

# City of Oregon City, Oregon



2019 - 2021 Biennial Budget  
Mid-Biennium Financial Update





## Executive Summary

This financial report summarizes the City of Oregon City's results of operations at the halfway point of the 2019-2021 biennium. It compares actual revenues and expenditures for fiscal year 2020, the first year of the 2019-2021 biennium, to budgeted revenues and expenditures for the entire biennium, highlighting significant variances. Progress on City Commission goals is addressed in separate reports to the Commission. This report focuses on financial status. Financial analysis in this report is provided for all of the City's funds on a combined basis and individually for the City's major programs:

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

The adopted biennial budget appropriated a total of \$248.3 million. During the year, the Commission approved budget adjustments that increased the total budget by approximately \$2.3 million to \$250.6 million. The budget adjustments included the recognition of grant funds awarded to the City. This included grant funds awarded through the State of Oregon Parks and Recreation Department for the development and construction of the Tyrone S. Woods Memorial Park, the development and construction of the Filbert Run Park, the rehabilitation of the Veterans Memorial Area at Mountain View Cemetery, and for cemetery records management software to modernize and digitize existing records. Other grant awards included a Regional Travel Option grant from Metro to implement the Downtown Transportation Demand Management Plan, a grant from the Department of Land Conservation and Development to update the City's comprehensive plan, and additional grant funding for the City's Meals on Wheels program due to the COVID-19 pandemic. Additional budget adjustments included funding for the Small Business Economic Relief Program, the reconstruction of the restrooms at Chapin Park, and additional staff support and supplies at the Library. Finally, a budget adjustment was made to recognize funding from Water Environmental Services (WES) for projects in the Tri-City Wastewater Recovery Region as part of the Good Neighbor Program.

Oregon City began to feel the impacts of the COVID-19 pandemic toward the end of the 2020 fiscal year, the first year of the 2019-2021 biennium. This was noticeable in a flattening of, or even decrease in, a handful of revenue sources. In response to this, departments reduced or delayed some expenditures where possible.

Due to the COVID-19 pandemic, preliminary long-range forecasts reflect a great deal of uncertainty. Despite these challenges, the City continues to manage its resources in a fiscally prudent manner and work toward goals established by the City Commission. The City is doing well overall; in part because the City maintains adequate reserves. The City must continue to be fiscally conservative, however, in order to maintain those reserves at an appropriate level.

The budget remains balanced and in compliance with laws and regulations.

## Financial Summary

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

### Revenues

- ◆ City-wide revenue, in total, exceeded expectations for the year.
- ◆ Property Taxes, Franchise Fees, Intergovernmental Revenues, and Charges for Services all met or slightly exceeded anticipated collections.

## Executive Summary (Continued)

- ♦ Fines and Penalties was under budget due in part to increased discretion used in the enforcement of expired driver licenses, vehicle registrations and trip permits during the COVID-19 pandemic.
- ♦ Assessments and Other Taxes was higher than anticipated due to an increase in marijuana taxes, which was partially off-set by other taxes in this category, such as lodging taxes, which were lower than anticipated.
- ♦ Interest Income exceeded budgeted amounts in the first year of the biennium due to favorable investment earnings rates during most of the year (pre-COVID).

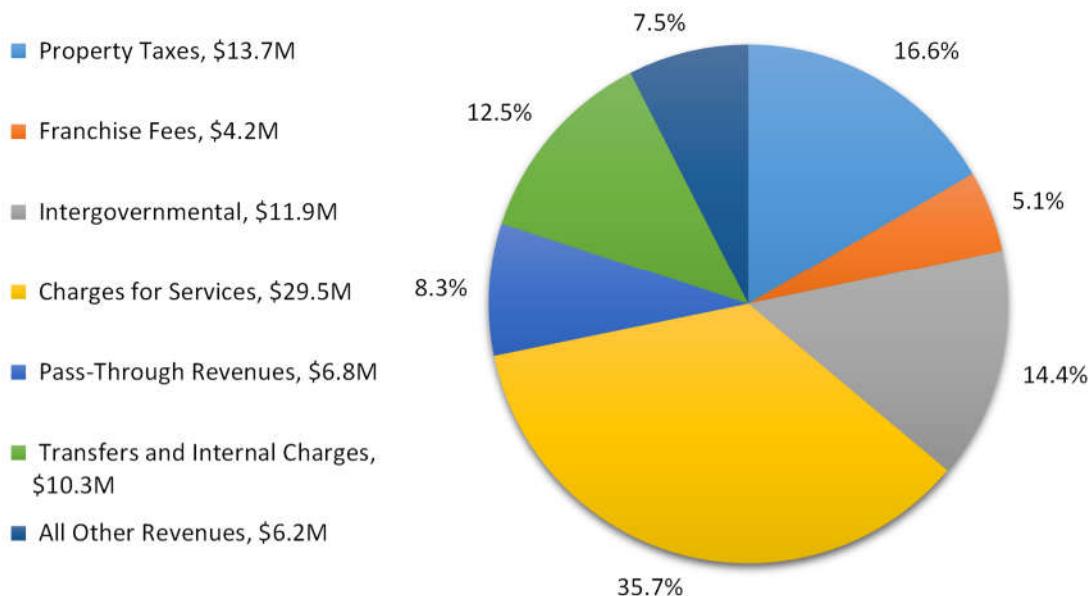
### Expenditures

- ♦ Personnel Services, Materials and Services, and Pass Through Payments were approximately as expected for the year. Generally, more funding is allocated in the second half of the biennium to account for inflation. However, in some departments, contractual services are scheduled so that the entire or majority of the expense occurs in only one year of the biennium. Costs are expected to remain within budget for all programs.
- ♦ Capital Outlay was lower than budgeted since projects are forecasted at maximum anticipated amounts to allow for operating flexibility. Hence, some projects may not be completed within the two year time period. For example, all funds in reserve for the Public Works and Parks Operations Center are appropriated in the current biennium. However, most of the cost will not occur until the construction phase, which is scheduled to begin during the second year of the biennium.

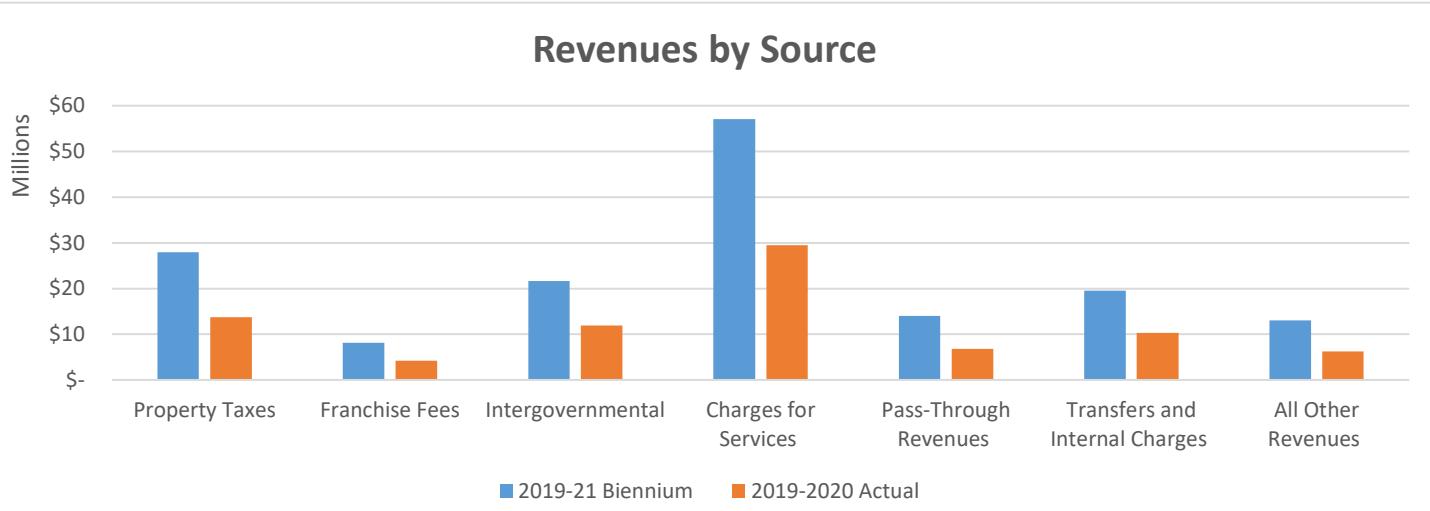
All Funds	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Beginning Fund Balance</b>	\$ 89,283,379	\$ 91,044,039	\$ 1,760,660	N/A
<b>Revenues</b>				
Property Taxes	27,891,400	13,718,416	(14,172,984)	49.2%
Franchise Fees	8,114,070	4,204,972	(3,909,098)	51.8%
Intergovernmental	21,643,731	11,882,906	(9,760,825)	54.9%
Charges for Services	46,433,029	23,160,967	(23,272,062)	49.9%
System Development Charges	6,860,000	3,181,584	(3,678,416)	46.4%
Pass-Through Revenues	14,030,784	6,823,377	(7,207,407)	48.6%
Licenses & Permits	3,743,158	3,124,882	(618,276)	83.5%
Fines and Penalties	2,705,000	980,506	(1,724,494)	36.2%
Assessments and Other Taxes	886,000	563,681	(322,319)	63.6%
Miscellaneous Income	7,166,089	3,161,277	(4,004,812)	44.1%
Interest Income	2,239,200	1,493,790	(745,410)	66.7%
Internal Service Charges	6,545,180	3,235,711	(3,309,469)	49.4%
Transfers In	13,038,166	7,052,351	(5,985,815)	54.1%
<b>Total Revenues</b>	<b>\$ 161,295,807</b>	<b>\$ 82,584,420</b>	<b>\$ (78,711,387)</b>	<b>51.2%</b>
<b>Total Resources</b>	<b>\$ 250,579,186</b>	<b>\$ 173,628,459</b>	<b>\$ (76,950,727)</b>	<b>N/A</b>
<b>Expenditures</b>				
Personnel Services	\$ 55,144,506	\$ 25,692,944	\$ (29,451,562)	46.6%
Materials and Services	35,012,456	15,512,931	(19,499,526)	44.3%
Pass-through Payments	14,030,784	6,824,530	(7,206,254)	48.6%
Capital Outlay	83,605,448	27,869,432	(55,736,016)	33.3%
Debt Service	6,130,657	3,034,302	(3,096,355)	49.5%
Transfers Out	13,038,166	7,052,351	(5,985,815)	54.1%
<b>Total Expenditures</b>	<b>\$ 206,962,017</b>	<b>\$ 85,986,490</b>	<b>\$ (120,975,527)</b>	<b>41.5%</b>
<b>Total Revenues Less Expenditures</b>	<b>\$ (45,666,210)</b>	<b>\$ (3,402,070)</b>	<b>\$ 42,264,140</b>	<b>N/A</b>
<b>Contingencies and Reserves</b>	<b>\$ 43,617,169</b>	<b>\$ 87,641,969</b>	<b>\$ 44,024,800</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 250,579,186</b>	<b>\$ 173,628,459</b>	<b>\$ (76,950,727)</b>	<b>N/A</b>

## Executive Summary (Continued)

### 2019-2020 Revenues by Source

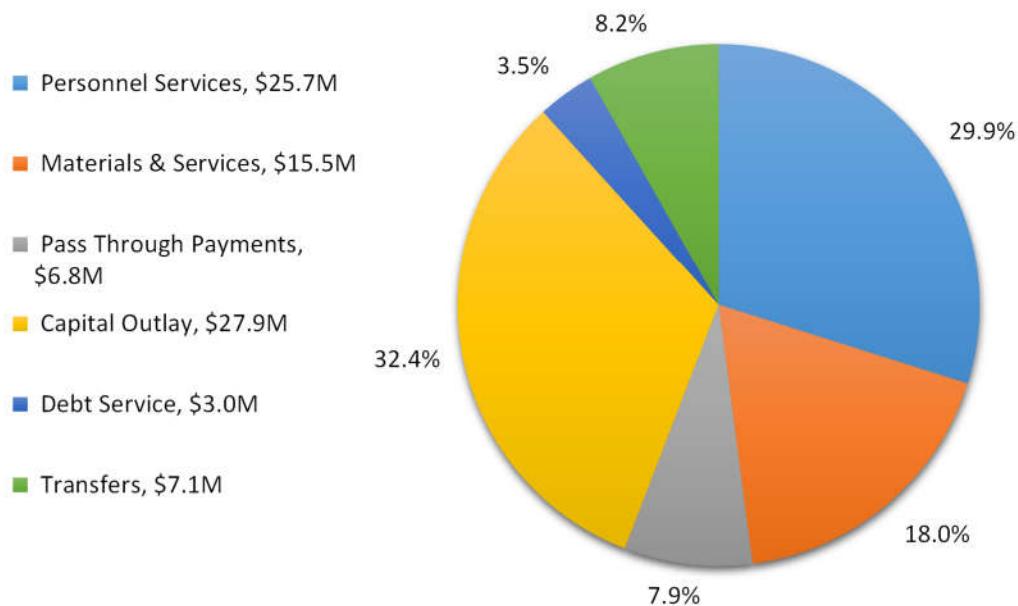


- ⇒ The largest source of revenue was Charges for Services at \$29.5 million or 35.7% of total revenues. This includes utility fees, parks and recreation fees, and system development charges.
- ⇒ Property Taxes was \$13.7 million or 16.6% of total revenues.
- ⇒ Intergovernmental revenue was \$11.9 million or 14.4% of total revenue, due in part to grant funding received for the Molalla Avenue project and the Meyers Road Extension project.
- ⇒ Franchise Fees was \$4.2 million or 5.1% of total revenues.



## Executive Summary (Continued)

### 2019-2020 Expenditures by Category



- ⇒ Capital Outlay was the largest percentage of total expenditures at \$27.9 million or 32.4% of total spending for the year. Much of this was due to the construction of the Robert Libke Public Safety and Municipal Court facility.
- ⇒ Personnel Services, usually the largest percentage of total expenditures, was \$25.7 million or 29.9% of total spending for the year.



#### Vision:

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

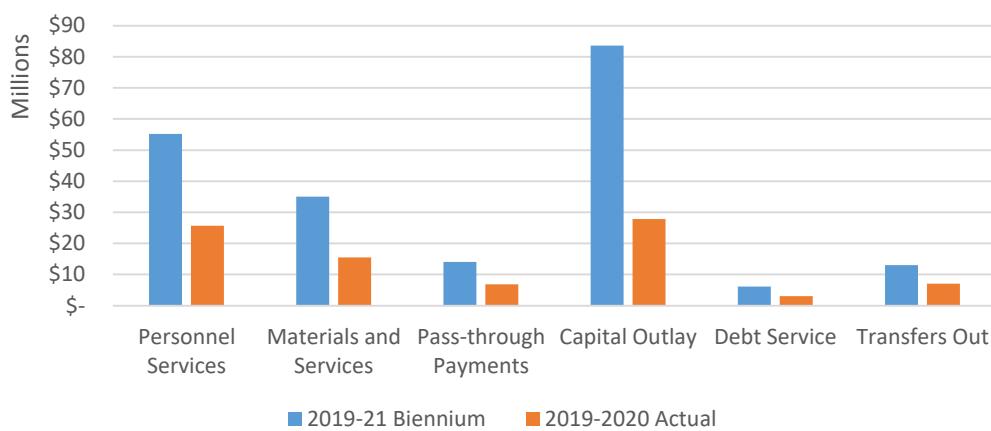
#### Mission:

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

#### Goals:

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

### Expenditures by Category



## General Fund

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

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

The chart below summarizes General Fund revenues and expenditures by category, while the chart on the following page shows the same General Fund expenditures displayed by program.

The General Fund's major categories of revenue, Property Taxes and Franchise Fees, were consistent with the budget. Some other categories of revenue, such as Fines and Penalties and Charges for Services, were under budget due to the temporary suspension of some operations during the initial months of the COVID-19 pandemic. Intergovernmental revenues were higher than expected due to the receipt of CARES Act funding associated with the COVID-19 pandemic.

As shown below and in the chart on the following page (which summarizes expenditures by program), expenditures were lower than expected for the first half of the biennium across all categories except Transfers Out. Most of the cost savings were attributable to lower than anticipated salary and benefit costs, mainly from position vacancies and the temporary suspension of operations during the initial months of the COVID-19 pandemic. Capital Outlay was under budget mainly due to projects that had not yet started in year one of the biennium, particularly in Parks and Recreation.

Stable revenue, coupled with cost savings, have provided relief from the expectation to use reserves during the year. However, management will continue to closely monitor financial activity and reserves during the second half of the biennium.

General Fund	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Beginning Balance</b>	\$ 9,101,719	\$ 9,816,801	\$ 715,082	N/A
<b>Revenues</b>				
Property Taxes	27,891,400	13,718,416	(14,172,984)	49.2%
Franchise Fees	7,511,070	3,913,647	(3,597,423)	52.1%
Intergovernmental	4,234,042	2,696,424	(1,537,618)	63.7%
Charges for Services	3,377,230	1,352,946	(2,024,284)	40.1%
Pass-Through Revenues	800,000	216,482	(583,518)	27.1%
Licenses & Permits	426,000	203,122	(222,878)	47.7%
Fines and Penalties	2,625,000	942,033	(1,682,967)	35.9%
Assessments and Other Taxes	886,000	563,681	(322,319)	63.6%
Miscellaneous Income	1,620,390	1,334,886	(285,504)	82.4%
Interest Income	500,000	262,190	(237,810)	52.4%
Internal Service Charges	2,133,100	1,047,200	(1,085,900)	49.1%
<b>Total Revenues</b>	<b>\$ 52,004,232</b>	<b>\$ 26,251,027</b>	<b>\$ (25,753,205)</b>	<b>50.5%</b>
<b>Total Resources</b>	<b>\$ 61,105,951</b>	<b>\$ 36,067,828</b>	<b>\$ (25,038,123)</b>	<b>N/A</b>
<b>Expenditures by Category</b>				
Personnel Services	\$ 34,363,532	\$ 15,876,719	\$ (18,486,813)	46.2%
Materials and Services	13,551,383	5,831,693	(7,719,690)	43.0%
Pass-Through Payments	800,000	215,929	(584,071)	27.0%
Capital Outlay	1,736,000	684,402	(1,051,598)	39.4%
Transfers Out	3,438,566	1,940,051	(1,498,515)	56.4%
<b>Total Expenditures</b>	<b>\$ 53,889,481</b>	<b>\$ 24,548,794</b>	<b>\$ (29,340,687)</b>	<b>45.6%</b>
<b>Contingency and Reserves</b>	<b>\$ 7,216,470</b>	<b>\$ 11,519,034</b>	<b>4,302,564</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 61,105,951</b>	<b>\$ 36,067,828</b>	<b>\$ (25,038,123)</b>	<b>N/A</b>

## General Fund (Continued)

General Fund	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Expenditures by Program</b>				
Policy & Administration	\$ 11,595,953	\$ 5,024,080	\$ (6,571,873)	43.3%
Public Safety	23,330,609	10,942,318	(12,388,291)	46.9%
Parks and Recreation	10,250,904	4,465,818	(5,785,086)	43.6%
General Government	4,473,449	1,960,598	(2,512,851)	43.8%
Pass-Through Payments	800,000	215,929	(584,071)	27.0%
Transfers Out	3,438,566	1,940,051	(1,498,515)	56.4%
<b>Total Expenditures</b>	<b>\$ 53,889,481</b>	<b>\$ 24,548,794</b>	<b>\$ (29,340,687)</b>	<b>45.6%</b>

## Community Development Funds

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

### Community Development:

In the Community Development Fund, Charges for Services revenue exceeded budgeted amounts due to increases in land use application fees and building permit review fees, as well as substantial tree replacement/mitigation fees paid by the Public Works Department in conjunction with the Meyer's Road Extension project.

Personnel Services was consistent with budget. Materials and Services was underbudget due to legal expenses being less than expected, as well as some expenses, such as those associated with the update to the Comprehensive Plan, being programmed for year two of the biennium.

Community Development Fund	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Beginning Balance</b>	<b>\$ 207,345</b>	<b>\$ 296,939</b>	<b>\$ 89,594</b>	<b>N/A</b>
<b>Revenues</b>				
Intergovernmental	167,500	84,438	(83,062)	50.4%
Charges for Services	522,370	802,684	280,314	153.7%
Pass-through Revenues	1,200,000	595,053	(604,947)	49.6%
Licenses & Permits	40,000	16,712	(23,288)	41.8%
Interest Income	7,200	11,198	3,998	155.5%
Internal Service Charges	610,100	297,700	(312,400)	48.8%
Miscellaneous Income	-	2,799	2,799	0.0%
Transfers In	700,000	350,000	(350,000)	50.0%
<b>Total Revenues</b>	<b>\$ 3,247,170</b>	<b>\$ 2,160,584</b>	<b>\$ (1,086,586)</b>	<b>66.5%</b>
<b>Total Resources</b>	<b>\$ 3,454,515</b>	<b>\$ 2,457,523</b>	<b>\$ (996,992)</b>	<b>N/A</b>
<b>Expenditures by Category</b>				
Personnel Services	\$ 1,468,683	\$ 726,738	\$ (741,945)	49.5%
Materials and Services	762,060	227,228	(534,832)	29.8%
Pass-through Payments	1,200,000	595,053	(604,947)	49.6%
<b>Total Expenditures</b>	<b>\$ 3,430,743</b>	<b>\$ 1,549,019</b>	<b>\$ (1,881,724)</b>	<b>45.2%</b>
<b>Contingency and Reserves</b>	<b>\$ 23,772</b>	<b>\$ 908,504</b>	<b>884,732</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 3,454,515</b>	<b>\$ 2,457,523</b>	<b>\$ (996,992)</b>	<b>N/A</b>

## Community Development Funds (Continued)

### Building:

In the Building Fund, revenues were more than expected during the first year of the biennium due to higher than expected building activity.

Personnel Services was consistent with budget, while Materials and Services was less than budget as a result of under spending amounts that were budgeted for a contract employee to fill a temporary vacancy.

Building Fund	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Beginning Balance</b>	\$ 3,411,096	\$ 3,554,782	\$ 143,686	N/A
<b>Revenues</b>				
Charges for Services	8,658	8,694	36	100.4%
Pass-through Revenues	480,000	311,976	(168,024)	65.0%
Licenses & Permits	3,201,158	2,778,077	(423,081)	86.8%
Intergovernmental	-	31,001	31,001	0.0%
Interest Income	120,000	61,105	(58,895)	50.9%
Miscellaneous Income	-	14,431	14,431	0.0%
<b>Total Revenues</b>	<b>\$ 3,809,816</b>	<b>\$ 3,205,284</b>	<b>\$ (604,532)</b>	<b>84.1%</b>
<b>Total Resources</b>	<b>\$ 7,220,912</b>	<b>\$ 6,760,066</b>	<b>\$ (460,846)</b>	<b>N/A</b>
<b>Expenditures by Category</b>				
Personnel Services	\$ 2,215,949	\$ 1,051,262	\$ (1,164,687)	47.4%
Materials and Services	468,690	201,232	(267,458)	42.9%
Pass-through Payments	480,000	311,907	(168,093)	65.0%
Transfers Out	40,000	20,000	(20,000)	50.0%
<b>Total Expenditures</b>	<b>\$ 3,204,639</b>	<b>\$ 1,584,401</b>	<b>\$ (1,620,238)</b>	<b>49.4%</b>
<b>Contingency and Reserves</b>	<b>\$ 4,016,273</b>	<b>\$ 5,175,665</b>	<b>\$ 1,159,392</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 7,220,912</b>	<b>\$ 6,760,066</b>	<b>\$ (460,846)</b>	<b>N/A</b>

# Public Works

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

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

## Engineering:

In total, revenues in the Engineering Fund were about as expected, though more right-of-way permit fees and fill permit fees were collected than anticipated, while less development review fees were collected than anticipated.

Personnel Services was consistent with budget, while Materials and Services was under budget due to underspending various budgeted professional and technical services such as consulting and engineering services.

Engineering Fund	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Beginning Balance</b>	\$ 748,643	\$ 721,212	\$ (27,431)	N/A
<b>Revenues</b>				
Charges for Services	\$ 884,400	\$ 304,721	\$ (579,679)	34.5%
Licenses & Permits	76,000	126,971	50,971	167.1%
Intergovernmental	-	809	809	0.0%
Interest Income	34,000	27,602	(6,398)	81.2%
Internal Service Charges	1,021,700	505,900	(515,800)	49.5%
Miscellaneous Income	-	6,331	6,331	0.0%
Transfers In	240,000	120,000	(120,000)	50.0%
<b>Total Revenues</b>	<b>\$ 2,256,100</b>	<b>\$ 1,092,334</b>	<b>\$ (1,163,766)</b>	<b>48.4%</b>
<b>Total Resources</b>	<b>\$ 3,004,743</b>	<b>\$ 1,813,546</b>	<b>\$ (1,191,197)</b>	<b>N/A</b>
<b>Expenditures by Category</b>				
Personnel Services	\$ 1,557,884	755,746	\$ (802,138)	48.5%
Materials and Services	491,940	176,556	(315,384)	35.9%
Transfers Out	32,000	16,000	(16,000)	50.0%
<b>Total Expenditures</b>	<b>\$ 2,081,824</b>	<b>\$ 948,302</b>	<b>\$ (1,133,522)</b>	<b>45.6%</b>
<b>Contingency and Reserves</b>	<b>\$ 922,919</b>	<b>\$ 865,244</b>	<b>\$ (57,675)</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 3,004,743</b>	<b>\$ 1,813,546</b>	<b>\$ (1,191,197)</b>	<b>N/A</b>

## Public Works (Continued)

### Transportation:

The chart below summarizes revenues and expenditures in the Transportation Fund. The Fund includes separate divisions for street operations (roadway construction and traffic safety maintenance, funded by gas taxes) and pavement maintenance (repairs to, and maintenance of, pavement, funded by utility fees).

Intergovernmental revenues include gas tax revenue, which was under budget due to a decrease in driving during the initial months of the COVID-19 pandemic. Charges for Services include pavement maintenance utility fees. These were consistent with budget, in part because they are fixed fees, and therefore, are not immediately impacted by short-term changes in driving behaviors.

Personnel Services was lower than budgeted due to temporary staff vacancies. Materials and Services was slightly higher than anticipated due to additional spending on vehicle maintenance, roadway maintenance, and traffic signal operations.

Capital Outlay was lower than budgeted as projects are forecasted at maximum anticipated amounts to allow for operating flexibility.

Transportation Fund	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Beginning Balance</b>	\$ 2,358,038	\$ 2,680,863	\$ 322,825	N/A
<b>Revenues</b>				
Intergovernmental	\$ 8,691,107	\$ 3,634,329	\$ (5,056,778)	41.8%
Charges for Services	5,327,207	2,666,365	(2,660,842)	50.1%
Interest Income	35,000	42,797	7,797	122.3%
Miscellaneous Income	-	9,098	9,098	0.0%
Transfers In	319,740	169,570	(150,170)	53.0%
<b>Total Revenues</b>	<b>\$ 14,373,054</b>	<b>\$ 6,522,159</b>	<b>\$ (7,850,895)</b>	<b>45.4%</b>
<b>Total Resources</b>	<b>\$ 16,731,092</b>	<b>\$ 9,203,022</b>	<b>\$ (7,528,070)</b>	<b>N/A</b>
<b>Expenditures by Category</b>				
Personnel Services	\$ 3,042,589	\$ 1,368,686	\$ (1,673,903)	45.0%
Materials and Services	3,032,358	1,583,629	(1,448,729)	52.2%
Capital Outlay	9,277,132	2,109,499	(7,167,633)	22.7%
Transfers Out	410,000	330,000	(80,000)	80.5%
<b>Total Expenditures</b>	<b>\$ 15,762,079</b>	<b>\$ 5,391,814</b>	<b>\$ (10,370,265)</b>	<b>34.2%</b>
<b>Contingency and Reserves</b>	<b>\$ 969,013</b>	<b>\$ 3,811,208</b>	<b>\$ 2,842,195</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 16,731,092</b>	<b>\$ 9,203,022</b>	<b>\$ (7,528,070)</b>	<b>N/A</b>

## Public Works (Continued)

### Water:

Charges for Services was slightly under budget due to a decrease in consumption in the current year. Pass-through Revenues is comprised of SDC fees collected on behalf of South Fork Water Board (the water treatment operation jointly owned by Oregon City and West Linn). The fees are remitted to the Board each month and are not available to fund the operations of the City's water distribution utility.

Personnel Services was consistent with budget, while Materials and Services was slightly under budget. Only 4.3% of the Capital Outlay budget was been spent during the first year of the biennium. Capital expenditures were lower than budgeted as projects are forecasted at maximum anticipated amounts to allow for operating flexibility.

Water Fund	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Beginning Balance</b>	\$ 4,325,070	\$ 4,414,265	\$ 89,195	N/A
<b>Revenues</b>				
Charges for Services	\$ 15,631,242	\$ 7,356,761	\$ (8,274,481)	47.1%
Pass-through Revenues	600,000	258,197	(341,803)	43.0%
Intergovernmental	-	8,491	8,491	0.0%
Interest Income	135,000	66,647	(68,353)	49.4%
Miscellaneous Income	-	15,246	15,246	0.0%
<b>Total Revenues</b>	<b>\$ 16,366,242</b>	<b>\$ 7,705,342</b>	<b>\$ (8,660,900)</b>	<b>47.1%</b>
<b>Total Resources</b>	<b>\$ 20,691,312</b>	<b>\$ 12,119,607</b>	<b>\$ (8,571,705)</b>	<b>N/A</b>
<b>Expenditures by Category</b>				
Personnel Services	\$ 2,966,797	1,472,051	(1,494,746)	49.6%
Materials and Services	7,492,282	3,331,969	(4,160,313)	44.5%
Pass-through Payments	600,000	258,197	(341,803)	43.0%
Capital Outlay	6,869,000	293,097	(6,575,903)	4.3%
Transfers Out	1,650,000	1,400,000	(250,000)	84.8%
<b>Total Expenditures</b>	<b>\$ 19,578,079</b>	<b>\$ 6,755,314</b>	<b>(12,822,765)</b>	<b>34.5%</b>
<b>Contingency and Reserves</b>	<b>\$ 1,113,233</b>	<b>\$ 5,364,293</b>	<b>4,251,060</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 20,691,312</b>	<b>\$ 12,119,607</b>	<b>(8,571,705)</b>	<b>N/A</b>

# Public Works (Continued)

## Wastewater:

Charges for Services was slightly higher than anticipated for the year, while Franchise Fees was slightly lower. Pass-through Revenues for wastewater treatment and connection charges are collected and remitted to Clackamas County for operation of the regional treatment plant. These revenues are not available to fund the operations of the City's wastewater utility. Pass-through Revenues and the related Pass-through Payments can differ based on the timing of payments.

Wastewater utility expenditures were as expected for Personnel Services and Materials and Services. Only 5.3% of the Capital Outlay budget was spent during the first year of the biennium. This was a result of the deferral of much of this spending until year two of the biennium. The majority of deferred spending was associated with two initiatives; the inflow and infiltration reduction program and the rehabilitation and replacement program.

<b>Wastewater Fund</b>	<b>2019-21 Biennium</b>	<b>2019-2020 Actual</b>	<b>Variance</b>	<b>%</b>
<b>Beginning Balance</b>	\$ 9,652,888	\$ 9,889,155	\$ 236,267	N/A
<b>Revenues</b>				
Charges for Services	\$ 12,232,359	\$ 6,240,499	\$ (5,991,860)	51.0%
Franchise Fees	603,000	291,325	(311,675)	48.3%
Intergovernmental	-	7,218	7,218	0.0%
Pass-through Revenues	10,950,784	5,441,669	(5,509,115)	49.7%
Interest Income	235,000	150,653	(84,347)	64.1%
Miscellaneous Income	-	34,531	34,531	0.0%
Transfers In	400,000	-	(400,000)	0.0%
<b>Total Revenues</b>	<b>\$ 24,421,143</b>	<b>\$ 12,165,895</b>	<b>\$ (12,255,248)</b>	<b>49.8%</b>
<b>Total Resources</b>	<b>\$ 34,074,031</b>	<b>\$ 22,055,050</b>	<b>\$ (12,018,981)</b>	<b>N/A</b>
<b>Expenditures by Category</b>				
Personnel Services	\$ 2,576,855	\$ 1,232,396	\$ (1,344,459)	47.8%
Materials and Services	3,496,156	1,657,990	(1,838,166)	47.4%
Pass-through Payments	10,950,784	5,443,444	(5,507,340)	49.7%
Capital Outlay	5,745,000	305,521	(5,439,479)	5.3%
Transfers Out	2,930,000	1,140,000	(1,790,000)	38.9%
<b>Total Expenditures</b>	<b>\$ 25,698,795</b>	<b>\$ 9,779,351</b>	<b>\$ (15,919,444)</b>	<b>38.1%</b>
<b>Contingency and Reserves</b>	<b>\$ 8,375,236</b>	<b>\$ 12,275,699</b>	<b>\$ 3,900,463</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 34,074,031</b>	<b>\$ 22,055,050</b>	<b>\$ (12,018,981)</b>	<b>N/A</b>

## Public Works (Continued)

### Stormwater:

Major revenues and expenditures in the Stormwater Fund were consistent with expectations for the first half of the biennium, with the exception of Capital Outlay. Capital Outlay was underspent in year one of the biennium as a result of the deferral of much of this spending until year two of the biennium.

Stormwater Fund	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Beginning Balance</b>	\$ 1,642,549	\$ 1,625,466	\$ (17,083)	N/A
<b>Revenues</b>				
Charges for Services	\$ 6,103,363	\$ 3,133,103	\$ (2,970,260)	51.3%
Intergovernmental	-	46,105	46,105	0.0%
Interest Income	50,000	26,225	(23,775)	52.5%
Miscellaneous Income	-	14,069	14,069	0.0%
<b>Total Revenues</b>	<b>\$ 6,153,363</b>	<b>\$ 3,219,502</b>	<b>\$ (2,933,861)</b>	<b>52.3%</b>
<b>Total Resources</b>	<b>\$ 7,795,912</b>	<b>\$ 4,844,968</b>	<b>\$ (2,950,944)</b>	<b>N/A</b>
<b>Expenditures by Category</b>				
Personnel Services	\$ 2,479,663	\$ 1,156,162	\$ (1,323,501)	46.6%
Materials and Services	1,833,319	917,962	(915,357)	50.1%
Capital Outlay	1,180,000	82,307	(1,097,693)	7.0%
Transfers Out	910,000	705,000	(205,000)	77.5%
<b>Total Expenditures</b>	<b>\$ 6,402,982</b>	<b>\$ 2,861,431</b>	<b>\$ (3,541,551)</b>	<b>44.7%</b>
<b>Contingency and Reserves</b>	<b>\$ 1,392,930</b>	<b>\$ 1,983,537</b>	<b>\$ 590,607</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 7,795,912</b>	<b>\$ 4,844,968</b>	<b>\$ (2,950,944)</b>	<b>N/A</b>

## Library

Major funding for Library operations comes from district property tax revenues. Tax revenues were slightly higher than anticipated for the year. Expenses were slightly lower than anticipated as a result of the temporary closure of the Library during the initial months of the COVID-19 pandemic.

Library Fund	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Beginning Balance</b>	\$ 2,890,126	\$ 2,912,984	\$ 22,858	N/A
<b>Revenues</b>				
Intergovernmental	\$ 4,775,566	\$ 2,481,216	\$ (2,294,350)	52.0%
Charges for Services	-	3,433	3,433	0.0%
Fines and Penalties	80,000	38,473	(41,527)	48.1%
Interest Income	90,000	55,402	(34,598)	61.6%
Miscellaneous Income	10,000	32,604	22,604	326.0%
Transfers In	300,000	150,000	(150,000)	50%
<b>Total Revenues</b>	<b>\$ 5,255,566</b>	<b>\$ 2,761,128</b>	<b>\$ (2,494,438)</b>	<b>52.5%</b>
<b>Total Resources</b>	<b>\$ 8,145,692</b>	<b>\$ 5,674,112</b>	<b>\$ (2,471,580)</b>	<b>N/A</b>
<b>Expenditures by Category</b>				
Personnel Services	\$ 2,934,275	\$ 1,344,124	\$ (1,590,151)	45.8%
Materials and Services	1,105,665	481,849	(623,816)	43.6%
Debt Service	830,741	415,371	(415,370)	50.0%
Transfers Out	40,000	20,000	(20,000)	50.0%
<b>Total Expenditures</b>	<b>\$ 4,910,681</b>	<b>\$ 2,261,344</b>	<b>\$ (2,649,337)</b>	<b>46.0%</b>
<b>Contingency and Reserves</b>	<b>\$ 3,235,011</b>	<b>\$ 3,412,768</b>	<b>\$ 177,757</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 8,145,692</b>	<b>\$ 5,674,112</b>	<b>\$ (2,471,580)</b>	<b>N/A</b>

## Community Facilities

This fund is used to accumulate resources for the eventual replacement of major community facilities. Current year activities included the construction of the Robert Libke Public Safety and Municipal Court facility. Revenues include the Community Safety Advancement Fee and planned savings transfers.

Community Facilities Fund	2019-21 Biennium	2019-2020 Actual	Variance	%
<b>Beginning Balance</b>	<b>\$ 24,216,061</b>	<b>\$ 25,100,854</b>	<b>\$ 884,793</b>	<b>N/A</b>
Charges for Services	\$ 2,160,000	\$ 1,204,961	\$ (955,039)	55.8%
Interest Income	431,000	298,786	(132,214)	69.3%
Miscellaneous Income	-	167,021	167,021	0.0%
Other Income - Sale of Capital Assets	2,500,000	-	(2,500,000)	0.0%
Transfers In	7,230,000	4,390,000	(2,840,000)	60.7%
<b>Total Revenues</b>	<b>\$ 12,321,000</b>	<b>\$ 6,060,768</b>	<b>\$ (6,260,232)</b>	<b>49.2%</b>
<b>Total Resources</b>	<b>\$ 36,537,061</b>	<b>\$ 31,161,622</b>	<b>\$ (5,375,439)</b>	<b>N/A</b>
<b>Expenditures by Category</b>				
Materials and Services	\$ 100,000	\$ 112,987	\$ 12,987	113.0%
Capital Outlay	32,880,000	17,943,068	(14,936,932)	54.6%
Debt Service	2,000	-	(2,000)	0.0%
Transfers Out	2,208,600	1,104,300	(1,104,300)	50.0%
<b>Total Expenditures</b>	<b>\$ 35,190,600</b>	<b>\$ 19,160,355</b>	<b>\$ (16,030,245)</b>	<b>54.4%</b>
<b>Contingency and Reserves</b>	<b>\$ 1,346,461</b>	<b>\$ 12,001,267</b>	<b>\$ 10,654,806</b>	<b>N/A</b>
<b>Total Requirements</b>	<b>\$ 36,537,061</b>	<b>\$ 31,161,622</b>	<b>\$ (5,375,439)</b>	<b>N/A</b>

## Other Funds

The City utilizes various other funds to account for dedicated revenues and expenditures, such as the System Development Fund and the Debt Service Fund. The City also utilizes internal service funds which are designed to break even each year. Each fund has been reviewed and all are operating as expected at this point in the biennium.

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

Questions on this document can be addressed to:

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