



CITY OF OREGON CITY

CITY COMMISSION REGULAR MEETING

AGENDA

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, January 19, 2022 at 7:00 PM

REGULAR MEETING OF THE CITY COMMISSION

Ways to participate in this public meeting:

- *Attend in person, location listed above*
- *Register to provide electronic testimony (email recorderteam@orcity.org or call 503-496-1509 by 3:00 PM on the day of the meeting to register)*
- *Email recorderteam@orcity.org (deadline to submit written testimony via email is 3:00 PM on the day of the meeting)*
- *Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045*

1. CONVENE MEETING AND ROLL CALL

2. FLAG SALUTE

3. CEREMONIES AND PROCLAMATIONS

[3a.](#) Proclamation Declaring January 23 - January 29, 2022 as School Choice Week

3b. Urban Renewal Commission Member Appointment - Doug Neeley

4. CITIZEN COMMENTS

Citizens are allowed up to 3 minutes to present information relevant to the City but not listed as an item on the agenda. Prior to speaking, citizens shall complete a comment form and deliver it to the City Recorder. The City Commission does not generally engage in dialog with those making comments but may refer the issue to the City Manager. Complaints shall first be addressed at the department level prior to addressing the City Commission.

5. PRESENTATIONS

5a. Citizen Involvement Committee Report

6. ADOPTION OF THE AGENDA

7. CONSENT AGENDA

This section allows the City Commission to consider routine items that require no discussion and can be approved in one comprehensive motion. An item may only be discussed if it is pulled from the consent agenda.

[7a.](#) Resolution No. 22-05, Temporarily Exempting Construction Activities from the Prohibition Against Unlawful Noises for the Harrison Street Apartment Development Project and Declaring an Emergency

[7b.](#) Generator Replacement for the Public Works Wastewater Division (2022 Multiquip, WhisperWatt, 100kW)

[7c.](#) Public Works Water Division New Additional Vehicle Purchase #349 (2022 Ford F-450)

[7d.](#) Public Works Water Division Replacement Vehicle #344 (2022 Ford F-450)

[7e.](#) Intergovernmental Agreement between Water Environment Services and City of Oregon City for Regional Inflow and Infiltration Reduction

[7f.](#) Minutes of the December 28, 2021 City Commission Special Meeting

[7g.](#) Minutes of the November 3, 2021 Regular Meeting

[7h.](#) Minutes of the December 7, 2021 City Commission Work Session

8. PUBLIC HEARINGS

[8a.](#) Request for Continuance - Appeal of Historic Review Board Approval of an ADA Ramp and Foundation Height Change Located at 1020 5th St (AP-21-00006, GLUA 21-00052, HR-21-00020, Modification of HR 20-00001)

9. GENERAL BUSINESS

[9a.](#) Resolution No. 22-04, Declaring an Emergency and Exempting a Temporary Warming Shelter at The Father's Heart Street Ministry from Planning Code Requirements (January 19, 2022 until March 31, 2022)

10. COMMUNICATIONS

City Manager

[a.](#) Financial Report for the Fiscal Year ending June 30, 2021

Commissioners

Mayor

11. 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.

PROCLAMATION

WHEREAS, All children in Oregon City should have access to the highest-quality education possible; and

WHEREAS, Oregon City recognizes the important role that an effective education plays in preparing all students in Oregon City to be successful adults; and

WHEREAS, Quality education is critically important to the vitality of Oregon City; and

WHEREAS, Oregon City is home to a multitude of high quality public and nonpublic schools from which parents can choose for their children, in addition to families who educate their children in the home; and

WHEREAS, Educational variety not only helps to diversify our economy, but also enhances the vibrancy of our community; and

WHEREAS, Oregon City has many high-quality teaching professionals in all types of school settings who are committed to educating our children; and

WHEREAS, School Choice Week is celebrated across the country by millions of students, parents, educators, schools and organizations to raise awareness of the need for effective educational options;

NOW, THEREFORE, I, Rachel Lyles Smith, Mayor of the City of Oregon City, do hereby proclaim:

January 23 – 29, 2022

as

School Choice Week

AND, I call this observance to the attention of all of our citizens.

IN WITNESS WHEREOF, I hereunto set my hand this 19th day of January 2022.

RACHEL LYLES SMITH, Mayor



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Public Works Director John M. Lewis, PE

Agenda Date: 01/19/2022

SUBJECT:

Resolution No. 22-05, Temporarily Exempting Construction Activities from the Prohibition Against Unlawful Noises for the Harrison Street Apartment Development Project and Declaring an Emergency

STAFF RECOMMENDATION:

Approve Resolution No. 22-05, authorizing the night work related to the construction of new sanitary sewer and stormwater service lines for the Harrison Street Apartment Development Project that impacts automobile travel on 7th Street.

EXECUTIVE SUMMARY:

The City has permitted and is overseeing construction of the Harrison Street Apartment Development. The project is required to add new sanitary sewer and stormwater service lines. Trenching for these utility lines will impact two-way traffic within 7th Street. The project anticipates the work on 7th Street to occur January 20 to February 4, 2022. The project will perform work from 8:00 PM to 5:00 AM which is outside typical high-traffic hours. However, an exemption from OCMC 9.12.023 is requested because OCMC 9.12.023 prohibits construction and excavation in city streets between the hours of 10:00 PM and 7:00 AM.

The project requires night work for construction of the sanitary sewer and stormwater service lines within 7th Street. Work outside of specified allowed work hours is prohibited without City Commission approval in residentially zoned neighborhoods per Oregon City Municipal Code Section (OCMC) 9.12.023. The zoning on the south side of the project is R-3.5 residential.

OCMC Section 2.52.020 defines "emergencies" to include "utility or transportation emergencies." Resolution No. 22-05 will allow utility work on a temporary emergency basis. The resolution will allow night work to occur from January 20 to February 4, 2022, to facilitate the safe construction of the sanitary sewer and stormwater service lines, and to support the safety of construction staff and safe public travel in 7th Street.

BACKGROUND:

A new apartment complex is proposed at the corner of Harrison and 7th Street (located at 641 Harrison Street) and was approved under land use file SP 18-118. The project involves installing new sanitary sewer and stormwater service lines to support the proposed apartments. The construction of new sanitary sewer and stormwater service lines is within the public right-of-way of 7th Street. The design has been reviewed by the Public Works Department and is approved.

The development requires night work on 7th Street because day construction would cause excessive traffic delays on 7th Street which is a heavily traveled street. Upon evaluation of the proposed traffic control plan provided by the contractor, City staff concluded that due to the high traffic counts during the day on 7th Street, it was appropriate to require night work.

The request is for a period of 8 days of work at night to be able to successfully complete the utility improvements. The development desires the working hours to be 8:00 PM to 5:00 AM, for the dates of January 20 to February 4, 2022.

The work will occur on 7th Street between Harrison Street and Jackson Street. The increased noise and disruption to regular traffic patterns from the construction activities will impact residentially zoned areas around the development property.

Per Oregon City Municipal Code (OCMC) 2.52.020, “emergencies” include “utility or transportation emergencies.” OCMC 2.52.040 (L) authorizes the City, in cases of emergency, to “order such other measures as are necessary for the protection of life or property, or for the recovery from the emergency.” Adoption of Resolution No. 22-05 provides City Commission approval for temporary emergency night work.

OPTIONS:

1. Approve Resolution No. 22-05 as requested.
2. Approve Resolution No. 22-05, with specific modifications.
3. Deny Resolution No. 22-05. If the Commission chooses to deny the Resolution, staff requests direction on how to proceed.

**A RESOLUTION DECLARING AN EMERGENCY AND TEMPORARILY EXEMPTING THE
CONSTRUCTION ACTIVITIES IN 7TH STREET RIGHT-OF-WAY AND TRAVEL LANES
ASSOCIATED WITH THE HARRISON STREET APARTMENT DEVELOPMENT PROJECT
FROM THE PROHIBITION AGAINST UNLAWFUL NOISES**

WHEREAS, Oregon City Municipal Code (OCMC) 2.52.020 defines “emergencies” to include “utility or transportation emergencies”; and

WHEREAS, OCMC 2.52.040(L) authorizes the City, in cases of emergency to “order such other measures as are necessary for the protection of life or property, or for the recovery from the emergency”; and

WHEREAS, the City would be acting in the best public interest by facilitating the completion of the sanitary sewer and stormwater service lines serving the Harrison Street Apartment Development (“Project”) and within the 7th Street travel lanes; and

WHEREAS, transportation in the vicinity of the Project is vital to the community, and completing the needed work at night is vital to the economic and mobility interests of the City; and

WHEREAS, OCMC 9.12.023(E) declares the construction, demolition, alteration or repair of any building or the excavation of any streets and highways in a residentially zoned neighborhood between the hours of 10:00 PM and 7:00 AM, Monday through Saturday; and between 8:00 PM and 9:00 AM on Sunday to be a violation.

NOW, THEREFORE, OREGON CITY RESOLVES AS FOLLOWS:

Section 1. The City Commission declares an emergency, limited to the sanitary sewer and stormwater utility construction within the 7th Street travel lanes associated with the Harrison Street Apartment Development (“Project”) as shown in the map attached as Exhibit A to this resolution. Consistent with OCMC 2.52.070 and, by this resolution, the Commission declares an emergency from January 20, 2022, at 8:00 PM to February 4, 2022, at 5:00 AM.

Section 2. Based on the emergency identified above, the City Commission grants the construction activities in 7th Street rights-of way-exemption from Section 9.12.020 of the Oregon City Municipal Code for construction activities associated with constructing the sanitary sewer and stormwater lines in the Project area and affecting the 7th Street traffic, during the period identified above in Section 1 of this resolution.

Section 3. This resolution shall take effect immediately upon its adoption by the City Commission.

Section 4. The City Commission hereby directs the City Manager and City staff to undertake all appropriate and practical measures to lessen the impacts of night-time work on City residents and businesses as authorized by this resolution.

Section 5. The City Commission adopts these procedures to prevent, minimize, respond to, or recover from the emergency consistent with OCMC 2.52.040.

Approved and adopted at a regular meeting of the City Commission held on the 19th day of January, 2022.

Item 7a.

Rachel Lyles Smith, Mayor

Attested to this 19th Day of January, 2022

Approved as to legal sufficiency:

Jakob Wiley, City Recorder

City Attorney

Attachment:
Exhibit A – Site Map





CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Public Works Director John M. Lewis, PE

Agenda Date: 01/19/2022

SUBJECT:

Generator Replacement for the Public Works Wastewater Division (2022 Multiquip, WhisperWatt, 100kW)

STAFF RECOMMENDATION:

Staff recommends the City Commission authorize the purchase of a 2022 Multiquip, WhisperWatt, 100kW, trailer-mounted generator for a replacement of the current 1992 Kohler trailer-mounted generator.

EXECUTIVE SUMMARY:

The Public Works Wastewater Division is utilizing its Equipment Fund for the purchase of a 2022 Multiquip, WhisperWatt, 100kW, trailer-mounted generator. Replacement of the 1992 Kohler trailer-mounted generator (#581) has been extended several times, and this equipment now requires replacement.

BACKGROUND:

Every year, each Public Works Division budgets for purchasing replacement equipment. These purchases are either to replace old, outdated equipment, or purchasing equipment that is necessary for the Division to function properly and efficiently.

This equipment acquisition recommendation was confirmed after obtaining three competitive quotes and then applying the Sourcewell Cooperative Purchasing Advantages. Sourcewell is a self-funded government organization that saves government organizations like Oregon City time and money by combining the buying power if more than 500 government, education, and nonprofit organizations.

Public Works will be contracting with Cessco, Inc. under the Sourcewell Purchasing Agreement #041719-MTQ for the purchase of the 2022 Multiquip, WhisperWatt, 100kW, trailer-mounted generator. The purchase price of the generator is \$66,481.40 and was a previously authorized expenditure within the FY 2021-22 biennial budget. There is

adequate funding within the Wastewater Equipment Fund to allow the Public Works Operations Division to support and fund this new asset.

The new generator will be predominantly used by the Wastewater Division as a backup power source for our Canemah Wastewater Pump Station, which has no onsite generator.

Attached is the sales quote and a brochure of the generator.

OPTIONS:

1. Authorize the City Manager to proceed with the purchase of the replacement generator.
2. Authorize the City Manager to proceed with the purchase with specific modifications.
3. Deny the purchase request. If the Commission chooses to deny the request, please provide staff direction on how to proceed.

BUDGET IMPACT:

Amount: \$66,481.40

FY(s): 2021-22

Funding Source(s): Wastewater Equipment Fund 520-552-7054



CESSCO, INC.

4222 NE Columbia Blvd.
Portland, OR 97218
(503) 288-1242 Phone
(503) 288-4284 Fax
www.cessco.com

PLEASE REMIT TO:
21417 NE 72nd Ave
Battle Ground, WA
ZIP: 98604-5229

Quote #: 106535
Account #: 115300
Page: 1 of 1
Date: 10/13/2021
Time: 2:43:55 PM
Cashier: 12
Register #: 13

Quote # Item 7b.

Thank You For Your Business!

Bill To: CITY OF OREGON CITY
ATTN ACCTS PAYABLE
P. O. BOX 3040
OREGON CITY, OR 97045

Ship To: WILL CALL

(503) 655-8481

Reference: CHAD 503-969-0302
Comment: SOURCEWELL MULTIQUIP CONTRACT# 041719-MTQ

Rep	Item Lookup Code	Description	On Order	Qty Sold	MSRP	Price	Extended
12	DCA125SSIU4F- TRLR125USH-P	125kVA GENERATOR w/TRAILER/PB S/N: Discount code: QUOTE	1	0	\$112,190. 00	\$66,481.4 0	\$66,481.40
12	REM	REMARK: SOURCEWELL PRICING. SOURCEWELL MULTIQUIP CONTRACT# 041719-MTQ	1	0	\$0.00	\$0.00	\$0.00
12	REM	REMARK: FOB FACTORY	1	0	\$0.00	\$0.00	\$0.00

No returns on special order or electrical parts. No returns after 30 days.
There is a minimum 25% restocking fee on all returns within 30 days.
I agree to pay invoice total according to my account or card issuer agreement.

Signature:

Print Name:

TERMS ARE NET 30 ON APPROVED CREDIT ACCOUNTS
It is agreed as part of the consideration for this sale that the price shown hereon
for the goods shall be paid within 30 days after the date of purchase. Any
portion of the sale price not paid within said time period shall thereafter
bear interest at the HIGHEST PREVAILING RATE.
Buyer shall pay all costs incurred in the collection of any past due account,
including all collection agency fees, court costs, and attorney fees.
All warranty claims and returned goods credit MUST be accompanied by this
invoice.

Sub Total \$66,481.40
Sales Tax \$0.00
Total \$66,481.40

Change Due \$0.00





DCA125SSIU4F

Generator

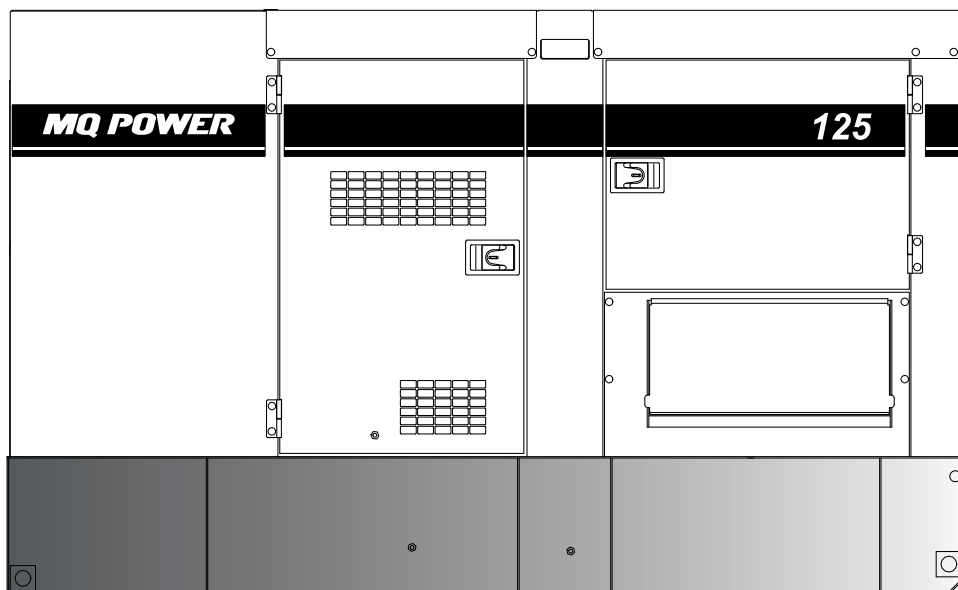
Item 7b.

WhisperWatt™

Prime Rating — 100kW (125kVA)

Standby Rating — 110kW (137.5kVA)

3-Phase, 60 Hertz, 0.8 PF



STANDARD FEATURES

- Heavy duty, 4-cycle, direct injection, heated crankcase vent, turbocharged, charge air cooled, 1000W block heater, diesel engine provides maximum reliability.
- EPA emissions certified - Tier 4 Final emissions compliant.
- Microprocessor engine control system maintains frequency to $\pm 0.25\%$.
- Full load acceptance of standby nameplate rating in a single step.
- Fuel/water separator removes condensation from fuel for extended engine life. Panel mounted alarm light included.
- Sound attenuated, weather resistant, steel housing provides operation at 66 dB(A) at 23 feet. Fully lockable enclosure allows safe unattended operation.
- E-coat and powder coat paint provides durability and weather protection.
- Internal fuel tank with direct reading fuel gauge.
- Spill Containment - Bunded design protects environment by capturing up to 128% of engine fluids.
- Brushless alternator reduces service and maintenance requirements and meets temperature rise standards for Class F insulation systems.
 - Open delta alternator design provides virtually unlimited excitation for maximum motor starting capability.
 - Automatic voltage regulator (AVR) provides precise regulation.
- Fully covered power panel. Three-phase terminals and single phase receptacles allow fast and convenient hookup for most applications including temporary power boxes, tools and lighting equipment. All are NEMA standard.
- ECU845 microprocessor-based digital generator controller.
 - Remote 2-wire start/stop control.
 - High visibility LCD display with heated screen and alphanumeric readout.
 - Operational temperature range of -40° to 85° C.
 - AC monitoring along with fuel and DEF level indicators.
- Digital engine gauges including oil pressure, water temperature, battery volts, engine speed, engine load, fuel level and DEF level.
- Analog generator instrumentation including AC ammeter, AC voltmeter, frequency meter, ammeter phase selector switch, voltmeter phase selector switch, and voltage regulator adjustment potentiometer.
- Automatic safety shutdown system monitors the water temperature, engine oil pressure, low DEF, overspeed and overcrank. Warning lights indicate abnormal conditions.
- Voltage selector switch offers the operator a wide range of voltages that are manually selectable. Fine tuning of the output voltage can be accomplished by adjusting the voltage regulator control knob to obtain the desired voltage.



DCA125SSIU4F

Generator

Item 7b.

SPECIFICATIONS

Generator Specifications		
Design	Revolving field, self-ventilated Drip-proof, single bearing	
Armature Connection	Star with Neutral	Zig Zag
Phase	3	Single
Standby Output	110KW (137.5 KVA)	79 KW
Prime Output	100 KW (125 KVA)	72 KW
3Ø Voltage (L-L/L-N) Voltage Selector Switch at 3Ø 240/139	208Y/120, 220Y/127, 240Y/139	N/A
3Ø Voltage (L-L/L-N) Voltage Selector Switch at 3Ø 480/277	416Y/240, 440Y/254, 480Y/277	N/A
1Ø Voltage (L-L/L-N) Voltage Selector Switch at 1Ø 240/120	N/A	240/120
Power Factor	0.8	1.0
Voltage Regulation (No load to full load)	±0.5%	
Generator RPM	1800	
Frequency	60 Hz	
Winding Pitch	2/3	
No. of Poles	4	
Excitation	Brushless with AVR	
Frequency Regulation: No Load to Full Load	Isochronous under varying loads from no load to 100% rated load	
Frequency Regulation: Steady State	±0.25% of mean value for constant loads from no load to full load.	
Insulation	Class F	
Sound Level dB(A) Full load at 23 feet	66	

Engine Specifications	
Make / Model	Isuzu / BR-4HK1X
Emissions	EPA Tier 4 Final Certified
Starting System	Electric
Design	4-cycle, water cooled, direct injection, turbocharged. Charged Air Cooled EGR, DOC and SCR.
Displacement	317 in ³ (5193 cc)
No. cylinders	4
Bore x Stroke	4.52 x 4.92 in. (115 x 125 mm)
Gross Engine Power Output	170.8 hp (127.4 kW)
BMEP	211 psi (1458 kPa)
Piston Speed	1476 ft/min (7.5 m/s)
Compression Ratio	16.5:1
Engine Speed	1800 rpm
Overspeed Limit	2070 rpm
Oil Capacity	6.05 gallons (22.9 liters)
Battery	12V 150Ah x 1

Fuel System		
Recommended Fuel	ASTM-D975-No.1 & No.2-D*	
Maximum Fuel Flow (per hour)	19 gallons (71.9 liters)	
Maximum Inlet Restriction (Hg)	2.9 in (73.6 mm)	
Fuel Tank Capacity	169 gallons (640 liters)	
Fuel Consumption	gph	lph
At full load	7.1	26.9
At 3/4 load	5.6	21.2
At 1/2 load	4.1	15.5
At 1/4 load	2.6	10.0
DEF Tank Capacity	7.4 gallons (28 liters)	

* - Use ultra-low sulfur diesel fuel.

Cooling System	
Fan Load	6.57 hp (4.9 kW)
Coolant Capacity (with radiator)	10.3 gallons (39 liters)
Coolant Flow Rate (per minute)	60.8 gallons (230 liters)
Heat Rejection to Coolant (per minute)	4456 Btu (4.7 MJ)
Maximum Coolant Friction Head	1.1 psi (7.7 kPa)
Maximum Coolant Static Head	3.3 feet (1 meter)
Ambient Temperature Rating	104°F (40°C)

Air	
Combustion Air	244 cfm (6.9 m ³ /min)
Maximum Air Cleaner Restriction	25 in. H ₂ O (6.25 kPa)
Alternator Cooling Air	1352 cfm (38.3 m ³ /min)
Radiator Cooling Air	6005 cfm (170 m ³ /min)

Exhaust System	
Gas Flow (full load)	512 cfm (14.5 m ³ /min)
Gas Temperature	658°F (348°C)
Maximum Back Pressure	100 in. H ₂ O (25 kPa)

Amperage	
Rated Voltage	Maximum Amps
1Ø 120 Volt	300A x 2 (Zigzag)
1Ø 240 Volt	300 A (Zigzag)
3Ø 208 Volt	300 Amps
3Ø 240 Volt	300 Amps
3Ø 480 Volt	150 Amps
Main Line Circuit Breaker Rating	300 Amps
Over Current Relay Trip Set Point 480V Mode Only	152 Amps

WARRANTY*

Isuzu Engine**

12 months from date of purchase with unlimited hours or 36 months from date of purchase with 3000 hours (whichever occurs first).

Generator

24 months from date of purchase or 2000 hours (whichever occurs first).

Trailer

12 months excluding normal wear items.

*Refer to the express written, one-year limited warranty sheet for additional information.

**Refer to Isuzu Diesel Engine Limited Warranty for details.

NOTICE

Specifications sheet is subject to change and is not intended for use in installation design.



DCA125SSIU4F

Generator

Item 7b.

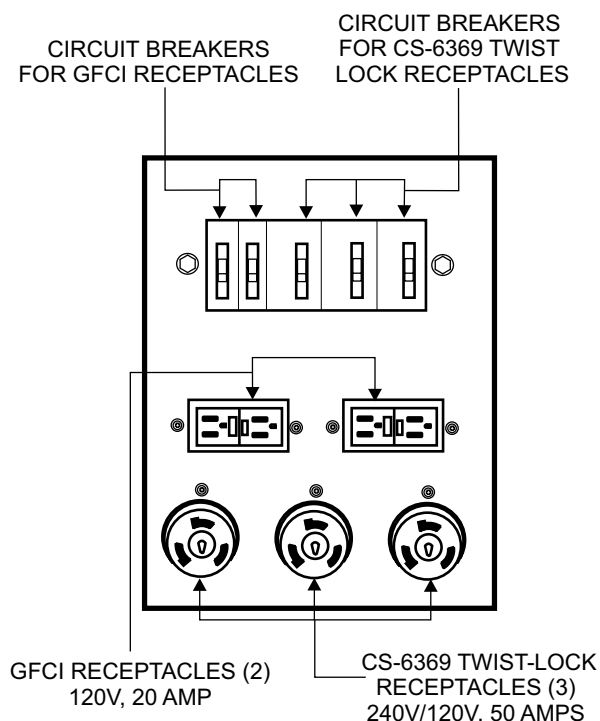
MQ POWER DECIBEL LEVELS

Our soundproof housing allows substantially lower operating noise levels than competitive designs. WhisperWatts are at home on construction sites, in residential neighborhoods, and at hospitals — just about anywhere.

- 90 — Subway / truck traffic
- 80 — Average city traffic
- 70 — Inside car at 60 mph
- 60 — Air conditioner at 20 feet
- 50 — Normal conversation

66.0
DECIBELS

GENERATOR OUTPUT PANEL



OPTIONAL GENERATOR FEATURES

- **Parallel Controls** — provides the ability to connect multiple generators together into a single power generation system.
- **PowerBalance™** — designed to assist generators when operating under low temperature and/or low load conditions to insure peak performance.
- **Battery Charger** — provides fully automatic and self-adjusting charging to the generator's battery system.
- **Trailer Mounted Package** — meets National Highway Traffic Safety Administration (NHTSA) regulations. Trailer is equipped with electronic or surge brakes with double axle configuration.

OPTIONAL CONTROL FEATURES

- **Emergency Stop Switch** — when manually activated, shuts down generator in the event of an emergency.
- **Audible Alarm** — alerts operator of abnormal conditions.

OPTIONAL FUEL CELL FEATURES

- **Sub-base Fuel Cells (double wall)** — additional fuel cell for extended runtime operation. Contains a leak sensor, low fuel level switch, and a secondary containment tank. UL142 listed.
- 12 hours of minimum run time.
- 24 hours of minimum run time.

OPTIONAL OUTPUT CONNECTIONS

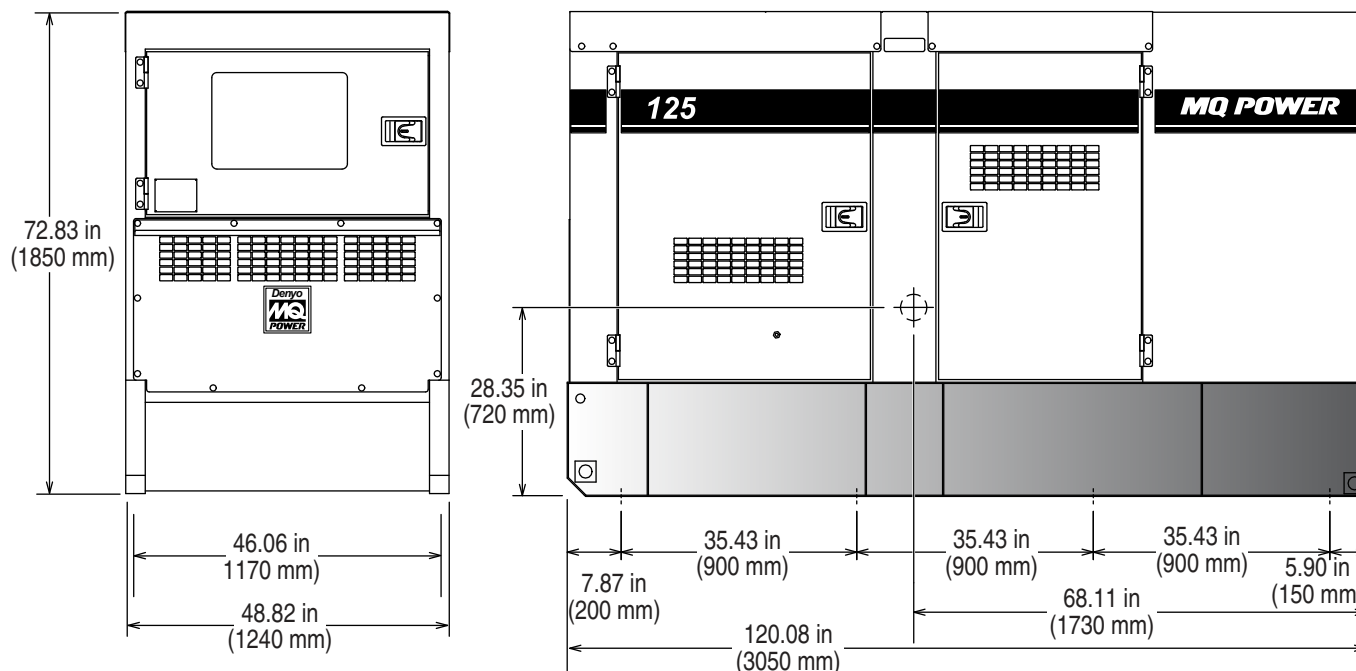
- **Cam-Lok Connectors** — provides quick disconnect alternative to bolt-on connectors.
- **Pin and Sleeve Connectors** — provides industry standard connectors for all voltage requirements.
- **Output Cable** — available in any custom length and size configuration.



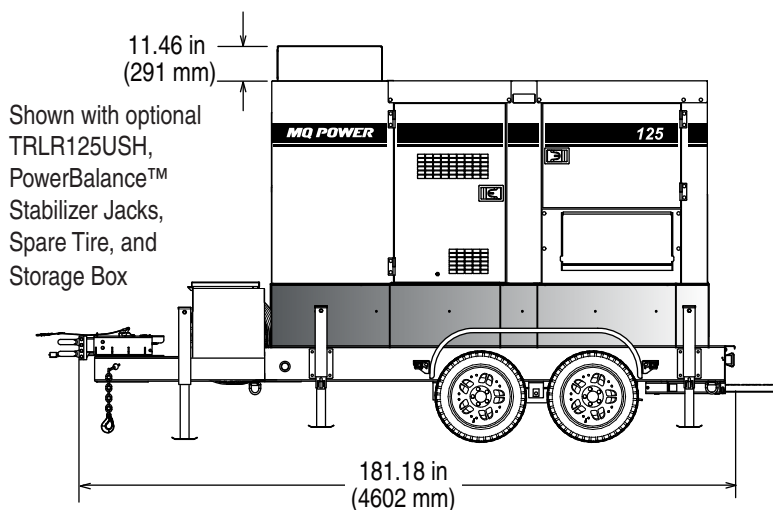
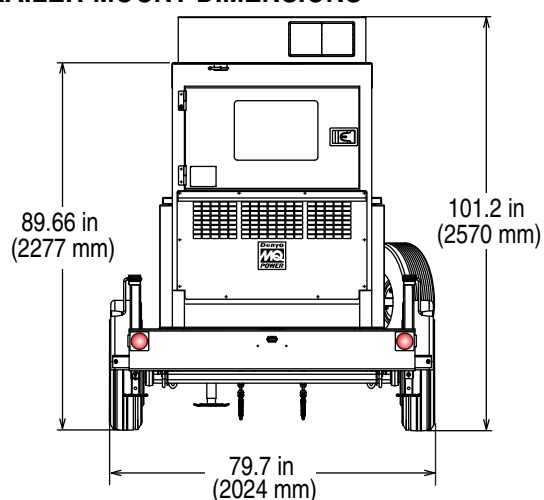
DCA125SSIU4F Generator

Item 7b.

SKID-MOUNT DIMENSIONS



TRAILER-MOUNT DIMENSIONS



DCA125SSIU4F Weights*

Dry Weight	5,291 lbs. (2,400 kg)
Wet Weight	6,702 lbs. (3,040 kg)
Max. Lifting Point Capacity	14,050 lb. (6,370 kg)

* Weights do not include options.

DCA125SSIU4F and TRLR125US Weights*

Dry Weight (with TRLR125US)	7,013 lbs. (3,181 kg)
Wet Weight (with TRLR125US)	8,424 lbs. (3,821 kg)

Generator can be placed on MQ Trailer Models TRLR125US and TRLR180XF.

NOTICE

Features and Specifications are subject to change without notice.



MULTIQUIP
POST OFFICE BOX 6254
CARSON, CA 90749
310-537-3700 • 800-883-2551
FAX: 310-604-3831
E-MAIL: sales@multiquip.com
WEBSITE: www.multiquip.com



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Public Works Director John M. Lewis, PE

Agenda Date: 01/19/2022

SUBJECT:

Public Works Water Division New Additional Vehicle Purchase #349 (2022 Ford F-450)

STAFF RECOMMENDATION:

Staff recommends the City Commission authorize the purchase of a 2022 Ford F-450, 1 ½ ton, 4X4 Diesel Utility Truck (#349). This is a new additional truck for the Water Department.

EXECUTIVE SUMMARY:

The Public Works Fleet Division is utilizing its Fleet Replacement Fund for the purchase of a 2022 Ford F-450, 1 ½ ton, 4X4 Diesel Utility Truck for the Water Division.

BACKGROUND:

Oregon City Fleet purchases are managed through our Fleet Replacement Fund. Every year, each Public Works Division budgets a predetermined amount for deposit into the Fleet Replacement Account to ensure that adequate funding is available when new or replacement vehicles are scheduled for purchase.

The purchase price of this truck is \$91,037.25 and was a previously authorized expenditure within the FY 2021-22 biennial budget.

Public Works will be contracting with Northside Ford, under the State Purchasing Agreement #1656, for the purchase of the 2022 Ford F-450, 1 ½ ton, 4X4 Diesel Utility Truck. Attached is the sales quote, a brochure of the truck, and the State Purchasing Agreement Documentation. This truck will be predominantly used by the Water Division.

There is adequate funding within the Fleet Replacement Fund to allow the Public Works Operations Division to support and fund this new asset.

OPTIONS:

1. Authorize the City Manager to proceed with the purchase of the replacement vehicle.
2. Authorize the City Manager to proceed with the purchase with specific modifications.
3. Deny the purchase request. If the Commission chooses to deny the request, please provide staff direction on how to proceed.

BUDGET IMPACT:

Amount: \$91,037.25

FY(s): 2021-22

Funding Source(s): Fleet Replacement Fund 320-526-7052

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021

349



Item 7c.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OC22X4H

As Configured Vehicle

Code	Description	MSRP	Invoice
Base Vehicle			
X4H	Base Vehicle Price (X4H)	\$46,555.00	\$44,227.00
Packages			
650A	Order Code 650A <i>Includes:</i> - Transmission: TorqShift 10-Speed Automatic 10R140 with neutral idle and selectable drive modes: normal, tow/haul, eco, deep sand/snow and slippery. - GVWR: 16,500 lb Payload Package - Wheels: 19.5" x 6" Argent Painted Steel Hub covers/center ornaments not included. - HD Vinyl 40/20/40 Split Bench Seat Includes center armrest, cupholder, storage and driver's side manual lumbar. - Radio: AM/FM Stereo w/MP3 Player Includes 6 speakers. - SYNC Communications & Entertainment System Includes enhanced voice recognition, 911 Assist, 4.2" LCD center stack screen, AppLink, 1 smart-charging USB port and steering wheel audio controls.	N/C	N/C
Powertrain			
99T	Engine: 6.7L 4V OHV Power Stroke V8 Turbo Diesel B20 <i>Includes Diesel Exhaust Fluid (DEF) tank, intelligent oil-life monitor and manual push-button engine-exhaust braking.</i> <i>Includes:</i> - Dual 78-AH 750 CCA Batteries	\$9,325.00	\$8,486.00
44G	Transmission: TorqShift 10-Speed Automatic <i>10R140 with neutral idle and selectable drive modes: normal, tow/haul, eco, deep sand/snow and slippery.</i>	Included	Included
X4L	Limited Slip w/4.30 Axle Ratio	\$360.00	\$327.00
STDGV	GVWR: 16,500 lb Payload Package	Included	Included
Wheels & Tires			
TGK	Tires: 225/70Rx19.5G BSW Traction (TGK) <i>Includes 4 traction tires on the rear and 2 traction tires on the front. Not recommended for over the road applications; could incur irregular front tire wear and/or NVH.</i>	\$215.00	\$195.00
64Z	Wheels: 19.5" x 6" Argent Painted Steel <i>Hub covers/center ornaments not included.</i>	Included	Included

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021



Item 7c.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OC22X4H

As Configured Vehicle (cont'd)

Code	Description	MSRP	Invoice
Seats & Seat Trim			
A	HD Vinyl 40/20/40 Split Bench Seat <i>Includes center armrest, cupholder, storage and driver's side manual lumbar.</i>	Included	Included
Other Options			
PAINT	Monotone Paint Application	STD	STD
168WB	168" Wheelbase	STD	STD
STDRD	Radio: AM/FM Stereo w/MP3 Player <i>Includes 6 speakers. Includes: - SYNC Communications & Entertainment System Includes enhanced voice recognition, 911 Assist, 4.2" LCD center stack screen, AppLink, 1 smart-charging USB port and steering wheel audio controls.</i>	Included	Included
90L	Power Equipment Group <i>Deletes passenger side lock cylinder. Includes upgraded door-trim panel. Includes: - Accessory Delay - Advanced Security Pack Includes SecuriLock Passive Anti-Theft System (PATS) and inclination/intrusion sensors. - Folding Trailer Tow Mirrors w/Power Heated Glass Includes manual telescoping, heated convex spotter mirror and integrated clearance lamps/turn signals. - MyKey Includes owner controls feature. - Power Front & Rear Side Windows Includes 1-touch up/down driver/passenger window. - Power Locks - Remote Keyless Entry</i>	\$915.00	\$832.00
535	High Capacity Trailer Tow Package <i>Includes upgraded rear axle. Increases GCW from 32,500 lbs. to 35,000 lbs. Note: Salesperson's Portfolio or Trailer Towing Guide should be consulted for specific trailer towing or camper limits and corresponding required equipment, axle ratios and model availability. See Supplemental Reference for vehicle height consideration.</i>	\$580.00	\$528.00
86B	Programmable Engine Idle Shutdown - 10 Minute	\$250.00	\$228.00
98R	Operator Commanded Regeneration	\$250.00	\$228.00
18A	Upfitter Interface Module	\$295.00	\$269.00
67B	397 Amp Alternators	Included	Included
63A	Utility Lighting System <i>Includes LED side-mirror spotlights.</i>	\$160.00	\$145.00

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021



Item 7c.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OC22X4H

As Configured Vehicle (cont'd)

Code	Description	MSRP	Invoice
52B	Trailer Brake Controller <i>Includes smart trailer tow connector. Verified to be compatible with electronic actuated drum brakes only.</i>	\$270.00	\$245.00
18B	Platform Running Boards	\$445.00	\$405.00
872	Rear View Camera & Prep Kit <i>Pre-installed content includes cab wiring and frame wiring to the rear most cross member. Upfitters kit includes camera with mounting bracket, 20' jumper wire and camera mounting/aiming instructions.</i>	\$415.00	\$377.00
41A	Rapid-Heat Supplemental Cab Heater <i>Includes: - 397 Amp Alternators</i>	\$250.00	\$228.00
43C	110V/400W Outlet <i>Includes 1 in-dash mounted outlet.</i>	\$175.00	\$160.00
76C	Exterior Backup Alarm (Pre-Installed)	\$140.00	\$128.00
Emissions			
425	50-State Emissions System	STD	STD
Interior Color			
AS_01	Medium Earth Gray	N/C	N/C
Exterior Color			
Z1_01	Oxford White	N/C	N/C
Upfit Options			
E133072	Reading body to spec	\$39,245.00	\$39,245.00

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021



Item 7c.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OC22X4H

As Configured Vehicle (cont'd)

Code	Description	MSRP	Invoice
	READING MODEL CLASSIC II 108" SERVICE BODY CL ST 108 DW RW1 40 SP ML U AA FF2 INCLUDING THE FOLLOWING: SPACEMAKER FLIP TOP COMPARTMENTS STREET AND CURB SIDES 18" REAR TAILSHELF SIX (6) RECESSED D-RING TIE DOWNS IN BED AREA. THREE PER SIDE MASTER LOCKING SYSTEM LED FLEX LIGHTING IN COMPARTMENTS WITH DOOR SWITCHES (WIRE TO UPFITTER SWITCH IN CAB) SPRAY LINE BED AREA SIDE WALLS, FLOOR, FRONT BULKHEAD REAR TAILSHELF TAILGATE AND FLIP TOP LIDS BODY POWDER COATED WHITE 14302338 FORD SERVICE BODY HARNESS ADAPTER YKDK090002 BODY MOUNTING KIT STEEL SURCHARGE READING 14302155, 2011+ FORD OEM HARNESS TO CONNECT OEM BACK-UP CAMERA KIT READING 10012603, SP-4, FRONT 4-BOLT SPRING MOUNTING KIT BODY FREIGHT BUYERS 1809061A, 1/2" HITCH PLATE WITH 2-1/2" RECEIVER TUBE - 20K RATED - FORD CHASSIS FABRICATED MOUNTING PLATES FOR HITCH ASSY CURT 56443 HARNESS-7 WAY (FORD ONLY) RV BLADE OUTPUT FOR F250 F350 F450 - PLUGS IN AND CONNECTS TAIL, BRAKE, REVERSE, TURN SIGNALS, AUXILIARY BUYERS PT # PM25612 2 POSITION PINTLE HOOK MOUNT WITH 12 INCH SHANK 2.5 BUYERS 10052, HITCH, BH10 W/2in BALL+MOUNT CTECH MDL 580117 DRAWER UNIT 23" W X 30.5" H X 18.5" D 6 DRAWER 3-3", 2-5", 1-7" RED COLOR. INSTALL IN CURBSIDE FRONT VERTICAL COMPARTMENT 2 BUYERS 5230912, RSTEP, CABLE TYPE, 9IN TALL X 12IN WIDE, BLK-INSTALL UNDER REAR TAILSHELF. ONE PER SIDE PROTECH 57-7521 ALUMINUM CABRACK, WITH MESH FOR SERVICE BODY - 21" HIGH 2 PROTECH 57-9005, BRKT, LIGHT TRUCK CAB RACK ANTENNA, ONE PER SIDE PROTECH 57-6055 EARS (PAIR), CABRACK LUMBER STOPS. 1.5" X 4" BATTERY- GROUP 31 WITH SCREW POST -PT # 7236 BATTERY BOX FOR GROUP 31 POST TYPE BATTERIES-ADJUSTABLE FOR OTHER SIZES TOO PT # BK8255004 BATTERY SEPARATOR - 12V 100 AMP PT # SP-1314A-B INVERTER-2500W PT # CPI2500W 3 THREE DUPLEX 120 VOLT GFI OUTLETS. LOCATIONS TO BE DETERMINED FUEL FILL/DEF SUPPORT GOLIGHT GT SERIES MODEL 79004GT LED SPOTLIGHT, PORTABLE MOUNT, WIRELESS HAND HELD REMOTE, WHITE-MOUNTED ON CURBSIDE OF CABGUARD 2 LIGHT- FLOOD LED CLEAR 5.3" INCH SQUARE 9-LED PT # 1492119-INSTALL ON CABGUARD FACING REAR. WIRE TO FACTORY UPFITTER SWITCH https://www.buyersproducts.com/product/53-inch-square-led-clear-flood-light-411 FRONT CONE HOLDER PER OREGON CITY SPECS 2 BUYERS RT25808 2" X 8" RECEIVER TUBE. INSTALL IN BED AREA FOR GOAL POST MATERIAL RACK MATERIAL FOR GOAL POST RACKS, BED MOUNTED TOOL HOLDERS AND LADDER HOOKS PVC FOAM CORE PIPE 6 X 20 PVC S40 PT # P40FCPU20 - CUT TO PREDETERMINED LENGTH MOUNT 6 ACROSS FRONT OF BODY FOR ROLL-UP SIGN STORAGE LINE-X REAR TOWING PLATE AND TOUCH UP SHOP SUPPLIES INSTALLATION PAINT TOUCH-UP NOTE: CITY OF OREGON CITY TO FURNISH AND INSTALL UNIT STROBES AND LIGHT BAR ON CAB PRICE DOES NOT INCLUDE ANY BODY MODIFICATIONS REQUIRED FOR FUEL OR DEF TANKS MOUNTED OUTSIDE THE FRAME RAILS		
SUBTOTAL		\$99,845.00	\$96,253.00
Destination Charge		\$1,695.00	\$1,695.00
TOTAL		\$101,540.00	\$97,948.00

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021



Item 7c.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |
972182995**2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)**

Price Level: 240 | Quote ID: OC22X4H

Pricing Summary - Single Vehicle

	MSRP
<i>Vehicle Pricing</i>	
Base Vehicle Price	\$46,555.00
Options	\$14,045.00
Colors	\$0.00
Upfitting	\$39,245.00
Fleet Discount	\$0.00
Destination Charge	\$1,695.00
Subtotal	\$101,540.00

Pre-Tax Adjustments

Code	Description	MSRP
VCAF	As per state contract #1656	\$0.00
Delivery	Delivery per contract \$2.25 per mile after 60.	\$0.00
Govt Disc	Government discount	-\$11,942.44
Key w/remote	Keys, fully programmed with remote (2 factory, 2 extra, 4 total)	\$449.00
Subtotal		\$90,046.56

Sales Taxes

Code	Description	MSRP
CAT	Corporate Activity Tax	\$337.67
<i>Estimated CAT tax (gross receipts tax) in effect 1/1/20.</i>		
Oregon Tax	Oregon Privilege Tax	\$450.23
<i>Oregon Privilege Tax for all new vehicles and any used vehicles with less than 7500 miles that have not previously been registered in Oregon.</i>		
Subtotal		\$90,834.46

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021



Item 7c.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OC22X4H

Pricing Summary - Single Vehicle

Post-Tax Adjustments

Code	Description	MSRP
CAT Doc 75	Adjustment for CAT on \$75 Doc fee	\$0.29
<i>CAT tax adjustment for doc fee. Tax is to be collected for document processing fee.</i>		
E-Doc	Doc fee for E-Plates	\$75.00
<i>Doc fee for processing E-Plates</i>		
E-RegPlate	Plate and registration for E-Plates	\$29.50
<i>\$24.50 Plate fee \$5.00 Registration</i>		
Title-19	Title fee for vehicles getting 0-19 MPG avg	\$98.00
Subtotal		\$91,037.25
Total		\$91,037.25

Customer Signature

Acceptance Date

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

There may be other service bodies, but there's only one Classic II

Item 7c.

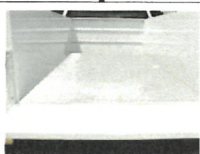


The Classic II offers an unbeatable combination of standard features, useful options, and the advantages of more than 50 years of refinement. This service body is designed for efficiency today and built to last.



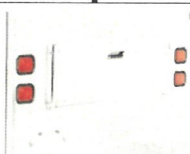
Spacemaker model shown with available options

Aluminum & Steel Features



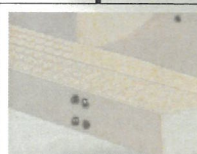
A60 Coating Weight Pressed Steel Diamond Plate Floor and Tailgate Inner Panel Industry exclusive A40-A60 coating weight steel diamond plate surface provides additional corrosion protection and better traction. Patent pending

- 1/8" Aluminum diamond plate floor



Slam Action Tailgate Features a polished, stainless steel handle and double-panel construction. Stainless steel locking rods, hinge rods and striker channels

- Rugged, double-panel aluminum construction



Pooched Bumper White Powder Coated steel. Pooched design provides slip resistant step surface

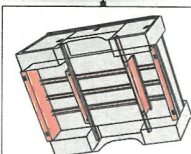
- Independently mounted with L.E.D. lights (also available for steel body)



Rectangular Tail Lights Provides modern look and are leak resistant

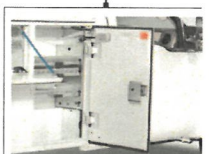


Removable Stainless Steel Tailgate Knee Braces Allow the tailgate to swing down completely



Rugged Classic II Understructure Fully unitized welding, with U-beam girders braced and reinforced at all critical points. Acrylic E-Coat primed and coated with a tough, water-based undercoating that meets all environmental standards

- All aluminum understructure



Heavy-Duty Compartment Doors 18 Gauge outer door skin with double-paneled construction and internal reinforcement make these the thickest and strongest doors in the industry

- Heavy-gauge, all aluminum compartment door

EXPECT MORE. CHOOSE

Item 7c.

Reading[®]

Classic II[™] Service Bodies

The Service Body that Leads the Industry



Shown with optional equipment

Expect more standard features and more exclusive options with the Classic II[™]!

DEPENDABLE | DURABLE | RUGGED | VERSATILE



- PATENTED hidden hinges
- EXCLUSIVE standard features and option packages
- LEGENDARY quality and durability
- TIMELESS design, maximized for efficiency

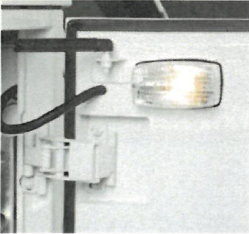
There may be other service bodies, but there's only one Classic II

Item 7c.



Latch-Matic® with Optional Audible Alarm System

- One touch simultaneously locks or unlocks all compartments on the body
- Two high quality key fob transmitters with 25' range
- Optional audible alarm is enabled by locking doors with the key fob transmitter
- Proven, automotive quality components with concealed wiring and hardware
- Compartment doors can be locked individually with keys (provided)
- Three-year limited warranty on parts and service



Compartment Lighting System

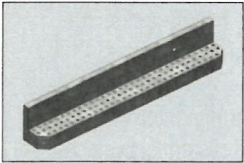
- Works in conjunction with the Latch-Matic system
- Lights are activated when compartment doors are unlocked
- Lights go off when doors are locked
- Programmed to go off automatically after 10 minutes
- Lights feature impact resistant Lexan lenses
- Additional light for cargo bed also available

Bumpers

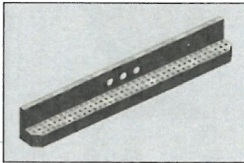
Reading Bumpers are constructed of heavy-duty A60 coating weight steel and are protected by acrylic E-Coat priming. They are offered in a wide array of styles and feature deck plate, safety step, or all-weather slip resistant surfaces.

Independently Mounted Single and Dual Wheel, Recessed and Non-Recessed Pooched Slip Resistant Surface

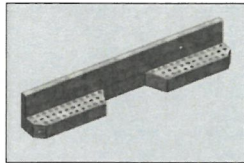
Available only on certain models.



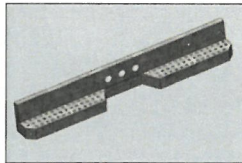
Single Wheel Bumper with L.E.D. lights



Dual Wheel Bumper with L.E.D. lights

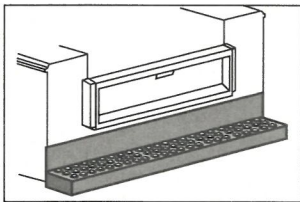


Single Wheel Recessed Bumper with L.E.D. lights

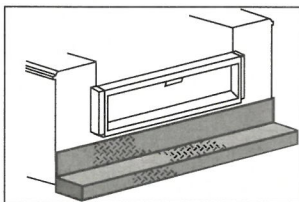


Dual Wheel Recessed Bumper with L.E.D. Lights

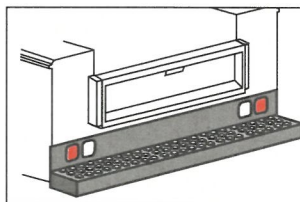
Other Bumper Options



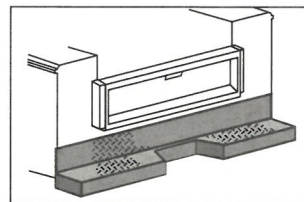
Pooched Bumper



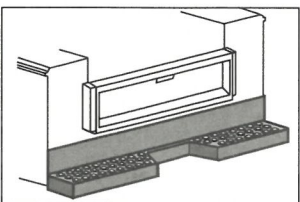
Deck Plate Step Bumper



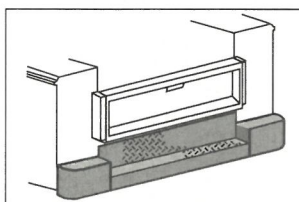
Lighted Pooched Bumper



Deck Plate Step Bumper with Recess



Pooched Bumper with Recess



Safety Step Bumper

Drawer Units



Extend-A-Shelf™

- Most economical compartment drawer system
- Three drawers with patented grab handles which permit easy one-handed operation and help secure drawers when compartment door is closed
- Shelves operate on 250 lb. capacity ball bearings



Grip n' Glide

- Competitively priced compartment drawer system
- 250 lb. capacity drawers with full extension ball bearing slides
- Ergonomically designed grips provide single hand "grab & pull" operation of drawers
- Equipped with three drawers

Classic II™ Service Bodies



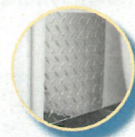
- 1** A60 Coating Weight Steel
- 2** E-Coat Primer
- 3** Powder Coat Finish

The C2-50 Options Package

This Classic II is equipped with the C2-50 Options Package, a group of our most popular and most exclusive options. C2-50 includes:



- Latch-Matic® remote locking system with audible alarm



- Bright finish aluminum treadplate guards on front of body panels and on top of tailgate

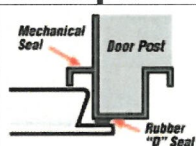


- Compartment and cargo area lighting system activated by the key fob

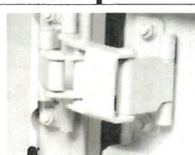


- Extend-A-Shelf™ modular drawer unit provides easy installation and removal

Individual items from this package can be purchased separately



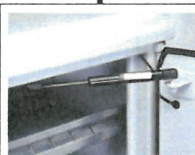
Exclusive Dual-Pro® Seal System Patented design increases clear door openings in every compartment of the body. Large, automotive quality bubble-type seal and mechanical seal provide a dual line of defense against weather



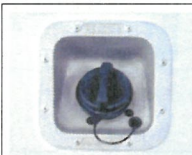
Patented Hidden Hinges Industry exclusive overlapping door construction resists forcible entry. Robust, concealed hinge design provides protection against corrosion. Fully adjustable and easily replaced without damage to body or door



Complete Stainless Steel Rotary Locks Attractive appearance with no exposed fasteners; rust resistant. Features a double bolted, high quality locking cylinder; adjustable striker pins; and an O-ring seal to prevent water intrusion



Nitrogen Strut Door Holders All vertical compartment doors are equipped with nitrogen strut door holders. Internal dampeners control the opening and closing of doors



Aluma-Fill® Aluminum fuel fill receptacle protects truck body from accidental nicks and scratches

DA Package Body

- L.E.D. marker lights and tail lights
- White Powder Coat finish
- Independently mounted pooched bumper

NOTE: Not all available in all sizes and compartment layouts

Enclosures for Classic II™ Bodies

Need a service body with a bit more storage or perhaps an enclosed work space? Reading Enclosed Bodies are the answer. Equipped with spacious outside storage compartments and featuring a completely enclosed cargo and work area, Reading enclosed bodies offer the best of both worlds.

108DW Panel Body 50 Series

("B" side shown) With optional recessed safety step bumper, and recessed tail lights.



Panel Bodies

- Available in heights of 50", 60" and 72" for most models
- Rear doors close and lock securely with 2-point locking system
- Available in galvanized steel or in fuel-saving aluminum
- Protected by acrylic E-Coat priming
- Enclosed area has three full length shelves on each side (four shelves on 72 series) to provide carrying space for long-handled tools and equipment

108DW Tapered Panel Body 60 Series

("B" side shown) With recessed tail lights and optional pooched bumper



Spacemaster Bodies

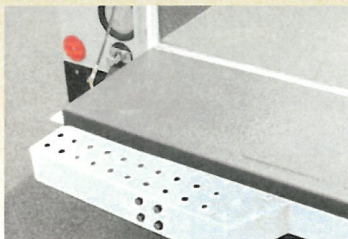
- Available in heights of 48" and 57"
- Enclosed work area, plus four lift-up doors
 - Upper roadside compartments permit direct access from the interior
 - Upper exterior doors feature pneumatic struts and T-handle locks
- Available in galvanized steel or in fuel-saving aluminum
- Protected by acrylic E-Coat priming

108DW Spacemaster Body 57 Series

("A" side shown) With recessed tail lights and optional recessed safety step bumper



Spray On Bedliner



- Available as a factory-installed option
- Offers watertight and airtight truck bed protection
- Prohibits rust, corrosion and surface abrasion while providing a slip resistant surface
- 1/8" Thick graphite gray coating application is very resistant to damage from impact

Powder Coating



- Polyester powder is sprayed on the body, then melted to form a highly durable white finish (other colors available)
- Resistant to corrosion, chemicals, humidity, scratches, chips, and impact
- Brighter finish
- Tolerant of UV exposure

Classic II™ Models

Standard Service Bodies

- For single and dual wheel configurations
- Available in 78", 98", 108", and 132" sizes
- Can be ordered with C2-50 (see opening spread)



Standard Service Body – 108SW ("A" side shown) with recessed tail lights and optional independently mounted pooched bumper



Spacemaker® Service Bodies

- Feature top-opening compartments that provide 15% more storage space
- Redesigned lids are reinforced and feature two pneumatic props and rotary catches with push button release, permitting easy one-handed closure from either end
- Available in same configurations and sizes as standard bodies
- Can be ordered with the C2-50 (see opening spread)

Low Profile Service Bodies

- Body is 5" lower than standard bodies for better visibility
- Available in same configurations and sizes as standard bodies
- Spacemaker style also available
- Can be ordered with the C2-50 (see opening spread)



Spacemaker Low Profile Service Body SLP108DW ("B" side shown) Model shown features Spacemaker compartments with recessed tail lights, optional removable overhead ladder rack, and deck plate step bumper with recess



Dimensional Data: Standard Bodies – Single Wheel

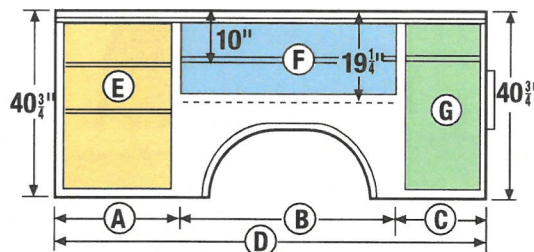
Item 7c.

Model	Approx. Wt.		Cab-to-Axle	A	B	C	D	Approx. Compartment Clear Door Openings				
	Steel	Alum.						E	F	G	H	I
**78-SWs	858 lbs.	472 lbs.	40"	18"	42"	18"	78"	12-1/2"x35-1/4"	40-1/2"x14"	12-1/2"x35-1/4"	56-1/2"x14"	12-1/2"x18-1/8"
**LP-78SWs	818 lbs.	450 lbs.	40"	18"	42"	18"	78"	12-1/2"x30-1/4"	40-1/2"x9"	12-1/2"x30-1/4"	56-1/2"x9"	12-1/2"x18-1/8"
^98-SWs	1026 lbs.	563 lbs.	56"	28"	48"	22"	98"	22-1/2"x35-1/4"	46-1/2"x14"	16-1/2"x35-1/4"	66-1/2"x14"	16-1/2"x18-1/8"
*U98-SWs	1026 lbs.	563 lbs.	56"	28"	48"	22"	98"	22-1/2"x35-1/4"	46-1/2"x14"	16-1/2"x35-1/4"	66-1/2"x14"	16-1/2"x18-1/8"
LP98-SWs	976 lbs.	537 lbs.	56"	28"	48"	22"	98"	22-1/2"x30-1/4"	46-1/2"x9"	16-1/2"x30-1/4"	66-1/2"x9"	16-1/2"x18-1/8"
*ULP98-SWs	976 lbs.	537 lbs.	56"	28"	48"	22"	98"	22-1/2"x30-1/4"	46-1/2"x9"	16-1/2"x30-1/4"	66-1/2"x9"	16-1/2"x18-1/8"
*U108-SWs	1045 lbs.	575 lbs.	60"	34-3/4"	47"	26-1/4"	108"	29-1/4"x35-1/4"	45-1/2"x14"	20-3/4"x35-1/4"	69-3/4"x14"	20-3/4"x18-1/8"
*ULP108-SWs	990 lbs.	545 lbs.	60"	34-3/4"	47"	26-1/4"	108"	29-1/4"x30-1/4"	45-1/2"x9"	20-3/4"x30-1/4"	69-3/4"x9"	20-3/4"x18-1/8"

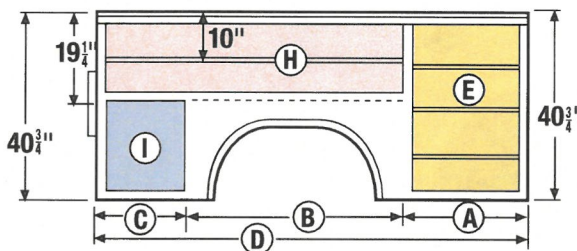
Installers Notes:

- * Universal mounting
- ** E-Z mounting installation not available on these models
- s Equipped with spring shackle offsets (see diagrams below). Contact your Reading Distributor for dimensions of offsets
- ^ Available in aluminum

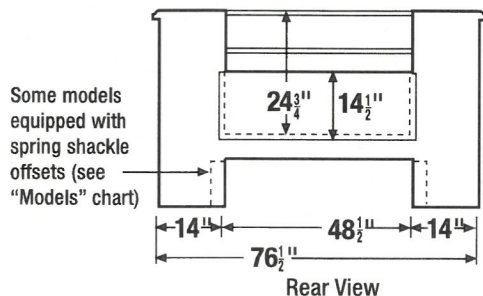
Models 78-SW, 98-SW, U98-SW, and U108-SW



"A" Compartment Layout

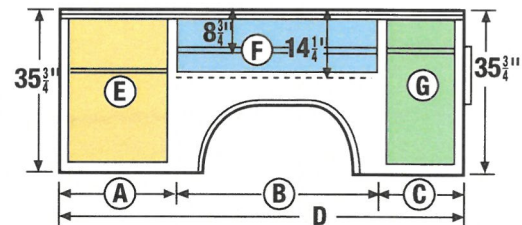


"B" Compartment Layout †

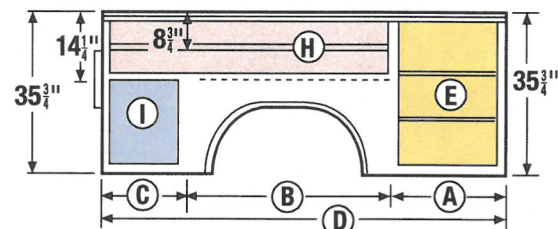


Rear View

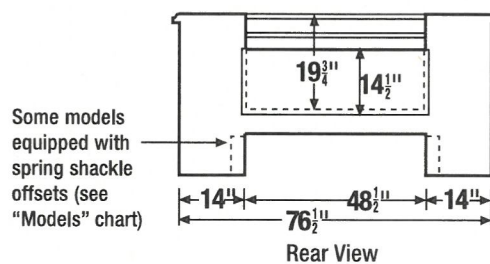
Low Profile Models LP78-SW, LP98-SW, ULP98-SW, and ULP108-SW



"A" Compartment Layout



"B" Compartment Layout †



Rear View

Standard Shelf and Divider Equipment

All shelves removable, all dividers removable and adjustable. Dividers interchangeable on most shelves. (8) shelves: 78, 98, and 108 models. (6) shelves: LP78, LP98, and LP108 models. (32) dividers: 78, 98 models. (40) dividers: 108 models

All Models Available With:

"A" or "B" compartment layout both sides. Combination "AB" with "A" layout on roadside and "B" layout on curbside

"LP" denotes low profile model number. Bumpers are optional at additional cost

† This compartment layout not available with DA Package and could affect leadtime

Classic II™ Aluminum Service Bodies

Expect more standard features and better fuel economy!

The Aluminum Classic II offers an unbeatable combination of standard features, useful options, and the know-how of over 25 years of refinement. This service body is designed for efficiency today, and built to last for tomorrow.



**ESTIMATED
FUEL
SAVINGS**



Savings based on government fuel saving guide website - www.fueleconomy.gov



ALUMINUM SERVICE BODIES | RUGGED | SUSTAINABLE | RESPONSIBLE



- INCREASED payload capacity
- LESS WEAR and tear on chassis
- GREATER residual value at the end of life cycle
- INHERENTLY corrosion resistant
- EASILY recycled

Spacemaker® Bodies – Single Wheel

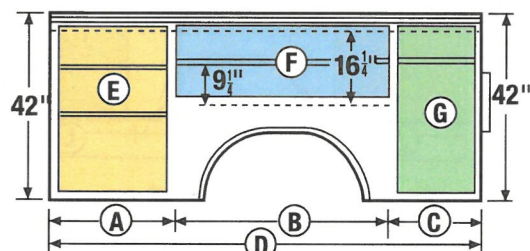
Item 7c.

Model	Approx. Wt.		Cab-to-Axle	A	B	C	D	Approx. Compartment Clear Door Openings				
	Steel	Alum.						E	F	G	H	I
**S78-SWs	1018 lbs.	560 lbs.	40"	18"	42"	18"	78"	12-1/2"x35-1/4"	40-1/2"x14"	12-1/2"x35-1/4"	56-1/2"x14"	12-1/2"x18-1/8"
**SLP-78SWs	978 lbs.	538 lbs.	40"	18"	42"	18"	78"	12-1/2"x30-1/4"	40-1/2"x9"	12-1/2"x30-1/4"	56-1/2"x9"	12-1/2"x18-1/8"
S98-SWs	1189 lbs.	654 lbs.	56"	28"	48"	22"	98"	22-1/2"x35-1/4"	46-1/2"x14"	16-1/2"x35-1/4"	66-1/2"x14"	16-1/2"x18-1/8"
*US98-SWs	1189 lbs.	654 lbs.	56"	28"	48"	22"	98"	22-1/2"x35-1/4"	46-1/2"x14"	16-1/2"x35-1/4"	66-1/2"x14"	16-1/2"x18-1/8"
SLP98-SWs	1139 lbs.	626 lbs.	56"	28"	48"	22"	98"	22-1/2"x30-1/4"	46-1/2"x9"	16-1/2"x30-1/4"	66-1/2"x9"	16-1/2"x18-1/8"
*USLP98-SWs	1139 lbs.	626 lbs.	56"	28"	48"	22"	98"	22-1/2"x30-1/4"	46-1/2"x9"	16-1/2"x30-1/4"	66-1/2"x9"	16-1/2"x18-1/8"
*US108-SWs	1307 lbs.	719 lbs.	60"	34-3/4"	47"	26-1/4"	108"	29-1/4"x35-1/4"	45-1/2"x14"	20-3/4"x35-1/4"	69-3/4"x14"	20-3/4"x18-1/8"
*USLP108-SWs	1257 lbs.	691 lbs.	60"	34-3/4"	47"	26-1/4"	108"	29-1/4"x30-1/4"	45-1/2"x9"	20-3/4"x30-1/4"	69-3/4"x9"	20-3/4"x18-1/8"

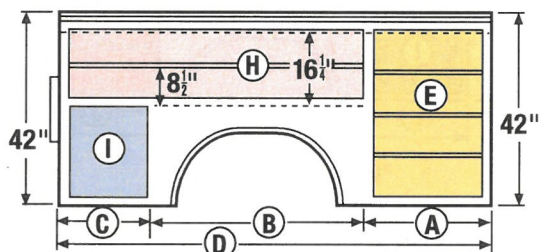
Installers notes:

- * Universal mounting
- ** E-Z mounting installation not available on these models
- s Equipped with spring shackle offsets (see diagrams below). Contact your Reading Distributor for dimensions of offsets

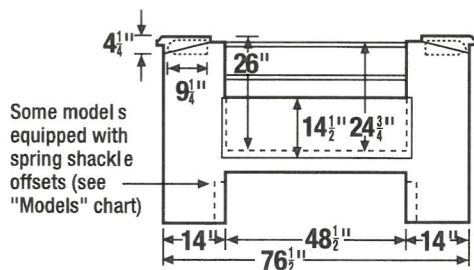
Models S78-SW, S98-SW, US98-SW, and US108-SW



"A" Compartment Layout



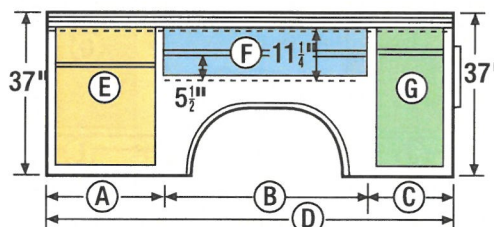
"B" Compartment Layout †



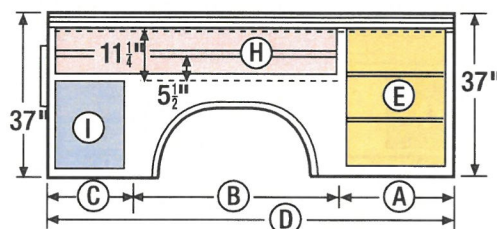
Rear View

Some models equipped with spring shackle offsets (see "Models" chart)

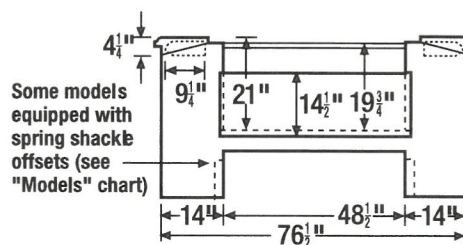
Low Profile Models SLP78-SW, SLP98-SW, USLP98-SW, and USLP108-SW



"A" Compartment Layout



"B" Compartment Layout †



Rear View

Some models equipped with spring shackle offsets (see "Models" chart)

Standard Shelf and Divider Equipment

All shelves removable, all dividers removable and adjustable. Dividers interchangeable on most shelves (8) shelves: 78, 98, and 108 models. (6) shelves: LP78, LP98, and LP108 models. (32) dividers: 78 and 98 models. (40) dividers: 108 models. Each top compartment has 15 dividers

All Models Available With:

"A" or "B" compartment layout both sides. Combination "AB" with "A" layout on roadside and "B" layout on curbside

"LP" denotes low profile model number

Bumpers are optional at additional cost

† This compartment layout not available with DA Package and could affect leadtime

Standard Bodies – Dual Wheel

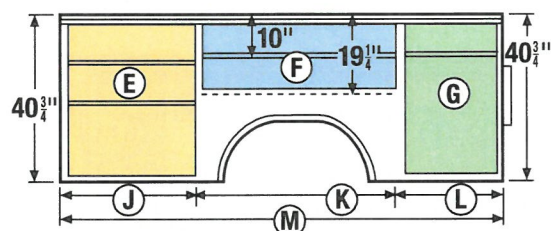
Item 7c.

Model	Approx. Wt.		Cab-to-Axle	A	B	C	Approx. Compartment Clear Door Openings					J	K	L	M
	Steel	Alum.					E	F	G	H	I				
98-DWs	1135 lbs.	625 lbs.	56"	93"	50"	21-1/2"	22-1/2"x35-1/4"	46-1/2"x14"	16-1/2"x35-1/4"	66-1/2"x14"	16-1/2"x18-1/8"	28"	48"	22"	98"
LP98-DWs	1075 lbs.	591 lbs.	56"	93"	50"	21-1/2"	22-1/2"x30-1/4"	46-1/2"x9"	16-1/2"x30-1/4"	66-1/2"x9"	16-1/2"x18-1/8"	28"	48"	22"	98"
^U108-DW	1252 lbs.	689 lbs.	60"	93"	50"	21-1/2"	29-1/4"x35-1/4"	45-1/2"x14"	20-3/4"x35-1/4"	69-3/4"x14"	20-3/4"x18-1/8"	34-3/4"	47"	26-1/4"	108"
ULP108-DW	1192 lbs.	656 lbs.	60"	93"	50"	21-1/2"	29-1/4"x30-1/4"	45-1/2"x9"	20-3/4"x30-1/4"	69-3/4"x9"	20-3/4"x18-1/8"	34-3/4"	47"	26-1/4"	108"

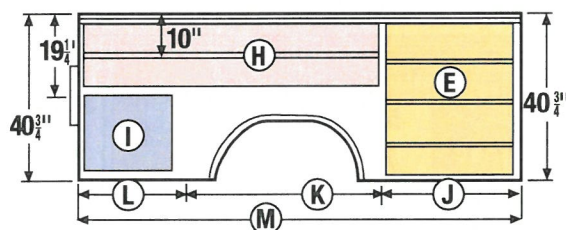
Installer's Notes:

- s Equipped with spring shackle offsets (see diagrams below). Contact your Reading Distributor for dimensions of offsets
- ^ Available in aluminum

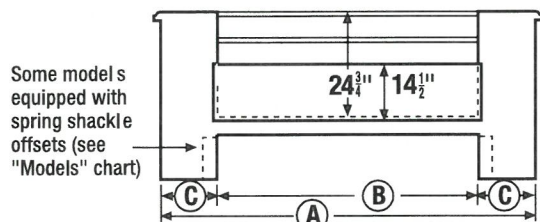
Models 98DW, U108DW, and U1086DW



"A" Compartment Layout



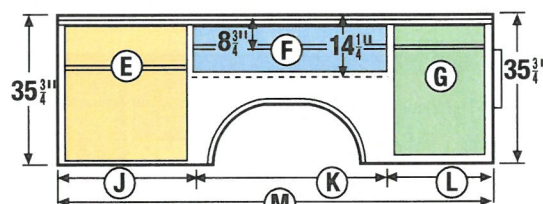
"B" Compartment Layout



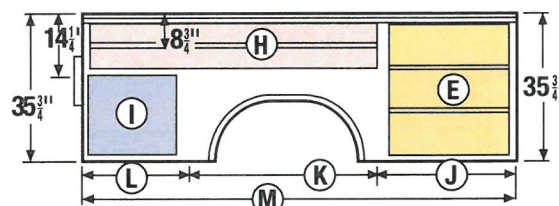
Rear View

Some models equipped with spring shackle offsets (see "Models" chart)

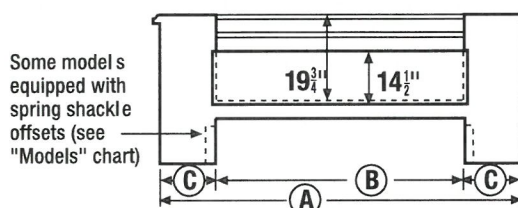
Low Profile Models LP98-DW, ULP108-DW, and ULP1086-DW



"A" Compartment Layout



"B" Compartment Layout†



Rear View

Some models equipped with spring shackle offsets (see "Models" chart)

Standard Shelf and Divider Equipment

All shelves removable, all dividers removable and adjustable. Dividers interchangeable on most shelves. (8) shelves: 78, 98, and 108 models. (6) shelves: LP78, LP98, and LP108 models. (32) dividers: 78 and 98 models. (40) dividers: 108 models

All Models Available With:

"A" or "B" compartment layout both sides. Combination "AB" with "A" layout on roadside and "B" layout on curbside

"LP" denotes low profile model number

Bumpers are optional at additional cost

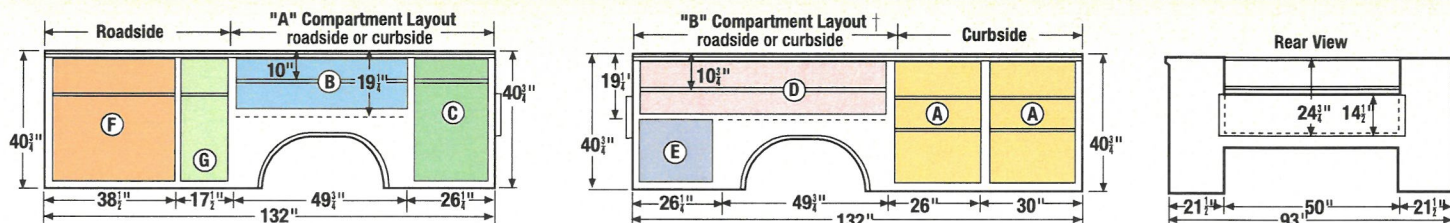
† This compartment layout not available with DA Package and could affect leadtime

132 Bodies and Spacemaster Tops

Item 7c.

132 Bodies

Model	Approx. Wt.	Cab-to-Axle	Approx. Clear Door Openings						
			A	B	C	D	E	F	G
UR132AB-DW	1600 lbs.	84"	22-1/2"x35-1/4"	48-1/4"x14"	20-3/4"x35-1/4"	72-1/2"x14"	20-3/4"x18-1/8"	35"x35-1/4"	11-1/2"x35-1/4"
ULPR132AB-DW	1515 lbs.	84"	22-1/2"x30-1/4"	48-1/4"x9"	20-3/4"x30-1/4"	72-1/2"x9"	20-3/4"x18-1/8"	35"x30-1/4"	11-1/2"x30-1/4"
USR132AB-DW	1831 lbs.	84"	22-1/2"x35-1/4"	48-1/4"x14"	20-3/4"x35-1/4"	72-1/2"x14"	20-3/4"x18-1/8"	35"x35-1/4"	11-1/2"x35-1/4"
USLPR132AB-DW	1746 lbs.	84"	22-1/2"x30-1/4"	48-1/4"x9"	20-3/4"x30-1/4"	72-1/2"x9"	20-3/4"x18-1/8"	35"x30-1/4"	11-1/2"x30-1/4"



LP132AB-DW Height : Same as LP108

S132AB-DW and SLP132AB-DW Height: Same as S108 and SLP108

Optional crane reinforcement available at added cost upon request. Reading also manufactures "Cranemaster" bodies which are specifically engineered for crane use. See separate literature or Reading's website for specifications on Reading's Cranemaster 6000 and 8000 bodies.

Standard Shelf and Divider Equipment

All shelves and dividers removable and adjustable. (9) shelves and (40) dividers included

† This compartment layout not available with DA Package and could affect leadtime

Spacemaster Tops

Model	Approx. Wt.*		Cab-to-axle	A	B	F	G	H	I	J	K
	Steel	Alum.									
SPM48-98SW**	599 lbs.	303 lbs.	56"	98"	49"	62-1/2"	13-1/4"	48-1/2"	7-1/2"	75"	8-1/2"x42-3/4"
SPM57-98SW**	641 lbs.	348 lbs.	56"	98"	49"	62-1/2"	13-1/4"	48-1/2"	7-1/2"	75"	12-1/2"x42-3/4"
SPM48-98DW	641 lbs.	353 lbs.	56"	98"	49"	74"	18-1/4"	50"	11"	86-1/2"	8-1/2"x42-3/4"
SPM57-98DW	722 lbs.	397 lbs.	56"	98"	49"	74"	18-1/4"	50"	11"	86-1/2"	12-1/2"x42-3/4"
SPM48-U108SW**	583 lbs.	316 lbs.	60"	108"	54"	62-1/2"	13-1/4"	48-1/2"	7-1/2"	75"	8-1/2"x48-3/4"
SPM57-U108SW**	673 lbs.	366 lbs.	60"	108"	54"	62-1/2"	13-1/4"	48-1/2"	7-1/2"	75"	12-1/2"x48-3/4"
SPM48-U108DW	668 lbs.	367 lbs.	60"	108"	54"	74"	18-1/4"	50"	11"	86-1/2"	8-1/2"x48-3/4"
SPM57-U108DW	758 lbs.	417 lbs.	60"	108"	54"	74"	18-1/4"	50"	11"	86-1/2"	12-1/2"x48-3/4"
SPM57-UR132DW	985 lbs.	—	84"	132"	42"s	80"	18-1/4"	50"	11"	92"	12-1/2"x39-1/4"
SPM57-UR132HDDW	985 lbs.	—	84"	132"	42"s	80"	18-1/4"	50"	11"	92"	12-1/2"x39-1/4"

Standard Shelf and Divider Equipment

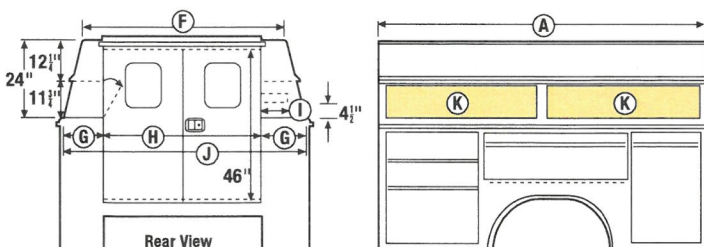
All models feature 1 shelf and 4 dividers in curbside front compartment only

Shelves are removable and dividers are adjustable and removable

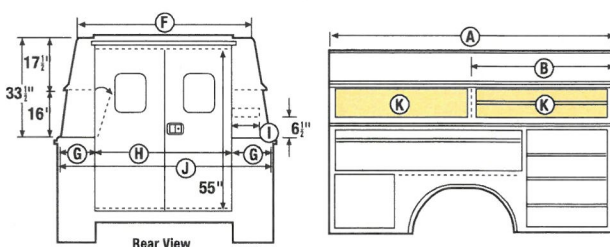
*Denotes Spacemaster top weight only. **Available factory installed only.

□ NOTE: SPM57-UR132 and SPM57-UR132HD have (3) "K" compartments each side, equally spaced

48 Series



57 Series



Dimensions and specifications for lower compartment areas correspond to Reading service bodies with equivalent model numbers (minus prefix SPM48 or SPM57) shown above

† This compartment layout not available with DA Package and could affect leadtime

Spacemaker® Bodies – Dual Wheel

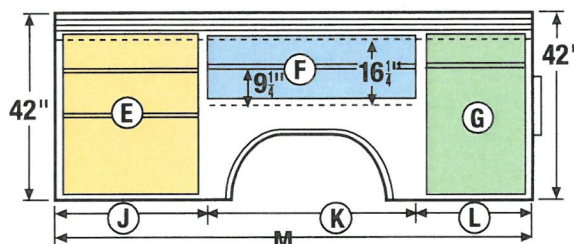
Item 7c.

Model	Approx. Wt.		Cab-to-Axle	A	B	C	D	Approx. Compartment Clear Door Openings					J	K	L	M
	Steel	Alum.						E	F	G	H	I				
S98-DWs	1377 lbs.	757 lbs.	56"	93"	50"	21-1/2"	13-1/4"	22-1/2"x35-1/4"	46-1/2"x14"	16-1/2"x35-1/4"	66-1/2"x14"	16-1/2"x18-1/8"	28"	48"	22"	98"
SLP98-DWs	1317 lbs.	724 lbs.	56"	93"	50"	21-1/2"	13-1/4"	22-1/2"x30-1/4"	46-1/2"x9"	16-1/2"x30-1/4"	66-1/2"x9"	16-1/2"x18-1/8"	28"	48"	22"	98"
US108-DW	1442 lbs.	793 lbs.	60"	93"	50"	21-1/2"	13-1/4"	29-1/4"x35-1/4"	45-1/2"x14"	20-3/4"x35-1/4"	69-3/4"x14"	20-3/4"x18-1/8"	34-3/4"	47"	26-1/4"	108"
USLP108-DW	1382 lbs.	760 lbs.	60"	93"	50"	21-1/2"	13-1/4"	29-1/4"x30-1/4"	45-1/2"x9"	20-3/4"x30-1/4"	69-3/4"x9"	20-3/4"x18-1/8"	34-3/4"	47"	26-1/4"	108"

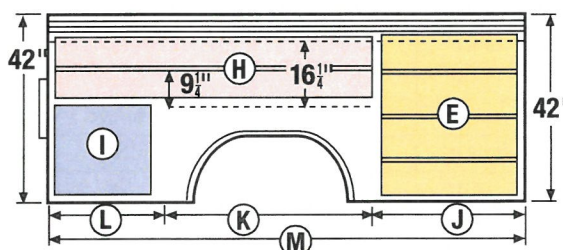
Installer's notes:

- s Equipped with spring shackle offsets (see diagrams below). Contact your Reading Distributor for dimensions of offsets

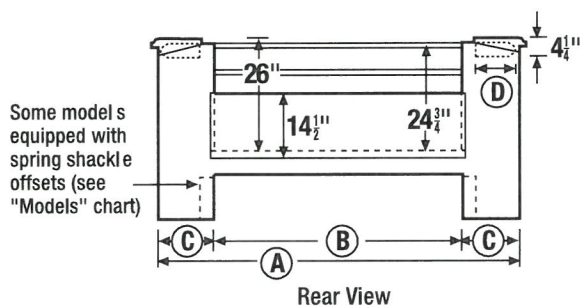
Models S78-DW, S98-DW, US98-DW, and US108-DW



"A" Compartment Layout

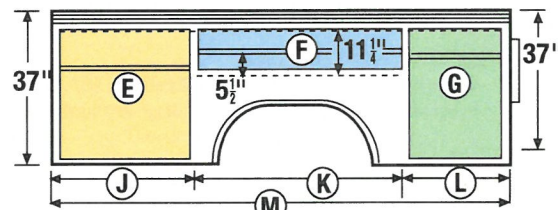


"B" Compartment Layout †

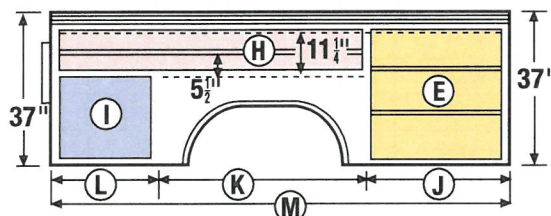


Rear View

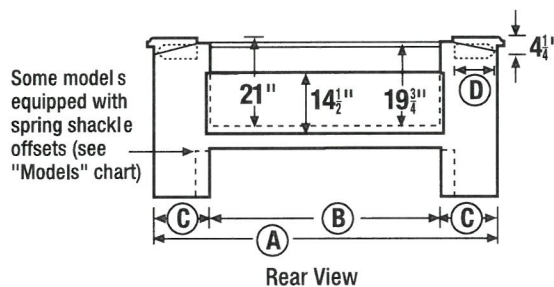
Low Profile Models SLP78-DW, SLP98-DW, USLP98-DW, and USLP108-DW



"A" Compartment Layout



"B" Compartment Layout †



Rear View

Standard Shelf and Divider Equipment

All shelves removable, all dividers removable and adjustable. Dividers interchangeable on most shelves. (8) shelves: 78, 98, and 108 models. (6) shelves: LP78, LP98, and LP108 models. (32) dividers: 78 and 98 models. (40) dividers: 108 models. Each top compartment has 15 dividers.

All Models Available With:

"A" or "B" compartment layout both sides. Combination "AB" with "A" layout on roadside and "B" layout on curbside.

"LP" denotes low profile model number.

Bumpers are optional at additional cost.

Floor area 42" clear between wheel boxes. NO WHEEL BOXES ON 98-DW OR 108-DW MODELS.

† This compartment layout not available with DA Package and could affect leadtime

Panel Tops

Item 7c.

Dimensions and specifications for lower compartment areas correspond to Reading service bodies with equivalent model numbers (minus prefix PA/TPA-50, PA/TPA-60, or PA/TPA-72) shown below

50 Series – 50" inside head clearance

Model	Approx. Wt.*		Dimensions			
	Steel	Alum.	A	B	C	Length
PA50-98SW**	425 lbs.	224 lbs.	63-1/2 lbs.	7-1/2"	48-1/2"	98"
TPA50-98SW**	469 lbs.	276 lbs.	64"	7-3/4"	48-1/2"	98"
PA50-98-DW	528 lbs.	258 lbs.	76"	13"	50"	98"
TPA50-98DW	572 lbs.	278 lbs.	76-1/2"	13-1/4"	50"	98"
PA50-108SW**	440 lbs.	233 lbs.	63-1/2"	7-1/2"	48-1/2"	108"
TPA50-108SW**	484 lbs.	253 lbs.	64"	7-3/4"	48-1/2"	108"
PA50-108DW	551 lbs.	267 lbs.	76"	13"	50"	108"
TPA50-108DW	595 lbs.	287 lbs.	76-1/2"	13-1/4"	50"	108"
PA50-1086DW	561 lbs.	279 lbs.	75"	7-1/2"	60"	108"
TPA50-1086DW	601 lbs.	297 lbs.	76-1/2"	8-1/4"	60"	108"

*Denotes panel top weight only

**Available factory installed only

60 Series – 60" inside head clearance

Model	Approx. Wt.*		Dimensions			
	Steel	Alum.	A	B	C	Length
PA60-98SW**	480 lbs.	224 lbs.	63-1/2 lbs.	7-1/2"	48-1/2"	98"
TPA50-98SW**	524 lbs.	276 lbs.	64"	7-3/4"	48-1/2"	98"
PA50-98-DW	615 lbs.	258 lbs.	76"	13"	50"	98"
TPA50-98DW	659 lbs.	278 lbs.	76-1/2"	13-1/4"	50"	98"
PA50-108SW**	515 lbs.	233 lbs.	63-1/2"	7-1/2"	48-1/2"	108"
TPA50-108SW**	559 lbs.	253 lbs.	64"	7-3/4"	48-1/2"	108"
PA50-108DW	660 lbs.	267 lbs.	76"	13"	50"	108"
TPA50-108DW	704 lbs.	287 lbs.	76-1/2"	13-1/4"	50"	108"
PA50-1086DW	670 lbs.	279 lbs.	75"	7-1/2"	60"	108"
TPA50-1086DW	710 lbs.	297 lbs.	76-1/2"	8-1/4"	60"	108"
PA60-108HD	646 lbs.	—	76"	13"	50"	108"
TPA60-108HD	690 lbs.	—	76-1/2"	13-1/4"	50"	108"
PA60-120HD	721 lbs.	—	76"	13"	50"	120"
TPA60-120HD	771 lbs.	—	76-1/2"	13-1/4"	50"	120"
PA60-132	820 lbs.	—	76"	13"	50"	132"
TPA60-132	874 lbs.	—	76-1/2"	13-1/4"	50"	132"
PA60-132HD	820 lbs.	—	76"	13"	50"	132"
TPA60-132HD	874 lbs.	—	76-1/2"	13-1/4"	50"	132"
PA60-150HD	929 lbs.	—	76"	13"	50"	150"
TPA60-150HD	990 lbs.	—	76-1/2"	13-1/4"	50"	150"

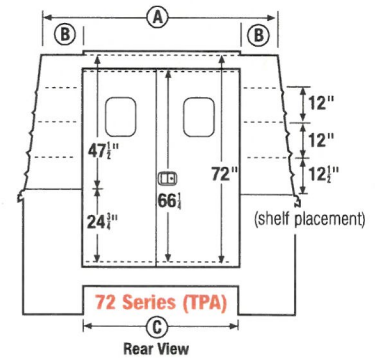
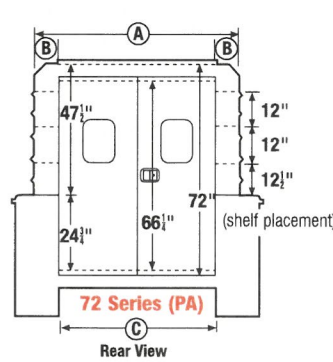
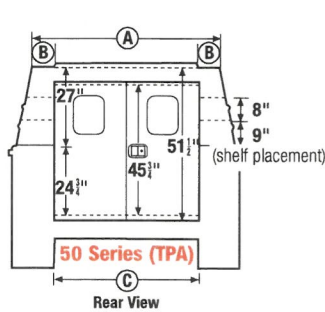
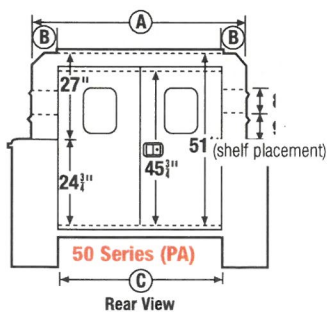
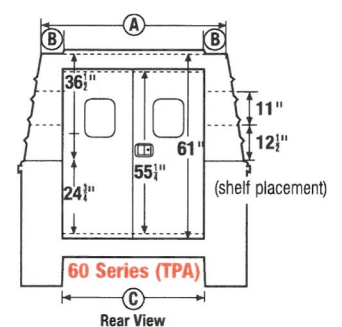
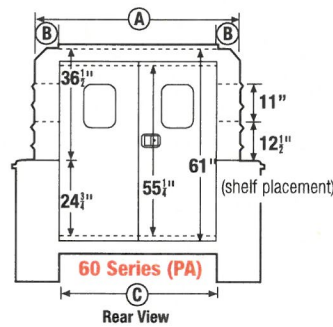
*Denotes panel top weight only

**Available factory installed only

72 Series – 72" inside head clearance

Model	Approx. Wt.*		Dimensions			
	Steel	Alum.	A	B	C	Length
PA72-108DW*	734 lbs.	373 lbs.	76"	13"	50"	108"
TPA72-108DW	782 lbs.	395 lbs.	76-1/2"	13-1/4"	50"	108"
PA72-1086DW	744 lbs.	385 lbs.	75"	7-1/2"	50"	108"
TPA72-1086DW	784 lbs.	403 lbs.	76-1/2"	8-1/4"	50"	108"
PA72-108HD	789 lbs.	—	76"	13"	50"	108"
TPA72-108HD	833 lbs.	—	76-1/2"	13-1/4"	50"	108"
PA72-120HD	888 lbs.	—	76"	13"	50"	120"
TPA72-120HD	938 lbs.	—	76-1/2"	13-1/4"	50"	120"
PA72-132	972 lbs.	—	76"	13"	50"	132"
PA72-132	1026 lbs.	—	76-1/2"	13-1/4"	50"	132"
PA72-132HD	972 lbs.	—	76"	13"	50"	132"
TPA72-132HD	1026 lbs.	—	76-1/2"	13-1/4"	50"	132"
PA72-150HD	1082 lbs.	—	76"	13"	50"	150"
TPA72-150HD	1143 lbs.	—	76-1/2"	13-1/4"	50"	150"

*Denotes panel top weight only

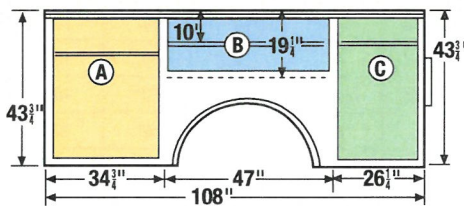


Model	Approx. Wt.	Cab-to-axle	Approx. Compartment Clear Door Openings						
			A	B	C	D	E	F	G
HDR108AB	1414 lbs.	60"	29-1/4"x38-1/2"	45-1/2"x14"	20-3/4"x38-1/2"	69-3/4"x14"	20-3/4"x21-3/8"	—	—
HDR120AB	1761 lbs.	72"	36-1/2"x38-1/2"	48-1/2"x14"	20-3/4"x38-1/2"	72-1/2"x14"	20-3/4"x21-3/8"	—	—
HDR132AB	2182 lbs.	84"	22-1/2"x38-1/2"	48-1/4"x14"	20-3/4"x38-1/2"	72-1/2"x14"	20-3/4"x21-3/8"	35"x21-3/8"	11-1/2"x38-1/2"
HDR150AB	2536 lbs.	102"	20-1/2"x38-1/2"	48-1/4"x14"	20-3/4"x38-1/2"	72-1/2"x14"	20-3/4"x21-3/8"	—	—

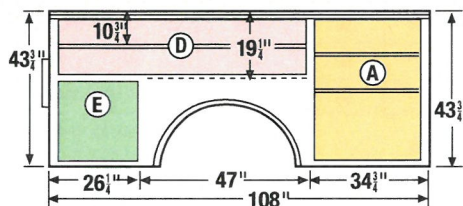
Heavy-duty bodies are designed for chassis 1 1/2 ton and over with dual rear wheels

HD108AB

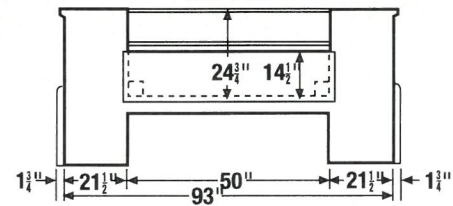
"A" Compartment Layout



"B" Compartment Layout



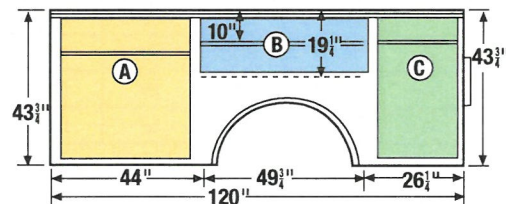
Rear View



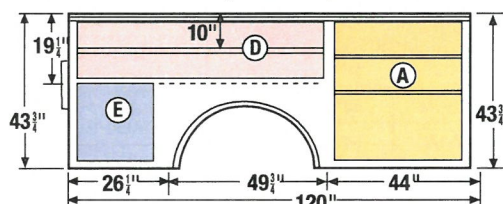
Floor area 42" clear between wheel boxes

HD120AB

"A" Compartment Layout †



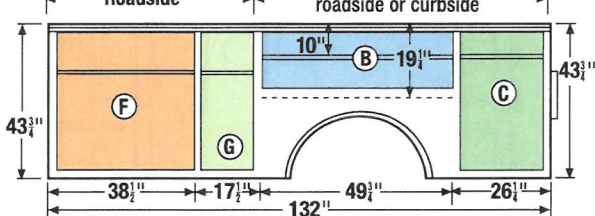
"B" Compartment Layout †



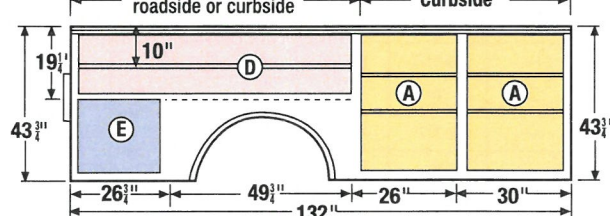
Rear view same as HD108AB

HD132AB

"A" Compartment Layout roadside or curbside



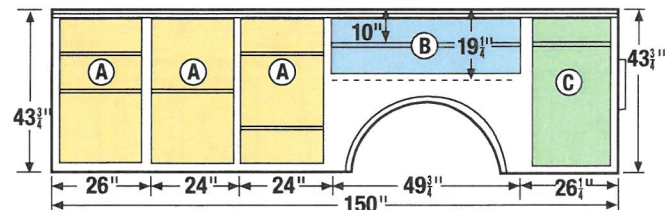
"B" Compartment Layout roadside or curbside



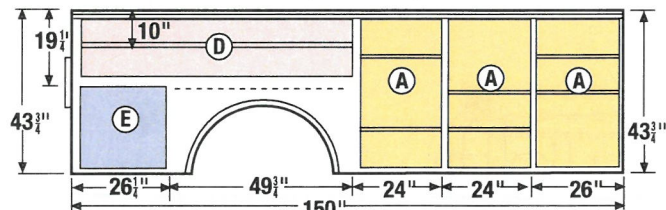
Rear view same as HD108AB

HD150AB

"A" Compartment Layout



"B" Compartment Layout



Rear view same as HD108AB

Standard Shelf and Divider Equipment

All shelves and dividers removable and adjustable. (6) shelves HD108 model, (6) shelves HD120 model, (9) shelves HD132 model, (14) shelves HD150 model

Dividers:

A total of 40 dividers

Bumpers are optional equipment available at additional cost.

Optional crane reinforcement available at added cost upon request. Reading also manufactures Cranemaster bodies which are specifically engineered for crane use. See literature or Reading's website for specifications on Reading's Cranemaster 6000 and 8000 bodies

† This compartment layout not available with DA Package and could affect leadtime

Reading has a full line of trucks built for the long haul.

Item 7c.



Steel Service Bodies



Aluminum Service Bodies



Panel Bodies



Service Vans - 75" single and dual wheel



Service Vans - 57"



Steel Ready Van SL



Marauder Dump Bodies



Drop Side Dump Bodies



Utility Bodies



Steel Stake and Platform Bodies



Redi-Dek™



Steel Contractor Bodies



Locations

Bowmansville, PA
Clinton, MD

Louisville, KY
Pontiac, MI

Reading, PA
Suffolk, VA

SOLD AND SERVICED LOCALLY BY

www.ReadingBody.com

All dimensions subject to plus or minus tolerance of 1/4" and all dimensions and specifications are subject to change without notice. Some items displayed in photographs are optional. Alumina-Fill, Alumina-Check, Dual-Pro, Extend-A-Sheet, Grip-In-Glide, Latch-Matic, Marauder, Reading, Redi-Dek, Rhino Linings, Rugged American, S.M.A.R.T. Racks, Spacemaker, Tool-Mates, and TUFF STUFF are registered trademarks of The Reading Group, LLC in the United States and some foreign countries. The Reading Kangaroo is a trademarked image and may not be reproduced or used without express permission from The Reading Group.

RTB13-CII-5K-04

© 2013 The Reading Group, LLC

Additional Options

Item 7c.



L.E.D. Lighting

- Bright, long lasting L.E.D. lights



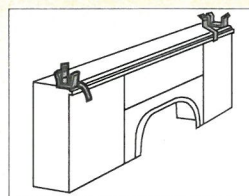
Master Locking

- Steel slide bar simultaneously locks all of the compartment doors on a service body's side
- Spring loaded for easy manual operation



Aluma-Chock®

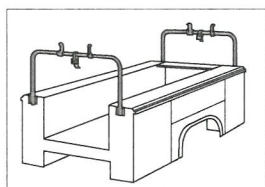
- Aluminum chock block holders
- Can be ordered as single or dual per body side
- Protects the body from nicks and scratches from repeated insertion and removal of chock blocks



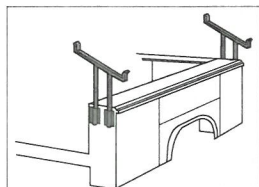
Pipe Vise Rack

- Rugged steel construction
- Holds pipe sections securely in place

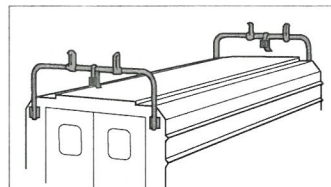
Steel Ladder Racks



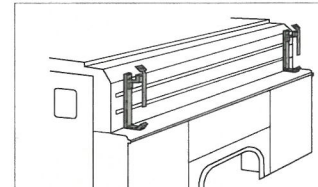
Removable Overhead Ladder Rack



Removable Side Mount Ladder Rack (Angular Rack Shown, Flat Rack Also Available)



Removable Overhead Ladder Rack for Panel Body

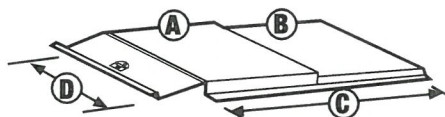


Side Mount Ladder Rack for Panel Body

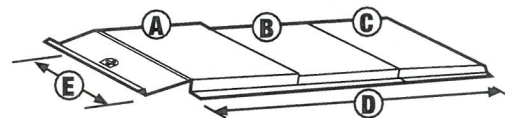
Steel Sliding Tops

- Available in two or three sections (depending on body size)
- Slides on full-length galvanized steel tracks
- Secured with a two-point positive action stainless steel T-handle lock

Models ST78 – ST108HD



Models ST120HD – ST150HD



Model	For Body	Approx. Wt.	
		Steel	Alum.
ST-78	78SW	145 lbs.	80 lbs.
ST-98	98SW	155 lbs.	86 lbs.
ST-98D	98DW	160 lbs.	90 lbs.
ST-108	108SW	170 lbs.	95 lbs.
ST-108D	108DW	175 lbs.	100 lbs.
ST-1086D	1086DW	225 lbs.	124 lbs.
ST-108HD	HD-108	225 lbs.	—
ST-120HD	HD-120	350 lbs.	—
ST-132HD	HD-132	370 lbs.	—
ST-150HD	HD-150	410 lbs.	—

Model	A	B	C	D	E
ST78	40-1/4"	37-1/4"	77-1/2"	50-7/8"	—
ST98	49-3/4"	47-3/4"	102"	50-7/8"	—
ST98D	49-3/4"	47-3/4"	102"	52-3/8"	—
ST108	55-1/4"	52-1/4"	107-1/2"	50-7/8"	—
ST108D	55-1/4"	52-1/4"	107-1/2"	52-3/8"	—
ST1086D	55-1/4"	52-1/4"	107-1/2"	62-3/8"	52-3/8"
ST108HD	55-1/4"	53-7/8"	107-1/2"	52-3/8"	—
ST120HD	40-3/4"	40-3/4"	40"	119-3/4"	52-3/8"
ST132HD	44-3/4"	44-3/4"	44"	131-3/4"	52-3/8"
ST150HD	50-3/4"	50-3/4"	50"	149-3/4"	52-3/8"

Awards/Agreements

Northside Ford Truck Sales, Inc.
Fleet Vehicles - Ford

Item 7c.

Page 1 of 1



Attachments Exist

Secondary Suppliers Do Not Exist

Supplier Address

Northside Ford Truck Sales, Inc.
6221 NE Columbia Blvd
Portland, OR 97218

Contact: Sharon Tucker
Phone: 1 (503) 282-7773
Fax:
Email: fordtrkgal@comcast.net

Contract #
1656

Revision # 0.1

Revision Date
05/20/2021

Opportunity #
DASPS-2295-20
Vers 2

Contract Start Date
05/01/2021

Expiration Date
04/30/2023

Supplier Number
4442

All dates are mm/dd/yyyy

Contract Administrator

DAS Procurement Services
1225 Ferry Street SE
Salem, OR 97301

Receiving Address

See purchase order

Contract Filed At

DAS PS

Contact: Brent L Lutz
Phone: 1 (971) 719-3436
Fax:
Email: brent.l.lutz@oregon.gov

Revision #1 update Buyer Guide

Delivery Requirements

Manufacturer

Payment Terms

Net 45

FOB

FOB Destination, Freight Allowed

Item #	Quantity / Unit	Description	Unit Cost
1	1 EACH	Commodity No. 998-94 Vehicles, Including passenger cars, pickup trucks, cab and chassis , passenger/cargo vans, police pursuit rated vehicles, sport utility vehicles, crossover utility vehicles, alternative fuel vehicles and electric vehicles.	\$0.00

Mandatory or Convenience

Mandatory

Minimum Order

Return Policy

Manufacturer

Warranty

Manufacturer

Best Value Analysis

Freight/Surcharge

Renewal Option

Contract Value

\$0.00



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Public Works Director John M. Lewis, PE

Agenda Date: 01/19/2022

SUBJECT:

Public Works Water Division Replacement Vehicle #344 (2022 Ford F-450)

STAFF RECOMMENDATION:

Staff recommends the City Commission authorize the purchase of a 2022 Ford F-450, 1 ½ ton, 4X4 Diesel Utility Crane Body Truck for a replacement of a 2011 Ford F-450, 1 ½ ton, 4X4 Utility Truck.

EXECUTIVE SUMMARY:

The Public Works Fleet Division is utilizing its Fleet Replacement Fund for the purchase of a 2022 Ford F-450, 1 ½ ton, 4X4 Diesel Utility Crane Body Truck (#344). This will be replacing truck #347, which is a 2011 Ford F-450, 1 ½ ton, 4X4 Utility Truck. The existing crane from truck #347 will be reused on the new truck and truck #347 will remain in the fleet and be used regularly.

BACKGROUND:

Oregon City Fleet purchases are managed through our Fleet Replacement Fund. Every year, each Public Works Division budgets a predetermined amount for deposit into the Fleet Replacement Account to ensure adequate funding is available when new or replacement vehicles are scheduled for purchase.

The purchase price of this truck is \$98,046.05 and was a previously authorized expenditure within the FY 2021-22 biennial budget.

Public Works will be contracting with Northside Ford, under the State Purchasing Agreement #1656, for the purchase of the 2022 Ford F-450, 1 ½ ton, 4X4 Diesel Utility Crane Body Truck. Attached is the sales quote, a brochure of the truck, and the State Purchasing Agreement Documentation.

There is adequate funding within the Fleet Replacement Fund to allow the Public Works Operations Division to support and fund this new asset.

OPTIONS:

1. Authorize the City Manager to proceed with the purchase of the replacement vehicle.
2. Authorize the City Manager to proceed with the purchase with specific modifications.
3. Deny the purchase request. If the Commission chooses to deny the request, please provide staff direction on how to proceed.

BUDGET IMPACT:

Amount: \$98,046.05

FY(s): 2021-22

Funding Source(s): Fleet Replacement Fund 320-526-7052

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021

344



Item 7d.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OCX4H

As Configured Vehicle

Code	Description	MSRP	Invoice
------	-------------	------	---------

Base Vehicle

X4H	Base Vehicle Price (X4H)	\$46,555.00	\$44,227.00
-----	--------------------------	-------------	-------------

Packages

650A	Order Code 650A	N/C	N/C
------	-----------------	-----	-----

Includes:

- Transmission: TorqShift 10-Speed Automatic
- 10R140 with neutral idle and selectable drive modes: normal, tow/haul, eco, deep sand/snow and slippery.
- GVWR: 16,500 lb Payload Package
- Wheels: 19.5" x 6" Argent Painted Steel
- Hub covers/center ornaments not included.
- HD Vinyl 40/20/40 Split Bench Seat
- Includes center armrest, cupholder, storage and driver's side manual lumbar.
- Radio: AM/FM Stereo w/MP3 Player
- Includes 6 speakers.
- SYNC Communications & Entertainment System
- Includes enhanced voice recognition, 911 Assist, 4.2" LCD center stack screen, AppLink, 1 smart-charging USB port and steering wheel audio controls.

Powertrain

99T	Engine: 6.7L 4V OHV Power Stroke V8 Turbo Diesel B20	\$9,325.00	\$8,486.00
-----	--	------------	------------

Includes Diesel Exhaust Fluid (DEF) tank, intelligent oil-life monitor and manual push-button engine-exhaust braking.

Includes:

- Dual 78-AH 750 CCA Batteries

44G	Transmission: TorqShift 10-Speed Automatic	Included	Included
-----	---	----------	----------

10R140 with neutral idle and selectable drive modes: normal, tow/haul, eco, deep sand/snow and slippery.

X4L	Limited Slip w/4.30 Axle Ratio	\$360.00	\$327.00
-----	-----------------------------------	----------	----------

STDGV	GVWR: 16,500 lb Payload Package	Included	Included
-------	------------------------------------	----------	----------

Wheels & Tires

TGK	Tires: 225/70Rx19.5G BSW Traction (TGK)	\$215.00	\$195.00
-----	--	----------	----------

Includes 4 traction tires on the rear and 2 traction tires on the front. Not recommended for over the road applications; could incur irregular front tire wear and/or NVH.

64Z	Wheels: 19.5" x 6" Argent Painted Steel	Included	Included
-----	--	----------	----------

Hub covers/center ornaments not included.

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OCX4H

As Configured Vehicle (cont'd)

Code	Description	MSRP	Invoice
Seats & Seat Trim			
A	HD Vinyl 40/20/40 Split Bench Seat <i>Includes center armrest, cupholder, storage and driver's side manual lumbar.</i>	Included	Included
Other Options			
PAINT	Monotone Paint Application	STD	STD
168WB	168" Wheelbase	STD	STD
STDRD	Radio: AM/FM Stereo w/MP3 Player <i>Includes 6 speakers. Includes: - SYNC Communications & Entertainment System Includes enhanced voice recognition, 911 Assist, 4.2" LCD center stack screen, AppLink, 1 smart-charging USB port and steering wheel audio controls.</i>	Included	Included
90L	Power Equipment Group <i>Deletes passenger side lock cylinder. Includes upgraded door-trim panel. Includes: - Accessory Delay - Advanced Security Pack Includes SecuriLock Passive Anti-Theft System (PATS) and inclination/intrusion sensors. - Folding Trailer Tow Mirrors w/Power Heated Glass Includes manual telescoping, heated convex spotter mirror and integrated clearance lamps/turn signals. - MyKey Includes owner controls feature. - Power Front & Rear Side Windows Includes 1-touch up/down driver/passenger window. - Power Locks - Remote Keyless Entry</i>	\$915.00	\$832.00
535	High Capacity Trailer Tow Package <i>Includes upgraded rear axle. Increases GCW from 32,500 lbs. to 35,000 lbs. Note: Salesperson's Portfolio or Trailer Towing Guide should be consulted for specific trailer towing or camper limits and corresponding required equipment, axle ratios and model availability. See Supplemental Reference for vehicle height consideration.</i>	\$580.00	\$528.00
86B	Programmable Engine Idle Shutdown - 10 Minute	\$250.00	\$228.00
98R	Operator Commanded Regeneration	\$250.00	\$228.00
67B	397 Amp Alternators	Included	Included
63A	Utility Lighting System <i>Includes LED side-mirror spotlights.</i>	\$160.00	\$145.00
52B	Trailer Brake Controller <i>Includes smart trailer tow connector. Verified to be compatible with electronic actuated drum brakes only.</i>	\$270.00	\$245.00

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021



Item 7d.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OCX4H

As Configured Vehicle (cont'd)

Code	Description	MSRP	Invoice
18B	Platform Running Boards	\$445.00	\$405.00
872	Rear View Camera & Prep Kit <i>Pre-installed content includes cab wiring and frame wiring to the rear most cross member. Upfitters kit includes camera with mounting bracket, 20' jumper wire and camera mounting/aiming instructions.</i>	\$415.00	\$377.00
41A	Rapid-Heat Supplemental Cab Heater <i>Includes: - 397 Amp Alternators</i>	\$250.00	\$228.00
43C	110V/400W Outlet <i>Includes 1 in-dash mounted outlet.</i>	\$175.00	\$160.00
76C	Exterior Backup Alarm (Pre-Installed)	\$140.00	\$128.00
Emissions			
425	50-State Emissions System	STD	STD
Interior Color			
AS_01	Medium Earth Gray	N/C	N/C
Exterior Color			
Z1_01	Oxford White	N/C	N/C
Upfit Options			
E133076	Crane body per spec	\$46,462.00	\$46,462.00

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021



Item 7d.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OCX4H

As Configured Vehicle (cont'd)

Code	Description	MSRP	Invoice
	READING MODEL CLASSIC II 108" SERVICE BODY CL ST 108 DW RW1 40 SP ML U AA FF2 INCLUDING THE FOLLOWING: SPACEMAKER FLIP TOP COMPARTMENTS STREET AND CURB SIDES 18" REAR TAILSHELF SIX (6) RECESSED D-RING TIE DOWNS IN BED AREA. THREE PER SIDE MASTER LOCKING SYSTEM LED FLEX LIGHTING IN COMPARTMENTS WITH DOOR SWITCHES (WIRE TO UPFITTER SWITCH IN CAB) SPRAY LINE BED AREA SIDE WALLS, FLOOR, FRONT BULKHEAD REAR TAILSHELF TAILGATE AND FLIP TOP LIDS BODY POWDER COATED WHITE 14302338 FORD SERVICE BODY HARNESS ADAPTER YKDK090002 BODY MOUNTING KIT STEEL SURCHARGE REINFORCE CURBSIDE REAR COMPARTMENT FOR CUSTOMER FURNISHED CRANE. 4,000 LB CAPACITY MODIFY SPACEMAKER COMPARTMENT LID SHORT OF CRANE COMPARTMENT CRANE REIN SHIP KIT READING 14302155, 2011+ FORD OEM HARNESS TO CONNECT OEM BACK-UP CAMERA KIT READING 10012603, SP-4, FRONT 4-BOLT SPRING MOUNTING KIT BODY FREIGHT TRANSFER CUSTOMER FURNISHED STELLAR CRANE AND OUTRIGGERS ONTO NEW SERVICE BODY. INCLUDES PLATING AND SEALING OLD BODY WHERE CRANE WAS MOUNTED BUYERS 1809061A, 1/2" HITCH PLATE WITH 2-1/2" RECEIVER TUBE - 20K RATED - FORD CHASSIS FABRICATED MOUNTING PLATES FOR HITCH ASSY CURT 56443 HARNESS-7 WAY (FORD ONLY) RV BLADE OUTPUT FOR F250 F350 F450 - PLUGS IN AND CONNECTS TAIL, BRAKE, REVERSE, TURN SIGNALS, AUXILIARY BUYERS PT # PM25612 2 POSITION PINTLE HOOK MOUNT WITH 12 INCH SHANK 2.5 BUYERS 10052, HITCH,BH10 W/2in BALL+MOUNT CTECH MDL 580117 DRAWER UNIT 23" W X 30.5" H X 18.5" D 6 DRAWER 3-3", 2-5", 1-7" RED COLOR. INSTALL IN CURBSIDE FRONT VERTICAL COMPARTMENT RECEIVER TUBE STYLE VISE MOUNT CURBSIDE OF TAILSHELF 2 BUYERS 5230912, RSTEP,CABLE TYPE,9IN TALL X 12IN WIDE,BLK-INSTALL UNDER REAR TAILSHELF. ONE PER SIDE PROTECH 57-7521 ALUMINUM CABRACK, WITH MESH FOR SERVICE BODY - 21" HIGH 2 PROTECH 57-9005, BRKT, LIGHT TRUCK CAB RACK ANTENNA . ONE PER SIDE PROTECH 57-6055 EARS (PAIR), CABRACK LUMBER STOPS. 1.5" X 4" 2 BATTERY- GROUP 31 WITH SCREW POST -PT # 7236-ONE FOR INVERTER AND ONE FOR CRANE 2 BATTERY BOX FOR GROUP 31 POST TYPE BATTERIES-ADJUSTABLE FOR OTHER SIZES TOO PT # BK8255004 2 BATTERY SEPARATOR - 12V 100 AMP PT # SP-1314A-B POWER SHUT OFF SWITCH FOR CRANE INVERTER-2500W PT # CPI2500W 3 THREE DUPLEX 120 VOLT GFI OUTLETS. LOCATIONS TO BE DETERMINED FUEL FILL/DEF SUPPORT GOLIGHT GT SERIES MODEL 79004GT LED SPOTLIGHT, PORTABLE MOUNT, WIRELESS HAND HELD REMOTE. WHITE-MOUNTED ON CURBSIDE OF CABGUARD 2 LIGHT- FLOOD LED CLEAR 5.3" INCH SQUARE 9-LED PT # 1492119-INSTALL ON CABGUARD FACING REAR. WIRE TO FACTORY UPFITTER SWITCH https://www.buyersproducts.com/product/53-inch-square-led-clear-flood-light-411 FRONT CONE HOLDER PER OREGON CITY SPECS 2 BUYERS RT25808 2" X 8" RECEIVER TUBE. INSTALL IN BED AREA FOR GOAL POST MATERIAL RACK 2 BUYERS RT255818 2.5" X 18" RECEIVER TUBE-USE FOR OUTRIGGER MOUNTS-ONE PER SIDE MATERIAL FOR GOAL POST RACKS, BED MOUNTED TOOL HOLDERS AND LADDER HOOKS PVC FOAM CORE PIPE 6 X 20 PVC S40 PT # P40FCPU20 - CUT TO PREDETERMINED LENGTH MOUNT 6 ACROSS FRONT OF BODY FOR ROLL-UP SIGN STORAGE LINE-X REAR TOWING PLATE AND TOUCH UP SHOP SUPPLIES CVU SUBLET LABOR REINFORCE CHASSIS SUSPENSION FOR CRANE MOUNT INSTALLATION PAINT TOUCH-UP NOTES: QUOTE IS BASED ON USING CUSTOMER FURNISHED CRANE AND OUTRIGGERS CITY OF OREGON CITY TO FURNISH AND INSTALL UNIT STROBES AND LIGHT BAR ON CAB DUE TO MULTIPLE STYLES AND SIZES QUOTE DOES NOT INCLUDE CHAIN STYLE PIPE VISE PRICE DOES NOT INCLUDE ANY BODY MODIFICATIONS REQUIRED FOR FUEL OR DEF TANKS MOUNTED OUTSIDE		

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021



Item 7d.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OCX4H

As Configured Vehicle (cont'd)

Code	Description	MSRP	Invoice
OF THE FRAME RAILS			
SUBTOTAL		\$106,767.00	\$103,201.00
Destination Charge		\$1,695.00	\$1,695.00
TOTAL		\$108,462.00	\$104,896.00

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021



Item 7d.

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OCX4H

Pricing Summary - Single Vehicle**MSRP***Vehicle Pricing*

Base Vehicle Price	\$46,555.00
Options	\$13,750.00
Colors	\$0.00
Upfitting	\$46,462.00
Fleet Discount	\$0.00
Destination Charge	\$1,695.00
Subtotal	\$108,462.00

Pre-Tax Adjustments

Code	Description	MSRP
VCAF	As per state contract #1656	\$0.00
Delivery	Delivery per contract \$2.25 per mile after 60.	\$0.00
Govt Disc	Government discount	-\$11,916.44
Key w/remote	Keys, fully programmed with remote (2 factory, 2 extra, 4 total)	\$449.00
Subtotal		\$96,994.56

Sales Taxes

Code	Description	MSRP
CAT	Corporate Activity Tax	\$363.73
<i>Estimated CAT tax (gross receipts tax) in effect 1/1/20.</i>		
Oregon Tax	Oregon Privilege Tax	\$484.97
<i>Oregon Privilege Tax for all new vehicles and any used vehicles with less than 7500 miles that have not previously been registered in Oregon.</i>		
Subtotal		\$97,843.26

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



Prepared for: Dan Hepler

City of Oregon City

Prepared by: SHARON TUCKER

11/09/2021

Northside Ford Truck Sales, Inc. | 6221 N E Columbia Blvd. Portland Oregon |

972182995

2022 F-450 Chassis 4x4 SD Super Cab 168" WB DRW XL (X4H)

Price Level: 240 | Quote ID: OCX4H

Pricing Summary - Single Vehicle

Post-Tax Adjustments

Code	Description	MSRP
CAT Doc 75	Adjustment for CAT on \$75 Doc fee	\$0.29
<i>CAT tax adjustment for doc fee. Tax is to be collected for document processing fee.</i>		
E-Doc	Doc fee for E-Plates	\$75.00
<i>Doc fee for processing E-Plates</i>		
E-RegPlate	Plate and registration for E-Plates	\$29.50
<i>\$24.50 Plate fee \$5.00 Registration</i>		
Title-19	Title fee for vehicles getting 0-19 MPG avg	\$98.00
Subtotal		\$98,046.05
Total		\$98,046.05

Customer Signature

Acceptance Date

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



(<https://www.readingbody.com>)

COVID-19 ([HTTPS://WWW.READINGBODY.COM/COVID-19-ALERTS/](https://www.readingbody.com/COVID-19-ALERTS/))

FIND A DISTRIBUTOR ([HTTPS://WWW.READINGBODY.COM/FIND-A-DISTRIBUTOR/](https://www.readingbody.com/FIND-A-DISTRIBUTOR/))

READY-TO-ROLL ([HTTPS://READINGBODY.WORKTRUCKSOLUTIONS.COM/](https://readingbody.worktrucksolutions.com/)) **PARTS** ([HTTPS://WWW.READINGBODY.COM/PARTS/](https://www.readingbody.com/parts/))

WARRANTY INFO ([HTTPS://WWW.READINGBODY.COM/WARRANTY-INFO/](https://www.readingbody.com/warranty-info/))

RESOURCE CENTER ([/RESOURCE-CENTER/](/resource-center/)) **Login** (<https://www.readingbody.com/resource-center/>)

Register (<https://www.readingbody.com/resource-center/login/register/>)

CONTACT ([HTTPS://WWW.READINGBODY.COM/CONTACT-US/](https://www.readingbody.com/contact-us/))

ABOUT ([HTTPS://WWW.READINGBODY.COM/ABOUT/](https://www.readingbody.com/about/))

WORK WITH READING ([HTTPS://WWW.READINGBODY.COM/WORK-WITH-READING/](https://www.readingbody.com/work-with-reading/))

EXPLORE ([HTTPS://WWW.READINGBODY.COM/EXPLORE/](https://www.readingbody.com/explore/))

INDUSTRIES ([HTTPS://WWW.READINGBODY.COM/SOLUTIONS-BY-INDUSTRY/](https://www.readingbody.com/solutions-by-industry/))

PRODUCTS ([HTTPS://WWW.READINGBODY.COM/PRODUCTS/](https://www.readingbody.com/products/))

CRANEMASTER BODIES

Home » Service Bodies » Cranemaster Bodies



CRANEMASTER >

([HTTPS://WWW.READINGBODY.COM/PRODUCT/CRANEMASTER/](https://www.readingbody.com/product/cranemaster/))

Our truck crane bodies deliver exceptional performance and durability, plus options that allow you to create a custom crane truck body solution to fit your unique needs.

REQUEST A QUOTE

(<https://www.readingbody.com/product/cranemasters/>)

Many construction and utility professionals, as well as service providers in similar lines of work, require crane-mount truck bodies that can deliver powerful and dependable performance. At Reading, our Cranemaster bodies deliver the powerful performance these service providers require, while also offering the durability that is essential to work in industrial environments.

Our Cranemaster service crane truck bodies are engineered with a rigid body and a reinforced crane mount to manage cranes of up to 8,000 pounds while providing the industry-leading features and premium performance you expect from a Reading service body. Choose from among our crane truck bodies that represent different sizes and capabilities, and get performance to the exact specifications you need.

Given the many options we deliver in our crane truck body selection, you can customize your own crane truck body solution. Choose the type of crane you need with the capabilities you need, and then choose the components, features and options you need for the rest of your crane truck body.

At Reading, we understand that each of our customers has unique needs. We offer a wide selection and custom crane truck body options to ensure you can always find or create the right type of service body solution for your business.

Our crane truck bodies also feature our exclusive acrylic E-Coat primer and powder coat system and Dual-Pro® door seals, as well as our iconic slam-action tailgate design. These primers, coatings and seals ensure your crane truck body remains looking great and operating in peak condition for years to come. Features like our slam-action tailgate set Reading apart from the competition.

When it's time to do the heavy lifting, you'll be glad you chose a Reading Cranemaster truck body. See below to learn more about our custom crane body options.

CRANEMASTER

Our truck crane bodies deliver exceptional performance and durability, plus options that allow you to create a custom crane truck body solution to fit your unique needs. Find the Reading Cranemaster body that best suits your needs.

THE BEST IN CRANE-MOUNT TRUCK BODIES

At Reading, we have been creating the best in service truck body options since 1955. When you browse through our selection of truck crane bodies and their many optional features, you'll find the most advanced and innovative products on the market. We're always challenging our designs and products in search of better ways to create service body cranes. We apply precise manufacturing processes and attention to detail toward the making of each crane truck body, which ensures you get the quality you want and need in a service body crane.

When work requires a crane, you need a truck service body that lets you go where you need to go and deliver the services you need to deliver. At Reading, our aim is to help you arrive to job sites more efficiently and complete your work upon arrival. Our truck body cranes are created to be industry-leading service body products for using cranes on a regular basis. Browse through our selection and choose the best option among our many service body cranes. If you need additional help or have questions, contact us directly and tap into the knowledge and experience you'll only find at Reading.

© Reading Truck Group. All Rights

Reserved.

Visit Reading Equipment

(<http://www.readingequipment.com>)

Privacy (<https://www.readingbody.com/privacy/>)

Terms & Conditions (<https://www.readingbody.com/terms/>)

Sitemap (<https://www.readingbody.com/sitemap/>)

Resource Center (<https://www.readingbody.com/resource-center/>)

Customer Portal

Awards/Agreements

Northside Ford Truck Sales, Inc.
Fleet Vehicles - Ford

Item 7d.

Page 1 of 1



Attachments Exist

Secondary Suppliers Do Not Exist

Supplier Address

Northside Ford Truck Sales, Inc.
6221 NE Columbia Blvd
Portland, OR 97218

Contact: Sharon Tucker
Phone: 1 (503) 282-7773
Fax:
Email: fordtrkgal@comcast.net

Contract #
1656

Revision # 0.1

Revision Date
05/20/2021

Opportunity #
DASPS-2295-20
Vers 2

Contract Start Date
05/01/2021

Expiration Date
04/30/2023

Supplier Number
4442

All dates are mm/dd/yyyy

Contract Administrator

DAS Procurement Services
1225 Ferry Street SE
Salem, OR 97301

Receiving Address

See purchase order

Contract Filed At

DAS PS

Contact: Brent L Lutz
Phone: 1 (971) 719-3436
Fax:
Email: brent.l.lutz@oregon.gov

Revision #1 update Buyer Guide

Delivery Requirements

Manufacturer

Payment Terms

Net 45

FOB

FOB Destination, Freight Allowed

Item #	Quantity / Unit	Description	Unit Cost
1	1 EACH	Commodity No. 998-94 Vehicles, Including passenger cars, pickup trucks, cab and chassis , passenger/cargo vans, police pursuit rated vehicles, sport utility vehicles, crossover utility vehicles, alternative fuel vehicles and electric vehicles.	\$0.00

Mandatory or Convenience

Mandatory

Minimum Order

Return Policy

Manufacturer

Warranty

Manufacturer

Best Value Analysis

Freight/Surcharge

Renewal Option

Contract Value

\$0.00

Page 54



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Public Works Director John M. Lewis, PE

Agenda Date: 1/19/2022

SUBJECT:

Intergovernmental Agreement between Water Environment Services and City of Oregon City for Regional Inflow and Infiltration Reduction

STAFF RECOMMENDATION:

Staff recommends that the City Commission approve the IGA with WES for Regional I/I Reduction.

EXECUTIVE SUMMARY:

WES proposes to enter into an IGA with City of Oregon City for Regional I/I Reduction. The purpose of this Agreement is to implement the Regional I/I Reimbursement Program that will provide mutual benefit to WES and the City. The Agreement includes a reimbursement contribution of thirty-three percent (33%) of actual costs incurred by the City in the completion of inflow and infiltration reduction work. The Agreement is effective upon execution by WES and the City and shall expire on June 30, 2026, unless extended.

BACKGROUND:

In 2019, WES completed their Sanitary Sewer Master Plan. The goal of this work was to provide the district with a 20-year capital plan that outlines how and when the district needs to expand and maintain the sanitary sewer collection system to provide affordable clean water services to the partner cities. Reducing Inflow and Infiltration (I/I) was a top priority in the plan.

Inflow and Infiltration (I/I) is water from rain or naturally-occurring groundwater that can seep into cracked or broken sewer pipes, adding to the flow of water into the wastewater treatment facilities. Keeping this extra rainwater and groundwater out of pipes results in significant savings in sewer operations and maintenance costs. WES' study, based in part on the underlying master plans from the partner cities, estimates savings of approximately \$120 million over the next 20 years through strong investment in I/I removal.

Last year, WES discussed this issue with City staff and the City Commission, before and during WES' Annual Reports. Conversations between the partner's city staff and WES included preferred approaches to solving mutual I/I challenges. All parties agreed that addressing this issue collaboratively will prevent rate hikes and maintain water quality by preventing sewer overflows in the collection system. WES proposed a concept of contributing thirty-three percent of the cost of I/I investments to support a regional, collective effort to save the shared ratepayers money while protecting public health and the environment. WES' advisory committee has voted to support this approach, and believes it is the best available option to advance mutual interests.

WES presented a draft IGA to the City in November 2021. City staff reviewed and made suggestions to the draft which have been addressed in the attached IGA. The IGA is intended to focus on I/I removal in WES' target areas and provide reimbursement to the City at thirty-three percent on qualified projects through June 30, 2026, unless extended.

City staff acknowledges the financial benefits of the IGA and believes it is in the City's best interest to hold out on pursuing I/I reduction projects until the IGA agreement is signed by both parties. Once agreed upon, the City anticipates bringing a consultant on board to deliver the I/I Program Management. The scope will include implementation of a program management plan, public outreach plan, assistance with the private lateral policy, and short-term I/I reduction projects in the first 15 months of the program. The full program is intended to be delivered over the next four years – in line with WES' Regional I/I Reduction IGA. It is estimated the City will have expenditures near \$18,175,000 to address I/I between now and June 2025. These expenditures are programmed to be spent toward I/I reduction as recommended in the City's 2014 Sanitary Sewer Master Plan. In the scenario where the City and WES agree to the IGA, the City would be eligible for up to thirty-three percent reimbursement, close to \$6,000,000, if the sewer projects programmed are delivered.

OPTIONS:

1. Approve WES Intergovernmental Agreement
2. Deny WES Intergovernmental Agreement. If the intergovernmental agreement is denied, staff requests direction on how to proceed.

BUDGET IMPACT:

Amount: N/A

FY(s): 2022-2026

Funding Source(s): Sewer Fund

INTERGOVERNMENTAL AGREEMENT BETWEEN WATER ENVIRONMENT SERVICES AND PARTNER CITIES FOR REGIONAL INFLOW AND INFILTRATION REDUCTION

THIS REGIONAL INFLOW AND INFILTRATION REDUCTION AGREEMENT (this “**Agreement**”) is entered into between Water Environment Services (“**District**”), an intergovernmental entity formed pursuant to ORS Chapter 190, and those Cities (defined below) that execute this Agreement (collectively, the “**Partners**” or individually “**Partner**”). The District and the Partners are collectively referred to as the “**Parties**” and each a “**Party**.”

RECITALS

Oregon Revised Statutes Chapter 190.010 confers authority upon local governments to enter into agreements for the performance of any and all functions and activities that a party to the agreement, its officers or agencies have authority to perform.

The District provides sanitary sewer treatment to over 190,000 people in Clackamas County. This service area includes the City of Gladstone, the City of Happy Valley, the City of Johnson City, the City of Milwaukie, the City of Oregon City, and the City of West Linn, all Oregon municipal corporations (collectively the “**Cities**” and each a “**City**”). There are thousands of miles of underground pipes that convey sewage from homes and businesses in Partner jurisdictions to the District’s regional wastewater treatment facilities. Some of those pipes allow clean groundwater to enter the system during the winter, through a process called “infiltration.” In other cases, there are accidental or illicit connections such as downspouts or street drains that allow rain water to enter the sanitary sewer system, through a process called “inflow.” Together, this additional water is called infiltration and inflow, or by its’ industry shorthand “**I/I**.”

Analysis shows that the amount of I/I entering into District’s system is higher than industry norms. This surge of water during wet weather events is approaching the maximum peak flow capacities of the District’s Tri-City and Kellogg Creek water resource reclamation facilities and that of portions of the regional collection system. Excessive I/I can result in higher-than-needed costs to the District’s and Partner’s ratepayers, given that under the Clean Water Act, a treatment provider must convey and treat every drop of water that arrives at a treatment facility as wastewater. This additional treatment capacity and effort for cleaning what is essentially rainwater or groundwater is inefficient and expensive. It can also require upsizing of buried infrastructure at significant cost.

To most effectively reduce excessive I/I, a regional I/I program is needed to manage peak flows in the wastewater collection and treatment systems in the most cost-effective manner. The program is the implementation of the recommended capital improvement program outlined in the Sanitary Sewer Master Plan for Water Environment Services (“**SSMP**”) (Jacobs, 2019). The SSMP identified reduction targets throughout the regional system, not just that portion of the collection system directly managed by the District. All Partner systems were included in the review, except for the City of Johnson City’s collection system; however, leadership for the city has been engaged on this topic.

The SSMP identified 19 sub-basins as priority investment areas (“**Target Areas**”), further described in Exhibit A (“**Technical Memos**”), due to the high rate of I/I present, the cost of conveying the peak flow downstream, and ultimately the cost of treating it. These

Target Areas are located throughout the regional wastewater network, in both District-owned and Partner-owned collection systems.

The SSMP found the most cost-effective alternative for all parties was a sixty-five percent (65%) I/I reduction in the Target Areas by 2040. Removal of 65% in Target Areas over the time period study of 2020-2040 is considered ambitious within the industry and will take a significant amount of investment to reach. However, this yields to lowest cost for ratepayers, resulting in a net savings for the regional system of approximately \$120 million in avoided capital and operational expenditures during the next 20 years, with the cost savings growing larger in the outer years. In order to achieve the lowest cost solution for District ratepayers, a collective effort from all Partners is required to implement this regional I/I reduction.

In 2019, this recommendation was presented to the Technical Advisory Team (“**TAT**”), made up of District engineers, Partner public works directors, and Partner engineers, which broadly agreed that a focus on 65% level of I/I removal in Target Areas, balanced with other necessary improvements in the collection and plant treatment systems, is the most cost-effective regional solution to managing peak flows. The Water Environment Services Advisory Committee (“**District Advisory Committee**”) agreed that these targets should be the baseline for the regional discussion in 2019.

In an effort to implement the program recommended in the SSMP and by the advisory committee, the District and the Partners desire to establish a pilot program to determine the long-term feasibility of the District providing funding to Partners in support of projects that will help achieve the collective goal of reducing I/I by 65% in the Target Areas (“**Regional I/I Reimbursement Program**” or the “**Program**”). Beyond just this Program, it is the District’s desire that this be the first step towards establishing a more collaborative relationship with the Partners moving forward to address I/I and other regional issues using common studies, common approaches and common solutions.

In consideration of the mutual promises set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

TERMS

1. **Term.** The Agreement shall be effective between the District and any individual Partner upon execution by the District and Partner (“**Effective Date**”). After District execution, a City may sign on to the Agreement at a later date by executing the signature page below. A lack of execution by one City shall not impact the validity of the Agreement as to any other Partner. The Agreement shall expire on June 30, 2026. It is the intent of the Parties to evaluate the effectiveness of the Program and, if significant progress is being made towards the goal of 65% I/I reduction in Target Areas, continue this approach. The term of this Agreement may be extended by the Parties in five (5) year increments upon a writing signed by all Parties.
2. **Cost Sharing.** The District agrees to reimburse thirty-three percent (33%) of the actual costs incurred by a Partner in the completion of work arising out of a Qualified Proposal that has received an Approval Letter (both defined below) (“**Reimbursement Contribution**”) from revenues received through the collective wholesale sewer rate. The amount the District is contributing reflects the mutual savings to ratepayers with respect to wholesale sewer expenditures through regional collective action. Note that

these contributions are intended to supplement, not replace, collection system service charges already being charged by District or Partners.

3. **Program Proposal Process.**

- A. Qualified Proposals. Partners will identify qualified proposal projects to submit for review. A “**Qualified Proposal**” means a project proposal that meets the base threshold of being designed for I/I reduction purposes and occurring within the Target Areas. A Qualified Proposal should include a project description, project area/boundary, flow-metering data if available (I/I rates), rehabilitation method (if applicable), project statistics (i.e. number of manholes, linear feet of pipe or number of laterals to be rehabilitated), construction schedule, and anticipated I/I flow reduction. Potential eligible projects may include, but are not limited to, flow-metering studies, consulting services to analyze flow-metering results, I/I source identification, rehabilitation design or construction, post-construction flow monitoring, etc.
 - B. Approval of Qualified Proposals. Each Partner will bring forward their proposed projects for approval by the TAT. The TAT will review the proposal and determine if it satisfies the elements of a Qualified Proposal identified in Section A above. If the TAT members approve, by majority vote of those present, a proposal as being an eligible Qualified Proposal, the Partner will be provided with a letter of approval in a form substantially similar to Exhibit B (“**Approval Letter**”).
 - C. Annual Notification of Proposals. Each Partner agrees to submit an annual list summarizing the potential Qualified Proposals planned for the following year, including their estimated cost, to the District no later than February 1st of each year, in order to provide the District with sufficient time to budget appropriately for the upcoming fiscal year. Failure to provide the notice will not automatically prevent funding of a Qualified Proposal, but such funding may be delayed by a fiscal year. Notwithstanding the above, upon execution of the Agreement by a Partner, the Partner may immediately submit Qualified Proposals for the current fiscal year.
 - D. Annual Reports. Each Partner receiving funding pursuant to this Agreement will provide an annual report out to the District Advisory Committee, indicating the projects completed with the funding provided and their anticipated or actual reduction of I/I in the impacted Target Area. The Partners may elect to provide the report at the end of each fiscal year or calendar year.
 - E. TAT Membership. The Parties acknowledge that thus far the TAT has been an informal advisory group of technical experts meeting to share knowledge and collaborate on infrastructure strategy, and that a more formalized procedure will be needed to allow the TAT to effectuate the purposes of this Agreement. Therefore, bylaws will be drafted creating, amongst other provisions, a voting procedure with each of the District and Partners having a single vote for the purposes of approving a Qualified Proposal.
4. **Reimbursement**. In order to receive the Reimbursement Contribution, the Partners agree to submit a single invoice after the completion of the work performed related to their Qualified Proposal, with a copy of their Approval Letter from the TAT included. Invoices shall describe the work performed with particularity, by whom it was performed, and shall itemize and explain the expenses for which reimbursement is

claimed, noting the elements of the project correlated with I/I reduction. Reimbursement Contribution payments shall be made by the District to the Partner within forty-five (45) days of receipt of an invoice that complies with the requirements of this section. The District is not obligated to pay any amount in excess of the Reimbursement Contribution amount identified above.

5. Representations and Warranties.

- A. Party Representations and Warranties. Each Party represents and warrants to the other Parties that it has the power and authority to enter into and perform this Agreement, and this Agreement, when executed and delivered, shall be a valid and binding obligation of the Party enforceable in accordance with its terms.

6. Withdrawal; Termination.

- A. Any Partner may withdraw from this Agreement at any point and for any reason upon thirty (30) days' written notice to the District. If one Party withdraws from this Agreement, such withdrawal shall not affect the Agreement with the remaining Partners.
- B. The District may terminate the Agreement with any individual Partner at any point and for any reason upon thirty (30) days' written notice. Any termination of the Agreement with an individual Partner shall not affect the Agreement as to the remaining Partners.
- C. Either the District or the Partners may terminate this Agreement in the event of a material breach of the Agreement by the other. Prior to such termination however, the Party seeking the termination shall give the other Party written notice of the breach and of the Party's intent to terminate. If the breaching Party has not entirely cured the breach within fifteen (15) days of deemed or actual receipt of the notice, then the Party giving notice may terminate the Agreement at any time thereafter by giving written notice of termination stating the effective date of the termination. If the default is of such a nature that it cannot be completely remedied within such fifteen (15) day period, this provision shall be complied with if the breaching Party begins correction of the default within the fifteen (15) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable. The Party giving notice shall not be required to give more than one (1) notice for a similar default in any twelve (12) month period.
- D. The District or the Partners shall not be deemed to have waived any breach of this Agreement by any other Party except by an express waiver in writing. An express written waiver as to one breach shall not be deemed a waiver of any other breach not expressly identified, even though the other breach is of the same nature as that waived.
- E. The District may terminate this entire Agreement with all Parties upon fifteen (15) days' written notice in the event the District fails to receive expenditure authority sufficient to allow the District, in the exercise of its reasonable administrative discretion, to continue to perform under this Agreement, or if federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the work under this Agreement is prohibited or the District is prohibited from paying for such work from the planned funding source. The District agrees to provide a Reimbursement Contribution for all Qualified Proposals that receive an Approval

Letter prior to the date of termination identified in the notice provided pursuant to this subsection.

- F. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.

7. Indemnification.

- A. Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, the District agrees to indemnify, save harmless and defend the Partners, and their officers, elected officials, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts or omissions of the District or its officers, elected officials, owners, employees, agents, or its subcontractors or anyone over which the District has a right to control.

Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, each Partner agrees to indemnify, save harmless and defend the District, Clackamas County and any other Partner, as well as each of their officers, elected officials, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts or omissions of the Partner or its officers, elected officials, owners, employees, agents, or its subcontractors or anyone over which the Partner has a right to control.

- 8. **Dispute Resolution.** In the event of a dispute arising out of this Agreement, the Parties involved in the dispute agree to meet with one another in a good faith attempt to resolve the dispute prior to taking any other action against another Party. In these discussions, city managers will represent the affected Partners and the District will be represented by its Director. If a dispute cannot be resolved through these discussions, then the Parties may seek relief from any available method.
- 9. **Insurance.** The Parties agree to maintain levels of insurance, or self-insurance, sufficient to satisfy their obligations under this Agreement and all requirements under applicable law.
- 10. **Notices; Contacts.** Legal notice provided under this Agreement shall be delivered personally, by email or by certified mail to the business address for the party thereof as published. Any communication or notice so addressed and mailed shall be deemed to be given upon receipt. Any communication or notice sent by electronic mail to an address indicated herein is deemed to be received 2 hours after the time sent (as recorded on the device from which the sender sent the email), unless the sender receives an automated message or other indication that the email has not been delivered. Any communication or notice by personal delivery shall be deemed to be given when actually delivered. Each Party shall provide a separate written designation for notices relating to this Agreement, and any Party may change such Party's contact information, or the invoice or payment addresses by giving prior written notice thereof to the other Party at its then current notice address.

11. General Provisions.

- A. **Oregon Law and Forum.** This Agreement, and all rights, obligations, and disputes arising out of it will be governed by and construed in accordance with the laws of the State of Oregon without giving effect to the conflict of law provisions thereof. Any claim between District and Partners that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Clackamas County for the State of Oregon; provided, however, if a claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by any Party of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. Each Party, by execution of this Agreement, hereby consents to the in personam jurisdiction of the courts referenced in this section.
- B. **Compliance with Applicable Law.** All Parties shall comply with all applicable local, state and federal ordinances, statutes, laws and regulations. All provisions of law required to be a part of this Agreement, whether listed or otherwise, are hereby integrated and adopted herein. Failure to comply with such obligations is a material breach of this Agreement.
- C. **Non-Exclusive Rights and Remedies.** Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive, and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by any Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach, or for any other default or breach, by any other Party.
- D. **Access to Records.** Each Party shall retain, maintain, and keep accessible all records relevant to this Agreement ("**Records**") for a minimum of six (6) years, following Agreement termination or any longer period as may be required by applicable law, or until the conclusion of an audit, controversy or litigation arising out of or related to this Agreement, whichever is later. Each Party shall maintain all financial records in accordance with generally accepted accounting principles. All other Records shall be maintained to the extent necessary to clearly reflect actions taken. During this record retention period, the Party's shall permit the District's or another Party's authorized representatives' access to the Records at reasonable times and places for purposes of examining and copying.
- E. **Work Product.** Reserved.
- F. **Hazard Communication.** Reserved.

- G. **Debt Limitation.** This Agreement is expressly subject to the limitations of the Oregon Constitution and Oregon Tort Claims Act, and is contingent upon appropriation of funds. Any provisions herein that conflict with the above referenced laws are deemed inoperative to that extent.
- H. **Severability.** If any provision of this Agreement is found to be unconstitutional, illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the offending provision shall be stricken. The Court or other authorized body finding such provision unconstitutional, illegal or unenforceable shall construe this Agreement without such provision to give effect to the maximum extent possible the intentions of the Parties.
- I. **Integration, Amendment and Waiver.** Except as otherwise set forth herein, this Agreement constitutes the entire agreement between the Parties on the matter of the Project. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind any Party unless in writing and signed by all Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of any Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of that or any other provision.
- J. **Interpretation.** The titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
- K. **Independent Contractor.** Each of the Parties hereto shall be deemed an independent contractor for purposes of this Agreement. No representative, agent, employee or contractor of one Party shall be deemed to be a representative, agent, employee or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture or any similar relationship, and each Party hereby specifically disclaims any such relationship.
- L. **No Third-Party Beneficiary.** The Partners and the District are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement. No contractors or agents of the Partners performing work on Qualifying Projects are considered intended beneficiaries for the purposes of this Agreement.
- M. **Assignment.** No Partner shall assign or transfer any of its interest in this Agreement by bankruptcy, operation of law or otherwise, without obtaining prior

written approval from the District, which shall be granted or denied in the District's sole discretion.

- N. **Counterparts.** This Agreement may be executed in several counterparts (electronic or otherwise), each of which shall be an original, all of which shall constitute the same instrument.
- O. **Survival.** All provisions in Sections 5, 7, 8 and 10 (A), (C), (D), (G), (H), (I), (J), (L), (Q), and (T) shall survive the termination of this Agreement, together with all other rights and obligations herein which by their context are intended to survive.
- P. **Necessary Acts.** Each Party shall execute and deliver to the others all such further instruments and documents as may be reasonably necessary to carry out this Agreement.
- Q. **Time is of the Essence.** With the ambitious goal of reducing I/I by 65% in Target Areas, the Parties are encouraged to act expeditiously in submitting and completing Qualified Proposal work.
- R. **Successors in Interest.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective authorized successors and assigns.
- S. **Force Majeure.** Neither the Partners nor District shall be held responsible for delay or default caused by events outside of the Partners' or District's reasonable control including, but not limited to, fire, terrorism, epidemic, riot, acts of God, or war.
- T. **No Attorney Fees.** In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each party shall be responsible for its own attorneys' fees and expenses.

Signature Page Follows

IN WITNESS HEREOF, the Parties have executed this Agreement by the date set forth opposite their names below.

Water Environment Services

Chair

Date**City of Gladstone**

Authorized Signatory

Title

Date**City of Happy Valley**

Authorized Signatory

Title

Date**City of Johnson City**

Authorized Signatory

Title

Date**City of Milwaukie**

Authorized Signatory

Title

Date**City of Oregon City**

Authorized Signatory

Title

Date**City of West Linn**

Authorized Signatory

Title

Date

Exhibit A

Technical Memos

Exhibit B

Form Letter

[Insert Date]

[Insert Name]

[Insert Address]

RE: Regional I/I Reimbursement Program – [Insert Qualified Proposal Title or Description]

Dear _____,

Thank you for the submittal and presentation of your Qualified Proposal to the Technical Advisory Team (“TAT”).

This letter serves as notification that the TAT has approved your project for reimbursement as a part of the Regional I/I Reimbursement Program, in accordance with the terms of the IGA for Regional Inflow and Infiltration Coordination (“IGA”). The total amount of fund reimbursed will be determined in accordance with Section 2 of the IGA.

Please retain a copy of this letter in your records, as you will be required to provide it along with documentation of your expenses when you seek reimbursement from Water Environment Services once your project is complete.

On behalf of WES and all the cities participating in this I/I reduction effort, we appreciate your commitment to addressing this regional issue. Thank you!

Sincerely,

Chair,
Technical Advisory Team



CITY OF OREGON CITY

CITY COMMISSION SPECIAL MEETING

DRAFT MINUTES

Virtual Only Meeting
Tuesday, December 28, 2021 at 5:30 PM

SPECIAL MEETING OF THE CITY COMMISSION

1. CONVENE MEETING AND ROLL CALL

Mayor Lyles Smith convened the meeting at 5:32 PM.

PRESENT: 4 - Mayor Rachel Lyles Smith, Commissioner Adam Marl, Commissioner Denyse McGriff, Commissioner Frank O'Donnell

ABSENT: 1 - Commissioner Rocky Smith

STAFFERS: 4 - Human Resources Director Patrick Foiles, City Recorder Jakob Wiley, City Attorney Bill Kabeiseman, and Finance Director Matt Zook

2. GENERAL BUSINESS

2a. Opioid Settlement Agreement with Multiple Opioid Distributors

Bill Kabeiseman, City Attorney, presented the staff report. Oregon City has been asked to sign onto a settlement agreement with several opioid distributors and manufacturers and other jurisdictions in the state of Oregon. By entering into the settlement, the city could receive up to \$487,606.00 to be used for "opioid remediation," which could include a variety of prevention and treatment strategies for opioid addiction. Entering into the settlement agreement would settle and waive all claims against the settling manufacturers and distributors for the impacts of their activities with regard to opioids. This litigation has been pending for some time, and a settlement was being discussed this summer, however, the city received the final settlement documents very recently and the settlement requires the city to sign onto the settlement no later than January 2, 2022. Mr. Kabeiseman reviewed the pros and cons of entering into the settlement agreement.

Commissioner McGriff asked if a city discussion at a work session meeting on how to spend the settlement amount would be proper and Mr. Kabeiseman indicated a work session discussion on spending priorities would be appropriate.

Commissioner McGriff asked Finance Director Matt Zook how the revenue would be tracked and Mr. Zook indicated the funds would be a separate line item in the city budget with separate tracking.

Mr. Kabeiseman indicated the first allotment of the funds would be received in approximately April of 2022.

Mayor Lyles Smith asked regarding the appropriate wording of a motion and Mr. Kabeiseman provided information.

Commissioner Marl commented that he would like to see the city make a firm and wise commitment to allocating the funds.

Motion made by Commissioner McGriff, seconded by Commissioner Marl, to authorize the City to sign into the proposed settlement agreement with several opioid distributors and manufacturers and other jurisdictions in the State of Oregon regarding the distribution and use of settlement funds. The motion carried with the following vote:

Yea: Commissioner McGriff, Commissioner O'Donnell, Commissioner Marl, and Mayor Lyles Smith.

3. ADJOURNMENT

Mayor Lyles Smith adjourned the meeting at 5:46 PM.

Respectfully submitted,

Jakob Wiley, City Recorder



CITY OF OREGON CITY

CITY COMMISSION REGULAR MEETING

DRAFT MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, November 03, 2021 at 7:00 PM

REGULAR MEETING OF THE CITY COMMISSION

1. CONVENE MEETING AND ROLL CALL

Mayor Lyles Smith convened the meeting at 7:00 PM.

PRESENT: 5 - Mayor Rachel Lyles Smith, Commissioner Frank O'Donnell, Commissioner Denyse McGriff, Commissioner Adam Marl, and Commissioner Rocky Smith

STAFFERS: 11 - City Manager Tony Konkol, Assistant. to the City Manager Lisa Oreskovich, Assistant City Recorder Jakob Wiley, Community Development Director Laura Terway, Parks & Rec. Director Kendall Reid, City Attorney Bill Kabeiseman, Human Resources Director Patrick Foiles, Public Works Director John Lewis, Finance Director Matt Zook, Library Director Greg Williams, Police Chief Jim Band, and Planner Kelly Reid

2. FLAG SALUTE

3. CEREMONIES AND PROCLAMATIONS

3a. Proclamation Honoring Oregon City's Fallen Officers Robert Libke and George Hanlon

Mayor Lyles Smith read the proclamation and led a moment of silence in the officers' honor.

3b. Swearing in Ceremony for Amy Lindgren as Municipal Judge

Mayor Lyles Smith swore in new Municipal Judge Lindgren.

4. CITIZEN COMMENTS

Doug Neeley, resident of Oregon City, complimented the City on the Molalla Avenue reconstruction.

Karen Ellis, resident of Happy Valley, spoke about post-traumatic stress disorder sustained by police officers in the line of duty. She discussed city policies that needed to be changed for better treatment and recovery.

Liz Hannum, Downtown Oregon City Association, and Kelli Upkes, DOCA Board Member, would like to have a discussion about the courthouse plaza continuing to be a public space.

5. PRESENTATIONS

5a. Update on Temporary Shower Trailer at Milner Veterinary Hospital

Brandi Johnson, Love One, said the shower trailer was available on the second and fourth Sundays of every month. She discussed the number of people who used their services and spotlighted their volunteers. They had received no concerns or complaints. She explained the community outreach that they had done.

Motion made by Commissioner McGriff, seconded by Commissioner O'Donnell, to support continuing the shower facility at the Milner Veterinary Hospital and to receive another update on May 4, 2022. The motion carried by the following vote:

Yea: Mayor Lyles Smith, Commissioner Marl, Commissioner O'Donnell, Commissioner McGriff, and Commissioner Smith

6. ADOPTION OF THE AGENDA

The agenda was adopted as presented.

7. CONSENT AGENDA

Motion made by Commissioner McGriff, seconded by Commissioner Smith, to approve the consent agenda. The motion carried by the following vote:

Yea: Mayor Lyles Smith, Commissioner Marl, Commissioner O'Donnell, Commissioner McGriff, and Commissioner Smith

- 7a. Resolution No. 21-48, Night Time Construction on Washington Street (at OC Brewing)
- 7b. Resolution No. 21-50, ODOT I-205 Phase 1A Night Work Exemption
- 7c. Personal Services Agreement with 3J Consulting, Inc. for the 2022 Water and Sanitary Utility Replacement Project (CI 21-014)
- 7d. Personal Services Agreement with Murraysmith for the Henrici Reservoir Rehabilitation Project (CI 21-017)
- 7e. OLCC: Liquor License Application – Chinese Cafe Restaurant Inc., 904 Molalla Avenue, Oregon City
- 7f. Minutes of the September 15, 2021 Regular Meeting

8. PUBLIC HEARINGS

- 8a. First Reading of Ordinance 21-1014 - An Ordinance Approving GLUA 21-00057 and LEG 21-00004, Adopting the Housing Needs Analysis

Mayor Lyles Smith opened the public hearing.

Laura Terway, Community Development Director, discussed the purpose of the Housing Needs Analysis. The analysis had been vetted through several community groups and the Planning Commission voted unanimously to recommend approval. She then discussed the public comments that had been received.

Beth Goodman, Eco Northwest, said this analysis was done to determine if the City had enough buildable residential land and to identify the City's unmet housing needs. She discussed housing affordability in Oregon City, inventory of buildable land, forecast for new housing, and recommendations.

There was discussion regarding ADUs, the houseless population, constrained land, relationship between household income and renter or homeowner payments, and projected growth and impact to infrastructure and management.

Mayor Lyles Smith closed the public hearing.

Commissioner McGriff needed more time before approving the ordinance.

Motion made by Commissioner Marl, seconded by Mayor Lyles Smith, to approve the first reading of Ordinance 21-1014, approving GLUA 21-00057 and LEG 21-00004, adopting the Housing Needs Analysis. The motion failed by the following vote:

Yea: Mayor Lyles Smith and Commissioner Marl

Nay: Commissioner O'Donnell, Commissioner McGriff, and Commissioner Smith

Motion made by Commissioner McGriff, seconded by Commissioner Smith, to continue Ordinance 21-1014 to November 17, 2021. The motion carried by the following vote:

Yea: Mayor Lyles Smith, Commissioner Marl, Commissioner O'Donnell, Commissioner McGriff, and Commissioner Smith

- 8b. First Reading of Ordinance 21-1016 – An Approval of LEG-21-00003, an Adoption of the Park Place Urbanization Plan and an Amendment to the Transportation System Plan

Mayor Lyles Smith opened the public hearing.

Kelly Reid, Planner, gave a presentation on the Park Place Urbanization Plan. She explained the process used to create the plan, purpose of the plan, what the plan included, approval criteria, and City Commission options. The Planning Commission recommended approval with conditions.

There was discussion regarding the rights-of-way widths and how this was currently unfunded and might be a better future project.

Josh Wheeler, Assistant City Engineer, discussed the study goals, project overview, pedestrian and bicycle challenges, vehicular challenges, neighborhood survey, Roadway Classification Plan, roadway specific cross sections, sidewalk priorities, and next steps/options.

Commissioner McGriff needed more time. She suggested holding a work session on this.

There was discussion regarding real numbers versus percentages, reviewing the cross sections, need for another arterial, improvements to Holcomb Boulevard, and clarifications to the document.

There was consensus that the Commission needed more time to review the document.

Motion made by Commissioner McGriff, seconded by Commissioner Smith, to continue Ordinance 21-1016 to December 15, 2021. The motion carried by the following vote:

Yea: Mayor Lyles Smith, Commissioner Marl, Commissioner O'Donnell, Commissioner McGriff, and Commissioner Smith

9. GENERAL BUSINESS

- 9a. Second Reading of Ordinance No. 21-1015 - An Ordinance Approving GLUA-21-00005, an Emergency Annexation, AN-21-00001, and Zone Change, ZC-21-00002, to R-6 for Approximately 1.05 Acres Located at 19630 S. McCord Road

Commissioner O'Donnell suggested the Planning Commission review all annexation requests to safeguard against those trying to circumvent the system to bring in larger parcels of land due to an emergency.

Ms. Terway said that change had been made. All emergency annexations would go to the Planning Commission and City Commission.

Commissioner McGriff did not think the emergency annexations should include zone changes. They should be annexations only and the applicants could come back later for zone changes.

Bill Kabeiseman, City Attorney, said state statute said cities had to have a consolidated procedure where an applicant could apply for all permits at once. He would confirm whether or not annexations fit within that statute.

Motion made by Commissioner O'Donnell, seconded by Commissioner Smith, to approve the second reading and final adoption of Ordinance 21-1015, approving GLUA-21-00005, an Emergency Annexation, AN-21-00001, and Zone Change, ZC-21-00002, to R-6 for approximately 1.05 acres located at 19630 S. McCord Road. The motion carried by the following vote:

Yea: Mayor Lyles Smith, Commissioner Marl, Commissioner O'Donnell, and Commissioner Smith

Abstain: Commissioner McGriff

10. COMMUNICATIONS**11. City Manager**

- 11a. Planning Division Draft Policy: Utilization of the Friends of Trees Planting Program for Limited Street Tree Replacements

Tony Konkol, City Manager, said this policy would open eligibility for the Friends of Trees program to residents dealing with lifted sidewalks and tree replacements.

Ms. Terway said it would allow residents to participate for \$35 per tree. There were 15 available plantings for the November 20 planting.

There was consensus for staff to move forward with the policy.

- 11b. Implementation of House Bill 2006

Ms. Terway said this house bill allowed emergency shelters to be placed without land use review or public comment opportunities if the applications were submitted before July 1, 2022. It would be an over the counter review with non-discretionary criteria. The shelters would have to open within two years of approval and if they stopped for more than two years they would have to go through an approval process. The City received an application from Father's Heart.

There was discussion regarding the timeframe, definition of emergency shelter, legislative overreach, how other cities had dealt with this, criteria for these shelters, location for Father's Heart, concern regarding

public safety, need for warming shelters around the County, and obligation to process the current application.

There was preference for a resolution for a temporary emergency shelter as had been done in the past while they worked to relocate the Father's Heart facility and to create clear and objective standards for health and public safety.

12. Commissioners

Commissioner Smith congratulated the Downtown Association for their Halloween event.

Commissioner O'Donnell attended a Concierge training.

13. Mayor

Mayor Lyles Smith thanked Ms. Terway for her 18 years of service to the City. This was her last meeting.

14. ADJOURNMENT

Mayor Lyles Smith adjourned the meeting at 9:42 PM.

Respectfully submitted,

Jakob Wiley, Assistant City Recorder



CITY OF OREGON CITY

CITY COMMISSION WORK SESSION

DRAFT MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Tuesday, December 07, 2021 at 6:00 PM

EXECUTIVE SESSION OF THE CITY COMMISSION:

The Executive Session began immediately after adjournment of the City Commission Work Session.

1. PURSUANT TO ORS 192.660(2)(i): To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

CITY COMMISSION WORK SESSION

CONVENE WORK SESSION AND ROLL CALL

Mayor Lyles Smith convened the meeting at 6:05 PM.

PRESENT: 5 - Mayor Rachel Lyles Smith, Commissioner Denyse McGriff, Commissioner Adam Marl, Commissioner Rocky Smith Jr., Commissioner Frank O'Donnell

STAFFERS: 10 - City Manager Tony Konkol, Assistant. City Recorder Jakob Wiley Interim Community Development Director Aquilla Hurd-Ravich, Parks & Rec. Director Kendall Reid, Economic Development Director James Graham, Assistant to the City Manager Lisa Oreskovich, Support Captain Bill Kler, Finance Director Matt Zook, Library Director Greg Williams, Assistant City Engineer Josh Wheeler

FUTURE AGENDA ITEMS

1. List of Future Work Session Agenda Items

Mr. Konkol, City Manager, reviewed upcoming meeting topics. The City Commission discussed preparation needed for the joint meeting planned with the Historic Review Board (HRB) and what important criteria to discuss. Also discussed were upcoming HRB appointments and City Charter revisions.

Mr. Konkol introduced Aquilla Hurd-Ravich, Interim Community Development Director.

DISCUSSION ITEMS

2. Adoption of Park Place Urbanization Plan, An Amendment to the Transportation System Plan (LEG-21-00003)

Josh Wheeler, Assistant City Engineer, presented the staff report. The purpose of the plan is to provide a guideline for staff to use when private development is proposed. The Park Place Urbanization Plan has been submitted by the Public Works Department for adoption. File No. LEG-21-00003 amends the Oregon City Transportation System Plan to add the ancillary plan for pedestrian, bicycle, and vehicular access within the Park Place neighborhood. The plan adds clarity for street designs within the project area, as well as a sidewalk prioritization plan. Public comments were sought through two neighborhood

meetings, two Planning Commission meetings, various emails to numerous agencies, two neighborhood surveys, and information was accessible on the project website. The Planning Commission recommended approval with conditions that they would like to see more bike lanes and more traffic calming measures in the neighborhood as the plan is implemented.

Mr. Wheeler reviewed existing pedestrian, bicycle and vehicular issues in the development, right-of-way impacts and the public outreach process. Sidewalk prioritization was reviewed.

Commissioner O'Donnell asked about the funding sources and Mr. Wheeler indicated that private developers would be responsible for the majority and grants and public works funding for any gaps.

Commissioner McGriff asked about the concern of parking and Mr. Wheeler indicated residents had expressed they wanted available parking on the Park Place roads. Also discussed was speed reduction and the width of certain streets.

Mayor Lyles Smith asked about acquiring the rights-of-way and Mr. Wheeler indicated that would happen on a case-by-case basis as development occurs. Also asked was the term "family friendly routes" and why streets without sidewalks were considered family friendly. Mr. Wheeler indicated there are certain streets that are safer due to less vehicular traffic because the streets are rural and narrower. There was discussion on the definition of a family friendly street versus a family friendly route.

Mayor Lyles Smith asked about street striping and Mr. Lewis indicated striping could be done very quickly. Mayor Lyles Smith commented that bike and pedestrian lanes will need to be prioritized, over the usual "vehicular first" approach. Commissioner McGriff asked about the process of in-filling sidewalks in subdivisions where they do not exist and Mr. Lewis explained how that process happens and how it is funded.

3. Oregon City Economic Development Strategic Plan Executive Summary

James Graham, Economic Development Manager, provided the staff report which reviewed the economic development vision under development. The 2022-2027 Oregon City Economic Development Strategy also builds upon the insights of the OC2040 Comprehensive Plan Update. The City's Economic Development Strategy offers goals and strategies aimed at fostering a diverse, resilient, and vibrant local economy. The Oregon City Commissioners adopted the first Oregon City Economic Development Steering Committee (EDSC) on June 3, 2020. The EDSC was charged with creating and implementing a holistic strategic plan designed to provide guidance and offer expertise in the crafting of Oregon City's economic recovery from the dramatic/negative impact of the COVID-19 virus and to recommend a framework for a more resilient local economy moving forward. The Committee began its work in the Summer of 2020 and ended in the fall of 2021. The Committee consisted of 14 members who reflected diverse views representing the for-profit sector, academia, government, and private nonprofits.

Mr. Graham reviewed the vision for the economy and the assessment of the local economy. The SWOT analysis was reviewed (Strengths/Weaknesses/Opportunities/Threats).

Ann Griffin, Economic Development Coordinator, discussed Goal 1 - business retention and expansion.

Mr. Graham discussed Goal 2 - business attraction strategy, focusing on target industries.

Ms. Griffin discussed Goal 3 - entrepreneurship goals and strategies.

Mr. Graham discussed the Goal 3 component of small business procurement initiative and development of new market opportunities for small businesses.

Mr. Graham discussed the tourism development component of the vision and establishing a brand for Oregon City.

Commissioner McGriff asked about the childcare material. Ms. Griffin provided some background information for the source of the statistics included in the presentation.

Commissioner Marl asked about the role of the City. Mr. Graham indicated the role of the City would be as an orchestrator and organizer with other entities such as Clackamas Community College and the chamber of commerce.

Commissioner Smith commented that urban renewal should be considered a threat to tourism development. There was discussion with Mr. Graham on the heritage sites and the funding involved and also promotion for city sponsored and community sponsored events and how there are different approaches involved.

Commissioner O'Donnell provided some feedback on the economic return, childcare issues, and land use topics in the vision summary.

Mayor Lyles Smith asked about the forgivable childcare loan program and why it was selected as the support program. Mayor Lyles Smith suggested that if childcare capacity is the issue, a subsidized price would not directly address capacity, but price. Mr. Graham provided background on the rationale for the forgivable loan concept. The Mayor did not support the loan program as presented.

Mayor Lyles Smith asked about the implication of an industrial park on the urban fringe and did not expect much support in the community. The Mayor expressed concerns about marketing businesses that may not be ready and able to deliver services due to the lack of hireable employees.

Commissioner Marl expressed concern about subsidizing one sector over another but recognized that childcare would free up residents to increase the workforce.

Commissioner McGriff discussed the purchase of property by the City and possible vertical building development versus horizontal development.

4. Oregon City Sidewalk Replacement Assistance Program

The City Commission took a break at 8:25 PM until 8:34 PM.

John Lewis, Public Works Director, provided the staff report. Oregon City Municipal Code identifies the property owner as the responsible party for abutting sidewalk repairs and replacement. Though trees provide benefits such as stormwater retention, wildlife habitat, and reduced energy consumption, street trees often cause damage to abutting sidewalks. Street trees have caused significant damage in neighborhoods across the city, although it was the Wasco Acres, Trailview, and Tracey Heights subdivisions enforcement letter that stirred our most recent discussion and resulted in this proposal for a new Sidewalk Replacement Assistance Program. At the May 25, 2021, City Commission meeting, the City Commission asked staff to address the neighborhood concerns with background and recommendations moving forward. August 10, 2021, was the first policy discussion on a proposed program followed by another Work Session discussion on October 11, 2021. The proposed funding program includes applicants can apply once a year and is reimbursable after the permit is obtained and the work is completed. The redlined changes made after the last presentation were reviewed.

There was Commission discussion on the tree removal component, credentials of tree service vendors and code requirements for homeowners that perform the sidewalk replacement themselves.

Mayor Lyles Smith asked if homeowners that took out permits from 2018 forward would be notified and Mr. Lewis that would be the case. Mr. Konkol commented that cases from 2018 would be addressed first and then move forward to 2019, etc.

Commissioner Smith asked if the program's look back would only go back to 2018. Mr. Lewis confirmed that the proposed program would only extend to 2018. Commissioner Smith suggested that the issues

went further back and the issue would return again in the future. Commissioner Smith believed the City was responsible for having the incorrect trees on the tree list in the 1980s and 1990s.

Mr. Lewis suggested using a system where applicants provide a permit and a receipt for the tree replacement as a requirement for reimbursement. Commissioner McGriff felt homeowner proof through a permit and/or receipts should be required and eliminate the 2018 date. Commissioner O'Donnell supported requiring a permit, homeowner receipts and verification by the City.

CITY MANAGER'S REPORT

There was no report from the City Manager.

COMMISSION COMMITTEE REPORTS

The City Commission did not provide individual committee reports.

- A. **Beavercreek Employment Area Blue Ribbon Committee** - Appointed: Commissioner Frank O'Donnell
- B. **Citizen Involvement Committee Liaison** - Appointed: Commissioner Adam Marl
- C. **Clackamas County Coordinating Committee (C4)** - Appointed: Mayor Rachel Lyles Smith
Alternate: Commissioner Adam Marl
- D. **Clackamas County I-205 Tolling Diversion Committee** - Appointed: Commissioner Adam Marl
Alternate: Commissioner Frank O'Donnell
- E. **Clackamas Heritage Partners** - Appointed: Commissioner Rocky Smith, Jr.
- F. **Clackamas Water Environment Services Policy Committee** -
Appointed: Commissioner Rocky Smith, Jr.
- G. **Downtown Oregon City Association Board** - Appointed: Commissioner Denyse McGriff
- H. **Metro Policy Advisory Committee (MPAC)** - Appointed: Mayor Rachel Lyles Smith
Alternate: Commissioner Denyse McGriff
- I. **OC 2040 Project Advisory Team** - Appointed: Commissioners Adam Marl and Denyse McGriff
- J. **Oregon Governor's Willamette Falls Locks Commission** – Appointed: Mayor Rachel Lyles Smith
- K. **Oregon City Tourism Stakeholder's Group** - Appointed: Commissioners Frank O'Donnell and Rocky Smith, Jr.
- L. **Oregon City/West Linn Pedestrian and Bicycle Bridge Concept Plan Project Advisory Committee** - Appointed: Commissioner Denyse McGriff

-
- M. South Fork Water Board (SFWB)** - *Mayor Rachel Lyles Smith, and Commissioners Frank O'Donnell and Rocky Smith, Jr.*
- N. Willamette Falls and Landings Heritage Area** - *Appointed: Commissioner Denyse McGriff Alternate: Commissioner Frank O'Donnell*
- O. Willamette Falls Legacy Project Liaisons** - *Mayor Rachel Lyles Smith and Commissioners Frank O'Donnell*

ADJOURNMENT

Mayor Lyles Smith adjourned the meeting at 9:30 PM

Respectfully submitted,

Jakob S. Wiley, Assistant City Recorder



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission **Agenda Date:** 01/19/2022
From: Interim Community Development Director Aquilla Hurd-Ravich

SUBJECT:

Request for Continuance - Appeal of Historic Review Board Approval of an ADA Ramp and Foundation Height Change Located at 1020 5th St (AP-21-00006, GLUA 21-00052, HR-21-00020, Modification of HR 20-00001)

STAFF RECOMMENDATION:

Staff recommends the City Commission continue the Appeal to the February 2, 2022 City Commission Meeting

EXECUTIVE SUMMARY:

The Appellant has requested a continuation of the Appeal hearing to the February 2, 2022 City Commission and has provided an extension of the 120-day land-use decision deadline to March 4 to ensure the City Commission has time to review the Appeal.

BACKGROUND:

The Historic Review Board recently approved a Type III application for exterior modifications to HR 20-01, including but not limited to the inclusion of an ADA ramp and change in final foundation height for a new live/work building in the McLoughlin Conservation District.

AP-21-00006 was submitted on December 16, 2021 by the Applicant/Representative Bogdan Smolinets. The Appellant has standing to appeal by providing verbal and written testimony during the Historic Review Board Review. The issue raised on Appeal is stated below:

- The Historic Review Board decision does not meet the owner's family medical care needs, also the applicable Federal ADA standards and applicable Federal ADA Law ADA Act 42 USC §12182 et seq (ADA) mobility impairment requirement use of wheelchair.

OPTIONS:

1. Continue the Appeal to the February 2, 2022 City Commission Meeting
2. Continue the Appeal to another date certain City Commission Meeting provided there is adequate time to hear the Appeal by March 4, 2022 unless further extended by the applicant.



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission **Agenda Date:** 1/19/2022
From: Interim Community Development Director Aquilla Hurd-Ravich

SUBJECT:

Resolution No.22-04, Declaring an Emergency and Exempting a Temporary Warming Shelter at The Father's Heart Street Ministry from Planning Code Requirements (January 19, 2022 until March 31, 2022)

STAFF RECOMMENDATION:

Staff recommends the City Commission approve Resolution 22-04.

EXECUTIVE SUMMARY:

The City of Oregon City is requesting an Emergency and Exempting a Temporary Warming Shelter at Father's Heart Street Ministry, located at 603 12th Street from Planning code requirements.

BACKGROUND:

The City has received information from Clackamas County health officials and existing homeless service providers that there is a need for additional shelter resources during cold weather events. The Father's Heart Street Ministry (TFHSM), located at 603 12th Street has available resources and space to provide needed shelter during the extremely cold weather and ice/snow events predicted over the winter months.

Oregon City Municipal Code (OCMC) 2.52.020 defines "emergencies" to include "any man-made or natural event or circumstance causing or threatening loss of life, injury to person or property, human suffering..., and includes, but is not limited to, severe weather". Section 2.52.040(L) of the OCMC authorizes the City, in cases of emergency, to "order such other measures as are necessary for the protection of life or property, or for the recovery from the emergency", including the temporary exemption of applicable codes.

My Father's Heart Street Ministry would like to house up to 49 individuals from 6 p.m. to 7 a.m. each day the outside temperature is 33 degrees or below, including wind chill factor, from January 19, 2022 until March 31, 2022.

Approval by the City of Oregon City Building Official and Clackamas Fire District #1 is required for conformance with the Temporary Emergency Policy prior to use of the facility.

After denial of a warming shelter conditional use application, The Father's Heart submitted an application for the same use under House Bill 2006 on September 23, 2021. House Bill 2006 temporarily allows certain qualifying providers to develop emergency shelters in existing buildings or on vacant lands without the need for any land use approval, except for natural resource or geologic hazard overlays. As staff is continuing to clarify the HB 2006 criteria, approval of this Resolution is requested.

OPTIONS:

1. Approve Resolution 22-04
2. Instruct staff to return with Modifications to Resolution 22-04
3. Do not approve Resolution 22-04

RESOLUTION NO. 22-04**A RESOLUTION DECLARING AN EMERGENCY AND EXEMPTING THE FATHER'S HEART STREET MINISTRY FROM PLANNING CODE REQUIREMENTS ON A TEMPORARY BASIS**

WHEREAS, Oregon City Municipal Code (OCMC) 2.52.020 defines "emergencies" to include "any man-made or natural event or circumstance causing or threatening loss of life, injury to person or property, human suffering...., and includes, but is not limited to, severe weather"; and

WHEREAS, OCMC 2.52.040(L) authorizes the City, in cases of emergency to "order such other measures as are necessary for the protection of life or property, or for the recovery from the emergency"; and

WHEREAS, the City has received information from Clackamas County health officials and existing homeless service providers that there is a need for additional shelter resources during cold weather events; and

WHEREAS, The Father's Heart Street Ministry (TFHSM) located at 603 12th Street has available resources and space to provide needed shelter during the extremely cold weather; and

WHEREAS, TFHSM is willing to provide shelter and is not requesting any monetary commitment or reimbursement from the City; and

WHEREAS, TFHSM facility may house up to 49 individuals from 6 p.m. to 7 a.m. each day that the outside temperature is 33 degrees or below, including wind chill factor, as measured by the National Oceanic and Atmospheric Administration during the duration of the emergency, from January 19, 2022 to March 31, 2022; and

WHEREAS, the forecast identifies freezing weather; and

WHEREAS, the forecasted weather events are natural events that threaten the loss of life, injury to person or property or human suffering; and

WHEREAS, the City Commission is concerned that the expected conditions will require immediate shelter needs, response by city staff and other measures that are currently unanticipated.

NOW, THEREFORE, THE CITY OF OREGON CITY RESOLVES AS FOLLOWS:

Section 1. The Oregon City Commission hereby declares an emergency, limited to the Father's Heart Street Ministry (TFHSM) located at 603 12th Street due to forecasted severe cold weather. Consistent with OCMC 2.52.070 and, by this resolution, the Commission declares an emergency from approval of this Resolution until 7 a.m. March 31, 2022.

Section 2. Based on the emergency identified above, the City Commission grants to TFHSM an exemption from the Oregon City Zoning Code for the sheltering of up to 49 individuals from

6:00 PM to 7:00 AM each day the temperature 33 degrees or below, including wind chill factor, for the duration of the emergency.

Section 3. TFHSM is authorized to temporarily provide shelter provided the facilities comply with the City of Oregon City and Clackamas Fire District #1 Temporary Emergency Policy (Exhibit A).

Section 4. TFHSM must comply with COVID-19 regulations by the state and the Oregon Health Authority.

Section 5. City staff shall request, as necessary, any assistance required from other agencies, including the state of Oregon, Clackamas County, Clackamas County Fire District No. 1, the American Red Cross or other agencies.

Section 6. The City Commission adopts the following procedures to prevent, minimize, respond to or recover from the emergency consistent with OCMC 2.52.040:

- X L. Order such other measures as are necessary for the protection of life or property, or for the recovery from the emergency.

Section 7. This resolution shall take effect January 19, 2022.

Approved and adopted at a regular meeting of the City Commission held on the 19th day of January 2022.

RACHEL LYLES SMITH, Mayor

Attested to this 19th day of January 2022:

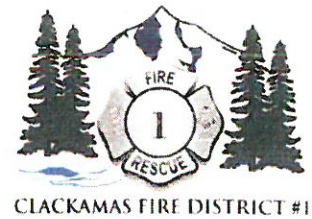
Approved as to legal sufficiency:

City Recorder

City Attorney

Attachment:

Exhibit A - The City of Oregon City and Clackamas Fire District #1 Temporary Emergency Policy



TEMPORARY EMERGENCY SHELTER POLICY

City of Oregon City and Clackamas Fire District #1 Joint Policy

The following policy is a collaboration between the City of Oregon City Building Official and the Clackamas Fire District #1 Fire Marshal for Temporary Warming Shelter's within the jurisdictional boundary of the Oregon City city limits.

This policy contains the minimal guidelines to allow a building not normally designated as an "R" (Residential) Occupancy (use of a building or structure, or a portion thereof, for sleeping purposes) to be used as a temporary shelter.

Registration:

Each year prior to opening as an emergency shelter the building manager shall contact the City of Oregon City Building Division to request approval. The approval will be subject to an on-site inspection to verify the building meets the minimum requirements of this policy. Written approval will be provided for building(s) being requested to be used as a Temporary Shelter. All buildings are subject to applicable Land Use Regulations and require written approval from the City of Oregon City Planning Division approving the use of the structure as a Temporary Shelter.

Time Limits:

If approved, a building may be used as a temporary shelter for a maximum of ninety (90) days within any twelve (12) month period of time beginning on the first (1st) day of occupancy or as approved by the local authority having jurisdiction. A thirty (30) day extension may be requested and will be reviewed by the authority having jurisdiction and a determination made depending on the weather requiring a need for additional temporary shelters availability.

Maximum Number of Occupants Allowed:

The maximum number of allowable temporary shelter occupants shall be calculated using an occupant load factor of one (1) individual for every thirty-five (35) square feet of room area.

Life Safety Requirements: The following minimum life safety requirements apply to all buildings being used as a temporary shelter.

1. Fire Sprinklers:

It is not necessary for a building to have fire sprinklers installed to allow it to be used as a temporary shelter. However, buildings with an approved fire sprinkler system installed may have sleeping located on any building or floor area.

In buildings without fire sprinklers installed, the temporary sleeping areas may only be located on the first (ground) or second floor. Sleeping areas are not permitted in basement areas of a non-fire-sprinklered building.

2. Smoke Alarms and Detection:

- All temporary shelter sleeping areas shall be provided with approved smoke alarms or a complete approved smoke detection system.
- All other areas of the building used for temporary shelter operations shall be equipped with smoke alarms or a smoke detection system as approved by the authority having jurisdiction.
- Smoke alarms or Smoke Detection may be battery operated.

3. Carbon Monoxide (CO) Alarms and Detection:

- All temporary shelter sleeping areas shall be provided with approved carbon monoxide alarms or a complete approved detection system in buildings that have a carbon monoxide source such as heater, fireplace, furnace, appliance or cooking source that uses, coal, wood, petroleum products and other fuels that emit carbon monoxide as a by-product of combustion. This would include buildings with an attached garage with a door, ductwork or ventilation shaft that communicates with the rooms intended for sleeping.
- Carbon monoxide may be battery operated.

4. Means of Egress (Exits):

All floor levels with temporary shelter areas shall have a minimum of two means of egress (exits) from each floor level. All means of egress (exits) paths shall be maintained free of obstructions at all times. Exits from sleeping areas shall be as follows:

- Sleeping areas located on the ground floor of a temporary shelter with an occupant load of 49 or less shall have at least one (1) exit and at least one (1) window qualifying as an escape or rescue window as defined by the current Oregon Residential Specialty Code.
- All other floor levels used as temporary shelter sleeping areas that have an occupant load of ten (10) or more shall have at least two (2) exits from the area. The exits

serving the areas shall be separated by a distance equal to at least one-third (1/3) of the longest diagonal distance of the area.

5. Emergency Evacuation Plan:

All temporary shelters shall create and maintain an approved emergency evacuation plan which provides evacuation of all occupants in an emergency event. At a minimum, the emergency evacuation plan shall contain the following:

- Building floor plans. Building floor plans for each floor of the temporary shelter with sleeping areas clearly identified.
- Room size. The square footage of all rooms of the temporary shelter.
- Egress (exit) path. Building floor plans shall clearly show the egress (exit) paths from all areas of the temporary shelter. Egress (exit) path floor plans shall be posted throughout the temporary shelter.
- Life-safety systems. The emergency evacuation plan shall also include information about the fire sprinkler system, fire alarm system of the smoke detection systems.
- Location of the required fire extinguishers placed within the building.

6. Fire Extinguishers:

- Appropriately sized fire extinguishers shall be placed adjacent to the means of egress with clearly marked indicators as to the location.

7. Fire Watch:

- During sleeping hours a fire watch shall be maintained continuously. This means at least one responsible person at least 18 years of age shall be awake and assigned this responsibility. The fire watch person shall be equipped with a working flash light and have access to a phone or carry a cell phone on their person.

8. Smoking or Open Flames:

- Smoking shall not be allowed at any time inside the temporary shelter.
- Open flames shall not be allowed within the temporary shelter except for approved cooking appliance which require a flame for combustion fuel to operate.

9. Documentation:

- Documentation of all fire safety requirements including copies of the temporary shelter evacuation plan shall be maintained on site and shall be available for review at the request of the authority having jurisdiction.

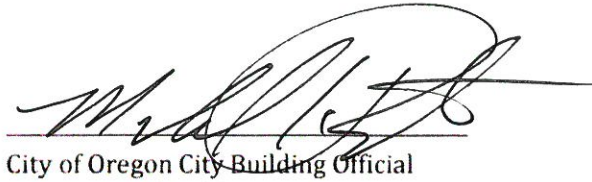
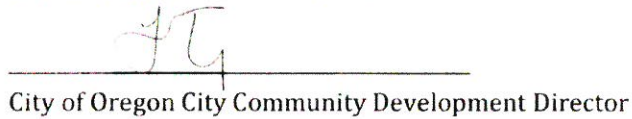
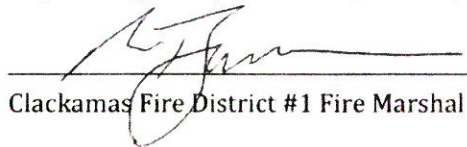
10. Responsible Person In Charge:

- The authority having jurisdiction shall be notified of the Responsible Person In Charge of the temporary shelter and be provided with a means of contact. An alternate Responsible Person In Charge may be listed.

- The responsible Person In Charge is responsible to maintain the list of the aforementioned requirements are complied with.

11. Revocation:

- Failure to maintain the minimum requirements of the policy can result in the temporary shelter approval being revoked by the authority having jurisdiction.


City of Oregon City Building OfficialNovember 29, 2017
Date
City of Oregon City Community Development Director11.29.2017
Date
Clackamas Fire District #1 Fire MarshalNovember 29th, 2017
Date



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Tony Konkol, City Manager

Agenda Date: 1/19/2022

SUBJECT:

Financial Report for the Fiscal Year ending June 30, 2021

STAFF RECOMMENDATION:

No action requested, informational only.

EXECUTIVE SUMMARY:

Attached is the Annual Comprehensive Financial Report (ACFR) for Oregon City for the fiscal year ended June 30, 2021. In addition, there is a letter from the audit firm to the Commission that is required by the firm's auditing standards.

Included in the report is the result of the independent financial audit performed by the firm Merina and Company, LLP. The auditors issued an unmodified or "clean" opinion. That means that the financial statements present fairly, in all material respects, the financial position and activities of the City for the year. The attached report has been submitted to the Secretary of State in accordance with municipal audit law.

The 2020 ACFR qualified for the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting. We believe the 2021 CAFR conforms to the requirements of the award program as well and have submitted it to GFOA for consideration.

December 23, 2021

To the Honorable Mayor and City Commissioners
City of Oregon City, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oregon City, Oregon as of and for the year ended June 30, 2021, and have issued our report thereon dated December 23, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 7, 2021, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and, if applicable, *Government Auditing Standards* and the Uniform Guidance. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of Oregon City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City of Oregon City is included in Note 1 to the financial statements. As described in Note 3 (G) to the financial statements, the City of Oregon City implemented one new accounting pronouncements issued by the Governmental Accounting Standards Board (GASB). The pronouncement is:

- GASB Statement No. 98 *The Annual Comprehensive Financial Report*

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of accumulated depreciation is based on historical cost or estimated historical cost, donated assets are reported at their acquisition value and group depreciation.

Management's estimate of the compensated absences payable is based on current wages.

Management's estimate of unbilled revenue is calculated based on the number of days of unbilled revenue at year-end in comparison to the next bill.

Management's estimate of other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount determined by an actuary.

Management's estimate of the net pension liability is calculated based on information provided by the State of Oregon (PERS) that was determined by an actuary.

We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City of Oregon City's financial statements relate to:

The disclosure of Capital Assets in Note 2 (C) to the financial statements summarizes the changes in capital assets for the year ended June 30, 2021.

The disclosure of Long Term Debt Obligations in Note 2 (D) to the financial statements summarizes the changes in long term debt for the year ended June 30, 2021.

The disclosure of the City's OPEB Plan in Notes 2 (F), 2 (G), and 2 (H) to the financial statements describes the City's OPEB Plan benefits, contributions, OPEB assets, liabilities, expense, deferred outflows/inflows of resources, and actuarial assumptions/projections.

The disclosure of the City's Pension Plan in Note 2 (I) to the financial statements describes the City's Pension Plan benefits, contributions, pension assets, liabilities, expense, deferred outflows/inflows of resources, and actuarial assumptions/projections.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified during the audit.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. No misstatements were noted during the audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting,

or auditing matter, which could be significant to the City of Oregon City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. No circumstances exist that would affect the form and content of our auditor's report.

Representations Requested from Management

We have requested certain written representations from management, in a separate letter dated December 23, 2021.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City of Oregon City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City of Oregon City's auditors.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, the schedule of changes in OPEB liability and related ratios – implicit rate subsidy, schedule of contributions to OPEB – implicit rate subsidy, schedule of proportionate share of OPEB – RHIA, schedule of contributions to OPEB – RHIA, schedule of the proportionate share of the net pension liability, schedule of contributions – pension which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit management's discussion and analysis, the schedule of changes in OPEB liability and related ratios – implicit rate subsidy, schedule of contributions to OPEB – implicit rate subsidy, schedule of proportionate share of OPEB – RHIA, schedule of contributions to OPEB – RHIA, schedule of the proportionate share of the net pension liability, schedule of contributions – pension and do not express an opinion or provide any assurance on this information.

We were engaged to report on the schedules of revenues, expenditures and changes in fund balance – budget and actual, as listed in the table of contents under RSI. These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

We were engaged to report on the schedules of revenues, expenditures and changes in fund balance – budget and actual and combining and individual fund financial statements and schedules, as listed in the table of contents under other supplementary information, as listed in the table of contents, which accompany the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section, schedule of future debt service requirements, schedule of property tax transactions and outstanding balances, or statistical section, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

This report is intended solely for the information and use of the Honorable Mayor, City Commissioners, and management of the City of Oregon City and is not intended to be and should not be used by anyone other than these specified parties.

If you should have any questions or comments, we would be pleased to discuss this report with you at your convenience.

Respectfully,



Merina+Co
Tualatin, Oregon
Focused on Your Wants and Understanding Your Needs



**OREGON
CITY**

Item a.



Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2021

City of Oregon City, Oregon

Cover photograph taken at Clackamette Park in Oregon City.

CITY OF OREGON CITY, OREGON
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2021

Prepared by

City of Oregon City
Finance Department

Available at: www.orcity.org



CITY OF OREGON CITY, OREGON
TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Transmittal Letter	1
Elected Officials and Management Team	5
Organization Chart	6
Certificate of Achievement	7
FINANCIAL SECTION	
Independent Auditor's Report	11
Management's Discussion and Analysis	15
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	28
Statement of Activities	29
Fund Financial Statements	
Balance Sheet – Governmental Funds	30
Reconciliation of Balance Sheet – Governmental Funds to the Statement of Net Position	31
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	32
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	33
Statement of Net Position – Proprietary Funds	34
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	35
Statement of Cash Flows – Proprietary Funds	36
Notes to Basic Financial Statements	37
Required Supplementary Information:	
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	75
Major Special Revenue Funds:	
Engineering Fund	76
System Development Fund	77
Urban Renewal Fund	78
Transportation Fund	79
Schedule of Changes in OPEB Liability and Related Ratios – Implicit Rate Subsidy	80
Schedule of Contributions to OPEB – Implicit Rate Subsidy	81
Schedule of the Proportionate Share of OPEB – RHIA	82
Schedule of Contributions to OPEB – RHIA	83
Schedule of the Proportionate Share of the Net Pension Liability	84
Schedule of Contributions – Pension	85

CITY OF OREGON CITY, OREGON
TABLE OF CONTENTS

	<u>Page</u>
Notes to Required Supplementary Information	86
Other Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual –	
Major Capital Projects Fund	
Community Facilities Fund	93
Combining and Individual Fund Financial Statements and Schedules – Nonmajor Governmental Funds	
Combining Balance Sheet – Nonmajor Governmental Funds	95
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	96
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Nonmajor Governmental Funds:	
Library Fund	98
Planning Fund	99
Building Fund	100
Debt Service Fund	101
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – Proprietary Funds – Enterprise Funds:	
Water Fund	104
Wastewater Fund	105
Stormwater Fund	106
Combining and Individual Fund Financial Statements – Nonmajor Proprietary Funds – Internal Service Funds	
Combining Statement of Net Position – Nonmajor Proprietary Funds – Internal Service Funds	108
Combining Statement of Revenues, Expenses and Changes in Net Position – Nonmajor Proprietary Funds – Internal Service Funds	109
Combining Statement of Cash Flows – Nonmajor Proprietary Funds – Internal Service Funds	110
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – Proprietary Funds – Internal Service Funds:	
Fleet Service Fund	112
Customer Service Fund	113
Equipment Replacement Fund	114
Other Financial Schedules	
Schedule of Future Debt Service Requirements	116
Schedule of Property Tax Transactions and Outstanding Balances	118

CITY OF OREGON CITY, OREGON
TABLE OF CONTENTS

	<u>Page</u>
STATISTICAL SECTION	
Financial Trends	
Net Position by Component	122
Changes in Net Position	124
Fund Balances – Governmental Funds	128
Changes in Fund Balances – Governmental Funds	130
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property	132
Property Tax Rates – Direct and Overlapping Governments	133
Principal Property Taxpayers	134
Property Tax Levies and Collections	135
Debt Capacity	
Legal Debt Margin Information	136
Ratio of Outstanding Debt by Type and Debt Per Capita	137
Ratio of Net General Obligation Bonded Debt to Actual Value and Assessed Value and Net General Obligation Bonded Debt Per Capita	138
Direct and Overlapping Governmental Activities Debt	139
Demographic and Economic Information	
Population Statistics	140
Principal Employers	141
Operating Information	
Operating Indicators by Function	142
Capital Assets by Function	143
City Government Employees by Function	144
REGULATORY SECTION	
Independent Auditor’s Report on Compliance and on Internal Control over Financial Reporting on an Audit of Financial Statements Performed in Accordance with Oregon State Regulations	147



INTRODUCTORY SECTION





625 Center Street | PO Box 3040 | Oregon City OR 97045
Ph (503) 657-0891 | Fax (503) 657-3339

December 23, 2021

Honorable Mayor, Members of the City Commission
and Citizens of the City of Oregon City, Oregon

We are pleased to submit the Annual Comprehensive Financial Report of the City of Oregon City (the City) for the fiscal year ended June 30, 2021.

State statutes require that the City issue a complete set of audited financial statements within six months of the close of each fiscal year. The statements must be presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America. This report meets statutory requirements as well as standards prescribed by the Oregon Secretary of State.

We believe the report is accurate in all material respects and presented in a manner designed to fairly set forth the financial position and results of operations of the City. Management assumes full responsibility for the completeness and reliability of the information contained in the report based upon a comprehensive framework of internal control that has been established for that purpose. The internal control structure has been designed to provide reasonable, but not absolute, assurance that assets are safeguarded against loss or unauthorized use, and that financial records can be relied upon to produce financial statements that are fairly presented. The concept of reasonable assurance recognizes that the cost of maintaining the control structure should not exceed the benefits likely to be derived and that the evaluation of cost and benefits requires estimates and judgments by management.

Merina+Co, a firm of independent certified public accountants, audited the City's financial statements and issued an unmodified or "clean" opinion on the financial statements for the fiscal year ended June 30, 2021. The independent auditor's report is presented at the front of the Financial Section of the report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this transmittal letter and should be read in conjunction with it.

PROFILE OF THE CITY

Oregon City is the first city incorporated in the United States west of the Rockies and is located 13 miles south of Portland, Oregon at the confluence of the Willamette and Clackamas Rivers. The City was established in 1829 and incorporated in 1844, becoming the capital of the Oregon Territory in 1894. 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. It currently encompasses 10.27 square miles and has an estimated population of 35,885.

The City operates under the provisions of its own charter and applicable state laws with a council-manager form of government. The elected officials consist of the Mayor and four Commissioners. All positions have term limits and no person may 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 the City and hire the City Manager. The City Manager is appointed by the City Commission to oversee the delivery of public services and is responsible for all administration and management.

The City provides a full range of municipal services to the community which include police protection, traffic control, transportation system improvements and maintenance, water, wastewater and stormwater utilities, planning, zoning and building regulation and inspections, economic development support, a community library, a municipal court, a cemetery, and parks and recreation. Fire protection is provided separately by Clackamas Fire District #1.

The Urban Renewal Agency is a blended component unit of the City and is presented as a special revenue fund in this report. The Agency also issues separate financial statements which can be obtained from the City.

The City maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the budget adopted by the City Commission. Under state law, the City is required to adopt a balanced budget by July 1 for the fiscal year July 1 through June 30. The City has elected to operate with a biennial budget that spans two fiscal years. The budget sets forth the City Commission's goals and objectives and identifies the resources necessary to accomplish those goals and objectives. The legal level of budgetary control, which is the level at which management cannot overspend the budget without the approval of the governing body, is by department (Policy and Administration, Police and Public Works, for example). Each department is budgeted separately within each fund and the object classifications of personnel services, materials and services, and capital outlay are grouped together. Requirements not specific to a department, such as transfers and contingency, are budgeted separately within each fund. Appropriations lapse at the conclusion of each budget period, and incomplete projects must be re-appropriated in the following period as part of the adoption process.

ECONOMIC CONDITION

Oregon City's economy is strongly connected with that of Clackamas County, the Portland metropolitan area, and the State of Oregon. Interstate 205 and State Highways 99E and 213 link Oregon City to Portland, Salem and southwest Clackamas County. The Portland metropolitan area comprises Clackamas, Columbia, Multnomah, Washington and Yamhill Counties in Oregon, which together include over 47% of the State's population according to U.S. Census estimates. The Portland metropolitan area continues to grow, albeit at a slightly slower pace than last year. The current median household income in Clackamas County is estimated at \$80,484, compared to \$62,843 nationwide.

According to the State of Oregon's Economic and Revenue Forecast issued in November of 2021, the economic recovery from the COVID-19 pandemic continues to be robust, supporting an overall bright outlook. Household incomes and consumer spending remain strong. And the economy is set to reach full employment a year from now, which is faster than in the aftermath of the Great Recession. The fundamental economic challenge remains the supply side of the economy trying to keep pace with demand. And while persistent inflation is a risk, the expectation is that inflation will cool some as the impacts of reopening the economy fade and supply chain struggles ease.

Government and education are the top employment sectors in Oregon City, constituting almost 30% 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. The College was founded in 1966 and is now one of the largest community colleges in the state of Oregon, serving an average of 26,000 students annually. Providence Health & Services operates the Willamette Falls Medical Center, a not-for-profit acute care hospital in Oregon City employing 646 people. And the City is home to Benchmade Knife Company, Inc., premier manufacturer of world-class sports cutlery and edged tools.

Oregon City's real property market value and assessed value continue to increase as the City grows. This growth continues to result in the need for more housing. For instance, according to the State's Economic and Revenue Forecast, the apartment vacancy rate is declining, and rents are rising. Fortunately, there are underlying market fundamentals supporting more construction. This points toward an ongoing economic recovery and increase in investments. And given that housing affordability is a key concern in terms of the ability to attract and retain workers, it is generally acknowledged that the regional economy needs more new construction.

The median home value in Oregon City was estimated at approximately \$567,700 in October of 2021, an increase of 16.7% over the past 12-month period. The Oregon constitution establishes a limit of 3% annual increases in the taxable assessed value of existing properties, the primary funding source for local government. Because of this limitation, tax revenue increases are expected to remain much lower than would otherwise result from the growth in real market value.

The City is operating on solid financial footing. The City's leadership, with support from the community, has continuously taken steps to provide sustainable City resources. Management closely monitors financial position and operations to ensure continued sustainability.

LONG TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The City has traditionally performed long-range planning and forecasting for its major funds. These plans and forecasts allow the City to project expected revenues and expenditures to analyze possible financial outcomes. Capital project budgets are included in the financial plans to ensure that adequate revenue sources are projected to be available for both the construction projects and the related operating costs that may be incurred when the projects are completed.

The City is still developing a comprehensive long term financial forecast model that will encompass the current biennium and the two following biennia for all funds. While these current forecasts are central to financial management, long term financial forecast models will eventually be linked to the city-wide planning and goal setting conducted by the City Commission and executive staff.

The City Commission holds a formal goal setting process every two years to establish policy direction and financial goals for the upcoming biennium. Highlights from the most recent goal setting include funding for economic development opportunities including the Willamette Falls Legacy Project, further development of the City's Economic Development and Tourism Plans, investments in diversity, equity and inclusion (DEI), a Climate Action Plan, and improving citizen engagement in the local government process.

In addition, the City has planned carefully to invest in public facilities to better serve residents. The Robert Libke Public Safety Building was completed in fiscal year 2021, the current fiscal year, while the Public Works and Parks Operations Center was completed early in fiscal year 2022, the subsequent fiscal year.

The American Rescue Plan Act (ARPA), signed into law by the federal government in March 2021, provides \$1.9 trillion in economic relief. In addition to the individual stimulus checks that benefitted millions of individual taxpayers, \$350 billion was targeted toward state and local governments to help recover from the COVID-19 pandemic and invest in their communities. Through this Act, the City is expected to receive approximately \$8.3 million. The City received \$4.1 million of this funding early in fiscal year 2022. The remaining \$4.2 million is expected to be received within the next year. These funds have a spending deadline of December 31, 2024.

Though the City has yet to spend these funds, \$7.6 million of the total \$8.3 million is currently appropriated in the 2021-2023 budget. 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 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 in recognition of lost gas tax revenue. In the Water Fund, \$5.6 million is allocated to offset water capital projects.

RELEVANT FINANCIAL POLICIES

The following financial policies are expected to have long-term effects on the City's financial position.

Revenue Policy

- ❖ The City will strive to maintain a diversified and stable revenue system to protect 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, preservation of capital and 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 expenses, meet debt obligations, 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 shall establish contingency reserves 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

Reserve Policy

- ❖ The City will maintain an unallocated and unappropriated fund balance or retained earnings to provide working capital during tough economic conditions, until enough revenues become available to fund current operations
- ❖ It is the intent of the City to use surpluses generated to accomplish three goals: meet reserve policies, avoid future debt, and reduce outstanding debt

AWARDS AND ACKNOWLEDGEMENTS

Government Finance Officers Association of the United States and Canada (GFOA) awarded a **Certificate of Achievement for Excellence in Financial Reporting** to the City of Oregon City, Oregon, for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the tenth consecutive year the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The City also received the GFOA's **Distinguished Budget Presentation Award** for its biennial budget document for the 2021-2023 biennium. To qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department. In addition, I would like to express my appreciation to members of the other City departments and divisions who assisted and contributed to its preparation. Finally, I would like to thank the Mayor and City Commissioners for their continued support in our efforts to improve the City's financial management and reporting. Without that support, this report would not have been possible.

Respectfully submitted,

Matt Zook
Finance Director

ELECTED OFFICIALS

(as of June 30, 2021)

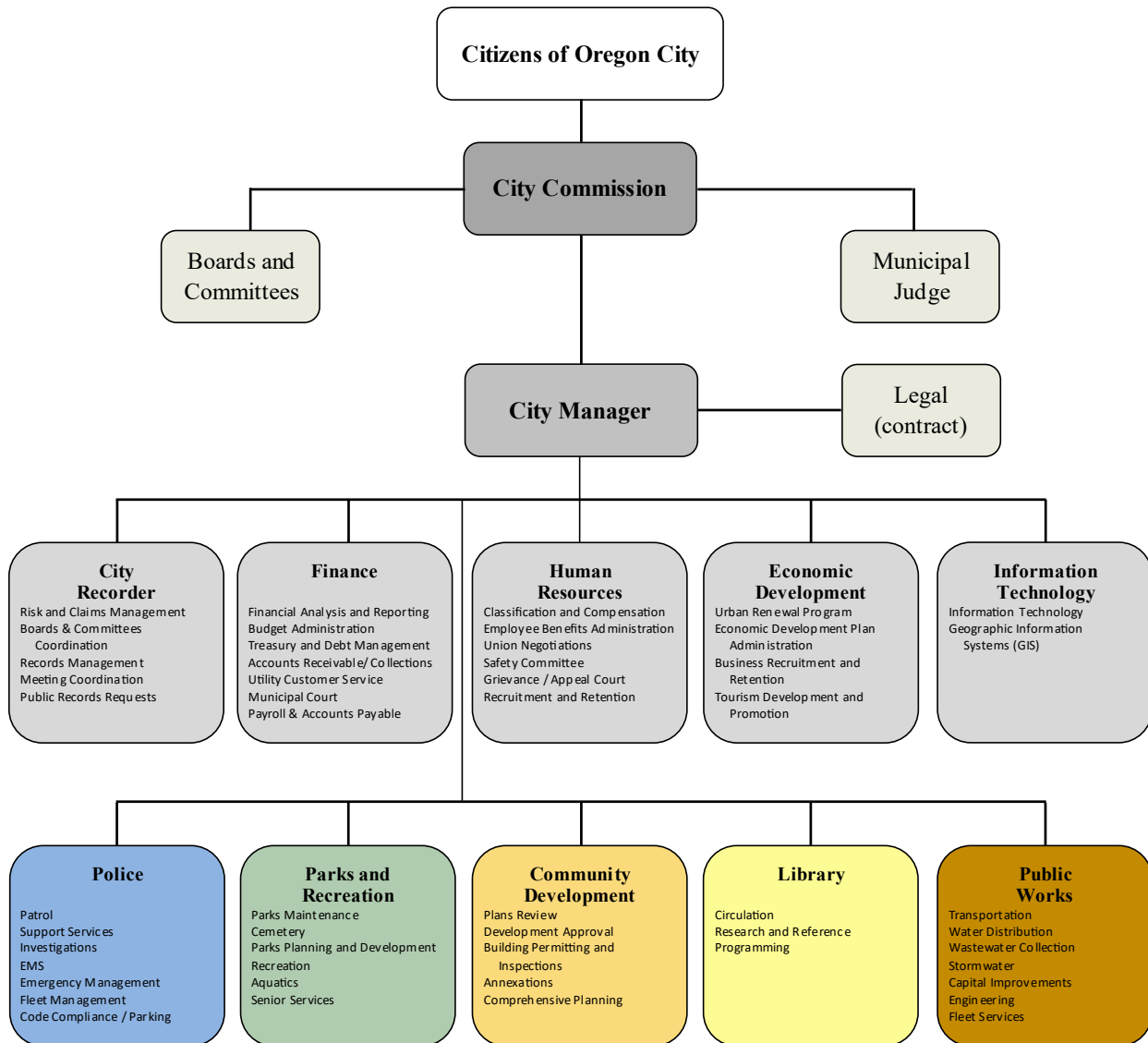
Name	Term Expires
Mayor Rachel Lyles Smith	December 31, 2022
Commission Members	
Position 1 – Rocky Smith, Jr.	December 31, 2022
Position 2 – Denyse McGriff	December 31, 2024
Position 3 – Frank O'Donnell	December 31, 2024
Position 4 – Adam Marl	December 31, 2022

MANAGEMENT TEAM

(as of June 30, 2021)

Name	Position
Tony Konkol III	City Manager
James Band	Chief of Police
Patrick Foiles	Human Resources Director
James Graham	Economic Development Manager
John Lewis	Public Works Director
Kendall Reid	Parks and Recreation Director
Kattie Riggs	City Recorder
Laura Terway	Community Development Director
Greg Williams	Library Director
Matt Zook	Finance Director

CITY OF OREGON CITY, OREGON
ORGANIZATION CHART
JUNE 30, 2021





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Oregon City
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) established the Certificate of Achievement for Excellence in Financial Reporting Program (COA) to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports (ACFR) that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Oregon City, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oregon City, Oregon, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Oregon City, Oregon's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oregon City, Oregon, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (GAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Oregon City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City of Oregon City, Oregon's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Oregon City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Oregon City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Oregon City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis and schedule of revenues, expenditures and changes in fund balance – budget and actual, as listed in the table of contents under required supplementary information, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis, the schedule of changes in OPEB liability and related ratios – implicit rate subsidy, schedule of contributions to OPEB – implicit rate subsidy, schedule of proportionate share of OPEB - RHIA, schedule of contributions to OPEB – RHIA, schedule of the proportionate share of the net pension liability, and schedule of contributions – pension, as listed in the table of contents under required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The schedule of revenues, expenditures and changes in fund balance – budget and actual, as listed in the table of contents under required supplementary information, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Oregon City, Oregon's basic financial statements. The accompanying other supplementary information, as listed in the table of contents including the schedules of revenues, expenditures and changes in fund balance – budget and actual and combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, schedule of future debt service requirements, schedule of property tax transactions and outstanding balances, and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Reports on Other Legal and Regulatory Requirements

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2021 on our consideration of the City of Oregon City, Oregon's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Oregon City, Oregon's internal control over financial reporting or on compliance. That report is issued separately and is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Oregon City, Oregon's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated December 23, 2021, on our consideration of the City of Oregon City, Oregon's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance.



For Merina+Co
Tualatin, Oregon
December 23, 2021



As management of the City of Oregon City, Oregon (the "City"), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2021. Information in this Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions and conditions. We encourage readers to consider the information presented here in conjunction with additional information provided in the transmittal letter, the basic financial statements and the accompanying notes to the financial statements, which are also included in this report.

FINANCIAL HIGHLIGHTS

GOVERNMENT-WIDE

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows by \$282.56 million (reported as net position). Within the net position, \$22.20 million is unrestricted and may be used to meet the City's general obligations to citizens and creditors.
- Total assets are \$355.33 million, an increase of \$11.51 million, or 3.35%. Governmental type activities provided an increase of \$4.92 million while business-type activities increased \$6.59 million. The increase is attributed to an increase in cash from operating activities, though total cash and investments decreased due to the decrease in cash from capital acquisition. The use of cash for capital acquisition has no impact on total assets, however.
- The City's liabilities totaled \$81.49 million, a decrease of approximately \$2.04 million. Liabilities consist of \$70.10 million in long-term liabilities and \$11.39 million in accounts payable and other liabilities. The decrease was due to a reduction in bonds payable from both scheduled debt payments as well as the early retirement of the bonded indebtedness of the Urban Renewal Agency. The reduction in bonds payable was partially offset by an increase in the net pension and other postemployment benefit (OPEB) liabilities.
- For its governmental activities, the City generated \$11.77 million in charges for services and \$14.21 million in operating and capital grants and contributions. Direct operating expenses and interest on long-term debt for governmental activities totaled \$43.57 million for the year. Additionally, governmental activities recorded general revenues of \$28.56 million and \$0.70 million of transfers out. This resulted in net position increasing by \$10.27 million to \$170.27 million at year end.
- For its business-type activities, the City generated \$24.34 million in charges for services and \$2.26 million in operating and capital grants and contributions to fund direct expenses of \$22.81 million. After other general revenues of \$0.44 million and transfers in of \$0.70 million, business type net position increased by \$4.93 million.

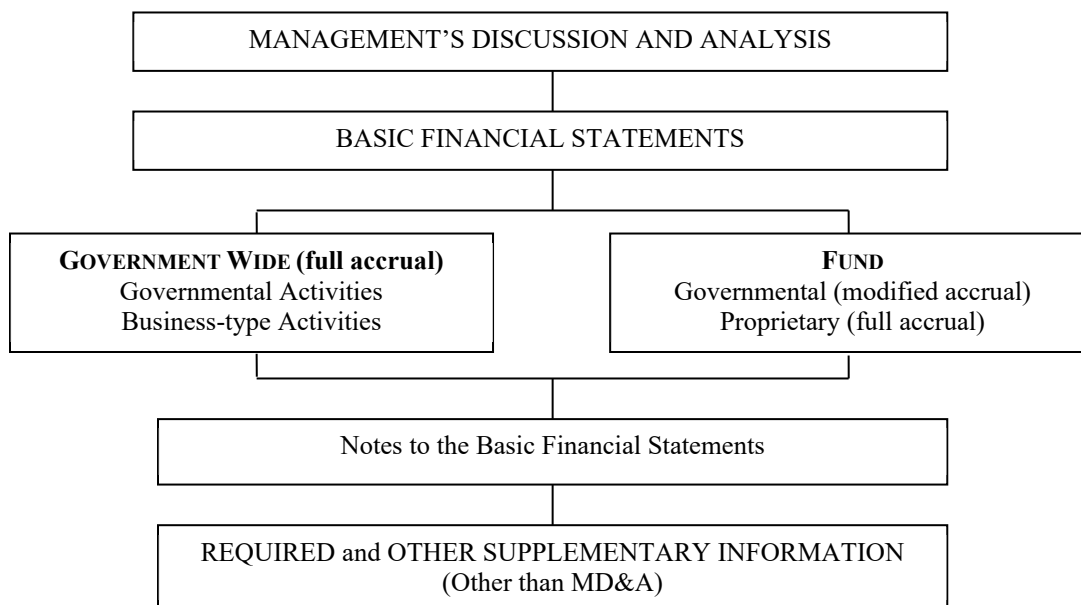
FUND LEVEL

- The City's governmental funds report a combined fund balance of \$56.22 million, an \$11.91 million decrease compared to the prior year. Of the total fund balance reported, \$46.19 million is considered nonspendable, restricted, committed or assigned. The remaining \$10.03 million, or 17.84%, is available for spending at the City's discretion. The fund balance decrease is primarily due to capital outlay expenditures for the Robert Libke Public Safety Building and the Public Works and Parks Operations Center.
- The proprietary funds, those used to account for programs which the City charges for the services it provides, reported combined net position of \$112.30 million, an increase of \$4.93 million compared to the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

In addition to this discussion and analysis, the financial section of the annual report contains the basic financial statements and notes to those financial statements, required supplementary information and other supplementary information, including the combining statements and schedules of nonmajor funds. The following chart illustrates how the various divisions of the financial section are arranged relative to one another.

FINANCIAL SECTION COMPONENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statements are designed to report information about the City as a whole using accounting methods similar to those used by private-sector companies.

The statements include not only the City itself (known as the primary government) but also a legally separate urban renewal agency for which the City is financially accountable. The Statement of Net Position includes all of the City's assets (land, buildings, infrastructure such as streets, traffic signals, utility lines and bridges, etc.), deferred inflows and outflows, and liabilities (including general obligation long term debt), with the difference reported as net position.

The Statement of Activities presents information showing how the government's net position changed during the year. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will result in cash inflows or outflows in a future fiscal period. Examples of such items include earned but uncollected property taxes (future inflow) and earned but unused compensated absences (future outflow).

The net position provides a measure of the City's financial health or position. The two government-wide statements report the City's net position and how they have changed.

The government-wide financial statements can be found on pages 28 and 29 of this report. The statements are divided into two categories and distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Governmental activities – Most of the City's basic services are included here, such as Police, Parks and Recreation, Library, Planning and Zoning, Building, Traffic Control and Improvements, Street Construction and Maintenance, Parking and Code Enforcement, and General Administration (City Commission, City Manager, City Recorder, Finance, Human Resources, and Information Services).

Business-type activities – The City charges fees to customers to cover the costs of certain services it provides. The City's Water, Wastewater and Stormwater utilities are included here.

FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of state and local governments can be divided into three categories: governmental, proprietary and fiduciary.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental funds financials place emphasis on available financial resources, rather than upon net income determination. Therefore, unlike the government-wide financial statements, governmental fund financial statements focus on the acquisition and use of current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term requirements.

The City maintained 10 individual governmental funds for the current fiscal year. Information is presented separately in the governmental funds' Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for those funds that are considered significant (major) to the City taken as a whole. The remaining governmental funds are reported as a combined total. The City reports six major governmental funds in the current year as follows:

- General Fund
- Engineering
- System Development
- Urban Renewal
- Transportation
- Community Facilities

The governmental fund financial statements can be found on pages 30 through 33 in the basic financial statements. Summary fund data by fund-type for the nonmajor governmental funds is provided in the form of combining statements starting on page 95. Individual fund data for each of these nonmajor governmental funds is provided as Supplementary Information on pages 98 through 101.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City adopts a biennial appropriated budget for all governmental funds. The current budget period is July 1, 2019 through June 30, 2021. To demonstrate compliance with the budget, budgetary comparison schedules have been provided as Required Supplementary Information for the General Fund on page 75 and for the major special revenue funds on pages 76 through 79. Additional budgetary compliance with the major capital projects fund and other governmental funds is included in Other Supplementary Information on page 93 and 98 through 101, respectively.

Proprietary funds – Proprietary funds are used to account for activities where the emphasis is placed on net income determination. The City maintains a total of six proprietary funds; these are classified as either enterprise funds or internal service funds.

Enterprise funds – Used to account for water utility, wastewater utility, and stormwater utility activities. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. All three enterprise funds are considered major funds.

CITY OF OREGON CITY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Internal service funds – Used as an accounting device to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for fleet service, equipment replacement and customer service activities. Because internal service funds predominantly benefit business-type functions rather than governmental, their assets and liabilities have been included with business-type activities in the government-wide financial statements. Internal service funds are not considered major proprietary funds.

The proprietary fund financial statements can be found on pages 34 through 36 in the basic financial statements. The enterprise funds, water, wastewater, and stormwater are all considered to be major funds of the City and are reported separately in the proprietary fund financial statements in the basic financial statements. All internal service funds are combined into a separate single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements, on pages 108 through 110 of this report.

The City also adopts a biennial appropriated budget for all proprietary funds. To demonstrate compliance with the budget, budgetary comparison schedules have been provided for the enterprise funds as Supplementary Information on pages 104 through 106 and for the internal services funds, on pages 112 through 114.

The City currently reports no Fiduciary funds.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the basic financial statements and should be read in conjunction with them. The notes to the financial statements can be found starting on page 37 of this report.

OTHER INFORMATION

Required Supplementary Information – In addition to the basic financial statements and accompanying notes, this report presents certain supplementary information required by financial reporting standards. Required Supplementary Information can be found starting on page 74.

Other Supplementary Information – The report presents combining and individual fund statements and schedules as well as other financial schedules starting on page 91.

The report also includes statistical information including financial trends, and demographic and economic information. The Statistical Section starts on page 119.

GOVERNMENT WIDE FINANCIAL ANALYSIS

NET POSITION

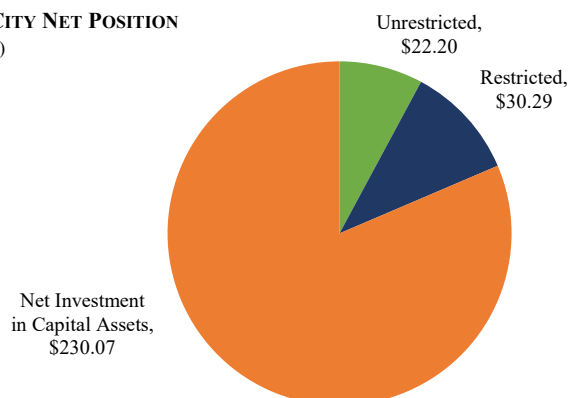
As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$282.56 million at the close of this year. This is an increase of \$15.20 million from the beginning net position.

TABLE 1
NET POSITION AS OF JUNE 30

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 64,613,741	\$ 79,920,977	\$ 41,836,356	\$ 38,480,791	\$ 106,450,097	\$ 118,401,768
Capital assets	169,513,068	149,289,936	79,362,840	76,121,011	248,875,908	225,410,947
Total assets	234,126,809	229,210,913	121,199,196	114,601,802	355,326,005	343,812,715
Deferred outflows of resources	10,662,690	7,819,784	2,477,402	1,743,055	13,140,092	9,562,839
Long term liabilities	61,906,582	64,222,590	8,200,204	6,758,293	70,106,786	70,980,883
Other liabilities	9,037,547	10,786,258	2,349,044	1,765,800	11,386,591	12,552,058
Total liabilities	70,944,129	75,008,848	10,549,248	8,524,093	81,493,377	83,532,941
Deferred inflows of resources	3,577,730	2,028,557	831,261	452,171	4,408,991	2,480,728
Net position:						
Net investment in capital assets	150,702,278	123,436,477	79,362,840	76,121,011	230,065,118	199,557,488
Restricted	30,249,491	32,489,328	49,517	43,775	30,299,008	32,533,103
Unrestricted	(10,684,129)	4,067,487	32,883,732	31,203,807	22,199,603	35,271,294
Total net position	<u>\$ 170,267,640</u>	<u>\$ 159,993,292</u>	<u>\$ 112,296,089</u>	<u>\$ 107,368,593</u>	<u>\$ 282,563,729</u>	<u>\$ 267,361,885</u>

At \$230.07 million, or 81.42%, the largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, improvements, equipment, and infrastructure, net of accumulated depreciation) less any related outstanding debt used to acquire those assets. Although the City's net investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot, nor are expected to, be used to liquidate liabilities or for future spending. An additional portion of the City's net position, \$30.29 million, or 10.72%, represents resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted net position totaling \$22.20 million or 7.86%. As of June 30, 2021, the City had positive balances in all three categories of net position for the City as a whole.

OREGON CITY NET POSITION
(IN MILLIONS)



CITY OF OREGON CITY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Governmental activities – Total net position of governmental activities increased \$10.27 million or 6.42% for the year. The \$4.92 million increase in assets included a \$20.22 million increase in capital assets (which represents \$25.90 million of capital asset purchases and contributions offset by \$4.79 million in depreciation and \$0.89 in deletions). Current and other assets decreased by \$15.31 million, due primarily to a \$14.98 decrease in cash and investments associated with the acquisition of the aforementioned capital assets.

Long term liabilities decreased by \$2.32 million due mostly to a \$7.33 million decrease in bonds payable (which included both scheduled debt payments and the early retirement of Urban Renewal bonds) and a \$4.87 million increase in the net pension and OPEB (other post-employment benefit) liabilities. The decrease to other liabilities of \$1.75 million included a reduction in accounts payable of \$1.30 million.

Business-type activities – Total net position of business-type activities increased \$4.93 million or 4.59% for the year. The \$6.60 million increase in assets included a \$2.27 million increase in cash and investments, as well as a \$3.24 million increase in capital assets (which represents \$6.59 million of capital asset purchases and contributions offset by \$3.15 million in depreciation and \$0.20 in deletions). Total liabilities increased by \$2.03 million due mostly to the increase to the net pension and OPEB liabilities.

More information on capital assets, debt and pension and OPEB liabilities are included in the notes to the financials.

CHANGES IN NET POSITION

As with the net position, the City reports changes in net position on a consolidated basis. A summary of the changes in net position is shown in Table 2 below.

TABLE 2
CHANGES IN NET POSITION
FISCAL YEARS ENDED JUNE 30

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues						
Charges for services	\$ 11,771,453	\$ 13,752,434	\$ 24,342,908	\$ 23,055,723	\$ 36,114,361	\$ 36,808,157
Operating grants and contributions	7,229,665	6,567,385	498,110	322,487	7,727,775	6,889,872
Capital grants and contributions	6,986,238	12,115,164	1,759,790	3,308,978	8,746,028	15,424,142
General revenues						
Property taxes	17,428,521	16,907,896	-	-	17,428,521	16,907,896
Franchise taxes	4,068,338	3,913,647	302,700	291,325	4,371,038	4,204,972
Other	7,061,690	5,706,975	140,937	432,480	7,202,627	6,139,455
Total revenues	54,545,905	58,963,501	27,044,445	27,410,993	81,590,350	86,374,494
Expenses						
General governmental	9,010,937	9,373,368	-	-	9,010,937	9,373,368
Public safety	13,853,016	11,793,974	-	-	13,853,016	11,793,974
Public works	8,145,420	7,738,706	-	-	8,145,420	7,738,706
Culture and recreation	7,938,164	7,405,747	-	-	7,938,164	7,405,747
Community development	3,318,339	3,470,850	-	-	3,318,339	3,470,850
Interest on long-term debt	1,308,150	1,589,947	-	-	1,308,150	1,589,947
Water	-	-	8,044,736	6,252,361	8,044,736	6,252,361
Wastewater	-	-	11,034,218	10,514,584	11,034,218	10,514,584
Stormwater	-	-	2,838,118	2,922,440	2,838,118	2,922,440
Fleet	-	-	897,408	556,526	897,408	556,526
Total expenses	43,574,026	41,372,592	22,814,480	20,245,911	66,388,506	61,618,503
Changes in net position before transfers	10,971,879	17,590,909	4,229,965	7,165,082	15,201,844	24,755,991
Transfers	(697,531)	1,198,640	697,531	(1,198,640)	-	-
Changes in net position	10,274,348	18,789,549	4,927,496	5,966,442	15,201,844	24,755,991
Beginning net position	159,993,292	141,203,743	107,368,593	101,402,151	267,361,885	242,605,894
Net position - ending	\$ 170,267,640	\$ 159,993,292	\$ 112,296,089	\$ 107,368,593	\$ 282,563,729	\$ 267,361,885

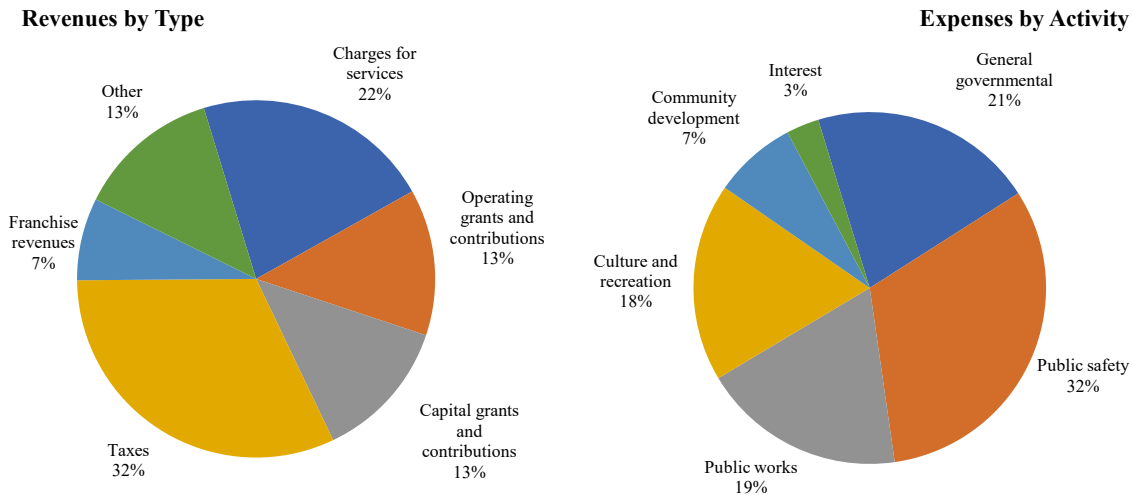
Governmental activities

Net position of governmental activities increased by \$10.27 million. This was less than the prior year increase of \$18.79 million by \$8.52 million. This lesser increase in net position compared to the prior year was due to a \$4.42 million decrease in revenue, a \$2.20 million increase in expense, and a \$1.90 million decrease in net transfers (the extent to which transfers-in to governmental activities exceeded transfers-out to business-type activities).

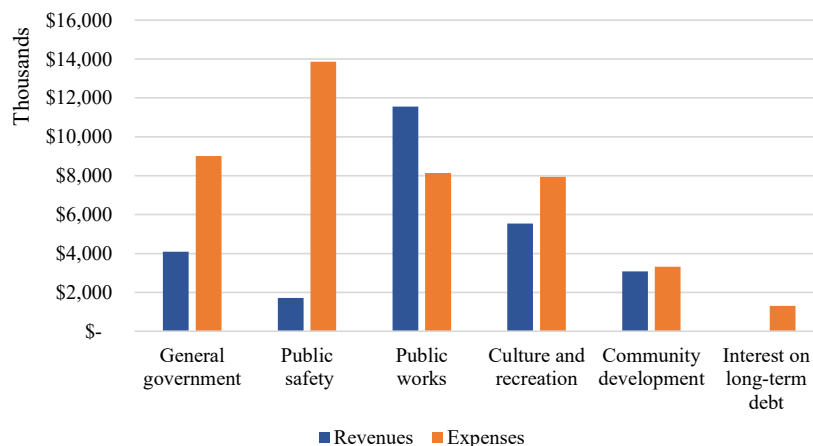
The decrease in revenue was due primarily to a \$5.13 million decrease in capital grants and contributions (due mostly to the inclusion of a significant amount of system development charge revenue recognized in the prior year on permits applied for during that year that were associated with various development projects in the City) off-set by a \$2.05 million increase in the gain on the sale of capital assets (due mostly to the sale of the City's former public safety building.) The increase in expense of \$2.20 million represents an increase of 5.32% over the prior year, which reflects a general increase in costs across most categories.

Revenues and expenses of these governmental activities are highlighted below.

GOVERNMENTAL ACTIVITIES – TOTAL REVENUES AND EXPENSES



GOVERNMENTAL ACTIVITIES – PROGRAM REVENUES AND EXPENSES



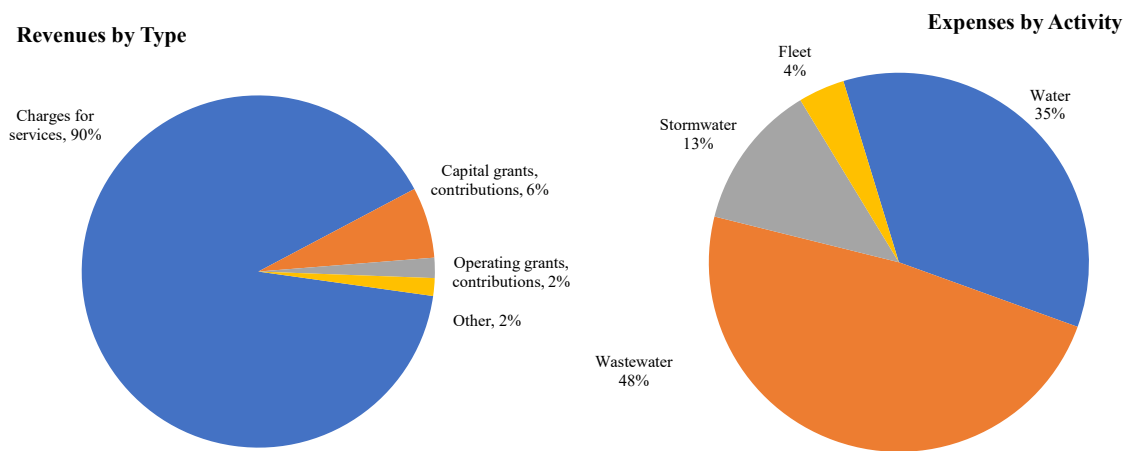
Business-type activities

Net position of business-type activities increased by \$4.93 million. This was less than the prior year increase of \$5.97 million by \$1.04 million. This lesser increase in net position compared to the prior year was due to a \$0.37 million decrease in revenue, a \$2.57 million increase in expense, and a \$1.90 million increase in net transfers (the extent to which transfers-in to business-type activities exceeded transfers-out to governmental activities).

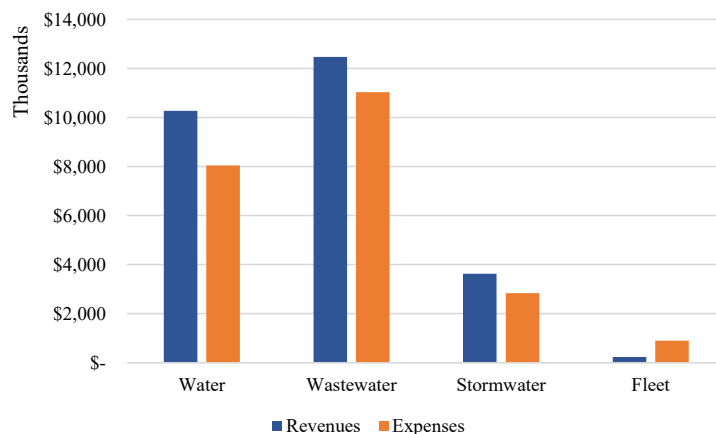
The decrease in revenue was due primarily to a \$1.55 million decrease in capital grants and contributions (due mostly to donated assets in the prior year exceeding those of the current year), off-set by a \$1.29 million increase in charges for services (due mostly to programmed utility rate increases). The increase in expense of \$2.57 million is due in part to an increase in water franchise fees and pass-thru payments, both of which increase as water revenue increases. The remaining increase in expense reflects a general increase in costs across most categories. The increase in net transfers is a result of the current year including less transfers-out to governmental activities than the prior year. The increased transfers-out in the prior year were to provide funding for the Public Works and Parks Operations Center.

The use of the resources of the business-type activities is restricted to the financing the continuing operations of water, wastewater, stormwater and fleet operations. Revenues and expenses of these business-type activities are highlighted below.

BUSINESS-TYPE ACTIVITIES TOTAL REVENUES AND EXPENSES



BUSINESS-TYPE ACTIVITIES PROGRAM REVENUES AND EXPENSES



FINANCIAL ANALYSIS OF MAJOR FUNDS

GOVERNMENTAL FUNDS

Major governmental funds include the General, Engineering, System Development, Urban Renewal, Transportation, and Community Facilities Funds.

- The General Fund is the City's main operating fund. Its ending fund balance decreased by \$0.36 million, a difference of \$2.06 million compared to the prior year's increase of \$1.70 million. This difference of \$2.06 million is due to an increase in expense of \$2.64 million and a slight decrease in revenue of \$0.07 million, off-set by a decrease in transfers out of \$0.65 million. The increase in expense, while partially a reflection of general increases in costs, also includes spending that was deferred from the prior year, the first year of the biennium, to the current year, the second and final year of the biennium. This deferral of spending in the prior year was due to the uncertainty brought about by the COVID-19 pandemic during the final few months of the prior year. The deferral of spending in the prior year resulted in increased spending on both capital and operations across all divisions in the current year.
- The Engineering Fund remained relatively consistent with an increase to its ending balance of \$0.23 million in the current year compared to a \$0.14 million increase in the prior year due to an increase in development review fee revenue.
- The System Development Fund collects development charges relating to new construction or improvements and are used to fund capacity increasing capital projects associated with the City's roads, parks, water, wastewater, and stormwater infrastructure. The Fund's ending fund balance decreased by \$3.38 million in the current year due to significant capital spending on Transportation projects such as the Meyer's Road Extension Project and the Molalla Avenue Streetscape Project as well as Parks projects such as the construction of the new Tyrone S. Woods Memorial Park.
- The Urban Renewal Agency retired all its outstanding bonded indebtedness in the current year, resulting in a decrease in the fund balance of the Urban Renewal Fund of \$3.46 million. The City continues to defer various projects in the Urban Renewal Fund while awaiting options to clarify and support the intentions of the community.
- The Transportation Fund collects gas taxes and pavement maintenance fees to repair and improve the City's roads, sidewalks and pathways. The Fund's ending fund balance increased by \$0.92 million, slightly less than the prior year increase of \$1.13 million. This decrease of \$0.21 million represents an increase to expense and transfers out of \$1.72 million, off-set by a slightly lower increase in revenue and transfers in of \$1.51 million. The increase to revenue was due primarily to an increase in grant revenue and vehicle registration fee revenue, while the increase in expense was due primarily to an increase in capital spending; most notably, the Molalla Avenue Streetscape Project.
- The Community Facilities Fund ending balance decreased by \$6.69 million. This decrease represents capital spending associated with the construction of both the new Robert Libke Public Safety Building and the new Public Works and Parks Operation Center, off-set by revenue from the sale of the former public safety building.

PROPRIETARY FUNDS

Major proprietary funds include the Water, Wastewater, and Stormwater Funds. All three of these proprietary funds had increases to the net position mainly due to programmed utility rate increases and capital contributions.

- The net position increase for the Water Fund was \$2.82 million.
- The net position increase for the Wastewater Fund was \$1.07 million.
- The net position increase for the Stormwater Fund was \$0.90 million.

CITY OF OREGON CITY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

GENERAL FUND BUDGETARY HIGHLIGHTS

Budget adjustments in the General Fund in the current biennium included:

- recognition of unanticipated additional beginning fund balance and the appropriation of related expenditures:
 - in the amount of \$332,000 for a project to reconstruct the restrooms at Chapin Park (planned for the end of the prior biennium but carried forward to the current biennium)
 - in the amount of \$200,000 for a Small Business Economic Relief Program created in response to the COVID-19 pandemic
 - in the amount of \$10,000 for a study to determine impacts on parking in the Downtown area
 - in the amount of \$60,000 for the cost of PERS pension benefits
 - in the amount of \$3,000 for a contract with a pro tem judge for the City's Municipal Court
- recognition of \$400,000 of revenue from Water Environmental Services to fund the Tri-City Good Neighbor program and the appropriation of related expenditures in the Parks and Recreation Department to complete projects
- recognition of \$23,000 of grant proceeds from two grants from the Oregon State Parks and Recreation Department and the appropriation of related expenditures
- recognition of \$27,200 of grant money awarded to the City's Meals on Wheels program due to the extra expense associated with increased Meals on Wheels demands associated with the COVID-19 pandemic
- transferred \$19,400 to the Transportation Division to reimburse expenditures associated with the City's flower basket program
- appropriation of \$229,017 of expenditures associated with the acquisition of property adjacent to Waterboard Park, reducing the fund's contingency balance
- appropriation of \$10,000 of expenditures for additional vehicle maintenance costs, reducing the fund's contingency balance

Revenues and expenditures were consistent with budgeted amounts for the biennium.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At June 30, 2021, the City had approximately \$248.88 million invested in a broad range of capital assets, including land, buildings and improvements, equipment, roads, bridges, and utility infrastructure. Capital assets comprise approximately 70.04% of all City assets. Of that total, infrastructure is the largest component of both governmental and business-type activities. Infrastructure includes road improvements, sidewalks, storm drainage systems, sanitary sewer lines, and water lines.

TABLE 3
CAPITAL ASSETS, NET OF DEPRECIATION
AS OF JUNE 30

	Governmental Activities		Business-type Activities		Total Government-wide	
	2021	2020	2021	2020	2021	2020
Land	\$ 13,178,045	\$ 13,639,501	\$ 1,530,418	\$ 1,686,195	\$ 14,708,463	\$ 15,325,696
Construction in progress	25,484,978	28,615,029	4,441,277	3,516,572	29,926,255	32,131,601
Equipment	1,006,123	828,211	1,673,382	1,708,846	2,679,505	2,537,057
Buildings and improvements	38,522,661	16,364,626	16,056,841	15,762,115	54,579,502	32,126,741
Infrastructure	91,321,261	89,842,569	55,660,922	53,447,283	146,982,183	143,289,852
Total	<u>\$ 169,513,068</u>	<u>\$ 149,289,936</u>	<u>\$ 79,362,840</u>	<u>\$ 76,121,011</u>	<u>\$ 248,875,908</u>	<u>\$ 225,410,947</u>

The City had total capital asset increases of \$32.49 million in the current year offset by net decreases of \$1.09 million and depreciation expense of \$7.94 million for a total change in the capital asset balance of \$23.46 million. Major capital projects and other capital asset related activities during the fiscal year are highlighted below. Additional information on the City's capital assets can be found in Note 2.C starting on page 49 of this report.

- ❖ Molalla Avenue Enhancement \$8.30 million
- ❖ Public Works and Parks Operations Center \$7.23 million
- ❖ Robert Libke Public Safety Building \$4.42 million
- ❖ Meyers Road Extension \$3.00 million
- ❖ Tyrone S. Woods Memorial Park \$2.80 million

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had total debt outstanding of approximately \$28.67 million. All debt is reported in the governmental funds. The City's total debt outstanding represents long term borrowings.

Outstanding bonds totaling \$4.39 million are voter approved general obligation bonds which are paid by ad-valorem tax on all taxable property in the City. PERS pension bonds in the amount of \$9.86 million are limited tax obligation funds that are payable from various City funds that have personnel services. Outstanding bonds totaling \$13.11 million, with \$1.31 million in bond premium, are voter-approved full faith and credit bond obligations. Urban Renewal bonds paid from tax increment ad-valorem taxes were retired in the current year.

The City's underlying credit rating is AA+ with a stable outlook by Standard & Poor's.

Under Oregon law, the City is subject to a debt limit in which general obligation debt issues are limited to 3% of real market value of all taxable property within City boundaries. The City was below the legal debt limit.

TABLE 4
LONG-TERM DEBT OUTSTANDING AS OF JUNE 30

	Governmental Activities		Business-type Activities		Total Government-wide	
	2021	2020	2021	2020	2021	2020
General Obligation Bonds	\$ 4,394,934	\$ 4,666,574	\$ -	\$ -	\$ 4,394,934	\$ 4,666,574
Limited Obligation Bonds	22,960,000	24,510,000	-	-	22,960,000	24,510,000
Tax Increment Bonds	-	6,173,920	-	-	-	6,173,920
Total Issued Debt Outstanding	27,354,934	35,350,494	-	-	27,354,934	35,350,494
Bond Premiums/(Discounts)	1,310,856	1,387,965	-	-	1,310,856	1,387,965
Total Long Term Debt	\$ 28,665,790	\$ 36,738,459	\$ -	\$ -	\$ 28,665,790	\$ 36,738,459

In addition to long term debt outstanding, the City has a long term compensated absences liability of \$1.23 million. Additional information on the City's debt can be found in Notes 2.D through E on pages 51 through 53 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The largest revenue sources of the City's governmental activities are property taxes, charges for services, and state shared revenues. Oregon has no sales tax, resulting in local government's heavy reliance on property taxes and other self-generated revenues including franchise fees, building permits, business licenses, and so forth. The State Constitution limits the annual growth of maximum assessed value to 3%, other than new development, and caps maximum property tax rates. The City of Oregon City levies less than its maximum property tax rate to support taxpayers. In 2021, the City's assessed value increased 4.74%. The City's business-type activities are funded through water, wastewater, and stormwater rates; these rates are generally adjusted annually for inflation.

CITY OF OREGON CITY, OREGON
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The City was awarded \$8.3 million in ARPA funding in the current year. Of this amount, \$7.6 million has been appropriated in the 2021-2023 budget. This consists of \$2 million for governmental activities and \$5.6 million for business-type activities. More information about this funding can be found in the Letter of Transmittal on page 3 of this report.

The City, along with local governments across the State, continues to carefully monitor retirement costs resulting from the State-run pension fund, Oregon Public Employee Retirement System (OPERS). Further information on PERS can be found in the notes to the financials. PERS rates increased by approximately 4.5% of payroll in the current biennium. These increases were expected and are reflected in this report.

The City budgets on a biennial basis and during preparation of the budget for the ensuing biennium, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The City's adopted budget for the July 1, 2021 through June 30, 2023 biennium was \$235.20 million. The current budget, after adjustments, is \$236.94 million. The following are the major assumptions used in developing the budget:

- ❖ The City's population was estimated at 35,885 with annual growth of 0.75% to 2.00%.
- ❖ The City's tax rate remains at \$4.4090, lower than the City's permanent rate limit of \$5.0571. Oregon City is one of very few cities in Oregon that has capacity to raise its current tax rate. The City Commission has independent authority to raise the rate by \$0.6481, which would add an additional \$2.17 million per year to the General Fund, net of discounts. However, even with the reduced tax rate, City leaders have been fiscally responsible resulting in strong General Fund reserves. The existing rate will remain unchanged during the biennium.
- ❖ Assessed values, the basis of property tax revenues, were expected to grow by 4.5% for each year of the biennium.
- ❖ Charges for services were scheduled to increase between 3.0% and 12.0% based on previously approved indexing schedules.
- ❖ Interest rates on investments were projected to remain low at 2.0% or less based on prevailing rates.
- ❖ Cost of living increases were proposed for all employees in the amount of 2.50% to 2.75%.
- ❖ Oregon Public Employees Retirement System (OPERS) contributions were forecasted to increase 0.37% to 2.33% of covered payroll.
- ❖ Health benefit costs were projected at a 2.8% to 4.0% increase based on current claims and premiums projections prepared by the City's benefits broker.
- ❖ The costs for goods and contracts are projected with inflationary increases.
- ❖ Capital projects and equipment costs are budgeted at projected acquisition or construction cost based on preliminary estimates, typically at no change from the prior biennium.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report should be addressed to the Finance Director at P.O. Box 3040, Oregon City, Oregon 97045-0304.

BASIC FINANCIAL STATEMENTS

CITY OF OREGON CITY, OREGON
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and investments	\$ 57,577,572	\$ 26,592,102	\$ 84,169,674
Accounts receivable	2,926,256	3,818,276	6,744,532
Property taxes receivable	556,542	-	556,542
Assessment liens receivable	3,293,444	59,972	3,353,416
Inventories	-	160,774	160,774
Other post employment benefit asset	213,117	49,517	262,634
Other assets	46,810	-	46,810
Investment in South Fork Water Board	-	11,155,715	11,155,715
Non-depreciable capital assets	38,663,023	5,971,695	44,634,718
Other capital assets, net of depreciation	130,850,045	73,391,145	204,241,190
Total Assets	234,126,809	121,199,196	355,326,005
DEFERRED OUTFLOWS OF RESOURCES			
Deferred resources related to pensions	8,271,472	1,921,820	10,193,292
Deferred resources related to other benefits	2,391,218	555,582	2,946,800
Total Deferred Outflows of Resources	10,662,690	2,477,402	13,140,092
LIABILITIES			
Accounts payable	3,407,638	1,920,861	5,328,499
Accrued payroll liabilities	736,051	163,946	899,997
Deposits payable	2,148,212	217,400	2,365,612
Accrued interest payable	99,334	-	99,334
Unearned revenue	405,255	-	405,255
Noncurrent liabilities:			
Due within one year:			
Bonds payable	2,042,116	-	2,042,116
Accrued compensated absences	198,941	46,837	245,778
Due in more than one year:			
Bonds payable, net of unamortized premium	26,623,674	-	26,623,674
Accrued compensated absences	795,764	187,346	983,110
Net pension liability	24,040,814	5,585,723	29,626,537
Other post employment benefit liability	10,446,330	2,427,135	12,873,465
Total Liabilities	70,944,129	10,549,248	81,493,377
DEFERRED INFLOWS OF RESOURCES			
Deferred resources related to pensions	1,358,565	315,654	1,674,219
Deferred resources related to other benefits	2,219,165	515,607	2,734,772
Total Deferred Inflows of Resources	3,577,730	831,261	4,408,991
NET POSITION			
Net investment in capital assets	150,702,278	79,362,840	230,065,118
Restricted for:			
Enhancement grants	413,194	-	413,194
Tourism	674,481	-	674,481
Parks and recreation	4,542,242	-	4,542,242
Public works	18,606,259	-	18,606,259
Library	2,174,662	-	2,174,662
Building operations	3,625,536	-	3,625,536
OPEB benefits	213,117	49,517	262,634
Unrestricted	(10,684,129)	32,883,732	22,199,603
Total Net Position	\$ 170,267,640	\$ 112,296,089	\$ 282,563,729

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals
Governmental activities:							
General government	\$ 9,010,937	\$ 2,813,688	\$ 1,281,325	\$ -	\$ (4,915,924)	\$ -	\$ (4,915,924)
Public safety	13,853,016	1,518,937	171,612	22,949	(12,139,518)	-	(12,139,518)
Public works	8,145,420	3,878,554	2,690,243	4,986,880	3,410,257	-	3,410,257
Culture and recreation	7,938,164	597,643	3,023,941	1,917,214	(2,399,366)	-	(2,399,366)
Community development	3,318,339	2,962,631	62,544	59,195	(233,969)	-	(233,969)
Interest on long-term debt	1,308,150	-	-	-	(1,308,150)	-	(1,308,150)
Total Governmental activities	43,574,026	11,771,453	7,229,665	6,986,238	(17,586,670)	-	(17,586,670)
Business-type activities:							
Water	8,044,736	9,352,368	489,010	430,821	-	2,227,463	2,227,463
Wastewater	11,034,218	11,528,849	6,597	932,362	-	1,433,590	1,433,590
Stormwater	2,838,118	3,225,188	2,503	396,607	-	786,180	786,180
Fleet	897,408	236,503	-	-	-	(660,905)	(660,905)
Total Business-type activities	22,814,480	24,342,908	498,110	1,759,790	-	3,786,328	3,786,328
Total Activities	\$ 66,388,506	\$ 36,114,361	\$ 7,727,775	\$ 8,746,028	(17,586,670)	3,786,328	(13,800,342)
General revenues:							
Property taxes					17,428,521	-	17,428,521
Franchise taxes					4,068,338	302,700	4,371,038
Intergovernmental revenues not restricted for specific purposes					1,327,256	-	1,327,256
Unrestricted investment earnings					620,882	124,789	745,671
Gain/(loss) on sale of assets					2,344,863	(10,388)	2,334,475
Miscellaneous					2,768,689	26,536	2,795,225
Total General revenues					28,558,549	443,637	29,002,186
Transfers					(697,531)	697,531	-
Change in net position					10,274,348	4,927,496	15,201,844
Beginning net position					159,993,292	107,368,593	267,361,885
Ending net position					\$ 170,267,640	\$ 112,296,089	\$ 282,563,729

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Engineering	System Development	Urban Renewal	Transportation	Community Facilities	Other Governmental Funds	Total
ASSETS								
Cash and investments	\$ 11,851,787	\$ 3,080,418	\$ 16,740,057	\$ 2,969,299	\$ 4,279,139	\$ 6,418,065	\$ 12,238,807	\$ 57,577,572
Receivables:								
Accounts	1,081,664	34,898	510,229	2,094	1,008,899	173,699	114,773	2,926,256
Property taxes	457,649	-	-	98,893	-	-	-	556,542
Assessment liens	28,657	-	3,264,787	-	-	-	-	3,293,444
Interest	-	-	-	-	-	-	-	-
Prepays and deposits	39,091	-	6,799	920	-	-	-	46,810
TOTAL ASSETS	\$ 13,458,848	\$ 3,115,316	\$ 20,521,872	\$ 3,071,206	\$ 5,288,038	\$ 6,591,764	\$ 12,353,580	\$ 64,400,624
LIABILITIES								
Accounts payable	\$ 933,191	\$ 31,464	\$ 460,039	\$ 10,843	\$ 393,889	\$ 1,285,091	\$ 293,121	\$ 3,407,638
Accrued payroll	556,652	25,336	-	-	48,397	-	105,666	736,051
Deposits payable	27,250	1,958,917	46,477	1,800	113,768	-	-	2,148,212
Unearned revenue	401,410	-	-	3,845	-	-	-	405,255
TOTAL LIABILITIES	1,918,503	2,015,717	506,516	16,488	556,054	1,285,091	398,787	6,697,156
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	382,766	-	1,021,093	82,007	-	-	-	1,485,866
FUND BALANCES								
Nonspendable:								
Prepays and deposits	39,091	-	6,799	920	-	-	-	46,810
Restricted:								
Enhancement grants	413,194	-	-	-	-	-	-	413,194
Tourism	674,481	-	-	-	-	-	-	674,481
Parks and recreation	-	-	4,465,865	-	-	-	-	4,465,865
Library	-	-	-	-	-	680,707	3,818,458	4,499,165
Building operations	-	-	-	-	-	-	5,612,059	5,612,059
Public works	-	-	14,521,599	-	2,006,321	3,640,366	-	20,168,286
Committed:								
Pavement maintenance	-	-	-	-	2,725,663	-	-	2,725,663
Engineering operations	-	1,099,599	-	-	-	-	-	1,099,599
Planning operations	-	-	-	-	-	-	1,099,862	1,099,862
Urban renewal projects	-	-	-	2,971,791	-	-	-	2,971,791
Debt service	-	-	-	-	-	-	1,424,414	1,424,414
Assigned:								
Police facilities	-	-	-	-	-	134,588	-	134,588
General government facilities	-	-	-	-	-	851,012	-	851,012
Unassigned	10,030,813	-	-	-	-	-	-	10,030,813
TOTAL FUND BALANCES	11,157,579	1,099,599	18,994,263	2,972,711	4,731,984	5,306,673	11,954,793	56,217,602
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 13,458,848	\$ 3,115,316	\$ 20,521,872	\$ 3,071,206	\$ 5,288,038	\$ 6,591,764	\$ 12,353,580	\$ 64,400,624

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
RECONCILIATION OF BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Fund Balances - Combined Balance Sheet	\$ 56,217,602
The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current period expenditures are deferred in governmental funds.	1,485,866
Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.	
Cost	223,247,392
Accumulated depreciation	(53,734,324)
All liabilities are reported in the Statement of Net Position. However, if they are not due and payable in the current period, they are not recorded in governmental funds.	
Compensated absences payable	(994,705)
Other post employment benefits	(10,233,213)
Deferred inflows related to other post employment benefits	(2,219,165)
Deferred outflows related to other post employment benefits	2,391,218
Accrued interest payable	(99,334)
Long-term debt payable	(28,665,790)
Net pension liability	(24,040,814)
Deferred inflows related to pensions	(1,358,565)
Deferred outflows related to pensions	8,271,472
Net Position of Governmental Activities	\$ 170,267,640

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2021

	General	Engineering	System Development	Urban Renewal	Transportation	Community Facilities	Other Governmental Funds	Total
REVENUES								
Property taxes	\$ 14,338,684	\$ -	\$ -	\$ 3,074,306	\$ -	\$ -	\$ -	\$ 17,412,990
Franchise taxes	4,068,338	-	-	-	-	-	-	4,068,338
Assessments and other taxes	700,689	-	-	-	-	-	-	700,689
Licenses and permits	225,280	93,287	-	-	-	-	1,726,091	2,044,658
Charges for services	2,078,523	943,547	-	107,652	2,841,720	1,213,670	1,239,060	8,424,172
System development charges	-	-	6,425,133	-	-	-	-	6,425,133
Intergovernmental	2,842,555	6,990	475,848	-	5,007,087	22,949	2,700,834	11,056,263
Fines and forfeitures	1,122,184	-	-	-	-	-	-	1,122,184
Interest income	352,315	16,877	120,868	42,068	22,494	37,274	63,781	655,677
Miscellaneous	449,448	79	248,117	126	12,144	2,896	1,366,677	2,079,487
TOTAL REVENUES	26,178,016	1,060,780	7,269,966	3,224,152	7,883,445	1,276,789	7,096,443	53,989,591
EXPENDITURES								
General government	8,154,066	-	-	350,202	-	-	-	8,504,268
Public safety	11,540,358	-	-	-	-	-	-	11,540,358
Public works	-	930,425	428,451	-	3,228,086	22,617	-	4,609,579
Culture and recreation	4,281,443	-	62,572	-	-	-	1,914,846	6,258,861
Community development	-	-	-	-	-	-	2,824,222	2,824,222
Debt service								
Principal	-	-	-	6,173,920	-	-	1,821,640	7,995,560
Interest	-	-	-	157,763	-	-	1,272,715	1,430,478
Capital outlay								
General government	361,310	-	-	-	-	68,700	-	430,010
Public safety	144,882	-	-	-	-	4,415,979	-	4,560,861
Public works	-	-	7,152,674	-	3,854,753	7,240,567	-	18,247,994
Culture and recreation	770,778	-	3,002,524	-	-	45,093	-	3,818,395
TOTAL EXPENDITURES	25,252,837	930,425	10,646,221	6,681,885	7,082,839	11,792,956	7,833,423	70,220,586
REVENUES OVER (UNDER) EXPENDITURES	925,179	130,355	(3,376,255)	(3,457,733)	800,606	(10,516,167)	(736,980)	(16,230,995)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	120,000	-	-	150,170	1,690,000	1,604,300	3,564,470
Proceeds from sale of assets	-	-	-	-	-	3,235,873	-	3,235,873
Transfers out	(1,286,634)	(16,000)	-	-	(30,000)	(1,104,300)	(40,000)	(2,476,934)
TOTAL OTHER FINANCING SOURCES (USES)	(1,286,634)	104,000	-	-	120,170	3,821,573	1,564,300	4,323,409
NET CHANGE IN FUND BALANCE	(361,455)	234,355	(3,376,255)	(3,457,733)	920,776	(6,694,594)	827,320	(11,907,586)
FUND BALANCE, beginning of year	11,519,034	865,244	22,370,518	6,430,444	3,811,208	12,001,267	11,127,473	68,125,188
FUND BALANCE, end of year	\$ 11,157,579	\$ 1,099,599	\$ 18,994,263	\$ 2,972,711	\$ 4,731,984	\$ 5,306,673	\$ 11,954,793	\$ 56,217,602

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$ (11,907,586)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.	(2,417,157)
Governmental funds do not report expenditures that do not require the use of current financial resources. However, the Statement of Activities reports such expenses when incurred, regardless of when settlement ultimately occurs.	
Accrued compensated absences	(185,007)
Accrued interest payable	45,220
Changes in pension liabilities and related deferred outflows and inflows of resources	(3,254,909)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(302,014)
Capital outlays are reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlay over their estimated useful lives as depreciation expense.	
Capital outlay expenditures net of proceeds from sale of assets	26,164,015
Depreciation	(4,786,659)
Contribution and transfers of capital assets	(1,154,224)
Proceeds from the issuance of long-term debt provide current financial resources to governmental funds and are reported as revenues. In the same way, repayments of long-term debt use current financial resources and are reported as expenditures in governmental funds. However, neither the receipt of debt proceeds nor the payment of debt principal affect the Statement of Activities, but are reported as increases and decreases in noncurrent liabilities in the Statement of Net Position.	
Amortization of premium on bonds issued	77,109
Debt principal paid	7,995,560
Change in Net Position of Governmental Activities	<u><u>\$ 10,274,348</u></u>

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
JUNE 30, 2021

	Water	Wastewater	Stormwater	Total Enterprise Funds	Total Internal Service Funds	Total Proprietary Funds
ASSETS						
Current Assets						
Cash and investments	\$ 5,061,669	\$ 12,402,351	\$ 2,403,811	\$ 19,867,831	\$ 6,724,271	\$ 26,592,102
Accounts receivable, net of allowance	1,434,963	1,900,542	475,173	3,810,678	7,598	3,818,276
Assessment liens receivable	-	59,972	-	59,972	-	59,972
Inventories	160,774	-	-	160,774	-	160,774
Total Current Assets	6,657,406	14,362,865	2,878,984	23,899,255	6,731,869	30,631,124
Noncurrent Assets						
Investment in South Fork Water Board	11,155,715	-	-	11,155,715	-	11,155,715
Nondepreciable capital assets	3,163,735	1,542,342	1,265,618	5,971,695	-	5,971,695
Other capital assets, net of depreciation	35,639,608	20,213,396	16,942,051	72,795,055	596,090	73,391,145
OPEB Asset	18,089	11,794	12,751	42,634	6,883	49,517
Total Noncurrent Assets	49,977,147	21,767,532	18,220,420	89,965,099	602,973	90,568,072
Total Assets	56,634,553	36,130,397	21,099,404	113,864,354	7,334,842	121,199,196
DEFERRED OUTFLOWS OF RESOURCES						
Deferred resources related to pensions	702,051	457,741	494,870	1,654,662	267,158	1,921,820
Deferred resources related to OPEB	202,957	132,329	143,063	478,349	77,233	555,582
Total Deferred Outflows of Resources	905,008	590,070	637,933	2,133,011	344,391	2,477,402
LIABILITIES						
Current Liabilities						
Accounts payable	626,996	1,036,228	59,628	1,722,852	198,009	1,920,861
Accrued payroll liabilities	55,103	41,986	42,511	139,600	24,346	163,946
Deposits payable	54,190	-	163,210	217,400	-	217,400
Current portion of long-term liabilities:						
Accrued compensated absences	16,819	11,952	11,771	40,542	6,295	46,837
Total Current Liabilities	753,108	1,090,166	277,120	2,120,394	228,650	2,349,044
Noncurrent Liabilities						
Accrued compensated absences	67,276	47,808	47,083	162,167	25,179	187,346
Net pension liability	2,040,494	1,330,413	1,438,327	4,809,234	776,489	5,585,723
OPEB liability	886,645	578,097	624,989	2,089,731	337,404	2,427,135
Total Noncurrent Liabilities	2,994,415	1,956,318	2,110,399	7,061,132	1,139,072	8,200,204
Total Liabilities	3,747,523	3,046,484	2,387,519	9,181,526	1,367,722	10,549,248
DEFERRED INFLOWS OF RESOURCES						
Deferred resources related to pensions	115,310	75,183	81,281	271,774	43,880	315,654
Deferred resources related to OPEB	188,354	122,808	132,769	443,931	71,676	515,607
Total Deferred Inflows of Resources	303,664	197,991	214,050	715,705	115,556	831,261
NET POSITION:						
Net investment in capital assets	38,803,343	21,755,738	18,207,669	78,766,750	596,090	79,362,840
Restricted for:						
OPEB benefits	18,089	11,794	12,751	42,634	6,883	49,517
Unrestricted	14,666,942	11,708,460	915,348	27,290,750	5,592,982	32,883,732
Total Net Position	\$ 53,488,374	\$ 33,475,992	\$ 19,135,768	\$ 106,100,134	\$ 6,195,955	\$ 112,296,089

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Water	Wastewater	Stormwater	Total Enterprise Funds	Total Internal Service Funds	Total Proprietary Funds
OPERATING REVENUES						
Charges for services	\$ 8,102,033	\$ 11,528,849	\$ 3,225,188	\$ 22,856,070	\$ 1,486,838	\$ 24,342,908
System development revenue pass through	365,843	924,711	-	1,290,554	-	1,290,554
Intergovernmental	13,888	6,597	2,503	22,988	6,834	29,822
Miscellaneous	4,263	8,224	49	12,536	3,615	16,151
Total Operating Revenues	8,486,027	12,468,381	3,227,740	24,182,148	1,497,287	25,679,435
OPERATING EXPENSES						
Personnel services	2,430,212	1,381,285	1,363,804	5,175,301	770,363	5,945,664
Materials and services	4,339,498	7,651,199	961,959	12,952,656	766,538	13,719,194
Depreciation	827,009	1,347,174	348,590	2,522,773	626,849	3,149,622
Total Operating Expenses	7,596,719	10,379,658	2,674,353	20,650,730	2,163,750	22,814,480
OPERATING INCOME (LOSS)	889,308	2,088,723	553,387	3,531,418	(666,463)	2,864,955
NONOPERATING REVENUES (EXPENSES)						
Franchise taxes	-	302,700	-	302,700	-	302,700
Investment revenue	23,279	61,047	9,442	93,768	31,021	124,789
Increase in equity of South Fork Water Board	468,287	-	-	468,287	-	468,287
Total Nonoperating Revenues (Expenses)	491,566	363,747	9,442	864,755	31,021	895,776
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	1,380,874	2,452,470	562,829	4,396,173	(635,442)	3,760,731
Capital contributions	1,429,956	397,795	426,550	2,254,301	-	2,254,301
Transfers in	12,706	12,706	12,707	38,119	771,345	809,464
Transfers out	-	(1,790,000)	(105,000)	(1,895,000)	(2,000)	(1,897,000)
CHANGE IN NET POSITION	2,823,536	1,072,971	897,086	4,793,593	133,903	4,927,496
Beginning net position	50,664,838	32,403,021	18,238,682	101,306,541	6,062,052	107,368,593
Ending net position	\$ 53,488,374	\$ 33,475,992	\$ 19,135,768	\$ 106,100,134	\$ 6,195,955	\$ 112,296,089

The notes to the financial statements are an integral part of this statement

CITY OF OREGON CITY, OREGON
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Water	Wastewater	Stormwater	Total Enterprise Funds	Total Internal Service Funds	Total Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Collected from customers	\$ 7,746,524	\$ 11,306,366	\$ 3,195,611	\$ 22,248,501	\$ 1,485,376	\$ 23,733,877
Other receipts	18,151	14,821	2,552	35,524	10,449	45,973
Paid to suppliers	(3,701,510)	(6,540,683)	(944,379)	(11,186,572)	(705,352)	(11,891,924)
Paid to employees	(1,710,867)	(1,189,902)	(1,245,378)	(4,146,147)	(685,874)	(4,832,021)
Net Cash Provided by (Used in) Operating Activities	2,352,298	3,590,602	1,008,406	6,951,306	104,599	7,055,905
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Cash receipts from taxes	-	302,700	-	302,700	-	302,700
Transfers in	12,706	12,706	12,707	38,119	771,345	809,464
Transfers out	-	(1,790,000)	(105,000)	(1,895,000)	(2,000)	(1,897,000)
Net Cash Provided by (Used in) Non-Capital Financing Activities	12,706	(1,474,594)	(92,293)	(1,554,181)	769,345	(784,836)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(1,960,255)	(1,320,883)	(352,736)	(3,633,874)	(698,662)	(4,332,536)
Proceeds from disposal of capital assets	51,925	51,926	51,925	155,776	39,610	195,386
Net Cash Provided by (Used in) Capital and Related Financing Activities	(1,908,330)	(1,268,957)	(300,811)	(3,478,098)	(659,052)	(4,137,150)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments	25,370	63,351	10,122	98,843	35,234	134,077
Increase in Cash and Investments	482,044	910,402	625,424	2,017,870	250,126	2,267,996
CASH AND INVESTMENTS, Beginning of year	4,579,625	11,491,949	1,778,387	17,849,961	6,474,145	24,324,106
CASH AND INVESTMENTS, End of year	\$ 5,061,669	\$ 12,402,351	\$ 2,403,811	\$ 19,867,831	\$ 6,724,271	\$ 26,592,102
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	\$ 889,308	\$ 2,088,723	\$ 553,387	\$ 3,531,418	\$ (666,463)	\$ 2,864,955
Depreciation	827,009	1,347,174	348,590	2,522,773	626,849	3,149,622
<i>Change in assets and liabilities:</i>						
Accounts receivable	(355,509)	(222,483)	(29,577)	(607,569)	(1,678)	(609,247)
Inventory	(13,581)	-	-	(13,581)	-	(13,581)
Accounts payable and accrued liabilities	302,586	208,057	35,583	546,226	68,407	614,633
Net pension liability	526,910	202,740	307,753	1,037,403	100,403	1,137,806
Net OPEB liability	332,072	31,195	(105,994)	257,273	9,701	266,974
Deferred outflows	(325,276)	(148,157)	(181,469)	(654,902)	(79,445)	(734,347)
Deferred inflows	168,779	83,353	80,133	332,265	46,825	379,090
Net Cash Provided by (Used in) Operating Activities	\$ 2,352,298	\$ 3,590,602	\$ 1,008,406	\$ 6,951,306	\$ 104,599	\$ 7,055,905
NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES						
Increase in equity of South Fork Water Board	\$ 468,287	\$ -	\$ -	\$ 468,287	\$ -	\$ 468,287
Capital Contributions	1,429,956	397,795	426,550	2,254,301	-	2,254,301
	\$ 1,898,243	\$ 397,795	\$ 426,550	\$ 2,722,588	\$ -	\$ 2,722,588

The notes to the financial statements are an integral part of this statement

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Oregon City, Oregon (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). GAAP statements require the application of all relevant Governmental Accounting Standards Board (GASB) pronouncements. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

A. The Financial Reporting Entity

The City of Oregon City, Oregon is a municipal corporation governed by an elected mayor and four commission members who comprise the City Commission. The City Commission exercises supervisory responsibilities over the City operations, but day-to-day management control is the responsibility of a city manager. All significant activities and organizations for which the City is financially accountable are included in the financial statements for the year ended June 30, 2021.

In defining the City of Oregon City for financial reporting purposes, management considers: all funds, organizations, institutions, agencies, departments, and offices that are legally part of the City (the primary government) and organizations for which the City is financially accountable. As defined by accounting principles generally accepted in the United States of America, the financial reporting entity consists of the primary government, as well as its component units. Component units can be defined as legally separate entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

Based on component unit criteria, the City of Oregon City's financial statements include the Oregon City Urban Renewal Commission as a blended component unit. The City Commission and Board of Directors of Oregon City Urban Renewal Commission are composed of the same individuals. Additionally, management of the City manages the activities of the component unit in the same manner as it manages its own activities. The separately issued financial statements of the Oregon City Urban Renewal Agency may be obtained from the Commission at 625 Center Street, Oregon City, Oregon 97045.

There are certain governmental agencies and various service districts which provide services within the City. These agencies have independently elected governing boards and the City is not financially accountable for these organizations. Therefore, financial information for these agencies is not included in the accompanying basic financial statements.

B. Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the reporting government, the primary government and its component units. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. All fiduciary activities are excluded from the government-wide statements and are reported only in fund financial statements.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

The City has interfund activity. Any residual balances outstanding at year end from such activity are reported as due from/to other funds. While these balances are reported in fund financial statements, eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Exceptions to this rule include certain services provided between funds at market or near-market rates, which are treated as revenues and expenses. Elimination of these charges would distort the direct costs and program revenues reported for the various functions.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

The City does not currently use an indirect cost allocation system. Administrative service fees are charged by the General Fund and the Community Development Fund to the other operating funds for services provided (e.g. general administration, financial services, geographic information systems, etc.) and are included as direct program expenses.

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary or fiduciary. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. Currently, the City has general, special revenue, internal service, capital projects, debt service and enterprise type funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column within each fund type in the financial section of the basic financial statements and are detailed in the other supplementary information.

C. Basis of Presentation

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

There are stated minimum criteria for the determination of major funds: percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses, of either fund category or the governmental and enterprise combined. The City electively presents funds as major funds which either have debt outstanding or specific community focus. Non-major funds are combined in a column in the fund financial statements and detailed in the combining and individual fund statements and schedules located in the other supplementary information section.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

The City reports the following major governmental funds:

General Fund – The government’s primary operating fund accounts for the City’s legislative activities and administration, human resources, finance, information technology, police department, municipal court, and parks and recreation. The primary revenue sources are property taxes, franchise fees, fines and forfeitures, and intergovernmental revenues.

Engineering Fund – This fund is used to provide engineering review and construction monitoring for private development within the City. Licenses and permits are the primary revenue source.

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

Urban Renewal Fund – This fund accounts for the activity of the Urban Renewal Agency. Property taxes are the primary revenue source. Expenditures are primarily for urban renewal projects.

Transportation Fund – This fund is used to account for the use of state gas tax revenue and pavement maintenance charges for street-related purposes.

Community Facilities Fund – This fund accounts for money set aside for construction of city facilities including the expansion of the library and building of public safety and public works facilities; funded by transfers from other funds.

The City’s proprietary funds mainly account for the water, wastewater, and stormwater operations. The City reports the following major proprietary funds:

Water Fund – Accounts for the operation of the City’s water system. Customer charges are the primary revenue source.

Wastewater Fund – Accounts for the operation of the City’s sanitary sewer collection system. Customer charges are the primary revenue source along with franchise taxes charged to wastewater treatment providers operating in the area for the purpose of recovering costs incurred in providing services.

Stormwater Fund – Accounts for the operation of the City’s storm drain activity. Customer charges are the primary revenue source.

Additionally, the City reports nonmajor funds within the governmental fund types:

Special Revenue Funds – The special revenue funds account for revenue derived from specific tax or other earmarked revenue sources, including grants and funds set aside to finance particular functions or activities. Funds included in this category are:

Library Fund – This fund accounts for the operation of the library. Proceeds from the Clackamas County Library Levy are the primary revenue source.

Planning Fund – This fund accounts for personnel costs and other expenditures related to planning and development services. Licenses and charges for service are the primary revenue sources.

Building Fund – This fund is used to account for building inspection and related expenditures. Building permits are the primary revenue source.

Debt Service Funds

Debt Service Fund – The debt service fund is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds. During the current year, debt principal and interest for the Public Employee Retirement System Bonds and the Oregon City Full Faith and Credit Obligation Bonds were paid from the fund.

CITY OF OREGON CITY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2021

The City does not have any nonmajor enterprise funds. It does however report nonmajor internal service funds within the proprietary fund types:

Internal Service Funds

The City has three internal service funds which provide services to other City departments, primarily the enterprise funds. Therefore, the internal service funds are combined with the enterprise funds in the government-wide financial statement. Internal charges are the primary revenue source of these funds. Expenditures are for the purposes as described below.

Fleet Service Fund – This fund accounts for the current operating costs of City owned vehicles.

Customer Service Fund – This fund accounts for the cost of providing utility billing services.

Equipment Replacement Fund – This fund accounts for accumulated resources to be used for vehicle and equipment replacement.

D. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus.

The government-wide and proprietary fund financial statements are accounted for using an economic resources measurement focus, whereby all assets and liabilities are included in the Statement of Net Position. The increases and decreases in the net position are presented in the government-wide Statement of Activities and in the proprietary fund Statement of Revenues, Expenses and Changes in Net Position.

These funds use the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Amounts reported as program revenues in the Statement of Activities include (1) fines, fees and charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Grants and contributions not restricted are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Operating revenues and operating expenses are intermediate components within the proprietary fund Statement of Revenues, Expenses and Changes in Net Position, and include only those transactions that constitute their principal, ongoing activities exclusive of investing or financing transactions. Significant operating revenues include charges for services and miscellaneous income. Significant operating expenses include personnel, materials and supplies, outside services, and depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The governmental fund financial statements are accounted for using a current financial resources measurement focus, whereby only current assets and current liabilities generally are included in the balance sheet, and the statement of revenues, expenditures and changes in fund balances present increases and decreases in those net current assets. These funds use the modified accrual basis of accounting whereby revenues are recorded only when susceptible to accrual (both measurable and available). “Measurable” means that the amount of the transaction can be determined. “Available” is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Expenditures other than interest on noncurrent obligations, are recorded when the fund liability is incurred.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

Real and personal property taxes are levied as of July 1 for each fiscal year on values assessed as of January 1. Property taxes are an enforceable lien on both real and personal property as of July 1 and are due and payable in installments on November 15, February 15 and May 15. All property taxes are billed and collected by Clackamas County and remitted to the City. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days). Otherwise, they are reported as deferred revenues.

Intergovernmental revenues are recognized as revenues when all eligibility requirements are met. There are, however, essentially two types of intergovernmental revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, all eligibility requirements are determined to be met when the underlying expenditures are recorded. In the other, monies are virtually unrestricted as to the purpose of the expenditure and are usually revocable only for failure to comply with prescribed requirements; therefore, all eligibility requirements are determined to be met at the time of receipt, or earlier, if the susceptible accrual criteria are met.

Licenses and permits, charges for services, fines and forfeitures and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Special assessments receivable and repayment of revolving loans are offset by deferred revenues.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the governmental column of the government-wide presentation. This reconciliation is part of the basic financial statements.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reporting amounts of certain assets, liabilities, deferred inflows and outflows, revenues and expenses. Actual results may differ from such estimates.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Investments

Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less when purchased. Investments for the City, as well as for its component unit, are reported at fair value based on quoted market prices. Interest earned on cash and investments is allocated monthly based on each fund's average cash balance as a proportion of the City's total cash and investments.

Receivables and Revenues

Receivables for state, county and local shared revenues, included in accounts receivable, are recorded as revenue in the governmental funds as earned. Property taxes receivable for the governmental fund types, which have been collected within sixty days subsequent to year end, are considered measurable and available and are recognized as revenues. All other property taxes are offset by unavailable property tax revenues and, accordingly, have not been recorded as revenue. Property taxes receivable by the City represent the City's allocated share of delinquent property taxes and other amounts to be collected from property owners within Clackamas County, Oregon.

Assessment liens in the governmental fund types are recognized as receivables at the time property owners are assessed for property improvements. All assessments receivable are offset by an unavailable revenue account and, accordingly, have not been recorded as revenue; assessment revenue is recognized upon collection.

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

Inventory and Prepaids

Inventory in the proprietary funds is stated at cost (first-in, first-out basis) and is charged to expense as used. The purchases method is used for inventory for governmental funds. In both government-wide and fund financial statements, certain payments to vendors reflect costs applicable to future City accounting periods and are recorded as prepaid expenses. The cost of these prepaid items is recorded as expenditures/expenses when consumed.

Capital Assets

Capital assets are stated at cost or estimated historical cost. Donated capital assets are reported at their acquisition value, that is the price that would be paid to acquire the asset. Estimated acquisition value of donated assets is determined based on engineering estimates of current cost or price indexed cost. Capital assets include land, right-of-way (included with land), buildings, improvements, equipment, infrastructure and other tangible and intangible assets costing over \$5,000 used in operations that have initial useful lives extending beyond a single reporting period. Infrastructure are those capital assets that are stationary in nature and can be preserved for a significantly greater number of years than most other capital assets. Infrastructure reported in governmental activities consists of roads, bridges, sidewalks and traffic and lighting systems. Infrastructure reported in business-type activities consists of water, stormwater and wastewater collection systems.

All capital assets, except for infrastructure in governmental activities prior to July 1, 1980, have been capitalized in the government-wide and proprietary fund financial statements. In accordance with the current financial resources measurement focus, capital assets are not capitalized in the governmental fund financial statements. Purchased capital assets are valued at cost when historical records are available and at estimated historical cost if no historical records exist. Historical cost is measured by the cash or cash equivalent price of obtaining an asset, including ancillary charges necessary to place the asset into its intended location and condition for use.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Amounts expended for maintenance and repairs are charged to expenditures/expenses in the appropriate funds as incurred and are not capitalized.

Capital assets are depreciated unless they are inexhaustible in nature (e.g., land and rights-of-way). Depreciation is an accounting process to allocate the cost of capital assets to expense in a systematic and rational manner to those periods expected to benefit from the use of capital assets. Depreciation is not intended to represent an estimate in the decline of fair market value, nor are capital assets, net of accumulated depreciation, intended to represent an estimate of the current condition of the assets, or the maintenance requirements needed to maintain the assets at their current level of condition.

Depreciation is computed over the estimated useful lives of the capital assets. All estimates of useful lives are based on actual experience by City departments with identical or similar capital assets. Depreciation is calculated on the straight-line basis, except for infrastructure and improvements other than buildings reported in the governmental activities column of the government-wide financial statements, which are calculated using a composite depreciation method. The estimated useful lives of the various categories of assets are as follows:

Buildings and improvements	40 years
Water and Sewer Infrastructure	20 – 50 years
Governmental Infrastructure	20 – 50 years
Equipment	10 – 20 years

Upon disposal of capital assets, cost and accumulated depreciation are removed from the accounts and, if appropriate, a gain or loss on the disposal is recognized.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The City reports deferred outflows of resources for both pension and other postemployment benefit (OPEB) related amounts: payments since the measurement date (MD), changes in assumptions, and for the difference between future payments of deferred revenues' projected and actual earnings. This amount is deferred and recognized as an outflow of resources in the period when the City's recognizes pension expense/expenditures. The City also reports the deferred charge on refunding as a deferred outflow of resources. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred over the shorter of the life of the refunded or refunding debt. Deferred outflows are included in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

In addition to liabilities, the statement of financial position will report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The governmental funds report unavailable revenues from property taxes, assessment liens, and investment income, as deferred inflows of resources. These items arise only under a modified accrual basis of accounting and accordingly, are reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The City also reports deferred inflows of resources for both pension and OPEB-related amounts: differences between projected and actual investment earnings and changes in employer proportion and differences between employer contributions and the City's proportionate share of contributions. This amount is deferred and recognized as an inflow of resources in the period when the City's recognizes pension income. Deferred inflows are included in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position.

Long-Term Debt

Long-term debt directly related and expected to be paid from the enterprise funds is recorded in these funds. All other unmatured long-term debt is recorded on the Statement of Net Position. Repayment of general bonded debt will be made from debt service funds with the exception of the library bonds, which are expenses of the library fund. Payment of vacation liabilities will be made from all funds that have personnel expenses. Significant bond premiums, discounts, and amounts deferred on refunding are deferred and amortized over the applicable bond term. Issuance costs are reported as period costs in the year of issue. In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs, as period costs in the year of issue. The face amount of debt issued and any related premium is reported as other financing sources.

Accrued Compensated Absences

Accumulated vested vacation pay is accrued in the enterprise funds as it is earned by employees. In governmental fund types, the amounts, if any, expected to be liquidated with expendable available resources are accrued as liabilities of the funds and the amount payable from future resources is recorded on the Statement of Net Position. Sick pay, which does not vest, is recorded in all funds when leave is taken. Compensated absences payable are recorded as liabilities in the governmental funds only if they have matured (i.e., there are unpaid amounts still outstanding after an employee's termination). In the past, compensated absences and other postemployment benefits have been paid by the fund resulting in the underlying liability, or each fund that reports personnel expenses (General, Library, Building, Community Development, Engineering, Water, Wastewater, Stormwater funds.)

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

Postemployment Benefits Other Than Pensions (OPEB)

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB), the City's net OPEB obligation is recognized as a long-term liability in the government-wide financial statements and in the proprietary fund statements, the amount of which is actuarially determined. The annual required contribution is recognized on an accrual basis in accordance with actuarial standards. The General Fund liquidates the long-term portions of other postemployment benefits.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's two separate plans, the Implicit Rate Subsidy and Oregon Public Employees Retirement Systems (OPERS), and additions to/deductions from Implicit Rate Subsidy and OPERS's fiduciary net position, have been determined on the same basis as they are reported by Implicit Rate Subsidy and OPERS. For this purpose, Implicit Rate Subsidy and OPERS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Pension Obligations – Oregon Public Employees Retirement System (PERS)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The long-term portion of pension liabilities are expected to be paid in future years from future resources. In prior years, these liabilities have been liquidated primarily by the governmental and enterprise funds for which the employees who earned the benefits were assigned.

Net Position

In the government-wide financial statements and proprietary funds financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets represents capital assets less accumulated depreciation less outstanding principal of related debt. Restricted net position represents net position restricted by parties outside of the City (such as creditors, grantors, contributors, laws, and regulations of other governments) and includes funds restricted for payment of debt or to acquire or construct capital assets. All other net position is considered unrestricted.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

Fund Balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Governmental fund type fund balances are reported in the following classifications.

Nonspendable includes resources that cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.

Restricted includes resources with constraints placed on their use either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed resources exist when the City Commission takes formal action such as adoption of an ordinance that places specific constraints on how the resources may be used. The City Commission can modify or rescind the commitment at any time through passage of an additional ordinance.

Assigned resources are constrained by the City's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the City Commission approves which resources should be "reserved" during the adoption of the budget. The City's Finance Director uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the City's Annual Comprehensive Financial Report.

Unassigned is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

Fund Balance Flow Assumptions

The City may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which resources are considered to have been applied. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed. When components of restricted fund balance can be used for the same purpose, committed fund balance is depleted second, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 2: DETAILED NOTES

A. Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund's portion of the pool is displayed as part of Cash and Investments by type of activity on the Statement of Net Position. Cash and investments are comprised of the following at June 30, 2021:

Cash

Petty cash	\$ 3,736
Deposits with financial institutions	29,631,755

Investments

Local Government Investment Pool	54,534,183
Total Cash and Investments	<u>\$ 84,169,674</u>

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

Deposits

Deposits with financial institutions consist primarily of bank demand deposits. The total book balance of deposits at year-end was \$29,631,755 and the bank balance was \$30,626,545. The difference is due to transactions in process.

Custodial Credit Risk – Deposits

There is a risk that in the event of a bank failure, deposits may not be returned. The City does not have a policy related to custodial credit risk. The City's bank balance deposits are secured by the Federal Depository Insurance Corporation (FDIC) for \$250,000. Deposits in excess of FDIC coverage are held at a qualified depository bank and collateralized in accordance with Oregon Revised Statute 295 through a multiple-institution collateral pool administered by the Oregon State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by participating Oregon public fund banks is available to repay the deposits. As of June 30, 2021, \$30,376,545 of the City's bank balances were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institution's agent but not in the City's name.

Investments

Oregon Revised Statutes authorize the City to invest in general obligations of the United States and its agencies, certain obligations of specific states and their political subdivisions, time deposits, certificates of deposit, savings accounts, banker's acceptances, corporate indebtedness, repurchase agreements and the State of Oregon Local Government Investment Pool.

The City invests in the Local Government Investment Pool (LGIP). The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. Oregon Revised Statutes 294.805 to 294.895 and the Oregon Investment Council govern the LGIP's investment policies. The State Treasurer is the investment officer responsible for the funds, and investments are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board. The fair value of pool shares is equal to the City's proportionate position in the pool.

Fair Value Measurement

The City's investments in U.S. Agency Securities are reported at fair value. The City categorizes fair value measurements within the hierarchy established by GASB Statement No. 72. The hierarchy is based on the activity level in the market for the security type and the inputs used to determine fair value. Level 1 inputs are quoted prices in active markets for identical instruments; Level 2 inputs are quoted prices for similar instruments in active markets or quoted prices for identical instruments in markets that are not active; Level 3 inputs are valuations derived from techniques in which significant inputs are unobservable. The City's investments in U.S. Agency Securities are valued using quoted prices for similar instruments in active markets (Level 2). The City liquidated its investments in U.S. Agency Securities during the current year.

Interest Rate Risk

In accordance with Oregon Revised Statutes, the City manages its exposure to declines in fair value resulting from changes in interest rates by limiting the weighted average maturity of its investments to 18 months or the date of anticipated use of the funds, whichever period is shorter.

Credit Risk

The risk that issuers of debt securities will be unable to make scheduled payments exists to some degree for all debt securities. The City's investments in U.S. Agency Securities were rated AAA by Moody's Investor's Service and AA+ by Standard & Poor's at year-end. The Local Government Investment Pool is not rated.

Concentration of Credit Risk

To reduce the City's risk of loss that can result from not diversifying investments, the City's investment policy does not allow for investment in any one issuer that exceeds 5% of the City's total investments, with the exception of U.S. Treasuries, Agencies and Instrumentalities and the LGIP.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

Custodial Risk – Investments

For an investment, this is the risk that, in the event of a failure of the counterparty, the City will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The City's investment policy limits the types of investments that may be held to those specified by Oregon Revised Statutes and does not allow securities to be held by a counterparty. The City's policy is in compliance with State statutes.

B. Receivables

Receivables at June 30, 2021, consisted of the following:

Governmental Activities	General	Engineering	System Development	Urban Renewal	Transportation	Community Facilities Capital Projects	Other Governmental Funds	Total
Accounts	\$ 1,081,664	\$ 34,898	\$ 510,229	\$ 2,094	\$ 1,023,895	\$ 176,975	\$ 114,773	\$ 2,944,528
Property taxes	457,649	-	-	98,893	-	-	-	556,542
Assessments	28,657	-	3,264,787	-	-	-	-	3,293,444
Less: Allowance for uncollectibles	-	-	-	-	(14,996)	(3,276)	-	(18,272)
	<u>\$ 1,567,970</u>	<u>\$ 34,898</u>	<u>\$ 3,775,016</u>	<u>\$ 100,987</u>	<u>\$ 1,008,899</u>	<u>\$ 173,699</u>	<u>\$ 114,773</u>	<u>\$ 6,776,242</u>

Business-type Activities	Water	Wastewater	Stormwater	Other	Total
Accounts	\$ 1,472,093	\$ 1,954,813	\$ 490,403	\$ 7,598	\$ 3,924,907
Assessments	-	59,972	-	-	59,972
Less: Allowance for uncollectibles	(37,130)	(54,271)	(15,230)	-	(106,631)
	<u>\$ 1,434,963</u>	<u>\$ 1,960,514</u>	<u>\$ 475,173</u>	<u>\$ 7,598</u>	<u>\$ 3,878,248</u>

Based on the payment schedule for special assessments receivable, approximately \$365,000 of the amount reported in Governmental Activities and approximately \$59,500 of the amount reported in Business-type Activities is not expected to be collected within the next year. Additionally, approximately \$56,000 of property taxes receivable are not expected to be collected within the next year.

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2021 is as follows:

Governmental Activities	Balance June 30, 2020	Increases	Reclasses	Decreases	Balance June 30, 2021
Nondepreciable capital assets					
Land	\$ 13,639,501	\$ 250,446	\$ 153,015	\$ (864,917)	\$ 13,178,045
Construction In Progress	28,615,029	24,465,112	(27,595,163)	-	25,484,978
Total Non-depreciable	42,254,530	24,715,558	(27,442,148)	(864,917)	38,663,023
Depreciable capital assets					
Equipment	5,120,797	478,909	37,000	(129,026)	5,507,680
Buildings and Improvements	22,179,191	40,413	23,244,477	(389,873)	45,074,208
Infrastructure	129,220,460	668,156	4,160,671	(46,806)	134,002,481
Total Depreciable	156,520,448	1,187,478	27,442,148	(565,705)	184,584,369
Accumulated depreciation					
Equipment	(4,292,586)	(309,669)	-	100,698	(4,501,557)
Buildings and Improvements	(5,814,565)	(1,126,855)	-	389,873	(6,551,547)
Infrastructure	(39,377,891)	(3,350,135)	-	46,806	(42,681,220)
Total Accumulated Depreciation	(49,485,042)	(4,786,659)	-	537,377	(53,734,324)
Depreciable capital assets, net	107,035,406	(3,599,181)	27,442,148	(28,328)	130,850,045
Governmental capital assets, net	\$ 149,289,936	\$ 21,116,377	\$ -	\$ (893,245)	\$ 169,513,068
Business-type Activities	Balance June 30, 2020	Increases	Reclasses	Decreases	Balance June 30, 2021
Nondepreciable capital assets					
Land	\$ 1,686,195	\$ -	\$ -	\$ (155,777)	1,530,418
Construction In Progress	3,516,572	4,956,719	(4,032,014)	-	4,441,277
Total Non-depreciable	5,202,767	4,956,719	(4,032,014)	(155,777)	5,971,695
Depreciable capital assets					
Equipment	10,040,639	722,387	-	(160,410)	10,602,616
Buildings and Improvements	20,855,619	526,977	128,428	-	21,511,024
Infrastructure	92,945,042	380,754	3,903,586	-	97,229,382
Total Depreciable	123,841,300	1,630,118	4,032,014	(160,410)	129,343,022
Accumulated depreciation					
Equipment	(8,331,793)	(718,242)	-	120,801	(8,929,234)
Buildings and Improvements	(5,093,504)	(360,679)	-	-	(5,454,183)
Infrastructure	(39,497,759)	(2,070,701)	-	-	(41,568,460)
Total Accumulated Depreciation	(52,923,056)	(3,149,622)	-	120,801	(55,951,877)
Depreciable capital assets, net	70,918,244	(1,519,504)	4,032,014	(39,609)	73,391,145
Business-type capital assets, net	\$ 76,121,011	\$ 3,437,215	\$ -	\$ (195,386)	\$ 79,362,840

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

Depreciation expense for the year was charged to each function as follows:

Governmental Activities	
General government	\$ 275,235
Public safety	324,159
Public works	3,055,981
Culture and recreation	1,093,942
Planning and building	37,342
Depreciation, governmental activities	<u>\$ 4,786,659</u>
Business-type Activities	
Water	\$ 827,009
Wastewater	1,347,174
Stormwater	348,590
Fleet	626,849
Depreciation, business-type activities	<u>\$ 3,149,622</u>

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

D. Long Term Debt – Bonds Payable

The following table presents current year changes in long-term debt obligations and the current portions due for each issue. Under Oregon Revised Statutes 287A.050, general obligation debt issues are limited to 3% of real market value of all taxable property within the City's boundaries. The City's outstanding general obligation debt of \$4.39 million is significantly below the debt limitation of \$178 million. The City has no outstanding bonds payable for its Business Activities.

	Outstanding June 30, 2020	Issued	Matured / Redeemed	Outstanding June 30, 2021	Due Within One Year
Governmental Activities					
Direct Placement General Obligation Bonds					
Library General Obligation Bonds, Issued January 7, 2015, interest rate at 3.08%	\$ 4,666,574	\$ -	\$ (271,640)	\$ 4,394,934	\$ 280,007
Limited Obligation Bonds					
PERS Limited Tax Pension Obligations, Series 2005, Issued September 28, 2005, interest rates from 4.21% to 5.00%	10,885,000	-	(1,030,000)	9,855,000	1,145,000
Oregon City Full Faith and Credit Obligations, Series 2018, Issued June 5, 2018, interest rates from 3.00% to 5.00%	13,625,000	-	(520,000)	13,105,000	540,000
Tax Increment Bonds					
Urban Renewal Commission Revenue Bonds, Series 2008A, issued July 18, 2008, interest rate at 4.95%	5,140,000	-	(5,140,000)	-	-
Direct Placement Tax Increment Bonds					
Urban Renewal Commission Revenue Bonds, Series 2013, issued January 31, 2013, Tax Exempt, interest rate at 3.05%	369,592	-	(369,592)	-	-
Urban Renewal Commission Revenue Bonds, Series 2013, issued January 31, 2013, Taxable, interest rate at 4.55%	664,328	-	(664,328)	-	-
Bond Premiums and Discounts	1,387,965	-	(77,109)	1,310,856	77,109
Total long-term debt	\$ 36,738,459	\$ -	\$ (8,072,669)	\$ 28,665,790	\$ 2,042,116

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

Governmental Activities

Direct Placement Library General Obligation Bonds: On January 7, 2015, the City issued \$6,000,000 of voter-approved General Obligation Bonds through a direct placement. The purpose of the bonds were to renovate and expand the Oregon City Library at Carnegie Center. The interest rate on the bonds is 3.08% and the final payment is due June 1, 2034. The City has pledged its full faith and credit and taxing power to pay the Bonds. In the event of default, the outstanding principal amount of the Bonds shall bear interest at the default rate of 6.00% per annum until the default is remedied.

Public Employee Retirement System (PERS) Unfunded Actuarial Liability Bonds: During 2005-06, the City issued \$17,030,000 in bonds to fund its PERS actuarial liability. The bonds are limited tax obligations and are payable from ad valorem property taxes and any unrestricted taxes, fees, charges, and other revenues. They are not general obligation bonds. The bonds bear interest at rates varying between 4.21% and 5.00%. Semiannual payments of interest are due on December 1 and June 1 of each year, and annual payments of principal are due on June 1 of each year. The final payment is due June 1, 2028.

Oregon City Full Faith and Credit Obligations: 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%.

Urban Renewal Commission Revenue Bonds, Series 2008: On July 1, 2000, the Oregon City Urban Renewal Commission (URC) issued \$10,000,000 of Urban Renewal Tax Increment Revenue Bonds to provide financing for projects within the Oregon City Downtown Urban Renewal area. The bonds bore interest at 4.95%. Semiannual payments of interest were due on December 1 and June 1 of each year, and annual payments of principal were due on June 1 of each year. The bonds were secured by and payable from the tax increment revenue of the URC and were scheduled to mature on June 1, 2023. The URC retired all of this outstanding bonded indebtedness in the current year.

Direct Placement Urban Renewal Commission Revenue Bonds, Series 2013: On January 31, 2013, the URC issued \$3,446,400 of Urban Renewal Tax Increment Revenue Bonds to refinance the URC's Line of Credit. Part of the bonds issued were tax exempt while part were taxable. Interest rate on the tax-exempt bonds was 3.05% while the taxable bonds was 4.55%. The bonds were scheduled to mature on February 21, 2023. The URC retired all of this outstanding bonded indebtedness in the current year.

Oregon City and the URC were in compliance with all covenants at June 30, 2021.

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

Future Principal and Interest

Future maturities of bond principal and interest at June 30, 2021, are as follows:

Fiscal Year Ending June 30,	Governmental Activities				Total	
	Bonds		Direct Placement Bonds			
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 1,685,000	\$ 1,056,644	\$ 280,007	\$ 135,364	\$ 1,965,007	\$ 1,192,008
2023	1,825,000	977,748	288,631	126,740	2,113,631	1,104,488
2024	1,980,000	892,048	297,521	117,850	2,277,521	1,009,898
2025	2,145,000	798,842	306,685	108,686	2,451,685	907,528
2026	2,320,000	697,631	316,130	99,240	2,636,130	796,871
2027-2031	6,405,000	2,127,402	1,732,842	344,013	8,137,842	2,471,415
2032-2036	4,520,000	999,550	1,173,118	72,994	5,693,118	1,072,544
2037-2041	2,080,000	125,600	-	-	2,080,000	125,600
	<u>\$ 22,960,000</u>	<u>\$ 7,675,465</u>	<u>\$ 4,394,934</u>	<u>\$ 1,004,887</u>	<u>\$ 27,354,934</u>	<u>\$ 8,680,352</u>

E. Long Term Debt – Compensated Absences

The City's policy relating to compensated absences is described in Note 1. E. Changes in the liability for accrued compensated absences are as follows:

	Outstanding June 30, 2020	Earned	Paid	Outstanding June 30, 2021	Due Within One Year
Governmental Activities	\$ 809,698	\$ 867,960	\$ 682,953	\$ 994,705	\$ 198,941
Business-type Activities	194,946	218,164	178,927	234,183	46,837
	<u>\$ 1,004,644</u>	<u>\$ 1,086,124</u>	<u>\$ 861,880</u>	<u>\$ 1,228,888</u>	<u>\$ 245,778</u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

F. Postemployment Benefits Other than Pensions (OPEB)

The City follows *GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

The other postemployment benefits (OPEB) for the City combines two separate plans. The City provides an implicit and explicit rate subsidy for retiree health insurance premiums, and a contribution to the State of Oregon's PERS cost-sharing multiple-employer defined benefit health insurance plan.

The City's two OPEB plans are presented in the aggregate on the Statement of Net Position. The amounts on the financial statements relate to the plans as follows:

	Implicit Rate Subsidy	PERS RHIA Plan	Total OPEB on Financials
Net OPEB Asset	\$ -	\$ 262,634	\$ 262,634
Deferred Outflows of Resources			
Difference in Expected and Actual			
Experience	-	-	-
Change in Assumptions	2,581,388	-	2,581,388
Difference in Earnings	-	29,207	29,207
Change in Proportionate Share	-	-	-
Contributions After MD	332,895	3,310	336,205
Net OPEB Liability	(12,873,465)	-	(12,873,465)
Deferred Inflows of Resources			
Difference in Expected and Actual			
Experience	(2,094,303)	(26,849)	(2,121,152)
Difference in Earnings	-	-	-
Change in Assumptions	(597,701)	(13,960)	(611,661)
Change in Proportionate Share	-	(1,959)	(1,959)
OPEB Expense/(Income)*	848,586	(48,322)	800,264

*Included in program expenses on Statement of Activities

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

G. Other Postemployment Benefits (OPEB) – Health Insurance*Plan Description*

The City's single-employer defined benefit postemployment healthcare plan is administered by CityCounty Insurance Services (CIS). Benefit provisions are established through negotiations between the City and representatives of collective bargaining units or through resolutions passed by the City Commission. The City has not established a formal plan or an irrevocable trust (or equivalent arrangement) to account for the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The City's postemployment healthcare plan administrator issues a publicly available financial report that includes financial statements and required supplementary information for CIS. This report may be obtained through their website at: <https://www.cisoregon.org/About/TrustDocs>.

Benefits Provided

Implicit rate subsidy: As required by ORS 243.303, the City must offer retirees the same group health and dental insurance as provided to current employees from the date of retirement to the age when retirees and spouses typically become eligible for Medicare. The difference between retiree claims costs, which because of the effect of age is generally higher than plan members, and the amount of retiree healthcare premiums represents the implicit employer contribution.

Explicit rate subsidy: Based on negotiated union agreements, the City provides retiree health benefits to employees that retired from active service while eligible to receive a pension benefit from Oregon PERS meeting one of the following three criteria:

- Hired before July 1, 2005 for retirees represented by AFSCME
- Hired before November 17, 2005 for Management retirees
- Retired while represented by the Oregon City Police Employees' Association

Retirees under 65 are eligible to receive the same medical and dental coverage as active employees. 50% or \$100, whichever is less, of the premiums for the medical plan are paid by the Employer for AFSCME retirees. 50% of the premiums for the medical plan are paid by the Employer for Police retirees. 100% of the premiums for the medical plan are paid by the Employer for Management retirees. The retiree is responsible for the dental premiums. No spousal or family coverage is paid for by the Employer (single premium amounts only). For Police retirees over age 65, 50% of the premiums for Medicare supplemental health care coverage are paid by the Employer for the retiree only. For Management retirees over age 65, the City pays 100% of the Medicare supplemental health care coverage. Coverage for AFSCME retirees ends when the retiree turns 65.

Funding Policy and Covered Employees

The City funds the plan only to the extent of current year insurance premium requirements on a pay-as-you-go basis, with all insurance premium costs paid in full by the individual for management personnel hired after November 17, 2005 and AFSCME personnel hired after July 1, 2005.

As of the valuation date of July 1, 2020, the following employees were covered by the benefit terms:

Active employees	178
Eligible retirees	107
Spouses of ineligible retirees	0
Total participants	<u>285</u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

Actuarial Assumptions and Other Inputs

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The net OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Discount Rate	2.21 percent
Projected Salary Increases	3.50 percent overall payroll growth
Retiree Healthcare Participation	40% of eligible employees 60% of male members and 35% of female members will elect spouse coverage.
Mortality	Health retirees and beneficiaries: Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees. Healthcare cost trend rate: Medical and vision: 3.75 percent per year increasing to 5.75 percent. Dental: 4.00 percent per year

The discount rate was based on Bond Buyer 20-Year General Obligation Bond Index.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

OPEB Plan Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The City's net OPEB liability of \$12,873,465 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2020. For the fiscal year ended June 30, 2021, the City recognized OPEB expense from this plan of \$848,586. The City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,094,303
Changes of assumptions	2,581,388	597,701
Total (prior to post-MD contributions)	2,581,388	2,692,004
Contributions subsequent to the MD	332,895	-
Total	<u>\$ 2,914,283</u>	<u>\$ 2,692,004</u>

Deferred outflows of resources related to OPEB of \$332,895 resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	
2022	\$ (159,805)
2023	(159,805)
2024	(9,940)
2025	63,422
2026	122,718
Thereafter	32,794
Total	<u>\$ (110,616)</u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

Changes in the Net OPEB Liability

	Net OPEB Liability
Balance as of June 30, 2020	\$ 11,819,679
Changes for the year:	
Service cost	580,976
Interest on total OPEB liability	427,415
Effect of changes to benefit terms	-
Effect of economic demographic gains or losses	(2,171,090)
Effect of assumptions changes or inputs	2,597,382
Benefit payments	(380,897)
Balance as of June 30, 2021	\$ 12,873,465

Changes in assumptions is the result of the change in the discount rate from 3.5% to 2.21%.

Sensitivity of the Net OPEB Liability

The following presents the City's OPEB liability, calculated using the discount rate of 2.21%, as well as what the liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21%) or 1 percentage point higher (3.21%) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
Net OPEB Liability	\$ 14,676,496	\$ 12,873,465	\$ 11,370,642

Healthcare Cost Trend:

	1% Decrease	Current Health Care Trend Rates	1% Increase
Net OPEB Liability	\$ 11,002,539	\$ 12,873,465	\$ 15,222,087

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

H. Other Postemployment Benefits (OPEB) – Retirement Health Insurance Account (RHIA)

Plan Description

As a member of Oregon Public Employees Retirement System (OPERS), the City contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The Oregon Legislature has delegated this authority to the Public Employees Retirement Board. The plan is closed to new entrants hired after August 29, 2003. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700 or online at <https://www.oregon.gov/pers/Documents/Financials/CAFR/2020-CAFR.pdf>.

Benefits Provided

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost, the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. An eligible surviving spouse or dependent of a deceased PERS retiree may receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Contributions

PERS funding policy provides for employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates for the period were based on the December 31, 2018 actuarial valuation and a percentage of payroll that first became effective July 1, 2019. The City contributed 0.06% of PERS-covered salaries for Tier One/Tier Two members to fund the normal cost portion of RHIA benefits and 0.00% of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. The City's total contributions for the year ended June 30, 2021 was \$3,310.

OPEB Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, the City reported an asset of \$262,634 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2020, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to June 30, 2020. The City's proportion of the net OPEB asset was based on the City's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2021, the City's proportionate share was 0.12889%, which is an increase from its proportion of 0.12429% as of June 30, 2020.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

For the year ended June 30, 2021, the City recognized OPEB income from this plan of \$48,322. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 26,849
Changes of assumptions	-	13,960
Net difference between projected and actual earnings on investments	29,207	-
Changes in proportionate share	-	1,959
Total (prior to post-MD contributions)	29,207	42,768
Contributions subsequent to the MD	3,310	-
Total	<u>\$ 32,517</u>	<u>\$ 42,768</u>

Deferred outflows of resources related to OPEB of \$3,310 resulting from the City's contributions subsequent to the measurement date will be recognized as an increase in the net OPEB asset in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (income) as follows:

<u>Year ended June 30:</u>	
2022	\$ (27,353)
2023	(6,218)
2024	10,796
2025	9,214
Total	<u>\$ (13,561)</u>

Actuarial Methods and Assumptions

The net OPEB asset in the December 31, 2018 actuarial valuation was determined using the actuarial methods and assumptions as the same as listed below in Note I – Pension Plan – Oregon Public Employees Retirement System (OPERS) under the “Actuarial Assumptions” section.

Long-Term Expected Rate of Return

The Long-Term Expected Rate of Return is the same as listed below in Note I – Pension Plan – Oregon Public Employees Retirement System (OPERS) under the “Long-term Expected Rate of Return” section.

Discount Rate

The discount rate used to measure the net OPEB asset was 7.20% for the RHIA Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the RHIA Plan was applied to all periods of projected benefit payments to determine the net OPEB asset.

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

Sensitivity of the City's proportionate share of the net OPEB (asset) to changes in the discount rate

The following presents the City's proportionate share of the net OPEB (asset) calculated using the discount rate of 7.20%, as well as what the City's proportionate share of the net OPEB (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.20%) or 1 percentage point higher (8.20%) than the current rate:

Discount Rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Net OPEB (Asset)	\$ (212,033)	\$ (262,634)	\$ (305,901)

OPEB Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Changes in Plan Provisions During the Measurement Date

There were no changes during the June 30, 2020 measurement period that require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

There were no changes subsequent to the June 30, 2020 measurement date that require disclosure.

I. Pension Plan – Oregon Public Employees Retirement System (OPERS)

Plan Description

The City is a participating employer in the Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit pension plan. All benefits of OPERS are established by the Oregon Legislature pursuant to ORS Chapters 238 and 238A. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system as the governing body of OPERS.

The *Tier One/Tier Two Retirement Benefit Plan*, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The *Pension Program (OPSRP)*, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. Both plans provide retirement and disability benefits, post-employment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

OPERS issues a publicly available Annual Comprehensive Financial Report and Actuarial Valuation that can be obtained by writing to PERS, PO Box 23700, Tigard, Oregon, 97281, by calling 503-598-7377 or on their website at <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>. Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

Benefits Provided

1. Tier One/Tier Two Retirement Benefit Plan – ORS Chapter 238

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage, 1.67% for general service employees and 2% for police employees, is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Monthly payments must be a minimum of \$200 per month or the member will receive a lump-sum payment of the actuarial equivalent of benefits to which he or she is entitled. Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary will be limited for all members beginning in 2020. The limit will be equal to \$195,000 in 2020 and will be indexed with inflation in later years.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

A member's beneficiary may choose a monthly payment for life instead of the lump-sum or a combination of lump-sum and monthly payments, if eligible. The monthly payment must be a minimum of \$30 per month for deaths that occur July 30, 2003, and earlier; \$200 per month for deaths that occur after July 30, 2003.

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit Changes After Retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living (COLA) changes. The COLA is capped at 2.0 percent.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

2. *Oregon Public Service Retirement Plan (OPSRP) Defined Benefit Pension Program – ORS Chapter 238A*
Pension Benefits

The Pension Program provides benefits to members hired on or after August 29, 2003. It provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

- Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
- General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2020. The limit will be equal to \$195,000 in 2020 and will be indexed with inflation in later years.

A member of the OPSRP Pension Program becomes vested on the earliest of either the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, or, if the pension program is terminated, the date on which termination becomes effective.

Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50% of the pension that would otherwise have been paid to the deceased member.

Disability Benefits

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25% on the first \$60,000 of annual benefit and \$750 plus 0.15% on annual benefits above \$60,000.

3. *OPSRP Individual Account Program (IAP)*

Pension Benefits

The IAP is a defined contribution pension plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the IAP may receive the amounts in the employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

Death Benefits

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

Contributions

1. Employer Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2019. Effective January 1, 2020, Senate Bill 1049 required employers to pay contributions on re-employed PERS retirees' salary as if they were an active member, excluding IAP (6 percent) contributions. Employer contributions for the year ended June 30, 2021 were \$3,612,716 excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2021 were:

- 22.70 percent for Tier One/Tier Two General Service Member
- 19.74 percent for Tier One/Tier Two Police and Fire
- 15.11 percent for OPSRP Pension Program General Service Members
- 19.74 percent for OPSRP Pension Program Police and Fire Members

2. Employee Contributions

Beginning January 1, 2004, all employee contributions were placed in the OPSRP Individual Account Program (IAP), a defined contribution pension plan established by the Oregon Legislature. Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. Member contributions are set by statute at 6.0 or 7.0 percent of salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members behalf. The IAP member accounts represent member contributions made on or after January 1, 2004, plus earnings allocations less disbursements for refunds, death benefits, and retirements. As permitted, the City has opted to pick-up the contributions on behalf of employees; contribution were \$694,519 for the year ended June 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the City reported a liability of \$29,626,537 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018 rolled forward to June 30, 2020. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2021, the City's proportion was 0.1358% which was decreased from its proportion of 0.1411% measured as of June 30, 2020.

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

For the year ended June 30, 2021, the City recognized pension expense of \$6,902,765. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,303,926	\$ -
Changes of assumptions	1,589,962	55,710
Net difference between projected and actual earnings on investments	3,483,696	-
Changes in proportion	1,160,931	900,682
Differences between employer contributions and proportionate share of contributions	42,892	717,827
Total (prior to post-MD contributions)	7,581,407	1,674,219
Contributions subsequent to the MD	2,611,885	-
Total	<u>\$ 10,193,292</u>	<u>\$ 1,674,219</u>

The City's contributions subsequent to the measurement date of \$2,611,885 are reported as deferred outflows of resources related to pensions and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2022	\$ 1,239,064
2023	1,787,528
2024	1,706,225
2025	1,145,364
2026	29,007
Total	<u>\$ 5,907,188</u>

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

Actuarial assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2018
Measurement Date	June 30, 2020
Experience Study Report	2018, published July 24, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Long-Term Expected Rate of Return	7.20 percent
Discount Rate	7.20 percent
Projected Salary Increases	3.50 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service.
Mortality	Health retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active Members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2018 Experience Study, which reviewed experience for the four-year period ending on December 31, 2018.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

Long-term expected rate of return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in May 2019 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class/Strategy	Assumed Asset Allocation		
	Low Range	High Range	Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	27.5%	37.5%	32.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Equity	7.5%	17.5%	15.0%
Opportunity Portfolio	0.0%	3.0%	0.0%
Risk Parity	0.0%	2.5%	2.5%
Total			100.0%

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Core Fixed Income	9.60%	4.07%
Short-Term Bonds	9.60%	3.68%
Bank/Leveraged Loans	3.60%	5.19%
High Yield Bonds	1.20%	5.74%
Large/Mid Cap US Equities	16.17%	6.30%
Small Cap US Equities	1.35%	6.68%
Micro Cap US Equities	1.35%	6.79%
Developed Foreign Equities	13.48%	6.91%
Emerging Foreign Equities	4.24%	7.69%
Non-US Small Cap Equities	1.93%	7.25%
Private Equities	17.50%	8.33%
Real Estate (Property)	10.00%	5.55%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	1.50%	4.06%
Hedge Fund - Event-Driven	0.38%	5.59%
Timber	1.12%	5.61%
Farmland	1.12%	6.12%
Infrastructure	2.24%	6.67%
Commodities	1.12%	3.79%
Total	100.00%	
Assumed Inflation - Mean		2.50%

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Discount rate

The discount rate used to measure the total pension liability was 7.20% for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.2%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.2%) or 1 percentage point higher (8.2%) than the current rate:

	<u>1% Decrease (6.20%)</u>	<u>Discount Rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
City's proportionate share of the net pension liability (asset)	\$ 43,992,960	\$ 29,626,537	\$ 17,579,625

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Changes in Plan Provisions During the Measurement Period

A legislative change that occurred during the measurement period affected the plan provisions reflected for financial reporting purposes. Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2020, annual salary in excess of \$195,000 (as indexed in future years) will be excluded when determining member benefits. As a result, future Tier 1/Tier 2 and OPSRP benefits for certain active members are now projected to be lower than prior to the legislation. Senate Bill 1049 was reflected in the June 30, 2019 Total Pension Liability as a reduction in liability.

Changes in Plan Provisions Subsequent to Measurement Date

There were no changes subsequent to the June 30, 2020 measurement date which require disclosure.

J. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section (IRC) 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

In accordance with IRC 457, the City has transferred all of the Plan assets into trust accounts. The assets and income of the transferred plans are held for the exclusive benefit of the participants and their beneficiaries, and accordingly are not included in the City's financial statements.

K. Transfers and Interfund Transactions

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2021

Interfund transfer activity for the year ended June 30, 2021 is as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ -	\$ 1,286,634
Library Fund	150,000	20,000
Community Development Fund	350,000	-
Building Fund	-	20,000
Engineering Fund	120,000	16,000
Transportation Fund	150,170	30,000
Community Facilities Fund	1,690,000	1,104,300
Debt Service	1,104,300	-
Water Fund	12,706	-
Wastewater Fund	12,706	1,790,000
Stormwater Fund	12,707	105,000
Equipment Replacement Fund	771,345	-
Customer Service Fund	-	2,000
Total Transfers	<u>\$ 4,373,934</u>	<u>\$ 4,373,934</u>

Capital assets are not financial resources in governmental funds but are reported in the Statement of Net Position at their net depreciable value. The System Development fund transferred capital assets to proprietary funds during the year in the amounts shown below. These amounts were recorded as capital contributions in the proprietary funds (along with \$469,234 of contributions from developers) but are not recorded in the governmental funds; conversely, they are eliminated as interfund transactions in the government-wide statement of activities.

Fund	Transfers In	Transfers Out
SDC Fund	\$ -	\$ 1,785,067
Water Fund	1,364,980	-
Wastewater Fund	390,145	-
Stormwater Fund	29,942	-
	<u>\$ 1,785,067</u>	<u>\$ 1,785,067</u>

The City had no interfund receivables / payables at June 30, 2021.

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

L. Tax Abatements

The City enters into property tax abatement agreements with local businesses under the state Vertical Housing Program, authorized by ORS 307.841 through ORS 307.867, administered by Oregon Housing and Community Services, authorized by ORS 456.555 and Oregon Administrative Rule (OAR) 813-013. The purpose of the Program is to encourage investment in and rehabilitation of properties in targeted areas of a city or community, to augment the availability of appropriate housing, and to revitalize communities. The program encourages mixed-use developments that contain both non-residential and residential uses in areas (zones) designated by local jurisdictions. Eligible projects receive a partial property tax exemption which varies with the number of "Equalized Floors" in a project, with a maximum property tax exemption of 80% over a 10-year term. The City has one project under this program. The exemption is 60% of the residential property taxes for 10 years. For the current year, the abatement is approximately \$52,782 for the City and \$11,309 for Urban Renewal.

Additionally, the State of Oregon under the Oregon Business Development Department offers an Enterprise Zone (EZ) Tax Abatement program, authorized by ORS 285C. Under this program, local governments are responsible for creating, managing and renewing enterprise zones. In exchange for locating or expanding into an enterprise zone, eligible (generally non-retail) businesses receive total exemption from the property taxes normally assessed on new plant and equipment for three to five years after the property is in service. Minimum eligibility requirements include an increase in full-time, permanent employment by 10%, maintaining minimum employment levels during the exemption period, and employee wages to exceed at least 150% of the State minimum wage. The City has one agreement under this program. For the current year, the abatement is approximately \$6,709 for the City and \$1,438 for Urban Renewal.

NOTE 3: OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City purchases commercial insurance to minimize its exposure to these risks. There has been no reduction in commercial insurance coverage from the previous fiscal year. Settled claims have not exceeded coverage for any of the past three fiscal years. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

B. Contingencies

The City is a defendant in various litigation proceedings. Management believes any losses arising from these actions will not materially affect the City's financial position as they are all insured.

C. Commitments

Construction Commitments – The City has various active construction projects as of June 30, 2021. At year end, the City's commitments with contractors are as follows:

Project	Commitment	Expended thru 6/30/2021
Public Work and Parks Operations Center	\$ 10,179,128	\$ 6,296,347
Molalla Avenue - Beavercreek Road to Hwy 213	8,999,276	7,370,571
Trillium Park Drive Sanitary Relocation Project	394,245	54,252
2021 Rectangular Rapid Flashing Beacons Project	335,888	-
2021 Waterline Improvements Project	312,000	-

CITY OF OREGON CITY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2021

Sewage Treatment – Water Environment Services is a County district that treats wastewater in the region. On behalf of the district, the City processes permit applications, bills and collects user charges from district customers, and collects connection charges. The City operates and maintains local collection facilities.

Public Safety / 911 Communication Services – The City has an arrangement with Clackamas County Department of Communications, also known as C-COM, to provide 9-1-1 emergency and non-emergency call taking services to the public. Future payments are approximately \$435,000 each year, with annual increases subject to inflation (Consumer Price Index).

D. Subsequent Events

Management has evaluated subsequent events through December 23, 2021, the date on which the financial statements were available to be issued.

The American Rescue Plan Act (ARPA) provides funds to state and local governments to help recover from the COVID-19 pandemic and invest in their communities. The City was awarded \$8.3 million of ARPA funds, with the first distribution of \$4.1 million received early in fiscal year 2022. The remaining \$4.2 million is expected to be received within the next year.

E. Joint Venture

The South Fork Water Board (the Board) was created in 1915 by an Intergovernmental Cooperative Agreement between the cities of Oregon City and West Linn for operation and maintenance of water distribution systems. Ownership of assets is adjusted based on reevaluation of population and water usage. The City of Oregon City appoints 50% of the Board's Commission. The investment is reported using the equity method. Each City's share of assets, liabilities and net position is 50%. The following is a summary of financial information on the joint venture as of and for the year ended June 30, 2021.

	South Fork Water Board	Oregon City Portion
Total assets	\$ 24,637,470	\$ 12,318,735
Total deferred outflows of resources	795,738	397,869
Total liabilities	2,977,190	1,488,595
Total deferred inflows of resources	144,588	72,294
Total equity	22,311,430	11,155,715
Operating revenues	4,377,699	2,188,849
Operating expenses	4,031,390	2,015,695
Other non-operating revenue (expense), net	62,758	31,379
Capital contributions	527,507	263,754
Change in net position	936,574	468,287

A copy of the financial statements of the South Fork Water Board may be obtained by writing to: South Fork Water Board, Oregon City City Hall, P.O. Box 3040, Oregon City, Oregon, 97045-0304.

F. Stewardship

At June 30, 2021, an internal service fund has a deficit net position: the Customer Service Fund has a positive budgetary fund balance but a deficit net position of \$651,524 due to implementation of GASB Statement No. 75.

CITY OF OREGON CITY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2021

G. New Pronouncements

During the fiscal year ended June 30, 2021, the City implemented the following GASB pronouncements:

GASB Statement No. 98, The Annual Comprehensive Financial Report. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of comprehensive annual financial report and its acronym.

REQUIRED SUPPLEMENTARY INFORMATION

Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

General Fund

Major Special Revenue Funds:

Engineering

System Development

Urban Renewal

Transportation

Schedule of Changes in OPEB Liability and Related Ratios – Implicit Rate Subsidy

Schedule of Contributions to OPEB – Implicit Rate Subsidy

Schedule of the Proportionate Share of OPEB – RHIA

Schedule of Contributions to OPEB – RHIA

Schedule of the Proportionate Share of the Net Pension Liability

Schedule of Contributions – Pension

Notes to Required Supplementary Information

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED JUNE 30, 2021

	Biennial Budget		Actual		Biennial	Variance
	Original	Final	FY 2020	FY 2021		
REVENUES						
Property taxes	\$ 27,891,400	\$ 27,891,400	\$ 13,718,416	\$ 14,338,684	\$ 28,057,100	\$ 165,700
Franchise taxes	7,511,070	7,511,070	3,913,647	4,068,338	7,981,985	470,915
Assessments and other taxes	886,000	886,000	563,681	700,689	1,264,370	378,370
Licenses and permits	426,000	426,000	203,122	225,280	428,402	2,402
Charges for services	5,510,330	5,510,330	2,400,146	2,078,523	4,478,669	(1,031,661)
Intergovernmental	3,783,842	4,234,042	2,696,424	2,842,555	5,538,979	1,304,937
Fines and forfeitures	3,425,000	3,425,000	1,158,515	1,122,184	2,280,699	(1,144,301)
Interest income	500,000	500,000	262,190	352,315	614,505	114,505
Miscellaneous	1,620,390	1,620,390	1,334,886	449,448	1,784,334	163,944
TOTAL REVENUES	51,554,032	52,004,232	26,251,027	26,178,016	52,429,043	424,811
EXPENDITURES						
Policy & administration	12,132,953	12,395,953	5,240,009	5,889,023	11,129,032	1,266,921
Police	23,340,009	23,330,609	10,942,318	11,685,240	22,627,558	703,051
Parks and recreation	9,468,704	10,260,904	4,465,818	5,052,221	9,518,039	742,865
General government	4,473,449	4,702,466	1,960,598	2,626,353	4,586,951	115,515
Contingency	6,396,470	6,157,453	-	-	-	6,157,453
TOTAL EXPENDITURES	55,811,585	56,847,385	22,608,743	25,252,837	47,861,580	8,985,805
REVENUES OVER (UNDER) EXPENDITURES	(4,257,553)	(4,843,153)	3,642,284	925,179	4,567,463	9,410,616
OTHER FINANCING SOURCES (USES)						
Transfers out	(3,419,166)	(3,438,566)	(1,940,051)	(1,286,634)	(3,226,685)	211,881
NET CHANGE IN FUND BALANCE	(7,676,719)	(8,281,719)	1,702,233	(361,455)	1,340,778	9,622,497
FUND BALANCE, beginning of year	8,496,719	9,101,719	9,816,801	11,519,034	9,816,801	715,082
FUND BALANCE, end of year	\$ 820,000	\$ 820,000	\$ 11,519,034	\$ 11,157,579	\$ 11,157,579	\$ 10,337,579

CITY OF OREGON CITY, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – ENGINEERING FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual			Variance
	Original	Final	FY 2020	FY 2021	Biennial	
REVENUES						
Licenses and permits	\$ 76,000	\$ 76,000	\$ 126,971	\$ 93,287	\$ 220,258	\$ 144,258
Charges for services	1,906,100	1,906,100	810,621	943,547	1,754,168	(151,932)
Intergovernmental	-	-	809	6,990	7,799	7,799
Interest	34,000	34,000	27,602	16,877	44,479	10,479
Miscellaneous	-	-	6,331	79	6,410	6,410
TOTAL REVENUES	2,016,100	2,016,100	972,334	1,060,780	2,033,114	17,014
EXPENDITURES						
Personnel services	1,557,884	1,557,884	755,746	759,422	1,515,168	42,716
Materials and services	491,940	491,940	176,556	171,003	347,559	144,381
Contingency	922,919	922,919	-	-	-	922,919
TOTAL EXPENDITURES	2,972,743	2,972,743	932,302	930,425	1,862,727	1,110,016
REVENUES OVER (UNDER) EXPENDITURES	(956,643)	(956,643)	40,032	130,355	170,387	1,127,030
OTHER FINANCING SOURCES (USES)						
Transfers in	240,000	240,000	120,000	120,000	240,000	-
Transfers out	(32,000)	(32,000)	(16,000)	(16,000)	(32,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	208,000	208,000	104,000	104,000	208,000	-
NET CHANGE IN FUND BALANCE	(748,643)	(748,643)	144,032	234,355	378,387	1,127,030
FUND BALANCE, beginning of year	748,643	748,643	721,212	865,244	721,212	(27,431)
FUND BALANCE, end of year	\$ -	\$ -	\$ 865,244	\$ 1,099,599	\$ 1,099,599	\$ 1,099,599

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – SYSTEM DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual			Variance
	Original	Final	FY 2020	FY 2021	Biennial	
REVENUES						
System development charges	\$ 6,860,000	\$ 6,860,000	\$ 3,181,584	\$ 6,425,133	\$ 9,606,717	\$ 2,746,717
Intergovernmental	2,887,712	3,775,516	2,887,712	475,848	3,363,560	(411,956)
Interest	362,000	362,000	364,886	120,868	485,754	123,754
Miscellaneous	253,806	253,806	213,431	248,117	461,548	207,742
TOTAL REVENUES	10,363,518	11,251,322	6,647,613	7,269,966	13,917,579	2,666,257
EXPENDITURES						
Materials and services	1,265,203	1,265,203	294,703	491,023	785,726	479,477
Capital outlay	23,355,512	24,543,316	6,004,932	10,155,198	16,160,130	8,383,186
Contingency	8,239,521	7,939,521	-	-	-	7,939,521
TOTAL EXPENDITURES	32,860,236	33,748,040	6,299,635	10,646,221	16,945,856	16,802,184
REVENUES OVER (UNDER) EXPENDITURES	(22,496,718)	(22,496,718)	347,978	(3,376,255)	(3,028,277)	19,468,441
OTHER FINANCING SOURCES (USES)						
Transfers out	(375,000)	(375,000)	(375,000)	-	(375,000)	-
NET CHANGE IN FUND BALANCE	(22,871,718)	(22,871,718)	(27,022)	(3,376,255)	(3,403,277)	19,468,441
FUND BALANCE, beginning of year	22,871,718	22,871,718	22,397,540	22,370,518	22,397,540	(474,178)
FUND BALANCE, end of year	\$ -	\$ -	\$ 22,370,518	\$ 18,994,263	\$ 18,994,263	\$ 18,994,263

CITY OF OREGON CITY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
 BUDGET AND ACTUAL – URBAN RENEWAL FUND
 YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual			Variance
	Original	Final	FY 2020	FY 2021	Biennial	
REVENUES						
Property Taxes	\$ 5,759,000	\$ 5,759,000	\$ 3,163,683	\$ 3,074,306	\$ 6,237,989	\$ 478,989
Charges for services	207,000	207,000	100,545	107,652	208,197	1,197
Interest	180,000	180,000	139,475	42,068	181,543	1,543
Miscellaneous	-	-	-	126	126	126
TOTAL REVENUES	6,146,000	6,146,000	3,403,703	3,224,152	6,627,855	481,855
EXPENDITURES						
Materials and services	1,507,490	1,507,490	1,206,723	350,202	1,556,925	(49,435)
Capital outlay	300,000	300,000	40,450	-	40,450	259,550
Debt Service						
Principal	1,744,280	7,918,200	859,640	6,173,920	7,033,560	884,640
Interest	631,186	631,186	335,255	157,763	493,018	138,168
Contingency	127,000	127,000	-	-	-	127,000
TOTAL EXPENDITURES	4,309,956	10,483,876	2,442,068	6,681,885	9,123,953	1,359,923
REVENUES OVER (UNDER) EXPENDITURES	1,836,044	(4,337,876)	961,635	(3,457,733)	(2,496,098)	1,841,778
FUND BALANCE, beginning of year	5,403,980	5,403,980	5,468,809	6,430,444	5,468,809	64,829
FUND BALANCE, end of year	\$ 7,240,024	\$ 1,066,104	\$ 6,430,444	\$ 2,972,711	\$ 2,972,711	\$ 1,906,607

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual			Variance
	Original	Final	FY 2020	FY 2021	Biennial	
REVENUES						
Charges for services	\$ 5,327,207	\$ 5,327,207	\$ 2,666,365	\$ 2,841,720	\$ 5,508,085	\$ 180,878
Intergovernmental	8,691,107	8,691,107	3,634,329	5,007,087	8,641,416	(49,691)
Interest	35,000	35,000	42,797	22,494	65,291	30,291
Miscellaneous	-	-	9,098	12,144	21,242	21,242
TOTAL REVENUES	14,053,314	14,053,314	6,352,589	7,883,445	14,236,034	182,720
EXPENDITURES						
Personnel services	3,023,189	3,042,589	1,368,686	1,465,199	2,833,885	208,704
Materials and services	3,032,358	3,062,358	1,583,629	1,762,887	3,346,516	(284,158)
Capital outlay	9,277,132	9,277,132	2,109,499	3,854,753	5,964,252	3,312,880
Contingency	969,013	939,013	-	-	-	939,013
TOTAL EXPENDITURES	16,301,692	16,321,092	5,061,814	7,082,839	12,144,653	4,176,439
REVENUES OVER (UNDER) EXPENDITURES	(2,248,378)	(2,267,778)	1,290,775	800,606	2,091,381	4,359,159
OTHER FINANCING SOURCES (USES)						
Transfers in	300,340	319,740	169,570	150,170	319,740	-
Transfers out	(410,000)	(410,000)	(330,000)	(30,000)	(360,000)	50,000
TOTAL OTHER FINANCING SOURCES (USES)	(109,660)	(90,260)	(160,430)	120,170	(40,260)	50,000
NET CHANGE IN FUND BALANCE	(2,358,038)	(2,358,038)	1,130,345	920,776	2,051,121	4,409,159
FUND BALANCE, beginning of year	2,358,038	2,358,038	2,680,863	3,811,208	2,680,863	322,825
FUND BALANCE, end of year	\$ -	\$ -	\$ 3,811,208	\$ 4,731,984	\$ 4,731,984	\$ 4,731,984

CITY OF OREGON CITY, OREGON**SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS – IMPLICIT RATE SUBSIDY
FOR THE LAST TEN FISCAL YEARS****Implicit Rate Subsidy for Retiree Health Insurance Continuation Premiums**

	2021	2020	2019	2018
Total OPEB Liability				
Service Interest	\$ 580,976	\$ 509,046	\$ 495,179	\$ 550,475
Interest	427,415	427,424	406,225	345,133
Changes of benefit terms	-	-	-	-
Differences between economic/demographic gains or losses	(2,171,090)	-	(465,787)	-
Changes of assumptions	2,597,382	546,837	(336,053)	(1,161,431)
Benefit payment	(380,897)	(394,502)	(437,294)	(446,894)
Net change in total OPEB liability	1,053,786	1,088,805	(337,730)	(712,717)
Total OPEB liability - beginning	11,819,679	10,730,874	11,068,604	11,781,321
Total OPEB liability - ending	\$ 12,873,465	\$ 11,819,679	\$ 10,730,874	\$ 11,068,604
 Covered-employee payroll	 \$ 15,356,765	 \$ 14,893,881	 \$ 13,814,411	 \$ 13,435,454
 Total OPEB liability as a percentage of covered-employee payroll	 83.83%	 79.36%	 77.68%	 82.38%

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

The amounts presented for each fiscal year were actuarially determined at July 1 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

CITY OF OREGON CITY, OREGON
SCHEDULE OF CONTRIBUTIONS TO OPEB – IMPLICIT RATE SUBSIDY
FOR THE LAST TEN FISCAL YEARS

Implicit Rate Subsidy for Retiree Health Insurance Continuation Premiums

Year Ended June 30,	(a) Actuarially determined contribution	(b) Contributions in relation to the actuarially required contribution	(a-b) Contribution deficiency (excess)	(c) Covered-employee payroll	(b/c) Contributions as a percent of covered payroll
2021	\$ 332,895	\$ 332,895	\$ -	\$ 15,356,765	2.17%
2020	380,897	380,897	-	14,893,881	2.56%
2019	394,502	394,502	-	13,814,411	2.86%
2018	437,294	437,294	-	13,435,454	3.25%
2017	446,894	446,894	-	12,916,238	3.46%

The amounts presented for each fiscal year were actuarially determined at July 1 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

CITY OF OREGON CITY, OREGON
SCHEDULE OF THE PROPORTIONATE SHARE OF OPEB – RHIA
FOR THE LAST TEN FISCAL YEARS

PERS Retirement Health Insurance Account (RHIA)

Measurement Date June 30,	(a) City's proportion of the net OPEB liability (asset)	(b) City's proportionate share of the net OPEB liability (asset)	(c) Covered payroll	(b/c) City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2020	0.12889383%	\$ (262,634)	\$ 14,893,881	-1.76%	150.1%
2019	0.12428557%	(240,165)	13,814,411	-1.74%	144.4%
2018	0.12357764%	(137,947)	13,435,454	-1.03%	124.0%
2017	0.11810032%	(49,288)	12,916,238	-0.38%	108.9%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

CITY OF OREGON CITY, OREGON
SCHEDULE OF CONTRIBUTIONS TO OPEB – RHIA
FOR THE LAST TEN FISCAL YEARS

PERS Retirement Health Insurance Account (RHIA)

Year Ended June 30,	(a) Contractually determined contribution	(b) Contributions in relation to the actuarially required contribution	(a-b) Contribution deficiency (excess)	(c) Covered payroll	(b/c) Contributions as a percent of covered payroll
2021	\$ 3,310	\$ 3,310	\$ -	\$ 15,356,765	0.02%
2020	8,449	8,449	-	14,893,881	0.06%
2019	58,059	58,059	-	13,814,411	0.42%
2018	57,087	57,087	-	13,435,454	0.42%
2017	55,599	55,599	-	12,916,238	0.43%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

CITY OF OREGON CITY, OREGON
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE LAST TEN FISCAL YEARS

Public Employees Retirement System (PERS)

Measurement Date June 30,	(a) City's proportion of the net pension liability (asset)	(b) City's proportionate share of the net pension liability (asset)	(c) City's covered payroll	(b/c) City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.13575558%	\$ 29,626,537	\$ 14,893,881	198.92%	75.80%
2019	0.14107397%	24,402,418	13,814,411	176.64%	80.20%
2018	0.12784356%	19,366,617	13,435,454	144.15%	82.10%
2017	0.12661947%	17,068,354	12,916,238	132.15%	83.10%
2016	0.12480580%	18,736,249	11,561,433	162.06%	80.53%
2015	0.12813896%	7,357,049	11,671,425	63.03%	91.90%
2014	0.11809467%	(2,676,869)	10,524,989	-25.43%	103.60%
2013	0.11809467%	6,026,544	10,536,259	57.20%	91.97%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

CITY OF OREGON CITY, OREGON
SCHEDULE OF CONTRIBUTIONS – PENSION
FOR THE LAST TEN FISCAL YEARS

Public Employees Retirement System (PERS)

Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) City covered payroll	(b/c) Contributions as a percent of covered payroll
2021	\$ 2,611,885	\$ 2,611,885	\$ -	\$ 15,356,765	17.01%
2020	2,458,197	2,458,197	-	14,893,881	16.50%
2019	1,806,645	1,806,645	-	13,814,411	13.08%
2018	1,707,646	1,707,646	-	13,435,454	12.71%
2017	1,162,608	1,162,608	-	12,916,238	9.00%
2016	1,122,770	1,122,770	-	11,561,433	9.71%
2015	1,027,122	1,027,122	-	11,671,425	8.80%
2014	1,067,092	1,067,092	-	10,524,989	10.14%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

CITY OF OREGON CITY, OREGON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budget and Budgetary Accounting

According to City Charter and Oregon Law (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 prepared for a biennial (two-year) period.

A budget is prepared for each fund in accordance with the modified accrual basis of accounting for all funds. Appropriations are made at the department level for all funds; expenditures which don't pertain to a specific department, such as debt or contingency, are appropriated for separately within each fund. Expenditures may not legally exceed appropriations. Appropriations lapse at the end of each budget period.

Budget amounts include original approved amounts and all subsequent budget amendments approved by the City Commission. Oregon Budget Law allows for amendments to the City budget for reasons unforeseen at the time of adoption. After budget approval, the Commission may adopt resolution changes that decrease one existing appropriation and increase another. Unexpected additional resources may be added to the budget through the use of appropriation resolutions or supplemental budget procedures in some cases. Supplemental budgets may require the use of public hearings. Management may not amend the budget. The City had three budget adjustments during the year.

Oregon state law requires disclosure of fund expenditures in excess of budgeted appropriations. For the 2019-2021 biennium, there were no expenditures exceeding budgeted appropriations.

NOTE 2: OPEB

A. Actuarial assumptions – CIS

Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions:

Actuarial valuation:	July 1, 2020	July 1, 2018	July 1, 2016
Effective:	June 30, 2020 and 2021	June 30, 2018 and 2019	June 30, 2016 and 2017
Actuarial cost method:	Entry Age Normal		
Amortization method:	Level percentage of payroll, closed		
Amortization period:	5.8 years	6.8 years	7.7 years
Asset valuation method:	Market value		
Remaining amortization periods:	20 years		
Actuarial assumptions:			
Inflation rate	2.50 percent		
Projected salary increases	3.50 percent		

CITY OF OREGON CITY, OREGON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021

B. Changes of assumptions – RHIA

The PERS Board adopted assumption changes that were used to measure the June 30, 2018 total OPEB liability. The changes include lowering of the long-term expected rate of return to 7.20 percent. In addition, healthy retiree participation and healthy mortality assumptions were changes to reflect an updated trends and mortality improvement scale for all groups.

C. Actuarial assumptions – RHIA

Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions

Actuarial valuation:	December 31, 2017	December 31, 2015	December 31, 2013	December 31, 2011
Effective:	July 2019 - June 2021	July 2017 - June 2019	July 2015 - June 2017	December 31, 2011
Actuarial cost method:	Entry Age Normal			Projected Unit Credit
Amortization method:	Level percentage of payroll, closed			
Amortization period:	10 years			
Asset valuation method:	Market value			
Remaining amortization periods:	10 years	20 years		N/A
Actuarial assumptions				
Inflation rate	2.50 percent		2.75 percent	
Projected salary increases	3.50 percent		3.75 percent	
Investment rate of return	7.20 percent	7.50 percent	7.75 percent	8.00 percent
Healthcare cost trend rates	None. Statute stipulates \$60 monthly payment for healthcare insurance			

NOTE 3: PENSIONS

A. Changes of assumptions

The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability. The changes include the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated.

B. Changes in benefit terms

The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contribution rates scheduled to be in effect from July 2013 to June 2015 to be reduced. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

CITY OF OREGON CITY, OREGON**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021**

A legislative change that occurred after the December 31, 2017 valuation date affected the plan provisions reflected for financial reporting purposes. Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2020, annual salary in excess of \$195,000 (as indexed in future years) will be excluded when determining member benefits. As a result, future Tier 1/Tier 2 and OPSRP benefits for certain active members are now projected to be lower than prior to the legislation. Senate Bill 1049 was reflected in the June 30, 2019 Total Pension Liability as a reduction in liability.

C. Actuarial Assumptions**Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions**

Actuarial valuation	December 31, 2017	December 31, 2015	December 31, 2013	December 31, 2011
Effective	July 2019 - June 2021	July 2017 - June 2015	July 2015 - June 2017	July 2013 - June 2015
Actuarial cost method	Entry Age Normal			Projected Unit Credit
Amortization method	Level percentage of payroll			
Asset valuation method	Market Value			
Remaining amortization periods	20 years			N/A
Actuarial assumptions:				
Inflation rate	2.50 percent		2.75 percent	
Projected salary increases	3.50 percent			
Investment rate of return	7.20 percent	7.50 percent	7.75 percent	8.00 percent





OTHER SUPPLEMENTARY INFORMATION

*Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual –
Major Capital Projects Fund*

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – COMMUNITY FACILITIES FUND
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual			Variance
	Original	Final	FY 2020	FY 2021	Biennial	
REVENUES						
Charges for services	\$ 2,160,000	\$ 2,160,000	\$ 1,204,961	\$ 1,213,670	\$ 2,418,631	\$ 258,631
Intergovernmental	-	-	-	22,949	22,949	22,949
Interest	431,000	431,000	298,786	37,274	336,060	(94,940)
Miscellaneous	2,500,000	2,500,000	167,021	2,896	169,917	(2,330,083)
TOTAL REVENUES	5,091,000	5,091,000	1,670,768	1,276,789	2,947,557	(2,143,443)
EXPENDITURES						
Materials and services	100,000	100,000	112,987	22,617	135,604	(35,604)
Capital outlay	32,790,000	33,099,041	17,943,068	11,770,339	29,713,407	3,385,634
Debt service						
Interest	2,000	2,000	-	-	-	2,000
Contingency	1,436,461	1,346,461	-	-	-	1,346,461
TOTAL EXPENDITURES	34,328,461	34,547,502	18,056,055	11,792,956	29,849,011	4,698,491
REVENUES OVER (UNDER) EXPENDITURES	(29,237,461)	(29,456,502)	(16,385,287)	(10,516,167)	(26,901,454)	2,555,048
OTHER FINANCING SOURCES (USES)						
Transfers in	7,230,000	7,230,000	4,390,000	1,690,000	6,080,000	(1,150,000)
Proceeds from sale of assets	-	-	-	3,235,873	3,235,873	3,235,873
Transfers out	(2,208,600)	(2,208,600)	(1,104,300)	(1,104,300)	(2,208,600)	-
TOTAL OTHER FINANCING SOURCES (USES)	5,021,400	5,021,400	3,285,700	3,821,573	7,107,273	2,085,873
NET CHANGE IN FUND BALANCE	(24,216,061)	(24,435,102)	(13,099,587)	(6,694,594)	(19,794,181)	4,640,921
FUND BALANCE, beginning of year	24,216,061	24,435,102	25,100,854	12,001,267	25,100,854	665,752
FUND BALANCE, end of year	\$ -	\$ -	\$ 12,001,267	\$ 5,306,673	\$ 5,306,673	\$ 5,306,673

*Combining and Individual Fund Financial
Statements and Schedules –
Nonmajor Governmental Funds*

CITY OF OREGON CITY, OREGON
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	<u>Special Revenue</u>			<u>Debt Service</u>	
	<u>Library</u>	<u>Planning</u>	<u>Building</u>	<u>Debt Service</u>	<u>Total</u>
ASSETS					
Cash and investments	\$ 3,908,583	\$ 1,278,287	\$ 5,709,302	\$ 1,342,635	\$ 12,238,807
Receivables:					
Accounts	10,705	18,220	4,069	81,779	114,773
TOTAL ASSETS	<u>\$ 3,919,288</u>	<u>\$ 1,296,507</u>	<u>\$ 5,713,371</u>	<u>\$ 1,424,414</u>	<u>\$ 12,353,580</u>
LIABILITIES					
Accounts payable	\$ 53,022	\$ 175,665	\$ 64,434	\$ -	\$ 293,121
Accrued payroll	47,808	20,980	36,878	-	105,666
TOTAL LIABILITIES	100,830	196,645	101,312	-	398,787
FUND BALANCES					
Restricted for:					
Library operations	3,818,458	-	-	-	3,818,458
Building operations	-	-	5,612,059	-	5,612,059
Committed to:					
Debt service	-	-	-	1,424,414	1,424,414
Planning operations	-	1,099,862	-	-	1,099,862
TOTAL FUND BALANCES	<u>3,818,458</u>	<u>1,099,862</u>	<u>5,612,059</u>	<u>1,424,414</u>	<u>11,954,793</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,919,288</u>	<u>\$ 1,296,507</u>	<u>\$ 5,713,371</u>	<u>\$ 1,424,414</u>	<u>\$ 12,353,580</u>

CITY OF OREGON CITY, OREGON**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021**

	Special Revenue			Debt Service	
	Library	Planning	Building	Debt Service	Total
REVENUES					
Licenses and permits	\$ -	\$ 18,022	\$ 1,708,069	\$ -	\$ 1,726,091
Charges for services	2,520	1,050,333	186,207	-	1,239,060
Intergovernmental	2,579,095	94,478	27,261	-	2,700,834
Interest income	22,692	6,471	30,957	3,661	63,781
Miscellaneous	1,599	30	146	1,364,902	1,366,677
TOTAL REVENUES	2,605,906	1,169,334	1,952,640	1,368,563	7,096,443
EXPENDITURES					
Culture and recreation	1,914,846	-	-	-	1,914,846
Community development	-	1,327,976	1,496,246	-	2,824,222
Debt service					
Principal	271,640	-	-	1,550,000	1,821,640
Interest	143,730	-	-	1,128,985	1,272,715
TOTAL EXPENDITURES	2,330,216	1,327,976	1,496,246	2,678,985	7,833,423
REVENUES OVER (UNDER) EXPENDITURES	275,690	(158,642)	456,394	(1,310,422)	(736,980)
OTHER FINANCING SOURCES (USES)					
Transfers in	150,000	350,000	-	1,104,300	1,604,300
Transfers out	(20,000)	-	(20,000)	-	(40,000)
TOTAL OTHER FINANCING SOURCES (USES)	130,000	350,000	(20,000)	1,104,300	1,564,300
NET CHANGE IN FUND BALANCE	405,690	191,358	436,394	(206,122)	827,320
FUND BALANCE, beginning of year	3,412,768	908,504	5,175,665	1,630,536	11,127,473
FUND BALANCE, end of year	\$ 3,818,458	\$ 1,099,862	\$ 5,612,059	\$ 1,424,414	\$ 11,954,793

*Schedules of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual – Nonmajor
Governmental Funds*

CITY OF OREGON CITY, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – LIBRARY FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual			
	Original	Final	FY 2020	FY 2021	Biennial	Variance
REVENUES						
Charges for services	\$ -	\$ -	\$ 3,433	\$ 2,520	\$ 5,953	\$ 5,953
Intergovernmental	4,775,566	4,775,566	2,481,216	2,579,095	5,060,311	284,745
Fines and forfeitures	80,000	80,000	38,473	-	38,473	(41,527)
Interest	90,000	90,000	55,402	22,692	78,094	(11,906)
Miscellaneous	10,000	10,000	32,604	1,599	34,203	24,203
TOTAL REVENUES	4,955,566	4,955,566	2,611,128	2,605,906	5,217,034	261,468
EXPENDITURES						
Personnel services	2,879,275	2,934,275	1,344,124	1,425,680	2,769,804	164,471
Materials and services	1,008,666	1,105,666	481,849	489,166	971,015	134,651
Debt service						
Principal	535,164	535,164	263,524	271,640	535,164	-
Interest	295,577	295,577	151,847	143,730	295,577	-
Contingency	3,235,010	3,235,010	-	-	-	3,235,010
TOTAL EXPENDITURES	7,953,692	8,105,692	2,241,344	2,330,216	4,571,560	3,534,132
REVENUES OVER (UNDER) EXPENDITURES	(2,998,126)	(3,150,126)	369,784	275,690	645,474	3,795,600
OTHER FINANCING SOURCES (USES)						
Transfers in	300,000	300,000	150,000	150,000	300,000	-
Transfers out	(40,000)	(40,000)	(20,000)	(20,000)	(40,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	260,000	260,000	130,000	130,000	260,000	-
NET CHANGE IN FUND BALANCE	(2,738,126)	(2,890,126)	499,784	405,690	905,474	3,795,600
FUND BALANCE, beginning of year	2,738,126	2,890,126	2,912,984	3,412,768	2,912,984	22,858
FUND BALANCE, end of year	\$ -	\$ -	\$ 3,412,768	\$ 3,818,458	\$ 3,818,458	\$ 3,818,458

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – PLANNING FUND
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual			Variance
	Original	Final	FY 2020	FY 2021	Biennial	
REVENUES						
Licenses and permits	\$ 40,000	\$ 40,000	\$ 16,712	\$ 18,022	\$ 34,734	\$ (5,266)
Charges for services	2,332,470	2,332,470	1,695,437	1,050,333	2,745,770	413,300
Intergovernmental	10,000	167,500	84,438	94,478	178,916	11,416
Interest	7,200	7,200	11,198	6,471	17,669	10,469
Miscellaneous	-	-	2,799	30	2,829	2,829
TOTAL REVENUES	2,389,670	2,547,170	1,810,584	1,169,334	2,979,918	432,748
EXPENDITURES						
Personnel services	1,437,683	1,468,683	726,738	807,339	1,534,077	(65,394)
Materials and services	1,835,560	1,962,060	822,281	520,637	1,342,918	619,142
Contingency	23,772	23,772	-	-	-	23,772
TOTAL EXPENDITURES	3,297,015	3,454,515	1,549,019	1,327,976	2,876,995	577,520
REVENUES OVER (UNDER) EXPENDITURES	(907,345)	(907,345)	261,565	(158,642)	102,923	1,010,268
OTHER FINANCING SOURCES (USES)						
Transfers in	700,000	700,000	350,000	350,000	700,000	-
NET CHANGE IN FUND BALANCE	(207,345)	(207,345)	611,565	191,358	802,923	1,010,268
FUND BALANCE, beginning of year	207,345	207,345	296,939	908,504	296,939	89,594
FUND BALANCE, end of year	\$ -	\$ -	\$ 908,504	\$ 1,099,862	\$ 1,099,862	\$ 1,099,862

CITY OF OREGON CITY, OREGON
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
 BUDGET AND ACTUAL – BUILDING FUND
 YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual			Variance
	Original	Final	FY 2020	FY 2021	Biennial	
REVENUES						
Licenses and permits	\$ 3,201,158	\$ 3,201,158	\$ 2,778,077	\$ 1,708,069	\$ 4,486,146	\$ 1,284,988
Charges for services	488,658	538,658	320,670	186,207	506,877	(31,781)
Intergovernmental	-	-	31,001	27,261	58,262	58,262
Interest	120,000	120,000	61,105	30,957	92,062	(27,938)
Miscellaneous	-	-	14,431	146	14,577	14,577
TOTAL REVENUES	3,809,816	3,859,816	3,205,284	1,952,640	5,157,924	1,298,108
EXPENDITURES						
Personnel services	2,215,949	2,215,949	1,051,262	1,121,627	2,172,889	43,060
Materials and services	948,690	998,690	513,139	374,619	887,758	110,932
Contingency	4,016,273	4,016,273	-	-	-	4,016,273
TOTAL EXPENDITURES	7,180,912	7,230,912	1,564,401	1,496,246	3,060,647	4,170,265
REVENUES OVER (UNDER) EXPENDITURES	(3,371,096)	(3,371,096)	1,640,883	456,394	2,097,277	5,468,373
OTHER FINANCING SOURCES (USES)						
Transfers out	(40,000)	(40,000)	(20,000)	(20,000)	(40,000)	-
NET CHANGE IN FUND BALANCE	(3,411,096)	(3,411,096)	1,620,883	436,394	2,057,277	5,468,373
FUND BALANCE, beginning of year	3,411,096	3,411,096	3,554,782	5,175,665	3,554,782	143,686
FUND BALANCE, end of year	\$ -	\$ -	\$ 5,175,665	\$ 5,612,059	\$ 5,612,059	\$ 5,612,059

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual			Variance
	Original	Final	FY 2020	FY 2021	Biennial	
REVENUES						
Interest	\$ 60,000	\$ 60,000	\$ 29,188	\$ 3,661	\$ 32,849	\$ (27,151)
Miscellaneous	2,741,893	2,741,893	1,286,484	1,364,902	2,651,386	(90,507)
TOTAL REVENUES	2,801,893	2,801,893	1,315,672	1,368,563	2,684,235	(117,658)
EXPENDITURES						
Debt service						
Principal	2,975,000	2,975,000	1,425,000	1,550,000	2,975,000	-
Interest	2,322,916	2,322,916	1,193,931	1,128,985	2,322,916	-
TOTAL EXPENDITURES	5,297,916	5,297,916	2,618,931	2,678,985	5,297,916	-
REVENUES OVER (UNDER) EXPENDITURES	(2,496,023)	(2,496,023)	(1,303,259)	(1,310,422)	(2,613,681)	(117,658)
OTHER FINANCING SOURCES (USES)						
Transfers in	2,208,600	2,208,600	1,104,300	1,104,300	2,208,600	-
NET CHANGE IN FUND BALANCE	(287,423)	(287,423)	(198,959)	(206,122)	(405,081)	(117,658)
FUND BALANCE, beginning of year	1,795,868	1,795,868	1,829,495	1,630,536	1,829,495	33,627
FUND BALANCE, end of year	\$ 1,508,445	\$ 1,508,445	\$ 1,630,536	\$ 1,424,414	\$ 1,424,414	\$ (84,031)



*Schedules of Revenues, Expenditures and Changes in Fund
Balance – Budget (Non-GAAP Basis) and Actual –
Proprietary Funds – Enterprise Funds*

CITY OF OREGON CITY, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET (NON-GAAP BASIS) AND ACTUAL – WATER FUND
YEAR ENDED JUNE 30, 2021**

	Biennial Budget		Actual			
	Original	Final	FY 2020	FY 2021	Biennial	Variance
REVENUES						
Charges for services	\$ 15,631,242	\$ 15,631,242	\$ 7,356,761	\$ 8,102,033	\$ 15,458,794	\$ (172,448)
System development charges	600,000	600,000	258,197	365,843	624,040	24,040
Intergovernmental	-	-	8,491	13,888	22,379	22,379
Interest	135,000	135,000	66,647	23,279	89,926	(45,074)
Miscellaneous	-	-	15,246	56,188	71,434	71,434
Total Revenues	16,366,242	16,366,242	7,705,342	8,561,231	16,266,573	(99,669)
EXPENDITURES						
Personnel services	2,966,797	2,966,797	1,472,051	1,717,360	3,189,411	(222,614)
Materials and services	8,092,282	8,092,282	3,590,166	4,339,498	7,929,664	162,618
Capital outlay	6,869,000	6,869,000	293,097	1,960,255	2,253,352	4,615,648
Contingency	1,113,233	1,113,233	-	-	-	1,113,233
Total Expenditures	19,041,312	19,041,312	5,355,314	8,017,113	13,372,427	5,668,885
REVENUES OVER (UNDER) EXPENDITURES	(2,675,070)	(2,675,070)	2,350,028	544,118	2,894,146	5,569,216
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	12,706	12,706	12,706
Transfers out	(1,650,000)	(1,650,000)	(1,400,000)	-	(1,400,000)	250,000
NET CHANGE IN FUND BALANCE	(4,325,070)	(4,325,070)	950,028	556,824	1,506,852	5,831,922
FUND BALANCE, beginning of year	4,325,070	4,325,070	4,414,265	5,364,293	4,414,265	89,195
FUND BALANCE, end of year	\$ -	\$ -	\$ 5,364,293	\$ 5,921,117	5,921,117	\$ 5,921,117
RECONCILIATION TO NET POSITION - GAAP BASIS						
Adjustment for compensated absences accrual					(84,095)	
Adjustment for capital assets, net of depreciation					35,639,608	
Adjustment for capital assets not depreciated					3,163,735	
Adjustment for interest in joint venture					11,155,715	
Adjustment for net pension liability					(2,040,494)	
Adjustment for net OPEB liability/asset					(868,556)	
Adjustment for deferred resources relating to pensions					586,741	
Adjustment for deferred resources relating to OPEB					14,603	
NET POSITION - GAAP BASIS					\$ 53,488,374	

CITY OF OREGON CITY, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET (NON-GAAP BASIS) AND ACTUAL – WASTEWATER FUND
YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual			
	Original	Final	FY 2020	FY 2021	Biennial	Variance
REVENUES						
Franchise taxes	\$ 603,000	\$ 603,000	\$ 291,325	\$ 302,700	\$ 594,025	\$ (8,975)
Charges for services	22,283,143	22,583,143	11,094,148	11,528,849	22,622,997	39,854
System development charges	900,000	900,000	588,020	936,978	1,524,998	624,998
Intergovernmental	-	-	7,218	6,597	13,815	13,815
Interest	235,000	235,000	150,653	61,047	211,700	(23,300)
Miscellaneous	-	-	34,531	60,150	94,681	94,681
Total Revenues	24,021,143	24,321,143	12,165,895	12,896,321	25,062,216	741,073
EXPENDITURES						
Personnel services	2,576,855	2,576,855	1,232,396	1,197,941	2,430,337	146,518
Materials and services	14,446,940	14,746,940	7,101,434	7,651,199	14,752,633	(5,693)
Capital outlay	5,745,000	5,745,000	305,521	1,320,883	1,626,404	4,118,596
Contingency	8,375,236	8,375,236	-	-	-	8,375,236
Total Expenditures	31,144,031	31,444,031	8,639,351	10,170,023	18,809,374	12,634,657
REVENUES OVER (UNDER) EXPENDITURES						
	(7,122,888)	(7,122,888)	3,526,544	2,726,298	6,252,842	13,375,730
OTHER FINANCING SOURCES (USES)						
Transfers in	400,000	400,000	-	12,706	12,706	(387,294)
Transfers out	(2,930,000)	(2,930,000)	(1,140,000)	(1,790,000)	(2,930,000)	-
Total Other Financing Sources and Uses	(2,530,000)	(2,530,000)	(1,140,000)	(1,777,294)	(2,917,294)	(387,294)
NET CHANGE IN FUND BALANCE						
	(9,652,888)	(9,652,888)	2,386,544	949,004	3,335,548	12,988,436
FUND BALANCE, beginning of year						
	9,652,888	9,652,888	9,889,155	12,275,699	9,889,155	236,267
FUND BALANCE, end of year						
	\$ -	\$ -	\$ 12,275,699	\$ 13,224,703	13,224,703	\$ 13,224,703
RECONCILIATION TO NET POSITION - GAAP BASIS						
Adjustment for compensated absences accrual					(59,760)	
Adjustment for capital assets, net of depreciation					20,213,396	
Adjustment for capital assets not depreciated					1,542,342	
Adjustment for receivables deferred					59,948	
Adjustment for net pension liability					(1,330,413)	
Adjustment for net OPEB liability/asset					(566,303)	
Adjustment for deferred resources relating to pensions					382,558	
Adjustment for deferred resources relating to OPEB					9,521	
NET POSITION - GAAP BASIS					\$ 33,475,992	

CITY OF OREGON CITY, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET (NON-GAAP BASIS) AND ACTUAL – STORMWATER FUND
YEAR ENDED JUNE 30, 2021**

	Biennial Budget		Actual			
	Original	Final	FY 2020	FY 2021	Biennial	Variance
REVENUES						
Charges for services	\$ 6,103,363	\$ 6,103,363	\$ 3,133,103	\$ 3,225,188	\$ 6,358,291	\$ 254,928
Intergovernmental	-	-	46,105	2,503	48,608	48,608
Interest	50,000	50,000	26,225	9,442	35,667	(14,333)
Miscellaneous	-	-	14,069	51,974	66,043	66,043
Total Revenues	6,153,363	6,153,363	3,219,502	3,289,107	6,508,609	355,246
EXPENDITURES						
Personnel services	2,479,663	2,479,663	1,156,162	1,252,021	2,408,183	71,480
Materials and services	1,833,319	1,833,319	917,962	961,959	1,879,921	(46,602)
Capital outlay	1,180,000	1,180,000	82,307	352,736	435,043	744,957
Contingency	1,392,930	1,392,930	-	-	-	1,392,930
Total Expenditures	6,885,912	6,885,912	2,156,431	2,566,716	4,723,147	2,162,765
REVENUES OVER (UNDER) EXPENDITURES						
	(732,549)	(732,549)	1,063,071	722,391	1,785,462	2,518,011
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	12,707	12,707	12,707
Transfers out	(910,000)	(910,000)	(705,000)	(105,000)	(810,000)	100,000
Total Other Financing Sources and Uses	(910,000)	(910,000)	(705,000)	(92,293)	(797,293)	112,707
NET CHANGE IN FUND BALANCE						
	(1,642,549)	(1,642,549)	358,071	630,098	988,169	2,630,718
FUND BALANCE, beginning of year						
	1,642,549	1,642,549	1,625,466	1,983,537	1,625,466	(17,083)
FUND BALANCE, end of year						
	\$ -	\$ -	\$ 1,983,537	\$ 2,613,635	2,613,635	\$ 2,613,635
RECONCILIATION TO NET POSITION - GAAP BASIS						
Adjustment for compensated absences accrual					(58,854)	
Adjustment for capital assets, net of depreciation					16,942,051	
Adjustment for capital assets not depreciated					1,265,618	
Adjustment for net pension liability					(1,438,327)	
Adjustment for net OPEB liability/asset					(612,238)	
Adjustment for deferred resources relating to pensions					413,589	
Adjustment for deferred resources relating to OPEB					10,294	
NET POSITION - GAAP BASIS					\$ 19,135,768	

*Combining and Individual Fund Financial
Statements – Nonmajor Proprietary Funds –
Internal Service Funds*

CITY OF OREGON CITY, OREGON**COMBINING STATEMENT OF NET POSITION – NONMAJOR PROPRIETARY FUNDS –
INTERNAL SERVICE FUNDS**

JUNE 30, 2021

	Fleet Service	Customer Service	Equipment Replacement	Total
ASSETS				
Current Assets				
Cash and investments	\$ 20,419	\$ 283,325	\$ 6,420,527	\$ 6,724,271
Accounts receivable	4,850	2,532	216	7,598
Total Current Assets	25,269	285,857	6,420,743	6,731,869
Noncurrent Assets				
Capital assets, net of depreciation	6,904	-	589,186	596,090
OPEB asset	-	6,883	-	6,883
Total Noncurrent Assets	6,904	6,883	589,186	602,973
Total Assets	32,173	292,740	7,009,929	7,334,842
DEFERRED OUTFLOWS OF RESOURCES				
Deferred resources related to pensions	-	267,158	-	267,158
Deferred resources related to OPEB	-	77,233	-	77,233
Total Deferred Inflows of Resources	-	344,391	-	344,391
LIABILITIES				
Current Liabilities				
Accounts payable	18,276	3,386	176,347	198,009
Accrued payroll liabilities	-	24,346	-	24,346
Current portion of long-term liabilities:				
Accrued compensated absences	-	6,295	-	6,295
Total Current Liabilities	18,276	34,027	176,347	228,650
Noncurrent Liabilities				
Accrued compensated absences	-	25,179	-	25,179
Net pension liability	-	776,489	-	776,489
OPEB liability	-	337,404	-	337,404
Total Noncurrent Liabilities	-	1,139,072	-	1,139,072
Total Liabilities	18,276	1,173,099	176,347	1,367,722
DEFERRED INFLOWS OF RESOURCES				
Deferred resources related to pensions	-	43,880	-	43,880
Deferred resources related to OPEB	-	71,676	-	71,676
Total Deferred Inflows of Resources	-	115,556	-	115,556
NET POSITION:				
Net investment in capital assets	6,904	-	589,186	596,090
Restricted for:				
OPEB benefits	-	6,883	-	6,883
Unrestricted	6,993	(658,407)	6,244,396	5,592,982
Total Net Position	\$ 13,897	\$ (651,524)	\$ 6,833,582	\$ 6,195,955

CITY OF OREGON CITY, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION –
NONMAJOR PROPRIETARY FUNDS – INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021

	<u>Fleet Service</u>	<u>Customer Service</u>	<u>Equipment Replacement</u>	<u>Total</u>
OPERATING REVENUES				
Charges for services	\$ 236,503	\$ 1,250,335	\$ -	\$ 1,486,838
Intergovernmental	-	6,834	-	6,834
Miscellaneous	28	6	3,581	3,615
	<u>236,531</u>	<u>1,257,175</u>	<u>3,581</u>	<u>1,497,287</u>
Total Operating Revenues	236,531	1,257,175	3,581	1,497,287
OPERATING EXPENSES				
Personnel services	-	770,363	-	770,363
Materials and services	231,764	495,980	38,794	766,538
Depreciation	986	-	625,863	626,849
	<u>232,750</u>	<u>1,266,343</u>	<u>664,657</u>	<u>2,163,750</u>
Total Operating Expenses	232,750	1,266,343	664,657	2,163,750
OPERATING INCOME (LOSS)	3,781	(9,168)	(661,076)	(666,463)
NONOPERATING REVENUES (EXPENSES)				
Investment revenue	55	1,122	29,844	31,021
	<u>55</u>	<u>1,122</u>	<u>29,844</u>	<u>31,021</u>
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	3,836	(8,046)	(631,232)	(635,442)
Transfers in	-	-	771,345	771,345
Transfers out	-	(2,000)	-	(2,000)
	<u>-</u>	<u>(2,000)</u>	<u>-</u>	<u>(2,000)</u>
CHANGE IN NET POSITION	3,836	(10,046)	140,113	133,903
Beginning net position	10,061	(641,478)	6,693,469	6,062,052
	<u>10,061</u>	<u>(641,478)</u>	<u>6,693,469</u>	<u>6,062,052</u>
Ending net position	\$ 13,897	\$ (651,524)	\$ 6,833,582	\$ 6,195,955
	<u>\$ 13,897</u>	<u>\$ (651,524)</u>	<u>\$ 6,833,582</u>	<u>\$ 6,195,955</u>

CITY OF OREGON CITY, OREGON**COMBINING STATEMENT OF CASH FLOWS – NONMAJOR PROPRIETARY FUNDS – INTERNAL SERVICE FUNDS**

YEAR ENDED JUNE 30, 2021

	Fleet Service	Customer Service	Equipment Replacement	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Collected from customers	\$ 231,824	\$ 1,253,552	\$ -	\$ 1,485,376
Other receipts	28	6,840	3,581	10,449
Paid to suppliers	(219,760)	(492,594)	7,002	(705,352)
Paid to employees	-	(685,874)	-	(685,874)
Net Cash Provided by (Used in) Operating Activities	12,092	81,924	10,583	104,599
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in	-	-	771,345	771,345
Transfers out	-	(2,000)	-	(2,000)
Net Cash Provided by (Used in) Non-Capital Financing Activities	-	(2,000)	771,345	769,345
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	-	(698,662)	(698,662)
Proceeds from disposal of capital assets	-	-	39,610	39,610
Net Cash Used in Capital and Related Financing Activities	-	-	(659,052)	(659,052)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	55	1,184	33,995	35,234
Increase in Cash and Investments	12,147	81,108	156,871	250,126
CASH AND INVESTMENTS, Beginning of year	8,272	202,217	6,263,656	6,474,145
CASH AND INVESTMENTS, End of year	\$ 20,419	\$ 283,325	\$ 6,420,527	\$ 6,724,271
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 3,781	\$ (9,168)	\$ (661,076)	\$ (666,463)
Depreciation expense	986	-	625,863	626,849
Change in assets and liabilities				
Accounts receivable	(4,679)	3,217	(216)	(1,678)
Accounts payable and accrued liabilities	12,004	10,391	46,012	68,407
Net pension liability	-	100,403	-	100,403
Net OPEB liability	-	9,701	-	9,701
Deferred outflows	-	(79,445)	-	(79,445)
Deferred inflows	-	46,825	-	46,825
Net Cash Provided by (Used in) Operating Activities	\$ 12,092	\$ 81,924	\$ 10,583	\$ 104,599

*Schedules of Revenues, Expenditures and Changes in Fund
Balance – Budget (Non-GAAP Basis) and Actual –
Proprietary Funds – Internal Service Funds*

CITY OF OREGON CITY, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (NON-GAAP BASIS)
AND ACTUAL – FLEET SERVICE FUND
YEAR ENDED JUNE 30, 2021**

	Biennial Budget		Actual		Biennial	Variance
	Original	Final	FY 2020	FY 2021		
REVENUES						
Charges for services	\$ 458,180	\$ 498,180	\$ 229,911	\$ 236,503	\$ 466,414	\$ (31,766)
Interest	-	-	176	55	231	231
Miscellaneous	-	-	207	28	235	235
Total Revenues	458,180	498,180	230,294	236,586	466,880	(31,300)
EXPENDITURES						
Materials and services	446,400	486,400	232,639	231,764	464,403	21,997
Contingency	15,628	15,628	-	-	-	15,628
Total Expenditures	462,028	502,028	232,639	231,764	464,403	37,625
REVENUES OVER (UNDER) EXPENDITURES	(3,848)	(3,848)	(2,345)	4,822	2,477	6,325
NET CHANGE IN FUND BALANCE	(3,848)	(3,848)	(2,345)	4,822	2,477	6,325
FUND BALANCE, beginning of year	3,848	3,848	4,516	2,171	4,516	668
FUND BALANCE, end of year	\$ -	\$ -	\$ 2,171	\$ 6,993	6,993	\$ 6,993
RECONCILIATION TO NET POSITION - GAAP BASIS						
Adjustment for capital assets, net of depreciation					6,904	
NET POSITION - GAAP BASIS					\$ 13,897	

CITY OF OREGON CITY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (NON-GAAP BASIS)
AND ACTUAL – CUSTOMER SERVICE FUND
YEAR ENDED JUNE 30, 2021

	Biennial Budget		Actual		Biennial	Variance
	Original	Final	FY 2020	FY 2021		
REVENUES						
Charges for services	\$ 2,508,300	\$ 2,508,300	\$ 1,241,800	\$ 1,250,335	\$ 2,492,135	(16,165)
Intergovernmental	-	-	5,162	6,834	11,996	11,996
Interest	-	-	2,385	1,122	3,507	3,507
Miscellaneous	-	-	804	6	810	810
Total Revenues	2,508,300	2,508,300	1,250,151	1,258,297	2,508,448	148
EXPENDITURES						
Personnel services	1,538,279	1,538,279	709,060	689,582	1,398,642	139,637
Materials and services	923,900	923,900	441,495	495,980	937,475	(13,575)
Contingency	44,486	44,486	-	-	-	44,486
Total Expenditures	2,506,665	2,506,665	1,150,555	1,185,562	2,336,117	170,548
REVENUES OVER (UNDER) EXPENDITURES	1,635	1,635	99,596	72,735	172,331	170,696
OTHER FINANCING SOURCES (USES)						
Transfers out	(4,000)	(4,000)	(2,000)	(2,000)	(4,000)	-
NET CHANGE IN FUND BALANCE	(2,365)	(2,365)	97,596	70,735	168,331	170,696
FUND BALANCE, beginning of year	2,365	2,365	89,794	187,390	89,794	87,429
FUND BALANCE, end of year	\$ -	\$ -	\$ 187,390	\$ 258,125	258,125	\$ 258,125
RECONCILIATION TO NET POSITION - GAAP BASIS						
Adjustment for compensated absences accrual					(31,474)	
Adjustment for net pension liability					(776,489)	
Adjustment for net OPEB liability/asset					(330,521)	
Adjustment for deferred resources relating to pensions					223,278	
Adjustment for deferred resources relating to OPEB					5,557	
NET POSITION - GAAP BASIS					\$ (651,524)	

CITY OF OREGON CITY, OREGON**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (NON-GAAP BASIS)
AND ACTUAL – EQUIPMENT REPLACEMENT FUND
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual			Variance
	Original	Final	FY 2020	FY 2021	Biennial	
REVENUES						
Interest	\$ 180,000	\$ 180,000	\$ 94,550	\$ 33,186	\$ 127,736	\$ (52,264)
Miscellaneous	40,000	40,000	29,334	43,191	72,525	32,525
Total Revenues	220,000	220,000	123,884	76,377	200,261	(19,739)
EXPENDITURES						
Materials and services	43,100	43,100	21,000	38,794	59,794	(16,694)
Capital outlay	1,280,000	1,375,000	446,608	698,662	1,145,270	229,730
Contingency	506,975	506,975	-	-	-	506,975
Total Expenditures	1,830,075	1,925,075	467,608	737,456	1,205,064	720,011
REVENUES OVER (UNDER) EXPENDITURES	(1,610,075)	(1,705,075)	(343,724)	(661,079)	(1,004,803)	700,272
OTHER FINANCING SOURCES (USES)						
Transfers in	1,639,826	1,639,826	768,481	771,345	1,539,826	(100,000)
Transfers out	(1,000,000)	(1,000,000)	-	-	-	1,000,000
TOTAL OTHER FINANCING SOURCES (USES)	639,826	639,826	768,481	771,345	1,539,826	900,000
NET CHANGE IN FUND BALANCE	(970,249)	(1,065,249)	424,757	110,266	535,023	1,600,272
FUND BALANCE, beginning of year	6,056,045	6,056,045	5,709,373	6,134,130	5,709,373	(346,672)
FUND BALANCE, end of year	\$ 5,085,796	\$ 4,990,796	\$ 6,134,130	\$ 6,244,396	6,244,396	\$ 1,253,600
RECONCILIATION TO NET POSITION - GAAP BASIS						
Adjustment for capital assets, net of depreciation					589,186	
NET POSITION - GAAP BASIS					<u>\$ 6,833,582</u>	

Other Financial Schedules

CITY OF OREGON CITY, OREGON
SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS
YEAR ENDED JUNE 30, 2021

Fiscal Year

<i>Ending June 30,</i>	<i>2015 Library General Obligation Bonds</i>			<i>2018 Full Faith and Credit Bonds CSAF</i>		
	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2022	\$ 280,007	\$ 135,364	\$ 415,371	\$ 540,000	\$ 563,500	\$ 1,103,500
2023	288,631	126,740	415,371	560,000	541,900	1,101,900
2024	297,521	117,850	415,371	585,000	519,500	1,104,500
2025	306,685	108,686	415,371	610,000	496,100	1,106,100
2026	316,130	99,240	415,370	630,000	471,700	1,101,700
2027	325,867	89,504	415,371	655,000	446,500	1,101,500
2028	335,904	79,467	415,371	685,000	420,300	1,105,300
2029	346,250	69,121	415,371	710,000	392,900	1,102,900
2030	356,914	58,457	415,371	745,000	357,400	1,102,400
2031	367,907	47,464	415,371	785,000	320,150	1,105,150
2032	379,239	36,132	415,371	825,000	280,900	1,105,900
2033	390,919	24,451	415,370	865,000	239,650	1,104,650
2034	402,960	12,411	415,371	905,000	196,400	1,101,400
2035	-	-	-	945,000	160,200	1,105,200
2036	-	-	-	980,000	122,400	1,102,400
2037	-	-	-	1,020,000	83,200	1,103,200
2038	-	-	-	1,060,000	42,400	1,102,400
	<u>\$ 4,394,934</u>	<u>\$ 1,004,887</u>	<u>\$ 5,399,821</u>	<u>\$ 13,105,000</u>	<u>\$ 5,655,100</u>	<u>\$ 18,760,100</u>

CITY OF OREGON CITY, OREGON
SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS (Continued)
YEAR ENDED JUNE 30, 2021

<i>Fiscal Year</i>	<i>2005 PERS UAL Bond</i>		
<i>Ending</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
<i>June 30,</i>			
2022	\$ 1,145,000	\$ 493,144	\$ 1,638,144
2023	1,265,000	435,848	1,700,848
2024	1,395,000	372,548	1,767,548
2025	1,535,000	302,742	1,837,742
2026	1,690,000	225,931	1,915,931
2027	1,850,000	141,363	1,991,363
2028	975,000	48,789	1,023,789
2029	-	-	-
2030	-	-	-
2031	-	-	-
2032	-	-	-
2033	-	-	-
2034	-	-	-
2035	-	-	-
2036	-	-	-
2037	-	-	-
2038	-	-	-
	<u>\$ 9,855,000</u>	<u>\$ 2,020,365</u>	<u>\$ 11,875,365</u>

CITY OF OREGON CITY, OREGON**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND OUTSTANDING BALANCES
YEAR ENDED JUNE 30, 2021****City of Oregon City**

Tax Year	Uncollected Balances July 1, 2020	2020-2021 Levy	Interest, Discounts & Adjustments	Turnovers	Uncollected Balances June 30, 2021
2020-21	\$ -	\$ 14,784,687	\$ (408,546)	\$ (14,098,224)	\$ 277,917
2019-20	293,326	-	(4,151)	(188,215)	100,960
2018-19	81,786	-	1,283	(45,771)	37,298
2017-18	45,632	-	3,256	(33,699)	15,189
2016-17	18,251	-	3,078	(16,128)	5,201
2015-16 and prior	25,045	-	(1,317)	(2,644)	21,084
Total	<u>\$ 464,040</u>	<u>\$ 14,784,687</u>	<u>\$ (406,397)</u>	<u>\$ (14,384,681)</u>	<u>\$ 457,649</u>

Oregon City Urban Renewal

Tax Year	Uncollected Balances July 1, 2020	2020-2021 Levy	Interest, Discounts & Adjustments	Turnovers	Uncollected Balances June 30, 2021
2020-21	\$ -	\$ 3,165,603	\$ (87,475)	\$ (3,018,580)	\$ 59,548
2019-20	67,283	-	(958)	(43,031)	23,294
2018-19	17,244	-	271	(9,651)	7,864
2017-18	9,381	-	669	(6,927)	3,123
2016-17	3,569	-	602	(3,153)	1,018
2015-16 and prior	4,839	-	(302)	(491)	4,046
Total	<u>\$ 102,316</u>	<u>\$ 3,165,603</u>	<u>\$ (87,193)</u>	<u>\$ (3,081,833)</u>	<u>\$ 98,893</u>

STATISTICAL SECTION



STATISTICAL SECTION

This part of the financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	122
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	132
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	136
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	140
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the City provides and the activities it performs.	142

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year(s).

CITY OF OREGON CITY, OREGON
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS – UNAUDITED
 (Accrual basis of accounting)

	2021	2020	2019	2018
Governmental activities				
Net investment in capital assets	\$150,702,278	\$123,436,477	\$112,838,180	\$107,219,008
Restricted for special purposes	30,249,491	32,090,793	21,511,494	22,910,088
Unrestricted	(10,684,129)	4,466,022	6,854,069	(905,713)
Total governmental activities net position	170,267,640	159,993,292	141,203,743	129,223,383
Business-type activities				
Net investment in capital assets	79,362,840	76,121,011	73,993,057	69,904,459
Restricted for special purposes	49,517	43,775	26,004	-
Unrestricted	32,883,732	31,203,807	27,383,090	23,901,172
Total business-type activities net position	112,296,089	107,368,593	101,402,151	93,805,631
Total government				
Net investment in capital assets	230,065,118	199,557,488	186,831,237	177,123,467
Restricted for special purposes	30,299,008	32,134,568	21,537,498	22,910,088
Unrestricted	22,199,603	35,669,829	34,237,159	22,995,459
Total government net position	<u>\$ 282,563,729</u>	<u>\$ 267,361,885</u>	<u>\$ 242,605,894</u>	<u>\$ 223,029,014</u>

2017	2016	2015	2014	2013	2012
\$ 98,512,736	\$ 91,671,741	\$ 82,947,522	\$ 83,949,562	\$ 83,629,065	\$ 77,536,631
20,405,260	20,684,505	22,714,219	12,212,699	10,729,636	8,022,074
5,185,965	1,150,993	4,215,385	17,410,231	14,069,942	11,924,988
124,103,961	113,507,239	109,877,126	113,572,492	108,428,643	97,483,693
66,828,362	62,178,638	59,613,791	58,464,942	59,233,749	59,094,066
-	-	-	6,656,608	6,158,956	2,831,608
25,143,381	22,862,191	21,559,003	19,332,055	17,230,779	17,236,052
91,971,743	85,040,829	81,172,794	84,453,605	82,623,484	79,161,726
165,341,098	153,850,379	127,971,313	142,414,504	142,862,814	136,630,697
20,405,260	20,684,505	37,304,219	18,869,307	16,888,592	10,853,682
30,329,346	24,013,184	25,774,388	36,742,286	31,300,721	29,161,040
<u>\$ 216,075,704</u>	<u>\$ 198,548,068</u>	<u>\$ 191,049,920</u>	<u>\$ 198,026,097</u>	<u>\$ 191,052,127</u>	<u>\$ 176,645,419</u>

CITY OF OREGON CITY, OREGON
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS – UNAUDITED
(Accrual basis of accounting)

	2021	2020	2019	2018
Expenses:				
Governmental activities:				
General government	\$ 9,010,937	\$ 9,373,368	\$ 8,577,496	\$ 7,448,383
Public safety	13,853,016	11,793,974	10,883,771	11,595,492
Public works	8,145,420	7,738,706	6,978,502	6,867,970
Culture and recreation	7,938,164	7,405,747	6,245,678	6,375,010
Community development	3,318,339	3,470,850	2,906,968	2,891,302
Interest on long-term debt	1,308,150	1,589,947	1,732,088	1,407,996
Total governmental activities expenses	43,574,026	41,372,592	37,324,503	36,586,153
Business-type activities:				
Water	8,044,736	6,252,361	6,462,476	6,431,175
Wastewater	11,034,218	10,514,584	9,898,303	9,792,585
Stormwater	2,838,118	2,922,440	2,548,229	2,474,327
Fleet	897,408	556,526	1,252,333	1,012,240
Total business-type activities expenses	22,814,480	20,245,911	20,161,341	19,710,327
Total City expenses	66,388,506	61,618,503	57,485,844	56,296,480
Program Revenues:				
Governmental activities:				
Fees, fines, and charges for services:				
General government	2,813,688	2,664,024	2,885,237	2,932,559
Public safety	1,518,937	1,864,235	2,076,802	2,192,706
Public works	3,878,554	3,704,502	3,520,298	3,438,000
Culture and recreation	597,643	708,777	977,308	990,222
Community development	2,962,631	4,810,896	3,360,863	2,989,087
Operating grants and contributions	7,229,665	6,567,385	6,103,603	5,474,992
Capital grants and contributions	6,986,238	12,115,164	5,564,471	3,062,693
Total governmental activities program revenues	25,987,356	32,434,983	24,488,582	21,080,259
Business-type activities:				
Fees, fines, and charges for services:				
Water	9,352,368	8,598,561	8,833,873	8,169,832
Wastewater	11,528,849	11,094,148	10,893,729	10,181,048
Stormwater	3,225,188	3,133,103	3,000,968	2,836,265
Fleet	236,503	229,911	277,811	197,002
Operating grants and contributions	498,110	322,487	776,722	479,274
Capital grants and contributions	1,759,790	3,308,978	3,422,338	930,731
Total business-type activities program revenues	26,600,808	26,687,188	27,205,441	22,794,152
Total City program revenues	52,588,164	59,122,171	51,694,023	43,874,411
Net (Expense)/Revenue				
Governmental activities	(17,586,670)	(8,937,609)	(12,835,921)	(15,505,894)
Business-type activities	3,786,328	6,441,277	7,044,100	3,083,825
Total Net (Expense) Revenue	(13,800,342)	(2,496,332)	(5,791,821)	(12,422,069)

2017	2016	2015	2014	2013	2012
\$ 7,947,344	\$ 7,547,409	\$ 3,528,340	\$ 6,615,088	\$ 6,098,539	\$ 4,954,893
10,842,456	11,383,715	8,309,944	8,018,198	7,586,591	6,950,927
6,876,632	6,685,545	5,319,822	4,983,309	4,974,819	4,581,017
5,835,146	5,524,614	5,072,036	4,900,341	4,415,999	4,094,079
2,907,659	3,174,168	3,382,547	3,309,773	3,539,149	2,900,939
1,339,404	1,430,985	1,417,462	1,395,499	1,427,119	1,471,875
35,748,641	35,746,436	27,030,151	29,222,208	28,042,216	24,953,730
5,453,642	5,640,772	4,518,351	4,768,673	5,548,165	3,701,322
8,561,317	8,212,827	6,791,908	6,481,198	6,619,727	6,276,339
2,204,164	2,386,425	1,771,529	1,908,836	1,816,052	1,465,359
965,043	875,496	805,419	805,630	764,440	772,422
17,184,166	17,115,520	13,887,207	13,964,337	14,748,384	12,215,442
52,932,807	52,861,956	40,917,358	43,186,545	42,790,600	37,169,172
1,808,279	1,216,065	1,380,937	1,206,165	1,376,136	688,396
2,272,781	1,602,172	925,225	791,005	851,775	1,173,466
2,956,226	4,954,538	3,363,184	3,081,373	2,344,068	2,178,369
884,343	1,503,604	917,908	881,299	879,090	703,773
3,765,135	2,931,522	2,306,216	1,600,704	2,698,387	2,280,275
5,095,057	5,006,825	4,570,141	4,987,749	4,335,678	4,962,382
7,907,564	877,610	1,192,708	2,064,858	9,014,649	12,407,691
24,689,385	18,092,336	14,656,319	14,613,153	21,499,783	24,394,352
7,206,477	6,833,922	6,021,672	5,766,017	5,910,739	5,047,447
10,476,356	9,618,375	7,961,224	6,730,168	7,058,967	5,656,922
2,713,307	2,625,274	2,495,762	2,397,498	2,296,072	2,126,720
233,146	201,492	201,316	221,352	192,845	249,464
353,942	172,917	278,178	277,591	433,121	285,370
3,149,009	1,171,711	2,430,291	1,504,337	3,159,982	1,981,702
24,132,237	20,623,691	19,388,443	16,896,963	19,051,725	15,347,625
48,821,622	38,716,027	34,044,762	31,510,116	40,551,508	39,741,977
(11,059,256)	(17,654,100)	(12,373,832)	(14,609,055)	(6,542,433)	(559,378)
6,948,071	3,508,171	5,501,236	2,932,626	4,303,341	3,132,183
(4,111,185)	(14,145,929)	(6,872,596)	(11,676,429)	(2,239,092)	2,572,805

CITY OF OREGON CITY, OREGON
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS – UNAUDITED (Continued)
(Accrual basis of accounting)

	2021	2020	2019	2018
General revenues and other changes in net position				
Governmental activities				
Property taxes	\$ 17,428,521	\$ 16,907,896	\$ 15,734,726	\$ 15,145,511
Franchise taxes	4,068,338	3,913,647	3,810,988	3,780,955
Intergovernmental	1,327,256	1,227,741	1,122,464	961,015
Miscellaneous	2,768,689	3,212,807	2,157,187	1,938,632
Unrestricted investment earnings	620,882	1,266,427	1,778,747	858,521
Gain (loss) on disposition of assets	2,344,863	-	-	-
Transfers	(697,531)	1,198,640	212,169	(403,508)
Total governmental activities	27,861,018	27,727,158	24,816,281	22,281,126
Business-type activities				
Franchise taxes	302,700	291,325	281,811	268,785
Miscellaneous	26,536	90,922	35,394	41,622
Unrestricted investment earnings	124,789	341,558	447,384	173,245
Gain (loss) on disposition of assets	(10,388)	-	-	(5,000)
Transfers	697,531	(1,198,640)	(212,169)	403,508
Total business-type activities	1,141,168	(474,835)	552,420	882,160
Total City General Revenues and Other Changes	29,002,186	27,252,323	25,368,701	23,163,286
Changes in net position				
Governmental activities	10,274,348	18,789,549	11,980,360	6,775,232
Business-type activities	4,927,496	5,966,442	7,596,520	3,965,985
Total changes in net position	15,201,844	24,755,991	19,576,880	10,741,217
Net position, July 1*				
Governmental activities	159,993,292	141,203,743	129,223,383	122,448,151
Business-type activities	107,368,593	101,402,151	93,805,631	89,839,646
Total Government	267,361,885	242,605,894	223,029,014	212,287,797
Net position, June 30				
Governmental activities	170,267,640	159,993,292	141,203,743	129,223,383
Business-type activities	112,296,089	107,368,593	101,402,151	93,805,631
Total Government	\$ 282,563,729	\$ 267,361,885	\$ 242,605,894	\$ 223,029,014

* Beginning net position as restated

2017	2016	2015	2014	2013	2012
\$ 14,636,241	\$ 13,987,720	\$ 13,490,590	\$ 12,859,315	\$ 11,667,767	\$ 11,229,599
3,634,332	3,541,761	3,199,473	2,759,690	2,455,771	1,885,683
919,857	920,764	911,419	871,419	834,538	769,855
1,487,831	1,782,997	1,709,104	1,802,430	1,255,497	122,903
503,858	364,128	228,512	262,767	323,109	223,083
-	-	302,450	-	-	161,363
473,859	523,873	7,884,435	1,197,283	950,701	1,956,649
21,655,978	21,121,243	27,725,983	19,752,904	17,487,383	16,349,135
258,220	237,075	-	-	-	-
74,071	-	132	-	20,090	335
124,411	91,944	99,191	94,778	89,028	75,531
-	-	-	-	-	-
(473,859)	(523,873)	(7,884,435)	(1,197,283)	(950,701)	(1,956,649)
(17,157)	(194,854)	(7,785,112)	(1,102,505)	(841,583)	(1,880,783)
21,638,821	20,926,389	19,940,871	18,650,399	16,645,800	14,468,352
10,596,722	3,467,143	15,352,151	5,143,849	10,944,950	15,789,757
6,930,914	3,313,317	(2,283,876)	1,830,121	3,461,758	1,251,400
17,527,636	6,780,460	13,068,275	6,973,970	14,406,708	17,041,157
113,507,239	110,040,096	94,524,975	108,428,643	97,483,693	81,693,936
85,040,829	81,727,512	83,456,670	82,623,484	79,161,726	77,910,326
198,548,068	191,767,608	177,981,645	191,052,127	176,645,419	159,604,262
124,103,961	113,507,239	109,877,126	113,572,492	108,428,643	97,483,693
91,971,743	85,040,829	81,172,794	84,453,605	82,623,484	79,161,726
\$ 216,075,704	\$ 198,548,068	\$ 191,049,920	\$ 198,026,097	\$ 191,052,127	\$ 176,645,419

CITY OF OREGON CITY, OREGON
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS – UNAUDITED
 (Modified accrual basis of accounting)

	2021	2020	2019	2018
General fund				
Nonspendable	\$ 39,091	\$ 47,055	\$ 73,356	\$ 60,555
Restricted	1,087,675	-	-	-
Committed	-	-	-	-
Unassigned	10,030,813	11,471,979	9,743,445	8,504,753
Total General fund	<u>11,157,579</u>	<u>11,519,034</u>	<u>9,816,801</u>	<u>8,565,308</u>
All other governmental funds				
Nonspendable	7,719	68,806	-	-
Restricted	34,745,375	33,455,087	30,101,001	28,507,504
Committed	9,321,329	23,082,261	34,862,477	31,836,218
Assigned	985,600	-	-	-
Total all other governmental funds	<u>45,060,023</u>	<u>56,606,154</u>	<u>64,963,478</u>	<u>60,343,722</u>
Total Fund Balances	<u>\$ 56,217,602</u>	<u>\$ 68,125,188</u>	<u>\$ 74,780,279</u>	<u>\$ 68,909,030</u>

2017	2016	2015	2014	2013	2012
\$ 116,000	\$ 59,641	\$ 58,978	\$ 45,131	\$ -	\$ -
-	-	-	-	-	-
-	908,882	-	-	-	-
7,154,174	6,470,357	6,130,187	4,150,829	3,734,942	3,628,399
<u>7,270,174</u>	<u>7,438,880</u>	<u>6,189,165</u>	<u>4,195,960</u>	<u>3,734,942</u>	<u>3,628,399</u>
-	-	-	-	-	22,997
27,474,611	21,343,249	36,527,532	11,346,021	10,503,824	6,869,809
18,462,121	18,177,135	3,771,034	16,105,822	10,972,631	8,570,907
-	-	-	-	-	-
<u>45,936,732</u>	<u>39,520,384</u>	<u>40,298,566</u>	<u>27,451,843</u>	<u>21,476,455</u>	<u>15,463,713</u>
<u>\$ 53,206,906</u>	<u>\$ 46,959,264</u>	<u>\$ 46,487,731</u>	<u>\$ 31,647,803</u>	<u>\$ 25,211,397</u>	<u>\$ 19,092,112</u>

CITY OF OREGON CITY, OREGON
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS – UNAUDITED
 (Modified accrual basis of accounting)

	2021	2020	2019	2018
Revenues				
Taxes and assessments	\$ 22,182,017	\$ 21,359,427	\$ 20,492,362	\$ 19,379,452
Licenses and permits	2,044,658	3,124,882	2,375,163	1,990,219
Charges for services	14,849,305	12,383,762	11,487,131	11,828,492
Intergovernmental	11,056,263	11,815,929	7,768,005	6,517,167
Fines and forfeitures	1,122,184	1,196,988	1,687,984	1,710,193
Other income	2,735,164	4,359,714	3,947,242	2,731,589
Total revenues	53,989,591	54,240,702	47,757,887	44,157,112
Expenditures				
Current operating:				
General government	8,504,268	8,328,582	7,075,536	6,921,135
Police	11,540,358	10,926,748	10,518,832	10,550,480
Public works	4,609,579	4,228,792	3,951,711	3,920,948
Culture and recreation	6,258,861	5,765,222	5,434,738	5,388,647
Community development	2,824,222	3,113,420	2,714,752	2,729,888
Capital outlay	27,057,260	26,782,351	8,885,376	13,002,143
Debt service				
Principal	7,995,560	2,548,164	2,405,290	1,792,649
Interest	1,430,478	1,681,033	1,821,630	1,368,281
Total expenditures	70,220,586	63,374,312	42,807,865	45,674,171
Revenues Over (under)				
Expenditures	(16,230,995)	(9,133,610)	4,950,022	(1,517,059)
Other financing sources (uses)				
Bond proceeds / loan payments	-	-	-	16,157,183
Proceeds from sale of assets	3,235,873	-	-	-
Transfers in	3,564,470	6,283,870	4,403,677	2,406,016
Transfers out	(2,476,934)	(3,805,351)	(3,482,450)	(1,344,016)
Total other financing sources (uses)	4,323,409	2,478,519	921,227	17,219,183
Net change in fund balances	(11,907,586)	(6,655,091)	5,871,249	15,702,124
Fund balances, beginning of year *	68,125,188	74,780,279	68,909,030	53,206,906
Fund balances, end of year	\$ 56,217,602	\$ 68,125,188	\$ 74,780,279	\$ 68,909,030
Debt service as a percentage of noncapital expenditures	21.84%	11.56%	12.46%	9.67%

* Beginning Fund balance as restated

2017	2016	2015	2014	2013	2012
\$ 18,542,705	\$ 17,755,055	\$ 16,687,226	\$ 13,012,611	\$ 11,782,226	\$ 11,331,002
2,833,057	2,459,320	1,896,408	4,038,101	5,181,290	5,292,561
12,498,856	9,120,163	6,418,879	5,847,797	7,371,586	3,751,847
6,444,900	5,896,615	5,699,850	7,169,225	10,129,747	16,774,041
1,147,459	818,239	1,072,132	976,494	900,060	995,794
2,355,231	2,408,042	2,441,958	2,557,671	2,371,762	2,393,615
43,822,208	38,457,434	34,216,453	33,601,899	37,736,671	40,538,860
6,508,052	5,813,700	5,005,356	4,865,177	4,944,688	4,114,633
9,650,718	8,834,120	8,086,250	7,789,311	7,266,917	7,279,360
4,049,196	6,398,448	2,927,280	2,645,973	2,449,685	2,190,136
4,909,619	4,614,517	4,677,846	4,488,941	4,148,528	4,607,790
2,849,608	2,676,958	3,362,390	3,323,862	3,515,914	2,997,807
7,354,648	7,314,482	6,242,932	2,359,201	7,783,356	14,820,397
2,065,241	2,124,053	1,681,868	1,484,640	4,501,400	955,000
1,351,616	1,442,688	1,412,972	1,405,671	1,403,999	1,480,593
38,738,698	39,218,966	33,396,894	28,362,776	36,014,487	38,445,716
5,083,510	(761,532)	819,559	5,239,123	1,722,184	2,093,144
-	-	6,000,000	-	3,446,400	229,950
-	-	302,500	-	-	-
3,718,183	3,517,364	75,663,161	3,889,955	3,831,659	3,869,123
(2,554,051)	(2,341,599)	(67,945,292)	(2,692,672)	(2,880,958)	(2,655,623)
1,164,132	1,175,765	14,020,369	1,197,283	4,397,101	1,443,450
6,247,642	414,233	14,839,928	6,436,406	6,119,285	3,536,594
46,959,264	46,545,031	31,647,803	25,211,397	19,092,112	15,555,518
\$ 53,206,906	\$ 46,959,264	\$ 46,487,731	\$ 31,647,803	\$ 25,211,397	\$ 19,092,112
10.89%	11.18%	11.40%	11.11%	21.08%	10.31%

CITY OF OREGON CITY, OREGON**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Real Property		Other Property ⁽²⁾		Total TAV	Total Estimated Actual Value ⁽¹⁾	Ratio of TAV to Estimated Actual Value	Direct Tax rate
	Taxable Assessed Value (TAV)	Estimated Actual Value ⁽¹⁾	Taxable Assessed Value (TAV)	Estimated Actual Value ⁽¹⁾				
2021	3,371,989,490	5,752,105,482	184,647,638	190,256,475	3,556,637,128	5,942,361,957	59.9%	5.0511
2020	3,219,622,683	5,468,065,833	175,933,009	180,339,835	3,395,555,692	5,648,405,668	60.1%	5.1231
2019	3,064,848,212	5,098,679,755	172,780,575	176,287,179	3,237,628,787	5,274,966,934	61.4%	5.0613
2018	2,926,103,506	4,605,880,344	163,399,115	168,516,154	3,089,502,621	4,774,396,498	64.7%	5.0479
2017	2,883,655,457	4,178,977,212	54,773,309	54,773,309	2,938,428,766	4,233,750,521	69.4%	5.1248
2016	2,749,493,939	3,698,124,952	52,451,145	52,451,145	2,801,945,084	3,750,576,097	74.7%	5.1222
2015	2,641,700,255	3,279,405,424	48,468,773	48,468,773	2,690,169,028	3,327,874,197	80.8%	5.1446
2014	2,512,945,173	2,917,509,392	50,536,919	50,536,919	2,563,482,092	2,968,046,311	86.4%	5.1492
2013	2,390,482,064	2,662,745,466	51,649,072	51,649,072	2,442,131,136	2,714,394,538	90.0%	4.9225
2012	2,314,042,412	2,764,046,403	54,423,529	54,423,529	2,368,465,941	2,818,469,932	84.0%	4.8773

⁽¹⁾ The State of Oregon calls Actual Value "Real Market Value"

⁽²⁾ Includes Personal Property, Manufactured Structures and Public Utilities

Source: Clackamas County Tax Assessor

CITY OF OREGON CITY, OREGON
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	City Direct Rates				Overlapping Rates						Total Direct and Overlapping
	General Operating	Bonded Debt	Urban Renewal Agency	Total Direct	Oregon City School District	Clackamas Community College	Education Service District	Clackamas County ⁽¹⁾	Other Districts ⁽²⁾	Total Overlapping	
2021	4.1598	-	0.8913	5.0511	5.8509	0.7005	0.3459	3.1171	3.0073	13.0217	18.0728
2020	4.1595	-	0.9636	5.1231	5.8495	0.6899	0.3484	3.1155	3.0941	13.0974	18.2205
2019	4.1795	-	0.8818	5.0613	5.6854	0.7034	0.3484	3.1307	2.9049	12.7728	17.8341
2018	4.1861	-	0.8618	5.0479	5.7947	0.7060	0.3484	3.1346	2.8623	12.8460	17.8939
2017	4.1963	0.0894	0.8391	5.1248	6.0329	0.7057	0.3494	3.0414	2.8417	12.9711	18.0959
2016	4.2054	0.1100	0.8068	5.1222	6.0983	0.7102	0.3503	3.0437	2.8426	13.0451	18.1673
2015	4.1990	0.1065	0.8391	5.1446	6.1101	0.6712	0.3500	3.0369	2.8672	13.0354	18.1800
2014	4.1982	0.1088	0.8422	5.1492	6.0942	0.6717	0.3500	3.0326	2.8801	13.0286	18.1778
2013	3.9558	0.1129	0.8538	4.9225	6.1042	0.6657	0.3443	3.2472	2.7260	13.0874	18.0099
2012	3.9695	0.1135	0.7943	4.8773	6.0882	0.6503	0.3456	3.2434	2.7035	13.0310	17.9083

⁽¹⁾ County includes County Library and 4-H County Extension

⁽²⁾ Other includes Fire District, Port of Portland, Vector Control, Metro

Source: Clackamas County Assessor and Tax Collector

CITY OF OREGON CITY, OREGON
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Type of Business	2021			2012		
		Assessed Value	Rank	Percentage of Total Value	Assessed Value	Rank	Percentage of Total Value
The Landing - 302 LLC	Real Estate	\$ 52,922,405	1	1.49%			
Portland General Electric Company	Utility	43,711,444	2	1.23%	\$ 23,711,000	1	1.00%
Quantum Management	Apartments	25,524,128	3	0.72%	19,562,118	2	0.83%
Metropolitan Life Insurance Company	Retail	24,054,005	4	0.68%	18,318,513	4	0.77%
Loja Trails End LLC	Real Estate	22,391,234	5	0.63%			
Craig T Danielson	Real Estate	21,781,485	6	0.61%			
Providence Health	Health Services	21,392,884	7	0.60%	13,663,450	8	0.58%
Northwest Natural Gas Co.	Utility	22,221,000	8	0.62%	17,187,900	5	0.73%
Oregon Center LLC	Health Services	17,557,743	9	0.49%			
Edgewater at the Cove	Real Estate	16,900,493	10	0.48%			
Comcast Corporation	Utility				18,375,800	3	0.78%
Blue Heron Paper Company*	Paper Manufacturer				13,885,717	7	0.59%
Trails End Oregon Investors LLC**	Real Estate				17,170,962	6	0.72%
Berry Heights Ltd Partnership	Real Estate				12,180,590	10	0.51%
Investment Concepts Inc	Real Estate				12,776,770	9	0.54%
Subtotal - ten of the City's largest taxpayers		268,456,821		7.55%	166,832,820		7.05%
All other City taxpayers in Clackamas County		3,288,180,307		92.45%	2,201,633,121		92.95%
<i>Total City taxpayers</i>		<u>\$ 3,556,637,128</u>		<u>100.00%</u>	<u>\$ 2,368,465,941</u>		<u>100.00%</u>

Source: Clackamas County Tax Assessor

Taxpayers ranked according to assessed taxes, not assessed value.

* During FY 2012, Blue Heron closed its doors and liquidated its property.

** During FY 2015, Trails End Oregon Investors LLC sold its property to Loja Trails End LLC.

CITY OF OREGON CITY, OREGON
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Total Extended Tax Levy	Current Tax Collections (Within Year)	Percent of Current Taxes Collected	Subsequent Years Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2021	\$ 14,784,687	\$ 14,148,000	95.69%	\$ -	14,148,000	95.69%	\$ 224,389	1.52%
2020	14,155,665	13,527,462	95.56%	115,118	13,642,580	96.38%	100,960	0.71%
2019	13,518,480	12,927,465	95.63%	145,279	13,072,744	96.70%	37,298	0.28%
2018	12,935,275	12,316,356	95.22%	200,464	12,516,820	96.77%	15,189	0.12%
2017	12,596,284	12,008,721	95.34%	193,795	12,202,516	96.87%	5,201	0.04%
2016	12,105,761	11,512,412	95.10%	231,628	11,744,040	97.01%	3,752	0.03%
2015	11,576,491	10,996,578	94.99%	261,766	11,258,344	97.25%	3,153	0.03%
2014	11,032,614	10,458,857	94.80%	277,785	10,736,642	97.32%	2,449	0.02%
2013	9,919,281	9,350,427	94.27%	293,962	9,644,389	97.23%	2,330	0.02%
2012	9,664,172	9,081,404	93.97%	309,770	9,391,174	97.18%	1,806	0.02%

Sources: Clackamas County Assessor and Tax Collector

CITY OF OREGON CITY, OREGON
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Legal debt margin calculation for fiscal year ended June 30, 2021

Total property real market value	\$5,942,361,957
	<u>3%</u>
Debt limit (3% of total property real market value) ⁽¹⁾	178,270,859
Amount of debt applicable to debt limit:	
Total bonded debt	28,665,790
Less debt excluded from debt limit:	
Limited obligation bonds	<u>(24,270,856)</u>
Net amount of debt applicable to limit	<u>4,394,934</u>
Legal debt margin - amount available for future indebtedness	<u>\$ 173,875,925</u>
Percentage of City's indebtedness to total allowed	2.47%

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Debt limit	\$ 178,270,859	\$ 169,452,170	\$ 158,249,008	\$ 143,231,895	\$ 127,012,516
Debt applicable to maximum limit	<u>4,394,934</u>	<u>4,666,574</u>	<u>4,930,098</u>	<u>5,185,748</u>	<u>5,433,759</u>
Legal debt margin available	<u>\$ 173,875,925</u>	<u>\$ 164,785,596</u>	<u>\$ 153,318,910</u>	<u>\$ 138,046,147</u>	<u>\$ 121,578,757</u>

Debt applicable to the maximum limit as a percentage of debt limit	2.47%	2.75%	3.12%	3.62%	4.28%
---	-------	-------	-------	-------	-------

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt limit	\$ 112,517,283	\$ 99,836,226	\$ 89,041,389	\$ 81,431,836	\$ 84,554,098
Debt applicable to maximum limit	<u>6,059,360</u>	<u>6,657,772</u>	<u>1,095,000</u>	<u>1,425,000</u>	<u>1,750,000</u>
Legal debt margin available	<u>\$ 106,457,923</u>	<u>\$ 93,178,454</u>	<u>\$ 87,946,389</u>	<u>\$ 80,006,836</u>	<u>\$ 82,804,098</u>

Debt applicable to the maximum limit as a percentage of debt limit	5.39%	6.67%	1.23%	1.75%	2.07%
---	-------	-------	-------	-------	-------

⁽¹⁾ Pursuant to Oregon Revised Statutes 287A.050, outstanding general obligation debt is limited to three percent of real market value.

Sources: Annual financial statements and Clackamas County Assessor and Tax Collector

CITY OF OREGON CITY, OREGON
RATIO OF OUTSTANDING DEBT BY TYPE AND DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Governmental Activities				Business-type Activities				
	Oregon City		Urban Renewal		Water Revenue Bonds	Sewer Revenue Bonds	Total Primary Government	Percentage of Personal Income ⁽²⁾	Total Debt per Capita ⁽²⁾
	General Obligation Bonds	Limited Obligation Bonds ⁽¹⁾	Tax Increment Bonds	Line of Credit					
2021	\$ 4,394,934	\$24,270,856	\$ -	\$ -	\$ -	\$ -	\$28,665,790	-- *	\$ 799
2020	4,666,574	25,897,965	6,173,920	-	-	-	36,738,459	1.59%	1,033
2019	4,930,098	27,400,074	7,033,560	-	-	-	39,363,732	1.84%	1,129
2018	5,185,748	27,250,000	7,868,200	-	-	-	40,303,948	1.98%	1,165
2017	5,433,759	13,370,000	8,677,840	-	-	1,475,000	28,956,599	1.53%	846
2016	6,059,360	14,020,000	9,467,480	-	-	1,925,000	31,471,840	1.74%	927
2015	6,657,772	14,590,000	10,237,120	-	-	2,350,000	33,834,892	1.98%	1,002
2014	1,095,000	15,085,000	10,986,760	-	195,000	2,755,000	30,116,760	1.87%	902
2013	1,425,000	15,510,000	11,716,400	-	380,000	3,145,000	32,176,400	2.12%	990
2012	1,750,000	15,875,000	8,635,000	3,446,400	560,000	3,520,000	33,786,400	2.22%	1,049

* amount unavailable at date of publication

⁽¹⁾ Presented net of related premiums, discounts, and adjustments

⁽²⁾ Personal income and population data can be found in the demographic statistics later in this section.

Source: Annual Financial Reports

CITY OF OREGON CITY, OREGON

RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ACTUAL VALUE AND ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Population ⁽¹⁾	Total Estimated Actual Value ⁽²⁾	Total Taxable Assessed Value ⁽³⁾	Gross GO Bonded Debt ⁽⁴⁾	Debt Service Reserves	Net GO Bonded Debt	Ratio of Net GO Bonded Debt to Actual Value	Ratio of Net GO Bonded Debt to Assessed Value	Net GO Bonded Debt per Capita
2021	35,885	\$ 5,942,361,957	\$ 3,556,637,128	\$ 4,394,934	\$ -	\$ 4,394,934	0.07%	0.12%	\$ 122
2020	35,570	5,648,405,668	3,395,555,692	4,666,574	-	4,666,574	0.08%	0.14%	131
2019	34,860	5,274,966,934	3,237,628,787	4,930,098	-	4,930,098	0.09%	0.15%	141
2018	34,610	4,774,396,498	3,089,502,621	5,185,748	-	5,185,748	0.11%	0.17%	150
2017	34,240	4,233,750,521	2,938,428,766	5,433,759	-	5,433,759	0.13%	0.18%	159
2016	33,940	3,750,576,097	2,801,945,084	6,059,360	(96,672)	5,962,688	0.16%	0.21%	176
2015	33,760	3,327,874,197	2,690,169,028	6,657,772	(69,805)	6,587,967	0.20%	0.24%	195
2014	33,390	2,968,046,311	2,563,482,092	1,095,000	(48,780)	1,046,220	0.04%	0.04%	31
2013	32,500	2,714,394,538	2,442,131,136	1,425,000	(26,598)	1,398,402	0.05%	0.06%	43
2012	32,200	2,818,469,932	2,368,465,941	1,750,000	(38,904)	1,711,096	0.06%	0.07%	53

⁽¹⁾ Portland State University, Annual Population Statistics

⁽²⁾ The State of Oregon calls Actual Value "Real Market Value"

⁽³⁾ Clackamas County Tax Assessor

⁽⁴⁾ June 30 principal balance, annual financial statements - City only

CITY OF OREGON CITY, OREGON
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021

Jurisdiction	Estimated Actual Value	Outstanding Net Property- Tax Based Debt ⁽¹⁾	Percentage Applicable to City ⁽²⁾	Amount Applicable to City
Direct:				
City of Oregon City	\$ 5,942,361,957	\$ 13,105,000	100.00%	\$ 13,105,000
Overlapping districts:				
Clackamas Community College	65,044,593,127	84,925,428	9.14%	7,760,571
Clackamas County	88,187,427,081	125,400,000	6.74%	8,451,960
Clackamas County Education Service District	84,173,150,583	23,805,136	7.06%	1,681,000
Clackamas County Fire District #1	40,336,577,772	26,735,165	14.74%	3,939,587
Oregon City School District No. 62	10,211,542,703	201,596,986	58.21%	117,343,961
Clackamas Soil & Water Conservation	88,187,443,151	6,144,000	6.74%	414,106
Metro	358,995,131,497	920,585,000	1.65%	15,226,476
Port of Portland	390,565,299,889	-	1.52%	-
Total overlapping districts		<u>1,389,191,715</u>		<u>154,817,661</u>
Total		<u>\$ 1,402,296,715</u>		<u>\$ 167,922,661</u>

Overlapping governments are those that overlap the geographic boundaries of the City. This schedule calculates the portion of the outstanding debt of those overlapping governments that is taxed to the residents and businesses of the City.

Outstanding Net Property-tax Backed Debt of \$13,105,000 for the City of Oregon City excludes bond premium of \$1,310,856.

⁽¹⁾ Net Property-tax Backed Debt is Gross Property-tax Backed Debt less Self-supporting Unlimited-tax General Obligation Debt and less Self-Supporting Full Faith & Credit Debt.

⁽²⁾ The percentage applicable to the City for each overlapping district is calculated by dividing the estimated actual value of the City by the estimated actual value of the respective overlapping district.

Source: Oregon State Treasury (including percentage applicable to the City)

CITY OF OREGON CITY, OREGON
POPULATION STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Population ⁽¹⁾	Personal Income (in thousands)	Per Capita Personal Income ⁽²⁾	School Enrollment ⁽³⁾	County Unemployment Rate ⁽⁴⁾
2021	35,885	*	*	7,319	6.6%
2020	35,570	2,304,616	64,791	8,018	5.1%
2019	34,860	2,139,533	61,375	7,835	3.6%
2018	34,610	2,038,633	58,903	7,874	3.7%
2017	34,240	1,893,849	55,311	7,425	3.9%
2016	33,940	1,812,735	53,410	8,029	4.6%
2015	33,760	1,713,050	50,742	7,994	5.5%
2014	33,390	1,607,228	48,135	8,013	6.4%
2013	32,500	1,520,123	46,773	8,000	7.6%
2012	32,200	1,523,929	47,327	8,071	8.5%

* amount unavailable at date of publication

⁽¹⁾ Center for Population Research and Census, School of Urban and Public Affairs,
Portland State University

⁽²⁾ Bureau of Economic Analysis (amounts are for Clackamas County, revised as of November 16, 2021)

⁽³⁾ Oregon Department of Education (amounts are for Oregon City School District)

⁽⁴⁾ Oregon Employment Department (amounts are for Clackamas County)

CITY OF OREGON CITY, OREGON
PRINCIPAL EMPLOYERS
THIS YEAR AND NINE YEARS AGO

Employer	Type of Business	2021		
		Employees	Rank	Percentage of total City employment
Clackamas County	Government	2,496	1	17.55%
Oregon City School District	Education	945	2	6.65%
Providence Health	Health Services	646	3	4.54%
Clackamas Community College	Education	511	4	3.59%
Fred Meyer	Retail	421	5	2.96%
Benchmade Knife Co., Inc	Manufacturing	393	6	2.76%
Home Depot	Retail	300	7	2.11%
City of Oregon City	Government	261	8	1.84%
Orchid Orthopedic Solutions Oregon, Inc	Health Services	235	9	1.65%
Safeway	Retail	160	10	1.13%
Total		<u>6,368</u>		<u>44.78%</u>

Historical number of employees data from 2012 is not available.

Source: City of Oregon City - Business Licenses

CITY OF OREGON CITY, OREGON
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

<i>Function</i>	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government										
Number of job applications processed	1,027	1,250	1,700	1,585	1,654	1,175	1,472	1,001	1,162	1,016
Number of positions filled	68	60	76	87	96	79	80	57	78	47
Public Safety *										
Calls for service	27,337	29,559	36,079	24,200	24,000	23,600	23,465	26,970	26,441	27,144
Number of arrests	1,258	1,395	1,549	1,520	1,500	1,437	1,682	1,517	1,614	1,515
Municipal court cases processed	7,172	6,195	10,060	7,800	6,900	7,769	6,024	6,268	5,977	5,737
Public Works										
Hundred cubic feet of water consumed (Million)	2.0	1.8	2.0	1.5	1.5	1.5	1.4	1.5	1.5	1.5
Number of water customers (Average)	11,464	11,440	11,609	11,285	10,700	10,614	10,445	10,248	10,262	9,913
Culture and recreation										
Pioneer Community Center (Senior Center)										
People transportation provided for	5,515	5,951	7,863	7,961	8,150	8,146	7,811	7,810	8,940	10,537
Meals on Wheels delivered	32,427	30,844	32,195	32,092	30,147	30,800	29,716	27,173	29,588	30,057
Congregate meals served at Center	3,696	7,168	8,189	8,119	7,518	7,701	7,973	8,731	10,716	11,252
Swimming Pool										
Number of visits	20,900	148,305	117,640	138,665	138,807	141,520	141,715	141,295	121,600	120,434

Source: City of Oregon City Finance Department

* Numbers are estimated for 2017, 2018

CITY OF OREGON CITY, OREGON
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities:										
General government										
City-owned building facilities	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police/Code vehicles	49	46	44	40	38	37	34	34	34	N/A
Public Works										
Buildings and facilities	2	2	2	2	1	1	1	1	1	1
Miles of streets	144	144	142	139	136	136	136	136	136	136
Miles of sidewalks	158	158	157	147	145	141	135	135	135	135
Acres of right-of-ways	1,183	1,183	1,179	1,125	1,125	1,125	1,125	1,125	1,125	1,125
Signalized intersections	49	49	49	52	50	50	49	49	47	N/A
Culture and recreation										
Buildings and facilities	7	7	7	7	6	6	6	6	6	6
Library building	1	1	1	1	1	1	1	1	1	1
Swimming pool	1	1	1	1	1	1	1	1	1	1
Parks	26	25	25	25	25	25	25	25	25	25
Community development										
Buildings and facilities	1	1	1	1	-	-	-	-	-	-
Business-type activities:										
Water										
Miles of water mains	173	173	170	169	169	167	163	163	162	162
Reservoirs	5	5	5	5	5	5	5	5	5	5
Fire hydrants	1,508	1,508	1,494	1,478	1,478	1,464	1,458	1,430	1,430	1,430
Sewer										
Miles of sewer lines	138	137	136	133	133	133	132	132	132	132
Pump stations	14	14	14	14	14	14	12	12	12	12
Stormwater										
Drainage basins	23	22	23	23	23	23	23	22	22	22
Detention ponds	85	85	86	83	83	83	79	53	53	53
Catch basins	4,506	4,469	4,242	4,235	4,235	4,235	4,202	4,400	4,400	4,400
Miles of streams	33	33	33	31	31	31	31	30	30	30

Notes:

Public Works and Community Services purchased facilities in 2018 for future development.

Community Development relocated to its own facility in 2018.

Some historical data for the fiscal year 2012 is not available.

Source: City of Oregon City Finance department

CITY OF OREGON CITY, OREGON
CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Function / Program								
	Policy & Administration	Public Safety	Public Works	Culture and Recreation	Community Development	Water	Storm	Sewer	Total
2021	25.62	59.48	19.12	53.87	13.00	13.10	10.03	16.15	210.37
2020	25.62	59.48	19.12	53.87	13.00	13.10	10.03	16.15	210.37
2019	24.66	58.48	18.69	53.12	14.00	12.96	10.16	16.55	208.62
2018	24.66	58.48	18.69	53.12	14.00	12.96	10.16	16.55	208.62
2017	22.21	56.48	16.11	49.88	14.53	13.27	10.37	16.56	196.30
2016	22.21	56.48	16.11	49.88	14.53	13.27	10.37	16.56	196.30
2015	19.87	56.50	15.11	43.77	11.54	13.27	10.37	14.75	185.18
2014	18.87	56.50	15.22	43.77	12.34	13.24	10.35	14.69	184.98
2013	18.65	53.63	13.75	43.33	11.26	13.50	10.23	15.20	179.55
2012	18.15	52.64	13.05	42.48	12.12	12.79	9.68	14.63	175.54

In Fiscal Year 2020, the City added a Traffic Sergeant, a Parks Maintenance Specialist, and a Facilities Maintenance Specialist, while also eliminating a limited duration position.

In Fiscal Year 2018, the Police Department added a homeless liaison officer and two school resource officers.

In Fiscal Year 2016, the City brought the Information Technology contract in house and hired IT staff.

Source: City of Oregon City Finance Department

REGULATORY SECTION



**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH OREGON STATE REGULATION**

Honorable Mayor and City Commissioners
City of Oregon City, Oregon

We have audited the basic financial statements of the City of Oregon City, Oregon, as of and for the year ended June 30, 2021 and have issued our report thereon dated December 23, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minimum Standards of Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Report on Compliance

As part of obtaining reasonable assurance about whether the City of Oregon City, Oregon's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in the Oregon Administrative Rules 162-10-0000 through 162-10-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, as set forth below, noncompliance with which could have a direct and material effect on the financial statements:

- Deposits of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayments.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds. (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, and 279C).
- Accountability for collecting or receiving money by elected officials. The City does not have any elected officials collecting or receiving money.

However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Minimum Standards for Audits of Oregon Municipal Corporations*

Internal Control Over OAR 162-10-0230

In planning and performing our audit of the financial statements, we considered the City of Oregon City, Oregon's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate

in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Oregon City, Oregon's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Oregon City, Oregon's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Minimum Standards of Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



For Merina+Co
Tualatin, Oregon
December 23, 2021