CITY OF OREGON CITY
CITY BUDGET COMMITTEE MEETING #2
AGENDA

Virtual Meeting
Thursday, May 06, 2021 at 6:00 PM

(This is a continued meeting from Monday, May 3, 2021. If needed, the Budget Committee will reconvene for the remaining discussion on Thursday, May 13, 2021 at 6:00 p.m. virtually via Zoom.)

VIRTUAL MEETING INFORMATION:

This meeting will be held online via Zoom and streamed live on the City's YouTube Page: https://www.youtube.com/user/CityofOregonCity; Please contact recorderteam@orcity.org with any questions.

The public is strongly encouraged to relay concerns and comments to the Commission in one of three ways:

- *Email at any time up to 12 p.m. the day of the meeting to recorderteam@orcity.org.*
- *Phone call (Monday – Friday, 8 am – 5 pm) to 503-496-1505, all messages will be relayed and/or citizens can sign-up to be called during the meeting to provide over-the-phone testimony.*
- *Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045*

CONVENE BUDGET COMMITTEE MEETING

ROLL CALL

REVIEW BUDGET

1. Review Proposed Budget by Section

PUBLIC HEARING

2. State Revenue Sharing

APPROVE THE 2021 - 2023 BIENNIAL BUDGET IN THE AMOUNT OF $235,204,653 TO BE FORWARDED TO THE CITY COMMISSION FOR ADOPTION

APPROVE THE GENERAL OPERATING TAX RATE OF $4.409 PER $1,000 OF ASSESSED VALUE FOR FISCAL YEARS ENDING 2022 AND 2023

ADJOURNMENT

PUBLIC COMMENT GUIDELINES

Complete a Comment Card prior to the meeting and submit it to the City Recorder. When the Mayor/Chair calls your name, proceed to the speaker table, and state your name and city of residence into the microphone. Each speaker is given three (3) minutes to speak. To assist in tracking your speaking time, refer to the timer on the table.

As a general practice, the City Commission does not engage in discussion with those making comments.

Electronic presentations are permitted but shall be delivered to the City Recorder 48 hours in advance of the meeting.

ADA NOTICE

The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

Video Streaming & Broadcasts: The meeting is streamed live on the Oregon City's website at www.orcity.org and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WFMC at 503-650-0275 for a programming schedule.

City of
Oregon City, Oregon

PROPOSED BIENNIAL BUDGET
2021—2023

CITY OF OREGON CITY, OREGON

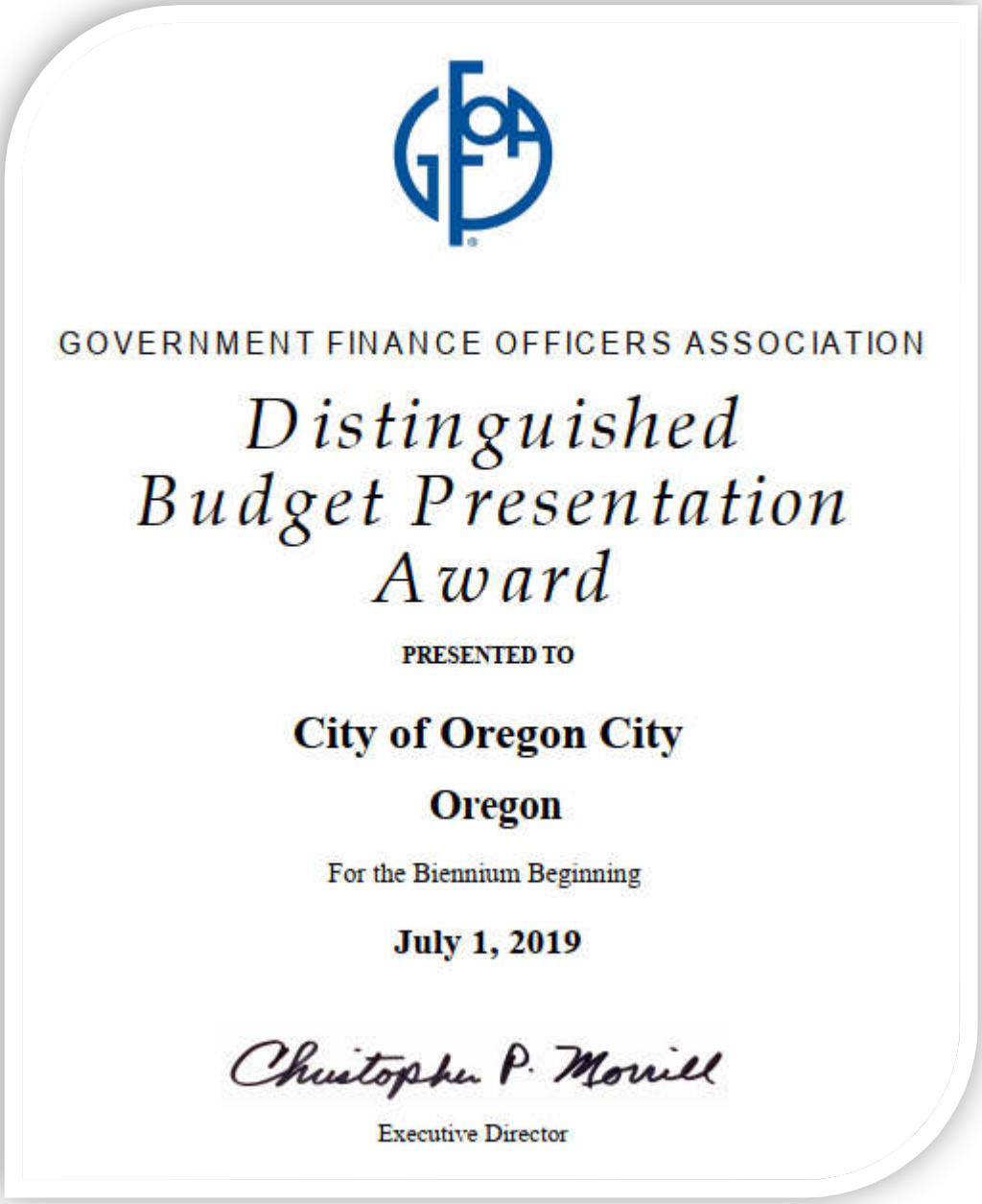
Proposed 2021-2023 Biennial Budget

BUDGET COMMITTEE

CITY COMMISSIONERS	CITIZEN MEMBERS
Mayor Rachel Lyles Smith	Timothy Christopher
Commissioner Denyse McGriff	Christina Lugo
Commissioner Frank O'Donnell	Kyle Arnhart
Commissioner Rocky Smith, Jr.	Casey Flesch
Position No. 4 (pending appointment)	Mike Mitchell

CITY STAFF

Tony Konkol, City Manager
Jim Band, Police
Patrick Foiles, Human Resources
John Lewis, Public Works
Kendall Reid, Parks and Recreation
Kattie Riggs, City Recorder
Laura Terway, Community Development
Greg Williams, Library
Matt Zook, Finance



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Oregon City

Oregon

For the Biennium Beginning

July 1, 2019

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, 2019 and ending June 30, 2021. 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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OREGON
CITY

OREGON CITY

Office of the City Manager

625 Center Street | Oregon City OR 97045
Ph (503) 657-0891 | Fax (503) 657-7026

BUDGET MESSAGE

May 3, 2021

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

INTRODUCTION

It is my pleasure to present the 2021 - 2023 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, 2021 through June 30, 2023 is $235.2 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*. The proposed budget includes funding for each of the priorities that were established by the City Commission during their biennial goal-setting process.

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

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

Oregon City Budget
2021 - 2023 Biennium (in millions)

Discretionary		Dedicated	
General Fund		General Fund	
Policy & Administration	$ 9.6	Policy & Administration	$ 2.6
Police	25.7	Tourism/Grants/Donations	2.3
Parks & Recreation	10.9	Pass-Through	0.7
General Government	5.1	Library	9.5
Transfers to:		Planning	4.0
Library	0.3	Building	9.2
Planning	0.6	Transportation	17.8
Transportation	0.3	Water	28.2
Reserves	8.1	Wastewater	38.1
Equipment Replacement	4.1	Stormwater	9.3
Total Discretionary	*$ 64.7*	Public Works	6.2
		System Development Charges	18.7
		Equipment Replacement	5.4
		Community Facilities	11.9
		Debt Service	6.6
		Total Dedicated	*$ 170.5*
		Proposed Budget	**$ 235.2**

The table above provides a breakdown of discretionary and dedicated resources for the entire City budget. The budget includes $64.7 million in programs funded with discretionary revenues. Policy and Administration comprises $9.6 million or 15% of the discretionary budget. The collection of departments in this category includes City Commission, City Manager, City Recorder, Finance, Municipal Court, Human Resources, Economic Development, and Information Technology. The proposed budget modestly expands existing service levels for Policy and Administration, primarily through additional funding to meet Commission goals toward diversity, equity, and inclusion (DEI), economic development enhancement, and funding items recommended from the Information Technology strategic plan.

A portion of Policy and Administration includes funding from dedicated resources. For example, support departments, such as Finance, Information Technology, and Human Resources provide services to Library, Community Development, and Public Works funds. This $2.6 million in services is reimbursed from sources like utility rates. The General Fund budget also includes $2.3 million in dedicated funds for the City's Tourism program, Community Enhancement Grant program, and dedicated Parks donations. In addition, $0.7 million is budgeted for pass-through payments to the County and State.

The Police Department is the primary focus of the City's discretionary resources with $25.7 million in the General Fund and an additional $1.7 million in an equipment replacement reserve for vehicles. The Department represents 42% of discretionary resources. The budget includes additional funds targeting the Commission Goal addressing homelessness.

Parks and Recreation is budgeted at $10.9 million in the General Fund and $0.9 million in a reserve for equipment and vehicles, totaling 18% of discretionary funding. Key funding is included in this budget to complete the Parks Master Plan and System Development Charge (SDC) review, as well as a new Administrative Assistant position.

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 General Fund budget includes an ending unrestricted reserve balance of $8.1 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 or a natural disaster which may not be entirely recovered from Federal funds. 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 access to unappropriated ending fund balance to emergency situations (involuntary conversion, civil disturbance or natural disaster). Use of contingency monies always requires City Commission approval.

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

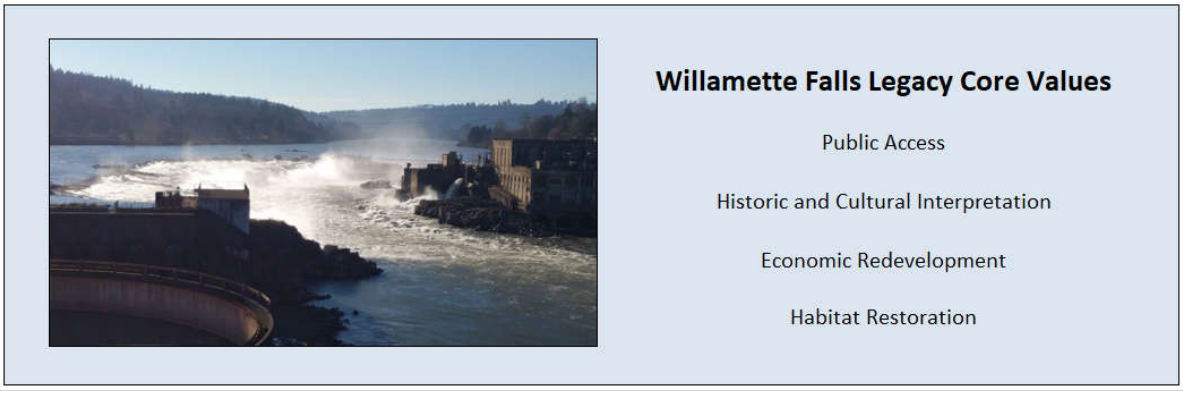
The City Commission and executive staff participated in the goal-setting process in the Spring of this year and developed the **CITY COMMISSION 2021 – 2023 GOALS**. A complete presentation of the Commission's goals and priorities can be found immediately following this budget message. Proposed dollars, funding sources, and estimated timelines have been added to the goals and priorities presentation to increase transparency and value. In addition, copies of the Goals booklet will be 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, further development of the City's Economic Development and Tourism Plans, investments in DEI, a Climate Action Plan and improving citizen engagement in the local government process.

The budget also includes investments in public facilities to better serve the City's growing population. These include completing the relocation of the City's Public Works operations center, along with the Parks Operations Division, to the Fir Street complex, which is scheduled to be finished by the end of 2021. Funding is also included for enhancements to providing a safe multi-modal transportation system 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.



The Blue Heron property was purchased by the Confederated Tribes of the Grand Ronde and the Partners are working to refine the first phase of the Riverwalk for construction. Willamette Falls Trust, a nonprofit dedicated to advancing the project has created an amazing fundraising effort that allows people everywhere to participate.

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

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.

The Tourism Plan objectives include the implementation of the Community Showcase, the Concierge Institute and the Arts Treasure Trove to create the capacity necessary to drive the strategic plan and increase the marketing and promotion of the Oregon City tourism assets.

Economic Development Opportunities - The proposed budget includes funding to implement the soon to completed 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 initial focus will be to implement a marketing and promotion strategy to brand and highlight he recreational, business and investment opportunities in Oregon City.

Public Facility Investment

Public Works and Parks Operations Center – The proposed budget includes $3 million to complete the renovation of the Fir Street property and relocation of the Public Works and Parks operations into one facility. The renovation of the property is underway is anticipated to be completed in October 2021. The consolidation of the Public Works and Parks operations will address current inadequate facility space, improve operational and maintenance coordination and increase available staff capacity at City Hall.

Public Works and Parks Operations Center Preliminary Site Planning

American Rescue Plan Act

In March 2021, President Joe Biden signed the American Rescue Plan Act (ARPA), providing $1.9 trillion in economic relief. In addition to the individual stimulus checks that benefitted millions of individual taxpayers, $350 billion is targeted toward state and local fiscal recovery. The City anticipates receiving $7.6 million within the next year in ARPA funds with a spending deadline of December 31, 2024. While Federal funding is highly-regulated, the ARPA arguably has the broadest intentions of any of the major economic legislation in the past several decades. However, the Federal government has yet to release specific guidance necessary for the City to make decisions on where to target these funds. The broad categories of eligible expenditures include responding to COVID-19 public health emergency or its negative economic impacts, premium pay for workers performing essential COVID-19 work, reduced revenue replacement, and necessary investments in water, sewer, or broadband infrastructure.

The Proposed Budget recognizes the estimated $7.6 million in several funds. In the General Fund, $0.1 million is allocated for tourism as recognition of lost transient room tax revenue, $0.2 million for determining how to increase community broadband, and $1.4 million in Contingency to be allocated in the future once clear guidance is released on the recognition of lost General Fund revenue. In the Transportation Fund, $0.3 million is allocated to Contingency in recognition of lost gas tax revenue. In the Water Fund, $5.6 million is allocated to Contingency to offset water capital projects. The City has the flexibility to adjust the budget as necessary as more information is available outlining the eligibility and application of the funds.

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 $30.6 million for the biennium. This reflects estimated increases of 4.5% in the assessed value of property for each of the two years, with 0.12% compression, and 95.5% collection rates after discounts and delinquencies. The budget maintains a property tax rate significantly below the maximum allowed under law. This is very rare for cities in Oregon and saves single family homeowners in Oregon City more than $194 annually, based on a typical new home's taxable assessed value of approximately $300,000.

The remaining major sources of revenue for the General Fund are: rights-of-way user (franchise) fees in the amount of $8.2 million for the biennium, intergovernmental revenues of $6.2 million, charges for services (primarily park programs and parking revenues) of $2.7 million, Municipal Court and other program fines and penalties of $2.2 million and internal service charges of $2.6 million. Internal service charges provide a mechanism for all departments to pay a fair share for administrative functions like finance, human resources, and information technology. Other revenues totaling $3.6 million include pass-through revenues paid to the County and State on traffic fines, licenses and permits, assessments and other taxes (lodging and marijuana), and interest income.

The Police Department, with a total budget of $24.9 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 $13.2 million, which is 24% of expenditures. The Economic Development budget includes the tourism and community enhancement grant programs. Parks and Recreation (Parks and Cemetery Maintenance, Recreation and Aquatics, and Pioneer Community Center operations) has a budget of $10.7 million, which is 20% of expenditures. General government expenditures are budgeted at $4.7 million, which is 9%of expenditures, 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, while not classified as expenditures, comprise the remaining requirements from the General Fund and includes payments into equipment reserve funds, for elevator operations and to support the Library, Planning, Development Engineering, and Transportation service areas.

Ending Reserves - At the conclusion of the biennium, available reserves (contingency) are $8.1 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 $1.3 million has been reserved for future expenditure. This includes dedicated resources restricted for the City's Tourism Program, park donations, and Community Enhancement Grants. Including discretionary and dedicated amounts, the total ending fund balance in the General Fund is $9.4 million.

Library

The Library Fund is budgeted at $9.5 million for the biennium. District property taxes are projected at $5.2 million and comprise 55% of total resources. The remaining significant resources are a beginning fund balance of $3.8 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 the past three biennia; initially to save for the recent expansion of the Library facility, and after that, to support debt service payments on the bonds that funded that expansion. These remaining resources represent 40% and 3% of total resources, respectively.

The Fund accounts for all Library operations. The budget for staffing and materials purchases is $4.6 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 $4.0 million in ending fund balance (contingency). The Library continues to provide exceptional service to the residents of Oregon City, achieving high marks on the recent community survey.

Community Development Funds

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

The Planning Fund is budgeted at $4.0 million for the biennium. The primary revenues are charges for services, including $0.6 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 $0.6 million to support the Planning Division and services provided to the community.

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

The Building Fund total budget is $9.2 million. Licenses and permits revenue of $3.3 million are projected to fund operations for the biennium, with resources over operating expenses added to reserves. Pass-through revenues of $0.4 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 $5.7 million, 165% 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 plans have been completed for Transportation, Water and Wastewater; with the most recent being the Stormwater Master Plan.

Transportation

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

The Transportation Fund includes state gasoline tax revenue which is anticipated at $5.6 million for the biennium and, in accordance with State law, is required to be spent on transportation system improvements, safety enhancements, and roadway maintenance. The Fund also includes nearly $1.3 million in Clackamas County vehicle registration fee revenue. This is the first biennium to include this revenue source. The Transportation Fund also collects revenues estimated at $5.8 million from the pavement maintenance utility fee. That revenue is restricted for use in accordance with the City's annual pavement maintenance plan. And

finally, the Transportation Fund is anticipated to receive $0.3 million in ARPA funding to reimburse for a decrease in gas tax revenue during the initial months of the COVID-19 pandemic.

Expenses in the fund include $7.0 million for transportation operations and maintenance, $1.0 million for the completion of the Molalla Avenue project, and $4.4 million for city-wide roadway reconstruction projects. Other important capital projects include Trillium Park Drive Roadway Rehabilitation, as well as several crosswalk enhancements designed to improve pedestrian safety. Additionally, transfers of $0.9 million will be made for construction of the new Public Works operations center, as well as for the funding of fleet replacement reserves.

Water

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

The Water Fund is budgeted at $28.2 million for the biennium. Water utility charges are projected to be $15.3 million; nearly $4.0 million of which is remitted to South Fork Water Board for the purchase of treated water. Water rates are budgeted at current levels with inflationary increases of 3% in each year, while operating expenses are consistent with the prior biennium, with only inflationary increases. The most significant change in the Water Fund budget for the proposed biennium is the inclusion of potentially $5.6 million in ARPA funding, to be used to support the nearly $6.9 million of anticipated capital spending in the Water Fund in upcoming biennium.

The City's charter includes restrictions on water rates that prevent the utility from fully addressing aging infrastructure. Therefore, in prior biennia, funds were saved until enough funds were available to address the most immediate needs. The proposed budget includes funding for public engagement relating to a potential ballot measure to either acquire debt or to allow for a future rate increase that exceeds the Charter limited increase amount of 3%.

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 $13.2 million in utility revenue for the biennium. This includes inflationary increases of 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.

With the completion of all sewer moratorium projects in September 2019, and with no current moratorium in place, the next known deficiency to address in the sanitary sewer collection system is Infiltration and Inflow (I & I). The Wastewater expenditure budget includes $11.08 million in capital spending to further the City's efforts to reduce the infiltration and inflow of ground water into the sanitary sewer system. Additional projects include Trillium Park Drive Sanitary Relocation project and various pipe replacement projects.

Stormwater

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

The Stormwater Fund is budgeted to receive utility revenue of approximately $6.7 million. Public Works recently completed the Stormwater Master Plan, which was adopted by the City Commission through the execution of Ordinance 19-1014 and became effective April 17, 2020.The Plan is designed to meet new permit requirements for stormwater management and is critical to quality streams, rivers and groundwater resources. Since then, a rate study and a system development charge analysis has been completed to determine the needs

of the system. Because the rates proposed by the study have not yet been approved by the City Commission, 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 Scattering Canyon stormwater improvements and Barclay Hills pump station outfall.

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 $1.4 million in SDCs during the biennium. The Parks and Recreation Department will soon be updating the Parks and Recreation Master Plan to inform development decisions; however, several important projects are already identified. The SDC budget includes $3.6 million in capital outlay with allocations for Filbert Run Park in the Hazel Grove-Westling Farm Neighborhoods and Wesley Lynn Park located off Meyers Road on the southern end of the City.

Transportation Division SDC revenue is budgeted at $2.1 million for the biennium. Project funding totals $3.8 million, including $0.8 million for the completion of the Molalla Avenue Streetscape project. Other projects include $2.1 million for a Linn/Leland/Warner Milne roundabout, as well as several crosswalk enhancements designed to improve pedestrian safety.

The Water Division anticipates $1.3 million in SDCs for the biennium. Revenues and reserves will be utilized to fund a parallel transmission main between Mountain View reservoir & Beavercreek Road, as well as a number of pipe replacement and capacity upgrade projects. Additionally, some funding will also go towards the future Fairway Downs reservoir to serve the Thimble Creek concept area.

Wastewater Division SDC revenue is budgeted at $0.7 million for the biennium, with no significant SDC eligible capital projects proposed.

The Stormwater Division is anticipated to receive approximately $0.2 million for the biennium, with no SDC eligible capital projects proposed.

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 in response to the impacts of COVID-19.

Expenditures

To support our employees, personnel services are budgeted with responsible cost of living increases that are consistent with contractual and regional inflation expectations. While medical costs have remained stable for eight years (the City requested proposals for medical services five years ago), renewal rates for the biennium

are estimated to range from 0% to 4.5% increase for medical over the two years, with minimal increases for dental.

Public Employees Retirement System (PERS) rates will increase by an average of 1.75% of covered payroll effective July 1. Rate increases are lower than anticipated. However, these rates are subject to change each biennium, so the City will continue to carefully monitor the impact of PERS.

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

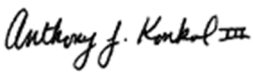
Oregon City continues to embrace the wealth of historical resources in our City while planning for the community that we would like to be in the future. The proposed budget, guided by the Commission's Goals and Priorities, continues to build on the efforts of previous Commissions and provides for vital 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. The impacts of COVID-19 on city revenues and resources have been effectively managed, though there is uncertainty as to when the revenues of impacted departments will return to pre-pandemic levels. The proposed budget takes a conservative approach to expected revenue in the first year of the biennium. In addition, the 2021 ice storm greatly impacted the City's tree canopy and infrastructure. The City continues to work with the County and State in pursuit of a federal disaster declaration in response to the storm. Any potential storm response expenditure reimbursement has not been included in the proposed budget since a federal declaration has not yet been made. 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

City Commission Goals

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

Oregon City Vision

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

Mission

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

Goals

Goal 1: Promote diversity, equity and inclusion for a safe, inclusive community and organization

Goal 2: Invest in current and future capital needs for safe, sustainable infrastructure and City services

Goal 3: Improve the City's engagement efforts to reach the broader Oregon City community and inform the policy process

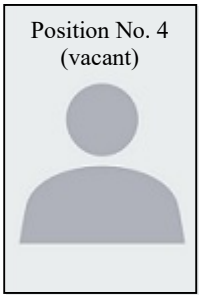
Goal 4: Adopt and implement a homelessness strategy for Oregon City

Goal 5: Promote tourism and support economic development to foster community sustainability

Goal 6: Support diverse housing options in Oregon City

Goal 7: Support improvements and partnerships that contribute to our hometown feel and showcase Oregon City's unique community identity

Goal 8: Protect and preserve our environmental health and natural resources



Oregon City Commission:
Rocky Smith, Jr., Denyse McGriff, Mayor Rachel Lyles Smith, Frank O'Donnell
and vacant Position No. 4 (pending appointment)

2021 - 2023 Commission Goals
Reviewed by the City Commission on April 13, 2021

Goal 1 - Promote diversity, equity and inclusion for a safe, inclusive community and organization

Strategy	Approach	Proposed Amount	Funding Source	Estimated Timeline
Using the vision articulated in Resolution 20-19, develop a comprehensive internal and external DEI framework	Staff will work with a consultant to lead and develop a DEI framework that will guide the City. The framework will include: • The creation of policies and practices that advance diversity, equity and inclusion throughout City operations.	$75,000	General Fund	12/21 - 5/23
Create a community task force to guide the external DEI work	Staff will work with a consultant to create, coordinate and lead a community task force. The project will include: • Education and discussion of the concepts lead to equality. • Discussion about the impacts of bias and racism in our community. • Identification of ways to make our community more welcoming and inclusive for all.	$50,000	General Fund	7/21 - 3/23
Evaluate internal policies, procedures, hiring practices, purchasing, and codes to reduce barriers and systemic inequities	Staff will establish an internal project team that will discuss and explore opportunities to reduce barriers and systemic inequalities such as: • Establishing the Oregon City Municipal Diversity & Equity Purchasing Program. • Utilizing State-certified MWESB firms and local minority and women owned businesses. • Drafting municipal code that requires all city departments and subcontractors doing business with the City to initially engage businesses owned by BIPOC and MWESB. • Promoting the program and educating staff, contractors, vendors, and subcontractors seeking to do business with the City.	No additional funds requested in proposed budget. Existing staff will complete this task.		9/21 - 6/23

Goal 2 - Invest in current and future capital needs for safe, sustainable infrastructure and City services

Strategy	Approach	Proposed Amount	Funding Source	Estimated Timeline
Prioritize projects in the transportation master plan to maximize safety and connectivity	Staff with the assistance of a consultant will work with the Transportation Advisory Committee (TAC) to review the Transportation System Plan (TSP) and associated documents to create a prioritization of projects that maximize multimodal safety and connectivity. The process will include: • A public engagement process. • Outreach to the workgroups established by the Planning Department for the OC 2040 Comprehensive Plan Update process, with an emphasis on DEI. • As part of the project, the City will consider and evaluate projects within the TSP, concept plans, the budget, the 5-year pavement maintenance plan, capital improvement plans, transit plans, safety statistics, and existing conditions.	$40,000	Transport-ation Fund Transport-ation SDC Fund	9/21-8/22

Goal 2 - Invest in current and future capital needs for safe, sustainable infrastructure and City services (continued)

Strategy	Approach	Proposed Amount	Funding Source	Estimated Timeline
Complete analysis to identify deferred maintenance and ongoing asset management costs for parks and identify funding options	The Parks and Recreation Department selected Bureau Veritas Technical Assessments LLC to help develop a plan to address the need for immediate repairs, preventative maintenance, deferred project backlog, and capital replacement. This plan will include: • Identifying facility maintenance, reducing the need for reactive repairs, and avoid deferred repairs. • Providing a roadmap for corrective recommendations to help reduce the maintenance backlog. • Identifying funding options for the City Commission to consider.	No additional funds requested in proposed budget. This is an existing project.		3/21 - 12/21
Review SDCs and utility rates to strike a balance between SDCs and rates	Staff will prepare a comprehensive review of Oregon City's Water and Stormwater System Development Charges (SDC's) and utility rates. The review will include: • Third party comparison analysis of rates and SDC's from across the Metro region. • A summary report on what innovative strategies other agencies are utilizing to manage and upgrade utility systems.	$57,000	Water Fund & Stormwater Fund	3/21 - 10/21
Prioritize the implementation of the IT Strategic Plan	Staff will begin implementation of the IT Strategic Plan which will include: • Adoption of the IT Strategic Plan. • Upgrading the City's disaster recovery and backup systems. • Deploying mobile device management system citywide. • Completing the fiber circuit from Operations Complex to the Robert Libke Public Safety Facility. • Creation of the IT Director position beginning in July 2022.	$466,000	General Fund	3/21 - 7/22
Complete parks master plan and update system development fees	Staff will work with a consultant to create a master plan that will provide a vision for development, maintenance, and operation of the entire park system. The master plan will include: • A public engagement process to identify goals and specific action items envisioned by City staff and the community at large. • An inventory of existing parks and recreation facilities. • Creating a vision statement, goals, and recommendations for system-level and park-specific improvements; park land acquisition strategy; suggested funding strategy. • Identification of capital needs and recommended system development charges (SDC's) to implement the improvements.	$190,000	General Fund & Parks SDC Fund	9/21 - 9/23
Assess the communication infrastructure and equipment to improve overall quality and reliability of service to the community	Staff will work with a consultant to determine the feasibility of a public/private partnership to improve overall quality and reliability of fiber optic connectivity to the community. The assessment will include: • Conducting a feasibility study to assess the communication infrastructure needed and its marketability of the service. • A strategy to establish community-wide fiber optic connectivity to homes and businesses throughout Oregon City. • If feasible, developing a Request for Proposals and solicitation for partners.	$200,000	General Fund, contingent upon ARPA funding	9/21 - 6/23
Develop a citywide facility master plan	Staff will work with a consultant to develop a facility master plan. This plan will include: • Developing a long-term strategy for City facilities.	$40,000	General Fund	7/22 - 12/22

Goal 3 - Improve the City's engagement efforts to reach the broader Oregon City community and inform the policy process

Strategy	Approach	Proposed Amount	Funding Source	Estimated Timeline
Refine and improve the engagement strategy to enhance two-way engagement and communication, build new relationships in the community, enhance the City's use of online engagement, and gather engagement data to track progress	Staff will work with a consultant to develop a plan to improve engagement and communication with the community. The plan will include: • An inventory of the tools and resources the City currently utilizes and a report of the effectiveness of these tools and platforms. • Creating a snapshot of followers and current engagement on the City's communication platforms. • Guidance on more effective tools and methods to increase followers and the quality of the engagement. • Providing a strategy to increase public engagement.	$30,000	General Fund	7/21-9/22
	Staff will research and deploy an engagement website platform to enhance online engagement and disseminate information.	$15,000	General Fund	7/21-9/22

Goal 4 - Adopt and implement a Homelessness Strategy for Oregon City

Strategy	Approach	Proposed Amount	Funding Source	Estimated Timeline
Formalize our internal strategy to address homelessness and surrounding issues, communicate the strategy with the community, and continue engaging the community	Staff will work with a consultant to create a written, formalized document that outlines the citywide efforts and approach in response to issues related to homelessness. The document will include: • Development of an internal Oregon City Homeless Solutions task force that will include representatives from multiple departments. • Engagement with existing advisory bodies and community members. • Identification of resources necessary to address the needs of the homeless population. • Identification of the challenges and constraints. • Identification of potential strategies to address the needs of the homeless population with assistance from outside partners. • Development of a communications and engagement plan to inform the community of the resources and strategies that have been identified.	$40,000	General Fund	7/21 - 12/21
Develop partnerships with other local and regional governments to develop local and regional solutions including Oregon City's needs in serving the homeless population	Staff will update the City Commission on different aspects of the issues related to homelessness in the City and strategic opportunities for the City Commission and staff to engage governmental agencies, non-profits, and other entities. Based on the results of the formalized internal strategy the following will occur: • Creation of an inventory of potential partner organizations/agencies. • Prioritization of Oregon City needs and related strategies. • Development of proposals and requests for potential partner organizations to assist with addressing homelessness in Oregon City.	No additional funds requested in proposed budget.		12/21 - 12/22

Goal 5 - Promote tourism and support economic development to foster community sustainability

Strategy	Approach	Proposed Amount	Funding Source	Estimated Timeline
Prioritize and implement the Citywide economic development strategy	Staff will work to create a Citywide Economic Development marketing and promotion strategy to brand and highlight the recreational, business, and investment opportunities in Oregon City. The marketing and promotion strategy will include: • The utilization of various promotional tools and marketing techniques such as paid digital content, Developer Familiarization Tours, publicity events, developer and business financial analysis, and social and print media.	$400,000	General Fund	7/21 - 6/23
	Staff will implement an Ombudsman program that will assist developers, investors, and businesses with navigating through and understanding the City's regulatory process. The Ombudsman program will include: • Workshops and seminars on city regulatory processes for businesses. • Printing educational brochures and pamphlets to aid with understanding and navigating the City's regulatory process. • Working with City departments to reduce and clarify regulatory procedures. • Increasing community presence of Economic Development staff	$40,000	General Fund	11/21 - 12/21
Determine implementation of 2020 urban renewal study.	Staff will work with the Urban Renewal Commission to complete the Urban Renewal Public Engagement Process. This process is currently ongoing.	No additional funds requested in proposed budget.		5/21 - 10/21
Implement the Tourism strategy	Staff will implement the Tourism Strategy to attract and engage the community to the Travel Oregon City website to increase participation and community opportunities. Implementation of the Tourism Strategy will include: • The marketing and promotion of Oregon City tourism assets. • Implementation of the Community Showcase, the Concierge Institute, and the Arts Treasure Trove which are programs identified in the Oregon City Tourism Strategy.	$680,000	Transient Room Tax $75,000 is contingent upon ARPA funding	7/21 - 6/23
Determine the City's role in supporting community events and other amenities that support tourism	Staff will work to create a program to support community events. The program will include: • Providing grant funding to private nonprofits that produce city-wide special events designed to reinforce the community hometown brand.	$100,000	General Fund	7/21 - 12/21

Goal 6 - Support diverse housing options in Oregon City

Strategy	Approach	Proposed Amount	Funding Source	Estimated Timeline
Prepare a plan to identify and implement housing strategies, tools and opportunities that work best for Oregon City	Staff will create actions the City may take to increase the supply of housing, including affordable housing. The project will include: • An online public engagement effort to identify strategies to increase the supply of housing in Oregon City. • The public engagement results will be incorporated into the strategies identified at the severely rent burdened community conversation, as well as input from the Citizen Involvement Committee, the Planning Commission, and the best practices and strategies identified from partnerships with other agencies. • Recommendations to the City Commission that will include no-cost strategies, as well as strategies which would rely on funding sources such as the Construction Excise Tax.	$10,000	General Fund	7/22 - 7/23
Update our code to provide additional housing opportunities in Oregon City	Staff will compare existing Oregon City regulations to HB 2001 and propose amendments to the Oregon City Municipal Code to implement the new requirements. The project will include: • An analysis of the City's infrastructure capacity to determine if there is sufficient capacity for the changes. • Public engagement, such as online surveys and input, Citizen Involvement Committee and Planning Commission presentations, a virtual open house, and a mailer to property owners and tenants. • Final Legislative review by the Planning Commission and City Commission of the proposed changes.	$20,000	General Fund	7/21 - 7/22

Goal 7 - Support improvements and partnerships that contribute to our hometown feel and showcase Oregon City's unique community identity

Strategy	Approach	Proposed Amount	Funding Source	Estimated Timeline
Determine and establish relationships with the Tribes that have a shared history with Oregon City	Staff will work jointly with all five tribes identified in the Willamette Falls Legacy Project and make connections with other tribes that reach out. The process for establishing these relationships and partnership building will include: • Arrangement of smaller introductory meetings between elected officials before a full meeting between elected bodies to form the basis of formal government-to-government relationships. • Development of a formal agreement with commitments, such as continued communication, collaboration, and a formal recognition of past harms.	No additional funds requested in proposed budget.		5/21 - 6/23
	The City would fund the installation of a memorial currently being designed by the Confederated Tribes of the Umatilla Indian Reservation to honor the Cayuse Five.	$150,000	General Fund	5/21 - 6/22
Enhance partnerships with agencies and organizations to promote Oregon City's resources, opportunities and events	Staff will establish a six to eight week training program on the business of tourism and organizational and professional development for non-profit and for-profit businesses.	No additional funds requested in proposed budget.		9/21 - 6/23
Promote the arts as a focus of community identity and reactivate the Arts Commission	Staff will engage the arts community of Oregon City to further nurture community identification and reactivate the Arts Commission. Promotion of the arts will include: • Public display of sculptures, paintings, decorative features, horticultural enhancements and historical portrayals. • Events that include music, dance, poetry and other forms of artistic expression.	$50,000	General Fund	8/21 - 2/22
Use art to attract and engage more community members and visitors	Staff will investigate the feasibility of the development of an arts incubator to help artists realize commercial success by establishing a facility to house studios, conference rooms, and administrative, financial, and legal services.	$40,000	General Fund	10/21 - 3/22

Goal 8 - Protect and preserve our environmental health and natural resources

Strategy	Approach	Proposed Amount	Funding Source	Estimated Timeline
Develop a climate action plan	Staff will work with a consultant to create a Climate Action Plan focusing on actions the City can take to decrease the environmental footprint of City facilities and operations. The Climate Action Plan will include: • Engagement with PGE and other potential partners to identify opportunities to reduce the impacts created by City facilities and operations. • Recommendations for the City Commission to consider and potentially adopt via Resolution.	$100,000	General Fund	10/22 - 12/23

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

BUDGET SUMMARY

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

Funds and Departments

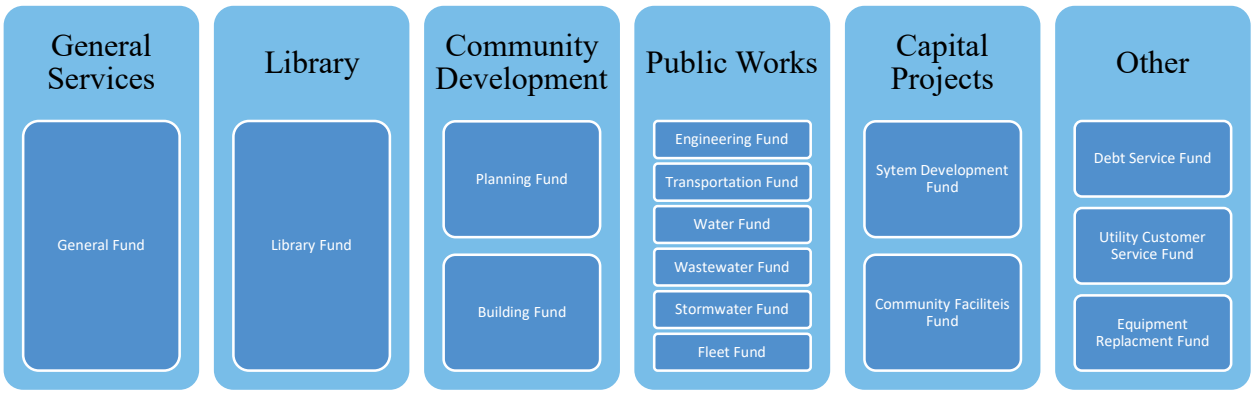
Oregon City's budget is organized by service area reflecting the major functions the City provides for its citizens. These service areas are then broken out into funds which account for the revenues, expenditures and reserves. The funds are then broken down further into one or more organizational units.

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

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

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

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



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

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

Additional Information

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

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

CITY PROFILE

CITY AT A GLANCE

City Information

Incorporated	1844
2021-23 Tax Rate (per $1,000)	4.4090
Measure 50 permanent tax rate limit	5.0571
Assessed Valuation, 2021	$3.56 billion
Bond Rating	AA+

Demographics

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

Fiscal Year		
2012	certified estimate - 10 years ago	32,220
2021	certified estimate - current year	35,885
2022	forecasted	36,190
2023	forecasted	36,948

Median Age	38.0
Median Household Income	$ 76,149
Median Property Value	$ 408,673

Sex Composition

Male	48.50%
Female	51.50%

Racial Composition

White	86.8%
Two or more races	4.1%
Asian	1.2%
American Indian	1.5%
Black	1.0%
Other	0.1%
Hispanic *	5.3%

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

Population by Age

Under 5 years	7.6%
5-17	15.1%
18-64	62.1%
65-older	15.2%

Education

Education Attainment (Persons over 25 years of age)

High school or higher	92.60%
Bachelor's degree or higher	26.30%

Schools

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

Service Statistics

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

Public Works

Number of Water Customers	11,293
Hundred Cubic Feet Annual Water Consumption	1.87 million
Miles of Roads Maintained	143
Miles of Water Lines Maintained (City)	173
Miles of Sewer Lines Maintained (City)	138
Number of Pump Stations	19
Number of Drainage Catch Basins (City)	4,469

Public Safety

Sworn Officers	46
Civilian full-time employees	12
Police Calls for Service	26,034
Municipal Court Cases Processed	5,679

Parks and Recreation

Number of Recreational Facilities	28
Number of Swimming Pool Visits	148,305
Meals Provided to Seniors	37,541

Library

Attendance	164,480
Circulation	439,887

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.

GOVERNANCE

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

The City operates under the provisions of its own charter and applicable state law with a Council-Manager form of government. The elected officials consist of the Mayor and four Commissioners who serve staggered four-year terms. All positions have term limits, and no person shall 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, and appoint, direct, and evaluate the City Manager. (The City Commission also appoints the Municipal Judge.) The City Manager is appointed by the City Commission to oversee the delivery of public services and is responsible for all administration and management.

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

DEMOGRAPHICS

Oregon City's population is currently estimated at 35,885. The City is one of Oregon's fastest growing with an 11.37% increase since 2011. Future growth will likely continue in the 0.75% – 2.0% range as the City still contains undeveloped land within its Urban Growth Boundary. The state forecasts population to increase by slightly higher percentages than the rest of the country. The table to the right shows 10-year historic and forecasted population for Oregon City, according to estimates from the Population Research Center.

ECONOMY

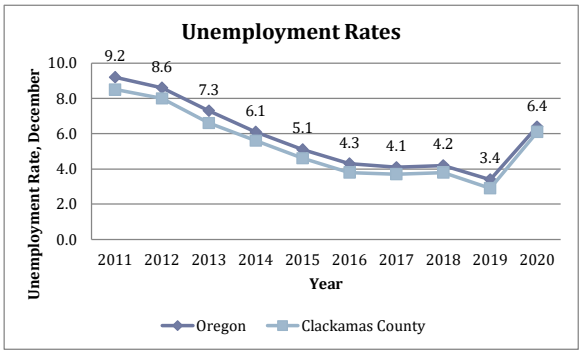
Oregon City's economy is linked with that of Clackamas County, the Portland Metropolitan Service Area (MSA), and the State of Oregon. Oregon City's status as the Clackamas County seat has broadly positive employment and impact on the local economy. Interstate 205 and State Highways 99E and 213 link Oregon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

City Profile

Key economic clusters, which account for a great portion of the area's gross domestic product and have a greater presence in this area relative to the region, include health care, professional business services, high tech and advanced manufacturing, software and media production, and agriculture. Specifically, government and education are the top employment sectors in Oregon City, constituting 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 26,000 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 2020 based on the City's business license data and County records.

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

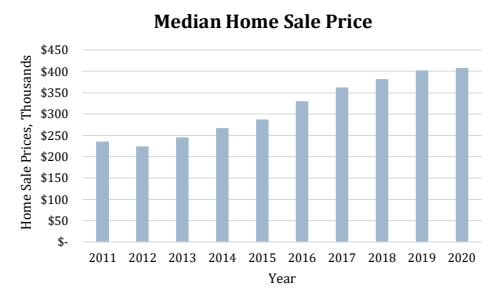
The COVID-19 pandemic had a significant impact on the economy. In February of 2020, immediately before the start of the pandemic, Oregon's unemployment rate had achieved a historical low of 3.3%. However, by April of 2020, within a month of Oregon beginning its pandemic shutdown, the rate had increased to a historical high of 14.9%. Since then, Oregon's unemployment rate has decreased. As of December 2020, Oregon's unemployment stood at 6.4%. The unemployment rate in the County is slightly less than the rate for the State overall, though changes in the County's rate over time have remained consistent with those of the State.

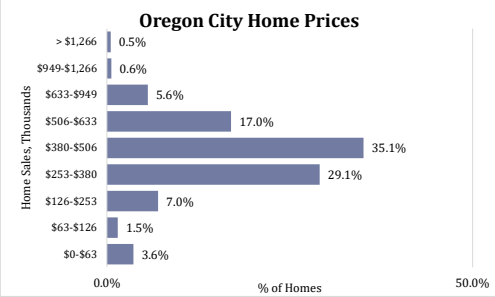


Over the past year, total non-farm employment decreased by approximately 9.1% in the State. Most employment categories saw decreases, with notable exceptions including residential building construction, building material and garden supply stores, warehousing and storage, and couriers and messengers. Broader measures of economic stability are reflected in the median household income. The current household income in Oregon City is estimated at $76,149, approximately 21.17% higher than the National average of $62,843 and 21.22% higher than the State average of $62,818.

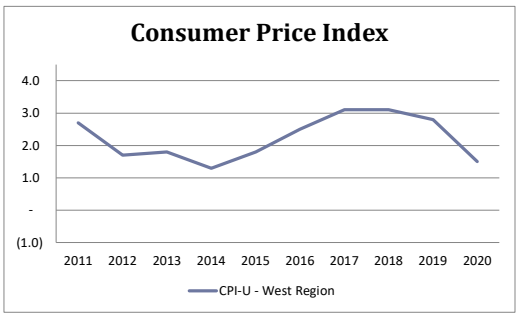
Though the pandemic caused the area's housing market to slow briefly, it is still strong due to low inventory. The area suffers from one of the largest housing shortages in the nation. This continues to cause prices to rise, though not as sharply as in prior years. Expectations for new construction in the next few years should alleviate some of the price pressures and have a positive effect on the economy. The median home value in Oregon City is approximately $408,673, approximately 11.99% higher than the national average and 19.32% higher than the State average.

Oregon City's real property market value and assessed value has also steadily increased after seeing declines in 2008; the assessed (or taxable) value, however, remains significantly lower than the real market value. Expectations call for continued slow growth over the next year. Further information on tax growth and the difference between assessed and market value is provided later in the budget in the Revenue Trends section. Additional information on housing prices in the City and the top taxpayers are shown below.





The Consumer Price Index (CPI) is a leading economic indicator that measures inflation and represents the changes in prices of all goods and services over time. This indicator is tracked and published by the U.S. Department of Labor's Bureau of Labor Statistics. The change in the CPI for the West Region from December of 2019 to December of 2020 was 1.47%. This means that in December 2020, goods, on average, cost 1.47% more than in December 2019. The chart to the right highlights the percent change in the CPI over the past ten years.



BUDGET PROCESS

BUDGET DEVELOPMENT AND ADOPTION

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

This represents Oregon City's fourth 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, 2021 and ends June 30, 2023.

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

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

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

In May, the preliminary budget is presented to the Budget Committee, which, by law, comprises the Mayor, City Commission, and the same number of citizen members (in this case, five). A 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 changes to the City budget for reasons unforeseen at the time of adoption. For instance, a transfer from one appropriation category to another can be adopted by resolution of the City Commission. On the other hand, certain changes, such as appropriation increases, require a supplemental budget. Though a supplemental budget does not require the involvement of the budget committee, it does require a public hearing similar to the process followed during the adoption of the budget. Further detail is located in ORS 294.

Basis of Budgeting

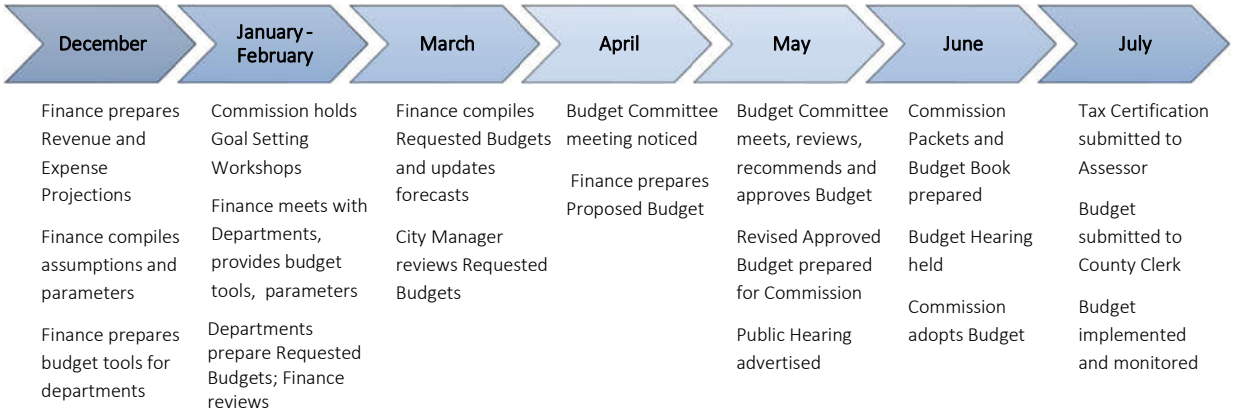
The City budgets all of the funds using the modified accrual basis of accounting in accordance with budgetary accounting practices and Generally Accepted Accounting Principles (GAAP) for governmental funds. Revenues are recognized as soon as they are both measurable and available. Revenues are considered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

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

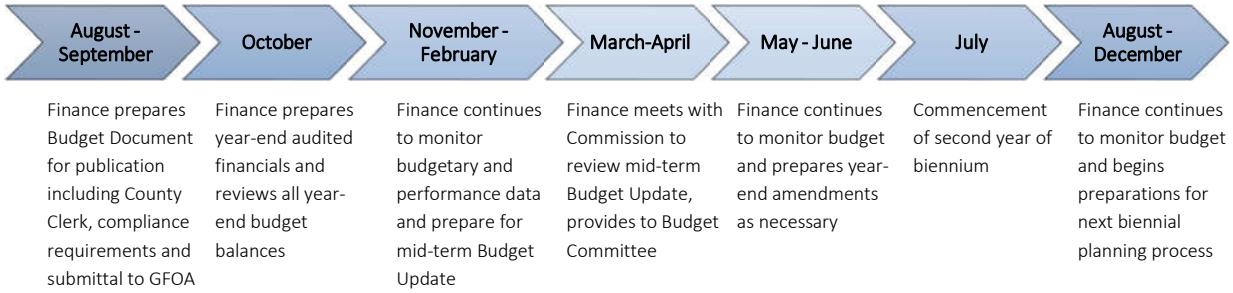
Budget Calendar

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

Phase I



Phase II



Budget Process

BUDGETED FUNDS

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

Governmental Funds:

General Fund – accounts for all financial resources not accounted for in another fund
Special Revenue funds – account for proceeds and spending of specific revenues restricted or committed for specified purposes other than debt service or capital
Capital Projects funds – account for financial resources to be used for the acquisition or construction of capital equipment and facilities
Debt Service funds – account for the accumulation of resources for, and the payment of, long-term debt principal and interest

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

BUDGET ORGANIZATION

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

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

✪ = major fund

A major fund is defined as any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the total budget. For the 2021-2023 biennium, the following funds meet this criterion:

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

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

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

Financial Policies Impacting the Budget

Goals and Purpose:

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

Revenue Policy:

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

Budget Policy:

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

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

Capital Improvement Policy:

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

Debt Policy:

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

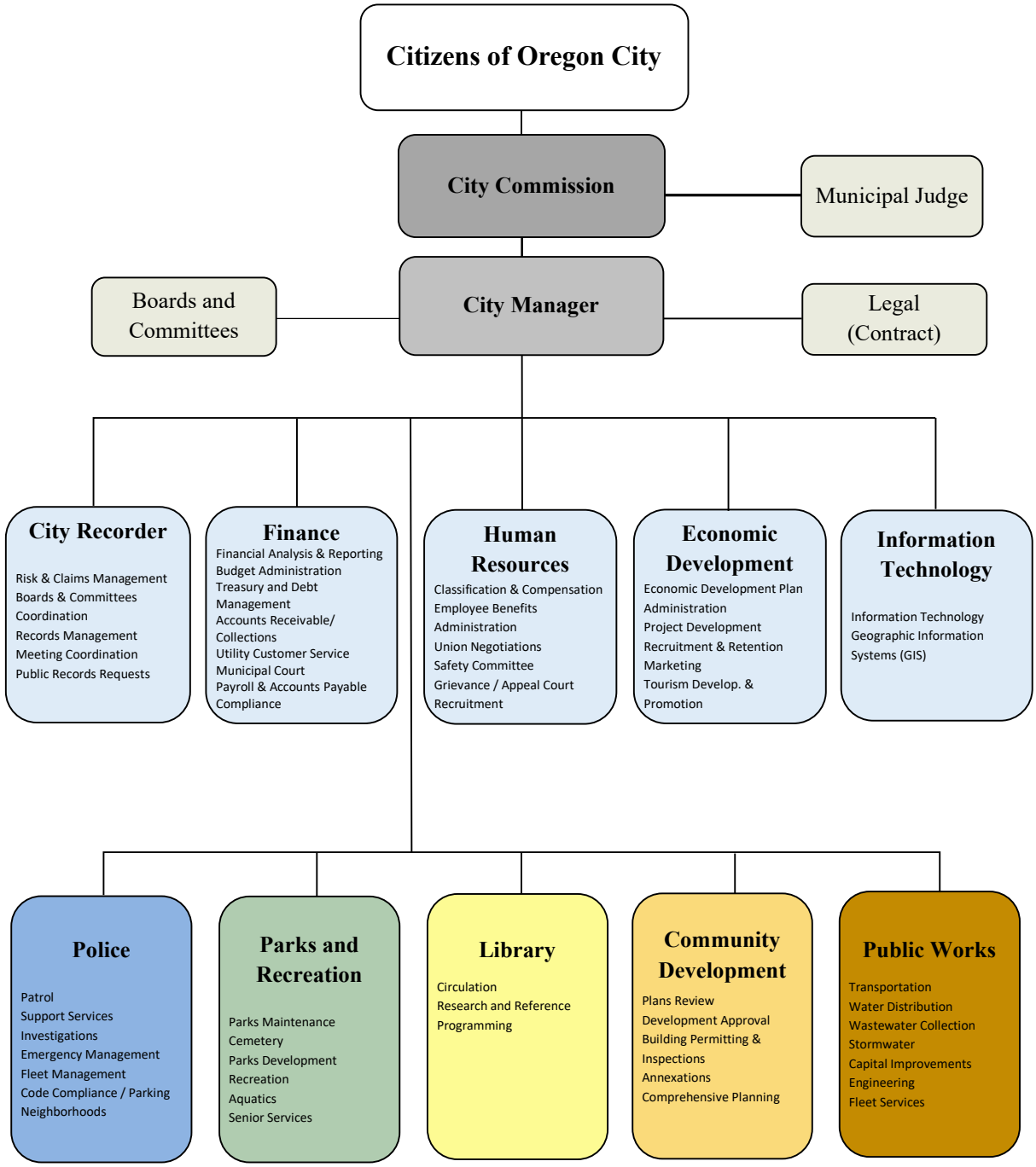
Reserve Policy:

- The City shall establish a contingency reserve to provide for unanticipated expenditures of a nonrecurring nature and to meet unexpected increases in service delivery costs; these funds may not be directly disbursed from the contingency reserve but only in accordance with local budget law in the State of Oregon.
- The City will maintain an unallocated and unappropriated fund balance or retained earnings to provide working capital until sufficient revenues arrive to fund current operations equal to a minimum of two months, or 17%, of general operating expenditures.
- Contingency and unappropriated reserve calculations are based on 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 2021-2023 biennium and compares them to the current biennial budget and the activity for two previous biennial periods.

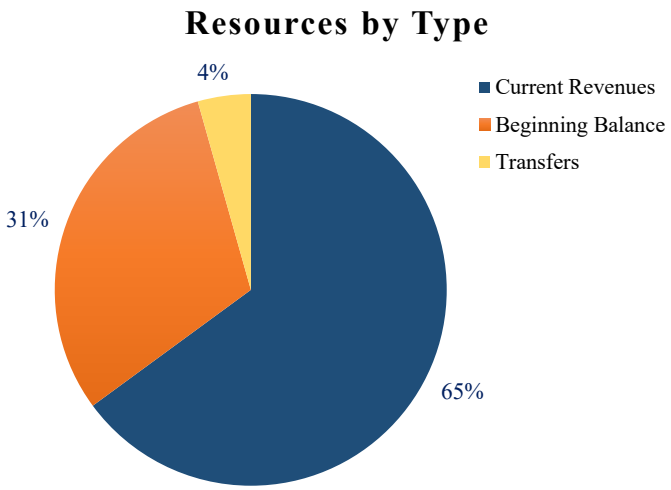
All Funds	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 56,993,520	$ 67,723,122	$ 89,283,379	$ 72,238,309	$ 57,343,785	$ 72,238,309
Property Taxes	23,936,979	25,889,865	27,891,400	14,946,733	15,612,558	30,559,291
Franchise Fees	7,664,964	8,142,539	8,114,070	4,360,748	4,503,075	8,863,823
Intergovernmental	12,250,999	14,205,173	21,643,731	12,437,457	12,330,736	24,768,193
Charges for Services	50,181,891	51,332,437	53,293,029	26,023,022	28,376,619	54,399,641
Pass-Through Revenues	11,336,499	13,154,196	14,030,784	6,816,400	7,189,456	14,005,856
Licenses and Permits	4,900,202	4,365,383	3,743,158	1,862,400	1,966,900	3,829,300
Fines and Penalties	2,047,258	2,741,611	2,705,000	1,030,000	1,235,000	2,265,000
Other Taxes and Assessments	601,853	999,908	886,000	573,000	623,000	1,196,000
Other Income	2,866,905	3,685,093	4,403,289	2,216,620	1,936,282	4,152,902
Sale of Assets	36,143	72,873	2,540,000	30,000	30,000	60,000
Contributions	223,422	285,809	222,800	112,900	111,500	224,400
Interest Income	998,644	2,977,355	2,239,200	579,600	607,100	1,186,700
Loan Repayments	1,603,070	902,867	-	-	-	-
Bond Proceeds	-	16,157,183	-	-	-	-
Internal Service Charges	433,800	5,571,009	6,545,180	3,569,245	3,596,585	7,165,830
Transfers In	10,884,475	8,384,393	13,038,166	4,978,504	5,310,904	10,289,408
Total Resources	**$186,960,624**	**$226,590,816**	**$250,579,186**	**$151,774,938**	**$140,773,500**	**$235,204,653**
Requirements by Category						
Personnel Services	$ 42,731,780	$ 47,910,762	$ 55,144,506	$ 29,596,851	$ 31,122,708	$ 60,719,559
Materials and Services	25,165,847	31,483,019	35,012,456	20,091,980	19,112,699	39,204,679
Pass-Through Expenses	11,203,485	12,649,079	14,030,784	6,816,400	7,189,456	14,005,856
Capital Outlay	23,924,383	28,645,563	83,605,448	29,790,403	18,693,000	48,483,403
Debt Service	5,327,532	6,473,965	6,130,657	3,157,015	3,218,120	6,375,135
Transfers Out	10,884,475	8,384,393	13,038,166	4,978,504	5,310,904	10,289,408
Contingency	-	-	36,297,928	49,588,775	47,567,407	47,567,407
Reserved for Future Expenditures	38,288,741	53,966,160	7,319,241	7,755,010	8,559,206	8,559,206
Unappropriated Fund Balance	29,434,381	37,077,875	-	-	-	-
Total Requirements	**$186,960,624**	**$226,590,816**	**$250,579,186**	**$151,774,938**	**$140,773,500**	**$235,204,653**

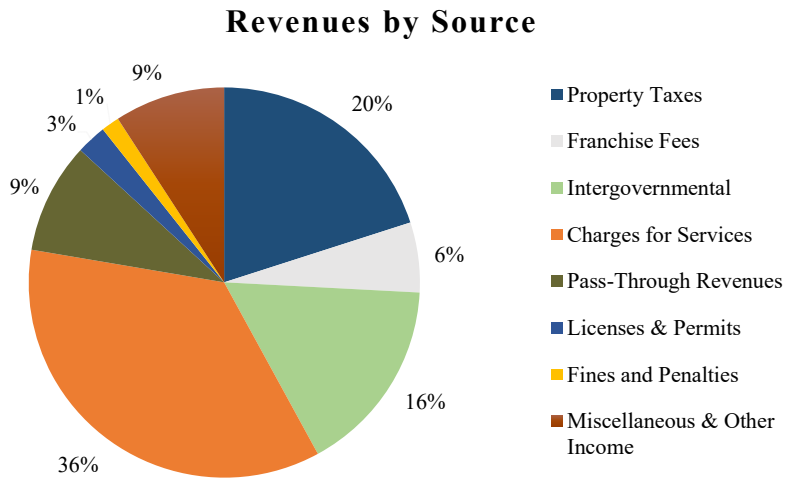
The following table further summarizes all requirements by function.

All Funds	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Requirements by Function						
Policy and Administration	$ 11,062,094	$ 11,686,685	$ 14,058,132	$ 7,806,553	$ 8,077,287	$ 15,883,840
Police	18,999,948	23,153,361	45,515,609	12,911,833	13,029,970	25,941,803
Parks and Recreation	7,590,610	9,071,374	17,241,008	7,881,080	7,057,795	14,938,875
General Government	3,401,138	4,377,388	4,606,549	2,412,306	2,278,932	4,691,238
Library	12,185,325	3,403,287	4,239,940	2,306,602	2,430,052	4,736,654
Community Development	4,097,573	5,281,339	4,915,382	2,969,082	2,832,713	5,801,795
Public Works	34,485,322	51,065,910	83,185,790	43,191,778	33,221,658	76,413,436
Pass-Through Expenses	11,203,485	12,649,079	14,030,784	6,816,400	7,189,456	14,005,856
Debt Service	5,327,532	6,473,965	6,130,657	3,157,015	3,218,120	6,375,135
Transfers Out	10,884,475	8,384,393	13,038,166	4,978,504	5,310,904	10,289,408
Contingency & Reserves	67,723,122	91,044,035	43,617,169	57,343,785	56,126,613	56,126,613
Total Requirements	**$186,960,624**	**$226,590,816**	**$250,579,186**	**$151,774,938**	**$140,773,500**	**$235,204,653**

WHERE THE MONEY COMES FROM – ALL FUNDS COMBINED

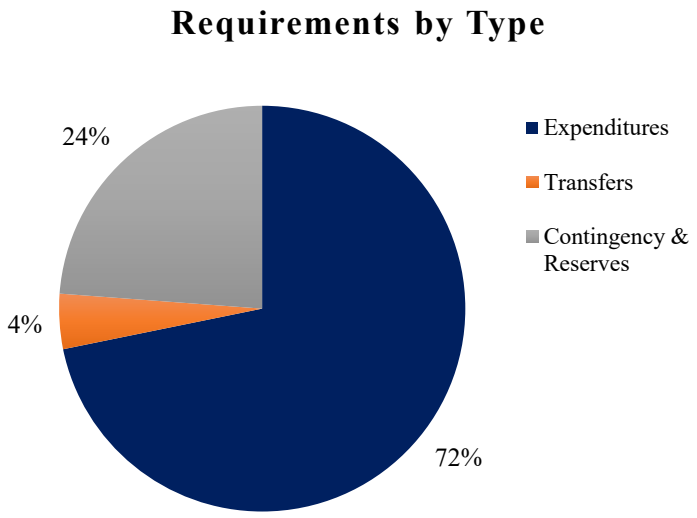
Resources to meet Oregon City's obligations and service needs are derived from three primary sources: beginning fund balance, current revenues, and transfers in from other funds. Beginning fund balance consists of revenues carried forward from previous fiscal years, including reserves for specific purposes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

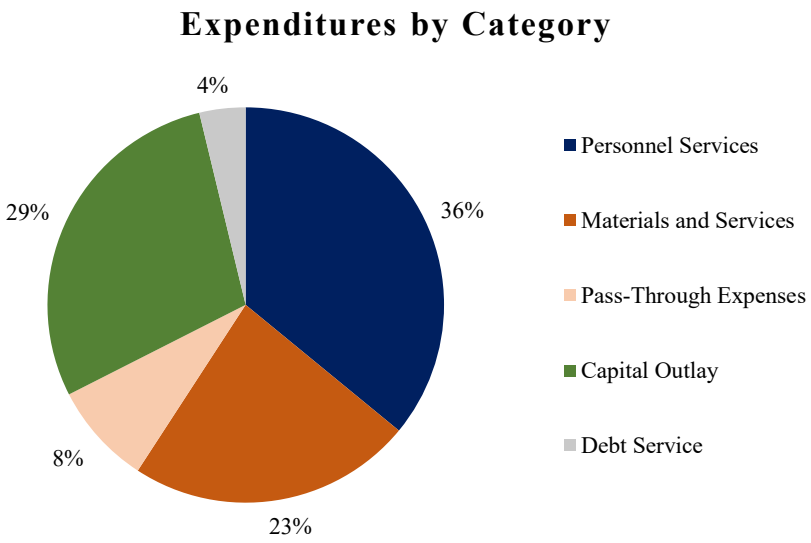




WHERE THE MONEY GOES – ALL FUNDS COMBINED

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



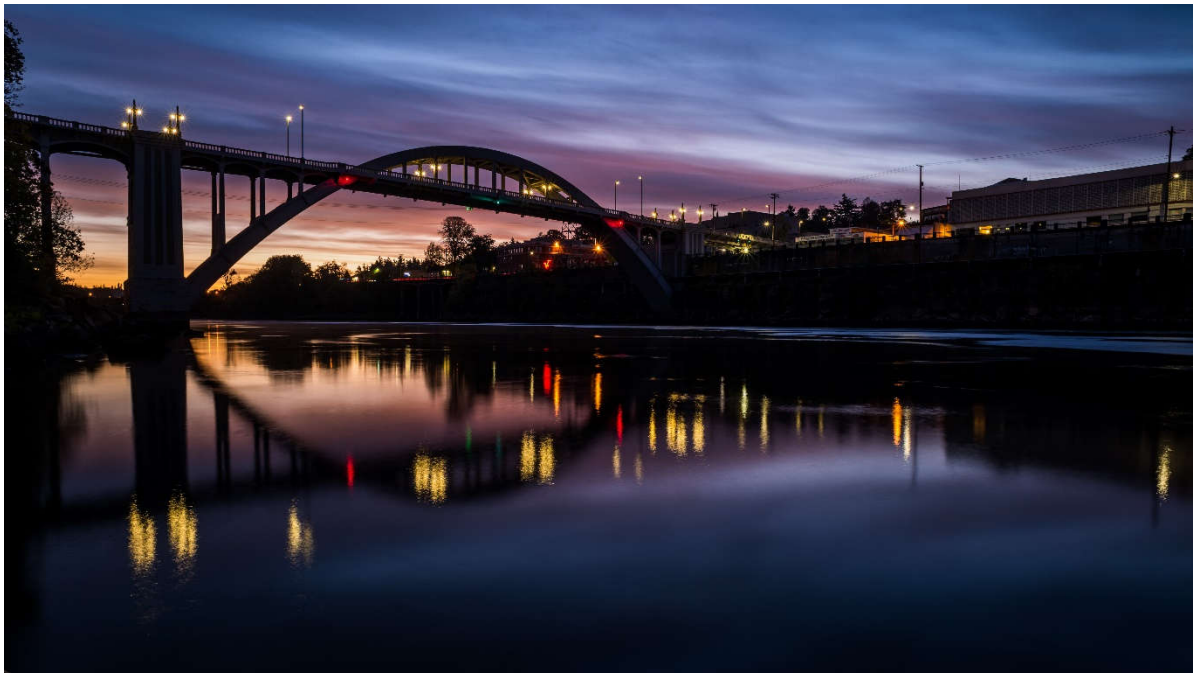


Budget Summary

RESOURCES AND REQUIREMENTS – ALL FUNDS

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

All Funds	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
General Fund	$ 49,225,316	$ 56,410,146	$ 61,105,951	$ 37,320,386	$ 38,201,628	$ 66,163,045
Special Revenue Funds						
Library	5,538,770	7,100,693	8,145,692	6,582,383	6,757,130	9,449,103
Planning	4,001,992	3,696,939	3,454,515	2,426,463	1,997,821	4,040,858
Building	4,937,330	6,840,427	7,220,912	7,200,657	7,444,112	9,151,157
Engineering	2,096,923	2,584,432	3,004,743	1,905,447	1,485,772	2,850,187
Transportation	11,414,606	13,130,583	16,731,092	10,894,227	8,527,599	17,832,901
Capital Projects Funds						
System Development	24,512,099	28,750,727	34,123,040	15,203,336	12,778,366	18,716,786
Community Facilities	22,146,991	35,296,845	36,537,061	8,648,746	7,913,493	11,923,626
Enterprise Funds						
Water	17,525,503	20,254,871	20,691,312	16,902,282	15,531,421	28,248,905
Wastewater	24,813,442	29,749,906	34,074,031	25,233,783	22,359,276	38,138,480
Stormwater	6,466,227	7,238,561	7,795,912	5,807,236	5,368,012	9,265,976
Internal Service Funds						
Fleet Services	435,386	483,535	462,028	290,724	316,325	553,829
Utility Customer Service	2,017,884	2,301,488	2,510,665	1,525,767	1,466,860	2,793,367
Fleet & Equipment Replacement	6,279,899	6,965,770	7,915,871	7,868,952	6,803,848	9,512,952
Debt Service Funds						
Bond Funds	4,675,554	5,785,893	6,806,361	3,964,549	3,821,837	6,563,481
Closed Funds						
GO Bond Debt Service	872,702	-	-	-	-	-
Total All Funds	***$ 186,960,624***	***$ 226,590,816***	***$ 250,579,186***	***$ 151,774,938***	***$ 140,773,500***	***$ 235,204,653***



Overall Budget Highlights

- The budget is balanced at $235.2 million with a tax rate of $4.409 per $1,000 assessed value, the same rate as the previous biennium.
- The 2021-2023 budget represents a decrease of $15.4 million over the amended 2019-2021 biennial budget of $250.6 million.
- Total expenditures, excluding transfers, are $168.8 million, a decrease of $25.1 million from the prior biennial budget. The decrease is due primarily to the funding of capital projects in the prior biennium, including $22.2 million for the construction of the Public Safety and Municipal Court Facility. This project was completed in the prior biennium.
- The budget proposes a 4.95 net increase in Full Time Equivalent (FTE) positions. More information can be found in the Personnel portion of the Additional Information section of this document.

Budget Trends by Year

The following economic assumptions were used in developing the 2021-2023 Biennial Budget.

General

- The City's population is estimated to grow 0.85% in each of the next two years.
- The economy is expected to see gains in the rate of employment, along with consumers seeing gains in income and net worth, as the pandemic comes to an end.

Resources

- Assessed value, the basis of property taxes, are estimated to grow by 4.5% in each year of the biennium, or $160.0 million in 2022 and $167.3 million in 2023.
- Property tax revenues are estimated to increase by approximately 9.6% over the two-year period due to a combination of anticipated property value increases and new development net of reductions for discounts, delinquencies and agency loss.
- Intergovernmental revenue is expected to increase by $3.1 million, or 14.4% due to the anticipated receipt of $7.6 million of funds from the American Rescue Plan Act of 2021.
- Revenue sources adversely impacted by the pandemic, such as Charges for Services and Fines and Forfeitures, have decreased, but are expected to return to pre-pandemic levels by the midpoint of the 2021-2023 biennium.
- Interest rates on investments are expected to remain low during the biennium.
- All other revenue sources are estimated using trend analysis. More information on revenue trends is provided later in this Budget Summary section.

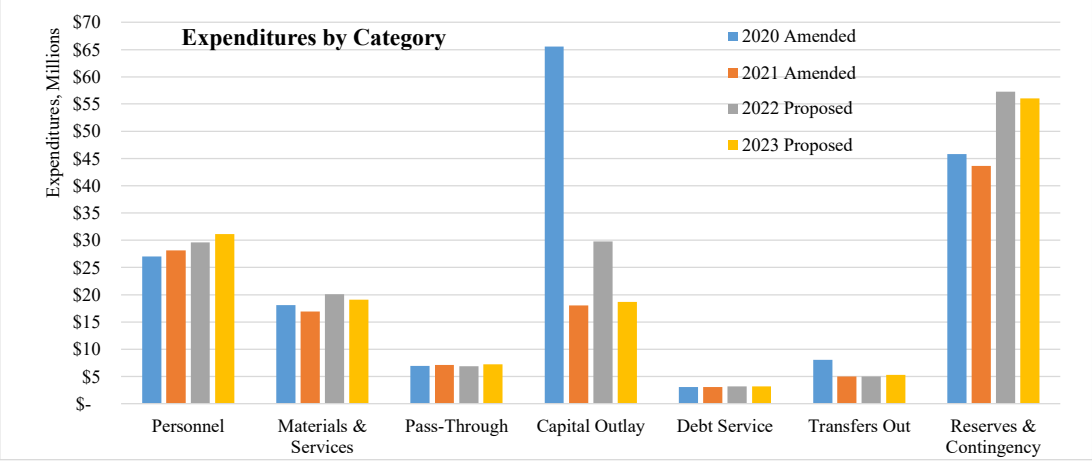
Requirements

- Cost for goods and contracts are projected with inflationary increases; exceptions or significant variances are explained under Budget Highlights of each Department budget.
- Capital outlay (projects and equipment) is budgeted at projected acquisition or construction cost based on preliminary estimates.
- Cost of living increases are 2.5% to 2.75% for all employees; step increases are included on employees' anniversary dates for represented employees.
- Health benefit costs are projected at 2.8% to 4.0% annual increases based on claims and premiums projections.
- Public Employees Retirement System (PERS) contributions rates provided by PERS will increase 0.37% to 2.33% of covered wages.

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

Budget Summary

The chart below compares each year of the biennial budget (fiscal years 2022 and 2023) to each year of the prior year amended budgeted expenditures (2020 and 2021) by category for all budgeted funds. An explanation of the variances and assumptions used are explained below.



Personnel Services

Personnel costs increased by $5.6 million, or 10.1%, 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 4.95. The additions include a Parks Administrative Assistant, a Library Technology Specialist, a Library Safety Officer, and an Information Technology Director. These positions are required to keep up with the growth of the City and the needs of its citizenry. The proposed budget also reflects an increase in PERS retirement contributions of 0.37% to 2.33% of covered wages, which results in an increase in cost of $1.3 million over the biennium. Further analysis of personnel costs and changes is found in the Personnel portion of the Additional Information section at the end of this document.

Materials & Services

Excluding internal service charges, which increased by $0.6 million over the prior biennium, Materials and Services increased by $3.6 million. While departments budgeted with only inflationary increases, materials and services increased due to specific contractual obligations, various grant projects, and special projects that support Commission goals. This includes various initiatives of the Economic Development department, as well as additional investment in information technology as recommended by the recently completed IT Strategic Plan. More information about these projects is included in the departmental budgets later in this document, as well as in the Commission Goals section earlier in this document. Internal service charges are for services provided between departments and have increased as the City improves its cost allocation methods to better reflect services provided across departments and funds.

Capital Outlay

Budgeted capital decreased by $35.1 million, or 42.0%, over the biennium. This decrease is due to the prior biennium including funding for the Public Works Operations Center and the Robert Libke Public Safety Building. The projects included in the upcoming biennium are explained in more detail in the Budget Message and in the Capital Improvement Program portion of the Additional Information section at the end of this document.

Debt Service

The City's most recently acquired debt was voter approved debt acquired in 2018 for the construction of the Robert Libke Public Safety Building to house the Police Department and Municipal Court. In 2017, General Obligation bonds originally issued in 1998 matured. Debt service payments increased by 4.0% in the current biennium. Information on the City's debt is located in the Debt Administration portion of the Additional Information section at the end of this document.

Transfers & Other Uses

In the current biennium, transfers decreased by $2.7 million, due in part to the prior biennium including the reallocation of savings accumulated for construction projects to the capital funds where the monies were spent.

Revenue Assumptions and Trends

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

Property Taxes

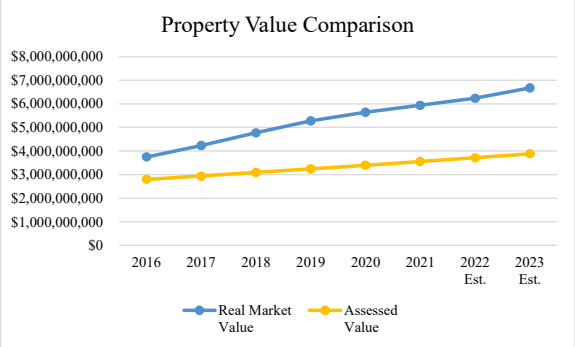
Property tax revenues are calculated by applying the City's tax rate, not to exceed the permanent rate, to the assessed value. At the beginning of each fiscal year, the Clackamas County Assessor determines assessed values of properties. With the approval of Measure 50 in 1997, assessed values on individual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

Assessed value increases are limited to 3% per year. City-wide increase of 4.5% in assessed value for property taxes are built into the calculation due to economic factors, anticipated new properties added to the tax roll, and county assessor information. For fiscal year 2021, Oregon City's total assessed value was approximately 60% of the real market value. This gap has widened as expected due to the cap on assessed value increases. Assessed value is used for spreading the operating levies, while market values are used to meet Measure 5 cap requirements, approved by voters in 1990, which limit tax rates to $15 per $1,000 of real market value ($5.00 for schools and an aggregate $10.00 for all other governments), and to spread debt service levies, which are exempt from Measures 5 and 50.

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

The City's total projected assessed value is multiplied by its permanent or adopted tax rate per $1,000 of assessed value to calculate the anticipated property taxes to be received. Due to discounts and collection history, the City assumes a 95.5% collection rate on property taxes for the 2021-2023 biennium. This is in line with previous year's collection estimates and reflective of the current collection rate.

Fiscal Year	Real Market Value	Assessed Value	Ratio of AV to RMV	Total Extended Tax Levy
2016	$3,750,576,097	$2,801,945,084	74.7%	$12,105,761
2017	$4,233,750,521	$2,938,428,766	69.4%	$12,596,284
2018	$4,774,396,498	$3,089,502,621	64.7%	$12,935,275
2019	$5,274,966,934	$3,237,628,787	61.4%	$13,518,480
2020	$5,648,405,668	$3,395,555,692	60.1%	$14,155,665
2021	$5,942,361,957	$3,556,637,128	59.9%	$14,784,687
2022 Est.	$6,239,480,055	$3,716,685,799	59.6%	$15,441,605
2023 Est.	$6,676,243,659	$3,883,936,660	58.2%	$16,138,805



The chart and table above show assessed value by year in comparison to real market value from 2016 through the proposed biennium.

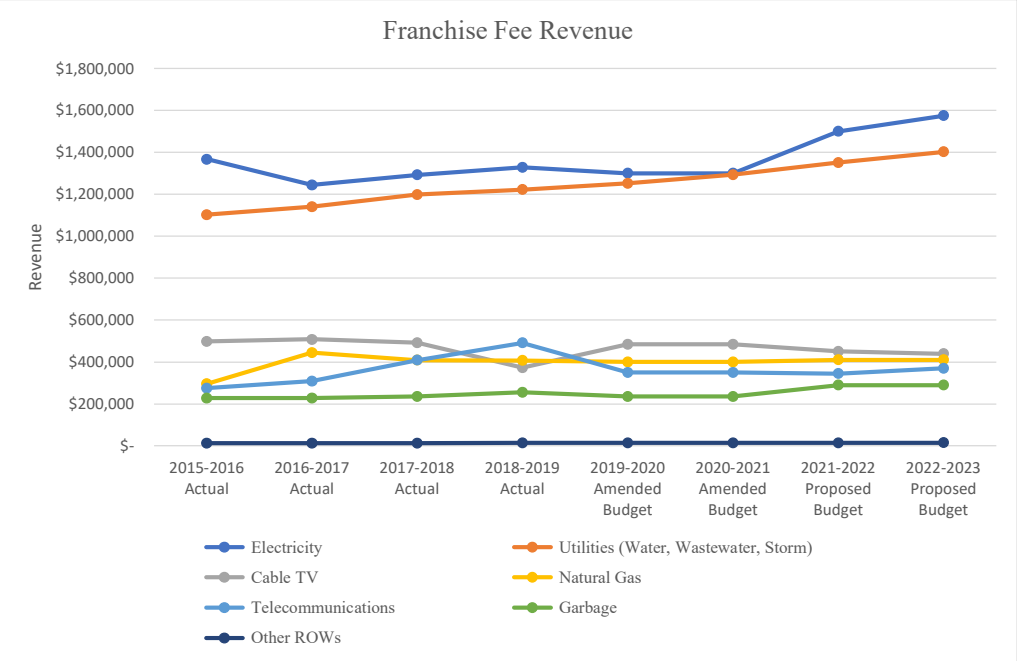
Budget Summary

Franchise Fees

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

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

Service	Rate	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Electricity	5.0%	$ 2,611,272	$ 2,621,570	$ 2,600,000	$ 1,500,000	$ 1,575,000	$ 3,075,000
Wastewater Utility	6.0%	1,131,734	1,223,274	1,303,604	693,860	721,747	1,415,607
Cable TV	5.0%	1,006,434	864,168	970,000	450,000	440,000	890,000
Water Utility	6.0%	805,895	866,722	901,568	462,548	478,644	941,192
Natural Gas	5.0%	739,994	816,089	800,000	410,000	410,000	820,000
Telecommunications	5.0%	583,493	900,347	700,000	345,000	370,000	715,000
Garbage	4.0%	455,260	491,581	470,000	290,000	290,000	580,000
Stormwater Utility	6.0%	304,226	330,477	340,498	194,640	202,484	397,124
Other ROWs	Various	26,655	28,311	28,400	14,700	15,200	29,900
Total Franchise Fees		**$7,664,964**	**$8,142,539**	**$8,114,070**	**$4,360,748**	**$4,503,075**	**$8,863,823**



Intergovernmental Revenues

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

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

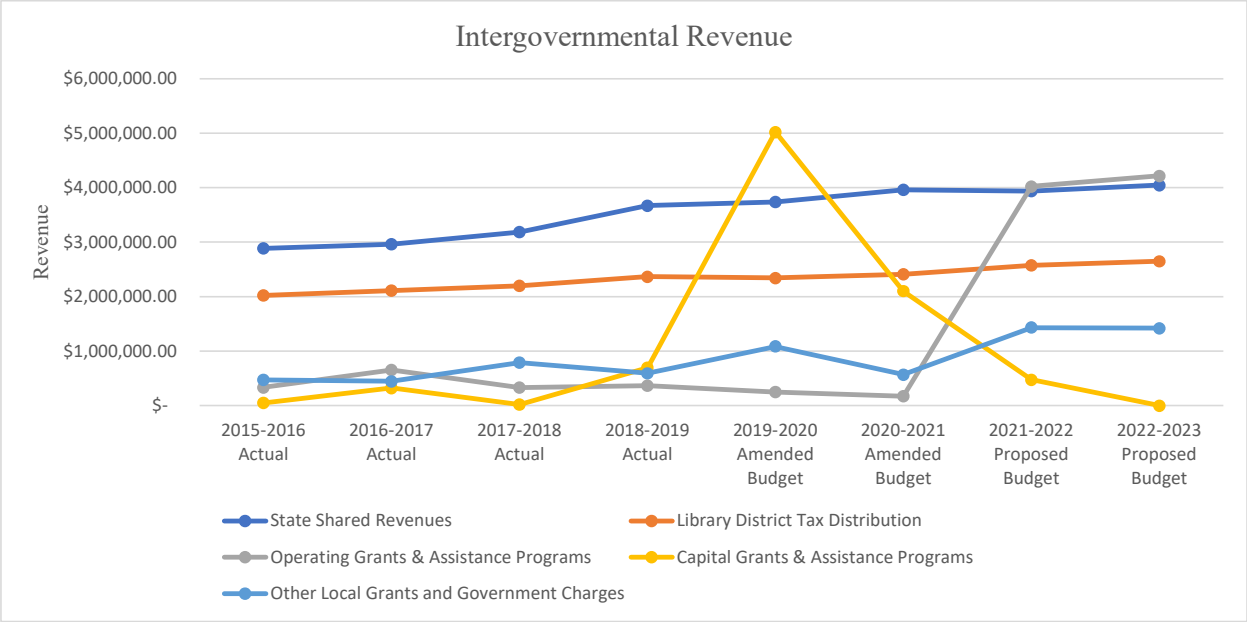
Grants and governmental assistance programs are awarded for operations (such as the Police Department's Crime Prevention grant) and capital programs (such as funding received for highway reconstruction). These are estimated based on approved grants and projected annual eligible grant spending.

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

State shared revenues have been growing steadily over time as have library district tax revenues. New monies from the State share of marijuana taxes started in 2018 boosting revenues. In the proposed biennium, the City expects to receive nearly $7.0 million in funding from the American Rescue Plan Act of 2021, included in the Operating Grants & Assistance Programs category.

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

Source	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
State Shared Revenues	$ 5,845,389	$ 6,853,437	$ 7,698,025	$ 3,937,221	$ 4,044,840	$ 7,982,061
Library District Tax Distribution	4,130,408	4,564,130	4,750,525	2,572,490	2,650,000	5,222,490
Operating Grants & Assistance Programs	984,220	692,489	423,241	4,021,350	4,217,000	8,238,350
Capital Grants & Assistance Programs	372,890	711,884	7,119,148	475,000	-	475,000
Other Local Grants and Government Charges	918,093	1,383,233	1,652,792	1,431,396	1,418,896	2,850,292
Total Intergovernmental Revenues	**$ 12,251,000**	**$ 14,205,173**	**$ 21,643,731**	**$ 12,437,457**	**$ 12,330,736**	**$ 24,768,193**



Charges for Services

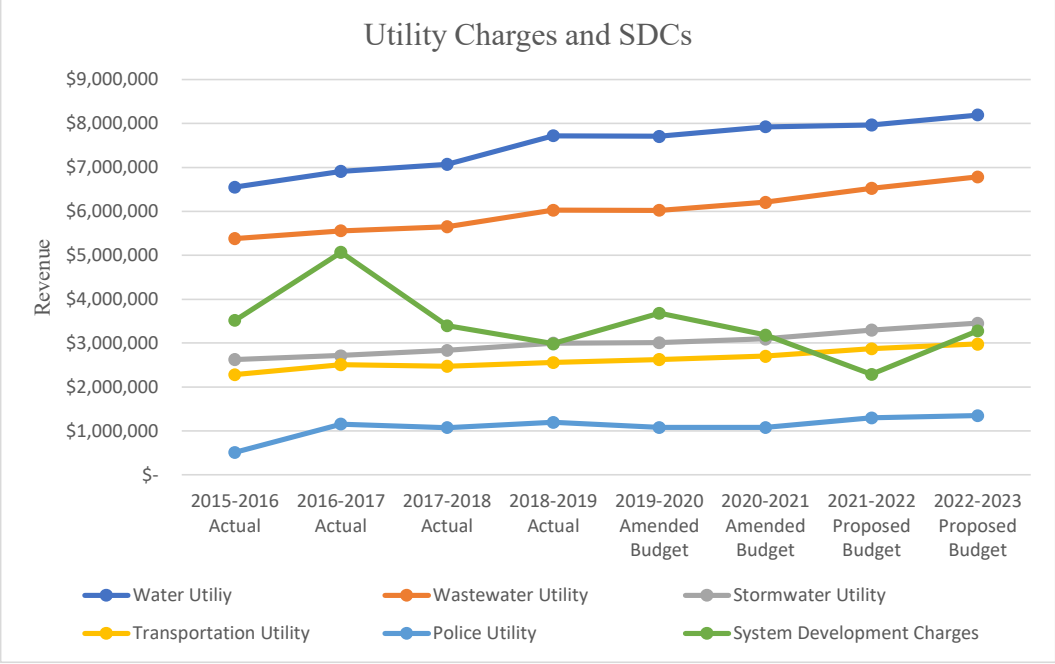
Charges for Services consists primarily of utility service charges and system development charges (SDCs). Utility service charges include water, wastewater, pavement maintenance, public safety, and stormwater. These charges are billed monthly to all utility customers throughout the City. The amount of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

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

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

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

Type of Charge	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Water Utiliy	$ 13,460,586	$ 14,788,639	$ 15,631,242	$ 7,967,323	$ 8,193,123	$ 16,160,446
Wastewater Utility	10,934,716	11,674,514	12,232,359	6,520,982	6,783,441	13,304,423
Stormwater Utility	5,338,581	5,837,233	6,103,363	3,294,006	3,451,740	6,745,746
Transportation Utility	4,786,566	5,031,393	5,327,207	2,875,020	2,978,830	5,853,850
Police Utility	1,665,957	2,271,524	2,160,000	1,297,580	1,349,880	2,647,460
System Development Charges	8,581,365	6,379,317	6,860,000	2,290,000	3,280,000	5,570,000
Parks & Recreation User Fees	1,157,728	1,207,354	1,150,600	294,166	569,260	863,426
Planning & Review Fees	1,741,835	1,621,638	1,415,428	621,295	579,195	1,200,490
Code Enforcement & Parking	789,268	854,122	790,200	118,100	395,100	513,200
Cemetery Fees	484,190	653,763	541,400	277,400	277,400	554,800
Other	1,241,101	1,012,940	1,081,230	467,150	518,650	985,800
Total Charges for Services	**$50,181,893**	**$51,332,437**	**$53,293,029**	**$26,023,022**	**$28,376,619**	**$54,399,641**

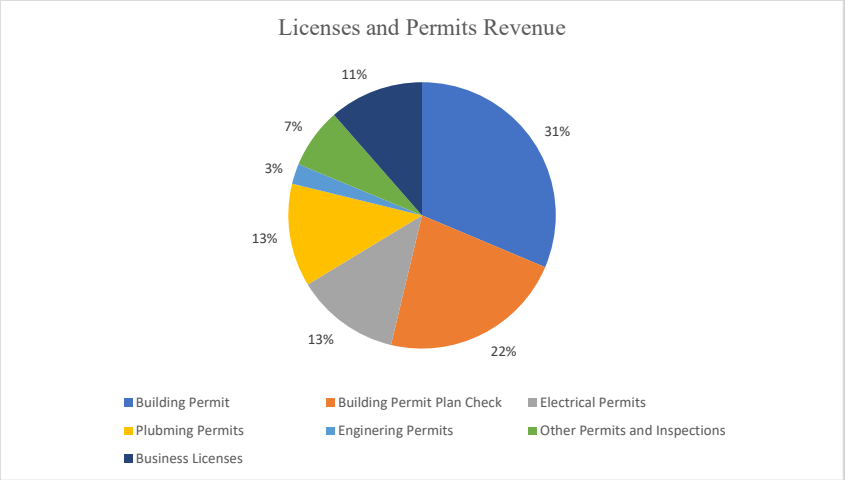


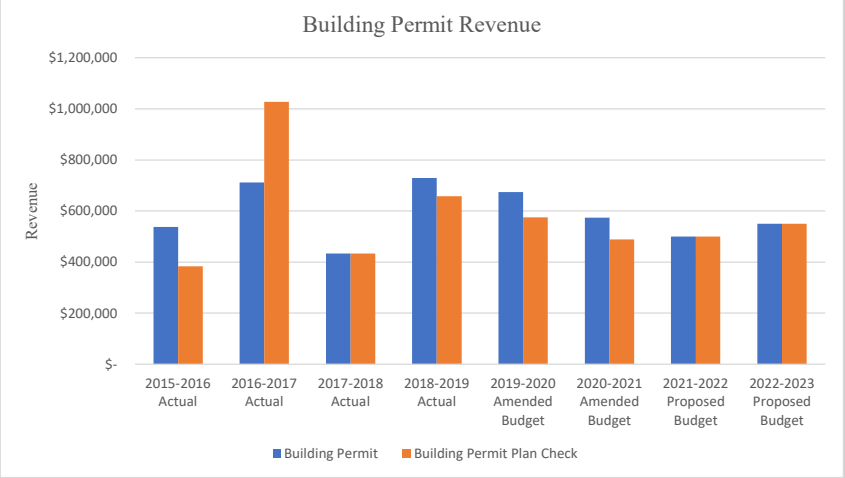
Licenses and Permits

The table and chart below show the various types of license and permit revenue. Building permits make up the largest share of all permitting revenue at 31%. The subsequent chart compares building permit revenues on an annual basis for the proposed biennium and the previous three biennia.

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

License / Permit Type	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Building Permit	$ 1,248,798	$ 1,162,477	$ 1,248,750	$ 500,000	$ 550,000	$ 1,050,000
Building Permit Plan Check	1,411,195	1,091,434	1,063,750	500,000	550,000	1,050,000
Electrical Permits	406,465	562,114	360,653	210,200	210,200	420,400
Plumbing Permits	471,267	484,984	279,038	245,200	245,200	490,400
Engineering Permits	82,698	114,133	76,000	38,000	38,000	76,000
Other Permits and Inspections	257,517	373,540	290,967	157,000	161,500	318,500
Business Licenses	402,762	433,201	424,000	212,000	212,000	424,000
Building Permit Law Enforcement	619,500	143,500	-	-	-	-
Total Licenses and Permits	**$ 4,900,202**	**$ 4,365,383**	**$ 3,743,158**	**$ 1,862,400**	**$ 1,966,900**	**$ 3,829,300**





Pass-Through Revenue

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

Fund	Type of Charge	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
General	State and County Fines	$ 1,876	$ 689,449	$ 800,000	$ 350,000	$ 350,000	$ 700,000
Community Development	School Excise Tax	1,053,524	787,904	1,200,000	600,000	600,000	1,200,000
Building	Metro Excise Tax	167,140	171,057	180,000	70,000	80,000	150,000
Building	State Surcharge	268,412	283,964	300,000	120,000	130,000	250,000
Water	South Fork Connection Charges	539,381	575,501	600,000	300,000	300,000	600,000
Wastewater	Tri-City Connection Charges	1,170,599	1,228,237	900,000	300,000	450,000	750,000
Wastewater	Tri-City Service Charges	8,135,564	9,418,082	10,050,784	5,076,400	5,279,456	10,355,856
Total Pass-Through Revenue		**$11,336,496**	**$13,154,194**	**$14,030,784**	**$ 6,816,400**	**$ 7,189,456**	**$14,005,856**

Internal Service Charge Revenue

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

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

Expenditure	Revenue: General Fund – Finance	Human Resources	Information Technology	GIS	General Government	Planning Fund	Engineering Fund	Utility Customer Service Fund	Department Subtotal	Fleet Maintenance Fund	TOTAL
General Government						451,200			451,200	2,000	
Code Enforcement									-	10,000	
Parks and Cemetery Maintenance									-	76,200	
Library	56,616	84,400	54,552	8,616					204,184		
Planning	43,416	24,200	31,632	-	13,200				112,448	610	
Building	42,816	43,800	73,392	34,872	24,000				218,880	6,000	
Engineering	24,600	27,800	44,424	21,528	15,192				133,544	1,100	
Transportation	100,008	66,200	51,960	29,712	36,000		107,760		391,640	130,000	
Pavement Maintenance	39,000		42,648	9,024				326,400	417,072		
Parks SDC	18,816		12,000	10,080		22,800	18,480		82,176		
Water SDC	18,816		12,000	10,080		22,800	23,400		87,096		
Wastewater SDC	18,816		12,000	10,080		22,800	23,400		87,096		
Transportation SDC	18,816		12,000	10,080		22,800	23,400		87,096		
Stormwater SDC	18,816		12,000	10,080		22,800	23,400		87,096		
Equipment Replacement	35,208								35,208		
Water	198,408	69,000	102,360	37,272	37,608	24,000	142,440	888,000	1,499,088	64,000	
Wastewater	260,208	55,800	85,176	38,544	30,408	24,000	702,120	746,400	1,942,656	112,000	
Stormwater	69,408	55,200	72,216	32,544	30,000	24,000	46,440	374,400	704,208	120,000	
Fleet Service	11,208								11,208		
Utility Customer Service		29,800	39,024	3,000	16,200				88,024	2,000	
South Fork Water Board										2,000	
Total Internal Service Charges	**$ 974,976**	**$ 456,200**	**$ 657,384**	**$ 265,512**	**$ 202,608**	**$ 637,200**	**$1,110,840**	**$2,335,200**		**$ 525,910**	**$7,165,830**

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

General Fund

Overview

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

In the General Fund, it is important to carry over sufficient unappropriated ending fund balance (an amount not budgeted for spending in the previous year) to provide cash flow for specific operations until current year revenues are received; payroll and bills need to be paid for several months prior to when property taxes are collected. Additionally, maintaining an emergency ending reserve in the event of revenue losses, state mandates, or natural disasters provides stability to meet the City's current and future needs. The target amount is 27% of an annual operating budget, or $7.2 million. The General Fund Operating Contingency totals approximately $8.1 million at the end of the biennium with an additional $1.3 million reserved for future program expenditures. These reserves include funding restricted for the Tourism Program, the Metro Enhancement Grant program, and dedicated park donations.

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

General Fund	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 6,189,165	$ 7,270,174	$ 9,101,719	$ 10,088,373	$ 9,358,969	$ 10,088,373
Property Taxes	23,381,701	25,889,865	27,891,400	14,946,733	15,612,558	30,559,291
Franchise Fees	7,169,669	7,591,943	7,511,070	4,056,148	4,186,275	8,242,423
Intergovernmental	3,420,674	3,937,150	4,234,042	3,093,696	3,070,696	6,164,392
Charges for Services	3,610,234	3,690,157	3,377,230	1,063,196	1,657,290	2,720,486
Pass-Through Revenues	1,876	689,449	800,000	350,000	350,000	700,000
Internal Service Charges	-	1,451,925	2,133,100	1,278,340	1,278,340	2,556,680
Licenses and Permits	1,023,620	577,709	426,000	213,000	213,000	426,000
Fines and Penalties	1,975,214	2,609,270	2,625,000	1,015,000	1,210,000	2,225,000
Assessments and Other Taxes	601,853	999,908	886,000	573,000	623,000	1,196,000
Miscellaneous Income	351,462	734,153	1,620,390	417,900	416,500	834,400
Interest Income	291,605	545,801	500,000	225,000	225,000	450,000
Other Financing Sources	383,130	123,134	-	-	-	-
Transfers In	825,114	299,508	-	-	-	-
Total Resources	**$ 49,225,317**	**$ 56,410,146**	**$ 61,105,951**	**$ 37,320,386**	**$ 38,201,628**	**$ 66,163,045**
Requirements by Department						
Policy & Administration	$ 9,128,801	$ 10,225,516	$ 11,595,953	$ 6,450,046	$ 6,715,377	$ 13,165,423
Police	18,497,230	21,140,074	23,330,609	12,226,933	12,679,970	24,906,903
Community Services	7,263,365	7,836,578	10,250,904	5,273,732	5,401,967	10,675,699
General Government	3,401,138	4,337,414	4,473,449	2,394,702	2,261,328	4,656,030
Pass-Through Expenses	-	-	800,000	350,000	350,000	700,000
Transfers Out	3,664,609	3,053,763	3,438,566	1,266,004	1,372,004	2,638,008
Contingency	-	-	6,396,470	7,986,712	8,122,108	8,122,108
Reserved for Future Expenditure	-	-	820,000	1,372,257	1,298,874	1,298,874
Unappropriated Fund Balance	7,270,174	9,816,801	-	-	-	-
Total Requirements	**$ 49,225,317**	**$ 56,410,146**	**$ 61,105,951**	**$ 37,320,386**	**$ 38,201,628**	**$ 66,163,045**

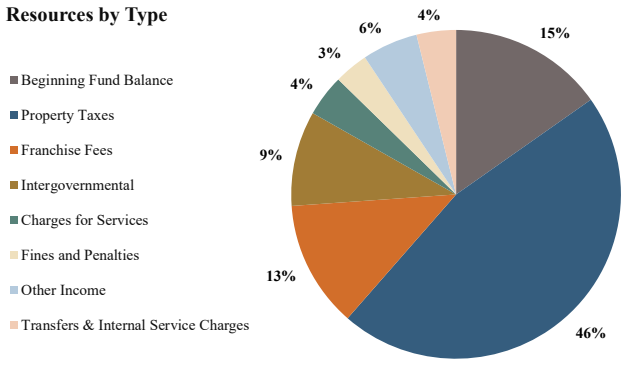
BUDGET HIGHLIGHTS

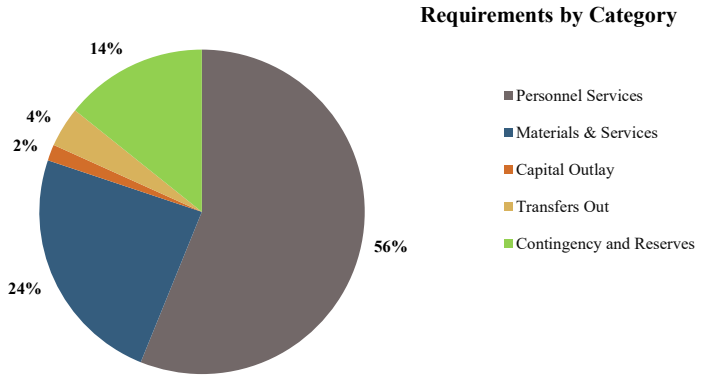
The 2021-2023 biennial revenues (excluding beginning fund balance, internal service charges and transfers) increased over last biennial budget by a combined total of $3.6 million, or approximately 7.3%. Total expenditures (excluding transfers, internal service charges and contingencies) increased by a combined total of $3.7 million, or approximately 7.5%.

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. 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. Franchise fees (paid by utility companies for their use of public rights-of-way), are projected to stay relatively stable over the next biennium. Intergovernmental revenue is expected to increase by $1.9 million due to the anticipated receipt of funds from the American Rescue Plan Act of 2021. Revenue sources adversely impacted by the pandemic, such as Charges for Services and Fines and Forfeitures, are included in the budget at a decreased amount compared to the prior biennium, though they are expected to return to pre-pandemic levels by the end of the 2021-2023 biennium.

Increases to General Fund expenditures can be attributed to an increase in Personnel Services costs due to annual cost of living adjustments and step increases for employees, coupled with anticipated health insurance and PERS rate increases. The General Fund also includes two additional FTE; a Parks Administrative Assistant and an IT Director. All of these items contributed to an 8.1% increase in General Fund personnel expenditures. Materials and Services costs increased by 10.7% due to several new initiatives associated with specific Commission goals. This includes a Diversity, Equity and Inclusion initiative, various Economic Development initiatives, and additional investment in information technology as recommended by the recently completed IT Strategic Plan. Capital outlay expenditures reflect continued focus on deferred capital maintenance, with a decrease from the prior biennium of $662,000 due to one-time projects in the prior biennium.

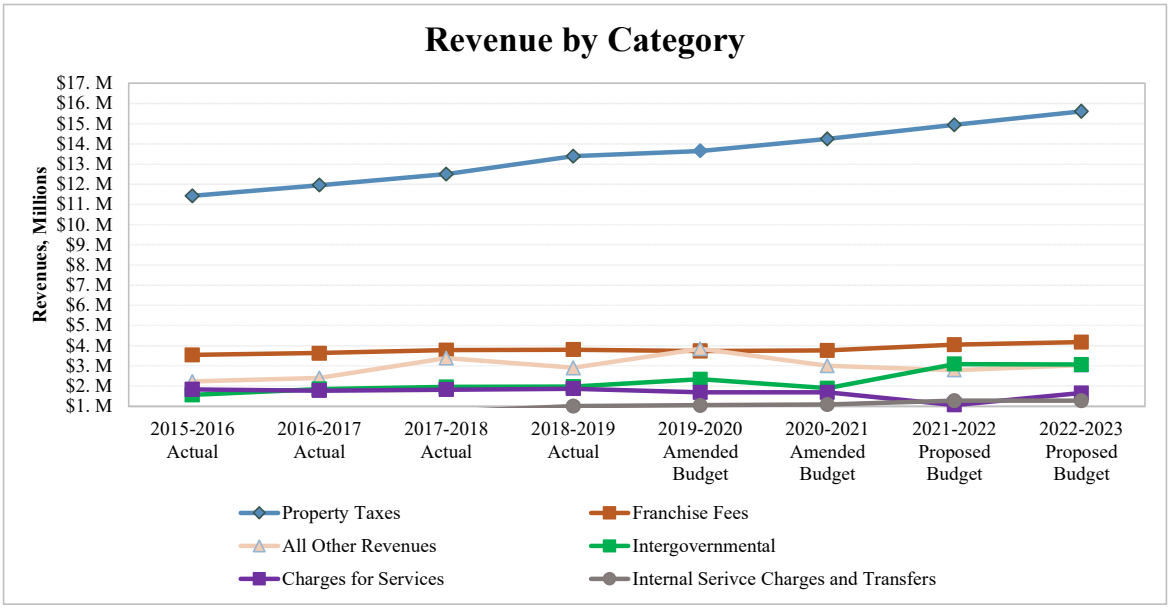
The charts below show the relative percentages of resources by type and requirements by category for the biennium.





General Fund Revenues

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

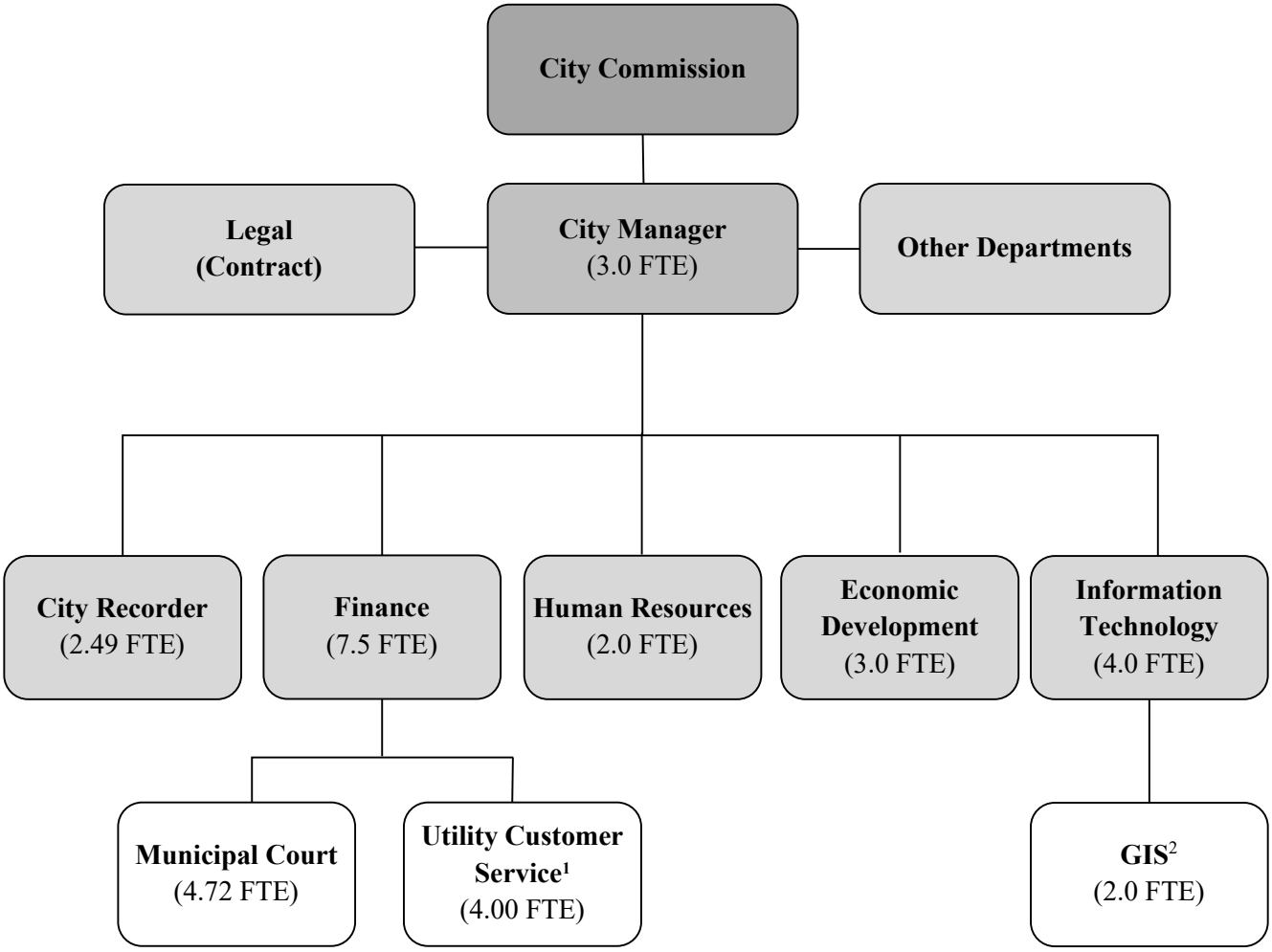


General Fund Expenditures

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

General Fund	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Requirements by Category						
Personnel Services						
Salaries	$ 16,008,375	$ 17,989,949	$ 19,905,278	$ 10,393,199	$ 10,988,903	$ 21,382,102
Benefits	9,715,828	11,822,229	14,458,254	7,677,193	8,089,517	15,766,710
Total Personnel Services	25,724,203	29,812,178	34,363,532	18,070,392	19,078,420	37,148,812
Materials & Services						
Professional & Technical Services	3,161,845	2,439,514	2,589,820	1,594,888	1,346,949	2,941,837
Repair & Maintenance Services	3,123,303	3,279,714	3,816,120	2,224,456	2,215,856	4,440,312
Other Services	1,439,388	1,913,850	1,631,679	872,100	871,500	1,743,600
Employee Costs	471,318	517,279	625,380	300,127	301,957	602,084
Operating Materials & Supplies	756,890	796,858	850,420	478,410	457,720	936,130
Office & Administrative Supplies	883,224	891,826	998,384	550,750	546,700	1,097,450
Special Programs	1,037,957	963,032	1,138,180	597,190	579,440	1,176,630
Pass-Through Payments	-	682,627	800,000	350,000	350,000	700,000
Community Programs & Grants	496,785	750,375	1,361,000	858,500	933,500	1,792,000
Internal Service Charges	-	502,000	540,400	225,600	225,600	451,200
Total Materials & Services	11,370,710	12,737,075	14,351,383	8,052,021	7,829,222	15,881,243
Capital Outlay	1,195,621	990,329	1,736,000	573,000	501,000	1,074,000
Transfers and Other Uses	3,664,609	3,053,763	3,438,566	1,266,004	1,372,004	2,638,008
Contingency	-	-	6,396,470	7,986,712	8,122,108	8,122,108
Reserved for Future Expenditure	-	-	820,000	1,372,257	1,298,874	1,298,874
Unappropriated Fund Balance	7,270,174	9,816,801	-	-	-	-
Total General Fund	**$ 49,225,317**	**$ 56,410,146**	**$ 61,105,951**	**$ 37,320,386**	**$ 38,201,628**	**$ 66,163,045**

Policy and Administration



Total FTE 32.71

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

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

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

POLICY AND ADMINISTRATION

OVERVIEW

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

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

DEPARTMENT GOALS

- To provide leadership, engaged governance, and responsive customer service, and to be transparent, efficient and effective with public funds
- To oversee and implement the City Commission Goals as established for the 2021-2023 biennium

SIGNIFICANT BUDGET CHANGES

- Includes the addition of an Information Technology Director in the second year of the biennium. Also includes a 0.35 FTE net increase due to adjustments to part-time hours by City Recorder, Finance and Human Resources
- Repair and Maintenance Services includes additional funding for Information Technology department initiatives recommended by the recently completed IT Strategic Plan and included in the Commission Goals, including upgrading the City's disaster recovery and backup systems
- Community Programs and Grants includes the Tourism Program and the Metro Enhancement Grant program. Additionally, the proposed budget includes funding for additional Economic Development initiatives, including the creation of a Citywide Economic Development marketing and promotion strategy
- Pass-through payments include fines collected on behalf of county and state agencies

POLICY AND ADMINISTRATION EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 3,413,968	$ 3,726,139	$ 4,324,049	$ 2,192,324	$ 2,419,283	$ 4,611,607
Benefits	1,706,224	2,222,000	3,044,534	1,523,334	1,670,915	3,194,249
Total Personnel Services	5,120,192	5,948,139	7,368,583	3,715,658	4,090,198	7,805,856
Materials & Services						
Professional & Technical Services	1,860,615	1,157,043	977,020	815,188	617,249	1,432,437
Repair & Maintenance Services	490,187	595,153	664,486	480,455	476,655	957,110
Other Services	380,882	322,401	301,400	154,900	154,300	309,200
Employee Costs	167,224	179,401	250,240	117,125	118,955	236,080
Operating Materials & Supplies	80,016	34,191	32,600	14,900	14,900	29,800
Office & Administrative Supplies	219,948	232,113	273,624	153,120	148,420	301,540
Special Programs	113,481	116,965	163,000	101,200	101,200	202,400
Pass-Through Payments	-	682,627	800,000	350,000	350,000	700,000
Community Programs & Grants	496,785	750,375	1,361,000	858,500	933,500	1,792,000
Total Materials & Services	3,809,138	4,070,269	4,823,370	3,045,388	2,915,179	5,960,567
Capital Outlay	199,471	207,108	204,000	39,000	60,000	99,000
Total Policy & Administration	$ 9,128,801	$ 10,225,516	$ 12,395,953	$ 6,800,046	$ 7,065,377	$ 13,865,423

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.

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

GOALS AND ACCOMPLISHMENTS

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

- **Goal 1**: Promote diversity, equity and inclusion for a safe, inclusive community and organization
- **Goal 2**: Invest in current and future capital needs for safe, sustainable infrastructure and City services
- **Goal 3**: Improve the City's engagement efforts to reach the broader Oregon City community and inform the policy process
- **Goal 4**: Adopt and implement a Homelessness Strategy for Oregon City
- **Goal 5**: Promote tourism and support economic development to foster community sustainability
- **Goal 6**: Support diverse housing options in Oregon City
- **Goal 7**: Support improvements and partnerships that contribute to our hometown feel and showcase Oregon City's unique community identity
- **Goal 8**: Protect and preserve our environmental health and natural resources

CITY COMMISSION EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Materials & Services						
Professional & Technical Services	$ 71,502	$ 68,857	$ 100,000	$ 50,000	$ 50,000	$ 100,000
Other Services	8,000	12,932	20,000	6,000	14,000	20,000
Employee Costs	65,978	72,998	78,000	37,200	37,200	74,400
Office & Administrative Supplies	43,100	38,030	53,500	21,200	26,200	47,400
Special Programs	113,481	116,965	163,000	83,000	83,000	166,000
Community Programs & Grants	1,718	3,336	4,000	2,000	2,000	4,000
Total Materials & Services	303,779	313,118	418,500	199,400	212,400	411,800
Total City Commission	$ 303,779	$ 313,118	$ 418,500	$ 199,400	$ 212,400	$ 411,800

BUDGET HIGHLIGHTS

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

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

Special Programs are as follows:

Trail News	$ 76,000
Neighborhood groups	52,000
Elections	30,000
Volunteer recognition	8,000
Total	$ 166,000

CITY MANAGER

OVERVIEW

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

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

ACCOMPLISHMENTS

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

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

GOALS AND PROJECTS

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

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

CITY MANAGER EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 727,380	$ 546,737	$ 730,650	$ 372,604	$ 389,371	$ 761,975
Benefits	160,981	322,918	504,310	267,266	279,229	546,495
Total Personnel Services	888,361	869,655	1,234,960	639,870	668,600	1,308,470
Materials & Services						
Professional & Technical Services	74,262	121,446	76,000	55,500	57,500	113,000
Repair & Maintenance Services	-	-	2,600	1,800	1,300	3,100
Employee Costs	7,798	12,942	22,000	8,200	8,200	16,400
Office & Administrative Supplies	11,354	10,877	29,200	22,750	22,550	45,300
Community Programs & Grants	12	5,170	6,000	1,500	1,500	3,000
Total Materials & Services	93,426	150,435	135,800	89,750	91,050	180,800
Total City Manager	$ 981,787	$ 1,020,090	$ 1,370,760	$ 729,620	$ 759,650	$ 1,489,270

BUDGET HIGHLIGHTS

The 2021-2023 budget shows an increase over last biennial budget due to the inclusion of costs relating to a citizen and community engagement plan to better understand the needs and desires of the community.

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

- Effectively implemented a new electronic agenda management solution, saving the City more than $30,000 per year
- Negotiated a successful separation agreement with Iron Mountain, moving 890 boxes from Iron Mountain facilities to Clackamas County Records Center saving the City more than $400 per year
- Successfully submitted and processed the Clackamas Water Environment Services (WES) ballot measure and candidates for Commission positions for the General Election on November 3, 2020 and managed a mayoral recall and special election on November 10, 2020
- Accomplished a variety of goals from the Recorder's Office Records Management Strategic Plan 2019-2023, including the completion of the first of two phases of a City-wide records inventory (also a Commission priority under Goal 4 of the 2019-2021 City Commission)
- Digitized permanent paper records stored offsite and made accessible to the public via the City's website and reduced the quantity of cartons stored offsite by converting the documents to electronic format, resulting in cost savings
- Efficiently processed a minimum of 250 public records requests within the required five-business day timeframe
- Successfully hired two new Assistant City Recorders and began the training process
- Achieved implementation of Hewlett-Packard Enterprise Records Manager (HPERM), the City's records management solution, in various departments throughout the City

GOALS AND PROJECTS

- Continue to 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 Performance Measures

	2017	2018	2019	2020	2021
Records management system users	20	50	58	57	58
Records archived	30,389	67,847	135,987	224,117	237,608

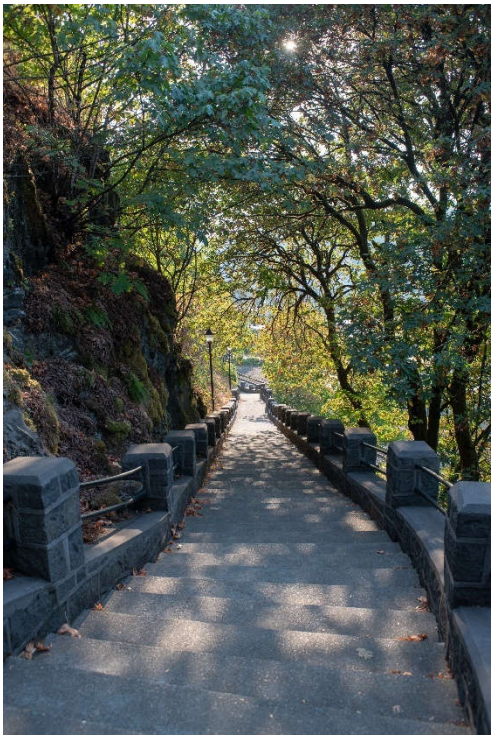
CITY RECORDER EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 410,979	$ 346,185	$ 361,521	$ 206,328	$ 215,612	$ 421,940
Benefits	220,737	197,812	260,410	127,269	132,995	260,264
Total Personnel Services	631,716	543,997	621,931	333,597	348,607	682,204
Materials & Services						
Professional & Technical Services	194,358	6,389	24,000	18,800	18,800	37,600
Repair & Maintenance Services	2,050	120,565	176,000	82,100	82,100	164,200
Other Services	149,466	182,764	200,000	106,400	106,400	212,800
Employee Costs	14,119	8,355	11,600	5,700	5,700	11,400
Office & Administrative Supplies	17,572	30,056	20,800	9,250	9,250	18,500
Total Materials & Services	377,565	348,129	432,400	222,250	222,250	444,500
Capital Outlay	44,396	69,587	120,000	10,000	10,000	20,000
Total City Recorder	$ 1,053,677	$ 961,713	$ 1,174,331	$ 565,847	$ 580,857	$ 1,146,704

BUDGET HIGHLIGHTS

The proposed City Recorder budget includes an increase of 0.49 FTE for a part-time, hourly, administrative position. The proposed budget also includes an increase in other professional and technical services for increased codification services cost.

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



Repair & Maintenance Services represent program software maintenance costs:

HPERM/Chaves Consulting	$ 55,200
Municipal Code software fee (Municode)	33,000
Records management software	32,000
Granicus	22,000
Text messaging archiving	20,000
Online forms	2,000
Total	$ 164,200

Other Services consists of the following:

Recording of meetings	$ 176,000
Records storage, disposal and supplies	20,000
Minutes transcription	16,800
Total	$ 212,800

FINANCE

OVERVIEW

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

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

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

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

The Department performs internal compliance and financial reviews and audits on a periodic basis and recommends control procedures for departments. Finance also provides general accounting services for South Fork Water Board.

ACCOMPLISHMENTS

- Completed annual audits and financial reports for City of Oregon City, Oregon City Urban Renewal Agency and South Fork Water Board (no audit findings)
- Received Award for Distinguished Budget Presentation for 2019-2021 biennium
- Received Award for Excellence in Financial Reporting for the years ended June 30, 2018 and 2019. Submitted June 30, 2020 annual financial report for award consideration
- Enhanced the City's Capital Improvement Program by instituting quarterly capital project analysis meeting with departments to support capital planning and overall financial awareness
- Secured $637,845 in CARES Act grant funding for the City in fiscal year 2020, with additional requests for reimbursement made in fiscal year 2021, to mitigate the public health and economic impacts of COVID-19
- Implemented a tool to allow business owners to submit a business license application online, which has become the primary method for submittal
- Successfully fulfilled all operations while transitioning several key positions

GOALS AND PROJECTS

- Continue to improve efficiencies and reduce costs through process reviews and improvements
- Expand the use of the City's ERP system by refining procedures within the system's modules and coordinating cross department user groups
- 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
- Strengthen purchasing policy and procedures and train departments for greater effectiveness as well as incorporating the City's Diversity, Equity and Inclusion initiative

FINANCE EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 827,376	$ 964,997	$ 1,046,922	$ 508,742	$ 531,636	$ 1,040,378
Benefits	495,036	584,155	710,898	355,637	371,544	727,181
Total Personnel Services	1,322,412	1,549,152	1,757,820	864,379	903,180	1,767,559
Materials & Services						
Professional & Technical Services	32,582	14,260	22,000	7,500	7,500	15,000
Repair & Maintenance Services	89,621	68,243	79,000	42,000	42,000	84,000
Employee Costs	18,598	20,232	34,000	17,135	16,865	34,000
Operating Materials & Supplies	366	27	600	400	400	800
Office & Administrative Supplies	57,987	40,505	54,000	28,000	28,000	56,000
Total Materials & Services	199,154	143,267	189,600	95,035	94,765	189,800
Total Finance	$ 1,521,566	$ 1,692,419	$ 1,947,420	$ 959,414	$ 997,945	$ 1,957,359

BUDGET HIGHLIGHTS

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

Repair & Maintenance Services include software annual maintenance which is budgeted at a 3% increase in each year of the biennium.

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

- Implemented scanning hardware and software to further paperless processing initiative
- Implemented a wireless electronic signature pad to enable court to save signed documents more efficiently
- Completed record management project, which included scanning of all hard-copy documentation, becoming virtually paperless for traffic cases
- Reduced Office Supply expense due to paperless efficiency
- Utilized remote computing technologies to allow court to proceed remotely
- Implemented texting functionality for payment reminders
- Added audio capabilities to the court room and monitor for viewing discovery
- Increased collection of fines by utilizing Department of Revenue for misdemeanor cases
- Moved to new Public Safety and Municipal Court Facility
- Added privacy screen to court tables
- Acquired a document reader to project documents onscreen

GOALS AND PROJECTS

- Be represented at Oregon Association for Court Administration and Judicial conferences, Oregon Law Enforcement Data Systems and software trainings to ensure compliance of statutes, consistency with other municipalities, and explore trends to benefit court and the community served
- Continue to enhance security and training with bailiffs
- Continue to develop procedures and forms to streamline processes
- Renew contracts of court appointed attorneys
- Improve collection of fines for violation cases by partnering with Department of Revenue for collection
- Add security door at dais
- Upgrade to LEDS 2020
- Add window privacy barriers and enhance acoustics of court room
- Ability to audio record code hearings
- Ability to see jail defendant on all screens in court

MUNICIPAL COURT EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 641,755	$ 669,124	$ 735,008	$ 354,522	$ 370,453	$ 724,975
Benefits	368,724	390,552	518,032	239,448	250,087	489,535
Total Personnel Services	1,010,479	1,059,676	1,253,040	593,970	620,540	1,214,510
Materials & Services						
Professional & Technical Services	228,349	253,236	251,420	134,988	136,449	271,437
Repair & Maintenance Services	28,697	36,781	33,186	19,055	19,055	38,110
Other Services	1,004	1,166	-	-	-	-
Employee Costs	10,559	8,788	12,000	6,300	6,300	12,600
Operating Materials & Supplies	5,869	6,819	7,000	4,000	4,000	8,000
Office & Administrative Supplies	41,331	61,873	59,024	36,270	30,270	66,540
Pass-Through Payments	-	682,627	800,000	350,000	350,000	700,000
Total Materials & Services	315,809	1,051,290	1,162,630	550,613	546,074	1,096,687
Total Municipal Court	$ 1,326,288	$ 2,110,966	$ 2,415,670	$ 1,144,583	$ 1,166,614	$ 2,311,197

BUDGET HIGHLIGHTS

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

The only significant change is the decrease in pass-through court payments of $100,000 for the biennium (fees due to the County or State from citations received), which reflects an anticipated decrease in fine revenue.

Professional & Technical Services include the following:

Court Attorneys	$ 149,804
Prosecution	118,333
Technical Services	3,300
Total	$ 271,437

HUMAN RESOURCES

OVERVIEW

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

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

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

ACCOMPLISHMENTS

- Recruitment and Selection – Successfully coordinated 29 recruitments, received, and processed 1,431 applications, and on-boarded 17 regular status employees including three new department directors
- Leadership – Effectively supported the organization through the impacts of COVID-19 pandemic including a prompt response in creating meaningful policies, strong communication and overall support to managers and employees
- Safety - Decreased premiums for Workers' Compensation for tenth year in a row due to strong safety initiatives and low incident rates with in-turn reduced costs by $103,000

GOALS AND PROJECTS

- Develop new initiatives, policies and procedures to advance Diversity, Equity and Inclusion throughout city services
- Successfully bargain successor agreements with AFSCME Local 350-2 (American Federation State, County Municipal Employees) and OCPEA (Oregon City Police Employee Association)
- Continue to update and improve the City's personnel policies
- Review and update performance evaluation process

HUMAN RESOURCES EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 393,539	$ 412,635	$ 440,004	$ 218,269	$ 228,091	$ 446,360
Benefits	229,285	254,946	299,736	159,326	166,453	325,779
Total Personnel Services	622,824	667,581	739,740	377,595	394,544	772,139
Materials & Services						
Professional & Technical Services	357,152	130,805	196,600	239,000	81,000	320,000
Repair & Maintenance Services	9,544	5,411	14,000	2,000	2,000	4,000
Employee Costs	15,695	17,150	27,700	10,250	10,250	20,500
Office & Administrative Supplies	9,639	14,533	11,200	7,200	4,000	11,200
Special Programs	-	-	-	18,200	18,200	36,400
Total Materials & Services	392,030	167,899	249,500	276,650	115,450	392,100
Total Human Resources	$ 1,014,854	$ 835,480	$ 989,240	$ 654,245	$ 509,994	$ 1,164,239

BUDGET HIGHLIGHTS

The proposed budget includes funding Diversity, Equity and Inclusion (DEI) initiatives consistent with the City Commission's Goals. In addition, the proposed budget eliminated 0.15 FTE of a part-time, hourly position.

Special Programs represents recruitment costs, which were included in the prior budget, but in other categories instead of being presented separately.

Professional & Technical Services includes the following:

Legal fees	$135,000
DEI Initiatives	125,000
Deferred comp investment management services	20,000
Employee assistance services	16,000
Temporary Services	10,000
City-wide training	8,000
Wellness and other programs	6,000
Total	$320,000

Economic Development

Overview

The Economic Development Department is focused on creating an environment that supports new investment, creates jobs that pay a livable wage, and broadens the tax base. The Department recognizes that successful economic development does not occur in a vacuum but relies on effective partnerships to implement a comprehensive approach to growth and resiliency. Realizing that partnerships are essential for the City's economic development success, the Department takes a comprehensive approach by forming these partnerships on the local, regional and State levels.

Accomplishments

- Implemented the Oregon City Debt Relief Initiative, a program designed to reduce existing debt pressures against small businesses with up to 15 employees and help mitigate the adverse impacts of the COVID-19 pandemic
- Received $35,000 in grant funds from the State of Oregon. These funds were awarded to 14 Oregon City businesses to help mitigate the adverse impacts of the COVID-19 pandemic
- Developed the Re-Imagine Opportunity Fund to encourage Oregon City businesses to re-align their operations to be more agile and adaptive despite crises such as COVID-19 and extreme inclement weather conditions such as fire or ice
- Created five new programs to address the goals of the Tourism Strategic Plan; the Concierge Institute, the Community Showcase, the Arts Treasure Trove, New Tourism Related Investment Attraction, and the Tourism Information Network
- Established the Economic Development Strategic Plan Steering Committee representing for-profits, nonprofits, state and county governments, and education-related institutions, serving to help Oregon City create a strategic plan that will guide and help the community to be more resilient.
- Filled the vacant Economic Development Manager position

Goals and Projects

- Complete and implement the City-wide Economic Development Strategic Plan
- Continue to implement the City-wide Tourism Strategic Plan
- Continue to provide coordination and staff support to the Urban Renewal Commission as it works to conclude its conversation with the public about the future of Urban Renewal
- Lead and support the development of a public/private partnership creating an organized fiber-optics infrastructure service that will result in enhanced fiber-optics outreach to City-based businesses and households alike
- Enhance and upgrade economic development marketing and outreach to existing and future business investors

ECONOMIC DEVELOPMENT EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 255,214	$ 310,503	$ 467,681	$ 246,686	$ 257,787	$ 504,473
Benefits	144,836	206,994	378,832	181,816	189,942	371,758
Total Personnel Services	400,050	517,497	846,513	428,502	447,729	876,231
Materials & Services						
Professional & Technical Services	140,608	266,456	55,000	175,000	135,000	310,000
Repair & Maintenance Services	21,365	43,898	200	100	100	200
Other Services	179,141	36,888	1,000	500	500	1,000
Employee Costs	18,854	19,521	21,600	12,000	12,000	24,000
Office & Administrative Supplies	20,020	15,866	24,800	11,200	11,200	22,400
Community Programs & Grants	495,055	741,869	1,351,000	855,000	930,000	1,785,000
Total Materials & Services	875,043	1,124,498	1,453,600	1,053,800	1,088,800	2,142,600
Capital Outlay	55,394	50,945	-	-	-	-
Total Economic Development	$ 1,330,487	$ 1,692,940	$ 2,300,113	$ 1,482,302	$ 1,536,529	$ 3,018,831

BUDGET HIGHLIGHTS

The proposed budget shows an increase over the prior biennial budget due to special projects that support Commission goals. This includes funding for various Economic Development initiatives, including the ongoing implementation of the City-wide Tourism Strategic Plan, as well as implementation of the City-wide Economic Development Strategic Plan, which includes the creation of a Citywide marketing and promotion strategy.

Professional & Technical Services includes funding of a fiber optics feasibility study and promotion of the arts industry.

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

Community grants	$ 400,000
Tourism promotion	650,000
Business promotion	635,000
Community functions	100,000
Total	$ 1,785,000

INFORMATION TECHNOLOGY

OVERVIEW

The City employs an Information Technology Manager who supervises technical staff in Information Technology (IT), Geographic Information Systems (GIS), and Asset Management, to provide technical user support and guidance to all city departments.

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

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

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

ACCOMPLISHMENTS

- Completed an information technology five year strategic plan to address IT investment and staffing
- Expanded fiber infrastructure to the Community Development Building, the new Public Safety and Municipal Court Facility, and the Public Works Operations Center currently under construction
- Moved IT datacenter to the new Public Safety and Municipal Court Facility
- Rapid deployment of work-from-home options for users
- Implemented Microsoft O365 and Teams
- Added Cloud backup services for disaster recovery
- Implemented Ransomware protection and Network monitoring analytic tools.
- Completed O365 and Win10 upgrades citywide.
- Upgraded wireless network system at the new Public Safety and Municipal Court Facility with planned expansion citywide
- Continued Security Awareness training
- Upgraded and maintained compliant version of server and workstations operating systems
- Built online Economic Development grant applications
- Separated Criminal Justice Information System (CJIS) traffic from business network
- Supported 300+ desktops and mobile devices in compliance with software and hardware licensing

GOALS AND PROJECTS

- Implement mobile device management and multi-factor authentication and expand mobile field options
- Implement Risk Management Program
- Formalize IT Governance structure
- Upgrade and develop Enterprise Resources Planning (ERP) implementation
- Analyze long-term staffing needs
- Support activities and technology of the Public Works Operations Center currently under construction
- Implementation of identities and streamlined active directory structure
- Focus on security and archiving practices to reduce data backup needs and conform to changing retention policies

INFORMATION TECHNOLOGY EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 157,725	$ 272,080	$ 327,361	$ 175,644	$ 247,723	$ 423,367
Benefits	86,625	147,462	232,135	121,384	166,555	287,939
Total Personnel Services	244,350	419,542	559,496	297,028	414,278	711,306
Materials & Services						
Professional & Technical Services	357,348	295,019	252,000	134,400	131,000	265,400
Repair & Maintenance Services	338,910	273,581	310,000	306,400	299,600	606,000
Other Services	43,271	84,379	60,000	30,000	25,000	55,000
Employee Costs	15,623	8,961	25,500	12,750	12,750	25,500
Operating Materials & Supplies	73,781	27,345	24,000	10,000	10,000	20,000
Office & Administrative Supplies	18,945	7,351	9,000	10,700	8,200	18,900
Total Materials & Services	847,878	696,636	680,500	504,250	486,550	990,800
Capital Outlay	99,681	77,581	74,000	29,000	50,000	79,000
Total Information Technology	$ 1,191,909	$ 1,193,759	$ 1,313,996	$ 830,278	$ 950,828	$ 1,781,106

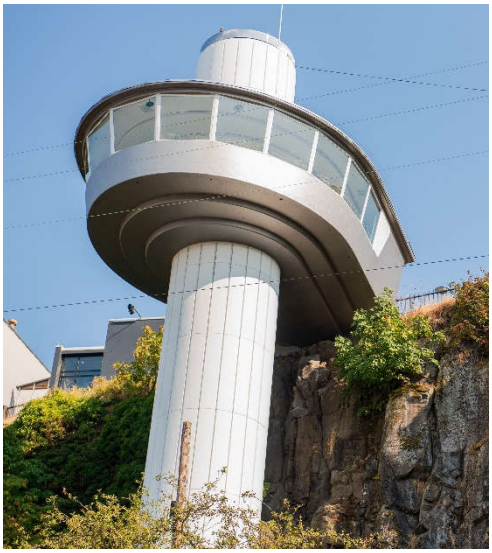
BUDGET HIGHLIGHTS

The proposed budget includes initiatives recommended by the recently completed IT Strategic Plan and included in the Commission Goals, including upgrading the City's disaster recovery and backup systems, as well as the addition of an Information Technology Director (beginning in the second year of the biennium).

Professional & Technical Services includes contracted managed network services (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	$ 188,000
Network monitoring	100,000
Disaster planning backup	100,000
Email security and scanning	80,000
Hardware and equipment maintenance	52,200
Software maintenance	20,800
Electronic document management	17,000
OC Request	16,000
PDF software	13,000
Cloud services	10,000
Other services	9,000
Total	$ 606,000



Geographic Information Systems

Overview

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

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

Accomplishments

- Developed seven new web mapping applications for public information (Equitable Housing Explorer, Art Tour, Annual Construction Projects, Parks Story Map, and three Historic District Story Maps)
- Developed new web mapping apps to allow for data collection in the field by City employees (Inspector ADA sidewalk/ramp assessment), and by the public (Downtown pedestrian/bike needs assessment)
- Created rapid-response atlas of evacuation status of all city structures as part of emergency response to the wildfire disaster
- Developed new data layers for geotechnical documents, agreements and covenants and integrated into mapping system
- Analyzed and mapped potential withdrawal areas from Clackamas River Water District
- Rewrote 50+ custom mapping tools as part of multi-year plan to migrate to new GIS mapping software platform

GIS Expenditures

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ -	$ 203,878	$ 214,902	$ 109,529	$ 178,610	$ 288,139
Benefits	-	117,161	140,181	71,188	114,110	185,298
Total Personnel Services	-	321,039	355,083	180,717	292,720	473,437
Materials & Services						
Repair & Maintenance Services	-	46,674	49,500	27,000	30,500	57,500
Other Services	-	4,272	20,400	12,000	8,400	20,400
Employee Costs	-	10,454	17,840	7,590	9,690	17,280
Operating Materials & Supplies	-	-	1,000	500	500	1,000
Office & Administrative Supplies	-	13,022	12,100	6,550	8,750	15,300
Total Materials & Services	-	74,422	100,840	53,640	57,840	111,480
Capital Outlay	-	8,995	10,000	-	-	-
Total GIS	$ -	$ 404,456	$ 465,923	$ 234,357	$ 350,560	$ 584,917

Prior to 2018, GIS expenditures were recorded in the Planning Fund. GIS expenditures during the 2015-2017 biennium were $352,732.

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	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 167,866	$ 104,252	$ 209,257	$ 121,299	$ 126,712	$ 248,011
Benefits	553,837	523,967	609,015	303,513	306,726	610,239
Total Personnel Services	721,703	628,219	818,272	424,812	433,438	858,250
Materials & Services						
Professional & Technical Services	69,400	89,960	182,400	70,000	110,000	180,000
Repair & Maintenance Services	984,533	1,113,119	1,122,298	567,040	567,040	1,134,080
Other Services	1,005,388	1,435,898	1,188,879	631,000	631,000	1,262,000
Employee Costs	4,597	4,720	5,000	3,500	3,500	7,000
Operating Materials & Supplies	11,241	11,938	12,900	6,450	6,450	12,900
Office & Administrative Supplies	106,426	105,221	137,200	87,100	87,100	174,200
Special Programs	457,562	305,150	376,000	157,700	157,700	315,400
Internal Service Charges	-	400,000	430,500	225,600	225,600	451,200
Total Materials & Services	2,639,147	3,466,006	3,455,177	1,748,390	1,788,390	3,536,780
Capital Outlay	40,288	243,189	200,000	221,500	39,500	261,000
Transfers Out	2,378,909	1,512,134	2,315,340	776,004	882,004	1,658,008
Contingency	-	-	6,396,470	7,986,712	8,122,108	8,122,108
Reserved for Future Expenditure	-	-	820,000	1,372,257	1,298,874	1,298,874
Unappropriated Fund Balance	7,270,174	9,816,801	-	-	-	-
Total General Government	$ 13,050,221	$ 15,666,349	$ 14,005,259	$ 12,529,675	$ 12,564,314	$ 15,735,020

BUDGET HIGHLIGHTS

The current budget includes the addition of a memorial for the Cayuse Five at the End of the Oregon Trail facility.

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

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

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

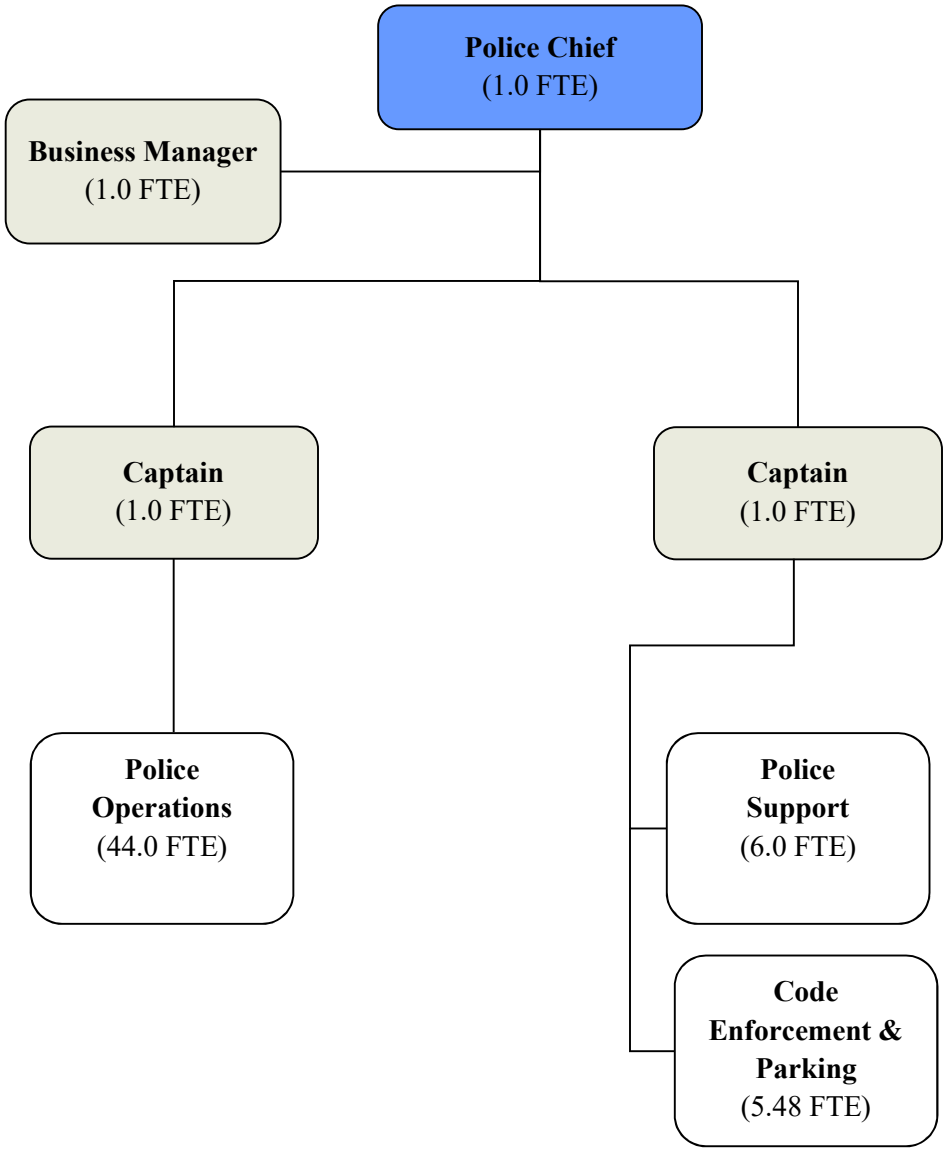
Special Programs consist of funding for the Willamette Falls Legacy Project and an annual contribution for the Willamette Falls Heritage Coalition.

Transfers Out include the following:

Transfer to Community Development Fund	$ 622,000
Transfer to Transportation Fund	322,008
Transfer to Community Facilities Fund	300,000
Transfer to Library Fund	300,000
Transfer to Engineering Fund	90,000
Transfer to Equipment Replacement Fund	24,000
Total	$ 1,658,008

OREGON
CITY

Police



Total FTE 59.48

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

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

POLICE

OVERVIEW

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

MISSION

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

DEPARTMENT GOALS

❖ **COMMISSION GOAL 3 IMPROVE THE CITY'S ENGAGEMENT EFFORTS TO REACH THE BROADER OREGON CITY COMMUNITY AND INFORM THE POLICY PROCESS**

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

❖ **COMMISSION GOAL 4 ADOPT AND IMPLEMENT A HOMELESS STRATEGY FOR OREGON CITY**

- Formalize internal strategy to address homelessness and surrounding issues, communicate the strategy with the community, and continue engaging the community
- Develop partnerships with other local and regional governments to develop local and regional solutions including Oregon City's needs in serving the homeless population

SIGNIFICANT BUDGET CHANGES

The budget includes a Behavioral Health Specialist position, partially grant funded, and added during the prior biennium. This is offset by the elimination of the Tri-Met Safety Officer, resulting in no net change to FTE.

The budget for the Homeless Program, which includes costs for camp cleanups, portable toilets, and other contractual services, increased from $7,500 annually to $50,000.

The budget for utility expense, including natural gas and electricity, increased by $85,000 annually. This increase acknowledges both an estimate of the expected increase in utility expense due to the move to the new Public Safety Building, but also the fact that in the former building, a portion of this utility expense was allocated to General Government.

The budget for landscaping and grounds maintenance increased by $25,500 annually to account for the much larger property and green space associated with the new Public Safety Building.

Police Operations

Overview

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

The Police Department includes 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), two school resource officers (SRO), one college resource officer (CRO), and three traffic officers, along with a traffic sergeant. Also included is the detective unit, consisting of one detective sergeant and three detectives. Special assignment officers from the patrol division include three canine units, one member on the Clackamas County Sheriff's Office Interagency SWAT team, and two hostage negotiators who are assigned to SWAT.

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

Accomplishments

- Completed construction of the new Robert Libke Public Safety Building
- Sold the former police building located at 320 Warner Milne Road for $2,800,000
- Hired a full time Behavioral Health Specialist to improve the department's ability to serve the community. This specialist provides training and assistance to officers responding to calls. One goal of this position is to divert people who would otherwise be going to jail and connect them with services
- Received the following grants:
  - $125,000 in DOJ COPS grant
  - $10,000 in JAG grant for Mental Health Specialist
  - $88,000 in ODOT grants for enforcement
  - $25,000 Metro Enhancement Grant
- Maintained community awareness and involvement by attending neighborhood association meetings, events, and several other community meetings
- Received reaccreditation from the Oregon Accreditation Alliance, which is in cooperation with the Oregon Association of Chiefs of Police
- Created and hired a new Administrative Support Specialist position

Goals and Projects

- Replace the Mobile Data Computers (MDCs) of the patrol division, based on the recommendation of the Information Technology (IT) Department. Officers communicate with 9-1-1 dispatch, write reports, and access databases via these MDCs
- Purchase de-escalation/force simulation system for department
- Purchase and equip four new patrol cars and two new staff cars in each budget year
- Purchase 30 tasers to replace discontinued/older models
- Replace current body cameras and video retention system with newer product

POLICE OPERATIONS EXPENDITURES

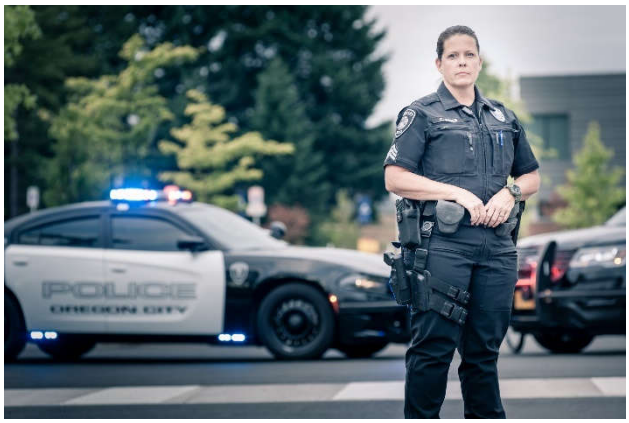
Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 8,887,345	$ 10,086,574	$ 10,828,925	$ 5,540,614	$ 5,789,942	$ 11,330,556
Benefits	5,433,671	6,628,838	7,845,780	4,211,326	4,399,876	8,611,202
Total Personnel Services	14,321,016	16,715,412	18,674,705	9,751,940	10,189,818	19,941,758
Materials & Services						
Professional & Technical Services	1,020,501	956,588	1,054,000	530,000	530,000	1,060,000
Repair & Maintenance Services	508,588	460,349	464,136	312,971	324,171	637,142
Other Services	4,416	112,959	74,000	50,000	50,000	100,000
Employee Costs	244,111	252,900	274,000	133,500	133,500	267,000
Operating Materials & Supplies	371,027	363,181	379,000	221,500	191,500	413,000
Office & Administrative Supplies	343,294	315,179	356,500	181,500	181,500	363,000
Special Programs	41,569	144,338	79,000	91,700	91,700	183,400
Internal Service Charges	-	100,000	107,600	-	-	-
Total Materials & Services	2,533,506	2,705,494	2,788,236	1,521,171	1,502,371	3,023,542
Capital Outlay	48,436	54,204	40,000	20,000	20,000	40,000
Transfers Out	1,080,000	1,428,929	740,000	370,000	370,000	740,000
Total Police	$ 17,982,958	$ 20,904,039	$ 22,242,941	$ 11,663,111	$ 12,082,189	$ 23,745,300

BUDGET HIGHLIGHTS

The increase in Materials & Services includes a $30,000 increase to contracted emergency dispatch services, a $104,400 increase to the homeless program, and increased operating costs (utilities, landscaping, etc.) associated with the new public safety building,

Professional & Technical Services are broken out as follows:

911 Dispatch	$ 870,000
Police radios (Clackamas)	88,000
Records management	68,000
Property & evidence management	23,000
Legal fees	10,000
Other software	1,000
Total	$ 1,060,000



CODE ENFORCEMENT AND PARKING

OVERVIEW

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

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

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

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
- 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	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 635,599	$ 670,426	$ 710,727	$ 362,706	$ 378,788	$ 741,494
Benefits	423,243	529,017	595,741	308,216	321,993	630,209
Total Personnel Services	1,058,842	1,199,443	1,306,468	670,922	700,781	1,371,703
Materials & Services						
Professional & Technical Services	88,710	39,127	60,000	16,500	16,500	33,000
Repair & Maintenance Services	176,037	185,557	186,500	100,000	100,000	200,000
Other Services	47,912	41,079	65,000	35,000	35,000	70,000
Employee Costs	5,221	11,219	10,200	5,100	5,100	10,200
Operating Materials & Supplies	38,924	36,236	43,000	22,200	22,200	44,400
Office & Administrative Supplies	38,238	45,737	38,600	28,100	32,200	60,300
Special Programs	84,858	78,997	100,600	56,000	56,000	112,000
Internal Service Charges	-	2,000	2,300	-	-	-
Total Materials & Services	479,900	439,952	506,200	262,900	267,000	529,900
Capital Outlay	55,530	25,569	15,000	-	-	-
Transfers Out	23,000	20,000	39,400	10,000	10,000	20,000
Total Code Enforcement	$ 1,617,272	$ 1,684,964	$ 1,867,068	$ 943,822	$ 977,781	$ 1,921,603

BUDGET HIGHLIGHTS

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

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

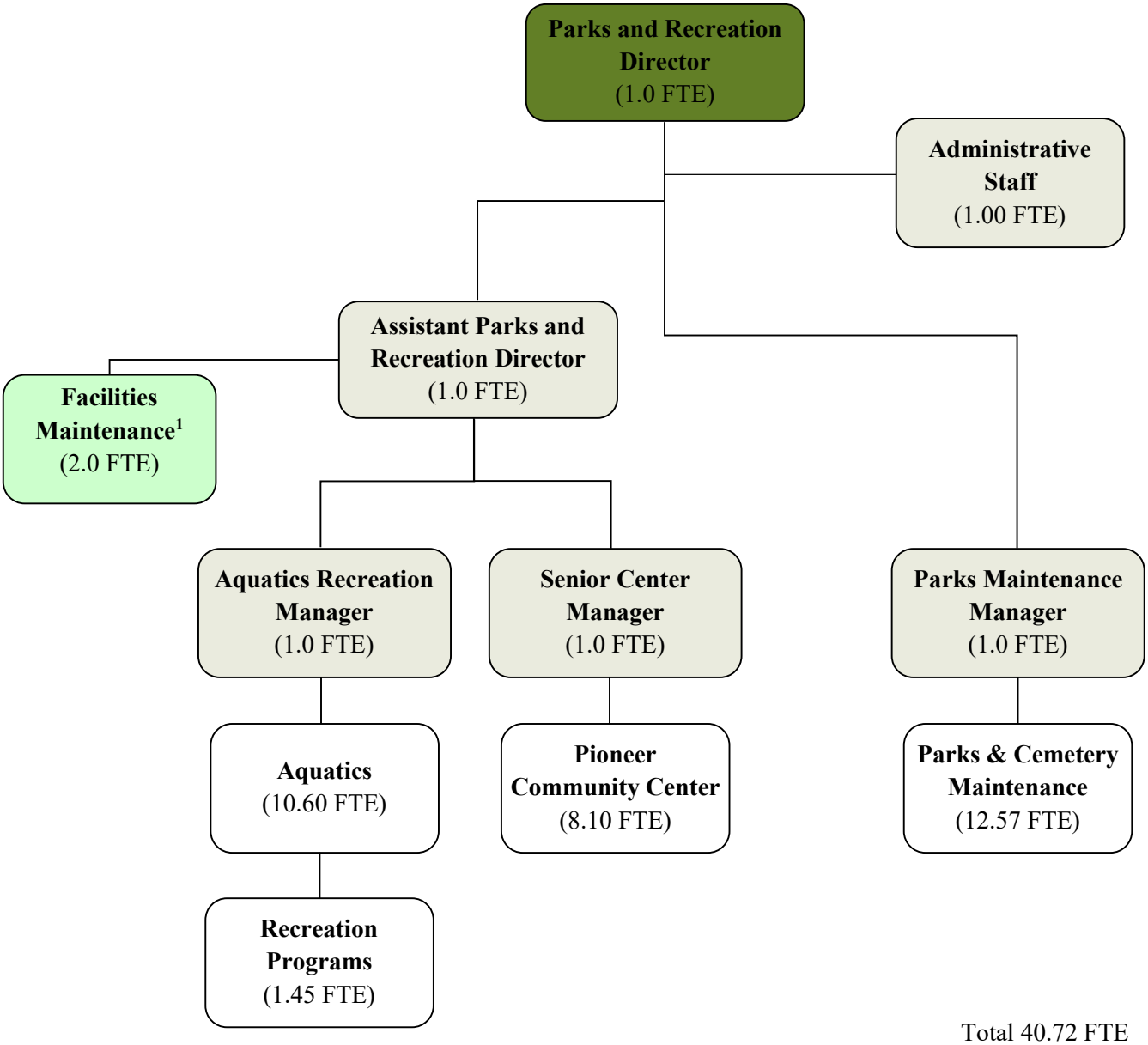
Repair and Maintenance Services include primarily waste disposal for all City locations of $160,000, as well as other maintenance services, including vehicle, building, and equipment maintenance, totaling $40,000.

Special Programs & Services are composed of:

Flower basket program	$ 92,000
Nuisance abatement	20,000
Total	$ 112,000

OREGON
CITY

Parks and Recreation



Total 40.72 FTE

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

[1] *Facilities Maintenance personnel report to the Assistant Parks and Recreation Director. However, the budgeted expense associated with the FTE is reported within the General Government department of the General Fund (1.75 FTE), and within the Library Fund (0.25 FTE).*

PARKS AND RECREATION

OVERVIEW

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

- **COMMISSION GOAL 2 INVEST IN CURRENT AND FUTURE CAPITAL NEEDS FOR SAFE, SUSTAINABLE INFRASTRUCTURE AND CITY SERVICES**
  - Complete analysis to identify deferred maintenance and ongoing asset management costs for parks and identify funding options
  - Complete parks master plan and update system development fees

SIGNIFICANT BUDGET CHANGES

The proposed budget includes the addition of an Administrative Assistant position (1.0 FTE) and an increase in funding for deferred parks maintenance.

PARKS AND RECREATION EXPENDITURES (COMBINED)

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 2,903,597	$ 3,402,558	$ 3,832,320	$ 2,176,256	$ 2,274,178	$ 4,450,434
Benefits	1,598,853	1,918,407	2,363,184	1,330,804	1,390,007	2,720,811
Total Personnel Services	4,502,450	5,320,965	6,195,504	3,507,060	3,664,185	7,171,245
Materials & Services						
Professional & Technical Services	122,619	196,796	316,400	163,200	73,200	236,400
Repair & Maintenance Services	963,958	925,536	1,378,700	763,990	747,990	1,511,980
Other Services	790	1,513	2,400	1,200	1,200	2,400
Employee Costs	50,165	69,039	85,940	40,902	40,902	81,804
Operating Materials & Supplies	255,682	351,312	382,920	213,360	222,670	436,030
Office & Administrative Supplies	175,318	193,576	192,460	100,930	97,480	198,410
Special Programs	340,487	317,582	419,580	190,590	172,840	363,430
Total Materials & Services	1,909,019	2,055,354	2,778,400	1,474,172	1,356,282	2,830,454
Capital Outlay	851,896	460,259	1,277,000	292,500	381,500	674,000
Transfers Out	182,700	92,700	343,826	110,000	110,000	220,000
Total Expenditures	7,446,065	7,929,278	10,594,730	5,383,732	5,511,967	10,895,699
Total Parks & Recreation	$ 7,446,065	$ 7,929,278	$ 10,594,730	$ 5,383,732	$ 5,511,967	$ 10,895,699

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			■																■			
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 and striped the parking lots at Park Place Park, River Access and the Mcloughlin Promenade
- Provided outdoor recreation opportunities for citizens during COVID-19 pandemic
- Completed DC Latourette Park renovation
- Completed playground replacement at Park Place Park
- Performed a cost recovery analysis
- Identified and repaired multiple safety hazards on hard surface walking trails and parking lots
- Continued to identify sites and plant trees and native plant material as part of reforestation goals, 67 new trees at multiple parks
- Completed training for staff including Certified Playground Safety Inspector and Pesticide Applicator Licensing
- Completed Chapin Park Restroom Replacement
- Completed Tyrone S. Woods Memorial Park Phase I development
- Park Sign Installation and Replacements, including Tyrone S. Woods Memorial Park, DC Latourette, Library Park and River Access
- Managed damage and cleanup from windstorm, landslides, ice storm and flooding, including managing an evacuee site during the 2020 Wildfires.
- Held a virtual Memorial Day Celebration during the COVID-19 pandemic
- Initiated architect and engineering phase of Filbert Run Park, including site plan review
- Security camera installation at Jon Storm Park to combat vandalism
- Acquired grant funds to purchase and implement a new software system for Cemetery records management
- Acquired grant funds for Veterans War Memorial site construction plans
- Completed deferred maintenance and capital improvement assessment of City-wide facilities and parks

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
- Assess and update the Oregon City Parks system development charge (SDC) methodology
- Complete Clackamette Park Master Plan with stakeholders and public process
- Complete Cemetery Master Plan
- Develop a Parks Capital Improvement Plan
- Support ongoing Tree City USA designation
- Address trail maintenance and repair needs ensuring ADA compliance
- Complete repairs and updates to Park Place Park drainage system
- Complete playground upgrades and repairs throughout the parks system
- Implement and utilize cost recovery analysis
- Seek opportunities for community engagement
- Complete Filbert Run Park construction
- Replace Cemetery's older mausoleum roofs
- Complete construction of joint Public Works and Parks Operations Facility
- Construct a dog park in Stafford Park
- Install a power gate at the parking lot on the Mcloughlin Promenade

PARKS AND CEMETERY MAINTENANCE EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 1,107,783	$ 1,291,245	$ 1,546,442	$ 897,503	$ 937,890	$ 1,835,393
Benefits	695,265	819,217	1,043,345	625,475	653,181	1,278,656
Total Personnel Services	1,803,048	2,110,462	2,589,787	1,522,978	1,591,071	3,114,049
Materials & Services						
Professional & Technical Services	120,310	196,237	311,400	160,700	70,700	231,400
Repair & Maintenance Services	466,722	435,151	846,880	486,820	470,820	957,640
Other Services	31	-	-	-	-	-
Employee Costs	24,377	28,425	37,140	19,000	19,000	38,000
Operating Materials & Supplies	150,073	231,993	264,400	165,200	165,200	330,400
Office & Administrative Supplies	68,514	76,990	70,140	42,300	33,300	75,600
Special Programs	66,073	33,150	45,000	22,500	22,500	45,000
Total Materials & Services	896,100	1,001,946	1,574,960	896,520	781,520	1,678,040
Capital Outlay	362,056	147,311	1,142,000	229,500	337,500	567,000
Transfers Out	182,700	92,700	193,826	110,000	110,000	220,000
Total Parks & Cemetery Maintenance	$ 3,243,904	$ 3,352,419	$ 5,500,573	$ 2,758,998	$ 2,820,091	$ 5,579,089

BUDGET HIGHLIGHTS

This budget includes additional maintenance costs associated with bringing three new parks into the system in the 2021-2023 biennium. 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 $280,000 for a new roof on the Cemetery building, $75,000 for a dog park at Stafford Park, $50,000 for a Cemetery master plan, and $47,000 for other major repairs and maintenance needs. Equipment and software needs total $115,000 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

- Continued to grow recreation services through creative community partnerships
- Continued to receive positive feedback from patrons
- Increased social media outreach and advertising and developed a Parks and Recreation style guide which has created division marketing standards
- Continued to provide a safe, professional, and clean facility for the community
- Continued to address facility maintenance upgrades and ADA upgrades
- Offered new aquatic programs, such as Glow Swim, that appealed to the public, drove up attendance, and brought in additional revenue
- Navigated the COVID-19 pandemic, including offering aquatic services and programs when allowed per OHA guidelines

Goals and Projects

- Maintain the facility to ensure continued upkeep and safety for the public
- Evaluate programs against trends to identify areas that are underserved and continue to seek creative ways to program the pool and community room to meet those trends
- Strive to be fiscally conservative and program facility space and time efficiently to maximize revenue to help offset increased expenses due to the minimum wage increase
- Utilize "Financial Support and Sustainability Strategy" to improve cost recovery in certain aquatic services and programs
- Continue to seek additional partnerships within the community
- Create more daytime public activities while maintaining school swim lesson program participation
- Reach pre-COVID-19 revenue projections
- Utilize the Departments "Financial Support and Sustainability Strategy Policy" to become more fiscally responsible and improve long-term sustainability

RECREATION AQUATICS EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 708,375	$ 835,390	$ 889,799	$ 495,707	$ 518,014	$ 1,013,721
Benefits	288,745	359,439	437,913	208,555	217,878	426,433
Total Personnel Services	997,120	1,194,829	1,327,712	704,262	735,892	1,440,154
Materials & Services						
Professional & Technical Services	625	118	4,000	2,000	2,000	4,000
Repair & Maintenance Services	267,035	219,253	243,420	121,710	121,710	243,420
Other Services	759	1,513	1,400	700	700	1,400
Employee Costs	8,040	13,435	14,400	7,200	7,200	14,400
Operating Materials & Supplies	60,804	58,108	54,940	27,470	27,470	54,940
Office & Administrative Supplies	44,627	39,269	41,930	20,590	21,140	41,730
Special Programs	9,861	13,282	15,320	7,660	7,660	15,320
Total Materials & Services	391,751	344,978	375,410	187,330	187,880	375,210
Capital Outlay	366,552	249,296	10,000	36,000	14,000	50,000
Total Recreation Aquatics	$ 1,755,423	$ 1,789,103	$ 1,713,122	$ 927,592	$ 937,772	$ 1,865,364

BUDGET HIGHLIGHTS

This biennial budget includes an increase for capital maintenance projects including the replacement of eight exterior doors and refinishing the wading pool.

Personnel Services increases are a result of an increase in hours because the Department is now providing lifeguards during all swim team practices, per rule clarification provided by the Oregon Health Authority. This increase to Personnel Services is directly reimbursed by the teams.

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

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

- Modified program offerings to meet the needs of the community during the COVID-19 pandemic
- Expanded the Meals on Wheels service to include congregate dining participants
- Requested and received donations of personal items that were delivered to keep seniors in their homes

- Redesigned recreation and social interaction events by adding virtual seminars, activities, and classes
- Made weekly phone calls to seniors to buffer against isolation
- Reduced expenses during closure of Center to the public
- Upgraded flooring in the Ballroom
- Replaced furniture in an underutilized space for programing
- Received grant for support of minority restaurants for Meals on Wheels service
- Increased social media outreach and advertising
- Passed all required inspections and audits

Goals and Projects

- Enhance programs and services to provide full use of the Pioneer Center and meet the needs of the aging and disabled population and the community once it is safe
- 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 aging HVAC systems
- Replace windows with failing seals
- Continue to seek additional partnerships within the community
- Recruit and manage a large pool of volunteers for continued high service requests once re-opened
- Continue to offer staff training to ensure high quality of customer service

PIONEER COMMUNITY CENTER EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 874,972	$ 990,952	$ 1,082,415	$ 594,386	$ 621,134	$ 1,215,520
Benefits	518,233	594,196	695,049	390,690	408,128	798,818
Total Personnel Services	1,393,205	1,585,148	1,777,464	985,076	1,029,262	2,014,338
Materials & Services						
Professional & Technical Services	-	-	1,000	500	500	1,000
Repair & Maintenance Services	195,794	230,589	217,200	119,410	119,410	238,820
Employee Costs	2,677	6,771	9,180	2,092	2,092	4,184
Operating Materials & Supplies	32,305	44,801	45,580	11,690	21,000	32,690
Office & Administrative Supplies	47,040	50,353	57,310	26,500	31,500	58,000
Special Programs	92,714	98,205	121,620	44,500	47,000	91,500
Total Materials & Services	370,530	430,719	451,890	204,692	221,502	426,194
Capital Outlay	96,666	63,652	40,000	27,000	30,000	57,000
Total Pioneer Community Center	$ 1,860,401	$ 2,079,519	$ 2,269,354	$ 1,216,768	$ 1,280,764	$ 2,497,532

BUDGET HIGHLIGHTS

Repair & Maintenance Services have increased for additional lift inspections on 14 passenger busses for increased safety measures.

Special Programs are budgeted to return to pre-COVID-19 levels in the food nutrition program, which is grant funded. There was increased funding in the current biennium to assist with the Meals on Wheels program due to the Pioneer Center closure during the pandemic.

Capital Outlay includes the replacement of two HVAC units and the addition of interior and exterior secure key locks.

Recreation Programs

Overview

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

Accomplishments

- Continued to offer additional recreational opportunities for the community and creatively offered COVID-19 safe events, activities, and camps
- Increased contracted classes and programs to meet community needs and trends
- Fostered several new community partnerships to diversify access to recreation programs and compile resources to add more recreational opportunities for the community
- Continued to work with community partners to explore programming and operation options for the Ermatinger House
- Received two grants to help off-set expenses of the management of the Ermatinger House, as well as camps.

Goals and Projects

- Maintain existing quality of programs while increasing recreation opportunities for the community by utilizing contract services
- Be a strong and reliable resource of recreational events for the community
- Continue to provide a series of special events that draw attendances from surrounding communities and contribute to civic pride
- Identify community needs in regards to recreation programs and add or modify programs based on findings
- Strive to be fiscally conservative and program events and activities to maximize revenue to help offset increased expenses due to the minimum wage increase
- Reach pre-COVID-19 revenue levels
- Utilize the Department's "Financial Support and Sustainability Strategy Policy" to become more fiscally responsible and improve long-term sustainability

RECREATION PROGRAMS EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 212,467	$ 284,971	$ 313,664	$ 188,660	$ 197,140	$ 385,800
Benefits	96,610	145,555	186,877	106,084	110,820	216,904
Total Personnel Services	309,077	430,526	500,541	294,744	307,960	602,704
Materials & Services						
Professional & Technical Services	1,684	441	-	-	-	-
Repair & Maintenance Services	34,407	40,543	71,200	36,050	36,050	72,100
Other Services	-	-	1,000	500	500	1,000
Employee Costs	15,071	20,408	25,220	12,610	12,610	25,220
Operating Materials & Supplies	12,500	16,410	18,000	9,000	9,000	18,000
Office & Administrative Supplies	15,137	26,919	23,080	11,540	11,540	23,080
Special Programs	146,316	143,435	166,060	83,000	83,000	166,000
Total Materials & Services	225,115	248,156	304,560	152,700	152,700	305,400
Capital Outlay	26,622	-	-	-	-	-
Total Recreation Programs	$ 560,814	$ 678,682	$ 805,101	$ 447,444	$ 460,660	$ 908,104

BUDGET HIGHLIGHTS

This budget has remained fairly consistent with the previous biennium as anticipated costs for special programs are expected to remain flat as services return to pre-COVID-19 levels.

Special Programs are composed of the following:

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

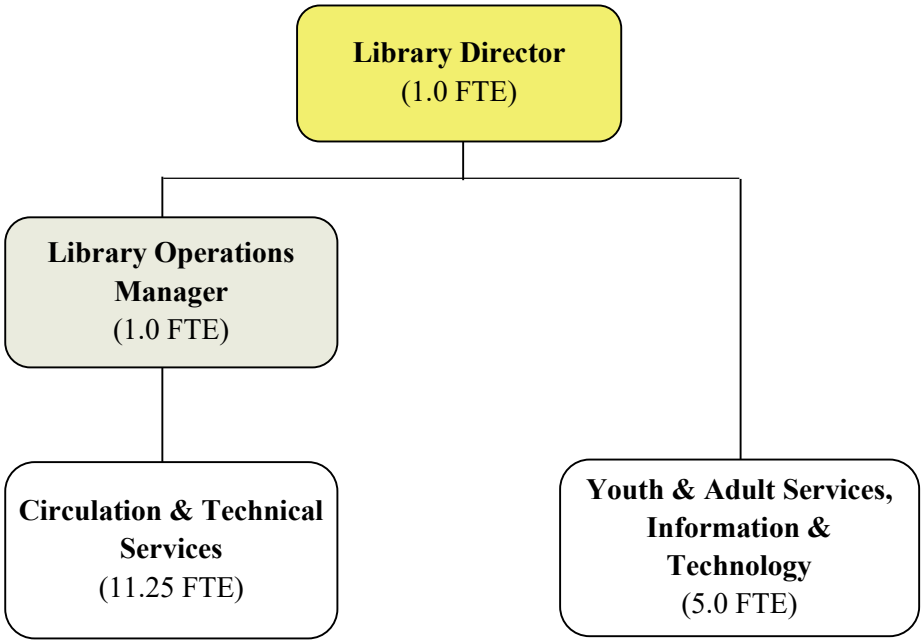
DEDICATED PARK DONATIONS

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	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Materials & Services						
Office & Administrative Supplies	$ -	$ 45	$ -	$ -	$ -	$ -
Special Programs	25,523	29,510	71,580	32,930	12,680	45,610
Total Materials & Services	25,523	29,555	71,580	32,930	12,680	45,610
Capital Outlay	-	-	85,000	-	-	-
Transfers & Other Uses	-	-	150,000	-	-	-
Total Dedicated Donations	$ 25,523	$ 29,555	$ 156,580	$ 32,930	$ 12,680	$ 45,610

Library



Total 18.25 FTE

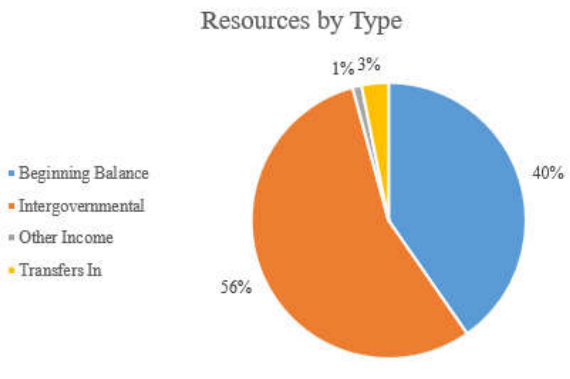
This chart reflects the City's organizational reporting structure. For information about how budgeted expense is allocated to, and reported within, funds and departments, see the Personnel portion of the Additional Information section at the end of this document.

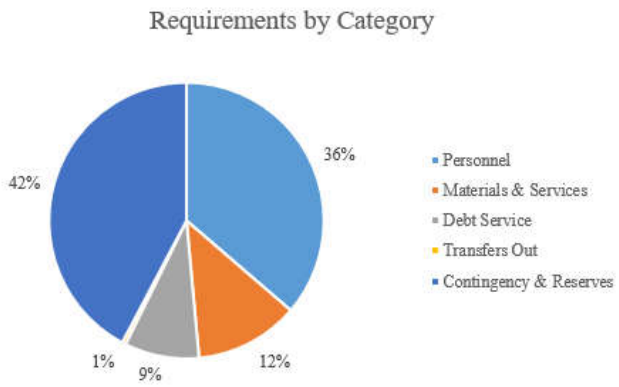
LIBRARY

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	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 871,643	$ 1,951,493	$ 2,890,126	$ 3,808,673	$ 3,890,410	$ 3,808,673
Intergovernmental						
District Property Taxes	4,130,408	4,564,130	4,750,525	2,572,490	2,650,000	5,222,490
Intergovernmental	26,520	17,013	25,041	8,700	8,700	17,400
Charges for Services	6,576	6,957	-	2,520	3,020	5,540
Fines and Forfeitures	72,045	99,457	80,000	15,000	25,000	40,000
Interest Income	16,266	81,633	90,000	20,000	25,000	45,000
Miscellaneous Income	15,312	80,010	10,000	5,000	5,000	10,000
Transfer In	400,000	300,000	300,000	150,000	150,000	300,000
Total Resources	**$ 5,538,770**	**$ 7,100,693**	**$ 8,145,692**	**$ 6,582,383**	**$ 6,757,130**	**$ 9,449,103**
Requirements						
Personnel Services	$ 2,143,758	$ 2,377,951	$ 2,934,275	$ 1,676,210	$ 1,751,660	$ 3,427,870
Materials & Services	602,322	882,727	1,105,665	580,392	578,392	1,158,784
Capital Outlay	-	96,289	-	-	-	-
Principal & Interest	830,742	830,742	830,741	415,371	415,371	830,742
Transfers Out	10,455	-	40,000	20,000	20,000	40,000
Contingency	-	-	3,235,011	3,890,410	3,991,707	3,991,707
Unappropriated Fund Balance	1,951,493	2,912,984	-	-	-	-
Total Requirements	**$ 5,538,770**	**$ 7,100,693**	**$ 8,145,692**	**$ 6,582,383**	**$ 6,757,130**	**$ 9,449,103**





LIBRARY

OVERVIEW

The **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.

ACCOMPLISHMENTS

- Developed plan to ensure that Oregon Library Association (OLA) Public Library Standards regarding survey and assessment are met
- Worked with Library Foundation to implement Dolly Parton Imagination Library program, serving children age 0-5 throughout Library Service area
- In partnership with Clackamas Community College, held inaugural "One City, One Book" community reads program
- Created B.A.M (Because Accessibility Matters) advisory group
- Modified Library Board bylaws and the Municipal Code to better reflect current Library Board practices and responsibilities.
- Implemented a new online event calendar and registration system
- Transitioned to a new e-newsletter platform.
- Implemented new electronic resources for patrons including CreativeBug, BookFlix, and the New York Times
- Added a second external book return along 6th Street
- Implemented a successful Handmade Creative Kits program with new kits available every month for kids, teens, adults, and adults with disabilities
- Developed internal processes to submit electronic orders directly to City's primary library materials vendors
- In support of Resolution 20-19, created a monthly Building Bridges Anti-Racism Book Club
- Improved the process of collecting and preparing statistical data for the Library Advisory Board
- Helped staff the City's Wildfire Information Hotline during the Wildfires of September 2020
- Increased outreach and collaboration efforts with Oregon City School District, Clackamas County Head Start, and other community organizations
- Accomplishments directly or indirectly related to responding to the ongoing COVID-19 pandemic:
  - Developed and implemented a successful 2020 Online Summer Reading Program (for kids, teens, and adults) utilizing an entirely new online platform
  - Implemented online/virtual equivalents of core library programs, as well as many new virtual/online programs
  - Developed and implemented an appointment-based, no-contact holds pickup process so that we could continue fulfilling holds and circulating materials in a safe manner to the community
  - Remained flexible, creative, and innovative while providing library services to the community, all while working under constantly-evolving public health guidelines, and capacity and staffing constraints

GOALS AND PROJECTS

- **COMMISSION GOAL 1 PROMOTE DIVERSITY, EQUITY AND INCLUSION FOR A SAFE, INCLUSIVE COMMUNITY AND ORGANIZATION**
  - Support City-wide efforts to develop a comprehensive internal and external DEI framework

- Continue to support Resolution 20-19 by continuing to provide safe spaces for conversations and learning opportunities to fight racism and inequity
- Implement the Oregon Library Association (OLA) Equity, Diversity, Inclusion & Anti-Racism Toolkit
- Continue to support LINCC-wide DEI efforts

Commission Goal 2 Invest in Current and Future Capital Needs for Safe, Sustainable Infrastructure and City Services

- Based on in-progress assessment of long-range facility needs and reserve requirements, update the Library's capital reserve funding plan
- Continue to invest in facility and fixture improvements to mitigate the impact of future public health crises

Commission Goal 3 Improve the City's Engagement Efforts to Reach the Broader Oregon City Community and Inform the Policy Process

- Identify underserved communities and develop outreach/service plan
- Develop and implement a comprehensive survey/assessment plan
- Continue to strengthen and expand partnerships with Oregon City School District and other community partners
- Work with partners to improve physical access to library materials throughout the entire Oregon City Public Library service area

Commission Goal 4 Adopt and Implement a Homelessness Strategy for Oregon City

- Support initiative to formalize City strategy to address homelessness and surrounding issues
- Work closely with City Behavioral Health Liaison to review Library procedures and protocols, and to provide supplemental training and support for Library staff.
- Ensure that the Library continues to be a safe, welcoming space for every member of our service area

Commission Goal 7 Support Improvements and Partnerships That Contribute to our Hometown Feel and Showcase Oregon City's Unique Community Identity

- Strengthen partnerships and identify opportunities for collaboration with the Arts Community

Commission Goal 8 Protect and Preserve our Environmental Health and Natural Resources

- Continue to invest in our Library of Things (LoT) collection, which promotes sustainability by encouraging sharing, offering the ability to "try before you buy", and providing access to rarely used household items

LIBRARY PERFORMANCE MEASURES

Measure	2016	2017	2018	2019	2020	2021 Projected	2022 Goals	2023 Goals
Annual Circulation	421,366	428,818	535,225	547,386	439,887	254,050	400,718	545,000
Registered Borrowers	19,145	19,169	19424	20,072	20,658	18,543	18,793	19,293
Circulation per Registered Borrower	22	22.37	27.25	27.27	21.29	13.70	21.32	28.25
Programs Provided	346	537	578	561	615	431	496	600
Program Attendees	8,232	16,721	18,370	21,283	18,640	22,474	21,879	22,000

LIBRARY EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 1,459,041	$ 1,569,354	$ 1,846,835	$ 1,052,610	$ 1,099,977	$ 2,152,587
Benefits	684,717	808,597	1,087,440	623,600	651,683	1,275,283
Total Personnel Services	2,143,758	2,377,951	2,934,275	1,676,210	1,751,660	3,427,870
Materials & Services						
Professional & Technical Services	103,666	3,354	5,080	2,000	2,000	4,000
Repair & Maintenance Services	135,651	258,077	269,614	144,600	144,600	289,200
Other Services	256	974	1,306	1,750	1,750	3,500
Employee Costs	11,905	10,515	27,400	10,000	10,000	20,000
Operating Materials & Supplies	253,254	447,482	540,000	244,000	244,000	488,000
Office & Administrative Supplies	63,274	77,810	99,424	43,250	37,250	80,500
Special Programs	34,316	68,815	62,300	32,700	36,700	69,400
Community Programs & Grants	-	-	8,741	-	-	-
Internal Service Charges	-	15,700	91,800	102,092	102,092	204,184
Total Materials & Services	602,322	882,727	1,105,665	580,392	578,392	1,158,784
Capital Outlay	-	96,289	-	-	-	-
Transfers Out	10,455	-	40,000	20,000	20,000	40,000
Principal & Interest	830,742	830,742	830,741	415,371	415,371	830,742
Contingency	-	-	3,235,011	3,890,410	3,991,707	3,991,707
Unappropriated Fund Balance	1,951,493	2,912,984	-	-	-	-
Total Library	$ 5,538,770	$ 7,100,693	$ 8,145,692	$ 6,582,383	$ 6,757,130	$ 9,449,103

Library

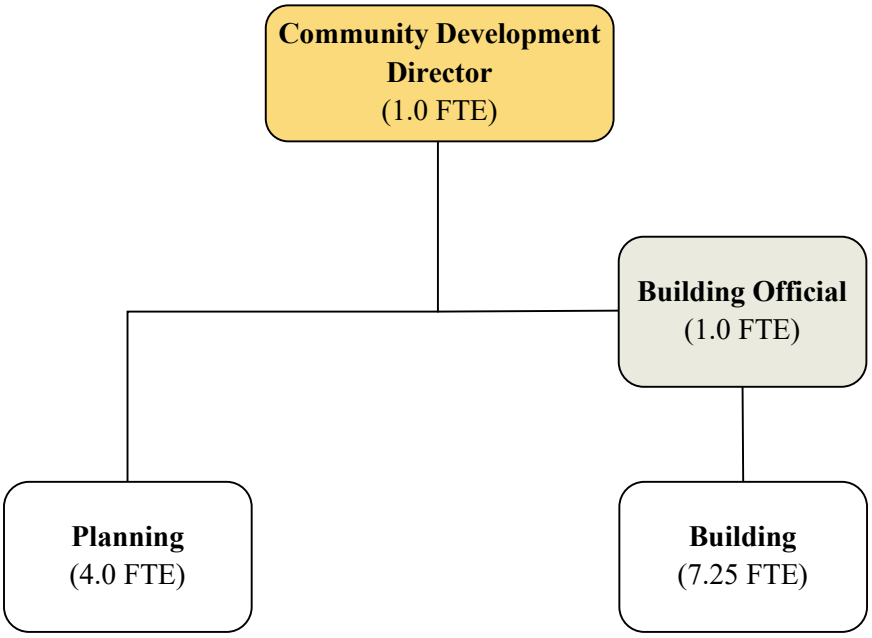
BUDGET HIGHLIGHTS

The budget includes the addition of a Library Technology Specialist position (1.0 FTE) and a Library Safety Officer position (1.0 FTE). An additional 0.35 FTE increase represents adjustments to, and reallocations between, both full-time and hourly, Library Assistants.

Repair & Maintenance Services includes utilities, janitorial, and building maintenance costs. The increase in the biennium is attributable to annual computer and software costs related to the RFID annual maintenance and patron behavior tracking software.

Operating Materials and Supplies decreased in the current biennium due to a decline in material purchases. This expenditure includes purchases of audio/visual materials and books as we continue to build and enhance the City's Library catalogue and improve and expand collections.

Community Development



Total 13.25 FTE

COMMUNITY DEVELOPMENT

OVERVIEW

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

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

The Building Division is responsible for issuing building, plumbing, heating/cooling, and electrical permits to ensure the safety of the buildings throughout the community. The permitting process includes reviewing plans, conducting inspections, and code enforcement for the work for compliance with the State of Oregon Building Codes and the City's Municipal Code.

MISSION

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

DEPARTMENT GOALS

❖ COMMISSION GOAL 6 SUPPORT DIVERSE HOUSING OPTIONS IN OREGON CITY

- Prepare a plan to identify and implement housing strategies, tools and opportunities that work best for Oregon City
- Update our code to provide additional housing opportunities in Oregon City

❖ COMMISSION GOAL 7 SUPPORT IMPROVEMENTS AND PARTNERSHIPS THAT CONTRIBUTE TO OUR HOMETOWN FEEL AND SHOWCASE OREGON CITY'S UNIQUE COMMUNITY IDENTITY

- Determine and establish relationships with the Tribes that have a shared history with Oregon City

❖ COMMISSION GOAL 8 PROTECT AND PRESERVE OUR ENVIRONMENTAL HEALTH AND NATURAL RESOURCES

- Develop a climate action plan

SIGNIFICANT BUDGET CHANGES

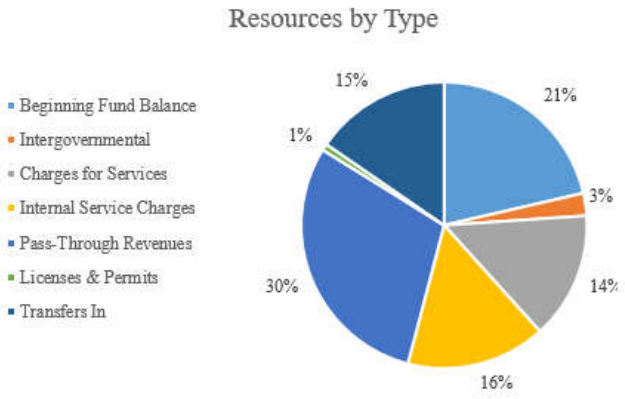
The proposed budget includes implementation of current and proposed City Commission Goals. The proposed budget includes $200,000 towards a program for the restoration of tree canopy damage caused by the ice storm in February of 2021.

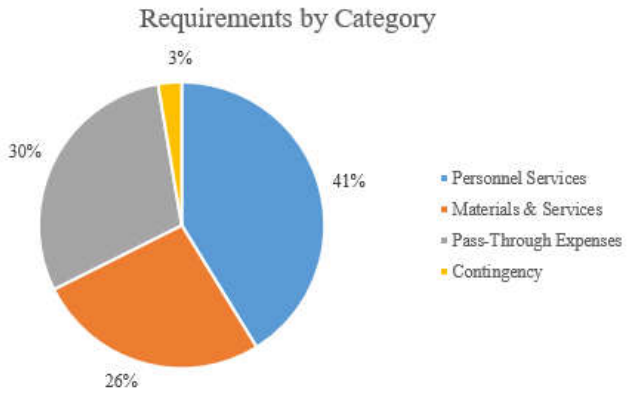
PLANNING

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

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

Planning	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 200,717	$ 710,868	$ 207,345	$ 863,068	$ 383,426	$ 863,068
Intergovernmental	191,056	173,104	167,500	87,500	15,000	102,500
Charges for Services	904,944	841,144	522,370	277,695	301,195	578,890
Internal Service Charges	-	586,071	610,100	318,600	318,600	637,200
Pass-Through Revenues	1,053,524	787,904	1,200,000	600,000	600,000	1,200,000
Licenses & Permits	32,528	52,141	40,000	15,000	15,000	30,000
Interest Income	7,794	20,367	7,200	3,600	3,600	7,200
Miscellaneous Income	53,600	340	-	-	-	-
Transfers In	1,557,829	525,000	700,000	261,000	361,000	622,000
Total Resources	**$ 4,001,992**	**$ 3,696,939**	**$ 3,454,515**	**$ 2,426,463**	**$ 1,997,821**	**$ 4,040,858**
Requirements						
Personnel Services	$ 1,601,265	$ 1,419,748	$ 1,468,683	$ 813,088	$ 849,692	$ 1,662,780
Materials & Services	606,428	688,910	762,060	624,924	440,124	1,065,048
Pass-Through Expenses	1,053,524	787,904	1,200,000	600,000	600,000	1,200,000
Capital Outlay	22,407	420,911	-	4,025	-	4,025
Transfers Out	7,500	82,527	-	1,000	1,000	2,000
Contingency	-	-	23,772	383,426	107,005	107,005
Unappropriated Fund Balance	710,868	296,939	-	-	-	-
Total Requirements	**$ 4,001,992**	**$ 3,696,939**	**$ 3,454,515**	**$ 2,426,463**	**$ 1,997,821**	**$ 4,040,858**





PLANNING

OVERVIEW

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

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

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

ACCOMPLISHMENTS

- Staff maintained continuous service to the community throughout the COVID-19 pandemic with changes such as reformatting applications and a new electronic application submittal process
- Completed or advanced projects including the Thimble Creek Concept Plan implementation, the Comprehensive Plan (OC 2040), the equitable housing project, annexation code amendments, new after-hours public parking program, a bicycle and pedestrian needs inventory in and around downtown, a policy for City removal of significant trees, updating the Transportation Impact Analysis, severely rent-burdened community conversation, updated Historic Review Board Policies, the Compatible Change project to identify alternatives for review thresholds for non-designated structures in McLoughlin Conservation District and major public improvements, and continued streamlining and transparency of the development review process
- Partnered with Metro, the State, and Clackamas County on the Willamette Falls Legacy Project Riverwalk, while working to elevate the voices of Tribes and Indigenous communities with the Riverwalk and supporting the Confederated Tribes of the Grand Ronde as they seek to develop the property outside of the Riverwalk

GOALS AND PROJECTS

- Complete OC 2040, the City's Comprehensive Plan Update
- Implement the City Commission goals
- Continue commitment to community involvement, transparency, and streamlining of development review

PLANNING EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 835,883	$ 876,165	$ 857,452	$ 487,006	$ 508,921	$ 995,927
Benefits	477,352	543,583	611,231	326,082	340,771	666,853
Total Personnel Services	1,313,235	1,419,748	1,468,683	813,088	849,692	1,662,780
Materials & Services						
Professional & Technical Services	346,859	379,776	487,500	285,000	288,000	573,000
Repair & Maintenance Services	110,921	83,306	62,200	31,555	30,855	62,410
Other Services	10,109	8,179	7,600	4,500	4,500	9,000
Employee Costs	5,868	7,588	10,020	5,050	5,050	10,100
Operating Materials & Supplies	8,118	15,207	5,200	475	475	950
Office & Administrative Supplies	31,079	34,822	25,240	15,120	16,020	31,140
Special Programs	28,771	160,032	116,500	222,000	34,000	256,000
Pass-Through Payments	1,053,524	787,904	1,200,000	600,000	600,000	1,200,000
Community Programs & Grants	-	-	10,000	5,000	5,000	10,000
Internal Service Charges	-	-	37,800	56,224	56,224	112,448
Total Materials & Services	1,595,249	1,476,814	1,962,060	1,224,924	1,040,124	2,265,048
Transfers & Other Uses	7,500	82,527	-	1,000	1,000	2,000
Capital Outlay	22,407	420,911	-	4,025	-	4,025
Contingency	-	-	23,772	383,426	107,005	107,005
Unappropriated Fund Balance	710,868	296,939	-	-	-	-
Total Planning	$ 3,649,259	$ 3,696,939	$ 3,454,515	$ 2,426,463	$ 1,997,821	$ 4,040,858

BUDGET HIGHLIGHTS

The proposed budget does not anticipate any new staff. The most significant changes include the implementation of a variety of City Commission goals, the implementation of specific grants, and funding for the restoration of tree canopy damage.

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. This biennium also includes implementation of multiple grants and funding to implement a variety of City Commission goals such as expanding housing opportunities, a housing strategy, and a climate action plan.

Special Programs includes funding for restoration of tree canopy damage caused by the ice storm in February of 2021, and a program for designated historic structures funded by grant revenues. This category also includes completion of the Comprehensive Plan Update.

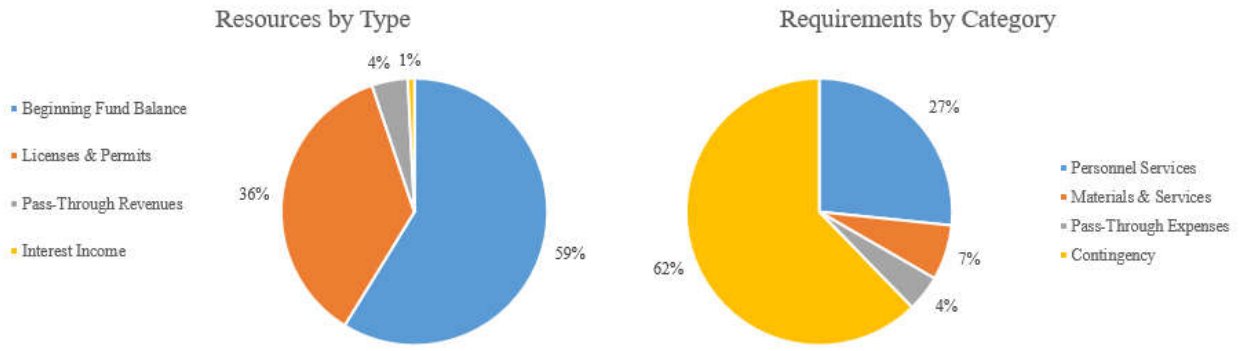
OREGON
CITY

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	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 715,227	$ 2,657,616	$ 3,411,096	$ 5,375,057	$ 5,493,612	$ 5,375,057
Licenses & Permits	3,761,357	3,621,400	3,201,158	1,596,400	1,700,900	3,297,300
Intergovernmental	1,376	-	-	-	-	-
Pass-Through Revenues	435,552	455,021	480,000	190,000	210,000	400,000
Charges for Services	4,435	6,268	8,658	2,900	3,300	6,200
Interest Income	19,383	98,315	120,000	36,000	36,000	72,000
Miscellaneous Income	-	1,807	-	300	300	600
Total Resources	**$ 4,937,330**	**$ 6,840,427**	**$ 7,220,912**	**$ 7,200,657**	**$ 7,444,112**	**$ 9,151,157**
Requirements						
Personnel Services	$ 1,478,188	$ 1,709,638	$ 2,215,949	$ 1,185,165	$ 1,238,492	$ 2,423,657
Materials & Services	342,791	399,727	468,690	304,405	304,405	608,810
Pass-Through Expenses	444,370	438,713	480,000	190,000	210,000	400,000
Capital Outlay	-	619,040	-	7,475	-	7,475
Transfers Out	14,365	118,527	40,000	20,000	20,000	40,000
Contingency	-	-	4,016,273	5,493,612	5,671,215	5,671,215
Unappropriated Fund Balance	2,657,616	3,554,782	-	-	-	-
Total Requirements	**$ 4,937,330**	**$ 6,840,427**	**$ 7,220,912**	**$ 7,200,657**	**$ 7,444,112**	**$ 9,151,157**



BUILDING

OVERVIEW

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

ACCOMPLISHMENTS

- No interruption in service with COVID-19. Staff maintained continuous service to the community throughout the pandemic with reformatted applications and a new process to submit and internally review applications electronically
- Led the region with virtual inspections, via FaceTime and Skype, to allow construction projects to continue during the pandemic.
- Scanned and catalogued more than 6,400 Building Division permits so that they are easily accessible
- Continued cross training employees to perform multiple types of inspections and become knowledgeable in a variety of topics

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 Results**	**2020 Results**	**2021 Estimated**	**2022 Projected**	**2023 Projected**
Building Permits	456	489	511	341	295	299	299	293
New Single Family	143	127	88	114	96	79	75	75
Residential Addition	25	22	23	21	13	13	15	15
Residential Alteration	75	100	98	64	53	71	75	75
Other Residential	15	9	9	17	14	32	40	40
New Multi Family	0	7	4	2	13	0	2	1
New Commercial	3	11	19	3	5	1	2	2
Non-Residential Alteration	128	131	180	84	73	56	40	35
Non-Residential Roof	42	45	64	14	8	7	25	25
Other Non-Residential	25	37	26	22	20	40	25	25
Mechanical Permits	503	475	548	449	367	433	450	450
Plumbing Permits	419	510	419	383	320	439	425	425
Electrical Permits	643	573	632	426	432	612	425	425
Total Number of Permits	**2,021**	**2,047**	**2,110**	**1,599**	**1,414**	**1,783**	**1,599**	**1,593**

BUILDING EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 900,186	$ 1,028,926	$ 1,293,233	$ 697,167	$ 728,539	$ 1,425,706
Benefits	578,002	680,712	922,716	487,998	509,953	997,951
Total Personnel Services	1,478,188	1,709,638	2,215,949	1,185,165	1,238,492	2,423,657
Materials & Services						
Professional & Technical Services	9,276	26,510	100,100	65,300	65,300	130,600
Repair & Maintenance Services	254,672	178,076	104,490	60,975	60,975	121,950
Other Services	1,413	5,969	8,000	3,150	3,150	6,300
Employee Costs	15,194	26,575	24,600	12,100	12,100	24,200
Operating Materials & Supplies	5,307	11,287	8,600	4,300	4,300	8,600
Office & Administrative Supplies	56,929	65,610	73,700	49,140	49,140	98,280
Pass-Through Payments	444,370	438,713	480,000	190,000	210,000	400,000
Community Programs & Grants	-	85,700	-	-	-	-
Internal Service Charges	-	-	149,200	109,440	109,440	218,880
Total Materials & Services	787,161	838,440	948,690	494,405	514,405	1,008,810
Capital Outlay	-	619,040	-	7,475	-	7,475
Transfers & Other Uses	14,365	118,527	40,000	20,000	20,000	40,000
Contingency	-	-	4,016,273	5,493,612	5,671,215	5,671,215
Unappropriated Fund Balance	2,657,616	3,554,782	-	-	-	-
Total Building	$ 4,937,330	$ 6,840,427	$ 7,220,912	$ 7,200,657	$ 7,444,112	$ 9,151,157

BUDGET HIGHLIGHTS

The proposed budget anticipates the Building Division will sustain increased permitting activities. In addition, the proposed budget includes a 0.25 FTE increase for a part-time plans examiner in order to properly recognize the current utilization of part-time hours.

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

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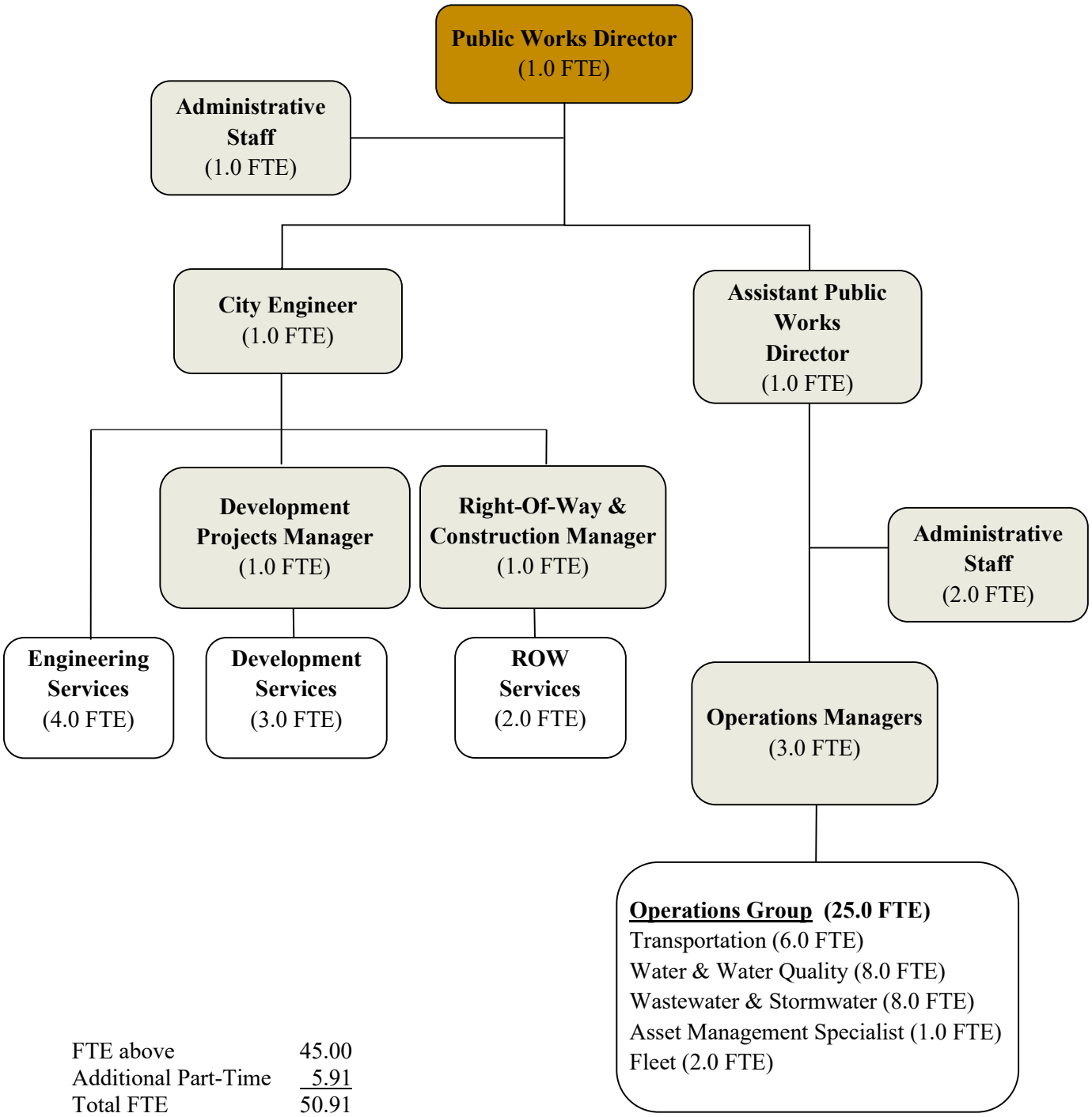
Public Works



FTE above	45.00
Additional Part-Time	5.91
Total FTE	50.91

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

PUBLIC WORKS

OVERVIEW

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

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

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

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

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

MISSION

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

DEPARTMENT GOALS

❖ **COMMISSION GOAL 2 INVEST IN CURRENT AND FUTURE CAPITAL NEEDS FOR SAFE, SUSTAINABLE INFRASTRUCTURE AND CITY SERVICES**

- Prioritize projects in the transportation master plan to maximize safety and connectivity
- Review SDCs and utility rates to strike a balance between SDCs and rates

Public Works Performance Measures

Measure	2016	2017	2018	2019	2020	2021 Forecast	2022 Goal	2023 Goal
Citywide average Pavement Condition Index (PCI) > 60	74	76	> 75	74	73	72	70	70
Complete programmed projects under annual pavement maintenance plan	140%	137%	84%	80%	0%	100%	100%	100%
Complete scheduled drinking water (DW) and stormwater (SW) samples in compliance with regulations	765 DW	483 DW	521 DW	692 DW	653 DW	700 DW	720 DW	740 DW
	30 SW	48 SW	44 SW	38 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	1.3 / 44.5 miles	1.2 / 49.7 miles	47 / 62.3 miles	43.6 / 43.36 miles	41.2 / 34.5 miles	43.6 / 43.36 miles	41.2 / 34.5 miles	41.2 / 34.5 miles
Average time to act in response to a citizen request	1.9 days	2.1 days	< 2.0 days	< 2 days	< 1 day	< 1 day	< 1 day	< 1 day
Average time to respond to and complete afterhours call for service	3.8 hours	4.83 hours	< 3.0 hours	unknown	unknown	< 3.0 hours	< 3.0 hours	< 3.0 hours
Right-of-way (ROW) permits issued	200	168	149	144	126	168	100	100
ROW Licensee/Franchisee Utility Construction permits issued (no fee)	165	194	218	237	164	208	200	200
Total Land Use decisions – see Engineering section for more detail	48	48	33	18	25	20	20	20
Total pre-application conferences	40	79	44	44	31	25	30	30

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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.

Revenues in the upcoming biennium are budgeted lower than the previous biennium due to the impact of the pandemic on development. The pandemic contributed to much apprehension and uncertainty, which slowed the rate of development. Though the economy is expected to begin to recover from the downturn in the upcoming biennium, the lag in project timing through the land use process is expected to linger into the second year of the biennium. As such, engineering revenues, such as development review fees, have been proposed at 68% of the previous biennium.

Engineering	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 14,474	$ 529,693	$ 748,643	$ 923,947	$ 541,032	$ 923,947
Charges for Services	842,364	774,227	884,400	340,700	274,700	615,400
Intergovernmental	507	-	-	-	-	-
Internal Service Charges	-	874,200	1,021,700	541,800	569,040	1,110,840
Licenses & Permits	82,698	114,132	76,000	38,000	38,000	76,000
Interest Income	13,430	51,401	34,000	16,000	18,000	34,000
Miscellaneous Income	-	779	-	-	-	-
Transfers In	1,143,450	240,000	240,000	45,000	45,000	90,000
Total Resources	**$ 2,096,923**	**$ 2,584,432**	**$ 3,004,743**	**$ 1,905,447**	**$ 1,485,772**	**$ 2,850,187**
Requirements by Category						
Personnel Services	$ 1,223,477	$ 1,447,136	$ 1,557,884	$ 856,798	$ 895,237	$ 1,752,035
Materials & Services	336,753	306,557	491,940	382,617	298,617	681,234
Transfers Out	7,000	109,527	32,000	125,000	118,000	243,000
Contingency	-	-	922,919	541,032	173,918	173,918
Unappropriated Fund Balance	529,693	721,212	-	-	-	-
Total Requirements	**$ 2,096,923**	**$ 2,584,432**	**$ 3,004,743**	**$ 1,905,447**	**$ 1,485,772**	**$ 2,850,187**

ENGINEERING

OVERVIEW

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

ACCOMPLISHMENTS

- Completed a variety of difficult design and construction projects including Meyers Road, the Sewer Moratorium Projects, and Master Planning, while nearing completion of Molalla Avenue and the Operations Complex
- Continued to manage and enhance the City's EnerGov permitting program
- 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 efforts required for Code amendments related to a variety of engineering initiatives that were accompanying the Equitable Housing Code Changes of 2019, as well as code revisions to the Geologic Hazard Overlay District and other ancillary Public Works related development code and standards such as refinements to Public Utility Easements, telecommunication facilities, definitions updates, requirements for undergrounding utilities, sanitary and water system standards and the adoption of policies relating to sidewalk obstructions, parklets outdoor use of sidewalks, and undergrounding utilities
- Continued to establish standardized permit and inspection programs, checklists and application forms for work in the right-of-way to improve the process for customers needing Public Works Engineering Development Services
- Continued programs to audit a backlog of open franchise permits and worked with the providers to complete the ROW repairs needed to close out the permits
- Continued to increase ROW revenues through telecom, wireless and other ROW service agreements, audits, and regular scrutiny of provider programs
- Continued to support the conceptual engineering work on large scale economic development projects such as the Rossman Landfill site and the Willamette Falls Legacy Project related to public infrastructure and utilities anticipated within the sites
- Supported the City's efforts to coordinate with regional partners including State, Metro, Clackamas County, TriMet, Tribes, Railroad, and major franchise providers on a long list of topics ranging from transportation planning to solid and food waste to grants and financial auditing
- Continued to coordinate with other departments on solutions for equitable housing, comprehensive planning, homeless strategies, special events, climate action planning, property management, and volunteer coordination
- Finalized land use and obtained City Commission approval of the Stormwater Master Plan Update

GOALS AND PROJECTS

- Provide the public with engineering assistance, which includes discussing utilities, streets, and lot layouts with homeowners and developers who want to develop certain properties in the City, identifying and explaining the City's design and construction standards and requirements, and locating utility connections to homes and businesses in the City
- Continue to provide the City Commission with updates to policy issues related to funding long- and short-term capital needs of the City's transportation and public utility systems
- Process no-fee permits for work in the right-of-way by franchise utilities and conduct related inspections
- Review and process land use applications and design plans for compliance with Oregon

City Public Works standards, master plans, National Pollutant Discharge Elimination System (NPDES) requirements, and the Municipal Code

- Update design and construction standards for use and implementation by the development community (water, wastewater, stormwater, and transportation)
- Support operating policies or written guidelines to improve consistency in development and land use reviews
- Monitor/inspect construction of approved private development plans
- Provide SDC calculations for all development projects
- Fully implement a paperless environment including digital plan reviews and digital files associated with Oregon Records Management Solution
- Continue to increase ROW revenues through telecom, wireless and other ROW service agreements
- Develop and adopt Oregon City Street Design and Construction Standards
- Complete and obtain Land Use approval of the Park Place Urbanization Study
- Continue to build on staff education and training as it relates to topics such as Diversity, Equity and Inclusion (DEI), anti-harassment, and performance coaching
- Physically move the engineering group from City Hall to the new Operations Center on Fir Street and transition the Engineering Group into day-to-day operations with the full Public Works Department
- Reach consensus on the need for, and appropriate future use for, the 122 Center Street property (current Operations Facility) and develop an appropriate action plan
- Complete auditing and ROW program licensing for eight different franchises which have expired franchise agreements or are anticipated to expire during the biennium
- Complete an inflow and infiltration reduction plan that identifies and prioritizes projects and defines private property policies

Public Works– Engineering

ENGINEERING EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 751,694	$ 901,429	$ 910,279	$ 498,372	$ 520,777	$ 1,019,149
Benefits	471,783	545,707	647,605	358,426	374,460	732,886
Total Personnel Services	1,223,477	1,447,136	1,557,884	856,798	895,237	1,752,035
Materials & Services						
Professional & Technical Services	273,949	171,206	272,000	247,000	163,000	410,000
Repair & Maintenance Services	6,252	15,913	25,310	11,780	11,780	23,560
Employee Costs	17,265	16,021	30,280	27,215	27,215	54,430
Operating Materials & Supplies	862	1,330	1,700	850	850	1,700
Office & Administrative Supplies	38,425	51,087	54,950	29,000	29,000	58,000
Internal Service Charges	-	51,000	107,700	66,772	66,772	133,544
Total Materials & Services	336,753	306,557	491,940	382,617	298,617	681,234
Transfers Out	7,000	109,527	32,000	125,000	118,000	243,000
Contingency	-	-	922,919	541,032	173,918	173,918
Unappropriated Fund Balance	529,693	721,212	-	-	-	-
Total Engineering	$ 2,096,923	$ 2,584,432	$ 3,004,743	$ 1,905,447	$ 1,485,772	$ 2,850,187

BUDGET HIGHLIGHTS

This Division's proposed budget includes an increase in transfers out to help fund the Public Works Operations Center by $150,000 as well as fleet replacement reserve funding of $93,000.

Professional & Technical Services includes geotechnical work for new development, developer-funded pass-through monies for engineering and inspection services required for the Beavercreek Live-Work project, and services to audit right-of-way payors.

Professional & Technical Services includes the following:

Legal	$ 80,000
Beavercreek Project	64,000
Geotechnical	66,000
Audit expense	50,000
ROW management	40,000
Support other department initiatives	40,000
Temporary services	30,000
Civil engineering	30,000
Environmental consulting/testing	10,000
Total	$ 410,000

TRANSPORTATION

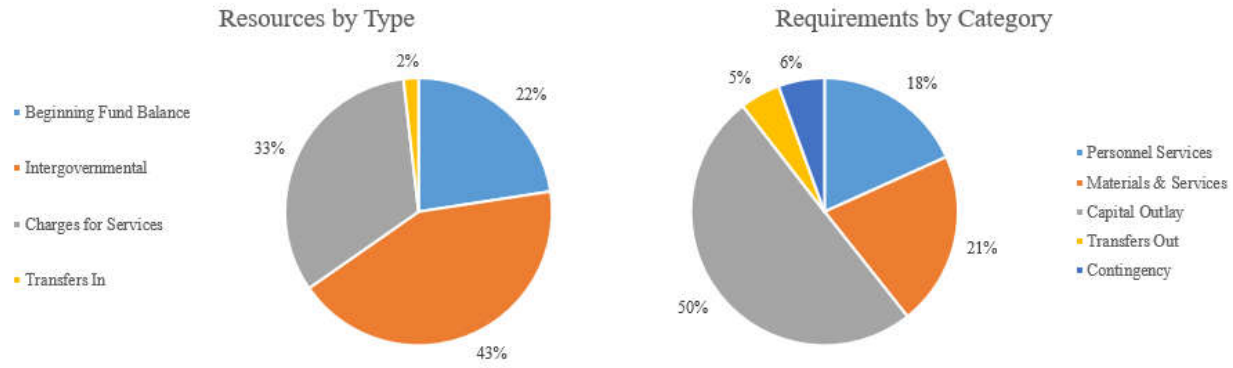
The Transportation Division maintains the City's transportation system, which includes roadways, pathways, sidewalks, traffic signalization, and guardrails, in order to improve public safety and livability. Operations are performed to enhance mobility while protecting the surrounding environment.

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

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

Transportation	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 2,358,410	$ 2,197,398	$ 2,358,038	$ 4,019,982	$ 1,588,925	$ 4,019,982
Intergovernmental	4,056,375	5,445,856	8,691,107	3,828,221	3,782,840	7,611,061
Charges for Services	4,786,567	5,031,393	5,327,207	2,875,020	2,978,830	5,853,850
Transfers In	189,154	247,134	319,740	158,004	164,004	322,008
Miscellaneous Income	329	126,338	-	-	-	-
Interest Income	23,771	82,464	35,000	13,000	13,000	26,000
Total Resources	**$11,414,606**	**$13,130,583**	**$16,731,092**	**$10,894,227**	**$ 8,527,599**	**$17,832,901**
Requirements by Category						
Personnel Services	$ 2,185,403	$ 2,447,148	$ 3,042,589	$ 1,593,888	$ 1,665,413	$ 3,259,301
Materials & Services	2,180,775	2,631,519	3,032,358	1,926,144	1,826,684	3,752,828
Capital Outlay	4,134,267	5,011,053	9,277,132	5,350,270	3,599,250	8,949,520
Transfers Out	716,763	360,000	410,000	435,000	440,000	875,000
Contingency	-	-	969,013	1,588,925	996,252	996,252
Reserved for Future Expenditures	449,323	-	-	-	-	-
Unappropriated Fund Balance	1,748,075	2,680,863	-	-	-	-
Total Requirements	**$11,414,606**	**$13,130,583**	**$16,731,092**	**$10,894,227**	**$ 8,527,599**	**$17,832,901**

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



TRANSPORTATION

OVERVIEW

The Transportation Division encompasses pavement maintenance and improvement, traffic management, safety improvements, signalization and pavement markings, landscape maintenance including street trees and medians, maintenance of guardrails and street furnishings, emergency response, city beautification, and municipal elevator maintenance. Approximately 143 center line miles of roads (includes 5.2 miles of alleys), 155 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 12.85 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 237 requests for service from citizens; completed 1222 work orders
- Sealed over 32 lane miles of city streets. This includes 57,753 pounds of crack seal applied by city crews
- Removed/replaced 18 trees; trimmed 1,134 trees
- Repaired 62 City-owned streetlights; converted 44 City-owned streetlights to LED
- Managed $5.8 million in contracted pavement maintenance projects
- Maintained and upgraded street signs per Federal Highway Administration (FHWA)-required plan; 435 street signs removed and replaced
- Completed the Meyers Road project between Hwy 213 and High School Avenue
- Completed the design and bid phases of the Molalla Avenue project; project construction on time and on budget and tracking to completion by November 2021
- In-house paving projects (potholes, overlays, rut patching, etc.) totaled 1,900 tons of asphalt
- Applied approximately 2,500 gallons of Magnesium Chloride (De-ice) to city streets

GOALS AND PROJECTS

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

TRANSPORTATION EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 1,338,599	$ 1,490,268	$ 1,876,783	$ 929,223	$ 971,038	$ 1,900,261
Benefits	846,804	956,880	1,165,806	664,665	694,375	1,359,040
Total Personnel Services	2,185,403	2,447,148	3,042,589	1,593,888	1,665,413	3,259,301
Materials & Services						
Professional & Technical Services	478,923	519,620	449,815	362,000	259,500	621,500
Repair & Maintenance Services	520,194	607,759	631,527	340,200	340,600	680,800
Other Services	-	-	200	100	100	200
Employee Costs	32,839	38,229	29,900	17,250	17,250	34,500
Operating Materials & Supplies	196,718	237,039	242,400	152,000	152,000	304,000
Office & Administrative Supplies	56,926	53,370	45,266	25,133	25,133	50,266
Internal Service Charges	-	172,400	365,700	194,500	197,140	391,640
Total Materials & Services	1,285,600	1,628,417	1,764,808	1,091,183	991,723	2,082,906
Capital Outlay	173,089	712,490	1,576,500	1,639,270	717,250	2,356,520
Transfers Out	704,045	360,000	410,000	435,000	440,000	875,000
Contingency	-	-	34,077	270,415	449,873	449,873
Reserved for Future Expenditures	449,323	-	-	-	-	-
Total Transportation	$ 4,797,460	$ 5,148,055	$ 6,827,974	$ 5,029,756	$ 4,264,259	$ 9,023,600

BUDGET HIGHLIGHTS

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

This budget continues transfers to Community Facilities Fund of $300,000 to help fund Public Works Operations Center as well as fleet replacement reserve funding for a total of $575,000 for the biennium.

The Professional & Technical Services budget includes the following items:

Elevator contract and services	$ 322,000
Update street design standards	75,000
Legal	40,000
Elevator maintenance	68,000
Grant applications	30,000
Concept plan implementation	20,000
ADA transition plan	15,000
APWA Accreditation	10,000
Electrician	10,000
Traffic counts	9,500
Civil engineering	8,000
Surveying	4,000
Other	10,000
Total	$ 621,500

Capital Outlay includes the following:

Trillium Park Roadway Rehabilitation	$ 1,000,000
Sidewalk and Bike Lane Infill	505,520
Gardiner Middle School Sidewalks	225,000
Holcomb Boulevard Bike/Pedestrian Improvements	155,000
Hwy 213 & Beavercreek Turn Lane	140,000
Linn/Leland/Warner Milne Roundabout	107,250
Molalla Avenue	50,000
Linn Ave Bike/Pedestrian Improvements	35,750
Traffic Signal Upgrades	17,000
Other Transportation Projects	121,000
Transportation Capital Outlay	$ 2,356,520

Public Works – Transportation

PAVEMENT MAINTENANCE EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Materials & Services						
Professional & Technical Services	$ 339,630	$ 163,397	$ 49,000	$ 11,000	$ 11,000	$ 22,000
Repair & Maintenance Services	381,667	564,220	600,000	500,000	500,000	1,000,000
Operating Materials & Supplies	172,148	215,628	230,000	115,000	115,000	230,000
Office & Administrative Supplies	1,730	1,800	850	425	425	850
Internal Service Charges	-	58,057	387,700	208,536	208,536	417,072
Total Materials & Services	895,175	1,003,102	1,267,550	834,961	834,961	1,669,922
Capital Outlay	3,961,178	4,298,563	7,700,632	3,711,000	2,882,000	6,593,000
Transfers & Other Uses	12,718	-	-	-	-	-
Contingency	-	-	934,936	1,318,510	546,379	546,379
Unappropriated Fund Balance	1,748,075	2,680,863	-	-	-	-
Total Pavement Maintenance	$ 6,617,146	$ 7,982,528	$ 9,903,118	$ 5,864,471	$ 4,263,340	$ 8,809,301

BUDGET HIGHLIGHTS

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

Capital Outlay includes $5,543,000 for roadway reconstruction, $1,000,000 for Molalla Avenue Phase III and $50,000 for other miscellaneous capital items.

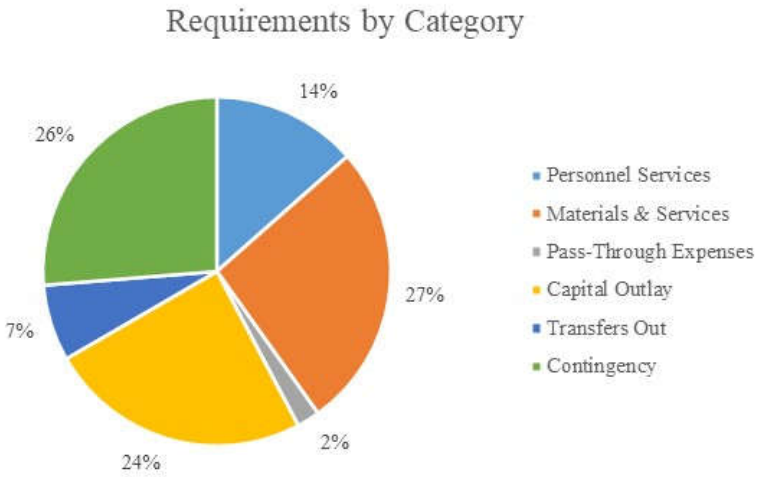
WATER

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. Capital reserves continued to accumulate in the 2021-2023 biennium for a variety of larger capital projects planned for future construction.

Water Operations	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 3,469,528	$ 4,750,864	$ 4,325,070	$ 5,806,459	$ 4,184,798	$ 5,806,459
Intergovernmental	5,654	-	-	2,803,500	2,803,500	5,607,000
Charges for Services	13,460,586	14,788,639	15,631,242	7,967,323	8,193,123	16,160,446
Pass-Through Revenues:						
South Fork SDC Collections	539,381	575,501	600,000	300,000	300,000	600,000
Interest Income	46,844	137,291	135,000	25,000	35,000	60,000
Miscellaneous Income	3,510	2,576	-	-	15,000	15,000
Total Resources	**$ 17,525,503**	**$ 20,254,871**	**$ 20,691,312**	**$ 16,902,282**	**$ 15,531,421**	**$ 28,248,905**
Requirements by Category						
Personnel Services	$ 2,893,111	$ 2,834,948	$ 2,966,797	$ 1,868,003	$ 1,951,830	$ 3,819,833
Materials & Services	4,909,515	7,004,025	7,492,282	3,763,481	3,751,442	7,514,923
Pass-Through Expenses	539,381	575,528	600,000	300,000	300,000	600,000
Capital Outlay	2,103,021	4,026,105	6,869,000	5,836,000	1,060,000	6,896,000
Transfers Out	2,329,611	1,400,000	1,650,000	950,000	1,050,000	2,000,000
Contingency	-	-	1,113,233	4,184,798	7,418,149	7,418,149
Unappropriated Fund Balance	4,750,864	4,414,265	-	-	-	-
Total Requirements	**$ 17,525,503**	**$ 20,254,871**	**$ 20,691,312**	**$ 16,902,282**	**$ 15,531,421**	**$ 28,248,905**

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



WATER

OVERVIEW

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

The City's water distribution system includes 171 miles of water mains, 5 water reservoirs, 1,500 fire hydrants, 22 pressure reducing valves, and 5 dedicated pump stations; all of which serve over 11,150 customers. The Division includes 13.55 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.

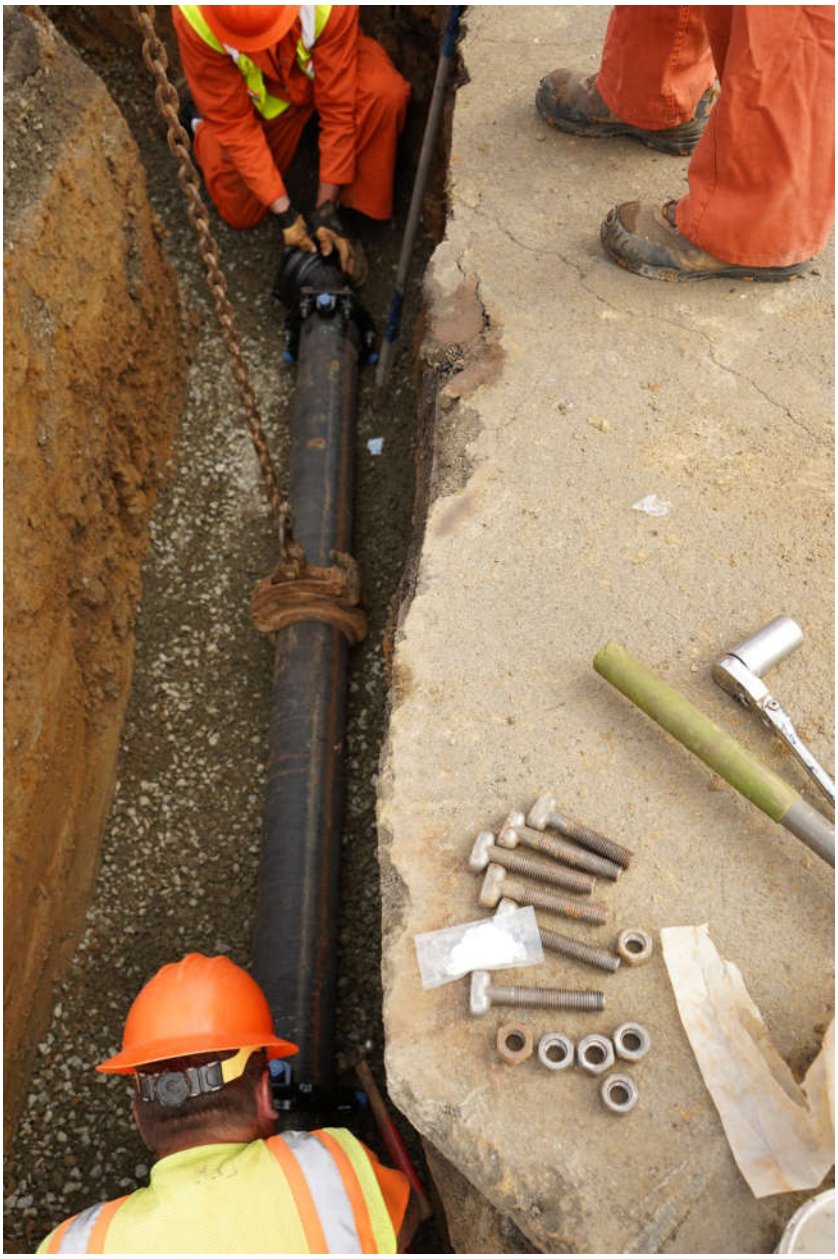
ACCOMPLISHMENTS

- Received 150 requests for service from citizens; completed 1,137 work orders
- Maintained the 2016 Department of Health Water System Survey rating of "Outstanding Performer" (re-evaluation completed every 5 years and OHA is due to inspect in 2021)
- Completed annual contracted pipe replacement projects, including:
  - Molalla Avenue (Beavercreek to Sebastian Way) – New Transmission Main
  - Molalla Avenue (Beavercreek to Clairmont Way) 8" and 10" distribution lines.
  - Barker Avenue from South End Road to Barker Road
  - High Street Phase II (3rd Street to 7th Street)
  - 5th Street (High Street to Center Street)
- Completed the annual leak detection program for 1/3 of the City to reduce potential unaccounted for water
- Completed a site evaluation for the new Thimble Creek Reservoir (Beavercreek Concept Plan)

GOALS AND PROJECTS

- Water system line replacements and improvements:
  - Upgrade pump drives and programable logic controllers at the Mountain View Pump Station
  - Water distribution system improvements and pressure reducing valve replacements in the Canemah Neighborhood
  - Latourette Street, Randall Street, and Main Street (10th Street to 15th Street)
  - Clairmont Area ongoing pipe replacement
- Complete improvements to the Henrici Reservoir including interior and exterior reservoir coatings, passive mixing upgrades, cathodic protection and safety upgrades
- Complete a seismic analysis and condition assessment analysis at Barlow Reservoir
- Complete a seismic analysis for Boynton Reservoir
- Complete Pressure Reducing Valve replacement and upgrade projects at 18th Street and Anchor Way, Abernethy and Redland Road, and Harley and Forsyth Road
- Upgrade the Clackamas River Water (CRW) and Oregon City (OC) Meter Intertie

- Respond to customer and system emergencies (maintain 24/7 on-call service)
- Continue planning and public awareness to establish water rates to a level necessary to address unfunded capital needs (i.e., pipe replacement program)
- Remain compliant with federal/state/local water quality rules and regulations including annual water quality report for distribution system
- Continue to communicate with the community and businesses to enhance public awareness about water service backflow prevention and winter preparedness to avoid frozen waterlines
- Continue with annual leak detection program for 1/3 of the City (50 miles per year) to reduce potential unaccounted for water



Public Works – Water

WATER EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 1,721,908	$ 1,682,120	$ 1,820,099	$ 1,079,453	$ 1,128,028	$ 2,207,481
Benefits	1,171,203	1,152,828	1,146,698	788,550	823,802	1,612,352
Total Personnel Services	2,893,111	2,834,948	2,966,797	1,868,003	1,951,830	3,819,833
Materials & Services						
Professional & Technical Services	225,902	349,216	320,614	302,960	181,460	484,420
Repair & Maintenance Services	431,642	485,686	435,350	231,700	230,100	461,800
Other Services	688,116	601,150	638,684	336,665	344,466	681,131
Employee Costs	31,968	38,834	35,750	20,950	19,950	40,900
Operating Materials & Supplies	3,463,599	4,016,956	4,528,900	2,093,550	2,192,830	4,286,380
Office & Administrative Supplies	68,288	68,152	62,984	29,852	31,352	61,204
Pass-Through Payments	539,381	575,528	600,000	300,000	300,000	600,000
Internal Service Charges	-	1,444,031	1,470,000	747,804	751,284	1,499,088
Total Materials & Services	5,448,896	7,579,553	8,092,282	4,063,481	4,051,442	8,114,923
Capital Outlay	2,103,021	4,026,105	6,869,000	5,836,000	1,060,000	6,896,000
Transfers Out	2,329,611	1,400,000	1,650,000	950,000	1,050,000	2,000,000
Contingency	-	-	1,113,233	4,184,798	7,418,149	7,418,149
Unappropriated Fund Balance	4,750,864	4,414,265	-	-	-	-
Total Water	$ 17,525,503	$ 20,254,871	$ 20,691,312	$ 16,902,282	$ 15,531,421	$ 28,248,905

BUDGET HIGHLIGHTS

Operating Materials & Supplies includes the following items:

Water purchases	$ 3,927,080
Fittings and values	140,000
Pipe	40,000
Other operating supplies	179,300
Total	$ 4,286,380

Professional & Technical Services includes funding for the following:

Engineering	$ 160,000
Environmental	139,020
Technical	110,400
Legal	45,000
Consulting	30,000
Total	$ 484,420

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

Capital Outlay includes capital projects as shown below:

Pipe replacement projects:	
Main Street (10th to 15th St)	$ 800,000
Clairmont area	730,000
Randall Street	260,000
Latourette Street	210,000
In-House Water Line	20,000
Pipe upgrade projects:	
Molalla Avenue	375,000
Facility projects:	
Henrici Reservoir Assessment	2,400,000
Canemah Pressure Releasing Valves	756,000
Pressure Releasing Valves	675,000
Pump Rebuilds	300,000
Reservoir Seismic Analysis	125,000
Fairway Downs Reservoir	100,000
Roadway Reconstruction	100,000
Intertie Meter Vault Upgrade	45,000
Total	$ 6,896,000

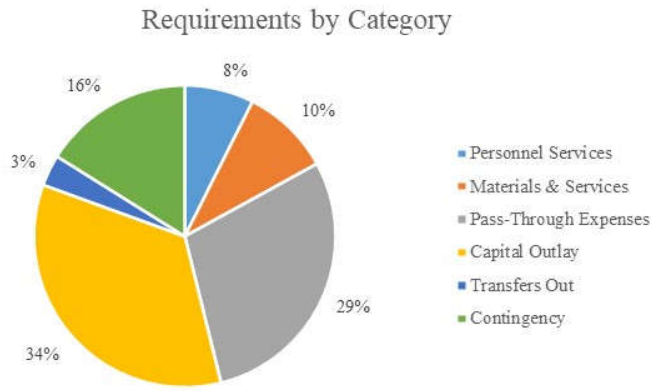
WASTEWATER

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 2019-2021 biennium included funding to better evaluate and kick off the City's infiltration and inflow (I & I) reduction programs. The current biennium will see the completion of many master plan recommended renewal and replacement program projects, while maintaining a strong fund contingency that will account for an aggressive I & I reduction program consistent with the aging collection system.

Wastewater Operations	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 4,012,058	$ 6,641,700	$ 9,652,888	$ 12,956,801	$ 9,454,579	$ 12,956,801
Intergovernmental	8,916	-	-	-	-	-
Charges for Services	10,934,720	11,674,514	12,232,359	6,520,982	6,783,441	13,304,423
Pass-Through Revenues:						
Tri-City Collections	9,306,161	10,646,318	10,950,784	5,376,400	5,729,456	11,105,856
Interest Income	56,292	232,056	235,000	75,000	75,000	150,000
Miscellaneous Income	-	4,722	-	-	-	-
Franchise Fees	495,295	550,596	603,000	304,600	316,800	621,400
Transfers In	-	-	400,000	-	-	-
Total Resources	**$ 24,813,442**	**$ 29,749,906**	**$ 34,074,031**	**$ 25,233,783**	**$ 22,359,276**	**$ 38,138,480**
Requirements by Category						
Personnel Services	$ 2,059,860	$ 2,303,809	$ 2,576,855	$ 1,384,954	$ 1,447,109	$ 2,832,063
Materials & Services	1,558,029	3,247,201	3,496,156	1,815,350	1,843,207	3,658,557
Pass-Through Expenses	9,166,211	10,164,307	10,950,784	5,376,400	5,729,456	11,105,856
Capital Outlay	1,935,036	1,334,090	5,745,000	6,587,500	6,535,000	13,122,500
Debt Service	1,056,825	1,531,344	-	-	-	-
Transfers Out	2,395,781	1,280,000	2,930,000	615,000	660,000	1,275,000
Contingency	-	-	8,375,236	9,454,579	6,144,504	6,144,504
Reserved for Future Expenditure	-	-	-	-	-	-
Unappropriated Fund Balance	6,641,700	9,889,155	-	-	-	-
Total Requirements	**$ 24,813,442**	**$ 29,749,906**	**$ 34,074,031**	**$ 25,233,783**	**$ 22,359,276**	**$ 38,138,480**

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



WASTEWATER

OVERVIEW

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

The City's wastewater collection system includes 14 pump stations and 136 miles of both force main and gravity pipes, all of which serve over 10,900 customers. The Division includes 10.66 FTEs.

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

ACCOMPLISHMENTS

- Received 75 requests for service from citizens; completed 1,137 work orders
- Completed scheduled small works improvement projects
- Completed 53.3 miles of sanitary sewer TV inspection
- Completed 35.7 miles of sanitary sewer line cleaning
- Completed upgrades to Noble Ridge pump station
- Completed the Stormwater Inflow Reduction Project
- Initiated the design for the Rivercrest Basin I & I Reduction Project
- Completed the second and final phase of the Hazelwood Drive Sanitary Sewer Upgrades
- Completed the design and bid phase services for the Trillium Park Drive Sewer Relocation project
- Completed necessary sewer line replacement project associated with the Molalla Avenue Phase III and the Gaffney Lane Street improvement projects

GOALS AND PROJECTS

- Conduct the following I & I reduction projects:
  - Latourette Street
  - Washington Street
  - Rivercrest Neighborhood
  - 99E pipeline repairs near 8th Street
- Transition to a consultant managed I & I reduction program to help augment staff capacity to deliver over $7 million in I & I focused projects beginning with high priority areas in the McLoughlin neighborhood, Settlers Point drainage basin, and Canemah neighborhood.
- Complete improvements to the Canemah Pumps Station (new generator/auto transfer switch and wet well repairs
- Complete the Trillium Park Drive Sewer Re-location project.
- Continue the I & I reduction investigation program including TV inspection, smoke testing, public education, and public policy
- Complete annual small works, pipe replacement, and separation projects per Sanitary Sewer Master Plan and Capital Improvement Plan through routine operations and maintenance, such as:
  - Line cleaning, TV inspections, and root intrusion control
  - 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

Public Works – Wastewater

WASTEWATER EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 1,265,300	$ 1,379,469	$ 1,507,444	$ 803,870	$ 840,045	$ 1,643,915
Benefits	794,560	924,340	1,069,411	581,084	607,064	1,188,148
Total Personnel Services	2,059,860	2,303,809	2,576,855	1,384,954	1,447,109	2,832,063
Materials & Services						
Professional & Technical Services	312,461	246,616	315,000	143,500	143,500	287,000
Repair & Maintenance Services	444,051	407,154	449,300	230,000	224,950	454,950
Other Services	636,639	673,078	730,116	389,260	404,947	794,207
Employee Costs	33,300	25,702	24,508	12,169	12,169	24,338
Operating Materials & Supplies	76,341	90,809	105,708	53,754	53,754	107,508
Office & Administrative Supplies	55,237	47,520	51,924	23,919	23,979	47,898
Pass-Through Payments	9,166,211	10,164,307	10,950,784	5,376,400	5,729,456	11,105,856
Internal Service Charges	-	1,756,322	1,819,600	962,748	979,908	1,942,656
Total Materials & Services	10,724,240	13,411,508	14,446,940	7,191,750	7,572,663	14,764,413
Capital Outlay	1,935,036	1,334,090	5,745,000	6,587,500	6,535,000	13,122,500
Principal & Interest	1,056,825	1,531,344	-	-	-	-
Transfers Out	2,395,781	1,280,000	2,930,000	615,000	660,000	1,275,000
Contingency	-	-	8,375,236	9,454,579	6,144,504	6,144,504
Unappropriated Fund Balance	6,641,700	9,889,155	-	-	-	-
Total Wastewater	$ 24,813,442	$ 29,749,906	$ 34,074,031	$ 25,233,783	$ 22,359,276	$ 38,138,480

BUDGET HIGHLIGHTS

Capital Outlay includes the following:

Pipe replacement projects:	
Trillium Park Drive	$ 325,000
Latourette Street	150,000
Miscellaneous	300,000
Facility projects:	
Canemah generator upgrade	80,000
Inflow & infiltration projects:	
Inflow & Infiltration Program	7,100,000
Rivercrest Basin Construction	3,980,000
Coffee Creek Sewer Line	540,000
Cure in Place Pipe (CIPP) projects	375,000
Sewer Hardship Program	200,000
Other Projects	40,000
Equipment	32,500
Total Capital Outlay	$ 13,122,500

Professional & Technical Services includes funding for the following:

Technical	$ 242,000
Legal	30,000
Engineering	14,000
Environmental	1,000
Total	$ 287,000

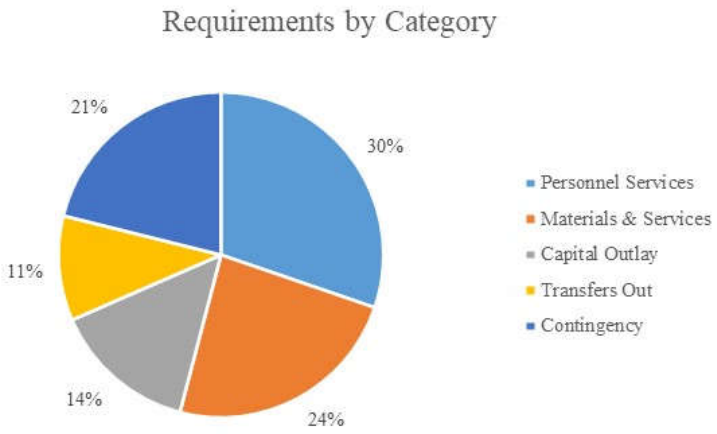
STORMWATER

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

With the decision for a potential rate increase currently before the City Commission, the revenue projection for the biennium reflects only an inflationary adjustment to rates, as well as anticipated new accounts. Under current rates, the City must accumulate reserves in order to cover the cost of large and costly CIP projects.

Stormwater Operations	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 1,085,141	$ 1,352,381	$ 1,642,549	$ 2,506,230	$ 1,909,272	$ 2,506,230
Charges for Services	5,338,581	5,837,233	6,103,363	3,294,006	3,451,740	6,745,746
Intergovernmental	31,822	-	-	-	-	-
Interest Income	10,683	47,959	50,000	7,000	7,000	14,000
Miscellaneous Income	-	988	-	-	-	-
Total Resources	**$ 6,466,227**	**$ 7,238,561**	**$ 7,795,912**	**$ 5,807,236**	**$ 5,368,012**	**$ 9,265,976**
Requirements by Category						
Personnel Services	$ 2,181,561	$ 2,204,286	$ 2,479,663	$ 1,370,538	$ 1,432,043	$ 2,802,581
Materials & Services	1,153,568	1,768,622	1,833,319	1,159,426	1,048,500	2,207,926
Capital Outlay	568,435	830,187	1,180,000	928,000	405,000	1,333,000
Transfers Out	1,210,282	810,000	910,000	440,000	525,000	965,000
Contingency	-	-	1,392,930	1,909,272	1,957,469	1,957,469
Unappropriated Fund Balance	1,352,381	1,625,466	-	-	-	-
Total Requirements	**$ 6,466,227**	**$ 7,238,561**	**$ 7,795,912**	**$ 5,807,236**	**$ 5,368,012**	**$ 9,265,976**

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



STORMWATER

OVERVIEW

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

The Utility manages the stormwater collection and treatment systems within the city limits of Oregon City including 23 drainage basins, 85 detention ponds, 4,506 catch basins, 25 miles of above ground streams, and 26 underground detention tanks. There are 10.03 FTEs funded in the budget including shared administrative and supervisory personnel. Annually, pipes and storm lines are inspected for structural integrity, root intrusion and service line connections. Storm lines are cleaned every year and debris and sediment are removed, pipes with significant structural damage are repaired or replaced. The entire conveyance system is maintained through mowing, trash pickup, and grate cleaning on detention ponds and swales throughout the City.

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

ACCOMPLISHMENTS

- Received 128 request for services from Citizens; Completed 1,107 work orders
- Swept 14,109 curb miles and collected 6,493 cubic yards debris and leaves
- Completed over 862 erosion control inspections and issued 27 notices of non-compliance and 11 Stop Work Orders
- Completed Municipal Separate Storm Sewer System Permit (MS4) Requirements as scheduled
- Received 37 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 WES and other Clackamas County co-permittees
- Performed flood control, cleaning, maintenance & repair of the City's stormwater system as reported in 2018 the National Pollutant Discharge Elimination System (NPDES) Annual Report
  - Submitted for new 5 year NPDES Permit to the Department of Environmental Quality
- Corrected 2 sanitary to storm cross connections
- Maintained/inspected 85 detention ponds, 1 rain gardens, and 27 or 35,009 square feet of bioswales, 36 roadside stormwater planters, 2 soaker trenches that are maintained each of the two years
- Inspected and/or cleaned 2,811 catch basins and 224 pollution control manholes, vaults, and underground detentions facilities
- Completed the South 2nd Street and High Street Pipe Replacement / Stormwater Improvement Project
- Completed the Harding Boulevard Stormwater Extension Project
- Completed the 5th Street stormwater system upgrade and replacement 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:
  - Gaffney Lane Street widening
  - Scatter Canyon
- Utilize industry leading best management practices to adaptively manage the stormwater collection system work programs and infrastructure to comply with the newly

issued NPDES MS4 permit

- Continue to formalize storm maintenance evaluation & assessment programs
- Develop system replacement needs based on inspection and assessment
  - Clean lines as needed based on video inspection assessment
  - Catch Basin Cleaning – 1,480 catch basins per year, 4,430 catch basins every 3 years
  - Pollution Control Manholes/Vault & Detention Pipe Cleaning – 42 per year or 84 every 2 years
  - Maintain 89 storm water quality ponds
- Complete scheduled pipe repair, replacement, and system upgrades
- Upgrade storm systems in conjunction with pavement maintenance schedule

Public Works – Stormwater

STORMWATER EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 1,309,511	$ 1,305,808	$ 1,475,244	$ 795,443	$ 831,238	$ 1,626,681
Benefits	872,050	898,478	1,004,419	575,095	600,805	1,175,900
Total Personnel Services	2,181,561	2,204,286	2,479,663	1,370,538	1,432,043	2,802,581
Materials & Services						
Professional & Technical Services	427,257	260,803	189,600	226,375	99,575	325,950
Repair & Maintenance Services	262,730	438,099	440,150	286,399	291,799	578,198
Other Services	304,226	330,477	358,033	194,840	202,684	397,524
Employee Costs	23,012	22,405	24,650	14,400	13,450	27,850
Operating Materials & Supplies	99,266	97,125	118,200	63,100	64,100	127,200
Office & Administrative Supplies	37,077	39,412	47,886	22,748	24,248	46,996
Internal Service Charges	-	580,301	654,800	351,564	352,644	704,208
Total Materials & Services	1,153,568	1,768,622	1,833,319	1,159,426	1,048,500	2,207,926
Capital Outlay	568,435	830,187	1,180,000	928,000	405,000	1,333,000
Transfers Out	1,210,282	810,000	910,000	440,000	525,000	965,000
Contingency	-	-	1,392,930	1,909,272	1,957,469	1,957,469
Unappropriated Fund Balance	1,352,381	1,625,466	-	-	-	-
Total Stormwater	$ 6,466,227	$ 7,238,561	$ 7,795,912	$ 5,807,236	$ 5,368,012	$ 9,265,976

BUDGET HIGHLIGHTS

The following Capital Outlay is budgeted in this fund:

Pipe replacement projects:	
Scatter Canyon	$ 420,000
Miscellaneous	100,000
Facility projects:	
Barclay Hills outfall	408,000
Outfall	300,000
Pavement Maintenance	100,000
Equipment	5,000
Total	$ 1,333,000

Professional & Technical Services includes the following:

Engineering	$ 120,000
Environmental	109,950
Legal	40,000
Technical	29,000
Consulting	27,000
Total	$ 325,950

SYSTEM DEVELOPMENT

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

Charges are collected for the following functions:

- Transportation
- Water
- Wastewater
- Stormwater
- Parks

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

System Development	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 15,474,303	$ 21,180,484	$ 22,871,718	$ 12,287,996	$ 9,264,916	$ 12,287,996
Charges for Services	8,581,365	6,379,317	6,860,000	2,290,000	3,280,000	5,570,000
Intergovernmental	63,153	65,419	3,775,516	43,350	-	43,350
Interest Income	223,757	739,513	362,000	98,000	109,500	207,500
Miscellaneous Income	149,521	385,994	253,806	483,990	123,950	607,940
Transfers In	20,000	-	-	-	-	-
Total Resources	**$24,512,099**	**$28,750,727**	**$34,123,040**	**$15,203,336**	**$12,778,366**	**$18,716,786**
Requirements by Category						
Materials & Services	$ 799,328	$ 759,024	$ 1,265,203	$ 787,520	$ 687,900	$ 1,475,420
Capital Outlay	2,131,793	5,594,163	24,543,316	5,150,900	5,647,750	10,798,650
Transfers Out	400,494	-	375,000	-	-	-
Contingency	-	-	7,939,521	9,264,916	6,442,716	6,442,716
Reserved for Future Expenditures	21,180,484	22,397,540	-	-	-	-
Total Requirements	**$24,512,099**	**$28,750,727**	**$34,123,040**	**$15,203,336**	**$12,778,366**	**$18,716,786**

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 construction of the Meyers Road Extension between Hwy 213 and High School Avenue
- Completed the Gaffney Lane bike and pedestrian improvements
- Continued the ongoing effort to seek grant funding for Main Street (10th Street to 15th Street) sidewalk project construction
- Continued to participate and remain updated on Oregon Department of Transportation (ODOT) High Speed Rail Study

GOALS AND PROJECTS

- Complete the Molalla Avenue Phase III public improvement project
- Complete the Rectangular Repetitive Flashing Beacon (RRFB) projects on Holcomb Blvd and Linn Avenue
- Complete the Hwy 213 and Beavercreek Road west bound right turn lane
- Obtain speed and traffic count data city wide
- Complete the Gardiner Middle School area Safe Routes to Schools pedestrian improvements
- Continue to complete sidewalk and pedestrian infill pedestrian safety and neighborhood concern projects
- Complete a 30% design for the Warner Parrott / Linn / Leland / Central Point / Warner Milne roundabout design
- Complete concept planning for:
  - Molalla/Division/7th Intersection
  - Loder Road between the Oregon City High School and Beavercreek Road
  - Holly Lane (Maple Lane to Beavercreek Concept Plan Area
  - Shared use path (southerly legs)
  - Transportation System Plan (TSP) project prioritization Per City Commission goals
- Continue to seek grants and provide grant match funding as grants become available:
  - Main Street (10th Street to 15th Street) 99E Shared Use Path
  - McLoughlin to Canemah Trail
  - Street design standards
  - Beavercreek Road ARTS Grant
- 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	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 5,507,843	$ 9,016,824	$ 10,353,552	$ 5,459,629	$ 4,727,491	$ 5,459,629
Charges for Services	4,312,830	3,031,768	3,160,000	890,000	1,180,000	2,070,000
Intergovernmental	63,153	65,419	2,887,712	43,350	-	43,350
Interest Income	92,331	609,213	160,000	50,000	50,000	100,000
Miscellaneous Income	95,009	293,023	148,206	386,190	26,150	412,340
Transfers In	20,000	-	-	-	-	-
Total Resources	**$10,091,166**	**$13,016,247**	**$16,709,470**	**$ 6,829,169**	**$ 5,983,641**	**$ 8,085,319**
Requirements by Category						
Materials & Services	$ 450,665	$ 180,658	$ 550,503	$ 459,778	$ 342,878	$ 802,656
Capital Outlay	558,361	2,479,194	12,574,512	1,641,900	2,123,750	3,765,650
Transfers Out	65,316	-	-	-	-	-
Contingency	-	-	3,584,455	4,727,491	3,517,013	3,517,013
Reserved for Future Expenditures	9,016,824	10,356,395	-	-	-	-
Total Requirements	**$10,091,166**	**$13,016,247**	**$16,709,470**	**$ 6,829,169**	**$ 5,983,641**	**$ 8,085,319**

WATER SYSTEM DEVELOPMENT

OVERVIEW

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

ACCOMPLISHMENTS

- Continue to maintain updates to the City's computerized hydraulic model and SDC calculator
- Completed the Water SUD Update Analysis
- Completed the Meyers Road Waterline Extension
- Completed a waterline upgrade and replacement project along Molalla Avenue between Beavercreek Road and Highway 213
- Completed the Hunter Avenue Booster Pump Station Control Upgrades
- Completed the High Street Phase II waterline upgrades
- Completed the Beavercreek Concept Plan (upper pressure zone) new reservoir and pump station siting study via joint venture with CRW or Oregon City on its own

GOALS AND PROJECTS

- Obtain approval to update the City's Water SDC rates
- Initiate a long-term service area agreement with CRW
- Initiate and complete a Pressure Reducing Valve replacement and upgrade program
  Adopt the Thimble Creek (Beavercreek Concept Plan (upper pressure zone) new reservoir) siting study.
- Continue to maintain updates to the City's computerized hydraulic model

Water Development	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 3,383,780	$ 3,974,159	$ 4,572,546	$ 3,197,109	$ 2,446,761	$ 3,197,109
Charges for Services	1,240,028	695,699	800,000	500,000	800,000	1,300,000
Interest Income	44,575	47,746	72,000	25,000	35,000	60,000
Total Resources	**$ 4,668,383**	**$ 4,717,604**	**$ 5,444,546**	**$ 3,722,109**	**$ 3,281,761**	**$ 4,557,109**
Requirements by Category						
Materials & Services	$ 46,777	$ 172,679	$ 142,800	$ 66,348	$ 66,948	$ 133,296
Capital Outlay	554,647	99,977	3,576,000	1,209,000	1,974,000	3,183,000
Transfers Out	92,800	-	-	-	-	-
Contingency	-	-	1,725,746	2,446,761	1,240,813	1,240,813
Reserved for Future Expenditures	3,974,159	4,444,948	-	-	-	-
Total Requirements	**$ 4,668,383**	**$ 4,717,604**	**$ 5,444,546**	**$ 3,722,109**	**$ 3,281,761**	**$ 4,557,109**

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 II Moratorium Project
- Completed the Meyers Road sewer extension element of the Street Extension Project

GOALS AND PROJECTS

- Complete or contribute to a development required sewer extension off Meyers Road and serving a pocket of the Beavercreek Industrial area
- Funding SDC credits up to $200,000

Wastewater Development	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 2,658,178	$ 2,716,567	$ 1,733,893	$ 881,380	$ 876,132	$ 881,380
Charges for Services	955,140	886,599	800,000	250,000	400,000	650,000
Interest Income	29,533	23,563	36,000	6,000	7,500	13,500
Total Resources	**$ 3,642,851**	**$ 3,626,729**	**$ 2,569,893**	**$ 1,137,380**	**$ 1,283,632**	**$ 1,544,880**
Requirements by Category						
Materials & Services	$ 8,762	$ 94,430	$ 74,900	$ 61,248	$ 76,848	$ 138,096
Capital Outlay	826,580	1,874,202	1,540,000	200,000	50,000	250,000
Transfers	90,942	-	-	-	-	-
Contingency	-	-	954,993	876,132	1,156,784	1,156,784
Reserved for Future Expenditures	2,716,567	1,658,097	-	-	-	-
Total Requirements	**$ 3,642,851**	**$ 3,626,729**	**$ 2,569,893**	**$ 1,137,380**	**$ 1,283,632**	**$ 1,544,880**

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 and 5th Street improvements
- Completed and received City Commission approval for the Citywide Stormwater Management Master Plan
- Completed the Stormwater SDC Study
- Completed the Harding Boulevard Stormwater Extension
- Completed the Meyers Road Stormwater System Oversizing

Goals and Projects

- Obtain Commission approval to implement new (increased) stormwater SDC rates
- Address infrastructure needs as needed in the Stormwater Master Plan
- Comply with regulatory capital improvement requirements associated with the NPDES MS4 Permit
- Complete the Holcomb Boulevard and Swan Avenue Outfall Upgrades

Stormwater Development	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 602,441	$ 521,242	$ 434,330	$ 338,870	$ 346,072	$ 338,870
Charges for Services	289,970	191,584	200,000	50,000	100,000	150,000
Interest Income	6,530	2,785	4,000	2,000	2,000	4,000
Total Resources	**$ 898,941**	**$ 715,611**	**$ 638,330**	**$ 390,870**	**$ 448,072**	**$ 492,870**
Requirements by Category						
Materials & Services	$ 154,266	$ 124,871	$ 94,700	$ 44,798	$ 45,398	$ 90,196
Capital Outlay	146,977	200,000	365,000	-	-	-
Transfers	76,456	-	-	-	-	-
Contingency	-	-	178,630	346,072	402,674	402,674
Reserved for Future Expenditures	521,242	390,740	-	-	-	-
Total Requirements	**$ 898,941**	**$ 715,611**	**$ 638,330**	**$ 390,870**	**$ 448,072**	**$ 492,870**

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

- Planned and constructed Joint Operations Facility to support Park Operations and Public Works
- Completed Phase I Development of Tyrone S. Woods Memorial Park
- Completed planning phase for development of Filbert Run Park

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
- 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, and other SDC eligible projects

Parks Development	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 3,322,061	$ 4,951,692	$ 5,777,397	$ 2,411,008	$ 868,460	$ 2,411,008
Charges for Services	1,783,397	1,573,667	1,900,000	600,000	800,000	1,400,000
Intergovernmental	-	-	887,804	-	-	
Interest Income	50,788	56,206	90,000	15,000	15,000	30,000
Miscellaneous Income	54,512	92,971	105,600	97,800	97,800	195,600
Total Resources	**$ 5,210,758**	**$ 6,674,536**	**$ 8,760,801**	**$ 3,123,808**	**$ 1,781,260**	**$ 4,036,608**
Requirements by Category						
Materials & Services	$ 138,858	$ 186,386	$ 402,300	$ 155,348	$ 155,828	$ 311,176
Capital Outlay	45,228	940,790	6,487,804	2,100,000	1,500,000	3,600,000
Transfers	74,980	-	375,000	-	-	-
Contingency	-	-	1,495,697	868,460	125,432	125,432
Reserved for Future Expenditures	4,951,692	5,547,360	-	-	-	-
Total Requirements	**$ 5,210,758**	**$ 6,674,536**	**$ 8,760,801**	**$ 3,123,808**	**$ 1,781,260**	**$ 4,036,608**

FLEET SERVICES

OVERVIEW

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

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

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

Fleet Services	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 711	$ 8,579	$ 3,848	$ 27,719	$ 53,220	$ 27,719
Charges for Services	838	-	200	100	100	200
Internal Service Charges	433,800	474,813	457,980	262,905	263,005	525,910
Interest Income	37	143	-	-	-	-
Total Resources	**$ 435,386**	**$ 483,535**	**$ 462,028**	**$ 290,724**	**$ 316,325**	**$ 553,829**
Requirements by Category						
Materials & Services	$ 416,807	$ 469,157	$ 446,400	$ 237,504	$ 237,504	$ 475,008
Capital Outlay	-	9,862	-	-	-	-
Transfers Out	10,000	-	-	-	-	-
Contingency	-	-	15,628	53,220	78,821	78,821
Unappropriated Fund Balance	8,579	4,516	-	-	-	-
Total Requirements	**$ 435,386**	**$ 483,535**	**$ 462,028**	**$ 290,724**	**$ 316,325**	**$ 553,829**

FLEET SERVICES EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Materials & Services						
Professional & Technical Services	$ 136	$ 631	$ 2,000	$ 1,000	$ 1,000	$ 2,000
Repair & Maintenance Services	200,165	257,042	218,500	119,300	119,300	238,600
Employee Costs	9,046	10,571	8,600	5,400	5,400	10,800
Operating Materials & Supplies	194,526	177,631	193,000	99,500	99,500	199,000
Office & Administrative Supplies	12,934	13,282	13,400	6,700	6,700	13,400
Internal Service Charges	-	10,000	10,900	5,604	5,604	11,208
Total Materials & Services	416,807	469,157	446,400	237,504	237,504	475,008
Capital Outlay	-	9,862	-	-	-	-
Transfers Out	10,000	-	-	-	-	-
Contingency	-	-	15,628	53,220	78,821	78,821
Unappropriated Fund Balance	8,579	4,516	-	-	-	-
Total Fleet	$ 435,386	$ 483,535	$ 462,028	$ 290,724	$ 316,325	$ 553,829

OREGON
CITY

COMMUNITY FACILITIES

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

- Public Safety: Reserves consist of funding for the ongoing maintenance of the Robert Libke Public Safety Building. While the Community Safety Advancement Fund (C-SAF) fee accounts for a significant portion of the revenue in this fund, most of this revenue is transferred out of the fund to the Debt Service fund to pay the debt service payments associated with the bonds which were issued to fund the construction of the building.
- Public Works: Reserves consist of funds set aside from the various Public Works funds for the construction and ongoing maintenance of the new Public Works Operations Center.
- Library: Reserves include funds saved for future capital maintenance of the expanded Library facility, as well as current capital needs.
- General: Reserves consist of savings for general governmental facilities, set aside from annual budgetary savings.

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

Community Facilities	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 16,894,727	$ 12,049,825	$ 24,435,102	$ 5,427,166	$ 4,638,613	$ 5,427,166
Intergovernmental	314,536	2,500	-	-	-	-
Charges for Services	1,670,253	2,271,524	2,160,000	1,297,580	1,349,880	2,647,460
Miscellaneous Income	-	39,727	2,500,000	-	-	-
Interest Income	167,475	680,157	431,000	9,000	10,000	19,000
Bond Proceeds	-	16,157,183	-	-	-	-
Transfers In	3,100,000	4,095,929	7,230,000	1,915,000	1,915,000	3,830,000
Total Resources	**$ 22,146,991**	**$ 35,296,845**	**$ 36,756,102**	**$ 8,648,746**	**$ 7,913,493**	**$ 11,923,626**
Requirements						
Materials and Services	$ 196,482	$ 293,650	$ 100,000	$ 52,900	$ 50,000	$ 102,900
Capital Outlay	9,900,684	8,644,738	33,099,041	2,853,733	400,000	3,253,733
Debt Service	-	155,481	2,000	-	-	-
Transfer Out	-	1,102,122	2,208,600	1,103,500	1,101,900	2,205,400
Contingency	-	-	1,346,461	4,638,613	6,361,593	6,361,593
Restricted for Future Expenditure	12,049,825	25,100,854	-	-	-	-
Total Requirements	**$ 22,146,991**	**$ 35,296,845**	**$ 36,756,102**	**$ 8,648,746**	**$ 7,913,493**	**$ 11,923,626**

	Beginning Funds	Biennium Revenues	Biennium Expenditures	Remaining Funds
Public Works Facilities	$ 3,021,091	$ 3,450,000	$ 3,103,733	$ 3,367,358
Public Safety Facilities	700,008	2,687,460	2,308,300	1,079,168
Library Facility	699,982	40,000	150,000	589,982
General Facilities	1,006,085	319,000	-	1,325,085
	$ 5,427,166	**$ 6,496,460**	**$ 5,562,033**	**$ 6,361,593**

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	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 3,659,085	$ 4,306,776	$ 6,056,045	$ 6,452,952	$ 5,159,848	$ 6,452,952
Fines and Forfeitures	-	32,884	-	-	-	
Miscellaneous Income	32,633	75,866	40,000	30,000	30,000	60,000
Interest Income	89,203	195,811	180,000	40,000	40,000	80,000
Loan Repayment	773,928	779,733	-	-	-	-
Transfers In	1,725,050	1,574,700	1,639,826	1,346,000	1,574,000	2,920,000
Total Resources	**$ 6,279,899**	**$ 6,965,770**	**$ 7,915,871**	**$ 7,868,952**	**$ 6,803,848**	**$ 9,512,952**
Requirements						
Materials and Services	$ -	$ 147,598	$ -	$ 209,604	$ 17,604	$ 227,208
Capital Outlay	1,933,123	1,068,799	1,375,000	2,499,500	545,000	3,044,500
Internal Service Charges	-	40,000	43,100	-	-	-
Transfers Out	40,000	-	1,000,000	-	-	-
Contingency	-	-	506,975	-	-	-
Reserved for Future Expenditures	4,306,776	5,709,373	4,990,796	5,159,848	6,241,244	6,241,244
Total Requirements	**$ 6,279,899**	**$ 6,965,770**	**$ 7,915,871**	**$ 7,868,952**	**$ 6,803,848**	**$ 9,512,952**

	Beginning Funds	Biennium Revenues	Biennium Expenditures	Remaining Funds
Parks & Recreation	$ 715,872	$ 220,000	$ 352,000	$ 583,872
Public Safety	1,007,785	720,000	932,000	795,785
General Equipment	1,256,579	104,000	35,208	1,325,371
Community Development	111,356	42,000	30,000	123,356
Engineering	46,410	93,000	57,000	82,410
Transportation	299,882	635,000	200,000	734,882
Water	780,625	600,000	600,000	780,625
Wastewater	1,254,672	275,000	432,500	1,097,172
Stormwater	922,732	365,000	600,000	687,732
Customer Service	57,039	6,000	33,000	30,039
	$ 6,452,952	**$ 3,060,000**	**$ 3,271,708**	**$ 6,241,244**

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

- Effectively transitioned all customer service staff to a work-from-home environment during the initial months of the COVID-19 pandemic, maintaining all functions, without interruption, including the provision of customer service via phone and email
- Implemented new processes and procedures to assist citizens temporarily impacted by the COVID-19 event, especially those with past due utility accounts, including the temporary suspension of water shut-off for non-payment, a temporary, short-term, Reduced Rate Program, as well as enhanced outreach to past due accounts to convey to citizens the City's concern for, and interest in, their well-being

GOALS AND PROJECTS

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

Utility Customer Service	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 52,181	$ 81,446	$ 2,365	$ 267,167	$ 199,260	$ 267,167
Charges for Services	40,432	31,066	186,000	91,000	100,000	191,000
Internal Service Charges	-	2,184,000	2,322,300	1,167,600	1,167,600	2,335,200
Interest Income	1,394	4,950	-	-	-	-
Miscellaneous Income	-	26	-	-	-	-
Transfers In	1,923,877	-	-	-	-	-
Total Resources	**$ 2,017,884**	**$ 2,301,488**	**$ 2,510,665**	**$ 1,525,767**	**$ 1,466,860**	**$ 2,793,367**
Requirements						
Personnel Services	$ 1,240,948	$ 1,354,100	$ 1,538,279	$ 777,815	$ 812,812	$ 1,590,627
Materials & Services	692,340	789,667	923,900	545,692	549,098	1,094,790
Transfers Out	3,150	67,927	4,000	3,000	3,000	6,000
Contingency	-	-	44,486	199,260	101,950	101,950
Unappropriated Fund Balance	81,446	89,794	-	-	-	-
Total Requirements	**$ 2,017,884**	**$ 2,301,488**	**$ 2,510,665**	**$ 1,525,767**	**$ 1,466,860**	**$ 2,793,367**

Utility Customer Service

UTILITY CUSTOMER SERVICE EXPENDITURES

Description	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Personnel Services						
Salaries	$ 738,912	$ 802,440	$ 890,991	$ 441,003	$ 460,848	$ 901,851
Benefits	502,036	551,660	647,288	336,812	351,964	688,776
Total Personnel Services	1,240,948	1,354,100	1,538,279	777,815	812,812	1,590,627
Materials & Services						
Professional & Technical Services	171,843	178,431	193,600	98,040	100,966	199,006
Repair & Maintenance Services	48,125	36,789	51,000	28,040	28,520	56,560
Other Services	136,397	143,688	154,300	76,000	76,000	152,000
Employee Costs	3,311	714	10,000	5,000	5,000	10,000
Operating Materials & Supplies	794	1,768	1,800	1,000	1,000	2,000
Office & Administrative Supplies	331,870	428,277	474,400	293,600	293,600	587,200
Internal Service Charges	-	-	38,800	44,012	44,012	88,024
Total Materials & Services	692,340	789,667	923,900	545,692	549,098	1,094,790
Transfers Out	3,150	67,927	4,000	3,000	3,000	6,000
Contingency	-	-	44,486	199,260	101,950	101,950
Unappropriated Fund Balance	81,446	89,794	-	-	-	-
Total Utility Customer Service	$ 2,017,884	$ 2,301,488	$ 2,510,665	$ 1,525,767	$ 1,466,860	$ 2,793,367

BUDGET HIGHLIGHTS

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

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

DEBT SERVICE

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

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

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

PERS BONDS

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

PERS Debt Service	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 1,926,345	$ 2,033,828	$ 1,795,868	$ 1,426,719	$ 1,222,905	$ 1,426,719
Miscellaneous Income	2,520,105	2,590,448	2,741,893	1,422,330	1,487,032	2,909,362
Interest Income	29,360	59,495	60,000	12,000	10,000	22,000
Other Financing Sources	199,744	-	-	-	-	-
Total Resources	**$ 4,675,554**	**$ 4,683,771**	**$ 4,597,761**	**$ 2,861,049**	**$ 2,719,937**	**$ 4,358,081**
Requirements by Category						
Debt Service	$ 2,641,726	$ 2,854,276	$ 3,089,316	$ 1,638,144	$ 1,700,849	$ 3,338,993
Reserved for Future Expenditures	2,033,828	1,829,495	1,508,445	1,222,905	1,019,088	1,019,088
Total Requirements	**$ 4,675,554**	**$ 4,683,771**	**$ 4,597,761**	**$ 2,861,049**	**$ 2,719,937**	**$ 4,358,081**

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	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Transfers In	$ -	$ 1,102,122	$ 2,208,600	$ 1,103,500	$ 1,101,900	$ 2,205,400
Total Resources	**$ -**	**$ 1,102,122**	**$ 2,208,600**	**$ 1,103,500**	**$ 1,101,900**	**$ 2,205,400**
Requirements by Category						
Debt Service	$ -	$ 1,102,122	$ 2,208,600	$ 1,103,500	$ 1,101,900	$ 2,205,400
Total Requirements	**$ -**	**$ 1,102,122**	**$ 2,208,600**	**$ 1,103,500**	**$ 1,101,900**	**$ 2,205,400**

OREGON
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OREGON
CITY

PERSONNEL

OVERVIEW OF PERSONNEL CHANGES

The proposed 2021-2023 biennial budget proposes a net **increase of 4.95 FTE** over the previous adopted 2019-2021 biennial budget. Increases in FTE are funded from additional revenues or offset by cost savings.

Policy and Administration: Net increase of 1.35 FTE

The budget includes the addition of an Information Technology Director in the second year of the biennium. The remaining 0.35 net increase represents adjustments to part-time hours by City Recorder, Finance and Human Resources.

Police: No Net Change

The budget includes the addition of a Behavioral Health Specialist, offset by the elimination of the Tri-Met Safety Officer, resulting in no net change.

Parks and Recreation: Net Increase of 1.0 FTE

The budget includes the addition of an Administrative Assistant.

Library: Increase of 2.35 FTE

The budget includes the addition of a Library Technology Specialist and a Library Safety Officer. The remaining 0.35 increase represents adjustments to, and reallocations between, both full-time and hourly, Library Assistants.

Community Development: Increase of 0.25 FTE

The Building Division added 0.25 FTE of a Part-Time Plans Examiner position in order to more accurately reflect the current utilization of those part-time hours.

PERSONNEL TRENDS

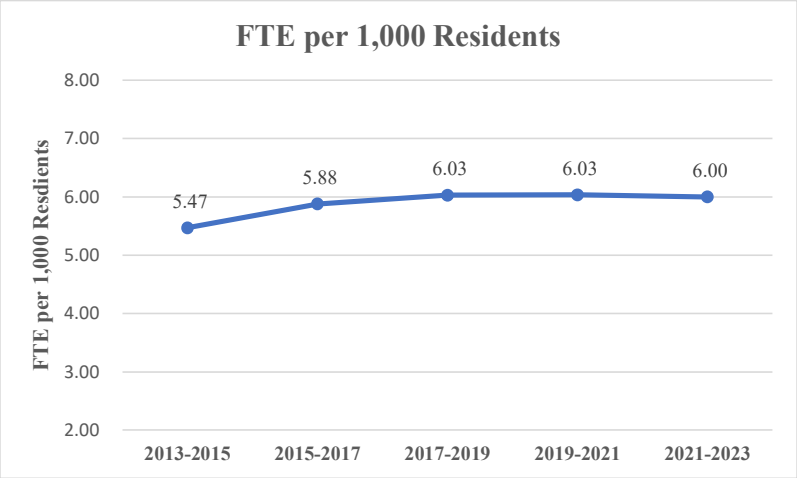
PERSONNEL (FTE) CHANGES BY DEPARTMENT

Department	2015-2017 Adopted	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Proposed	Change
Policy and Administration	29.76	31.36	31.36	32.71	1.35
Police	57.48	58.48	59.48	59.48	0.00
Parks and Recreation	37.70	37.72	39.72	40.72	1.00
Library	13.24	16.15	15.90	18.25	2.35
Community Development	14.00	14.00	13.00	13.25	0.25
Public Works	49.81	50.91	50.91	50.91	0.00
Total FTEs	**201.99**	**208.62**	**210.37**	**215.32**	**4.95**

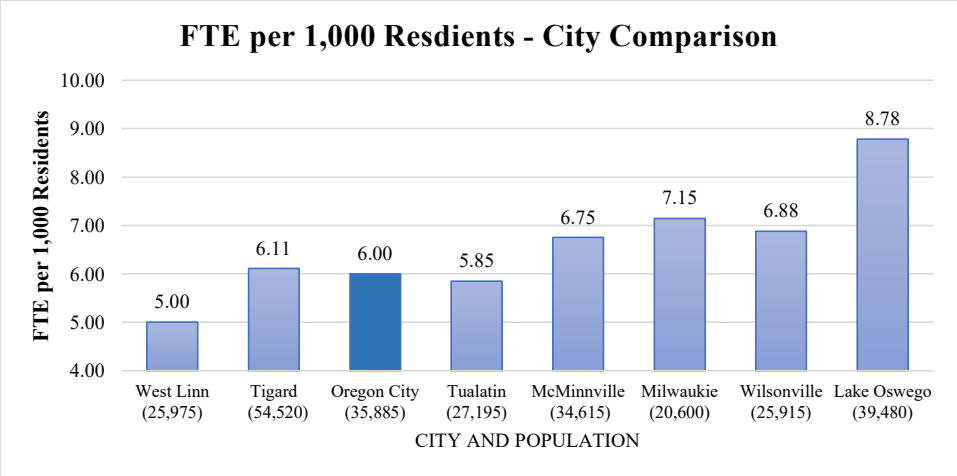
Additional Information – Personnel

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

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



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



PERSONNEL COSTS

Total anticipated costs for wages and fringe benefits are approximately $60.72 million in the 2021-2023 biennium. This represents an increase of $5.58 million as compared to the 2019-2021 biennium. Increases in wages are a result of an increase in FTE, as well as annual cost of living adjustments of 2.5% to 2.75% and step increases called for in the labor contracts. Additionally, the City will experience increases to PERS rates of 0.37% to 2.33% of wages due to PERS legacy costs. The City has two bargaining units, City of Oregon City Employees Local 350-2 Council 75, of the American Federation of State County and Municipal Employees (AFSCME), and the Oregon City Police Employees' Association (OCPEA), which represent approximately 75% of all City positions. Current union contracts expire on June 30, 2022.

PERSONNEL EXPENSES BY DEPARTMENT AND CATEGORY

Department	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2023 Proposed Budget	Change
Policy and Administration	$ 6,646,000	$ 7,302,239	$ 8,906,862	$ 9,396,483	$ 489,621
Police	15,361,651	17,914,855	19,981,173	21,313,461	1,332,288
Parks and Recreation	4,499,721	5,320,785	6,195,504	7,171,245	975,741
General Government	721,681	628,219	818,272	858,250	39,978
Library	2,143,757	2,377,952	2,934,275	3,427,870	493,595
Community Development	2,791,013	3,129,386	3,684,632	4,086,437	401,805
Public Works	10,535,501	11,237,326	12,623,788	14,465,813	1,842,025
Total Wages and Benefits	**$ 42,699,324**	**$ 47,910,761**	**$ 55,144,506**	**$ 60,719,559**	**$ 5,575,053**

Category	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2023 Proposed Budget	Change
Wages	$ 26,493,227	$ 29,021,881	$ 32,383,638	$ 35,255,660	$ 2,872,022
Benefits	16,206,097	18,888,880	22,760,868	25,463,899	2,703,031
Total Wages and Benefits	**$ 42,699,324**	**$ 47,910,761**	**$ 55,144,506**	**$ 60,719,559**	**$ 5,575,053**

Additional Information – Personnel

PERSONNEL BY DEPARTMENT / PERSONNEL BY FUND

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

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

Department and Position	2015-2017 Adopted	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Proposed	Change
Policy and Administration					
City Manager					
City Manager	1.00	1.00	1.00	1.00	0.00
Executive Assistant to City Manager	0.00	1.00	1.00	1.00	0.00
Community Communications Coordinator	0.00	1.00	1.00	1.00	0.00
Total City Manager	***1.00***	***3.00***	***3.00***	***3.00***	***0.00***
City Recorder					
City Recorder	1.00	1.00	1.00	1.00	0.00
Assistant City Recorder	1.00	1.00	1.00	1.00	0.00
Administrative PT Hourly	0.00	0.00	0.00	0.49	0.49
Assistant to City Manager	1.00	0.00	0.00	0.00	0.00
Total City Recorder	***3.00***	***2.00***	***2.00***	***2.49***	***0.49***
Finance					
Finance Director	1.00	1.00	1.00	1.00	0.00
Deputy Finance Director	1.00	1.00	1.00	1.00	0.00
Accountant	1.00	1.00	1.00	1.00	0.00
Senior Accounting Technician	2.00	2.00	2.00	2.00	0.00
Senior Financial Management Analyst	1.00	1.00	1.00	1.00	0.00
Office Specialist III	1.00	1.00	1.00	1.00	0.00
Finance Administrative PT Hourly	0.45	0.45	0.49	0.50	0.01
Total Finance	***7.45***	***7.45***	***7.49***	***7.50***	***0.01***
Utility Customer Service					
Customer Service Team Leader	0.00	0.00	0.00	1.00	1.00
Customer Accounting Coordinator	1.00	1.00	1.00	0.00	(1.00)
Utility Customer Service Representative	3.00	3.00	3.00	3.00	0.00
Total Utility Customer Service	***4.00***	***4.00***	***4.00***	***4.00***	***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	3.00	3.00	3.00	3.00	0.00
Court/Collections Clerk	0.00	0.20	0.20	0.20	0.00
Bailiff	0.24	0.24	0.30	0.30	0.00
Total Municipal Court	***4.46***	***4.66***	***4.72***	***4.72***	***0.00***
Human Resources					
Human Resources Director	1.00	1.00	1.00	1.00	0.00
Human Resources Analyst	1.00	1.00	1.00	1.00	0.00
Risk Specialist	0.75	0.00	0.00	0.00	0.00
Hourly - Personnel	0.00	0.25	0.15	0.00	(0.15)
Total Human Resources	***2.75***	***2.25***	***2.15***	***2.00***	***(0.15)***

Department and Position	2015-2017 Adopted	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Proposed	Change
Economic Development					
Economic Development Manager	1.00	1.00	1.00	1.00	0.00
Economic Development Coordinator	1.00	1.00	1.00	1.00	0.00
Tourism Coordinator	0.00	1.00	1.00	1.00	0.00
Finance Administrative PT Hourly	0.10	0.00	0.00	0.00	0.00
Total Economic Development	***2.10***	***3.00***	***3.00***	***3.00***	***0.00***
Information Technology and GIS					
Information Technology Director	0.00	0.00	0.00	1.00	1.00
Information Technology Supervisor	1.00	1.00	1.00	1.00	0.00
GIS Coordinator	1.00	1.00	1.00	1.00	0.00
Support Specialist	1.00	1.00	1.00	1.00	0.00
Network Analyst	1.00	1.00	1.00	1.00	0.00
GIS Technician	1.00	1.00	1.00	1.00	0.00
Total Information Technology and GIS	***5.00***	***5.00***	***5.00***	***6.00***	***1.00***
Total Policy & Administration	***29.76***	***31.36***	***31.36***	***32.71***	***1.35***
Police					
Police Operations					
Police Chief	1.00	1.00	1.00	1.00	0.00
Police Captain	2.00	2.00	2.00	2.00	0.00
Police Sergeant	8.00	8.00	9.00	9.00	0.00
Police Officer	34.00	34.00	34.00	33.00	(1.00)
Business Manager	1.00	1.00	1.00	1.00	0.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00	0.00
Police Records Manager	1.00	1.00	1.00	1.00	0.00
Police Records Specialist	2.00	2.00	2.00	2.00	0.00
Homeless Liaison Officer	0.00	1.00	1.00	1.00	0.00
Behavioral Health Specialist	0.00	0.00	0.00	1.00	1.00
CSO /Forensics	1.00	1.00	1.00	1.00	0.00
CSO / Property-Evidence Officer	1.00	1.00	1.00	1.00	0.00
Total Police Operations	***52.00***	***53.00***	***54.00***	***54.00***	***0.00***
Code Enforcement and Parking Operations					
Code Enforcement Manager	1.00	1.00	1.00	1.00	0.00
Code Compliance Officer	2.00	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
Parking Operations PT Hourly	0.48	0.48	0.48	0.48	0.00
Total Code Enforcement and Parking Operations	***5.48***	***5.48***	***5.48***	***5.48***	***0.00***
Total Police	***57.48***	***58.48***	***59.48***	***59.48***	***0.00***

Additional Information – Personnel

Department and Position	2015-2017 Adopted	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Proposed	Change
Parks and Recreation					
Parks & Recreation Director	1.00	1.00	1.00	1.00	0.00
Assistant Parks & Recreation Director	1.00	1.00	1.00	1.00	0.00
Administrative Assistant	0.00	0.00	0.00	1.00	1.00
Parks and Cemetery Maintenance					
Parks Maintenance Manager	1.00	1.00	1.00	1.00	0.00
Parks Maintenance Team Lead	0.00	0.00	0.00	1.00	1.00
Parks Maintenance Specialist III	3.00	2.00	2.00	3.00	1.00
Park Maintenance Specialist II	1.00	3.00	5.00	2.00	(3.00)
Park Maintenance Specialist I	2.00	1.00	0.00	1.00	1.00
Administrative Assistant	0.00	0.00	0.00	1.00	1.00
Office Specialist III	1.00	1.00	1.00	1.00	0.00
Office Specialist II	1.00	0.75	0.75	0.00	(0.75)
Parks Maintenance PT Hourly	2.57	2.57	2.57	3.57	1.00
Total Parks and Cemetery Maintenance	***11.57***	***11.32***	***12.32***	***13.57***	***1.25***
Recreation Aquatics					
Aquatics Recreation Manager	1.00	1.00	1.00	1.00	0.00
Building/Facility Maintenance Specialist	0.50	0.50	0.50	0.50	0.00
Office Specialist I PT	0.00	0.30	0.30	0.60	0.30
Recreation Programmer	1.00	1.00	1.00	1.00	0.00
Recreation Aquatics PT Hourly	9.00	8.50	8.50	8.50	0.00
Total Recreation Aquatics	***11.50***	***11.30***	***11.30***	***11.60***	***0.30***
Pioneer Community Center					
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 Recreation Programmer	0.98	1.00	1.00	1.00	0.00
Senior Center Nutrition Coordinator PT	0.83	0.50	0.50	0.50	0.00
Senior Center Van Driver PT Hourly	1.20	1.20	1.20	1.20	0.00
Food Service Worker	0.50	0.80	0.80	0.80	0.00
Building Attendant	0.90	0.90	0.90	0.90	0.00
Office Specialist PT	0.94	1.30	1.30	1.30	0.00
Pioneer Center PT Hourly	0.05	0.40	0.40	0.40	0.00
Total Pioneer Community Center	***8.40***	***9.10***	***9.10***	***9.10***	***0.00***
Recreation Programs					
Historic House Guide (Limited Duration)	0.00	0.50	0.50	0.50	0.00
Recreation Programs PT Hourly	2.09	2.50	2.50	0.95	(1.55)
Total Recreation Programs	***2.09***	***3.00***	***3.00***	***1.45***	***(1.55)***
Facilities Maintenance					
Maintenance Custodian	1.00	0.00	0.00	0.00	0.00
Facilities Maintenance Specialist	1.00	1.00	2.00	2.00	0.00
Custodian PT	0.14	0.00	0.00	0.00	0.00
Total Facilities Maintenance	***2.14***	***1.00***	***2.00***	***2.00***	***0.00***
Total Parks and Recreation	***37.70***	***37.72***	***39.72***	***40.72***	***1.00***

Department and Position	2015-2017 Adopted	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Proposed	Change
Library					
Library Director	1.00	1.00	1.00	1.00	0.00
Library Operations Manager	1.00	1.00	1.00	1.00	0.00
Librarian	1.35	3.00	3.00	6.00	3.00
Library Assistant	5.85	5.85	3.65	2.75	(0.90)
Reference Librarian PT	0.33	0.33	0.00	0.00	0.00
Hourly Library Assistants	2.89	4.97	7.25	7.50	0.25
Hourly Shelvers	0.82	0.00	0.00	0.00	0.00
Total Library	***13.24***	***16.15***	***15.90***	***18.25***	***2.35***
Community Development					
Community Development Director	1.00	1.00	1.00	1.00	0.00
Planning					
Senior Planner	1.00	1.00	1.00	1.00	0.00
Assistant Planner	2.00	2.00	2.00	2.00	0.00
Planner	2.00	2.00	1.00	1.00	0.00
Total Planning	***5.00***	***5.00***	***4.00***	***4.00***	***0.00***
Building					
Building Official	1.00	1.00	1.00	1.00	0.00
Senior Building Inspector	1.00	0.00	0.00	1.00	1.00
Building Inspector	3.00	4.00	4.00	3.00	(1.00)
Permit Technician	1.00	1.00	2.00	2.00	0.00
Permit Coordinator	1.00	1.00	1.00	1.00	0.00
Plans Examiner - Part-Time	0.00	0.00	0.00	0.25	0.25
Customer Accounting Coordinator	1.00	0.00	0.00	0.00	0.00
Office Assistant	0.00	1.00	0.00	0.00	0.00
Total Building	***8.00***	***8.00***	***8.00***	***8.25***	***0.25***
Total Community Development	***14.00***	***14.00***	***13.00***	***13.25***	***0.25***
Public Works					
Public Works Director	1.00	1.00	1.00	1.00	0.00
Assistant Public Works Director	1.00	1.00	1.00	1.00	0.00
Sr. Administrative Assistants	2.00	2.00	2.00	2.00	0.00
Office Specialist III	1.00	1.00	1.00	1.00	0.00
Asset Management Specialist	1.00	1.00	1.00	1.00	0.00
Engineering / Development Services					
City Engineer	1.00	1.00	1.00	1.00	0.00
Assistant City Engineer	0.00	1.00	1.00	1.00	0.00
Senior Project Engineer	0.90	1.00	1.00	2.00	1.00
Project Engineer	5.01	5.01	4.00	4.00	0.00
Engineering Technician III	1.00	1.00	1.00	1.00	0.00
Engineering Group - PT Hourly	0.25	0.19	0.20	0.20	0.00
ROW & Construction Program Mgr.	1.00	1.00	1.00	1.00	0.00
Senior Construction Inspector	0.00	0.00	1.00	1.00	0.00
Construction Inspector	1.00	2.00	1.00	1.00	0.00
Construction Services Manager	0.70	0.00	0.00	0.00	0.00
Project Manager/Inspector	0.00	0.00	1.00	0.00	(1.00)
Total Engineering	***10.86***	***12.20***	***12.20***	***12.20***	***0.00***

Additional Information – Personnel

Department and Position	2015-2017 Adopted	2017-2019 Adopted	2019-2021 Adopted	2021-2023 Proposed	Change
Public Works continued					
Transportation					
Operations Manager	1.00	1.00	1.00	1.00	0.00
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	0.00
Utilities Maintenance Specialist	4.50	4.50	5.00	5.00	0.00
Streets - PT Hourly	2.00	2.00	2.00	2.25	0.25
Total Transportation	***8.50***	***8.50***	***9.00***	***9.25***	***0.25***
Water					
Operations Manager	1.00	1.00	1.00	1.00	0.00
Water Quality Coordinator	1.00	1.00	1.00	1.00	0.00
Environmental Technician I	1.00	1.00	1.00	1.00	0.00
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	0.00
Construction Services Manager	0.10	0.00	0.00	0.00	0.00
Utilities Maintenance Specialist	5.00	5.00	5.00	5.00	0.00
Water - PT Hourly	1.25	1.25	1.25	1.00	(0.25)
Total Water	***10.35***	***10.25***	***10.25***	***10.00***	***(0.25)***
Wastewater					
Operations Manager	1.00	1.00	1.00	1.00	0.00
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	0.00
Construction Services Manager	0.10	0.00	0.00	0.00	0.00
Utilities Maintenance Specialist	4.00	4.00	4.00	4.00	0.00
Sewer - PT Hourly	1.20	1.23	1.23	1.23	0.00
Total Wastewater	***7.30***	***7.23***	***7.23***	***7.23***	***0.00***
Stormwater					
Construction Services Manager	0.10	0.00	0.00	0.00	0.00
Utilities Maintenance Specialist	3.50	3.50	3.00	3.00	0.00
Stormwater - PT Hourly	1.20	1.23	1.23	1.23	0.00
Total Stormwater	***4.80***	***4.73***	***4.23***	***4.23***	***0.00***
Fleet Service					
Lead Mechanic	1.00	1.00	1.00	1.00	0.00
Mechanic	1.00	1.00	1.00	1.00	0.00
Total Fleet Service	***2.00***	***2.00***	***2.00***	***2.00***	***0.00***
Total Public Works	***49.81***	***50.91***	***50.91***	***50.91***	***0.00***
Total Oregon City	***201.99***	***208.62***	***210.37***	***215.32***	***4.95***

OREGON
CITY

Additional Information – Personnel

	General Fund														
	City Manager	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	General Government	Police	Code Enforcement	Parks and Cemetery	Recreation Aquatics	Pioneer Community Center	Recreation Programs
City Manager															
City Manager	1.00														
Executive Assistant to City Manager	1.00														
Community Communications Coordinator	1.00														
City Recorder															
City Recorder		1.00													
Assistant City Recorder		1.00													
Administrative Part-Time Hourly		0.49													
Finance															
Finance Director			0.80												
Deputy Finance Director			0.60												
Accountant			1.00												
Senior Accounting Technician			0.80												
Senior Accounting Technician			1.00												
Senior Financial Management Analyst			0.50												
Office Specialist III			0.60												
Finance Administrative PT Hourly			0.50												
Municipal Court															
Municipal Court Manager				1.00											
Municipal Court Judge PT				0.22											
Court Records Specialist				1.00											
Court Records Specialist				1.00											
Court Records Specialist				1.00											
Court/Collections Clerk				0.20											
Bailiff				0.30											
Human Resources															
Human Resources Director					1.00										
Human Resources Analyst					1.00										
Economic Development															
Economic Development Manager						1.00									
Economic Development Coordinator						1.00									
Tourism Coordinator						1.00									
IT / GIS															
Information Technology Director							0.50	0.50							
Information Technology Supervisor							0.50	0.50							
GIS Coordinator								0.50							
Support Specialist							1.00								
Network Analyst							0.50			0.50					
GIS Technician															
Utility Customer Service															
Customer Service Team Leader															
Utility Customer Service Representative															

Library Fund	Planning Fund	Building Fund	Engineering Fund	Transportation Fund	Water Fund	Wastewater Fund	Stormwater Fund	Utility Customer Service Fund	TOTAL
									1.00
									1.00
									1.00
									1.00
									1.00
									0.49
								0.20	1.00
								0.40	1.00
									1.00
								0.20	1.00
									1.00
								0.50	1.00
								0.40	1.00
									0.50
									1.00
									0.22
									1.00
									1.00
									1.00
									0.20
									0.30
									1.00
									1.00
									1.00
									1.00
									1.00
									1.00
									1.00
				0.05	0.15	0.15	0.15		1.00
									1.00
									1.00
				0.10	0.30	0.30	0.30		1.00
								1.00	1.00
								3.00	3.00

Additional Information – Personnel

	General Fund														
	City Manager	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	General Government	Police	Code Enforcement	Parks and Cemetery	Recreation Aquatics	Pioneer Community Center	Recreation Programs
Police															
Police Chief										1.00					
Police Captain										0.80	0.20				
Police Captain										1.00					
Police Sergeant										9.00					
Police Officer										33.00					
Homeless Liaison Officer										1.00					
Business Manager										1.00					
Senior Administrative Assistant										1.00					
Police Records Specialist										1.00					
Police Records Manager										1.00					
Police Records Specialist										1.00					
Behavioral Health Specialist										1.00					
CSO /Forensics										1.00					
CSO / Property-Evidence Officer										1.00					
Code Enforcement															
Code Enforcement Manager											1.00				
Code Compliance Officer											1.00				
Parking Enforcement Officer											2.00				
Office Specialist II											1.00				
Parking Operations PT Hourly											0.48				
Parks and Recreation															
Community Services Director												0.40	0.20	0.20	0.20
Assistant Parks & Rec Director												0.25	0.25	0.25	0.25
Administrative Assistant												0.25	0.25	0.25	0.25
Parks and Cemetery															
Parks Maintenance Manager												1.00			
Parks Maintenance Team Leader												1.00			
Parks Maintenance Specialist III												3.00			
Park Maintenance Specialist II												2.00			
Park Maintenance Specialist I												1.00			
Administrative Assistant												1.00			
Office Specialist III												1.00			
Office Specialist II												0.00			
Parks Maintenance PT Hourly												3.57			
Recreation Aquatics															
Aquatics Recreation Manager													1.00		
Recreation Programmer													0.35		0.65
Office Specialist I PT													0.30		0.30
Building/Facility Maintenance Specialist													0.50		
Recreation Aquatics PT Hourly													8.50		

Library Fund	Planning Fund	Building Fund	Engineering Fund	Transportation Fund	Water Fund	Wastewater Fund	Stormwater Fund	Utility Customer Service Fund	TOTAL
									1.00
									1.00
									1.00
									9.00
									33.00
									1.00
									1.00
									1.00
									1.00
									1.00
									1.00
									1.00
									1.00
									1.00
									1.00
									2.00
									1.00
									0.48
									1.00
									1.00
									1.00
									1.00
									1.00
									3.00
									2.00
									1.00
									1.00
									1.00
									0.00
									3.57
									1.00
									1.00
									0.60
									0.50
									8.50

Additional Information – Personnel

	General Fund														
	City Manager	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	General Government	Police	Code Enforcement	Parks and Cemetery	Recreation Aquatics	Pioneer Community Center	Recreation Programs
Pioneer Community Center															
Senior Center Manager														1.00	
Client Services Coordinator														1.00	
Meals on Wheels Coordinator														1.00	
Senior Center Recreation Programmer														1.00	
Senior Center Nutrition Coordinator PT														0.50	
Senior Center Van Driver PT Hourly														1.20	
Food Service Worker														0.80	
Building Attendant														0.90	
Office Specialist PT														1.30	
Pioneer Center PT Hourly														0.40	
Recreation Programs															
Historic House Guide (Limited Duration)															0.50
Recreation Programs PT Hourly															0.95
Facilities Maintenance															
Facilities Maintenance Specialist									0.75						
Facilities Maintenance Specialist									1.00						
Library															
Library Director															
Library Operations Manager															
Librarian															
Library Assistant															
Hourly Library Assistant															
Community Development															
Community Development Director															
Planning															
Senior Planner															
Planner															
Assistant Planner															
Building															
Building Official															
Building Inspector															
Permit Technician															
Permit Coordinator															
Part-Time Plans Examiner															
Public Works															
Public Works Director															
Assistant Public Works Director															
Sr. Administrative Assistant															
Sr. Administrative Assistant															
Office Specialist III															
Asset Management Specialist															

Library Fund	Planning Fund	Building Fund	Engineering Fund	Transportation Fund	Water Fund	Wastewater Fund	Stormwater Fund	Utility Customer Service Fund	TOTAL
									1.00
									1.00
									1.00
									1.00
									0.50
									1.20
									0.80
									0.90
									1.30
									0.40
									0.50
									0.95
0.25									1.00
									1.00
1.00									1.00
1.00									1.00
6.00									6.00
2.75									2.75
7.50									7.50
	0.62	0.38							1.00
	1.00								1.00
	2.00								2.00
	1.00								1.00
		1.00							1.00
		4.00							4.00
		2.00							2.00
		1.00							1.00
		0.25							0.25
			0.12	0.22	0.22	0.22	0.22		1.00
				0.25	0.25	0.25	0.25		1.00
				0.25	0.25	0.25	0.25		1.00
				0.25	0.25	0.25	0.25		1.00
				0.25	0.25	0.25	0.25		1.00
				0.25	0.25	0.25	0.25		1.00

Additional Information – Personnel

	General Fund														
	City Manager	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	General Government	Police	Code Enforcement	Parks and Cemetery	Recreation Aquatics	Pioneer Community Center	Recreation Programs
Engineering / Development Services															
City Engineer															
Assistant City Engineer															
Senior Project Engineer															
Senior Project Engineer															
Project Engineer															
Project Engineer															
Project Engineer															
Project Engineer															
Engineering Technician III															
Engineering Group - PT Hourly															
ROW & Construction Program Mgr															
Senior Construction Inspector															
Construction Inspector															
Transportation															
Operations Manager															
Utility Maintenance Team Leader															
Utilities Maintenance Specialist															
Streets - PT Hourly															
Water															
Operations Manager															
Water Quality Coordinator															
Environmental Technician I															
Utility Maintenance Team Leader															
Utilities Maintenance Specialist															
Water - PT Hourly															
Wastewater															
Operations Manager															
Utility Maint Team Leader															
Utilities Maintenance Specialist															
Sewer - PT Hourly															
Stormwater															
Utilities Maintenance Specialist															
Stormwater - PT Hourly															
Fleet Service															
Lead Mechanic															
Mechanic															
TOTAL	3.00	2.49	5.80	4.72	2.00	3.00	2.50	1.50	1.75	54.30	5.68	14.47	11.35	9.80	3.10

Library Fund	Planning Fund	Building Fund	Engineering Fund	Transportation Fund	Water Fund	Wastewater Fund	Stormwater Fund	Utility Customer Service Fund	TOTAL
			0.30	0.18	0.18	0.18	0.16		1.00
			1.00						1.00
				0.70	0.10	0.10	0.10		1.00
					0.80	0.10	0.10		1.00
			0.60	0.10	0.10	0.10	0.10		1.00
				0.10	0.10	0.55	0.25		1.00
			0.50			0.50			1.00
				0.05	0.20	0.13	0.62		1.00
			0.60	0.10	0.10	0.10	0.10		1.00
			0.20						0.20
			1.00						1.00
			0.40	0.15	0.15	0.15	0.15		1.00
			0.60	0.10	0.10	0.10	0.10		1.00
				1.00					1.00
				1.00					1.00
				5.00					5.00
				2.25					2.25
					1.00				1.00
					0.60		0.40		1.00
					0.70		0.30		1.00
					1.00				1.00
					5.00				5.00
					1.00				1.00
						0.50	0.50		1.00
						0.50	0.50		1.00
						4.00			4.00
						1.23			1.23
							3.00		3.00
							1.23		1.23
				0.25	0.25	0.25	0.25		1.00
				0.25	0.25	0.25	0.25		1.00
18.50	**4.62**	**8.63**	**5.32**	**12.85**	**13.55**	**10.66**	**10.03**	**5.70**	**215.32**

OREGON
CITY

CAPITAL IMPROVEMENT PROGRAM

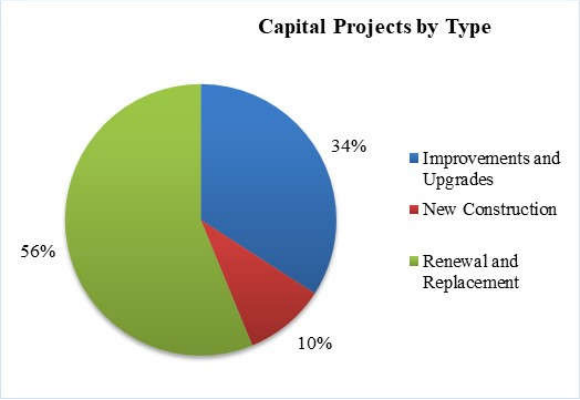
OVERVIEW

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

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

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

Total capital spending for the City in the 2021-2023 biennium is budgeted at $48,483,403 across all funds. Approximately $45.10 million of the projected spending is on capital projects while $3.38 million is for TPP and software.



Approximately $25.34 million, or 56%, 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 $19.75 million, or 44%, of budgeted capital projects are for either new construction or significant improvements or upgrades to the City's infrastructure assets. The majority of these expenditures are for City infrastructure projects; together they total $37.46 million and account for 83% of the total capital projects budget. The following pages provide additional detail on capital outlay spending; significant projects are explained below:

- Inflow and Infiltration (I & I) Program – The budget includes funding in the amount of $7.1 million for transition to a consultant managed I & I reduction program to help augment staff capacity to deliver in I & I focused projects beginning with high priority areas in the McLoughlin neighborhood, Settlers Point drainage basin, and Canemah neighborhood.
- Rivercrest I & I Program – The budget includes $3.98 million for a pilot program beginning in the Rivercrest neighborhood. The City will provide improvements to reduce and/or eliminate I & I in the sanitary sewer system.
- Molalla Avenue Improvements – This biennium includes $1.83 million in remaining funding to complete the Molalla Avenue Improvement project. 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

❖ Henrici Reservoir Condition Assessment – The budget includes $2.4 million to complete much needed improvements to the Henrici Reservoir including interior and exterior reservoir coatings, passive mixing upgrades, cathodic protection and safety upgrades.

❖ Public Works and Parks Operations Center – The budget includes $3.0 million in remaining funding for the completion of 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 will 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.

2021-2023 Biennium Capital Budget

The following chart itemizes the 2021-2023 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	2021-2022 Budget	2022-2023 Budget	2021-2023 Biennium
Transportation					
Molalla Ave Phase III - Beavercreek Rd to Hwy 213	Improvements and Upgrades	$10,000	$ 1,825,000	$ -	$ 1,825,000
Oregon City Roadway Reconstruction	Renewal and Replacement	$0 or reduction	2,511,000	1,882,000	4,393,000
Trillium Park Dr Roadway Rehabilitation	Improvements and Upgrades	$0 or reduction	1,150,000	-	1,150,000
Sidewalk and Bike Lane Infill	Improvements and Upgrades	$1,000	173,170	641,000	814,170
Linn Ave/Leland Rd/Warner Milne Rd Roundabout	New Construction	$10,000	-	165,000	165,000
Gardiner Middle School Sidewalks	Improvements and Upgrades	$0 or reduction	75,000	300,000	375,000
Railroad Quiet Zone Design	Improvements and Upgrades	$0 or reduction	50,000	-	50,000
Main Street Roadway Reconstruction - 10th to 15th	Renewal and Replacement	$0 or reduction	-	500,000	500,000
Beavercreek Rd Roadway Reconstruction - 10th to 15th	Renewal and Replacement	$0 or reduction	-	250,000	250,000
Molalla Roadway Reconstruction - Division to Mountain View	Renewal and Replacement	$0 or reduction	-	250,000	250,000
Hwy 213 & Beavercreek West Bound Right Hand Turn Lane	Improvements and Upgrades	$0 or reduction	560,000	1,680,000	2,240,000
Holcomb Blvd Bike/Pedestrian Improvements	Improvements and Upgrades	$1,000	285,000	-	285,000
Linn Ave Bike/Pedestrian Improvements	Improvements and Upgrades	$1,000	60,000	-	60,000
Other Transportation Projects	Renewal and Replacement	$0 or reduction	303,000	55,000	358,000
Water					
Henrici Reservoir Condition Assessment	Renewal and Replacement	$0 or reduction	2,400,000	-	2,400,000
Fairway Downs Reservoir	New Construction	N/A	500,000	100,000	600,000
Reservoir Improvements	Renewal and Replacement	$0 or reduction	125,000	-	125,000
Latourette Street Water and Sewer Replacement	Renewal and Replacement	$0 or reduction	300,000	-	300,000
Clairmont Area Pipe Replacement	Renewal and Replacement	$0 or reduction	-	1,000,000	1,000,000
Main Street Pipe Replacement - 10th St to 15th St	Improvements and Upgrades	$0 or reduction	919,000	104,000	1,023,000
Randall Street Pipe Replacement	Renewal and Replacement	$0 or reduction	260,000	-	260,000
Pressure Releasing Valve Improvements	Improvements and Upgrades	$0 or reduction	450,000	225,000	675,000
Clairmont Pressure Releasing Valve Improvements	Improvements and Upgrades	$0 or reduction	756,000	-	756,000
Molalla Ave Phase III - Beavercreek Rd to Hwy 213	Improvements and Upgrades	$0 or reduction	675,000	-	675,000
Mt View Pump Rebuilds and Operator Interface Terminal Replacements	Renewal and Replacement	$0 or reduction	300,000	-	300,000
Parallel Transmission Main - Mt View Reservoir & Beavercreek Rd	Renewal and Replacement	$0 or reduction	300,000	1,500,000	1,800,000
In-House Water Line Replacements	Renewal and Replacement	$0 or reduction	10,000	10,000	20,000
Other Water Projects	Renewal and Replacement	$0 or reduction	50,000	95,000	145,000
Wastewater					
Inflow and Infiltration Program	Renewal and Replacement	$0 or reduction	1,400,000	5,700,000	7,100,000
Trillium Park Drive Sanitary Relocation	Improvements and Upgrades	$0 or reduction	325,000	-	325,000
Canemah Pump Station Dry Well and Generator Upgrade	Improvements and Upgrades	$0 or reduction	80,000	-	80,000
Latourette Street Water and Sewer Replacement	Renewal and Replacement	$0 or reduction	150,000	-	150,000
Rivercrest Inflow and Infiltration Program	Renewal and Replacement	$0 or reduction	3,980,000	-	3,980,000
Coffee Creek Sewer Line	Renewal and Replacement	$0 or reduction	-	540,000	540,000
Cure-In-Place-Pipe (CIPP) Repair Projects	Renewal and Replacement	$0 or reduction	375,000	-	375,000
Miscellaneous Pipe Replacement	Renewal and Replacement	$0 or reduction	470,000	320,000	790,000

Additional Information – Capital Improvement Program

Project Description	Type	Annual Operating Impact	2021-2022 Budget	2022-2023 Budget	2021-2023 Biennium
Stormwater					
Scatter Canyon Channel, Outfall, Water Quality	Improvements and Upgrades	$5,000	$ 420,000	$ -	$ 420,000
Outfall Rehabilitation	Improvements and Upgrades	$0 or reduction	-	300,000	300,000
Barclay Hills Sanitary Sewer Pump Station Storm Outfall	Improvements and Upgrades	$1,000	408,000	-	408,000
Other Stormwater Projects	Renewal and Replacement	$0 or reduction	100,000	100,000	200,000
Public Facilities and Infrastructure					
Police and Municipal Court Building	Improvements and Upgrades	$0 or reduction	50,000	50,000	100,000
Public Works and Parks Operations Center	Improvements and Upgrades	$20,000	2,753,733	250,000	3,003,733
General Government Improvements	Improvements and Upgrades	$0 or reduction	221,500	39,500	261,000
Community Development Improvements	Improvements and Upgrades	$0 or reduction	11,500	-	11,500
Library Building Improvements	Improvements and Upgrades	$0 or reduction	-	100,000	100,000
Parks & Cemetery Facilities					
Holcomb Park Development	Land	$10,000	900,000	-	900,000
Filbert Run Park Development	New Construction	$20,000	1,200,000	-	1,200,000
Wesley Lynn Park Development (Phase II)	New Construction	$10,000	-	1,500,000	1,500,000
Parks Improvements	Improvements and Upgrades	$0 or reduction	172,000	280,000	452,000
Pioneer Center Repairs	Renewal and Replacement	$0 or reduction	27,000	30,000	57,000
Aquatic Center Repairs	Renewal and Replacement	$0 or reduction	36,000	14,000	50,000
Total Capital Projects			$ 27,116,903	$ 17,980,500	$ 45,097,403
TPP					
Public Works	Fixed Asset	N/A	$ 1,652,000	$ 275,000	$ 1,927,000
Police	Fixed Asset	N/A	460,000	320,000	780,000
Parks & Cemetery	Fixed Asset	N/A	374,500	22,500	397,000
Policy & Administration	Fixed Asset	N/A	55,000	45,000	100,000
Library	Fixed Asset	N/A	50,000	-	50,000
Community Development	Fixed Asset	N/A	30,000	-	30,000
Total TPP			$ 2,621,500	$ 662,500	$ 3,284,000
Other Capital Items					
Parks Software & Technology	Improvements and Upgrades	N/A	$ 35,000	$ 35,000	$ 70,000
IT Software & Technology	Improvements and Upgrades	N/A	17,000	15,000	32,000
Total Other Items			$ 52,000	$ 50,000	$ 102,000
Total Capital Outlay Expenditures			**$ 29,790,403**	**$ 18,693,000**	**$ 48,483,403**

TANGIBLE PERSONAL PROPERTY (TPP)

TPP are specific items of property excluding real estate that are tangible in nature, have an expected life longer than one year and have a value of $5,000 or more. The Capital Program includes planning for TPP replacements, and new purchases of vehicles, equipment and furnishings. A total of $3,284,000, or 6.8% of total capital outlay, is proposed for the 2021-2023 biennium.

Depending on the asset type, most assets are expected to have a useful life of 8 to 20 years. As a result, planned maintenance and periodic replacement is essential. Vehicles, equipment and furnishings are reviewed for replacement once the asset is 5-7 years old and then annually until replaced. Each department prepares a list of any assets requiring replacement, including a description, location, original cost and estimated budget for the item. These requests are submitted to and budgeted in the Equipment Replacement Fund. Vehicles and motorized equipment are also evaluated by the Fleet Division of the Public Works Department, while computer replacements are recommended by the Information Technology Department. Requests for purchase require cost quotes and justification. The following is a list of requested TPP for the upcoming biennium.

Description	Replacement or New Asset	2021-2022 Budget	2022-2023 Budget	2021-2023 Biennium
Public Works, Engineering, and Fleet and Equipment				
Vehicles - Transportation	Replacement	$ 100,000	$ 100,000	$ 200,000
Vehicles - Wastewater	Replacement	432,500	-	432,500
Vehicles - Water	Replacement	515,000	85,000	600,000
Vehicles - Storm	Replacement	540,000	60,000	600,000
Vehicles - Engineering	Replacement	57,000	-	57,000
Stormwater Equipment	Replacement	-	5,000	5,000
Manhole Cutting and Raising Tool	Replacement	-	25,000	25,000
Pipe Repair Kit	Replacement	7,500	-	7,500
		$ 1,652,000	**$ 275,000**	**$ 1,927,000**
Police Department				
Vehicles (including gear)	Replacement	$ 300,000	$ 300,000	$ 600,000
Police Facilities Equipment	Replacement	140,000	-	140,000
Other Police Equipment	Replacement	20,000	20,000	40,000
		$ 460,000	**$ 320,000**	**$ 780,000**
Parks and Cemetery				
Vehicles	Replacement	$ 352,000	$ -	$ 352,000
Other Equipment	Replacement	22,500	22,500	45,000
		$ 374,500	**$ 22,500**	**$ 397,000**
Community Development				
Vehicles	Replacement	$ 30,000	$ -	$ 30,000
		$ 30,000	**$ -**	**$ 30,000**
Library				
Equipment	Replacement	$ 50,000	$ -	$ 50,000
		$ 50,000	**$ -**	**$ 50,000**
Policy and Administration				
Vehicles - Customer Service	Replacement	$ 33,000	$ -	$ 33,000
A/V Equipment for Commission Chambers	Replacement	10,000	10,000	20,000
Virtual Machine Host	Replacement	-	25,000	25,000
Wi-Fi Hardware	Replacement	12,000	-	12,000
Network Lifecycle Purchases	Replacement	-	10,000	10,000
		$ 55,000	**$ 45,000**	**$ 100,000**
TOTAL TPP		***$ 2,621,500***	***$ 662,500***	***$ 3,284,000***

DEBT ADMINISTRATION

DEBT SUMMARY

Oregon City will have an estimated $27.35 million in debt outstanding at the beginning of this budget biennium, or as of July 1, 2021, as described below and consisting of the following:

- Public Employee Retirement System (PERS) Unfunded Actuarial Liability Bonds: City issued $17 million in bonds dated September 28, 2005 to fund its PERS actuarial liability; matures in 2028.
- Library General Obligation Bonds: City issued $6 million in voter approved General Obligation bonds dated January 7, 2015 to renovate and expand the Oregon City Library at Carnegie Center; matures in 2034.
- Public Safety Full Faith and Credit Obligations: The City issued $16 million in voter-approved bonds dated June 5, 2018 to provide a new public safety building. The bonds were issued at a premium of $1,542,183 resulting in face value of the bonds of $14,615,000. Interest rates on the bonds range from 3.00% to 5.00%. Matures in 2038.

	Original Debt Amount	Interest Rates	Beginning Balance as of July 1, 2021	Less: Principal Due	Ending Balance as of June 30, 2022	Less Principal Due	Ending Balance as of June 30, 2023
Limited Obligation Bonds							
PERS Retirement Liability	$ 17,030,000	3.75-4.25%	$ 9,855,000	$ 1,145,000	$ 8,710,000	$ 1,265,000	$ 7,445,000
General Obligation Bonds							
Library Expansion	$ 6,000,000	3.08%	$ 4,394,934	$ 280,007	$ 4,114,927	$ 288,631	$ 3,826,296
Full Faith and Credit Bonds							
Public Safety Building	$ 14,615,000	3-5%	$ 13,105,000	$ 540,000	$ 12,565,000	$ 560,000	$ 12,005,000
Total Debt	***$ 37,645,000***		***$ 27,354,934***	***$ 1,965,007***	***$ 25,389,927***	***$ 2,113,631***	***$ 23,276,296***

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 2022 and 2023 cannot be determined until November 2021 and 2022, respectively, when the tax assessor distributes property tax information. The City's outstanding general obligation debt of $4.39 million as of June 30, 2021, is significantly below the current debt limitation of $178.27 million based on the 2021 real value of $5.94 billion.

FUTURE DEBT SERVICE REQUIREMENTS

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

FUND	2022	2023	2024	2025	2026	Thereafter	Total Future Debt Service
DEBT SERVICE FUND							
PERS Debt							
Principal	$ 1,145,000	$ 1,265,000	$ 1,395,000	$ 1,535,000	$ 1,690,000	$ 2,825,000	$ 9,855,000
Interest	493,144	435,848	372,548	302,742	225,931	190,152	2,020,365
Public Safety Building Debt							
Principal	540,000	560,000	585,000	610,000	630,000	10,180,000	13,105,000
Interest	563,500	541,900	519,500	496,100	471,700	3,062,400	5,655,100
LIBRARY FUND							
Library Building Expansion Debt							
Principal	280,007	288,631	297,521	306,685	316,130	2,905,960	4,394,934
Interest	135,364	126,740	117,850	108,686	99,240	417,007	1,004,887
Total Principal	$ 1,965,007	$ 2,113,631	$ 2,277,521	$ 2,451,685	$ 2,636,130	$ 15,910,960	$ 27,354,934
Total Interest	1,192,008	1,104,488	1,009,898	907,528	796,871	3,669,559	8,680,352
Total Debt Service	***$ 3,157,015***	***$ 3,218,119***	***$ 3,287,419***	***$ 3,359,213***	***$ 3,433,001***	***$ 19,580,519***	***$ 36,035,286***

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	2015-2017 Actual	2017-2019 Actual	2019-2021 Amended Budget	2021-2022 Proposed Budget	2022-2023 Proposed Budget	2021-2023 Proposed Biennium
Resources						
Beginning Fund Balance	$ 69,805	$ -	$ -	$ -	$ -	$ -
Property Tax	555,277	-	-	-	-	-
Interest Income	1,352	-	-	-	-	-
Other Financing Sources	246,268	-	-	-	-	-
Total Resources	**$ 872,702**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Requirements						
Debt Service	$ 798,238	$ -	$ -	$ -	$ -	$ -
Transfers Out	74,464	-	-	-	-	-
Reserved for Future Expenditures	-	-	-	-	-	-
Total Requirements	**$ 872,702**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

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.

Additional Information – Glossary

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.