PROPOSED BIENNIAL BUDGET

2019 - 2021

OREGON CITY, OREGON

CITY OF OREGON CITY, OREGON

Proposed 2019-2021 Biennial Budget

BUDGET COMMITTEE

CITY COMMISSIONERS	CITIZEN MEMBERS
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Denyse McGriff	William Gifford
Frank O'Donnell	Rae Gordon
Rachel Lyles Smith	Joanne McCall
Rocky Smith, Jr.	Josh Planton

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Jim Band, Police
Maureen Cole, Library
Patrick Foiles, Human Resources
John Lewis, Public Works
Phil Lewis, Community Services
Wyatt Parno, Finance
Kattie Riggs, City Recorder
Laura Terway, Community Development

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Oregon City

Oregon

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Oregon City for its biennial budget for the period beginning July 1, 2017 and ending June 30, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. This award is valid for a period of two years only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for the award.

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CITY OF OREGON CITY
END OF THE OREGON TRAIL

OREGON CITY

Office of the City Manager

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BUDGET MESSAGE

May 6, 2019

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

INTRODUCTION

It is my pleasure to present the 2019 - 2021 Biennial Budget for the City of Oregon City. The budget is balanced and has been prepared in accordance with Oregon budget law. Oregon City's biennial budget is designed to coordinate with the City Commission election and goal setting process. In addition, budgeting every two years saves hundreds of hours of administrative time, allowing policy makers and staff more time to focus on important projects for the community.

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

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

BUDGET OVERVIEW

The proposed budget for the period July 1, 2019 through June 30, 2021 is $248.3 million. The Budget is designed to enhance *Core Services* provided for the citizens of Oregon City. These core services include police protection, parks and recreation, community planning and safe buildings, maintenance of streets, and the provision of safe drinking water and sewer treatment services. In addition, Oregon City has an award-winning library and a growing tourism program.

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

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

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

Oregon City Budget
2019 - 2021 Biennium (in millions)

Discretionary		Dedicated	
General Fund		General Fund	
Policy & Administration	$ 8.6	Policy & Administration	$ 2.1
Police	24.1	Tourism & Grants	1.4
Parks & Recreation	9.8	Pass-Through	0.8
General Government	5.5	Library	8.0
Transfers to:		Planning	3.3
Library	0.3	Building	7.2
Planning	0.7	Transportation	16.7
Transportation	0.3	Water	20.7
Reserves	6.4	Wastewater	34.1
Equipment Replacement	2.6	Stormwater	7.8
Total Discretionary	*$ 58.3*	Public Works	11.4
		System Development Charges	33.2
		Community Facilities	36.5
		Debt Service	6.8
		Total Dedicated	*$ 190.0*
		Proposed Budget	**$ 248.3**

The table above provides a breakdown of the allocation of discretionary and dedicated resources for the entire City budget. The budget includes $58.3 million in programs funded with discretionary revenues. Policy and Administration comprise $8.6 million or 15% of the discretionary budget. The collection of departments in this category include City Commission, City Manager, City Recorder, Finance, Municipal Court, Human Resources, Economic Development, and Information Technology. The proposed budget maintains existing service levels for Policy and Administration.

A portion of Policy and Administration includes funding from dedicated resources. For example, support departments, like finance and information technology, provide services to the utility funds. These $2.1 million in services are reimbursed from sources like utility rates. The General Fund budget also includes $1.4 million in dedicated funds for the City's Tourism and Community Enhancement Grant programs and $0.8 million in pass-through payments to the County and State.

The Police Department is the primary focus of the City's discretionary resources with $24.1 million in the General Fund and an additional $1.6 million in an equipment replacement reserve for vehicles. The Department represents 44% of discretionary resources. An enhancement included in this budget is the addition of a new Traffic Sergeant. This is in response to the City's extremely high crash statistics, as well as requests from neighborhood associations for additional traffic related enforcement. The budget for the new Police, Municipal Court and City Commission building is included within the dedicated Community Facilities funds, since most of the resources are voter approved and legally obligated.

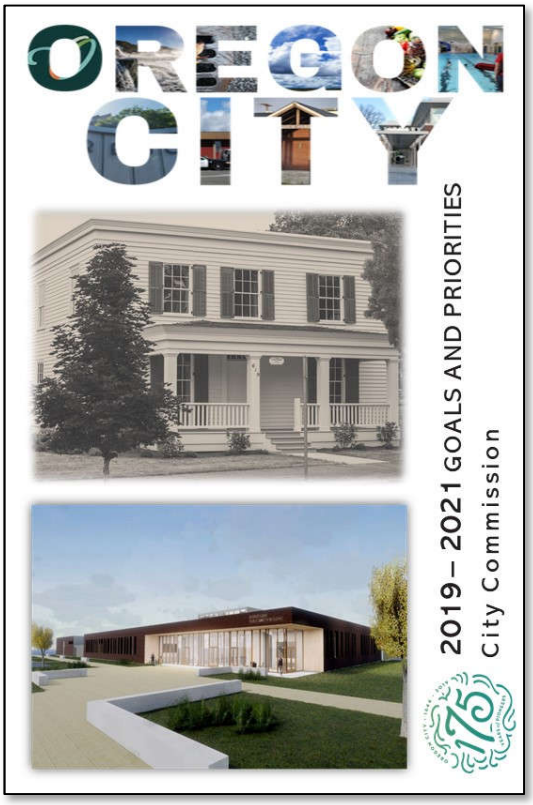
Parks and Recreation (Community Services) is budgeted at $9.8 million in the General Fund and $1.0 million in a reserve for equipment and vehicles, totaling 19% of discretionary funding. At the request of the City

Commission, a Parks Maintenance Specialist has been added to the proposed budget and additional funding has also been allocated to the Department's capital outlay budget to address a small portion of deferred maintenance. Community Services will remain well underfunded even with these additions.

The General Government category includes expenditures for city-wide shared costs and for programs that benefit the City as a whole. Examples of shared costs are general liability and property insurance, building maintenance and utilities. City-wide programs include street lighting and contributions to the Willamette Falls Legacy Project. Other discretionary support is provided by transfers to the Library, Planning and Transportation (to operate the Municipal Elevator). The budget includes the addition of a Facilities Maintenance Specialist that is urgently needed to maintain the City's building infrastructure; there is currently only one dedicated position for this function.

The General Fund budget includes an ending unrestricted reserve balance of $6.4 million. To ensure fiscal resiliency, the City's goal is to maintain an ending balance of at least 27% of annual operating expenses. The percentage consists of a stabilization reserve of expenses for two months, recommended by the Government Finance Officers Association and a 10% contingency, recommended under Oregon budget law. Reserves provide protection to the City should an extraordinary event occur, such as the loss of a major revenue source or taxpayer. Strong reserves also help to maintain the City's strong credit rating, significantly lowering the costs of borrowing.

As an administrative function, the City budgets reserves under the heading *Operating Contingency* because Oregon budget law restricts ending fund balance access to emergency situations (involuntary conversion, civil disturbance or natural disaster). Use of contingency monies always requires City Commission approval.



Budget Highlights

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

The City Commission and executive staff participated in the goal setting process in February of this year and developed the **City Commission 2019 – 2021 Goals and Priorities**. A complete presentation of the Commission's goals and priorities can be found immediately following this budget message. In addition, copies of the Goal and Priorities booklet is available at City Hall and on the City's website.

Highlights of the proposed budget include ongoing funding for economic development opportunities including the Willamette Falls Legacy Project, construction of Meyers Road and associated infrastructure for the industrial lands in the Beavercreek Employment Area, further development of the City's Economic Development and Tourism Plans, and completion of design and construction drawings for a railroad quiet zone in the downtown area.

The budget also includes investments in public facilities to better serve the City's growing population. These include a new Police, Municipal Court and City Commission building, and the relocation of the City's Public Works operations center, along with the Parks Operations Division for cost efficiencies. Funding is also included for enhancements to transportation and to support City-wide communications and utility infrastructure planning.

Economic Development

Willamette Falls Legacy Project - One of the most important undertakings in our City's history is to shape the future of Willamette Falls, the second most powerful waterfall in North America and a historical and cultural treasure in our community. Development of the 23-acre former industrial site along the river represents an opportunity to provide public access to the falls for the first time in 150 years.

Willamette Falls Legacy Core Values

Public Access

Historic and Cultural Interpretation

Economic Redevelopment

Habitat Restoration

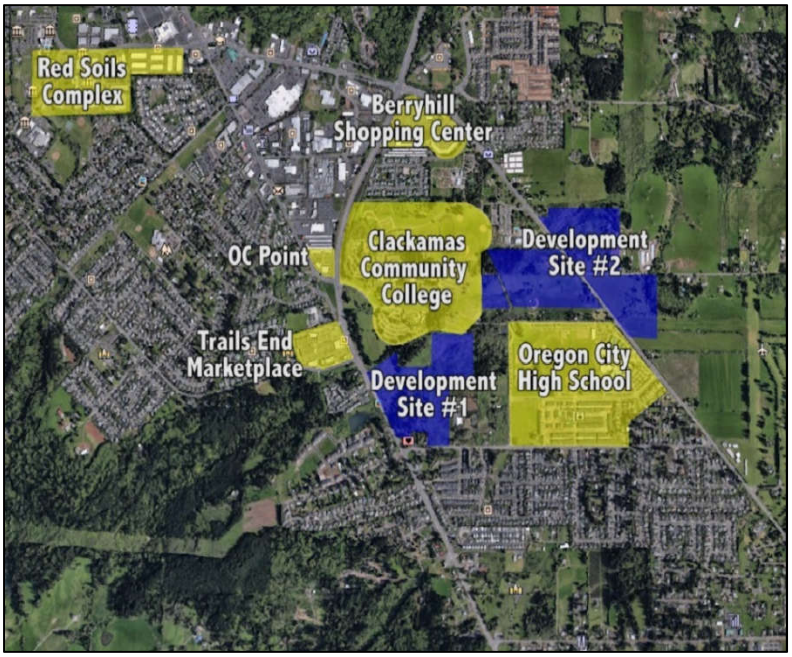
The Willamette Falls Legacy Project Partners continue to work towards the construction of the first phase of the Riverwalk. Willamette Falls Trust, a nonprofit dedicated to advancing the project has created an amazing fundraising effort that allows people everywhere to participate. The Riverwalk concept plans were approved, and the Partners are working with the consultant team to complete the necessary regulatory permits and building and construction drawings. The project is scheduled to break ground in the Spring of 2020.

This project will truly be a signature destination along the banks of the Willamette River attracting regional and national travelers, anchoring the south end of downtown and spurring significant private investment on the property and within the surrounding area. "The Riverwalk" will be a major achievement for the community.

Rendering of the Willamette Falls Legacy Project

Beavercreek Industrial Lands - The Beavercreek Employment Area includes approximately 86 acres of industrial and employment land next to Clackamas Community College. There are two development sites, which are zoned campus industrial. The first site is located between OR 213 and Beavercreek Road. The second site is bisected by Beavercreek Road and includes plans for a new road alignment for Loader Road.

In late 2014, the City established an Enterprise Zone that encompasses industrial areas along Beavercreek Road, including the two development sites. The designation provides limited tax abatement incentives for businesses that build or expand facilities or machinery and increase full-time, permanent employment.



More recently, the City completed construction of approximately 2,400 feet of sewer main extension providing for service to the employment lands along Beavercreek. The Economic Development Department secured a design grant for the project, and the Public Works Department completed the project using primarily system development charges with a contribution of discretionary General Fund dollars as well.

The proposed budget includes construction of the Meyers Road extension from High School Avenue to Highway 213, further supporting the partnership between the Oregon City Chamber of Commerce City, Clackamas Community College, Clackamas County, and Oregon City. With the "Putting Education to Work" campaign more than 32 business and industry partners are working to promote the area.

Tourism Plan - Oregon City is a national tourist destination because of its historical significance as the official end of the Oregon Trail and the first incorporated City west of the Rockies. With access to Willamette Falls, unique heritage attractions, and a wide array of recreational destinations, the City's tourism industry is expected to grow significantly in the next several years. In late 2018, the City Commission approved the Oregon City Tourism Plan and the addition of a Tourism Coordinator, funded through the hotel occupancy tax.

The Tourism Plan objectives include development of a governance structure that creates the capacity necessary to drive the strategic plan and provides for participation by all tourism stakeholders. Additionally, the Tourism Coordinator will be focused on coordination between heritage assets and development of national promotional campaigns. The budget also includes funding to celebrate the City's 175th Anniversary in the Summer of 2019, as well as continued startup funding to support operation of the Ermatinger House, the recently restored location of the original coin toss that determined the name of neighboring city, Portland.

Economic Development Opportunities - The proposed budget includes funding to develop a City-wide Economic Development Plan. The plan will include a clear vision of development priorities and will be used to prioritize incentives, infrastructure investment and development agreements. The budget includes funding for the completion of Clackamette Cove Phase II, the mixed-use development focused on residential housing in the downtown area, and funding for design and construction drawings to complete railroad crossing mitigation efforts that would allow for quiet zones (where train horns are prohibited) in the downtown area. Completion of the quiet zone project requires identification of a funding strategy.

Public Facility Investment

Police, Municipal Court and City Commission Building - State standards require that essential needs facilities meet seismic standards by the year 2022. The existing Police facility was built in the 1960s and fails to meet even the minimum standards. Intended as a temporary location, the Police Department was placed in the building thirty years ago, and the size of the Department has since doubled. The building is woefully inadequate to serve the public.

In September of 2017, voters approved issuance of $16 million in bonds for construction of a new building. The bonds will be repaid with revenues from the Community Safety Advancement Fund utility fee. Additional resources for the building include accumulated savings, a contribution from the City's General Fund and proceeds from the sale of the existing building. The new building will deliver the best customer service possible, and create a safe, user-friendly environment that is open and accessible to the general public.

The Police Department has been working with a design team to engage stakeholders through open houses and meetings that have included neighborhood associations, community members, police and municipal court staff, and the City Commission. During the engagement process, a determination was made to include a new City Commission chambers in the facility. This will provide better service for public meetings and allow for additional space at the current City Hall building. The efforts of the team have resulted in a design that meets the needs of the community, fits the budget and allows for future growth. The building is designed to be energy efficient as well.

With design development completed, the project is in the construction documents phase. These documents will be the final blueprint for construction and are near completion. The City is planning a ground breaking celebration this summer. It will provide an opportunity for a walk through of the existing grounds and aged school building and kick off this amazing community project.

Police, Municipal Court and City Commission Building Rendering

Public Works and Parks Operations Center - The Planning and City Commissions adopted the Public Works Center Master Plan in 2010, which recognized the existing Center Street location as a preferred site to expand the Public Works Operations Center because of the established facility, ownership of the property and central location to the older neighborhoods and infrastructure in our community. However, the City Commission recognized that an expansion could impact residents of the nearby McLoughlin Neighborhood.

Over several years, the City Commission and staff evaluated over fifty different locations for the Operations Center. No successful alternative site could be found. Then, in 2018 the City learned that a 97-year old distributing business on Fir Street was being sold to a larger company and seeking to liquidate its large warehouse facility. The City quickly responded and was able to purchase the property, which has adequate space to house Public Works operations and Parks operations. Formerly, it was anticipated that Parks would be required to build an additional facility.

The proposed budget includes funding to renovate the Fir Street property and to relocate Public Works and Parks operations. Savings for the renovation have been accumulated over many years in the Community Facilities Fund through responsible savings by each of the Public Works utilities. In addition, contributions will be made from Parks System Development Charges, some savings from parks donations and a contribution from the General Fund.

Public Works and Parks Operations Center Preliminary Site Planning

Parks Maintenance - The most significant challenge for our Community Services Department is deferred maintenance at parks facilities. The issue exists because of the lack of a sufficient, dedicated funding source. The adopted budget includes an additional $0.2 million in capital spending for park deferred maintenance, and as mentioned above the addition of a new Parks Maintenance Specialist. While additional funding is needed, the City's General Fund is limited in its available resources. A long-term solution of new funding will need to be determined.

The City Commission Goals and Priorities for the biennium include development of a communication strategy and outreach plan for parks deferred maintenance. Community input will inform and guide revenue option decisions and prioritization of the projects to be completed.

MAJOR FUNDS

General Fund

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

Property tax revenues are projected at $27.9 million for the biennium. This reflects estimated increases of 4.5% in the assessed value of property for each of the two years, with 0.3% compression, and 94% collection rates after discounts and delinquencies. The budget maintains a property tax rate significantly below the maximum allowed under law. This is very rare for cities in Oregon and saves single family home owners in Oregon City more than $160 annually, based on a typical new home's taxable assessed value of approximately $250,000.

The remaining major sources of revenue for the General Fund are: rights-of-way user (franchise) fees in the amount of $7.5 million for the biennium, intergovernmental revenues of $3.8 million, charges for services (park programs and parking revenues) of $3.4 million, Municipal Court and other program fines and penalties of $2.6 million and internal service charges of $2.1 million. Internal service charges provide a mechanism for all departments to pay a fair share for administrative functions like finance and information technology. Other revenues totaling $4.2 million include pass-through revenues paid to the County and State on traffic fines, licenses and permits, assessments and other taxes (lodging and marijuana), and interest income. In biennium 2013-2015, transfers in were abnormally high due to the consolidation of unnecessary funds that period (the law requires all closed funds be passed through the General Fund). In the prior biennium transfers in were from departments for their share of a new financial system upgrade.

The Police Department, with a total budget of $24.1 million, is the largest department in the General Fund, representing 46% of expenditures. Policy and Administration (City Commission, City Manager, City Recorder, Finance, Municipal Court, Human Resources, Economic Development and Information Technology) has a budget of $12.1 million (23% of expenditures). The Economic Development budget includes the tourism and community enhancement grant programs. Community Services (Parks and Cemetery Maintenance, Recreation and Aquatics, and Pioneer Community Center operations) has a budget of $9.8 million (19%).

General government expenditures are budgeted at $6.8 million (13%) and include overall community enhancements (Willamette Falls Legacy Project, street lighting on City roads, investments in heritage assets and elevator operation) and shared City services (including facilities maintenance and general liability insurance). Transfers out comprise the remaining expenditures with payments into equipment reserve funds, for elevator operations and to support the Library, Planning, and Development Engineering service areas.

Ending Reserves - At the conclusion of the biennium, available reserves (contingency) are $6.4 million. These reserves are necessary to provide working capital for the beginning of the next budget cycle and to provide protection against unexpected changes in financial condition. General Fund reserves are particularly important to municipalities in Oregon because of limitations on ability to increase tax revenues. An additional $0.8 million has been reserved for future expenditure. This includes dedicated resources for the City's Tourism Program, from park donations and for Community Enhancement Grants. Including discretionary and dedicated amounts, total ending fund balance in the General Fund is $7.2 million.

The General Fund has been constrained recently by Public Employee Retirement System (PERS) legacy increases. PERS legacy costs represent contractual commitments made decades ago to retirees and some remaining employees. Benefits offered to current employees are much less costly than the original plans, however the significant unfunded liability related to the prior plans has resulted in large rate increases this biennium and possibly for the next as well.

Oregon City is in a better position to fund PERS rate increases than most other cities because of fiscally responsible planning. City leaders made the decision years ago to set aside reserve funds for PERS (along with money used to make debt service payments on refinanced PERS liabilities). In addition, department heads were asked to find cost savings and budget operations with no increase for inflation. Other than for costs

outside of their control, every department met that direction. As a result, the City was able to use those funds, and the cost reductions described above to mitigate PERS impacts this biennium.

Library

The Library Fund is budgeted at $8.0 million for the biennium. District property taxes are projected conservatively at $4.8 million and comprise 59% of total resources. The remaining significant resources are a beginning fund balance of $2.7 million and transfers in of $0.3 million from the General Fund. The City's General Fund has contributed at least $0.3 million each biennium for several years to save for the expansion and will continue payments in the current budget to support debt service on the new facility. These remaining resources represent 34% and 4% of total resources, respectively.

The Fund accounts for all Library operations. The budget for staffing and materials purchases is $3.9 million. Principal and interest payments on the new library bonds are $0.8 million. After small transfers to the Community Facilities Fund to save for future repairs and maintenance on the new building, the Fund is left with $3.2 million in ending fund balance (contingency). The Library continues to provide exceptional service to the residents of Oregon City. Recently, the City's Library Director was the recipient of the Oregon Library Association's Distinguished Service Award for her leadership in the industry.

Community Development Funds

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

The Community Development Fund is budgeted at $3.3 million for the biennium. The primary revenues are charges for services, including $0.5 million to customers, primarily for review of land use applications, and $0.6 million for long-range planning services provided to other departments. Transfers in from the General Fund are $0.7 million to support the Planning Division and services provided to the community.

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

The Planning budget is $2.1 million after subtracting pass through payments. The Personal Services budget has been reduced due to the elimination of a limited duration position that was previously funded by grants. Materials & Services have decreased significantly because Planning recently moved operations to a new City owned property and lease payments to the former location are no longer required. The prior biennium capital outlay budget was allocated for the move.

The Building Fund total budget is $7.2 million. Licenses and permits revenue of $3.2 million are projected to fund operations for the biennium, with resources over operating expenses added to reserves as mentioned above. Pass-through revenues of $0.5 million include State surcharge and Metro construction excise tax monies that are collected and remitted to those agencies. Operating costs are budgeted consistently with the prior biennium.

The building program ensures that new facilities constructed in the City are safe and structurally sound. Because the economy and development trends have such a significant impact on revenues, managing the program requires balancing immediate service needs with sustaining the program over a long-term. As a result, it is common for Building funds to accumulate larger ending fund reserves (contingency) during times of active development. The Building Fund ending reserve is budgeted at $4.0 million, 147% of expenditures.

Public Works Funds

The Public Works Department operates in a series of funds, including the Engineering Fund and one for each of the City's utilities: Transportation, Water, Wastewater, and Stormwater. The utility systems all have unique operational and infrastructure maintenance needs. To effectively manage the public investment in these systems, recent updated master planning has been completed for Transportation, Water and Wastewater; Stormwater master planning will be completed this summer.

Transportation

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

The Transportation Fund is financed by state gasoline taxes which are anticipated at $5.4 million for the biennium and, in accordance with State law, are required to be spent on transportation system improvements, safety enhancements, and roadway maintenance. Transportation also collects revenues estimated at $5.2 million from the pavement maintenance utility. That revenue is restricted for use in accordance with the City's annual pavement maintenance plan.

Expenses in the fund include $6.0 million for transportation operations and maintenance, $5.5 million for the Molalla Avenue project noted below and $2.3 million for city-wide roadway reconstruction projects. Other important capital projects include a roundabout at the intersection of Linn, Leland and Warner Milne and sidewalks at Gardiner Middle School. Additionally, transfers of $0.3 million will be made for construction at the new Public Works operations center along with a small amount for fleet replacement reserves.

Public Works recently secured $3.8 million in grant funds for the Molalla Avenue Streetscape project between Beavercreek Road and Highway 213. Remaining funds for the $9.9 million project come from transportation, system development and water resources. The project includes reconstruction of pavement, the addition of crosswalks, construction of bike lanes and missing sidewalk segments, and amenities such as pedestrian level lighting, benches and trash receptacles, and street trees.

Water

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

The Water Fund is budgeted at $20.7 million for the biennium. Water utility charges are projected to be $14.8 million, and the City plans to spend down about $3.2 million in reserves that are available for pipe replacement projects. Water rates are budgeted at current levels with inflationary increases of 3% in each year.

Operating expenses are consistent with the prior biennium including $4.2 million for purchases of treated water from South Fork Water Board, the partnership jointly owned by Oregon City and West Linn. Additional funds are budgeted for engineering, patching and paving, leak detection and emergency repairs.

The City's charter includes restrictions on water rates that prevent the utility from fully addressing aging infrastructure. However, funds are saved in cycles and when enough funds are available, they are allocated to address the most immediate needs or in combination with other infrastructure projects. Pipe upgrades costing $0.8 million are included to coincide with the Molalla Avenue Streetscape project discussed above. The capital budget also includes $1.0 million each for pipe replacement in the Clairmont and Rivercrest areas. Additional replacement projects include High Street, Molalla Avenue and Main Street (between 10th and 15th) at a cost of $0.9 million. Finally, approximately $2.6 million has been allocated for upgrades to the City's reservoirs.

The Water Master Plan highlights a significant need for replacement of older distribution lines, and the budget includes some funding for replacement projects. However, as mentioned above, replacements are limited by a rate cap in the City's charter. To properly maintain the infrastructure for distribution of one of our most important resources, drinking water, the City will eventually need to make a revision to the charter and invest in major replacement projects.

Wastewater

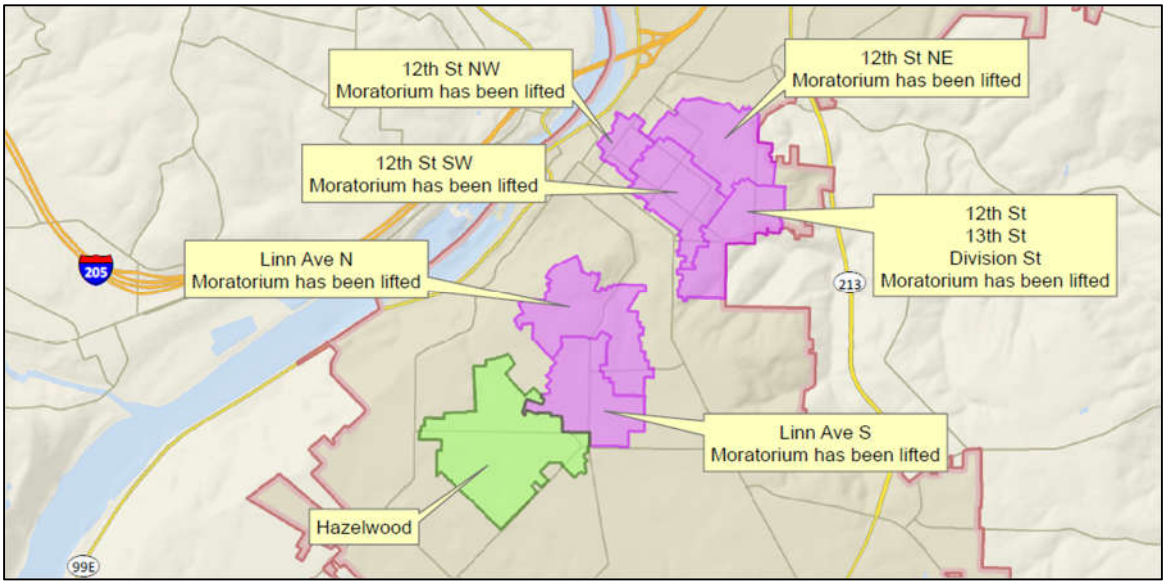
The Wastewater Division is responsible for the operation, maintenance and improvement of the City's sanitary sewer collection system. Division activities are accounted for in the Wastewater Fund.

The Wastewater Fund is projected to receive $12.2 million in utility revenue for the biennium. This includes inflation only rate increases, not to exceed 3% in each year. For the biennium, approximately $0.6 million in

rights-of-way usage charges are collected from the County's regional treatment plant and are allocated to support wastewater infiltration and inflow reduction programs. The fund is budgeted to collect $11.0 million in pass-through charges as well. Those funds are collected from customers for the Clackamas County Tri-City Sewer District.

The City adopted a Sanitary Sewer Master Plan in 2014, which established the capital improvement program necessary to meet existing and future system needs. At that time, seven areas were identified that had significant capacity deficiencies, which could have resulted in overflows of untreated sewage into surface water. As a result the City Commission, as required by State law, adopted a moratorium to correct the sewer deficiencies.

The Public Works Department has done an outstanding job of completing the projects necessary to mitigate the sewer moratorium. Six of the seven projects have been completed to remedy capacity problems including the 12th Street area, 13th Street/Division area, and Linn Avenue area. The final project, in the Hazelwood Drive area, is identified for completion this fall.



Status of Sewer Moratorium Projects as of May 2019

The Wastewater expenditure budget includes operational funding to further the City's efforts to reduce the infiltration and inflow of ground water into cracked sewer pipes. The capital outlay budget includes $4.4 million in funds for pipeline renewal and replacement projects. Another $0.2 million is budgeted for remaining work on the Hazelwood Drive moratorium project described above. Additional projects include a placeholder for Trillium Park Drive landslide mitigation and various pump station projects.

Stormwater

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

The Stormwater Fund is budgeted to receive utility revenue of approximately $6.0 million. Public Works is nearing completion of updates to the Stormwater Master Plan, as required by the Oregon Department of Environmental Quality. The Plan is designed to meet new permit requirements for stormwater management and is critical to quality streams, rivers and groundwater resources. Upon completion of the Plan, a rate study and a system development charge analysis will be completed to determine the needs of the system. Because the rates are not known at this time, the budget includes only inflationary adjustments.

Expenditures are for staffing with contracts to clean and maintain 22 drainage basins, 53 detention ponds, 4,400 catch basins, 30 miles of streams and 37 underground detention tanks. The catch basins are cleaned annually, and the detention ponds will undergo scheduled maintenance eighteen times each year. In addition, capital projects are budgeted for pipe capacity upgrades at 12th Street (Jackson to John Adams) and pipe replacement projects for Scatter Canyon, Harding Boulevard and a few additional smaller areas.

System Development

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

The Parks Division is projected to receive $1.9 million in SDCs during the biennium. The Community Services Department will soon be updating the Parks and Recreation Master Plan to inform development decisions; however, several important projects are already identified. The SDC budget includes $5.6 million in capital outlay with allocations for Woods Memorial Park in the Caufield Neighborhood and Filbert Run Park in the Hazel Grove-Westling Farm Neighborhoods (subject to additional grant funding). Funding has also been set aside for an esplanade trail system at the Clackamette Cove and for land purchases.

Transportation Division SDC revenue is budgeted at $3.2 million for the biennium. Project funding totals $12.6 million, including $7.4 million for the construction of Meyers Road from High School Avenue to Highway 213; Public Works secured $2.9 million for the Meyers project in the form of cost reimbursements from Clackamas Community College and a State grant. An additional $1.9 million is included for the Molalla Avenue Streetscape project mentioned in the Transportation section above. Other placeholders include portions of funding for a Linn/Leland/Warner Milne roundabout, pedestrian projects at Gardiner Middle School and on Gaffney Lane and Holcomb Boulevard and various roadway reconstruction projects identified in the Transportation System Plan.

The Water Division anticipates $0.8 million in SDCs for the biennium. Revenues and reserves will be utilized to fund $1.3 million in waterline replacements for the Molalla Avenue Streetscape Project and $1.0 million for the waterline associated with the Meyers Road Extension. Additional funds are allocated to begin planning and conceptual design for a new reservoir, pump station and force main needed to service the Beavercreek Area.

Wastewater Division SDC revenue is budgeted at $0.8 million for the biennium. Using accumulated resources, $1.4 million in expenditures are budgeted for the Meyers Road Extension, Hazelwood Drive sewer replacements and a few smaller projects.

The Stormwater Division is anticipated to receive approximately $0.2 million for the biennium. Projects include Meyers Road extension oversizing, a stormwater extension on Harding Boulevard and other minor improvements. With limited funding to support stormwater system requirements, an SDC study is expected to be completed during the biennium.

Fiscal Policies and Budget Assumptions

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

Revenues

Revenues are forecasted moderately to maintain operations and support necessary ending reserves. Major revenue assumptions include assessed value increases for property taxes of 4.5% in each year of the biennium. Utility rates for water, wastewater, stormwater and pavement maintenance are budgeted for inflationary increases only, and consistent with restrictions imposed in City Code, the Community Safety Advancement Fund fee will not be adjusted. Other charges for services and general revenues are calculated based on a six-year average with conservative adjustments as requested by departments.

Expenditures

To support our employees, personnel services are budgeted with responsible cost of living increases that are consistent with regional inflation expectations. While medical costs have remained stable for six years (the City requested proposals for medical services three years ago), renewal rates for the biennium are estimated to increase by 9.5% and 5% for medical over the two years, with minimal increases for dental.

Public Employees Retirement System (PERS) rates will increase by an average of 4.5% of covered payroll effective July 1. The cost charged by the pension system to address primarily legacy retiree expenses has been difficult for most local governments to absorb. Oregon City has been able to withstand the increase this biennium because the change was anticipated, and the City has budgeted conservatively over the past two budget cycles as a result. The City will continue to carefully monitor the impact of PERS.

As part of the budget request process, departments were asked to prepare budgets with flat materials and services costs, and capital purchases, assuming 0% change for each of the two years over current budget funding levels. Capital improvement/development fund budgets are exceptions to the capital guidelines because projects are often funded with non-operating resources and reserves accumulate in these funds over time to pay for required improvements. Departments were directed to maintain existing service levels while continuing to provide the highest quality service possible.

Conclusion

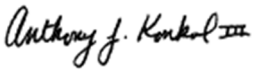
Oregon City continues to embrace the wealth of historical resources in our City while planning for the community that we would like to be in the future. The proposed balanced budget, guided by the Commission's Goals and Priorities, continues to build on the efforts of previous Commissions and provides for vital municipal services, needed infrastructure and programs that will benefit the community for years to come.

The proposed budget was created to address current needs of the City and to position our resources to address the known and unknown fiscal challenges that lie ahead. Balancing the need to address immediate needs with long-term, prudent fiscal decision making has resulted in a budget that provides additional staffing, identifies funding for priority projects and does not raise taxes. This will also require that, as we move forward, we actively monitor the budget to ensure that we are on track with the revenue and expenditure assumptions that we have made.

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

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

Sincerely,



Anthony J. Konkol III
City Manager

URBS CIVITATIS
NOSTRAE
PRIMA ET MATER
1829
CITY OF OREGON CITY
1844
END OF THE OREGON TRAIL

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 the City Goals and Priorities. Milestones to be accomplished during the upcoming biennium are subsequently formulated. The City Commission Goals and Priorities serve as the framework for budget development and help to identify and address long-term funding requirements and budget strategies as well as prioritize limited resources. The budget is prepared to support and accomplish those priorities during the biennium. The City's long-term goals should not be confused with the City's budget. The budget is the legal authority for spending and focuses on the near-term (the biennium). Long-term goals continue beyond the two-year period.

Oregon City Vision

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

Mission

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

Goals

Cultivate an Environment for Successful Economic Development
Address Critical Facility/Operations Needs
Enhance the Livability of the Community
Pursue Opportunities to Increase Transparency and Encourage Citizen Participation
Maintain Fiscal Health and Long Term Stability

Oregon City Commissioners
Rocky Smith, Jr., Denyse McGriff, Mayor Dan Holladay, Rachel Lyles Smith and Frank O'Donnell

2019 - 2021 Goals, Priorities and Milestones
Adopted by the City Commission on April 17, 2019

GOAL 1: Cultivate an Environment for Successful Economic Development	
Priority	**Milestones**
Beavercreek Employment Area	Identify additional funding opportunities to provide needed infrastructure to serve this area. Continue partnership with the Chamber of Commerce, Clackamas Community College and Clackamas County Business and Economic Development to continue the marketing and development initiative efforts to bring investment and employment opportunities to this area.
Cove Project – Phase II	Work with the Cove development team to implement the approved Disposition and Development Agreement to complete the habitat restoration and mitigation assessment.
City-wide Economic Development Plan	Develop City-wide Economic Development Strategy. Intensify recruitment efforts by participating in Team Oregon, working with local companies with plans for expansion and connecting with site selectors.
Tourism Plan	Implement the City's adopted Tourism Plan through a coordinated, collaborative effort with all stakeholders.
Urban Renewal District	Determine how to proceed with the Urban Renewal Program in Oregon City through further discussion with the Urban Renewal Commission and public outreach/input.
Railroad Quiet Zone	Complete design and construction drawings of required quiet zone improvements at 10th and 11th Streets. Identify a funding strategy to construct the quiet zone improvements.
Willamette Falls Legacy Project	Complete the Federal, State and Local permit approval process for Phase I of the Riverwalk and begin construction in the spring of 2020. Continue to work with the property owner to determine future private development on the site including funding, infrastructure, parking and development strategies.

GOAL 2: Address Critical Facility/Operations Needs	
Priority	**Milestones**
City-wide Facility Planning	Develop a long-term strategy for City facilities including new buildings in design/construction phases. Conduct public outreach to inform the development of a Facilities Plan and to educate residents on City facilities/public meeting spaces.
Beavercreek Road Concept Plan Area	Identify the preferred location, funding methods and necessary agreements to construct a new Beavercreek Reservoir and Pump Station to meet the projected distribution system needs in this area.
Information Technology	Complete a strategic plan for short-term and long-term Information Technology infrastructure improvements and management needs to ensure the viability and security of the City's system.
Parks Deferred Maintenance	Determine revenue options for the long-term maintenance of City Parks and Recreational Facilities and the prioritization of projects to be completed. Determine outreach plan and communication strategy to gather input from the community to guide the Commission decisions.
Police, Commission, and Court Facility	Complete the final design and begin construction of the new Facility.
Meyers Road and Molalla Avenue Projects	Complete the design and begin construction of the Meyers Road Extension and the Molalla Avenue Reconstruction Projects.
Public Works Operations Center	Complete the redevelopment of the Fir Street property to accommodate the needs of Parks Maintenance and the Public Works Department. Determine the future use of the Public Works Operation Center property that is located on Center Street, including the upper yard, as part of a holistic facilities strategy.

GOAL 3: Enhance the Livability of the Community	
Priority	**Milestones**
Waterfront Master Plan	Revisit a portion of the Waterfront Master Plan, including Clackamette Park, the boat ramp location, the RV Park and the City-owned properties across from Clackamette Park.
Community Members Experiencing Homelessness	Work with regional partners to identify additional funding and provide increased education on resources available to reduce and prevent homelessness in the community.
Construction Excise Tax	Review the potential implementation of an affordable housing construction excise tax and how revenues could be distributed and invested into programs and projects to reduce housing costs and provide affordable housing opportunities.
Ermatinger House	Work with strategic partnerships and stakeholders to establish a long-term operation and maintenance plan. Work to connect the House with the tourism plan and economic development.
Comprehensive Plan Update	Identify grant opportunities and begin the process to update the Oregon City Comprehensive Plan.

GOAL 4: Pursue Opportunities to Increase Transparency and Encourage Citizen Participation	
Priority	**Milestones**
Electronic Records Management and Information Governance	Conduct a City-wide records inventory and make the information readily available, which will increase public access to City records and information.
Oregon Library Association Public Library Standards	Create and implement a consistent method to survey and assess the community to meet the Oregon Library Association Public Library Standards and ensure the Library provides appropriate resources and services.
City-wide Communications Strategy	Create and implement a City-wide Communications plan.

GOAL 5: Maintain Fiscal Health and Long Term Stability	
Priority	**Milestones**
Deferred Water Infrastructure	Begin community outreach and communications regarding long-term water rates and the need for infrastructure replacement. Prepare for possible ballot measure to address degraded water systems.
Parks and Recreation Master Plan	Update the Parks and Recreation Master Plan, the Capital Improvement Plan and a System Development Charge analysis for the City's park system. Adopt the appropriate System Development Charge to implement the projects identified in the Master Plan.
Stormwater Master Plan	Update the Stormwater Master Plan, Capital Improvement Plan and complete a Rate Study and System Development Charge analysis for the City's stormwater system. Adopt the appropriate System Development Charge to implement the projects identified in the Master Plan.

Budget Guide

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

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

This budget document has been organized to ensure it meets those four functions. The document is arranged 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: Highlights the major provisions that have been included in the Adopted Budget, describes fiscal policies for the coming fiscal year and any significant changes, discusses the major changes from the previous year in appropriations and revenues and the major policy issues that were considered
- City Commission Goals and Priorities: City vision and mission along with Commission goals and priorities which provide the foundation and direction for this budget
- Budget Guide: Instructions on how to use the Budget Document
- City at a Glance: Demographic and statistical information for Oregon City
- City Profile: Demographic and economic information, trends and assumptions that impact the budget
- Budget Process: Discussion of several specific steps that must be followed during the budgeting process including a budget calendar, an overview of how Oregon City's budget is developed, and information on budgeted funds and their organization
- Financial Policies: The City's major financial policies that shape or impact the budget process
- Citywide organization chart

Budget Summary

- Total Budget: This section gives the reader a snapshot of the City's entire budget. This section contains high level summaries and charts.
- Fund Summary: This section breaks down the City's budget by fund. Under 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.

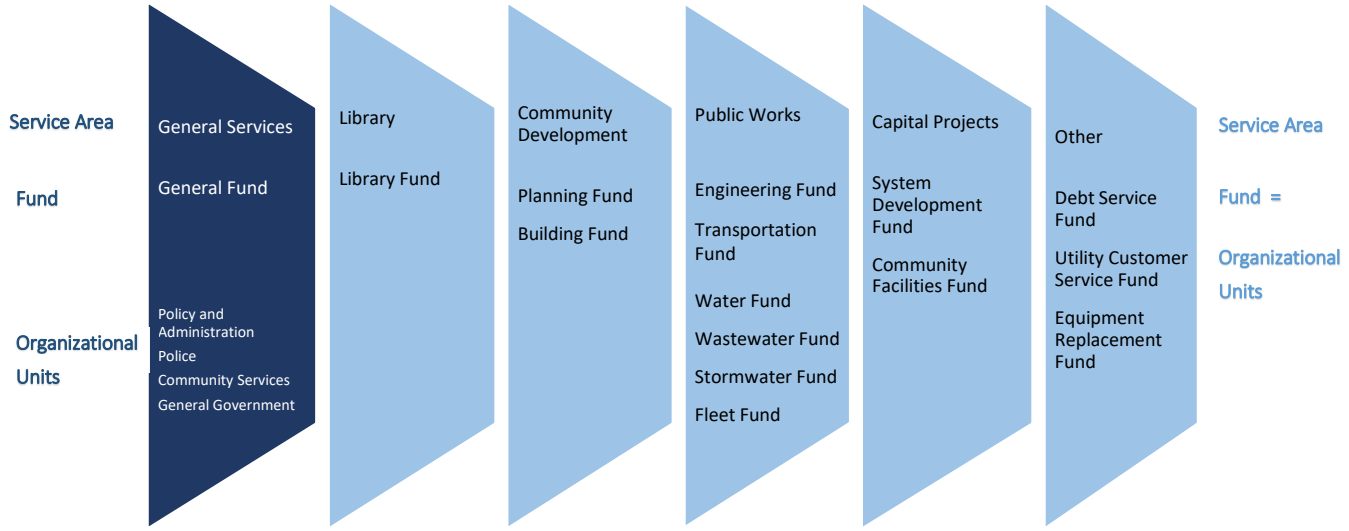
Funds and Departments

Oregon City's budget is organized by Service Area reflecting the major functions the City provides for its citizens. These service areas are then broken out into Funds which account for the revenues, expenditures and reserves. The General Fund is then broken down further into organizational units. The other funds each represents one organizational unit.

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

Community Development, ***Library***, ***Public Works***, ***Capital Projects***, and ***Other*** are all broken down further into funds which are the same as organizational units (each unit is contained within one fund)

The graphic below further explains this relationship.



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

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

Additional Information

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

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

City at a Glance

City Information

Incorporated	1844
2019-21 Tax Rate (per $1,000)	4.409
Assessed Valuation, 2019	$3.24 billion
Bond Rating	AA+
Total Budget	$248.3 million

Demographics

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

2010	31,995
2019 est.	34,860
2020 est.	35,121
2021 est.	35,385

Median Age	37.5
Median Income	$ 71,232
Median Property Value	$ 314,243
Sex Composition	
Male	48.60%
Female	51.40%
Racial Composition	
White	84.9%
Two or more races	3.5%
Asian	1.2%
American Indian	1.2%
Black	1.0%
Other	0.1%
Hispanic *	8.1%

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

Population by Age	
Under 5 years	6.9%
5-19	21.9%
20-29	12.4%
30-44	22.1%
45-64	25.9%
65-older	10.8%

Education

Education Attainment (Persons over 25)	
High school or higher	92.60%
Bachelor's degree	24.10%
Graduate or professional degree	6.40%
Schools	
Elementary Schools	7
Middle Schools	2
High Schools	1
Charter and K-12	4

Service Statistics

Land Area	9.3 square miles
Highest Point	530 feet
Lowest Point	10 feet
Public Works	
Number of Water Customers	11,372
Cubic Feet Annual Water Consumption	17.6 million
Miles of Roads Maintained	139
Miles of Water Lines Maintained (City)	169
Miles of Sewer Lines Maintained (City)	133
Number of Pump Stations	14
Number of Drainage Catch Basins (City)	4,350
Public Safety	
Sworn Officers	47
Civilian full-time employees	12
Police Calls for Service	29,530
Municipal Court Cases Processed	9,262
Community Services	
Number of Recreational Facilities	28
Number of Swimming Pool Annual Visits	138,665
Meals provided to Seniors	37,137
Library	
Attendance	423,000
Circulation	535,000

Did You Know?

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

City Profile

Governance

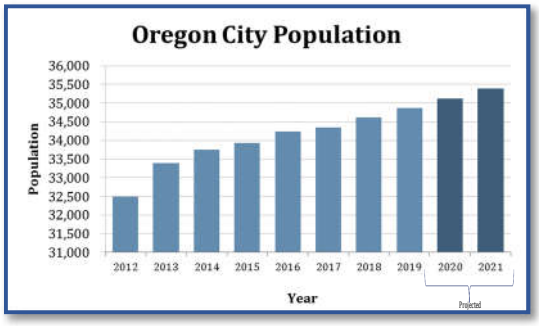
Oregon City is the County seat of Clackamas County in Northwest Oregon, thirteen miles south of Portland, Oregon at the confluence of the Willamette and Clackamas Rivers. The City was established in 1829 and incorporated in 1844, later becoming the capital of the Oregon Territory. It currently encompasses 9.29 square miles and is part of the Portland Greater Metropolitan Area.

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

Demographics

Oregon City's population is currently estimated at 34,610; the City is one of Oregon's fastest growing (ranked #8) with a 14.5% increase since 2010. Future growth will likely continue in the 1-2% range as the City still contains undeveloped land within its Urban Growth Boundary. The state forecasts population to increase by slightly higher percentages than the rest of the country. The table to the right shows 10-year historic and projected population for Oregon City, according to U.S. Census Bureau data and estimates from the Center for Population Research.



Economy

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

During the City's recent bond grading upgrade by Standard & Poor's the City's economy was listed as one of the key factors determining the rating. The City was described as having a "strong economy, with access to a broad and diverse metropolitan service area." Key economic clusters, which account for a great portion of the area's gross domestic product and have a greater presence in this area relative to the region, include health care, professional business services, high tech and advanced manufacturing, software and media production, and agriculture. Specifically, government and education are the top employment sectors in Oregon City, constituting over 28% of all

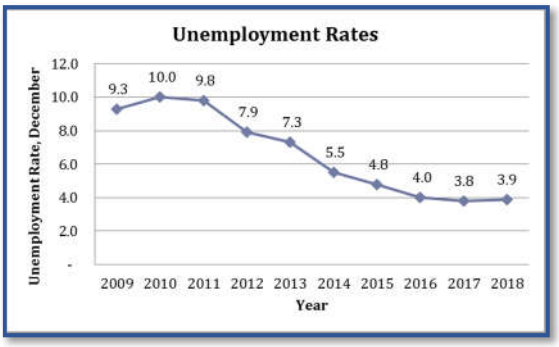
employment. As the Clackamas County seat, Oregon City is home to several County facilities that serve the region. The City is also home to Clackamas Community College's main campus. Founded in 1966, it is now one of the largest community colleges in the state of Oregon, serving an average of 25,500 students annually. Providence Willamette Falls Medical Center, a not for profit acute care hospital employing over 670 people, also operates in Oregon City. And the City is home to Benchmade Knife Company, Inc., premier manufacturer of world-class sports cutlery and edged tools. The following chart shows the top ten employers in the City as of 2018 based on the City's Business License data and County records.

Top Ten Employers

Business Name	Industry
Clackamas County	Government
Oregon City School District	Education
Clackamas Community College	Education
Providence Health & Services	Health Services
Benchmade Knife Co., Inc.	Manufacturing
Fred Meyer / The Kroger Co.	Retail
The Home Depot, LLC	Retail
Orchard Orthopedic Solutions Oregon, Inc.	Health Services
City of Oregon City	Government
WinCo Foods*	Retail
Safeway*	Retail

* Both companies reported 150 employees, creating a tie for 10th place.

Oregon's labor market continues to outperform the national average and while job growth in the area has decelerated somewhat in recent months, regional job gains continue to be more than enough to keep pace with the population growth. As of December 2018, the unemployment rate in the region is 3.9%, the lowest rate since 1976 and slightly lower than the state average of 4.3%. Major industries adding jobs this year were professional and business services, government and health care. Job gains in recent months indicate continued moderate economic expansion despite a very tight labor market. Over the past year, nonfarm payroll increased by approximately 1.7% in the region, slightly higher than the previous year's growth of 1.5%.

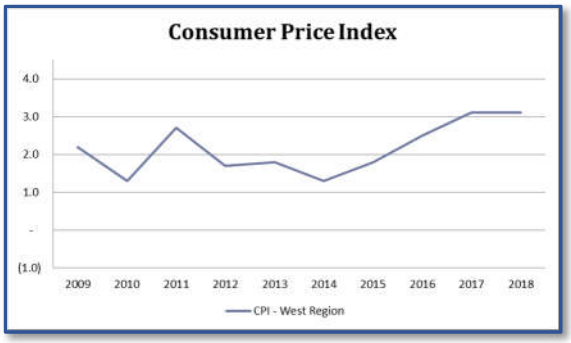


Further progress should be evident in broader measures of economic stability such as in increases to the median household income. The current household income in Oregon City is estimated at $71,232, approximately 16.1% higher than the National average of $61,372 and 26.9% higher than the State average of $56,119. Oregon City's real property market value and assessed value has also steadily increased after seeing declines since 2008; the assessed (or taxable) value, however, remains significantly lower than the real market value. Expectations call for continued slow growth over the next year. Further information on tax growth and the difference between assessed and market value is provided later in the budget in the Revenue Trends section. Information on housing prices in the City and the top taxpayers are shown below.

Top Ten Taxpayers

The Landing – 302 LLC
Portland General Electric Company
Quantum Management
Metropolitan Life Insurance Company
Loja Trails End LLC
Craig T Danielson
Northwest Natural Gas Co.
Providence Health
Oregon Center LLC
Comcast Corporation

The Consumer Price Index (CPI) is a leading economic indicator that measures inflation and represents the changes in prices of all goods and services over time. This indicator is tracked and published by the U.S. Department of Labor's Bureau of Labor Statistics. The West Region CPI for the year ended December 31, 2018, was 3.1%. This means that in December 2018, goods as a whole cost 3.1% more than in December 2017. The chart to the right highlights the CPI over the past ten years.



Budget Process

Budget Development and Adoption

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

This represents Oregon City's third 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, 2019 and ends June 30, 2021.

Staff begins preparing the biennial budget several months prior to adoption. Starting in December, staff forecasts revenues, expenditures and fund balances based on known future changes in fees, economic conditions, and other factors. In January, meetings are held with department heads, the Mayor, and City Commission to set goals and priorities for the upcoming 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 in March to review the requested budgets. The City Manager makes decisions which are then incorporated into the proposed budget. Budget Committee meeting notices are published in March as well.

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 City Commission holds a public hearing to review and adopt the final budget in June. If they propose a change that increases property taxes or expenditures within a fund by more than ten percent or $10,000, whichever is greater, the amended budget must be republished and a separate public hearing must be held by the Commission. The City Commission adopts the budget by Resolution and 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 Monitoring and Adjustments

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

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

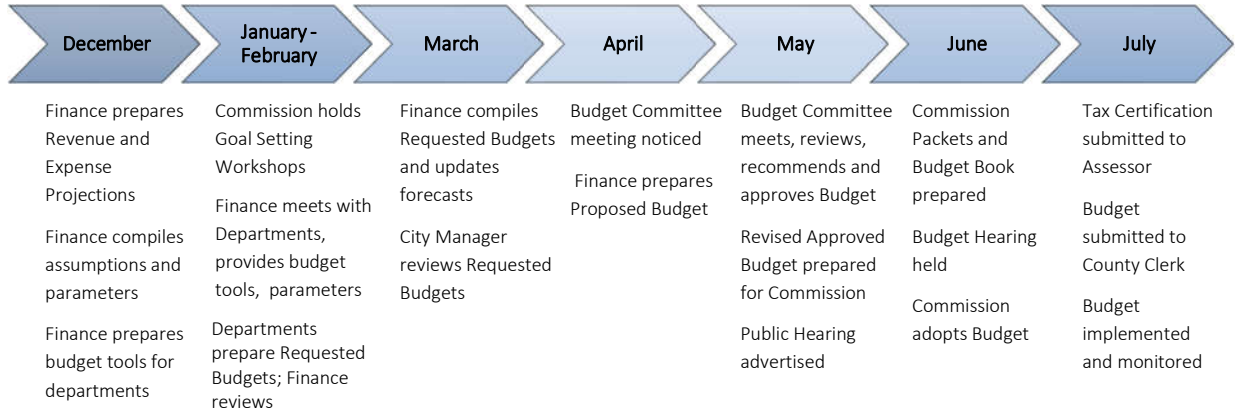
available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded 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. A component unit is a legally separate organization for which the elected officials of the City are financially accountable. The URA adopts a separate budget which may be obtained from the City, 625 Center Street, Oregon City, Oregon 97045. Pursuant to Budget law, this budget also includes historical information for any closed funds that were closed during the years presented.

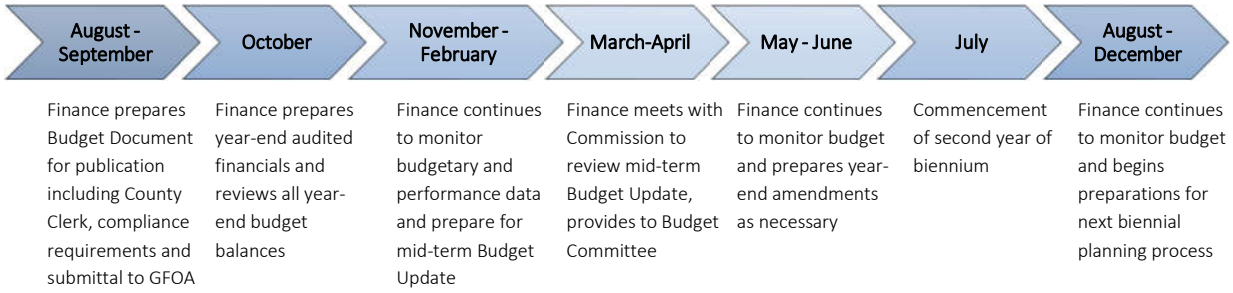
Budget Calendar

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

Phase I



Phase II



Budgeted Funds

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

General	**Capital Projects**	**Debt Service**
General Fund	System Development	PERS Bonds
	Community Facilities	
Special Revenue		
Library	**Enterprise**	**Internal Service**
Community Development	Water	Fleet Services
Building	Wastewater	Utility Customer Service
Engineering	Stormwater	Equipment Replacement
Transportation		

BUDGET ORGANIZATION

The following chart further helps to illustrate the use of the different funds by department, with the exception of the Debt Service funds which do not relate to any specific department.

Use of Funds by Departments													
Department	Fund												
	G	B	CD	E	L	T	SD	CF	SW	WW	W	UCS	ER/F
Policy & Administration	X							X				X	X
Police	X							X					X
Community Services	X						X	X					X
General Government	X												
Library					X			X					X
Community Development		X	X										X
Public Works				X		X	X	X	X	X	X	X	X

G - General, B - Building, CD - Community Development, E - Engineering, L - Library, T - Transportation, SD - System Development, CF – Community Facilities, SW - Stormwater, WW - Wastewater, W - Water, UCS - Utility Customer Service, ER/F - Equipment Replacement & Fleet

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 2019-2021 biennium, the following funds meet this criteria:

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

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

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

System Development Fund – Accounts for the collection of transportation, water, wastewater, stormwater and parks development charges and their use for related capital projects

Community Facilities Fund – Accounts for money set aside for construction of city facilities including the building of public safety and public works facilities; funded by transfers from other funds

Financial Policies Impacting the Budget

Goals and Purpose:

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

Revenue Policy:

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

Budget Policy:

- The City shall prepare, present, adopt and amend its operating budget in accordance with Oregon Local Budget Law.
- The City is required to prepare a balanced budget according to Oregon 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 and will provide annual updates including financial updates and operational progress.
- The City will submit the Adopted Budget Document for consideration for the Award for Distinguished Budget Presentation from the Government Finance Officers Association (GFOA) for each budget cycle.

Capital Improvement Policy:

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

Debt Policy:

- The City will not use long-term debt for current operations.
- The City will follow a policy of full disclosure on every financial report and required debt disclosure.
- Capital projects financed through bond proceeds shall be financed for a period not to exceed the useful life of the project.
- The City shall review its outstanding debt periodically for the purpose of determining if the financial marketplace will afford the City the opportunity to lessen its debt service costs.
- The City shall periodically review possible actions to maintain or improve its bond ratings and maintain good communications with bond rating agencies about its financial condition.

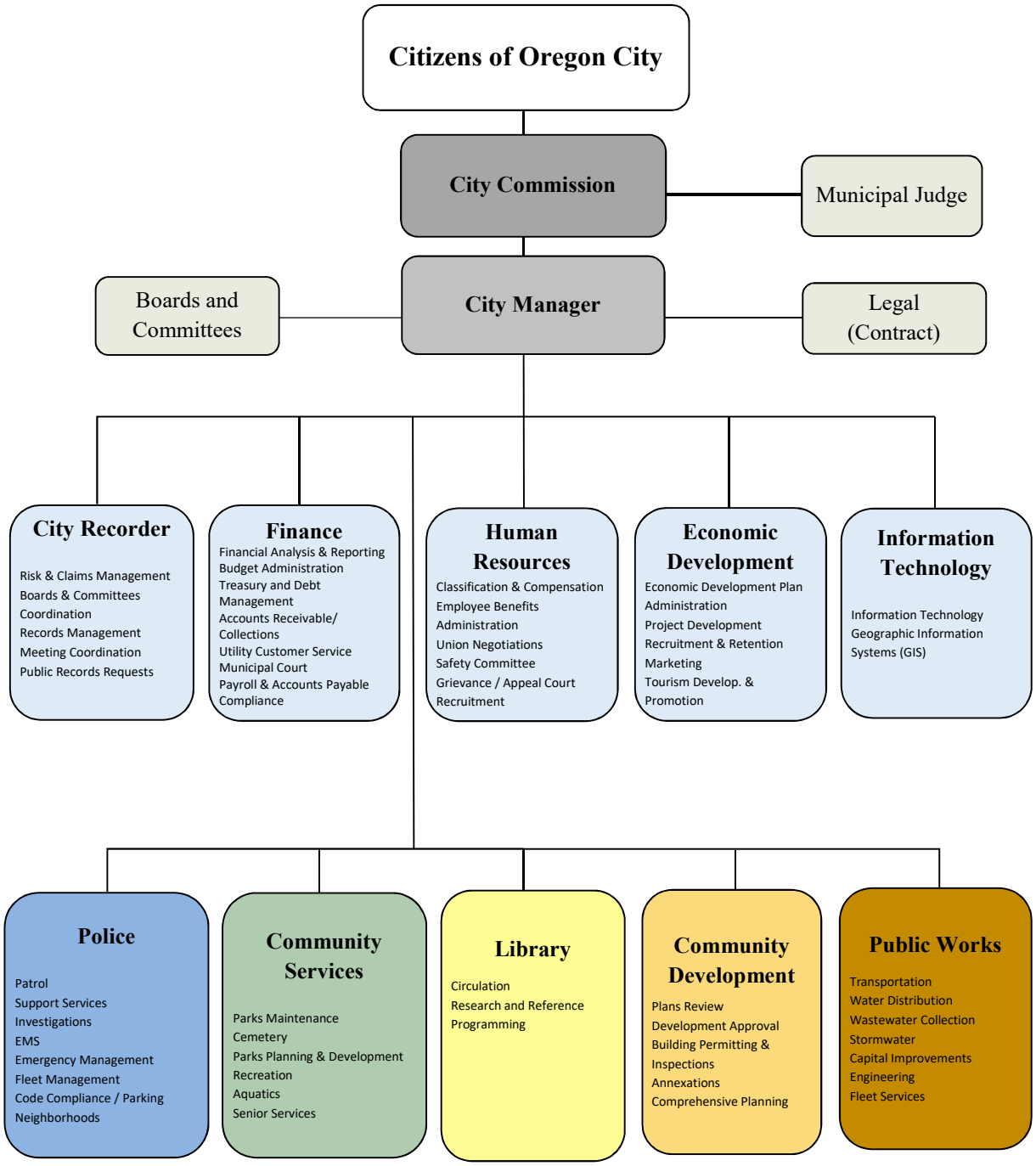
Reserve Policy:

- The City shall establish a contingency reserve to provide for unanticipated expenditures of a nonrecurring nature and to meet unexpected increases in service delivery costs; these funds may not be directly disbursed from the contingency reserve but only in accordance with local budget law in the State of Oregon.
- The City will maintain an unallocated and unappropriated fund balance or retained earnings to provide working capital until sufficient revenues arrive to fund current operations equal to a minimum of two months, or 17%, of general operating expenditures.
- Contingency and unappropriated reserve calculations are based on 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.

Did you know?

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

Organization Chart



BUDGET SUMMARY – ALL FUNDS COMBINED

The table below summarizes all resources and requirements by category for the 2019-2021 biennium and compares them to the current biennial budget and the activity for two previous periods.

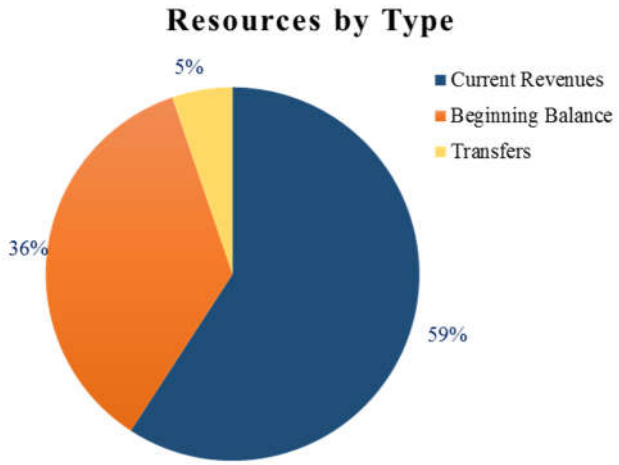
All Funds	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Biennium	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2020-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 36,261,630	$ 56,993,520	$ 63,396,801	$ 88,526,379	$ 46,284,068	$ 88,526,379
Property Taxes	22,032,177	23,936,979	25,353,384	13,646,600	14,244,800	27,891,400
Franchise Fees	5,959,163	7,664,964	7,621,269	4,036,780	4,077,290	8,114,070
Intergovernmental	12,869,073	12,250,999	19,517,643	10,935,156	9,213,071	20,148,227
Charges for Services	39,002,378	50,181,891	47,438,207	26,620,147	26,672,882	53,293,029
Pass-Through Revenues	8,442,513	11,336,499	12,612,027	6,916,855	7,113,929	14,030,784
Licenses and Permits	3,223,422	4,900,202	4,246,192	2,001,348	1,741,810	3,743,158
Fines and Penalties	2,048,626	2,047,258	1,964,396	1,340,000	1,365,000	2,705,000
Other Taxes and Assessments	381,101	601,853	427,819	443,000	443,000	886,000
Other Income	2,610,758	2,893,483	3,190,210	2,611,354	1,791,935	4,403,289
Sale of Assets	-	10,338	2,500,000	2,520,000	20,000	2,540,000
Contributions	1,584,542	222,649	171,772	111,400	111,400	222,800
Interest Income	649,484	998,644	660,086	1,221,100	1,018,100	2,239,200
Loan Repayments	1,086,964	1,603,070	773,928	-	-	-
Bond Proceeds	6,000,000	-	16,157,183	-	-	-
Internal Service Charges	-	5,787,200	5,480,866	3,234,790	3,310,390	6,545,180
Transfers In	83,800,558	5,531,075	8,384,393	9,682,951	3,335,815	13,018,766
Total Resources	**$ 225,952,389**	**$186,960,624**	**$219,896,176**	**$173,847,860**	**$120,743,490**	**$248,307,282**
Requirements by Category						
Personnel Services	$ 38,204,155	$ 42,731,777	$ 50,862,555	$ 26,850,787	$ 28,128,319	$ 54,979,106
Materials and Services	22,939,399	30,519,247	32,494,158	17,240,885	16,927,271	34,168,156
Pass-Through Expenses	8,451,972	11,203,485	12,612,027	6,916,855	7,113,929	14,030,784
Capital Outlay	10,673,238	23,924,383	75,790,926	63,837,012	18,040,632	81,877,644
Debt Service	4,889,547	5,327,532	6,473,163	3,035,302	3,095,355	6,130,657
Transfers Out	83,800,558	5,531,075	8,384,393	9,682,951	3,335,815	13,018,766
Contingency	-	-	26,279,439	40,304,072	36,687,928	36,687,928
Reserved for Future Expenditures	20,553,812	38,288,741	6,999,515	5,979,996	7,414,241	7,414,241
Unappropriated Fund Balance	36,439,708	29,434,384	-	-	-	-
Total Requirements	**$ 225,952,389**	**$186,960,624**	**$219,896,176**	**$173,847,860**	**$120,743,490**	**$248,307,282**

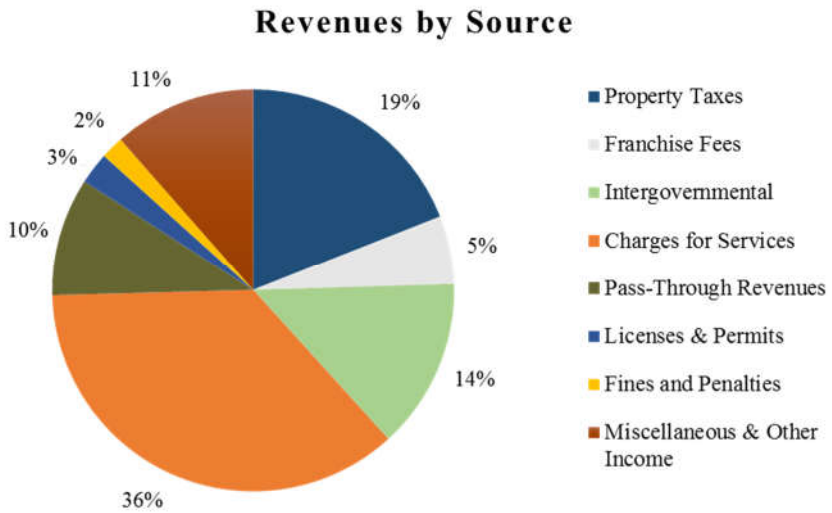
The following table further summarizes all requirements by function.

All Funds	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Biennium	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2020-2021 Proposed Biennium
Requirements by Function						
Policy and Administration	$ 10,667,650	$ 11,235,678	$ 13,756,333	$ 7,294,282	$ 7,304,850	$ 14,599,132
Police	20,446,296	19,785,023	46,200,416	34,468,332	13,380,277	47,848,609
Community Services	10,720,163	7,763,417	12,198,299	9,754,266	6,435,564	16,189,830
General Government	40,535,129	5,780,047	6,132,921	3,538,886	3,249,903	6,788,789
Library	14,387,067	12,195,781	3,617,038	2,033,394	2,094,546	4,127,940
Community Development	5,192,663	5,218,104	7,650,835	3,212,733	3,265,149	6,477,882
Public Works	62,120,354	51,857,454	90,588,217	64,226,597	37,815,677	102,042,274
Debt Service	4,889,547	5,401,995	6,473,163	3,035,302	3,095,355	6,130,657
Contingency & Reserves	56,993,520	67,723,125	33,278,954	46,284,068	44,102,169	44,102,169
Total Requirements	**$ 225,952,389**	**$186,960,624**	**$219,896,176**	**$173,847,860**	**$120,743,490**	**$248,307,282**

WHERE THE MONEY COMES FROM – ALL FUNDS COMBINED

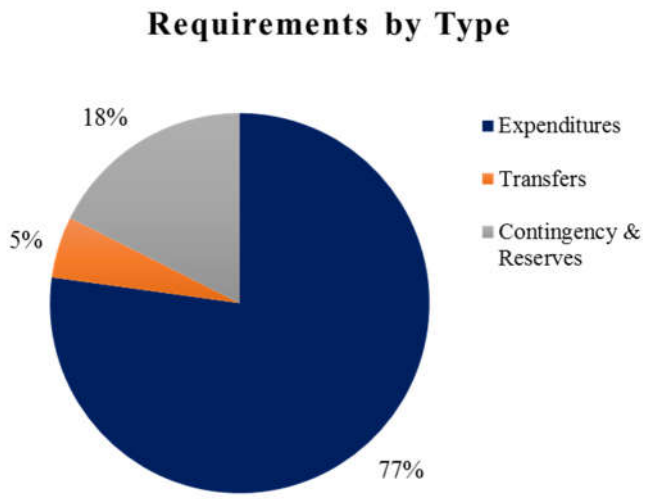
Resources to meet Oregon City's obligations and service needs are derived from three primary sources: beginning fund balance, current revenues, and transfers in from other funds. Beginning fund balance consists of revenues carried forward from previous fiscal years, including reserves for specific purposes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

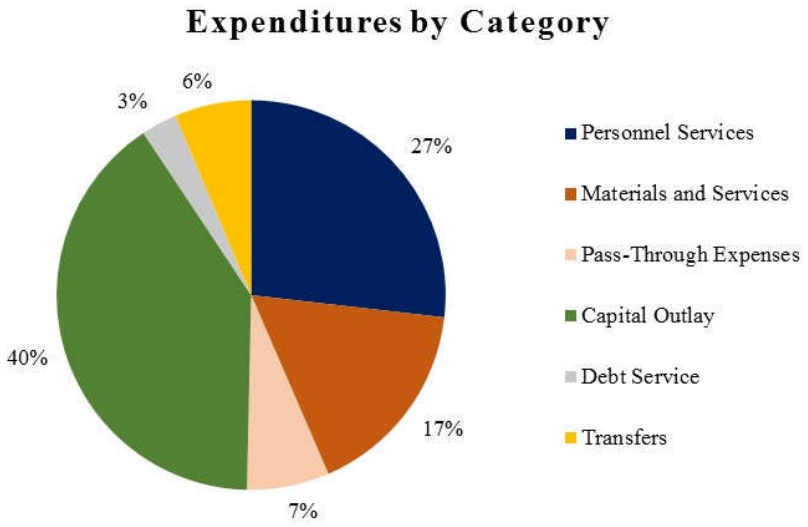




WHERE THE MONEY GOES – ALL FUNDS COMBINED

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





RESOURCES AND REQUIREMENTS – ALL FUNDS

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

Fund	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Biennium	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2020-2021 Proposed Biennium
General Fund	$ 76,013,191	$ 49,225,316	$ 52,112,891	$ 34,356,350	$ 33,349,950	$ 60,050,751
Special Revenue Funds						
Library	4,840,773	5,538,770	6,512,890	5,335,177	5,644,927	7,993,692
Community Development	3,270,284	4,001,992	4,080,958	1,752,330	1,679,760	3,297,015
Building Operations	2,838,324	4,937,330	6,241,791	5,446,124	5,625,434	7,220,912
Engineering	1,188,081	2,096,923	2,433,334	1,870,743	1,983,968	3,004,743
Transportation	6,474,052	11,414,606	15,634,707	8,955,745	8,923,403	16,711,692
Capital Projects Funds						
System Development	15,474,303	24,512,099	26,730,303	29,747,333	15,193,123	33,235,236
Community Facilities	16,894,727	22,146,991	37,055,317	35,101,561	2,691,761	36,537,061
Fleet & Equipment Replacement	4,566,345	6,279,899	6,972,370	6,934,526	6,264,871	7,915,871
Enterprise Funds						
Water	14,976,940	17,525,503	19,655,645	12,431,267	9,575,098	20,691,312
Wastewater	17,285,634	24,813,442	27,373,747	21,476,135	19,772,267	34,074,031
Stormwater	5,547,846	6,466,227	6,477,342	4,680,187	4,312,220	7,795,912
Internal Service Funds						
Fleet Services	428,782	435,386	466,951	232,938	238,978	462,028
Utility Customer Service	1,804,993	2,017,884	2,230,803	1,250,365	1,300,300	2,510,665
Debt Service Funds						
Bond Funds	4,363,698	4,675,554	5,917,127	4,277,079	4,187,430	6,806,361
Closed Funds						
GO Bond Debt Service	851,905	872,702	-	-	-	-
Business Development	114,002	-	-	-	-	-
Cable TV	402,840	-	-	-	-	-
City Cleanup Fund	614,474	-	-	-	-	-
Civic Improvement Trust Fund	241,609	-	-	-	-	-
Code Enforcement	500,009	-	-	-	-	-
Downtown Parking Fund	1,112,782	-	-	-	-	-
Economic Improvement District	163,666	-	-	-	-	-
Endowment Care Fund	105,655	-	-	-	-	-
Ermatinger House	610,821	-	-	-	-	-
Hopp Sewer Construction Fund	71,649	-	-	-	-	-
Library Reserves	10,634,305	-	-	-	-	-
Oregon City Enhancement	370,053	-	-	-	-	-
Parks & Recreation Trust	363,755	-	-	-	-	-
Parks Development SDC	3,518,646	-	-	-	-	-
Pavement Maintenance	5,117,340	-	-	-	-	-
Police Building Reserve	1,581,152	-	-	-	-	-
Police Services Reserve	1,092,929	-	-	-	-	-
Public Works Building Reserve Fund	7,571,515	-	-	-	-	-
Stormwater Development	659,570	-	-	-	-	-
Transportation Development	6,516,851	-	-	-	-	-
Upgrade Streets Annexed	192,995	-	-	-	-	-
Wastewater Development	2,994,155	-	-	-	-	-
Wastewater Rate Stabilization	623,252	-	-	-	-	-
Water Development	3,466,244	-	-	-	-	-
Water Rate Stabilization	492,242	-	-	-	-	-
Total All Funds	***$ 225,952,389***	***$ 186,960,624***	***$ 219,896,176***	***$ 173,847,860***	***$ 120,743,490***	***$ 248,307,282***

Overall Budget Highlights

- The budget is balanced at $248.7 million with a tax rate of $4.409 per $1,000 assessed value, the same rate as the previous biennium.
- The 2020-2021 budget represents an increase of $28.8 million over the amended 2017-2019 biennial budget of $219.9 million.
- Total expenditures, excluding transfers, internal service charges, reserves and contingency, are $184.6 million, an increase of $11.9 million from the prior biennial budget. Most of this change is in Personnel Services and Capital Outlay, each with a $4.1 and $6.1 million budgeted increase, respectively, over the biennium.
- The budget proposes to fund 3 positions, partially offset by revenues; the total Full Time Equivalent (FTE) positions increase by a net of 1.75 after other decreases.

Budget Trends by Year

The following economic assumptions were used in developing the 2019-2021 Biennial Budget.

General

- The City's population will grow 0.85% 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 taxes, will grow by 4.5% in each year of the biennium, or $145.7 million in 2020 and $152.2 million in 2021.
- Property tax revenues are estimated to increase by approximately 10% over the two-year period due to a combination of anticipated property value increases and new development net of reductions for discounts, delinquencies and agency loss.
- Charges for services are scheduled to increase between 3% and 12% depending on previously approved indexing schedules.
- Interest rates on investments will be 2% based on prevailing rates.
- All other revenue sources are estimated using trend analysis; further information on revenue trends is provided in the Budget Summary section.

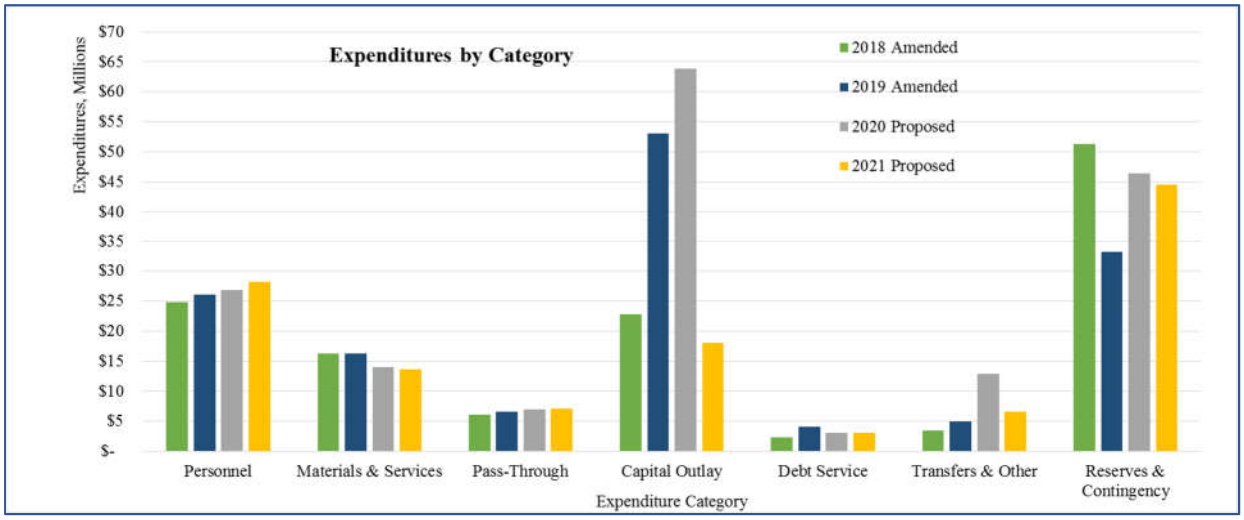
Requirements

- Cost for goods and contracts are projected to remain flat on average; exceptions or significant variances are explained under Budget Highlights of each Department budget.
- Capital outlay (projects and equipment) budgeted at projected acquisition or construction cost based on preliminary estimates, generally no increase.
- Cost of Living increases are 3% for all employees; step increases are included on employees' anniversary dates for represented employees.
- Health benefit costs are projected on average at 9.5% annual increases .based on claims and premiums projections
- Public Employees Retirement System (PERS) contributions rates provided by PERS, which averaged at increases of approximately 4.5% of covered wages.

The table below compares the 2020-2021 biennial budget to the 2017-2019 biennial budget and the two previous budget periods. The bottom line compares budgeted expenditures by year, excluding transfers, fund balance and contingency. As shown below, overall expenditures increased in the biennium. The main reason for the increase is due to capital projects which are being funded in the current year. A focus on deferred capital maintenance is evident in many funds during this biennium. Further discussion on the changes in fund balance is found in the Budget Message.

	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Biennium	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2020-2021 Proposed Biennium
Total Budget	$ 225,952,389	$ 186,960,624	$ 219,896,176	$ 173,914,860	$ 121,146,490	$ 248,710,282
Less Ending Fund Balance and Contingency	(56,993,520)	(67,723,125)	(33,278,954)	(46,351,068)	(44,505,169)	(44,505,169)
Less Transfers & Internal Service Charges	(83,800,558)	(11,318,275)	(13,865,259)	(12,917,741)	(6,646,205)	(19,563,946)
Total Expenditures	**$ 85,158,311**	**$107,919,224**	**$172,751,963**	**$114,646,051**	**$ 69,995,116**	**$184,641,167**

The chart below compares each year of the biennial budget (fiscal years 2020 and 2021) to each year of the prior year amended budgeted expenditures (2018 and 2019) by Category for all budgeted funds. Explanation of the variances and assumptions used are explained below.



Personnel Services

Personnel costs increased by $4.1 million, or 8.1%, in the biennium. This increase is mainly due to cost of living and pay grade (step) increases along with projected health insurance increases. Additionally, total FTEs increased by a net 1.75. The additions include a Traffic Sergeant, Parks Maintenance Specialist and Facilities Maintenance Specialist; these positions are required to keep up with the growth of the City and the needs of its citizenry. The City was also impacted with a significant increase in PERS retirement contributions; the increase of approximately 4.5% of covered wages results in an increase in cost of over $1 million over the biennium. Further analysis of personnel costs and changes is found starting on page 129.

Materials & Services

Excluding internal service charges, which increased by $1.06 million over the prior biennium, Materials and Services costs increased by $610,000. While departments budgeted with no inflationary increases, materials and services increased due to certain contracts, special projects and various grant projects that support Commission goals. Some of these include the 911 Dispatch contract with Clackamas County, tourism program, Parks Master Plan and Information Technology Strategic Plan and Audit. More information about these projects is included in the departmental budgets. Internal service charges are for services provided between departments and have increased as the City improves its cost allocation methods to better reflect services provided across departments and funds.

Capital Outlay

Budgeted capital increased by $6.1 million, or 8.0%, over the biennium. Funding initial work on the Public Works Operations Center and the Community Safety Facility, as well as catching up on some deferred capital in Water, Wastewater, and Parks are the reasons for the increase. These projects are explained in more detail in the Budget Message, in the respective funds budgeted and in the Capital Section starting on page 139.

Debt Service

The City acquired new voter approved debt for the construction of the Community Safety Facility to house the Police Department and Municipal Court in 2018. In 2017, General Obligation bonds originally issued in 1998 matured. As a result, Debt Service payments decreased in the current biennium. Information on the City's debt is located in the Debt Administration section of this budget.

Transfers & Other Uses

In the current biennium, transfers increased by $4.6 million due to reallocating savings accumulated for construction projects to the capital funds where the monies will be disbursed.

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 (19%)

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

Assessed value increases are limited to 3% per year. Annual 4.5% increases in assessed value for property taxes are built into the calculation due to economic factors, valuation increase limits, anticipated new properties added to the tax roll, and county assessor information. For Fiscal Year 2017, Oregon City's total assessed value was approximately 58% of the real market value. This gap widened as expected due to the cap on assessed value increases. Assessed value is used for spreading the operating levies, while market values are used to meet Measure 5 cap requirements, approved by voters in 1990, which limit tax rates to $15 per $1,000 of real market value ($5.00 for schools and an aggregate $10.00 for all other governments), and to spread debt service levies, which are exempt from Measures 5 and 50.

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

The City's total projected assessed value is multiplied by its permanent or adopted tax rate per $1,000 of assessed value to calculate the anticipated property taxes to be received. Due to discounts and collection history, the City assumes a 95% collection rate on property taxes for the 2019-2021 biennium. This is in line with previous year's collection estimates and reflective of the current collection rate.

	2013-2014 Actual	2014-2015 Actual	2015-2016 Actual	2016-2017 Actual	2017-2018 Amended Budget	2018-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Property Taxes (Millions)	$ 10.77	$ 11.26	$ 11.73	$ 12.21	$ 12.40	$ 12.95	$ 13.65	$ 14.24	$ 27.89
Assessed Value (Millions)	$ 2,563.48	$ 2,690.17	$ 2,801.95	$ 2,938.43	$ 3,089.50	$ 3,237.63	$ 3,383.32	$ 3,535.57	N/A

The table above shows property tax collections by year for the current and the prior two biennia 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 2012 through the proposed budget biennium.

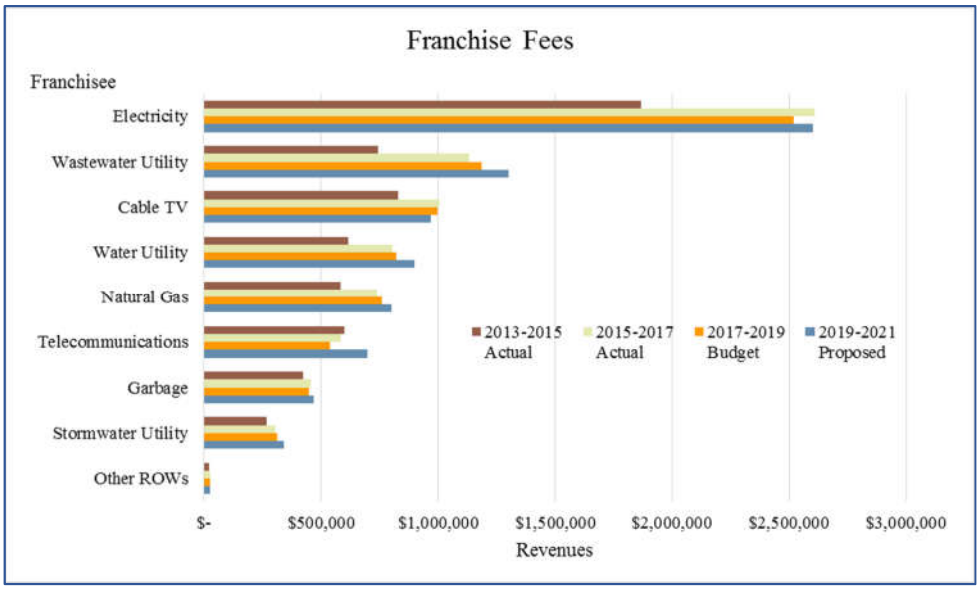
Year	Assessed Value	Real Value	Percentage of Real Value
2021 Est.	$3,535,571,576	$6,092,586,809	58%
2020 Est.	$3,383,322,082	$5,802,463,627	58%
2019	$3,237,628,787	$5,274,966,934	61%
2018	$3,089,502,621	$4,774,396,498	65%
2017	$2,938,428,766	$4,233,750,521	69%
2016	$2,801,945,084	$3,750,576,097	75%
2015	$2,690,169,028	$3,327,874,197	81%
2014	$2,563,482,092	$2,968,046,311	86%

Franchise Fees (5%)

Franchise fees are charged to private utilities for the use of publicly owned rights-of-way (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. The City adopted a new ROW Ordinance to capture previously uncharged utilities in 2014 and certain service rates were increased at that time.

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.

Service	Rate	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Electricity	5.0%	$ 1,869,487	$ 2,611,272	$ 2,520,000	$ 1,300,000	$ 1,300,000	$ 2,600,000
Wastewater Utility	6.0%	743,191	1,131,734	1,186,634	640,725	662,879	1,303,604
Cable TV	5.0%	828,712	1,006,434	1,000,000	485,000	485,000	970,000
Water Utility	6.0%	616,911	805,895	823,006	444,122	457,446	901,568
Natural Gas	5.0%	583,507	739,994	760,000	400,000	400,000	800,000
Telecommunications	5.0%	601,010	583,494	540,000	350,000	350,000	700,000
Garbage	4.0%	423,779	455,260	450,000	235,000	235,000	470,000
Stormwater Utility	6.0%	268,019	304,226	314,479	167,733	172,765	340,498
Other ROWs	Various	24,547	26,655	27,150	14,200	14,200	28,400
Total Franchise Fees		***$ 5,959,163***	***$ 7,664,964***	***$ 7,621,269***	***$ 4,036,780***	***$ 4,077,290***	***$ 8,114,070***



Intergovernmental Revenues (14%)

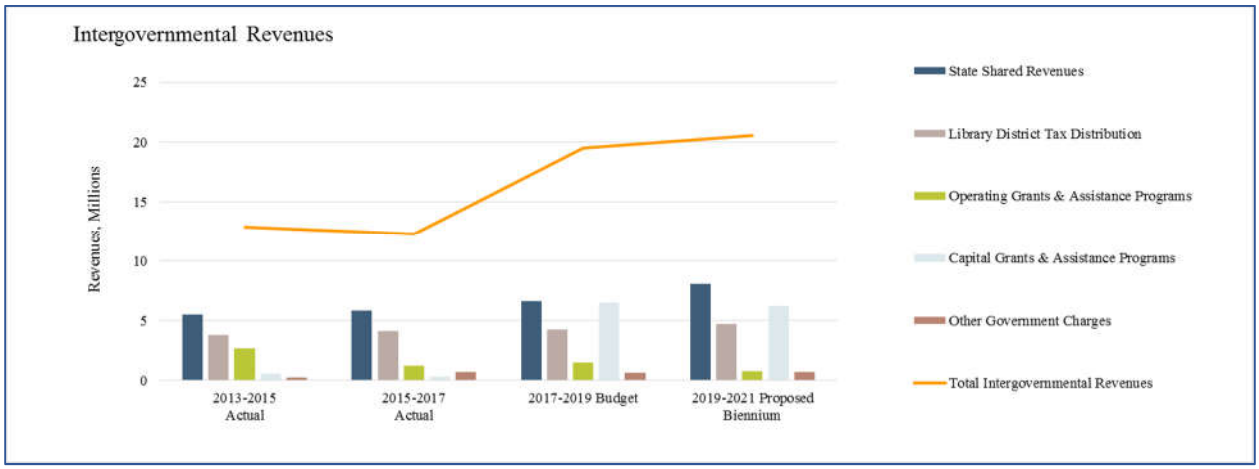
In the biennial budget, State Shared Revenues make up the majority of total intergovernmental revenues. State revenues are distributed to cities per Oregon Statutes; revenues are calculated using a formula based on population and income for the individual city. State Shared Revenues include general revenues, 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.

State shared revenues have been growing steadily over time as have library district tax revenues. New monies from marijuana shared revenues started in 2018 boosting projected revenues. Between 2019 and 2021, the City expects to get funding for the construction of transportation projects; this is shown in the increase in capital grants.

Source	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
State Shared Revenues	$ 5,495,639	$ 5,845,075	$ 6,599,805	$ 3,738,297	$ 3,959,728	$ 8,101,025
Library District Tax Distribution	3,819,877	4,130,408	4,255,784	2,340,160	2,410,365	4,750,525
Operating Grants & Assistance Programs	2,710,803	1,266,583	1,517,918	390,091	383,450	773,541
Capital Grants & Assistance Programs	610,747	314,536	6,466,344	4,107,712	2,100,632	6,208,344
Other Government Charges	232,007	694,397	677,792	358,896	358,896	717,792
Total Intergovernmental Revenues	**$ 12,869,073**	**$ 12,250,999**	**$ 19,517,643**	**$ 10,935,156**	**$ 9,213,071**	**$20,551,227**



Charges for Services (36%)

Charges for water, wastewater, pavement maintenance, public safety, and stormwater are charged to all utility customers throughout the City. These fees are established through resolution and most 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. Utility charges include adjustments based on currently established Commission resolutions or inflation of generally 2% to 3%.

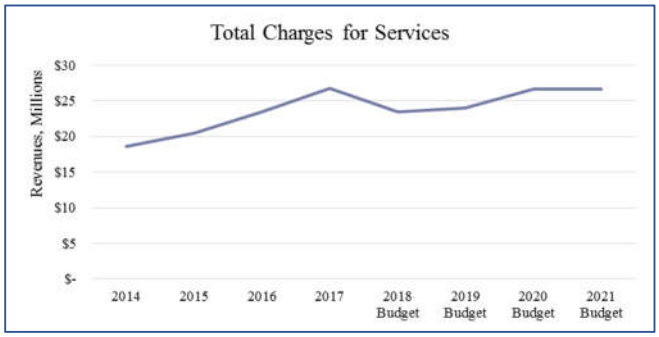
Charges for services also include fees charged to users of various city services, such as parks, library services and cemetery. Other charges for services not controlled by Commission action are calculated based on a six year average with conservative adjustments as requested by departments.

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. The Police Utility fee started in Fiscal Year 2017 to pay for voter-approved bonds for the new Police and Municipal Court facility. System Development Charges are development driven and vary from year to year.

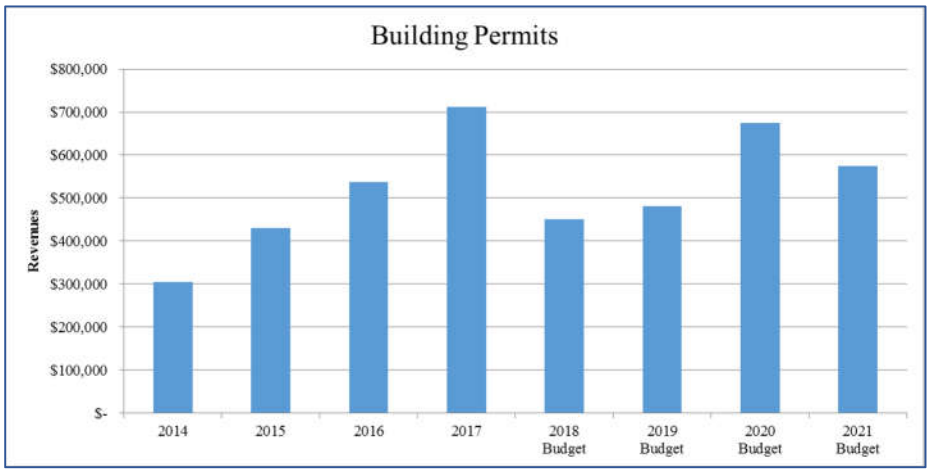
Type of Charge	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Water Utility	$ 11,999,687	$ 13,460,585	$ 14,135,874	$ 7,706,197	$ 7,925,045	$ 15,631,242
Wastewater Utility	8,358,778	10,934,716	10,895,112	6,025,792	6,206,567	12,232,359
Stormwater Utility	4,885,181	5,172,193	5,302,842	3,007,638	3,095,725	6,103,363
Transportation Utility	4,299,326	4,786,567	4,711,821	2,624,240	2,702,967	5,327,207
Police Utility	-	1,665,957	2,203,600	1,080,000	1,080,000	2,160,000
System Development Charges	5,016,161	8,581,365	5,450,000	3,680,000	3,180,000	6,860,000
Parks & Recreation User Fees	1,183,448	1,157,728	1,074,492	450,900	450,900	901,800
Planning & Review Fees	641,404	1,741,835	1,548,403	715,565	699,863	1,415,428
Code Enforcement & Parking	683,137	789,268	760,000	395,100	395,100	790,200
Cemetery Fees	519,270	484,190	582,000	270,700	270,700	541,400
Other	1,415,986	1,407,487	774,063	664,015	666,015	1,330,030
Total Charges for Services	***$ 39,002,378***	***$ 50,181,891***	***$ 47,438,207***	***$ 26,620,147***	***$ 26,672,882***	***$ 53,293,029***

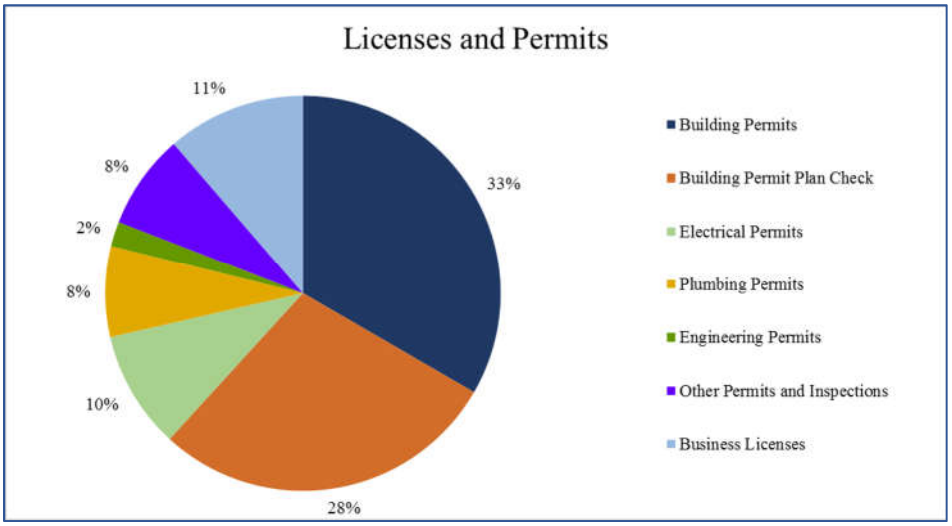


Licenses and Permits (3%)

The charts below show the various types of Licenses and Permits. Building permit make up the largest share of all permitting activity at 33%. The subsequent chart compares Building Permit Revenues over 10 years (inclusive of the biennium.) Permit estimates are based on historical information including number of permits issued and projected building activity based on number of building and engineering plans and land use applications submitted.

License / Permit Type	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Building Permits	$ 736,016	$ 1,248,799	$ 931,500	$ 675,000	$ 573,750	$ 1,248,750
Building Permit Plan Check	438,546	1,411,196	1,673,916	575,000	488,750	1,063,750
Electrical Permits	287,787	406,464	304,232	194,940	165,713	360,653
Plumbing Permits	318,728	471,267	430,571	150,831	128,207	279,038
Engineering Permits	519,466	82,698	82,400	38,000	38,000	76,000
Other Permits and Inspections	99,259	257,516	207,523	155,577	135,390	290,967
Business Licenses	368,620	402,762	386,050	212,000	212,000	424,000
Building Permit Law Enforcement	455,000	619,500	230,000	-	-	-
Total Licenses and Permits	***$ 3,223,422***	***$ 4,900,202***	***$ 4,246,192***	***$ 2,001,348***	***$ 1,741,810***	***$ 3,743,158***





Pass-Through Revenues (10%)

A local government may collect taxes, fees, or charges on behalf of other governmental entities that are then paid, on a pass-through basis, to another local government under an intergovernmental agreement or statute. The City is required to budget these collections as pass-through revenues and the remittances as special payments. The following chart shows the pass-through payments collected at the City and the funds where they are recorded. State and County Fines were recorded as net revenues prior to 2017.

Fund	Type of Charge	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
General	State and County Fines	$ -	$ 1,879	$ 640,000	$ 400,000	$ 400,000	$ 800,000
Community Development	School Excise Tax	579,627	1,053,524	1,200,000	600,000	600,000	1,200,000
Building	Metro Excise Tax	90,800	167,140	200,000	90,000	90,000	180,000
Building	State Surcharge	157,743	268,412	240,000	150,000	150,000	300,000
Water	South Fork Development Charges	433,507	539,381	609,000	300,000	300,000	600,000
Wastewater	Tri-Cities Connection Charges	601,767	1,170,599	900,000	450,000	450,000	900,000
Wastewater	Tri-Cities Service Charges	6,579,069	8,135,564	8,823,027	4,926,855	5,123,929	10,050,784
Total Pass-Through Payments		***$ 8,442,513***	***$ 11,336,499***	***$ 12,612,027***	***$ 6,916,855***	***$ 7,113,929***	***$ 14,030,784***

GENERAL FUND

FUND OVERVIEW

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

In the General Fund, it is important to carry over 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 bills need to be paid for several months prior to when property taxes are collected. Additionally, maintaining an emergency ending reserve in the event of revenue losses, state mandates, or natural disasters provides stability to meet the City's current and future needs. The amount needed is generally about 27% of an annual operating budget, or approximately $6.6 million. The General Fund Operating Contingency totals approximately $6.4 million at the end of the biennium with an additional $820,000 reserved for future program expenditures. These reserves include funding restricted for the Tourism Program, dedicated park donations and Community Enhancement Grants.

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

General Fund	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 3,734,942	$ 6,189,165	$ 6,726,369	$ 8,496,719	$ 7,655,549	$ 8,496,719
Property Taxes	21,461,069	23,381,701	25,353,384	13,646,600	14,244,800	27,891,400
Franchise Fees	5,203,290	7,169,669	7,121,269	3,741,180	3,769,890	7,511,070
Intergovernmental	2,480,466	3,420,675	3,604,937	1,887,096	1,896,746	3,783,842
Charges for Services	2,543,849	3,610,235	3,141,955	1,687,615	1,689,615	3,377,230
Pass-Through Revenues	-	1,876	640,000	400,000	400,000	800,000
Internal Service Charges	-	-	1,451,925	1,047,200	1,085,900	2,133,100
Licenses and Permits	282,471	1,023,620	617,050	213,000	213,000	426,000
Fines and Penalties	1,728,733	1,975,213	1,900,396	1,300,000	1,325,000	2,625,000
Assessments and Other Taxes	-	601,853	427,819	443,000	443,000	886,000
Miscellaneous Income	316,767	351,460	608,279	1,243,940	376,450	1,620,390
Interest Income	178,971	291,605	220,000	250,000	250,000	500,000
Other Financing Sources	459,900	383,130	-	-	-	-
Transfers In	37,622,733	825,114	299,508	-	-	-
Total Resources	**$ 76,013,191**	**$ 49,225,316**	**$ 52,112,891**	**$ 34,356,350**	**$ 33,349,950**	**$ 60,050,751**
Requirements by Department						
Policy & Administration	$ 7,011,842	$ 9,128,803	$ 10,968,905	$ 5,683,917	$ 5,649,036	$ 11,332,953
Police	15,273,950	18,497,230	21,338,965	11,444,032	11,895,977	23,340,009
Community Services	6,472,676	7,263,365	9,239,190	5,008,485	4,460,219	9,468,704
General Government	2,925,163	3,401,139	4,620,787	2,243,716	2,229,733	4,473,449
Pass-Through Expenses	-	-	640,000	400,000	400,000	800,000
Transfers Out	38,140,395	3,664,609	3,053,763	1,920,651	1,498,515	3,419,166
Operating Contingency	-	-	2,251,281	6,700,549	6,396,470	6,396,470
Reserved for Future Expenditure	-	-	-	955,000	820,000	820,000
Unappropriated Fund Balance	6,189,165	7,270,170	-	-	-	-
Total Requirements	**$ 76,013,191**	**$ 49,225,316**	**$ 52,112,891**	**$ 34,356,350**	**$ 33,349,950**	**$ 60,050,751**

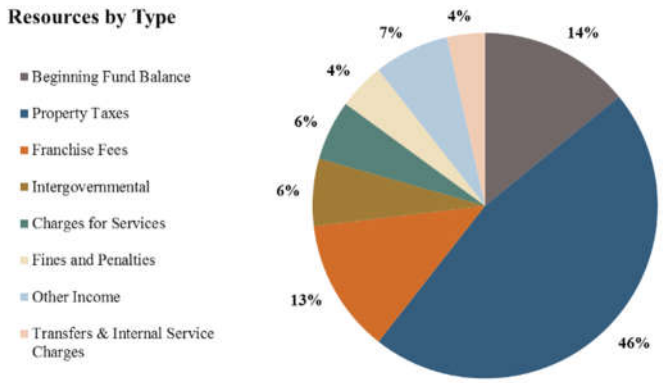
BUDGET HIGHLIGHTS

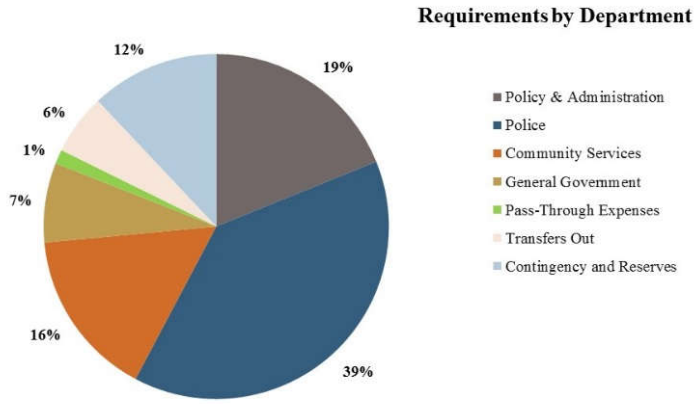
The 2019-2021 biennial revenues (excluding beginning fund balance, internal service charges and transfers) increased over last biennial budget by a combined total of $5.78 million, or approximately 12.8%. Total expenditures (excluding transfers, internal service charges and contingencies) increased by a combined total of $2.61 million, or approximately 5.6%.

Property tax growth makes up most of the increase to revenues as these continue to be the largest revenue source for the general fund, at 46% of total resources. General Fund revenues on the whole are projected to have increases over the biennium consistent with those in the previous two years. Property tax revenues are expected to increase over the next two years due to projected 4.5% increases in assessed value for each of the two years. Most other major revenues, including franchise fees (paid by utility companies for their use of public rights-of-way), charges for services, and intergovernmental revenues (state liquor and cigarette taxes, and grants for example) are projected to stay relatively stable over the next biennium. The City expects to receive approximately $660,000 in revenues this year due to the legalization of cannabis, which was not budgeted in the previous biennium.

Major increases to General Fund expenditures can be attributable to projected personnel costs. Wage increases include 3% annual cost of living adjustments and step increases for represented employees. Coupled with anticipated health insurance costs and PERS rate increases, personnel costs account for a 12% increase in expenditures. Materials and Services remained relatively flat over the biennium with the only increases related to pass-through payments and community programs and grants with dedicated revenues. Capital outlay expenditures reflect continued focus on deferred capital maintenance, and economic development with a decrease from the prior biennium of approximately $900,000 due to one-time projects in the prior year.

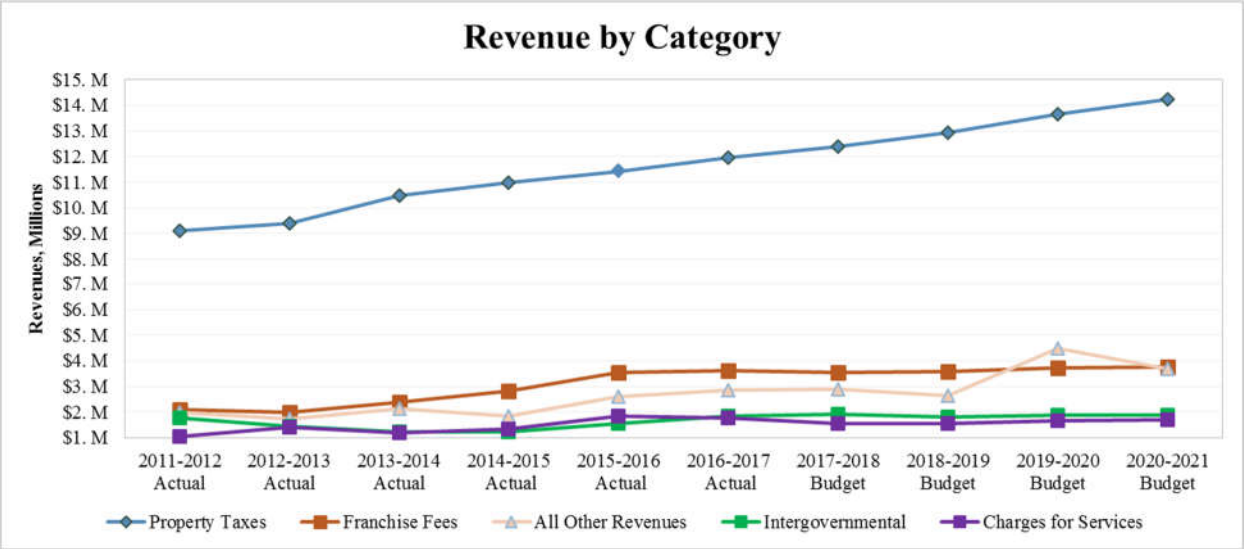
The charts below show the relative percentages of resources by type and requirements by department for the biennium.





General Fund Revenues

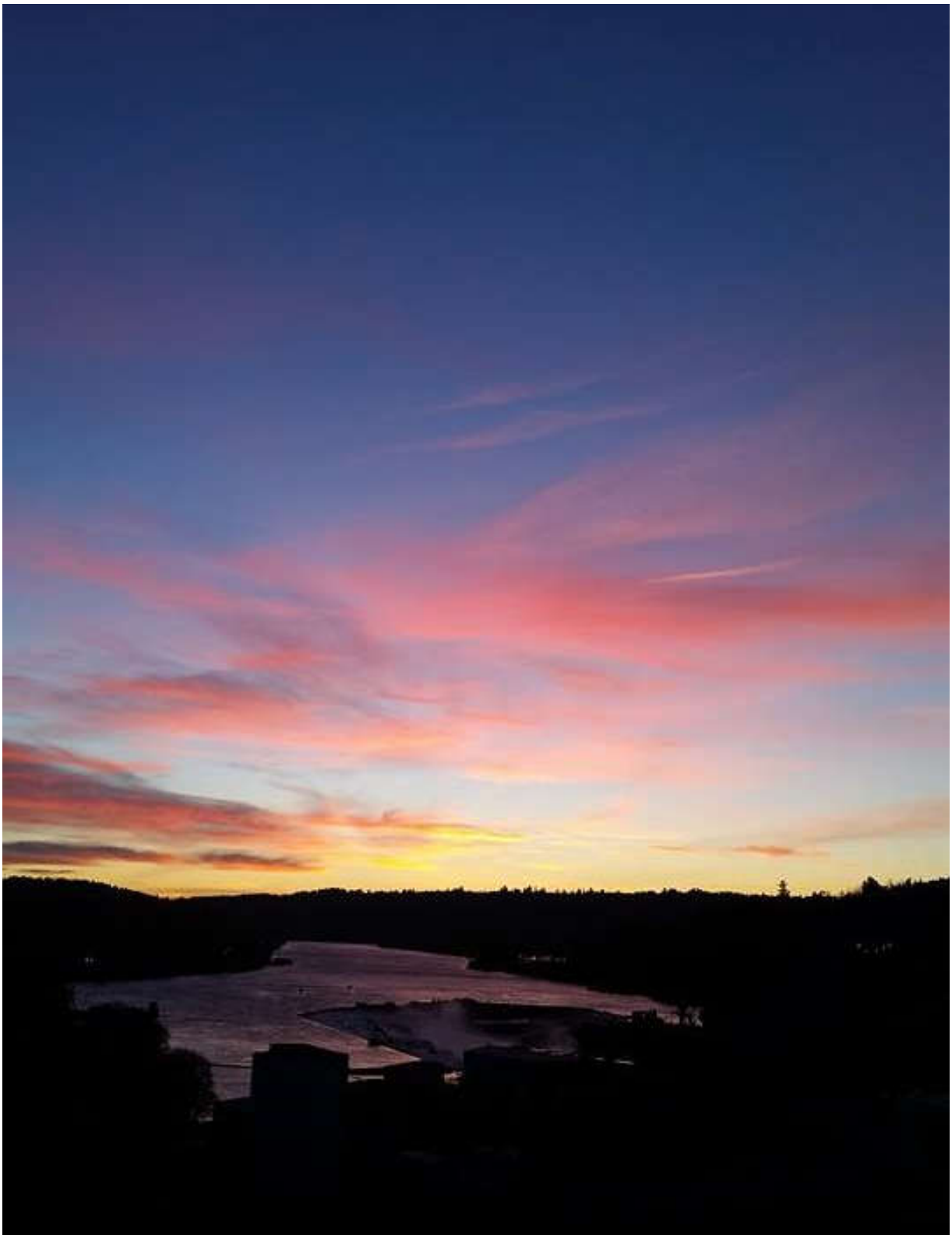
The chart below shows General Fund revenues by category over time.



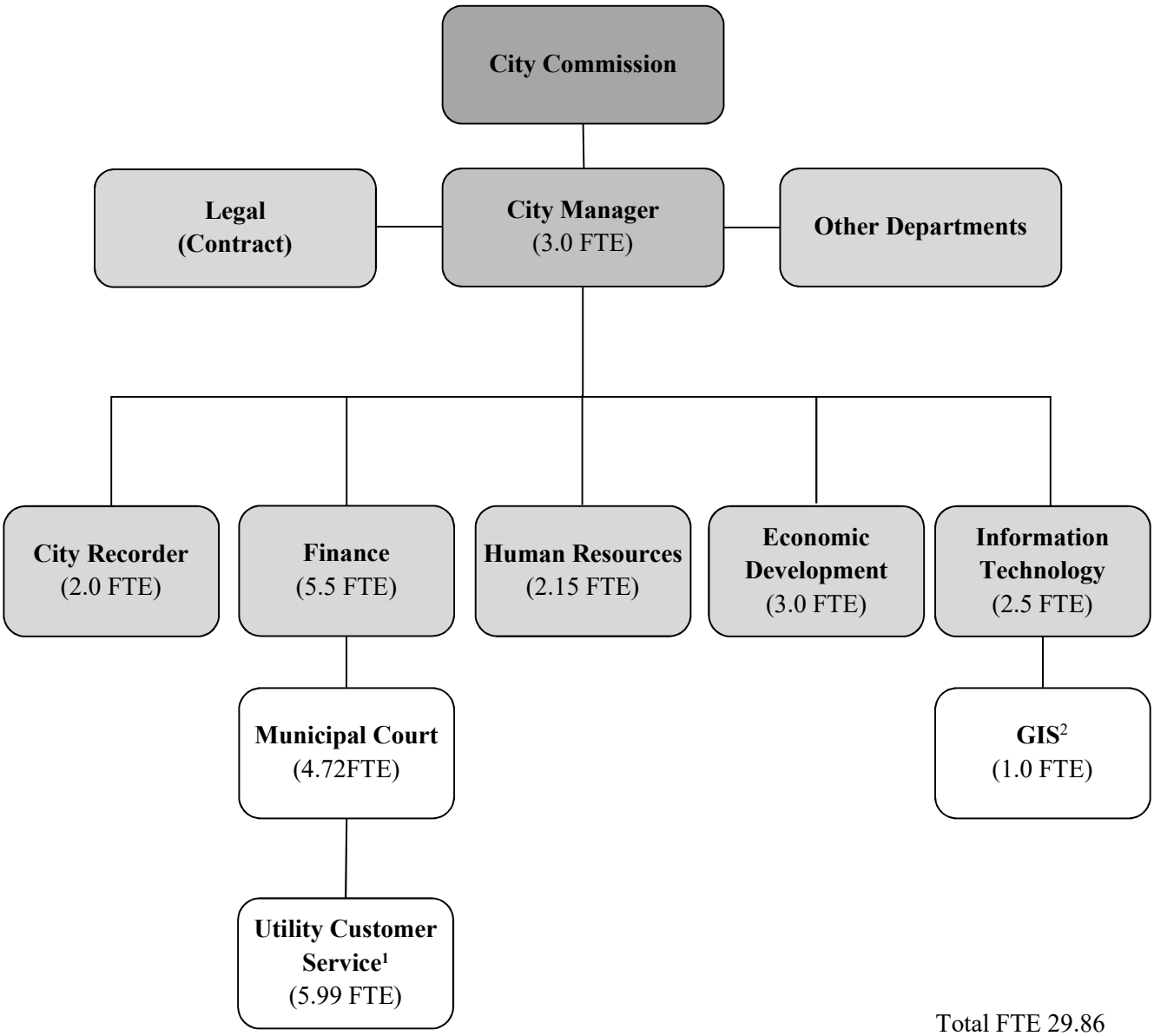
General Fund Expenditures

The following sections contain further detail on these expenditures by department.

General Fund	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Requirements by Category						
Personnel Services						
Salaries	$ 13,643,943	$ 16,008,376	$ 18,506,606	$ 9,729,464	$ 10,175,814	$ 19,905,278
Benefits	8,655,672	9,715,828	12,187,126	7,032,764	7,365,490	14,398,254
Total Personnel Services	22,299,615	25,724,204	30,693,732	16,762,228	17,541,304	34,303,532
Materials & Services						
Professional & Technical Services	2,303,173	3,161,845	2,816,448	1,338,410	1,238,410	2,576,820
Repair & Maintenance Services	2,843,176	3,123,305	3,346,284	1,709,310	1,706,810	3,416,120
Other Services	884,671	1,439,388	1,570,000	825,050	806,629	1,631,679
Employee Costs	394,861	471,318	532,311	312,680	312,700	625,380
Operating Materials & Supplies	628,124	756,890	906,722	425,990	424,430	850,420
Office & Administrative Supplies	830,149	883,225	1,101,230	499,692	498,692	998,384
Special Programs	583,478	1,037,957	1,131,010	590,190	540,190	1,130,380
Pass-Through Payments	-	-	640,000	400,000	400,000	800,000
Community Programs & Grants	5,298	496,785	1,275,000	630,500	530,500	1,161,000
Internal Service Charges	-	-	502,000	263,600	276,800	540,400
Total Materials & Services	8,472,930	11,370,713	13,821,005	6,995,422	6,735,161	13,730,583
Capital Outlay	911,086	1,195,620	2,293,110	1,022,500	358,500	1,381,000
Transfers and Other Uses	38,140,395	3,664,609	3,053,763	1,920,651	1,498,515	3,419,166
Contingency	-	-	2,251,281	6,700,549	6,396,470	6,396,470
Reserved for Future Expenditure	-	-	-	955,000	820,000	820,000
Unappropriated Fund Balance	6,189,165	7,270,170	-	-	-	-
Total General Fund	**$ 76,013,191**	**$ 49,225,316**	**$ 52,112,891**	**$ 34,356,350**	**$ 33,349,950**	**$ 60,050,751**



Policy and Administration



Total FTE 29.86
Less Utility Customer Service -5.99
Total in General Fund 23.87

[1] *Utility Customer Service function reports to Finance but is not in the General Fund; the FTE and budgeted expenses are reported within the Utility Billing Fund*

[2] *GIS personnel are allocated between the General Fund and various Public Works funds*

POLICY AND ADMINISTRATION

OVERVIEW

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

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

DEPARTMENT GOALS

- To provide 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 City Commission goals as established for the 2019-2021 biennium

SIGNIFICANT BUDGET CHANGES

- Includes full biennial funding of Tourism Coordinator which was approved partway through the prior biennium
- Community Programs and Grants, which are funded by tourism and waste dumping fees, continue to allocate grant revenues received
- Pass-through payments include fines collected on behalf of county and state agencies

POLICY AND ADMINISTRATION EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 2,809,554	$ 3,413,969	$ 4,021,688	$ 2,115,414	$ 2,208,635	$ 4,324,049
Benefits	1,555,677	1,706,224	2,538,774	1,454,878	1,529,656	2,984,534
Total Personnel Services	4,365,231	5,120,193	6,560,462	3,570,292	3,738,291	7,308,583
Materials & Services						
Professional & Technical Services	1,363,382	1,860,615	1,095,389	512,010	462,010	974,020
Repair & Maintenance Services	599,165	490,188	568,974	333,993	330,493	664,486
Other Services	38,944	380,882	369,040	168,400	133,000	301,400
Employee Costs	126,757	167,224	222,874	125,110	125,130	250,240
Operating Materials & Supplies	59,811	80,016	90,000	16,300	16,300	32,600
Office & Administrative Supplies	171,566	219,949	347,910	136,812	136,812	273,624
Special Programs	111,055	113,481	164,256	81,500	81,500	163,000
Pass-Through Payments	-	-	640,000	400,000	400,000	800,000
Community Programs & Grants	5,298	496,785	1,275,000	630,500	530,500	1,161,000
Total Materials & Services	2,475,978	3,809,140	4,773,443	2,404,625	2,215,745	4,620,370
Capital Outlay	170,633	199,470	275,000	109,000	95,000	204,000
Total Policy & Administration	$ 7,011,842	$ 9,128,803	$ 11,608,905	$ 6,083,917	$ 6,049,036	$ 12,132,953

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 2022. 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 and priorities for the upcoming biennium. These goals provide major policy direction for the coming years, specifically as they relate to budget and time allocations. The Commission goals and accomplishments are listed in the Introduction Section of this budget as they relate to the organization as a whole.

City Commission business meetings occur twice a month and work sessions are held once a month. City Commissioners receive no compensation for their time. They are reimbursed for expenses incurred during their time of service.

GOALS AND ACCOMPLISHMENTS

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.

- Cultivate an Environment for Successful Economic Development
- Address Critical Facility/Operations Needs
- Enhance the Livability of the Community
- Pursue Opportunities to Increase Transparency and Encourage Citizen Participation
- Maintain Fiscal Health and Long Term Stability

CITY COMMISSION EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Materials & Services						
Professional & Technical Services	$ 375	$ 71,502	$ 168,000	$ 50,000	$ 50,000	$ 100,000
Other Services	30,325	8,000	22,000	6,000	14,000	20,000
Employee Costs	54,528	65,978	65,600	39,000	39,000	78,000
Office & Administrative Supplies	29,380	43,100	52,520	26,750	26,750	53,500
Special Programs	111,055	113,481	164,256	81,500	81,500	163,000
Community Programs & Grants	4,038	1,718	4,000	2,000	2,000	4,000
Total Materials & Services	229,701	303,779	476,376	205,250	213,250	418,500
Total City Commission	$ 229,701	$ 303,779	$ 476,376	$ 205,250	$ 213,250	$ 418,500

BUDGET HIGHLIGHTS

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

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

Special Programs are as follows:

Trail News	$ 72,000
Neighborhood groups	52,000
Elections	30,000
Volunteer recognition	9,000
Total	$163,000

City Manager

Overview

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

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

Accomplishments

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

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

Goals and Projects

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

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

CITY MANAGER EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 375,407	$ 727,381	$ 642,579	$ 358,636	$ 372,014	$ 730,650
Benefits	144,735	160,981	396,311	244,175	260,135	504,310
Total Personnel Services	520,142	888,362	1,038,890	602,811	632,149	1,234,960
Materials & Services						
Professional & Technical Services	375	74,261	70,000	33,000	43,000	76,000
Repair & Maintenance Services	-	-	-	1,300	1,300	2,600
Employee Costs	13,856	7,798	21,000	11,000	11,000	22,000
Office & Administrative Supplies	17,373	11,354	17,400	14,600	14,600	29,200
Community Programs & Grants	595	12	60,000	3,000	3,000	6,000
Total Materials & Services	32,199	93,425	168,400	62,900	72,900	135,800
Total City Manager	$ 552,341	$ 981,787	$ 1,207,290	$ 665,711	$ 705,049	$ 1,370,760

BUDGET HIGHLIGHTS

The 2019-2021 budget shows an increase over last biennial budget due to the inclusion of costs relating to the Community Communications Coordinator for the entire period.

City Recorder

Overview

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

Accomplishments

- Achieved implementation of Hewlett-Packard Enterprise Records Manager (HPRM/HPERM), an Electronic Records Management System, in various departments throughout the City resulting in:
  - 140,432 records added in the past year, up from 30,389 records in 2016
  - Added 8 users to a total of 58
- Retrieved long-lost historical Ordinances, now made available to the public
- Accomplished a variety of goals from the Recorder's Office Records Management Strategic Plan 2014 – 2018; created a new Strategic Plan for 2019 – 2023 adopted by the City Commission
- Effectively conducted a City-wide records management event, resulting in six boxes sent to off-site storage, 20 boxes of eligible records for destruction, and freeing up approximately 125 cubic feet of space
- Efficiently processed over 250 public records requests within the required five-business day timeframe
- Partnered with Information Technology to revise the City's social media policy to include management of new technology and use of devices, the e-mail policy providing direction for managing e-mail, and the Internet use policy
- Digitized permanent paper records stored offsite and made accessible to the public via the City's website, reducing the quantity of documents stored offsite and reducing costs
- Conducted City-wide Records Management Training for all staff
- Provided records management help in various departments resulting in the review and processing of the following:
  - Over eight boxes of records from the Library Department
  - Oversized historic windows from the Carnegie Library expansion
  - Over 150 boxes of records from the Building Department
- Researched and implemented solution to ensure redundancy of video recordings at public meetings; installed recording equipment connected to our security system
- Successfully recruited and trained the new Assistant City Recorder and assisted with the new Executive Assistant to the City Manager

Goals and Projects

- Conduct a City-wide records inventory and make the information readily available, increasing public access to City records and information
- Develop and implement an approach to managing City-wide text messages as a record
- Expand access to electronic records managed through the City's electronic records management system and make more available on the City's website

CITY RECORDER EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 455,164	$ 410,979	$ 323,423	$ 176,420	$ 185,101	$ 361,521
Benefits	256,248	220,737	206,912	127,275	133,135	260,410
Total Personnel Services	711,412	631,716	530,335	303,695	318,236	621,931
Materials & Services						
Professional & Technical Services	118,876	194,358	38,000	12,000	12,000	24,000
Repair & Maintenance Services	25,025	2,050	165,000	88,000	88,000	176,000
Other Services	-	149,466	200,000	100,000	100,000	200,000
Employee Costs	8,065	14,119	10,400	5,800	5,800	11,600
Office & Administrative Supplies	17,213	17,572	122,000	10,400	10,400	20,800
Total Materials & Services	169,179	377,565	535,400	216,200	216,200	432,400
Capital Outlay	-	44,396	-	60,000	60,000	120,000
Total City Recorder	$ 880,591	$ 1,053,677	$ 1,065,735	$ 579,895	$ 594,436	$ 1,174,331

BUDGET HIGHLIGHTS

The proposed City Recorder budget remained the same with a decrease in legal and an increase in other professional and technical services for the increase in cost for codification services.

Professional & Technical Services relate to legal expenses and technical consultants for assistance with audio-visual equipment in the Chambers.

Repair & Maintenance Services represent program software maintenance costs:

Granicus: Agenda, meeting/minutes/ website license, maintenance	$ 80,000
HPERM/Chaves Consulting	54,000
Archiving software	20,000
Text messaging archiving	18,000
Municipal Code software fee (Municode)	4,000
Total	$ 176,000

Other Services consists of the following:

Recording of meetings	$ 151,200
Records storage, disposal and supplies	26,000
Minutes transcription	15,000
Recording and General Code Corp	7,800
Total Contract Services	$ 200,000

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 compliance.

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

Treasury and debt functions involve protecting and investing the City's cash assets, including banking and investment advisory services, and monitoring the City's debt portfolio and making recommendations on the structure of debt issuances. General accounting includes oversight of financial transactions, 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 compliance and financial reviews and audits on a rotating basis and recommends control procedures for Departments. Finance also provides general accounting services for the South Fork Water Board.

ACCOMPLISHMENTS

- Completed annual audits and financial reports for City of Oregon City, Oregon City Urban Renewal Agency and South Fork Water Board (no audit findings)
- Received Award for Distinguished Budget Presentation for 2017-2019 biennium
- Received Award for Excellence in Financial Reporting for the years ended June 30, 2016 and 2017. Submitted June 30, 2018 CAFR for award consideration
- Managed and implemented comprehensive Enterprise Resource Planning (ERP) systems throughout the City, including permitting/land management, business licensing, general ledger, payroll/electronic timekeeping, electronic purchasing, receivables/cashiering, utility billing and other modules
- Programmed Community Safety Advancement Fee (CSAF) revenues for utility billing and business licensing systems, supported election process and issued bonds for the City's new Police and Municipal Court Building, participated in design of Municipal Court section of building
- Implemented new practices to earn additional return on investments, with focus on safety, liquidity and then return
- Established best practices for financial management and obtained overall city credit rating upgrade to AA+ from S&P Global Ratings

GOALS AND PROJECTS

- Continue to improve efficiencies and reduce costs through process reviews and improvements
- Expand the use of the City's new ERP system by refining procedures within the new modules and coordinating cross department user groups
- Develop routine analysis meetings with operating departments to support financial awareness, including development of a Capital Improvement Plan user group with Public Works and Community Services
- Enhance Financial Policies and Procedures, including the design of investment activity reports for the City Commission
- Develop and implement a formal Indirect Cost Allocation Plan

FINANCE EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 784,377	$ 827,376	$ 940,128	$ 513,657	$ 533,265	$ 1,046,922
Benefits	462,408	495,036	597,266	347,292	363,606	710,898
Total Personnel Services	1,246,785	1,322,412	1,537,394	860,949	896,871	1,757,820
Materials & Services						
Professional & Technical Services	61,589	32,582	17,000	11,000	11,000	22,000
Repair & Maintenance Services	83,767	89,621	82,000	39,500	39,500	79,000
Employee Costs	16,650	18,598	33,000	17,000	17,000	34,000
Operating Materials & Supplies	826	366	1,000	300	300	600
Office & Administrative Supplies	34,940	57,987	56,500	27,000	27,000	54,000
Total Materials & Services	197,772	199,154	189,500	94,800	94,800	189,600
Total Finance	$ 1,444,557	$ 1,521,566	$ 1,726,894	$ 955,749	$ 991,671	$ 1,947,420

BUDGET HIGHLIGHTS

The Finance Department's budget is consistent with the prior biennium; with continued savings being obtained through process improvement and automation.

Repair & Maintenance Services include software annual maintenance which is budgeted at a reduction in the current year due to anticipated savings from software conversion.

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 8,000 traffic cases annually. Additionally, the Court handles approximately 800 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

- Established interagency accounts with Department of Revenue to collect fines for misdemeanor cases and with Oregon Department of Transportation to facilitate convictions on driving records and allow for other facilities and agencies to have accurate driving records.
- Continue paperless project with new scanning hardware and software programming
- Reallocated staffing hours, including on-call personnel, to address staffing issues around court days and departmental breaks
- Streamlined record retention process for better record retrieval and reduced costs
- Increased security at court with purchase of metal detector for security screenings
- Added audio capabilities to the court room and monitor for viewing discovery
- Improved interpreter program while reducing costs

GOALS AND PROJECTS

- Be represented at Oregon Association for Court Administration and Judicial conferences, Oregon Law Enforcement Data Systems and software trainings to ensure compliance of statutes, consistency with other municipalities, and explore trends to benefit court and the community served
- Complete record management project including scanning of all documents and becoming virtually paperless for traffic cases by end of budget cycle
- Continue to enhance security and training with bailiffs
- Purchase a wireless electronic signature pad to enable court to save signed documents immediately
- Continue to develop procedures and forms to streamline processes

MUNICIPAL COURT EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 539,607	$ 641,755	$ 672,973	$ 358,995	$ 376,013	$ 735,008
Benefits	332,048	368,724	412,734	223,317	234,715	458,032
Total Personnel Services	871,655	1,010,479	1,085,707	582,312	610,728	1,193,040
Materials & Services						
Professional & Technical Services	221,104	228,350	241,662	124,210	124,210	248,420
Repair & Maintenance Services	5,550	28,698	36,330	16,593	16,593	33,186
Other Services	8,619	1,004	-	-	-	-
Employee Costs	4,428	10,559	11,000	6,000	6,000	12,000
Operating Materials & Supplies	6,757	5,869	8,000	3,500	3,500	7,000
Office & Administrative Supplies	46,479	41,332	44,100	29,512	29,512	59,024
Pass-Through Payments	-	-	640,000	400,000	400,000	800,000
Total Materials & Services	292,937	315,812	981,092	579,815	579,815	1,159,630
Capital Outlay	63,746	-	5,000	-	-	-
Total Municipal Court	$ 1,228,338	$ 1,326,291	$ 2,071,799	$ 1,162,127	$ 1,190,543	$ 2,352,670

BUDGET HIGHLIGHTS

This biennial budget Materials & Services remains consistent from the prior period. Bailiff staffing hours were increased slightly to allow for improved security and screenings during court days. Contractual increases have also been proposed for court appointed attorneys and the prosecuting attorney. These have been offset by other departmental reductions.

The only significant change is the increase in pass-through court payments of $160,000 for the biennium (fees due to the County or State from citations received). The fees and subsequent payments were netted against each other prior to 2017.

Professional & Technical Services include the following:

Court Attorneys	$ 151,440
Prosecution	96,480
Technical Services	500
Total	$ 248,420

HUMAN RESOURCES

OVERVIEW

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

- Decreased premiums for Workers' Compensation for eighth year in a row for overall safety initiatives and low incident rates and received a dividend premium, reducing costs by 27%
- Received and processed over 1,580 applications annually for 45 recruitments for approximately 35 applications per recruitment, which is an increase in applications and recruitments from last biennium, in addition to recruiting a new Human Resources Director
- Received the SAIF/Oregon League of Cities Silver Safety Award

GOALS AND PROJECTS

- Direct insurance renewal processes and employee open enrollment for all insurance contracts
- Negotiate OCPEA and AFSCME contract bargaining
- Complete contract and negotiation process for selection of Agent of Record

HUMAN RESOURCES EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 356,944	$ 393,539	$ 459,091	$ 215,002	$ 225,002	$ 440,004
Benefits	197,681	229,285	275,395	145,741	153,995	299,736
Total Personnel Services	554,625	622,824	734,486	360,743	378,997	739,740
Materials & Services						
Professional & Technical Services	93,542	357,152	210,227	105,800	90,800	196,600
Repair & Maintenance Services	4,453	9,544	9,664	7,000	7,000	14,000
Employee Costs	8,501	15,695	21,289	13,850	13,850	27,700
Operating Materials & Supplies	25	-	-	-	-	-
Office & Administrative Supplies	8,281	9,639	8,390	5,600	5,600	11,200
Total Materials & Services	114,802	392,030	249,570	132,250	117,250	249,500
Total Human Resources	$ 669,427	$ 1,014,854	$ 984,056	$ 492,993	$ 496,247	$ 989,240

BUDGET HIGHLIGHTS

The proposed biennial budget continues funding for safety and mandatory training as well as the City's wellness program. Expenses remain consistent from the previous biennium.

Professional & Technical Services includes the following:

Legal fees	$135,000
Classification & compensation study	18,000
Employee assistance services	14,000
City-wide training	8,000
Recruiting and advertising	17,600
Wellness and other programs	4,000
Total	$196,600

DID YOU KNOW?

The lower the City's Worker's Compensation Experience Modification (Mod), the less we pay in premiums. Wellness and safety policies in place as well as earning a Silver Safety Award helped the City reduce its Mod to 0.61. This means the City's premium is reduced by 39%!

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.

ACCOMPLISHMENTS

- Continued to promote and utilize the available economic development tools, including the enterprise zone, vertical housing tax credits and the opportunity zone
- Worked with Benchmade, an industry leader that has chosen to continue to invest in Oregon City by creating 32 new living wage jobs, to utilize the Enterprise Zone program, which allows eligible businesses locating or expanding in the zone a three to five year tax abatement on new investments that increase full-time employment and pay at least 150% of the State minimum wage
- Continued to coordinate with Clackamas County on the eventual move of the Courthouse from Downtown Oregon City and have begun to identify opportunities for the transition of the facility to a new use
- Worked with Grand Peaks to complete the 244 garden-style apartments, office and a recreational building at Edgewater and completed the Vertical Housing tax credits as part of the certificate of occupancy
- Worked with Public Works to ensure the completion of a significant sanitary sewer improvement project in the Beavercreek Employment Area including the installation of approximately 2,400 linear feet of new sewer main to serve the employment lands
- Approved the Disposition and Development Agreement with Hudson Holding for the development of the second phase of The Cove project across the street from Edgewater at the Cove
- Adopted the Oregon City Strategic Plan for Tourism, which highlights our heritage partners and emphasizes experience based tourism to bring visitors downtown and mid-town via the elevator and launched a *Traveloregoncity* branding program and website and is working with the heritage community to celebrate the 175th anniversary of the founding of Oregon City

GOALS AND PROJECTS

- Implement the City-wide tourism plan through a coordinated, collaborative effort with all stakeholders
- Complete the design and construction drawings for the quiet zone improvements at 10th and 11th Streets and identify a funding strategy to complete construction of the improvements
- Develop a City-wide Economic Development Strategy
- Intensify business recruitment efforts by participating in Team Oregon, working with local companies with plans for expansion and connecting with additional site selectors
- Continue to support the Beavercreek Employment Area Marketing Initiative and identify additional funding opportunities to provided needed infrastructure to serve the area

ECONOMIC DEVELOPMENT EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 201,609	$ 255,214	$ 391,551	$ 228,137	$ 239,544	$ 467,681
Benefits	119,796	144,836	254,059	185,243	193,589	378,832
Total Personnel Services	321,405	400,050	645,610	413,380	433,133	846,513
Materials & Services						
Professional & Technical Services	61,387	140,608	170,000	50,000	5,000	55,000
Repair & Maintenance Services	-	21,365	30,000	100	100	200
Other Services	-	179,141	35,640	500	500	1,000
Employee Costs	16,601	18,854	21,610	10,800	10,800	21,600
Office & Administrative Supplies	10,422	20,020	18,200	12,400	12,400	24,800
Community Programs & Grants	665	495,055	1,211,000	625,500	525,500	1,151,000
Total Materials & Services	89,075	875,043	1,486,450	699,300	554,300	1,253,600
Capital Outlay	-	55,394	140,000	-	-	-
Total Economic Development	$ 410,480	$ 1,330,487	$ 2,272,060	$ 1,112,680	$ 987,433	$ 2,100,113

BUDGET HIGHLIGHTS

The 2019-2021 budget shows an increase over last biennial budget due to the inclusion of costs relating to the Tourism Coordinator for the entire period.

Professional & Technical Services includes funding of a City-wide economic development plan.

Other Services decreased as this was the remittance of the Economic Improvement District collections in previous periods.

Community Programs & Grants include the Tourism Program and the Community Enhancement Grant programs which both have funding carrying forward from unused spending in the 2017-2019 biennium. Expenditures consist of the following:

Community grants	$ 700,000
Tourism promotion	240,000
Business promotion	120,000
Economic development incentive	50,000
Tourism Program	40,000
Community functions	1,000
Total	$ 1,151,000

Information Technology

Overview

The City employs an Information Technology (IT) Supervisor who supervises technical staff in Geographic Information Systems, 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, 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 security certificates, secure online payment processing, virus protection, data backup and disaster-recovery.

Accomplishments

- Expanded Server infrastructure to 95% virtual, 5% physical
- Replaced backup system with bare-metal restore ability and 21TB offsite storage capacity
- Replaced stack switching hardware at Public Safety and City Hall facilities
- Supported Library expansion technology and migrated Library telephone services to ShoreTel to match Public Safety systems
- Expanded fiber connection to new Public Works facility
- Fully utilizing System Center Configuration Manager (SCCM) for imaging and software/policy management
- Hired IT Technician and elevated IT staff to Network Analyst
- Supported 300+ desktops and mobile devices in compliance with software and hardware licensing
- Migrated 90% of Office installations to O365 and implemented plan to update from Windows7 to Win10 by end of 2019

Goals and Projects

- Create a 5-year strategic plan to address IT investment and staffing
- Continue to transition to in-house IT support model and reduce outsourced managed services model
- Support of new Public Works Fir Street facility activities and technology
- Support of new Public Safety facility activities and technology. Move datacenter to new location.
- Add mobile device management in support of increased employee use and security
- Focus on security and archiving practices to reduce data backup needs and conform to changing retention policies

INFORMATION TECHNOLOGY EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 96,446	$ 157,726	$ 390,263	$ 159,700	$ 167,661	$ 327,361
Benefits	42,761	86,625	263,816	113,360	118,775	232,135
Total Personnel Services	139,207	244,351	654,079	273,060	286,436	559,496
Materials & Services						
Professional & Technical Services	164,397	357,348	180,500	126,000	126,000	252,000
Repair & Maintenance Services	480,370	338,910	191,000	155,000	155,000	310,000
Other Services	-	43,271	97,400	50,000	10,000	60,000
Employee Costs	4,128	15,623	20,000	12,750	12,750	25,500
Operating Materials & Supplies	52,203	73,781	80,000	12,000	12,000	24,000
Office & Administrative Supplies	7,478	18,945	16,500	4,500	4,500	9,000
Total Materials & Services	708,576	847,878	585,400	360,250	320,250	680,500
Capital Outlay	106,887	99,681	130,000	44,000	30,000	74,000
Total Information Technology	$ 954,670	$ 1,191,910	$ 1,369,479	$ 677,310	$ 636,686	$ 1,313,996

BUDGET HIGHLIGHTS

Proposed funding for this biennium includes the funding of an Information Technology strategic plan and security audit, budgeted under Other Services. Additionally, the budget contains an increase in licensing fees for the deployment of Microsoft Office for over 200 users.

Professional & Technical Services accounts for the contracted managed network services which include server, firewall, monitoring, and data backup management. The current contract is budgeted at $224,000 for the biennium.

Repair & Maintenance Services includes the following:

Microsoft Licensing	$120,000
Email security and scanning	$74,000
Cloud services	30,000
Mobile device management	20,000
Network tools	20,000
Electronic document management	16,000
PDF software	12,000
OC Request	12,000
Other services	6,000
Total	$310,000

Geographic Information Systems

Overview

The Geographic Information Systems (GIS) program is responsible for developing, maintaining, and distributing maps, applications, and other databases serving city-wide 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 Division works closely with: Public Works, which provides utility services; Building, which provides address and permit information; Planning, which provides zoning amendments, development, and resource information, and Engineering, which provides 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 10 new web mapping applications, for public information (Art Storymap, Summer Construction Projects), and for city staff (Inspector Permit Viewer, Utility Locates, Street Light Inventory, Pipe Conditions)
- Researched and mapped park boundaries in support of Waterboard Park litigation, and for charter park designations
- Upgraded GIS infrastructure to next generation GIS enterprise software (ArcGIS Enterprise and Portal)
- Implemented mapping module for new enterprise permit system (Energov) and integrated permit/plans/code modules with OCMap
- Integrated Granite TV video inspection software with GIS and Lucity asset management system

GIS Expenditures

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 178,014	$ 187,676	$ 201,680	$ 104,867	$ 110,035	$ 214,902
Benefits	95,219	100,353	132,281	68,475	71,706	140,181
Total Personnel Services	273,233	288,029	333,961	173,342	181,741	355,083
Materials & Services						
Repair & Maintenance Services	39,697	40,848	54,980	26,500	23,000	49,500
Other Services	17,875	4,148	14,000	11,900	8,500	20,400
Employee Costs	9,266	8,178	18,975	8,910	8,930	17,840
Operating Materials & Supplies	-	2,811	1,000	500	500	1,000
Office & Administrative Supplies	20,359	8,718	12,300	6,050	6,050	12,100
Total Materials & Services	87,197	64,703	101,255	53,860	46,980	100,840
Capital Outlay	-	-	-	5,000	5,000	10,000
Total GIS	$ 360,430	$ 352,732	$ 435,216	$ 232,202	$ 233,721	$ 465,923

General Government

Overview

Expenditures that relate to all City Departments or the community as a whole are reported as General Government. These include City Hall building maintenance and utilities, citywide insurance, annual audit costs, postage, and streetlights. Important community projects and expenditures are allocated to other departments through transfers and are included as well.

General Government Expenditures

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 179,138	$ 167,866	$ 101,715	$ 102,101	$ 107,156	$ 209,257
Benefits	542,585	553,837	511,202	302,766	306,249	609,015
Total Personnel Services	721,723	721,703	612,917	404,867	413,405	818,272
Materials & Services						
Professional & Technical Services	61,709	69,401	230,000	91,200	91,200	182,400
Repair & Maintenance Services	972,063	984,533	1,248,950	561,149	561,149	1,122,298
Other Services	844,942	1,005,388	1,118,000	585,950	602,929	1,188,879
Employee Costs	3,686	4,597	5,560	2,500	2,500	5,000
Operating Materials & Supplies	9,863	11,241	17,200	6,450	6,450	12,900
Office & Administrative Supplies	140,842	106,426	155,750	68,600	68,600	137,200
Special Programs	141,695	457,562	386,000	213,000	163,000	376,000
Internal Service Charges	-	-	400,000	210,000	220,500	430,500
Total Materials & Services	2,174,800	2,639,148	3,561,460	1,738,849	1,716,328	3,455,177
Transfers Out	37,609,965	2,378,909	1,512,134	1,295,170	1,020,170	2,315,340
Capital Outlay	28,640	40,288	446,410	100,000	100,000	200,000
Total General Government	$ 40,535,128	$ 5,780,048	$ 6,132,921	$ 3,538,886	$ 3,249,903	$ 6,788,789

Budget Highlights

The current budget includes the addition of a Facilities Maintenance position partially funded with payments from user departments.

Professional & Technical Services include legal fees and the annual audit.

Repair & Maintenance Services include Building Maintenance for City Hall and the End of the Oregon Trail facility as well as maintenance of street lights.

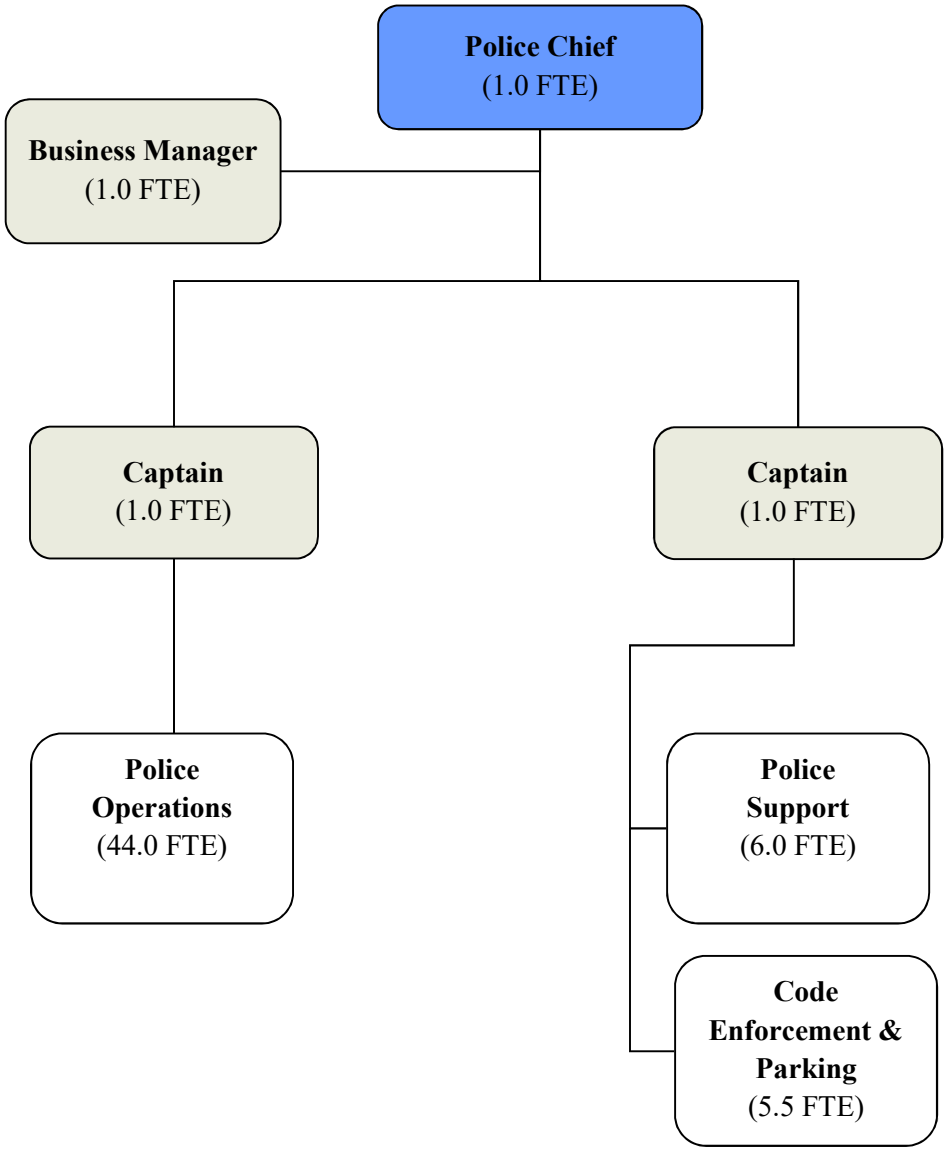
Other Services fund the city-wide general property and liability insurance.

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

Transfers Out include the following:

Transfer to Community Development Fund	$ 700,000
Transfer to Community Facilities Fund	675,000
Transfer to Transportation Fund	300,340
Transfer to Library Fund	300,000
Transfer to Engineering Fund	240,000
Transfer to Equipment Replacement Fund	100,000
Total	$ 2,315,340

Police



Total 59.5 FTE

Consists of 47 sworn and 12 non-sworn positions, and part time hours for parking enforcement

POLICE

OVERVIEW

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

MISSION

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

DEPARTMENT GOALS

- **GOAL 2 ADDRESS CRITICAL FACILITY NEEDS**
  - To complete construction of the new Police and Court Facility on time and within budget
- **GOAL 3 ENHANCE THE LIVABILITY OF THE COMMUNITY**
  - Identify partnerships, programs, and funding to address homeless community members and the effects of homelessness in the community

SIGNIFICANT BUDGET CHANGES

The Police dispatch contractual service with Clackamas County increased by approximately $70,000, or approximately 9%, over the biennium.

The budget includes a proposed Traffic Sergeant to handle the ongoing traffic issues the City is facing.

POLICE OPERATIONS

OVERVIEW

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.

The Police Department includes 47 sworn personnel. The sworn staff, at full strength, consists of the Chief of Police, two captains, six patrol sergeants, one training sergeant, 24 patrol officers, one homeless liaison officer (HLO), one college resource officer (CRO), two school resource officers (SRO), and three traffic officers with a proposed Traffic Sergeant. Also included is the detective unit, consisting of one detective sergeant and four detectives; one of which is assigned to the Clackamas County interagency narcotics team. Special Assignment officers from the patrol division include three canine units, three members on the Clackamas County Sheriff's Office Interagency SWAT team, and two hostage negotiators who are assigned to SWAT.

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

ACCOMPLISHMENTS

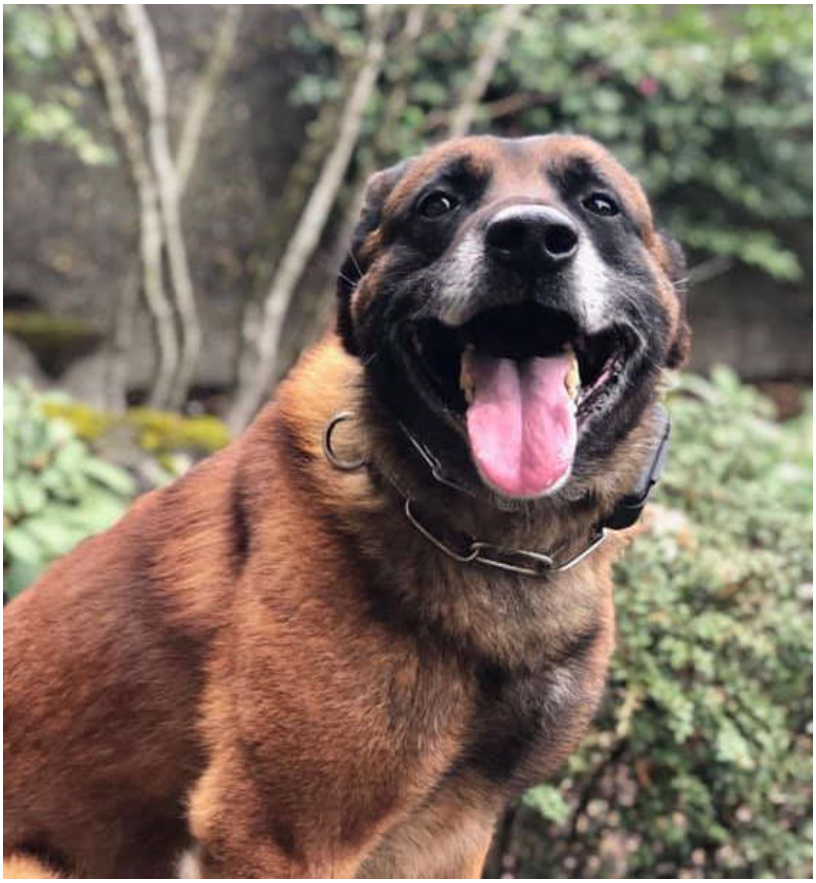
- Successfully led a bond measure effort, receiving 78% approval from the community to use Community Safety Advancement Fund (CSAF) funds for the new police and court facility
- Hired a design team that includes a project manager, technical advisor, architectural firm, and construction company, to begin the construction process of a new police and court facility
- Hired a full-time homeless liaison officer (HLO) as part of a hugely successful program to address the rapidly growing issues that surround homelessness
- Secured over $75,000 in grant funding to aid people who were on the verge of homelessness to stay in housing
- Implemented Mark43, a multi-agency paperless reporting system, which included training officers and records staff in its use
- Successfully implemented a College Resource Officer position, which is a resource to students, staff, the college security officers, and the police department to ensure a safe campus, in partnership with Clackamas Community College, which pays $150,000 on an annual basis for the full-time officer to work at the school
- Created a Budget Manager position to better support the department doing project management, procurement, and human resources duties, by restructuring support staffing in the police department
- Maintained community awareness and involvement by establishing and/or attending neighborhood association meetings, neighborhood watch groups, shred events, and National Night out
- Partnered with Clackamas County Behavioral Health Unit (BHU) to better assist those suffering from mental illness in the community by allowing officers to call mental health crisis workers to the scene of incidents involving people in crisis, and by providing officers with ongoing training
- Maintained the Mt. Pleasant School site
- Received reaccreditation from the Oregon Accreditation Alliance, which is in cooperation with the Oregon Association of Chiefs of Police
- Refined the Education on Vehicle Awareness and Defensive Driving (EVADD) class, which has been attended by thousands of drivers of all ages, to educate first time traffic offenders about traffic safety
- Refined the narcotics canine program, which has led to numerous seizes of

illegal firearms and narcotics

- Purchased new radios for officers and each police vehicle through the C800 radio bond program
- Implemented an innovative new peer team to support our employees, the design and method of which has been very successful and is being replicated by other agencies
- Launched a bike team to better serve successful City events such as Concerts in the Park, Movies in the Park, and the First City Celebration

Goals and Projects

- Implement a new scheduling software which integrates with the City's new timekeeping system and train all staff
- Purchase and appoint four new patrol cars and two new staff cars in each budget year.
- Create and hire a new Administrative Support Specialist position
- Hire a new sworn position to serve as the Patrol Sergeant, a position that will supervise the traffic unit, steering the team's efforts, analyzing results, and refining their effectiveness
- Complete construction of the new police and court facility



POLICE OPERATIONS EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 7,959,293	$ 8,887,345	$ 10,211,962	$ 5,289,134	$ 5,539,791	$ 10,828,925
Benefits	5,004,847	5,433,671	6,606,856	3,831,220	4,014,560	7,845,780
Total Personnel Services	12,964,140	14,321,016	16,818,818	9,120,354	9,554,351	18,674,705
Materials & Services						
Professional & Technical Services	861,192	1,020,501	1,150,839	527,000	527,000	1,054,000
Repair & Maintenance Services	426,775	508,588	448,380	232,068	232,068	464,136
Other Services	-	4,416	20,000	37,000	37,000	74,000
Employee Costs	210,529	244,111	207,897	137,000	137,000	274,000
Operating Materials & Supplies	341,153	371,027	351,588	189,500	189,500	379,000
Office & Administrative Supplies	321,440	343,294	364,006	178,250	178,250	356,500
Special Programs	43,687	41,569	64,694	39,500	39,500	79,000
Internal Service Charges	-	-	100,000	52,500	55,100	107,600
Total Materials & Services	2,204,776	2,533,506	2,707,404	1,392,818	1,395,418	2,788,236
Capital Outlay	105,034	48,436	40,000	20,000	20,000	40,000
Transfers Out	271,000	1,080,000	1,428,929	370,000	370,000	740,000
Total Police	$ 15,544,950	$ 17,982,958	$ 20,995,151	$ 10,903,172	$ 11,339,769	$ 22,242,941

BUDGET HIGHLIGHTS

The two increases in Materials & Services include the contracted emergency dispatch services ($70,000 increase) and for increased investment in training of officers.

The proposed Budget includes one additional FTE for a traffic sergeant position.

Professional & Technical Services are broken out as follows:

911 Dispatch	$ 840,000
Police radios (Clackamas)	86,000
Records management	68,000
Property & evidence management	23,000
Secure mobile connection	12,000
Advanced Public Safety	11,000
Legal fees	10,000
Other software	4,000
Total	$1,054,000

Code Enforcement and Parking

Overview

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

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

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

Goals and Projects

- Research and complete a cost analysis for replacing all parking meters with pay stations or all parking meter heads with updated credit card swipe meter heads
- Research other Code and Parking enforcement revenue options to support an additional full-time officer
- Study a potential derelict structure ordinance that would assess fees to property owners for abandoned properties
- Research potential ramifications to the parking program of the courthouse moving from downtown

CODE ENFORCEMENT AND PARKING EXPENDITURES

Description	2013-2015 Actual *	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ -	$ 635,599	$ 717,036	$ 347,079	$ 363,648	$ 710,727
Benefits	-	423,243	491,149	291,031	304,710	595,741
Total Personnel Services	-	1,058,842	1,208,185	638,110	668,358	1,306,468
Materials & Services						
Professional & Technical Services	-	88,710	65,000	25,000	25,000	50,000
Repair & Maintenance Services	-	176,037	182,300	93,250	93,250	186,500
Other Services	-	47,912	60,700	32,500	32,500	65,000
Employee Costs	-	5,221	10,260	5,100	5,100	10,200
Operating Materials & Supplies	-	38,924	52,674	21,500	21,500	43,000
Office & Administrative Supplies	-	38,238	36,624	19,300	19,300	38,600
Special Programs	-	84,858	115,000	60,000	60,000	120,000
Internal Service Charges	-	-	2,000	1,100	1,200	2,300
Total Materials & Services	-	479,900	524,558	257,750	257,850	515,600
Capital Outlay	-	55,530	40,000	15,000	-	15,000
Transfers Out	-	23,000	20,000	10,000	10,000	20,000
Total Code Enforcement & Parking	$ -	$ 1,617,272	$ 1,792,743	$ 920,860	$ 936,208	$ 1,857,068

*The Code Enforcement, Parking and Clean-up programs for the City were recorded in three separate funds prior to the 2015-2017 biennium. Please see the section on Closed Funds starting on page 145 for historical information.

BUDGET HIGHLIGHTS

The Code Enforcement budget remained relatively consistent in the biennium with the only increase coming from personnel costs.

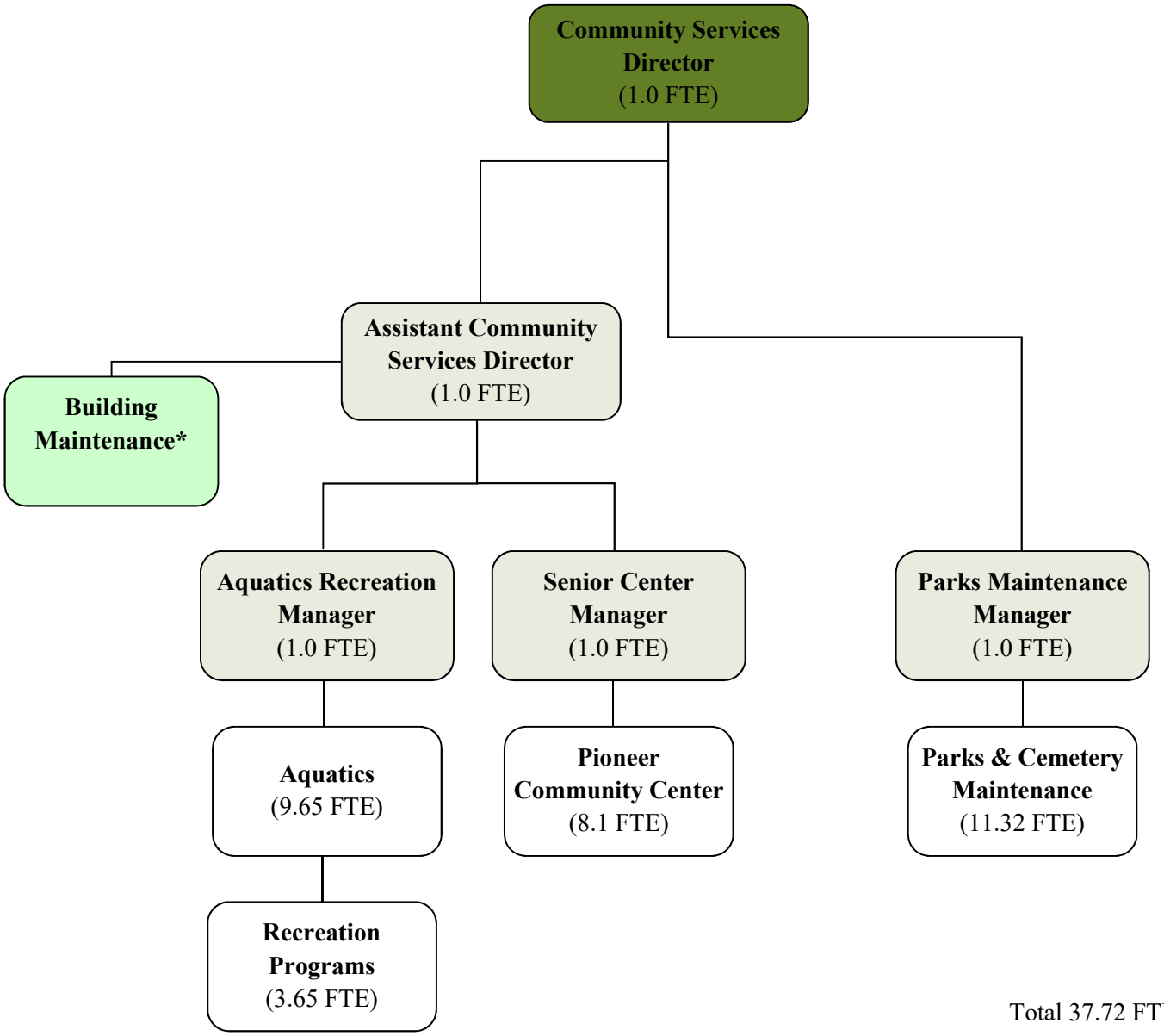
Professional & Technical Services are composed of legal fees.

Repair and Maintenance Services include waste disposal for all City locations of $156,500 and vehicle and equipment maintenance of $30,000. The Department receives garbage franchise revenue committed to paying for this service and other clean up and beautification costs.

Special Programs & Services are composed of:

Flower basket program	$92,000
Nuisance abatement	20,000
Other clean-up	8,000
Total	$120,000

Community Services



Total 37.72 FTE

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

Community Services

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 six major programs: Parks Operations Maintenance, Aquatics, Recreation, Pioneer Community Center, Mountain View Cemetery, and Building Maintenance.

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**
  - Develop future revenue options for long-term maintenance of City Parks and Recreational facilities
  - Continue to increase funding to address deferred maintenance of facilities
- **Goal 4 Seek Opportunities to Maintain Communications with Citizens and Facilitate Citizen Participation**
  - Develop and implement an operations and volunteer plan for Ermatinger House

Significant Budget Changes

The proposed budget includes an additional Parks Maintenance Specialist and an increase in funding for deferred parks maintenance.

COMMUNITY SERVICES EXPENDITURES (COMBINED)

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 2,695,958	$ 2,903,597	$ 3,454,205	1,875,736	$ 1,956,584	$ 3,832,320
Benefits	1,552,563	1,598,853	2,039,145	1,152,869	1,210,315	2,363,184
Total Personnel Services	4,248,521	4,502,450	5,493,350	3,028,605	3,166,899	6,195,504
Materials & Services						
Professional & Technical Services	16,890	122,618	275,220	183,200	133,200	316,400
Repair & Maintenance Services	845,173	963,959	897,680	488,850	489,850	978,700
Other Services	785	790	2,260	1,200	1,200	2,400
Employee Costs	53,889	50,165	85,720	42,970	42,970	85,940
Operating Materials & Supplies	217,297	255,682	395,260	192,240	190,680	382,920
Office & Administrative Supplies	196,301	175,318	196,940	96,730	95,730	192,460
Special Programs	287,041	340,487	401,060	196,190	196,190	392,380
Total Materials & Services	1,617,376	1,909,019	2,254,140	1,201,380	1,149,820	2,351,200
Capital Outlay	606,779	851,896	1,491,700	778,500	143,500	922,000
Transfers Out	259,430	182,700	92,700	245,481	98,345	343,826
Total Expenditures	6,732,106	7,446,065	9,331,890	5,253,966	4,558,564	9,812,530
Total Community Services	$ 6,732,106	$ 7,446,065	$ 9,331,890	$ 5,253,966	$ 4,558,564	$ 9,812,530

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

Parks and Cemetery Maintenance

Overview

The Parks and Cemetery Maintenance department provides the community with a system of neighborhood, community and regional parks which include play equipment, sports facilities and open green spaces. The department oversees 37 park sites, 2 boat ramps, a 56 acre cemetery and an RV Park. The department ensures these facilities are safe, clean and green and provide picnic facilities, shelters, restrooms and other facilities to support an active recreation program.

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

Accomplishments

- Resealed the parking lots at Hillendale Park
- Identified and removed hazardous trees; replanting in every instance
- Hosted DC Latourette Park De-pave event; installed new basketball hoops and removed 4,500 square feet of asphalt in preparation for nature playground
- Completed playground repairs at Chapin, Hillendale and Rivercrest Parks; new adult infant swing installed
- Identified and repaired multiple safety hazards on hard surface walking trails and parking lots
- Completed RV Park updates
- Continued partnering with Oregon City Parks foundation with improvements to Oregon City Parks; ivy removal at Waterboard Park and new plantings at the McLoughlin Promenade
- Butterfly garden installed at Library Park
- Increased community through multiple park, cemetery, river and trail cleanup events
- Successful Enhancement Days for the City including over 70 volunteers, planting trees, plants and bark dusting; retired the flag on the Promenade
- Continued to identify sites and plant trees and native plant material as part of reforestation goals; working with various civic groups at multiple parks including Abernethy Creek Park (GOCWC) and Mt. View Cemetery (Gardiner Middle School)
- Scoreboard installation and field renovations at Wesley Lynn Park
- Completion of training for staff including Certified Playground Safety Inspector and Pesticide Applicator Licensing
- Completed repairs to Chapin Park drainage system

Goals and Projects

- Maintain city parks and open spaces to the highest possible standards with available resources
- Update the Oregon City Parks and Recreation Master Plan
- Tyrone S Woods Memorial Park Phase I development
- Construction of Parks Operations Facility
- Chapin Park restroom replacement
- Support ongoing Tree City USA designation
- Address trail maintenance and repair needs ensuring ADA compliance
- Complete repairs updates Hillendale Park drainage system long term solutions; explore lighting options for sport courts
- Provide outstanding customer service to individuals and families
- Design and install new landscaping throughout cemetery grounds to improve appearance and sales
- Continue invasive plant species eradication and re-plant with native species
- Complete playground upgrades and repairs throughout the parks system
- Complete repairs to Singer Creek Park and disc golf course
- DC Latourette Park Phase I development
- Coordinate projects with volunteer groups and individuals to support our parks management system

PARKS AND CEMETERY MAINTENANCE EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 1,020,602	$ 1,107,783	$ 1,286,638	$ 756,101	$ 790,341	$ 1,546,442
Benefits	636,578	695,265	869,140	508,289	535,056	1,043,345
Total Personnel Services	1,657,180	1,803,048	2,155,778	1,264,390	1,325,397	2,589,787
Materials & Services						
Professional & Technical Services	16,890	120,309	270,220	180,700	130,700	311,400
Repair & Maintenance Services	399,890	466,722	367,580	222,940	223,940	446,880
Other Services	-	31	-	-	-	-
Employee Costs	23,004	24,377	40,680	18,570	18,570	37,140
Operating Materials & Supplies	122,229	150,073	287,400	132,200	132,200	264,400
Office & Administrative Supplies	73,283	68,514	61,040	33,820	36,320	70,140
Special Programs	84,749	66,073	42,200	22,500	22,500	45,000
Total Materials & Services	720,045	896,099	1,069,120	610,730	564,230	1,174,960
Capital Outlay	328,412	362,056	1,199,700	643,500	143,500	787,000
Transfers Out	259,430	182,700	92,700	95,481	98,345	193,826
Total Parks & Cemetery Maintenance	$ 2,965,067	$ 3,243,903	$ 4,517,298	$ 2,614,101	$ 2,131,472	$ 4,745,573

BUDGET HIGHLIGHTS

This budget includes an additional Parks Maintenance Specialist position to assist with increased workload at parks and the backlog of deferred maintenance. Significant expenses are highlighted below:

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

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

Special Programs include the Transient Room Tax.

Capital Outlay includes funding to address needed deferred park improvements such as $490,000 for DC Latourette Park, $75,000 for the McLoughlin Promenade parking lot, $50,000 in asphalt repairs, and $60,000 for Park Place playground. Equipment and software needs total $67,000 for the biennium.

Recreation Aquatics

Overview

The Aquatics Program strives to meet high standards in aquatic safety, service and facility maintenance by providing the community with a safe, fun, well supervised facility; offering programs for youth and families, avenues for adults to build lifelong fitness skills, and a place for seniors to maintain good health.

Accomplishments

- Exceeded revenue projections in almost all areas of aquatic program which includes swimming lessons, memberships, facility reservations and exercise classes
- Continued to receive positive feedback from patrons
- Increased social media outreach and advertising
- Continued to provide a safe, professional and clean facility to the community
- Addressed facility infrastructure issues through completion of pool deck concrete repairs and steel support column repairs. This work will help to extend the life of the pool for another 30 years
- Successfully passed an American Red Cross (ARC) Aquatic audit. ARC evaluated operations, staff training and assessed skill level of lifeguard staff

Goals and Projects

- Maintain the facility to ensure continued upkeep and safety for the public
- Evaluate programs against trends to identify areas that are underserved and continue to seek creative ways to program the pool and community room to meet these trends
- Strive to be fiscally conservative and program facility space and time efficiently to maximize revenue to help offset increased expenses due to the minimum wage increase
- Continue to seek additional partnerships within the community
- Create more daytime public activities while maintaining school swim lesson program participation

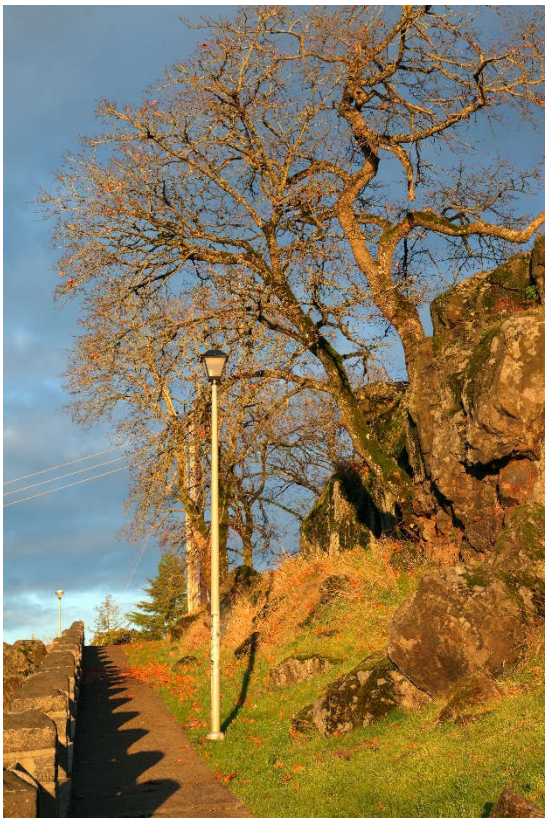
Recreation Aquatics Expenditures

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 649,912	$ 708,375	$ 866,696	$ 436,673	$ 453,126	$ 889,799
Benefits	286,960	288,745	394,220	213,977	223,936	437,913
Total Personnel Services	936,872	997,120	1,260,916	650,650	677,062	1,327,712
Materials & Services						
Professional & Technical Services	-	625	4,000	2,000	2,000	4,000
Repair & Maintenance Services	207,712	267,035	239,020	121,710	121,710	243,420
Other Services	-	759	-	700	700	1,400
Employee Costs	6,294	8,040	13,740	7,200	7,200	14,400
Operating Materials & Supplies	55,059	60,804	51,840	27,470	27,470	54,940
Office & Administrative Supplies	45,633	44,627	56,340	21,340	20,590	41,930
Special Programs	9,280	9,861	15,320	7,660	7,660	15,320
Total Materials & Services	323,978	391,751	380,260	188,080	187,330	375,410
Capital Outlay	240,359	366,552	241,000	10,000	-	10,000
Total Recreation Aquatics	$ 1,501,209	$ 1,755,423	$ 1,882,176	$ 848,730	$ 864,392	$ 1,713,122

Budget Highlights

This biennial budget maintains fairly consistent budgets with reductions due to completion of capital maintenance projects in the prior biennium.

Repair & Maintenance Services includes electric and gas utilities as well as costs to maintain the pool building.



Did you know?

Our pool hosts over 138,000 visits per year and offers three different summer camps (Pre-K crew, Aqua Camp, and Rivercrest) for children aged 3-12. And our summer *Movies in the Park* provides entertainment to over 600 each movie night.

Pioneer Community Center

Overview

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

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

Accomplishments

- Monitored customer requests and modified program offerings to meet needs of the community
- Added additional seminars, activities and classes for healthy living
- Upgraded lighting in the Ballroom
- Replaced carpet throughout the building
- Grant received for two signs to be replaced in the Peace Garden
- Continued to provide a safe, professional and clean facility for community use
- Increased social media outreach and advertising
- Added part-time receptionist to the front desk to provide professional customer service. The other 50% of front desk reception time is filled by senior volunteers
- Passed all required inspections and audits

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
- Monitor customer needs and program trends; add needed programs or eliminate underutilized programs
- Replace Ballroom floor in 2020
- Continue to seek additional partnerships within the community
- Continue to recruit and manage a large pool of volunteers for continued high service requests
- Continue to offer staff training to ensure high quality of customer service

PIONEER COMMUNITY CENTER EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 849,356	$ 874,972	$ 980,851	529,330	553,085	1,082,415
Benefits	544,872	518,233	621,000	339,310	355,739	695,049
Total Personnel Services	1,394,228	1,393,205	1,601,851	868,640	908,824	1,777,464
Materials & Services						
Professional & Technical Services	-	-	1,000	500	500	1,000
Repair & Maintenance Services	227,677	195,794	213,280	108,600	108,600	217,200
Employee Costs	5,530	2,677	10,920	4,590	4,590	9,180
Operating Materials & Supplies	23,168	32,305	38,020	23,570	22,010	45,580
Office & Administrative Supplies	60,922	47,040	58,400	30,030	27,280	57,310
Special Programs	77,180	92,714	91,000	47,210	47,210	94,420
Total Materials & Services	394,477	370,530	412,620	214,500	210,190	424,690
Capital Outlay	38,008	96,666	51,000	40,000	-	40,000
Total Pioneer Community Center	$ 1,826,713	$ 1,860,401	$ 2,065,471	$ 1,123,140	$ 1,119,014	$ 2,242,154

BUDGET HIGHLIGHTS

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

Capital Outlay includes the replacement of the ballroom dance floor.

Recreation Programs

Overview

Recreation provides a full range of recreational activities and opportunities to the citizens of Oregon City in settings which are safe, sustainable, green and clean, preserving our past and building for our future. The recreation budget supports overall department administration functions including the positions of 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 Master Plan and plan, develop and maintain recreation programs.

Accomplishments

- Continued to offer additional recreational opportunities for the community
- Increased contract classes and programs to meet community needs and trends
- Continued to improve the Concerts in the Park series by increasing sponsorship amounts
- Increased Movies in the Park Sponsorship and attendance
- Exceeded recreation programming revenue projections
- Opened and began operating the Ermatinger House after a thorough renovation of the house museum; received 2019 Restore Oregon DeMuro Award for historic preservation and reuse
- Fostered several new community partnerships to diversity access to recreation programs and compile resources to add more recreational opportunities for the community

Goals and Projects

- Taking into consideration the department's staffing limitations, maintain existing quality of programs while increasing recreation opportunities for the community by utilizing contract services
- Be a strong and reliable resource of recreational events for the community
- Continue to provide a series of special events in which the community is proud to have and also draws attendances from surrounding communities
- Identify community needs in regards to recreation programs and add/modify programs based on findings
- Work with community partners to explore programming and operation options for the Ermatinger House
- Strive to be fiscally conservative and program events and activities to maximize revenue to help offset increased expenses due to the minimum wage increase

RECREATION PROGRAMS EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 176,088	$ 212,467	$ 320,020	$ 153,632	$ 160,032	$ 313,664
Benefits	84,153	96,610	154,785	91,293	95,584	186,877
Total Personnel Services	260,241	309,077	474,805	244,925	255,616	500,541
Materials & Services						
Professional & Technical Services	-	1,684	-	-	-	-
Repair & Maintenance Services	9,894	34,408	77,800	35,600	35,600	71,200
Other Services	785	-	2,260	500	500	1,000
Employee Costs	19,061	15,071	20,380	12,610	12,610	25,220
Operating Materials & Supplies	16,841	12,500	18,000	9,000	9,000	18,000
Office & Administrative Supplies	16,463	15,137	21,160	11,540	11,540	23,080
Special Programs	114,871	146,316	150,540	83,030	83,030	166,060
Total Materials & Services	177,915	225,116	290,140	152,280	152,280	304,560
Capital Outlay	-	26,622	-	-	-	-
Total Recreation Programs	$ 438,156	$ 560,815	$ 764,945	$ 397,205	$ 407,896	$ 805,101

BUDGET HIGHLIGHTS

This budget includes an increase in the Summer Concert Series to continue to improve the quality of the program. This increase is offset by increased sponsorship contributions and increased program revenue.

Special Programs are composed of the following:

Trail News	$ 53,000
Events	5,060
Concerts	74,000
Programs	34,000
Total Special Programs	$166,060

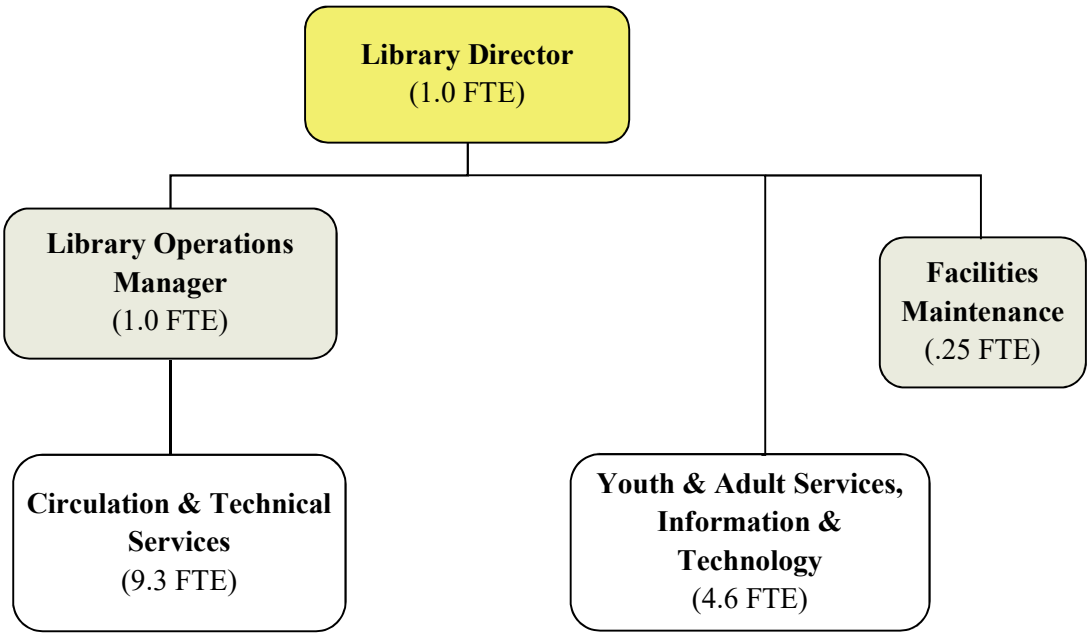
DEDICATED PARK DONATIONS

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

These funds help offset the cost of community-developed projects, community fundraising events and activities, facility upgrades and events, and special recreational and Heritage events. Additionally, Pioneer Center and Meals on Wheels donations are used to purchase materials for those programs.

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Materials & Services						
Special Programs	$ 961	$ 25,523	$ 102,000	$ 35,790	$ 35,790	$ 71,580
Total Materials & Services	961	25,523	102,000	35,790	35,790	71,580
Capital Outlay	-	-	-	85,000	-	85,000
Transfers & Other Uses	-	-	-	150,000	-	150,000
Total Dedicated Donations	$ 961	$ 25,523	$ 102,000	$ 270,790	$ 35,790	$ 306,580

Library



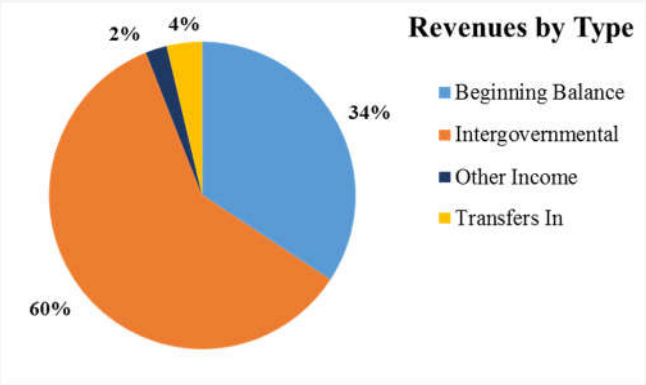
Total 16.15 FTE

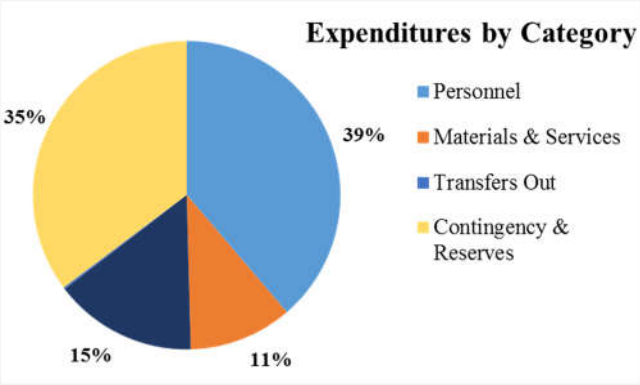
LIBRARY

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

The table below compares total resources and requirements for the Library Fund for the proposed biennium, the current biennial budget and the two prior periods.

Library	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 870,554	$ 871,643	$ 1,851,971	$ 2,738,126	$ 2,986,412	$ 2,738,126
Intergovernmental						
District Property Taxes	3,819,877	4,130,408	4,255,784	2,340,160	2,410,365	4,750,525
Intergovernmental	41,714	26,520	18,818	16,891	8,150	25,041
Charges for Services	13,213	6,576	7,800	-	-	-
Fines and Forfeitures	72,526	72,045	64,000	40,000	40,000	80,000
Interest Income	9,825	16,266	6,600	45,000	45,000	90,000
Miscellaneous Income	13,064	15,312	7,917	5,000	5,000	10,000
Transfer In	-	400,000	300,000	150,000	150,000	300,000
Total Resources	**$ 4,840,773**	**$ 5,538,770**	**$ 6,512,890**	**$ 5,335,177**	**$ 5,644,927**	**$ 7,993,692**
Requirements						
Personnel Services	$ 2,083,552	$ 2,143,758	$ 2,748,796	$ 1,404,891	$ 1,474,385	$ 2,879,276
Materials & Services	836,534	602,322	868,242	508,503	500,162	1,008,665
Capital Outlay	9,999	-	-	-	-	-
Principal & Interest	166,148	830,742	830,742	415,371	415,370	830,741
Transfers Out	872,897	10,455	-	20,000	20,000	40,000
Contingency	-	-	-	2,986,412	3,235,010	3,235,010
Unappropriated Fund Balance	871,643	1,951,493	2,065,110	-	-	-
Total Requirements	**$ 4,840,773**	**$ 5,538,770**	**$ 6,512,890**	**$ 5,335,177**	**$ 5,644,927**	**$ 7,993,692**





LIBRARY

OVERVIEW

Over the last year and a half the library went through a strategic planning process, with multiple opportunities for input from stakeholders and staff, to replace the previous strategic plan. The new plan was adopted by the City Commission in February, 2019, and reflects the goals of the library and the community now that the new addition and renovation are complete. The updated **vision** of the library is to promote literacy and learning, celebrate curiosity and diversity, and support transformation in thriving, safe, and inclusive spaces.

The **mission** of the library is to empower every youth, adult and senior in our service area through:

- innovative and varied resources and programs;
- responsive, well trained and personable staff;
- connections to other community resources and events;
- inclusive, accessible services to all;
- and welcoming spaces to gather and build community.

In FY 2017-18, the library hosted 423,413visits and provided 380 children's programs.

ACCOMPLISHMENTS

- Approved and adopted 2019-2024 Strategic Plan
- Upgraded the hardware and software for the Radio Frequency Identification (RFID) system used in connection with the County program
- Added thousands of items to collections throughout the library, including Children and Teens
- Hosted multiple art exhibits and added art work
- Started Teen Advisory Group
- Purchased new technology for use and check out including a 3D printer and 12 laptops
- Streamlined acquisitions process
- Restructured staff to meet areas of highest need
- Tripled door traffic since reopening the library in October 2016 to approximately 35,000 customers per month
- Provided multiple events, programs, and educational opportunities for the community
- Significantly increased outreach with schools and community partnerships; including first grader field trips, visited all elementary schools for Summer Reading Program
- Increased staff development through Chamber of Commerce Next Leaders program and classes on people with disabilities

GOALS AND PROJECTS

- **GOAL 3 ENHANCE THE LIVABILITY OF THE COMMUNITY**
  - Plan 'Community Wide Read' for fall 2019/winter 2020
  - Improve children and youth literacy and learning opportunities and activities at the library and through partnerships, targeting at-risk youth
  - Investigate Dolly Parton Imagination Library as literacy vehicle for children 0-5 years
  - Improve and expand collections, including new Library of Things
  - Create Disability Advisory Committee and plan appropriate services and programs
  - Increase outreach and create plan to reach more parts of our service area
- **GOAL 4 PURSUE OPPORTUNITIES TO INCREASE TRANSPARENCY AND ENCOURAGE CITIZEN PARTICIPATION**
  - Survey and assess community in multiple ways to ensure community needs are met through library programs, materials, and services
- **GOAL 5 MAINTAIN FISCAL HEALTH AND LONG TERM STABILITY**
  - Fortify administrative infrastructure through review, revision, and creation of appropriate policies

Library

Library Department Performance Measures										
Commission Goal	**Milestone or Outcome**	**Measure**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019 Projected**	**2020 Goals**	**2021 Goals**
Enhance the Livability of the Community	Increase circulation available and overall borrowers	Annual Circulation	405,201	418,200	421,366	428,818	535,225	540,000	545,000	545,000
		Registered Borrowers	18,999	19,040	19,145	19,169	19424	19,500	19,750	19,750
		Circulation per Registered Borrower	21.3	21.97	22.0	22.37	27.25	27.69	27.59	27.59
	Provide high quality, well attended programming	Programs Provided	285	290	346	537	578	585	600	600
		Program Attendees	6,500	7,000	8,232	16,721	18,370	19,000	19,500	19,500

LIBRARY EXPENDITURES

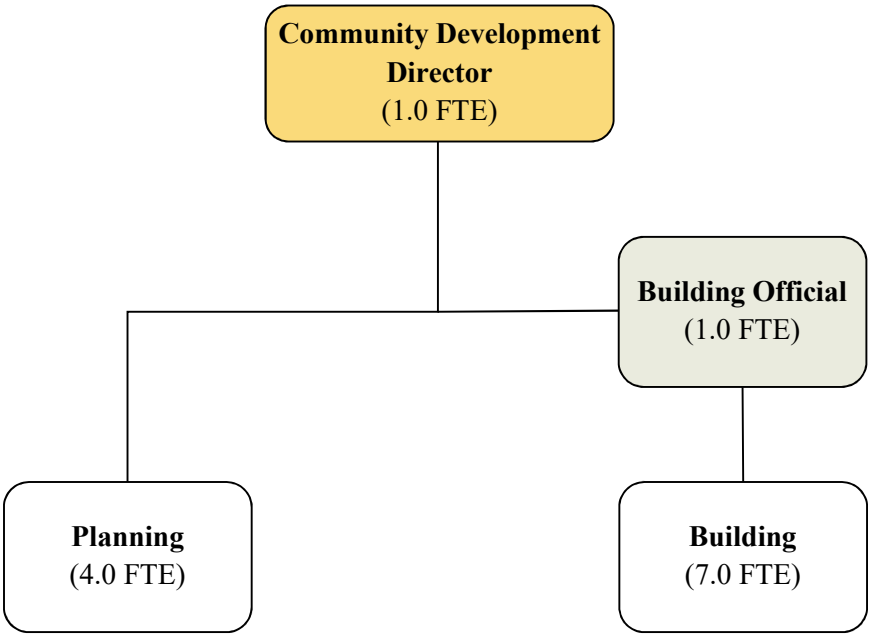
Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 1,349,845	$ 1,459,041	$ 1,698,928	$ 874,069	$ 917,766	$ 1,791,835
Benefits	733,707	684,717	1,049,868	530,822	556,619	1,087,441
Total Personnel Services	2,083,552	2,143,758	2,748,796	1,404,891	1,474,385	2,879,276
Materials & Services						
Professional & Technical Services	397,711	103,666	16,000	2,540	2,540	5,080
Repair & Maintenance Services	107,412	135,651	256,932	127,057	127,057	254,114
Other Services	-	256	-	653	653	1,306
Employee Costs	10,203	11,905	17,100	13,700	13,700	27,400
Operating Materials & Supplies	236,693	253,254	366,494	229,250	229,250	458,500
Office & Administrative Supplies	58,703	63,274	135,750	49,712	49,712	99,424
Special Programs	25,812	34,316	60,266	31,150	31,150	62,300
Community Programs & Grants	-	-	-	8,741	-	8,741
Internal Service Charges	-	-	15,700	45,700	46,100	91,800
Total Materials & Services	836,534	602,322	868,242	508,503	500,162	1,008,665
Capital Outlay	9,999	-	-	-	-	-
Transfers Out	872,897	10,455	-	20,000	20,000	40,000
Principal & Interest	166,148	830,742	830,742	415,371	415,370	830,741
Contingency	-	-	-	2,986,412	3,235,010	3,235,010
Unappropriated Fund Balance	871,643	1,951,493	2,065,110	-	-	-
Total Library	$ 4,840,773	$ 5,538,770	$ 6,512,890	$ 5,335,177	$ 5,644,927	$ 7,993,692

BUDGET HIGHLIGHTS

Staffing hours have been reallocated from an employee retirement to allow for additional full-time library staff without any increase in net FTE or increasing costs. Additionally, some part-time hours have been reduced as a result of the preprocessing of materials (tagging of books with RFID chips, for example) off-site. The personnel cost increases are as a result of wage and benefit increases.

Repair & Maintenance Services has remained consistent and includes utilities, janitorial, and building maintenance costs.

Operating Materials and Supplies is the only category with a significant increase. This expenditure includes purchases of additional audio/visual materials and books as we continue to build and enhance the City's Library catalogue and improve and expand collections. The City has been awarded a one-time "Library of Things" grant which will help offset some of the costs.



Total 13.0 FTE

Community Development

Overview

Community Development is responsible for working with the community to guide growth and development within the city limits and includes the Planning and Building Divisions. The Community Development Department manages the Planning and Building functions for the City. The Department oversees the Planning Commission, Historic Review Board, Natural Resource Committee, Citizen Involvement Committee, and Development Stakeholders Group and engages with the community at a variety of events including neighborhood association meetings.

The Planning Division performs long-range planning projects and community outreach; interprets and applies Municipal 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. The Building Division reviews plans for compliance with the State of Oregon Building Codes, issues permits, and performs inspections to ensure the safety of the buildings throughout the community.

Mission

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

Department Goals

- **Goal 1 Cultivate an Environment for Successful Economic Development**
  - Complete the permit approval process for and begin construction of Phase I of the Riverwalk
- **Goal 3 Enhance the Livability of the Community**
  - Identify tools and programs to increase affordable housing and reduce homelessness
- **Goal 4 Pursue Opportunities to Increase Transparency and Encourage Citizen Participation**
  - Increase education and transparency
  - Update Oregon City Comprehensive Plan

Significant Budget Changes

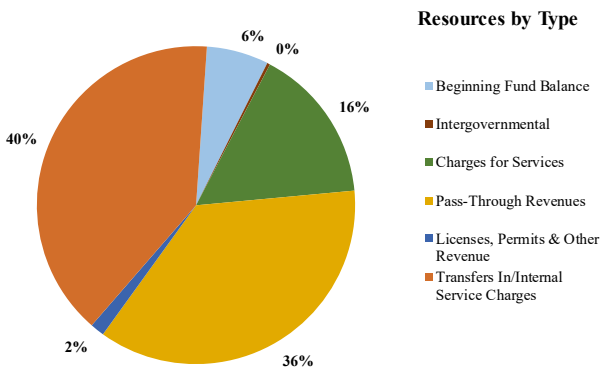
The proposed budget includes savings due to the relocation of Community Development into their newly reconstructed facility and the completion of the permitting system upgrades.

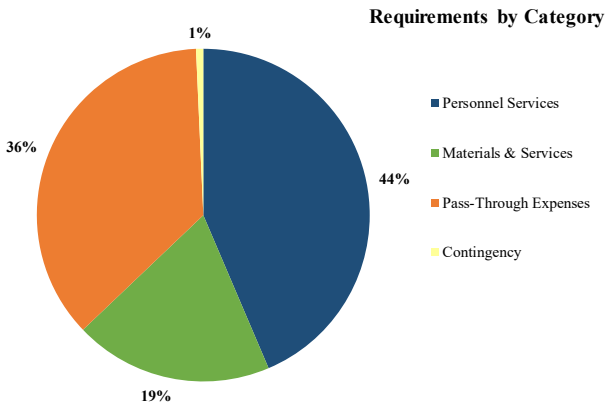
PLANNING

Planning is reported in the Community Development Fund. The fund accounts for the City's long range and current planning.

The following table includes total resources and requirements for the proposed biennial budget, the budget for the current biennium and actual data for the two previous periods. The largest source of revenues are internal service charges and transfers in from other funds, followed by pass-through revenues (excise taxes collected on behalf of the Oregon City School District). The largest expenditure is personnel, as expected for a service department.

Community Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 3,332	$ 200,717	$ 625,008	$ 207,345	$ 135,075	$ 207,345
Intergovernmental	710,946	191,056	405,000	5,000	5,000	10,000
Charges for Services	571,599	904,944	705,399	268,685	253,685	522,370
Internal Service Charges	-	-	586,071	297,700	312,400	610,100
Pass-Through Revenues	579,627	1,053,524	1,200,000	600,000	600,000	1,200,000
Licenses & Permits	22,389	32,528	32,480	20,000	20,000	40,000
Interest Income	574	7,794	2,000	3,600	3,600	7,200
Miscellaneous Income	-	53,600	-	-	-	-
Transfers In	1,381,817	1,557,829	525,000	350,000	350,000	700,000
Total Resources	**$ 3,270,284**	**$ 4,001,992**	**$ 4,080,958**	**$ 1,752,330**	**$ 1,679,760**	**$ 3,297,015**
Requirements						
Personnel Services	$ 1,441,819	$ 1,601,265	$ 1,523,365	$ 703,225	$ 734,458	$ 1,437,683
Materials & Services	898,119	606,428	790,445	314,030	321,530	635,560
Pass-Through Expenses	582,530	1,053,524	1,200,000	600,000	600,000	1,200,000
Capital Outlay	-	22,407	463,600	-	-	-
Transfers Out	147,099	7,500	82,527	-	-	-
Contingency	-	-	21,021	135,075	23,772	23,772
Unappropriated Fund Balance	200,717	710,868	-	-	-	-
Total Requirements	**$ 3,270,284**	**$ 4,001,992**	**$ 4,080,958**	**$ 1,752,330**	**$ 1,679,760**	**$ 3,297,015**





PLANNING

OVERVIEW

The Planning Division helps Oregon City determine how to grow and adjust to change. The Division works together with the community to work toward solutions, focusing in particular on issues created by the built environment. Planning is not an isolated activity, rather, it relies on participation of the entire community. The Division helps facilitate the processes by which all residents, employees, property owners, mayor and city commission, advocates, etc. work together to create a vision for the community and implement the framework of actions and criteria to reach the vision. The Planning Division brings together data, citizens' ideas and opinions, civic leaders' goals, and good planning practice into a deliberative process of community decision making.

The Planning Division is responsible for all long range and current planning as well as the implementation of the Oregon City Comprehensive Plan and associated Municipal Ordinances. The department 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 division addresses daily inquiries from the public through phone calls, emails and staffing of the department counter, while working closely with the Building and Development Services Departments to coordinate and improve permit review.

Long range planning supports the community with development of the Municipal Code, policies, vision documents, economic development, and projects such as the Willamette Falls Legacy Project. The division also facilitates community engagement and education with the Planning Commission, Historic Review Board, Natural Resources Committee, Citizen Involvement Committee, Development Stakeholders Group, and neighborhood associations while providing city representation to Metro and other statewide planning and policy decisions.

ACCOMPLISHMENTS

- Construction and relocation of the Planning and Building Divisions to the Mt. Pleasant Annex (698 Warner Parrott Road)
- Configuration and implementation of a new permitting, inspection, and enforcement software system which significantly increased transparency, accountability, and customer service
- Community collaboration on two separate code amendment processes including a variety of topics such as missing middle housing opportunities, streamlining processes, and lot averaging
- Adoption of a plan which identifies the location and design of a trail from the McLoughlin Promenade to Canemah Children's Park
- Adoption of alternate mobility targets for the intersection of Beavercreek and Highway 213 which result in identification of a variety of vehicular, pedestrian, and bicycle capacity building projects to mitigate moderate increased congestion
- Launching other projects such as the Beavercreek Road Concept Plan implementation, housing needs analysis and buildable land inventory, and implementation of the Transportation Demand Management (TDM) Plan to implement strategies to improve access to downtown and the Willamette Falls Legacy site by car, bike, transit, and on foot. Mailed more than 450 guides for homeowners of historically designated homes and structures
- Continued a successful partnership with Metro, the State, and Clackamas County and coordination with the City of West Linn, National Heritage Area, the Willamette Falls Locks, and five tribes on the Willamette Falls Legacy Project

Goals and Projects

- Complete the Federal, State and Local permit approval process for Phase I of the Riverwalk and begin construction in the spring of 2020
- Continue to work with the property owner to determine future private development on the site including funding, infrastructure, parking and development strategies
- Work with regional partners to identify additional funding and provide increased education on resources available to reduce and prevent homelessness in the community
- Review the potential implementation of an affordable housing construction excise tax and how any revenues could be distributed and invested into programs and projects to reduce housing costs and provide affordable housing opportunities
- Identify grant opportunities and begin the process to update the Oregon City Comprehensive Plan

Planning Expenditures

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 915,471	$ 1,023,559	$ 913,476	$ 411,501	$ 427,951	$ 839,452
Benefits	526,348	577,706	609,889	291,724	306,507	598,231
Total Personnel Services	1,441,819	1,601,265	1,523,365	703,225	734,458	1,437,683
Materials & Services						
Professional & Technical Services	150,152	346,859	456,000	200,000	205,000	405,000
Repair & Maintenance Services	152,283	151,769	89,030	31,100	31,100	62,200
Other Services	19,809	14,257	5,000	3,800	3,800	7,600
Employee Costs	20,281	14,046	10,840	5,010	5,010	10,020
Operating Materials & Supplies	2,798	10,929	10,300	2,600	2,600	5,200
Office & Administrative Supplies	47,493	39,797	49,275	10,620	13,120	23,740
Special Programs	505,303	28,771	170,000	37,000	37,000	74,000
Pass-Through Payments	582,530	1,053,524	1,200,000	600,000	600,000	1,200,000
Community Programs & Grants	-	-	-	5,000	5,000	10,000
Internal Service Charges	-	-	-	18,900	18,900	37,800
Total Materials & Services	1,480,649	1,659,952	1,990,445	914,030	921,530	1,835,560
Transfers & Other Uses	147,099	7,500	82,527	-	-	-
Capital Outlay	-	22,407	463,600	-	-	-
Contingency	-	-	21,021	135,075	23,772	23,772
Unappropriated Fund Balance	200,717	710,868	-	-	-	-
Total Community Development	$ 3,270,284	$ 4,001,992	$ 4,080,958	$ 1,752,330	$ 1,679,760	$ 3,297,015

Budget Highlights

The proposed budget includes reductions in most categories. Specifically, the department is saving approximately $50,000 in lease expenses due to their relocation.

Professional & Technical Services is comprised of transportation engineering, wetland consulting, annexation consulting, and legal costs associated with Planning Commission meetings, hearings, and land use appeals.

Community Programs and Grants includes a program for designated historic structures funded by grant revenues.

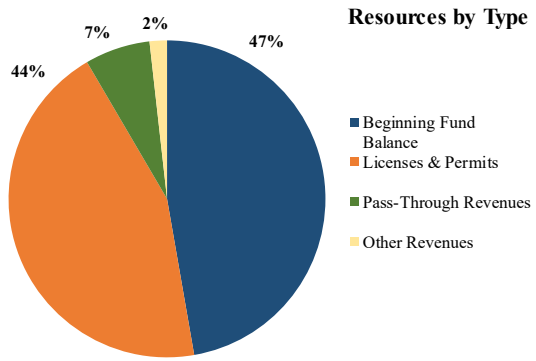
The prior biennial budget included Capital Outlay costs associated with the relocation of Community Development to a new facility.

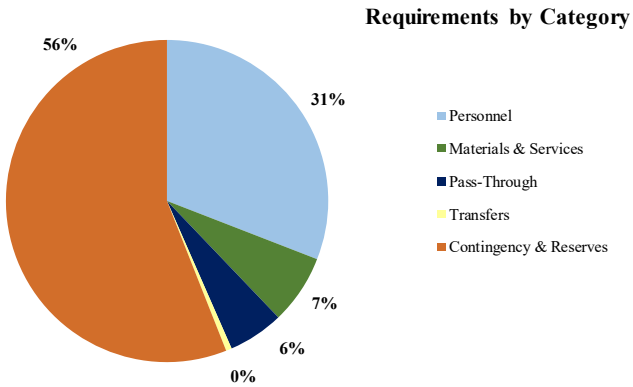
BUILDING

The Building Division, while housed in the Community Development Department, operates under dedicated funding that requires revenues generated by permits to be utilized for Building Division expenses only. Total resources and requirements in the Building Fund are shown below by type and by expenditure category for the proposed biennium, the current biennial budget and the two prior periods.

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

Building	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 612,454	$ 715,227	$ 2,268,513	$ 3,411,096	$ 3,850,646	$ 3,411,096
Licenses & Permits	1,793,681	3,761,357	3,514,262	1,730,348	1,470,810	3,201,158
Intergovernmental	-	1,376	-	-	-	-
Pass-Through Revenues	248,543	435,552	440,000	240,000	240,000	480,000
Charges for Services	1,661	4,435	11,564	4,680	3,978	8,658
Interest Income	5,985	19,383	7,452	60,000	60,000	120,000
Transfers In	176,000	-	-	-	-	-
Total Resources	**$ 2,838,324**	**$ 4,937,330**	**$ 6,241,791**	**$ 5,446,124**	**$ 5,625,434**	**$ 7,220,912**
Requirements						
Personnel Services	$ 1,068,041	$ 1,478,188	$ 1,959,027	$ 1,080,483	$ 1,135,466	$ 2,215,949
Materials & Services	692,187	342,791	445,444	254,995	213,695	468,690
Pass-Through Expenses	248,869	444,370	440,000	240,000	240,000	480,000
Capital Outlay	-	-	627,900	-	-	-
Transfers Out	114,000	14,365	118,527	20,000	20,000	40,000
Contingency	-	-	2,225,893	3,850,646	4,016,273	4,016,273
Reserved for Future Expenditures	-	-	425,000	-	-	-
Unappropriated Fund Balance	715,227	2,657,616	-	-	-	-
Total Requirements	**$ 2,838,324**	**$ 4,937,330**	**$ 6,241,791**	**$ 5,446,124**	**$ 5,625,434**	**$ 7,220,912**





BUILDING

OVERVIEW

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

ACCOMPLISHMENTS

- Construction and relocation of the Planning and Building Divisions to the Mt. Pleasant Annex (698 Warner Parrott Road)
- Configuration and implementation of a new permitting, inspection, and enforcement software system which significantly increased transparency, accountability, and customer service
- Scanning and cataloguing of more than 5,000 Building Division permits so that they are easily accessible
- Continued to cross train employees to perform multiple types of inspections and become knowledgeable in a variety of topics
- Reduced the review time for Commercial Plan Review from 3 weeks to 2 weeks

GOALS AND PROJECTS

- Improve staff efficiency and customer experience by continuing to cross train employees in multiple types of inspections and plan review
- Ensure proper training and consistent application of upcoming code changes
- Education and transparency of processes and standards

Building Division Permit Activity

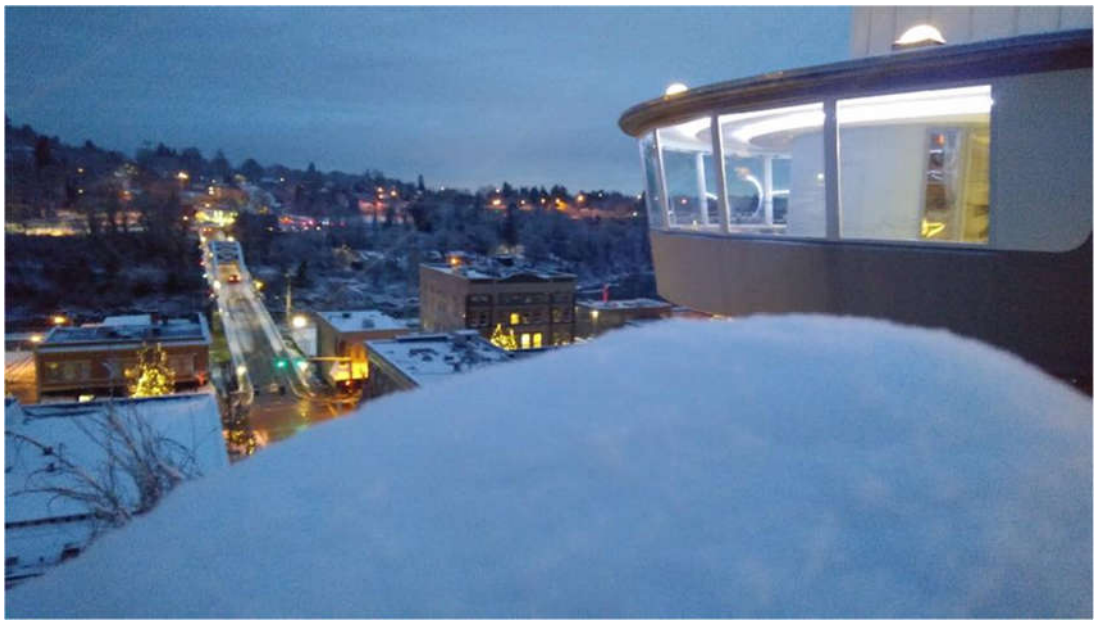
Permit by Type	2016 Results	2017 Results	2018 Results	2019 Estimated	2020 Projected	2021 Projected
Building Permits	456	489	511	371	448	452
New Single Family	143	127	88	90	100	100
Residential Addition	25	22	23	22	25	25
Residential Alteration	75	100	98	60	75	75
Other Residential	15	9	9	50	55	55
New Multi Family	0	7	4	2	3	5
New Commercial	3	11	19	3	5	7
Non-Residential Alteration	128	131	180	90	105	105
Non-Residential Roof	42	45	64	24	45	45
Other Non-Residential	25	37	26	30	35	35
Mechanical Permits	503	475	548	420	500	500
Plumbing Permits	419	510	419	360	400	400
Electrical Permits	643	573	632	440	550	550
Total Number of Permits	**2,021**	**2,047**	**2,110**	**1,591**	**1,898**	**1,902**

BUILDING EXPENDITURES

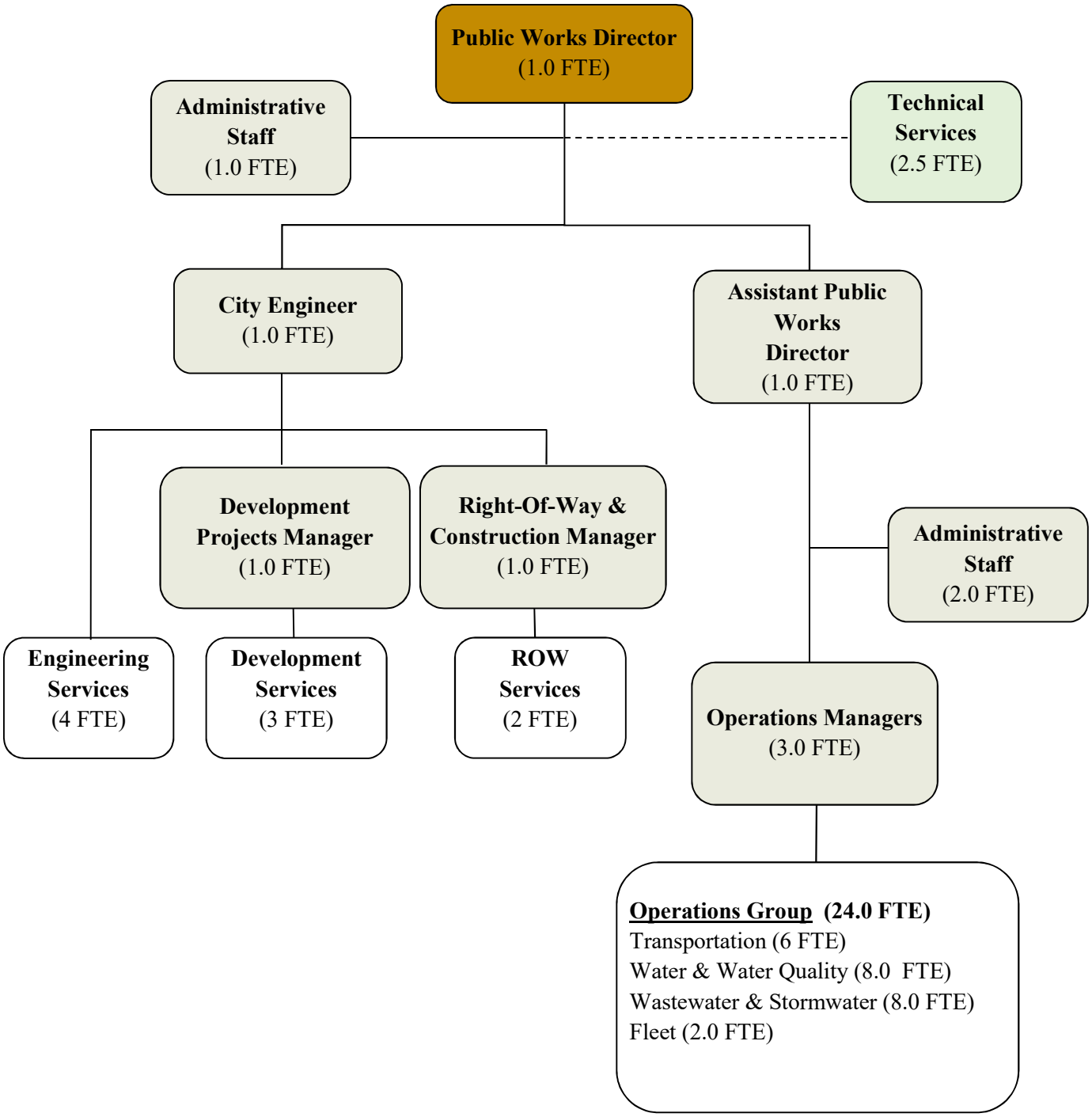
Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 662,585	$ 900,186	$ 1,143,242	$ 630,865	$ 662,368	$ 1,293,233
Benefits	405,456	578,002	815,785	449,618	473,098	922,716
Total Personnel Services	1,068,041	1,478,188	1,959,027	1,080,483	1,135,466	2,215,949
Materials & Services						
Professional & Technical Services	390,980	9,276	54,000	59,800	10,300	70,100
Repair & Maintenance Services	236,407	254,672	183,144	52,245	52,245	104,490
Other Services	23	1,413	3,000	4,000	4,000	8,000
Employee Costs	7,107	15,194	23,200	12,300	12,300	24,600
Operating Materials & Supplies	8,268	5,307	8,900	4,300	4,300	8,600
Office & Administrative Supplies	49,402	56,929	87,500	33,850	39,850	73,700
Special Programs	-	-	-	15,000	15,000	30,000
Pass-Through Payments	248,869	444,370	440,000	240,000	240,000	480,000
Community Programs & Grants	-	-	-	-	-	-
Internal Service Charges	-	-	85,700	73,500	75,700	149,200
Total Materials & Services	941,056	787,161	885,444	494,995	453,695	948,690
Capital Outlay	-	-	627,900	-	-	-
Transfers & Other Uses	114,000	14,365	118,527	20,000	20,000	40,000
Contingency	-	-	2,225,893	3,850,646	4,016,273	4,016,273
Reserved for Future Expenditures	-	-	425,000	-	-	-
Unappropriated Fund Balance	715,227	2,657,616	-	-	-	-
Total Building	$ 2,838,324	$ 4,937,330	$ 6,241,791	$ 5,446,124	$ 5,625,434	$ 7,220,912

BUDGET HIGHLIGHTS

The proposed budget includes savings for the elimination of the Community Development lease due to its relocation as well as the reduction in Capital Outlay from the prior period for the construction of the facilities. Pass-through payments include permitting fees collected on behalf of other agencies.



Public Works



* FTE's are reported differently for cost allocation purposes; the budget reflects hours for shared administrative and technical staff allocated by cost center. Technical Services are shared with Information & Technology.

Total FTE above	46.50
Additional Part Time	6.91
Total	53.41

PUBLIC WORKS

The Public Works Department is one of the largest within the City with 52.41 FTE. The department contains various funds and programs split between the following groups:

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

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

ROW Services coordinates with a variety of internal staff and utility providers to oversee implementation and documentation of the City's 2013 adopted ROW ordinance and construction inspections.

The Public Works staff plans, constructs, and maintains these systems with a close eye on high quality, progressive practices, controlling costs, and customer service. Expenses are dedicated for the purpose of these departments. Additionally, each fund transfers monies to pay for services provided by other funds, to save for future equipment replacement, and to provide funding for the Public Works Operations Center.

MISSION

To plan, construct, operate and maintain, in a financially sound manner, the public infrastructure of potable water distribution, wastewater collection, surface water management, and multi-modal transportation systems, while protecting natural resources and assuring public health and safety.

DEPARTMENT GOALS

- **GOAL 1: CULTIVATE AN ENVIRONMENT FOR SUCCESSFUL ECONOMIC DEVELOPMENT**
  - Identify additional funding opportunities to provide needed infrastructure to serve this area
- **GOAL 2: ADDRESS CRITICAL FACILITY NEEDS**
  - Complete the redevelopment of the Fir Street property to accommodate the needs of Parks Maintenance and the Public Works Department
  - Determine the future use of the Public Works Operation Center property that is located on Center Street, including the upper yard, as part of a holistic facilities strategy
  - Complete the design and begin construction of the Meyers Road Extension and the Molalla Avenue Reconstruction Projects
  - Identify the preferred location, funding methods and necessary agreements to construct a new Beavercreek Reservoir and Pump Station to meet the distribution system needs in this area
- **GOAL 5: MAINTAIN FISCAL HEALTH AND LONG-TERM STABILITY**
  - Begin community outreach and communications regarding long-term water rates and the need for infrastructure replacement.
  - Prepare for possible ballot measure to address degraded water systems.
  - Update Master Plans as needed

Commission Goal	Milestone or Outcome	Measure	2014	2015	2016	2017	2018	2019 forecast	2020 Goal	2021 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	68	70	74	76	75 (1)	75 (1)	75	75
		Complete programmed projects under annual pavement maintenance plan	100%	124%	140%	137%	84%	100%	100%	100%
		Complete scheduled drinking water (DW) and stormwater (SW) samples in compliance with regulations	512 DW	643 DW	765 DW	483 DW	521 DW	569 DW	545 DW	545 DW
			30 SW	30 SW	30 SW	48 SW	44 SW	44 SW	44 SW	44 SW
		Complete scheduled projects under leak detection program	100%	100%	100%	100%	100%	100%	100%	100%
		Complete scheduled miles of video inspections and line cleaning program	7.65 / 41.4 miles	5.5 / 34.7 miles	1.3 / 44.5 miles	1.2 / 49.7 miles	47 / 62.3 miles	43.6 / 43.36 miles	41.2 / 34.5 miles	41.2 / 34.5 miles
Maintain Fiscal Health and Long Term Stability	Provide timely and efficient service	Average time to act in response to a citizen request	0.9 days	0.8 days	1.9 days	3.6 days	4 days	3.1 days	3 days	3 days
		Average time to respond to and conmplete afterhours call for service	< 2.0 hours	2.90 hours	3.8 hours	2 hours	2 hours	3 hours	3 hours	3 hours
	Track permitting and land use decisions to ensure effective and efficient staff	Total Right-of way permits issued	147	200	200	168	149	100	100	100
		Right-of-way permits (utility - no fee)	96	106	165	194	218	300	200	200
		Total pre-application conferences	40	32	40	79	44	40	30	30

(1) PCI is projected based on an extrapolation for the rating conducted in 2017; new evaluations are scheduled to occur in 2020.

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ENGINEERING

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

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

The only significant change in Engineering for this biennium is the transition of two staff members from contract employees to full-time employees which results in increased staffing costs and decreased contract costs in the proposed biennium. These staff members will assist with improving the City's development engineering process by serving the needs of the ROW permit and inspection program and the growing development administration needs that the City must attend to with both new development and redevelopment.

Revenues are projected to sustain previous biennium levels in the coming biennium given the strength of the economy as it relates to development as evidenced by the increased activity seen through pre-application project proposals and various projects that are currently in the application or review phase.

Engineering	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 13,143	$ 14,474	$ 403,094	$ 748,643	$ 849,968	$ 748,643
Charges for Services	83,806	842,364	831,440	442,200	442,200	884,400
Intergovernmental	-	507	-	-	-	-
Internal Service Charges	-	-	874,200	505,900	515,800	1,021,700
Licenses & Permits	519,466	82,698	82,400	38,000	38,000	76,000
Interest Income	1,666	13,430	2,200	16,000	18,000	34,000
Transfers In	570,000	1,143,450	240,000	120,000	120,000	240,000
Total Resources	**1,188,081**	**2,096,923**	**2,433,334**	**1,870,743**	**1,983,968**	**3,004,743**
Requirements by Category						
Personnel Services	818,215	1,223,477	1,796,565	759,580	798,304	1,557,884
Materials & Services	355,392	336,753	395,440	245,195	246,745	491,940
Transfers Out	-	7,000	109,527	16,000	16,000	32,000
Contingency	-	-	131,802	849,968	922,919	922,919
Unappropriated Fund Balance	14,474	529,693	-	-	-	-
Total Requirements	**$ 1,188,081**	**$ 2,096,923**	**$ 2,433,334**	**$ 1,870,743**	**$ 1,983,968**	**$ 3,004,743**

ENGINEERING

OVERVIEW

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

ACCOMPLISHMENTS

- Planned, configured, and implemented the new EnerGov permitting program for Public Works
- Completed several activities associated with the Development Engineering Group staffing which has become a challenge given the combination of both a hot market for engineers and engineering technicians and the taxing demands that come with working with the development community
- Supported ongoing analysis required for the 2019 Code amendments related to a variety of engineering initiatives that were accompanying the Equitable Housing Code Changes
- Completed all but the final (Hazelwood Area Phase II) Sanitary Sewer Moratorium projects
- Continued to established standardized permit and inspection programs, checklists and application forms for work in the right-of-way to improve the process for customers needing Public Works Engineering Development Services
- Continued programs to audited a backlog of open franchise permits and worked with the providers to complete the ROW repairs needed to close out the permits
- Continued to increase ROW revenues through telecom, wireless and other ROW service agreements, audits, and regular scrutiny of provider programs
- Completed preliminary work on Willamette Falls Legacy Project related to public infrastructure and utilities anticipated within the site
- Developed City Utility Standards for "Small Cell" in the ROW

GOALS AND PROJECTS

- Provide the public with engineering assistance, which includes discussing utilities, streets, and lot layouts with homeowners and developers who want to develop certain properties in the City, identifying and explaining the City's design and construction standards and requirements, and locating utility connections to homes and businesses in the City
- Continue to provide the City Commission with updates to policy issues related to funding the long and short term capital needs of the City's transportation and public utility systems
- Process no-fee permits for work in the right-of-way by franchise utilities and conduct related inspections
- Review and process land use applications and design plans for compliance with Oregon City Public Works standards, master plans, National Pollutant Discharge Elimination System (NPDES) requirements, and the Municipal Code
- Update design and construction standards for use and implementation by the development community (water, sewer, stormwater, and street)
- Support operating policies or written guidelines to improve consistency in development and land use reviews
- Monitor/inspect construction of approved private development plans
- Provide SDC calculations for all development projects
- Finalize and fulfill the land use and City Commission approval of the Stormwater Master Plan Update
- Fully implement a paperless environment including digital plan reviews and digital files associated with Oregon Records Management Solution

- Continue to increase ROW revenues through telecom, wireless and other ROW service agreements
- Complete an inflow and infiltration reduction plan that identifies and prioritizes projects, programs and on private property policies

ENGINEERING EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 502,798	$ 751,694	$ 1,079,907	$ 444,063	$ 466,216	$ 910,279
Benefits	315,417	471,783	716,658	315,517	332,088	647,605
Total Personnel Services	818,215	1,223,477	1,796,565	759,580	798,304	1,557,884
Materials & Services						
Professional & Technical Services	328,785	273,949	259,000	136,000	136,000	272,000
Repair & Maintenance Services	799	6,252	32,500	12,655	12,655	25,310
Employee Costs	4,470	17,265	20,300	15,115	15,165	30,280
Operating Materials & Supplies	-	862	600	850	850	1,700
Office & Administrative Supplies	21,338	38,425	32,040	27,475	27,475	54,950
Internal Service Charges	-	-	51,000	53,100	54,600	107,700
Total Materials & Services	355,392	336,753	395,440	245,195	246,745	491,940
Transfers Out	-	7,000	109,527	16,000	16,000	32,000
Contingency	-	-	131,802	849,968	922,919	922,919
Unappropriated Fund Balance	14,474	529,693	-	-	-	-
Total Engineering	$ 1,188,081	$ 2,096,923	$ 2,433,334	$ 1,870,743	$ 1,983,968	$ 3,004,743

BUDGET HIGHLIGHTS

This Division's proposed budget includes an increase in FTE mentioned previously.

Professional & Technical Services includes geotechnical work for new development as well as engineering services required for the Beavercreek Live-Work project.

Professional & Technical Services includes the following:

Beavercreek Project	$70,000
Geotechnical	66,000
ROW management	40,000
Legal	40,000
Temporary services	30,000
Civil engineering	10,000
Environmental consulting/testing	10,000
Audit expense	6,000
Total	$ 272,000

TRANSPORTATION

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

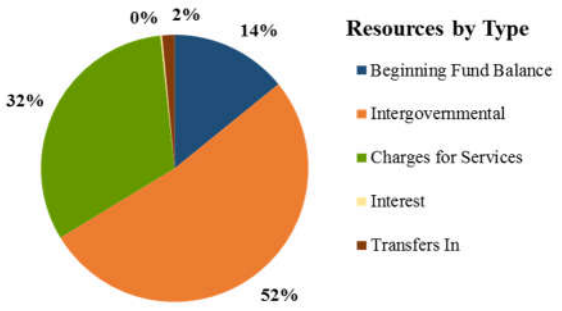
The Transportation Fund accounts for two organizational units: Transportation and Pavement Maintenance. General transportation expenditures including staffing and materials and services for general maintenance and construction are funded by gas tax revenues. The Pavement Maintenance fees fund the annual pavement repair and roadway reconstruction contracts. These revenues and expenses are kept segregated for accountability. Any amounts remaining at year end (revenues exceeding expenditures) are restricted for future years' transportation projects.

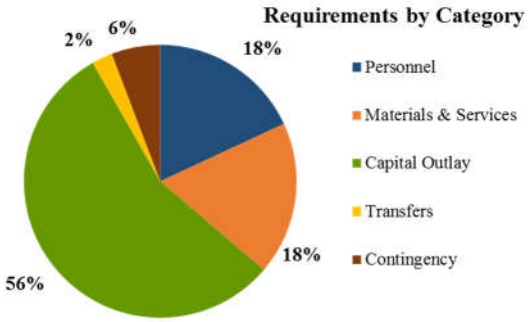
The table below compares total resources and total requirements in the Transportation Fund for the past two budget periods, the current biennial budget, and the proposed biennial budget.

Tranportation	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 639,033	$ 2,358,410	$ 2,248,560	$ 2,358,038	$ 1,167,456	$ 2,358,038
Intergovernmental	3,826,629	4,056,375	8,390,392	3,798,297	4,892,810	8,691,107
Charges for Services	160,873	4,786,567	4,711,821	2,624,240	2,702,967	5,327,207
Transfers In	1,839,975	189,154	247,134	150,170	150,170	300,340
Miscellaneous Income	30	329	-	-	-	-
Interest Income	7,512	23,771	36,800	25,000	10,000	35,000
Total Resources	**6,474,052**	**11,414,606**	**15,634,707**	**8,955,745**	**8,923,403**	**16,711,692**
Requirements by Category						
Personnel Services	1,988,618	2,185,403	2,762,550	1,475,244	1,547,945	3,023,189
Materials & Services	1,142,090	2,180,775	2,198,752	1,546,045	1,486,313	3,032,358
Capital Outlay	439,452	4,134,267	9,529,132	4,437,000	4,840,132	9,277,132
Transfers Out	545,482	716,763	360,000	330,000	80,000	410,000
Contingency	-	-	784,273	1,167,456	969,013	969,013
Reserved for Future Expenditures	1,054,248	449,323	-	-	-	-
Unappropriated Fund Balance	1,304,162	1,748,075	-	-	-	-
Total Requirements	**$ 6,474,052**	**$11,414,606**	**$15,634,707**	**$ 8,955,745**	**$ 8,923,403**	**$16,711,692**

* The Pavement Maintenance program for the City was recorded in a separate fund prior to the 2015-2017 biennium. Please see the section on Closed Funds for historical information.

The charts below compare the relative percentages of resources and requirements in Transportation.





TRANSPORTATION

OVERVIEW

The Transportation Division encompasses pavement maintenance and improvement, traffic management, safety improvements, signalization and pavement markings, landscape maintenance including street trees and medians, maintenance of guardrails and street furnishings, emergency response, city beautification, and municipal elevator maintenance. Approximately 142 center line miles of roads (includes 5.2 miles of alleys), 154 miles of sidewalks, and 943 acres (1,171 acres when including State and County ROW) of improved and unimproved rights-of-way are maintained. Operations in this division are accounted for in the Transportation Fund within the Transportation and Pavement Maintenance units. The division includes 13.82 FTEs including shared supervisory and administrative personnel.

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

ACCOMPLISHMENTS

- Received 274 requests for service from citizens; completed 1520 work orders
- Sealed over 49 lane miles of city streets. This includes 66,100 pounds of crack seal applied by city crews.
- Removed/replaced 22 trees; trimmed 234 trees
- Repaired 51 City-owned streetlights; converted 62 City-owned streetlights to LED
- Managed $4.1 million in contracted pavement maintenance projects
- Negotiated and updated the City's landscape maintenance contract
- Maintained and upgraded street signs per Federal Highway Administration (FHWA)-required plan; 667 street signs removed and replaced, no records of this (less activity due to not being in a presidential election year) illegal signs removed from the ROW
- Completed the Washington Street & 12th Street Signalization Project
- Completed the design and bid phase services for the Meyers Road project
- Initiated an agreement with Metro for the completion of the survey and design tasks of the Molalla Avenue project
- In-house paving projects (potholes, overlays, rut patching, etc.) totaled 2,703 tons of asphalt
- Applied approximately 6,000 gallons of Magnesium Chloride (De-ice) to city streets

GOALS AND PROJECTS

- Complete the Meyers Road Extension Project between Hwy 213 and High School Avenue
- Continue to maintain and upgrade street signs per FHWA-required plan
- Maintain pavement legends and markings and streetlights
- Manage Oregon City Municipal Elevator service and maintenance
- Complete the survey and preliminary engineering for the Linn/Leland/Warner Milne roundabout
- Provide staff and resources for the City's hanging flower basket program, banners, public art, and holiday decorations, for traffic control during parades, community events, and emergency road conditions
- Provide routine inspection and maintenance of Amtrak station
- Respond to customer and system emergencies (maintain 24/7 on-call service)
- Provide staff and equipment for the City's in-house crack sealing, slurry sealing, and pavement maintenance programs

TRANSPORTATION EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 1,209,051	$ 1,338,599	$ 1,624,798	$ 910,699	$ 953,934	$ 1,864,633
Benefits	779,567	846,804	1,137,752	564,545	594,011	1,158,556
Total Personnel Services	1,988,618	2,185,403	2,762,550	1,475,244	1,547,945	3,023,189
Materials & Services						
Professional & Technical Services	401,636	478,923	349,634	243,820	205,995	449,815
Repair & Maintenance Services	555,456	520,194	539,854	316,117	315,410	631,527
Other Services	15	-	200	100	100	200
Employee Costs	25,700	32,839	32,000	14,950	14,950	29,900
Operating Materials & Supplies	110,543	196,718	187,200	121,200	121,200	242,400
Office & Administrative Supplies	48,740	56,926	44,058	22,633	22,633	45,266
Internal Service Charges	-	-	172,400	180,600	185,100	365,700
Total Materials & Services	1,142,090	1,285,600	1,325,346	899,420	865,388	1,764,808
Capital Outlay	439,452	173,089	1,228,500	837,000	739,500	1,576,500
Transfers Out	545,482	704,045	360,000	330,000	80,000	410,000
Contingency	-	-	387,038	272,332	34,077	34,077
Reserved for Future Expenditures	1,054,248	449,323	-	-	-	-
Total Transportation	$ 5,169,890	$ 4,797,460	$ 6,063,434	$ 3,813,996	$ 3,266,910	$ 6,808,574

BUDGET HIGHLIGHTS

This Division's budget continues transfers to Community Facilities Fund of $300,000 for the Public Works Operations Center savings as well as fleet replacement reserve funding for a total of $60,000 for the biennium.

The Professional & Technical Services budget includes the following items:

Elevator contract and services	$ 316,740
Legal	40,000
Management coaching	15,000
ADA transition plan	15,000
APWA accreditation	10,000
Electrician	10,000
Concept plan implementation	10,000
Traffic counts	8,675
Civil engineering	8,000
Surveying	4,000
Geotechnical	3,000
Environmental	1,000
Other	8,400
Total	$ 449,815

Capital Outlay includes the following:

Fir Street Traffic Signal Installation	$ 225,000
Trillium Park Landslide Mitigation	200,000
Linn/Leland/Warner Milne Roundabout	195,000
Molalla Avenue	190,000
Sidewalk and Bike Lane Infill	150,000
Gardiner Middle School Sidewalks	122,000
Railroad Quiet Zone	120,000
Gaffney Lane Bike/Pedestrian Improvements	91,500
Hwy 99E and Railroad Avenue Property Acquisition	59,000
Hwy 213 & Beavercreek Turn Lane	52,000
Holcomb Boulevard Bike/Pedestrian Improvements	30,000
Other Transportation Projects	125,000
Equipment	17,000
Transportation Capital Outlay	$ 1,576,500

PAVEMENT MAINTENANCE EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Materials & Services						
Professional & Technical Services	$ -	$ 339,630	$ 15,000	$ 39,000	$ 10,000	$ 49,000
Repair & Maintenance Services	-	381,667	600,000	300,000	300,000	600,000
Operating Materials & Supplies	-	172,148	200,000	115,000	115,000	230,000
Office & Administrative Supplies	-	1,730	348	425	425	850
Internal Service Charges	-	-	58,058	192,200	195,500	387,700
Total Materials & Services	-	895,175	873,406	646,625	620,925	1,267,550
Capital Outlay	-	3,961,178	8,300,632	3,600,000	4,100,632	7,700,632
Transfers & Other Uses	-	12,718	-	-	-	-
Contingency	-	-	397,235	895,124	934,936	934,936
Unappropriated Fund Balance	1,304,162	1,748,075	-	-	-	-
Total Pavement Maintenance	$ 1,304,162	$ 6,617,146	$ 9,571,273	$ 5,141,749	$ 5,656,493	$ 9,903,118

BUDGET HIGHLIGHTS

This budget was in a separate fund in years prior to the 2015-2017 biennium. While the program is still tracked separately, the budget has since been included within the Transportation fund to better reflect the operations of the division and the true costs of the program. These expenditures show the City's annual pavement management and maintenance plan (both through contracts and in-house paving) using fees collected and deposited specifically for that purpose. Pavement Maintenance information for the 2013-2015 biennium is provided in the Closed Funds section starting on page 146.

Capital Outlay includes $5,300,632 for Molalla Avenue Phase III, $2,300,000 for roadway reconstruction, and $100,000 for other miscellaneous capital items.

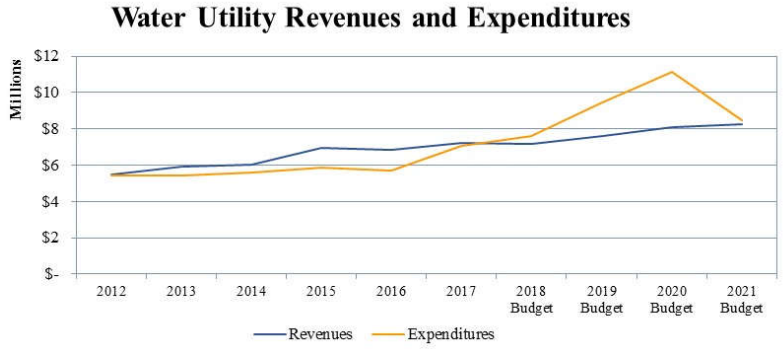
WATER

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

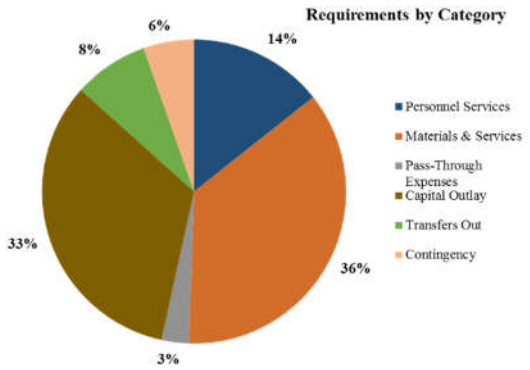
The table below compares total resources and total requirements in the Water Operations Fund for the past two budget periods, the current biennial budget, and the proposed biennial budget. Revenues in this fund are projected to increase due to a 3% annual increase in rates.

The graph highlights water revenues and expenditures over time (excluding beginning balances and contingency). Capital reserves continued to accumulate in the 2017-2019 biennium for various capital projects which are currently in progress.

Water Operations	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 2,029,789	$ 3,469,528	$ 4,888,917	$ 4,325,070	$ 1,315,053	$ 4,325,070
Intergovernmental	-	5,654	-	-	-	-
Charges for Services	11,999,687	13,460,586	14,135,874	7,706,197	7,925,045	15,631,242
Pass-Through Revenues:						
South Fork SDC Collections	433,507	539,381	609,000	300,000	300,000	600,000
Interest Income	21,400	46,844	21,854	100,000	35,000	135,000
Miscellaneous Income	315	3,510	-	-	-	-
Transfers In	492,242	-	-	-	-	-
Total Resources	**14,976,940**	**17,525,503**	**19,655,645**	**12,431,267**	**9,575,098**	**20,691,312**
Requirements by Category						
Personnel Services	2,788,346	2,893,111	3,230,118	1,447,915	1,518,882	2,966,797
Materials & Services	4,412,456	4,909,515	6,580,126	3,726,299	3,765,983	7,492,282
Pass-Through Expenses	433,507	539,381	609,000	300,000	300,000	600,000
Capital Outlay	1,211,149	2,103,021	5,276,000	4,242,000	2,627,000	6,869,000
Debt Service	397,664	-	-	-	-	-
Transfers Out	2,264,290	2,329,611	1,400,000	1,400,000	250,000	1,650,000
Contingency	-	-	2,560,401	1,315,053	1,113,233	1,113,233
Unappropriated Fund Balance	3,469,528	4,750,864	-	-	-	-
Total Requirements	**$ 14,976,940**	**$ 17,525,503**	**$ 19,655,645**	**$ 12,431,267**	**$ 9,575,098**	**$ 20,691,312**



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



WATER

OVERVIEW

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

The City's water distribution system includes 170 miles of water mains, 5 water reservoirs, 1,495 fire hydrants, 23 pressure reducing valves, and 5 dedicated pump stations; all of which serve over 11,100 customers. The division includes 13.48 FTEs including shared supervisory and administrative personnel.

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

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

ACCOMPLISHMENTS

- Received 157 requests for service from citizens; completed 2,389 work orders
- Maintained the 2016 Department of Health rating of "Excellent" (re-evaluation completed every 5 years)
- Completed an update to the City's Water Distribution Hydraulic Model
- Completed annual contracted pipe replacement projects, including:
  - 99E Bluff pipe replacement
  - South End, and Warner Parrott pipe replacement
  - Center Street (7th to 10th) pipe replacement
  - 9th Street (Center Street to Washington Street) pipe replacement
  - Cherry Avenue (Park Drive to Homes Lane)
  - Warner Avenue (Prospect Street to Molalla Avenue)

- High Street (S 2nd Street to 3rd Street)
- S 2nd Street High Street to Center Street)
- 2nd Street (Prominade Bluff to Center Street)
- 3rd Street Prominade Bluff to High Street)

- Completed the annual leak detection program for 1/3 of the City to reduce potential unaccounted for water
- Updated the City's remote telemetry system at Mountain View and Hunter Pump Stations

Goals and Projects

- Water system line replacements and improvements:
  - Clairmont Area ongoing pipe replacement
  - Rivercrest Area ongoing pipe replacement
  - Main Street (10th Street to 15th Street)
  - High Street Phase II (3rd Street to 7th Street)
  - Molalla Avenue Beavercreek Road to Clarimont
- Reservoir improvement projects including security fencing, fall protection safety improvements interior and exterior coating, and seismic upgrades
- Initiate and complete a Pressure Reducing Valve replacement and upgrade program
- Initiate a Beavercreek Concept Plan (upper pressure zone) new reservoir and pump station siting study via joint venture with CRW or Oregon City on its own
- Respond to customer and system emergencies (maintain 24/7 on-call service)
- Continue planning and public awareness to establish water rates to a level that help 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 EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 1,686,026	$ 1,721,908	$ 1,875,500	$ 862,770	$ 905,329	$ 1,768,099
Benefits	1,102,320	1,171,203	1,354,618	585,145	613,553	1,198,698
Total Personnel Services	2,788,346	2,893,111	3,230,118	1,447,915	1,518,882	2,966,797
Materials & Services						
Professional & Technical Services	64,776	225,902	257,460	186,307	134,307	320,614
Repair & Maintenance Services	322,314	431,642	544,346	225,050	210,300	435,350
Other Services	763,532	688,116	610,295	315,222	323,462	638,684
Employee Costs	26,701	31,968	29,086	18,350	17,400	35,750
Operating Materials & Supplies	3,146,829	3,463,599	3,643,949	2,223,378	2,305,522	4,528,900
Office & Administrative Supplies	65,888	68,288	63,642	31,492	31,492	62,984
Special Programs	22,416	-	-	-	-	-
Pass-Through Payments	433,507	539,381	609,000	300,000	300,000	600,000
Internal Service Charges	-	-	1,431,348	726,500	743,500	1,470,000
Total Materials & Services	4,845,963	5,448,896	7,189,126	4,026,299	4,065,983	8,092,282
Capital Outlay	1,211,149	2,103,021	5,276,000	4,242,000	2,627,000	6,869,000
Principal & Interest	397,664	-	-	-	-	-
Transfers Out	2,264,290	2,329,611	1,400,000	1,400,000	250,000	1,650,000
Contingency	-	-	2,560,401	1,315,053	1,113,233	1,113,233
Unappropriated Fund Balance	3,469,528	4,750,864	-	-	-	-
Total Water	$ 20,256,410	$ 17,525,503	$ 19,655,645	$ 12,431,267	$ 9,575,098	$ 20,691,312

BUDGET HIGHLIGHTS

Operating Materials & Supplies includes the following items:

Water purchases	$ 4,163,820
Fittings and values	140,000
Pipe	60,000
Other operating supplies	165,080
Total	$ 4,528,900

Professional & Technical Services includes funding for the following:

Technical	$ 115,814
Engineering	92,500
Environmental	62,300
Legal	30,000
Consulting	20,000
Total	$ 320,614

As mentioned before, the Water fund previously built up reserves to take care of deferred capital projects such as water pipe replacements. This budget, as in the previous, includes instances of one-time spending of capital reserves on deferred capital projects.

Capital Outlay includes capital projects as shown below:

Pipe replacement projects:	
Clairmont area	$ 1,000,000
Rivercrest Park area	1,000,000
Main Street (10th to 15th St)	200,000
High Street	390,000
Molalla Avenue	300,000
In-House Water Line	30,000
Pipe upgrade projects:	
Molalla Avenue	840,000
Facility projects:	
Reservoir Coating	1,800,000
Fairway Downs Reservoir	500,000
Reservoir Seismic Upgrades	200,000
Pressure Releasing Valves	200,000
Pump Rebuilds	108,000
Reservoir Safety Measure	100,000
Mountain View fence replacement	60,000
Boynton Fence	11,000
Roadway Reconstruction	100,000
Large Meter Replacement Projects	30,000
Total Capital Outlay	$6,869,000

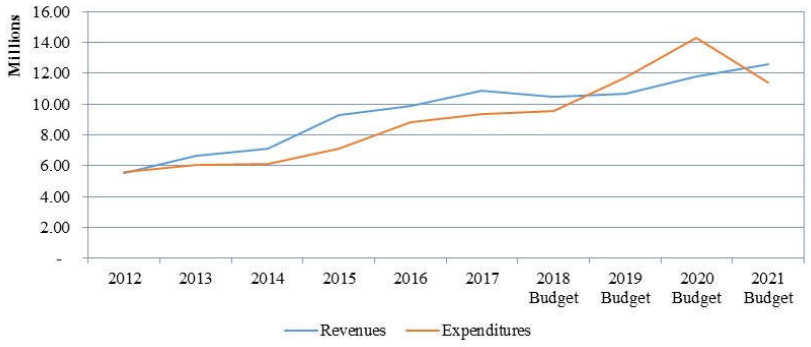
WASTEWATER

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

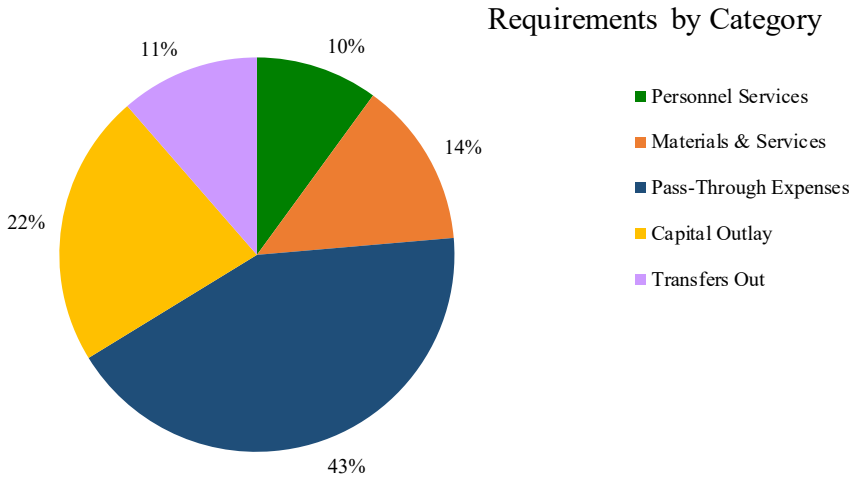
The 2017-2019 biennium included funding for construction of the capacity improving capital projects needed to lift the moratorium on land development in specific areas as previously enacted by the City Commission. The current biennium will see the completion of many master plan recommended renewal and replacement program projects.

Wastewater Operations	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 924,526	$ 4,012,058	$ 6,244,516	$ 9,652,888	$ 7,174,371	$ 9,652,888
Intergovernmental	-	8,916	-	-	-	-
Charges for Services	8,360,261	10,934,720	10,895,112	6,025,792	6,206,567	12,232,359
Pass-Through Revenues:						
Tri-City Collections	7,180,836	9,306,161	9,723,027	5,376,855	5,573,929	10,950,784
Interest Income	15,290	56,292	11,092	125,000	110,000	235,000
Franchise Fees	-	495,295	500,000	295,600	307,400	603,000
Transfers In	690,721	-	-	-	400,000	400,000
Other Financing Sources	114,000	-	-	-	-	-
Total Resources	**17,285,634**	**24,813,442**	**27,373,747**	**21,476,135**	**19,772,267**	**34,074,031**
Requirements by Category						
Personnel Services	1,669,844	2,059,860	2,337,148	1,257,551	1,319,304	2,576,855
Materials & Services	1,068,311	1,558,029	3,496,302	1,737,358	1,758,798	3,496,156
Pass-Through Expenses	7,187,064	9,166,211	9,723,027	5,376,855	5,573,929	10,950,784
Capital Outlay	573,432	1,935,036	2,893,000	3,140,000	2,605,000	5,745,000
Debt Service	1,056,063	1,056,825	1,531,344	-	-	-
Transfers Out	1,718,862	2,395,781	1,280,000	2,790,000	140,000	2,930,000
Contingency	-	-	5,457,926	7,174,371	8,375,236	8,375,236
Reserved for Future Expenditure	-	-	655,000	-	-	-
Unappropriated Fund Balance	4,012,058	6,641,700	-	-	-	-
Total Requirements	**$17,285,634**	**$24,813,442**	**$27,373,747**	**$21,476,135**	**$19,772,267**	**$34,074,031**

Wastewater Utility Revenues and Expenditures



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



WASTEWATER

OVERVIEW

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

The City's wastewater collection system includes 14 pump stations and 135 miles of both force main and gravity pipes, all of which serve over 10,900 customers. The division includes 10.36 FTEs. This represents an increase of two employees: a maintenance specialist and a capital improvement plan project engineer.

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, located on the Clackamas River in Oregon City, Oregon. The Tri-City plant provides wastewater treatment for the cities of Gladstone, Oregon City, and West Linn and other Clackamas County jurisdictions outside of the Tri-City district. Daily operations are managed by a department of Clackamas County. Each of the three partner cities is responsible for its own collection and conveyance system as well as billing customers for services.

ACCOMPLISHMENTS

- Received 52 requests for service from citizens; completed 1,877 work orders
- Completed scheduled small works improvement projects
- Completed 48.4 miles of sanitary sewer TV Inspection
- Completed 82 miles of sanitary sewer line cleaning
- Provided Oregon City citizens with an efficient and environmentally safe wastewater collection system
- Completed upgrades to Noble Ridge pump station
- Completed the Peter Skene Way (landslide area) pipeline repairs
- Expanded the quantity of in-house TV inspection with delivery of new investigation equipment

Goals and Projects

- Conduct the following I & I reduction projects:
  - Terrace Avenue
  - Washington Street
  - 5th Avenue
  - Rivercrest Neighborhood
  - McLoughlin Neighborhood
  - 99E pipe line repairs near 8th Street
- Complete the second and final phase of the Hazelwood Drive Sanitary Sewer Upgrades
- Complete improvements to the following sanitary pump stations:
  - Canemah Pumps Station (new generator/auto transfer switch and wet well repairs
  - Hidden Creek
- Continue the infiltration and inflow reduction investigation program including TV Inspection, smoke testing, public education, and public policy
- Complete annual small works, pipe replacement, and separation projects per Sanitary Sewer Master Plan and Capital Improvement Plan through routine operations and maintenance, such as:
  - Line cleaning, TV inspections, and root intrusion control
  - Infiltration of subsurface water and surface water inflow abatement
  - Facility management of 18 wastewater pump stations (including 6 step systems)
  - Oversee the City's Supervisory control and data acquisition (SCADA) software and radio communication systems
  - Annual pipe repairs (small works) identified through routine inspections and emergency response
- Communicate with citizens to enhance public awareness about sewer connection responsibilities and maintenance

WASTEWATER EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 1,016,822	$ 1,265,300	$ 1,372,947	$ 735,641	$ 771,803	$ 1,507,444
Benefits	653,022	794,560	964,201	521,910	547,501	1,069,411
Total Personnel Services	1,669,844	2,059,860	2,337,148	1,257,551	1,319,304	2,576,855
Materials & Services						
Professional & Technical Services	167,239	312,461	497,600	152,500	162,500	315,000
Repair & Maintenance Services	306,712	444,051	451,034	231,750	217,550	449,300
Other Services	437,633	636,639	648,846	359,663	370,453	730,116
Employee Costs	22,481	33,300	26,758	12,729	11,779	24,508
Operating Materials & Supplies	53,948	76,341	89,508	52,854	52,854	105,708
Office & Administrative Supplies	80,298	55,237	53,468	25,962	25,962	51,924
Special Programs	-	-	-	-	-	-
Pass-Through Payments	7,187,064	9,166,211	9,723,027	5,376,855	5,573,929	10,950,784
Community Programs & Grants	-	-	-	-	-	-
Internal Service Charges	-	-	1,729,088	901,900	917,700	1,819,600
Total Materials & Services	8,255,375	10,724,240	13,219,329	7,114,213	7,332,727	14,446,940
Capital Outlay	573,432	1,935,036	2,893,000	3,140,000	2,605,000	5,745,000
Principal & Interest	1,056,063	1,056,825	1,531,344	-	-	-
Transfers Out	1,718,862	2,395,781	1,280,000	2,790,000	140,000	2,930,000
Contingency	-	-	5,457,926	7,174,371	8,375,236	8,375,236
Reserved for Future Expenditure	-	-	655,000	-	-	-
Unappropriated Fund Balance	4,012,058	6,641,700	-	-	-	-
Total Wastewater	$ 17,285,634	$ 24,813,442	$ 27,373,747	$ 21,476,135	$ 19,772,267	$ 34,074,031

BUDGET HIGHLIGHTS

Capital Outlay includes the following:

Pipe replacement projects:

Pipeline renewal & replacement	$ 4,400,000
Hazelwood Drive	200,000
Terrace Avenue	30,000
Washington Street	30,000
5th Avenue	20,000
Miscellaneous	180,000

Facility projects:

Trillium Park Dr landslide mitigation	300,000

Pump station projects:

Wet well, generator projects	340,000
Pump replacement	50,000
Emergency repair	50,000
Other Projects	100,000
Equipment	45,000
Total Capital Outlay	$ 5,745,000

Professional & Technical Services includes funding for the following:

Technical	$ 229,000
Engineering	54,000
Environmental	2,000
Legal	30,000
Total	$ 315,000

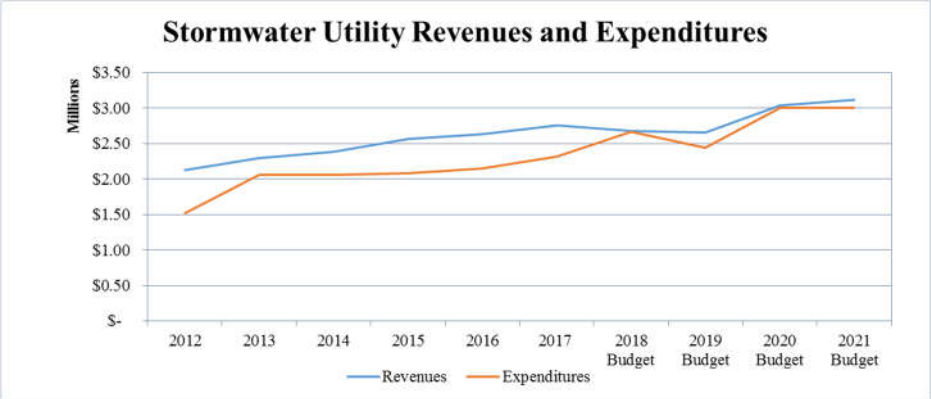
STORMWATER

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

With annual rate increases scheduled to lapse in the first year of the biennium, total revenues are budgeted to remain relatively flat over the course of the biennium. During the biennium, the Division will fund and complete a Stormwater rate study, which may result in an adjustment to the rates that are not reflected in this budget.

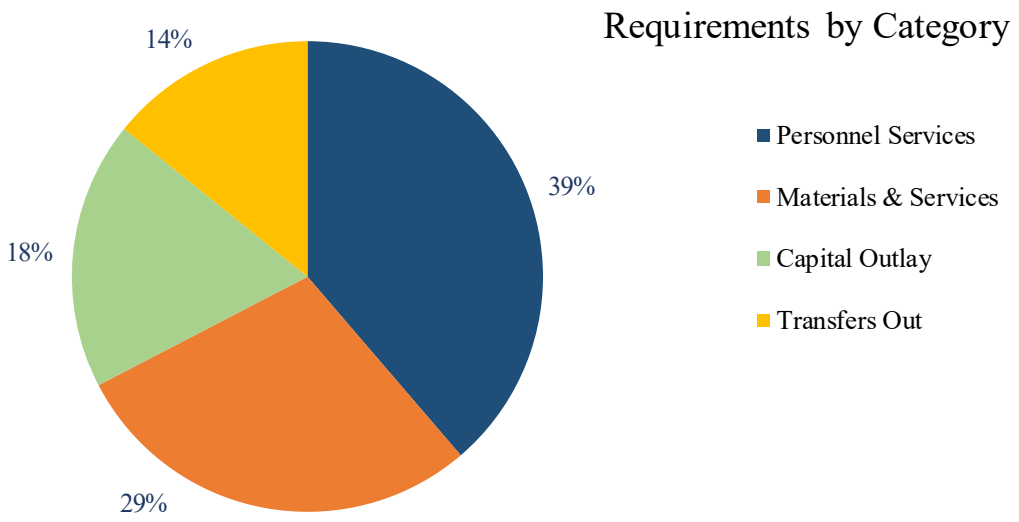
The graph below highlights stormwater revenues and expenditures over time. As shown, expenditures over time, and in the projected future, exceed utility revenues. While revenues are sufficient to cover operations, there is a growing amount of deferred maintenance due to this funding shortage.

Stormwater Operations	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 591,053	$ 1,085,141	$ 1,140,500	$ 1,642,549	$ 1,196,495	$ 1,642,549
Charges for Services	4,885,181	5,338,581	5,302,842	3,007,638	3,095,725	6,103,363
Licenses & Permits	64,267	-	-	-	-	-
Intergovernmental	-	31,822	28,000	-	-	-
Interest Income	7,345	10,683	6,000	30,000	20,000	50,000
Total Resources	**5,547,846**	**6,466,227**	**6,477,342**	**4,680,187**	**4,312,220**	**7,795,912**
Requirements by Category						
Personnel Services	2,016,737	2,181,561	2,418,834	1,210,105	1,269,558	2,479,663
Materials & Services	1,154,021	1,153,568	1,679,704	923,587	909,732	1,833,319
Capital Outlay	304,506	568,435	1,105,000	645,000	535,000	1,180,000
Transfers Out	987,441	1,210,282	810,000	705,000	205,000	910,000
Contingency	-	-	463,804	1,196,495	1,392,930	1,392,930
Unappropriated Fund Balance	1,085,141	1,352,381	-	-	-	-
Total Requirements	**$ 5,547,846**	**$ 6,466,227**	**$ 6,477,342**	**$ 4,680,187**	**$ 4,312,220**	**$ 7,795,912**



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

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



STORMWATER

OVERVIEW

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

The Utility manages the stormwater collection and treatment systems within the city limits of Oregon City including 23 drainage basins, 85 detention ponds, 4,506 catch basins, 25 miles of above ground streams, and 26 underground detention tanks. There are 10.23 FTEs funded in the budget including shared administrative and supervisory personnel. Annually, pipes and storm lines are inspected for structural integrity, root intrusion and service line connections. Storm lines are cleaned every year and debris and sediment are removed, 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

- Received 96 request for services from Citizens; Completed 1,404 work orders
- Swept 10,874 curb miles and collected 3,312 cubic yards debris and leaves
- Completed over 1,184 erosion control inspections and issued 46 notices of non-compliance and 25 Stop Work Orders
- Completed Municipal Separate Storm Sewer System Permit (MS4) Requirements as scheduled
- Received 21 private storm water quality facility maintenance reports as a result of newly implemented inspection program
- Completed all quarterly facility inspections as part of our municipal facilities

- Continued coordinated stormwater sampling program with Clackamas County Service District #1 and co-permittees
- Performed flood control, cleaning, maintenance & repair of the City's stormwater system as reported in 2015 the National Pollutant Discharge Elimination System (NPDES) Annual Report
  - Completed hydro-mod assessments as part of the NPDES Permit Requirements
  - Submitted for new 5 year NPDES Permit to the Department of Environmental Quality
- Corrected 4 sanitary to storm cross connections
- Maintained/inspected 85 detention ponds, 3 rain gardens, and 22,868 square feet of bioswales
- Inspected and/or cleaned 4,736 catch basins and 244 pollution control manholes
- Complete the South 2nd and High Street Pipe Replacement / Stormwater Improvement Project

Goals and Projects

- Complete the following outfall improvement projects:
  - Holcomb Boulevard/Swan Avenue
  - Trillium Park Drive
  - Barclay Hills Pump Station Outfall
- Complete the following Pipe Replacement / Stormwater Improvement Projects:
  - Harding Boulevard Storm Extension
  - Scatter Canyon
  - Vanburen (8th to 9th Streets)
- Utilize industry leading best management practices to adaptively manage the stormwater collection system work programs and infrastructure to comply with the newly issued NPDES MS4 permit
- Formalize storm maintenance evaluation & assessment programs
- Develop system replacement needs based on inspection and assessment
  - Clean lines as needed based on video inspection assessment
  - Catch Basin Cleaning – 1,476 catch basins per year, 4,430 catch basins every 3 years
  - Pollution Control Manholes/Vault & Detention Pipe Cleaning – 42 per year or 84 every 2 years
  - Maintain 85 storm water quality ponds
- Complete scheduled pipe repair, replacement, and system upgrades
- Upgrade storm systems in conjunction with pavement maintenance schedule

STORMWATER EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 1,221,637	$ 1,309,511	$ 1,421,280	$ 700,392	$ 734,852	$ 1,435,244
Benefits	795,100	872,050	997,554	509,713	534,706	1,044,419
Total Personnel Services	2,016,737	2,181,561	2,418,834	1,210,105	1,269,558	2,479,663
Materials & Services						
Professional & Technical Services	539,435	427,257	232,000	108,300	81,300	189,600
Repair & Maintenance Services	174,760	262,730	403,138	219,370	220,780	440,150
Other Services	268,019	304,226	307,624	176,374	181,659	358,033
Employee Costs	17,401	23,012	25,858	12,800	11,850	24,650
Operating Materials & Supplies	115,879	99,266	109,400	59,100	59,100	118,200
Office & Administrative Supplies	38,527	37,077	43,696	23,943	23,943	47,886
Internal Service Charges	-	-	557,988	323,700	331,100	654,800
Total Materials & Services	1,154,021	1,153,568	1,679,704	923,587	909,732	1,833,319
Capital Outlay	304,506	568,435	1,105,000	645,000	535,000	1,180,000
Transfers Out	987,441	1,210,282	810,000	705,000	205,000	910,000
Contingency	-	-	463,804	1,196,495	1,392,930	1,392,930
Unappropriated Fund Balance	1,085,141	1,352,381	-	-	-	-
Total Stormwater	$ 5,547,846	$ 6,466,227	$ 6,477,342	$ 4,680,187	$ 4,312,220	$ 7,795,912

BUDGET HIGHLIGHTS

The following Capital Outlay is budgeted in this fund:

Pipe replacement projects:	
Harding Boulevard	$ 160,000
Scatter Canyon	360,000
Vanburen (8th Street to 9th Street)	65,000
Willamette (Holmes & Molalla)	65,000
Pipe capacity upgrade projects:	
12th Street (Jackson to J Adams)	250,000
Facility projects:	
Trillium Park landslide mitigation	65,000
Holcomb and Swan Outfall	25,000
Barclay Hills outfall	25,000
Pavement Maintenance	120,000
Software	30,000
Equipment	15,000
Total Capital Outlay	$ 1,180,000

Professional & Technical Services includes the following:

Consulting	$ 27,000
Technical	38,000
Engineering	20,000
Environmental	92,600
Legal	12,000
Total	$ 189,600

System Development

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

Charges are collected for the following functions:

- Transportation
- Water
- Wastewater
- Stormwater
- Parks

Prior to the current biennium, each of the above functions was recorded in its own fund. Historical information for each of the system development funds is in the "Closed Funds" section of the budget starting on page 145.

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

System Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ -	$ 15,474,303	$ 18,415,661	$ 22,871,718	$ 11,705,220	$ 22,871,718
Charges for Services	-	8,581,365	5,450,000	3,680,000	3,180,000	6,860,000
Intergovernmental	-	63,153	2,637,712	2,887,712	-	2,887,712
Interest Income	-	223,757	130,766	181,000	181,000	362,000
Miscellaneous Income	-	149,521	96,164	126,903	126,903	253,806
Transfers In	15,474,303	20,000	-	-	-	-
Total Resources	**$15,474,303**	**$24,512,099**	**$26,730,303**	**$29,747,333**	**$15,193,123**	**$33,235,236**
Requirements by Category						
Materials & Services	$ -	$ 799,328	$ 1,397,225	$ 636,601	$ 628,602	$ 1,265,203
Capital Outlay	-	2,131,793	16,688,444	17,030,512	6,325,000	23,355,512
Transfers Out	-	400,494	-	375,000	-	375,000
Contingency	-	-	8,644,634	11,705,220	8,239,521	8,239,521
Reserved for Future Expenditures	15,474,303	21,180,484	-	-	-	-
Total Requirements	**$15,474,303**	**$24,512,099**	**$26,730,303**	**$29,747,333**	**$15,193,123**	**$33,235,236**

Transportation System Development

Overview

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

Accomplishments

- Completed the Hwy 213 and Beavercreek and Hwy 213 and Redland Road Alternate Mobility Study
- Participated in the Willamette River Waterfront path design
- Updated the Transportation System Plan Project list including estimates
- Completed the Washington and 12th Street signalization
- Participated with Metro's Regional Transportation Plan update process
- Contributed with ODOT as needed to complete the Hwy 99E tunnel lighting and advance warning system conditionally required as part of the Willamette Falls Legacy Project

Goals and Projects

- Complete the construction of the Meyers Road Extension between Hwy 213 and High School Avenue
- Complete the Molalla Avenue Phase III public improvement project
- Complete the Gaffney Lane bike and pedestrian improvements
- Complete the Gardiner Middle School area Safe Routes to Schools pedestrian improvements
- Complete a 30% design for the Warner Parrott/Linn/Leland/Central Point/ Warner Milne roundabout design
- Complete concept planning for:
  - Loder Road between the Oregon City High School and Beavercreek Road
  - Holly Lane (Maple Lane to Beavercreek Concept Plan Area
  - South End Road Warner Parrot Road to City limits
  - Shared use path (southerly legs)
- Continue to seek grant funding for Main Street (10th Street to 15th Street) sidewalk project construction
- Continue to participate and remain updated on Oregon Department of Transportation (ODOT) High Speed Rail Study
- Continue to contribute with ODOT as needed to complete the Hwy 99E/ Railroad Avenue safety improvements associated with the impacts expected from the Willamette Falls Legacy Project

Transportation Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ -	$ 5,507,843	$ 7,486,631	$ 10,353,552	$ 6,199,054	$ 10,353,552
Charges for Services	-	4,312,830	2,000,000	1,580,000	1,580,000	3,160,000
Intergovernmental	-	63,153	2,637,712	2,887,712	-	2,887,712
Interest Income	-	92,331	50,000	80,000	80,000	160,000
Miscellaneous Income	-	95,009	40,000	74,103	74,103	148,206
Transfers In	5,507,843	20,000	-	-	-	-
Total Resources	**$ 5,507,843**	**$ 10,091,166**	**$ 12,214,343**	**$ 14,975,367**	**$ 7,933,157**	**$ 16,709,470**
Requirements by Category						
Materials & Services	$ -	$ 450,665	$ 605,715	$ 282,801	$ 267,702	$ 550,503
Capital Outlay	-	558,361	8,883,444	8,493,512	4,081,000	12,574,512
Transfers Out	-	65,316	-	-	-	-
Contingency	-	-	2,725,184	6,199,054	3,584,455	3,584,455
Reserved for Future Expenditures	5,507,843	9,016,824	-	-	-	-
Total Requirements	**$ 5,507,843**	**$ 10,091,166**	**$ 12,214,343**	**$ 14,975,367**	**$ 7,933,157**	**$ 16,709,470**

WATER SYSTEM DEVELOPMENT

OVERVIEW

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

ACCOMPLISHMENTS

- Updated the City's computerized hydraulic model
- Completed a Master plan Update using the new hydraulic model
- Completed the 99E Bluff Pipeline replacement

GOALS AND PROJECTS

- Initiate a Beavercreek Concept Plan (upper pressure zone) new reservoir and pump station siting study via joint venture with CRW or Oregon City on its own
- Initiate a long term service area agreement with CRW
- Initiate and complete a Pressure Reducing Valve replacement and upgrade program
- Complete the Meyers Road Waterline Extension
- Complete a waterline upgrade and replacement project along Molalla Avenue between Beavercreek Road and Highway 213

Water Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ -	$ 3,383,780	$ 3,546,514	$ 4,572,546	$ 1,821,046	$ 4,572,546
Charges for Services	-	1,240,028	1,200,000	400,000	400,000	800,000
Interest Income	-	44,575	25,000	36,000	36,000	72,000
Transfers In	3,383,780	-	-	-	-	-
Total Resources	**$ 3,383,780**	**$ 4,668,383**	**$ 4,771,514**	**$ 5,008,546**	**$ 2,257,046**	**$ 5,444,546**
Requirements by Category						
Materials & Services	$ -	$ 46,777	$ 170,861	$ 85,500	$ 57,300	$ 142,800
Capital Outlay	-	554,647	2,250,000	3,102,000	474,000	3,576,000
Transfers Out	-	92,800	-	-	-	-
Contingency	-	-	2,350,653	1,821,046	1,725,746	1,725,746
Reserved for Future Expenditures	3,383,780	3,974,159	-	-	-	-
Total Requirements	**$ 3,383,780**	**$ 4,668,383**	**$ 4,771,514**	**$ 5,008,546**	**$ 2,257,046**	**$ 5,444,546**

Wastewater System Development

Overview

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

Accomplishments

- Completed the Hazelwood Drive Phase I Moratorium Project
- Completed the design and bid phase for the Hazelwood Drive Phase II Moratorium Project
- Completed the Beavercreek Road Concept Plan Area Sewer Extension Project
- Completed the design of the Meyers Road Street Extension Project
- Completed services necessary to manage the hydraulic modelling needs of the City and complete SDC justification and ongoing development related calculations
- Upgraded Settlers Point pump station

Goals and Projects

- Complete pipe Capacity Upgrade Projects:
  - Hazelwood Drive Phase II
- Complete Sewer Extension Projects:
  - Meyers Road

Wastewater Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ -	$ 2,658,178	$ 2,473,236	$ 1,733,893	$ 925,343	$ 1,733,893
Charges for Services	-	955,140	750,000	400,000	400,000	800,000
Interest Income	-	29,533	21,000	18,000	18,000	36,000
Miscellaneous Income	-	-	-	-	-	-
Transfers In	2,658,178	-	-	-	-	-
Total Resources	**$ 2,658,178**	**$ 3,642,851**	**$ 3,244,236**	**$ 2,151,893**	**$ 1,343,343**	**$ 2,569,893**
Requirements by Category						
Materials & Services	$ -	$ 8,762	$ 107,585	$ 36,550	$ 38,350	$ 74,900
Capital Outlay	-	826,580	2,740,000	1,190,000	50,000	1,240,000
Transfers	-	90,942	-	-	-	-
Contingency	-	-	396,651	925,343	1,254,993	1,254,993
Reserved for Future Expenditures	2,658,178	2,716,567	-	-	-	-
Total Requirements	**$ 2,658,178**	**$ 3,642,851**	**$ 3,244,236**	**$ 2,151,893**	**$ 1,343,343**	**$ 2,569,893**

STORMWATER SYSTEM DEVELOPMENT

OVERVIEW

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

ACCOMPLISHMENTS

- Complied with regulatory requirements associated with the NPDES MS4 Permit
- Continued work to update the City's stormwater design standards including low impact development stormwater design standards
- Completed construction of the 15th Street (Main Street to Center Street) drainage system improvements
- Completed a variety of capacity improvements associated with the High Street improvements
- Contributed to a trunk line replacement included in the Cove Phase I development.

GOALS AND PROJECTS

- Address infrastructure needs as needed in the Stormwater Master Plan
- Comply with regulatory capital improvement requirements associated with the NPDES MS4 Permit
- Finalize the Citywide Stormwater Management Master Plan
- Complete the Harding Boulevard Stormwater Extension
- Complete the Meyers Road Stormwater System Oversizing
- Complete the Holcomb Boulevard and Swan Avenue Outfall Upgrades

Stormwater Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ -	$ 602,441	$ 545,006	$ 434,330	$ 184,880	$ 434,330
Charges for Services	-	289,970	300,000	100,000	100,000	200,000
Interest Income	-	6,530	5,000	2,000	2,000	4,000
Transfers In	602,441	-	-	-	-	-
Total Resources	**$ 602,441**	**$ 898,941**	**$ 850,006**	**$ 536,330**	**$ 286,880**	**$ 638,330**
Requirements by Category						
Materials & Services	$ -	$ 154,266	$ 186,655	$ 56,450	$ 38,250	$ 94,700
Capital Outlay	-	146,977	275,000	295,000	70,000	365,000
Transfers	-	76,456	-	-	-	-
Contingency	-	-	388,351	184,880	178,630	178,630
Reserved for Future Expenditures	602,441	521,242	-	-	-	-
Total Requirements	**$ 602,441**	**$ 898,941**	**$ 850,006**	**$ 536,330**	**$ 286,880**	**$ 638,330**

PARKS SYSTEM DEVELOPMENT

OVERVIEW

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

ACCOMPLISHMENTS

- Support eligible portions of Riverwalk for Willamette Falls Legacy Project
- Acquire one-acre property for expansion of Mt. View Cemetery

GOALS AND PROJECTS

- Update Parks and Recreation Master Plan
- Utilize Parks and Recreation Master Plan to begin developing strategies for acquisition and development recommendations, pending available funding, to implement
- Planning and construction of Joint Operations Facility to support Park Operations and Public Works
- Continue to support eligible portions of Riverwalk for Willamette Falls Legacy Project
- Complete Trails Master Plan refinement (for use in planning specific improvements and seeking funding opportunities)
- Plan implementation of park development, including Wesley Lynn (Phase II), Tyrone S Woods Park, Filbert Run, and other SDC eligible projects
- Update Clackamette Park section of Waterfront Master Plan

Parks Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ -	$ 3,322,061	$ 4,364,274	$ 5,777,397	$ 2,574,897	$ 5,777,397
Charges for Services	-	1,783,397	1,200,000	1,200,000	700,000	1,900,000
Interest Income	-	50,788	29,766	45,000	45,000	90,000
Miscellaneous Income	-	54,512	56,164	52,800	52,800	105,600
Transfers In	3,322,061	-	-	-	-	-
Total Resources	**$ 3,322,061**	**$ 5,210,758**	**$ 5,650,204**	**$ 7,075,197**	**$ 3,372,697**	**$ 7,872,997**
Requirements by Category						
Materials & Services	$ -	$ 138,858	$ 326,409	$ 175,300	$ 227,000	$ 402,300
Capital Outlay	-	45,228	2,540,000	3,950,000	1,650,000	5,600,000
Transfers	-	74,980	-	375,000	-	375,000
Contingency	-	-	2,783,795	2,574,897	1,495,697	1,495,697
Unappropriated Fund Balance	3,322,061	4,951,692	-	-	-	-
Total Requirements	**$ 3,322,061**	**$ 5,210,758**	**$ 5,650,204**	**$ 7,075,197**	**$ 3,372,697**	**$ 7,872,997**

FLEET SERVICES

OVERVIEW

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

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

The Equipment Replacement fund is used for the purchase and replacement of equipment. More information about the Equipment Replacement fund can be found on page 122.

Fleet Services	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 6,029	$ 711	$ 2,081	$ 3,848	$ 9,888	$ 3,848
Charges for Services	1,088	838	200	100	100	200
Internal Service Charges	421,531	433,800	464,670	228,990	228,990	457,980
Interest Income	134	37	-	-	-	-
Total Resources	**428,782**	**435,386**	**466,951**	**232,938**	**238,978**	**462,028**
Requirements by Category						
Materials & Services	418,071	416,807	423,992	223,050	223,350	446,400
Capital Outlay	-	-	18,000	-	-	-
Transfers Out	10,000	10,000	-	-	-	-
Contingency	-	-	24,959	9,888	15,628	15,628
Unappropriated Fund Balance	711	8,579	-	-	-	-
Total Requirements	**$ 428,782**	**$ 435,386**	**$ 466,951**	**$ 232,938**	**$ 238,978**	**$ 462,028**

FLEET SERVICES EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Materials & Services						
Professional & Technical Services	$ -	$ 136	$ 2,000	$ 1,000	$ 1,000	$ 2,000
Repair & Maintenance Services	230,446	200,165	198,500	109,250	109,250	218,500
Employee Costs	7,267	9,046	8,400	4,300	4,300	8,600
Operating Materials & Supplies	169,048	194,526	191,000	96,500	96,500	193,000
Office & Administrative Supplies	11,310	12,934	14,092	6,700	6,700	13,400
Internal Service Charges	-	-	10,000	5,300	5,600	10,900
Total Materials & Services	418,071	416,807	423,992	223,050	223,350	446,400
Capital Outlay	-	-	18,000	-	-	-
Transfers Out	10,000	10,000	-	-	-	-
Contingency	-	-	24,959	9,888	15,628	15,628
Unappropriated Fund Balance	711	8,579	-	-	-	-
Total Fleet	$ 428,782	$ 435,386	$ 466,951	$ 232,938	$ 238,978	$ 462,028

COMMUNITY FACILITIES

The City established a general facilities capital projects fund to account for the acquisition and construction of facilities. Funds saved annually for this purpose are maintained in this fund and segregated by purpose. At this time, the fund houses funds for the following:

- Community Safety: Reserves consist of funding for the construction of a new Community Safety Building. The Community Safety Advancement Fund (C-SAF) fee is the primary source of revenue.
- Public Works: Reserves consist of funds set aside from the various Public Works funds for construction of a new Public Works Operations Center.
- Library includes funds saved for future capital maintenance of the expanded Library facility and current capital needs.
- General Government: Reserves consist of savings for general governmental facilities, set aside from annual budgetary savings.

The monies above were all maintained in separate funds prior to the 2015-2017 biennium. They are now accounted for in a single fund for improved accounting efficiency. The first chart below shows the proposed biennial budget while the second one shows funds set aside for each of the above projects.

Community Facilities	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ -	$ 16,894,727	$ 11,983,283	$ 24,216,061	$ 1,256,261	$ 24,216,061
Intergovernmental	-	314,536	-	-	-	-
Charges for Services	-	1,670,253	2,203,600	1,080,000	1,080,000	2,160,000
Miscellaneous Income	-	-	2,500,000	2,500,000	-	2,500,000
Interest Income	-	167,475	115,322	265,500	165,500	431,000
Bond Proceeds	-	-	16,157,183	-	-	-
Transfers In	16,894,727	3,100,000	4,095,929	7,040,000	190,000	7,230,000
Total Resources	**$ 16,894,727**	**$ 22,146,991**	**$37,055,317**	**$35,101,561**	**$ 2,691,761**	**$36,537,061**
Requirements						
Materials and Services	$ -	$ 196,482	$ 400	$ 50,000	$ 50,000	$ 100,000
Capital Outlay	-	9,900,684	35,431,911	32,690,000	100,000	32,790,000
Debt Service	-	-	153,805	1,000	1,000	2,000
Transfer Out	-	-	1,102,122	1,104,300	1,104,300	2,208,600
Contingency	-	-	-	1,256,261	1,436,461	1,436,461
Restricted for Future Expenditure	16,894,727	12,049,825	367,079	-	-	-
Total Requirements	**$ 16,894,727**	**$ 22,146,991**	**$37,055,317**	**$35,101,561**	**$ 2,691,761**	**$36,537,061**

	Beginning Funds Available	Biennium Resources / Additions	Biennium Requirements / Uses	Remaining Funds
Public Works Operations Center	$ 5,246,538	$ 5,941,000	$ 11,150,000	$ 37,538
Community Safety Building	17,886,453	6,000,000	23,750,600	135,853
Library Expansion	556,600	40,000	200,000	396,600
General Facilities	526,470	340,000	-	866,470
	$ 24,216,061	**$ 12,321,000**	**$ 35,100,600**	**$ 1,436,461**

EQUIPMENT REPLACEMENT

Public Works, in conjunction with the user departments, are responsible for evaluating the City's overall fleet purchasing strategy and recommends new vehicles or replacement vehicles based on use, age, and safety requirements. Additionally, different departments have the need to set aside funds for future major equipment replacement. Vehicles and equipment are initially purchased by the operating department. Once the initial purchase is made, the vehicle is then charged back to that department on annual installments through a savings fund established for future vehicle or equipment replacement purchases.

Equipment Replacement	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 2,705,570	$ 3,659,085	$ 4,366,742	$ 6,056,045	$ 5,283,526	$ 6,056,045
Intergovernmental	-	-	177,000	-	-	-
Miscellaneous Income	75,029	32,633	-	20,000	20,000	40,000
Interest Income	86,932	89,203	80,000	90,000	90,000	180,000
Loan Repayment	386,964	773,928	773,928	-	100,000	100,000
Transfers In	1,311,850	1,725,050	1,574,700	768,481	771,345	1,539,826
Total Resources	**$ 4,566,345**	**$ 6,279,899**	**$ 6,972,370**	**$ 6,934,526**	**$ 6,264,871**	**$ 7,915,871**
Requirements						
Materials and Services	$ -	$ -	$ 310,000	$ -	$ -	$ -
Capital Outlay	867,260	1,933,123	1,464,829	630,000	650,000	1,280,000
Internal Service Charges	-	-	40,000	21,000	22,100	43,100
Transfers Out	40,000	40,000	-	1,000,000	-	1,000,000
Reserved for Future Expenditures	3,659,085	4,306,776	5,157,541	5,283,526	5,592,771	5,592,771
Total Requirements	**$ 4,566,345**	**$ 6,279,899**	**$ 6,972,370**	**$ 6,934,526**	**$ 6,264,871**	**$ 7,915,871**

	Beginning Funds Available	Biennium Resources / Additions	Biennium Requirements / Uses	Restricted Funds
Parks & Cemetery	$ 766,403	$ 193,826	$ 50,000	$ 910,229
Water	921,756	40,000	70,000	891,756
Police & Code Enforcement	858,862	720,000	600,000	978,862
Stormwater	719,906	210,000	35,000	894,906
Wastewater	1,039,418	280,000	200,000	1,119,418
General Equipment	763,100	280,000	1,043,100	-
Transportation	838,752	60,000	325,000	573,752
Community Development	75,177	40,000	-	115,177
Customer Service	56,989	4,000	-	60,989
Engineering	15,682	32,000	-	47,682
	$ 6,056,045	**$ 1,859,826**	**$ 2,323,100**	**$ 5,592,771**

Utility Customer Service

Overview

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

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

Accomplishments

- Implemented utility billing software within the City's new Enterprise Resource Planning system, including enhancements such as more efficient meter reading routes, reduced fees for online services and an increase in the number of customers signed up for electronic statements and payments
- Established new practices to more effectively track and collect for the rental of hydrant water meters that contractors use at construction locations

Goals and Projects

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

Utility Customer Service	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 26,317	$ 52,181	$ 86,203	$ 2,365	$ 40,000	$ 2,365
Charges for Services	38,594	40,432	40,600	93,000	93,000	186,000
Internal Service Charges	-	-	2,104,000	1,155,000	1,167,300	2,322,300
Interest Income	419	1,394	-	-	-	-
Transfers In	1,739,663	1,923,877	-	-	-	-
Total Resources	**$ 1,804,993**	**$ 2,017,884**	**$ 2,230,803**	**$ 1,250,365**	**$ 1,300,300**	**$ 2,510,665**
Requirements						
Personnel Services	$ 1,084,780	$ 1,240,948	$ 1,392,420	$ 749,565	$ 788,714	$ 1,538,279
Materials & Services	665,032	692,340	687,081	458,800	465,100	923,900
Transfers Out	3,000	3,150	67,927	2,000	2,000	4,000
Contingency	-	-	83,375	40,000	44,486	44,486
Unappropriated Fund Balance	52,181	81,446	-	-	-	-
Total Requirements	**$ 1,804,993**	**$ 2,017,884**	**$ 2,230,803**	**$ 1,250,365**	**$ 1,300,300**	**$ 2,510,665**

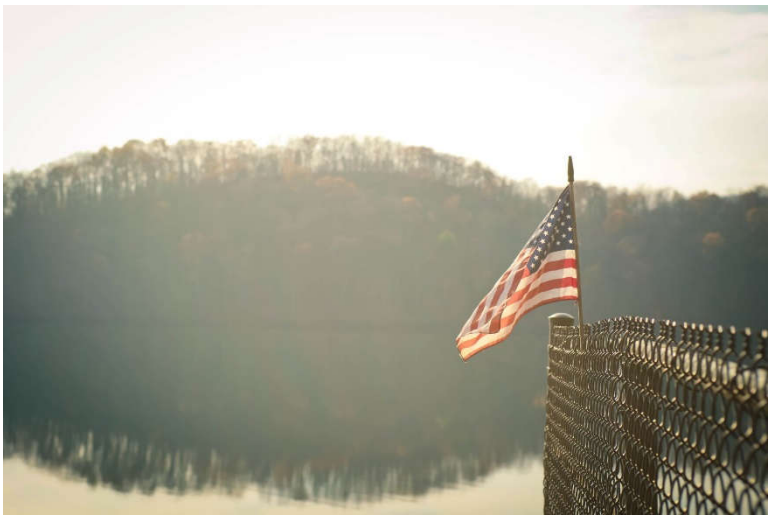
UTILITY CUSTOMER SERVICE EXPENDITURES

Description	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Personnel Services						
Salaries	$ 644,866	$ 738,912	$ 808,629	$ 434,744	$ 456,247	$ 890,991
Benefits	439,914	502,036	583,791	314,821	332,467	647,288
Total Personnel Services	1,084,780	1,240,948	1,392,420	749,565	788,714	1,538,279
Materials & Services						
Professional & Technical Services	168,866	171,843	177,000	95,300	98,300	193,600
Repair & Maintenance Services	45,105	48,125	45,040	25,000	26,000	51,000
Other Services	42,545	136,397	141,041	76,000	78,300	154,300
Employee Costs	1,590	3,311	6,000	5,000	5,000	10,000
Operating Materials & Supplies	33	794	-	900	900	1,800
Office & Administrative Supplies	406,893	331,870	318,000	237,200	237,200	474,400
Internal Service Charges	-	-	-	19,400	19,400	38,800
Total Materials & Services	665,032	692,340	687,081	458,800	465,100	923,900
Transfers Out	3,000	3,150	67,927	2,000	2,000	4,000
Contingency	-	-	83,375	40,000	44,486	44,486
Unappropriated Fund Balance	52,181	81,446	-	-	-	-
Total Utility Customer Service	$ 1,804,993	$ 2,017,884	$ 2,230,803	$ 1,250,365	$ 1,300,300	$ 2,510,665

BUDGET HIGHLIGHTS

This Biennial Budget includes costs and related savings for outsourcing the printing and mailing of utility bills (Other Services), meter reading (Professional & Technical), and banking, online, and credit card merchant charges (Office & Administrative Supplies).

In general, Materials & Services increased from the prior biennium due to increased utility billing contract and credit card charges. As more utility accounts come online and more customers take advantage of online payments and recurring credit card payments, these costs will continue to rise.



Debt Service

The City has two debt service funds; one for General Obligation bonds and the other for all other type of governmental bonds (e.g. revenue bonds). However, the City's General Obligation bonds were paid in full in the current year and therefore does not have a budget. Further information on the City's debt is included in a separate section later in this budget.

PERS Bonds

The Public Employee Retirement System (PERS) Unfunded Actuarial Liability Bonds were issued by the City in 2005 in the amount of $17 million to fund its PERS actuarial liability. These bonds mature in 2028. Revenues to pay the bonds come from resources set aside annually from savings on employer contributions.

PERS Debt Service	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 1,470,912	$ 1,926,345	$ 2,145,383	$ 1,795,868	$ 1,658,148	$ 1,795,868
Miscellaneous Income	2,610,758	2,520,105	2,649,622	1,346,911	1,394,982	2,741,893
Interest Income	41,928	29,360	20,000	30,000	30,000	60,000
Other Financing Sources	240,100	199,744	-	-	-	-
Total Resources	**$ 4,363,698**	**$ 4,675,554**	**$ 4,815,005**	**$ 3,172,779**	**$ 3,083,130**	**$ 4,597,761**
Requirements by Category						
Debt Service	$ 2,437,353	$ 2,641,726	$ 2,855,150	$ 1,514,631	$ 1,574,685	$ 3,089,316
Unappropriated Fund Balance	1,926,345	2,033,828	1,959,855	1,658,148	1,508,445	1,508,445
Total Requirements	**$ 4,363,698**	**$ 4,675,554**	**$ 4,815,005**	**$ 3,172,779**	**$ 3,083,130**	**$ 4,597,761**

Community Safety Advancement Fund (CSAF) Bonds

The City issued $16,000,000 of voter-approved Full Faith and Credit Obligation bonds dated June 5, 2018, to provide a new police and municipal court facility. The bonds were issued at a premium of $1,542,183 resulting in face value of the bonds of $14,615,000. The bond premium is to be amortized over the life of the bonds, which mature in 2038. Interest rates on the bonds range from 3.00% to 5.00%. Revenues to pay the bonds come from a transfer of CSAF Utility fees designated for such purpose.

CSAF Debt Service	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Transfers In	$ -	$ -	$ 1,102,122	$ 1,104,300	$ 1,104,300	$ 2,208,600
Total Resources	**$ -**	**$ -**	**$ 1,102,122**	**$ 1,104,300**	**$ 1,104,300**	**$ 2,208,600**
Requirements by Category						
Debt Service	$ -	$ -	$ 1,102,122	$ 1,104,300	$ 1,104,300	$ 2,208,600
Total Requirements	**$ -**	**$ -**	**$ 1,102,122**	**$ 1,104,300**	**$ 1,104,300**	**$ 2,208,600**

ADDITIONAL INFORMATION

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CITY OF OREGON CITY
END OF THE OREGON TRAIL

PERSONNEL

OVERVIEW OF PERSONNEL CHANGES

The biennial budget increases Full Time Equivalent (FTE) positions with funding from additional revenues or offsetting savings. The budget proposes a net **addition of 1.75 FTE** over the adjusted 2017-2019 biennial budget.

Policy and Administration: No net change

There was a slight reallocation of part-time hours between divisions resulting in no net change.

General Government: Net increase of 1.0 FTE

The budget includes an additional Facilities Maintenance Specialist due to increases in the number of facilities and square footage being maintained.

Police: Net increase of 1.0 FTE

As part of the Department's goals for reducing accidents and increasing safety, the Police Department proposes adding a Traffic Sergeant.

Community Services: Net Increase of 1.0 FTE

This biennium, Parks and Cemetery Maintenance proposes an increase in a Parks Maintenance Specialist to assist with backlog of deferred maintenance issues.

Library: Decrease of 0.25 FTE

The budget includes a decrease from reorganization of staff due to retirements and realignment for better serving the public.

Community Development: Decrease of 1.0 FTE

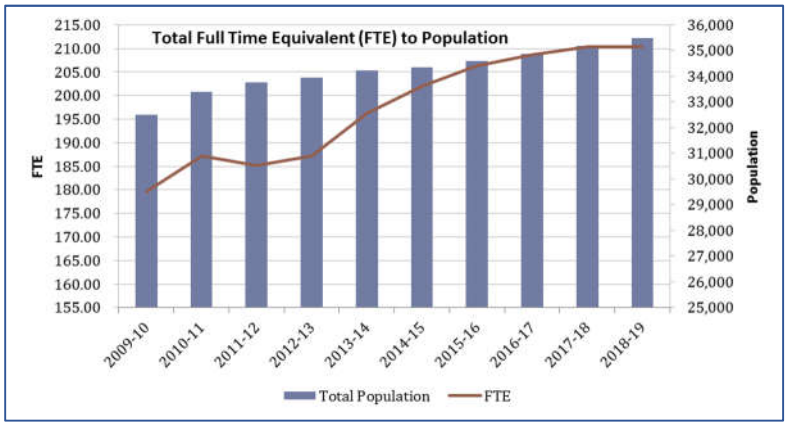
The Planning Division has eliminated a limited duration position that was previously funded by grants.

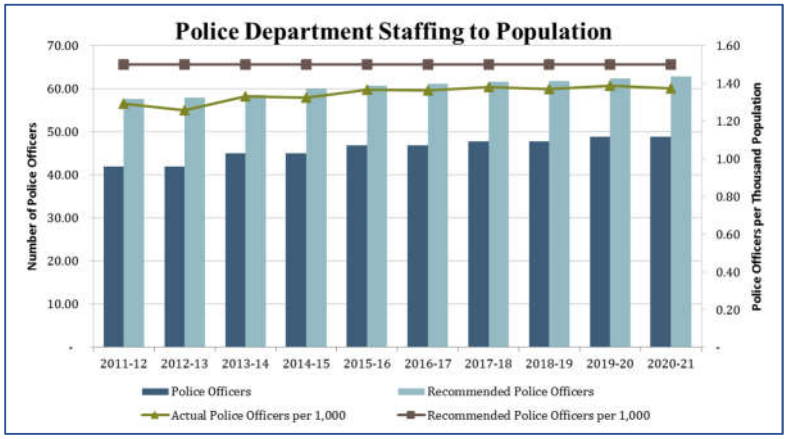
PERSONNEL TRENDS

PERSONNEL CHANGES BY DEPARTMENT (FTE)

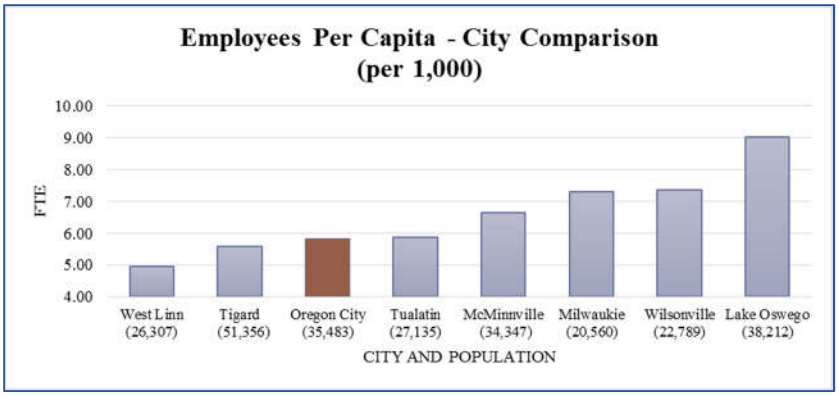
Department	2013-15 Actual	2015-17 Actual	2017-19 Biennium	2019-21 Biennium	Change
Policy and Administration	24.53	28.26	29.86	29.86	0.00
General Government	1.89	1.89	0.75	1.75	1.00
Police & Code	56.50	57.48	58.48	59.48	1.00
Community Services	31.87	35.56	36.72	37.72	1.00
Library	12.15	13.49	16.40	16.15	-0.25
Community Development	11.00	14.00	14.00	13.00	-1.00
Public Works	49.30	52.31	52.41	52.41	0.00
Total FTEs	***187.24***	***202.99***	***208.62***	***210.37***	***1.75***

As cities grow in population, the demand for public safety and law enforcement services, utility maintenance, and parks and recreation also increase. After several years of cutbacks to personnel due to the financial crisis, the City has been fairly consistent in responding to staffing needs given the growth in population and the need for services City-wide. The United States Department of Justice recommends a staffing level of 1.5 officers per 1,000 residents for cities our size. At 1.38 officers per 1,000 in 2020, the City is short by approximately 4 officers. This data is shown in the two charts below.





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



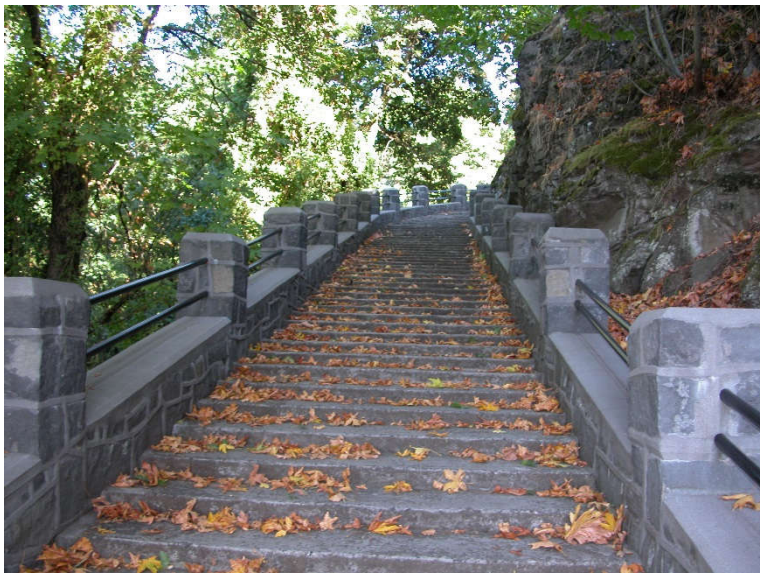
PERSONNEL COSTS

Total anticipated costs for wages, overtime costs and fringe benefits are approximately $54.98 million in the 2019-2021 biennium. This represents an increase of $4.12 million as compared to the 2017-2019 biennium. Increases in wages are a result of 3% annual cost of living adjustments, step increases called for in the labor contracts, and the anticipated new positions. Additionally, the City incurred increases due to PERS legacy costs of approximately 4.5% of wages. The City has two bargaining units, City of Oregon City Employees Local 350-2 Council 75, of the American Federation of State County and Municipal Employees (AFSCME), and the Oregon City Police Employees' Association (OCPEA), which represent approximately 75% of all City positions. New union contracts commence on July 1, 2019. Fringe benefits represent approximately 41% of the total personnel costs.

PERSONNEL EXPENSES BY DEPARTMENT AND CATEGORY

Department	2013-15 Actual	2015-17 Actual	2017-19 Biennium	2019-2021 Proposed	Change
Policy and Administration	$ 4,365,231	$ 6,646,000	$ 7,952,882	$ 8,846,862	$ 893,980
General Government	721,723	721,681	612,917	818,272	205,355
Police	13,908,728	15,361,651	18,027,003	19,981,173	1,954,170
Community Services	4,248,521	4,499,721	5,493,350	6,195,504	702,154
Library	2,083,552	2,143,757	2,748,796	2,879,275	130,479
Community Development	2,509,860	2,791,013	3,482,392	3,653,632	171,240
Public Works	10,366,540	10,535,501	12,545,215	12,604,388	59,173
Total Wages and Benefits	***$ 38,204,155***	***$ 42,699,324***	***$ 50,862,555***	***$ 54,979,106***	***$ 4,116,551***

Category	2013-15 Actual	2015-17 Actual	2017-19 Biennium	2019-2021 Proposed	Change
Wages	$ 23,422,259	$ 26,493,227	$ 30,445,313	$ 32,204,052	$ 1,758,739
Fringe Benefits	14,781,896	16,206,097	20,417,242	22,775,054	2,357,812
Total Wages and Benefits	***$ 38,204,155***	***$ 42,699,324***	***$ 50,862,555***	***$ 54,979,106***	***$ 4,116,551***



PERSONNEL BY DEPARTMENT

The table below shows FTEs by department for the previous two periods, the prior biennium, and the proposed biennium.

Department and Position	2013-2015 Actual	2015-2017 Actual	2017-2019 Budget	2019-2021 Proposed	Change 2017-2021
Policy and Administration					
City Manager					
City Manager	1.00	1.00	1.00	1.00	0.00
Executive Assistant to City Manager	0.00	0.00	1.00	1.00	0.00
Community Communications Coordinator	0.00	0.00	1.00	1.00	0.00
Total City Manager	***1.00***	***1.00***	***3.00***	***3.00***	***0.00***
City Recorder					
City Recorder	1.00	1.00	1.00	1.00	0.00
Assistant to City Manager	1.00	1.00	0.00	0.00	0.00
Administrative Assistant	1.00	1.00	1.00	1.00	0.00
Total City Recorder	***3.00***	***3.00***	***2.00***	***2.00***	***0.00***
Finance					
Finance Director	0.80	0.80	0.80	0.80	0.00
Deputy Finance Director	0.70	0.60	0.60	0.60	0.00
Senior Accountant	0.00	1.00	1.00	1.00	0.00
Accounting Technician, Senior	2.55	1.75	1.75	1.75	0.00
Business Analyst	0.50	0.50	0.50	0.50	0.00
Office Specialist III	0.60	0.50	0.60	0.60	0.00
Finance Administrative PT Hourly	0.08	0.25	0.25	0.25	0.00
Total Finance	***5.23***	***5.40***	***5.50***	***5.50***	***0.00***
Municipal Court					
Municipal Court Manager	1.00	1.00	1.00	1.00	0.00
Municipal Court Judge PT	0.22	0.22	0.22	0.22	0.00
Court Records Specialist	2.00	3.00	3.00	3.00	0.00
Court/Collections Clerk	1.00	0.00	0.20	0.20	0.00
Bailiffs	0.22	0.24	0.24	0.30	0.06
Total Municipal Court	***4.44***	***4.46***	***4.66***	***4.72***	***0.06***
Human Resources					
Human Resources Director	1.00	1.00	1.00	1.00	0.00
Human Resources Technician	1.00	1.00	1.00	1.00	0.00
Risk Specialist	0.00	0.75	0.00	0.00	0.00
Hourly - Personnel	0.19	0.00	0.25	0.15	(0.10)
Total Human Resources	***2.19***	***2.75***	***2.25***	***2.15***	***(0.10)***
Economic Development					
Economic Development Manager	1.00	1.00	1.00	1.00	0.00
Economic Development Coordinator	0.00	1.00	1.00	1.00	0.00
Tourism Coordinator	0.00	0.00	1.00	1.00	0.00
Finance Administrative PT Hourly	0.12	0.10	0.00	0.00	0.00
Total Economic Development	***1.12***	***2.10***	***3.00***	***3.00***	***0.00***
Information Technology and GIS					
Information Tech Supervisor	1.00	1.00	1.00	1.00	0.00
GIS Coordinator	0.50	0.50	0.50	0.50	0.00
Support Specialist	0.00	1.00	1.00	1.00	0.00
Network Analyst	0.00	1.00	1.00	1.00	0.00
Total Information Technology and GIS	***1.50***	***3.50***	***3.50***	***3.50***	***0.00***

Department and Position	2013-2015 Actual	2015-2017 Actual	2017-2019 Budget	2019-2021 Proposed	Change 2017-2021
Policy and Administration continued					
Utility Customer Service					
Finance Director	0.20	0.20	0.20	0.20	0.00
Deputy Finance Director	0.30	0.40	0.40	0.40	0.00
Accounting Technician, Senior	0.45	0.25	0.25	0.25	0.00
Customer Accounting Coordinator	1.00	1.00	1.00	1.00	0.00
Utility Customer Service Rep	2.00	3.00	3.00	3.00	0.00
Customer Accounting Clerk	1.00	0.00	0.00	0.00	0.00
Office Specialist III	0.40	0.50	0.40	0.40	0.00
Business Analyst	0.50	0.50	0.50	0.50	0.00
Finance Administrative PT Hourly	0.20	0.20	0.20	0.24	0.04
Total Utility Customer Service	***6.05***	***6.05***	***5.95***	***5.99***	***0.04***
Total Policy & Administration	***24.53***	***28.26***	***29.86***	***29.86***	***0.00***
General Government					
Maintenance Custodian	1.00	1.00	0.00	0.00	0.00
Facilities Maintenance Specialist	0.75	0.75	0.75	1.75	1.00
Custodian PT	0.14	0.14	0.00	0.00	0.00
Total General Government	***1.89***	***1.89***	***0.75***	***1.75***	***1.00***
Police					
Police Operations					
Police Chief	1.00	1.00	1.00	1.00	0.00
Police Captain	2.00	1.80	1.80	1.80	0.00
Police Sergeant	7.00	8.00	8.00	9.00	1.00
Police Officer	34.00	34.00	34.00	34.00	0.00
Business Manager	1.00	1.00	1.00	1.00	0.00
Senior Administrative Assistant	0.00	1.00	1.00	1.00	0.00
Police Records Manager	1.00	1.00	1.00	1.00	0.00
Police Records Specialist	3.00	2.00	2.00	2.00	0.00
Homeless Liaison Officer	0.00	0.00	1.00	1.00	0.00
CSO /Forensics	0.00	1.00	1.00	1.00	0.00
CSO / Property-Evidence Officer	1.00	1.00	1.00	1.00	0.00
Total Police Operations	***50.00***	***51.80***	***52.80***	***53.80***	***1.00***
Code Enforcement and Parking Operations					
Police Captain	0.00	0.20	0.20	0.20	0.00
Code Enforcement Manager	1.00	1.00	1.00	1.00	0.00
Code Compliance Officer	3.00	2.00	2.00	2.00	0.00
Parking Enforcement Officer	1.00	1.00	1.00	1.00	0.00
Office Specialist II	1.00	1.00	1.00	1.00	0.00
Code Enforcement PT Hourly	0.00	0.00	0.00	0.00	0.00
Parking Operations PT Hourly	0.50	0.48	0.48	0.48	0.00
Total Code Enforcement and Parking Operations	***6.50***	***5.68***	***5.68***	***5.68***	***0.00***
Total Police	***56.50***	***57.48***	***58.48***	***59.48***	***1.00***

Department and Position	2013-2015 Actual	2015-2017 Actual	2017-2019 Budget	2019-2021 Proposed	Change 2017-2021
Community Services					
Parks and Cemetery Maintenance					
Community Services Director	0.40	0.40	0.40	0.40	0.00
Parks Maintenance Manager	1.00	1.00	1.00	1.00	0.00
Assistant Parks & Rec Director	0.25	0.25	0.25	0.25	0.00
Parks Maintenance Specialist III	3.00	3.00	2.00	2.00	0.00
Park Maintenance Specialist II	2.00	1.00	3.00	5.00	2.00
Park Maintenance Specialist I	0.00	2.00	1.00	0.00	(1.00)
Office Specialist III	1.00	1.00	1.00	1.00	0.00
Office Specialist II	0.00	1.00	0.75	0.75	0.00
Parks Maintenance PT Hourly	2.70	2.57	2.57	2.57	0.00
Total Parks and Cemetery Maintenance	***10.35***	***12.22***	***11.97***	***12.97***	***1.00***
Recreation Aquatics					
Community Services Director	0.20	0.20	0.20	0.20	0.00
Assistant Parks & Rec Director	0.25	0.25	0.25	0.25	0.00
Aquatics Recreation Manager	1.00	1.00	1.00	1.00	0.00
Building/Facility Maintenance Specialist	0.50	0.50	0.50	0.50	0.00
Office Specialist I PT	0.00	0.00	0.15	0.15	0.00
Recreation Programmer	0.00	0.50	0.50	0.50	0.00
Recreation Aquatics PT Hourly	8.76	9.00	8.50	8.50	0.00
Total Recreation Aquatics	***10.71***	***11.45***	***11.10***	***11.10***	***0.00***
Pioneer Community Center					
Community Services Director	0.20	0.20	0.20	0.20	0.00
Assistant Parks & Rec Director	0.25	0.25	0.25	0.25	0.00
Senior Center Manager	1.00	1.00	1.00	1.00	0.00
Client Services Coordinator	1.00	1.00	1.00	1.00	0.00
Meals on Wheels Coordinator	1.00	1.00	1.00	1.00	0.00
Senior Center Program Assistant PT	0.95	0.98	1.00	1.00	0.00
Senior Center Nutrition Coordinator PT	0.82	0.83	0.50	0.50	0.00
Senior Center Van Driver PT Hourly	1.50	1.55	1.52	1.52	0.00
Food Service Worker	0.00	0.50	0.80	0.80	0.00
Office Specialist I PT	0.00	0.00	0.40	0.40	0.00
Office Specialist II PT	0.94	0.94	0.98	0.98	0.00
Pioneer Center PT Temporary Hourly	0.60	0.60	0.90	0.90	0.00
Total Pioneer Community Center	***8.26***	***8.85***	***9.55***	***9.55***	***0.00***
Recreation Programs					
Community Services Director	0.20	0.20	0.20	0.20	0.00
Assistant Parks & Rec Director	0.25	0.25	0.25	0.25	0.00
Senior Center Nutrition Coordinator PT	0.01	0.00	0.00	0.00	0.00
Office Specialist I PT	0.00	0.00	0.15	0.15	0.00
Recreation Programmer	0.00	0.50	0.50	0.50	0.00
Historic House Guide (Limited Duration)	0.00	0.00	0.50	0.50	0.00
Recreation Programs PT Hourly	2.09	2.09	2.50	2.50	0.00
Total Recreation Programs	***2.55***	***3.04***	***4.10***	***4.10***	***0.00***
Total Community Services	***31.87***	***35.56***	***36.72***	***37.72***	***1.00***

Department and Position	2013-2015 Actual	2015-2017 Actual	2017-2019 Budget	2019-2021 Proposed	Change 2017-2021
Library					
Library Director	1.00	1.00	1.00	1.00	0.00
Library Operations Manager	1.00	1.00	1.00	1.00	0.00
Librarian	0.90	1.35	3.00	3.00	0.00
Library Assistants	5.94	5.85	5.85	3.65	(2.20)
Parks Mechanical Specialist	0.25	0.25	0.25	0.25	0.00
Reference Librarian PT	0.35	0.33	0.33	0.00	(0.33)
Hourly Library Assistants	1.89	2.89	4.97	7.25	2.28
Hourly Shelvers	0.82	0.82	0.00	0.00	0.00
Total Library	***12.15***	***13.49***	***16.40***	***16.15***	***(0.25)***
Community Development					
Planning					
Community Development Director	0.62	0.62	0.60	0.40	(0.20)
Senior Planner	1.00	1.00	1.00	1.00	0.00
Assistant Planner	1.00	2.00	2.00	2.00	0.00
Planner	2.00	2.00	2.00	1.00	(1.00)
Total Planning	***4.62***	***5.62***	***5.60***	***4.40***	***(1.20)***
Building					
Community Development Director	0.38	0.38	0.40	0.60	0.20
Building Official	1.00	1.00	1.00	1.00	0.00
Senior Building Inspector	0.00	1.00	0.00	0.00	0.00
Building Inspectors	2.00	3.00	4.00	4.00	0.00
Permit Technician	1.00	1.00	1.00	2.00	1.00
Permit Coordinator	1.00	1.00	1.00	1.00	0.00
Plans Examiner - Senior	1.00	0.00	0.00	0.00	0.00
Customer Accounting Coordinator	0.00	1.00	0.00	0.00	0.00
Office Assistant	0.00	0.00	1.00	0.00	(1.00)
Total Building	***6.38***	***8.38***	***8.40***	***8.60***	***0.20***
Total Community Development	***11.00***	***14.00***	***14.00***	***13.00***	***(1.00)***
Public Works					
Engineering					
Public Works Director	0.10	0.10	0.10	0.10	0.00
City Engineer	0.30	0.30	0.30	0.30	0.00
Construction Services Manager	0.70	0.70	0.00	0.00	0.00
R-O-W Coordinator	1.00	1.00	1.00	1.00	0.00
Engineering Technician III	1.00	1.00	1.00	1.00	0.00
Project Engineer	0.00	2.50	2.12	2.12	0.00
Construction Inspector	0.50	1.00	1.00	1.00	0.00
Development Projects Manager	0.00	0.00	1.00	1.00	0.00
GIS Coordinator	0.00	0.00	0.10	0.10	0.00
Engineering Group - PT Hourly	0.25	0.25	0.19	0.19	0.00
Total Engineering	***3.85***	***6.85***	***6.81***	***6.81***	***0.00***

Department and Position	2013-2015 Actual	2015-2017 Actual	2017-2019 Budget	2019-2021 Proposed	Change 2017-2021
Public Works continued					
Transportation					
Public Works Director	0.26	0.26	0.22	0.22	0.00
City Engineer	0.18	0.18	0.18	0.18	0.00
Public Works Operations Manager	0.25	0.25	0.25	0.25	0.00
Public Works Operations Supervisor	1.00	1.00	1.00	1.00	0.00
Administrative Assistants	0.50	0.50	0.50	0.50	0.00
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	0.00
Lead Mechanic	0.25	0.25	0.25	0.25	0.00
Utilities Maintenance Specialists	4.50	4.50	4.50	4.50	0.00
Mechanic	0.25	0.25	0.25	0.25	0.00
Engineering Technician III	0.10	0.00	0.00	0.00	0.00
Project Engineer	0.15	0.27	0.38	0.38	0.00
Associate Development Engineer	0.12	0.00	0.00	0.00	0.00
Construction Inspector	0.50	0.00	0.25	0.25	0.00
GIS Coordinator	0.05	0.05	0.10	0.10	0.00
GIS Technician	0.00	0.10	0.25	0.25	0.00
Asset Management Specialist	0.25	0.25	0.25	0.25	0.00
Office Specialist III	0.25	0.25	0.25	0.25	0.00
Streets - PT Hourly	2.15	2.15	2.22	2.22	0.00
Total Transportation	***11.76***	***11.26***	***11.85***	***11.85***	***0.00***
Water					
Public Works Director	0.21	0.21	0.25	0.25	0.00
City Engineer	0.18	0.18	0.18	0.18	0.00
Public Works Operations Manager	0.25	0.25	0.25	0.25	0.00
Construction Services Manager	0.10	0.10	0.00	0.00	0.00
Public Wks Operations Supervisor	1.00	1.00	1.00	1.00	0.00
Administrative Assistants	0.50	0.50	0.50	0.50	0.00
Lead Mechanic	0.25	0.25	0.25	0.25	0.00
Utilities Maint Team Leader	1.00	1.00	1.00	1.00	0.00
Utilities Maintenance Specialists	5.00	5.00	5.00	5.00	0.00
Water Quality Coordinator	0.60	0.60	0.60	0.60	0.00
Mechanic	0.25	0.25	0.25	0.25	0.00
Engineering Technician III	0.30	0.00	0.00	0.00	0.00
Environmental Technician I	0.70	0.70	0.70	0.70	0.00
Project Engineer	0.50	0.63	0.38	0.38	0.00
Associate Development Engineer	0.13	0.00	0.00	0.00	0.00
Construction Inspector	0.50	0.00	0.25	0.25	0.00
GIS Coordinator	0.15	0.15	0.10	0.10	0.00
GIS Technician	0.00	0.30	0.25	0.25	0.00
Asset Management Specialist	0.25	0.25	0.25	0.25	0.00
Office Specialist III	0.25	0.25	0.25	0.25	0.00
Water - PT Hourly	1.50	1.50	1.63	1.63	0.00
Total Water	***13.62***	***13.12***	***13.09***	***13.09***	***0.00***

Department and Position	2013-15 Actual	2015-17 Actual	2017-19 Biennium	2019-21 Proposed	Change 2017-2019
Public Works continued					
Wastewater					
Public Works Director	0.22	0.22	0.21	0.21	0.00
City Engineer	0.18	0.18	0.18	0.18	0.00
Public Works Operations Manager	0.25	0.25	0.25	0.25	0.00
Construction Services Manager	0.10	0.10	0.00	0.00	0.00
Public Wks Operations Supervisor	0.50	0.50	0.50	0.50	0.00
Administrative Assistants	0.50	0.50	0.50	0.50	0.00
Lead Mechanic	0.25	0.25	0.25	0.25	0.00
Utility Maint Team Leader	0.50	0.50	0.50	0.50	0.00
Utilities Maintenance Specialists	3.00	4.00	4.00	4.00	0.00
Mechanic	0.25	0.25	0.25	0.25	0.00
Engineering Technician III	0.30	0.00	0.00	0.00	0.00
Project Engineer	0.42	0.56	1.38	1.38	0.00
Associate Development Engineer	0.13	1.00	0.00	0.00	0.00
Construction Inspector	0.50	0.00	0.25	0.25	0.00
GIS Coordinator	0.15	0.15	0.10	0.10	0.00
GIS Technician	0.00	0.30	0.25	0.25	0.00
Asset Management Specialist	0.25	0.25	0.25	0.25	0.00
Office Specialist III	0.25	0.25	0.25	0.25	0.00
Sewer - PT Hourly	1.45	1.45	1.43	1.43	0.00
Total Wastewater	***9.20***	***10.71***	***10.55***	***10.55***	***0.00***
Stormwater					
Public Works Director	0.21	0.21	0.22	0.22	0.00
City Engineer	0.16	0.16	0.16	0.16	0.00
Public Works Operations Manager	0.25	0.25	0.25	0.25	0.00
Construction Services Manager	0.10	0.10	0.00	0.00	0.00
Public Wks Operations Supervisor	0.50	0.50	0.50	0.50	0.00
Administrative Assistants	0.50	0.50	0.50	0.50	0.00
Utility Maint Team Leader	0.50	0.50	0.50	0.50	0.00
Utilities Maintenance Specialists	2.50	3.50	3.50	3.50	0.00
Water Quality Coordinator	0.40	0.40	0.40	0.40	0.00
Lead Mechanic	0.25	0.25	0.25	0.25	0.00
Mechanic	0.25	0.25	0.25	0.25	0.00
Engineering Technician III	0.30	0.00	0.00	0.00	0.00
Environmental Technician I	0.30	0.30	0.30	0.30	0.00
Utilities Maintenance Spec I	1.00	0.00	0.00	0.00	0.00
Project Engineer	0.93	1.05	0.75	0.75	0.00
Associate Development Engineer	0.12	0.00	0.00	0.00	0.00
Construction Inspector	0.50	0.00	0.25	0.25	0.00
GIS Coordinator	0.15	0.15	0.10	0.10	0.00
GIS Technician	0.00	0.30	0.25	0.25	0.00
Asset Management Specialist	0.25	0.25	0.25	0.25	0.00
Office Specialist III	0.25	0.25	0.25	0.25	0.00
Stormwater - PT Hourly	1.45	1.45	1.43	1.43	0.00
Total Stormwater	***10.87***	***10.37***	***10.11***	***10.11***	***0.00***
Total Public Works	***49.30***	***52.31***	***52.41***	***52.41***	***0.00***
Total Oregon City	***187.24***	***202.99***	***208.62***	***210.37***	***1.75***

Capital Improvement Program

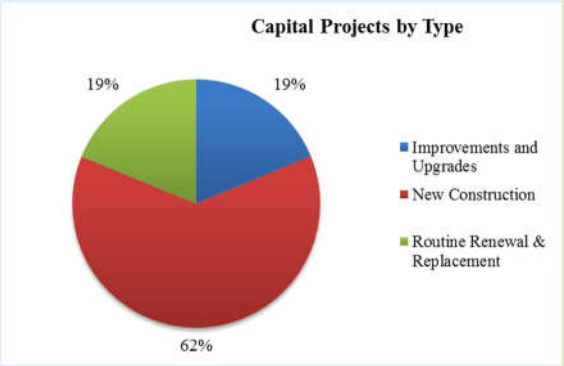
Overview

Capital Outlay expenditures involve the acquisition or construction of equipment, land, and capital facilities. The Capital Improvement Program (CIP) establishes Oregon City's budget for capital projects. A capital project is that which improves or adds value to the City's capital facilities, costs $5,000 or more, and has a useful life or extends the useful life of infrastructure for 5 years or more. Oregon City's capital facilities include roads and pathways, parks and cemetery facilities, water distribution system, sanitary sewer collection system, stormwater drainage system, and public and operations buildings. 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 Systems 20-50 years

Total capital spending for the City in the 2019-2021 biennium is budgeted at $81,877,644 across all funds. Approximately $79.97 million of the projected spending is on capital projects while $1.91 million is for TPP and software.



Approximately $15.06 million, or 19%, of Oregon City's capital projects represent routine or ongoing capital renewal and replacements. These expenditures are included in almost every budget and will have no significant impact on the operating budget. These projects include annually scheduled roadway or pathway improvements (repaving, reconstruction, or repair), park structure replacement, annually scheduled waterline or wastewater line replacements, and stormwater drainage and water quality improvements. In some instances, these projects may generate operating savings in reduced risks and maintenance costs.

A total of $64.91 million, or 81%, 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 Community Facilities (Public Works and Parks Operations Center and Police and Municipal Court Building); together they total $32.59 million and account for 40% of the total capital projects budget. The following pages provide additional detail on capital outlay spending; significant projects are explained below:

- Public Works and Parks Operations Center – The budget includes funding in the amount of $11.05 million for the much needed replacement of the Public Works facility. Funding was obtained from savings across all public works funds. The current facility is in poor condition, is inadequately sized and has no room for growth; a new facility would consolidate management and staff, and will improve efficiency and operational responsiveness. Estimated operating impact once complete is approximately an increase of $20,000 in maintenance.
- Police and Municipal Court Building – The current police facility was built in the late 1960's and has been home to several different entities since then. The Police Department still remains in the same space utilized over 30 years ago; despite the fact the department has grown exponentially and continues to grow. Additionally, there is a government requirement for essential needs facilities (the police department) to meet certain seismic standards by the year 2022. The existing facility cannot be upgraded nor can it

continue to be used by the Police Department in an operational capacity in the future because it does not meet these seismic requirements. Further, the current courtroom was never designed as such and is frequently unable to accommodate everyone on trial days, forcing people to wait in the lobby or in the parking lot. The City purchased a property from the School District in 2015 for the site of the new Public Safety facility, to house Police, Court, and Code Enforcement. The budget includes appropriation of amounts received from the sale of voter-approved bonds and other savings of $21.54 million to construct the new facility on this property. Operating impact is anticipated at $50,000 for utilities and maintenance costs.

- Molalla Avenue Improvements Metro awarded Oregon City a $3.8 million grant for improvements on Molalla Avenue between Beavercreek Road and Highway 213. The City will provide a local match of $6.1 million for a total project cost of $9.89 million. Improvements consist of:
  - Reconstruction of potholed pavement
  - Continuous bike lanes along the entire corridor
  - Construction of missing sidewalk segments
  - 10-foot wide continuous ADA compliant sidewalks on the west side of the corridor and ramps along both sides of the corridor
  - Pedestrian level street lighting along the west side of the corridor
  - Street trees along the west side of the corridor
  - Transit amenities (shelters) along both sides of the corridor
  - Street furnishings (benches, trash receptacles, etc.)
  - Crosswalks at transit stops
  - Access management to better establish safe access to businesses
  - New traffic signals at Gaffney Lane and at Clairmont Way
- Meyers Road Extension – The extension of the road will relieve congestion on Glen Oak Road, provide new access through the area to foster future development of land parcels adjacent to the road, provide access for a bus barn and a future park, and provide additional access to Clackamas Community College. The proposed scope of work consists of approximately 2,100 feet of new Meyers Road (including extending water, sanitary sewer and storm drainage facilities), improvements to the Hwy 213 & Meyers Road signalized intersection to accommodate the new east leg of the intersection, addition of a southbound left turn lane, and approximately 1,400 feet of widening to accommodate an additional northbound through lane on Hwy 213.

2019-2021 Biennium Capital Budget

The following chart itemizes the 2019-2021 capital budget. Projects are grouped by program as defined above. Project information includes project description, annual operating impact, and total dollar amount of capital expenditures for each year of the biennium and the biennial total, and project type as shown below:

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

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

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

Project Description	Type	Annual Operating Impact	2019-2020 Budget	2020-2021 Budget	2019-2021 Biennium
Transportation					
Molalla Ave Phase III - Beavercreek Rd to Hwy 213	Improvements and Upgrades	$10,000	$ 5,884,000	$ 4,010,632	$ 9,894,632
Meyers Rd Extension - High School Ave to Hwy 213	New Construction	$8,000	7,927,712	1,500,000	9,427,712
Oregon City Roadway Reconstruction	Renewal and Replacement	$0 or reduction	2,360,000	2,460,000	4,820,000
Trillium Park Dr Landslide Mitigation Alternatives Analysis	Improvements and Upgrades	$0 or reduction	425,000	140,000	565,000
Sidewalk and Bike Lane Infill	Improvements and Upgrades	$1,000	175,000	175,000	350,000
Linn Ave/Leland Rd/Warner Milne Rd Roundabout	New Construction	$10,000	300,000	-	300,000
Traffic Signal Installation - Fir St at Molalla Ave	New Construction	$0 or reduction	200,000	100,000	300,000
Gardiner Middle School Sidewalks	Improvements and Upgrades	$0 or reduction	22,000	178,000	200,000
Railroad Quiet Zone Design	Improvements and Upgrades	$0 or reduction	20,000	100,000	120,000
Gaffney Lane Bike/Pedestrian Improvements	Improvements and Upgrades	$0 or reduction	118,300	-	118,300
Hwy 99E and Railroad Avenue Property Acquisition	New Construction	$0 or reduction	108,000	-	108,000
Hwy 213 & Beavercreek West Bound Right Hand Turn Lane	Improvements and Upgrades	$0 or reduction	-	100,000	100,000
Holcomb Blvd Bike/Pedestrian Improvements	Improvements and Upgrades	$1,000	-	50,000	50,000
Various Way Finding and Shared Lane Markings	Renewal and Replacement	$0 or reduction	20,000	20,000	40,000
Other Transportation Projects	Renewal and Replacement	$0 or reduction	172,500	282,500	455,000
Water					
Reservoir Interior & Exterior Coating	Renewal and Replacement	$0 or reduction	800,000	1,000,000	1,800,000
Fairway Downs Reservoir/Pump Station/Transmission Main	New Construction	N/A	500,000	500,000	1,000,000
Rivercrest Park Area Pipe Replacement	Renewal and Replacement	$0 or reduction	1,000,000	-	1,000,000
Clairmont Area Pipe Replacement	Renewal and Replacement	$0 or reduction	-	1,000,000	1,000,000
High Street Pipe Replacement	Renewal and Replacement	$0 or reduction	550,000	-	550,000
Main Street Pipe Replacement - 10th St to 15th St	Improvements and Upgrades	$0 or reduction	400,000	-	400,000
Pressure Releasing Valve Improvements	Improvements and Upgrades	$0 or reduction	-	300,000	300,000
Reservoir Improvements	Improvements and Upgrades	$0 or reduction	300,000	-	300,000
Pump Rebuilds and Operator Interface Terminal Replacements	Renewal and Replacement	$0 or reduction	120,000	60,000	180,000
Mountain View Fence Replacement	Renewal and Replacement	$0 or reduction	60,000	-	60,000
In-House Water Line Replacements	Renewal and Replacement	$0 or reduction	15,000	15,000	30,000
Large Meter Replacement	Renewal and Replacement	$0 or reduction	15,000	15,000	30,000
Boynton Fence Replacement	Renewal and Replacement	$0 or reduction	-	11,000	11,000
Wastewater					
Master Plan Annual Rehabilitation and Replacement Program	Renewal and Replacement	$0 or reduction	2,000,000	2,400,000	4,400,000
Hazelwood Dr Sanitary Sewer Phase II	Improvements and Upgrades	$0 or reduction	400,000	-	400,000
Pump Station Improvement/Replacement Projects	Improvements and Upgrades	$0 or reduction	350,000	90,000	440,000
Miscellaneous Pipe Replacement	Renewal and Replacement	$0 or reduction	210,000	50,000	260,000

Project Description	Type	Annual Operating Impact	2019-2020 Budget	2020-2021 Budget	2019-2021 Biennium
Stormwater					
Scatter Canyon Channel, Outfall, Water Quality	Improvements and Upgrades	$5,000	60,000	300,000	360,000
Harding Blvd New Storm System and Disconnect Sanitary Sewer	Improvements and Upgrades	$0 or reduction	320,000	-	320,000
12th St Pipe Capacity - Jackson St to John Adams St	Improvements and Upgrades	$0 or reduction	250,000	-	250,000
Willamette St - Holmes St to Molalla Ave	Renewal and Replacement	$0 or reduction	-	65,000	65,000
Vanburen - 8th St to 9th St	Renewal and Replacement	$0 or reduction	65,000	-	65,000
Holcomb Blvd and Swan Ave Outfall	Improvements and Upgrades	$1,000	-	60,000	60,000
Barclay Hills Sanitary Sewer Pump Station Storm Outfall	Improvements and Upgrades	$1,000	25,000	-	25,000
Public Facilities and Infrastructure					
Police and Municipal Court Building	New Construction	$35,000	$ 21,540,000	$ -	$ 21,540,000
Public Works and Parks Operations Center	New Construction	$20,000	11,050,000	-	11,050,000
Cove Development	New Construction	N/A	1,035,000	35,000	1,070,000
Miscellaneous SDC Funded Capital Infrastructure Projects	New Construction	$0 or reduction	200,000	200,000	400,000
General Government Improvements	Improvements and Upgrades	$0 or reduction	100,000	100,000	200,000
Willamette Falls Legacy Project - Riverfront	New Construction	N/A	95,000	-	95,000
Parking Lot Roof and Seal	New Construction	$0 or reduction	15,000	-	15,000
Parks & Cemetery Facilities					
Woods Memorial Park Development	New Construction	$20,000	2,000,000	-	2,000,000
Filbert Run Park Development	New Construction	$20,000	-	1,600,000	1,600,000
Land	New Construction	N/A	900,000	-	900,000
DC Latourette Park	Improvements and Upgrades	$0 or reduction	490,000	-	490,000
Parks Signage and Asphalt Repairs	Renewal and Replacement	$0 or reduction	95,000	50,000	145,000
Community Project	New Construction	N/A	50,000	50,000	100,000
McLoughlin Promenade Parking Lot	Renewal and Replacement	$0 or reduction	75,000	-	75,000
Pioneer Center Repairs	Renewal and Replacement	$0 or reduction	75,000	-	75,000
Park Place Playground	Improvements and Upgrades	$0 or reduction	-	60,000	60,000
Total Capital Projects			$ 62,892,512	$ 17,077,132	$ 79,969,644
TPP					
Public Works	Fixed Asset	N/A	$ 322,000	$ 385,000	$ 707,000
Police Department	Fixed Asset	N/A	320,000	320,000	640,000
Parks & Cemetery	Fixed Asset	N/A	82,500	22,500	105,000
Policy & Administration	Fixed Asset	N/A	72,000	80,000	152,000
Total TPP			$ 896,500	$ 907,500	$ 1,804,000
Other Capital Items					
Cemetery Software & Technology	Improvements and Upgrades	N/A	$ 11,000	$ 11,000	$ 22,000
Stormwater Software & Technology	Improvements and Upgrades	N/A	-	30,000	30,000
IT Software & Technology	Improvements and Upgrades	N/A	37,000	10,000	47,000
GIS Software & Technology	Improvements and Upgrades	N/A	-	5,000	5,000
Total Other Items			$ 48,000	$ 56,000	$ 104,000
Total Capital Outlay Expenditures			**$ 63,837,012**	**$ 18,040,632**	**$ 81,877,644**

TANGIBLE PERSONAL PROPERTY (TPP)

TPP are specific items of property excluding real estate that are tangible in nature, have an expected life longer than one year and have a value of $5,000 or more. The Capital Program includes planning for TPP replacements, and new purchases of vehicles, equipment and furnishings. A total of $1,804,000, or 2.2% total capital outlay, is proposed for the 2019-2021 biennium.

Depending on the asset type, most assets are expected to have a useful life of 8 to 20 years. As a result, planned maintenance and periodic replacement is essential. Vehicles, equipment and furnishings are reviewed for replacement once the asset is 5-7 years old and then annually until replaced. Each department prepares a list of any assets requiring replacement including a description, location, original cost and estimated budget for the item. These requests are submitted to and budgeted in 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. The following is a list of requested TPP.

Description	Replacement or New Asset	2019-2020 Budget	2020-2021 Budget	2019-2021 Biennium
Public Works, Engineering, and Fleet and Equipment				
Vehicles - Transportation	Replacement	75,000	250,000	$ 325,000
Vehicles - Wastewater	Replacement	100,000	100,000	200,000
Vehicles - Water	Replacement	70,000	-	70,000
Vehicles - Storm	Replacement	35,000	-	35,000
Concrete Saw Trailer and Vacuum System	Replacement	25,000	-	25,000
Stormwater Equipment	Replacement		15,000	15,000
Manhole Cutting and Raising Tool	Replacement	-	15,000	15,000
Radar Sign	Replacement	7,000		7,000
Bobcat Broom Attachment	Replacement	-	5,000	5,000
Pipe Repair Kit	Replacement	5,000	-	5,000
Trailer Mounted Portable Changeable Message Sign	Replacement	5,000	-	5,000
		$ 322,000	**$ 385,000**	**$ 707,000**
Police Department				
Vehicles (inlcuding gear)	Replacement	300,000	300,000	600,000
Other Police Equipment	Replacement	20,000	20,000	40,000
		$ 320,000	**$ 320,000**	**$ 640,000**
Parks and Cemetery				
Vehicles	Replacement	50,000	-	50,000
Aquatic Center Sand Filter Laterals	Replacement	10,000	-	10,000
Other Equipment	Replacement	22,500	22,500	45,000
		$ 82,500	**$ 22,500**	**$ 105,000**
Library				
Equipment	Replacement	100,000	100,000	***$ 200,000***
		$ 100,000	**$ 100,000**	**$ 200,000**
Policy and Administration				
A/V Equipment for Commission Chambers	Replacement	60,000	60,000	120,000
Vitrual Machine Host	Replacement	7,000	-	7,000
WiFi Hardware	Replacement	-	20,000	20,000
Geographic Information Systems Computer	Replacement	5,000	-	5,000
		$ 72,000	**$ 80,000**	**$ 152,000**
TOTAL TPP		***$ 896,500***	***$ 907,500***	***$ 1,804,000***

DEBT ADMINISTRATION

DEBT SUMMARY

Oregon City will have an estimated $30.86 million in debt outstanding at the beginning of this budget biennium, or as of July 1, 2019, as described below and consisting of the following:

- 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.
- Library General Obligation Bonds: Voter approved General Obligation bonds issued 01/07/2015 in order to renovate and expand the Oregon City Library at Carnegie Center; matures in 2034.
- Public Safety Full Faith and Credit Obligations: The City issued $16,000,000 of voter-approved bonds dated June 5, 2018, to provide a new police and municipal court building. The bonds were issued at a premium of $1,542,183 resulting in face value of the bonds of $14,615,000. Interest rates on the bonds range from 3.00% to 5.00%. Bond proceeds will be spent during this biennium.

	Original Debt Amount	Interest Rates	Beginning Balance as of July 1, 2019	Less: Payments 2020	Ending Balance as of June 30, 2020	Less Payments 2021	Ending Balance as of June 30, 2021
Limited Obligation Bonds							
PERS Retirement Liability	$ 17,030,000	3.75-4.25%	$ 11,810,000	$ 925,000	$ 10,885,000	$ 1,145,000	$ 9,740,000
General Obligation Bonds							
Library Expansion	$ 6,000,000	3.08%	$ 4,930,098	$ 263,524	$ 4,666,574	$ 271,640	$ 4,394,934
Full Faith and Credit Bonds							
Police and Municipal Court Building	$ 14,615,000	3-5%	$ 14,125,000	$ 500,000	$ 13,625,000	$ 520,000	$ 13,105,000
Total Debt	***$ 37,645,000***		***$ 30,865,098***	***$ 1,688,524***	***$ 29,176,574***	***$ 1,936,640***	***$ 27,239,934***

COMPLIANCE

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

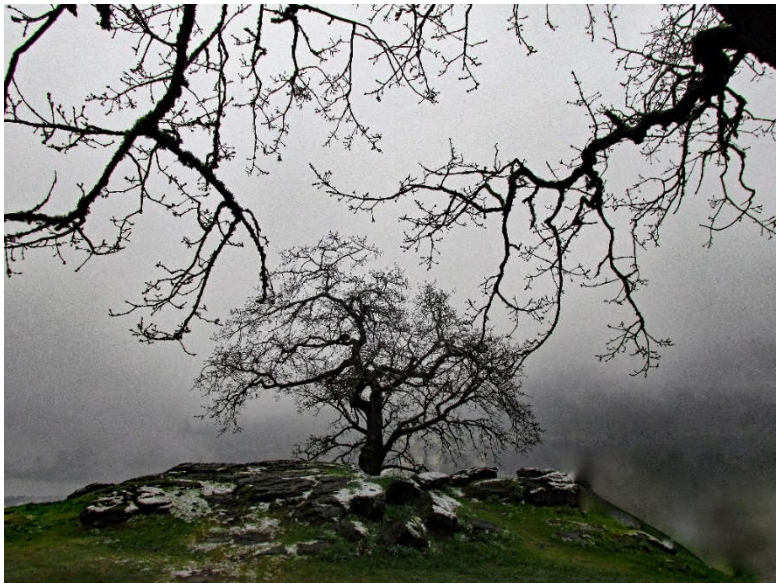
DEBT LIMITATION

Under Oregon Revised Statutes, general obligation (property-tax supported) debt is limited to three percent of real market value of all taxable property within the City's boundaries. The legal debt limit for fiscal years 2020 and 2021 cannot be determined until November 2019 and 2020, respectively, when the tax assessor distributes property tax information. The City's outstanding general obligation debt of $4.93 million as of June 30, 2019, is significantly below the current debt limitation of $158.25 million based on the 2019 real value of $5.27 billion.

FUTURE DEBT SERVICE REQUIREMENTS

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

TOTAL DEBT SERVICE BY FUND							
Fund	**2020**	**2021**	**2022**	**2023**	**2024**	**Thereafter**	**Total Future Debt Service**
DEBT SERVICE FUND							
PERS Debt							
Principal	$ 925,000	$ 1,030,000	$ 1,145,000	$ 1,265,000	$ 1,395,000	$ 6,050,000	$ 11,810,000
Interest	589,631	544,685	493,144	435,848	372,548	718,825	3,154,681
Police and Municipal Court Building Debt							
Principal	500,000	520,000	540,000	560,000	585,000	11,420,000	14,125,000
Interest	604,300	584,300	563,500	541,900	519,500	4,030,200	6,843,700
LIBRARY FUND							
Library Building Expansion Debt							
Principal	263,524	271,640	280,007	288,631	297,521	3,528,775	4,930,098
Interest	151,847	143,730	135,364	126,740	117,850	624,933	1,300,464
Total Principal	$ 1,688,524	$ 1,821,640	$ 1,965,007	$ 2,113,631	$ 2,277,521	$ 20,998,775	$ 30,865,098
Total Interest	1,345,778	1,272,715	1,192,008	1,104,488	1,009,898	5,373,958	11,298,845
TOTAL DEBT SERVICE	***$ 3,034,302***	***$ 3,094,355***	***$ 3,157,015***	***$ 3,218,119***	***$ 3,287,419***	***$ 26,372,733***	***$ 42,163,943***



CLOSED FUNDS

Oregon City closes funds from time to time, when they are deemed unnecessary, in order to increase transparency in financial reporting. The following section presents the historical information of those funds that have been closed. Included here is information about why these funds were closed and, if applicable, how continuing activity is currently recorded.

GENERAL OBLIGATION BOND

In 1998, the City issued 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 paid for the debt service in this fund. This bond matured in 2017.

Fire Debt Service	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2020 Proposed Budget	2020-2021 Proposed Budget	2019-2021 Proposed Biennium
Resources						
Beginning Fund Balance	$ 26,598	$ 69,805	$ -	$ -	$ -	$ -
Property Tax	577,841	555,277	-	-	-	-
Interest Income	1,198	1,352	-	-	-	-
Other Financing Sources	246,268	246,268	-	-	-	
Total Resources	**$ 851,905**	**$ 872,702**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Debt Service	$ 782,100	$ 798,238	$ -	$ -	$ -	$ -
Materials and Services	-	-	-	-	-	-
Transfers Out	-	74,464	-	-	-	-
Debt Reserves	69,805	-	-	-	-	-
Total Requirements	**$ 851,905**	**$ 872,702**	**$ -**	**$ -**	**$ -**	**$ -**

Oregon City closed unnecessary funds in fiscal year 2015 to increase transparency in financial reporting. Residual balances were closed to the General Fund. The City established two new funds and reallocated closing fund resources from the General fund to new and existing funds to ensure proper segregation of restricted resources. The following chart illustrates how these funds were closed and how the continuing activity is currently recorded.

FISCAL YEAR 2015	FISCAL YEAR 2016	
Fund	**Department**	**Fund**
CIVIC IMPROVEMENT TRUST	Economic Development	GENERAL
BUSINESS DEVELOPMENT		
ECONOMIC IMPROVEMENT DISTRICT		
OREGON CITY ENHANCEMENT		
CABLE TV OPERATIONS	City Recorder	
POLICE SERVICE RESERVE	Police Operations	
CITY CLEANUP	Code Enforcement & Parking	
DOWNTOWN PARKING		
CODE ENFORCEMENT		
ENDOWMENT CARE	Parks Maintenance	
PARKS AND RECREATION TRUST	Dedicated Park Donations	
UPGRADE STREETS ANNEXED	Street Operations	TRANSPORTATION
PAVEMENT MAINTENANCE UTILITY	Pavement Maintenance Utility	
TRANSPORTATION SDC	Transportation	SYSTEM DEVELOPMENT
WATER SDC	Water	
WASTEWATER SDC	Wastewater	
STORMWATER SDC	Stormwater	
PARKS SDC	Parks	
POLICE BUILDING RESERVE	Police	COMMUNITY FACILITIES
ERMATINGER HOUSE	Community Services - Ermatinger House	
LIBRARY RESERVE	Library	
PUBLIC WORKS BUILDING RESERVE	Public Works - Operations Center	
WATER RATE STABILIZATION	Water Operations	WATER
WASTEWATER RATE STABILIZATION	Wastewater Operations	WASTEWATER
HOPP SEWER CONSTRUCTION		

Civic Improvement Trust

Fund Overview

This fund included revenues from Tourism Action Plan grants as well as from Hotel and Motel Taxes. The expenditures were primarily in the form of grants to local organizations for tourism enhancing activities as well as Oregon City promotional contracts.

Resources and requirements of this fund are now recorded in the General Fund.

Civic Improvement Trust	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 26,195	$ -	$ -	$ -	$ -	$ -
Intergovernmental Revenues	39,060	-	-	-	-	-
Miscellaneous Income						
Hotel Receipts	175,784	-	-	-	-	-
Other Miscellaneous Income	570	-	-	-	-	-
Total Resources	**$ 241,609**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services						
Tourist Promotions	$ 124,637	$ -	$ -	$ -	$ -	$ -
Tourism Action Grants	28,876	-	-	-	-	-
Other	479	-	-	-	-	-
Transfers Out	87,617	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 241,609**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Business Development

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 represented 25% of the total license fee. The remaining 75% was revenue to the General Fund.

Resources and requirements of this fund are now recorded in the General Fund.

Business Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 27,853	$ -	$ -	$ -	$ -	$ -
Licenses & Permits	86,149	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-
Total Resources	**$ 114,002**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services						
Business Promotions	$ 100,000	$ -	$ -	$ -	$ -	$ -
Other Materials & Services	83	-	-	-	-	-
Transfers Out	13,919	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 114,002**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

ECONOMIC IMPROVEMENT DISTRICT

FUND OVERVIEW

This fund was established by Ordinance No. 11-1001 to account for funds assessed in the Downtown Economic Development District. Resources and requirements of this fund are now recorded in the General Fund.

Economic Improvement District	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 5,055	$ -	$ -	$ -	$ -	$ -
Other Financing Sources -	158,569	-	-	-	-	-
Assessments		-				
Miscellaneous Income	42	-	-	-	-	-
Total Resources	**$ 163,666**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services - Management	$ 158,524	$ -	$ -	$ -	$ -	$ -
Contract		-				
Transfers Out	5,142	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 163,666**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

OREGON CITY ENHANCEMENT

FUND OVERVIEW

This fund was used to account for money received from $0.50 per ton of garbage dumped at a local site. Money was expended through grants to organizations for community enhancement projects.

Resources and requirements of this fund are now recorded in the General Fund.

Oregon City Enhancement	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 83,187	$ -	$ -	$ -	$ -	$ -
Intergovernmental Franchise	284,796	-	-	-	-	-
Transfers In	1,430	-	-	-	-	-
Miscellaneous Income	640	-	-	-	-	-
Total Resources	**$ 370,053**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services - Community	$ 136,698	$ -	$ -	$ -	$ -	$ -
Grants						
Transfers & Other Uses	233,355	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 370,053**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

CABLE TV OPERATIONS

FUND OVERVIEW

The Cable TV Systems Improvement Fund received a franchise fee of 1.6% of cable TV revenues in Oregon City. This translated to 32% of the current franchise fee; the other portion was recorded in the General Fund. These funds were utilized for local programming and access development. The recording of the City Commission meetings was paid from this fund. Capital equipment to facilitate training and communication by use of this medium was also purchased from this fund.

Resources and requirements of this fund are now recorded in the General Fund.

Cable TV Operations	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 69,646	$ -	$ -	$ -	$ -	$ -
Franchise Fees	332,095	-	-	-	-	-
Miscellaneous Income	1,099	-	-	-	-	-
Total Resources	**$ 402,840**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services - Local Programming	$ 132,801	$ -	$ -	$ -	$ -	$ -
Capital Outlay	-	-	-	-	-	-
Transfers Out	270,039	-	-	-	-	-
Contingency	-	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 402,840**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

POLICE SERVICES RESERVE

FUND OVERVIEW

This fund recorded revenue set aside by the Police Department out of police fees to fund future law enforcement positions.

Resources and requirements of this fund are now recorded in the General Fund.

Police Services Reserve	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 629,386	$ -	$ -	$ -	$ -	$ -
Licenses & Permits	455,000	-	-	-	-	-
Miscellaneous Income	8,543	-	-	-	-	-
Total Resources	**$ 1,092,929**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Transfers Out	$ 1,092,929	$ -	$ -	$ -	$ -	$ -
Reserved for Future Expenditure	-	-	-	-	-	-
Total Requirements	**$ 1,092,929**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

CITY CLEANUP

FUND OVERVIEW

This fund accounted for garbage franchise fees, which, per a garbage pickup services franchise fee agreement, stipulates that 4% of gross receipts (rather than free pickup of City containers) is to be accounted for separately and 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 accounted for abatement of hazardous conditions throughout the City which were then charged back to the site owner.

Resources and requirements of this fund are now recorded in the General Fund.

City Cleanup	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 189,326	$ -	$ -	$ -	$ -	$ -
Franchise Fees	423,780	-	-	-	-	-
Miscellaneous Income	1,368	-	-	-	-	-
Total Resources	**$ 614,474**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Contract Services - City Garbage	$ 133,451	$ -	$ -	$ -	$ -	$ -
Flower Basket Program	60,982	-	-	-	-	-
Transfers Out	389,789	-	-	-	-	-
Other Costs	30,252	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 614,474**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

DOWNTOWN PARKING

FUND OVERVIEW

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

Resources and requirements of this fund are now recorded in the General Fund.

Downtown Parking	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 92,224	$ -	$ -	$ -	$ -	$ -
Charges for Services	682,546	-	-	-	-	-
Fines and Penalties	275,139	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Intergovernmental	340	-	-	-	-	-
Miscellaneous Income	62,533	-	-	-	-	-
Total Resources	**$ 1,112,782**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Personnel Services	$ 553,116	$ -	$ -	$ -	$ -	$ -
Materials & Services	153,529	-	-	-	-	-
Capital Outlay	2,380	-	-	-	-	-
Transfers Out	403,757	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 1,112,782**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

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.

Resources and requirements of this fund are now recorded in the General Fund.

Code Enforcement	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 64,348	$ -	$ -	$ -	$ -	$ -
Charges for Services	592	-	-	-	-	-
Fines and Penalties	44,754	-	-	-	-	-
Miscellaneous Income	315	-	-	-	-	-
Transfers In	390,000	-	-	-	-	-
Total Resources	**$ 500,009**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Personnel Services	$ 391,463	$ -	$ -	$ -	$ -	$ -
Materials & Services	64,322	-	-	-	-	-
Transfers Out	44,224	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 500,009**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Endowment Care

Fund Overview

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

Resources and requirements of this fund are now recorded in the General Fund.

Endowment Care	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 104,495	$ -	$ -	$ -	$ -	$ -
Interest Income	1,160	-	-	-	-	-
Total Resources	**$ 105,655**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Transfers Out	$ 105,655	$ -	$ -	$ -	$ -	$ -
Reserved for Future Expenditure	-	-	-	-	-	-
Total Requirements	**$ 105,655**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Parks and Recreation Trust

Fund Overview

This fund accounted for fundraisers, collection fees and community and private donations to specific events or facilities and expenditures as designated by the revenue source.

These funds helped 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 were used to purchase materials for those programs.

Resources and requirements of this fund are now recorded in the General Fund.

Parks & Recreation Trust	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 224,195	$ -	$ -	$ -	$ -	$ -
Miscellaneous Income	139,560	-	-	-	-	-
Total Resources	**$ 363,755**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Contract Services	$ 12,253	$ -	$ -	$ -	$ -	$ -
Materials Costs	27,805	-	-	-	-	-
Capital Outlay	12,232	-	-	-	-	-
Transfers Out	311,465	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 363,755**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

UPGRADE STREETS ANNEXED

FUND OVERVIEW

This fund was used to account for money received from Clackamas County when County roads were given to the City. Revenues covered the amount required to upgrade those roads to City standards.

Resources and requirements of this fund are now recorded in the Transportation Fund.

Upgrade Streets Annexed	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 190,991	$ -	$ -	$ -	$ -	$ -
Miscellaneous	2,004	-	-	-	-	-
Total Resources	**$ 192,995**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Transfers Out	$ 192,995	$ -	$ -	$ -	$ -	$ -
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 192,995**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

PAVEMENT MAINTENANCE

FUND OVERVIEW

This fund was used to account for the transportation utility fee revenue. Street-related capital outlay was the primary use of this revenue.

Resources and requirements of this fund are now recorded in the Transportation Fund.

Pavement Maintenance	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 965,730	$ -	$ -	$ -	$ -	$ -
Charges for Services	4,138,452	-	-	-	-	-
Miscellaneous Income	13,158	-	-	-	-	-
Total Resources	**$ 5,117,340**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services	$ 511,458	$ -	$ -	$ -	$ -	$ -
Capital Outlay	3,166,420	-	-	-	-	-
Transfers Out	1,439,462	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 5,117,340**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

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:

- Transportation
- Water
- Wastewater
- Stormwater
- Parks

Resources and requirements of these fund are now recorded in the System Development Fund.

Transportation Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 3,542,478	$ -	$ -	$ -	$ -	$ -
Intergovernmental	290,747	-	-	-	-	-
Charges for Services	2,202,533	-	-	-	-	-
Transfers In	40,000	-	-	-	-	-
Miscellaneous Income	441,093	-	-	-	-	-
Total Resources	**$ 6,516,851**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services	$ 290,020	$ -	$ -	$ -	$ -	$ -
Capital Outlay	676,005	-	-	-	-	-
Transfers Out	5,550,826	-	-	-	-	-
Reserved for Future Expenditures	-	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 6,516,851**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Water Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 2,449,237	$ -	$ -	$ -	$ -	$ -
Charges for Services	986,821	-	-	-	-	-
Interest Income	30,186	-	-	-	-	-
Total Resources	**$ 3,466,244**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services	$ 15,181	$ -	$ -	$ -	$ -	$ -
Capital Outlay	-	-	-	-	-	-
Transfers Out	3,451,063	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 3,466,244**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Additional Information – Closed Funds

Wastewater Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 2,181,331	$ -	$ -	$ -	$ -	$ -
Charges for Services	592,919	-	-	-	-	-
Loan Proceeds	186,000	-	-	-	-	-
Miscellaneous Income	33,905	-	-	-	-	-
Total Resources	**$ 2,994,155**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services	$ 137,607	$ -	$ -	$ -	$ -	$ -
Capital Outlay	127,946	-	-	-	-	-
Transfers Out	2,728,602	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 2,994,155**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Stormwater Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 456,234	$ -	$ -	$ -	$ -	$ -
Charges for Services	197,789	-	-	-	-	-
Miscellaneous Income	5,547	-	-	-	-	-
Total Resources	**$ 659,570**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services	$ 2,563	$ -	$ -	$ -	$ -	$ -
Capital Outlay	3,256	-	-	-	-	-
Transfers Out	653,751	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 659,570**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Parks Development	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 2,259,467	$ -	$ -	$ -	$ -	$ -
Intergovernmental	150,000	-	-	-	-	-
Charges for Services	1,036,102	-	-	-	-	-
Miscellaneous Income	73,077	-	-	-	-	-
Total Resources	**$ 3,518,646**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services	$ 121,618	$ -	$ -	$ -	$ -	$ -
Capital Outlay	26,597	-	-	-	-	-
Transfers Out	3,370,431	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 3,518,646**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

POLICE BUILDING RESERVE

FUND OVERVIEW

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

Resources and requirements of this fund are now recorded in the Community Facilities Fund.

Police Building Reserve	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 40,646	$ -	$ -	$ -	$ -	$ -
Miscellaneous Income	506	-	-	-	-	-
Transfers In	1,540,000	-	-	-	-	-
Total Resources	**$ 1,581,152**		**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Capital Outlay	$ 1,501,001	$ -	$ -	$ -	$ -	$ -
Transfers Out	80,151	-	-	-	-	-
Reserved for Future Expenditure	-	-	-	-	-	-
Total Requirements	**$ 1,581,152**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

ERMATINGER HOUSE

FUND OVERVIEW

These funds provided for the Ermatinger House Restoration project.

The capital improvements were completed in 2015.

Ermatinger House	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 237,467	$ -	$ -	$ -	$ -	$ -
Intergovernmental Revenues	220,000	-	-	-	-	-
Transfers In	150,000	-	-	-	-	-
Miscellaneous	3,354	-	-	-	-	-
Total Resources	**$ 610,821**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Ermatinger House Restoration	$ 580,442	$ -	$ -	$ -	$ -	$ -
Transfers Out	30,379	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 610,821**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Library Reserve

Fund Overview

These funds were set aside for construction of a new public library.

Resources and requirements of this fund are now recorded in the Community Facilities Fund.

Library Reserves	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 2,313,545	$ -	$ -	$ -	$ -	$ -
Intergovernmental	1,004,500	-	-	-	-	-
Miscellaneous Income	31,164	-	-	-	-	-
Bond Proceeds	6,000,000	-	-	-	-	-
Transfers In	1,285,096	-	-	-	-	-
Total Resources	**$10,634,305**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Capital Outlay						
Land	$ 231,450	$ -	$ -	$ -	$ -	$ -
New Construction	609,069	-	-	-	-	-
Materials & Services	50,219	-	-	-	-	-
Transfers Out	9,743,567	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$10,634,305**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Public Works Building Reserves

Fund Overview

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

The source of revenues was transfers from other funds.

Resources and requirements of this fund are now recorded in the Community Facilities Fund.

Public Works Building Reserves	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 5,307,658	$ -	$ -	$ -	$ -	$ -
Transfers In	2,200,000	-	-	-	-	-
Miscellaneous Income	63,857	-	-	-	-	-
Total Resources	**$ 7,571,515**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services	$ 506	$ -	$ -	$ -	$ -	$ -
Transfers Out	7,571,009	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 7,571,515**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

WATER RATE STABILIZATION

FUND OVERVIEW

These funds were reserved pursuant to Oregon City Resolution requiring funds to be set aside in the same amount as the Debt Service reserve. The bonds were paid off in 2015 and the reserve is no longer required. The fund balance was absorbed into the Water Fund. As mentioned in the Water Fund section, these monies are proposed to be used to pay for deferred water construction and maintenance.

Water Rate Stabilization	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 492,242	$ -	$ -	$ -	$ -	$ -
Total Resources	**$ 492,242**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Transfers Out	$ 492,242	$ -	$ -	$ -	$ -	$ -
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 492,242**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

WASTEWATER RATE STABILIZATION

FUND OVERVIEW

These funds were reserved in the same amount as the Debt Service reserve. There is no legal requirement to maintain this separate balance, however the funds have been restricted in the Wastewater Fund for future payment of debt service upon initial maturity of the bonds.

Wastewater Rate Stabilization	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 623,252	$ -	$ -	$ -	$ -	$ -
Total Resources	**$ 623,252**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Transfers Out	$ 623,252	$ -	$ -	$ -	$ -	$ -
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 623,252**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

HOPP Sewer Construction

Fund Overview

The HOPP Sewer Construction Fund contained assessment revenues to finance the sewering 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 were recorded here with funds transferred to the Wastewater Fund, which paid for the Debt Service. The assessment period is complete; all unpaid assessments are now delinquent. While collection efforts are ongoing, only minimal payments are expected in the future.

Resources and requirements of this fund are now recorded in the Wastewater Fund

HOPP Sewer Construction	2013-2015 Actual	2015-2017 Actual	2017-2019 Amended Budget	2019-2021 Proposed Biennium	2019-2021 Approved Biennium	2019-2021 Adopted Biennium
Resources						
Beginning Fund Balance	$ 31,190	$ -	$ -	$ -	$ -	$ -
Other Financing Sources	40,017	-	-	-	-	-
Miscellaneous Income	442	-	-	-	-	-
Total Resources	**$ 71,649**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Materials & Services	$ 179	$ -	$ -	$ -	$ -	$ -
Transfers Out	71,470	-	-	-	-	-
Unappropriated Fund Balance	-	-	-	-	-	-
Total Requirements	**$ 71,649**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

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 throughout the biennium.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Fund Balance The difference between fund assets and fund liabilities.

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

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

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

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

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

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

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

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

Interfund Transfers All interfund transactions except loans.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ODOT Abbreviation for Oregon Department of Transportation.

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

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

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

Organizational Unit A responsibility center within a government.

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

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

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

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

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

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

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

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

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

Requirements Total expenditures and unappropriated fund balance.

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

Resolution A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources Total amounts available for appropriation consisting of the estimated beginning carryover balance plus anticipated revenues.

Restricted Assets Monies or other resources, the use of which is restricted by legal or contractual requirements.

Retained Earnings An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

Revenues (1) Increases in the net current assets of a governmental fund type from other than expenditure refunds and residual equity transfers. (2) Increases in the net total assets of a proprietary fund type from other than expense refunds, capital contributions and residual equity transfers.

SAIF SAIF Corporation is Oregon's not-for-profit, state-chartered workers' compensation insurance company.

Shared Revenues Revenues levied by one government but shared on a predetermined basis, often in proportion to the amount collected at the local level, with another government or class of governments.

Special Assessment A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Fund A fund used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specific purposes.

Supervisory Control and Data Acquisition (SCADA). A control system architecture that uses computers, networked data communications and graphical user interfaces to interface to the process plant or machinery.

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.