,098	(263,830)	65.9%
Internal Service Charges	5,480,866	2,750,637	(2,730,229)	50.2%
Bond Proceeds	16,157,183	16,157,183	-	100.0%
Transfers	8,384,393	3,091,016	(5,293,377)	36.9%
Total Revenues	\$ 156,499,375	\$ 83,881,362	\$ (72,618,013)	53.6%
Total Resources	\$ 219,896,176	\$ 151,604,487	\$ (68,291,689)	N/A
Expenditures				
Personnel Services	\$ 50,862,555	\$ 23,796,199	\$ (27,066,356)	46.8%
Materials & Services	32,184,158	15,652,764	(16,531,394)	48.6%
Pass Through Payments	12,612,027	6,186,876	(6,425,151)	49.1%
Capital Outlay	76,100,926	16,215,082	(59,885,844)	21.3%
Debt Service	6,473,163	3,460,833	(3,012,330)	53.5%
Transfers	8,384,393	3,091,016	(5,293,377)	36.9%
Total Expenditures	\$ 186,617,222	\$ 68,402,770	\$ (118,214,452)	36.7%
Total Revenues Less Expenditures	\$ (30,117,847)	\$ 15,478,592	\$ 45,596,439	N/A
Contingencies and Reserves	\$ 33,278,954	\$ 83,201,717	\$ 49,922,764	N/A
Total Requirements	\$ 219,896,176	\$ 151,604,487	\$ (68,291,689)	N/A

Executive Summary (Continued)

2017-2018 Revenues by Source

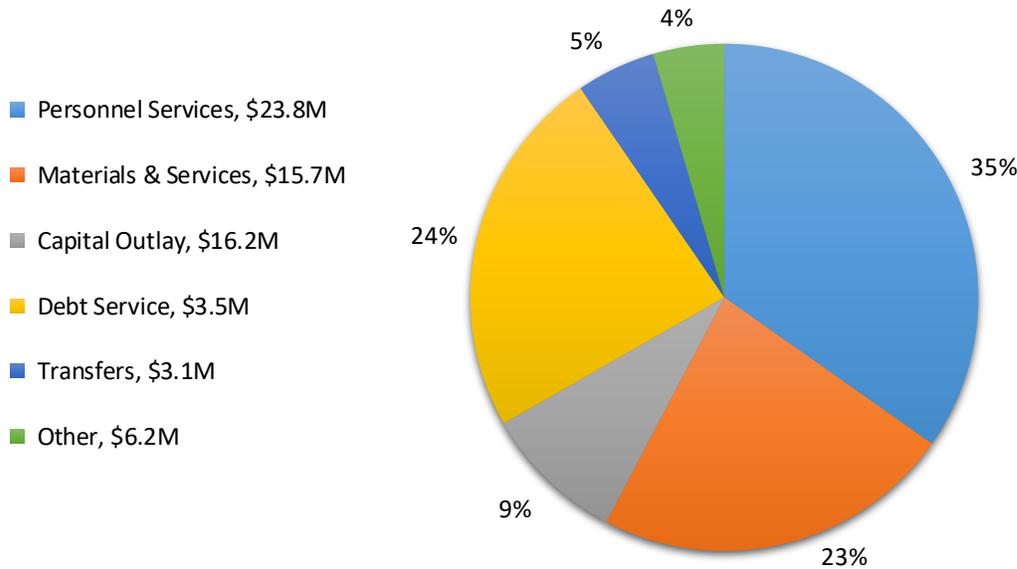


- ⇒ Property Taxes for the year are \$12.5 million, representing 15% of total revenues.
- ⇒ The largest source of revenue for the City is Charges for Services (\$25.3 million, 30% of total revenues), which include utility fees, recreation registrations, and SDCs.
- ⇒ As mentioned before, most revenues are trending positively.
- ⇒ A large source of revenue for this year is non-recurring and relates to bond proceeds for the construction of the police and municipal court facility.



Executive Summary (Continued)

2017-2018 Expenditures by Category



- ⇒ As is the case in most governments, Personnel costs remain the largest percentage of total expenditures in the City. Costs for 2018 were \$23.8 million, 35% of total spending, consistent with prior years.
- ⇒ Capital outlay spending is at \$16.2 million for the biennium so far, or 24% of total spending.
- ⇒ The Wastewater bonds were retired early to save interest costs; all other debt service payments have been made on schedule.



Vision:

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

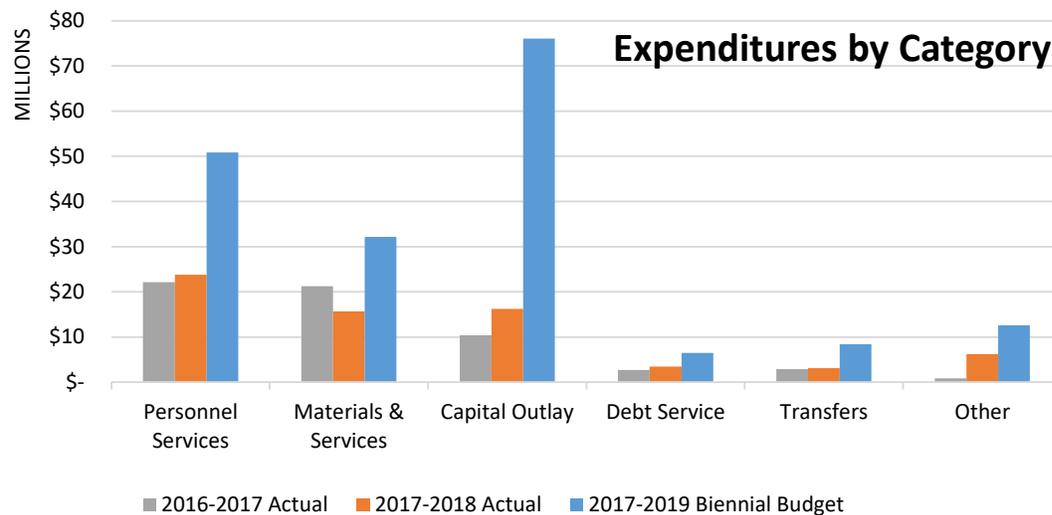
Mission:

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

Goals:

- ⇒ Maintain an Environment for Successful Economic Development
- ⇒ 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

Expenditures by Category



General Fund

The General Fund is the principal operating fund of the City. Revenues include property taxes, rights of way usage charges/franchise fees, revenues from other agencies, and charges for services. The general fund provides core, day to day operations in the areas of public safety, municipal court, parks and recreation, and economic development. The fund also provides most general governance services. General Fund programs include:

- ◆ Policy & Administration (City Commission, City Manager, City Recorder, Finance, Municipal Court, Human Resources, Economic Development, Information Services, Geographic Information System and Legal)
- ◆ Police Department
- ◆ Community Services (Parks & Cemetery Operations, Recreation, Pioneer Center, Aquatics)
- ◆ General Government (street lighting, liability insurance and other shared City costs)

The chart below summarizes General Fund revenues and expenditures by category. Overall, revenues are trending higher than budget with additional revenues from franchise fees (particularly telecommunications), charges for services (police safety program, miscellaneous court charges, cemetery sales and parking fees), assessment and other taxes (including marijuana tax revenue), and interest income.

As noted below and in the chart on the following page (which summarizes expenditures by program), costs are lower than expected for the first half of the biennium across all categories. Most of the cost savings are attributable to lower than anticipated salary and benefit costs, mainly from position vacancies and health insurance savings. The additional revenue and cost savings have provided relief from the expectation to use reserves during the year. However, management will continue to closely monitor financial activity and reserves during the second half of the period. Capital Outlay is under budget mainly due to projects that have not yet started, particularly in Community Services.

General Fund	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Balance	\$ 6,726,369	\$ 7,270,174	\$ 543,805	N/A
Revenues				
Property Taxes	25,353,384	\$ 12,500,820	(12,852,564)	49.3%
Franchise Fees	7,121,269	3,780,955	(3,340,314)	53.1%
Intergovernmental	3,604,937	1,956,050	(1,648,887)	54.3%
Charges for Services	3,141,955	1,820,779	(1,321,176)	58.0%
Pass-Through Revenues	640,000	315,009	(324,991)	49.2%
Licenses & Permits	617,050	357,179	(259,871)	57.9%
Fines and Penalties	1,900,396	1,344,819	(555,577)	70.8%
Assessments and Other Taxes	427,819	527,877	100,058	123.4%
Miscellaneous Income	608,279	427,341	(180,938)	70.3%
Interest Income	220,000	285,726	65,726	129.9%
Loan Repayments	-	123,134	123,134	0.0%
Internal Service Charges	1,451,925	739,500	(712,425)	50.9%
Transfers In	299,508	-	(299,508)	0.0%
Total Revenues	\$ 45,386,522	\$ 24,179,189	\$ (21,207,333)	53.3%
Total Resources	\$ 52,112,891	\$ 31,449,363	\$ (20,663,528)	60.3%
Expenditures by Category				
Personnel Services	\$ 30,693,732	\$ 14,780,239	\$ (15,913,493)	48.2%
Materials and Services	13,181,005	6,052,704	(7,128,301)	45.9%
Pass-Through Payments	640,000	313,589	(326,411)	49.0%
Capital Outlay	2,293,110	621,508	(1,671,602)	27.1%
Transfers Out	3,053,763	1,116,016	(1,937,747)	36.5%
Total Expenditures	\$ 49,861,610	\$ 22,884,055	\$ (26,977,555)	45.9%
Contingency and Reserves	\$ 2,251,281	\$ 8,565,308	6,314,027	N/A
Total Requirements	\$ 52,112,891	\$ 31,449,363	\$ (20,663,528)	N/A

General Fund (Continued)

General Fund	2017-2019 Biennium	2017-2018 Actual	Variance	%
Expenditures by Program				
Policy & Administration	\$ 11,608,905	\$ 5,058,415	\$ (6,550,490)	43.6%
Police Department	21,338,965	10,604,861	(10,734,104)	49.7%
Community Services	9,239,190	3,786,945	(5,452,245)	41.0%
General Government	4,620,787	2,317,818	(2,302,969)	50.2%
Transfers Out	3,053,763	1,116,016	(1,937,747)	36.5%
Total Expenditures	\$ 49,861,610	\$ 22,884,055	\$ (26,977,555)	45.9%

Community Development Funds

The Community Development Department operates in two funds. The Planning Fund accounts for current and long-range planning, development review, committee support and community outreach. The Building Fund accounts for building review services.

Planning:

In the Planning Fund, most operating revenues are trending above projections with the exception of Intergovernmental which includes Metro and Oregon grants to fund projects in the 2018-2019 fiscal year. Community Development's relocation is substantially complete as shown by the 91% spending of the Capital Outlay budget. Personnel and Materials costs are about as expected for the year.

Planning Fund	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Balance	\$ 625,008	\$ 710,868	85,860	N/A
Revenues				
Intergovernmental	405,000	88,104	(316,896)	21.8%
Charges for Services	705,399	474,544	(230,855)	67.3%
Pass-through Revenues	1,200,000	420,822	(779,178)	35.1%
Licenses & Permits	32,480	26,300	(6,180)	81.0%
Interest Income	2,000	9,136	7,136	456.8%
Internal Service Charges	586,071	293,035	(293,036)	50.0%
Transfers In	525,000	250,000	(275,000)	47.6%
Total Revenues	\$ 3,455,950	\$ 1,561,941	\$ (1,894,009)	45.2%
Total Resources	\$ 4,080,958	\$ 2,272,809	\$ (1,808,149)	55.7%
Expenditures by Category				
Personnel Services	\$ 1,523,365	\$ 702,473	\$ (820,892)	46.1%
Materials and Services	790,445	373,283	(417,162)	47.2%
Pass-through Payments	1,200,000	420,822	(779,178)	35.1%
Capital Outlay	463,600	420,911	(42,689)	90.8%
Transfers Out	82,527	2,000	(80,527)	2.4%
Total Expenditures	\$ 4,059,937	\$ 1,919,490	\$ (2,140,448)	47.3%
Contingency and Reserves	\$ 21,021	\$ 353,320	332,299	N/A
Total Requirements	\$ 4,080,958	\$ 2,272,809	\$ (1,808,149)	N/A

Community Development Funds (Continued)

Building:

In the Building Fund, revenues are less than expected during the first half of the biennium. Although permitting activity is still strong, it has decreased from the prior year.

Personnel expenditures are less than planned for the year due to vacancies, however key positions have been or are in the process of being filled. Materials and services are reasonable for the first half of the biennium. As with Planning, Building has spent its Capital Outlay budget (currently at almost 97% spending) on the Department's relocation.

Building Fund	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Balance	\$ 2,268,513	\$ 2,657,616	389,103	N/A
Revenues				
Charges for Services	11,564	4,090	(7,474)	35.4%
Pass-through Revenues	440,000	202,569	(237,431)	46.0%
Licenses & Permits	3,514,262	1,567,726	(1,946,536)	44.6%
Interest Income	7,452	29,324	21,872	393.5%
Transfers In	-	-	-	0.0%
Total Revenues	\$ 3,973,278	\$ 1,803,709	\$ (2,169,569)	45.4%
Total Resources	\$ 6,241,791	\$ 4,461,325	\$ (1,780,466)	71.5%
Expenditures by Category				
Personnel Services	\$ 1,959,027	\$ 812,711	\$ (1,146,316)	41.5%
Materials and Services	445,444	228,770	(216,674)	51.4%
Pass-through Payments	440,000	191,829	(248,171)	43.6%
Capital Outlay	627,900	606,445	(21,455)	96.6%
Transfers Out	118,527	20,000	(98,527)	16.9%
Total Expenditures	\$ 3,590,898	\$ 1,859,755	\$ (1,731,143)	51.8%
Contingency and Reserves	\$ 2,650,893	\$ 2,601,570	(49,323)	N/A
Total Requirements	\$ 6,241,791	\$ 4,461,325	\$ (1,780,466)	N/A

Public Works

Public Works encompasses various programs throughout several funds. Revenues and expenditures for the following major programs are reviewed in this section:

- ◆ Engineering—Responsible for planning, design, construction and mapping of public infrastructure including City capital improvement and development projects
- ◆ Transportation—Maintains the public transportation system, which includes roadways, pathways, sidewalks, traffic signalization, and guardrails
- ◆ Water Utility—Maintains the public water distribution system and pays for water treatment
- ◆ Wastewater Utility—Maintains the public wastewater collection system and includes pass-through costs for the County's sewer treatment plant
- ◆ Stormwater Utility—Maintains the public storm drainage system which includes conveyance, flood control, and pollution remediation and reduction

Engineering:

The chart below summarizes Engineering revenues and expenditures. Revenues are about as expected except for interest income which outpaces expectations; interest income was budgeted very conservatively but investment decisions and the economy have resulted in higher revenues.

Personnel Services are slightly below budget due to staff vacancies in the department; however the positions have recently been filled.

Engineering	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Balance	\$ 403,094	\$ 529,693	126,599	N/A
Revenues				
Charges for Services	\$ 831,440	\$ 419,344	\$ (412,096)	50.4%
Licenses & Permits	82,400	39,014	(43,386)	47.3%
Interest Income	2,200	14,456	12,256	657.1%
Internal Service Charges	874,200	437,100	(437,100)	50.0%
Transfers In	240,000	120,000	(120,000)	50.0%
Total Revenues	\$ 2,030,240	\$ 1,029,915	\$ (1,000,326)	50.7%
Total Resources	\$ 2,433,334	\$ 1,559,608	\$ (873,727)	64.1%
Expenditures by Category				
Personnel Services	\$ 1,796,565	704,018	\$ (1,092,547)	39.2%
Materials and Services	395,440	161,231	(234,209)	40.8%
Transfers Out	109,527	26,000	(83,527)	0.0%
Total Expenditures	\$ 2,301,532	\$ 891,249	\$ (1,410,283)	38.7%
Contingency and Reserves	\$ 131,802	\$ 668,359	\$ 536,556	N/A
Total Requirements	\$ 2,433,334	\$ 1,559,608	\$ (873,727)	N/A

Public Works (Continued)

Transportation:

The chart below summarizes revenues and expenditures in the Transportation Fund. The Fund includes separate divisions for street operations (roadway construction and traffic safety maintenance, funded by gas taxes) and pavement maintenance (repairs to pavement funded by utility fees). The Intergovernmental revenues budget includes an adjustment for a \$3.8 million grant for the Molalla Avenue Streetscape Project and \$660,000 in new state funding from the increased gasoline tax. This almost \$4.5 million in added revenues gives the appearance that Intergovernmental revenues are under budget; however, current year collections actually exceeded anticipated revenues by approximately \$260,000. Charges for services include pavement maintenance utility fees and are higher than budgeted due to new customers. Lastly, interest income exceeds projections for reasons discussed previously.

Personnel costs are lower than budgeted due to temporary staff vacancies. Materials and services are higher than anticipated at this point of the biennium mainly due to unanticipated legal costs. Capital expenses appear lower than anticipated due to the budget adjustments discussed above.

Transportation	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Balance	\$ 2,248,560	\$ 2,197,398	(51,162)	N/A
Revenues				
Intergovernmental	\$ 8,390,392	\$ 2,222,548	\$ (6,167,844)	26.5%
Charges for Services	4,711,821	2,469,672	(2,242,149)	52.4%
Interest Income	36,800	22,524	(14,276)	61.2%
Transfers In	247,134	116,016	(131,118)	46.9%
Total Revenues	\$ 13,386,147	\$ 4,830,760	\$ (8,555,387)	36.1%
Total Resources	\$ 15,634,707	\$ 7,028,158	\$ (8,606,549)	45.0%
Expenditures by Category				
Personnel Services	\$ 2,762,550	\$ 1,227,314	\$ (1,535,236)	44.4%
Materials and Services	2,198,752	1,182,367	(1,016,385)	53.8%
Capital Outlay	9,529,132	1,428,216	(8,100,916)	15.0%
Transfers Out	360,000	180,000	(180,000)	0.0%
Total Expenditures	\$ 14,850,434	\$ 4,017,897	\$ (10,832,537)	27.1%
Contingency and Reserves	\$ 784,273	\$ 3,010,260	\$ 2,225,988	N/A
Total Requirements	\$ 15,634,707	\$ 7,028,158	\$ (8,606,549)	N/A

Public Works (Continued)

Water:

Charges for services in the Water Fund are right on target for the year. Pass-through Revenues are comprised of SDC fees that are collected on behalf of South Fork Water Board (the water treatment operation jointly owned by Oregon City and West Linn). The fees are remitted to the Board each month and are not available to fund the operations of the City's water distribution utility.

Personnel costs are lower than anticipated due to staff vacancies, and Materials and Services are higher due to legal costs. This is consistent across the utility funds. Capital Outlay funds are currently being spent on numerous water projects. For example, over \$1 million was invested between July and December on the High Street Waterline Replacement Project, and approximately \$885,000 is being spent on 2018 waterline repair and replacement projects.

Water Fund	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Balance	\$ 4,888,917	\$ 4,750,864	(138,053)	N/A
Revenues				
Charges for Services	\$ 14,135,874	\$ 7,068,612	\$ (7,067,262)	50.0%
Pass-through Revenues	609,000	225,285	(383,715)	37.0%
Interest Income	21,854	45,752	23,898	209.4%
Miscellaneous Income	-	489	489	N/A
Total Revenues	\$ 14,766,728	\$ 7,340,138	\$ (7,427,079)	49.7%
Total Resources	\$ 19,655,645	\$ 12,091,002	\$ (7,565,132)	61.5%
Expenditures by Category				
Personnel Services	\$ 3,230,118	1,437,384	(1,792,734)	44.5%
Materials and Services	6,580,126	3,570,850	(3,009,276)	54.3%
Pass-through Payments	609,000	225,312	(383,688)	37.0%
Capital Outlay	5,276,000	1,620,631	(3,655,369)	30.7%
Transfers Out	1,400,000	700,000	(700,000)	50.0%
Total Expenditures	\$ 17,095,244	\$ 7,554,178	(9,541,067)	44.2%
Contingency and Reserves	\$ 2,560,401	\$ 4,536,824	1,975,935	N/A
Total Requirements	\$ 19,655,645	\$ 12,091,002	(7,565,132)	N/A

Public Works (Continued)

Wastewater:

Charges for services in the Wastewater Fund are slightly higher than anticipated for the year as are franchise fees. Pass-through Revenues for wastewater treatment and connection charges are collected and remitted to Clackamas County for operation of the regional treatment plant; the revenues are not available to fund the operations of the City's wastewater utility. Pass-through Revenues and related Expenditures can differ based on the timing of payments.

Wastewater utility expenditures are as expected for personnel and materials, including staffing and legal items mentioned earlier. Only 20% of the Capital Outlay budget has been spent during the biennium due to the way capital projects are budgeted in full, even though they may be scheduled for completion at different times. For example, Hazelwood Drive sanitary sewer is under construction now, with an \$850,000 project budget, while other repair and replacement projects have been scheduled for later times, in accordance with the Wastewater Distribution Master Plan.

Wastewater Fund	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Balance	\$ 6,244,516	\$ 6,641,700	397,184	N/A
Revenues				
Charges for Services	\$ 10,895,112	\$ 5,728,200	\$ (5,166,912)	52.6%
Franchise Fees	500,000	268,785	(231,215)	53.8%
Pass-through Revenues	9,723,027	5,176,112	(4,546,915)	53.2%
Interest Income	11,092	61,672	50,580	556.0%
Total Revenues	\$ 21,129,231	\$ 11,234,769	\$ (9,894,462)	53.2%
Total Resources	\$ 27,373,747	\$ 17,876,469	\$ (9,497,278)	65.3%
Expenditures by Category				
Personnel Services	\$ 2,337,148	\$ 1,155,392	\$ (1,181,756)	49.4%
Materials and Services	3,496,302	1,606,755	(1,889,547)	46.0%
Pass-through Payments	9,723,027	5,020,494	(4,702,533)	51.6%
Capital Outlay	2,893,000	575,103	(2,317,897)	19.9%
Debt Service	1,531,344	1,531,344	-	100.0%
Transfers Out	1,280,000	640,000	(640,000)	50.0%
Total Expenditures	\$ 21,260,821	\$ 10,529,087	\$ (10,731,733)	49.5%
Contingency and Reserves	\$ 6,112,926	\$ 7,347,382	\$ 1,234,455	N/A
Total Requirements	\$ 27,373,747	\$ 17,876,469	\$ (9,497,278)	N/A

Public Works (Continued)

Stormwater:

Major revenues and expenditures in the Stormwater Fund are consistent with expectations for the first half of the biennium. While the Stormwater Fund has limited capacity for capital projects due to revenue constraints, the budget is well aligned with project schedules.

Stormwater Fund	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Balance	\$ 1,140,500	\$ 1,352,381	211,881	N/A
Revenues				
Intergovernmental	\$ 28,000	\$ -	\$ (28,000)	0.0%
Charges for Services	5,302,842	2,836,265	(2,466,577)	53.5%
Interest Income	6,000	13,731	7,731	228.9%
Total Revenues	\$ 5,336,842	\$ 2,849,996	\$ (2,486,846)	53.4%
Total Resources	\$ 6,477,342	\$ 4,202,377	\$ (2,274,965)	64.9%
Expenditures by Category				
Personnel Services	\$ 2,418,834	\$ 1,114,288	\$ (1,304,546)	46.1%
Materials and Services	1,679,704	863,157	(816,547)	51.4%
Capital Outlay	1,105,000	556,897	(548,103)	50.4%
Transfers Out	810,000	405,000	(405,000)	50.0%
Total Expenditures	\$ 6,013,538	\$ 2,939,342	\$ (3,074,196)	48.9%
Contingency and Reserves	\$ 463,804	\$ 1,263,035	\$ 799,231	N/A
Total Requirements	\$ 6,477,342	\$ 4,202,377	\$ (2,274,965)	N/A

Library

Major funding for Library operations comes from district property tax revenues. Tax revenues are slightly higher than anticipated for the year. Expenses are lower than anticipated as the library operation continues to work out scheduling and materials purchases to accommodate the recent building expansion.

Library Fund	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Balance	\$ 1,851,971	\$ 1,951,493	99,522	N/A
Revenues				
Intergovernmental	\$ 4,274,602	\$ 2,207,390	\$ (2,067,212)	51.6%
Charges for Services	7,800	4,105	(3,695)	52.6%
Fines and Penalties	64,000	50,365	(13,635)	78.7%
Interest Income	6,600	20,751	14,151	314.4%
Miscellaneous Income	7,917	38,376	30,459	484.7%
Transfers In	300,000	150,000	(150,000)	50%
Total Revenues	\$ 4,660,919	\$ 2,470,987	\$ (2,189,932)	53.0%
Total Resources	\$ 6,512,890	\$ 4,422,480	\$ (2,090,410)	67.9%
Expenditures by Category				
Personnel Services	\$ 2,748,796	\$ 1,194,468	\$ (1,554,328)	43.5%
Materials and Services	868,242	425,568	(442,674)	49.0%
Capital Outlay	-	19,417	19,417	0.0%
Debt Service	830,742	415,371	(415,371)	50%
Total Expenditures	\$ 4,447,780	\$ 2,054,824	\$ (2,392,956)	46.2%
Contingency and Reserves	\$ 2,065,110	\$ 2,367,655	\$ 302,546	N/A
Total Requirements	\$ 6,512,890	\$ 4,422,480	\$ (2,090,410)	N/A

Community Facilities

This fund is used to accumulate resources for the eventual replacement of major community facilities. Current activities include the purchase of land and a building for the Public Works Operations Center and design of the Police and Municipal Court Building. Revenues include Community Safety Advancement Fees, bond proceeds, and planned savings transfers.

Community Facilities Fund	2017-2019 Biennium	2017-2018 Actual	Variance	%
Beginning Balance	\$ 11,983,283	\$ 12,049,825	66,542	N/A
Charges for Services	\$ 2,203,600	\$ 1,074,694	\$ (1,128,906)	48.8%
Interest Income	115,322	78,706	(36,616)	68.2%
Bond Proceeds	16,157,183	16,157,183	-	100.0%
Other Income - Sale of Capital Assets	2,500,000	-	(2,500,000)	0.0%
Transfers In	4,095,929	1,770,000	(2,325,929)	43.2%
Total Revenues	\$ 25,072,034	\$ 19,080,583	\$ (5,991,451)	76.1%
Total Resources	\$ 37,055,317	\$ 31,130,408	\$ (5,924,909)	84.0%
Expenditures by Category				
Materials and Services	\$ 400	\$ 194,609	\$ 194,209	>100%
Capital Outlay	35,431,911	7,205,549	(28,226,362)	20.3%
Debt Service	153,805	113,805	(40,000)	74.0%
Transfers	1,102,122	-	(1,102,122)	0.0%
Total Expenditures	\$ 36,688,238	\$ 7,513,963	\$ (29,174,275)	20.5%
Contingency and Reserves	\$ 367,079	\$ 23,616,445	\$ 23,249,366	N/A
Total Requirements	\$ 37,055,317	\$ 31,130,408	\$ (5,924,909)	N/A

Other Funds

The City utilizes various other funds to account for dedicated revenues and internal service operations. These include debt service funds, and the System Development Fund. The funds are designed to break even each year. Each fund has been reviewed and all are operating as expected at this point of the biennium.

Information on other funds, as well as detailed information on any of the City's finances, is available through the Finance Department. Additionally, the City's audited Comprehensive Annual Financial Report includes a detailed accounting of every City fund and will be made available at City Hall and on the City's website.

Questions on this document can be addressed to the City's Finance Director:

Wyatt Parno, CPA
Finance Director
wparno@orcify.org

City of Oregon City
PO Box 3040
625 Center Street
Oregon City, Oregon 97045-0304
503-496-1525 Direct phone
503-657-0891 City phone

