



## CITY OF OREGON CITY BUDGET COMMITTEE AGENDA

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City  
Thursday, May 15, 2025 at 6:00 PM

Ways to participate in this public meeting:

- Attend in person, location listed above. Please see the public comment guidelines below.
- Attend the livestream of the meeting on the City's YouTube Channel: <https://www.youtube.com/user/CityofOregonCity>
- Register to provide electronic testimony (email [recorderteam@orcity.org](mailto:recorderteam@orcity.org) or call 503-496-1509 by 3:00 PM on the day of the meeting to register)
- Email [recorderteam@orcity.org](mailto: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. PUBLIC COMMENTS

- a. Please see the public comment guidelines below.

### 3. GENERAL BUSINESS

- a. Approve City Budget and Approve Property Tax Rates
- b. Approval of Minutes

### 4. ADJOURNMENT

## ORDINANCE NOTICE

If an ordinance is noticed above in this agenda, the text of the ordinance is available online with the posted agenda packet. In addition, three copies are provided for public review in the Office of the City Recorder upon request.

## 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's table, and state your name and city of residence. Each speaker is given 3 minutes to speak. Representatives of neighborhood associations may be given 5 minutes to speak if requested. As a general practice, the City Commission does not engage in discussion with those making comments. Complaints shall first be addressed at the department level prior to addressing the City Commission. Electronic presentations are permitted but must 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](#) 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.



# 2025-2027 PROPOSED BUDGET



# CITY OF OREGON CITY, OREGON

## Proposed 2025-2027 Biennial Budget

### **BUDGET COMMITTEE**

#### CITY COMMISSIONERS

Mayor Denyse McGriff  
Commissioner Adam Marl  
Commissioner Michael Mitchell  
Commissioner Rocky Smith, Jr.  
Commissioner Scott Wilson

#### RESIDENT MEMBERS

Laurie Ariniello  
William Gifford  
Dave Hunt  
William A. Peterson, Jr.  
Sheri Weber

### **CITY STAFF**

Tony Konkol, City Manager  
Alex Rains, Assistant City Manager  
Shaun Davis, Police  
Michael Dobaj, Information Technology  
Patrick Foiles, Human Resources  
Aquilla Hurd-Ravich, Community Development  
Thomas Kissinger, Parks and Recreation  
Dayna Webb, Public Works  
Jakob Wiley, City Recorder  
Greg Williams, Library  
Matt Zook, Finance



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Oregon City**

For the Biennium Beginning

**July 01, 2023**

*Christopher P. Morill*

**Executive Director**

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Oregon City for its biennial budget for the period beginning July 1, 2023 and ending June 30, 2025. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. This award is valid for a period of two years only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for the award.

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*Photos throughout the Oregon City 2025-2027 Biennial Budget are courtesy of Jarrod Lyman, Communications Manager.*

## BUDGET MESSAGE

April 24, 2025

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

### INTRODUCTION

It is my pleasure to present the 2025 - 2027 Biennial Budget for the City of Oregon City. The budget is balanced, does not propose any increase to the existing Oregon City property tax rate of \$4.409 per thousand of assessed value, and has been prepared in accordance with Oregon budget law. Oregon City's biennial budget is designed to coordinate with the City Commission election and goal-setting process. In addition, budgeting every two years saves significant administrative time, allowing policy makers and staff more time to focus on important projects for the community.

As a result of the leadership of our City Commissioners, Oregon City is positioned to serve our residents and continues to provide services and programs in an efficient and effective manner. The Commissioners, City staff and community volunteers have worked hard to achieve extraordinary goals in the past few years. As discussed below and throughout the budget document, the City will continue to focus on providing programs that are valuable to the community, making needed investments in our infrastructure, supporting our workforce, and improving livability for our residents while also budgeting strategically to remain fiscally strong. Increasing personnel, material and services, and operating costs are pressuring the existing available revenue streams, requiring prudent budgeting and careful staffing level decisions.

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

### BUDGET OVERVIEW

The proposed budget for the period July 1, 2025 through June 30, 2027 is \$318.1 million. The budget is designed to continue core services provided for the citizens of Oregon City. These core services include police protection, parks and recreation, community planning, safe buildings, maintenance of streets, and the provision of safe drinking water and sewer treatment services. In addition, Oregon City continues to provide services to both city and county residents at the library and is working to improve tourism opportunities through the creation of a Destination Marketing and Management Organization.

Along with prioritization of core services, the City Commission is dedicated to improving livability in the community through the accomplishment of *City Commission Goals*. The proposed budget includes

# Budget Message

funding for the priorities that were identified by the City Commission during their biennial goal-setting process.

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

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

<b>City of Oregon City Proposed Budget 2025 - 2027 Biennium</b>					
<b>Discretionary</b>			<b>Dedicated</b>		
General Fund:			General Fund:		
Policy & Administration	\$ 13.1	19%	Policy & Administration	\$ 5.2	2%
Police	29.7	42%	General Government	1.6	1%
Parks & Recreation	13.5	19%	Tourism/Grants/Opioid/DOJ	3.0	1%
General Government	3.1	4%	Pass-Through	0.4	0%
Transfers to:			Unappropriated Fund Balance	6.0	2%
Library	0.6	1%	Library	12.2	5%
Planning	1.3	2%	Planning	3.7	2%
Engineering	0.1	1%	Building	10.7	4%
Transportation	1.6	2%	Transportation	23.0	9%
Reserves	4.6	6%	Water	41.6	17%
Equipment Replacement:			Wastewater	45.5	18%
Police	1.7	2%	Stormwater	13.5	5%
Parks & Recreation	1.5	2%	Public Works (Eng., Fleet, Billing)	8.7	4%
General Government	0.1	0%	System Development Charges	42.0	17%
Total Discretionary	<u>\$ 70.9</u>	<u>100%</u>	Equipment Replacement (PW)	8.8	4%
			Community Facilities	13.7	6%
			Park Donations	1.0	0%
			Debt Service	6.6	3%
			Total Dedicated	<u>\$247.2</u>	<u>100%</u>
			<b>Total Budget</b>	<b><u>\$318.1</u></b>	

(amounts presented in millions)

The table above provides a breakdown of discretionary and dedicated resources for the entire City budget. The budget includes \$70.9 million in programs funded with discretionary revenues. Policy and Administration comprises \$13.1 million in the General Fund, totaling 19% of the discretionary budget. The collection of departments in this category includes the City Commission, City Manager, Communications, City Recorder, Finance, Municipal Court, Human Resources, Economic Development,

and Information Technology. The proposed budget maintains the existing service levels for Policy and Administration.

A portion of Policy and Administration includes \$5.2 million of funding from dedicated resources. For example, support departments, such as City Manager, Communications, City Recorder, Finance, Human Resources, and Information Technology, provide services to Library, Community Development, and Public Works funds. The General Fund budget also includes \$3.0 million in dedicated funds for the City's Tourism program, Community Enhancement Grant program, national opioid settlement funds, and Federal seizure forfeiture funds. In addition, \$0.4 million is budgeted for pass-through payments to the County and State. Finally, \$6.0 million of Unappropriated Fund Balance in the General Fund is considered dedicated in compliance with City Reserve policy.

The Police Department is the primary focus of the City's discretionary resources with \$29.7 million in the General Fund and an additional \$1.7 million in equipment replacement reserve for equipment and vehicles. The Department represents 44% of discretionary resources.

Parks and Recreation is budgeted at \$13.5 million in the General Fund and \$1.5 million in reserves for equipment and vehicles, totaling 21% of discretionary funding. Key funding is included in this budget to expand the Parks Master Plans for the Municipal Pool and the End of the Oregon Trail, ADA improvements at various parks, Phase II of Park Place Park improvements, and Park projects potentially using Metro Local Share revenue.

The General Government category includes \$3.1 million in expenditures for shared costs and programs that benefit the entire city, as well as \$0.1 million in reserves for equipment replacement, the total of which represents 4% of discretionary funding. Examples of shared costs are general liability, property insurance, and building maintenance and utilities. Other discretionary support is provided by transfers to Library, Planning, Engineering and Transportation (to operate the Municipal Elevator and street light utility costs) funds. A portion of General Government includes \$1.6 million in funding from dedicated resources through the services of the Facilities Department to Library, Community Development, and Public Works funds.

The General Fund budget includes an ending balance of \$11.9 million, which is comprised of three types of reserves. *Contingency* represents a reserve for unanticipated events or opportunities during the biennium and is accessible through approval of the City Commission. The City's target is 10% of annual operating expenses. Contingency for the biennium is 10% of operating expenses, or \$4.6 million. *Unappropriated Ending Fund Balance* represents operating funds set aside to begin the following biennium. The City's reserve policy follows the recommendation by the Government Finance Officers Association of at least 17% (two months) of annual operating expenses, or \$6.0 million. Oregon budget law restricts access to unappropriated ending fund balance to emergency situations (involuntary conversion, civil disturbance, or natural disaster). Strong reserves also help to maintain the City's strong credit rating, significantly lowering the costs of borrowing. *Reserve for Future Expenditures* represents \$1.3 million of funds at the end of the biennium that are restricted for specific purposes to be spent in a future budget period. There is no specific target for this balance as it is based solely on specific purposes, such as grant funds, donations, or tourism revenue.

### **BUDGET PRIORITIES**

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

The City Commission and executive staff participated in the goal-setting process in February 2025 and developed the **CITY COMMISSION 2025 – 2027 GOALS**. A list of the Commission's goals and priorities can be

## Budget Message

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found immediately following this budget message. In addition, copies of the Goals are available at City Hall and on the City's website.

Highlights of the proposed budget include continuing funding toward Commission goals, continued investment in information technology infrastructure, increased investment in transportation, water, wastewater, and stormwater projects, working to address homelessness in the community, design work for Clackamette Park, further development of the City's Economic Development and Tourism Plans, kickoff of a Destination Management and Marketing Organization, investments in Diversity, Equity and Inclusion, and improving citizen engagement in the local government process.

### MAJOR FUNDS

#### General Fund

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

Property tax revenues are projected at \$36.4 million for the biennium. This reflects estimated increases of 3.5% in the assessed value of property for each of the two years, with minimal compression, and 95.17% collection rates after discounts and delinquencies. The budget maintains a property tax rate significantly below the maximum allowed under law. This is very rare for cities in Oregon and saves single family homeowners in Oregon City more than \$325 annually, based on a typical new home's taxable assessed value of approximately \$500,000.

The remaining major sources of revenue for the General Fund are right-of-way user (franchise) fees in the amount of \$10.8 million for the biennium, intergovernmental revenues of \$5.3 million, charges for services (primarily park programs and parking revenues) of \$3.8 million, Municipal Court and other program fines and penalties of \$2.2 million and internal service charges of \$6.8 million. Internal service charges provide a mechanism for all departments to pay a fair share for administrative functions like the city manager's office, communications, city recorder, finance, human resources, information technology, general government and facilities management. Other revenues totaling \$4.8 million include pass-through revenues paid to the County and State on traffic fines, licenses and permits, assessments and other taxes (lodging and marijuana), proceeds from leases and subscription-based information technology arrangements and interest income.

The Police Department, with a total budget of \$30.0 million, is the largest department in the General Fund, representing 44% of expenditures. Policy and Administration (City Commission, City Manager, Communications, City Recorder, Finance, Municipal Court, Human Resources, Economic Development, and Information Technology) has a budget of \$18.5 million, which is 27% of expenditures. Parks and Recreation (Parks and Cemetery Maintenance, Recreation and Aquatics, and Pioneer Community Center operations) has a budget of \$13.1 million, which is 19% of expenditures. General government expenditures are budgeted at \$4.6 million, which is 7% of expenditures, and include overall community enhancements (investments in heritage assets and elevator operation) and shared City services (including facilities maintenance and general liability insurance). Pass-Through Expenses and Principal & Interest round out the remaining General Fund expenditures with a total budget of \$1.6 million, which is 3% of expenditures.

Transfers Out, while not classified as expenditures, comprises the remaining planned use of funds from the General Fund and includes transfers for equipment reserves and to support the Library, Planning, Development Engineering, and Transportation service areas.

At the conclusion of the biennium, the fund balance is budgeted at \$11.9 million. The fund balance is comprised of Contingency, Reserved for Future Expenditure, and Unappropriated Fund Balance. These

funds are necessary to provide protection against unexpected changes in financial conditions (Contingency at \$4.6 million) and to provide working capital for the beginning of the next budget cycle (Unappropriated Fund Balance at \$6.0 million). Reserved for Future Expenditures (\$1.3 million) represents dedicated resources restricted for the City's Tourism Program, Opioid Settlement funds, Department of Justice Forfeiture funds, and Community Enhancement Grant. General Fund reserves are particularly important to municipalities in Oregon because of limitations on the ability to increase tax revenues.

### **Library**

The Library Fund is budgeted at \$12.2 million for the biennium. District property taxes are projected at \$5.9 million and comprise 49% of total resources. The remaining significant resources are a beginning fund balance of \$4.9 million and transfers in of \$0.6 million from the General Fund.

The Fund accounts for all Library operations. The budget for staffing and materials purchases is \$7.3 million. Principal and interest payments on the new library bonds are \$0.8 million. The Fund is left with \$3.4 million in ending fund balance (contingency). The Library continues to provide exceptional service to the residents of Oregon City, achieving high marks on the recent community survey.

### **Community Development Funds**

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

The Planning Fund is budgeted at \$3.7 million for the biennium. The primary revenues are charges for services, including \$0.6 million to customers, primarily for review of land use applications, and \$0.7 million for long-range planning services provided to other departments. Transfers in from the General Fund are \$1.3 million to support the Planning Division and services provided to the community.

Pass-through revenues and expenditures total \$0.6 million. The City collects school excise taxes on behalf of the Oregon City School District and remits the funds to the district for construction of school facilities.

The Building Fund total budget is \$10.7 million. Licenses and permits revenue of \$3.5 million are projected to fund operations for the biennium, with excess resources over operating expenses added to reserves. Pass-through revenues of \$0.6 million include State surcharge and Metro construction excise tax monies that are collected and remitted to those agencies. Operating costs are budgeted consistently with the prior biennium.

The building program ensures that new facilities constructed in the City are safe and structurally sound. Because the economy and development trends have such a significant impact on revenues, managing the program requires balancing immediate service needs with sustaining the program over a long-term. As a result, it is common for Building funds to accumulate larger ending fund reserves (contingency) during times of active development. The Building Fund ending reserve is budgeted at \$4.8 million, 81% of expenditures.

### **Public Works Funds**

The Public Works Department operates in a series of funds, including the Engineering Fund and one for each of the City's utilities: Transportation, Water, Wastewater, and Stormwater. The utility systems all have unique operational and infrastructure maintenance needs.

## Budget Message

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### Transportation

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

The Transportation Fund includes state gasoline tax revenue, which is anticipated at \$6.2 million for the biennium and, in accordance with State law, is required to be spent on transportation system improvements, safety enhancements, and roadway maintenance. The Fund also includes nearly \$1.4 million in Clackamas County vehicle registration fee revenue. The Transportation Fund also collects revenues estimated at \$6.6 million from the pavement maintenance utility fee. That revenue is restricted for use in accordance with the City's annual pavement maintenance plan.

Expenses in the fund include \$10.7 million for transportation operations and maintenance, \$0.5 million for the Highway 213 and Beaver Creek Road turn lane project, and \$5.2 million for city-wide roadway reconstruction projects. Other important capital projects include several sidewalk enhancements designed to improve pedestrian safety. Additionally, transfers of \$0.8 million will be made to save for future facility needs, as well as for the funding of fleet replacement reserves.

### Water

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

The Water Fund is budgeted at \$41.6 million for the biennium. Water utility charges are projected to be \$19.3 million, of which nearly \$4.8 million is remitted to South Fork Water Board for the purchase of treated water. Water rates are budgeted with a slight growth in accounts as well as inflationary increases of 3% each year. Additionally, the budget includes \$12.9 million in Water Infrastructure Finance and Innovation Act (WIFIA) loan proceeds. Operating expenses are generally consistent with the prior biennium, with an increase in internal service charges as referenced in the General Fund section above.

As a result of voter approval, the City was successful in obtaining a loan in the amount of \$16.3 million from the U.S. Environmental Protection Agency (EPA) in 2023 at 3.94% interest. Loan proceeds represent 49% of \$33.3 million in water projects, with the remaining \$16.9 million funded through water rates, ARPA funds, and system development charges. Loan funds are drawn down as needed until final project completion in 2028. Detailed information may be found in the Water Fund portion of this budget.

### Wastewater

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

The Wastewater Fund is projected to receive \$15.9 million in utility revenue for the biennium. This includes inflationary increases of 3% each year. For the biennium, approximately \$0.8 million in right-of-way usage charges are collected from the County's regional treatment plant and are allocated to support wastewater infiltration and inflow reduction programs. The fund is budgeted to collect \$13.5 million in pass-through charges as well. Those funds are collected from customers for the Clackamas County Tri-City Sewer District. The City also entered into an intergovernmental agreement (IGA) with Water Environmental Services to help fund the City's Infiltration and Inflow (I & I) projects. The IGA is anticipated to generate \$5.0 million in Wastewater revenue.

The proposed budget includes projects to address I & I in the sanitary sewer collection system. The Wastewater expenditure budget includes \$14.0 million in capital spending to further the City's efforts to reduce the infiltration and inflow of ground water into the sanitary sewer system. Additional projects

include generator replacements at five pump station facilities and various pipe and manhole replacement projects.

### **Stormwater**

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

The Stormwater Fund is budgeted to receive utility revenue of approximately \$9.5 million. The City Commission adopted a new Stormwater Master Plan in 2020 through the execution of Ordinance 19-1014 and became effective April 17, 2020. A rate study completed in 2021 recommended an annual increase of 8% for five consecutive years beginning January 1, 2022 and ending January 1, 2027. The new rates were adopted by the City Commission resolution in July 2021. The proposed budget reflects the 8% increase each year of the biennium.

Expenditures are for staffing and contracts to clean and maintain 23 drainage basins, 97 detention ponds, 4,600 catch basins, 25 miles of streams and 26 underground detention tanks. The catch basins are cleaned annually, and the detention ponds undergo scheduled maintenance eighteen times each year. The Stormwater capital budget includes \$2.2 million for various projects throughout the City.

### **System Development**

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

The Parks Division is projected to receive \$1.0 million in SDCs during the biennium. The Parks and Recreation Department will soon be updating the Parks and Recreation Master Plan to inform development decisions; however, several important projects are already identified. The SDC budget includes \$0.6 million in capital outlay for potential property purchases.

Transportation Division SDC revenue is budgeted at \$6.9 million for the biennium, which includes \$2.8 million in SDCs and \$3.9 million in a State grant for the Main Street project. Project funding totals \$5.8 million, including \$4.3 million for Main Street improvement from 10<sup>th</sup> to 15<sup>th</sup>, \$0.7 million for Highway 213 and Beaver Creek Road, \$0.5 million for Washington Street Corridor, and \$0.3 million for sidewalk and bike path infill.

The Water Division anticipates \$0.7 million in SDCs for the biennium. Revenues and reserves will be utilized to fund Water Infrastructure Finance and Innovation Act (WIFIA) projects to match the loan funds.

Wastewater Division SDC revenue is budgeted at \$0.3 million for the biennium, with \$1.0 million in SDC eligible capital projects proposed.

The Stormwater Division is anticipated to receive approximately \$0.1 million for the biennium, with no eligible SDC capital projects proposed.

### **FISCAL POLICIES AND BUDGET ASSUMPTIONS**

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

### Revenues

Revenues are forecasted moderately to maintain operations and support necessary ending reserves. Major revenue assumptions include assessed value increases for property taxes of 3.5% in each year of the biennium. Utility rates for water, wastewater, stormwater, and pavement maintenance are budgeted for inflationary increases only, and stormwater rates are budgeted as prescribed by City Commission resolution in 2021 to increase by 8% from 2022 to 2026. Consistent with restrictions imposed in the Oregon City Municipal Code, the Community Safety Advancement Fund fee will not be adjusted. Other charges for services and general revenues are calculated based on a historical average with consideration for external economic factors.

### Expenditures

To support our employees, personnel services are budgeted with cost-of-living increases that are consistent with contractual and regional inflation expectations. While medical costs have remained stable for eight years (the City requested proposals for medical services this year), medical renewal rates for the biennium are estimated to increase 9.8% to 11% per year over the two years, with minimal increases for dental.

Public Employees Retirement System (PERS) rates will increase by 1.9% to 3.50% of covered payroll effective July 1. Rate increases are lower than originally projected or anticipated. However, these rates are subject to change each biennium, so the City will continue to carefully monitor the impact of PERS.

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

### CONCLUSION

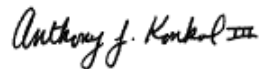
Oregon City continues to embrace the wealth of historical resources in our City while planning for the community that we would like to be in the future. The City Commission has emphasized the need to begin implementing and completing projects that have been identified and prioritized. The proposed budget, guided by the Commission's Goals, balances the investment of the existing revenues being received to continue to provide the vital municipal services, infrastructure, and programs that are benefiting the community.

The proposed budget was created to address current needs of the City and to position our resources to address the fiscal challenges that lie ahead, such as the inflationary impacts on wages, materials, and services provided by the City. While revenues have generally returned or are nearing pre-Pandemic levels, new challenges associated with staffing levels, materials and labor inflation, and utility costs are increasing faster than revenues being generated. Balancing the need to address immediate needs with long-term, prudent fiscal decision making has resulted in a budget that has reduced staffing by not filling vacant positions, assumes higher general fund revenues due to the Urban Renewal Commission not collecting 100% of the available tax revenue within the district, includes funding for priority projects, and does not raise taxes. This will also require that, as we move forward, we actively monitor the budget and the programs that the City provides to ensure that we meet the revenue and expenditure assumptions that we have made.

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

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

Sincerely,

A handwritten signature in black ink that reads "Anthony J. Konkol III". The signature is written in a cursive style with a stylized "A" and "K".

Anthony J. Konkol III  
City Manager



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## CITY COMMISSION GOALS

The City Commission of Oregon City has adopted the following Commission Goals and Priorities to focus on through the 2025-2027 budget cycle. The Goals and Priorities have been identified to meet the needs of residents through the community survey and to implement the City’s mission, which is to build a dynamic community that leads the State in safety, economic opportunity, livability, and historic significance. The following Goals and Priorities are all considered important to the City Commission and are not listed in order of priority.

### OREGON CITY VISION

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

### MISSION

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

**Goal: DIVERSITY, EQUITY, AND INCLUSION / SAFE COMMUNITY & WORKPLACE** – Integration of principles and values that provide for a diverse, equitable, inclusive, and safe City that is welcoming for community members and visitors and strives to create an environment that supports the long-term tenure of employees.

Priorities:

- Identify methods to reduce barriers for community members to participate in city processes and to increase access to city services and programs
- Find methods to encourage Oregon City-based businesses to take part in City procurement processes and to prioritize buying local
- Empower staff to identify, implement, and operationalize the principles of a diverse, equitable, safe, and inclusive workplace
- Strive to internalize DEI into the organization and reduce the long-term need for consultant assistance to successfully continue and expand workplace advancements, education, and training
- Work with the External Community DEI taskforce to increase involvement and engagement with the community

All above – General Fund - Human Resources - \$250,000

**Goal: FACILITIES & INFRASTRUCTURE** – Completion of strategic planning, funding opportunities, and long-term investments to provide safe, updated, and sustainable infrastructure as well as improvements to, and construction of, needed city facilities.

Priorities:

- Create development plans for the Oregon City Pool and End of the Oregon Trail Museum that reflect a community-supported vision for the future location and costs to update or reconstruct the facilities

System Development Fund – Parks – \$300,000

- Increase community engagement, education, and outreach about the need for new funding sources to maintain, update, and expand parks and recreation facilities

General Fund – Parks and Communications - Staff

## City Commission Goals

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- Consider lobbyist support to identify and secure federal, state, county, and regional funding and grants for needed transportation, water, sewer, and stormwater infrastructure investments and to influence Legislative actions that impact the City  
[Multiple Funds \(General, Planning, Public Works\) – \\$35,000](#)
- Strategically invest in Information Technology Systems that can keep pace with technological changes and advances, such as Artificial Intelligence, while providing for an accessible, safe, and secure Information Technology Environment  
[General Fund – Information Technology](#)

**Goal:** COMMUNITY ENGAGEMENT – Increase participation opportunities for all residents and create an informed community that participates in the public process.

Priorities:

- Increase the material and content on the City’s website and social media channels, as well as the methods by which they are produced and delivered, to maximize the information provided in a short and concise manner, including possible expanded use of video  
[General Fund – Communications – Staff](#)
- Expand community engagement and participation opportunities through the creation of new public events and programs such as community open houses, forums, surveys, and town halls  
[General Fund – Communications – \\$10,000](#)
- Utilize community events, such as Concerts in the Park, National Night Out, and others to increase community education and engagement  
[General Fund – Communications, Police, and Parks](#)
- Continue to support the Citizen Involvement Committee and Neighborhood Associations and strive to identify methods to increase community involvement and improve communication with the City Commission  
[General Fund – Commission – \\$8,400](#)  
[General Fund – Communications – \\$90,000](#)
- Investigate opportunities and costs to enhance Trail News and focus on more up to date material and information that is produced on a more regular basis  
[General Fund – Communications – \\$90,000](#)

**Goal:** HOMELESSNESS – Advocate for proportional resources to address homelessness and leverage partnerships to achieve equitable funding for the population being served.

Priorities:

- Advocate for proportional federal, state, regional, and county funding to address the impacts on the community and to provide adequate local services to support the demands created by increased housing and social services
- Work with business partners downtown, Clackamas County, and non-profits to address existing impacts and identify solutions, especially the impacts associated with the existing after-hours and weekend homeless service gaps

- Provide for social services while utilizing enforcement as needed to meet community members and businesses expectations for a safe and inviting City
- Increase communication about the services, resources, and the role of the City and steps that are being taken to address homelessness in the community
- Continue to be a regional leader in identifying and implementing creative solutions and partnerships to reduce homelessness and its impact on the community
- Strive to embed the Oregon City Support Services Community Court into the proposed Caring Place facility to consolidate supportive services into one location

General Fund – Municipal Court - \$560,000

- Advocate for engagement and partnerships with neighboring communities to provide resources within their jurisdictions to increase services throughout the region

Additional funds in the budget to address homelessness are included in General Fund – Police – Behavioral Health Specialist (\$416,700), Case Worker (\$311,000) and camp cleanup (Police \$60,000 and Parks \$40,000).

**Goal:** ECONOMIC DEVELOPMENT & TOURISM – Create economic development and tourism programs and opportunities to promote a healthy and sustainable local economy that supports and contributes to the surrounding neighborhoods, businesses, and visitors.

Priorities:

- Ensure a smooth transition and the necessary support and coordination between the Destination Marketing and Management Organization and the City  
General Fund – Economic Development - \$375,000
- Review the process for public and private event planning, the City grant processes, and the Metro Enhancement Grant program to determine if the application submittal and review process can be simplified and improved  
General Fund – Economic Development – Staff
- Focus on the marketing and development of the employment lands within the Thimble Creek Concept Plan and along Meyers Road  
General Fund – Economic Development – \$10,000 - \$20,000
- Complete the feasibility study for the expansion opportunities of broadband in Oregon City  
General Fund – Economic Development – Staff
- Participate in discussions with Clackamas County to determine the future of the downtown County Courthouse and how to safely and securely manage the building while it is vacant to ensure it does not negatively impact the downtown businesses and visitor experience, while maintaining public access to Liberty Plaza  
General Fund – Multiple departments – Staff

## City Commission Goals

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- Identify opportunities to support downtown Oregon City businesses in response to the relocation of the County Courthouse, including updating the parking study, potential business support programs, and employee parking opportunities  
[General Fund - Economic Development – \\$10,000](#)
- Investigate opportunities to expand the enterprise zone, vertical housing tax credit, and other programs in the mixed use, commercial, employment, and industrial areas to support and encourage businesses, employment, and housing investments in Oregon City  
[General Fund – Economic Development – Staff](#)

**Goal:** HOUSING – Increase the availability of housing options and the construction of mixed-use commercial buildings using incentives and available public lands, with a priority of creating work force housing.

### Priorities:

- Create pre-approved designs for accessory dwelling units that would be allowed throughout the city, with the exception of the McLoughlin Conservation and Canemah Historic Districts  
[Planning Fund - \\$20,000](#)
- Continue the process of discontinuing City use of the Center Street property  
[Engineering Fund - Staff](#)
- Investigate the use of the Center Street property for workforce housing and potential public access to the upper yard and the two parking lots for private residential development  
[Multiple Funds \(General, Engineering\) - Staff](#)
- Consider the creation of an inclusionary zoning program and extend the vertical housing tax credit where appropriate, primarily in the mixed-use zones  
[General Fund – Economic Development – Staff](#)
- Implement tiered system development charges that reduce charges on workforce housing and smaller housing units while remaining revenue neutral  
[Multiple Funds \(General, Engineering\) - \\$25,000](#)
- Advocate for infrastructure funding at the regional, state, and federal levels that would support the construction of new housing and the implementation of state mandates  
[Multiple Funds \(Planning, Engineering\) – Staff](#)
- Identify opportunities to use public land in partnership with non-profits for the development of long-term workforce housing  
[General Fund – Economic Development – Staff](#)

**Goal:** PARK LANDS & NATURAL RESOURCES – Transition from planning to constructing amazing parks and open spaces and create a plan to share with the community about the costs, revenue generation opportunities, and potential improvements to the City’s Park system to address the existing deferred maintenance.

Priorities:

- Adopt a 5-year Parks Capital Improvement Plan that prioritizes projects and will guide budget investments, revenue options, and grant opportunities for potential funding sources for deferred maintenance throughout the parks and recreation system  
[General Fund – Parks staff](#)
- Strive to become recognized as a Bee City USA and increase high-quality habitat for pollinators, in particular native bees  
[General Fund – Parks staff](#)
- Maintain our Tree City USA designation  
[General Fund and Planning Fund – Staff](#)
- Identify and apply for grant funding to complete a tree canopy assessment and determine the need and costs associated with a City Arborist  
[General Fund and Planning Fund – Staff](#)
- Identify funding and grants to begin the design and construction of a replacement boat ramp and park improvements at Clackamette Park  
[General Fund – Parks – \\$400,000](#)



Oregon City Commission:  
Rocky Smith, Jr., Adam Marl, Mayor Denyse McGriff, Scott Wilson and Michael Mitchell

The estimated timelines for each different goal are based on the priorities of the City Commission. The [2025-2027 City Commission Goals](#) are intended to all be started and worked on throughout the 2025-2027 Biennial Budget.

Each department’s section of the budget includes a Goals and Projects list. Each department’s Goals and Projects are intended to support and deliver the overall City Commission Goals. The City Manager assigns each department specific goals and projects that bring the City Commission Goals to fruition. Throughout the 2025-2027 Biennial Budget period the City Manager will share status reports with the City Commission and give updates on the timelines of the 2025-2027 Commission Goals.

## BUDGET GUIDE

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

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

This budget document has been organized to ensure it meets those four functions. The document is arranged to provide City-wide information, fund summaries, and department detail budgets. Oregon City's budget document is divided into the sections as shown below:

### INTRODUCTION

- ❖ Budget Message: Highlights the major provisions that have been included in the budget, describes fiscal policies for the coming fiscal year and any significant changes, discusses the major changes from the previous year in appropriations and revenues and the major policy issues that were considered
- ❖ City Commission Goals: City vision and mission along with Commission goals and

priorities which provide the foundation and direction for this budget

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

### BUDGET SUMMARY

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

**FUNDS AND DEPARTMENTS**

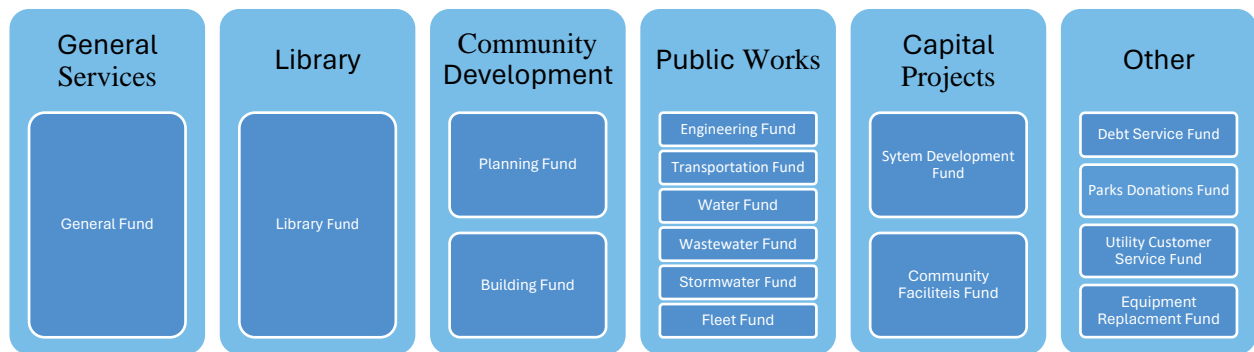
Oregon City’s budget is organized by service area reflecting the major functions the City provides for its residents. These service areas are then broken out into funds which account for the revenues, expenditures and reserves. The funds are then broken down further into one or more organizational units.

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

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

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

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



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

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

- ◆ Transfers
- ◆ Operating Contingency
- ◆ Reserved for Future Expenditures
- ◆ Unappropriated Ending Fund Balance

**ADDITIONAL INFORMATION**

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

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

# City Profile

## CITY PROFILE

### CITY AT A GLANCE

#### City Information

Incorporated	1844
2025-27 Tax Rate (per \$1,000)	4.4090
Measure 50 permanent tax rate limit	5.0571
Assessed Valuation, 2025	\$4.18 billion
Bond Rating	AA+

#### Demographics

##### Population

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

##### Fiscal Year

2016	certified estimate - 10 years ago	33,940
2025	certified estimate - current year	38,029
2026	forecasted	38,371
2027	forecasted	38,717

Median Age	36.4
Median Household Income	\$ 94,648
Median Property Value	\$ 531,400

##### Sex Composition

Male	49.90%
Female	50.10%

##### Racial Composition

White	86.0%
Two or more races	6.7%
Asian	1.9%
American Indian	0.3%
Black	1.2%
Other	0.0%
Hispanic *	5.0%

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

##### Population by Age

Under 5 years	5.2%
5-17	21.9%
18-64	58.8%
65-older	14.1%

#### Education

##### Education Attainment (Persons over 25 years of age)

High school or higher	95.50%
Bachelor's degree or higher	32.50%

##### Schools

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

#### Service Statistics

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

#### Public Works

Number of Water Customers	11,452
Hundred Cubic Feet Annual Water Consumption	1.83 million
Miles of Roads Maintained	146
Miles of Water Lines Maintained (City)	168
Miles of Sewer Lines Maintained (City)	133
Number of Pump Stations	19
Number of Drainage Catch Basins (City)	4,594

#### Public Safety

Sworn Officers	45
Civilian full-time employees	14
Police Calls for Service	29,664
Municipal Court Cases Processed	5,408

#### Parks and Recreation

Number of Recreational Facilities	29
Number of Swimming Pool Visits	95,562
Number of Community Center Visits	51,723
Meals Provided to Seniors	44,671

#### Library

Attendance	156,416
Circulation	526,565

### DID YOU KNOW?

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

**GOVERNANCE**



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

The City operates under the provisions of its own charter and applicable state law with a Council-Manager form of government. The elected officials consist of the Mayor and four Commissioners who serve staggered four-year

terms. All positions have term limits, and no person shall hold office for more than two terms of four years in any ten-year period. The Mayor and Commission vote on all ordinances and legislative matters, set policies for City government, and appoint, direct, and evaluate the City Manager. (The City Commission also appoints the Municipal Judge.) The City Manager is appointed by the City Commission to oversee the delivery of public services and is responsible for all administration and management.

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

**DEMOGRAPHICS**

Oregon City’s population is currently estimated at 38,029. The City is one of Oregon’s fastest growing with an 12.05% increase since 2016. Future growth will likely continue in the 0.75% – 2.0% range as the City still contains undeveloped land within its Urban Growth Boundary. The state forecasts population to increase by slightly higher percentages than the rest of the country. The table to the right shows 10-year historic and forecasted population for Oregon City, according to estimates from the Population Research Center.



**ECONOMY**

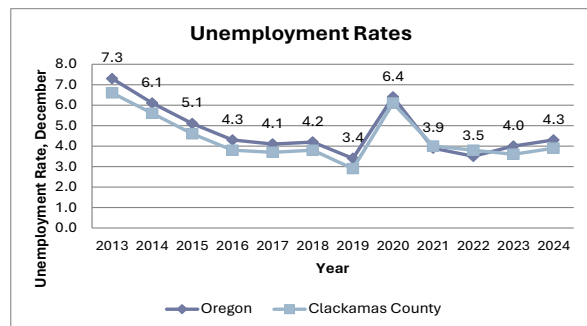
Oregon City’s economy is linked with that of Clackamas County, the Portland Metropolitan Service Area (MSA), and the State of Oregon. Oregon City’s status as the Clackamas County seat has broadly positive impacts on employment and the local economy. Interstate 205 and State Highways 99E and 213 link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

## City Profile

Key economic clusters, which account for a great portion of the area’s gross domestic product and have a greater presence in this area relative to the region, include health care, professional business services, high tech and advanced manufacturing, software and media production, and agriculture. Specifically, government and education are the top employment sectors in Oregon City, constituting 31% of all employment. As the Clackamas County seat, Oregon City is home to several County facilities that serve the region. The City is also home to Clackamas Community College’s main campus. Founded in 1966, it is now one of the largest community colleges in the state of Oregon, serving an average of 20,000 students annually. Providence Willamette Falls Medical Center, a not-for-profit acute care hospital employing over 625 people, also operates in Oregon City. The following chart shows the top ten employers in the City as of 2024 based on the City’s business license data and County records.

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

The Oregon unemployment rate is now slightly higher than it was pre-pandemic. As of December 2024, Oregon’s unemployment stood at 4.3%. The unemployment rate in the County is slightly less than the rate for the State overall, though changes in the County’s rate over time have remained consistent with those of the State.

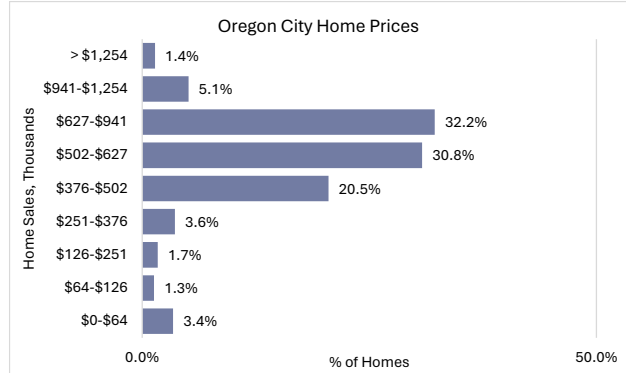
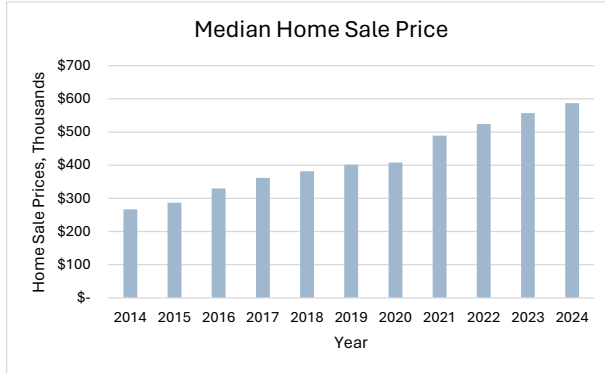


The most recent State of Oregon Economic and Revenue Forecast has indicated that the labor market is expected to remain at or near full employment. The unemployment rate is expected to remain in the low 4% range, while the share of working-age Oregonians with a job will be at or near an all-time high. The current household income in Oregon City is estimated at \$94,648, approximately 20.5% higher than the National average of \$78,538 and 17.7% higher than the State average of \$80,426.

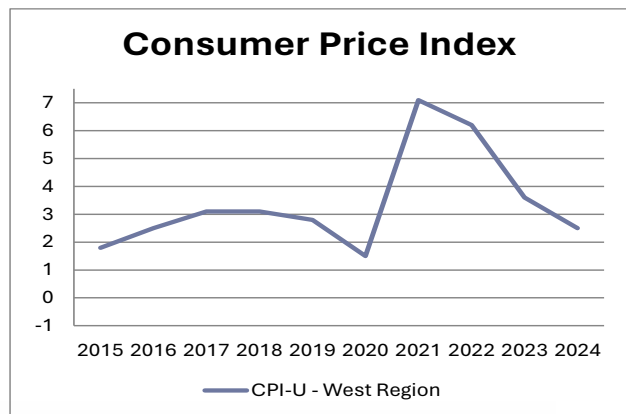
The real property market value and assessed value continue to increase as the City grows. However, residential construction and real estate remain constrained by poor affordability attributable to both high prices and elevated mortgage rates. The median home value in Oregon City is approximately \$587,000, approximately 31.7% higher than the national average and 13.2% higher than the State average.

Oregon City’s real property market value and assessed value has also steadily increased after seeing declines in 2008; the assessed (or taxable) value, however, remains significantly lower than the real market value. Expectations call for continued slow growth over the next year. Further information on tax

growth and the difference between assessed and market value is provided later in the budget in the Revenue Trends section. Additional information on housing prices in the City are shown below.



The Consumer Price Index (CPI) is a leading economic indicator that measures inflation and represents the changes in prices of all goods and services over time. This indicator is tracked and published by the U.S. Department of Labor’s Bureau of Labor Statistics. The change in the CPI for the West Region from December of 2022 to December of 2024 was a decline of 3.7%. This means that in December 2024, goods, on average, cost 3.7% less than in December 2022. The chart to the right highlights the percent change in the CPI over the past ten years.



### BUDGET PROCESS

#### BUDGET DEVELOPMENT AND ADOPTION

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

This represents Oregon City's sixth biennial budget. A biennial budget period is a 24-month period beginning July 1 and ending June 30 of the second succeeding year. For this biennial budget, the period commences July 1, 2025 and ends June 30, 2027.

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

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

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

In late April or early May, the proposed budget is presented to the Budget Committee, which, by

law, comprises the Mayor, City Commission, and the same number of resident members (in this case, five). A notice of a public meeting is published in the local newspaper and posted on the City website. At each budget meeting, time for public comment and input is provided. After all input has been received, the Budget Committee approves the budget with any changes and forwards it to the Commission for adoption.

The City Commission holds a public hearing to review and adopt the final budget in June. If they propose a change that increases property taxes or expenditures within a fund by more than ten percent or \$10,000, whichever is greater, the amended budget must be republished, and a separate public hearing must be held by the Commission. The City Commission adopts the budget by resolution and approves the tax levy prior to June 30 each year. The adopted budget is filed with the county clerk and State of Oregon, and the property tax levy is certified to the County Assessor by July 15 each year.

#### BUDGET MONITORING AND ADJUSTMENTS

During each year, expenditures and revenues are monitored for compliance with the adopted budget and state law. Monthly revenue and expenditure status reports, including budgetary information are provided to Management. Annually, an audit is performed and filed with the State of Oregon by an independent certified public accountant. This report includes comparisons of budgeted to actual revenues and expenditures and documents the City's budgetary compliance.

Oregon Budget Law allows for changes to the City budget for reasons unforeseen at the time of adoption. For instance, a transfer from one appropriation category to another can be adopted by resolution of the City Commission. On the other hand, certain changes, such as appropriation increases, require a supplemental budget. Though a supplemental budget does not require the involvement of the budget committee, it does require a public hearing similar to the process followed during the adoption of the budget. Further detail is located in ORS 294.

**BASIS OF BUDGETING**

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

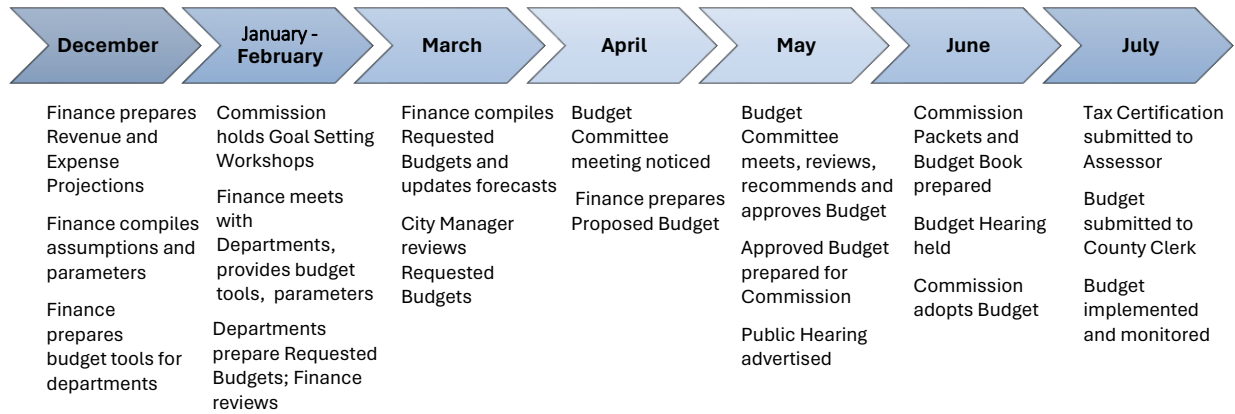
For financial reporting purposes the enterprise funds are converted from the modified accrual

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

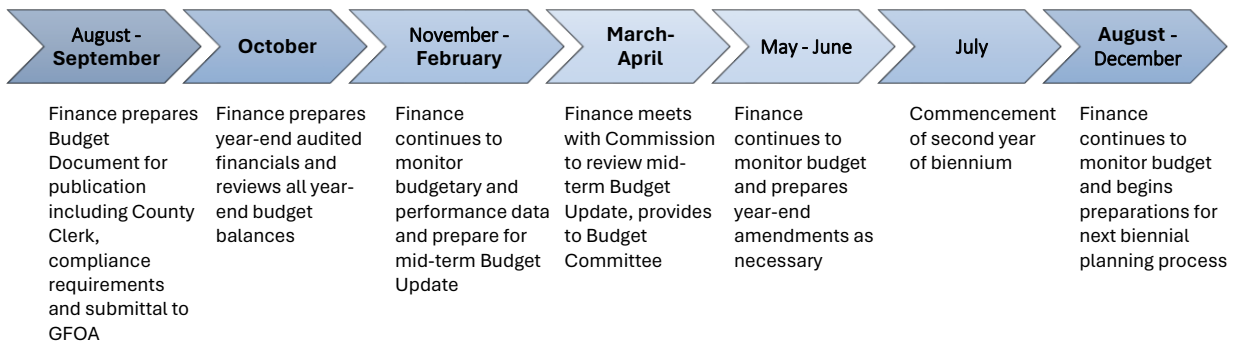
**BUDGET CALENDAR**

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

**Phase I**



**Phase II**



# Budget Process

## BUDGETED FUNDS

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

### **Governmental Funds:**

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

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



**BUDGET ORGANIZATION**

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

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

♻️ = major fund

A major fund is defined as any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the total budget. For the 2025-2027 biennium, the following funds meet this criterion:

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

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

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

**BUDGETARY CONTROL**

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 based on the level at which the governing body appropriates amounts, referred to as the appropriation level. For the City, amounts are appropriated by department (Policy and Administration, Police, Public Works, etc.) within each fund. Departments represent organizational units of the City. 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.

## FINANCIAL POLICIES IMPACTING THE BUDGET

### GOALS AND PURPOSE:

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

### REVENUE POLICY:

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

### BUDGET POLICY:

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

- ❖ The City will prepare budgets on a biennial basis to coincide with the Commission visioning and will provide annual updates including financial updates and operational progress.
- ❖ The City will submit the Adopted Budget Document for consideration for the Award for Distinguished Budget Presentation from the Government Finance Officers Association (GFOA) for each budget cycle.

**CAPITAL IMPROVEMENT POLICY:**

- ❖ The City will capitalize all capital assets and improvements of a long-term character which are to be held or used, such as land, buildings, improvements other than buildings, and machinery and equipment with a value of \$10,000 or more.
- ❖ The City will develop a multi-year plan for capital improvements and update it biennially.
- ❖ The future operating costs associated with new capital improvements will be projected and included in the operating budget forecast.
- ❖ The City will determine the most effective and efficient financing method for all new projects.
- ❖ System development charges will be used for infrastructure capacity expansion and improvements including in-house engineering and design.

**DEBT POLICY:**

- ❖ The City will not use long-term debt for current operations.
- ❖ The City will follow a policy of full disclosure on every financial report and required debt disclosure.

- ❖ Capital projects financed through bond proceeds shall be financed for a period not to exceed the useful life of the project.
- ❖ The City shall review its outstanding debt periodically for the purpose of determining if the financial marketplace will afford the City the opportunity to lessen its debt service costs.
- ❖ The City shall periodically review possible actions to maintain or improve its bond ratings and maintain good communications with bond rating agencies about its financial condition.

**RESERVE POLICY:**

- ❖ The City shall establish a contingency reserve to provide for unanticipated expenditures of a nonrecurring nature and to meet unexpected increases in service delivery costs; these funds may not be directly disbursed from the contingency reserve but only in accordance with local budget law in the State of Oregon.
- ❖ The City will maintain an unallocated and unappropriated fund balance or retained earnings to provide working capital until sufficient revenues arrive to fund current operations equal to a minimum of two months, or 17%, of general operating expenditures.
- ❖ Contingency and unappropriated reserve calculations are based on the budget for all operating funds excluding debt service, capital project, internal service, and reserve funds.
- ❖ It is the intent of the City to use all surpluses generated to accomplish three goals: meet reserve policies, avoid future debt, and reduce outstanding debt.

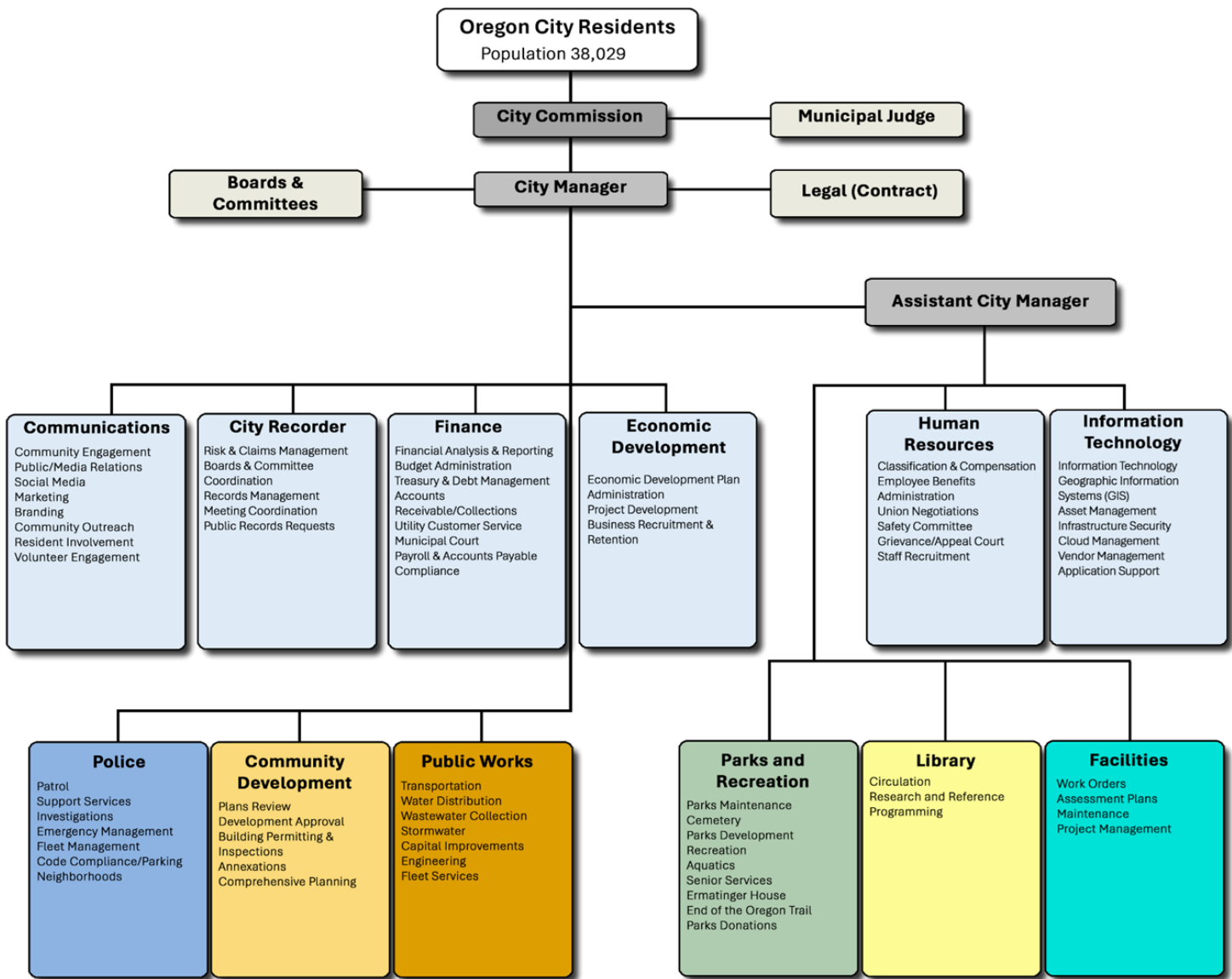


**DID YOU KNOW?**

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

# Organization Chart

## ORGANIZATION CHART



**BUDGET SUMMARY – ALL FUNDS COMBINED**

**RESOURCES AND REQUIREMENTS**

The table below summarizes all resources and requirements by category for the 2025-2027 biennium and compares them to the current biennial budget and the activity for two previous biennial periods.

All Funds	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 91,044,035	\$ 81,513,862	\$ 91,418,800	\$ 98,018,800	\$ 92,404,900	\$ 98,018,800
Property Taxes	28,057,100	30,401,159	32,927,800	18,018,000	18,357,000	36,375,000
Franchise Fees	8,576,012	9,724,801	9,744,500	5,640,000	5,914,100	11,554,100
Intergovernmental	22,968,992	28,977,161	27,744,000	12,761,100	15,297,500	28,058,600
Charges for Services	56,580,351	66,387,599	66,033,000	32,426,300	33,136,300	65,562,600
Pass-Through Revenues	13,926,220	18,333,001	18,798,600	7,733,200	7,660,300	15,393,500
Licenses and Permits	5,169,540	5,039,567	3,947,900	1,915,900	2,025,000	3,940,900
Fines and Penalties	1,845,525	1,638,857	2,205,000	1,125,000	1,125,000	2,250,000
Other Taxes and Assessments	1,264,370	1,420,639	1,687,200	408,900	408,900	817,800
Other Income	5,008,005	4,542,424	4,363,100	2,334,200	2,167,100	4,501,300
Sale of Assets	3,424,769	100,318	2,000,000	5,000	1,255,000	1,260,000
Contributions	241,274	253,682	221,400	247,900	216,400	464,300
Interest Income	2,235,532	2,265,972	1,552,000	4,483,500	4,693,200	9,176,700
Bond Proceeds	-	-	-	6,850,000	6,052,000	12,902,000
Internal Service Charges	6,553,614	7,271,009	10,043,800	7,119,200	7,398,200	14,517,400
Other Financing Sources	-	480,178	683,900	1,090,400	457,700	1,548,100
Transfers In	11,426,285	16,528,862	10,176,829	5,018,000	6,785,500	11,803,500
<b>Total Resources</b>	<b>\$ 258,321,624</b>	<b>\$ 274,879,091</b>	<b>\$ 283,547,829</b>	<b>\$ 205,195,400</b>	<b>\$ 205,354,100</b>	<b>\$ 318,144,600</b>
<b>Requirements by Category</b>						
Personnel Services	\$ 52,492,026	\$ 57,534,703	\$ 69,799,600	\$ 37,522,900	\$ 38,975,100	\$ 76,498,000
Materials and Services	33,603,570	38,402,797	44,929,900	29,317,600	28,360,100	57,677,700
Pass-Through Expenses	13,897,994	18,310,193	18,798,600	7,733,200	7,660,300	15,393,500
Capital Outlay	59,259,229	37,168,481	61,683,100	28,971,300	31,462,700	60,434,000
Debt Service	6,128,658	6,777,737	7,574,900	4,227,500	4,603,600	8,831,100
Transfers Out	11,426,285	16,528,862	10,176,829	5,018,000	6,785,500	11,803,500
Contingency	-	-	55,667,671	75,495,400	65,904,700	65,904,700
Reserved for Future Expenditure	33,731,453	45,052,495	9,766,429	11,113,300	15,628,800	15,628,800
Unappropriated Fund Balance	47,782,409	55,103,823	5,150,800	5,796,200	5,973,300	5,973,300
<b>Total Requirements</b>	<b>\$ 258,321,624</b>	<b>\$ 274,879,091</b>	<b>\$ 283,547,829</b>	<b>\$ 205,195,400</b>	<b>\$ 205,354,100</b>	<b>\$ 318,144,600</b>

The following table further summarizes all requirements by function.

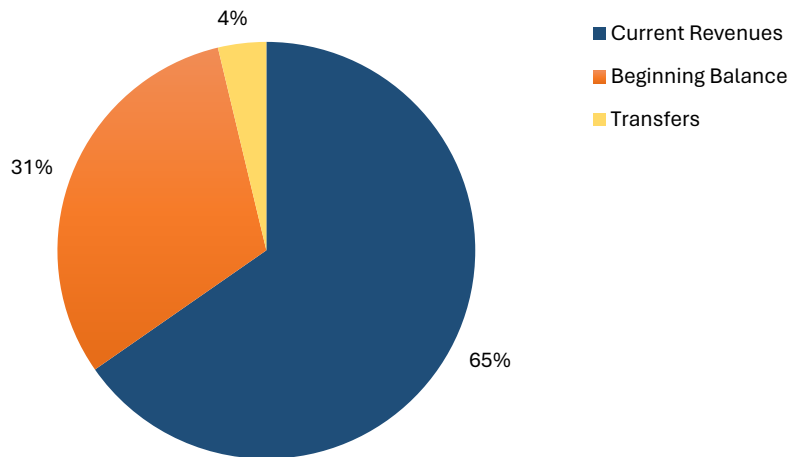
All Funds	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Requirements by Function</b>						
Policy and Administration	\$ 12,984,245	\$ 14,810,099	\$ 18,698,500	\$ 11,525,100	\$ 10,926,000	\$ 22,451,100
Police	44,829,031	25,696,419	28,869,200	15,021,400	15,778,600	30,800,000
Parks and Recreation	13,064,186	12,767,032	13,745,100	7,328,000	7,875,700	15,203,700
General Government	4,714,347	4,487,739	5,203,300	2,337,200	2,288,900	4,626,100
Library	3,795,290	4,600,296	6,529,700	4,336,000	3,883,100	8,219,100
Community Development	4,593,966	5,672,755	7,146,100	4,060,900	4,115,900	8,176,800
Public Works	61,373,760	65,071,641	96,220,700	51,203,200	53,929,700	105,132,900
Pass-Through Expenses	13,897,994	18,310,193	18,798,600	7,733,200	7,660,300	15,393,500
Debt Service	6,128,658	6,777,737	7,574,900	4,227,500	4,603,600	8,831,100
Transfers Out	11,426,285	16,528,862	10,176,829	5,018,000	6,785,500	11,803,500
Contingency & Reserves	81,513,862	100,156,318	70,584,900	92,404,900	87,506,800	87,506,800
<b>Total Requirements</b>	<b>\$ 258,321,624</b>	<b>\$ 274,879,091</b>	<b>\$ 283,547,829</b>	<b>\$ 205,195,400</b>	<b>\$ 205,354,100</b>	<b>\$ 318,144,600</b>

# Budget Summary

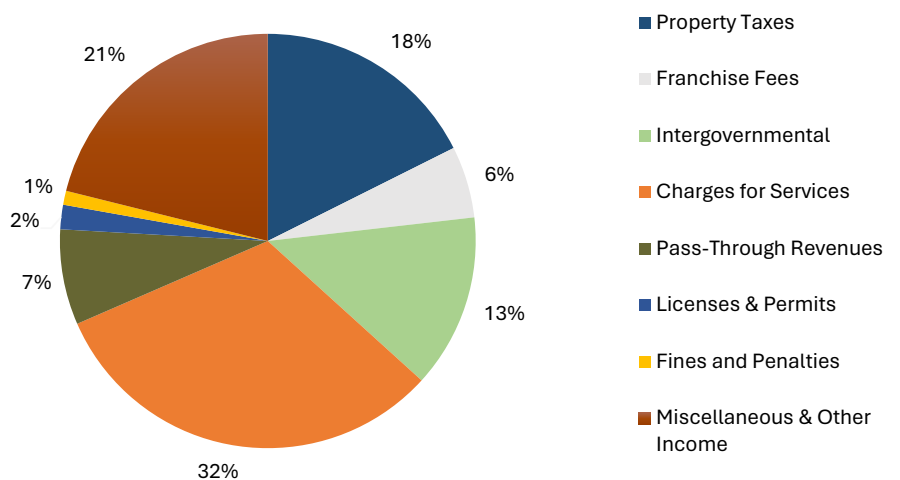
## WHERE THE MONEY COMES FROM

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

### Resources by Type



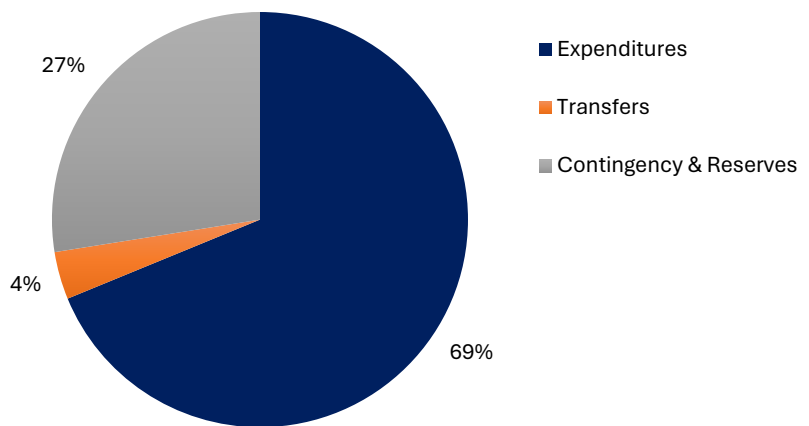
### Revenues by Source



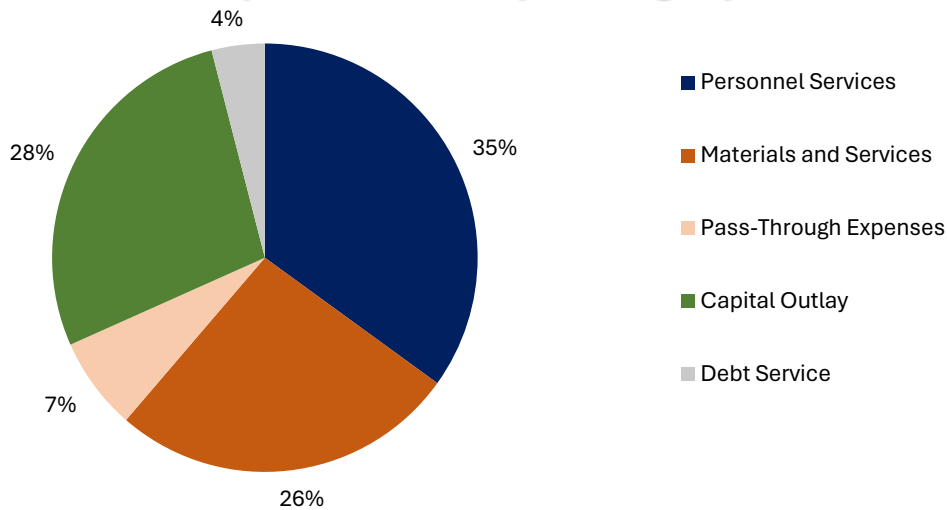
**WHERE THE MONEY GOES**

Oregon City’s requirements fall into three primary categories: expenditures, transfers, and contingency/reserves. Total requirements consist of all monies appropriated for use during the fiscal year plus contingency, which may be used to meet unanticipated operating needs, and reserve for future expenditures. The first chart below breaks down total requirements into expenditures, transfers, and contingency, and the second chart further breaks down expenditures (excluding Contingency & Reserves and Transfers) by category for the biennium.

**Requirements by Type**



**Expenditures by Category**



# Budget Summary

## RESOURCES AND REQUIREMENTS – ALL FUNDS

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

All Funds	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
General Fund	\$ 62,245,848	\$ 76,667,651	\$ 73,028,700	\$ 48,630,100	\$ 48,249,300	\$ 83,761,000
<b>Special Revenue Funds</b>						
Library	8,430,016	9,638,457	10,469,300	8,496,300	7,617,500	12,159,000
Planning	3,976,857	4,268,218	4,040,800	1,907,700	1,932,000	3,684,000
Building	8,712,706	10,688,511	10,612,000	8,261,600	7,756,700	10,707,400
Engineering	2,994,326	3,304,109	2,694,100	1,637,600	1,528,900	2,655,900
Transportation	17,236,636	20,214,293	18,965,500	14,324,000	14,226,000	23,012,200
Park Donations	-	-	903,629	913,900	648,800	1,038,100
<b>Capital Projects Funds</b>						
System Development	36,315,119	35,139,508	42,096,200	33,519,200	37,252,200	41,985,800
Community Facilities	37,364,284	11,344,060	11,293,500	9,676,800	11,213,400	13,707,100
<b>Enterprise Funds</b>						
Water	20,693,542	29,297,750	27,101,000	24,486,600	26,650,200	41,628,400
Wastewater	34,964,077	44,852,700	49,509,500	27,632,600	23,449,000	45,508,800
Stormwater	8,146,782	9,831,364	11,328,300	8,472,200	8,731,200	13,537,800
<b>Internal Service Funds</b>						
Fleet Services	471,397	643,329	1,034,600	1,069,300	1,083,700	2,130,800
Utility Customer Service	2,598,244	2,797,694	3,314,300	1,988,600	2,094,700	3,994,800
Equipment Replacement	7,449,460	9,623,044	10,727,900	10,511,000	9,373,800	12,069,100
<b>Debt Service Funds</b>						
Debt Service	6,722,330	6,568,403	6,428,500	3,667,900	3,546,700	6,564,400
<b>Total All Funds</b>	<b>\$ 258,321,624</b>	<b>\$ 274,879,091</b>	<b>\$ 283,547,829</b>	<b>\$ 205,195,400</b>	<b>\$ 205,354,100</b>	<b>\$ 318,144,600</b>



**BUDGET HIGHLIGHTS**

- ❖ The budget is balanced at \$318.1 million with a tax rate of \$4.409 per \$1,000 assessed value, the same rate as the previous biennium.
- ❖ The 2025-2027 budget represents an increase of \$34.6 million over the amended 2023-2025 biennial budget of \$283.5 million.
- ❖ Total expenditures, excluding transfers, are \$218.8 million, an increase of \$16.0 million from the prior biennial budget. Most of this change is in Personnel Services and Materials and Services, each with a \$6.7 million and \$12.7 million budgeted increase, respectively, over the biennium. These increases were primarily offset by a \$3.4 million decrease in Pass-Through Expenses.
- ❖ The budget approves a 5.12 net decrease in Full Time Equivalent (FTE) positions. More information can be found in the Personnel portion of the Additional Information section of this document.

**BUDGET TRENDS BY YEAR**

The following economic assumptions were used in developing the 2025-2027 Biennial Budget.

**General**

- ❖ The City's population is estimated to grow 0.89% in each of the next two years.
- ❖ The economy in Oregon appears moderately healthy but vulnerable to federal policy changes. Moderate economic deceleration and persistent inflation have resulted in underperforming state revenues. GDP growth is projected to slow and the unemployment rate is projected to drift higher. The labor market in Oregon is expecting a growth rate between .5% to .6% over the next two years.

**Resources**

- ❖ Assessed value, the basis of property taxes, are estimated to grow by 3.5% in each year of the biennium, or \$146.2 million in 2026 and \$151.3 million in 2027.
- ❖ Property tax revenues are estimated to increase by approximately 4.7% over the two-year period due to a combination of

- anticipated property value increases and new development net of reductions for discounts, delinquencies and agency loss.
- ❖ Intergovernmental revenue is expected to decrease slightly by \$246 thousand, or .89%. There is anticipated receipt of \$5 million in funds from the Inflow and Infiltration Intergovernmental Agreement and \$4 million of Transportation funds from State Grants.
- ❖ Revenue sources adversely impacted by the pandemic, such as Charges for Services and Fines and Forfeitures, are expected to continue to return to pre-pandemic levels during the 2025-2027 biennium.
- ❖ Debt proceeds of approximately \$12.9 million are anticipated in the Water Fund.
- ❖ Interest rates on investments are budgeted conventionally for the biennium. When inflation is higher interest rates increase, however inflation is predicted to slow during the biennium.
- ❖ All other revenue sources are estimated using trend analysis. More information on revenue trends is provided later in this Budget Summary section.

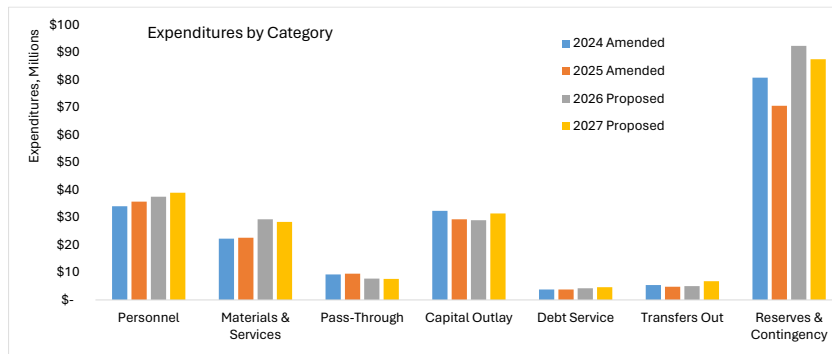
**Requirements**

- ❖ Costs for goods and contracts are projected with inflationary increases; exceptions or significant variances are explained under Budget Highlights of each Department budget.
- ❖ Capital outlay (projects and equipment) is budgeted at projected acquisition or construction cost based on preliminary estimates.
- ❖ Cost of living increases are 3.0% for all employees; step increases are included on employees' anniversary dates for represented employees.
- ❖ Health benefit costs are projected at 10.0% to 11.1% annual increases based on claims and premiums projections.
- ❖ Public Employees Retirement System (PERS) contributions rates provided by PERS will increase 1.9% to 3.48% of covered wages.

Further discussion of the changes in fund balance is presented in the Budget Message and individually in each fund's Budget Overview.

## Budget Summary

The chart below compares each year of the biennial budget (fiscal years 2026 and 2027) to each year of the prior year amended budgeted expenditures (2024 and 2025) by category for all budgeted funds. An explanation of the variances and assumptions used are explained below.



### Personnel Services

Personnel costs increased by \$6.7 million, or 9.6%, in the biennium. This increase is mainly due to cost of living and pay grade (step) increases along with projected health insurance increases. Total FTEs decreased by a net 5.12. The reductions include a Homeless Liaison Officer, Code Compliance Officer, part-time Code Enforcement, part-time Plans Examiner, Senior Construction Inspector, Senior Project Engineer, Parks Administrative Assistant and the eliminations of all Parks Seasonal positions. These position adjustments are required to maximize efficiencies in the City and still meet the needs of its residents. The approved budget also reflects an increase in PERS retirement contributions of 1.9% to 3.48% of covered wages, which results in an increase in cost of \$1.8 million over the biennium. Further analysis of personnel costs and changes is found in the Personnel portion of the Additional Information section at the end of this document.

### Materials & Services

Excluding internal service charges, which increased by \$3.4 million over the prior biennium, Materials and Services increased by \$6.0 million, or 10.9%. While departments budgeted primarily inflationary increases, materials and services increased due to specific contractual obligations, various grant projects, and special projects that support Commission goals. More information about these projects is included in the departmental budgets later in this document, as well as in the Commission

Goals section earlier in this document. Internal service charges are for services provided between departments and have increased as the City improves its cost allocation methods to better reflect services provided across departments and funds. Inflationary increases have unquestionably affected the Enterprise Funds expenses for numerous professional service agreements. For example, the Stormwater Division contracts for landscaping maintenance at over 117 sites and 35 acres of stormwater ponds, roadside planters, swales, ditches, City-owned tracts, and abutting right-of ways.

### Capital Outlay

Budgeted capital decreased by \$1.3 million, or 2.0%, over the biennium. This decrease is mainly due to cyclical changes. Capital Outlay includes the investment in the Inflow and Infiltration (I & I) Program and the State funded Main Street Connective Corridor Project between 10<sup>th</sup> Street and 15<sup>th</sup> Street. The projects included in the upcoming biennium are explained in more detail in the Budget Message and in the Capital Improvement Program portion of the Additional Information section at the end of this document.

### Debt Service

The City's most recently acquired debt was voter approved WIFIA debt acquired in 2023 for the construction of water infrastructure. Information on the City's debt is in the Debt Administration portion of the Additional Information section at the end of this document.

**Transfers & Other Uses**

In the biennium, transfers increased by \$1.6 million, due in part to the departments increasing transfers to the Community Development and Transportation Funds.

**REVENUE ASSUMPTIONS AND TRENDS**

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

**Property Taxes**

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

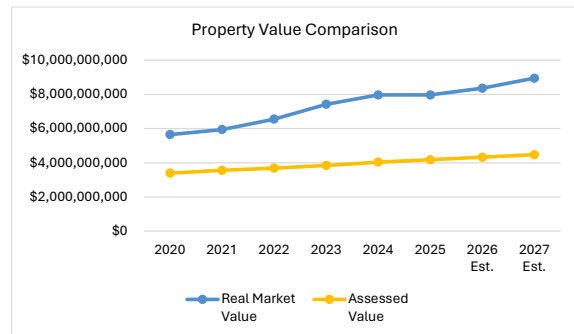
Assessed value increases are limited to 3% per year. City-wide increase of 3.5% in assessed value for property taxes are built into the calculation due to economic factors, anticipated new properties added to the tax roll,

and county assessor information. For fiscal year 2025, Oregon City's total assessed value was approximately 52% of the real market value. This gap has widened as expected due to the cap on assessed value increases. Assessed value is used for spreading the operating levies, while market values are used to meet Measure 5 cap requirements, approved by voters in 1990, which limit tax rates to \$15 per \$1,000 of real market value (\$5 for schools and an aggregate \$10 for all other governments), and to spread debt service levies, which are exempt from Measures 5 and 50.

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

The City’s total projected assessed value is multiplied by its permanent or proposed tax rate per \$1,000 of assessed value to calculate the anticipated property taxes to be received. Due to discounts and collection history, the City assumes a 95.2% collection rate on property taxes for the 2025-2027 biennium. This is in line with previous year’s collection estimates and reflective of the current collection rate.

Fiscal Year	Real Market Value	Assessed Value	Ratio of AV to RMV	Total Extended Tax Levy
2020	\$5,648,405,668	\$3,395,555,692	60.1%	\$14,155,665
2021	\$5,942,361,957	\$3,556,637,128	59.9%	\$14,784,687
2022	\$6,549,215,161	\$3,689,012,464	56.3%	\$15,336,496
2023	\$7,417,940,334	\$3,847,250,431	51.9%	\$16,043,879
2024	\$7,964,640,264	\$4,036,971,719	50.7%	\$17,801,420
2025	\$7,964,559,877	\$4,176,318,531	52.4%	\$18,181,918
2026 Est.	\$8,362,787,871	\$4,322,489,680	51.7%	\$18,818,285
2027 Est.	\$8,948,183,022	\$4,473,776,818	50.0%	\$19,476,925



The chart and table above show assessed value by year in comparison to real market value from 2020 through the upcoming biennium.

# Budget Summary

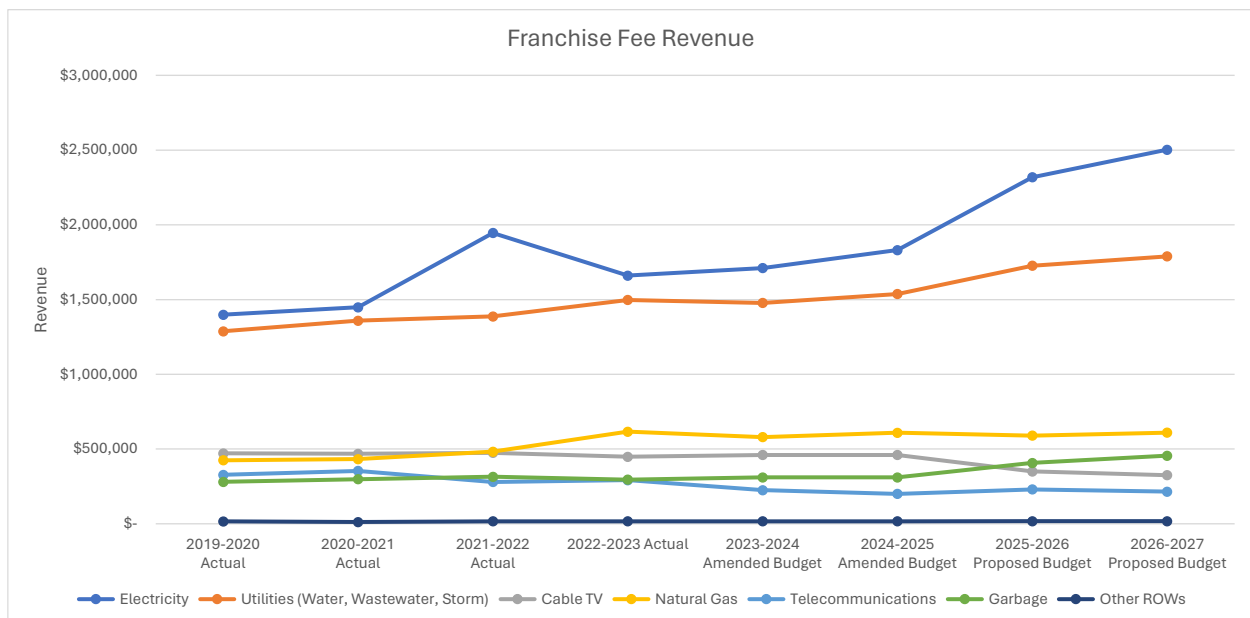
## Franchise Fees

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

percentage of gross proceeds generated within Oregon City's city limits.

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

Service	Rate	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
Electricity	5.0%	\$ 2,847,691	\$ 3,606,409	\$ 3,542,200	\$ 2,319,000	\$ 2,503,000	\$ 4,822,000
Wastewater Utility	6.0%	1,347,179	1,458,458	1,528,500	858,400	886,000	1,744,400
Cable TV	5.0%	938,809	922,745	920,000	350,000	325,000	675,000
Water Utility	6.0%	931,355	1,012,545	997,700	590,500	610,500	1,201,000
Natural Gas	5.0%	857,092	1,098,226	1,188,400	590,000	610,000	1,200,000
Telecommunications	5.0%	680,734	571,441	425,000	230,000	215,000	445,000
Garbage	4.0%	578,175	609,073	620,000	407,000	455,000	862,000
Stormwater Utility	6.0%	367,801	413,533	489,300	278,100	292,600	570,700
Other ROWs	Various	27,177	32,373	33,400	17,000	17,000	34,000
<b>Total Franchise Fees</b>		<b>\$ 8,576,011</b>	<b>\$ 9,724,801</b>	<b>\$ 9,744,500</b>	<b>\$ 5,640,000</b>	<b>\$ 5,914,100</b>	<b>\$ 11,554,100</b>



**Intergovernmental Revenues**

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

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

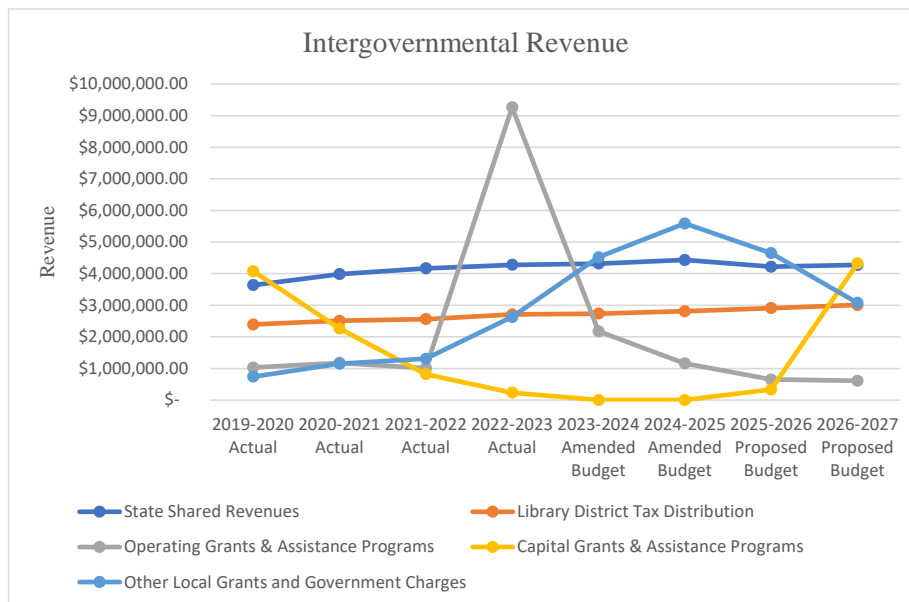
Grants and governmental assistance programs are awarded for operations (such as the Police Department’s Crime Prevention grant) and capital programs (such as funding received for highway reconstruction). These are estimated based on approved grants and projected annual eligible grant spending.

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

State shared revenues have recently been declining, as library district tax revenues have been growing. State share of marijuana taxes started in 2018. However, this revenue was capped in 2020 with Measure 110 and state marijuana tax distributions to cities has significantly decreased. In the approved biennium, the City expects to receive \$5 million in funding from the Inflow and Infiltration Program IGA. The City anticipates receiving \$4 million in funding from grants related to State Lottery Bonds.

The table and chart below show total intergovernmental revenue, by source, for the upcoming biennium and the previous three biennia.

Source	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
State Shared Revenues	\$ 7,625,270	\$ 8,598,265	\$ 8,754,800	\$ 4,220,500	\$ 4,275,100	\$ 8,495,600
Library District Tax Distribution	4,903,916	5,442,327	5,544,800	2,908,400	3,010,100	5,918,500
Operating Grants & Assistance Programs	2,208,137	11,439,879	3,335,400	651,000	611,600	1,262,600
Capital Grants & Assistance Programs	6,340,806	233,352	-	332,000	4,325,000	4,657,000
Other Local Grants and Government Charges	1,890,903	7,148,031	10,109,000	4,649,200	3,075,700	7,724,900
<b>Total Intergovernmental Revenues</b>	<b>\$ 22,969,032</b>	<b>\$ 32,861,854</b>	<b>\$ 27,744,000</b>	<b>\$ 12,761,100</b>	<b>\$ 15,297,500</b>	<b>\$ 28,058,600</b>



## Budget Summary

### Charges for Services

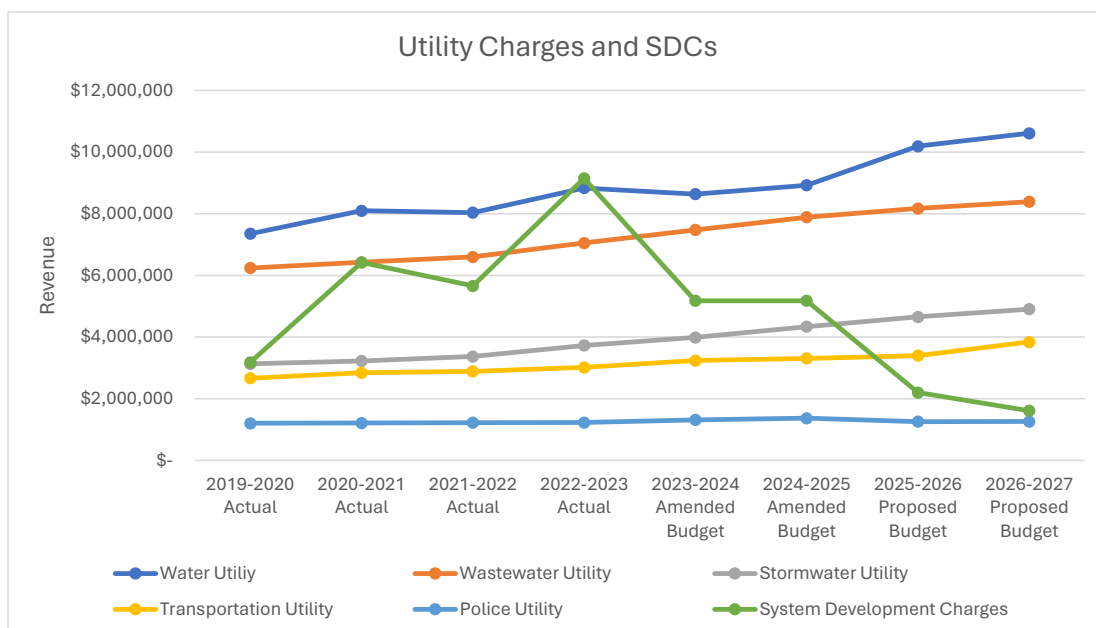
Charges for Services consists primarily of utility service charges and system development charges (SDCs). Utility service charges include water, wastewater, pavement maintenance, public safety, and stormwater. These charges are billed monthly to all utility customers throughout the City. The amount of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

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

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

A breakdown of Charges for Services is shown in the table below. The chart below shows utility service charge revenue and SDC revenue, specifically. The data shown is for the upcoming biennium and the previous three biennia.

Type of Charge	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
Water Utility	\$15,458,794	\$17,477,557	\$17,570,400	\$10,194,800	\$10,611,900	\$20,806,700
Wastewater Utility	12,670,166	14,530,959	15,368,100	8,172,700	8,391,200	16,563,900
Stormwater Utility	6,358,291	7,717,041	8,325,900	4,654,600	4,907,400	9,562,000
Transportation Utility	5,508,085	6,256,085	6,547,800	3,398,800	3,841,100	7,239,900
Police Utility Fee	2,418,631	2,544,259	2,686,700	1,256,400	1,261,000	2,517,400
System Development Charges	9,606,717	14,329,375	10,360,000	2,203,000	1,612,000	3,815,000
Parks & Recreation User Fees	604,242	1,879,200	1,591,900	989,500	999,300	1,988,800
Planning & Review Fees	2,031,253	1,405,322	1,305,500	553,900	504,000	1,057,900
Code Enforcement & Parking	389,497	807,772	870,200	220,200	220,200	440,400
Cemetery Fees	657,754	599,513	566,600	370,800	370,800	741,600
Other	876,922	827,749	839,900	411,600	417,400	829,000
<b>Total Charges for Services</b>	<b>\$56,580,352</b>	<b>\$68,374,832</b>	<b>\$66,033,000</b>	<b>\$32,426,300</b>	<b>\$33,136,300</b>	<b>\$65,562,600</b>



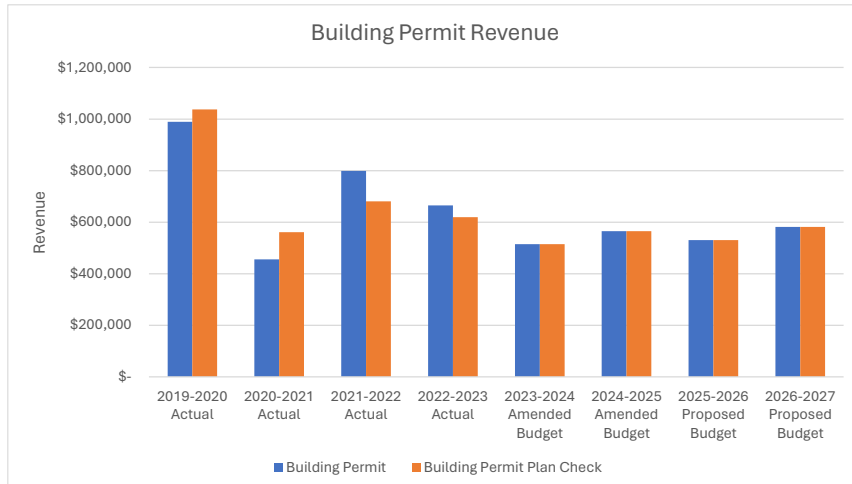
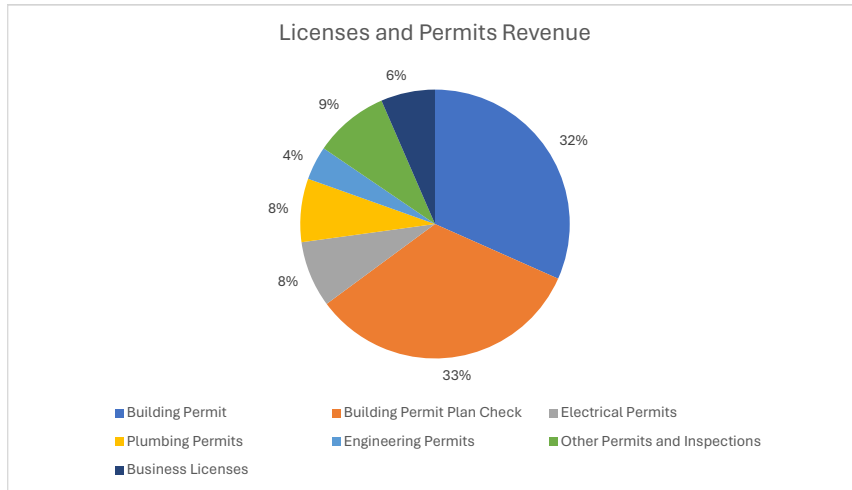
**Licenses and Permits**

The table and chart below show the various types of license and permit revenue. Building permits make up the largest share of all permitting revenue at 30%. The subsequent chart compares building permit revenues on an

annual basis for the upcoming biennium and the previous three biennia.

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

License / Permit Type	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
Building Permit	\$ 1,445,491	\$ 1,179,762	\$ 1,080,000	\$ 530,500	\$ 582,000	\$ 1,112,500
Building Permit Plan Check	1,599,086	1,134,471	1,080,000	530,500	582,000	1,112,500
Electrical Permits	470,660	513,511	430,800	221,800	222,200	444,000
Plumbing Permits	539,221	554,749	500,800	257,900	258,300	516,200
Engineering Permits	220,259	145,482	110,000	55,000	55,000	110,000
Other Permits and Inspections	474,551	366,573	328,300	166,200	171,500	337,700
Business Licenses	420,272	442,465	418,000	154,000	154,000	308,000
<b>Total Licenses and Permits</b>	<b>\$ 5,169,540</b>	<b>\$ 4,337,013</b>	<b>\$ 3,947,900</b>	<b>\$ 1,915,900</b>	<b>\$ 2,025,000</b>	<b>\$ 3,940,900</b>



# Budget Summary

## Pass-Through Revenue

A local government may collect taxes, fees, or charges on behalf of other governmental entities that are then paid, on a pass-through basis, to another local government under an intergovernmental agreement or statute. The

City is required to budget these collections as pass-through revenues and the remittances as special payments. The following chart shows the pass-through payments collected by the City and the funds where they are recorded. State and County fines were recorded.

Fund	Type of Charge	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
General	State and County Fines	\$ 480,587	\$ 527,386	\$ 725,000	\$ 200,000	\$ 200,000	\$ 400,000
Planning	School Excise Tax	848,736	1,056,625	1,200,000	300,000	300,000	600,000
Building	Metro Excise Tax	177,998	193,591	230,000	118,500	118,500	237,000
Building	State Surcharge	317,028	352,047	379,600	194,700	196,400	391,100
Water	South Fork Connection Charges	624,041	922,696	1,300,000	120,000	160,000	280,000
Wastewater	Tri-City Connection Charges	1,524,998	4,168,508	3,600,000	620,000	320,000	940,000
Wastewater	Tri-City Service Charges	9,952,830	11,140,725	11,364,000	6,180,000	6,365,400	12,545,400
<b>Total Pass-Through Revenue</b>		<b>\$13,926,218</b>	<b>\$18,361,578</b>	<b>\$18,798,600</b>	<b>\$ 7,733,200</b>	<b>\$ 7,660,300</b>	<b>\$15,393,500</b>

## Internal Service Charge Revenue

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

intended purposes and in accordance with applicable laws and regulations. The City Recorder has not charged for services in the past. The City Recorder department and property/liability insurance internal service charges have been added to the 2025-2027 biennium.

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

Expenditure	Revenue											Department Subtotal*	Fleet Maintenance Fund	TOTAL	
	General Fund								Planning Fund	Engineering Fund	Utility Customer Service Fund				
	City Manager	Communications	City Recorder	Finance	Human Resources	Information Technology	GIS	General Government							
General Government									520,800	22,400			543,200	16,700	
Police													-	230,000	
Code Enforcement													-	37,000	
Parks Maintenance													-	143,500	
Cemetery														14,500	
Library	79,800	45,000	115,200	66,800	135,400	122,400	13,100	172,300					750,000	26,900	
Planning	45,000	22,600	28,400	38,400	33,400	158,600		33,700					360,100	1,100	
Building	99,000	49,600	62,600	49,400	73,600	272,600	52,900	67,800					727,500	12,200	
Engineering	31,200	15,600	19,800	29,000	23,200	168,700	32,800	38,200					358,500	2,600	
Transportation	110,800	55,600	70,200	133,800	82,400	100,800	60,300	173,300	24,000	159,300			970,500	462,800	
Pavement Maintenance				68,800								498,200	645,500		
Equipment Replacement				28,400									28,400		
Water	114,600	57,400	72,400	273,400	85,000	177,600	72,000	238,300	52,800	201,500	1,355,600		2,700,600	359,500	
Wastewater	91,600	45,600	57,800	395,200	67,800	151,200	73,800	143,800	52,800	881,900	1,139,800		3,101,300	383,800	
Stormwater	86,000	43,000	54,400	88,800	63,800	122,400	64,600	121,200	52,800	84,800	571,700		1,353,500	425,800	
Fleet Service	17,800	9,000	11,400	9,200	13,400	12,000		18,900					91,700		
Utility Customer Service	51,400	25,600	32,400		38,000	113,800	4,500	33,300					299,000	4,200	
South Fork Water Board														6,000	
<b>Total Internal Service Charges</b>	<b>\$ 727,200</b>	<b>\$ 369,000</b>	<b>\$ 524,600</b>	<b>\$ 1,181,200</b>	<b>\$ 616,000</b>	<b>\$ 1,464,900</b>	<b>\$ 387,700</b>	<b>\$ 1,040,800</b>	<b>\$ 703,200</b>	<b>\$ 1,349,900</b>	<b>\$ 3,565,300</b>		<b>\$ 2,126,600</b>	<b>\$14,056,400</b>	

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

**GENERAL FUND**

**OVERVIEW**

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

In the General Fund, it is important to carry over sufficient unappropriated ending fund balance (an amount not appropriated for spending in the

previous year) to provide cash flow for specific operations until current year revenues are received; payroll and bills need to be paid for several months prior to when property taxes are collected. Additionally, maintaining an emergency ending reserve in the event of revenue losses, state mandates, or natural disasters provides stability to meet the City's current and future needs. The target amount is 27% of the annual operating budget, or \$9.5 million. The General Fund Operating Contingency at \$4.6 million and Unappropriated Fund Balance at \$6.0 million total approximately \$10.6 million, or 30%, at the end of the biennium, with an additional \$1.3 million reserved for future program expenditures. These reserves include funding restricted for the Tourism Program, the Metro Enhancement Grant program, Department of Justice Forfeiture funds, and Opioid Settlement funds.

Total resources and requirements in the General Fund are shown below for the 2025-2027 biennium and the previous three biennia.

General Fund	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 9,816,801	\$ 11,157,579	\$ 12,256,500	\$ 13,827,900	\$ 13,118,400	\$ 13,827,900
Property Taxes	28,057,100	30,401,159	32,927,800	18,018,000	18,357,000	36,375,000
Franchise Fees	7,981,985	9,076,420	9,062,700	5,250,000	5,514,100	10,764,100
Intergovernmental	5,538,979	13,442,485	4,533,900	2,349,700	2,914,800	5,264,500
Charges for Services	2,352,630	3,869,033	3,674,700	1,871,700	1,887,300	3,759,000
Pass-Through Revenues	480,588	367,406	725,000	200,000	200,000	400,000
Internal Service Charges	2,133,100	2,556,680	4,042,700	3,363,400	3,409,000	6,772,400
Licenses and Permits	428,402	449,882	419,000	154,000	154,000	308,000
Fines and Penalties	1,800,112	1,584,354	2,205,000	1,110,000	1,110,000	2,220,000
Assessments and Other Taxes	1,264,370	1,420,639	1,687,200	408,900	408,900	817,800
Miscellaneous Income	1,777,274	1,383,458	721,600	382,000	321,600	703,600
Interest Income	614,506	585,523	405,000	624,000	653,600	1,277,600
Other Financing Sources	-	373,032	367,600	1,070,500	200,600	1,271,100
<b>Total Resources</b>	<b>\$ 62,245,847</b>	<b>\$ 76,667,650</b>	<b>\$ 73,028,700</b>	<b>\$ 48,630,100</b>	<b>\$ 48,249,300</b>	<b>\$ 83,761,000</b>
<b>Requirements by Department</b>						
Policy & Administration	\$ 10,648,131	\$ 12,041,136	\$ 15,495,000	\$ 9,628,000	\$ 8,915,600	\$ 18,543,600
Police	22,627,559	24,977,375	27,753,700	14,711,200	15,241,500	29,952,700
Parks and Recreation	9,518,040	11,214,487	12,453,500	6,210,600	6,937,500	13,148,100
General Government	4,586,949	4,452,532	5,174,900	2,282,100	2,288,800	4,570,900
Pass-Through Expenses	480,904	364,723	725,000	200,000	200,000	400,000
Principal & Interest	-	299,483	633,800	583,600	587,100	1,170,700
Transfers Out	3,226,685	9,377,462	3,317,229	1,896,200	2,207,800	4,104,000
Contingency	-	-	1,030,271	5,828,000	4,579,000	4,579,000
Reserved for Future Expenditure	-	-	1,294,500	1,494,200	1,318,700	1,318,700
Unappropriated Fund Balance	11,157,579	13,940,452	5,150,800	5,796,200	5,973,300	5,973,300
<b>Total Requirements</b>	<b>\$ 62,245,847</b>	<b>\$ 76,667,650</b>	<b>\$ 73,028,700</b>	<b>\$ 48,630,100</b>	<b>\$ 48,249,300</b>	<b>\$ 83,761,000</b>

# General Fund

## BUDGET HIGHLIGHTS

The 2025-2027 biennial revenues (excluding beginning fund balance, internal service charges and transfers) increased over last biennial budget by a combined total of \$6.4 million, or approximately 11.3%. Total expenditures (excluding transfers, internal service charges and contingencies) increased by a combined total of \$5.6 million, or approximately 8.9%.

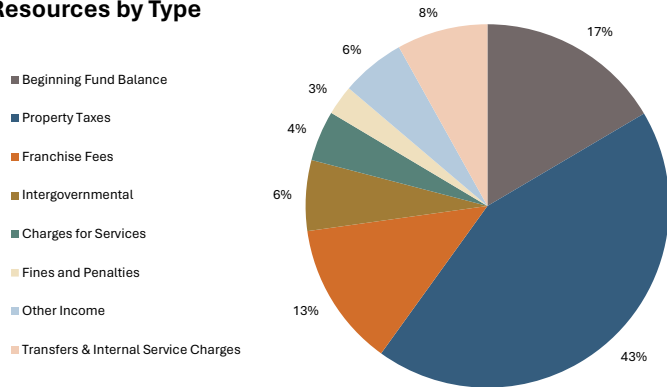
Property tax growth makes up most of the increase to revenues as these continue to be the largest revenue source for the general fund, at 43% of total resources. Property tax revenues are expected to increase over the next two years due to projected 3.5% increases in assessed value for each of the two years. Franchise fees (paid by utility companies for their use of public rights-of-way), are projected to stay relatively stable over the next biennium. Intergovernmental revenue is expected to increase by \$0.7 million due to the receipt of funds for a community court program. Revenue sources, such as Charges for Services and Fines

and Forfeitures, are included in the budget at an increased amount compared to the prior biennium.

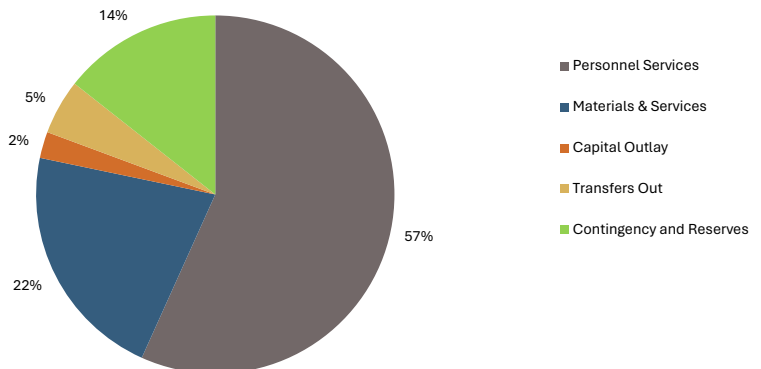
Increases to General Fund expenditures can be attributed to an increase in Personnel Services costs due to annual cost of living adjustments and step increases for employees, coupled with anticipated health insurance and PERS rate increases. These items contributed to a 9.6% increase in General Fund personnel expenditures. Materials and Services costs increased by 4.5% due to several continued initiatives associated with specific Commission goals. This includes a Diversity, Equity and Inclusion initiative, various Economic Development initiatives, and initiatives to help reduce homelessness. Capital outlay expenditures reflect continued focus on deferred capital maintenance, remaining relatively flat as compared to the prior biennium.

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

**Resources by Type**

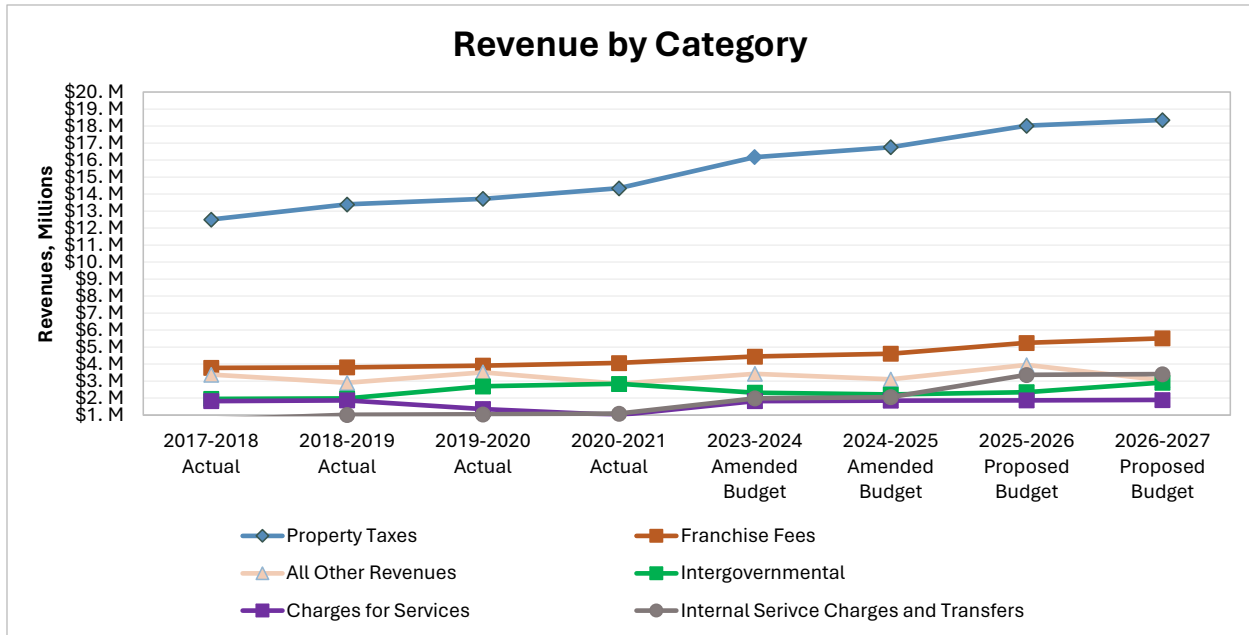


**Requirements by Category**



**GENERAL FUND REVENUES**

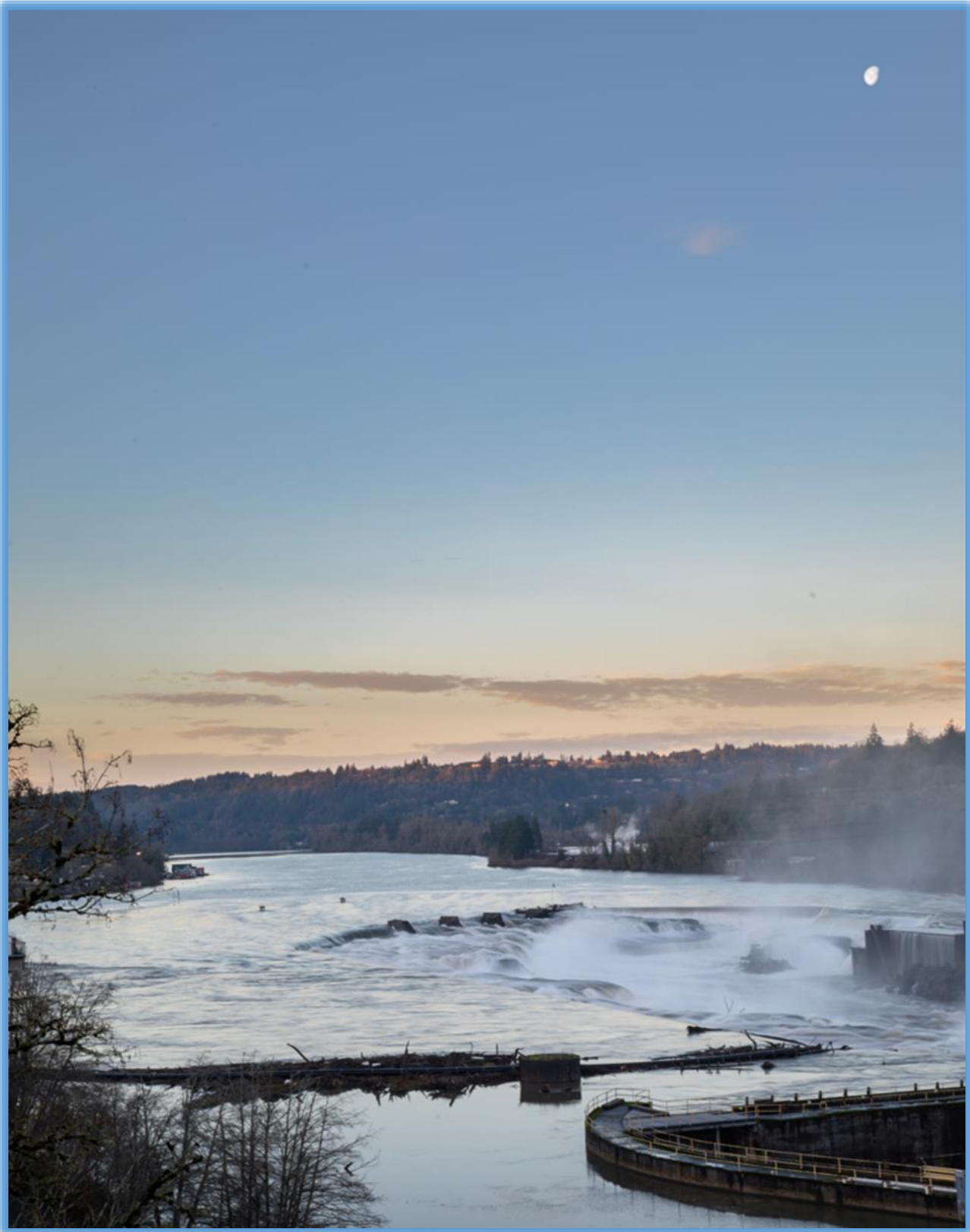
The chart below shows General Fund revenues by category over time.



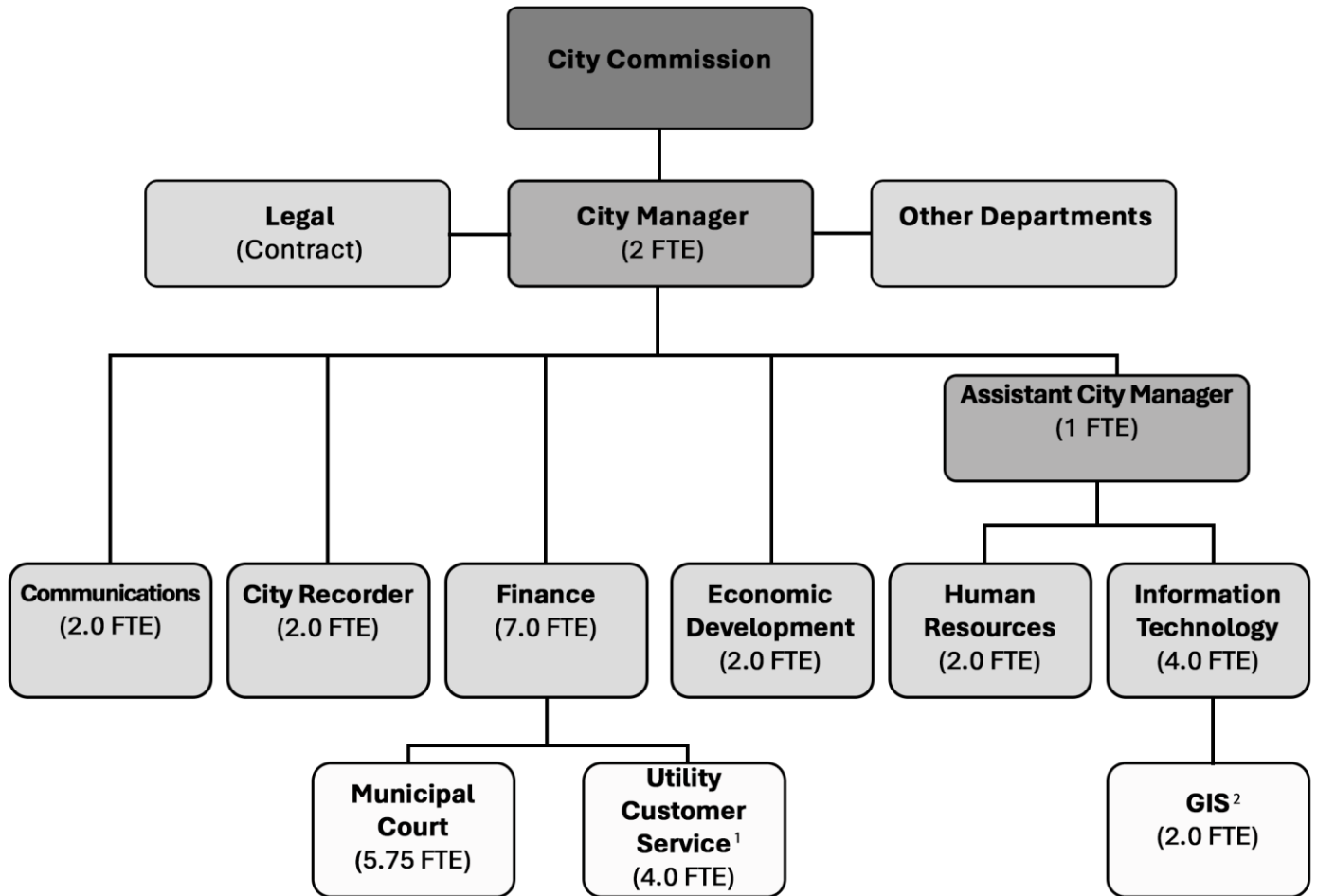
**GENERAL FUND EXPENDITURES**

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

General Fund	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Requirements by Category</b>						
<b>Personnel Services</b>						
Salaries	\$ 18,680,707	\$ 20,836,132	\$ 24,675,100	\$ 12,597,000	\$ 13,104,700	\$ 25,701,700
Benefits	13,558,924	14,748,299	18,081,400	10,383,000	10,767,500	21,150,500
<b>Total Personnel Services</b>	<b>32,239,631</b>	<b>35,584,431</b>	<b>42,756,500</b>	<b>22,980,000</b>	<b>23,872,200</b>	<b>46,852,200</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	2,317,493	3,293,165	3,274,600	1,777,800	1,853,100	3,630,900
Repair & Maintenance Services	3,434,988	4,472,963	4,364,900	2,014,900	2,044,600	4,059,500
Other Services	1,746,959	1,873,984	2,201,300	1,320,200	1,419,900	2,740,100
Employee Costs	401,528	525,433	644,900	345,700	352,500	698,200
Operating Materials & Supplies	841,212	1,037,542	1,028,400	493,300	498,100	991,400
Office & Administrative Supplies	870,682	982,731	1,134,000	560,300	608,800	1,169,100
Special Programs	1,653,802	761,442	1,396,100	861,800	805,100	1,666,900
Pass-Through Payments	480,904	364,723	725,000	200,000	200,000	400,000
Community Programs & Grants	1,372,610	839,454	1,754,000	1,016,100	886,100	1,902,200
Internal Service Charges	540,400	451,200	517,200	271,300	271,900	543,200
<b>Total Materials &amp; Services</b>	<b>13,660,578</b>	<b>14,602,637</b>	<b>17,040,400</b>	<b>8,861,400</b>	<b>8,940,100</b>	<b>17,801,500</b>
Capital Outlay	1,961,374	2,863,185	1,805,200	1,190,500	771,100	1,961,600
Principal & Interest	-	299,483	633,800	583,600	587,100	1,170,700
Transfers Out	3,226,685	9,377,462	3,317,229	1,896,200	2,207,800	4,104,000
Contingency	-	-	1,030,271	5,828,000	4,579,000	4,579,000
Reserved for Future Expenditure	-	-	1,294,500	1,494,200	1,318,700	1,318,700
Unappropriated Fund Balance	11,157,579	13,940,452	5,150,800	5,796,200	5,973,300	5,973,300
<b>Total General Fund</b>	<b>\$ 62,245,847</b>	<b>\$ 76,667,650</b>	<b>\$ 73,028,700</b>	<b>\$ 48,630,100</b>	<b>\$ 48,249,300</b>	<b>\$ 83,761,000</b>



**POLICY AND ADMINISTRATION**



Total FTE 32.70

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

<sup>1</sup> Utility Customer Service personnel report to Finance. However, the budgeted expense associated with the FTE are reported within the Utility Billing Fund.

<sup>2</sup> GIS personnel report to Information Technology. However, the budgeted expense associated with the FTE are allocated between the General Fund and various Public Works funds.

# Policy and Administration

## POLICY AND ADMINISTRATION

### OVERVIEW

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

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

### DEPARTMENT GOALS

- ❖ To provide leadership, engaged governance, and responsive customer service, and to be

transparent, efficient and effective with public funds

- ❖ To oversee and implement the City Commission Goals as established for the 2025-2027 biennium

### SIGNIFICANT BUDGET CHANGES

- ❖ Includes the addition of a full-time Community Engagement Specialist and limited duration Municipal Court FTE, offset by a 0.97 net decrease in City Recorder and Economic Development part-time for a net FTE increase of 1.07
- ❖ Professional and Technical Services includes additional funding for Diversity, Equity and Inclusion initiatives related to the City Commission's goals
- ❖ Capital Outlay includes additional funding for implementation to move software to a full virtual environment
- ❖ Pass-through payments include fines collected on behalf of county and state agencies

### POLICY AND ADMINISTRATION EXPENDITURES

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 3,966,939	\$ 4,298,698	\$ 5,261,400	\$ 3,013,600	\$ 3,124,300	\$ 6,137,900
Benefits	2,665,271	2,870,300	4,390,600	2,609,500	2,698,200	5,307,700
<b>Total Personnel Services</b>	<b>6,632,210</b>	<b>7,168,997</b>	<b>9,652,000</b>	<b>5,623,100</b>	<b>5,822,500</b>	<b>11,445,600</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	987,011	1,578,011	1,281,200	849,400	854,100	1,703,500
Repair & Maintenance Services	626,443	984,865	812,200	408,500	407,700	816,200
Other Services	365,836	288,912	305,300	183,200	185,200	368,400
Employee Costs	135,940	158,324	256,100	132,000	136,300	268,300
Operating Materials & Supplies	21,280	16,236	25,200	10,000	10,000	20,000
Office & Administrative Supplies	196,151	240,656	382,800	185,100	209,900	395,000
Special Programs	132,360	169,763	184,000	198,000	193,200	391,200
Pass-Through Payments	480,904	364,723	725,000	200,000	200,000	400,000
Community Programs & Grants	1,372,610	839,454	1,754,000	1,016,100	886,100	1,902,200
<b>Total Materials &amp; Services</b>	<b>4,318,535</b>	<b>4,640,944</b>	<b>5,725,800</b>	<b>3,182,300</b>	<b>3,082,500</b>	<b>6,264,800</b>
Capital Outlay	178,290	595,918	842,200	1,022,600	210,600	1,233,200
Debt Service	-	252,931	551,800	545,400	546,000	1,091,400
<b>Total Policy &amp; Administration</b>	<b>\$ 11,129,035</b>	<b>\$ 12,658,790</b>	<b>\$ 16,771,800</b>	<b>\$ 10,373,400</b>	<b>\$ 9,661,600</b>	<b>\$ 20,035,000</b>

**CITY COMMISSION**

**OVERVIEW**

The Oregon City Commission is composed of the Mayor and four Commissioners elected by the residents of Oregon City. The Commission provides legislative and policy leadership for City government. The Mayor and Commissioners are elected to four-year terms. Elections are held in even numbered years, with two Commissioners elected at large. The next Mayoral election is scheduled for 2026. The City Commission also composes five of the ten Budget Committee members, while the other five resident members are appointed. The Commissioners are also the governing board for the Oregon City Urban Renewal Commission, along with two appointed resident members.

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

**GOALS AND ACCOMPLISHMENTS**

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

- ❖ Invest in City Facilities and Infrastructure
- ❖ Improve the City’s Park Lands and Natural Resources
- ❖ Support Economic Development and Tourism throughout Oregon City
- ❖ Increase Community Engagement Opportunities
- ❖ Create a Diverse, Equitable, Inclusive, and Safe Community and Workplace
- ❖ Increase Housing Opportunities
- ❖ Reduce Homelessness in Oregon City

**CITY COMMISSION EXPENDITURES**

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Materials &amp; Services</b>						
Professional & Technical Services	\$ 149,543	\$ 185,220	\$ 100,000	\$ 60,000	\$ 60,000	\$ 120,000
Other Services	7,440	21,918	27,000	-	22,000	22,000
Employee Costs	59,686	78,572	91,000	49,600	50,900	100,500
Office & Administrative Supplies	21,747	32,463	39,700	15,500	20,300	35,800
Special Programs	123,214	152,105	152,000	4,200	5,200	9,400
Community Programs & Grants	2,156	5,788	4,000	5,500	500	6,000
<b>Total Materials &amp; Services</b>	<b>363,786</b>	<b>476,066</b>	<b>413,700</b>	<b>135,200</b>	<b>159,300</b>	<b>294,500</b>
<b>Total City Commission</b>	<b>\$ 363,786</b>	<b>\$ 476,066</b>	<b>\$ 413,700</b>	<b>\$ 135,200</b>	<b>\$ 159,300</b>	<b>\$ 294,500</b>

**BUDGET HIGHLIGHTS**

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

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

Office & Administrative Supplies include meeting expenses, commissioner electronic equipment, and miscellaneous costs.

## CITY MANAGER

### OVERVIEW

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

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

### ACCOMPLISHMENTS

The accomplishments of the City Manager's Office are reflected through the efforts of the entire municipal organization. Each department and program strives to achieve the goals of the Commission as established for the entire City. It is the goal of this office to support achievement of those goals, while taking on specific projects

and leadership where needed to obtain desired outcomes. The major accomplishments of the City are documented throughout each department and project. Overall, the City Manager's accomplishments were as follows:

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

### GOALS AND PROJECTS

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

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



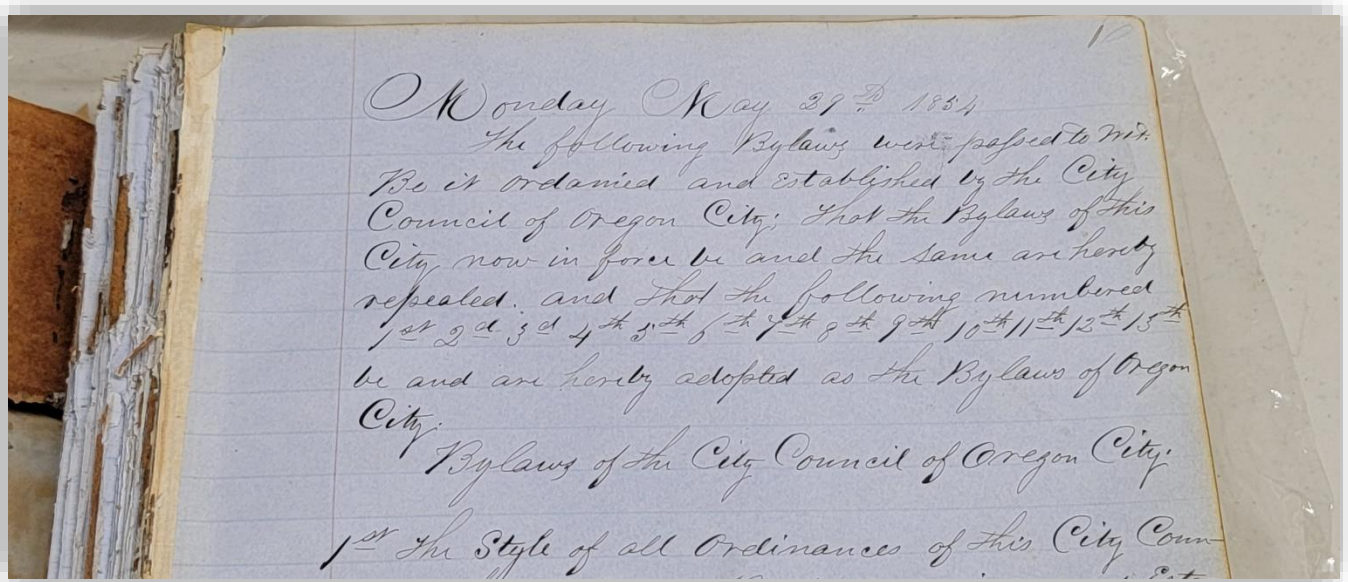
**CITY MANAGER EXPENDITURES**

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 695,292	\$ 735,388	\$ 1,110,400	\$ 479,500	\$ 497,200	\$ 976,700
Benefits	493,789	501,955	804,700	365,100	380,700	745,800
<b>Total Personnel Services</b>	<b>1,189,081</b>	<b>1,237,343</b>	<b>1,915,100</b>	<b>844,600</b>	<b>877,900</b>	<b>1,722,500</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	74,672	74,404	92,000	26,000	46,000	72,000
Repair & Maintenance Services	(156)	5,195	4,000	-	-	-
Employee Costs	16,914	7,451	21,200	9,000	9,000	18,000
Office & Administrative Supplies	13,150	14,517	22,400	4,200	5,900	10,100
Community Programs & Grants	3,724	27,969	20,000	-	-	-
<b>Total Materials &amp; Services</b>	<b>108,304</b>	<b>129,536</b>	<b>159,600</b>	<b>39,200</b>	<b>60,900</b>	<b>100,100</b>
Capital Outlay	-	54,079	-	-	-	-
Debt Service	-	17,285	-	-	-	-
<b>Total City Manager</b>	<b>\$ 1,297,385</b>	<b>\$ 1,438,243</b>	<b>\$ 2,074,700</b>	<b>\$ 883,800</b>	<b>\$ 938,800</b>	<b>\$ 1,822,600</b>

**BUDGET HIGHLIGHTS**

The 2025-2027 budget shows a decrease over last biennial budget due to the creation of a new

Communications department. City communications staff and communication programs costs were reallocated to the new department as well.



## COMMUNICATIONS

### OVERVIEW

The Communications department is tasked with utilizing existing and identifying new tools to help ensure residents are well informed about what is happening within their City and with providing residents the opportunity and options for involvement that best suit them and their goals.

### ACCOMPLISHMENTS

- ❖ Oversaw a redesign of the popular Trail News publication to meet the City’s brand standards.
- ❖ Nearly doubled Facebook following and grew Instagram following by 58%
- ❖ Completed a brand confirmation process to bring City’s materials in line with matching brand standards
- ❖ Created the Ivy League, a volunteer group that works to remove invasive English ivy from public property in Oregon City

- ❖ Supported the Neighborhood Associations, increasing the total number of active associations to increase to 11
- ❖ Fostered positive relationship with Citizen Involvement Committee and worked with the group to formulate a budget solution that satisfied the group’s goals
- ❖ Increased resident approval of communications in the latest Community Survey

### GOALS AND PROJECTS

- ❖ Identify possible changes to Trail News that allow for increased communication while lessening the budgetary impact of rising costs
- ❖ Continue to grow volunteer base for Ivy League and identify other opportunities
- ❖ Work with departments to increase content to share with residents to further highlight the high level of work that City staff perform on a regular basis
- ❖ Increase the number of active subscribers to the City’s E-Trail News email newsletter



**COMMUNICATIONS EXPENDITURES**

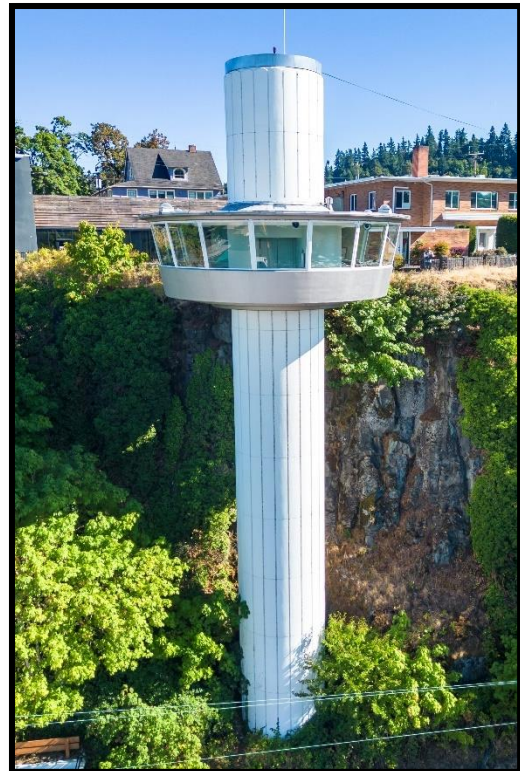
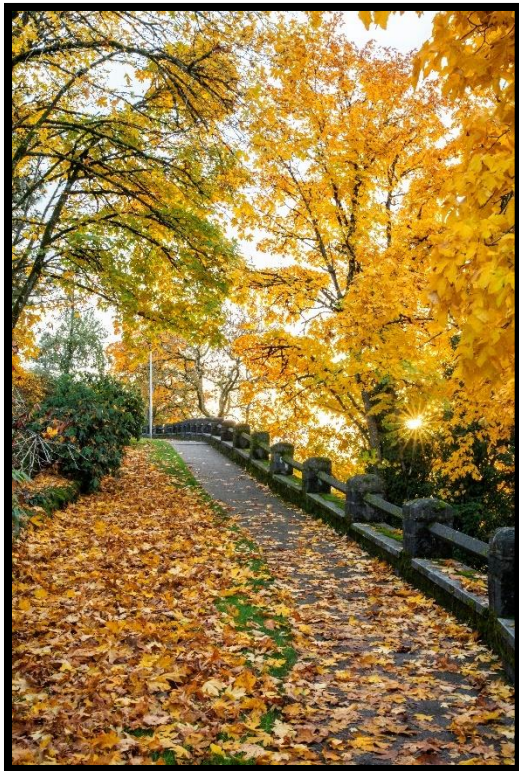
Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ -	\$ -	\$ -	\$ 179,800	\$ 187,700	\$ 367,500
Benefits	-	-	-	151,600	159,500	311,100
<b>Total Personnel Services</b>	-	-	-	331,400	347,200	678,600
<b>Materials &amp; Services</b>						
Professional & Technical Services	-	-	-	7,500	7,500	15,000
Repair & Maintenance Services	-	-	-	700	700	1,400
Employee Costs	-	-	-	2,000	2,000	4,000
Operating Materials & Supplies	-	-	-	1,000	1,000	2,000
Office & Administrative Supplies	-	-	-	9,700	12,600	22,300
Special Programs	-	-	-	90,000	90,000	180,000
Community Programs & Grants	-	-	-	10,600	10,600	21,200
<b>Total Materials &amp; Services</b>	-	-	-	121,500	124,400	245,900
<b>Total Communications</b>	\$ -	\$ -	\$ -	\$ 452,900	\$ 471,600	\$ 924,500

**BUDGET HIGHLIGHTS**

The Communication/Community Engagement budget encompasses line items from the City Commission and City Manager’s divisions for the prior biennium. These items are being consolidated into one separate budget for the coming biennium.

Special Programs are as follows:

Trail News	\$ 90,000
Neighborhood groups	<u>90,000</u>
<b>Total</b>	<b><u>\$ 180,000</u></b>



**CITY RECORDER**

**OVERVIEW**

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

**ACCOMPLISHMENTS**

- ❖ Conducted comprehensive update to the audio-video system at the Libke Public Safety Building
- ❖ Successfully conducted the May 16, 2023 Special Election (Urban Renewal Debt Authorization ballot measure) and November 5, 2024 General Election
- ❖ Continued progress on a variety of goals from the Records Management Strategic Plan 2019-2023, including an evaluation of current electronic records management software capacity and determined next steps
- ❖ Developed and managed the new intergovernmental agreement with Clackamas County for storage of physical records, reducing storage costs and enabling cost-effective scanning options

- ❖ Efficiently processed a minimum of 431 public records requests in the 2023-2025 budget cycle
- ❖ Successfully hired and trained a new Assistant City Recorder, as well as provided records management and agenda management training across all departments
- ❖ Continued to electronically archive records in the Oregon Records Management Solution (ORMS) cloud-based database

**GOALS AND PROJECTS**

- ❖ Develop and implement a renewed Records Management Strategic Plan, which includes an analysis of current business processes, database integrations, compliance metrics, and adds newly arisen information technology improvement efforts
- ❖ Implement automated solutions for records management and embed records management in our normal business practices
- ❖ Improve public access to our public officials and meetings through improved live-streaming and online forms
- ❖ Continue to digitize large volumes of physical records stored offsite and at City Hall
- ❖ Improve the resilience of our electronic records management system to ensure continuity of operations during emergencies

City Recorder Performance Measures						
	2020	2021	2022	2023	2024	2025 est.
<b>Records electronically archived</b>	224,117	237,608	275,202	286,302	299,840	301,052
<b>Public records request processed</b>	203	236	283	233	226	64

**CITY RECORDER EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 322,641	\$ 323,831	\$ 414,100	\$ 199,700	\$ 208,100	\$ 407,800
Benefits	198,634	209,047	306,300	161,600	170,100	331,700
<b>Total Personnel Services</b>	<b>521,275</b>	<b>532,878</b>	<b>720,400</b>	<b>361,300</b>	<b>378,200</b>	<b>739,500</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	19,904	46,870	49,600	19,200	19,200	38,400
Repair & Maintenance Services	119,454	100,067	92,300	67,800	61,000	128,800
Other Services	183,952	183,195	220,000	118,100	123,200	241,300
Employee Costs	5,068	5,510	13,400	6,500	6,500	13,000
Office & Administrative Supplies	10,693	25,364	35,200	11,900	16,300	28,200
<b>Total Materials &amp; Services</b>	<b>339,071</b>	<b>361,006</b>	<b>410,500</b>	<b>223,500</b>	<b>226,200</b>	<b>449,700</b>
Capital Outlay	111,867	-	71,200	10,000	10,000	20,000
Debt Service	-	-	9,100	-	-	-
<b>Total City Recorder</b>	<b>\$ 972,213</b>	<b>\$ 893,884</b>	<b>\$ 1,211,200</b>	<b>\$ 594,800</b>	<b>\$ 614,400</b>	<b>\$ 1,209,200</b>

**BUDGET HIGHLIGHTS**

The budget includes funds for professional assistance with scanning large volumes of documents stored offsite and at city facilities.

Professional & Technical Services relate to legal expenses, updating city code, as well as technical consultants for assistance with audio-visual equipment.

Other Services consists of the following:

Recording of meetings	\$ 205,000
Bulk records scanning	15,000
Minutes transcription	12,000
Physical records scanning	6,300
Shredding	3,000
<b>Total</b>	<b>\$ 241,300</b>

Repair & Maintenance Services represent program software maintenance costs:

Electronic Records Management	\$ 71,000
Public records request portal	21,000
Agenda management	21,000
Audio/Visual equipment maintenance	8,000
Boards & committee software	5,800
Other	2,000
<b>Total</b>	<b>\$ 128,800</b>



### FINANCE

#### OVERVIEW

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

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

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

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

The Department performs internal compliance and financial reviews and audits on a periodic basis and recommends control procedures for

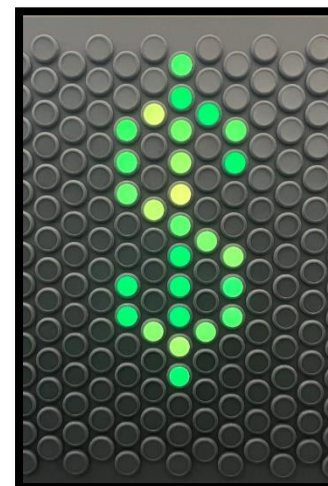
departments. Finance also provides general accounting services for South Fork Water Board.

#### ACCOMPLISHMENTS

- ❖ Completed annual audits and financial reports for City of Oregon City, Oregon City Urban Renewal Agency and South Fork Water Board (no audit findings)
- ❖ Received Award for Distinguished Budget Presentation for 2023-2025 biennium
- ❖ Received Award for Excellence in Financial Reporting for the years ended June 30, 2022 and 2023. Submitted June 30, 2024 annual financial report for award consideration
- ❖ Implemented a new Investment Policy and enhanced the City's financial investment portfolio securing \$60 million in investments at a 4.5% interest rate
- ❖ Implemented new budgeting and financial forecasting software

#### GOALS AND PROJECTS

- ❖ Develop a robust long term forecasting model
- ❖ Continue to expand utilization of existing software for project accounting for capital projects, grants, and other restricted resources
- ❖ Develop and implement a formal Indirect Cost Allocation Plan
- ❖ Strengthen purchasing policy and procedures and train departments for greater effectiveness as well as incorporating the City's Diversity, Equity and Inclusion (DEI) initiative



**FINANCE EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 988,644	\$ 977,399	\$ 1,055,700	\$ 566,900	\$ 586,500	\$ 1,153,400
Benefits	631,705	676,171	790,500	460,500	474,300	934,800
<b>Total Personnel Services</b>	<b>1,620,349</b>	<b>1,653,570</b>	<b>1,846,200</b>	<b>1,027,400</b>	<b>1,060,800</b>	<b>2,088,200</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	5,452	45,174	29,600	90,800	94,700	185,500
Repair & Maintenance Services	85,115	89,021	112,900	-	-	-
Employee Costs	15,445	12,372	27,000	13,000	15,500	28,500
Operating Materials & Supplies	1,679	213	-	-	-	-
Office & Administrative Supplies	47,252	49,094	63,000	27,000	28,400	55,400
<b>Total Materials &amp; Services</b>	<b>154,943</b>	<b>195,874</b>	<b>232,500</b>	<b>130,800</b>	<b>138,600</b>	<b>269,400</b>
Capital Outlay	-	111,855	164,000	-	34,100	34,100
Debt Service	-	-	86,900	46,700	48,800	95,500
<b>Total Finance</b>	<b>\$ 1,775,292</b>	<b>\$ 1,961,299</b>	<b>\$ 2,329,600</b>	<b>\$ 1,204,900</b>	<b>\$ 1,282,300</b>	<b>\$ 2,487,200</b>

**BUDGET HIGHLIGHTS**

Professional and Technical Services reflects an increase for inclusion of audit service costs budgeted in General Government in the prior biennia.

Repair and Maintenance Services decreased in anticipation of consolidation of software services costs to Information Technology for the migration of the ERP system to their Software as a Service (SaaS) environment.



### MUNICIPAL COURT

#### OVERVIEW

The Municipal Court functions to provide the judicial branch of City government. The Court's mission is to support the quality of life of the residents of Oregon City by promoting public safety, traffic safety, and respect for the administration of justice by applying sanctions for violations of municipal ordinances.

The mission includes administration of: Subject Matter Jurisdiction, Territorial Jurisdiction, and Personal Jurisdiction. This is accomplished by processing the law enforcement efforts with Oregon City for the Motor Vehicle Code, Criminal Code and City Code. The mission also includes efficient and equal justice for all people, as well as the protection of residents' individual and property rights as outlined in the City Charter, Chapter V Powers and Duties of Officers, Section 22 Municipal Judge. This is in accordance with the City Commission's Mission Statement.

The Oregon Legislature sets maximum and minimum fines for all traffic tickets. The Municipal Court handles approximately 5,000 traffic cases annually. Additionally, the Court handles approximately 400 criminal cases annually. Services provided also include court-appointed attorneys for indigent defense on criminal cases and trials and traffic safety diversion programs for traffic citations.

#### ACCOMPLISHMENTS

- ❖ Acquired additional pro-tem judge
- ❖ Contracted bailiff services with Oregon Patrol
- ❖ Renewed the contract with Trans Union-TLO-XP for detailed and up to date information on customers for data base and collections. Added Utility Billing to the contract
- ❖ Attended OACA Spring and Fall conferences
- ❖ Continue to train and improve Tyler software
- ❖ Visited Lake Oswego to learn to utilize queues to expedite processes. Online payments are now reporting to a queue

- ❖ Prosecutor reviewed and cleared old warrants
- ❖ Utilizing electronic dockets and check in process for efficiency. Dockets are automatically sent out every Friday
- ❖ New microphones and upgrades in audio have improved hearing
- ❖ Implemented text reminders for court dates and payments
- ❖ Regularly attended homeless meetings and worked with providers when possible. Sent dockets to The Father's Heart to reduce failures to appear
- ❖ Passed LEDS audit
- ❖ Added Passport to Languages for interpreting in-person services
- ❖ Executed Amnesty Program to help individuals clear debt and get their license reinstated

#### GOALS AND PROJECTS

- ❖ Attend Oregon Association for Court Administration and judicial conferences, Oregon Law Enforcement Data Systems, and software training for compliance with statutes, consistency with other municipalities, and benefit court and the community served
- ❖ Continue to enhance security and training with Oregon Patrol Services but always willing to consider any new options for security providers
- ❖ Continue to develop procedures and forms to streamline processes
- ❖ Renew contracts of court appointed attorneys and prosecutor
- ❖ Continue to improve forms and processes
- ❖ Judge will apply to become a court of record and utilize For the Record equipment to record all court proceedings
- ❖ Process DUII cases in Municipal court rather than sending to Circuit Court
- ❖ Adding jury online services to assist jury coordinator and eliminate the call line
- ❖ Clackamas County approved a grant and Judge preparing to offer Caring Court for

- ❖ individuals that qualify to enter into a specialized program
- ❖ Focusing efforts to reduce failure to appear counts for both criminal court and traffic with text reminders
- ❖ Additional acoustic panels will be added to court to assist with audio
- ❖ Utilize Laserfiche for records and fillable forms on our website
- ❖ Utilize Demand Star if any postings are needed for providers

**MUNICIPAL COURT EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 639,697	\$ 656,445	\$ 734,800	\$ 536,600	\$ 556,300	\$ 1,092,900
Benefits	437,233	447,852	531,600	367,800	385,900	753,700
<b>Total Personnel Services</b>	<b>1,076,930</b>	<b>1,104,297</b>	<b>1,266,400</b>	<b>904,400</b>	<b>942,200</b>	<b>1,846,600</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	278,923	310,740	332,400	180,700	185,400	366,100
Repair & Maintenance Services	36,542	32,082	43,900	11,500	11,600	23,100
Other Services	-	724	3,600	1,000	1,000	2,000
Employee Costs	4,095	8,244	10,500	3,900	4,400	8,300
Operating Materials & Supplies	2,490	2,846	4,200	2,000	2,000	4,000
Office & Administrative Supplies	62,864	61,386	86,500	45,300	55,300	100,600
Pass-Through Payments	480,904	364,723	725,000	200,000	200,000	400,000
<b>Total Materials &amp; Services</b>	<b>865,818</b>	<b>780,745</b>	<b>1,206,100</b>	<b>530,200</b>	<b>539,500</b>	<b>1,069,700</b>
<b>Total Municipal Court</b>	<b>\$ 1,942,748</b>	<b>\$ 1,885,042</b>	<b>\$ 2,472,500</b>	<b>\$ 1,434,600</b>	<b>\$ 1,481,700</b>	<b>\$ 2,916,300</b>

**BUDGET HIGHLIGHTS**

The Municipal Court’s budget is consistent with the prior biennium with the exception of a new, three-year grant from Clackamas County to establish a Caring Court program where it will be able to offer a localized and community-driven approach for low-level criminal offenses that may arise from chronic and short-term homelessness. An individual’s unstable housing situation may often snowball to create more legal problems and a revolving door of arrests, warrants, and additional criminal charges. The court expects to refer eligible individuals to social service programs as a deferred prosecution or condition of probation while relieving the burden on Oregon City’s traditional court system. A peer support specialist will be assigned from Love One and they will be linked to services and programs to work toward a court supported, self-identified goal. Some examples

may include obtaining identification, signing up for Oregon Health Plan, food stamps, and staying connected to an outreach worker. A successful participant would have their pending charges dismissed, although a small percentage of participants may be placed on probation with no dismissal. The court would like to enhance trust of the community in the justice system, reduce reoffending, increase efficiency and improve safety and quality of life for all community members in Oregon City.

Professional & Technical Services include the following:

Court Attorneys	\$ 154,400
Prosecution	147,000
Technical Services	<u>64,700</u>
<b>Total</b>	<b>\$ 366,100</b>

## HUMAN RESOURCES

### OVERVIEW

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

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

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

### ACCOMPLISHMENTS

- ❖ Facilitated and supported the initiatives to support Commission Goal - Diversity, Equity, and Inclusion (Belonging) by engaging Triangle Advising Group who delivered projects and activities that advance Commission Goal 1 including an employee workgroup, DEI Community Task

Force, staff training and learning and a staff stay survey

- ❖ Recruitment and Selection – Over the last two years, HR successfully coordinated 83 recruitments, received, and processed 4,681 applications, and on-boarded 45 regular status employees including two new department directors
- ❖ Established a Deferred Compensation Program Committee and contracted with the Hyas Group to act as a co-fiduciary, to consult, guide, and assist in the management of the City's deferred compensation (457b, 401a) plans and programs.

### GOALS AND PROJECTS

- ❖ **COMMISSION GOAL – CREATE DEI AND SAFE COMMUNITY AND WORKPLACE**
  - ♦ Develop additional initiatives, policies and procedures to advance Diversity, Equity and Inclusion throughout city services
  - ♦ Develop and provide opportunities for city staff supporting and inclusive workplace
- ❖ Finalize comprehensive update to the City's Personnel Policies
- ❖ Successfully reach agreement to successor Collective Bargaining Agreements (CBAs) with AFSMCE and OCPEA Unions
- ❖ Deliver a series of meaningful leadership training courses to all managers, supervisors, and leaders
- ❖ Improve engagement with the Safety Committee through enhanced training and a more effective incident and near miss review process

**HUMAN RESOURCES EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 400,779	\$ 501,686	\$ 516,800	\$ 262,000	\$ 271,000	\$ 533,000
Benefits	299,122	340,397	961,500	538,800	542,100	1,080,900
<b>Total Personnel Services</b>	<b>699,901</b>	<b>842,083</b>	<b>1,478,300</b>	<b>800,800</b>	<b>813,100</b>	<b>1,613,900</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	196,455	465,063	404,600	268,600	255,600	524,200
Repair & Maintenance Services	3,459	2,999	5,200	1,300	1,300	2,600
Employee Costs	13,087	12,240	20,600	10,700	10,700	21,400
Operating Materials & Supplies	2,088	1,188	-	-	-	-
Office & Administrative Supplies	6,768	18,067	8,100	16,700	16,700	33,400
Special Programs	9,146	17,658	32,000	18,000	18,200	36,200
<b>Total Materials &amp; Services</b>	<b>231,003</b>	<b>517,215</b>	<b>470,500</b>	<b>315,300</b>	<b>302,500</b>	<b>617,800</b>
<b>Total Human Resources</b>	<b>\$ 930,904</b>	<b>\$ 1,359,298</b>	<b>\$ 1,948,800</b>	<b>\$ 1,116,100</b>	<b>\$ 1,115,600</b>	<b>\$ 2,231,700</b>

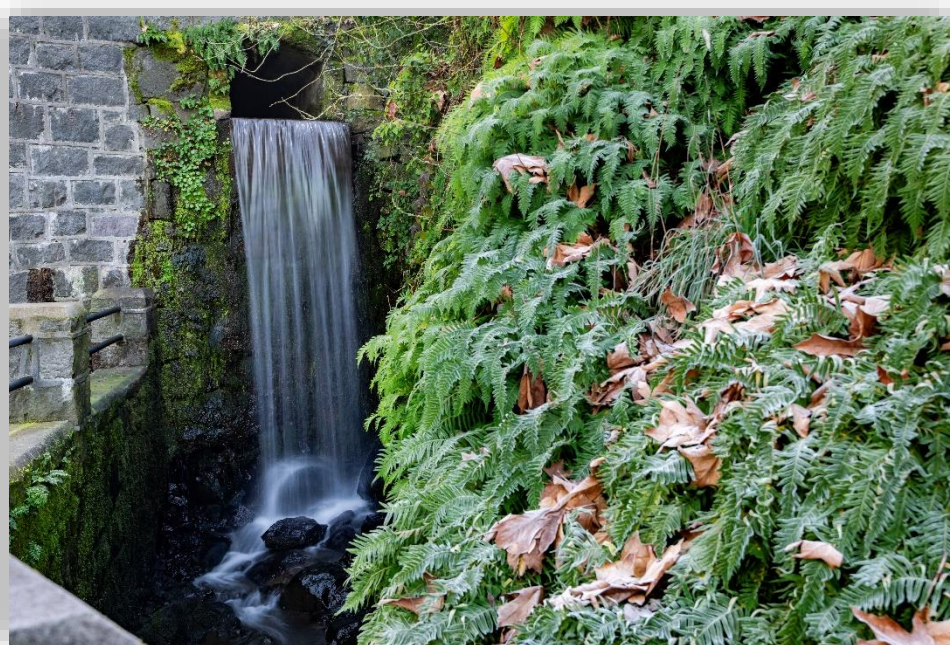
**BUDGET HIGHLIGHTS**

The approved budget includes funding Diversity, Equity and Inclusion (DEI) initiatives consistent with the City Commission’s Goals. Special Programs represents recruitment costs.

The approved budget reflects an increase in Personnel Services for retirees’ insurance costs due to multiple upcoming retirements across many departments.

Professional & Technical Services includes the following:

DEI Initiatives	\$250,000
Legal fees	165,000
Deferred comp investment management services	74,000
Employee assistance services	17,200
City-wide training	10,000
Unemployment and COBRA administrative services	6,200
Other	<u>1,800</u>
<b>Total</b>	<b><u>\$524,200</u></b>



### ECONOMIC DEVELOPMENT

#### OVERVIEW

Economic development is a strategic and collaborative process that creates an environment that systemically supports new investment, creates jobs that pay a livable wage and broadens the tax base. The Economic Development Department is focused on working with key stakeholders to fulfill this definition. Therefore, it is recognized that successful economic development does not occur in a vacuum but relies on effective partnerships to implement a comprehensive approach to growth and resiliency.

#### ACCOMPLISHMENTS

- ❖ The Economic Development Department assisted Advantis Community Credit Union to establish its headquarters in Oregon City, providing over 200 jobs, annually paying approximately \$300,000 in property taxes
- ❖ BIZ POD is a six-week curriculum-based program which supports emerging entrepreneurs by providing training and technical assistance to program participants. Graduates of the program received \$3,000 in grant funding to jumpstart their businesses. At the time of this report all sixteen entrepreneurs are still in business
- ❖ The department was instrumental in making changes to the Oregon City Business Licensing Program, making it less expensive and providing for a more business friendly application process
- ❖ Talent Ready was created by the Economic Development Department to bring together social services and private employers to help local residents overcome barriers to employment and become ready for work
- ❖ Partnered with EMBOLD, a multi-county community credit union, and Micro Enterprise Services loans to start up ventures
- ❖ In partnership with Oregon BIZ (Oregon's State Economic Development Agency), and the Micro-Enterprise Services of Oregon ("MESO") the department provided grants to low-to-moderate income business owners.

The grants up to \$10,000 for existing micro-enterprise businesses--five or fewer employees--to help these entrepreneurs overcome financial barriers

- ❖ By serving on the Mt Hood Economic Alliance Program regional board, the Oregon City Economic Development Department strengthened its commitment to small businesses by supporting entrepreneurs across Clackamas, Hood River, and Wasco counties, enhancing opportunities and resources for local entrepreneurs
- ❖ The department provided funding to the Arts Commission in the amount of \$40,000. This funding enabled the Arts Commission to enhance community aesthetics and to support the arts in all its forms within the community
- ❖ The department launched a new website that provides essential information on financial resources, business development tools, and job placement
- ❖ The Economic Development Department has spearheaded a move to transition its tourism development component to a separate, private-nonprofit entity. "Destination Oregon City, Inc," is designed to operate as a completely separate entity to develop, direct, coordinate, and implement all tourism-related strategic plans and activities on behalf of the City. Funding of this legal entity will come from Transient Lodging Tax funds. Its funding will be used to increase the operational capacity of the local tourism industry through training/education and technical assistance, and not as a donor organization to nonprofits
- ❖ The department administered the Community Enhancement Grant program (CEGP). Nonprofit organizations can receive up to \$50,000 in grant funding to improve and address social, economic, and environmental challenges facing the Oregon City community

**GOALS AND PROJECTS**

❖ **COMMISSION GOAL – SUPPORT ECONOMIC DEVELOPMENT & TOURISM**

- ♦ Ensure a smooth transition, necessary support and coordination between the Destination Marketing and Management Organization
- ♦ Review the process for public and private event planning, the city grant process, including the Metro Enhancement Grant program and whether the application submittals and review processes can be simplified and improved
- ♦ Focus on the marketing and development of the employment lands within the Thimble Creek Concept Plan and along Meyers Road
- ♦ Complete the feasibility study for the expansion opportunities of broadband in Oregon City

- ♦ Participate in discussions with Clackamas County to determine the future of the downtown County Courthouse
- ♦ Identify opportunities to support downtown Oregon City businesses in response to the relocation of the County Courthouse, including updating the parking study, potential business support programs, and employee parking opportunities
- ♦ Investigate opportunities to expand the enterprise zone, vertical housing tax credit, and other programs in the mixed use, commercial, employment, and industrial areas to support and encourage businesses, employment, and housing investments in Oregon City

**ECONOMIC DEVELOPMENT EXPENDITURES**

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 395,887	\$ 481,186	\$ 462,900	\$ 229,700	\$ 237,300	\$ 467,000
Benefits	245,544	314,134	327,000	179,700	184,900	364,600
<b>Total Personnel Services</b>	<b>641,431</b>	<b>795,319</b>	<b>789,900</b>	<b>409,400</b>	<b>422,200</b>	<b>831,600</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	21,985	152,793	20,000	32,000	32,000	64,000
Repair & Maintenance Services	335	41,596	44,700	6,700	6,700	13,400
Other Services	363	-	5,000	2,600	2,600	5,200
Employee Costs	13,387	21,547	25,200	10,500	10,500	21,000
Office & Administrative Supplies	13,382	16,190	45,000	6,800	6,800	13,600
Community Programs & Grants	1,366,730	805,697	1,730,000	1,000,000	875,000	1,875,000
<b>Total Materials &amp; Services</b>	<b>1,416,182</b>	<b>1,037,823</b>	<b>1,869,900</b>	<b>1,058,600</b>	<b>933,600</b>	<b>1,992,200</b>
Capital Outlay	3,095	-	24,600	-	-	-
<b>Total Economic Development</b>	<b>\$ 2,060,708</b>	<b>\$ 1,833,142</b>	<b>\$ 2,684,400</b>	<b>\$ 1,468,000</b>	<b>\$ 1,355,800</b>	<b>\$ 2,823,800</b>

**BUDGET HIGHLIGHTS**

The upcoming budget continues to focus on community programs & grants for special projects that support Commission goals. This includes funding for various Economic Development initiatives, including efforts to support the small business community, as well as assisting with the management of a transition of the tourism program from municipal government to a separate legal entity.

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

Community grants	\$ 800,000
Tourism promotion	525,000
Economic development incentive	300,000
Business promotion	<u>250,000</u>
<b>Total</b>	<b><u>\$ 1,875,000</u></b>

### INFORMATION TECHNOLOGY

#### OVERVIEW

The Information Technology Department delivers strategic and technical support in Information Technology (IT), Geographic Information Systems (GIS), and Asset Management, to provide technical user support and guidance to all city departments. IT has partners with all departments to help with technological issues and solutions, and also to help build better processes utilizing our understanding of city technological resources while supporting the needs of the city.

The IT Department supports the City's technological infrastructure consisting of hardware, software, networks (including wireless and mobile), facilities and Software as a Service (SaaS) applications consistent with the City's Information Technology strategic plan.

Supported services include User Security Training, business productivity and collaboration software, email, remote access, active directory administration, security, both physical and technological, document archiving, database administration, enterprise application deployment / development, Cloud Management, website management and support, and the management of contracted technology services.

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

#### ACCOMPLISHMENTS

- ❖ Elevated the Information Technology Department to be a more strategic, collaborative business partner with all city departments as well as other regional city, state and county governments
- ❖ Implementation of OneDrive, Teams and SharePoint across the city
- ❖ Deployed Multi Factor Authentication (MFA)
- ❖ Development and Deployment of a city-wide Intranet site

- ❖ Updated multiple facilities access management system and deployment of badge and new access cards and processes city-wide
- ❖ Updated Network Monitoring tool which includes a 24 X 7 human operated Security Operations Center
- ❖ Updated Endpoint virus application
- ❖ Updated Endpoint Firewall management tool
- ❖ Expanded use of Office 365 for improved security while realizing significant cost savings
- ❖ Upgraded wireless network system at the pool with planned expansion citywide
- ❖ Continued Security Awareness training.
- ❖ Implemented updated cloud phone system, Ring Central
- ❖ Developed and implemented a new Website Project Page application with updated functionality, staff process and project awareness and able to be supported by city resources
- ❖ Implemented and Updated Mobile Device Management System to better manage city-wide mobile devices
- ❖ Developed a process to manage and support all city domains and DNS

#### GOALS AND PROJECTS

- ❖ **COMMISSION GOAL -- INVEST IN FACILITIES AND INFRASTRUCTURE**
  - ♦ Continued adoption of the IT Strategic Plan
  - ♦ Build and implement IT Infrastructure improvement plans by utilizing current capabilities more effectively
  - ♦ Review migrating to a more robust cloud data center or other Cloud Services
  - ♦ Consolidate existing services for improved user experience and lower total cost of ownership, improving security processes and disaster recovery
  - ♦ Separating Supervisory Control and Data Acquisition (SCADA) from the city network
- ❖ Migrate the Tyler System to their Software as a Service (SaaS) environment
- ❖ Improve GIS security and capabilities while retaining public access to needed resources

- ❖ Develop IT governance framework utilizing standards such as ITIL or FAIR
- ❖ Analyze long-term staffing needs
- ❖ Develop record retention framework and review all PCI and PII compliance requirements
- ❖ Migrate to a .gov domain for improved security and to follow state guidelines.
- ❖ Develop the cities AI policy framework

**INFORMATION TECHNOLOGY EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 322,643	\$ 365,484	\$ 601,400	\$ 352,200	\$ 366,800	\$ 719,000
Benefits	226,168	224,946	420,400	235,900	248,400	484,300
<b>Total Personnel Services</b>	548,811	590,430	1,021,800	588,100	615,200	1,203,300
<b>Materials &amp; Services</b>						
Professional & Technical Services	240,077	297,692	253,000	164,300	153,400	317,700
Repair & Maintenance Services	331,818	654,785	451,100	280,500	288,800	569,300
Other Services	163,451	80,441	27,000	47,500	34,400	81,900
Employee Costs	5,784	9,244	29,000	16,700	16,700	33,400
Operating Materials & Supplies	13,665	11,982	20,000	7,000	7,000	14,000
Office & Administrative Supplies	13,080	14,144	66,400	44,200	45,200	89,400
<b>Total Materials &amp; Services</b>	767,875	1,068,288	846,500	560,200	545,500	1,105,700
Capital Outlay	63,328	429,984	582,400	1,012,600	166,500	1,179,100
Debt Service	-	235,646	455,800	498,700	497,200	995,900
<b>Total Information Technology</b>	\$ 1,380,014	\$ 2,324,348	\$ 2,906,500	\$ 2,659,600	\$ 1,824,400	\$ 4,484,000

**BUDGET HIGHLIGHTS**

This budget continues to include initiatives that follow the IT Strategic Plan as well as the Commission Goals. This includes needed hardware replacement for the city servers, licensing true-up for our primary city-wide Enterprise program, needed database licensing, updated network hardware, disaster recovery and emergency operations initiatives, cybersecurity enhancements, utilizing cloud resources and solutions, improved wireless and guest access with improved backup internet and continued current operational services.

Professional & Technical Services includes contracted managed services for Server, Firewall, Network support as well as cybersecurity, domain and certificate support.

The current Technical Services contracts are budgeted at \$316,700 for the biennium.

Repair and Maintenance Services includes the following for the biennium:

Network monitoring	\$ 228,500
System/Data Backup	143,000
Software licenses	83,600
User and server hardware	45,500
Data Center Cloud services	39,000
Other	29,700
<b>Total</b>	<b>\$ 569,300</b>

Capital Outlay includes the following for the biennium:

Tyler SaaS	\$ 667,600
System/Data Backup	143,000
Cloud phone system	97,500
Website	69,000
<b>Total</b>	<b>\$ 1,179,100</b>

## GEOGRAPHIC INFORMATION SYSTEMS

### OVERVIEW

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

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

### ACCOMPLISHMENTS

- ❖ Upgraded the entire GIS environment to support new features and functionality and

to continually improve services with a more modern and supportable platform

- ❖ Developed a new map-based application to allow the public to explore current city projects and easily access project details as well as allow city staff to easily maintain a list of active projects
- ❖ Developed Lead / Copper compliance map application to allow city staff to inventory water lines and to allow the public to verify the status
- ❖ Continued support of web mapping apps to allow for data collection in the field by City employees (Inspector ADA sidewalk/ramp assessment)
- ❖ Continued support for emergency operations to supply needed maps for evacuations or other emergency services
- ❖ Continued support for Public Works to supply mapping services and data to address public concerns and needed information for system improvements or regional reporting
- ❖ Integrated Geotechnical documents, agreements and covenants into the GIS platform

### GIS EXPENDITURES

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 201,356	\$ 257,279	\$ 365,300	\$ 207,200	\$ 213,400	\$ 420,600
Benefits	133,076	155,798	248,600	148,500	152,300	300,800
<b>Total Personnel Services</b>	<b>334,432</b>	<b>413,077</b>	<b>613,900</b>	<b>355,700</b>	<b>365,700</b>	<b>721,400</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	-	55	-	300	300	600
Repair & Maintenance Services	49,876	59,120	58,100	39,600	37,200	76,800
Other Services	10,630	2,634	22,700	14,000	2,000	16,000
Employee Costs	2,474	3,144	18,200	10,100	10,100	20,200
Operating Materials & Supplies	1,358	7	1,000	-	-	-
Office & Administrative Supplies	7,215	9,431	16,500	3,800	2,400	6,200
<b>Total Materials &amp; Services</b>	<b>71,553</b>	<b>74,391</b>	<b>116,500</b>	<b>67,800</b>	<b>52,000</b>	<b>119,800</b>
<b>Total GIS</b>	<b>\$ 405,985</b>	<b>\$ 487,468</b>	<b>\$ 730,400</b>	<b>\$ 423,500</b>	<b>\$ 417,700</b>	<b>\$ 841,200</b>

**GENERAL GOVERNMENT**

**OVERVIEW**

Expenditures that relate to all City Departments, or the community as a whole, are reported as General Government. These include City Hall

building maintenance and utilities, citywide insurance, and postage. Important community projects and expenditures are allocated to other departments through transfers and are included as well.

**GENERAL GOVERNMENT EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 198,147	\$ 297,295	\$ -	\$ -	\$ -	\$ -
Benefits	518,280	571,580	-	-	-	-
<b>Total Personnel Services</b>	<b>716,427</b>	<b>868,875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	88,003	136,208	185,000	25,000	25,000	50,000
Repair & Maintenance Services	1,145,727	1,222,404	1,267,500	223,500	209,700	433,200
Other Services	1,221,908	1,406,876	1,703,000	1,025,000	1,116,000	2,141,000
Employee Costs	4,939	6,785	5,000	2,700	2,700	5,400
Operating Materials & Supplies	16,184	14,907	4,400	5,300	5,300	10,600
Office & Administrative Supplies	110,521	103,421	133,800	49,400	49,400	98,800
Special Programs	590,971	54,681	95,400	-	-	-
Internal Service Charges	430,500	451,200	517,200	271,300	271,900	543,200
<b>Total Materials &amp; Services</b>	<b>3,608,753</b>	<b>3,396,482</b>	<b>3,911,300</b>	<b>1,602,200</b>	<b>1,680,000</b>	<b>3,282,200</b>
Capital Outlay	261,769	187,175	370,000	100,000	-	100,000
Transfers Out	2,103,459	8,397,462	2,474,229	1,647,000	1,942,400	3,589,400
Contingency	-	-	1,030,271	5,828,000	4,579,000	4,579,000
Reserved for Future Expenditure	-	-	1,294,500	1,494,200	1,318,700	1,318,700
Unappropriated Fund Balance	11,157,579	13,940,452	5,150,800	5,796,200	5,973,300	5,973,300
<b>Total General Government</b>	<b>\$ 17,847,987</b>	<b>\$ 26,790,446</b>	<b>\$ 14,231,100</b>	<b>\$ 16,467,600</b>	<b>\$ 15,493,400</b>	<b>\$ 18,842,600</b>

**BUDGET HIGHLIGHTS**

The current budget includes phase II of the memorial for the Cayuse Five on the McLoughlin Promenade. The maintenance of streetlights and audit services have been moved from General Government to Transportation and Finance, respectively. Contributions for the Willamette Falls Heritage Coalition and Willamette Falls Locks are included in the current budget.

Professional & Technical Services include legal fees.

Repair & Maintenance Services include building maintenance and utilities for City Hall.

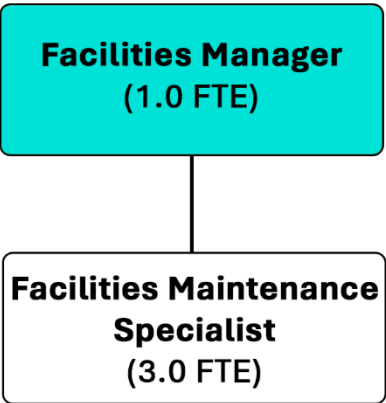
Other Services fund the city-wide general property and liability insurance.

Transfers Out include the following:

Transfer to Transportation Fund	\$ 1,591,000
Transfer to Community Development Fund	1,252,600
Transfer to Library Fund	642,800
Transfer to Engineering Fund	103,000
<b>Total</b>	<b>\$ 3,589,400</b>



**FACILITIES**



Total 4.0 FTE

### FACILITIES

#### OVERVIEW

The Facilities department oversees approximately 320,000 square feet of commercial space across 14 sites in Oregon City. The department provides assistance in responding to on demand work orders from building managers, and ensures that those City owned buildings are safe, secure, comfortable, and compliant with all occupancy regulations for commercial facilities. They oversee building security access and manage the City's security cameras.

#### ACCOMPLISHMENTS

- ❖ Replaced historical and contemporary wood flooring at Library with one continuous system to visually tie the buildings together and improve performance
- ❖ Upgraded security system for Community Development
- ❖ Collaborated with IT team to utilize grant funding for installation of security cameras and access control systems at Pioneer Community Center
- ❖ Increased staffing levels and provided faster response to city wide work orders
- ❖ Assisted Public Works rental properties with roof replacement project
- ❖ Painted the exterior of the Cemetery office and Ermatinger House
- ❖ Replaced the highest public capacity exterior deck at EOT
- ❖ Continued code compliance reviews of City and fleet fire extinguishers, elevator

permits, fire detection and suppression systems, safety inspections, parking lot repairs and striping, first aid kits, and AEDs, at all City buildings

- ❖ Replaced emergency backup batteries at Library
- ❖ Replaced scheduled portion of City Hall rooftop HVAC units
- ❖ Upgraded sections of lighting at City Hall, Public Works, and Pool to higher efficiency LEDs, with the help of Energy Trust rebate systems

#### GOALS AND PROJECTS

- ❖ Work with consultants and Energy Trust projects to improve utility consumption at RLPS and Library
- ❖ Install access control system and upgrade camera systems at Pool
- ❖ Replace Library carpet
- ❖ Roof replacement for Public Work's warehouse
- ❖ Condense and centralize individualized vendor services across the City to provide greater oversight and quality control
- ❖ Continue to work with IT to upgrade and modernize our alert system hardware and call out infrastructure to remove all reliance on POTS copper service

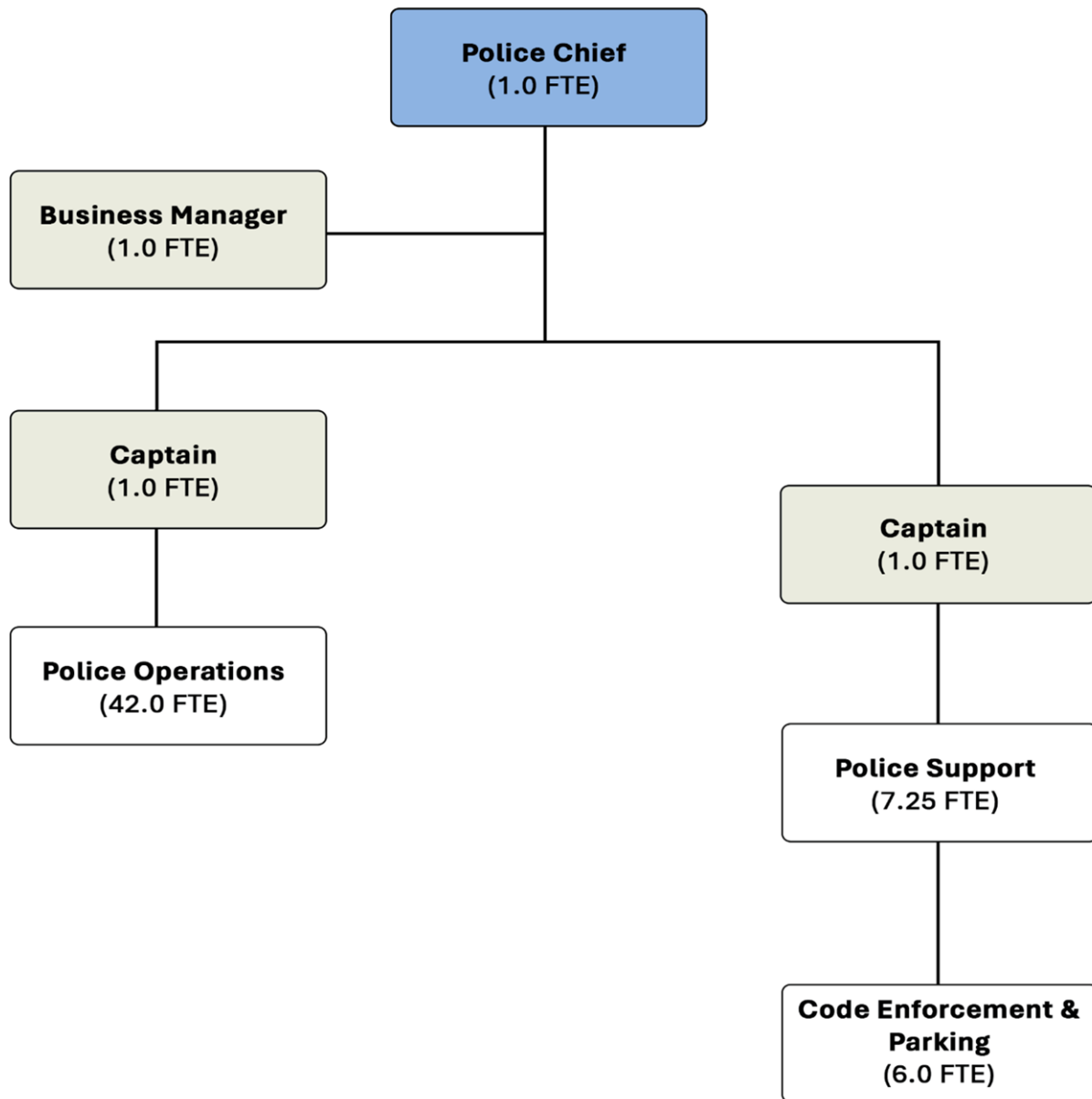
**FACILITIES EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ -	\$ -	\$ 496,400	\$ 310,200	\$ 325,000	\$ 635,200
Benefits	-	-	346,300	233,900	246,500	480,400
<b>Total Personnel Services</b>	-	-	842,700	544,100	571,500	1,115,600
<b>Materials &amp; Services</b>						
Professional & Technical Services	-	-	20,000	-	-	-
Repair & Maintenance Services	-	-	13,400	20,800	22,700	43,500
Employee Costs	-	-	9,100	6,200	6,200	12,400
Operating Materials & Supplies	-	-	6,600	4,200	5,200	9,400
Office & Administrative Supplies	-	-	1,800	4,600	3,200	7,800
<b>Total Materials &amp; Services</b>	-	-	50,900	35,800	37,300	73,100
Transfers Out	-	-	54,000	28,000	28,000	56,000
<b>Total Facilities</b>	\$ -	\$ -	\$ 947,600	\$ 607,900	\$ 636,800	\$ 1,244,700





**POLICE**



Total FTE 59.25

*Consists of 45 sworn and 14 non-sworn positions, plus part time hours for background checks.*

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

## **POLICE**

### **OVERVIEW**

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

### **MISSION**

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

## **DEPARTMENT GOALS**

### **❖ COMMISSION GOAL – INCREASE COMMUNITY ENGAGEMENT OPPORTUNITIES**

- ♦ Continue the Citizen Police Academy to familiarize residents with the operation of the police department
- ♦ Continue outreach and event programs such as National Night Out, OCPD Summer Camp, etc.
- ♦ Refine and improve the engagement strategy to enhance two-way engagement and communication and build new relationships in the community
- ♦ Enhance the City's use of online engagement and gather engagement data to track progress

### **❖ COMMISSION GOAL – REDUCE HOMELESSNESS**

- ♦ Develop partnerships with other local and regional governments to develop local and regional solutions including Oregon City's needs in serving the homeless population
- ♦ Provide for social services while utilizing enforcement as needed to meet community members and businesses expectations for a safe and inviting City

## **SIGNIFICANT BUDGET CHANGES**

Realignment of FTE to maximize efficiencies and still meet the needs of residents

Notable increases in Intergovernmental Agreements for necessary services, such as 911 emergency dispatch, electronic health record databases, County radio system, etc.

**POLICE OPERATIONS**

**OVERVIEW**

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

The Police Department includes 45 sworn personnel. The sworn staff, at full strength, consists of the Chief of Police, two captains, six patrol sergeants, one training sergeant, 24 patrol officers, one school resource officer (SRO), one COPS grant officer, and three traffic officers, along with a traffic sergeant. Also included is the detective unit, consisting of one detective sergeant and three detectives. Special assignment officers from the patrol division include four canine units, one member on the Clackamas County Sheriff’s Office Interagency SWAT team, and two crisis negotiators who are assigned to SWAT.

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

**ACCOMPLISHMENTS**

- ❖ Maintained community awareness and involvement by attending neighborhood association meetings, quarterly Chief’s Advisory meetings, National Night Out, other events, and community meetings
- ❖ Updated body cameras and video retention

system software for entire department, through Axon’s TAP program

- ❖ Purchased in-car camera systems to replace all outdated traffic in-car camera systems and equipped our entire patrol fleet
- ❖ Entire review of department policies and procedures, also an ongoing project goal
- ❖ Hiring and retaining officers for continued growth in the community
- ❖ Transfer to Red Dot Site (RDS) pistols for entire patrol staff
- ❖ Received the following grants:
  - ◆ Entered a grant with Clackamas County for the City-led Homelessness Initiatives for a non-sworn homeless outreach specialist
  - ◆ Awarded approximately \$160,000 in grants for equipment and traffic enforcement
  - ◆ All staff wellness training
  - ◆ Developed and administered the Youth Opioid Prevention Grant Program (YOPGP) award of \$20,000 in 2023 and 2024

**GOALS AND PROJECTS**

- ❖ Purchase and equip two new patrol cars and two new staff cars per fiscal year
- ❖ Hiring and retaining officers for continued growth in the community
- ❖ Review all department policies and procedures
- ❖ Reaccreditation with the Oregon Accreditation Alliance
- ❖ Continue to support and expand officer wellness programs
- ❖ Continue to find grant funding opportunities



**POLICE OPERATIONS EXPENDITURES**

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 10,226,733	\$ 11,216,555	\$ 12,380,400	\$ 6,200,900	\$ 6,455,200	\$ 12,656,100
Benefits	7,589,101	8,182,008	9,416,800	5,274,400	5,461,700	10,736,100
<b>Total Personnel Services</b>	<b>17,815,834</b>	<b>19,398,563</b>	<b>21,797,200</b>	<b>11,475,300</b>	<b>11,916,900</b>	<b>23,392,200</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	1,078,605	1,115,046	1,435,000	817,800	886,300	1,704,100
Repair & Maintenance Services	475,514	722,333	695,600	386,400	396,700	783,100
Other Services	89,468	92,974	120,000	50,500	52,200	102,700
Employee Costs	209,395	274,237	269,000	136,200	138,400	274,600
Operating Materials & Supplies	448,257	493,440	452,000	216,200	216,600	432,800
Office & Administrative Supplies	382,664	363,233	318,000	141,900	153,300	295,200
Special Programs	182,021	185,196	196,300	124,900	85,500	210,400
Internal Service Charges	107,600	-	-	-	-	-
<b>Total Materials &amp; Services</b>	<b>2,973,524</b>	<b>3,246,459</b>	<b>3,485,900</b>	<b>1,873,900</b>	<b>1,929,000</b>	<b>3,802,900</b>
Capital Outlay	151,127	173,754	-	57,900	40,500	98,400
Debt Service	-	13,000	30,200	27,600	30,300	57,900
Transfers Out	740,000	740,000	440,000	20,600	20,600	41,200
<b>Total Police</b>	<b>\$ 21,680,485</b>	<b>\$ 23,571,776</b>	<b>\$ 25,753,300</b>	<b>\$ 13,455,300</b>	<b>\$ 13,937,300</b>	<b>\$ 27,392,600</b>

**BUDGET HIGHLIGHTS**

The increase in Personnel Services includes cost of living and pay grade (step) increases along with health insurance increases.

The increase in Materials & Services includes a \$212,300 increase to contracted emergency dispatch services, a \$86,400 increase for other professional and technical services, and increased operating costs (utilities, landscaping, etc.) associated with the public safety building.

Professional & Technical Services are broken out as follows:

911 Dispatch	\$ 1,232,300
IT professional services	170,000
Police radios (Clackamas)	178,700
Records management	112,700
Legal fees	<u>10,400</u>
<b>Total</b>	<b><u>\$ 1,704,100</u></b>



## CODE ENFORCEMENT AND PARKING

### OVERVIEW

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

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

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

### ACCOMPLISHMENTS

- ❖ Increased coverage to 7 days a week
- ❖ Improved safety in the Municipal Lot (i.e., new sidewalks, tree replacements, and updated lighting)
- ❖ Keep OC Clean Project
- ❖ Brought online registration for vacant property owners to City’s new website

### GOALS AND PROJECTS

- ❖ Conduct a new parking study in 2025 after the County courthouse relocates
- ❖ Reassess downtown parking and permit zones
- ❖ Implement Graffiti removal project
- ❖ Continue to update and create new code language for improved livability
- ❖ Plan for future capital improvements to the Municipal Lot (i.e., paving and safety features such as cameras)



**CODE ENFORCEMENT AND PARKING EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 665,362	\$ 770,021	\$ 1,183,400	\$ 496,800	\$ 516,700	\$ 1,013,500
Benefits	554,975	587,687	741,600	447,400	465,300	912,700
<b>Total Personnel Services</b>	<b>1,220,337</b>	<b>1,357,708</b>	<b>1,925,000</b>	<b>944,200</b>	<b>982,000</b>	<b>1,926,200</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	14,852	4,665	18,000	15,000	17,000	32,000
Repair & Maintenance Services	179,638	205,718	204,200	137,700	147,700	285,400
Other Services	66,778	75,700	70,000	56,000	61,000	117,000
Employee Costs	5,475	10,331	11,200	5,800	6,000	11,800
Operating Materials & Supplies	46,283	54,648	53,400	22,400	22,400	44,800
Office & Administrative Supplies	56,634	77,950	76,800	50,700	58,700	109,400
Special Programs	85,452	79,825	112,000	72,300	60,300	132,600
Internal Service Charges	2,300	-	-	-	-	-
<b>Total Materials &amp; Services</b>	<b>457,412</b>	<b>508,837</b>	<b>545,600</b>	<b>359,900</b>	<b>373,100</b>	<b>733,000</b>
Capital Outlay	9,325	292,054	-	-	-	-
Transfers Out	39,400	20,000	20,000	-	-	-
<b>Total Code Enforcement</b>	<b>\$ 1,726,474</b>	<b>\$ 2,178,599</b>	<b>\$ 2,490,600</b>	<b>\$ 1,304,100</b>	<b>\$ 1,355,100</b>	<b>\$ 2,659,200</b>



**BUDGET HIGHLIGHTS**

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

Personnel Services include the reduction of one Code Enforcement Officer.

Professional & Technical Services are composed of legal fees for services and Code radios.

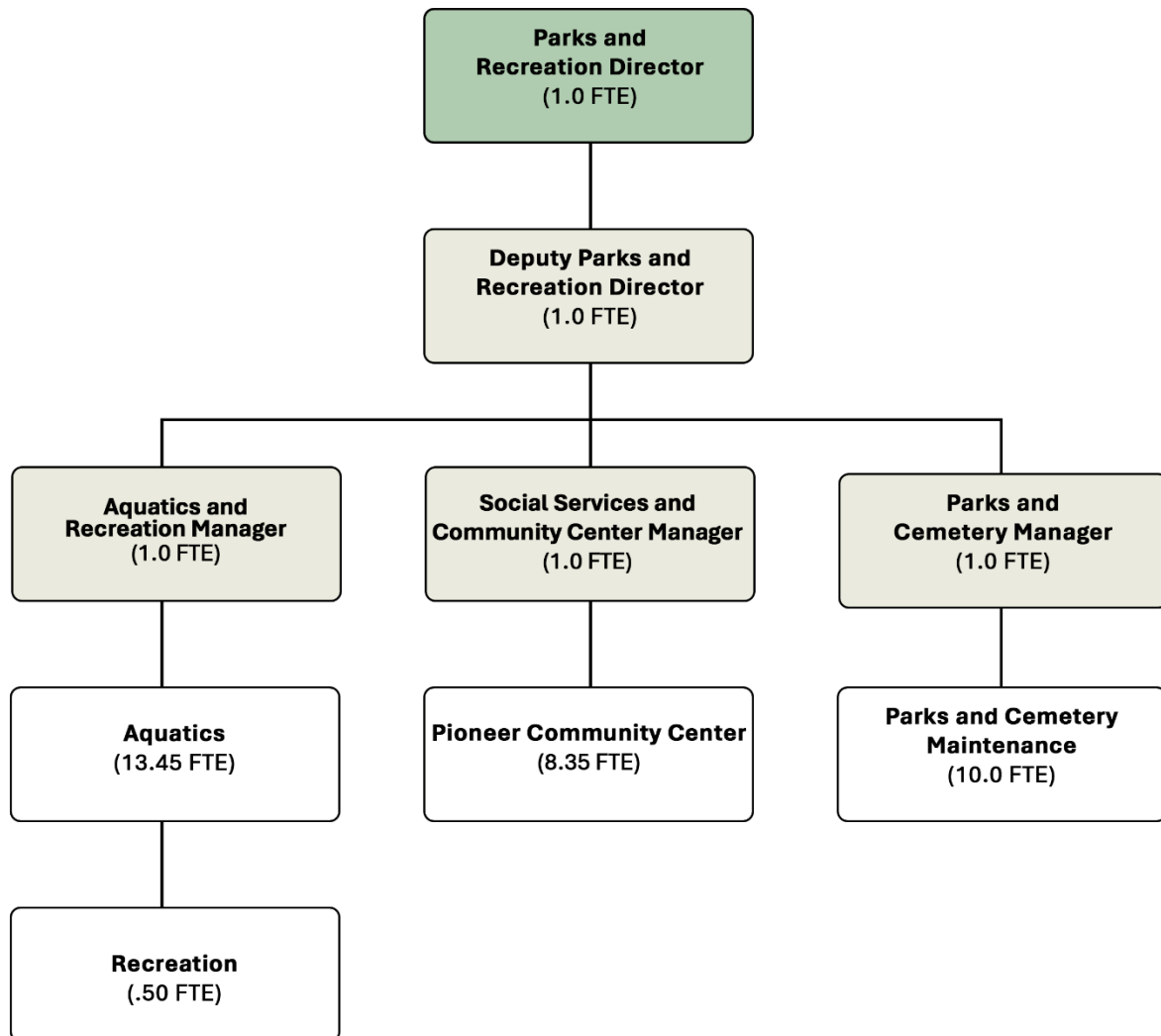
Repair and Maintenance Services include primarily waste disposal for all City locations of \$238,000, as well as other maintenance services, including vehicle, building, and equipment maintenance, totaling \$47,400.

Special Programs & Services are composed of:

Flower basket program	\$ 112,000
Nuisance abatement	<u>20,600</u>
<b>Total</b>	<b><u>\$ 132,600</u></b>



**PARKS AND RECREATION**



Total 38.39 FTE

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

## PARKS AND RECREATION

### OVERVIEW

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

### MISSION

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

### DEPARTMENT GOALS

- ❖ **COMMISSION GOAL – INVEST IN CITY FACILITIES AND INFRASTRUCTURE**
  - ◆ Complete End of the Oregon Trail master plan
  - ◆ Complete Aquatics and Recreation Center master plan
- ❖ **COMMISSION GOAL – IMPROVE PARK LANDS AND NATURAL RESOURCES**
  - ◆ Complete tree canopy assessment on parkland
  - ◆ Implement a deferred maintenance program to replace or repair outdated assets in parks
  - ◆ Implement the Clackamette Park Master Plan – Phase I

### SIGNIFICANT BUDGET CHANGES

The budget includes funding for deferred parks maintenance.



**PARKS AND RECREATION EXPENDITURES (COMBINED)**

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 3,623,526	\$ 4,253,563	\$ 5,353,500	\$ 2,575,500	\$ 2,683,500	\$ 5,259,000
Benefits	2,231,297	2,536,724	3,186,100	1,817,800	1,895,800	3,713,600
<b>Total Personnel Services</b>	<b>5,854,823</b>	<b>6,790,287</b>	<b>8,539,600</b>	<b>4,393,300</b>	<b>4,579,300</b>	<b>8,972,600</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	149,022	459,236	335,400	70,600	70,700	141,300
Repair & Maintenance Services	1,007,666	1,337,643	1,372,000	838,000	860,100	1,698,100
Other Services	2,969	9,522	3,000	5,500	5,500	11,000
Employee Costs	45,779	75,756	94,500	62,800	62,900	125,700
Operating Materials & Supplies	309,208	458,311	486,800	235,200	238,600	473,800
Office & Administrative Supplies	124,712	197,471	220,800	128,600	134,300	262,900
Special Programs	662,998	271,977	808,400	466,600	466,100	932,700
<b>Total Materials &amp; Services</b>	<b>2,302,354</b>	<b>2,809,916</b>	<b>3,320,900</b>	<b>1,807,300</b>	<b>1,838,200</b>	<b>3,645,500</b>
Capital Outlay	1,360,863	1,614,284	593,000	10,000	520,000	530,000
Principal & Interest	-	33,552	51,800	10,600	10,800	21,400
Transfers Out	343,826	220,000	329,000	200,600	216,800	417,400
Total Expenditures	9,861,866	11,468,039	12,834,300	6,421,800	7,165,100	13,586,900
<b>Total Parks &amp; Recreation</b>	<b>\$ 9,861,866</b>	<b>\$11,468,039</b>	<b>\$12,834,300</b>	<b>\$ 6,421,800</b>	<b>\$ 7,165,100</b>	<b>\$13,586,900</b>

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

### PARKS MAINTENANCE

#### OVERVIEW

The Parks and Cemetery Maintenance department provides the community with a system of neighborhood, community and regional parks which include play equipment, sports facilities and open green spaces. The department oversees 38 park sites, 2 boat ramps, a 56-acre cemetery and an RV Park. The department ensures these facilities are safe, clean and ready for use. We provide picnic facilities, shelters, restrooms and other facilities to support an active recreation program.

#### ACCOMPLISHMENTS

- ❖ Completed playground repairs throughout the Park system
- ❖ Identified and constructed new ADA improvements in playgrounds and on walkways
- ❖ Completed pollinator gardens at River Access Trail and the Swimming Pool
- ❖ Completed multiple improvements to our spray parks and irrigation systems to reduce water usage
- ❖ Cooperatively worked with Oregon City Youth Sports to renovate multiple infields throughout the system
- ❖ Cooperatively worked with Oregon City Soccer to install a new goal cage at Chapin
- ❖ Cooperatively worked with GOCWC and Oregon City Parks Foundation on ivy removal at Atkinson Park and Waterboard Park
- ❖ Continued to identify sites and plant trees and native plant material as part of reforestation goals
- ❖ Completed training for staff including Certified Playground Safety Inspector and Pesticide Applicator Licensing

- ❖ Completed the Oregon City Parks and Recreation Master Plan update
- ❖ Began implementation of the Clackamette Park Master Plan with archaeological investigations
- ❖ Successfully awarded an Oregon State Marine Board Boating Facilities Grant for archaeological work on the new boat ramp site
- ❖ Developed a 20-year Capital Improvement Plan in conjunction with the Parks system development charge (SDC) update and the Parks and Recreation Master Plan update
- ❖ Parks system development charge (SDC) update in progress

#### GOALS AND PROJECTS

- ❖ Maintain city parks and open spaces to the highest possible standards with available resources
- ❖ Seek funding options to create sustainable revenue streams
- ❖ Implement Metro Local Share projects, with community input on project selection
- ❖ Implement Clackamette Park Master Plan with stakeholders and public process. Prioritize boat ramp relocation while seeking funding sources
- ❖ Develop a 5-year Parks Capital Improvement Plan with public input on prioritization
- ❖ Support ongoing Tree City USA designation
- ❖ Address trail maintenance and repair needs ensuring ADA compliance
- ❖ Complete playground upgrades and repairs throughout the parks system
- ❖ Complete shelter, bench, and picnic table upgrades and repairs throughout the parks system.
- ❖ Seek opportunities for community engagement

**PARKS MAINTENANCE EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 1,480,080	\$ 1,724,130	\$ 1,823,200	\$ 678,100	\$ 711,900	\$ 1,390,000
Benefits	1,042,070	1,261,292	1,095,500	601,400	628,200	1,229,600
<b>Total Personnel Services</b>	<b>2,522,150</b>	<b>2,985,422</b>	<b>2,918,700</b>	<b>1,279,500</b>	<b>1,340,100</b>	<b>2,619,600</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	146,718	453,374	320,400	65,900	66,000	131,900
Repair & Maintenance Services	588,470	734,760	567,400	350,500	369,500	720,000
Other Services	1,851	2,325	-	-	-	-
Employee Costs	25,004	34,959	33,600	27,900	29,500	57,400
Operating Materials & Supplies	206,798	347,330	232,200	79,400	80,700	160,100
Office & Administrative Supplies	48,830	83,913	54,800	43,600	41,100	84,700
Special Programs	465,966	38,839	485,000	245,600	245,600	491,200
<b>Total Materials &amp; Services</b>	<b>1,483,637</b>	<b>1,695,500</b>	<b>1,693,400</b>	<b>812,900</b>	<b>832,400</b>	<b>1,645,300</b>
Capital Outlay	1,179,787	1,510,193	186,000	10,000	520,000	530,000
Principal & Interest	-	33,552	51,800	10,600	10,800	21,400
Transfers Out	193,826	220,000	329,000	191,700	207,700	399,400
<b>Total Parks Maintenance</b>	<b>\$ 5,379,400</b>	<b>\$ 6,444,667</b>	<b>\$ 5,178,900</b>	<b>\$ 2,304,700</b>	<b>\$ 2,911,000</b>	<b>\$ 5,215,700</b>

**BUDGET HIGHLIGHTS**

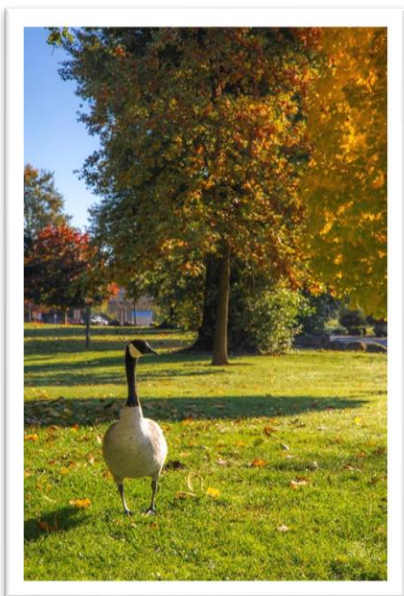
This budget includes additional maintenance costs associated with inflation and increased material costs. Significant expenses are highlighted below:

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

Operating Materials & Supplies account for materials purchased for parks operations including equipment to improve sports fields.

Special Programs include Transient Room Taxes paid by the RV Park.

Capital Outlay includes Metro Local Share funding for a new dog park and habitat restoration at Wesley Lynn Park (\$105,000) and a restroom replacement at Hillendale Park (\$400,000).



### CEMETERY

#### OVERVIEW

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

#### ACCOMPLISHMENTS

- ❖ Installed a new niche wall at Mt. View Cemetery
- ❖ Completed Veterans Memorial Renovation

#### GOALS AND PROJECTS

- ❖ Complete Phase II of the Parents of Murdered Children memorial at Mt. View Cemetery



**CEMETERY EXPENDITURES**

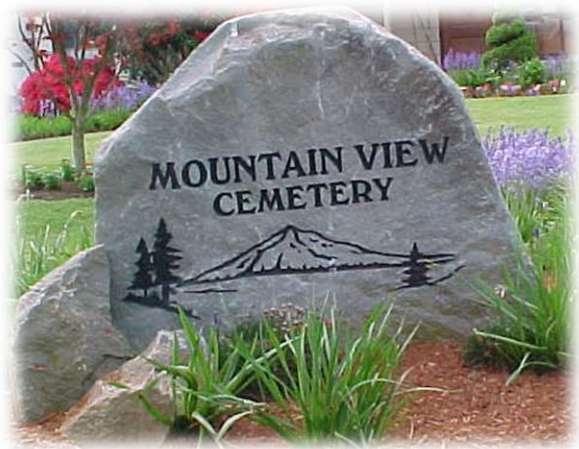
Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ -	\$ -	\$ 539,800	\$ 285,200	\$ 295,500	\$ 580,700
Benefits	-	-	421,100	240,400	251,000	491,400
<b>Total Personnel Services</b>	-	-	960,900	525,600	546,500	1,072,100
<b>Materials &amp; Services</b>						
Professional & Technical Services	-	-	10,000	2,200	2,200	4,400
Repair & Maintenance Services	-	-	95,600	62,900	62,800	125,700
Employee Costs	-	-	11,200	6,100	6,100	12,200
Operating Materials & Supplies	-	-	129,800	68,500	68,500	137,000
Office & Administrative Supplies	-	-	33,000	16,600	13,200	29,800
<b>Total Materials &amp; Services</b>	-	-	279,600	156,300	152,800	309,100
Capital Outlay	-	-	267,000	-	-	-
<b>Total Cemetery</b>	\$ -	\$ -	\$ 1,507,500	\$ 681,900	\$ 699,300	\$ 1,381,200

Prior to the 2025-2027 biennium, Cemetery expenditures were recorded in the Park Maintenance department.

**BUDGET HIGHLIGHTS**

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

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



### RECREATION AQUATICS

#### OVERVIEW

The Recreation and Aquatics Division provides high-quality programs, events, and facilities that serve all ages in our community. We strive to meet high standards in aquatic safety, customer service, and facility maintenance, ensuring a safe, fun, and well-supervised environment. As the only public swimming pool in Oregon City, we play a vital role in offering programs that teach lifesaving water skills, promote lifelong fitness, and support overall community health. In a city surrounded by bodies of water, expanding access to swim lessons and water safety education remains one of our highest priorities.

Beyond the pool, we provide enriching experiences through our youth camps, giving children opportunities for recreation, social connection, and personal growth. Our commitment to community engagement extends to hosting and supporting beloved events such as Movies in the Park, the Daddy-Daughter Dinner Dance, and various cultural series that celebrate the diversity of our city.

Through these efforts, the Recreation and Aquatics Division remains a cornerstone of community enrichment, fostering connections, lifelong learning, and public well-being.

#### ACCOMPLISHMENTS

- ❖ Continued surveying and improving our swim lesson offerings and finding new ways to provide water safety education
- ❖ Received a grant to purchase our own Movies in the Park equipment, allowing us to support more cultural events and expand water safety resources
- ❖ Continued to provide a safe, professional, and clean facility for the community and keeping up on the building improvements needed to continue operations
- ❖ Continued to offer programs, such as swim lesson tests, longer day camps, and special events like our Glow Swims that appealed to the public, drove up attendance, and brought in additional revenue

- ❖ Contracted with new businesses to help expand swim lesson offerings during slower times of the day
- ❖ Invested in training aquatic staff as Lifeguard Instructors to allow for more staff to help with certifications, better onsite supervision, and higher quality in-service training
- ❖ Increased participation in our Junior Camp Counselor program
- ❖ Expanded offerings for full day camps in the summer
- ❖ Completed a series of cultural events in 2024 with expanded partnerships

#### GOALS AND PROJECTS

- ❖ Maintain the facility to ensure continued upkeep and safety for the public. Priority projects being the plastering of the pool shell, retiling, and redoing the deck surface
- ❖ Increase training and certifications for Head Lifeguard Staff. Ensure all Head Guard Staff are Lifeguard Instructors, identify more to become Pool Operators to align with public codes and improve the quality of programs offered
- ❖ Evaluate programs against trends to identify areas that are underserved and continue to seek creative ways to program the pool and community room to meet those trends
- ❖ Strive to be fiscally conservative and program facility space and time efficiently to maximize revenue to help offset increased expenses
- ❖ Implement new ways of providing water safety education and getting more access to members of the community for swim lessons as formal swim lessons prevent drowning by 88% and drowning continues to be the lead cause of death for children 1-4 and second leading cause of kids 5-12
- ❖ Keep growing our volunteer opportunities within our programs, including a junior swim lesson instructor program
- ❖ Continue to seek additional partnerships within the community and work with the schools to offer programming during school hours, including swim lessons, fitness classes, and certification classes

**RECREATION AQUATICS EXPENDITURES**

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 815,477	\$ 1,047,934	\$ 1,231,100	\$ 814,700	\$ 842,500	\$ 1,657,200
Benefits	364,872	392,261	476,300	422,600	443,100	865,700
<b>Total Personnel Services</b>	<b>1,180,349</b>	<b>1,440,195</b>	<b>1,707,400</b>	<b>1,237,300</b>	<b>1,285,600</b>	<b>2,522,900</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	2,179	2,880	4,000	2,000	2,000	4,000
Repair & Maintenance Services	235,192	272,124	260,600	144,500	145,400	289,900
Other Services	1,118	7,197	2,000	5,000	5,000	10,000
Employee Costs	9,946	15,727	18,500	10,300	8,800	19,100
Operating Materials & Supplies	50,977	53,804	61,000	54,900	57,000	111,900
Office & Administrative Supplies	35,693	37,780	57,800	14,000	22,200	36,200
Special Programs	8,136	9,135	17,400	30,300	29,800	60,100
<b>Total Materials &amp; Services</b>	<b>343,241</b>	<b>398,647</b>	<b>421,300</b>	<b>261,000</b>	<b>270,200</b>	<b>531,200</b>
Capital Outlay	9,938	38,209	75,000	-	-	-
<b>Total Recreation Aquatics</b>	<b>\$ 1,533,528</b>	<b>\$ 1,877,051</b>	<b>\$ 2,203,700</b>	<b>\$ 1,498,300</b>	<b>\$ 1,555,800</b>	<b>\$ 3,054,100</b>

**BUDGET HIGHLIGHTS**

Previously, this budget was divided between two departments: Recreation and Recreation Aquatics. To improve consistency and better reflect operational oversight, we have consolidated the items from Recreation that fall under the responsibilities of the Aquatic and Recreation Manager into the Recreation Aquatics. This adjustment ensures a more accurate allocation of resources, recognizing that many staff members and resources serve both Recreation and Aquatics programs. By streamlining these budgets, we can enhance efficiency, improve financial tracking, and better support the shared needs of both divisions.

Personnel Services increases include the addition of an Aquatic Coordinator, who will

oversee scheduling during late afternoons and evenings when management is not onsite. This position will enhance staff training and retention, elevate the quality of water safety programs, and ensure greater compliance with aquatic codes by maintaining a Certified Pool Operator certification. Having a dedicated staff member with this certification onsite will provide consistency in facility operations. Additionally, this role will support increased in-service training requirements and help uphold the standard of care essential for a well-managed aquatic facility.

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

### PIONEER COMMUNITY CENTER

#### OVERVIEW

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

The program serves approximately 37,000 Meals on Wheels, 7,000 congregate meals, and provides 6,000 rides each year. In addition, approximately 18,500 visitations occur for the Center's recreational opportunities and nearly 60,000 units of social services are provided annually. The Pioneer Center is a highly used facility and is rented for various private events and meetings. Approximately 90,000 people are served annually as staff strive to serve to accommodate as many users as possible. The division continually seeks to collaborate to host events and activities that benefit our community and its residents.

#### ACCOMPLISHMENTS

- ❖ Expanded the Meals on Wheels program from 2 delivery days of service to 4
- ❖ Reopened the congregate dining program fully to 5 days of service per week
- ❖ Completed scheduled slider door replacements to enhance safety and security of facility
- ❖ Completed ADA upgrades to all door hardware throughout the building
- ❖ Completed the reception reconfiguration project with ADA upgrades
- ❖ Received a grant award for the congregate dining program in the amount of \$22,482.45 for enhanced patron experience through the purchase of new tables, décor, linens, sound and kitchen equipment
- ❖ Received a grant award in the amount of \$50,000 for the installation of security cameras throughout our property as part of

the State's transportation infrastructure grant

- ❖ Completed successful recruitment for the vacant positions of Social Service Programmer and Rental and Events Coordinator
- ❖ Expanded staffing to include needed PT Van Driver and Fitness Instructor as programs reopened and expanded
- ❖ Successfully recruited and managed 115 new volunteers during this biennium
- ❖ Passed all required inspections and audits

#### GOALS AND PROJECTS

- ❖ Enhance programs and services to provide full use of the Pioneer Center and meet the needs of the aging and disabled population and the community
- ❖ Manage budget to support services to seniors and disabled in the most productive way
- ❖ Monitor customer needs and program trends; add needed programs or eliminate underutilized programs
- ❖ Continue to seek additional partnerships within the community
- ❖ Recruit and manage a large pool of volunteers for continued high service requests once re-opened
- ❖ Continue to offer staff training to ensure high quality of customer service
- ❖ Invest time, effort, and funding into professional development and staff retention
- ❖ Complete kitchen remodel project to replace equipment that poses maintenance challenges, non-useable and outdated equipment
- ❖ Complete roof replacement project
- ❖ Increase community engagement and marketing opportunities to educate, inform, and gather feedback and input

**PIONEER COMMUNITY CENTER EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 1,013,451	\$ 1,131,451	\$ 1,362,300	\$ 696,600	\$ 728,400	\$ 1,425,000
Benefits	654,984	687,292	947,600	503,500	527,200	1,030,700
<b>Total Personnel Services</b>	<b>1,668,435</b>	<b>1,818,743</b>	<b>2,309,900</b>	<b>1,200,100</b>	<b>1,255,600</b>	<b>2,455,700</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	-	-	1,000	500	500	1,000
Repair & Maintenance Services	159,992	276,095	247,000	161,100	162,000	323,100
Employee Costs	4,051	2,498	4,600	3,700	3,700	7,400
Operating Materials & Supplies	21,888	34,605	37,000	23,000	23,000	46,000
Office & Administrative Supplies	28,572	48,184	44,000	30,400	35,500	65,900
Special Programs	54,115	49,394	107,000	61,500	61,500	123,000
<b>Total Materials &amp; Services</b>	<b>268,618</b>	<b>410,776</b>	<b>440,600</b>	<b>280,200</b>	<b>286,200</b>	<b>566,400</b>
Capital Outlay	155,934	65,336	57,000	-	-	-
Transfers Out	-	-	-	8,900	9,100	18,000
<b>Total Pioneer Community Center</b>	<b>\$ 2,092,987</b>	<b>\$ 2,294,855</b>	<b>\$ 2,807,500</b>	<b>\$ 1,489,200</b>	<b>\$ 1,550,900</b>	<b>\$ 3,040,100</b>

**BUDGET HIGHLIGHTS**

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

Repair & Maintenance Services includes utilities, janitorial, and building maintenance costs. The increase in the biennium is attributable to anticipated increases in janitorial service costs, as well as projected increases in utility costs.



### COMMUNITY EVENTS AND ADMIN

#### OVERVIEW

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

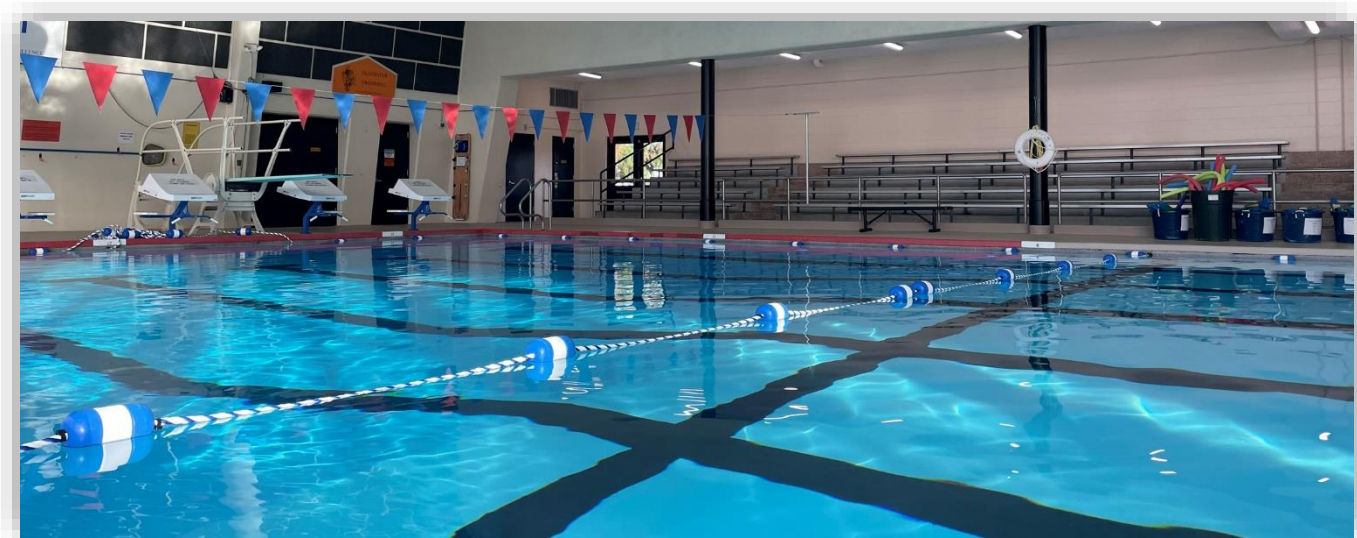
#### ACCOMPLISHMENTS

- ❖ Created a new 4th of July event held in 2024 using a city-sponsored event grant
- ❖ Fostered several new community partnerships to diversify access to recreation programs and compile resources to add more recreational opportunities for the community

- ❖ Successfully held another season of Concerts in the Park, with many new upgrades and partnerships.
- ❖ Began long-term planning for increasing community events year round to provide additional opportunities for the community to enjoy

#### GOALS AND PROJECTS

- ❖ Maintain existing quality of programs while increasing recreation opportunities for the community by utilizing contract services
- ❖ Be a strong and reliable resource of recreational events for the community
- ❖ Continue to provide a series of special events that draw attendances from surrounding communities and contribute to civic pride
- ❖ Develop and implement new events in fall, winter, and spring to increase our offerings for the community
- ❖ Increase sponsorship opportunities and partnerships to offset increased expenses from new and enhanced community events
- ❖ Focus on implementing consistent policies department-wide to improve our visitor experience and ensure consistent service



**COMMUNITY EVENTS AND ADMIN EXPENDITURES**

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 314,518	\$ 350,048	\$ 344,800	\$ 55,600	\$ 57,600	\$ 113,200
Benefits	169,371	195,879	224,600	47,400	43,700	91,100
<b>Total Personnel Services</b>	<b>483,889</b>	<b>545,927</b>	<b>569,400</b>	<b>103,000</b>	<b>101,300</b>	<b>204,300</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	125	2,982	-	-	-	-
Repair & Maintenance Services	24,012	54,664	40,400	20,200	20,200	40,400
Other Services	-	-	1,000	500	500	1,000
Employee Costs	6,778	22,572	26,600	14,800	14,800	29,600
Operating Materials & Supplies	29,545	22,572	26,800	9,400	9,400	18,800
Office & Administrative Supplies	11,612	27,588	31,200	21,000	19,300	40,300
Special Programs	109,929	152,641	197,750	128,000	128,000	256,000
<b>Total Materials &amp; Services</b>	<b>182,001</b>	<b>283,019</b>	<b>323,750</b>	<b>193,900</b>	<b>192,200</b>	<b>386,100</b>
<b>Total Community Events and Admin Programs</b>	<b>\$ 665,890</b>	<b>\$ 828,946</b>	<b>\$ 893,150</b>	<b>\$ 296,900</b>	<b>\$ 293,500</b>	<b>\$ 590,400</b>

**BUDGET HIGHLIGHTS**

This is an increase for Concerts in the Park as the price for bands, music, licensing, security, porta potties, etc. have all risen, causing this program cost to be a lot higher. We have also added expenses related to the new annual 4th of July event.

Special programs includes an increase of \$25,000 for marketing and social media support to increase our community outreach efforts. We anticipate increased revenue from these efforts.

Software costs represent the SmartRec reservation system that is utilized by all divisions within Parks and Recreation.

Special Programs are composed of the following:

Concerts	\$ 90,000
Events	90,000
Trail News	<u>76,000</u>
<b>Total</b>	<b><u>\$ 256,000</u></b>



### ERMATINGER HOUSE

#### OVERVIEW

The Ermatinger House budget supports the preservation, interpretation, and educational outreach of this historic site, ensuring its long-term sustainability as a community and cultural asset. As one of the oldest homes in Oregon, the Ermatinger House serves as a vital link to the city's past, and our budget prioritizes historic preservation through dynamic educational programming. By expanding field trips, guided tours, and hands-on learning experiences, we aim to engage students, residents, and visitors in the rich history of Oregon City. Funding is allocated to maintaining the structural integrity of the house, developing high-quality interpretive materials, and hosting events that bring history to life. Through these efforts, we strive to foster a deeper appreciation for local heritage while creating new opportunities for learning and community engagement.

#### ACCOMPLISHMENTS

- ❖ Continued strong partnership with the Friends of the Ermatinger House, providing monthly events, Free Museum Days, and opening of a new exhibit
- ❖ Fostered several new community partnerships to expand field trip offerings. This year we are anticipating having over 1,000 kids participating in our field trips compared to the 400-500 in the last biennium
- ❖ Continued to work with community partners to explore programming and fundraising

opportunities. Implemented our Friday Night Frights that helped raise money for the Ermatinger House and other community partners

- ❖ Improved quality of Field Trip program content and gained new volunteers for our field trips

#### GOALS AND PROJECTS

- ❖ Maintain existing quality of programs with them main area of focus being our field trip programs and monthly special events
- ❖ Promote Friday and Saturday guided tours through targeted marketing, social media, and partnerships with local organizations
- ❖ Implement the new fee structure by charging admission for all visitors, tour or not, and adjusting the child rate to start at age 4 instead of 12. Offer family rates and one free museum day per month still
- ❖ Continue large fundraisers like our Friday Night Frights that draw attendances from surrounding communities and contribute fostering support for heritage sites
- ❖ Evaluate current interpretive plan and provide more education on the indigenous community
- ❖ Purchase items for a gift shop, field trip supplies, and updates to interpretive panels with savings from maintenance costs this biennium

**ERMATINGER HOUSE EXPENDITURES**

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ -	\$ -	\$ 52,300	\$ 45,300	\$ 47,600	\$ 92,900
Benefits	-	-	21,000	2,500	2,600	5,100
<b>Total Personnel Services</b>	-	-	73,300	47,800	50,200	98,000
<b>Materials &amp; Services</b>						
Repair & Maintenance Services	-	-	70,000	38,200	39,600	77,800
Office & Administrative Supplies	-	-	-	3,000	3,000	6,000
Special Programs	-	-	1,250	1,200	1,200	2,400
<b>Total Materials &amp; Services</b>	-	-	71,250	42,400	43,800	86,200
<b>Total Ermatinger House</b>	\$ -	\$ -	\$ 144,550	\$ 90,200	\$ 94,000	\$ 184,200

**BUDGET HIGHLIGHTS**

As this is a relatively new budget, additional line items have been introduced to improve financial tracking and ensure a clearer allocation of resources. To address the growth of our educational programming, particularly our expanding field trips, we are increasing part-

time salaries to support on-call museum educators. These staff members will be scheduled only when field trips occur, ensuring where revenue from field trips will support the additional cost of staff, and while enhancing the visitor experience and being able to continue to grow the field trips and take larger groups of kids.



**END OF THE OREGON TRAIL  
INTERPRETIVE CENTER**

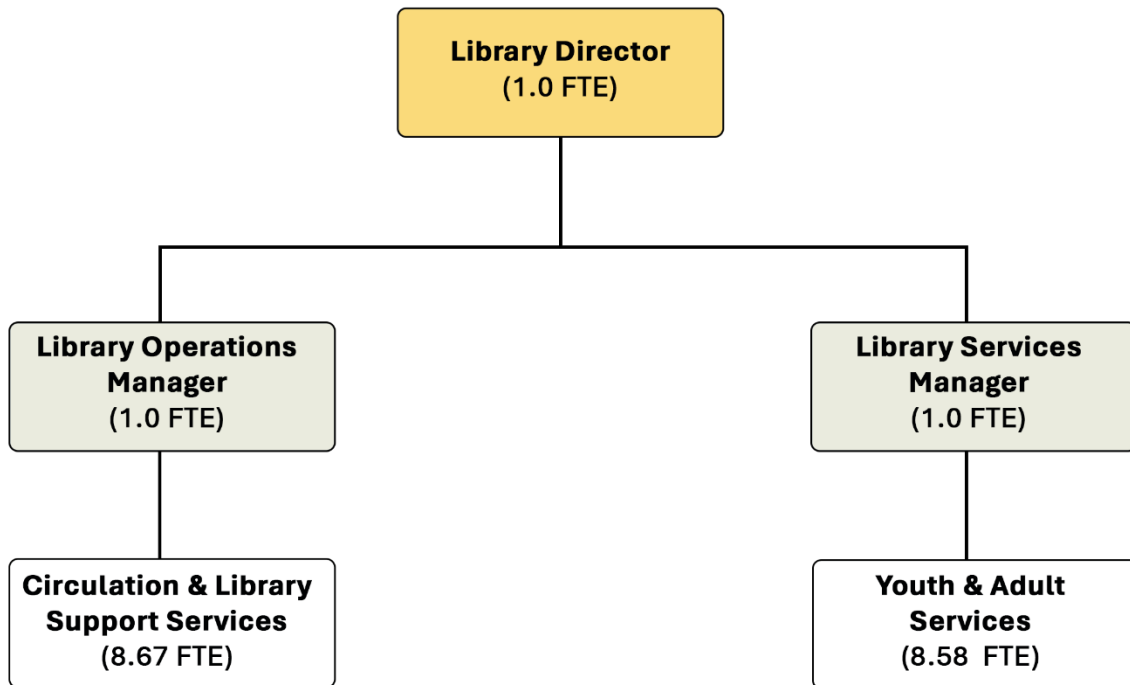
When pioneers completed their six month journey along the Oregon Trail, they found themselves in Oregon City at a place called “Abernathy Green.” Today the End Of The Oregon Trail Interpretive Center sits on that very location. More than a museum, it is an interactive experience that shares the stories of

the pioneers who made that great journey as well as the indigenous peoples who called the area home for centuries prior. Families get a little taste of what life was like in early Oregon, and come away with an appreciation of their state's history and what they have today.

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Materials &amp; Services</b>						
Repair & Maintenance Services	\$ -	\$ -	\$ 91,000	\$ 60,600	\$ 60,600	\$ 121,200
<b>Total Materials &amp; Services</b>	-	-	91,000	60,600	60,600	121,200
Capital Outlay	-	-	8,000	-	-	-
<b>Total End of the Oregon Trail Interpretive Center</b>	\$ -	\$ -	\$ 99,000	\$ 60,600	\$ 60,600	\$ 121,200



**LIBRARY**



Total 20.25 FTE

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

# Library

## LIBRARY FUND

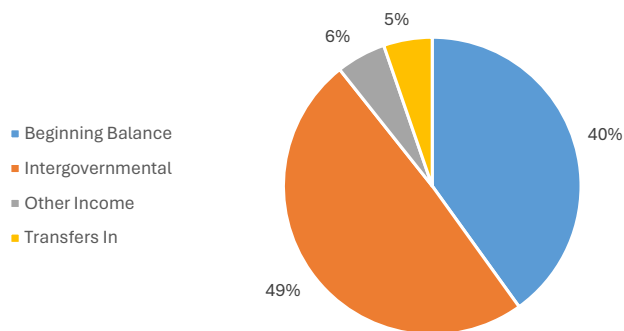
The entire operations of Oregon City Public Library are accounted for in the Library Fund. Approximately 90% of its funding comes from Clackamas County Library District tax revenues, which pay for the majority of library operating expenses, including personnel, materials, and facility maintenance costs.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

expansion. Per Ballot Measure 3-435 passed by City voters in May 2014, the City intended to repay these bonds using existing revenue sources, including the Library District and City funds.

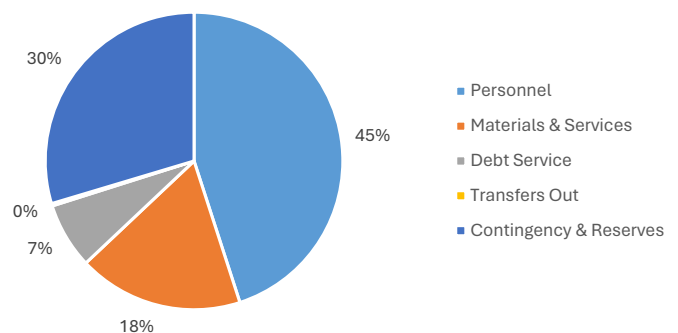
The table below compares total resources and requirements for the Library Fund for the upcoming biennium, the current biennium, and the two previous biennia.

Library	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 2,912,984	\$ 3,818,455	\$ 4,243,800	\$ 4,872,800	\$ 3,954,800	\$ 4,872,800
Intergovernmental						
District Property Taxes	4,903,916	5,269,796	5,544,800	2,908,400	3,010,100	5,918,500
Intergovernmental	156,395	26,333	19,800	58,500	10,500	69,000
Charges for Services	5,951	21,813	7,900	5,400	5,400	10,800
Fines and Forfeitures	38,473	42,357	-	-	-	-
Interest Income	78,094	136,051	62,000	198,500	207,900	406,400
Miscellaneous Income	34,203	23,652	11,000	135,100	103,600	238,700
Transfer In	300,000	300,000	580,000	317,600	325,200	642,800
<b>Total Resources</b>	<b>\$ 8,430,016</b>	<b>\$ 9,638,457</b>	<b>\$ 10,469,300</b>	<b>\$ 8,496,300</b>	<b>\$ 7,617,500</b>	<b>\$ 12,159,000</b>
<b>Requirements</b>						
Personnel Services	\$ 2,769,804	\$ 3,290,034	\$ 4,427,300	\$ 2,548,900	\$ 2,683,300	\$ 5,232,200
Materials & Services	971,015	1,126,968	1,522,300	1,027,100	1,059,700	2,086,800
Capital Outlay	-	-	-	535,000	-	535,000
Principal & Interest	830,742	830,742	830,800	415,500	415,500	831,000
Transfers Out	40,000	40,000	-	15,000	15,000	30,000
Contingency	-	-	3,688,900	3,954,800	3,444,000	3,444,000
Unappropriated Fund Balance	3,818,455	4,350,713	-	-	-	-
<b>Total Requirements</b>	<b>\$ 8,430,016</b>	<b>\$ 9,638,457</b>	<b>\$ 10,469,300</b>	<b>\$ 8,496,300</b>	<b>\$ 7,617,500</b>	<b>\$ 12,159,000</b>

Resources by Type



Requirements by Category



## LIBRARY

### OVERVIEW

The Oregon City Public Library is unique among City departments, in that its defined service area includes not only the 38,000+ residents of the City, but approximately 23,000 residents of unincorporated Clackamas County as well. All residents within the Library's 110 square mile service area are assessed the same Library District tax rate of \$0.3974 per thousand of assessed value. Per Oregon law, this rate cannot increase. The annual Library District assessment on a property valued at \$500,000 is approximately \$199. In FY 23/24, approximately 54% of the Library District tax revenues received were paid by City residents, while 46% were paid by residents of unincorporated Clackamas County.

Per FY 23/24 data provided by the State Library of Oregon, the Oregon City Public Library had the 14th largest service area population out of approximately 136 public libraries in the State. When looking at public libraries which only have a single location (and not multiple branches), the Oregon City Public Library has the 4th - largest service area population in the State.

The Library achieved an overall satisfaction rating of 83% on the 2024 Oregon City Community Satisfaction survey, the highest level of satisfaction with any City service. This rating is 19% higher than both national and regional averages.

Specific Areas of Library services that survey respondents living in both the City and in unincorporated areas indicated should receive more attention in the next biennium include availability of physical resources, availability of digital resources, outreach programs, events for children and events for seniors. Addressing these community-identified priorities has been factored into the Library's 25-27 biennial budget proposal.

### ACCOMPLISHMENTS

- ❖ In partnership with the Oregon City School District (OCSD) and Clackamas County, developed and implemented the Student Library Card program which allows OCSD students to sign up for a library card as part

of their annual school enrollment. This partnership is the first of its kind in the Clackamas County Library District

- ❖ Successfully replaced all wood flooring in the Library. The project was completed on-time and within budget and the new floors have been well-received by the community
- ❖ Modified Library operating hours to better match demonstrated community usage and demand
- ❖ Completed revisions to the Library's Collection Development Policy
- ❖ Conducted first ever statistically-valid satisfaction survey of unincorporated residents of the Oregon City Public Library service area
- ❖ Implemented new process for allowing after-hours usage of Community Room by designated Neighborhood Associations and Community Planning Organizations
- ❖ Developed bylaws and significantly increased advisory role for the Teen Advisory Committee
- ❖ Developed a Young Teen Advisory Committee (YTAC) for middle-school students
- ❖ Installed a new, permanent Circulation Desk which allows staff to more effectively provide quality customer service
- ❖ Developed the Library's first 2-year Tactical Plan, which supports overall Strategic Plan by identifying specific, high-impact projects that directly support Strategic Plan foci
- ❖ Based on specific recommendations from our Teen Advisory Committee, upgraded the furnishings and fixtures in the Teen Room (including a new plant wall) to create a more inviting, comfortable space for Teen patrons
- ❖ Revived the "One Community, One Book" community reads program (last offered in February, 2020). Over 300 copies of the book "The Place We Make" by local author Sarah Sanderson were given away
- ❖ Updated the Library's Behavior Policy, to improve both staff safety and ensure a safe, positive library atmosphere and experience for patrons

## Library

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- ❖ Created a Library Display Policy to articulate the guidelines and priorities which library staff utilize when creating Library Displays
- ❖ Implemented a formal Books By Mail program for homebound library patrons
- ❖ Partnered with the Pioneer Community Center to implement a Books on Wheels program, which allows Meals on Wheels recipients to receive and return Library books as part of the regular meal deliveries
- ❖ Implemented a new Seed Library
- ❖ Received an 83% overall satisfaction rating on the 2024 Community Satisfaction Survey, 19% higher than regional or national averages

### GOALS AND PROJECTS

#### ❖ COMMISSION GOAL – CREATE A DEI & SAFE COMMUNITY & WORKPLACE

- ♦ Continue to identify and reduce/mitigate/eliminate barriers that residents experience when accessing Library services
- ♦ Continue to support Resolution 20-19 by providing safe spaces for conversations and learning opportunities to fight racism and inequity

#### ❖ COMMISSION GOAL – INVEST IN FACILITIES & INFRASTRUCTURE

- ♦ Continue to budget for and invest in scheduled capital repair and replacement projects to ensure the long-term viability of the Library facility

#### ❖ COMMISSION GOAL – INCREASE COMMUNITY ENGAGEMENT OPPORTUNITIES

- ♦ Continue to identify underserved communities and develop outreach/service plans
- ♦ Continue to strengthen and expand partnerships with Oregon City School District and other community partners
- ♦ Expand the Library's capacity to conduct outreach and provide access to library materials and services

throughout the entire Oregon City Public Library service area through the acquisition of a Library Outreach Vehicle and deployment of Remote Book Lockers

#### ❖ COMMISSION GOAL – REDUCE HOMELESSNESS

- ♦ Continue to build relationships and develop partnerships with local agencies, service providers, and community groups
- ♦ Continue regular Library outreach efforts at The Father's Heart and LoveOne shower events
- ♦ Continue to review and update Library behavior policies and protocols, and to provide supplemental training and support for Library staff
- ♦ Ensure that the Library continues to be a safe, welcoming space for all patrons

#### ❖ COMMISSION GOAL – SUPPORT ECONOMIC DEVELOPMENT & TOURISM

- ♦ Continue to develop and offer programs which explore the history of Oregon City and Clackamas County
- ♦ Continue to identify opportunities to partner with and support the local business community

#### ❖ COMMISSION GOAL – INCREASE HOUSING OPPORTUNITIES

- ♦ Continue to provide meeting space where the City can present information and collect community feedback regarding housing options

#### ❖ COMMISSION GOAL – IMPROVE PARK LANDS & NATURAL RESOURCES

- ♦ Continue to promote our popular Seed Library and related programs to provide free seeds to gardeners, to promote saving and sharing of good quality plant genetics that grow well in the microclimate of our region, to provide opportunities for the teaching of new self-reliant gardening skills, and to encourage a culture of sharing and community

## LIBRARY EXPENDITURES

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 1,758,737	\$ 2,092,802	\$ 2,652,800	\$ 1,513,400	\$ 1,598,400	\$ 3,111,800
Benefits	1,011,067	1,197,232	1,774,500	1,035,500	1,084,900	2,120,400
<b>Total Personnel Services</b>	<b>2,769,804</b>	<b>3,290,034</b>	<b>4,427,300</b>	<b>2,548,900</b>	<b>2,683,300</b>	<b>5,232,200</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	2,093	16,169	22,800	8,100	19,800	27,900
Repair & Maintenance Services	273,039	305,294	347,100	203,600	212,800	416,400
Other Services	2,777	3,463	9,000	3,300	3,300	6,600
Employee Costs	4,661	8,023	14,400	7,200	7,200	14,400
Operating Materials & Supplies	432,972	435,866	545,400	297,500	298,200	595,700
Office & Administrative Supplies	89,009	72,831	82,000	36,400	39,800	76,200
Special Programs	64,678	79,986	84,800	68,000	68,000	136,000
Community Programs & Grants	9,986	1,151	-	800	800	1,600
Internal Service Charges	91,800	204,184	416,800	402,200	409,800	812,000
<b>Total Materials &amp; Services</b>	<b>971,015</b>	<b>1,126,968</b>	<b>1,522,300</b>	<b>1,027,100</b>	<b>1,059,700</b>	<b>2,086,800</b>
Capital Outlay	-	-	-	535,000	-	535,000
Transfers Out	40,000	40,000	-	15,000	15,000	30,000
Principal & Interest	830,742	830,742	830,800	415,500	415,500	831,000
Contingency	-	-	3,688,900	3,954,800	3,444,000	3,444,000
Unappropriated Fund Balance	3,818,455	4,350,713	-	-	-	-
<b>Total Library</b>	<b>\$ 8,430,016</b>	<b>\$ 9,638,457</b>	<b>\$10,469,300</b>	<b>\$ 8,496,300</b>	<b>\$ 7,617,500</b>	<b>\$12,159,000</b>

LIBRARY PERFORMANCE MEASURES								
Measure	2020	2021	2022	2023	2024	2025 Projected	2026 Goals	2027 Goals
Annual Circulation	439,887	255,273	458,746	494,435	526,565	531,416	538,259	546,249
Number of new registered borrowers <sup>1</sup>	2,523	921	2,747	3,472	3,498	5,719	3,600	3,700
Total registered borrowers	20,658	18,597	18,161	18,085	18,858	23,471	24,000	24,575
Annual change in total registered borrowers <sup>2</sup>	586	(2,061)	(436)	(76)	773	4,613	529	575
% of service area population who are registered borrowers	33.9%	30.3%	29.7%	29.6%	30.6%	38.6%	39.5%	40.5%
Net loans to/from LINCC libraries <sup>3</sup>	(35,113)	(23,041)	(12,562)	(12,294)	(16,875)	(17,589)	(15,830)	(14,247)
Programs offered <sup>4</sup>	615	441	548	383	421	495	515	535
Program Participation	18,640	20,092	22,998	11,105	11,183	11,536	12,000	12,500

<sup>1</sup> In FY 24/25, the Library entered into a partnership with the Oregon City School District (OCSD) and Clackamas County to allow all OCSD students to sign up for library cards as part of annual school enrollment. The significant increase in projected new registered borrowers for FY 24/25 reflects the availability and first-year usage of this new program.

<sup>2</sup> Each year in October, cardholder accounts with no activity for 3 years are purged from the system. The number of new registered borrowers combined with the number of purged accounts results in the net change to annual registered cardholders.

<sup>3</sup> When this number is negative, it indicates the library borrowed more from other LINCC Libraries than it lent. When this number is positive, it indicates the library lent more to other LINCC libraries than it borrowed. Our goal is to be as close to zero as possible, preferably with a positive total (indicating the Library is a net lender to the LINCC cooperative).

<sup>4</sup> FY 22/23 and later totals are impacted by post-COVID operational changes as well as by changes in statistics collection implemented in order to be more consistent with State Library of Oregon guidance.

# Library

## BUDGET HIGHLIGHTS

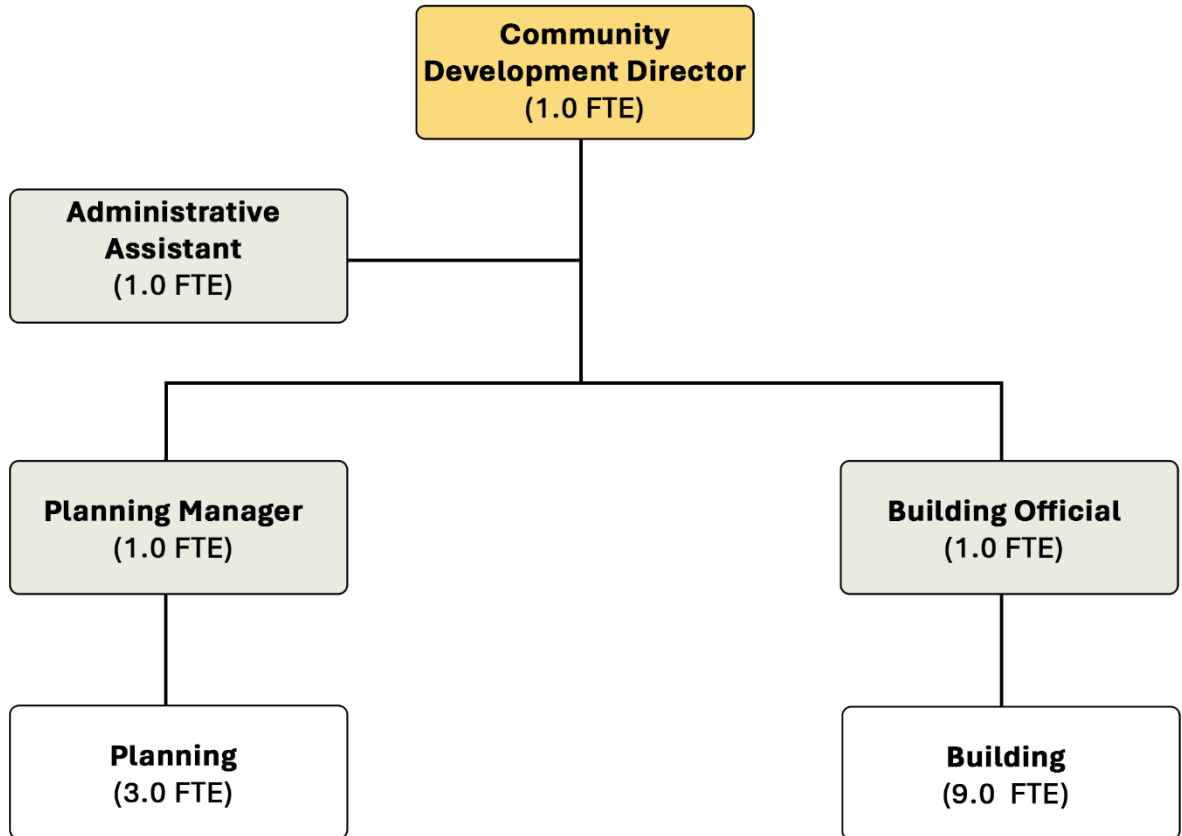
The proposed budget includes a new 1.0 FTE Public Services Manager position to manage the Library's Youth Services and Adult Services areas. This new position will provide much needed management support for the Library, which operates 7 days a week, and employs more than 30 individuals. The new position will also allow more attention to be paid to employee development, as well as areas ranked as top priorities by the community, including outreach and programming. Costs for the position will be

funded from existing revenues as well as the Library's fund balance, which is composed primarily of historically unexpended Library District operating revenue.

Repair & Maintenance Services includes utilities, janitorial, and building maintenance costs. The increase in the biennium is attributable to anticipated increases in janitorial service costs, as well as projected increases in utility costs.



COMMUNITY DEVELOPMENT



Total 16.0 FTE

## COMMUNITY DEVELOPMENT

### OVERVIEW

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

The Planning Division performs long-range planning projects and community engagement, interprets and applies Municipal Code standards and appropriate Comprehensive Plan policies to proposed development projects, land use education and outreach, administration of the City's preservation program, participation in regional policies, and management of the Planning Commission, Historic Review Board, and the Natural Resources Committee.

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

### MISSION

Community Development is Planning and Building for today and tomorrow. Committed to serving the public with excellent customer service. Future focused.

Strive to:

- ♦ Provide the tools and information for the public to make informed decisions
- ♦ Ensure the full community voice and visions are heard
- ♦ Provide predictability and knowledge within our expertise
- ♦ Treat people with fairness, equity, dignity, and consistency
- ♦ Empower and assure customers through complex and difficult processes
- ♦ Avoid ambiguity with clear and kind communication
- ♦ Accommodate without compromising safety

### DEPARTMENT GOALS

#### ❖ COMMISSION GOAL -- INCREASE HOUSING OPPORTUNITIES

- ♦ Anticipate state mandates and tailor local policies to best fit the needs of the community while balancing public infrastructure investment for current and future residents
  - Expand housing choices and develop a housing strategy

#### ❖ COMMISSION GOAL -- IMPROVE PARK LANDS & NATURAL RESOURCES

- ♦ Protect and preserve our environmental and natural resources for a healthy, sustainable community
  - Focus efforts on preserving and protecting the city's tree canopy

**PLANNING**

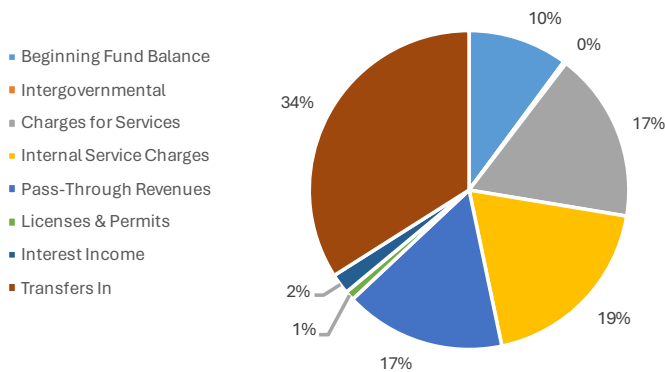
The Planning Fund accounts for the City’s long-range planning, current planning, and general planning assistance provided to the community.

The following table includes total resources and requirements for the proposed biennial budget, the budget for the current biennium and actual

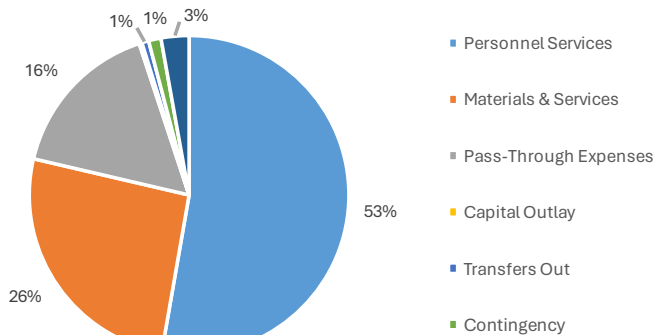
data for the two previous periods. The largest source of revenues are pass-through revenues (excise taxes collected on behalf of the Oregon City School District), followed by internal service charges and land use applications. The largest expenditure is for personnel, as expected for a service department.

Planning	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 296,939	\$ 1,099,862	\$ 695,100	\$ 372,500	\$ 155,700	\$ 372,500
Intergovernmental	178,916	61,385	33,700	5,000	5,000	10,000
Charges for Services	1,286,934	723,342	723,900	317,400	317,500	634,900
Internal Service Charges	610,100	637,200	667,200	351,600	351,600	703,200
Pass-Through Revenues	848,736	1,046,568	1,200,000	300,000	300,000	600,000
Licenses & Permits	34,734	34,260	33,900	17,300	17,800	35,100
Interest Income	17,669	26,101	15,000	37,000	38,700	75,700
Miscellaneous Income	2,829	-	-	-	-	-
Transfers In	700,000	639,500	672,000	506,900	745,700	1,252,600
<b>Total Resources</b>	<b>\$ 3,976,857</b>	<b>\$ 4,268,218</b>	<b>\$ 4,040,800</b>	<b>\$ 1,907,700</b>	<b>\$ 1,932,000</b>	<b>\$ 3,684,000</b>
<b>Requirements</b>						
Personnel Services	\$ 1,534,077	\$ 1,395,528	\$ 1,708,300	\$ 954,000	\$ 989,100	\$ 1,943,100
Materials & Services	494,181	957,771	977,800	474,800	479,700	954,500
Pass-Through Expenses	848,736	1,046,568	1,200,000	300,000	300,000	600,000
Capital Outlay	-	21,117	8,800	10,500	-	10,500
Transfers Out	-	2,000	35,000	12,700	12,800	25,500
Contingency	-	-	33,100	40,100	46,300	46,300
Reserve for Future Expenditures	-	-	77,800	115,600	104,100	104,100
Unappropriated Fund Balance	1,099,862	845,234	-	-	-	-
<b>Total Requirements</b>	<b>\$ 3,976,857</b>	<b>\$ 4,268,218</b>	<b>\$ 4,040,800</b>	<b>\$ 1,907,700</b>	<b>\$ 1,932,000</b>	<b>\$ 3,684,000</b>

Resources by Type



Requirements by Category



## PLANNING

### OVERVIEW

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

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

Planning staff consists of the Community Development Director, a Planning Manager, two Assistant Planners, one Senior Planner, and an Administrative Assistant.

Long-range planning supports the community with the development of the Municipal Code, comprehensive plan policies, vision documents, and economic development. The Planning Division also facilitates community engagement and education with the Planning Commission, Historic Review Board, Natural Resources Committee, and Development Stakeholders Group, while providing city

representation to Metro and other statewide planning and policy discussions.

### ACCOMPLISHMENTS

- ❖ **COMMUNITY ROOM:** The space in the Community Development Building formerly used for a gym was converted into a multipurpose meeting space. The Facilities staff played a pivotal role in the conversion by overseeing the renovations, furniture purchases, and installation of audio-visual equipment. This room is now used for large city staff meetings, Neighborhood Association meetings, community groups, and the Natural Resources Committee meets in person in this room.
- ❖ **BUILDING UPGRADES:** The Community Development building has a new alarm system, and the building joined the rest of the city buildings by migrating access control to the Avigilon system. The security upgrades were in collaboration with Facilities and IT departments.
- ❖ **ADVISORY COMMITTEES:** The Natural Resources Committee positions are now filled and meeting in person. Historic Review Board has a full committee and is also meeting in person in the Libke Commission Chambers. Planning Commission will also have a full committee and continues to meet in person in the Libke Commission Chambers. Community Development staff are taking minutes for both HRB and PC which helps keep minutes up to date and lowers our costs for transcription services.

### GOALS AND PROJECTS

- ❖ **COMMISSION GOAL -- INCREASE HOUSING OPPORTUNITIES**
  - ♦ Anticipate state mandates and tailor local policies to best fit the needs of the community while balancing public infrastructure investment for current and future residents
    - Expand housing choices and develop a housing strategy
      - Planning staff tracked housing legislation throughout the 2023 and 2024 sessions

- Planning staff responded to one section of SB1537 (2024) by submitting an application for exemption from the mandatory adjustments section of the bill. It is currently under review by the Department of Land Conservation and Development
  - In calendar year 2023 the Planning and Building Divisions permitted 16 single family units and 65 were built. Additionally, 305 multi-family units were permitted and 212 were built
- ❖ **COMMISSION GOAL -- IMPROVE PARK LANDS & NATURAL RESOURCES**
- ♦ Protect and preserve our environmental and natural resources for a healthy, sustainable community
    - Focus efforts on preserving and protecting the city’s tree canopy
  - Planning staff will continue to administer the Street Tree removal and replacement program as well as review any removal and replacement proposed by City staff on City owned property with diligence and an eye toward replacement and retainment when possible
  - Friends of Trees hosted a planting event on December 14th, 2024 at Rivercrest Park. They will host a spring planting event on March 8th, 2025 at Weslyn Park
  - The Arbor Day Foundation named the City of Oregon City a 2024 Tree City USA to honor its commitment to effective urban forest management for the 12th year in a row
  - The Natural Resource Committee continues to support a healthy tree canopy through their work program



## Community Development – Planning

### PLANNING EXPENDITURES

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 937,574	\$ 879,337	\$ 1,035,100	\$ 545,200	\$ 567,000	\$ 1,112,200
Benefits	596,503	516,191	673,200	408,800	422,100	830,900
<b>Total Personnel Services</b>	<b>1,534,077</b>	<b>1,395,528</b>	<b>1,708,300</b>	<b>954,000</b>	<b>989,100</b>	<b>1,943,100</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	240,650	529,198	513,000	157,500	157,500	315,000
Repair & Maintenance Services	48,243	68,136	86,700	28,500	28,800	57,300
Other Services	6,756	6,811	42,900	13,900	13,900	27,800
Employee Costs	7,388	12,538	10,600	5,100	5,600	10,700
Operating Materials & Supplies	4,251	166	400	100	100	200
Office & Administrative Supplies	25,107	39,445	41,300	11,600	16,800	28,400
Special Programs	118,490	179,029	98,000	56,500	56,500	113,000
Pass-Through Payments	848,736	1,046,568	1,200,000	300,000	300,000	600,000
Community Programs & Grants	5,495	10,000	10,000	5,000	5,000	10,000
Internal Service Charges	37,800	112,448	174,900	196,600	195,500	392,100
<b>Total Materials &amp; Services</b>	<b>1,342,918</b>	<b>2,004,339</b>	<b>2,177,800</b>	<b>774,800</b>	<b>779,700</b>	<b>1,554,500</b>
Transfers Out	-	2,000	35,000	12,700	12,800	25,500
Capital Outlay	-	21,117	8,800	10,500	-	10,500
Contingency	-	-	33,100	40,100	46,300	46,300
Reserved for Future Expenditure	-	-	77,800	115,600	104,100	104,100
Unappropriated Fund Balance	1,099,862	845,234	-	-	-	-
<b>Total Planning</b>	<b>\$ 3,976,857</b>	<b>\$ 4,268,218</b>	<b>\$ 4,040,800</b>	<b>\$ 1,907,700</b>	<b>\$ 1,932,000</b>	<b>\$ 3,684,000</b>

### BUDGET HIGHLIGHTS

The proposed budget anticipates lower overall revenue than in the last than in the last biennium based on comparisons of projections to actual revenues. Estimated expenses for the next biennium are approximately 14% lower than the 23-25 biennium estimated expenses. In this next biennium we have increased the training budget which can be used for individual professional development as well as department-wide training and team building.

Professional & Technical Services is comprised of consultation for natural resources, for natural resources, legal descriptions associated with annexations, and a hearings officer for

expedited and middle housing land division appeals.

Community Grants is a program that awards funds to homeowners of designated historic structures to assist with repairs and improvements.

Capital Outlay includes the Planning department's portion of a bathroom upgrade and a new customer kiosk to provide an option for customer's utilizing the new E-Permitting system.

**BUILDING FUND**

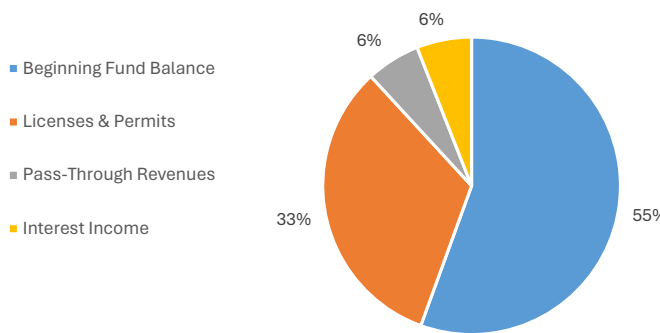
The Building Division, while housed in the Community Development Department, operates under dedicated funding that requires revenues generated by permits to be utilized for Building Division expenses only. Total resources and requirements in the Building Fund are

shown below by type and by expenditure category for the proposed biennium, the current biennial budget and the two prior periods.

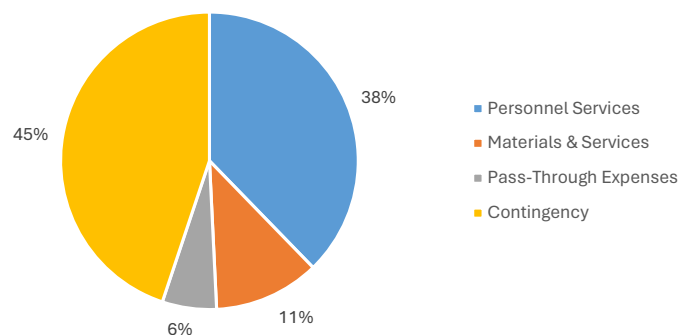
Licenses and Permits represent the department’s main revenue source while Pass-Through revenues are funds collected and remitted to the State and Metro.

Building	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 3,554,782	\$ 5,612,059	\$ 6,507,200	\$ 5,940,900	\$ 5,310,900	\$ 5,940,900
Licenses & Permits	4,486,146	4,363,379	3,385,000	1,689,600	1,798,200	3,487,800
Intergovernmental	58,262	-	-	-	-	-
Pass-Through Revenues	495,026	538,820	609,600	313,200	314,900	628,100
Charges for Services	11,851	10,181	11,600	6,000	6,000	12,000
Interest Income	92,062	131,267	98,000	311,900	326,700	638,600
Miscellaneous Income	14,577	305	600	-	-	-
Transfers In	-	32,500	-	-	-	-
<b>Total Resources</b>	<b>\$ 8,712,706</b>	<b>\$ 10,688,511</b>	<b>\$ 10,612,000</b>	<b>\$ 8,261,600</b>	<b>\$ 7,756,700</b>	<b>\$ 10,707,400</b>
<b>Requirements</b>						
Personnel Services	\$ 2,172,889	\$ 2,568,725	\$ 3,640,300	\$ 1,968,800	\$ 2,050,200	\$ 4,019,000
Materials & Services	392,818	660,153	760,600	627,900	596,400	1,224,300
Pass-Through Expenses	494,940	538,820	609,600	313,200	314,900	628,100
Capital Outlay	-	41,205	16,300	24,500	-	24,500
Transfers Out	40,000	40,000	40,000	16,300	16,300	32,600
Contingency	-	-	5,545,200	5,310,900	4,778,900	4,778,900
Unappropriated Fund Balance	5,612,059	6,839,608	-	-	-	-
<b>Total Requirements</b>	<b>\$ 8,712,706</b>	<b>\$ 10,688,511</b>	<b>\$ 10,612,000</b>	<b>\$ 8,261,600</b>	<b>\$ 7,756,700</b>	<b>\$ 10,707,400</b>

Resources by Type



Requirements by Category



**BUILDING**

**OVERVIEW**

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

**ACCOMPLISHMENTS**

- ❖ One of the big accomplishments of this team is the plan review and permit issuance of the Clackamas County Courthouse. The development went through a design build process which is very different from typical submittals and given the nature of the use, it is a complicated building
- ❖ Permit staff worked with consultants to implement the e-Permitting system. This system is still under development and will fully go live the summer of 2025. However,

we have made the trade permits (mechanical, electrical, and plumbing) available on the new system. E-Permitting allows customers to apply for their permits on-line, submit all required plans and documents, and track their review progress

- ❖ Building staff have been or are training to be certified to review and inspect electrical permits which provides more flexibility for the department and better ability to respond to customer requests for inspections
- ❖ In calendar year 2023 the Planning and Building Divisions permitted 16 single family units and 65 were built. Additionally, 305 multi-family units were permitted and 212 were built
- ❖ The Building Division issued Certificates of Occupancy for 387 multi-family units in 2024 and 2025 for the apartments on Maplelane Road

**GOALS AND PROJECTS**

- ❖ Improve staff efficiency and customer experience by continuing to cross train employees in multiple types of inspections and plan review
- ❖ Continue to pursue and support staff obtaining more certifications giving us the ability to perform a wider variety of inspections

Building Division Permit Activity								
Permit by Type	2020 Results	2021 Results	2022 Results	2023 Results	2024 Results	2025 Estimated	2026 Projected	2027 Projected
Building Permits	295	529	734	342	282	330	357	384
New Single Family	96	49	41	84	20	40	50	50
Residential Addition	13	12	14	12	8	15	15	20
Residential Alteration	53	49	45	49	77	80	80	80
Other Residential	14	44	222	105	112	110	110	120
New Multi Family	13	3	8	5	0	2	4	6
New Commercial	5	7	2	3	3	3	3	3
Non-Residential Alteration	73	81	60	50	37	40	50	60
Non-Residential Roof	8	34	47	10	12	20	20	20
Other Non-Residential	20	250	295	24	13	20	25	25
Mechanical Permits	367	609	647	549	458	450	470	490
Plumbing Permits	320	451	374	325	541	500	500	500
Electrical Permits	432	799	759	554	562	560	580	600
<b>Total Number of Permits</b>	<b>1,414</b>	<b>2,388</b>	<b>2,514</b>	<b>1,770</b>	<b>1,843</b>	<b>1,840</b>	<b>1,907</b>	<b>1,974</b>

**BUILDING EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 1,292,916	\$ 1,531,988	\$ 2,100,700	\$ 1,101,900	\$ 1,148,700	\$ 2,250,600
Benefits	879,973	1,036,737	1,539,600	866,900	901,500	1,768,400
<b>Total Personnel Services</b>	<b>2,172,889</b>	<b>2,568,725</b>	<b>3,640,300</b>	<b>1,968,800</b>	<b>2,050,200</b>	<b>4,019,000</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	35,227	236,343	71,500	90,800	90,800	181,600
Repair & Maintenance Services	91,264	112,635	158,700	47,900	48,200	96,100
Other Services	1,596	4,778	6,600	36,700	2,700	39,400
Employee Costs	15,497	22,359	25,000	17,500	18,500	36,000
Operating Materials & Supplies	7,430	7,335	8,800	4,000	4,000	8,000
Office & Administrative Supplies	92,604	57,823	86,100	36,800	36,900	73,700
Pass-Through Payments	494,940	538,820	609,600	313,200	314,900	628,100
Internal Service Charges	149,200	218,880	403,900	394,200	395,300	789,500
<b>Total Materials &amp; Services</b>	<b>887,758</b>	<b>1,198,973</b>	<b>1,370,200</b>	<b>941,100</b>	<b>911,300</b>	<b>1,852,400</b>
Capital Outlay	-	41,205	16,300	24,500	-	24,500
Transfers Out	40,000	40,000	40,000	16,300	16,300	32,600
Contingency	-	-	5,545,200	5,310,900	4,778,900	4,778,900
Unappropriated Fund Balance	5,612,059	6,839,608	-	-	-	-
<b>Total Building</b>	<b>\$ 8,712,706</b>	<b>\$ 10,688,511</b>	<b>\$ 10,612,000</b>	<b>\$ 8,261,600</b>	<b>\$ 7,756,700</b>	<b>\$ 10,707,400</b>

**BUDGET HIGHLIGHTS**

Based on comparing actual revenues to estimated revenues there is a decrease in permitting activity. It is difficult to tell if this trend will continue. Permitting activity may There will be a continued need for an on-call structural engineer with specialized developments.

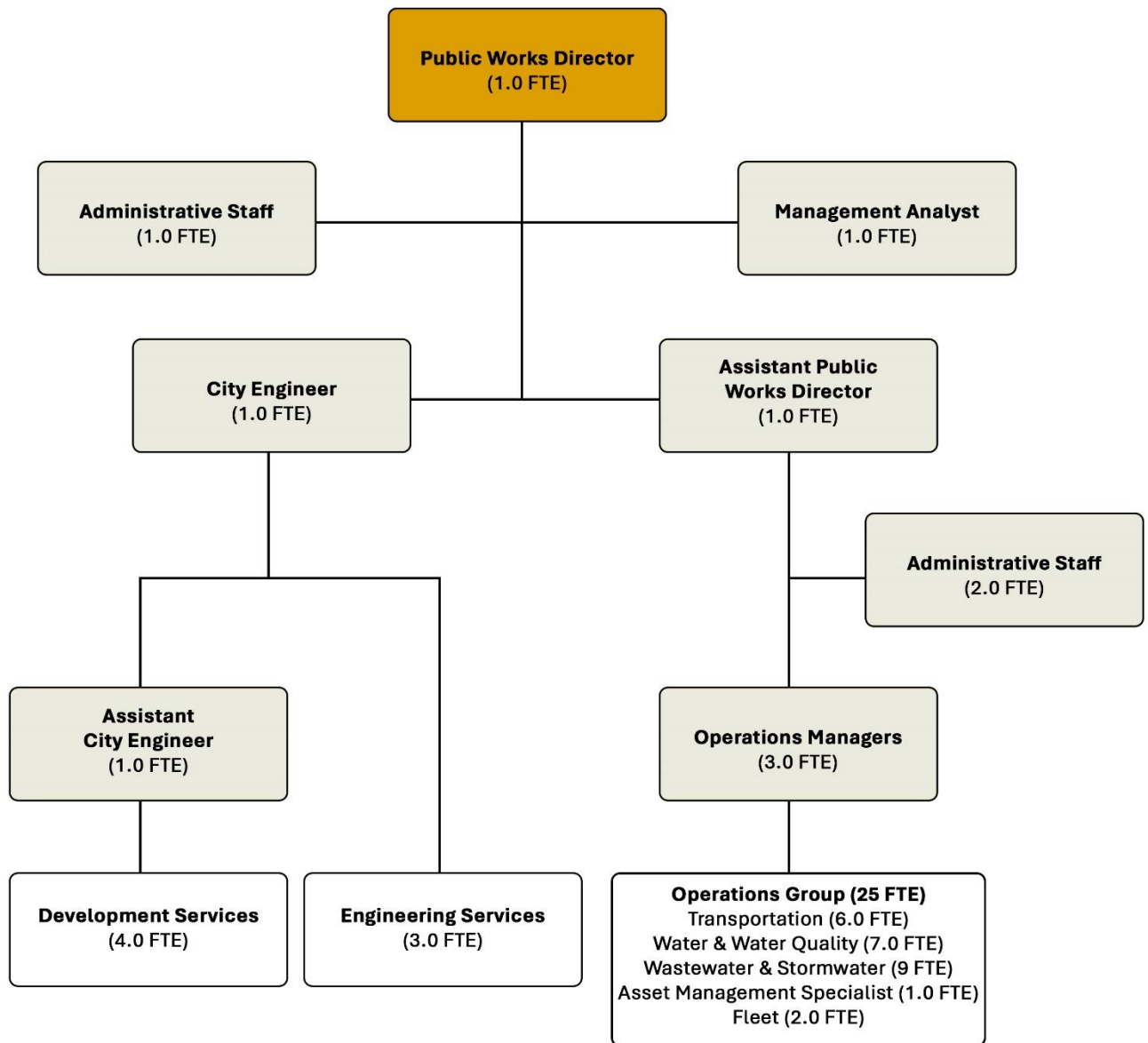
Pass-through payments include permitting fees collected on behalf of other agencies.

Capital Outlay includes the Building department’s portion of a bathroom upgrade and a new customer kiosk to provide an option for customer’s utilizing the new E-Permitting system.





**PUBLIC WORKS**



FTE above	43.00
Additional Part-Time	<u>5.71</u>
Total FTE	48.71

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

**PUBLIC WORKS**

**OVERVIEW**

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

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

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

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

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

expenses are dedicated for the purpose of these departments. Additionally, each fund within the department transfers monies to pay for services provided by other departments. Transfers out of the Department funds are also made to save for future equipment replacement, and future facility needs. The Department is also responsible for the management of the ROW including ensuring work in the right-of-way is compliant with City standards and requirements.

**MISSION**

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

**DEPARTMENT GOALS**

- ❖ **COMMISSION GOAL -- INVEST IN FACILITIES & INFRASTRUCTURE**
  - ◆ Prioritize projects in the transportation master plan to maximize safety and connectivity
  - ◆ Secure a \$16 million WIFIA loan to help fund Water infrastructure needs

Public Works Performance Measures								
Measure	2020	2021	2022	2023	2024	2025 Forecast	2026 Goal	2027 Goal
Citywide average Pavement Condition Index (PCI) > 60	73	76	75	77	77	78	78	78
Complete programmed projects under annual pavement maintenance plan	0	100%	100%	100%	100%	100%	100%	100%
Complete scheduled drinking water (DW) and stormwater (SW) samples in compliance with regulations	632 DW	671 DW	716 DW	688 DW	641 DW	694 DW	694 DW	760 DW
	44 SW	48 SW	39 SW	44 SW	44 SW	44 SW	44 SW	44 SW
Complete scheduled projects under leak detection program	100%	100%	100%	100%	100%	100%	100%	100%
Completed / scheduled miles of sanitary & storm video inspections and sanitary line cleaning programs.	31.30 / 16. miles	23.5.00 /12.6 miles	30.0 / 11.0 miles	19.9 / 9.2 miles	36.8 / 10 miles	21 / 27 miles	36.7 / 33.2 miles	36.9 / 33.3 miles
Average time to act in response to a citizen request	< 1.0 days	< 2.0 days	< 1.0 days	< 1.0 days	< 1.0 days	< 1.0 days	< 1.0 days	< 1.0 days
Average time to respond to and complete afterhours call for service	< 4.0 hours	< 2.9 hours	< 2.6 hours	< 3.0 hours	< 2.8 hours	< 2.5 hours	< 2.5 hours	< 2.5 hours
Total Right-of-Way Permits Issued	202	270	218	105	209	212	225	225
Total pre-application conferences	31	46	47	45	42	20	25	25





**ENGINEERING FUND**

Engineering accounts for all fees charged, and expenditures incurred, associated with private development engineering pre-applications, land use reviews, technical plan reviews, construction monitoring and inspections. This includes site plan reviews, subdivision/ partition plat reviews, right-of-way permits, grading permits, erosion control permits, temporary and permanent obstruction permits, and street/easement vacations.

The following table includes total resources and requirements for the upcoming biennium, the current biennium, and the two previous biennia.

Revenues in the upcoming biennium are budgeted lower than the previous biennium due to lasting impacts triggered by the pandemic

which continues to be resulting in a slowdown in development. The pandemic contributed to much apprehension and uncertainty, which slowed the rate of development. Hopefully the economy will begin to recover from the downturn in the upcoming biennium, the lag in project timing through the land use process is expected to linger into the biennium. As such, charges for engineering services, such as development review fees, have been proposed at 72% of the previous biennium.

Overall, the total revenue for the Engineering Fund is projected to be 7% higher than what it was in the previous biennium. This means it will be \$125,600 higher than the revenue for the previous biennium due to an increase in internal service charges and increased interest income revenue.

<b>Engineering</b>	<b>2019-2021 Actual</b>	<b>2021-2023 Actual</b>	<b>2023-2025 Amended Budget</b>	<b>2025-2026 Proposed Budget</b>	<b>2026-2027 Proposed Budget</b>	<b>2025-2027 Proposed Biennium</b>
<b>Resources</b>						
Beginning Fund Balance	\$ 721,212	\$ 1,099,600	\$ 674,400	\$ 604,000	\$ 510,600	\$ 604,000
Charges for Services	732,468	763,333	570,000	230,500	180,500	411,000
Intergovernmental	7,799	-	-	-	-	-
Internal Service Charges	1,021,700	1,110,840	1,224,700	658,500	691,400	1,349,900
Licenses & Permits	220,258	192,046	110,000	55,000	55,000	110,000
Interest Income	44,479	48,290	15,000	38,100	39,900	78,000
Miscellaneous Income	6,410	-	-	-	-	-
Transfers In	240,000	90,000	100,000	51,500	51,500	103,000
<b>Total Resources</b>	<b>\$ 2,994,326</b>	<b>\$ 3,304,109</b>	<b>\$ 2,694,100</b>	<b>\$ 1,637,600</b>	<b>\$ 1,528,900</b>	<b>\$ 2,655,900</b>
<b>Requirements by Category</b>						
Personnel Services	\$ 1,515,168	\$ 1,703,449	\$ 1,737,700	\$ 688,900	\$ 700,500	\$ 1,389,400
Materials & Services	347,558	488,155	715,900	400,100	396,700	796,800
Transfers Out	32,000	243,000	102,000	38,000	38,000	76,000
Contingency	-	-	138,500	510,600	393,700	393,700
Unappropriated Fund Balance	1,099,600	869,505	-	-	-	-
<b>Total Requirements</b>	<b>\$ 2,994,326</b>	<b>\$ 3,304,109</b>	<b>\$ 2,694,100</b>	<b>\$ 1,637,600</b>	<b>\$ 1,528,900</b>	<b>\$ 2,655,900</b>

### ENGINEERING

#### OVERVIEW

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

#### ACCOMPLISHMENTS

- ❖ Completed a variety of projects including Cayuse Five Tribute Project, Clairmont Area Waterlines Phase 2 Project, 2023 Roadway Reconstruction Project, 2024 Roadway Reconstruction Project, and the traffic signal and safety improvements as part of the Beaver Creek Road ARTS project
- ❖ Several projects were completed as part of the Inflow and Infiltration (I&I) Program, this includes Linn Basin Project 1, Rivercrest Basin Projects 1-4, and Molalla Avenue Project. These sewer collection system projects are part of the City Commission approved I&I program, to rehabilitate public sewer lines and lateral lines to private properties associated with these projects
- ❖ Pedestrian safety initiatives were implemented as part of the Holcomb Boulevard Safe Routes to School Project
- ❖ The City Commission approved a \$33 million dollar list of infrastructure improvements to the water system, to be partially funded through the Water Infrastructure Innovation Act (WIFIA) which is a loan through the Environmental Protection Agency (EPA)
- ❖ The Sidewalk Replacement Assistance Program, authorized by City Commission has authorized over \$150,000 in the 2023-2025 biennium to residents, to repair damaged sidewalks
- ❖ Continued to manage, and enhance, the City's EnerGov permitting program. This biennium's efforts included implementation of EnerGov upgrades and efforts to move to e-review
- ❖ Adopted Oregon City Street Design and Construction Standards

- ❖ Completed adoption of the Park Place Urbanization Study
- ❖ Continued supporting the ongoing efforts to amend Municipal Codes related to a variety of engineering and public works initiatives
- ❖ Continued program to audit the backlog of open franchise permits and worked with the franchise providers to complete the ROW repairs needed to close existing permits
- ❖ Continued to increase ROW revenues through telecom, wireless and other ROW service agreements, audits, and regular scrutiny of provider programs
- ❖ Continued supporting conceptual engineering work on the Tumwata Village site related to public infrastructure and utilities anticipated within the sites
- ❖ Supported the City's efforts to coordinate with regional partners including Oregon Department of Transportation, Metro, Clackamas County, TriMet, Tribes, B & B Leasing, Union Pacific Railroad, and major franchise providers on a variety of topics such as transportation planning, solid and food waste, capital project coordination, grants and financial auditing
- ❖ Continued to coordinate with other departments on solutions for climate friendly and equitable housing, comprehensive planning, homeless strategies, special events, property management, and volunteer coordination
- ❖ The ROW program continued its improved permitting process requiring all ROW users to apply and receive permits for use of City ROW. The program ensures the sustainability of the ROW and equitable use of the ROW, by all utility providers
- ❖ The ROW program continued audits of franchises, increasing the revenues paid by right-of-way users

#### GOALS AND PROJECTS

- ❖ Continue providing quality engineering customer service to community members, boards and commissions, other city departments, and developers. This includes maintaining an open dialogue with

homeowners, developers and those seeking to develop property in the community. Through mutual understanding of conceptual development plans, staff continue to work to educate the community, and developers on city design and construction standards, while supporting opportunities for growth

- ❖ Continue providing meaningful updates to the City Commission regarding policy related issues specific to funding long and short-term capital improvement needs of the City’s transportation and public utility systems
- ❖ Process no-fee permits for work within the right-of-way by franchise utilities and conduct related inspections
- ❖ Continue processing and reviewing land use applications and design plans for compliance with Public Works standards, master plans, National Pollutant Discharge Elimination System (NPDES) requirements, and the Municipal Code
- ❖ Update design and construction standards for use and implementation by the development community (water, wastewater, stormwater, and transportation) as needed
- ❖ Support policies or written guidelines to improve consistency in development and land use reviews
- ❖ Monitor/inspect construction of approved private development plans

- ❖ Provide SDC calculations for development projects
- ❖ Work to implement a paperless environment including digital plan reviews and digital files
- ❖ Continue programs that ensure equitable use of the city’s ROW and encourage the provision of advanced and competitive utility services on the widest possible basis to businesses and the community
- ❖ Continue programs to secure fair and reasonable compensation to the city and its residents for use of the right-of-way
- ❖ Enhance staff training opportunities relating to Diversity, Equity and Inclusion (DEI) subject matter, anti-harassment, and performance coaching
- ❖ Complete Public Works Facilities Master Plan refinement, which identifies where the remaining items still located at Old Center Street will be moved to. This includes moving forward with and completing the work to construct a new decant facility, and a magnesium chloride (deicer) storage system, and sanding rock storage facility
- ❖ Continue the I&I Program Management focusing on delivering effective and responsible projects to rehabilitate the City’s aging sewer system
- ❖ Continue the WIFIA Program, utilizing our Environmental Protection Agency (EPA) low-cost, long-term loans for upgrading our water system



# Public Works– Engineering

## ENGINEERING EXPENDITURES

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 896,824	\$ 1,014,467	\$ 1,015,100	\$ 379,200	\$ 390,800	\$ 770,000
Benefits	618,344	688,982	722,600	309,700	309,700	619,400
<b>Total Personnel Services</b>	<b>1,515,168</b>	<b>1,703,449</b>	<b>1,737,700</b>	<b>688,900</b>	<b>700,500</b>	<b>1,389,400</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	129,468	177,292	250,000	92,500	92,500	185,000
Repair & Maintenance Services	23,219	68,380	88,400	37,300	38,500	75,800
Employee Costs	28,036	34,313	65,000	34,900	34,900	69,800
Operating Materials & Supplies	508	3,307	4,000	2,800	2,800	5,600
Office & Administrative Supplies	58,627	71,319	80,200	40,700	36,600	77,300
Internal Service Charges	107,700	133,544	228,300	191,700	191,200	382,900
<b>Total Materials &amp; Services</b>	<b>347,558</b>	<b>488,155</b>	<b>715,900</b>	<b>400,100</b>	<b>396,700</b>	<b>796,800</b>
Transfers Out	32,000	243,000	102,000	38,000	38,000	76,000
Contingency	-	-	138,500	510,600	393,700	393,700
Unappropriated Fund Balance	1,099,600	869,505	-	-	-	-
<b>Total Engineering</b>	<b>\$ 2,994,326</b>	<b>\$ 3,304,109</b>	<b>\$ 2,694,100</b>	<b>\$ 1,637,600</b>	<b>\$ 1,528,900</b>	<b>\$ 2,655,900</b>

## BUDGET HIGHLIGHTS

This budget includes transfers of \$50,000 allocated to the Public Works Community Facility Fund for facility improvements, and \$26,000 to the Equipment Replacement Fund for equipment replacement reserves for the biennium.

Professional & Technical Services includes the following:

Legal	\$120,000
Engineering	<u>65,000</u>
Total	\$185,000



### TRANSPORTATION FUND

The Transportation Division maintains the City’s transportation system, to include roadways, pathways, sidewalks, traffic signals, pedestrian rectangular rapid flashing beacons (RRFB’s), signage, pavement markings and guardrails. Operations are performed to enhance pedestrian, vehicular and bicycle mobility, while also protecting the surrounding environment.

The Transportation Fund is a dedicated fund used to cover expenses relating to transportation and is divided into two units: Transportation and Pavement Maintenance. The Transportation unit handles general transportation activities to include staffing and materials and services, and capital outlay for

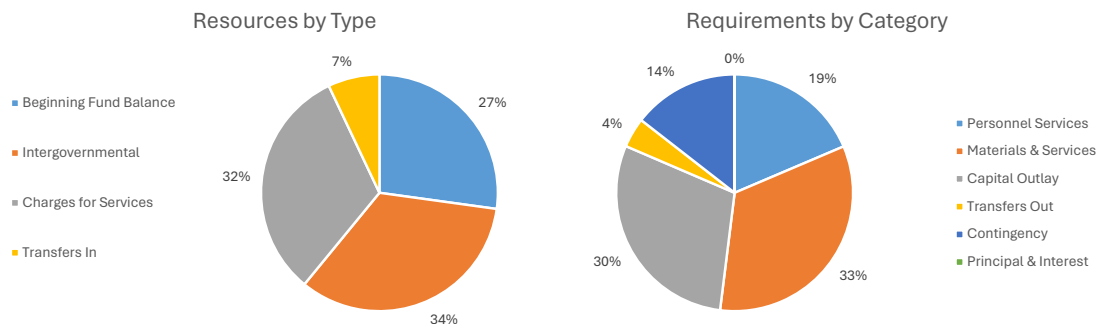
transportation projects. The funding sources are from state gas tax revenues and Clackamas County vehicle registration fees. The Pavement Maintenance unit is funded for road repairs and reconstruction projects through pavement maintenance fees.

The revenues and expenses of the two units are kept separate from one another for accountability purposes. Any amounts remaining at year end (revenues exceeding expenditures) are restricted for future years’ transportation projects.

The table below compares total resources and total requirements for the upcoming biennium, the current biennium, and the two previous biennia.

Transportation	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 2,680,863	\$ 4,731,984	\$ 4,312,800	\$ 6,144,100	\$ 5,537,800	\$ 6,144,100
Intergovernmental	8,641,415	8,114,723	7,660,900	3,809,500	3,817,100	7,626,600
Charges for Services	5,508,085	5,906,227	6,547,800	3,398,800	3,841,100	7,239,900
Transfers In	319,740	1,260,008	395,000	771,000	820,000	1,591,000
Interest Income	65,291	134,970	49,000	197,600	207,000	404,600
Miscellaneous Income	21,242	66,381	-	3,000	3,000	6,000
<b>Total Resources</b>	<b>\$ 17,236,636</b>	<b>\$ 20,214,293</b>	<b>\$ 18,965,500</b>	<b>\$ 14,324,000</b>	<b>\$ 14,226,000</b>	<b>\$ 23,012,200</b>
<b>Requirements by Category</b>						
Personnel Services	\$ 2,833,884	\$ 2,864,610	\$ 3,629,600	\$ 1,883,500	\$ 1,952,600	\$ 3,836,100
Materials & Services	3,346,516	3,753,873	4,810,700	3,407,500	3,476,200	6,883,700
Capital Outlay	5,964,252	7,647,719	8,604,300	3,064,500	3,017,000	6,081,500
Principal & Interest	-	2,962	3,000	1,700	1,700	3,400
Transfers Out	360,000	875,000	1,049,000	429,000	411,000	840,000
Contingency	-	-	868,900	5,024,800	2,982,500	2,982,500
Reserved for Future Expenditures	-	-	-	513,000	2,385,000	2,385,000
Unappropriated Fund Balance	4,731,984	5,070,129	-	-	-	-
<b>Total Requirements</b>	<b>\$ 17,236,636</b>	<b>\$ 20,214,293</b>	<b>\$ 18,965,500</b>	<b>\$ 14,324,000</b>	<b>\$ 14,226,000</b>	<b>\$ 23,012,200</b>

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



### TRANSPORTATION

#### OVERVIEW

The Transportation Division is responsible for road maintenance, traffic management, right-of-way safety improvements, signalization, signage, pavement markings, landscape maintenance (including street trees and landscaped medians), guardrails and street furnishings maintenance, emergency response, city beautification, and municipal elevator maintenance. It maintains approximately 146.2 center line miles of roads (including 5.2 miles of alleys), 165.5 miles of sidewalks, and 971.9 acres (1198.5 acres when including State and County ROW) of rights-of-way. Operations in this division are accounted for in the Transportation Fund within the Transportation and Pavement Maintenance units. The division includes 12.32 FTEs including shared supervisory and administrative personnel.

The Division objective is to follow the most effective and current methods (best management practices) to continually improve and manage the City's transportation system and infrastructure. This means being flexible and responsive to changes or challenges (adaptive management), to ensure the city's transportation infrastructure is efficient, well maintained and safe. To accomplish this, the Division follows a Five-Year Pavement Maintenance Plan to prioritize road repairs, and road upgrades, including asphalt paving, pavement milling, overlays, and yearly repairs and/or seals to street cracks and potholes.

#### ACCOMPLISHMENTS

- ❖ 112 requests for service were submitted by residents and 400 work orders were completed
- ❖ Over 20 lane miles of city streets were sealed with 84,100 pounds of crack seal applied by city crews
- ❖ Planted 18 trees; trimmed 1,145 trees
- ❖ Repaired 13 City-owned streetlights; converted 27 City-owned streetlights to LED
- ❖ Managed \$4.9 million in contracted pavement maintenance projects
- ❖ Operations maintenance projects included:

- ♦ 170,924 square yards of slurry seal that covered 16.9 lane miles of city streets. (\$360,018)
- ♦ 490,157 lineal feet of nominal 4" pavement striping. (\$84,753)
- ❖ Maintained and upgraded 771 street signs, according to the Federal Highway Administration (FHWA) standards
- ❖ In-house crews replaced 2,952 lineal feet of a nominal 4" thermoplastic striping and 16 transverse markings
- ❖ Completed in-house paving projects (potholes, overlays, rut patching, etc.) totaling 3,484 tons of asphalt
- ❖ Street sweepers swept 13,422 miles and collected 6,402 yards of debris
- ❖ Applied approximately 3,354 gallons of Magnesium Chloride (Deicer) to city streets, in response to winter weather conditions
- ❖ Completed transportation improvement projects including Gardiner Middle School Sidewalk Infill, Maplelane Road Roundabout contribution, and Holcomb Boulevard Safe Routes to School Project
- ❖ Completed concept planning for a preferred alternative, adopted by City Commission, for Phase 3 of the McLoughlin Boulevard Enhancement Project, in partnership with Oregon Department of Transportation (ODOT). This phase identified the preferred approach for this third, and final phase, of the plan along the viaduct portion of McLoughlin Boulevard
- ❖ Secured \$4 million in State of Oregon Lottery Bond Funding to complete Main Street 10th Street to 15th Street Improvements. This will provide streetscape and utility improvements along the corridor

#### GOALS AND PROJECTS

- ❖ Initiate the design and permitting phase for the Hwy 213 & Beaver Creek Road west bound right turn lane project. This project will convert the existing westbound lane-to-northbound yield movement to a free flow movement & construct an acceleration lane

on Highway 213 to assist with congestion management at this key intersection

- ❖ Initiate the design phase of the Washington Street Corridor Improvements, to support transportation access to the former Rossman Landfill site, utilizing a \$4 million federal earmark
- ❖ Complete concept design and a phasing plan for the Linn/Leland/Meyers/Central Point/Warner Parrott Roundabout
- ❖ Identify opportunities for sidewalk and bike lane infill projects
- ❖ Continue to maintain and upgrade street signage, per the FHWA standards
- ❖ Maintain pavement legends, markings and streetlights
- ❖ Manage the Oregon City Municipal Elevator service attendant contract, and security monitoring and required maintenance to maintain our vertical street, constructed in 1955
- ❖ Enhance City aesthetics by managing and maintaining the City’s hanging flower basket program, banners, public art installations, holiday decorations, traffic control (during

community and special events) and emergency road conditions

- ❖ Maintain the Amtrak station by conducting regular inspections and providing ongoing maintenance to ensure the station remains in optimal conditions for public use and safety
- ❖ Improve emergency response and customer support by maintaining a 24/7 on-call service to customer inquiries, and system emergencies ensuring quick resolutions and minimal disruptions
- ❖ Support pavement and roadway maintenance by deploying staff and equipment to effectively provide in-house crack sealing, slurry sealing, and pavement maintenance programs to ensure safe and durable roads
- ❖ Enhance winter weather response to promote safe travel, minimize disruptions, ensure emergency vehicle access, and support business continuity. This includes implementing strategies for adapting to changing weather conditions, maintaining emergency response equipment, deploying staff effectively, and prioritizing the safety of all personnel



## Public Works – Transportation

### TRANSPORTATION EXPENDITURES

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 1,678,391	\$ 1,692,596	\$ 2,102,400	\$ 1,061,800	\$ 1,099,100	\$ 2,160,900
Benefits	1,155,493	1,172,014	1,527,200	821,700	853,500	1,675,200
<b>Total Personnel Services</b>	<b>2,833,884</b>	<b>2,864,610</b>	<b>3,629,600</b>	<b>1,883,500</b>	<b>1,952,600</b>	<b>3,836,100</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	489,068	504,898	739,800	615,600	557,500	1,173,100
Repair & Maintenance Services	657,213	770,125	793,100	1,142,400	1,188,600	2,331,000
Other Services	1,851	-	-	200	200	400
Employee Costs	34,535	38,745	46,200	21,200	26,200	47,400
Operating Materials & Supplies	231,899	298,972	334,600	173,000	173,000	346,000
Office & Administrative Supplies	38,713	42,015	41,100	25,200	19,700	44,900
Special Programs	297,851	239,758	400,000	125,000	125,000	250,000
Internal Service Charges	365,700	391,640	711,300	513,100	526,000	1,039,100
<b>Total Materials &amp; Services</b>	<b>2,116,830</b>	<b>2,286,153</b>	<b>3,066,100</b>	<b>2,615,700</b>	<b>2,616,200</b>	<b>5,231,900</b>
Capital Outlay	478,811	1,159,957	3,344,300	690,500	234,000	924,500
Principal & Interest	-	2,962	3,000	1,700	1,700	3,400
Transfers Out	360,000	875,000	1,049,000	429,000	411,000	840,000
Contingency	-	-	649,500	3,618,000	1,843,500	1,843,500
Reserved for Future Expenditures	-	-	-	513,000	2,385,000	2,385,000
<b>Total Transportation</b>	<b>\$ 5,789,525</b>	<b>\$ 7,188,682</b>	<b>\$ 11,741,500</b>	<b>\$ 9,751,400</b>	<b>\$ 9,444,000</b>	<b>\$ 15,064,400</b>

### BUDGET HIGHLIGHTS

The proposed budget for Transportation Services is funded by revenue collected through state fuel tax allocations, including revenue generated by House Bill 2017 (Keep Oregon Moving), as well as Clackamas County vehicle registration fees.

This budget includes transfers of \$300,000 allocated to the Public Works Community Facility Fund for facility improvements, and \$540,000 to the Equipment Replacement Fund for equipment replacement reserves.

The Professional & Technical Services budget includes the following items:

Elevator contract and services	\$ 416,000
Engineering	398,600
Elevator maintenance	240,000
Legal	30,000
Utility Locating Services	24,000
Geotechnical	10,000
Traffic counts	8,000
Flagging	6,000
Other	40,500
<b>Total</b>	<b>\$ 1,173,100</b>

The Capital Outlay budget includes the following:

Hwy 213 & Beaver Creek Turn Lane	\$ 468,000
Sidewalk and Bike Lane Infill	360,000
2025 PMUF construction	69,000
De-Icer tanks	27,500
<b>Total</b>	<b>\$ 924,500</b>

**PAVEMENT MAINTENANCE EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Materials &amp; Services</b>						
Professional & Technical Services	\$ 54,601	\$ 12,609	\$ 146,000	\$ 8,000	\$ 41,300	\$ 49,300
Repair & Maintenance Services	565,304	813,505	800,000	300,000	300,000	600,000
Operating Materials & Supplies	221,363	224,098	230,000	175,000	181,000	356,000
Office & Administrative Supplies	718	436	800	500	500	1,000
Internal Service Charges	387,700	417,072	567,800	308,300	337,200	645,500
<b>Total Materials &amp; Services</b>	<b>1,229,686</b>	<b>1,467,720</b>	<b>1,744,600</b>	<b>791,800</b>	<b>860,000</b>	<b>1,651,800</b>
Capital Outlay	5,485,441	6,487,762	5,260,000	2,374,000	2,783,000	5,157,000
Contingency	-	-	219,400	1,406,800	1,139,000	1,139,000
Unappropriated Fund Balance	4,731,984	5,070,129	-	-	-	-
<b>Total Pavement Maintenance</b>	<b>\$11,447,111</b>	<b>\$13,025,611</b>	<b>\$ 7,224,000</b>	<b>\$ 4,572,600</b>	<b>\$ 4,782,000</b>	<b>\$ 7,947,800</b>

**BUDGET HIGHLIGHTS**

This proposed Pavement Maintenance budget is funded from utility fees, specifically designated for pavement maintenance. The funds are used in the City’s annual pavement management and maintenance plan, which includes both contracted paving services and in-house paving.

The following Capital Outlay is budgeted in this department:

2025 Roadway Reconstruction	\$2,135,000
2026 Roadway Reconstruction	2,359,000
Main Street -10 <sup>th</sup> to 15 <sup>th</sup>	500,000
2027 Roadway Reconstruction	<u>163,000</u>
<b>Total</b>	<b><u>\$5,157,000</u></b>





**WATER FUND**

The Water Division is responsible for operating and maintaining the City’s potable water storage and distribution system.

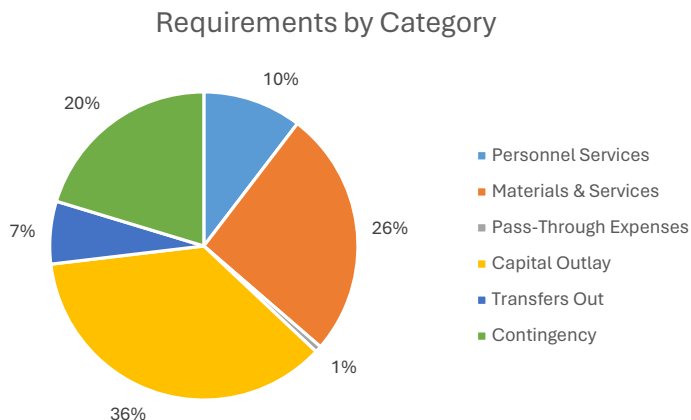
Revenues in this fund are projected to increase due to a 3% annual increase in water rates. During this 2025-2027 biennium, capital reserves will be reduced to fund a variety of

larger capital projects planned for construction as part of an aggressive capital improvement program.

The table below compares total resources and total requirements for the upcoming biennium, the current biennium, and the two previous biennia.

Water Operations	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 4,414,265	\$ 5,921,118	\$ 8,137,600	\$ 7,018,300	\$ 9,508,400	\$ 7,018,300
Intergovernmental	22,379	28,995	-	-	-	-
Charges for Services	15,458,793	16,876,150	17,570,400	10,194,800	10,611,900	20,806,700
Pass-Through Revenues:						
South Fork SDC Collections	624,041	691,891	1,300,000	120,000	160,000	280,000
Interest Income	89,925	174,182	93,000	303,500	317,900	621,400
Miscellaneous Income	71,433	5,413	-	-	-	-
Loan Proceeds	-	-	-	6,850,000	6,052,000	12,902,000
Other Financing Sources	-	5,600,000	-	-	-	-
Transfers In	12,706	-	-	-	-	-
<b>Total Resources</b>	<b>\$ 20,693,542</b>	<b>\$ 29,297,749</b>	<b>\$ 27,101,000</b>	<b>\$ 24,486,600</b>	<b>\$ 26,650,200</b>	<b>\$ 41,628,400</b>
<b>Requirements by Category</b>						
Personnel Services	\$ 3,189,410	\$ 3,592,214	\$ 4,144,000	\$ 2,101,700	\$ 2,179,400	\$ 4,281,100
Materials & Services	7,305,621	8,102,048	8,989,100	5,313,800	5,381,500	10,695,300
Pass-Through Expenses	624,041	691,891	1,300,000	120,000	160,000	280,000
Capital Outlay	2,253,352	7,819,904	9,654,600	6,775,000	8,103,000	14,878,000
Debt Service	-	2,962	3,000	72,700	342,700	415,400
Transfers Out	1,400,000	1,500,000	1,317,000	595,000	2,114,000	2,709,000
Contingency	-	-	1,693,300	9,508,400	8,369,600	8,369,600
Unappropriated Fund Balance	5,921,118	7,588,730	-	-	-	-
<b>Total Requirements</b>	<b>\$ 20,693,542</b>	<b>\$ 29,297,749</b>	<b>\$ 27,101,000</b>	<b>\$ 24,486,600</b>	<b>\$ 26,650,200</b>	<b>\$ 41,628,400</b>

The chart below shows the percentages of requirements by category for the biennium. Capital Outlay account for the majority of expenditures.



### WATER

#### OVERVIEW

The Water Utility distributes and maintains the potable water supply, while ensuring public health is protected. This is accomplished by closely monitoring the system and complying with all safe drinking water standards.

The City's water distribution system consists of 176 miles of water mains, 5 water reservoirs, 1,547 fire hydrants, 35 pressure reducing valves, and 3 dedicated pump stations. These serve over 11,605 active customers. The Division includes 12.72 FTEs, including shared supervisory and administrative personnel.

Oregon City's potable water is sourced from surface water drawn from the lower Clackamas River. The water is treated by South Fork Water Board (SFWB), a wholesale supplier owned equally by Oregon City and the City of West Linn. SFWB operates an intake and pumping station located on the Clackamas River north of the City which delivers raw water to their treatment plant. The treated water is then distributed to Oregon City at five different locations.

Key annual projects include ensuring water quality compliance, managing a backflow and cross-connection program, replacing and upgrading mainlines flushing the system, performing valve maintenance, hydrant maintenance, and maintaining reservoirs and pump stations and conducting leak detection efforts. The City also tracks performance benchmarks related to service quality used to measure performance of the water quality, pressure, and minimum supply levels for fire protection.

#### ACCOMPLISHMENTS

- ❖ Received 42 service requests and completed 460 work orders
- ❖ Maintained an "Outstanding Performer" rating in the 2021 Department of Health Water System Survey. This is reevaluated every five years, with the next one due for inspection in 2026
- ❖ Completed leak detection checks for 1/3 of the City (56 miles). This work is done annually to reduce unaccounted for water

- ❖ Completed improvements to the Henrici Reservoir including interior and exterior reservoir coatings, passive mixing upgrades, cathodic protection and safety upgrades
- ❖ Completed improvements to the Henrici Reservoir including interior and exterior reservoir coatings, passive mixing upgrades, cathodic protection and safety upgrades
- ❖ The Water Infrastructure Finance and Innovation Act (WIFIA) Program accomplished the following:
  - ♦ Completed construction of the Clairmont Area Waterline Replacement Project Phase 2
  - ♦ Completed construction of the Holmes Lane Waterline Replacement Project
  - ♦ Completed construction of the Main Street (10th to 15th) Waterline Replacement Project
  - ♦ SCADA Security Upgrades are underway
  - ♦ Construction has begun on the Molalla Avenue Water Transmission Main Project
  - ♦ Design is underway on the Henrici Reservoir Pump Station and Transmission Main Project
- ❖ Continued Pressure Reducing Valve replacement and rehabilitation program

#### GOALS AND PROJECTS

- ❖ The Water Infrastructure Finance and Innovation Act (WIFIA) Program projects the following:
  - ♦ Complete construction of the Molalla Avenue Water Transmission Main Project
  - ♦ Begin construction on the Henrici Reservoir Pump Station and Transmission Main Project
  - ♦ Begin design of Canemah Court Main Replacement Project
  - ♦ Begin design of the High School Avenue Transmission Main Project
  - ♦ Design & construct the McLoughlin Neighborhood Main Replacement Project

- ♦ Design and begin construction of the Molalla Avenue 18" Transmission Main Project
- ❖ Oversee the City's Supervisory control and data acquisition (SCADA) software and radio communication systems
- ❖ Continue to oversee and manage the WIFIA Quarterly Reporting
- ❖ Support the Pavement Maintenance Utility Fund projects as needed for small waterline repairs associated with the paving limits
- ❖ Upgrade the Clackamas River Water (CRW) and Oregon City (OC) Meter Intertie
- ❖ Respond to customer and system emergencies (maintain 24/7 on-call service)
- ❖ Remain compliant with federal/state/local water quality rules and regulations including annual water quality report for distribution system
- ❖ Continue to communicate with the community and businesses to enhance public awareness about water service backflow prevention and winter preparedness to avoid frozen waterlines
- ❖ Continue with annual leak detection program for 1/3 of the City (56 miles per year) to reduce potential unaccounted for water
- ❖ Continue to maintain updates to the City's computerized hydraulic model



# Public Works – Water

## WATER EXPENDITURES

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 1,883,212	\$ 2,076,189	\$ 2,363,800	\$ 1,174,100	\$ 1,221,000	\$ 2,395,100
Benefits	1,306,198	1,516,025	1,780,200	927,600	958,400	1,886,000
<b>Total Personnel Services</b>	<b>3,189,410</b>	<b>3,592,214</b>	<b>4,144,000</b>	<b>2,101,700</b>	<b>2,179,400</b>	<b>4,281,100</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	476,098	613,833	512,600	350,800	347,200	698,000
Repair & Maintenance Services	450,674	545,234	572,700	560,100	421,900	982,000
Other Services	651,008	695,993	982,700	430,200	443,200	873,400
Employee Costs	38,733	44,537	43,200	29,300	29,300	58,600
Operating Materials & Supplies	4,156,543	4,615,123	4,698,000	2,570,400	2,680,500	5,250,900
Office & Administrative Supplies	58,701	86,380	51,700	34,600	26,600	61,200
Special Programs	3,864	1,860	-	-	-	-
Pass-Through Payments	624,041	691,891	1,300,000	120,000	160,000	280,000
Internal Service Charges	1,470,000	1,499,088	2,128,200	1,338,400	1,432,800	2,771,200
<b>Total Materials &amp; Services</b>	<b>7,929,662</b>	<b>8,793,939</b>	<b>10,289,100</b>	<b>5,433,800</b>	<b>5,541,500</b>	<b>10,975,300</b>
Capital Outlay	2,253,352	7,819,904	9,654,600	6,775,000	8,103,000	14,878,000
Principal & Interest	-	2,962	3,000	72,700	342,700	415,400
Transfers Out	1,400,000	1,500,000	1,317,000	595,000	2,114,000	2,709,000
Contingency	-	-	1,693,300	9,508,400	8,369,600	8,369,600
Unappropriated Fund Balance	5,921,118	7,588,730	-	-	-	-
<b>Total Water</b>	<b>\$ 20,693,542</b>	<b>\$ 29,297,749</b>	<b>\$ 27,101,000</b>	<b>\$ 24,486,600</b>	<b>\$ 26,650,200</b>	<b>\$ 41,628,400</b>

## BUDGET HIGHLIGHTS

This budget includes transfers of \$1,000,000 allocated to the Public Works Community Facility Fund for facility improvements, \$1,500,000 allocated to the Water SDC Fund, and \$209,000 to the Equipment Replacement Fund for equipment replacement reserves for the biennium.

Operating Materials & Supplies includes the following items:

Water purchases	\$ 4,766,300
Fittings and valves	144,200
Meters	92,800
Pipe	80,000
Other operating supplies	<u>167,600</u>
<b>Total</b>	<b>\$ 5,250,900</b>

Professional & Technical Services includes funding for the following:

Technical	\$ 210,000
Engineering	190,000
Environmental	181,000
Consulting	51,600
Legal	40,000
Professional	<u>25,400</u>
<b>Total</b>	<b>\$ 698,000</b>

The following Capital Outlay is budgeted in this fund:

### WIFIA Program Projects:

Henrici Pump Stn and Trans Main	\$6,389,000
Molalla Avenue 30" Trans Main	4,558,000
McLoughlin Area Main Replacement	1,706,000
Molalla Avenue 18" Trans Main	1,381,000
Canemah Court Main Replacement	484,000
High School Avenue Trans Main	<u>256,000</u>
<b>Total</b>	<b>\$14,774,000</b>

### Other projects:

2025 Roadway Reconstruction	\$40,000
2026 Roadway Reconstruction	<u>64,000</u>
<b>Total</b>	<b>\$104,000</b>

**Total Capital Outlay** \$14,878,000

**WASTEWATER FUND**

The Wastewater Division maintains the City’s wastewater collection system in accordance with regulatory standards. This work protects public safety and provides wastewater services by maintaining and improving the collection system, including pump stations, mainlines, laterals and manholes, all while working to protect the surrounding environment.

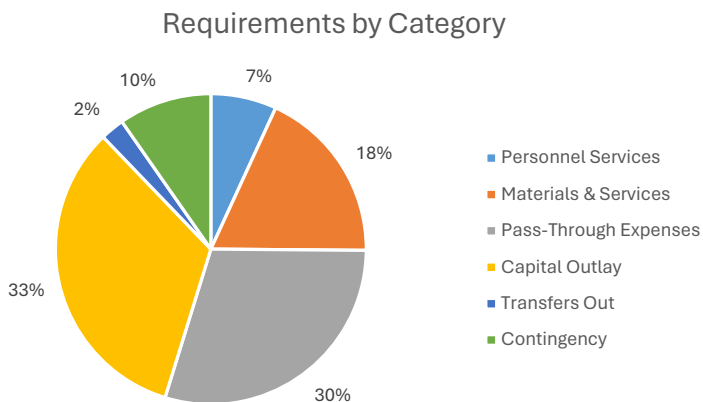
The 2023-2025 biennium continued the City’s Infiltration and Inflow (I&I) reduction program.

An Intergovernmental Agreement (IGA) with Water Environment Services provides 33% reimbursement on I&I reduction projects completed by the City. This IGA is anticipated to generate \$5,018,000 in sewer fund revenue for the biennium.

The table below compares total resources and total requirements for the upcoming biennium, the current biennium, and the two previous biennia.

Wastewater Operations	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 9,889,155	\$ 13,224,704	\$ 11,129,100	\$ 8,323,000	\$ 5,572,800	\$ 8,323,000
Intergovernmental	13,815	1,333,636	7,140,500	3,298,000	1,720,000	5,018,000
Charges for Services	12,670,166	13,656,672	15,368,100	8,172,700	8,391,200	16,563,900
Pass-Through Revenues:						
Tri-City Collections	11,477,829	15,688,315	14,964,000	6,800,000	6,685,400	13,485,400
Interest Income	211,699	298,817	226,000	648,900	679,600	1,328,500
Miscellaneous Income	94,681	2,175	-	-	-	-
Franchise Fees	594,026	648,381	681,800	390,000	400,000	790,000
Transfers In	12,706	-	-	-	-	-
<b>Total Resources</b>	<b>\$ 34,964,077</b>	<b>\$ 44,852,700</b>	<b>\$ 49,509,500</b>	<b>\$ 27,632,600</b>	<b>\$ 23,449,000</b>	<b>\$ 45,508,800</b>
<b>Requirements by Category</b>						
Personnel Services	\$ 2,430,337	\$ 2,485,867	\$ 2,988,100	\$ 1,530,700	\$ 1,588,900	\$ 3,119,600
Materials & Services	3,303,261	3,731,073	4,306,600	4,572,400	3,743,400	8,315,800
Pass-Through Expenses	11,449,371	15,668,190	14,964,000	6,800,000	6,685,400	13,485,400
Capital Outlay	1,626,404	7,411,420	24,121,500	8,595,000	6,446,000	15,041,000
Debt Service	-	2,962	3,000	1,700	1,700	3,400
Transfers Out	2,930,000	1,275,000	1,173,000	560,000	572,000	1,132,000
Contingency	-	-	1,953,300	5,572,800	4,411,600	4,411,600
Unappropriated Fund Balance	13,224,704	14,278,188	-	-	-	-
<b>Total Requirements</b>	<b>\$ 34,964,077</b>	<b>\$ 44,852,700</b>	<b>\$ 49,509,500</b>	<b>\$ 27,632,600</b>	<b>\$ 23,449,000</b>	<b>\$ 45,508,800</b>

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



### WASTEWATER

#### OVERVIEW

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

The City's wastewater collection system includes 14 pump stations, 8 STEP Stations, and 139 miles of both force main and gravity pipes, all of which serve over 11,340 customers. The Division includes 10.15 FTEs, including shared supervisory and administrative personnel.

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

#### ACCOMPLISHMENTS

- ❖ Received 19 requests for service from residents and completed 896 work orders
- ❖ Completed 59.4 miles of sanitary sewer TV inspection
- ❖ Completed 37 miles of sanitary sewer line cleaning
- ❖ Completed the following Inflow & Infiltration Reduction Projects:
  - ◆ Rivercrest Basin, Phases 2, 3 & 4
  - ◆ Linn Basin, Phase 1
  - ◆ Molalla Avenue Project
  - ◆ Ongoing support with sewer system

access, evaluation, inspection and troubleshooting associated with the annual I&I program

- ❖ Amended contract with consultants to support the City's I&I reduction program to help augment staff capacity to deliver over \$10 million in I&I focused projects beginning with high priority areas in the Rivercrest, Molalla and Linn Basins
- ❖ Completed the first phase of the Rivercrest Basin I&I Reduction Project
- ❖ Completed the design and construction of the Magnolia Street Sewer Replacement Project

#### GOALS AND PROJECTS

- ❖ Support through staffing and funding the City's Annual I&I reduction program. This program is funded at \$15 million over the biennium and includes the following services: program management, design services, construction, construction administration and inspection services)
- ❖ Complete design, permitting and installation of Generator Replacements at the following Pump Stations:
  - ◆ Settlers Point
  - ◆ Parrish Road
  - ◆ Barclay Hills
  - ◆ Hidden Creek
  - ◆ Newell Crest
  - ◆ Amanda Court
  - ◆ Noble Ridge
- ❖ Support the City's annual paving program with underground repairs and surface restoration associated with the program.
- ❖ Initiate and support a 10-year long (2023-2033) manhole rehabilitation program
- ❖ Continue the I & I reduction investigation program including TV inspection, smoke testing, public education, and public policy
- ❖ Complete annual small works, pipe replacement, and separation projects per Sanitary Sewer Master Plan and Capital Improvement Plan through routine

operations and maintenance, such as:

- ♦ Line cleaning, TV inspections, and root intrusion control
- ♦ Facility management of 22 wastewater pump stations (including 8 STEP systems)
- ♦ Oversee the City’s Supervisory control and data acquisition (SCADA)

software and radio communication systems

- ♦ Annual pipe repairs (small works) identified through routine inspections and emergency response
- ❖ Communicate with residents to enhance public awareness about sewer connection responsibilities and maintenance



## Public Works – Wastewater

### WASTEWATER EXPENDITURES

Description	2019-2021	2021-2023	2023-2025	2025-2026	2026-2027	2025-2027
	Actual	Actual	Amended Budget	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 1,430,860	\$ 1,472,580	\$ 1,697,000	\$ 850,700	\$ 883,400	\$ 1,734,100
Benefits	999,477	1,013,287	1,291,100	680,000	705,500	1,385,500
<b>Total Personnel Services</b>	<b>2,430,337</b>	<b>2,485,867</b>	<b>2,988,100</b>	<b>1,530,700</b>	<b>1,588,900</b>	<b>3,119,600</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	128,073	173,940	136,000	395,600	395,600	791,200
Repair & Maintenance Services	436,796	620,084	576,700	2,069,100	1,127,400	3,196,500
Other Services	755,005	810,107	846,700	468,600	486,200	954,800
Employee Costs	24,857	36,000	24,800	22,000	22,000	44,000
Operating Materials & Supplies	81,735	93,682	109,600	58,200	58,200	116,400
Office & Administrative Supplies	55,640	53,364	47,700	25,800	25,800	51,600
Special Programs	1,555	1,240	2,000	1,100	1,100	2,200
Pass-Through Payments	11,449,371	15,668,190	14,964,000	6,800,000	6,685,400	13,485,400
Internal Service Charges	1,819,600	1,942,656	2,563,100	1,532,000	1,627,100	3,159,100
<b>Total Materials &amp; Services</b>	<b>14,752,632</b>	<b>19,399,263</b>	<b>19,270,600</b>	<b>11,372,400</b>	<b>10,428,800</b>	<b>21,801,200</b>
Capital Outlay	1,626,404	7,411,420	24,121,500	8,595,000	6,446,000	15,041,000
Principal & Interest	-	2,962	3,000	1,700	1,700	3,400
Transfers Out	2,930,000	1,275,000	1,173,000	560,000	572,000	1,132,000
Contingency	-	-	1,953,300	5,572,800	4,411,600	4,411,600
Unappropriated Fund Balance	13,224,704	14,278,188	-	-	-	-
<b>Total Wastewater</b>	<b>\$ 34,964,077</b>	<b>\$ 44,852,700</b>	<b>\$ 49,509,500</b>	<b>\$ 27,632,600</b>	<b>\$ 23,449,000</b>	<b>\$ 45,508,800</b>

### BUDGET HIGHLIGHTS

This budget includes transfers of \$800,000 allocated to the Public Works Community Facility Fund for facility improvements, and \$332,000 to the Equipment Replacement Fund for equipment replacement reserves for the biennium.

The following Capital Outlay is budgeted in this fund:

#### WES Eligible Inflow & Infiltration Projects:

Linn Basin, Phase 3	\$ 3,567,000
McLoughlin Basin, Phase 1	2,766,000
Linn Basin, Phase 2	2,093,000
McLoughlin Basin, Phase 2	1,227,000
Newell Basin, Phase 1	1,091,000
2026 Manhole Rehabilitation	556,000
Linn Basin, Phase 4	494,000
2027 Manhole Rehabilitation	374,000
Molalla Avenue	32,000
Rivercrest Basin, Phase 4	23,000
<b>Total</b>	<b>\$12,223,000</b>

#### Other Projects and Equipment:

Settlers Point I&I Project	\$1,775,000
Generator Replacement Project	975,000
Manhole Circle Cutter	45,000
2026 Roadway Reconstruction	23,000
<b>Total</b>	<b>\$2,818,000</b>

Total Capital Outlay **\$15,041,000**

Professional & Technical Services includes funding for the following:

Engineering	\$460,000
Technical	300,000
Legal	30,000
Environmental	1,200
<b>Total</b>	<b>\$791,200</b>

**STORMWATER FUND**

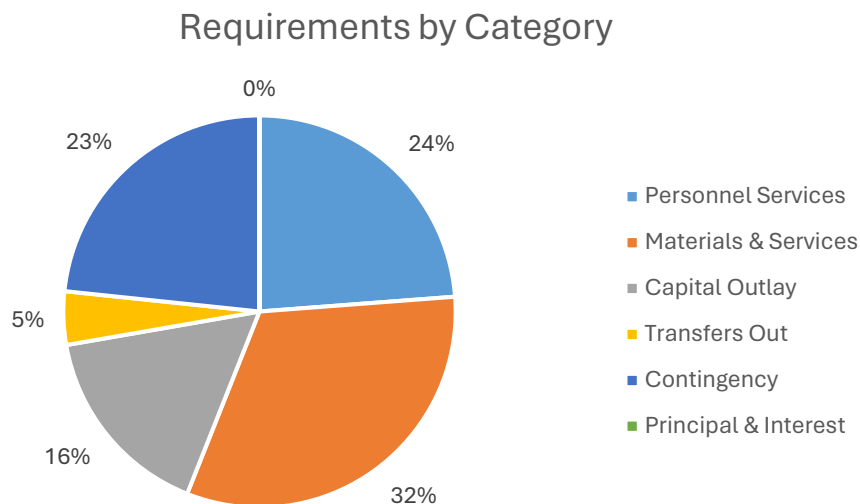
The Stormwater Division maintains the City’s stormwater management system which includes stormwater conveyance, flood control, improving water quality, pollution remediation and reduction, and ensuring that stormwater runoff is properly managed. This work provides a safe and reliable stormwater system and

implements watershed protection and restoration actions that consistently promote surface water quality and stream health.

The table below compares total resources and total requirements for the upcoming biennium, the current biennium, and the two previous biennia.

Stormwater Operations	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 1,625,466	\$ 2,613,634	\$ 2,955,400	\$ 3,666,500	\$ 3,665,600	\$ 3,666,500
Charges for Services	6,358,291	7,101,957	8,325,900	4,654,600	4,907,400	9,562,000
Intergovernmental	48,608	27,631	-	-	-	-
Interest Income	35,667	57,873	47,000	151,100	158,200	309,300
Miscellaneous Income	66,043	30,269	-	-	-	-
Transfers In	12,707	-	-	-	-	-
<b>Total Resources</b>	<b>\$ 8,146,782</b>	<b>\$ 9,831,364</b>	<b>\$ 11,328,300</b>	<b>\$ 8,472,200</b>	<b>\$ 8,731,200</b>	<b>\$ 13,537,800</b>
<b>Requirements by Category</b>						
Personnel Services	\$ 2,408,183	\$ 2,462,190	\$ 3,007,800	\$ 1,585,000	\$ 1,636,200	\$ 3,221,200
Materials & Services	1,879,922	2,346,999	3,281,000	2,277,800	2,083,800	4,361,600
Capital Outlay	435,043	723,568	3,260,500	616,100	1,584,000	2,200,100
Debt Service	-	2,962	3,000	1,700	1,700	3,400
Transfers Out	810,000	965,000	927,000	326,000	269,000	595,000
Contingency	-	-	849,000	3,665,600	3,156,500	3,156,500
Unappropriated Fund Balance	2,613,634	3,330,645	-	-	-	-
<b>Total Requirements</b>	<b>\$ 8,146,782</b>	<b>\$ 9,831,364</b>	<b>\$ 11,328,300</b>	<b>\$ 8,472,200</b>	<b>\$ 8,731,200</b>	<b>\$ 13,537,800</b>

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



### STORMWATER

#### OVERVIEW

The Stormwater Division operates and maintains the City's stormwater system to ensure efficient conveyance, flood control, and water quality improvement. It focuses on reducing pollutants in stormwater runoff, managing flow to prevent flooding, and implementing watershed protection and restoration actions to promote healthy streams and water bodies. The division's primary goals are to improve stormwater quality and control flow, safeguarding public health, property, and the environment.

The Stormwater Division manages the stormwater collection and treatment systems within the city limits of Oregon City including 23 drainage basins, 97 detention ponds, 4,595 catch basins, 25 miles of above ground streams, and 26 underground detention tanks. There are 9.55 FTEs including shared administrative and supervisory personnel.

Each year a section of the City's storm system is inspected for structural integrity, root intrusion and service line connections. As determined from these inspections, storm lines are then cleaned and debris and sediment are removed, pipes with significant structural damage are repaired or replaced. Stormwater ponds and swales are maintained through mowing, trash pickup, and grate cleaning on detention ponds and swales throughout the City.

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

#### ACCOMPLISHMENTS

- ❖ Received 21 requests for services from residents and completed 448 work orders
- ❖ Completed over 257 erosion control inspections, issued 10 notices of non-compliance and 8 Stop Work Orders

- ❖ Completed Municipal Separate Storm Sewer System Permit (MS4) requirements, that included:
  - ♦ Municipal Code Amendments (OCMC 8.08 & 17.47) to support Illicit discharge elimination & release of construction site waste into our watershed
- ❖ Conducted site visits to 110% or 141 different private water quality facilities and received 46 private storm water quality facility maintenance reports as a result of the City's inspection program
- ❖ Completed all quarterly stormwater facility inspections for municipal facilities
- ❖ Continued coordinated stormwater sampling program with Clackamas County Water Environment Services and other Clackamas County co-permittees
- ❖ Performed flood control, cleaning, maintenance & repair of the City's stormwater system as reported in 2023-2024 the National Pollutant Discharge Elimination System (NPDES) Annual Report
- ❖ Two sanitary to storm cross connections were discovered
- ❖ Maintained/inspected 97 detention ponds, 10 rain garden, 32 bioswales, 217 roadside stormwater planters, and 4 soaker trenches
- ❖ Inspected and/or cleaned 3100 catch basins and 184 pollution control manholes, 8 vaults, 44 and underground detentions facilities
- ❖ Comply with regulatory requirements associated with the National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Permit
- ❖ Completed the Beemer Way Outfall Upgrade Project
- ❖ Supported Economic Development with the Cove Water Quality work

#### GOALS AND PROJECTS

- ❖ Complete the Barclay Hills Pump Station Outfall

- ❖ Complete construction of the stormwater system improvements included in the 2025 Roadway Reconstruction Project.
- ❖ Complete design and construction of the stormwater system improvements included in the 2026 Roadway Reconstruction Project.
- ❖ Complete design and construction of the Joyce Court Stormwater Improvements Project.
- ❖ Complete design and construction of the Van Buren Street Stormwater Improvements Project.
- ❖ Utilize industry leading best management practices to adaptively manage the stormwater collection system work programs and infrastructure to comply our NPDES MS4 permit.
- ❖ Continue to formalize storm maintenance evaluation & assessment programs.
- ❖ Develop system replacement needs based on inspection and assessment
  - ◆ Clean lines as needed based on video inspection assessment
  - ◆ Catch Basin Cleaning – 1,800 catch basins per year, 3,600 catch basins every 2 years
  - ◆ Pollution Control Manholes/Vault & Detention Pipe Cleaning – 44 per year or 98 every 2 years
  - ◆ Maintain 357 storm water quality ponds.
- ❖ Upgrade storm systems in conjunction with pavement maintenance projects.





**STORMWATER EXPENDITURES**

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 1,409,140	\$ 1,446,740	\$ 1,687,900	\$ 877,400	\$ 907,300	\$ 1,784,700
Benefits	999,043	1,015,450	1,319,900	707,600	728,900	1,436,500
<b>Total Personnel Services</b>	<b>2,408,183</b>	<b>2,462,190</b>	<b>3,007,800</b>	<b>1,585,000</b>	<b>1,636,200</b>	<b>3,221,200</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	190,449	289,235	312,100	462,800	202,800	665,600
Repair & Maintenance Services	505,490	744,467	1,144,000	719,800	734,300	1,454,100
Other Services	369,652	413,533	489,700	278,600	293,100	571,700
Employee Costs	28,563	31,755	28,800	22,500	17,600	40,100
Operating Materials & Supplies	97,006	130,626	171,400	87,900	87,900	175,800
Office & Administrative Supplies	28,468	34,175	41,700	23,000	23,000	46,000
Special Programs	5,494	-	-	-	-	-
Internal Service Charges	654,800	703,208	1,093,300	683,200	725,100	1,408,300
<b>Total Materials &amp; Services</b>	<b>1,879,922</b>	<b>2,346,999</b>	<b>3,281,000</b>	<b>2,277,800</b>	<b>2,083,800</b>	<b>4,361,600</b>
Capital Outlay	435,043	723,568	3,260,500	616,100	1,584,000	2,200,100
Principal & Interest	-	2,962	3,000	1,700	1,700	3,400
Transfers Out	810,000	965,000	927,000	326,000	269,000	595,000
Contingency	-	-	849,000	3,665,600	3,156,500	3,156,500
Unappropriated Fund Balance	2,613,634	3,330,645	-	-	-	-
<b>Total Stormwater</b>	<b>\$ 8,146,782</b>	<b>\$ 9,831,364</b>	<b>\$ 11,328,300</b>	<b>\$ 8,472,200</b>	<b>\$ 8,731,200</b>	<b>\$ 13,537,800</b>

**BUDGET HIGHLIGHTS**

This budget includes transfers of \$400,000 allocated to the Public Works Community Facility Fund for facility improvements, and \$195,000 to the Equipment Replacement Fund for equipment replacement reserves.

Professional & Technical Services includes funding for the following:

Environmental	\$300,000
Engineering	280,000
Technical	65,000
Legal	20,600
<b>Total</b>	<b>\$665,600</b>

The following Capital Outlay is budgeted in this fund:

Outfall Projects	\$ 1,250,000
Joyce Court Stormwater	466,000
VanBuren Street Stormwater	138,000
Barclay Hills Outfall	115,000
2025 Roadway Reconstruction	92,000
2027 Roadway Reconstruction	87,000
Equipment	52,100
<b>Total</b>	<b>\$ 2,200,100</b>





**SYSTEM DEVELOPMENT FUND**

System Development Charges (SDCs) are charged as part of the permitting process for new development and redevelopment projects. The purpose of the charges is to help fund the infrastructure improvements and capacity expansions needed to support the additional demand that new development, and redevelopment, places on public systems. These charges are intended to ensure that new development pays its fair share of the costs associated with expanding or upgrading public systems. Oregon City imposes and expends system development charges according to Oregon law (ORS 223.297-314) and the Oregon City Municipal Code.

Charges are collected for the following functions:

- ❖ Transportation
- ❖ Water
- ❖ Wastewater
- ❖ Stormwater
- ❖ Parks

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

<b>System Development</b>	<b>2019-2021 Actual</b>	<b>2021-2023 Actual</b>	<b>2023-2025 Amended Budget</b>	<b>2025-2026 Proposed Budget</b>	<b>2026-2027 Proposed Budget</b>	<b>2025-2027 Proposed Biennium</b>
<b>Resources</b>						
Beginning Fund Balance	\$ 22,397,540	\$ 18,994,263	\$ 28,057,300	\$ 29,562,000	\$ 28,785,600	\$ 29,562,000
Charges for Services	9,606,717	14,809,694	10,360,000	2,203,000	1,612,000	3,815,000
Intergovernmental	3,363,560	665,532	2,810,400	284,000	3,820,000	4,104,000
Interest Income	485,754	426,265	337,000	1,358,600	1,418,200	2,776,800
Miscellaneous Income	461,548	243,753	531,500	111,600	116,400	228,000
Transfers In	-	-	-	-	1,500,000	1,500,000
<b>Total Resources</b>	<b>\$ 36,315,119</b>	<b>\$ 35,139,507</b>	<b>\$ 42,096,200</b>	<b>\$ 33,519,200</b>	<b>\$ 37,252,200</b>	<b>\$ 41,985,800</b>
<b>Requirements by Category</b>						
Materials & Services	\$ 785,726	\$ 939,555	\$ 753,000	\$ 637,600	\$ 509,100	\$ 1,146,700
Capital Outlay	16,160,130	4,215,256	10,121,400	4,096,000	9,707,000	13,803,000
Transfers Out	375,000	-	-	-	-	-
Contingency	-	-	31,221,800	28,785,600	24,028,100	24,028,100
Reserved for Future Expenditures	18,994,263	29,984,696	-	-	3,008,000	3,008,000
<b>Total Requirements</b>	<b>\$ 36,315,119</b>	<b>\$ 35,139,507</b>	<b>\$ 42,096,200</b>	<b>\$ 33,519,200</b>	<b>\$ 37,252,200</b>	<b>\$ 41,985,800</b>

## Public Works – System Development

### TRANSPORTATION SYSTEM DEVELOPMENT

#### OVERVIEW

Provides transportation improvements, outside of those obligated by development, that add system capacity or increase level of service which are essential to ensure traffic flow, reduce congestion, and make the transportation network safer and more efficient for the community, businesses, and visitors. The City's comprehensive plan and Transportation System Plan (TSP), guide these improvements. They ensure that infrastructure upgrades can accommodate future growth in an orderly manner.

#### ACCOMPLISHMENTS

- ❖ Completed the Main Street ADA Grant Project
- ❖ Completed the Holcomb Boulevard Safe Routes to School Grant Project
- ❖ Completed the Beaver Creek Road ARTS Grant Project
- ❖ Obtained state lottery bond funding for the Main Street: 10th Street to 15th Street Project
- ❖ Completed the Gardiner Middle School Safe Routes to School improvements

- ❖ Continued to maintain updates to the City's SDC calculator
- ❖ Obtained speed and traffic count data for 2/3 of the City

#### GOALS AND PROJECTS

- ❖ Initiate the design and permitting phase for the Hwy 213 & Beaver Creek Road west bound right turn lane project
- ❖ Initiate the design phase for the Main Street: 10<sup>th</sup> Street to 15<sup>th</sup> Street Project
- ❖ Initiate the design phase for the Washington Street Corridor Project
- ❖ Complete the Linn/Leland/Central Point/Warner Parrott Roundabout final concept and utility modification plans
- ❖ Obtain speed and traffic count data for 2/3 of the City. A three-year cycle has been established to complete 100% of traffic counts
- ❖ Continue to complete sidewalk and pedestrian infill pedestrian safety and neighborhood concern projects
- ❖ Complete Intersection Control Analysis for Molalla/Division/Taylor/7<sup>th</sup> Intersection
- ❖ Continue to seek grants and provide grant match funding as opportunities become available:
  - ♦ McLoughlin Boulevard Shared Use Path
  - ♦ McLoughlin to Canemah Trail
- ❖ Transportation System Plan Update

Transportation Development	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 10,356,395	\$ 8,676,893	\$ 14,917,700	\$ 14,714,500	\$ 15,552,900	\$ 14,714,500
Charges for Services	5,045,560	8,143,903	5,000,000	1,071,000	551,000	1,622,000
Intergovernmental	2,889,558	274,413	2,810,400	284,000	3,620,000	3,904,000
Interest Income	219,340	210,116	151,000	644,900	674,500	1,319,400
Miscellaneous Income	271,526	114,665	531,500	30,000	32,000	62,000
<b>Total Resources</b>	<b>\$ 18,782,379</b>	<b>\$ 17,419,990</b>	<b>\$ 23,410,600</b>	<b>\$ 16,744,400</b>	<b>\$ 20,430,400</b>	<b>\$ 21,621,900</b>
<b>Requirements by Category</b>						
Materials & Services	\$ 331,896	\$ 408,351	\$ 498,000	\$ 136,500	\$ 158,000	\$ 294,500
Capital Outlay	9,773,590	1,534,380	6,831,800	1,055,000	4,781,000	5,836,000
Contingency	-	-	16,080,800	15,552,900	12,483,400	12,483,400
Reserved for Future Expenditures	8,676,893	15,477,259	-	-	3,008,000	3,008,000
<b>Total Requirements</b>	<b>\$ 18,782,379</b>	<b>\$ 17,419,990</b>	<b>\$ 23,410,600</b>	<b>\$ 16,744,400</b>	<b>\$ 20,430,400</b>	<b>\$ 21,621,900</b>

**WATER SYSTEM DEVELOPMENT**

**OVERVIEW**

Provides water system improvements, outside of those obligated by development, that add system capacity or increase level of service which are essential to ensure adequate water capacity and make the water system safer and more efficient for the community, business, and visitors. The City’s comprehensive plan and the Water System Master Plan guide these improvements. They ensure that infrastructure upgrades can accommodate future growth in an orderly manner.

**ACCOMPLISHMENTS**

- ❖ Continued to maintain updates to the City’s SDC calculator including updates to South Fork Water Board SDC’s that we collect on their behalf
- ❖ Completed construction of the Main Street Waterline replacement project, part of the

- WIFIA program
- ❖ Completed design and began construction of the Molalla Avenue Water Transmission Main Project, part of the WIFIA program
- ❖ Began design of the Henrici Pump Station & Water Transmission Main Project, part of the WIFIA program

**GOALS AND PROJECTS**

- ❖ Complete construction of the Molalla Avenue Water Transmission Main Project, part of the WIFIA program
- ❖ Complete design and begin construction of the Henrici Pump Station & Water Transmission Main Project, part of the WIFIA program
- ❖ Begin design of the High School Avenue Transmission Main Project, part of the WIFIA program

Water Development	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 4,444,948	\$ 3,997,900	\$ 4,487,900	\$ 3,919,500	\$ 1,593,500	\$ 3,919,500
Charges for Services	1,360,805	1,830,605	3,000,000	331,000	401,000	732,000
Interest Income	99,568	83,626	71,000	229,600	239,500	469,100
Miscellaneous Income	17,442	-	-	-	-	-
Transfers In	-	-	-	-	1,500,000	1,500,000
<b>Total Resources</b>	<b>\$ 5,922,763</b>	<b>\$ 5,912,131</b>	<b>\$ 7,558,900</b>	<b>\$ 4,480,100</b>	<b>\$ 3,734,000</b>	<b>\$ 6,620,600</b>
<b>Requirements by Category</b>						
Materials & Services	\$ 134,043	\$ 145,418	\$ 23,000	\$ 52,600	\$ 2,600	\$ 55,200
Capital Outlay	1,790,820	1,125,097	2,689,600	2,834,000	3,494,000	6,328,000
Contingency	-	-	4,846,300	1,593,500	237,400	237,400
Reserved for Future Expenditures	3,997,900	4,641,616	-	-	-	-
<b>Total Requirements</b>	<b>\$ 5,922,763</b>	<b>\$ 5,912,131</b>	<b>\$ 7,558,900</b>	<b>\$ 4,480,100</b>	<b>\$ 3,734,000</b>	<b>\$ 6,620,600</b>

## Public Works – System Development

### WASTEWATER SYSTEM DEVELOPMENT

#### OVERVIEW

Provides sanitary sewer (wastewater collection) system improvements, outside of those obligated by development, that add system capacity or increase level of service which are essential to ensure adequate wastewater system capacity and make the wastewater system safer and more efficient for the community, business, and visitors. The City's comprehensive plan and the Wastewater System Master Plan guide these improvements. They ensure that infrastructure upgrades can accommodate future growth in an orderly manner.

#### ACCOMPLISHMENTS

- ❖ Completed construction of the Connie Court Sewer Extension project. Providing the opportunity for 9 properties to connect to public sanitary sewer service to an area of the city currently on septic tanks. Properties will connect as their existing septic tanks are no longer usable.
- ❖ Continued to maintain updates to the City's SDC calculator, including updates to Clackamas County Water Environment Services SDC's that we collect on their behalf.

#### GOALS AND PROJECTS

- ❖ Design and construct the Falcon Drive Sewer Extension project. Providing the opportunity for 20 properties to connect to public sanitary sewer service to an area of the city currently on septic tanks

Wastewater Development	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 1,658,097	\$ 1,325,380	\$ 2,309,100	\$ 2,573,000	\$ 2,609,900	\$ 2,573,000
Charges for Services	878,325	1,435,463	1,000,000	211,000	110,000	321,000
Interest Income	32,431	30,945	27,000	120,400	125,200	245,600
Miscellaneous Income	33,375	-	-	-	-	-
<b>Total Resources</b>	<b>\$ 2,602,228</b>	<b>\$ 2,791,788</b>	<b>\$ 3,336,100</b>	<b>\$ 2,904,400</b>	<b>\$ 2,845,100</b>	<b>\$ 3,139,600</b>
<b>Requirements by Category</b>						
Materials & Services	\$ 79,991	\$ 90,865	\$ 33,000	\$ 127,500	\$ 77,500	\$ 205,000
Capital Outlay	1,196,857	326,022	200,000	167,000	832,000	999,000
Contingency	-	-	3,103,100	2,609,900	1,935,600	1,935,600
Reserved for Future Expenditures	1,325,380	2,374,901	-	-	-	-
<b>Total Requirements</b>	<b>\$ 2,602,228</b>	<b>\$ 2,791,788</b>	<b>\$ 3,336,100</b>	<b>\$ 2,904,400</b>	<b>\$ 2,845,100</b>	<b>\$ 3,139,600</b>

**STORMWATER SYSTEM DEVELOPMENT**

**OVERVIEW**

Provides stormwater system improvements, outside of those obligated by development, that add system capacity or increase level of service which are essential to ensure adequate stormwater system capacity and make the stormwater system safer and more efficient for the community, business, and visitors. The City’s comprehensive plan and the Stormwater System Master Plan guide these improvements. They ensure that infrastructure upgrades can accommodate future growth in an orderly manner.

**ACCOMPLISHMENTS**

- ❖ Continued to maintain updates to the City’s SDC calculator
- ❖ Completed capacity improvements to the stormwater system in Holcomb Boulevard, as part of the Holcomb Boulevard Safe Routes to School Project

**GOALS AND PROJECTS**

- ❖ Address stormwater infrastructure capacity needs as identified in the Stormwater Master Plan

Stormwater Development	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 390,740	\$ 528,225	\$ 757,000	\$ 644,700	\$ 633,500	\$ 644,700
Charges for Services	316,761	243,948	360,000	90,000	50,000	140,000
Interest Income	9,956	12,011	11,000	51,300	52,800	104,100
Miscellaneous Income	1,744	-	-	-	-	-
<b>Total Resources</b>	<b>\$ 719,201</b>	<b>\$ 784,184</b>	<b>\$ 1,128,000</b>	<b>\$ 786,000</b>	<b>\$ 736,300</b>	<b>\$ 888,800</b>
<b>Requirements by Category</b>						
Materials & Services	\$ 113,709	\$ 92,932	\$ 3,200	\$ 152,500	\$ 2,500	\$ 155,000
Capital Outlay	77,267	4,194	100,000	-	-	-
Contingency	-	-	1,024,800	633,500	733,800	733,800
Reserved for Future Expenditures	528,225	687,058	-	-	-	-
<b>Total Requirements</b>	<b>\$ 719,201</b>	<b>\$ 784,184</b>	<b>\$ 1,128,000</b>	<b>\$ 786,000</b>	<b>\$ 736,300</b>	<b>\$ 888,800</b>

## Public Works – System Development

### PARKS SYSTEM DEVELOPMENT

#### OVERVIEW

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

#### ACCOMPLISHMENTS

- ❖ Updated Parks and Recreation Master Plan
- ❖ Updated SDC Methodology and 20-to-30-year Capital Improvement Plan

#### GOALS AND PROJECTS

- ❖ Utilize Parks and Recreation Master Plan to begin developing strategies for acquisition and development recommendations, pending available funding, to implement
- ❖ Plan implementation of park development, including Park Place Park Phase II, and other SDC eligible projects

Parks Development	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 5,547,360	\$ 4,465,865	\$ 5,585,600	\$ 7,710,300	\$ 8,395,800	\$ 7,710,300
Charges for Services	2,005,266	3,155,775	1,000,000	500,000	500,000	1,000,000
Intergovernmental	474,002	391,119	-	-	200,000	200,000
Interest Income	124,459	89,567	77,000	312,400	326,200	638,600
Miscellaneous Income	137,461	129,088	-	81,600	84,400	166,000
<b>Total Resources</b>	<b>\$ 8,288,548</b>	<b>\$ 8,231,414</b>	<b>\$ 6,662,600</b>	<b>\$ 8,604,300</b>	<b>\$ 9,506,400</b>	<b>\$ 9,714,900</b>
<b>Requirements by Category</b>						
Materials & Services	\$ 126,087	\$ 201,989	\$ 195,800	\$ 168,500	\$ 268,500	\$ 437,000
Capital Outlay	3,321,596	1,225,563	300,000	40,000	600,000	640,000
Transfers	375,000	-	-	-	-	-
Contingency	-	-	6,166,800	8,395,800	8,637,900	8,637,900
Reserved for Future Expenditures	4,465,865	6,803,862	-	-	-	-
<b>Total Requirements</b>	<b>\$ 8,288,548</b>	<b>\$ 8,231,414</b>	<b>\$ 6,662,600</b>	<b>\$ 8,604,300</b>	<b>\$ 9,506,400</b>	<b>\$ 9,714,900</b>

**FLEET SERVICES FUND**

**OVERVIEW**

The Fleet Division manages the purchase, maintenance and repair of the City’s fleet and equipment. This includes passenger vehicles, dump trucks, street sweepers, vactor trucks, excavators, pickups, trailers, lawn mowers, and other equipment. The Fleet Division also oversees the City’s fuel station, which consists of both gasoline and diesel fuel tanks and pumps.

With two mechanics and nearly 200 pieces of fleet and equipment, the division’s goal is to maintain a functional, safe, and efficient fleet. The Fleet Division aims to balance repair needs with limited resources to ensure the fleet supports the City’s essential services without unnecessary delays or costs.

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

**ACCOMPLISHMENTS**

- ❖ Completed the purchase, acquisition and setup of 23 vehicles and equipment for various city departments

- ❖ Fir Street fueling site is projected to dispense 65,500 gallons of gas and 34,600 gallons of diesel fuel
- ❖ Completed Oregon Department of Environmental Quality required inspections in-house for approximately 60 vehicles
- ❖ Completed the sale of 23 retired fleet vehicles and equipment at auction and 4 trade-ins

**GOALS AND PROJECTS**

- ❖ Complete the purchase, acquisition and setup of budgeted vehicles for various city departments
- ❖ Complete Oregon Department of Environmental Quality required inspections in-house for approximately 100 vehicles
- ❖ Complete all requirements and inspections for DEQ, obtaining a “Certificate to Operate” for the Fir Street fueling site
- ❖ Continue to provide fueling requirement needs for all city vehicles and equipment at a fair and responsible cost
- ❖ Continue to provide safety training for employees using the City’s fuel station

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

<b>Fleet Services</b>	<b>2019-2021 Actual</b>	<b>2021-2023 Actual</b>	<b>2023-2025 Amended Budget</b>	<b>2025-2026 Proposed Budget</b>	<b>2026-2027 Proposed Budget</b>	<b>2025-2027 Proposed Biennium</b>
<b>Resources</b>						
Beginning Fund Balance	\$ 4,516	\$ 6,994	\$ 9,800	\$ 3,400	\$ 22,200	\$ 3,400
Internal Service Charges	466,414	631,089	1,024,800	1,065,500	1,061,100	2,126,600
Interest Income	231	482	-	400	400	800
Miscellaneous Income	236	4,764	-	-	-	-
<b>Total Resources</b>	<b>\$ 471,397</b>	<b>\$ 643,329</b>	<b>\$ 1,034,600</b>	<b>\$ 1,069,300</b>	<b>\$ 1,083,700</b>	<b>\$ 2,130,800</b>
<b>Requirements by Category</b>						
Personnel Services	\$ -	\$ -	\$ -	\$ 335,400	\$ 345,100	680,500
Materials & Services	464,403	641,014	996,800	686,700	682,300	1,369,000
Transfers Out	-	-	-	25,000	25,000	50,000
Contingency	-	-	37,800	22,200	31,300	31,300
Unappropriated Fund Balance	6,994	2,315	-	-	-	-
<b>Total Requirements</b>	<b>\$ 471,397</b>	<b>\$ 643,329</b>	<b>\$ 1,034,600</b>	<b>\$ 1,069,300</b>	<b>\$ 1,083,700</b>	<b>\$ 2,130,800</b>

# Public Works – Fleet

## FLEET SERVICES EXPENDITURES

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ -	\$ -	\$ -	\$ 178,400	\$ 183,700	\$ 362,100
Benefits	-	-	-	157,000	161,400	\$ 318,400
<b>Total Personnel Services</b>	-	-	-	335,400	345,100	680,500
<b>Materials &amp; Services</b>						
Professional & Technical Services	\$ -	\$ 2,846	\$ 2,000	\$ 1,100	\$ 1,100	\$ 2,200
Repair & Maintenance Services	278,677	422,564	360,000	238,200	231,200	469,400
Employee Costs	10,489	11,508	11,600	7,900	7,900	15,800
Operating Materials & Supplies	152,317	179,372	597,000	383,500	385,200	768,700
Office & Administrative Supplies	12,008	13,516	15,200	10,500	10,500	21,000
Special Programs	12	-	-	-	-	-
Internal Service Charges	10,900	11,208	11,000	45,500	46,400	91,900
<b>Total Materials &amp; Services</b>	464,403	641,014	996,800	686,700	682,300	1,369,000
Transfers Out	-	-	-	25,000	25,000	50,000
Contingency	-	-	37,800	22,200	31,300	31,300
Unappropriated Fund Balance	6,994	2,315	-	-	-	-
<b>Total Fleet</b>	\$ 471,397	\$ 643,329	\$ 1,034,600	\$ 1,069,300	\$ 1,083,700	\$ 2,130,800



**OTHER FUNDS**

**COMMUNITY FACILITIES FUND**

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

- ❖ **Public Safety:** Reserves consist of funding for the ongoing maintenance of the Robert Libke Public Safety Building. While the Community Safety Advancement Fund (C-SAF) fee accounts for a significant portion of the revenue in this fund, most of this revenue is transferred out of the fund to the Debt Service fund to pay the debt service

payments associated with the bonds which were issued to fund the construction of the building

- ❖ **Public Works:** Reserves consist of funds set aside from the various Public Works funds for the ongoing maintenance of the Public Works Operations Center
- ❖ **Library:** Reserves include funds saved for future capital maintenance of the expanded Library facility, as well as current capital needs
- ❖ **General:** Reserves consist of savings for general governmental facilities, set aside from annual budgetary savings

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

Community Facilities	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 25,100,854	\$ 5,306,673	\$ 3,983,800	\$ 6,861,200	\$ 7,183,100	\$ 6,861,200
Intergovernmental	22,949	6,643	-	48,000	-	48,000
Charges for Services	2,418,631	2,450,296	2,686,700	1,256,400	1,261,000	2,517,400
Fines and penalties	-	-	-	15,000	15,000	30,000
Miscellaneous Income	3,405,790	107,989	-	-	-	-
Sale of Assets	-	-	2,000,000	-	1,250,000	1,250,000
Interest Income	336,060	67,459	33,000	174,500	182,600	357,100
Transfers In	6,080,000	3,405,000	2,590,000	1,321,700	1,321,700	2,643,400
<b>Total Resources</b>	<b>\$ 37,364,284</b>	<b>\$ 11,344,060</b>	<b>\$ 11,293,500</b>	<b>\$ 9,676,800</b>	<b>\$ 11,213,400</b>	<b>\$ 13,707,100</b>
<b>Requirements</b>						
Materials and Services	\$ 135,604	\$ 10,745	\$ -	\$ 225,000	\$ 140,000	\$ 365,000
Capital Outlay	29,713,407	5,251,131	580,100	1,167,000	370,000	1,537,000
Transfer Out	2,208,600	2,205,400	2,210,600	1,101,700	1,101,500	2,203,200
Contingency	-	-	8,502,800	7,183,100	9,601,900	9,601,900
Reserved for Future Expenditure	5,306,673	3,876,784	-	-	-	-
<b>Total Requirements</b>	<b>\$ 37,364,284</b>	<b>\$ 11,344,060</b>	<b>\$ 11,293,500</b>	<b>\$ 9,676,800</b>	<b>\$ 11,213,400</b>	<b>\$ 13,707,100</b>

	Beginning Funds	Biennium Revenues	Biennium Expenditures	Remaining Funds
Public Works Facilities	\$ 4,411,800	\$ 3,962,700	\$ 1,537,000	\$ 6,837,500
Public Safety Facilities	702,500	2,592,100	2,203,200	1,091,400
Library Facilities	437,900	134,500	365,000	207,400
Community Development Facilities	-	50,200	-	50,200
General Facilities	1,309,000	106,400	-	1,415,400
	<b>\$ 6,861,200</b>	<b>\$ 6,845,900</b>	<b>\$ 4,105,200</b>	<b>\$ 9,601,900</b>

## Equipment Replacement

### EQUIPMENT REPLACEMENT FUND

Public Works, in conjunction with the user departments, are responsible for evaluating the City's overall fleet purchasing strategy and recommends new vehicles or replacement vehicles based on use, age, and safety requirements. Additionally, different

departments have the need to set aside funds for future major equipment replacement. Vehicles and equipment are initially purchased by the operating department. Once the initial purchase is made, the vehicle is then charged back to that department on annual installments through a savings fund established for future vehicle or equipment replacement purchases.

Equipment Replacement	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 5,709,373	\$ 6,244,396	\$ 7,398,600	\$ 9,181,400	\$ 7,815,700	\$ 9,181,400
Fines and Forfeitures	6,941	12,145	-	-	-	-
Miscellaneous Income	65,584	118,655	-	-	-	-
Interest Income	127,736	144,248	111,000	357,100	376,100	733,200
Sale of Assets	-	-	-	5,000	5,000	10,000
Other Financing Sources	-	107,146	316,300	19,900	257,100	277,000
Transfers In	1,539,826	2,996,454	2,902,000	947,600	919,900	1,867,500
<b>Total Resources</b>	<b>\$ 7,449,460</b>	<b>\$ 9,623,044</b>	<b>\$ 10,727,900</b>	<b>\$ 10,511,000</b>	<b>\$ 9,373,800</b>	<b>\$ 12,069,100</b>
<b>Requirements</b>						
Materials and Services	\$ 16,695	\$ 220,103	\$ -	\$ 900	\$ 900	\$ 1,800
Capital Outlay	1,145,269	1,173,980	3,348,400	2,547,300	1,419,600	3,966,900
Internal Service Charges	43,100	35,208	28,400	14,200	14,200	28,400
Debt Service	-	91,269	282,500	132,900	160,300	293,200
Reserved for Future Expenditures	6,244,396	8,102,484	7,068,600	7,815,700	7,778,800	7,778,800
<b>Total Requirements</b>	<b>\$ 7,449,460</b>	<b>\$ 9,623,044</b>	<b>\$ 10,727,900</b>	<b>\$ 10,511,000</b>	<b>\$ 9,373,800</b>	<b>\$ 12,069,100</b>

	Beginning Funds	Biennium Revenues	Biennium Expenditures	Remaining Funds
Parks & Recreation	\$ 1,016,500	\$ 492,500	\$ 520,900	\$ 988,100
Library	-	30,700	100	30,600
Public Safety	1,255,100	379,200	1,140,500	493,800
General Equipment	66,300	60,600	55,200	71,700
Community Development	229,000	28,400	900	256,500
Engineering	149,600	40,000	500	189,100
Transportation	1,598,600	669,800	565,700	1,702,700
Water	1,835,900	368,800	313,100	1,891,600
Wastewater	1,583,800	456,400	1,104,900	935,300
Stormwater	1,316,300	299,500	529,000	1,086,800
Fleet	59,000	49,100	59,300	48,800
Customer Service	71,300	12,700	200	83,800
	<b>\$ 9,181,400</b>	<b>\$ 2,887,700</b>	<b>\$ 4,290,300</b>	<b>\$ 7,778,800</b>

**UTILITY CUSTOMER SERVICE FUND**

**OVERVIEW**

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

Internal services are provided primarily to Water, Wastewater, Stormwater and Pavement Maintenance utilities. The Division also provides services to Water Environment Services (Clackamas County Sewer) and South Fork Water Board (Oregon City and West Linn Water Treatment) and receives compensation from those agencies. Consolidation of these services

provides the most economical program and minimizes the number of referrals for users with questions.

**ACCOMPLISHMENTS**

- ❖ Successfully hired a new utility customer service field worker to replace a retired senior tenured staff member
- ❖ Began cross training staff and updates to departmental procedures to ensure redundancy in operations

**GOALS AND PROJECTS**

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

Utility Customer Service	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 89,794	\$ 258,128	\$ 40,900	\$ 187,600	\$ 88,500	\$ 187,600
Charges for Services	169,835	198,899	186,000	115,000	115,000	230,000
Intergovernmental	11,997	-	-	-	-	-
Internal Service Charges	2,322,300	2,335,200	3,084,400	1,680,200	1,885,100	3,565,300
Interest Income	3,507	5,217	3,000	5,800	6,100	11,900
Miscellaneous Income	811	250	-	-	-	-
<b>Total Resources</b>	<b>\$ 2,598,244</b>	<b>\$ 2,797,694</b>	<b>\$ 3,314,300</b>	<b>\$ 1,988,600</b>	<b>\$ 2,094,700</b>	<b>\$ 3,994,800</b>
<b>Requirements</b>						
Personnel Services	\$ 1,398,642	\$ 1,587,654	\$ 1,760,000	\$ 946,000	\$ 977,600	\$ 1,923,600
Materials & Services	937,474	1,151,957	1,443,500	951,000	1,032,700	1,983,700
Transfers Out	4,000	6,000	6,000	3,100	3,100	6,200
Contingency	-	-	104,800	88,500	81,300	81,300
Unappropriated Fund Balance	258,128	52,083	-	-	-	-
<b>Total Requirements</b>	<b>\$ 2,598,244</b>	<b>\$ 2,797,694</b>	<b>\$ 3,314,300</b>	<b>\$ 1,988,600</b>	<b>\$ 2,094,700</b>	<b>\$ 3,994,800</b>

# Utility Customer Service

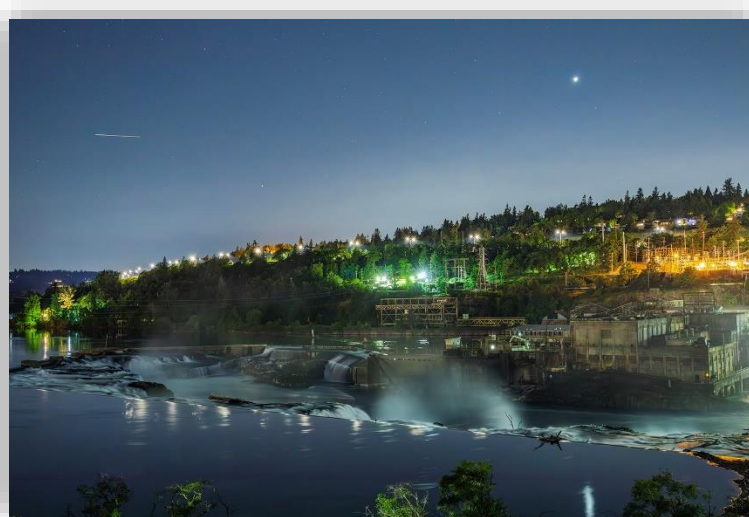
## UTILITY CUSTOMER SERVICE EXPENDITURES

Description	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Personnel Services</b>						
Salaries	\$ 807,668	\$ 908,438	\$ 984,700	\$ 507,700	\$ 525,700	\$ 1,033,400
Benefits	590,974	679,216	775,300	438,300	451,900	890,200
<b>Total Personnel Services</b>	<b>1,398,642</b>	<b>1,587,654</b>	<b>1,760,000</b>	<b>946,000</b>	<b>977,600</b>	<b>1,923,600</b>
<b>Materials &amp; Services</b>						
Professional & Technical Services	184,465	196,324	214,200	157,500	162,200	319,700
Repair & Maintenance Services	48,108	51,824	69,700	14,700	14,700	29,400
Other Services	140,953	155,112	154,000	89,100	91,200	180,300
Employee Costs	596	-	10,000	5,200	5,200	10,400
Operating Materials & Supplies	2,007	1,256	2,000	1,000	1,000	2,000
Office & Administrative Supplies	522,545	659,417	818,800	520,500	593,800	1,114,300
Internal Service Charges	38,800	88,024	174,800	163,000	164,600	327,600
<b>Total Materials &amp; Services</b>	<b>937,474</b>	<b>1,151,957</b>	<b>1,443,500</b>	<b>951,000</b>	<b>1,032,700</b>	<b>1,983,700</b>
Transfers Out	4,000	6,000	6,000	3,100	3,100	6,200
Contingency	-	-	104,800	88,500	81,300	81,300
Unappropriated Fund Balance	258,128	52,083	-	-	-	-
<b>Total Utility Customer Service</b>	<b>\$ 2,598,244</b>	<b>\$ 2,797,694</b>	<b>\$ 3,314,300</b>	<b>\$ 1,988,600</b>	<b>\$ 2,094,700</b>	<b>\$ 3,994,800</b>

### BUDGET HIGHLIGHTS

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

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



### DEBT SERVICE FUND

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

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

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

### PERS BONDS

The Public Employee Retirement System (PERS) Unfunded Actuarial Liability Bonds were issued by the City in 2005 in the amount of \$17 million

to fund its PERS actuarial liability. These bonds mature in 2028. Revenues to pay the bonds come from resources set aside annually from savings on employer contributions.

PERS Debt Service	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ 1,829,495	\$ 1,424,414	\$ 1,016,500	\$ 661,900	\$ 650,200	\$ 661,900
Miscellaneous Income	2,651,386	2,909,360	3,143,400	1,857,600	1,746,100	3,603,700
Interest Income	32,849	29,229	58,000	46,700	48,900	95,600
<b>Total Resources</b>	<b>\$ 4,513,730</b>	<b>\$ 4,363,003</b>	<b>\$ 4,217,900</b>	<b>\$ 2,566,200</b>	<b>\$ 2,445,200</b>	<b>\$ 4,361,200</b>
<b>Requirements by Category</b>						
Debt Service	\$ 3,089,316	\$ 3,338,992	\$ 3,605,200	\$ 1,916,000	\$ 1,991,400	\$ 3,907,400
Reserved for Future Expenditures	1,424,414	1,024,011	612,700	650,200	453,800	453,800
<b>Total Requirements</b>	<b>\$ 4,513,730</b>	<b>\$ 4,363,003</b>	<b>\$ 4,217,900</b>	<b>\$ 2,566,200</b>	<b>\$ 2,445,200</b>	<b>\$ 4,361,200</b>

### COMMUNITY SAFETY ADVANCEMENT FUND (CSAF) BONDS

The City issued \$16,000,000 of voter-approved Full Faith and Credit Obligation bonds dated June 5, 2018, to provide a new police and municipal court facility. The bonds were issued

at a premium of \$1,542,183 resulting in face value of the bonds of \$14,615,000. The bond premium is to be amortized over the life of the bonds, which mature in 2038. Interest rates on the bonds range from 3.00% to 5.00%. Revenues to pay the bonds come from a transfer of CSAF Utility fees designated for such purpose.

CSAF Debt Service	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Transfers In	\$ 2,208,600	\$ 2,205,400	\$ 2,210,600	\$ 1,101,700	\$ 1,101,500	\$ 2,203,200
<b>Total Resources</b>	<b>\$ 2,208,600</b>	<b>\$ 2,205,400</b>	<b>\$ 2,210,600</b>	<b>\$ 1,101,700</b>	<b>\$ 1,101,500</b>	<b>\$ 2,203,200</b>
<b>Requirements by Category</b>						
Debt Service	\$ 2,208,600	\$ 2,205,400	\$ 2,210,600	\$ 1,101,700	\$ 1,101,500	\$ 2,203,200
<b>Total Requirements</b>	<b>\$ 2,208,600</b>	<b>\$ 2,205,400</b>	<b>\$ 2,210,600</b>	<b>\$ 1,101,700</b>	<b>\$ 1,101,500</b>	<b>\$ 2,203,200</b>

## Parks Donations

### PARKS DONATIONS FUND

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

These funds help offset the cost of community-developed projects, community fundraising events and activities, facility upgrades and events, and special recreational and Heritage events. Additionally, Pioneer Center and Meals on Wheels donations are used to purchase materials for those programs. This new fund was created in the 2023-2025 biennium.

Park Donations	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2026 Proposed Budget	2026-2027 Proposed Budget	2025-2027 Proposed Biennium
<b>Resources</b>						
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ 791,300	\$ 524,600	\$ 791,300
Interest Income	-	-	-	29,800	31,400	61,200
Miscellaneous Income	-	-	176,400	92,800	92,800	185,600
Transfers In	-	-	727,229	-	-	-
<b>Total Resources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 903,629</b>	<b>\$ 913,900</b>	<b>\$ 648,800</b>	<b>\$ 1,038,100</b>
<b>Requirements</b>						
Materials & Services	\$ -	\$ -	\$ 28,800	\$ 39,400	\$ 23,400	\$ 62,800
Capital Outlay	-	-	162,000	349,900	45,000	394,900
Reserve for Future Expenditures	-	-	712,829	524,600	580,400	580,400
<b>Total Requirements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 903,629</b>	<b>\$ 913,900</b>	<b>\$ 648,800</b>	<b>\$ 1,038,100</b>

	Beginning Funds	Biennium Revenues	Biennium Expenditures	Remaining Funds
RV Dump	\$ 174,500	\$ 64,100	\$ 81,400	\$ 157,200
City Parks	25,000	1,800	-	26,800
Cemetery	41,300	600	38,500	3,400
Pool	1,000	2,000	2,000	1,000
Pioneer Center	283,000	94,300	311,400	65,900
Meals on Wheels	247,100	70,900	6,000	312,000
Ermatinger	19,400	13,100	18,400	14,100
	<b>\$ 791,300</b>	<b>\$ 246,800</b>	<b>\$ 457,700</b>	<b>\$ 580,400</b>

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**PERSONNEL**

**OVERVIEW OF PERSONNEL CHANGES**

The 2025-2027 biennial budget approves a net **decrease of 5.12 FTE** over the previous adopted 2023-2025 biennial budget. Decreases in FTE are mainly in the General Fund.

*Policy and Administration: Net increase of 1.07 FTE*

The budget includes the addition of a full-time Community Engagement Specialist and limited duration Municipal Court FTE. Juxtaposed by a .97 net decrease in City Recorder and Economic Development part-time.

*General Government: Net increase of 1.0 FTE*

The budget includes the movement of a Parks Maintenance FTE, to one Facilities Maintenance Specialist, resulting in a 1.0 increase in Facilities.

*Police: Net decrease of 2.48 FTE*

The budget includes the addition of one Police Officer, offset by the elimination of one Police Records Specialist, the Homeless Liaison Officer, one Code Compliance Officer and the part-time parking operations, resulting in a 2.48 decrease.

*Parks and Recreation: Net Decrease of 3.26 FTE*

The budget includes the movement of a Parks Maintenance FTE, to one Aquatics Recreation Coordinator and movement of Recreation part-time staff to Aquatics. The elimination of all seasonal/part-time Parks Maintenance, decrease in Parks Administrative FTE, adjustment of part-time hours at the Pioneer Community Center, and the transfer of one Parks Maintenance FTE to one Facilities Maintenance Specialist at Facilities.

*Library: Increase of 1.0 FTE*

The budget includes a recalibration between On-Call/part-time Library Assistants and full-time positions. The addition of a Library Services Manager and 1.63 Part-Time Library Assistants, is offset by the elimination of .63 On-Call/part-time Library Assistants and one Librarian.

*Community Development: Decrease of 0.25 FTE*

The Building Division eliminated the part-time Plans Examiner position.

*Public Works/Engineering: Decrease of 2.20 FTE*

The Engineering Division eliminated the part-time hourly position, 1.0 Senior Construction Inspector, and 1.0 Senior Project Engineer.

**PERSONNEL TRENDS**

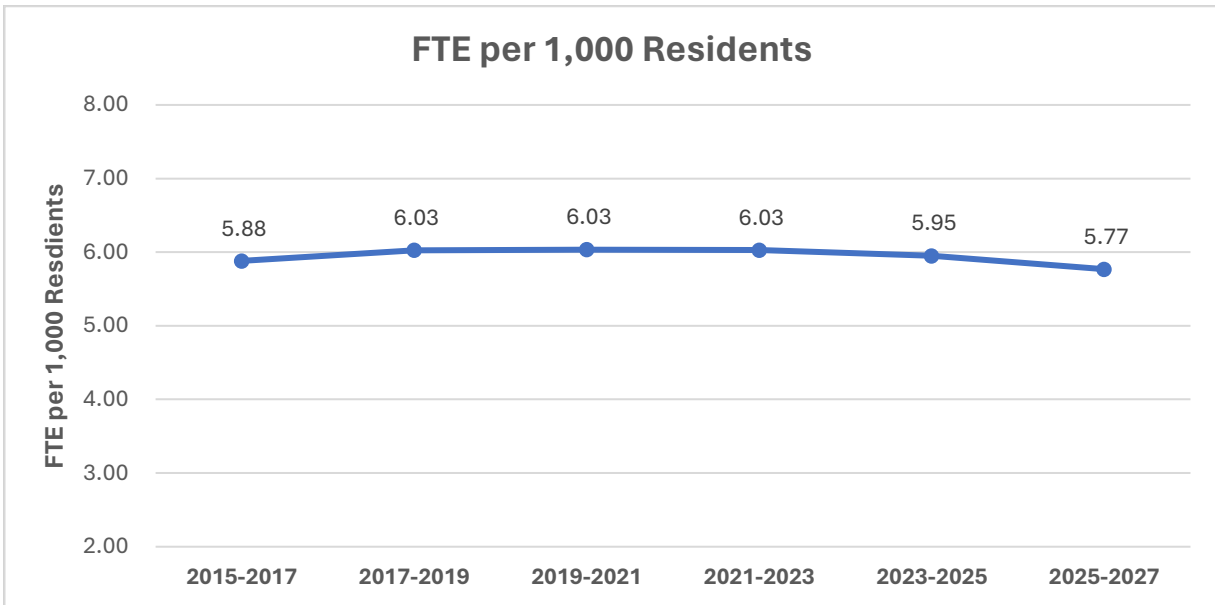
**PERSONNEL (FTE) CHANGES BY DEPARTMENT**

Department	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Adopted	2025-2027 Proposed	Change
Policy and Administration	31.36	32.71	32.69	33.75	1.07
Police	59.48	59.48	61.73	59.25	(2.48)
Parks and Recreation	37.72	38.72	40.64	37.39	(3.26)
General Government	2.00	2.00	3.00	4.00	1.00
Library	15.90	16.15	19.25	20.25	1.00
Community Development	13.00	14.00	16.25	16.00	(0.25)
Public Works	50.91	50.91	50.91	48.71	(2.20)
<b>Total FTEs</b>	<b>210.37</b>	<b>216.32</b>	<b>224.47</b>	<b>219.35</b>	<b>(5.12)</b>

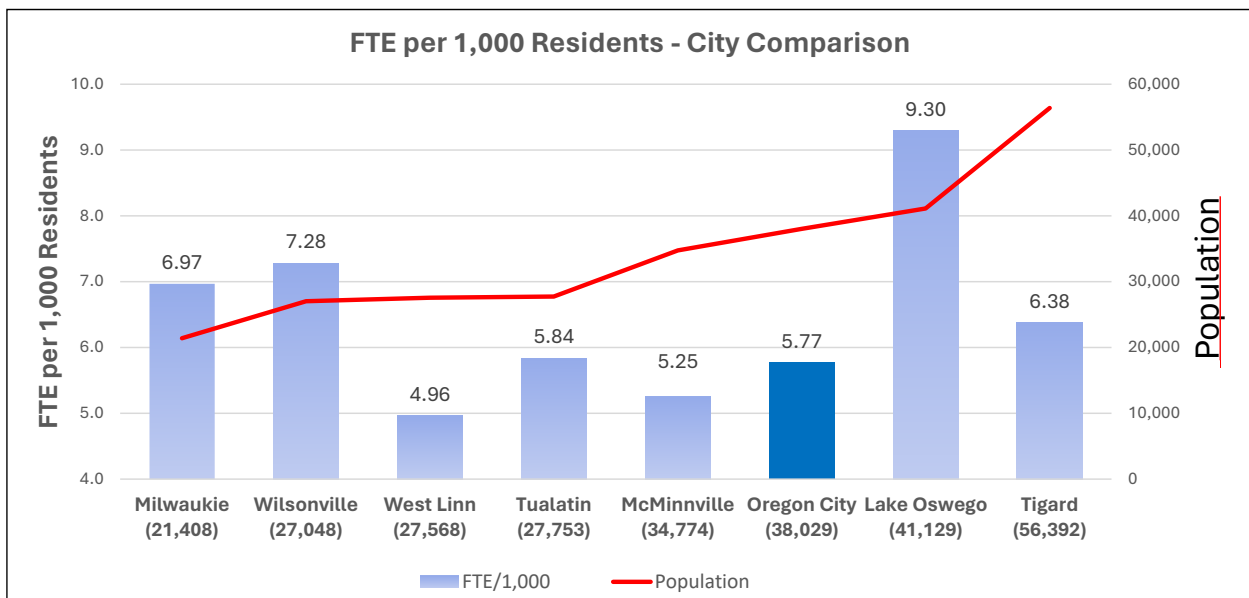
## Additional Information – Personnel

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

The chart below shows, for the upcoming biennium and the previous five biennia, Oregon City’s number of budgeted FTE per 1,000 residents.



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



Note: Some neighboring cities may include outlier services such as Transit/Bus Service, Fire, 911 Dispatch, Golf & Tennis, etc.

**PERSONNEL COSTS**

Total anticipated costs for wages and fringe benefits are approximately \$76.5 million in the 2025-2027 biennium. This represents an increase of \$6.7 million as compared to the 2023-2025 biennium. Increases in wages are a result of annual cost of living adjustments of 3.0%, during the first and second year of the biennium, and step increases called for in the labor contracts. Additionally, the City will experience a decrease to PERS rates of 21.86%

of wages in FY26 (mainly due to retirements) and an increase to PERS rates 3.23% of wages in FY27, due to PERS legacy costs. The City has two bargaining units, City of Oregon City Employees Local 350-2 Council 75, of the American Federation of State County and Municipal Employees (AFSCME), and the Oregon City Police Employees' Association (OCPEA), which represent approximately 71% of all City positions. Current union contracts expire on June 30, 2025.

**PERSONNEL EXPENSES BY DEPARTMENT AND CATEGORY**

Department	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2027 Proposed Budget	Change
Policy and Administration	\$ 8,030,853	\$ 8,756,654	\$ 11,412,000	\$ 13,369,200	\$ 1,957,200
Police & Code Enforcemen	19,036,171	20,756,273	23,722,200	25,318,400	1,596,200
Parks and Recreation	5,854,824	6,790,286	8,539,600	8,972,600	433,000
General Government	716,427	868,875	842,700	1,115,600	272,900
Library	2,769,803	3,290,033	4,427,300	5,232,200	804,900
Community Development	3,706,967	3,964,252	5,348,600	5,962,100	613,500
Public Works	12,376,981	13,108,331	15,507,200	16,527,900	1,020,700
<b>Total Wages and Benefits</b>	<b>\$ 52,492,026</b>	<b>\$ 57,534,704</b>	<b>\$ 69,799,600</b>	<b>\$ 76,498,000</b>	<b>\$ 6,698,400</b>

Category	2019-2021 Actual	2021-2023 Actual	2023-2025 Amended Budget	2025-2027 Proposed Budget	Change
Wages	\$ 30,782,864	\$ 33,951,271	\$ 40,314,600	\$ 42,387,500	\$ 2,072,900
Benefits	21,709,162	23,583,433	29,485,000	34,110,500	4,625,500
<b>Total Wages and Benefits</b>	<b>\$ 52,492,026</b>	<b>\$ 57,534,704</b>	<b>\$ 69,799,600</b>	<b>\$ 76,498,000</b>	<b>\$ 6,698,400</b>

## Additional Information – Personnel

### PERSONNEL BY DEPARTMENT / PERSONNEL BY FUND

The table below shows FTEs for the upcoming biennium and the previous three biennia, by department. The subsequent table shows FTEs for the upcoming biennium based on how budgeted expense is allocated to, and reported within, the City's funds.

Department and Position	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Adopted	2025-2027 Proposed	Change
<b>Policy and Administration</b>					
<b>City Manager</b>					
City Manager	1.00	1.00	1.00	1.00	0.00
Assistant City Manger	0.00	0.00	1.00	1.00	0.00
Executive Assistant to City Manager	1.00	1.00	1.00	1.00	0.00
Community Communications Coordinator	1.00	1.00	1.00	0.00	(1.00)
Community Engagement Specialist	0.00	0.00	0.50	0.00	(0.50)
<b>Total City Manager</b>	<b>3.00</b>	<b>3.00</b>	<b>4.50</b>	<b>3.00</b>	<b>(1.50)</b>
<b>Communications</b>					
Community Communications Coordinator	0.00	0.00	0.00	1.00	1.00
Community Engagement Specialist	0.00	0.00	0.00	1.00	1.00
<b>Total Communications</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2.00</b>	<b>2.00</b>
<b>City Recorder</b>					
City Recorder	1.00	1.00	1.00	1.00	0.00
Assistant City Recorder	1.00	1.00	1.00	1.00	0.00
Administrative PT Hourly	0.00	0.49	0.49	0.00	(0.49)
<b>Total City Recorder</b>	<b>2.00</b>	<b>2.49</b>	<b>2.49</b>	<b>2.00</b>	<b>(0.49)</b>
<b>Finance</b>					
Finance Director	1.00	1.00	1.00	1.00	0.00
Deputy Finance Director	1.00	1.00	1.00	1.00	0.00
Accountant	1.00	1.00	1.00	1.00	0.00
Senior Accounting Technician	2.00	2.00	1.00	2.00	1.00
Accounting Technician	0.00	0.00	1.00	0.00	(1.00)
Senior Financial Management Analyst	1.00	1.00	1.00	1.00	0.00
Office Specialist III	1.00	1.00	1.00	1.00	0.00
Finance Administrative PT Hourly	0.49	0.50	0.00	0.00	0.00
<b>Total Finance</b>	<b>7.49</b>	<b>7.50</b>	<b>7.00</b>	<b>7.00</b>	<b>0.00</b>
<b>Utility Customer Service</b>					
Customer Service Team Leader	0.00	1.00	1.00	1.00	0.00
Customer Accounting Coordinator	1.00	0.00	1.00	1.00	0.00
Utility Customer Service Representative	3.00	3.00	2.00	2.00	0.00
<b>Total Utility Customer Service</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>0.00</b>
<b>Municipal Court</b>					
Municipal Court Manager	1.00	1.00	1.00	1.00	0.00
Municipal Court Manager <i>(Limited Duration)</i>	0.00	0.00	0.00	1.00	1.00
Municipal Court Judge PT	0.22	0.22	0.22	0.25	0.03
Senior Court Clerk	0.00	0.00	1.00	1.00	0.00
Court Records Specialist	3.00	3.00	2.00	2.00	0.00
Court Records Specialist <i>(Limited Duration)</i>	0.00	0.00	0.00	0.50	0.50
Court/Collections Clerk	0.20	0.20	0.00	0.00	0.00
Bailiff	0.30	0.30	0.00	0.00	0.00
<b>Total Municipal Court</b>	<b>4.72</b>	<b>4.72</b>	<b>4.22</b>	<b>5.75</b>	<b>1.53</b>
<b>Human Resources</b>					
Human Resources Director	1.00	1.00	1.00	1.00	0.00
Human Resources Analyst	1.00	1.00	1.00	1.00	0.00
Hourly - Personnel	0.15	0.00	0.00	0.00	0.00
<b>Total Human Resources</b>	<b>2.15</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>0.00</b>

2025-2027 Biennial Budget

Department and Position	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Adopted	2025-2027 Proposed	Change
<b>Policy and Administration continued</b>					
<b>Economic Development</b>					
Economic Development Manager	1.00	1.00	1.00	1.00	0.00
Economic Development Coordinator	1.00	1.00	1.00	1.00	0.00
Tourism Coordinator	1.00	1.00	0.00	0.00	0.00
Temporary PT Hourly	0.00	0.00	0.48	0.00	(0.48)
<b>Total Economic Development</b>	<b>3.00</b>	<b>3.00</b>	<b>2.48</b>	<b>2.00</b>	<b>(0.48)</b>
<b>Information Technology and GIS</b>					
Information Technology Director	0.00	1.00	1.00	1.00	0.00
Information Technology Supervisor	1.00	1.00	1.00	1.00	0.00
GIS Coordinator	1.00	1.00	1.00	1.00	0.00
Information Technology Specialist	1.00	1.00	1.00	1.00	0.00
Network Analyst	1.00	1.00	1.00	1.00	0.00
GIS Analyst	0.00	0.00	1.00	1.00	0.00
GIS Technician	1.00	1.00	0.00	0.00	0.00
<b>Total Information Technology and GIS</b>	<b>5.00</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>	<b>0.00</b>
<b>Total Policy &amp; Administration</b>	<b>31.36</b>	<b>32.71</b>	<b>32.69</b>	<b>33.75</b>	<b>1.07</b>
<b>General Government</b>					
<b>Facilities Maintenance</b>					
Facilities Manager	0.00	0.00	1.00	1.00	0.00
Facilities Maintenance Specialist	2.00	2.00	2.00	3.00	1.00
Custodian PT	0.00	0.00	0.00	0.00	0.00
<b>Total Facilities Maintenance</b>	<b>2.00</b>	<b>2.00</b>	<b>3.00</b>	<b>4.00</b>	<b>1.00</b>
<b>Total General Government</b>	<b>2.00</b>	<b>2.00</b>	<b>3.00</b>	<b>4.00</b>	<b>1.00</b>
<b>Police</b>					
<b>Police Operations</b>					
Police Chief	1.00	1.00	1.00	1.00	0.00
Police Captain	2.00	2.00	2.00	2.00	0.00
Police Sergeant	9.00	9.00	9.00	9.00	0.00
Police Officer	34.00	33.00	32.00	33.00	1.00
Business Manager	1.00	1.00	1.00	1.00	0.00
Senior Administrative Assistant	1.00	1.00	1.00	1.00	0.00
Police Records Manager	1.00	1.00	1.00	1.00	0.00
Police Records Specialist	2.00	2.00	2.00	1.00	(1.00)
Homeless Liaison Officer	1.00	1.00	1.00	0.00	(1.00)
Behavioral Health Specialist	0.00	1.00	1.00	1.00	0.00
Caseworker	0.00	0.00	1.00	1.00	0.00
CSO /Forensics	1.00	1.00	1.00	1.00	0.00
CSO / Property-Evidence Officer	1.00	1.00	1.00	1.00	0.00
Police Officer - PT	0.00	0.00	0.25	0.25	0.00
<b>Total Police Operations</b>	<b>54.00</b>	<b>54.00</b>	<b>54.25</b>	<b>53.25</b>	<b>(1.00)</b>
<b>Code Enforcement and Parking Operations</b>					
Code Enforcement Manager	1.00	1.00	1.00	1.00	0.00
Code Compliance Officer	2.00	2.00	4.00	3.00	(1.00)
Parking Enforcement Officer	1.00	1.00	1.00	1.00	0.00
Office Specialist II	1.00	1.00	1.00	1.00	0.00
Parking Operations PT Hourly	0.48	0.48	0.48	0.00	(0.48)
<b>Total Code Enforcement and Parking Operation</b>	<b>5.48</b>	<b>5.48</b>	<b>7.48</b>	<b>6.00</b>	<b>(1.48)</b>
<b>Total Police</b>	<b>59.48</b>	<b>59.48</b>	<b>61.73</b>	<b>59.25</b>	<b>(2.48)</b>

## Additional Information – Personnel

Department and Position	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Adopted	2025-2027 Proposed	Change
<b>Parks and Recreation</b>					
Parks & Recreation Director	1.00	1.00	1.00	1.00	0.00
Assistant Parks & Recreation Director	1.00	1.00	1.00	1.00	0.00
Administrative Assistant	0.00	1.00	1.00	0.00	(1.00)
<b>Parks and Cemetery Maintenance</b>					
Parks and Cemetery Maintenance Manager	1.00	1.00	1.00	1.00	0.00
Parks Maintenance Team Lead	0.00	1.00	1.00	1.00	0.00
Parks Maintenance Specialist III	2.00	3.00	3.00	2.00	(1.00)
Park Maintenance Specialist II	5.00	2.00	2.00	2.00	0.00
Park Maintenance Specialist I	0.00	1.00	4.00	3.00	(1.00)
Administrative Assistant	0.00	1.00	1.00	1.00	0.00
Office Specialist III	1.00	1.00	1.00	0.00	(1.00)
Office Specialist II	0.75	0.00	0.00	1.00	1.00
Parks Maintenance PT Hourly	2.57	3.57	1.57	0.00	(1.57)
<b>Total Parks and Cemetery Maintenance</b>	<b>12.32</b>	<b>13.57</b>	<b>14.57</b>	<b>11.00</b>	<b>(3.57)</b>
<b>Recreation Aquatics</b>					
Aquatics and Recreation Manager	1.00	1.00	1.00	1.00	0.00
Building/Facility Maintenance Specialist	0.50	0.50	0.00	0.00	0.00
Office Specialist I PT	0.30	0.60	0.00	0.00	0.00
Office Specialist II PT	0.00	0.00	0.60	0.69	0.09
Recreation Programmer	1.00	1.00	0.00	0.00	0.00
Recreation Coordinator	0.00	0.00	1.00	2.00	1.00
Recreation Aquatics PT Hourly	8.50	8.50	9.90	10.85	0.95
<b>Total Recreation Aquatics</b>	<b>11.30</b>	<b>11.60</b>	<b>12.50</b>	<b>14.54</b>	<b>2.04</b>
<b>Pioneer Community Center</b>					
Social Services and Community Center Manager	1.00	1.00	1.00	1.00	0.00
Client Services Coordinator	1.00	1.00	0.00	0.00	0.00
Social Services Programmer	0.00	0.00	0.00	1.00	1.00
Social Services Coordinator	0.00	0.00	1.00	1.00	0.00
Meals on Wheels Coordinator	1.00	1.00	1.00	0.00	(1.00)
Senior Center Recreation Programmer	1.00	1.00	0.00	0.00	0.00
Recreation Program Coordinator	0.00	0.00	1.00	0.00	(1.00)
Rentals and Events Coordinator	0.00	0.00	0.00	1.00	1.00
Senior Center Nutrition Coordinator PT	0.50	0.50	0.63	0.45	(0.18)
Senior Center Van Driver PT Hourly	1.20	1.20	1.50	1.80	0.30
Food Service Worker	0.80	0.80	0.88	0.88	0.00
Building Attendant	0.90	0.90	0.50	0.30	(0.20)
Office Specialist III	0.00	0.00	1.00	1.00	0.00
Office Specialist PT	1.30	1.30	0.63	0.63	0.00
Fitness Instructor	0.00	0.00	0.00	0.30	0.30
Pioneer Center PT Hourly	0.40	0.40	0.00	0.00	0.00
<b>Total Pioneer Community Center</b>	<b>9.10</b>	<b>9.10</b>	<b>9.12</b>	<b>9.35</b>	<b>0.23</b>
<b>Recreation Programs</b>					
Historic House Guide	0.50	0.50	0.50	0.50	0.00
Recreation Programs PT Hourly	2.50	0.95	0.95	0.00	(0.95)
<b>Total Recreation Programs</b>	<b>3.00</b>	<b>1.45</b>	<b>1.45</b>	<b>0.50</b>	<b>(0.95)</b>
<b>Total Parks and Recreation</b>	<b>37.72</b>	<b>38.72</b>	<b>40.64</b>	<b>37.39</b>	<b>(3.26)</b>

2025-2027 Biennial Budget

Department and Position	2019-2021 Adopted	2021-2023 Adopted	2023-2025 Adopted	2025-2027 Proposed	Change
<b>Library</b>					
Library Director	1.00	1.00	1.00	1.00	0.00
Library Operations Manager	1.00	1.00	1.00	1.00	0.00
Library Services Manager	0.00	0.00	0.00	1.00	1.00
Library Safety Specialist	0.00	0.00	1.00	1.00	0.00
Library Circulation Coordinator	0.00	0.00	1.00	1.00	0.00
Librarian	3.00	6.00	6.00	5.00	(1.00)
Library Assistant	3.65	2.75	4.25	5.88	1.63
Hourly Library Assistants	7.25	7.50	5.00	4.37	(0.63)
<b>Total Library</b>	<b>15.90</b>	<b>18.25</b>	<b>19.25</b>	<b>20.25</b>	<b>1.00</b>
<b>Community Development</b>					
Community Development Director	1.00	1.00	1.00	1.00	0.00
Administrative Assistant	0.00	0.00	1.00	1.00	0.00
<b>Planning</b>					
Planning Manager	0.00	0.00	1.00	1.00	0.00
Senior Planner	1.00	1.00	1.00	1.00	0.00
Assistant Planner	2.00	2.00	2.00	2.00	0.00
Planner	1.00	1.00	0.00	0.00	0.00
<b>Total Planning</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>0.00</b>
<b>Building</b>					
Building Official	1.00	1.00	1.00	1.00	0.00
Senior Building Inspector	0.00	1.00	1.00	1.00	0.00
Building Inspector	4.00	4.00	2.00	2.00	0.00
Permit Technician	2.00	2.00	2.00	2.00	0.00
Permit Coordinator	1.00	1.00	1.00	1.00	0.00
Plans Examiner	0.00	0.00	3.00	3.00	0.00
Plans Examiner - Part-Time	0.00	0.25	0.25	0.00	(0.25)
<b>Total Building</b>	<b>8.00</b>	<b>9.25</b>	<b>10.25</b>	<b>10.00</b>	<b>(0.25)</b>
<b>Total Community Development</b>	<b>13.00</b>	<b>14.25</b>	<b>16.25</b>	<b>16.00</b>	<b>(0.25)</b>
<b>Public Works</b>					
Public Works Director	1.00	1.00	1.00	1.00	0.00
Assistant Public Works Director	1.00	1.00	1.00	1.00	0.00
Sr. Administrative Assistants	2.00	2.00	2.00	2.00	0.00
Administrative Assistants	0.00	0.00	1.00	1.00	0.00
Office Specialist III	1.00	1.00	0.00	0.00	0.00
Asset Management Specialist	1.00	1.00	1.00	1.00	0.00
<b>Engineering / Development Services</b>					
City Engineer	1.00	1.00	1.00	1.00	0.00
Assistant City Engineer	1.00	1.00	1.00	1.00	0.00
Senior Project Engineer	1.00	2.00	2.00	1.00	(1.00)
Project Engineer	4.00	4.00	4.00	4.00	0.00
Management Analyst	0.00	0.00	0.00	1.00	1.00
Engineering Technician III	1.00	1.00	1.00	1.00	0.00
Engineering Group - PT Hourly	0.20	0.20	0.20	0.00	(0.20)
ROW & Construction Program Mgr.	1.00	1.00	1.00	0.00	(1.00)
Senior Construction Inspector	1.00	1.00	1.00	0.00	(1.00)
Construction Inspector	1.00	1.00	1.00	1.00	0.00
Project Manager/Inspector	1.00	0.00	0.00	0.00	0.00
<b>Total Engineering</b>	<b>12.20</b>	<b>12.20</b>	<b>12.20</b>	<b>10.00</b>	<b>(2.20)</b>

## Additional Information – Personnel

<b>Department and Position</b>	<b>2019-2021 Adopted</b>	<b>2021-2023 Adopted</b>	<b>2023-2025 Adopted</b>	<b>2025-2027 Proposed</b>	<b>Change</b>
<b>Public Works continued</b>					
<b>Transportation</b>					
Operations Manager	1.00	1.00	1.00	1.00	0.00
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	0.00
Utilities Maintenance Specialist	5.00	5.00	5.00	5.00	0.00
Streets - PT Hourly	2.00	2.25	2.25	2.25	0.00
<b>Total Transportation</b>	<b>9.00</b>	<b>9.25</b>	<b>9.25</b>	<b>9.25</b>	<b>0.00</b>
<b>Water</b>					
Operations Manager	1.00	1.00	1.00	1.00	0.00
Water Quality Coordinator	1.00	1.00	1.00	1.00	0.00
Environmental Technician I	1.00	1.00	0.00	0.00	0.00
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	0.00
Construction Services Manager	0.00	0.00	0.00	0.00	0.00
Utilities Maintenance Specialist	5.00	5.00	5.00	5.00	0.00
Water - PT Hourly	1.25	1.00	1.00	1.00	0.00
<b>Total Water</b>	<b>10.25</b>	<b>10.00</b>	<b>9.00</b>	<b>9.00</b>	<b>0.00</b>
<b>2019-2021 2021-2023 2023-2025 2025-2027</b>					
<b>Department and Position</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Change</b>
<b>Wastewater</b>					
Operations Manager	1.00	1.00	1.00	1.00	0.00
Utility Maintenance Team Leader	1.00	1.00	1.00	1.00	0.00
Construction Services Manager	0.00	0.00	0.00	0.00	0.00
Utilities Maintenance Specialist	4.00	4.00	4.00	4.00	0.00
Sewer - PT Hourly	1.23	1.23	1.23	1.23	0.00
<b>Total Wastewater</b>	<b>7.23</b>	<b>7.23</b>	<b>7.23</b>	<b>7.23</b>	<b>0.00</b>
<b>Stormwater</b>					
Water Quality Coordinator	0.00	0.00	1.00	1.00	0.00
Utilities Maintenance Specialist	3.00	3.00	3.00	3.00	0.00
Stormwater - PT Hourly	1.23	1.23	1.23	1.23	0.00
<b>Total Stormwater</b>	<b>4.23</b>	<b>4.23</b>	<b>5.23</b>	<b>5.23</b>	<b>0.00</b>
<b>Fleet Service</b>					
Lead Mechanic	1.00	1.00	1.00	1.00	0.00
Mechanic	1.00	1.00	1.00	1.00	0.00
<b>Total Fleet Service</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>0.00</b>
<b>Total Public Works</b>	<b>50.91</b>	<b>50.91</b>	<b>50.91</b>	<b>48.71</b>	<b>(2.20)</b>
<b>Total Oregon City</b>	<b>210.37</b>	<b>216.32</b>	<b>224.47</b>	<b>219.35</b>	<b>(5.12)</b>



## Additional Information – Personnel

		General Fund																	
		City Manager	Communications	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	Facilities	Police	Code Enforcement	Parks and Recreation	Cemetery	Recreation Aquatics	Pioneer Community Center	Recreation Programs	
<b>City Manager</b>																			
	City Manager	1.00																	
	Assistant City Manager	1.00																	
	Executive Assistant to City Manager	1.00																	
<b>Communications</b>																			
	Community Communications Coordinator		1.00																
	Community Engagement Specialist		1.00																
<b>City Recorder</b>																			
	City Recorder			1.00															
	Assistant City Recorder			1.00															
	Administrative Part-Time Hourly			0.00															
<b>Finance</b>																			
	Finance Director				0.80														
	Deputy Finance Director				0.60														
	Accountant				1.00														
	Senior Accounting Technician				0.80														
	Senior Accounting Technician				1.00														
	Senior Financial Management Analyst				0.50														
	Office Specialist III				0.60														
<b>Municipal Court</b>																			
	Municipal Court Manager					1.00													
	Municipal Court Manager <i>(Limited Duration)</i>					1.00													
	Municipal Court Judge PT					0.25													
	Senior Court Clerk					1.00													
	Court Records Specialist					1.00													
	Court Records Specialist					1.00													
	Court Records Specialist <i>(Limited Duration)</i>					0.50													
<b>Human Resources</b>																			
	Human Resources Director						1.00												
	Human Resources Analyst						1.00												
<b>Economic Development</b>																			
	Economic Development Manager							1.00											
	Economic Development Coordinator							1.00											
<b>IT / GIS</b>																			
	Information Technology Director								0.50	0.50									
	Information Technology Supervisor								0.50	0.50									
	GIS Coordinator									0.50									
	Information Technology Specialist								1.00										
	Network Analyst								1.00										
	GIS Analyst																		
<b>Utility Customer Service</b>																			
	Customer Service Team Leader																		
	Customer Accounting Coordinator																		
	Utility Customer Service Representative																		



## Additional Information – Personnel

General Fund																
City Manager	Communications	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	Facilities	Police	Code Enforcement	Parks and Recreation	Cemetery	Recreation Aquatics	Pioneer Community Center	Recreation Programs
<b>Facilities Maintenance</b>																
Facilities Maintenance Manager										1.00						
Facilities Maintenance Specialist										0.50				0.50		
Facilities Maintenance Specialist										2.00						
<b>Police</b>																
Police Chief										1.00						
Police Captain										0.80	0.20					
Police Captain										1.00						
Police Sergeant										9.00						
Police Officer										33.00						
Homeless Liaison Officer										0.00						
Business Manager										1.00						
Senior Administrative Assistant										1.00						
Police Records Manager										1.00						
Police Records Specialist										1.00						
Behavioral Health Specialist										1.00						
Caseworker										1.00						
CSO /Forensics										1.00						
CSO / Property-Evidence Officer										1.00						
Background Investigations - PT										0.25						
<b>Code Enforcement</b>																
Code Enforcement Manager											1.00					
Code Compliance Officer											3.00					
Parking Enforcement Officer											1.00					
Office Specialist II											1.00					
<b>Parks and Recreation</b>																
Parks and Recreation Director												0.20	0.20	0.20	0.20	0.20
Assistant Parks & Recreation Director												0.20	0.20	0.20	0.20	0.20
<b>Parks and Cemetery</b>																
Parks Maintenance Manager												0.75	0.25			
Parks Maintenance Team Leader												0.75	0.25			
Parks Maintenance Specialist III												1.00	1.00			
Park Maintenance Specialist II												2.00				
Park Maintenance Specialist I												3.00				
Administrative Assistant												0.25	0.75			
Office Specialist II												0.50	0.50			
<b>Recreation Aquatics</b>																
Aquatics Recreation Manager														1.00		
Recreation Coordinator														2.00		
Office Specialist II PT														0.69		
Recreation Aquatics PT Hourly														10.85		

Library Fund	Planning Fund	Building Fund	Engineering Fund	Transportation Fund	Water Fund	Wastewater Fund	Stormwater Fund	Fleet Fund	Utility Customer Service Fund	TOTAL
										1.00
										1.00
										2.00
										1.00
										1.00
										1.00
										9.00
										33.00
										0.00
										1.00
										1.00
										1.00
										1.00
										1.00
										1.00
										1.00
										0.25
										1.00
										3.00
										1.00
										1.00
										1.00
										1.00
										2.00
										2.00
										3.00
										1.00
										1.00
										1.00
										1.00
										2.00
										0.69
										10.85

## Additional Information – Personnel

General Fund																
City Manager	Communications	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	Facilities	Police	Code Enforcement	Parks and Recreation	Cemetery	Recreation Aquatics	Pioneer Community Center	Recreation Programs
<b>Pioneer Community Center</b>																
Social Services and Community Cente															1.00	
Social Services Programmer															1.00	
Social Services Coordinator															1.00	
Rentals and Events Coordinator															1.00	
Senior Center Nutrition Coordinator P															0.45	
Senior Center Van Driver PT Hourly															1.80	
Food Service Worker															0.88	
Building Attendant															0.30	
Fitness Instructor															0.30	
Office Specialist III															1.00	
Office Specialist PT															0.63	
<b>Recreation Programs</b>																
Historic House Guide															0.50	
<b>Library</b>																
Library Director																
Library Operations Manager																
Library Services Manager																
Library Safety Specialist																
Library Circulation Coordinator																
Librarian																
Library Assistant																
Hourly Library Assistant																
<b>Community Development</b>																
Community Development Director																
Administrative Assistant																
<b>Planning</b>																
Planning Manager																
Senior Planner																
Assistant Planner																
<b>Building</b>																
Building Official																
Senior Building Inspector																
Building Inspector																
Permit Technician																
Permit Coordinator																
Plans Examiner																
<b>Public Works</b>																
Public Works Director																
Assistant Public Works Director																
Sr. Administrative Assistant																
Sr. Administrative Assistant																
Administrative Assistant																
Asset Management Specialist																

Library Fund	Planning Fund	Building Fund	Engineering Fund	Transportation Fund	Water Fund	Wastewater Fund	Stormwater Fund	Fleet Fund	Utility Customer Service Fund	TOTAL
										1.00
										1.00
										1.00
										1.00
										0.45
										1.80
										0.88
										0.30
										0.30
										1.00
										0.63
										0.50
										1.00
1.00										1.00
1.00										1.00
1.00										1.00
1.00										1.00
1.00										1.00
5.00										5.00
5.88										5.88
4.37										4.37
	0.50	0.50								1.00
	0.50	0.50								1.00
	1.00									1.00
	1.00									1.00
	2.00									2.00
	1.00									1.00
	1.00									1.00
	2.00									2.00
	2.00									2.00
	1.00									1.00
	3.00									3.00
			0.12	0.22	0.22	0.22	0.22			1.00
				0.25	0.25	0.25	0.25			1.00
				0.25	0.25	0.25	0.25			1.00
				0.25	0.25	0.25	0.25			1.00
				0.25	0.25	0.25	0.25			1.00
				0.25	0.25	0.25	0.25			1.00

## Additional Information – Personnel

General Fund																	
City Manager	Communications	City Recorder	Finance	Municipal Court	Human Resources	Economic Development	Information Technology	Geographic Info Systems	Facilities	Police	Code Enforcement	Parks and Recreation	Cemetery	Recreation Aquatics	Pioneer Community Center	Recreation Programs	
<b>Engineering / Development Services</b>																	
City Engineer																	
Assistant City Engineer																	
Senior Project Engineer																	
Project Engineer																	
Project Engineer																	
Project Engineer																	
Project Engineer																	
Engineering Technician II																	
Management Analyst																	
Construction Inspector																	
<b>Transportation</b>																	
Operations Manager																	
Utility Maintenance Team Leader																	
Utilities Maintenance Specialist																	
Streets - PT Hourly																	
<b>Water</b>																	
Operations Manager																	
Water Quality Coordinator																	
Utility Maintenance Team Leader																	
Utilities Maintenance Specialist																	
Water - PT Hourly																	
<b>Wastewater</b>																	
Operations Manager																	
Utility Maint Team Leader																	
Utilities Maintenance Specialist																	
Sewer - PT Hourly																	
<b>Stormwater</b>																	
Utilities Maintenance Specialist																	
Water Quality Coordinator																	
Stormwater - PT Hourly																	
<b>Fleet Service</b>																	
Lead Mechanic																	
Mechanic																	
<b>TOTAL</b>	3.00	2.00	2.00	5.30	5.75	2.00	2.00	3.00	1.50	3.50	53.05	6.20	8.65	3.15	15.44	9.75	0.90

Library Fund	Planning Fund	Building Fund	Engineering Fund	Transportation Fund	Water Fund	Wastewater Fund	Stormwater Fund	Fleet Fund	Utility Customer Service Fund	TOTAL
			0.25	0.30	0.15	0.15	0.15			1.00
			0.50	0.20	0.10	0.10	0.10			1.00
				0.10	0.90					1.00
			0.50	0.20	0.10	0.10	0.10			1.00
						1.00				1.00
			0.50	0.10	0.10	0.20	0.10			1.00
				0.20	0.10	0.10	0.60			1.00
			0.60	0.10	0.10	0.10	0.10			1.00
			0.40	0.15	0.15	0.15	0.15			1.00
			0.60	0.10	0.10	0.10	0.10			1.00
				1.00						1.00
				1.00						1.00
				5.00						5.00
				2.25						2.25
					1.00					1.00
					1.00					1.00
					1.00					1.00
					5.00					5.00
					1.00					1.00
						0.50	0.50			1.00
						0.50	0.50			1.00
						4.00				4.00
						1.23				1.23
							3.00			3.00
							1.00			1.00
							1.23			1.23
								1.00		1.00
								1.00		1.00
<b>20.25</b>	<b>5.00</b>	<b>11.00</b>	<b>3.47</b>	<b>12.32</b>	<b>12.72</b>	<b>10.15</b>	<b>9.55</b>	<b>2.00</b>	<b>5.70</b>	<b>219.35</b>



## CAPITAL IMPROVEMENT PROGRAM

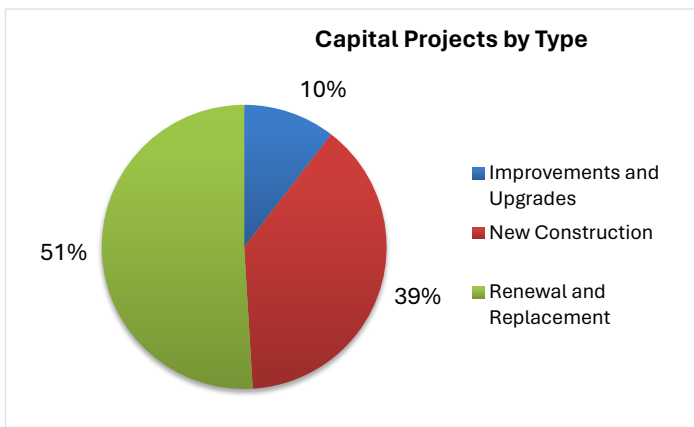
### OVERVIEW

Capital Outlay expenditures involve the acquisition or construction of equipment, land, and capital facilities. The Capital Improvement Program (CIP) establishes Oregon City’s budget for capital projects. A capital project is that which improves or adds value to the City’s capital facilities, costs \$10,000 or more, and has a useful life or extends the useful life of infrastructure for 5 years or more. Oregon City’s capital facilities include roads and pathways, parks and cemetery facilities, water distribution system, sanitary sewer collection system, stormwater drainage system, and public and operations buildings. Capital assets, tangible personal property (TPP), and intangible replacements with a cost over \$10,000 each and a useful life of more than 1 year are also included in the annual capital budget. Guiding policies and financing strategies for the CIP are included earlier in this document under the Financial Policies section.

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

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

Total capital spending for the City in the 2025-2027 biennium is budgeted at \$60,434,400 across all funds. Approximately \$54.47 million of the projected spending is on capital projects while \$5.96 million is for TPP and software.



Approximately \$27.76 million, or 51%, of Oregon City’s capital projects represent routine or ongoing capital renewal and replacements. These expenditures are included in almost every budget and will have no significant impact on the operating budget. These projects include annually scheduled roadway or pathway improvements (repaving, reconstruction, or repair), park structure replacement, annually scheduled waterline or wastewater line replacements, and stormwater drainage and water quality improvements. In some instances, these projects may generate operating savings in reduced risks and maintenance costs.

A total of \$26.71 million, or 49%, of budgeted capital projects are for either new construction or significant improvements or upgrades to the City’s infrastructure assets. The majority of these expenditures are for City infrastructure projects; together they total \$54.47 million and account for 90% of the total capital projects budget. The following pages provide additional detail on capital outlay spending; significant projects are explained below:

- ❖ Inflow and Infiltration (I & I) Program – The budget includes funding in the amount of \$14.0 million for transition to a consultant managed I & I reduction program to help augment staff capacity to deliver in I & I focused projects beginning with high priority areas in the Rivercrest, Linn, McLoughlin, and Newell basins
- ❖ Highway 213 & Beavercreek Rd. – The budget includes \$1.2 million for this Transportation project and over half is eligible for System Development Charge (SDC) funding. The City will provide improvements to Highway 213 and Beavercreek Rd. west bound right hand turn lane
- ❖ Roadway Reconstruction – This biennium includes \$4.77 million in funding for pavement preservation. This will include street overlays, reconstruction of potholed pavement, and slurry seals throughout the city. This project will help to improve the city’s pavement condition index (PCI). The PCI is a numerical index that is used to indicate the general condition of pavement. The goal for the 2025-2027 biennium is to increase the City’s PCI from 77 to 78

## Additional Information – Capital Improvement Program

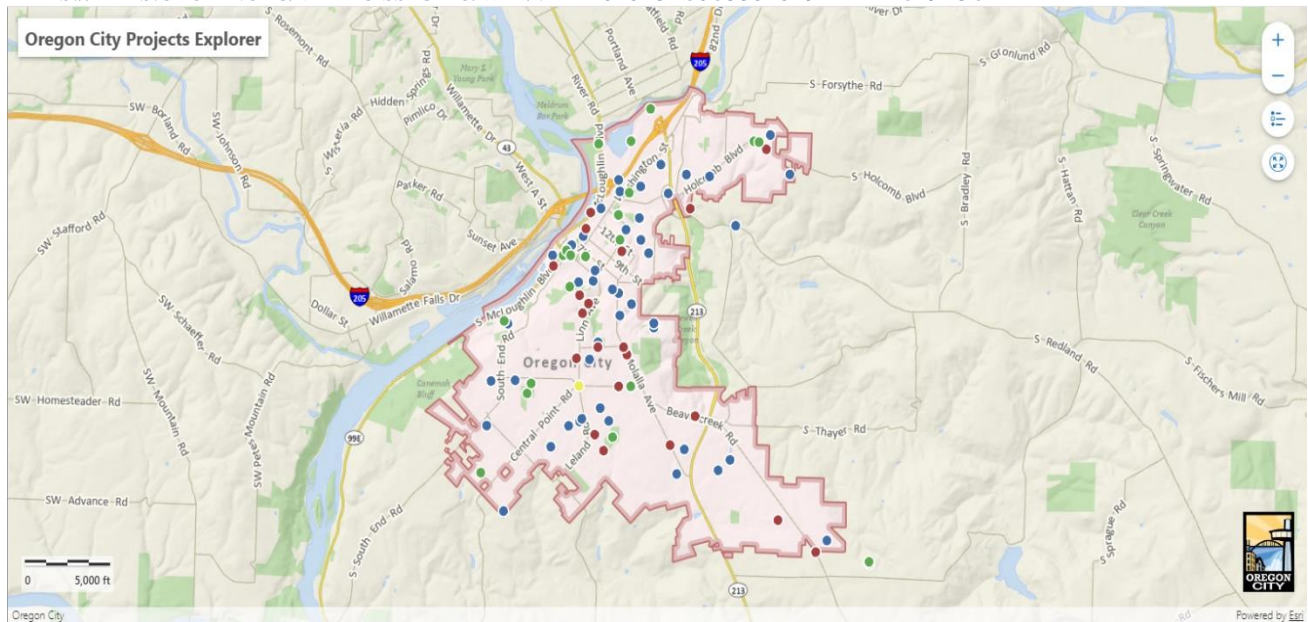
- ❖ **Henrici Pump Station & Transmission Main**– The budget includes \$10.6 million to increase capacity of water transmission to Henrici Reservoir. This is one of several major water projects that is included in the biennium. The city is currently working through the WIFIA loan process. If the loan

application is successful, the city will move forward with a low-interest loan (targeted at 5%).

- ❖ The status of many of the city’s major Capital Improvement Projects can be found here: <https://www.orecity.org/projects>

Every year the city’s GIS Department maps out the Capital Improvement projects that will be occurring during the year. Below is a link to the city’s Capital Improvement projects map.

<https://maps.orecity.org/vertigisstudio/web/?app=0f618dc0c88646a9b4f5eac9d5cfd21>





## 2025-2027 BIENNIUM CAPITAL BUDGET

The following chart itemizes the 2025-2027 capital budget. Projects are grouped by program as defined below and by funding source. Project information includes project description, annual operating impact, and total dollar amount of capital expenditures for each year of the biennium and the biennial total, and project type as shown below:

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

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

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

## Additional Information – Capital Improvement Program

Project Description	Type	Annual Operating Impact	General Fund	Library Fund	Planning Fund	Building Fund	Equip Repl Fund	Transportation Fund	
			prop taxes, Grant Match, ROW fees, etc.	Special Revenue	plan fees	permit fees	interfund transfers	gas taxes	PMUF
<b>Transportation</b>									
Oregon City Roadway Reconstruction (PMUF)	Renewal and Replacement	\$0 or reduction						69,000	4,657,000
Washington Street Corridor	Improvements and Upgrades	\$0 or reduction							
Sidewalk and Bike Lane Infill	Improvements and Upgrades	\$1,000						360,000	
Main Street Roadway Reconstruction - 10th to 15th	Renewal and Replacement	\$0 or reduction							500,000
Hwy 213 & Beavercreek West Bound Right Hand Turn Lane	Improvements and Upgrades	\$0 or reduction						468,000	
<b>Water</b>									
Henrici Pump Station & Transmission Main	New Construction	N/A							
Canemah Court Main Replacement	Renewal and Replacement	\$0 or reduction							
Molalla Avenue 30" Transmission Main	New Construction	\$1,000							
McLoughlin Neighborhood Main Replacement	Renewal and Replacement	\$0 or reduction							
Molalla Avenue 18" Transmission Main	New Construction	\$1,000							
High School Avenue 16" Transmission Main	New Construction	\$1,000							
<b>Wastewater</b>									
Inflow and Infiltration Program	Renewal and Replacement	\$0 or reduction							
Settlers Point Pump Station	Renewal and Replacement	\$0 or reduction							
Falcon Drive Sewer Extension	New Construction	\$0 or reduction							
Sewer Pump Station Generator Replacements	Renewal and Replacement	\$0 or reduction							
<b>Stormwater</b>									
Joyce Court Stormwater Improvements	Improvements and Upgrades	\$1,000							
Van Buren Street Stormwater Improvements	Improvements and Upgrades	\$1,000							
Outfall Rehabilitation	Improvements and Upgrades	\$0 or reduction							
Barclay Hills Storm Pond	Improvements and Upgrades	\$1,000							
<b>Public Facilities and Infrastructure</b>									
Public Works Building Improvements	Improvements and Upgrades	\$0 or reduction							
Library Parking Lot Improvement	Improvements and Upgrades	\$0 or reduction		35,000					
General Government Improvements	Improvements and Upgrades	\$0 or reduction	100,000						
Community Development Improvements	Improvements and Upgrades	\$0 or reduction			10,500	19,500			
<b>Parks &amp; Cemetery Facilities</b>									
Parks Improvements	Improvements and Upgrades	\$0 or reduction	505,000						
Cemetery	Improvements and Upgrades	\$0 or reduction							
Pioneer Center Repairs	Improvements and Upgrades	\$0 or reduction							
<b>Total Capital Projects</b>			\$ 605,000	\$ 35,000	\$ 10,500	\$ 19,500	\$ -	\$ 897,000	\$ 5,157,000
<b>Tangible Personal Property (TPP)</b>									
Public Works	Renewal and Replacement	N/A					2,551,900	27,500	
Police & Code Enforcement	Renewal and Replacement	N/A	40,500				565,000		
Parks & Recreation	Renewal and Replacement	N/A					518,000		
Policy & Administration	Renewal and Replacement	N/A	20,000			5,000	55,000		
Library	Renewal and Replacement	N/A		487,000					
<b>Total TPP</b>			\$ 60,500	\$ 487,000	\$ -	\$ 5,000	\$ 3,689,900	\$ 27,500	\$ -
<b>Other Capital Items</b>									
Finance Subscription-Based Info Tech Arrangements (SBITAs)	Improvements and Upgrades	N/A	34,100						
IT Subscription-Based Info Tech Arrangements (SBITAs)	Improvements and Upgrades	N/A	1,179,100						
Police Intangible Leases and (SBITAs)	Improvements and Upgrades	N/A	57,900				277,000		
Parks Software & Technology	Improvements and Upgrades	N/A	25,000						
Library Software & Technology	Improvements and Upgrades	N/A		13,000					
<b>Total Other Items</b>			\$ 1,296,100	\$ 13,000	\$ -	\$ -	\$ 277,000	\$ -	\$ -
<b>Total Capital Outlay Expenditures</b>			<b>\$ 1,961,600</b>	<b>\$ 535,000</b>	<b>\$ 10,500</b>	<b>\$ 24,500</b>	<b>\$ 3,966,900</b>	<b>\$ 924,500</b>	<b>\$ 5,157,000</b>



## Additional Information – Capital Improvement Program

### TANGIBLE PERSONAL PROPERTY (TPP)

TPP are specific items of property excluding real estate that are tangible in nature, have an expected life longer than one year and have a value of \$10,000 or more. The Capital Program includes planning for TPP replacements, and new purchases of vehicles, equipment and furnishings. A total of \$4,377,000, or 7.2% of total capital outlay, is proposed for the 2025-2027 biennium.

Depending on the asset type, most assets are expected to have a useful life of 8 to 20 years. As a result, planned maintenance and periodic replacement is essential. Vehicles, equipment

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

Description	Type	2025-2026 Budget	2026-2027 Budget	2025-2027 Biennium
<b>Public Works, Engineering, and Fleet and Equipment</b>				
New 200-Gallon De-Ice/Pesticide Spray Tank	Replacement	\$ 12,500		\$ 12,500
New 925-Gallon De-Ice Spray Tank	Replacement	15,000		15,000
Aerial Bucket Truck (Replace Vehicle #466)	Replacement	196,700		196,700
Asphalt Distributor/Tack Spray System (Replace #482)	Replacement	54,000		54,000
8 Yard Dump Truck with Plow & Sander (Replace Vehic	Replacement	280,000		280,000
De-Icer System Control Sprayers	Replacement	30,000		30,000
Vactor Trailer (New)	Replacement	162,000		162,000
Ford F-450 Utility Truck (Replace Vehicle 348)	Replacement		145,000	145,000
TV Inspection Equipment & Chassis (Fleet ID 542)	Replacement	500,000		500,000
Vac-Con (Freightliner Chassis) (Fleet ID 564)	Replacement		600,000	600,000
Elgin Sweeper (Fleet ID 661)	Replacement	385,000		385,000
Ford F-450 Utility Truck (Fleet ID 641)	Replacement		140,000	140,000
Lift for Fleet area	Replacement	44,200		44,200
Floor Scrubber for Fleet area	Replacement	15,000		15,000
Circle Cutter for Manhole frames	Replacement	45,000		45,000
Sand Bag Filler & Water Tank set up	Replacement	52,100		52,100
		<b>\$ 1,791,500</b>	<b>\$ 885,000</b>	<b>\$ 2,676,500</b>
<b>Public Safety Department</b>				
Police Vehicles (including gear)	Replacement	\$ 150,000	\$ 180,500	\$ 330,500
MDC Replacement	Replacement	137,500	137,500	275,000
		<b>\$ 287,500</b>	<b>\$ 318,000</b>	<b>\$ 605,500</b>
<b>Parks and Recreation</b>				
Memorial Benches	Replacement	\$ 5,000	\$ 5,000	\$ 10,000
Ford F350 (replace 842)	Replacement	65,000	-	65,000
F550 Dump Truck (replace 741)	Replacement	100,000	-	100,000
F550 Dump Truck (replace 843)	Replacement	100,000	-	100,000
John Deere Tractor (replace 741)	Replacement	65,000	-	65,000
Ventrac 4520P Tractor/flail mower/loader	Replacement	48,300	-	48,300
Scag Windstorm	Replacement	14,000	-	14,000
Toro Electric Mower	Replacement	35,000	-	35,000
John Deere Electric Gators (replaces 875)	Replacement	22,200	-	22,200
John Deere Electric Gators (replaces 877)	Replacement	22,200	-	22,200
John Deere Electric Gators (replaces 879)	Replacement	22,300	-	22,300
Billy Goat Leaf Vacuum	Replacement	24,000	-	24,000
		<b>\$ 523,000</b>	<b>\$ 5,000</b>	<b>\$ 528,000</b>
<b>Library</b>				
Outreach Vehicle	Replacement	\$ 275,000		\$ 275,000
Book Lockers	Replacement	70,000		70,000
Selfcheck Replacements (\$57k subsidy from CLACKCC)	Replacement	22,000		22,000
Community Room A/V upgrade	Replacement	35,000		35,000
Community Room Furniture	Replacement	50,000		50,000
Carnegie Desk reconfigure	Replacement	35,000		35,000
		<b>\$ 487,000</b>	<b>\$ -</b>	<b>\$ 487,000</b>
<b>Policy and Administration</b>				
Public, Educational and Governmental Equipment	Replacement	\$ 10,000	\$ 10,000	\$ 20,000
Customer Kiosk	Replacement	5,000		5,000
Vehicles	Replacement	55,000		55,000
		<b>\$ 70,000</b>	<b>\$ 10,000</b>	<b>\$ 80,000</b>
<b>TOTAL TPP</b>		<b>\$ 3,159,000</b>	<b>\$ 1,218,000</b>	<b>\$ 4,377,000</b>

**DEBT ADMINISTRATION**

**DEBT SUMMARY**

Oregon City will have an estimated \$20.35 million in debt outstanding at the beginning of this budget biennium, or as of July 1, 2025, as described below and consisting of the following:

- ❖ **Public Employee Retirement System (PERS) Unfunded Actuarial Liability Bonds:** City issued \$17 million in bonds dated September 28, 2005 to fund its PERS actuarial liability; matures in 2028.
- ❖ **Library General Obligation Bonds:** City issued \$6 million in voter approved General Obligation bonds dated January 7, 2015 to renovate and expand the Oregon City Library at Carnegie Center; matures in 2034.

- ❖ **Public Safety Full Faith and Credit Obligations:** City issued \$16 million in voter-approved bonds dated June 5, 2018 to provide a new public safety building. The bonds were issued at a premium of \$1,542,183 resulting in face value of the bonds of \$14,615,000. Interest rates on the bonds range from 3.00% to 5.00%. Matures in 2038.
- ❖ **Water Infrastructure Finance and Innovation Act (WIFIA) Loan:** City closed a loan agreement with the Federal Environmental Protection Agency (EPA) on July 20, 2023 for multiple water system improvement projects. Principal payments are deferred until substantial completion in fiscal year 2028 and interest payments at 3.94% will make interest only payments until substantial completion. Matures in 2063.

	Original Debt Amount	Interest Rates	Beginning Balance as of July 1, 2025	Less: Principal Due	Ending Balance as of June 30, 2026	Less Principal Due	Ending Balance as of June 30, 2027
<b>Limited Obligation Bonds</b>							
PERS Retirement Liability	\$ 17,030,000	3.75-4.25%	\$ 4,515,000	\$ 1,690,000	\$ 2,825,000	\$ 1,850,000	\$ 975,000
<b>General Obligation Bonds</b>							
Library Expansion	\$ 6,000,000	3.08%	\$ 3,222,090	\$ 316,130	\$ 2,905,960	\$ 325,867	\$ 2,580,093
<b>Full Faith and Credit Bonds</b>							
Public Safety Building	\$ 14,615,000	3-5%	\$ 10,810,000	\$ 630,000	\$ 10,180,000	\$ 655,000	\$ 9,525,000
<b>Water Infrastructure Finance and Innovation Act Loan</b>							
Water Infrastructure	\$ 16,311,537	3.94%	\$ 1,807,000	\$ -	\$ 8,657,000	\$ -	\$ 14,709,000
<b>Total Debt</b>	<b>\$ 53,956,537</b>		<b>\$ 20,354,090</b>	<b>\$ 2,636,130</b>	<b>\$ 24,567,960</b>	<b>\$ 2,830,867</b>	<b>\$ 27,789,093</b>

**COMPLIANCE**

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

**DEBT LIMITATION**

Under Oregon Revised Statutes, general obligation (property-tax supported) debt is limited to three percent of real market value of all taxable property within the City’s boundaries. The legal debt limit for fiscal years 2026 and 2027 cannot be determined until November 2025 and 2026, respectively, when the tax assessor distributes property tax information. The City’s outstanding general obligation debt of \$3.22 million as of June 30, 2025, is significantly below the current debt limitation of \$235.41 million based on the 2024 real value of \$7.96 billion.

## Additional Information – Debt Administration

### FUTURE DEBT SERVICE REQUIREMENTS

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

FUND	2026	2027	2028	2029	2030	Thereafter	Total Future Debt Service
<b>DEBT SERVICE FUND</b>							
<i>PERS Debt</i>							
Principal	\$ 1,690,000	\$ 1,850,000	\$ 975,000	\$ -	\$ -	\$ -	\$ 4,515,000
Interest	225,931	141,363	48,789	-	-	-	416,083
<i>Public Safety Building Debt</i>							
Principal	630,000	655,000	685,000	710,000	745,000	7,685,000	11,110,000
Interest	471,700	446,500	420,300	392,900	357,400	1,445,300	3,534,100
<b>LIBRARY FUND</b>							
<i>Library Building Expansion Debt</i>							
Principal	316,130	325,867	335,904	346,250	356,914	1,541,025	3,222,090
Interest	99,240	89,504	79,467	69,121	58,457	120,458	516,247
<b>WATER FUND</b>							
<i>Water Infrastructure Loan</i>							
Principal	-	-	-	247,341	257,182	15,807,014	16,311,537
Interest	71,187	341,114	579,560	640,262	630,421	10,716,815	12,979,359
Total Principal	\$ 2,636,130	\$ 2,830,867	\$ 1,995,904	\$ 1,056,250	\$ 1,101,914	\$ 9,226,025	\$ 18,847,090
Total Interest	796,871	677,367	548,556	462,021	415,857	1,565,758	4,466,430
<b>Total Debt Service</b>	<b>\$ 3,433,001</b>	<b>\$ 3,508,234</b>	<b>\$ 2,544,460</b>	<b>\$ 1,518,271</b>	<b>\$ 1,517,771</b>	<b>\$ 10,791,783</b>	<b>\$ 23,313,520</b>



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## GLOSSARY

**Accrual Basis** The recording of the financial transactions of a government, and other events and circumstances that have cash consequences for the government, in the periods in which those transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

**ADA** Acronym for the Americans with Disabilities Act of 1990.

**PROPOSED Budget** The proposed budget, after approval by the Budget Committee, becomes the PROPOSED budget after City Commission takes action on it. The PROPOSED budget becomes effective July 1 and includes all Commission PROPOSED changes throughout the biennium.

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

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

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

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

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

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

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

**ARPA** American Rescue Plan Act.

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

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

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

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

## Additional Information – Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Additional Information – Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

**Fund Balance** The difference between fund assets and fund liabilities.

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

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

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

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

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

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

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

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

**Interfund Transfers** All interfund transactions except loans.

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

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

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

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

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

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

## Additional Information – Glossary

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

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

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

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

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

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

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

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

**ODOT** Abbreviation for Oregon Department of Transportation.

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

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

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

**Organizational Unit** A responsibility center within a government.

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

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

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

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

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

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

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

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

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

**Requirements** Total expenditures and unappropriated fund balance.

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

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

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

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

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

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

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

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

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

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

## Additional Information – Glossary

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

**Supplemental Budget** Prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was PROPOSED. The supplemental budget cannot be used to increase a tax levy.

**Systems Development Charges (SDC's)** Fees charged to join or to extend or improve an existing utility system.

**Tax Base** Oregon law allows cities within the State, with voter approval, to establish a dollar amount of property tax that may be levied on property within the City.

**Taxes** Compulsory charges levied by taxing districts for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges, such as water service.

**Tax Levy** The total amount of property taxes needed to pay for basic government operations as well as sufficient amounts to pay for principal and interest on voter-approved bond issues.

**Tax Rate** The amount of tax levied for each \$1,000 of assessed valuation.

**Unappropriated Ending Fund Balance** Resources not appropriated but budgeted to account for the cash flow requirements of operations and to preclude the necessity for short-term borrowing of funds prior to receipt of budgeted revenues, or in the event of a declared emergency.

**User Fees** Charges for services to the specific entity that directly benefits.

**WIFIA** Water Infrastructure Finance and Innovation Act. Established by the Water Infrastructure Finance and Innovation Act of 2014, the WIFIA program is a federal loan and guarantee program administered by the Environmental Protection Agency (EPA). WIFIA's aim is to accelerate investment in the nation's water infrastructure by providing long-term, low-cost supplemental credit assistance for regionally and nationally significant projects.



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## CITY OF OREGON CITY CITY BUDGET COMMITTEE DRAFT MEETING MINUTES

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Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City  
Thursday, April 24, 2025 at 6:00 PM

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### 1. CONVENE MEETING AND ROLL CALL

*Mayor Denyse McGriff convened the meeting at 6:01 P.M.*

**PRESENT: 9 -** *Committee Member Mike Mitchell, Committee Member Scott Wilson, Committee Member Denyse McGriff, Committee Member Sheri Weber, Committee Member Bill Peterson, Committee Member Laurie Ariniello, Committee Member William Gifford, Committee Member Dave Hunt, Committee Member Adam Marl*

**EXCUSED: 1** *Committee Member Rocky Smith*

**STAFFERS: 10 -** *City Manager Tony Konkol, Assistant City Manager Alex Rains, City Recorder Jakob Wiley, Police Chief Shaun Davis, Public Works Director Dayna Webb, Communications Manager Jarrod Lyman, Planning Manager Pete Walter, Economic Development Coordinator Ann Griffin*

### 2. OFFICER ELECTIONS

**a. Election of Chair, Vice Chair, and Secretary**

*Motion by Committee Member Gifford, seconded by Committee Member Mitchell, to nominate William Gifford as Secretary. The motion carried by the following vote:*

**Yea:** *Committee Members Mitchell, Wilson, McGriff, Weber, Peterson, Ariniello, Gifford, Hunt, and Marl*

*Motion by Committee Member Ariniello, seconded by Secretary Gifford, to nominate Dave Hunt as Vice Chair. The motion carried by the following vote:*

**Yea:** *Committee Members Mitchell, Wilson, McGriff, Weber, Peterson, Ariniello, Gifford, Hunt, and Marl*

*Motion by Committee Member Mitchell, seconded by Committee Member McGriff, to nominate Adam Marl as Chair. The motion carried by the following vote:*

**Yea:** *Committee Members Mitchell, Wilson, McGriff, Weber, Peterson, Ariniello, Gifford, Hunt, and Marl*

### 3. PUBLIC COMMENTS

*Jason Pohl, Oregon City resident and President of the Oregon City Police Employees' Association, requested more full time patrol officers. He stated that the city had not added any full-time patrol officer positions since 2017, and the proposed budget called for reducing the number of full-time employees (FTEs) in the police department from 61.73 to 59.25.*

David Goldberg, Oregon City resident and Chair of Oregon City's Library Board, noted that the library would need the city's support in increasing the library's tax levy in the coming years. He added that the proposed budget included increasing the allocated charges to the library by 95%, from \$416,800 to \$812,000. This proposal would mean the city's general fund contribution to the library would be negative for the first time in at least 10 years.

Roger Rolen, resident of Oregon City, expressed his support for Mr. Pohl's request and advocated for the construction of a new boat ramp on the Clackamas River that would be free for Oregon City residents.

Steve Williams, resident of Oregon City, also advocated for the construction of a new boat ramp on the Clackamas River. He said that the Sportcraft boat ramp was too small for modern boat sizes, including fire rescue boats.

Frank O'Donnell, resident of Oregon City and former City Commissioner, advised the committee to look for more efficient ways to use limited funds, rather than cut programs and employees. He also asked that the committee not reduce the level of police and code enforcement FTEs. He asked that the committee not raise taxes.

a. Approval of Minutes

**Motion made by Committee Member McGriff, seconded by Committee Member Ariniello, to approve the minutes of the May 04, 2023 Budget Committee meeting. The motion carried by the following vote:**

**Yea: Committee Members Wilson, McGriff, Marl, Weber, Hunt, Peterson, Ariniello, Mitchell, and Gifford.**

b. Budget Message from the Budget Officer

Tony Konkol, City Manager, presented the proposed 2025-2027 biennial budget. He said he would present the budget in full and then break it down by individual funds. He noted that the budget was balanced, as required by state law, and that the city had implemented a hiring freeze on vacant positions.

Mr. Konkol explained that the city had two different types of funding: discretionary and dedicated. Discretionary funds were accounted for in the general fund and amounted to \$70.9 million. Dedicated funds were legally or contractually required to be spent on specific uses and amounted to \$247.2 million. The city's total budget was \$318.1 million.

The city's property tax rate was \$4.409 per thousand of assessed value. This rate was set in 2013. The maximum allowable property tax rate was \$5.0571. He detailed the city's revenue sources and expenditure categories.

Mr. Konkol then spoke about each of the city's goals for the biennium and how this budget addressed each of the goals.

Mr. Konkol described the major funds in turn. He noted that the proposed budget represents a net decrease of 3.67 FTEs across the city. He stated that expenditures for the biennium still outpace revenues, and the city is only able to operate at this level of spending by drawing down on reserves. The proposed budget assumed that property taxes would not be raised.

Mr. Konkol stated that reserves and contingencies totaled \$11.9 million. The goal was to have an end balance of 27% of general fund operating expenses. He explained that the marijuana tax revenue sharing agreement between cities and the state had changed drastically, with the city expecting to get \$400,000 less per year from this revenue source.

Mr. Konkol then began to discuss the \$12.2 million budget for the library. He noted that the budget proposed creating a library services manager position and \$530,000 in capital expenses.

He explained that the city had re-worked how it handled internal service charges. As an example, the city paid about \$1.1 million to insure its buildings. That full amount had been absorbed by the general fund but would now be charged to each department based on their use of city buildings.

Mr. Konkol then discussed the community development department, which oversaw the planning fund of \$3.7 million and building fund of \$10.7 million. He mentioned that the building fund operates as a dedicated fund. He noted that the budget called for eliminating a part-time plans examiner.

Mr. Konkol then discussed the transportation budget of \$23 million, the water budget of \$41.6 million, the wastewater budget of \$45.5 million, and the stormwater fund of \$13.5 million. He then discussed revenues gained from system development charges (SDCs). Each SDC raised dedicated funds to help pay for projects related to city growth.

Mr. Konkol then summarized the guiding vision of the budget. While revenues had returned to pre-pandemic levels, expenses had increased at a faster rate. As a result, this budget reduced the overall staff levels by not filling existing vacancies.

Mr. Konkol also noted that this proposed budget was made on the assumption that the Urban Renewal Agency would collect 25% of its available tax increment financing (TIF) in the first year of the biennium and 50% of its available TIF in the second year. The Urban Renewal Budget Committee had recommended collecting 100% of the TIF in both years. This means the budget was about \$1.4 million underfunded.

#### c. Budget Deliberations

Secretary Gifford asked that the revenue lines from intergovernmental agreements be listed by individual agency or agreement.

There was discussion about when to ask questions about specific parts of the budget. It was agreed that questions would be asked as Mr. Konkol went through each department's budget.

Committee Member Mitchell asked what was included in the \$250,000 for the diversity, equity, and inclusion (DEI) goal. He noted that the previous budget allocated \$150,000, and the discussion at the time was around making this DEI work internalized. Mr. Konkol said that \$250,000 was an estimate of how to move forward with the areas of focus identified by the results of a stay survey. The human resources department only had 2 people and did not have the training or capacity to handle this kind of project on their own. He hoped that this would get the city to where they could internalize some of this work after the biennium.

Committee Member Mitchell asked how much of the \$560,000 for the community court program would be funded by grants. Mr. Konkol said the whole program would be funded by grants that were already secured, with the exception of some costs that would be internalized by existing staff.

Committee Member Mitchell then asked how much of the \$375,000 for the destination marketing and management organization (DMMO) would come from the transient lodging tax (TLT). Mr. Konkol said all of it. Committee Member McGriff added that she felt some TLT money should also be allocated to the economic development department, since it would still be doing a small amount of tourism-related work.

Committee Member Mitchell asked where the \$400,000 listed for the design of a boat ramp and park improvements was coming from. Mr. Zook responded that the city would receive \$200,000 per year from the Water Environment Services (WES) good neighbor funding agreement, and that was the source of the money. Mr. Konkol added that the city intended to use this money to tee up

*a larger grant request with the state.*

*Mr. Hunt asked if the city was currently implementing a hiring freeze. Mr. Konkol said the city currently had a hiring freeze for positions paid for out of the general fund. He added that this budget relies on the city receiving an additional \$1.4 million from the urban renewal district electing to collect less than the full amount of its tax increment financing (TIF). However, the city was structurally imbalanced regardless. The city had not increased property taxes since 2013, but it had increased staff and programming. He encouraged the committee to be proactive about addressing structural imbalances with this budget.*

*There was discussion about the taxes and fees the city charges. 23.76% of the city's land was nontaxable, which was substantially higher than comparable cities. Increasing tax rates by 10 cents per thousand would raise about \$500,000 per year. A home with an assessed value of \$500,000 would pay about \$50 per year more in property taxes per 10 cent raise. The city put a \$78 per year fee on all water bills, and that raised close to \$1.2 million per year.*

*Mister Peterson asked for an update on ongoing labor negotiations. Mister Konkol said that the city was in negotiations with both of its unions. The city had solid estimates on what to expect with medical insurance and PERS, which were reflected in the budget. The city added a 3% cost of living adjustment in this budget.*

*Mr. Konkol then continued his presentation by talking about the general fund. The total general fund budget was \$83.8 million. Proposed budget included \$4.6 million in contingency, \$6 million in unappropriated funds, and \$1.3 million in dedicated funds reserved for projects beyond the biennium. He also discussed general fund discretionary spending towards city goals.*

*There was discussion about the \$90,000 budget for the Citizen Involvement Committee (CIC).*

*Mr. Konkol gave an overview of the Policy and Administration section of the budget. He highlighted that the Communications department used to be embedded in the City Manager section of the budget but would be given its own section in this budget.*

*Mr. Konkol gave a breakdown of the Economic Development portion of the budget. He mentioned that \$300,000 was budgeted for an adaptive reuse program in downtown, with the understanding that the Urban Renewal Agency would reduce its TIF collection enough to make up the difference. He recommended abandoning this program if the Urban Renewal Agency collected the full TIF.*

*Mr. Konkol gave an overview of the Information Technology (IT) portion of the budget. There was discussion about the industry trending towards software as a service with recurring costs, the cost and security benefits of cloud-based systems, and the use of AI.*

*The committee took a break from 8:00 PM. to 8:06 PM.*

*Mr. Konkol gave an overview of the General Government portion of the budget, which accounted for about \$3.4 million. There was discussion about phase two of the Cayuse Five Tribute.*

*There was discussion about how the contingency and unappropriated fund balance numbers are set.*

*Mr. Konkol gave an overview of the Facilities portion of the budget. There was discussion about how Facilities being part of its own department with staff members responsible for specific buildings would be more efficient than how it previously operated.*

*Mr. Konkol then gave an overview of the Police Department and Code Enforcement portions of the budget. Police was the largest portion of the General Fund, amounting to \$27.4 million. He noted that the hiring freeze had affected both departments, with vacancies for a police record specialist,*

a homeless liaison officer, and a code enforcement officer going unfilled. Police Chief Shaun Davis spoke of the increased volume in call for code enforcement over the past two years and how it was not feasible to have seven days a week coverage with fewer than 5 code enforcement officers. Chair Marl stated that a fifth code enforcement officer was added in the previous budget based on a one-time opiate settlement fund, and that it would not be prudent to hire someone based on one-time funding.

There was more discussion about five day a week code enforcement coverage versus seven day a week code enforcement coverage and how the county closing the downtown courthouse would affect parking revenues.

Committee Member Mitchell asked if the \$112,000 for flower baskets could be used for a code enforcement officer. There was discussion of the Special Programs line item of the Police budget, which included homeless cleanups and crime prevention programs.

## **5. RECESS**

*Recess to the May 1, 2025 Oregon City Budget Committee meeting.*

*Motion by Committee Member Ariniello, seconded by Secretary Gifford, to recess until May 01, 2025 at 6:00 PM. The motion carried with the following vote:*

**Yea: Committee Members Wilson, Marl, Weber, Hunt, Peterson, Mitchell, Ariniello, and Gifford**

**Nay: Committee Member McGriff**

*Chair Marl recessed the meeting at 8:49 PM.*

*Respectfully submitted,*

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*Jakob S. Wiley, City Recorder*

*Date Approved: \_\_\_\_\_*