



**City of Gladstone  
2019-2021 Biennium  
Proposed Budget  
The Path Forward**



# City of Gladstone, Oregon

## 2019 – 2021 Proposed Biennial Budget

For the biennium beginning July 1, 2019 and ending June 30, 2021



### CITY COUNCIL:

Tamara Stempel, Mayor

Randy Ripley, City Councilor Position 1

Linda Neace, City Councilor Position 2

Matt Tracy, City Councilor Position 3

Neal Reisner, City Councilor Position 4

Tracy Todd, City Councilor Position 5

Thomas Mersereau, City Councilor Position 6

### BUDGET COMMITTEE:

Collette Umbras

Steve Bergeron

Kristi Haller-Shaffer

Mindy Garlington

Johnny Akers

John Wohlwend

Brenda Schellenberg

### CITY STAFF:

Jacque Betz, City Administrator

Tami Bannick, City Recorder

Cathy Brucker, Interim Finance Director

Jim Whynot, Public Works Director

Kim Yamashita, Interim Police Chief

Jeff Smith, Interim Fire Chief

Mitzi Olson, Interim Library Director

Colin Black, Senior Center Manager



# City of Gladstone Biennium Budget 2019-2021

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March 25, 2019

To the Honorable Mayor  
Members of the Gladstone City Council  
Citizen members of the Budget Committee  
Citizens of the City of Gladstone

It is my pleasure to present for your consideration, a balanced budget of \$53, 495, 386 for the Fiscal Years (FY) 2019-21 biennial budget, which is a decrease of 17.23% from the previous biennial budget. The decrease is due to the completion of financings, and a correction of a budgetary overstatement in beginning fund balance. The purpose of the budget message is to introduce the Proposed Budget, supply a brief overview of the document and how it will address the Council's goals with the City's resources over the coming biennium.

The 2019-21 Proposed Budget for the City of Gladstone is, as required by Oregon Law, the most important document of the City. It sets standards and establishes an action, operational and financial plan for the delivery of City services. The budget document is organized into 11 funds and accounts for 18 programs; in addition to the urban renewal agency that publishes a separate budget. It is important for citizens to understand that revenue sources are tied to specific expenditures and can only be used for their prescribed purpose. Each fund is designed to separate transactions in compliance with a specific program and to assist in the management of public dollars. Dollars cannot be moved between funds without the proper budgetary appropriations.

The City's finance consultant prepared the document under the guidance of the City Administrator with the collaboration of the supervisory staff that includes the public works director, interim fire chief, interim police chief, senior center manager, and city recorder. We have spent considerable time preparing the budget, utilizing the most accurate information available to predict revenues and expenditures for the next two years.

### [City Council Goals for 2019-21](#)

The City Council held a strategic planning session in January and goals were incorporated into our work plan for the next two years. They build off a successful past couple years, and the momentum will carry us into the next biennium. These goals are identified in the budget document.

### [2019-21 Proposed Budget Highlights](#)

The City's permanent tax rate continues to be \$4.8174 per thousand. The City is collecting the full permanent levy amount and revenues will remain steady. In general, this is a relatively static budget, operationally. A proposed "general fund options" list will also be submitted for Budget Committee consideration. Changes in personnel, that have been incorporated, are discussed below.

### **Budget highlights include:**

- Transient Lodging Tax revenues are higher than anticipated since an ordinance implementing a six percent (6%) transient lodging tax in the city limits of Gladstone became effective. In the

## Introduction

next biennium the City will initiate a tourism plan that capitalizes on Gladstone's exceptional assets and is spent in accordance with ORS 320.300(7).

- The Police Services and Fire Services Operating Levies were renewed at the November 2018 election for five years beginning July 2019 through 2024.
  - The police levy will continue at the current rate of \$.68 per \$1,000 of assessed value generating \$1,311,323. This will allow the City to continue to provide funding to maintain police services at the existing level of service and the current staffing level to serve the Gladstone community.
  - The fire levy will continue at the current rate of \$.31 per \$1,000 of assessed value generating \$597,722. This will allow the City to continue with the current staffing level and the existing level of fire and medical services for the Gladstone community.
- The City entered into an intergovernmental agreement (IGA) for Milwaukie to provide Right-of-Way (ROW) management services in accordance with Gladstone Ordinance 1465. An established and active ROW program will increase the revenue to the City, which will assist in the much-needed maintenance and repair to our city infrastructure.
- This proposed budget includes phased-in updates to the utility rates which will put the City in a position to continue to operate and maintain its infrastructure, address the requirements listed in the Mutual Agreement and Order with the Department of Environment Quality, (to settle DEQ violations pertaining to raw sewage overflowing into the Clackamas River), and in five years be able to replace its infrastructure on a 100 year cycle.

Gladstone's elected officials are committed to catching up on infrastructure needs. Water, sewer, and stormwater systems are in very poor condition due to long deferred maintenance and lack of timely replacement of failing infrastructure. A high priority is updating water and sewer rates to pay for fixing failing pipelines, pump stations, and storage tanks. These investments are needed to maintain reliable water and sewer service to City residents.

- The proposed budget includes 57.72 full-time employees (FTE). The FTE counts are based on the first year of the biennial budget and individual budget detail has the breakdown. The counts are also based upon the departmental allocation of each employee which accounts for slight differences between fiscal years. The Municipal Court has increased to a full-time Court Administrator and the Fire Department increased by one full-time Captain during the current biennium.

Within the Public Works department, new positions have been incorporated that will be split amongst Parks, Roads & Streets, Sewer, Water and Storm Water. These positions amount to 2.5 FTE's, and will be added incrementally between the two years of the biennium.

- The City completed (and is in the process of implementing) a strategic assessment of our classification and compensation plan for all city employees. The new compensation plan brings salaries in-line with public agency market comparables, improves moral, and boosts job appeal retention. Funding for the implementation of the compensation portion of the plan update was addressed with each affected fund.



## Introduction

- Labor expenses driven by increasing costs associated with retirement benefits, specifically the Public Employees Retirement System (PERS) paint a grim picture for the next several years. For Gladstone the actuary increase is an average of 5.96 percentage points to the previous rate (or a 43% average overall increase) and continues to rise at a faster rate than our primary revenue sources. Fortunately, other payroll related benefits have remained relatively stable.
- The proposed budget reflects a recommendation to separate the information technology (IT) department from the administration budget. Information Technology (IT) is an integral part of a city's infrastructure and for the past three years Gladstone invested over \$350,000 to upgrade its technology to support best business practices in communication, transparency, data and facility security. The result is that all the City's locations are connected to one central location for more efficient communications, data is secure from catastrophic and malicious events, and the city financial systems are upgraded, dependable and transparent.
- The City of Gladstone and Clackamas County entered into an agreement which contemplates the County constructing and managing a new library in the City of Gladstone on the current City Hall site (525 Portland Avenue). The agreement also specifies that the City will contribute approximately \$200,000 per fiscal year of general fund revenue, with increases indexed to the annual rate of increase of the City's property tax revenue, to fund operating costs. This proposed budget assumes the financial commitment in year 2020-21. An additional agreement to transfer library employees and the facility to the County is forthcoming and the financial payment correlates with a reduction in employees once the agreement is in place.
- The City entered into a guaranteed maximum price contract to build the voter-approved Gladstone Police Station & City Hall (Civic Center) to be located at 18505 Portland Avenue.. Besides the current police station not meeting the 2022 Building Code for essential buildings, the voters agreed that the police station and city hall current space is unable to be upgraded without a complete demolition and rebuild. It is more cost-efficient to construct new facilities. Construction will be substantially completed by May 2020.

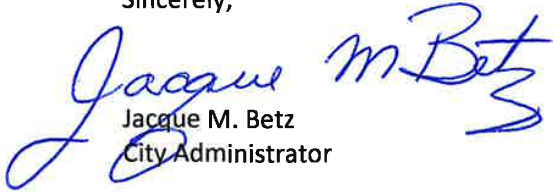
The voters also authorized the City to incur debt to finance the Civic Center. The total project cost is \$13.8 million. Financing was issued by the Gladstone Urban Renewal Agency (Agency) for \$3.8 million and the City of Gladstone with a Full Faith and Credit (FFC) note for \$3 million as authorized by Resolutions No. UR-66 and No. 1137. The remainder of the total cost of the project is available in Agency cash funds.

This year's General Fund unappropriated ending fund balance (before reserves) is \$812,841; and including reserves of \$400,000 the final ending fund balance is \$1,212,841. The City strives to maintain a healthy General Fund ending fund balance of 10% of General Fund unreserved revenues at a minimum (\$1,109,478 as determined by the City's financial policy), in order to be financially stable through December for the following fiscal year before property taxes are received. We recommend the City prepare a five-year long-range financial plan and a cost allocation plan in the next biennium to monitor the fiscal health of the City in addition to the progress we make each year in attaining and maintaining the fund balance targets.

## Introduction

Finally, our employees are a valued asset and we commend the hard work they put forth in partnership with the community volunteers. It is because of all of them the City is able to provide excellent results with programs and projects in Gladstone. We also want to thank the elected officials and budget committee for your guidance and input as we work on this document together, keeping Gladstone's vision and core values at the forefront.... *Our City will be safe, healthy, engaged, livable, vibrant, thriving, highly qualified, accountable, financially stable, and continually improving.*

Sincerely,

A handwritten signature in blue ink that reads "Jacquie M. Betz". The signature is fluid and cursive, with the first name "Jacquie" being larger and more prominent than the last name "Betz".

Jacquie M. Betz  
City Administrator



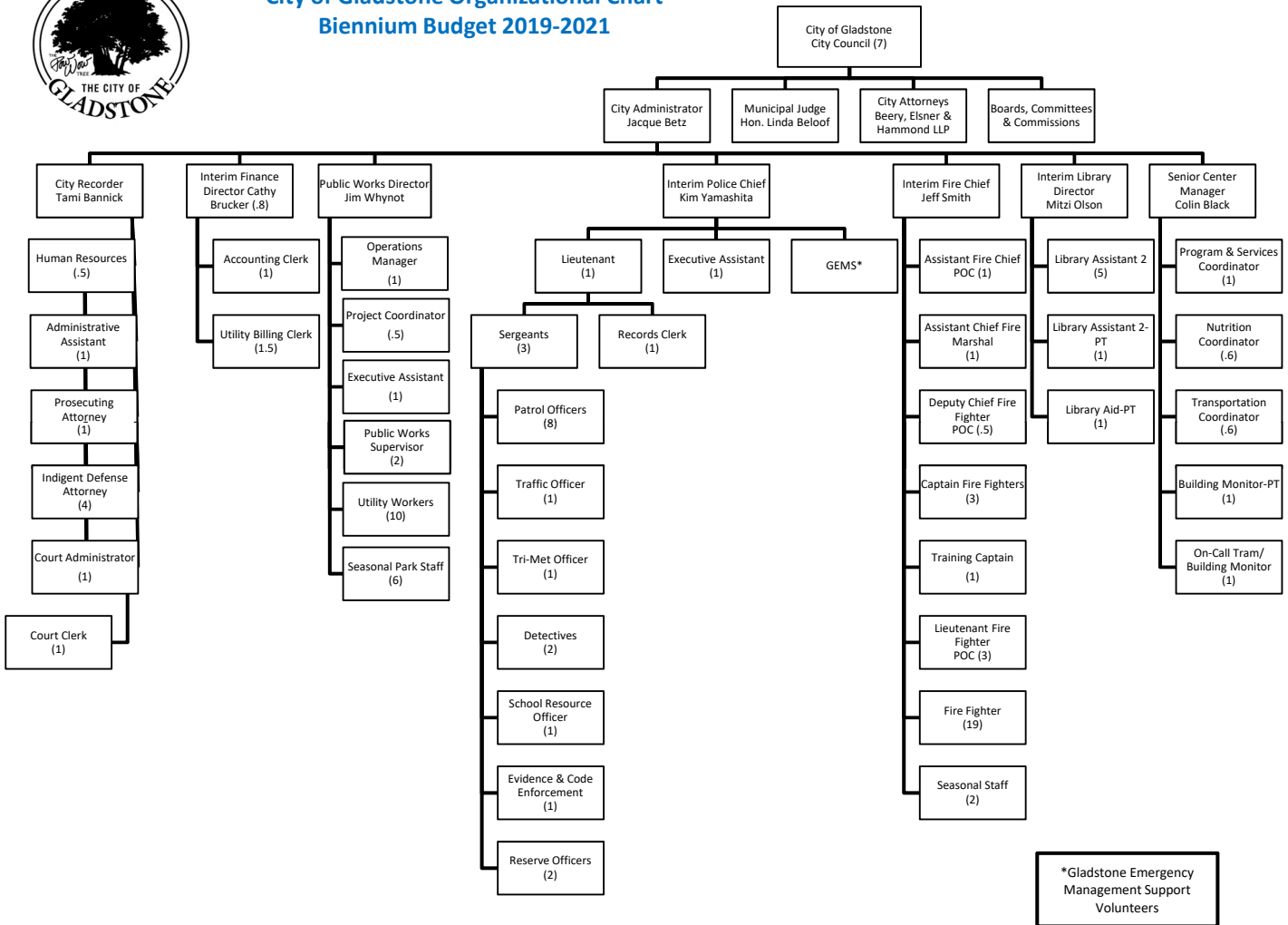


## Budget Calendar 2019-2021 Biennium Budget

<b>February 12, 2019</b>	<b>City Council Meeting</b> <ul style="list-style-type: none"><li>• Consider and approve Budget Calendar</li></ul>
March 6, 2019	1 <sup>st</sup> Publication of March 25 <sup>th</sup> , 2019 Budget Committee Meeting
March 13, 2019	2 <sup>nd</sup> Publication of March 25 <sup>th</sup> , 2019 Budget Committee Meeting
<b>March 18, 2019</b>	<b>Budget Committee Meeting</b> <ul style="list-style-type: none"><li>• Budget Process Orientation</li></ul>
<b>March 25, 2019</b>	<b>Budget Committee Meeting</b> <ul style="list-style-type: none"><li>• Appoint Budget Officer</li><li>• Receive the Budget Message</li><li>• Review the Proposed Budget</li><li>• Receive Public Comment</li><li>• Approve Budget or schedule 2<sup>nd</sup> Committee Meeting</li></ul>
April 10, 2019	Publication of Budget Committee Meeting (if needed)
<b>April 23, 2019</b>	<b>Budget Committee Meeting (if needed)</b> <ul style="list-style-type: none"><li>• Budget Committee Deliberations</li><li>• Approve Budget</li></ul>
May 30, 2019	Publication of Notice of Budget Hearing and Financial Summaries
<b>June 11, 2019</b>	<b>City Council Meeting/Conduct Budget Hearing</b> <ul style="list-style-type: none"><li>• Run Budget Hearing concurrent with City Council Meeting</li><li>• Receive Public Comment</li><li>• Adopt Budget<ul style="list-style-type: none"><li>○ Make Appropriations</li><li>○ Impose and Categorize Taxes</li></ul></li></ul>
June 25, 2019	Submit Tax Certification Documents <ul style="list-style-type: none"><li>• To County Assessor by July 15, 2019</li><li>• File Budget with County Assessor and Designated Agencies</li></ul>
January, 2020	Schedule necessary publications for 2020-21 Biennial Budget Calendar



**City of Gladstone Organizational Chart  
Biennium Budget 2019-2021**





# City of Gladstone Strategic Plan

2019 - 2021

The Gladstone City council has created a Strategic Plan to better serve citizens for the next two years (2019-2021). The priority projects will be undertaken within available and forecasted financial resources. The City’s vision and core values, two-year goals and priority projects are highlighted below.



## Gladstone City Council

Councilors: Randy Ripley, Linda Neace, Matt Tracy, Mayor Tammy Stempel, Neal Reisner, Tracy Todd, Thomas Mersereau



## GLADSTONE VISION AND CORE VALUES

*Our City will be.....*

- |         |                       |
|---------|-----------------------|
| Safe    | Thriving              |
| Healthy | Highly qualified      |
| Engaged | Accountable           |
| Livable | Financially stable    |
| Vibrant | Continually improving |

### 2017-2019 Recent Accomplishments:

- ✓ Water, sewer, storm water, transportation and parks master plans completed
- ✓ System Development Charges in place to ensure new development pays its fair share
- ✓ New library being planned on current City Hall site in partnership with Clackamas County

### 2017-2019 Recent Accomplishments (continued):

- ✓ 24/7 Fire Department to improve our response times and expanded technical training to include rope, dive and swift water rescue
- ✓ Successful K9 program implemented
- ✓ Completed the Downtown Revitalization Plan

### 2019-2021 Priority Projects:

#### + Facilities

- Open the new voter-approved Gladstone Police Station & City Hall in 2020 – on time and on budget
- Return the Senior Center to full operation
- Conduct a feasibility study to replace the Trolley Trail Bridge that connects Gladstone and Oregon City

#### + Infrastructure

- Renew service agreements with our water, sewer, storm water partner agencies
- Update utility rates to re-invest in our infrastructure
- Reach agreement with DEQ on capital projects needed to correct deficiencies and protect the environment

#### + Parks

- Evaluate fees and other supplemental funding resource methods for our parks

#### + Housing

- Complete the Housing Needs Assessment and code audit.

#### + Communications

- Provide consistent and accurate communications

#### + Other Projects

- Welcome Gladstone’s new police chief and fire chief
- Explore annexation options to ensure financially sustainable services



## City of Gladstone Strategic Plan


**2018 REPORT  
CARD**


Years 2018-2022

The City of Gladstone is a thriving organization. In effort to prioritize for a future with forecasted financial resources, the City Council and employees prepared a five year strategic plan beginning in 2016 to chart a direction for the City to better serve its citizens. This document is a report card that summarizes progress made in 2018.

**Objectives**

<b>ENHANCE THE LIVABILITY IN GLADSTONE</b>		<b>Score</b>
		<b>1 2 3 4 5</b>
		<b>2018</b>
1.1	Develop a strategic Communication Plan that addresses residents, businesses, and City employees and encourages citizen participation.	<b>4</b>
1.2	Complete the Downtown Revitalization Planning process.	<b>5</b>
1.3	Move forward on Trolley Trail Bridge Feasibility Study through ODOT grant.	<b>5</b>
1.4	Complete Parks System Development Charges (SDCs) Study	<b>5</b>
1.5	Complete sewer rate study	<b>5</b>
1.6	Complete Technology Plan.	<b>5</b>
1.7	Research the feasibility of a Gladstone Fiber Network.	<b>0</b>
1.8	Update Intergovernmental Agreement with North Clackamas County Water Commission and Oak lodge water services	<b>5</b>
1.9	Proactive Code Enforcement Program with Adequate resources.	<b>5</b>
<b>Final Score Average</b>		<b>4.33</b>

<b>ADDRESS CRITICAL CIVIC BUILDING NEEDS</b>		<b>Score</b>
		<b>1 2 3 4 5</b>
		<b>2018</b>
2.1	Continue to work with Clackamas County on the new Gladstone library project	<b>5</b>
2.2	Post pictures or concept of new buildings, facilities	<b>5</b>
2.3	Move forward with constructing new City Hall/Police Station per citizens' vote.	<b>5</b>
2.4	In the design phase use existing or new facilities to supply needs for public safety, seniors, administration office, multipurpose use, training, etc.	<b>5</b>
2.5	Explore expanded uses of the senior center	<b>5</b>
2.6	Explore feasibility of adding sleeping quarters to existing Fire Department	<b>5</b>
2.7	Explore options for permanent Public Works facilities	<b>5</b>
<b>Final Score Average</b>		<b>5</b>

<b>RECRUIT AND RETAIN A HIGHLY QUALIFIED WORKFORCE</b>		<b>Score</b>
		<b>1 2 3 4 5</b>
		<b>2018</b>
3.1	Develop organization necessary to efficiently provide services	5
3.2	Provide competitive salary, and training, to attract and keep top professionals.	5
3.3	Provide a positive work environment.	5
3.4	Complete class and compensation studies on non- represented employees	5
3.5	Complete class and compensation studies on represented employees	5
3.6	Revise Employee Performance Evaluation Document	0
3.7	Revise Employee Handbook	0
3.8	Develop an employee recognition program/appreciation	5
3.9	Prepare a citywide staffing and programming plan for the new buildings	4
<b>Final Score Average</b>		<b>3.78</b>

<b>MAINTAIN THE HEALTH AND LONG TERM VIBRANCY AND STABILITY OF GLADSTONE</b>		<b>Score</b>
		<b>1 2 3 4 5</b>
		<b>2018</b>
4.1	Move forward with Water Master Plan ensuring it has the financial plan implemented considering residents and businesses willingness to pay.	5
4.2	Move forward with Stormwater Master Plan ensuring it has the financial plan implemented considering residents and businesses willingness to pay	5
4.3	Move forward with Sewer Master Plan ensuring it has the financial plan implemented considering residents and businesses willingness to pay	5
4.4	Build in a capability to maintain our facilities (infrastructure, buildings, etc).	5
<b>Final Score Average</b>		<b>5</b>

<b>ENSURE FINANCIAL STEWARDSHIP AND LONG TERM MUNICIPAL FINANCIAL STABILITY</b>		<b>Score</b>
		<b>1 2 3 4 5</b>
		<b>2018</b>
5.1	Identify and implement a cost-recovery model for services we don't currently charge for.	5
5.2	Prepare to renew Fire/EMS Levy and renew Police Levy 2018.	5
5.3	Consider the feasibility of an annexation strategy and policy	0
<b>Final Score Average</b>		<b>3.33</b>

## BUDGET USER GUIDE:

**Budget:** The budget is a comprehensive financial plan for the biennial year ahead. The budget document shows estimated revenues and expenditures at various levels of detail. It includes information about programs and policies, and is a working guide for City Administrators to use in monitoring expenditures, performance and productivity. The City of Gladstone has elected the option of budgeting by a biennial year, beginning July 1, 2019 and ending June 30, 2021.

The budget authorizes the City to spend money and limits how much money can be spent. The document forms the basis and justification for the levy of property taxes. The budget, as required by statute, is a balanced budget with equal resources and requirements.

The document is arranged in a manner that allows the reader to review the budget as a summary or by individual fund or department. Narratives are presented at the beginning of each fund and department to provide the reader with explanations related to current operations as well as changes in the operations expected in the coming budget year.

**Budget Basis:** The City budgets its governmental fund types (General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds) on the

modified accrual basis of accounting. Under this basis, revenues are recognized when susceptible to accrual (i.e., when the transaction is both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

The accrual basis of accounting is used for budgeting the proprietary fund types (Enterprise Funds and Internal Service Fund). Under this method, revenues are estimated when earned and expenses are budgeted at the time liabilities are incurred. Exceptions from the accrual basis are principal collections on notes receivable as revenue in the year received; payment of debt principal is budgeted as an expenditure when paid; capitalized assets are budgeted when incurred; and depreciation is not budgeted.

The City does not produce a separate capital budget; rather related capital expenditures are budgeted within the individual departments or funds. Non-Enterprise capital funding is contained primarily in the Special Revenue and Capital Projects Fund categories.

**Budget Committee and Committee Functions:** The Budget Committee, established by ORS 294.414, is composed of an equal number of qualified electors and members of the

City Council. A qualified elector is a person who is qualified to vote in elections of the City. The qualified elector members are appointed by the Mayor and City Council for four-year terms, approximately one-third of which expire each biennium.

Oregon Local Budget Law allows public input and participation throughout the budget process. All Budget Committee meetings are open to the public. A majority (at least eight favorable votes for a Committee of fourteen) of the Budget Committee is required to approve any motion.

At its first meeting, the Budget Committee elects a Presiding Officer and Vice Chair from among the members. The Budget Committee receives the budget document and hears the budget message. At the second meeting, the Budget Committee holds a public hearing on the use of state shared revenues and hears and considers testimony from the public on the budget. If the Budget Committee does not approve the budget at its second meeting, additional meetings are scheduled. The time and place of additional meetings must be announced prior to adjournment of each meeting. If this is not done, any additional meetings must meet the public meetings law requirements.

The Budget Committee reviews, and if necessary, revises the proposed budget submitted by the Budget Officer. The

Budget Committee generally studies the budget by using the two previous years' actual data, the current budgeted data and the figures proposed by the Budget Officer for comparisons. Pursuant to ORS 294.428, the Budget Committee may obtain from staff any additional information it requires to make decisions about the budget.

The Budget Committee does not approve new personnel, employee contracts or salary schedules, nor does it negotiate salary contracts. However, the adopted salary schedules, negotiated contracts and other materials having a fiscal impact on the budget document may be requested for review by the Budget Committee.

The Budget Committee has the power to:

1. Limit the amount of tax which may be levied by the City. The total property tax levy or property tax rate may not exceed the amount shown in the approved budget document or the maximum rate allowed by law.
2. Establish a maximum for total permissible expenditures for each fund for the biennium. The Council, however, may adjust the committee approved spending level upwards of ten percent for each fund.



3. Approve the budget as submitted or as revised. The function of the Budget Committee ends when the budget is approved. However, the Committee may meet from time to time at its discretion.

**Budget Process:** Local budget law requires that specific actions must occur as a local government prepares its budget. The process can be distinguished by the following phases:

**Request Phase:** Each year department managers submit preliminary budget information, narrative and other supporting documentation to the City Administrator, the City's Budget Officer, and to the Finance Director. This information is prepared based on department staffing and operational needs as discussed in planning sessions with the City Administrator. The Finance Director computes salaries and benefits for all departments. Capital expenditure and/or major vehicle acquisition requests originate from the City's Department Directors based on a five year or longer replacement plan. The Enterprise Fund's requests for major equipment or vehicle expenditures are budgeted within the respective funds.

**Proposal Phase:** The City Administrator and Finance Director meet with department managers to review requests. The information is reviewed to determine service level, cost

effectiveness and uniformity compared to previous years' budget and actual data. In addition, the City Administrator insures that resources are properly allocated to accomplish implementation of City Council goals and associated work program.

The Finance Director balances all funds, and finalizes and prints the proposed budget document.

After the proposed budget is prepared, the Budget Officer publishes the notice of Budget Committee meeting. The notice must be published two times, five to thirty days before the scheduled budget committee meeting date, or published once, along with website posting at least 10 days before the meeting.

**Approval Phase:** The Budget Committee convenes to review and discuss the proposed budget. Copies of the proposed budget are distributed and the budget message is delivered. Department managers present financial and budget highlights.

The Budget Committee may propose additions or deletions of items from the budget. The Committee may meet as many times as needed to revise and complete the budget. All meetings are subject to the Oregon Public Meetings Law as outlined in Chapter 192 of the Oregon Revised Statutes.

**Adoption Phase:** The final phase in the budget process is adoption. After the Budget Committee approves a proposed budget, the City Council must hold a budget hearing. Five to twenty-five days before the scheduled hearing, the City must publish a budget summary and notice of budget hearing. The purpose of the hearing is to allow citizens to comment on the approved budget.

The City Council has the authority to change the approved budget prior to adoption. However, if a change would increase property taxes over the amount published in the budget summary or increase expenditures in any one fund by more than 10%, a new budget summary must be published and another budget hearing must be held.

At a regularly scheduled public meeting, a resolution or ordinance is enacted to adopt the budget, make appropriations and impose taxes. The adopted budget becomes effective July 1 and the budget, along with other documentation, is filed with the County Assessor's office by July 15.

**Budget Amendment Phase:** Once the City is operating within the adopted budget, it may find it necessary to change appropriated expenditures. The existing appropriations may have to be decreased or increased, but under no conditions is it lawful for the City to levy an additional tax in the current fiscal year.

If a change in appropriations is necessary, ORS 294.463 allows certain transfers when authorized by official resolution or ordinance of the governing body. The resolution or ordinance must state the need for the transfer, the purpose of the authorized expenditure and the amount of the appropriations transferred.

ORS 294.463 provides for transfers of appropriations within a fund, transfers of general operating contingency and transfers of appropriations from the General Fund to another fund. Transfers of operating contingency in excess of 15% of the total appropriations of a fund, and any transfer from a special fund must be made through the supplemental budget process.

**Supplemental Budget:** Certain circumstances may arise which require the expenditure of revenues in excess of those appropriated in the adopted fiscal budget. One of the following circumstances would require a supplemental budget:

1. An occurrence, condition or need which had not been ascertained at the time the budget was adopted.
2. Funds were made available by another government agency and were not anticipated at the time the budget was adopted.
3. Proceeds from involuntary conversion require immediate

replacement to continue operations.

If the supplemental budget is in excess of 10% of the fund budget, it is published in the same manner and by the same procedures as the annual budget. The Council holds a public hearing, and after the public hearing, makes additional appropriations as provided by the supplemental budget. The supplemental budget may not authorize any levy of additional taxes. If the supplemental budget is not in excess of 10% of the fund budget, it may be adopted at a regular meeting of the City Council.

**Budget Message:** The Budget Message is a statement by the Budget Officer about the City's proposed budget. The Budget Officer recommends a balanced budget to the Budget Committee, who will evaluate and modify it before approving a version for the City Council to consider. The Budget Message explains the proposed budget and any significant changes in the City's financial position.

**Budget Compliance:** The City manages its finances according to generally accepted accounting principles. During the year, expenditures and resources are closely monitored to ensure compliance with the adopted budget and state law. Monthly budget comparisons are distributed to management. An annual audit is performed and filed with the State of

Oregon each year by an independent Certified Public Accountant. The City publishes an annual comprehensive financial report that documents the City's budgetary performance and compliance.



## Fund Structure and Descriptions:

The City of Gladstone uses various funds to account for its revenue and expenditures. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Also, funds are categorized by fund type as defined by generally accepted accounting principles (GAAP) and Oregon Budget Law.

The revenues in each fund may be spent only for the purpose specified by the fund.

### General

**General Fund** – Accounts for the financial operations of the City that are not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees, court fines, and state and county shared revenue. Primary expenditures are for public safety, general government, parks and recreation, and library services.

### Special Revenue

**Road & Street Fund** – Accounts for the repair and maintenance of City streets. Principal sources of revenue are street utility fees, gas taxes received from Clackamas County, and vehicle taxes from the Oregon Department of Transportation.

**Police & Communications Levy Fund** – Accounts for the Operating Levy of 2018 which extended the operating levy Gladstone taxpayers approved through fiscal year 2023-24.

**Fire & Emergency Services Levy Fund** – Accounts for the Operating Levy of 2018 which extended the operating levy Gladstone voters approves through fiscal year 2023-24.

### Debt Service

**Debt Service Fund** – Accounts for the payment of principal and interest on general obligation bonds. The City of

Gladstone currently has one Full Faith & Credit Obligation payment in the General Fund and one bond payment in the Water Fund.

### Capital Projects

**Library Capital Fund** – Accounts for funds received from a combination of Clackamas County Library Contribution, Library District revenue and debt proceeds restricted to the construction of a new Library. This fund will close with the 2019-2021 Biennial Budget, as the project is no longer viable due to transfer of all library services, property and personnel to Clackamas County.

**Civic Buildings Capital Fund** – Accounts for funds transferred from other funds, and/or debt proceeds restricted to the construction of the new City Hall and Police Station. Design is underway, and substantial completion is anticipated in May, 2020.

### Enterprise

**Water Fund** - Accounts for the operation and maintenance of water facilities and for major expansions of the water system. Primary source of revenue consist of charges for use of the water system and SDC's charged on new construction.

**Sewer Fund** – Accounts for the operation and maintenance of the sewer system and

for major expansions of the sewer system. Primary sources of revenue consist of charges for sewer services, and SDC's charged on new construction.

**Storm Water Fund** - This fund was created to maintain and operate the city's storm water system. Primary sources of revenue consist of charges for storm water services, and SDC's charged on new construction.

### **Agency**

**Court Fund** – Accounts for the revenue and expenditures of the Municipal Court. Funds are held in a purely custodial capacity and remitted out to other government agencies, including the General Fund of the city. Oregon Budget Law requires budgeting of all receipts as resources and remittances out as expenditures, with ending fund balance comprising of unremitted payments at year end.

**Fund Structure, Appropriation Level,  
and Major/Non Major Fund Designation**

<b>General Government Funds</b>			
<b>Appropriation Level</b>	<b>General Fund (Major)</b>	<b>Special Revenue Funds (Major)</b>	<b>Capital Funds (Major)</b>
Administration City Council City Administrator City Attorney Information Technology Human Resources Finance	X		
Municipal Court Court Clerks Judge Attorneys	X		
Police Department	X	X	
Fire Department	X	X	
Parks Department	X		
Recreation	X		
Senior Center	X		
Library	X		
Public Works	X		
Road & Street		X	
Capital			X
Transfers Out	X		
Contingency & Reserve	X		X
<b>Enterprise Funds</b>			
<b>Appropriation Level</b>	<b>Water (Major)</b>	<b>Sewer (Major)</b>	<b>Storm Water (Major)</b>
Operations & Capital	X	X	X
Debt Service	X		
Transfers Out	X	X	X
Contingency & Reserve	X	X	X

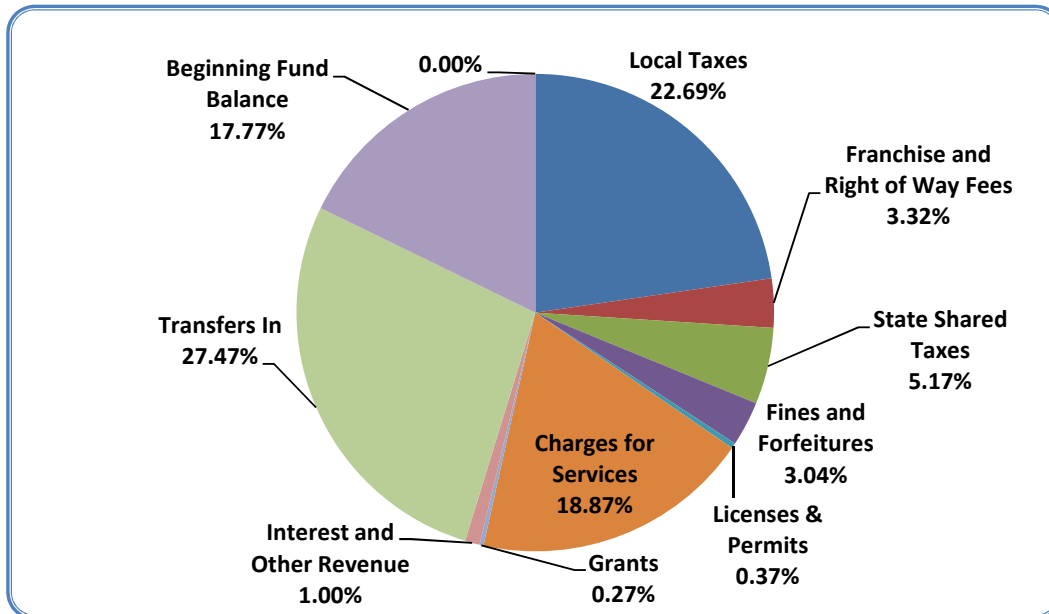
All funds are appropriated at the major object level, with debt service, transfers, contingency and reserves appropriated separately within the fund.



## Budget Summary

### Revenue Summary by Source (All Funds)

Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Resources:</b>							
3000	BEGINNING FUND BALANCE	\$ 7,197,176	\$ 8,762,531	\$ 15,856,663	\$ 9,346,000	\$ 3,569,254	\$ 9,346,000
3100	LOCAL TAXES	5,142,895	5,342,283	11,136,457	6,250,123	5,682,169	11,932,292
3110	STATE SHARED TAXES	940,265	1,026,610	4,384,000	1,315,449	1,405,132	2,720,581
3120	FRANCHISES/RIGHT OF WAY FEES	514,271	651,891	1,747,500	1,321,000	1,321,000	2,642,000
3130	LICENCES & PERMITS	130,167	134,204	258,400	95,000	99,000	194,000
3140	CHARGES FOR SERVICES	4,287,471	3,450,941	8,414,575	4,775,470	5,148,711	9,924,181
3150	GRANTS	8,232	174,122	518,135	117,950	25,000	142,950
3260	FINES & FORFEITURES	269,673	325,343	1,437,400	785,500	814,500	1,600,000
3301	INTEREST EARNED	68,551	108,343	151,000	135,000	134,800	269,800
3600	MISCELLANEOUS REVENUES	276,843	217,674	449,165	113,000	114,000	227,000
3710	SALE OF SURPLUS PROPERTY	11,606	4,948	30,000	15,000	15,000	30,000
3810	DEBT SERVICE PROCEEDS	1,614,000	-	5,700,000	-	-	-
3990	TRANSFERS IN:						
	GENERAL FUND	225,664	280,956	395,570	353,822	353,996	707,818
	ROAD & STREET FUND	-	170,085	860,345	232,448	251,636	484,084
	POLICE LEVY FUND	-	-	45,000	-	-	-
	CIVIC BUILDING FUND	-	984,848	13,248,600	12,766,000	-	12,766,000
	SEWER FUND	-	-	-	84,780	84,780	169,560
	WATER FUND	-	-	-	84,780	84,780	169,560
	STORM WATER FUND	-	-	-	84,780	84,780	169,560
<b>Total Resources All Funds</b>		<b>\$ 20,686,814</b>	<b>\$ 21,634,779</b>	<b>\$ 64,632,810</b>	<b>\$ 37,876,102</b>	<b>\$ 19,188,538</b>	<b>\$ 53,495,386</b>



## Beginning and Ending Fund Balance

Beginning fund balance is equal to the prior year's ending fund balance. However, with a biennium budget, the **combined column** beginning fund balance begins with the first fiscal year of the biennium, and flows through to the ending fund balance at the end of the second fiscal year.

The **combined column** ending fund balance is the difference between total estimated sources and total estimated uses. Ending fund balance is budgeted in three categories:

1. *Operating Contingency* is budgeted at 3.8% of operational revenue in the operating funds. Contingency funds can be spent once authorized by a supplemental budget or transfer appropriation.
2. *Unappropriated* ending fund balance can only be spent in an emergency created by civil disturbance or natural disaster.
3. *Reserved for future years* are total sources less total expenses, contingency, and unappropriated ending balance. Reserved for future years funds can only be spent if authorized by a supplemental budget.

There was a computation error made in the 2017-2019 Biennium beginning fund balance, which resulted in an overstatement of beginning and ending fund balances for that budget, by about \$6.5 million. Basically, the two year fund balances were added together vs. calculating the correct flow of funds. City Council and management were notified of the error in January, 2018 and made necessary course corrections to ensure compliance with Oregon Budget Law and GAAP compliance.

## Local Taxes

Local Taxes consists of Property taxes received within the General, Police & Communications Levy, and the Fire & Emergency Services Funds, along with the Library District revenue and the newly established (2018) Transient Lodging Tax.

- **Property taxes**

There are three types of property tax levies in Oregon. The permanent rate levy funds general city operations. The debt service levy is used for principal and interest payments on general obligation bonds approved by the voters. Local option levies are voter-approved, time-limited levies for specified purposes.

The Clackamas County Department of Assessment and Taxation determines assessed values and collects taxes. Property is assessed January 1 for the fiscal year beginning July 1. Taxes

are due beginning November 15, and discounts are allowed for taxes paid in full by November 15.

### ○ **Assessed Value**

Each local government's tax rate was determined by the state in 1997. Gladstone's permanent rate is \$4.8174 per \$1,000 of assessed value. No action of the city can increase the permanent tax rate.

Ballot Measure 50, implemented in the 1997-98 tax year, limits assessed value to the lower of Maximum Assessed Value (MAV) or Real Market Value (RMV). Maximum Assessed Value increases by 3% annually.

There are exceptions to the 3% annual increase. Maximum Assessed Value may increase by more than 3% if:

- There is new construction or improvements
- The property is partitioned or subdivided
- Rezoning occurs and the property is used consistent with rezoning

### ○ **Limits and Compression**

The total tax on a given piece of property is limited as follows:

- General Govt: \$10 per \$1,000 of RMV
- Schools: \$5 per \$1,000 of RMV
- Unlimited debt service: levies to pay bonds for capital construction projects are not subject to limitation.

If the total tax bill exceeds the limits, taxes are reduced in a process called compression.

### ○ **Effect of the Gladstone Urban Renewal Agency**

The Urban Renewal District (URD) is a geographic area within the City of Gladstone, defined in the Urban Renewal Plan. The purpose of the district is to eliminate blight and create an environment in which the private sector may develop uses consistent with the goals of the Urban Renewal Plan. The District borrows money to fund infrastructure and other improvements, receives property taxes calculated on the increased assessed values, and uses the taxes to pay debt service on the borrowings. The Gladstone Urban Renewal Agency issues a separate budget document that contains further information on the district.

- **Library District Revenue**

Funds received from Clackamas County to support the operations of the Gladstone Public Library. These funds will discontinue in FY 2020-21 with the implementation of the intergovernmental agreement with Clackamas County. The County will assume responsibility for the Gladstone Public Library, including all expenses, with the construction of the new building. The City will be contribute annually from General Fund revenues, at approximately \$200,000 per year, and all Library District revenues will revert to the County, at that time.

- **Transient Lodging Tax**

Implemented in 2018, this tax assesses 6% on all transient lodging of less than 30 days in duration. The City has two hotels and several bed & breakfast types of establishments that are providing a revenue stream dedicated to the development of a tourism plan within the next two years.

### **State Shared Taxes**

These include fees and taxes that are collected by other government agencies and passed through to the City as well as fees collected from other governments for services the City provides to them.

- State shared revenue, liquor, cigarette, and marijuana tax and vehicle fees. Revenue estimates are provided by the State.
- County distribution of gas tax.

### **Franchises Fees/Rights of Way Fees**

Fees are collected from utilities as compensation for use of the City's rights of way. These fees are based on utility revenue, so they generally increase with population growth. Franchise fee revenue is estimated based on prior year actuals plus an inflationary increase. Franchise fees are collected and utilized within the General Fund. As of the 2019-2021 Biennium, the Rights of Way Fees will be collected within the Street & Road Fund, with equal portions transferred out to the Sewer, Water and Storm Water Funds for repairs and improvements of all City infrastructure located within the right of way.

### **Licenses & Permits**

Local licensing fees for businesses, liquor licensing and alarm permits. Revenue estimates are based on prior year actuals, along with any rate revisions.

### Charges for services

Charges for services consists mainly of utility fees, but also contain fees generated within the General Fund as listed:

- Building, Planning, and Engineering permits, revenue estimates are based on projected development activity.
- Recreation fees, revenue estimates are based on the number of registered leagues.
- Library fines and Senior Center services and building rentals.

#### • Utility Fees

The City charges utility fees for the water, and sanitary systems, and Storm Water fees beginning January 2018. The fees are charged to customers based on usage of the systems. The rates collected for each fund can only be used to support those individual funds' operational and capital needs. Annual revenue projections are based on historical average increases, while taking into account any planned rate increases.

#### • Infrastructure Development Fees

These are fees for private development plan review and inspection and system development charges (SDC's) on new construction. SDC's are restricted for capital improvement projects that support capacity for growth. Development fee revenue is projected annually based on the known development activity as well as projections of projects that are likely to be submitted.

### Fines and Forfeitures

These fines are for traffic infractions and municipal code violations. Revenue estimates are based on the prior year actuals.

### Interest Earned, Transfers and Other Revenue

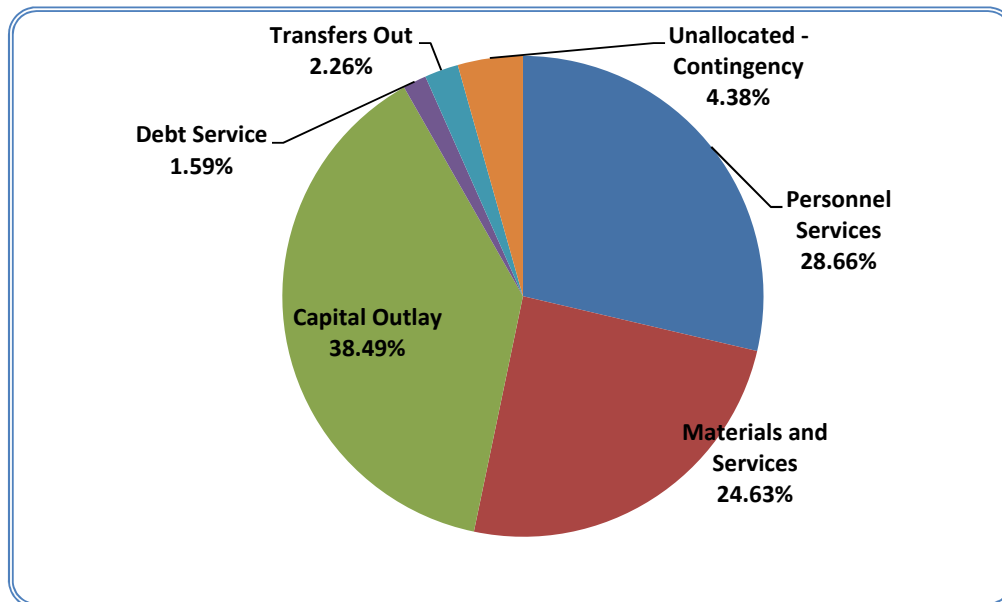
- Interest earned on operating cash invested in the Local Government Investment Pool (LGIP), administered by the State of Oregon Treasury. Because of the liquidity, rates and safety of funds, this is the best option for investment of taxpayer dollars.
- Miscellaneous revenues consist of various donations, reimbursements and receipts received in the course of business,
- Transfers in from other funds – to distribute monies as needed from other funds that are utilized for specific purposes.
- Sale of fixed assets and surplus property.
- Proceeds from the issuance of debt – none anticipated for the 2019-2021 biennium.

## Budget Summary

### Expenditure Summary by Category (All Funds)

Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Requirements:</b>							
4000	PERSONNEL SERVICES	\$ 4,806,644	\$ 5,623,982	\$ 14,099,812	\$ 7,609,900	\$ 7,719,237	\$ 15,329,137
5000	MATERIALS & SERVICES	4,528,747	5,162,878	12,716,414	6,609,431	6,564,312	13,173,743
6000	CAPITAL OUTLAY	539,127	1,794,127	24,987,177	19,070,277	1,519,332	20,589,609
7300	DEBT SERVICE	1,761,355	171,561	400,612	421,974	426,011	847,985
8990	TRANSFER OUT:						
	GENERAL FUND	-	82,477	3,487,350	-	-	-
	STATE REVENUE SHARING FUND	-	1,047,121	-	-	-	-
	ROAD & STREET FUND	60,493	62,308	130,285	287,818	287,818	575,636
	POLICE LEVY FUND	13,705	14,120	29,535	-	-	-
	FIRE LEVY FUND	5,760	5,935	12,415	-	-	-
	SEWER FUND	26,188	83,855	277,775	138,157	149,963	288,120
	WATER FUND	14,518	45,828	172,455	106,350	109,938	216,288
	STORM WATER FUND	-	-	145,850	62,941	66,735	129,676
9100	CONTINGENCY	-	-	4,600,191	3,569,254	2,345,192	2,345,192
9100	UNAPPROPRIATED ENDING FUND BALANCE	8,930,277	7,540,587	3,572,939	-	-	-
<b>Total Requirements All Funds</b>		<b>\$ 20,686,814</b>	<b>\$ 21,634,779</b>	<b>\$ 64,632,810</b>	<b>\$ 37,876,102</b>	<b>\$ 19,188,538</b>	<b>\$ 53,495,386</b>

Budgeted Positions in FTE's	52.14	52.41	59.96	57.72	53.71	55.72
Monthly Operating Costs per Capita	\$67.62	\$77.09	\$94.37	\$99.74	\$100.19	\$99.97
Residents served per FTE	221	222	197	206	221	213





## Budget Summary

Comparison discussion is based on the changes between the 2017-2019 and 2019-2021 biennium. Further information may be found in the budget detail section, located further in the document.

### Personnel Services

Overall, personnel services have increased by 8.72% over the previous biennium. In 2018-19, the City completed a thorough class and compensation study for all city employees. Implementation should be complete by the end of the 2018-19 fiscal year with the completion of contract negotiations with the City's two unions, and anticipated salary levels have been incorporated into the 2019-2021 personnel costs. A cost of living increase of 3.0% has also been factored into salary calculations.

The other major factor in the increase of Personnel Services stems from the retirement rate increases experienced this year. The City's contribution rate increased from 19.19%, 10.00% and 14.77% (Tier 1&2, OPSRP, and OPSRP Police & Fire) to 25.38%, 15.92% and 20.59%. This resulted in an average increase of 5.96% to the previous rates, or a 43% overall increase. These rates are applicable for the full biennium.

All other payroll benefit rates have remained static or increased at a manageable level.

Personnel services also reflects small additions in staffing; further explanation of these changes are listed on the [Summary of FTE](#) located within the document.

### Materials & Services

Materials & services have increased by a nominal rate of 3.6% over the biennium. The needs have remained quite static, and adjusted basically equal to the current cost of living rate. Through various cost saving measures, the public works departments have experienced a drop in fuel and vehicle maintenance costs, which helped to offset other increases in supplies.

### Capital Outlay

The City passed several ballot measures to allow for the purchase and building of a new Police Station and City Hall in fiscal year 2016. Financing was completed in July, 2018 and design is currently underway. All funds were budgeted in 2018-19, and are rolled into the first year of the new biennium. Substantial completion is anticipated in May, 2020. Other funds within capital outlay consist of several smaller projects, along with accumulation of funding for infrastructure work within the City's rights of way in future years.

### Debt Service

In November 2015, the City refunded the Debt Service saving the City over \$200,000 over the next for the duration of the note. The note is scheduled to be paid in full on July 1, 2025.

In July, 2018 the City entered into two agreements to finance the design and construction of the new civic buildings mentioned above. The total amount of the financing was \$6.8 million, with \$3.0 million provided by a full faith and credit agreement guaranteed by the City, and \$3.8

## Budget Summary

million provided by a note with the Urban Renewal District. Payments began on both issues in 2018-19, and detailed debt schedules are provided in both the City and Urban Renewal Agency budget documents in a later section.

### Transfers Out

Transfers out are attributable to ROW transfers from Roads & Streets to the proprietary funds, along with debt service needs. Finally, the large transfer in (shown in revenues) of \$12,766,000 into the Civic Building Fund comes in from the Urban Renewal Agency, so is not reflected within the City's transfers out. Funds will balance overall with consideration of both entities.

### Contingency & Unappropriated Ending Fund Balance

As mentioned above, the contingency and unappropriated ending fund balances from the previous biennium were overstated due to a computation error so comparison is not meaningful. The City is anticipated to end the biennium with an adequate fund balance, but will be monitoring closely, and working towards methods of growth in reserves.

### Summary by all Funds

Fund Code	Description	2015-16	2016-17	2017-2019	2019-20	2020-21	2019-2021	INCREASE (DECREASE) OVER BIENNIUM	% OF DIFFERENCE
		Actuals	Actuals	Final Adopted	Proposed Budget	Proposed Budget	Proposed Biennium		
<b>Funds</b>									
100	GENERAL FUND	\$ 9,386,384	\$ 10,495,057	\$ 24,562,031	\$ 11,566,550	\$ 9,459,077	\$ 18,752,973	\$ (5,809,058)	-23.65%
110	STATE SHARED FUND	1,009,602	1,047,121	-	-	-	-	-	0.00%
205	ROAD & STREET FUND	1,494,898	1,810,370	4,050,345	3,353,983	2,089,224	5,043,207	992,862	24.51%
240	POLICE & COMMUNICATIONS LEVY FUND	742,042	788,615	2,330,365	837,177	809,741	1,532,123	(798,242)	-34.25%
250	FIRE & EMERGENCY SERVICES FUND	520,870	645,055	981,546	760,082	458,396	1,078,722	97,176	9.90%
306	LIBRARY CAPITAL FUND	-	-	5,300,000	-	-	-	(5,300,000)	-100.00%
307	CIVIC BUILDINGS FUND	-	984,848	13,286,258	12,766,000	-	12,766,000	(520,258)	-3.92%
730	SEWER FUND	3,406,066	3,232,349	6,911,375	3,292,426	2,645,196	5,884,961	(1,026,414)	-14.85%
740	WATER FUND	4,126,952	2,631,364	5,317,500	3,735,780	2,240,918	5,534,310	216,810	4.08%
750	STORM WATER FUND	-	-	1,083,390	1,113,604	1,024,486	2,038,090	954,700	88.12%
801	MUNICIPAL COURT	-	-	810,000	450,500	461,500	865,000	55,000	6.79%
<b>Total Resources All Funds</b>		<b>\$ 20,686,814</b>	<b>\$ 21,634,779</b>	<b>\$ 64,632,810</b>	<b>\$ 37,876,102</b>	<b>\$ 19,188,538</b>	<b>\$ 53,495,386</b>	<b>(11,137,424)</b>	<b>-17.23%</b>
100	GENERAL FUND	\$ 9,386,384	\$ 10,495,057	\$ 24,562,031	\$ 11,566,550	\$ 9,459,077	\$ 18,752,973	(5,809,058)	-23.65%
110	STATE SHARED FUND	1,009,602	1,047,121	-	-	-	-	-	0.00%
205	ROAD & STREET FUND	1,494,898	1,810,370	4,050,345	3,353,983	2,089,224	5,043,207	992,862	24.51%
240	POLICE LEVY FUND	742,042	788,615	2,330,365	837,177	809,741	1,532,123	(798,242)	-34.25%
250	FIRE & EMERGENCY SERVICES FUND	520,870	645,055	981,546	760,082	458,396	1,078,722	97,176	9.90%
306	LIBRARY CAPITAL FUND	-	-	5,300,000	-	-	-	(5,300,000)	-100.00%
307	CIVIC BUILDINGS FUND	-	984,848	13,286,258	12,766,000	-	12,766,000	(520,258)	-3.92%
730	SEWER FUND	3,406,066	3,232,349	6,911,375	3,292,426	2,645,196	5,884,961	(1,026,414)	-14.85%
740	WATER FUND	4,126,952	2,631,364	5,317,500	3,735,780	2,240,918	5,534,310	216,810	4.08%
750	STORM WATER FUND	-	-	1,083,390	1,113,604	1,024,486	2,038,090	954,700	88.12%
801	MUNICIPAL COURT	-	-	810,000	450,500	461,500	865,000	55,000	6.79%
<b>Total Requirements All Funds</b>		<b>\$ 20,686,814</b>	<b>\$ 21,634,779</b>	<b>\$ 64,632,810</b>	<b>\$ 37,876,102</b>	<b>\$ 19,188,538</b>	<b>\$ 53,495,386</b>	<b>(11,137,424)</b>	<b>-17.23%</b>

# General Fund

## GENERAL FUND Fund 100

### Resources Summary

#### Resources

Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
309999	FUND BALANCE	\$ 3,243,627	\$ 3,833,057	\$ 7,600,000	\$ 3,730,000	#REF!	\$ 3,730,000
<b>Local Taxes:</b>							
310010	CURRENT YEAR TAXES	3,516,853	3,670,276	7,635,791	4,235,722	4,373,383	8,609,105
310050	PRIOR YEAR TAXES	191,490	180,593	220,000	150,000	150,000	300,000
311030	LIBRARY DISTRICT REVENUE	672,494	700,159	1,457,370	743,142	-	743,142
314045	TRANSIENT LODGING TAX	-	-	4,000	150,000	155,000	305,000
<b>Total Local Taxes</b>		<b>4,380,837</b>	<b>4,551,028</b>	<b>9,317,161</b>	<b>5,278,864</b>	<b>4,678,383</b>	<b>9,957,247</b>
<b>State Shared Taxes:</b>							
310170	STATE REVENUE SHARING	-	-	-	150,000	155,000	305,000
311010	ALCOHOL TAX REVENUE	165,296	177,794	406,000	220,493	230,353	450,846
311015	MARIJUANA TAX REVENUE	-	-	-	45,284	54,173	99,457
311020	CIGARETTE TAX REVENUE	14,151	15,735	28,000	14,137	14,018	28,155
<b>Total State Shared Taxes</b>		<b>179,447</b>	<b>193,529</b>	<b>434,000</b>	<b>429,914</b>	<b>453,544</b>	<b>883,458</b>
<b>Franchise/Right of Way Fees:</b>							
312010	GLADSTONE DISPOSAL FRANCHISE	-	26,431	175,000	125,000	125,000	250,000
312025	PGE FRANCHISE FEES	270,925	283,291	595,000	400,000	400,000	800,000
312030	NW NATURAL GAS FRANCHISE FEE	67,136	104,299	153,000	170,000	170,000	340,000
312035	CENTURY LINK FRANCHISE FEE	17,375	16,300	45,000	-	-	-
312040	COMCAST CABLE TV FRANCHISE FEE	158,835	124,113	329,500	180,000	180,000	360,000
312050	RIGHT OF WAY FEES	-	97,457	450,000	-	-	-
<b>Total Franchise/Right of Way Fees</b>		<b>514,271</b>	<b>651,891</b>	<b>1,747,500</b>	<b>875,000</b>	<b>875,000</b>	<b>1,750,000</b>
<b>Licenses &amp; Permits:</b>							
313010	BUSINESS LICENSE FEES	125,592	129,999	250,000	90,000	94,000	184,000
313015	LIQUOR LICENSE RENEWALS	1,200	1,055	1,900	1,000	1,000	2,000
313020	ALARM PERMITS	3,375	3,150	6,500	4,000	4,000	8,000
<b>Total Licenses &amp; Permits</b>		<b>130,167</b>	<b>134,204</b>	<b>258,400</b>	<b>95,000</b>	<b>99,000</b>	<b>194,000</b>
<b>Charges for Services:</b>							
314010	RECREATION FEES	11,541	3,600	5,500	3,000	3,000	6,000
314015	SENIOR CENTER BUILDING RENTAL	2,193	10,082	6,500	4,000	4,500	8,500
314020	PLANNING APPLICATION FEES	39,860	42,581	55,000	35,000	35,000	70,000
314025	SOCIAL SERVICES CONTRACT	26,386	32,361	62,000	35,000	40,000	75,000
314030	LIEN SEARCH FEES	6,292	5,035	8,200	6,000	6,000	12,000
314040	ALL OTHER LIBRARY FEES	28,968	19,908	50,000	16,000	-	16,000
<b>Total Charges for Services</b>		<b>115,240</b>	<b>113,567</b>	<b>187,200</b>	<b>99,000</b>	<b>88,500</b>	<b>187,500</b>
<b>Grants:</b>							
315030	POLICE GRANTS	-	746	45,000	-	-	-
315040	FIRE GRANTS	-	-	423,335	115,000	25,000	140,000
315050	READY TO READ/STATE AID LIBRARY	2,832	2,777	6,000	2,950	-	2,950
315055	MARINE BOARD MAINTENANCE GRANT	5,400	5,400	10,800	-	-	-
315075	SENIOR CENTER STATE/LOCAL FUNDS	-	-	33,000	-	-	-
315080	OTHER GRANTS	-	165,199	-	-	-	-
<b>Total Grants</b>		<b>8,232</b>	<b>174,122</b>	<b>518,135</b>	<b>117,950</b>	<b>25,000</b>	<b>142,950</b>
<b>Fines &amp; Forfeitures:</b>							
326010	COURT FINES & FORFEITURES	269,673	325,343	635,400	375,000	400,000	775,000
<b>Total Fines &amp; Forfeitures</b>		<b>269,673</b>	<b>325,343</b>	<b>635,400</b>	<b>375,000</b>	<b>400,000</b>	<b>775,000</b>

## General Fund

Resources							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Interest:</b>							
330100	INTEREST EARNED	56,309	94,591	135,000	125,000	125,000	250,000
<b>Total Interest</b>		<b>56,309</b>	<b>94,591</b>	<b>135,000</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
<b>Miscellaneous:</b>							
360000	ALL OTHER GENERAL FUND RECEIPTS	206,827	112,337	225,000	34,000	36,000	70,000
361014	FIRE TRAINING REIMBURSEMENT	1,665	-	2,000	-	-	-
361016	FIRST RESPONDER SUPPLIES REIMB.	8,806	7,900	12,000	5,000	5,000	10,000
361041	LIBRARY FOUNDATION FUNDED PROGRAM	4,714	1,598	10,665	5,000	-	5,000
362210	SENIOR CENTER BEQUESTS	3,391	813	-	-	-	-
362212	TRAM TRIPS	5,524	2,265	4,000	8,000	9,000	17,000
362213	MEAL CHARGES	20,384	12,908	10,000	15,000	18,000	33,000
362214	MEDICAID FUNDS	-	-	40,000	5,000	5,000	10,000
<b>Total Miscellaneous</b>		<b>251,311</b>	<b>137,821</b>	<b>303,665</b>	<b>72,000</b>	<b>73,000</b>	<b>145,000</b>
<b>Other:</b>							
371000	SALE OF SURPLUS PROPERTY	11,606	4,948	30,000	15,000	15,000	30,000
381000	DEBT SERVICE PROCEEDS	-	-	3,000,000	-	-	-
<b>Total Other</b>		<b>11,606</b>	<b>4,948</b>	<b>3,030,000</b>	<b>15,000</b>	<b>15,000</b>	<b>30,000</b>
<b>Total Non-Departmental Revenues</b>		<b>\$ 9,160,720</b>	<b>\$ 10,214,101</b>	<b>\$ 24,166,461</b>	<b>\$ 11,212,728</b>	<b>#REF!</b>	<b>\$ 18,045,155</b>
<b>Transfers In:</b>							
399110	STATE REVENUE SHARING FUND	105,000	156,519	130,285	-	-	-
399205	STREET FUND	60,493	62,308	29,535	108,478	108,478	216,956
399228	POLICE LEVY FUND	13,705	14,120	12,415	-	-	-
399229	FIRE LEVY FUND	5,760	5,935	-	-	-	-
399390	URBAN RENEWAL DISTRICT	-	-	45,250	245,344	245,518	490,862
399730	SEWER FUND	26,188	26,975	56,405	-	-	-
399740	WATER FUND	14,518	15,099	31,580	-	-	-
399750	STORM WATER FUND	-	-	90,100	-	-	-
<b>Total Transfers In</b>		<b>225,664</b>	<b>280,956</b>	<b>395,570</b>	<b>353,822</b>	<b>353,996</b>	<b>707,818</b>
<b>Total General Fund Resources</b>		<b>\$ 9,386,384</b>	<b>\$ 10,495,057</b>	<b>\$ 24,562,031</b>	<b>\$ 11,566,550</b>	<b>#REF!</b>	<b>\$ 18,752,973</b>

# General Fund

## GENERAL FUND FUND 100

### Requirements Summary by Department

Requirements					2019-20	2020-21	2019-2021
Dept Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	Proposed Budget	Proposed Budget	Proposed Biennium
<b>Departments</b>							
121	ADMINISTRATION	\$ 1,281,115	\$ 1,952,264	\$ 3,263,030	\$ 1,803,415	\$ 1,654,569	\$ 3,457,984
124	FACILITIES	-	-	401,525	407,380	374,306	781,686
220	MUNICIPAL COURT	222,283	242,433	569,025	348,535	362,491	711,026
240	POLICE	1,959,930	2,364,996	5,335,145	2,724,264	2,857,504	5,581,768
250	FIRE	859,881	1,046,239	3,527,318	1,941,490	1,590,891	3,532,381
526	PARKS	254,224	505,782	1,100,100	677,971	575,318	1,253,289
527	RECREATION	48,613	56,464	117,350	38,000	38,200	76,200
528	SENIOR CENTER	263,110	391,148	776,134	330,947	347,440	678,387
529	LIBRARY	590,381	678,492	1,566,865	776,550	200,000	976,550
600	DEBT SERVICE	-	-	45,250	245,343	245,518	490,861
920	TRANSFERS OUT TO:						
	ROAD & STREET FUND	-	82,477	442,350	-	-	-
	POLICE LEVY FUND	-	-	45,000	-	-	-
	URBAN RENEWAL FUND	-	-	3,000,000	-	-	-
990	CONTINGENCY FUNDS	-	-	800,000	2,272,654	1,212,841	1,212,841
991	UNAPPROPRIATED FUND BALANCE	3,906,847	3,174,762	3,572,939	-	-	-
<b>TOTAL GENERAL FUND REQUIREMENTS</b>		<b>\$ 9,386,384</b>	<b>\$ 10,495,057</b>	<b>\$ 24,562,031</b>	<b>\$ 11,566,549</b>	<b>\$ 9,459,078</b>	<b>\$ 18,752,973</b>

### Requirements Summary by Category

Requirements					2019-20	2020-21	2019-2021
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	Proposed Budget	Proposed Budget	Proposed Biennium
400000	PERSONNEL SERVICES	\$ 3,580,964	\$ 4,329,259	\$ 10,134,052	\$ 5,567,747	\$ 5,357,792	\$ 10,925,539
500000	MATERIALS & SERVICES	1,763,630	2,489,317	4,823,814	2,553,830	2,320,230	4,874,060
600000	CAPITAL OUTLAY	134,943	419,242	1,698,626	926,975	322,697	1,249,672
730000	DEBT SERVICE	-	-	45,250	245,343	245,518	490,861
899000	TRANSFERS OUT	-	82,477	3,487,350	-	-	-
910000	CONTINGENCY FUNDS	-	-	800,000	2,272,654	1,212,841	1,212,841
910000	UNAPPROPRIATED FUND BALANCE	3,906,847	3,174,762	3,572,939	-	-	-
<b>TOTAL GENERAL FUND REQUIREMENTS</b>		<b>\$ 9,386,384</b>	<b>\$ 10,495,057</b>	<b>\$ 24,562,031</b>	<b>\$ 11,566,549</b>	<b>\$ 9,459,078</b>	<b>\$ 18,752,973</b>
<b>FTE COUNT</b>		<b>41.89</b>	<b>38.54</b>	<b>42.91</b>	<b>40.95</b>	<b>35.50</b>	



## ADMINISTRATION EXPENDITURES

The Administration department provides the organizational and business management foundation for the City. The department encompasses civic leadership, communication and engagement, administrative support, strategic planning and economic development.

The Administration department also contains the functions of City Council, financial services, customer service, human resources and risk management, information technology and records management.

### 2018-2019 Noteworthy Items:

- ✓ Completion of the City's technology and software upgrade (website, fiber optic connectivity, and Tyler Technology)
- ✓ Completion of the Gladstone Downtown Revitalization Plan
- ✓ A new library is being planned on current city Hall site, in partnership with Clackamas County
- ✓ Secured \$6.8 million in financing for the construction of the Gladstone Civic Center
- ✓ Commenced a feasibility study to replace the Trolley Bridge that connects, Gladstone and Oregon City.
- ✓ Completed annual audits and financial reports for the City of Gladstone and the Gladstone Urban Renewal Agency with no audit findings.

### 2019-2021 Budget Highlights:

- Implementation of strategies for the Downtown Revitalization Plan utilizing funds appropriated in Community Promotions/Business Development.
- Implement Library services intergovernmental agreement with Clackamas County, for construction of Gladstone Public Library and management of all services. The City is anticipating an annual contribution of \$200,000 to the County, beginning in fiscal year 2020-21, as shown in the Library department.
- Complete the Clackamas County Housing Needs Analysis and Code Audit to address affordable housing strategy.
- Accurately reflect Dues & Memberships that encompasses Council, Administration, City Recorder and Finance activity in professional organizations. These include the League of Oregon Cities (LOC), Rotary, International City Manager's Association (ICMA), Oregon Mayor's Association, Oregon City County Manager's Association, North Clackamas Chamber, Clackamas County Business Alliance, MSDS Safety Committee Annual Maintenance, BOLI, Clackamas Cities Dinner Hosting, Government Finance Officers Association and Metropolitan Mayor's Association.

## General Fund

Administration Expenditures							
Requirements - 121							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Personnel Services</b>							
432000	SALARIES	\$ 359,796	\$ 472,191	\$ 922,681	\$ 542,243	\$ 572,351	\$ 1,114,594
451000	OVERTIME	751	2,052	2,500	1,000	1,000	2,000
470000	ASSOCIATED PAYROLL COSTS	161,186	223,846	478,600	282,697	300,393	583,090
<b>Total Personnel Services</b>		<b>\$ 521,733</b>	<b>\$ 698,089</b>	<b>\$ 1,403,781</b>	<b>\$ 825,940</b>	<b>\$ 873,744</b>	<b>\$ 1,699,684</b>
<b>Materials &amp; Services</b>							
500110	CONTRACTUAL & PROFESSIONAL	\$ 63,618	\$ 233,207	\$ 230,000	\$ 134,200	\$ 134,200	\$ 268,400
500120	MUNICIPAL AUDIT CONTRACT	38,300	33,450	80,000	42,000	42,000	84,000
500130	LEGAL FEES	160,862	212,668	363,000	108,000	108,000	216,000
500210	COMPUTER /TECHNOLOGY SERVICE	110,327	281,539	350,000	15,000	15,000	30,000
500490	COUNCIL ACTIVITIES	4,285	7,678	20,000	12,500	12,500	25,000
500491	OUTSIDE AGENCY REQUESTS	-	-	2,250	23,500	23,500	47,000
500492	COUNTY PLANNING SERVICES	57,501	81,493	125,000	80,000	80,000	160,000
510020	COMM. PROMOTIONS/BUSINESS DEV.	-	-	235,000	290,650	94,000	384,650
520120	BANK CHARGES	18,403	-	4,500	3,750	3,750	7,500
520200	BUILDING MAINTENANCE & SUPPLIES	16,166	14,566	-	-	-	-
520320	FLEET FUEL, MAINTENANCE & REPAIR	15	42	1,499	500	500	1,000
520400	OFFICE SUPPLIES & EQUIPMENT	23,576	22,982	55,000	28,875	28,875	57,750
520450	CITY NEWSLETTER	18,577	35,593	60,000	35,000	35,000	70,000
530000	FIRE & LIABILITY INSURANCE	127,044	269,787	180,000	100,000	100,000	200,000
530200	EMERGENCY MANAGEMENT	4,377	-	26,000	12,500	12,500	25,000
540110	EMPLOYEE APPRECIATION	590	765	4,000	2,500	2,500	5,000
540120	PERSONNEL RECRUITMENT	75,899	12,599	20,000	10,000	10,000	20,000
540200	DUES & MEMBERSHIPS	-	24,775	6,108	30,000	30,000	60,000
540220	TRAVEL, CONFERENCES & TRAINING	7,759	1,490	43,892	22,500	22,500	45,000
540230	MILEAGE REIMBURSEMENT	898	-	3,000	1,000	1,000	2,000
542000	PUBLICATIONS & SUBSCRIPTIONS	11,350	288	26,000	10,000	10,000	20,000
560100	UTILITIES	10,710	12,135	-	-	-	-
560120	TELEPHONES	9,125	9,118	24,000	15,000	15,000	30,000
<b>Total Materials &amp; Services</b>		<b>\$ 759,382</b>	<b>\$ 1,254,175</b>	<b>\$ 1,859,249</b>	<b>\$ 977,475</b>	<b>\$ 780,825</b>	<b>\$ 1,758,300</b>
<b>Total Requirements</b>		<b>\$ 1,281,115</b>	<b>\$ 1,952,264</b>	<b>\$ 3,263,030</b>	<b>\$ 1,803,415</b>	<b>\$ 1,654,569</b>	<b>\$ 3,457,984</b>
<b>FTE COUNT</b>		<b>5.00</b>	<b>5.00</b>	<b>5.70</b>	<b>5.80</b>	<b>5.80</b>	





## FACILITIES EXPENDITURES

The Facilities department was established during the 2017-2019 Biennium to set a standard of maintenance of City buildings. With the new City Hall and Police Station on the horizon, there is an increasing need to ensure all City assets are well maintained on a routine basis.

Facilities include City Hall, Police Department, Fire Department, Library, Senior Center and Public Works.

### 2018-2019 Noteworthy Items:

- ✓ Implementation of the new Facilities department with coordination of all services.

### 2019-2021 Budget Highlights:

- Establish Building Reserve account to begin remodeling of Public Works Facility.

Facilities Expenditures							
Requirements - 124							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Personnel Services</b>							
432000	SALARIES	\$ -	\$ -	\$ 67,325	\$ 34,842	\$ 37,675	\$ 72,517
439000	PART-TIME/SEASONAL	-	-	10,000	8,500	8,500	17,000
451000	OVERTIME	-	-	2,000	1,000	1,000	2,000
470000	ASSOCIATED PAYROLL COSTS	-	-	11,700	15,938	16,531	32,469
<b>Total Personnel Services</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 91,025</b>	<b>\$ 60,280</b>	<b>\$ 63,706</b>	<b>\$ 123,986</b>
<b>Materials &amp; Services</b>							
500110	CONTRACTUAL & PROFESSIONAL	\$ -	\$ -	\$ 92,500	\$ 50,000	\$ 55,000	\$ 105,000
520130	OPERATIONS, MAINTENANCE & REPAIR	-	-	92,500	50,000	55,000	105,000
520322	GENERATOR FUEL	-	-	2,000	1,600	1,600	3,200
540220	TRAVEL, CONFERENCES & TRAINING	-	-	1,000	1,000	1,000	2,000
540300	SMALL TOOLS, EQUIPMENT & SAFETY	-	-	10,000	2,500	3,000	5,500
560100	UTILITIES	-	-	112,500	70,000	70,000	140,000
<b>Total Materials &amp; Services</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 310,500</b>	<b>\$ 175,100</b>	<b>\$ 185,600</b>	<b>\$ 360,700</b>
<b>Capital Outlay</b>							
641010	BUILDING REPAIR	\$ -	\$ -	\$ -	\$ 47,000	\$ -	\$ 47,000
641000	FACILITY IMPROVEMENTS	-	-	-	125,000	125,000	250,000
<b>Total Capital Outlay</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 172,000</b>	<b>\$ 125,000</b>	<b>\$ 297,000</b>
<b>Total Requirements</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 401,525</b>	<b>\$ 407,380</b>	<b>\$ 374,306</b>	<b>\$ 781,686</b>
<b>FTE COUNT</b>		<b>-</b>	<b>-</b>	<b>0.60</b>	<b>0.60</b>	<b>0.60</b>	

## MUNICIPAL COURT EXPENDITURES

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 Gladstone by promoting public safety, traffic safety, and respect for the administration of justice by applying sanctions for violations of municipal ordinances.

### 2018-2019 Noteworthy Items:

- ✓ Ran an amnesty program and collected \$23,113.24
- ✓ Implementation of new jury ordinance
- ✓ Audited cases over 20 years old (Unable to legally collect)
- ✓ Completed Department Motor Vehicles (DMV) computer generated abstracts.
- ✓ Hired four indigent defense attorneys

The Municipal Court has begun sending cases to the Oregon Department of Revenue once again. This was stopped for the last one to two years. The first month (February, 2019) \$9,107.52 was collected. This collection method is only permissible if the individual has a refund or a kicker check.

### 2019-2021 Budget Highlights:

- Attend OACA/CJIS Conferences – funds in Travel, Conferences & Training
- Implement the importing of E-citations from Police Department
- Exporting abstracts to DMV
- Lease new copier for Court use – funds in Office Supplies & Equipment



## General Fund

<b>Municipal Court Expenditures</b>							
<b>Requirements - 220</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Personnel Services</b>							
432000	SALARIES	\$ 73,720	\$ 83,942	\$ 178,225	\$ 135,034	\$ 142,790	\$ 277,824
451000	OVERTIME	-	-	1,000	-	-	-
470000	ASSOCIATED PAYROLL COSTS	33,278	37,587	100,700	76,051	81,051	157,102
<b>Total Personnel Services</b>		<b>\$ 106,998</b>	<b>\$ 121,529</b>	<b>\$ 279,925</b>	<b>\$ 211,085</b>	<b>\$ 223,841</b>	<b>\$ 434,926</b>
<b>Materials &amp; Services</b>							
500110	CONTRACTUAL & PROFESSIONAL	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ 1,000
500132	PROSECUTING ATTORNEY	36,000	36,000	84,000	36,600	37,200	73,800
500134	ATTORNEYS FOR INDIGENT CLIENTS	23,652	32,056	67,000	33,500	33,500	67,000
500136	MUNICIPAL COURT JUDGE	36,000	36,000	84,000	36,600	37,200	73,800
500137	PRO-TEM JUDGE	388	-	3,000	1,500	1,500	3,000
500138	JURY EXPENSES	-	712	400	1,000	1,000	2,000
500282	COURTROOM SECURITY	5,282	5,790	16,000	8,000	8,000	16,000
520120	BANK CHARGES	-	-	-	4,000	4,000	8,000
520400	OFFICE SUPPLIES & EQUIPMENT	11,808	9,244	27,500	13,750	13,750	27,500
520420	COLLECTION SERVICES	2,155	1,102	5,200	-	-	-
530200	DOCUMENT IMAGING	-	-	2,000	-	-	-
540220	TRAVEL, CONFERENCES & TRAINING	-	-	-	2,000	2,000	4,000
<b>Total Materials &amp; Services</b>		<b>\$ 115,285</b>	<b>\$ 120,904</b>	<b>\$ 289,100</b>	<b>\$ 137,450</b>	<b>\$ 138,650</b>	<b>\$ 276,100</b>
<b>Total Requirements</b>		<b>\$ 222,283</b>	<b>\$ 242,433</b>	<b>\$ 569,025</b>	<b>\$ 348,535</b>	<b>\$ 362,491</b>	<b>\$ 711,026</b>
<b>FTE COUNT</b>		<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>2.00</b>	<b>2.00</b>	



## POLICE DEPARTMENT EXPENDITURES

The Gladstone Police Department's mission is to fulfill the law enforcement needs of the people with the highest degree of fairness, professionalism and integrity, and to protect the inherent rights of the people to live in freedom and safety. The department is committed to protecting the lives of our citizens, ensuring a safe community, reducing crime and the fear of crime. Our mission is to ensure that our citizens feel safe to walk our streets and to picnic in our parks with their families. We will conduct police activities that help us achieve our mission, while ensuring that all people are treated with dignity and respect, without regard for a person's gender, ethnicity, race, religion, color or sexual orientation.

Officers handle criminal investigations, traffic control/enforcement, and school resource functions. The code enforcement officer handles city code violations as well as dog control. In addition to the police chief, current staffing consists of one lieutenant, three sergeants, a detective (also the school resource officer), and eleven patrol officers, (including the K-9 officer). The office support staff consists of one Executive Assistant, one Records positions and one part-time evidence technician. There is currently one reserve officer who serve in a variety of support functions. Patrol officers are on duty 24 hours a day, 365 days a year.

### 2018-2019 Noteworthy Items:

- ✓ It has been a busy couple of years. In 2018 we responded to 14,094 calls for service. We are on pace to finish 2019 with approx. 14,412 calls
- ✓ Established more presence on social media, and launched a new Mobile APP for ease in getting and sending information to and from our citizens. Our goal is and continues to be outstanding transparency and open communication.
- ✓ Emergency Management – established separate website page to help and inform citizens on emergency management preparation.
- ✓ Chaplains Program – The Gladstone Police Department is proud to have such a strong Chaplaincy program. We have three Chaplains that respond 24/7 to the needs of our citizens in the time of crisis. They also check in on the welfare of the officers and staff of the first responders to ensure we are doing well given the tough circumstances we often find ourselves. All three attended and graduated from the 2018 Oregon Chaplains Academy.



General Fund

<b>Police Department Expenditures</b>							
<b>Requirements - 240</b>							
<b>Account Code</b>	<b>Description</b>	<b>2015-16 Actuals</b>	<b>2016-17 Actuals</b>	<b>2017-2019 Final Adopted</b>	<b>2019-20 Proposed Budget</b>	<b>2020-21 Proposed Budget</b>	<b>2019-2021 Proposed Biennium</b>
<b>Personnel Services</b>							
432000	SALARIES	\$ 957,024	\$ 1,182,105	\$ 2,479,545	\$ 1,304,984	\$ 1,411,200	\$ 2,716,184
451000	OVERTIME/HOLIDAY	114,694	144,307	242,000	141,000	141,000	282,000
470000	ASSOCIATED PAYROLL COSTS	549,170	656,095	1,575,000	778,600	835,624	1,614,224
<b>Total Personnel Services</b>		<b>\$ 1,620,888</b>	<b>\$ 1,982,507</b>	<b>\$ 4,296,545</b>	<b>\$ 2,224,584</b>	<b>\$ 2,387,824</b>	<b>\$ 4,612,408</b>
<b>Materials &amp; Services</b>							
500200	CONTRACTUAL SERVICES	\$ 42,203	\$ 58,874	\$ 80,000	\$ 56,000	\$ 56,000	\$ 112,000
500284	PARK PATROL (PRIVATE SECURITY)	4,343	4,707	12,600	6,930	6,930	13,860
500442	REGJIN - CLASS/PPDS	13,978	155	30,000	-	-	-
510044	JUVENILE & TRAFFIC DIVERSION PROG.	2,500	2,500	6,000	4,750	4,750	9,500
520112	FIREARMS/AMMUNITION	19,220	16,277	40,000	34,000	34,000	68,000
520100	OPERATIONAL SUPPLIES & EQUIPMENT	87,051	84,592				
520310	MAINTENANCE, REPAIR & OPERATIONS	8,604	14,518	20,000			
520320	VEHICLE MAINTENANCE/FUELING	49,656	56,448	150,000	75,000	75,000	150,000
520340	RADIO MAINT/REPLACEMENT	19,321	19,431	40,000	-	-	-
520345	RADAR MAINTENANCE REPLACEMENT	5,841	3,817	7,000	-	-	-
520400	OFFICE SUPPLIES/FORMS	13,227	18,511	148,000	108,000	78,000	186,000
540110	EMPLOYEE APPRECIATION	-	-	11,000	6,000	6,000	12,000
540200	DUES & MEMBERSHIPS	26,610	51,331	60,000	10,000	10,000	20,000
540220	TRAVEL, CONFERENCES & TRAINING	-	-	-	32,000	32,000	64,000
542000	PUBLICATIONS & SUBSCRIPTIONS	7,920	6,932	22,000	5,000	5,000	10,000
540221	EMERGENCY MANAGEMENT	-	4,307	-	-	-	-
540300	UNIFORM & EQUIPMENT	20,923	17,430	47,000	20,000	20,000	40,000
560110	CELL PHONES, PAGERS,RADIOS	17,645	22,659	40,000	22,000	22,000	44,000
<b>Total Materials &amp; Services</b>		<b>\$ 339,042</b>	<b>\$ 382,489</b>	<b>\$ 713,600</b>	<b>\$ 379,680</b>	<b>\$ 349,680</b>	<b>\$ 729,360</b>
<b>Capital Outlay</b>							
641025	POLICE STATION IMPROVEMENTS	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -
651000	VEHICLES & EQUIPMENT RESERVE	-	-	205,000	110,000	110,000	220,000
661018	RADIO & COMPUTER RESERVE	-	-	80,000	10,000	10,000	20,000
<b>Total Capital Outlay</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 325,000</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>	<b>\$ 240,000</b>
<b>Total Requirements</b>		<b>\$ 1,959,930</b>	<b>\$ 2,364,996</b>	<b>\$ 5,335,145</b>	<b>\$ 2,724,264</b>	<b>\$ 2,857,504</b>	<b>\$ 5,581,768</b>
<b>FTE COUNT</b>		<b>13.50</b>	<b>16.50</b>	<b>16.50</b>	<b>16.50</b>	<b>16.50</b>	

**2019-2021 Budget Highlights:**

- Emergency Management – Plans to continue to make this program a highlight in this budget include outreach designated to increase individual self-reliance in our community by continuing and expanding the 2-Weeks Ready FEMA Program.
- Release of Public Service Announcement videos that help educate our citizens on police interaction, procedures and a wide range of other topics such as holiday safety and others.
- Citizens Academy – To allow citizens to learn first-hand information about how their police department works. Also allows for police and citizens to partner up to help fight crime together.



## FIRE DEPARTMENT EXPENDITURES

The Gladstone Fire Department is primarily staffed by paid on call firefighters, and is supported by a career interim fire chief, career fire marshal, three career captains and a career training captain. Gladstone Fire Department started service in 1911, and has remained in the same location since then.

### 2018-2019 Noteworthy Items:

- ✓ Implemented Standard of Cover and Strategic Plan
- ✓ Responded to calls for emergencies faster than ever before with the most qualified and certified work force in Gladstone Fire History
- ✓ Painted the fire station
- ✓ Received a grant from FEMA AFG and purchased new SCBA
- ✓ Purchased radios for apparatus increasing firefighter safety
- ✓ Replaced another old unsupported Automatic External Defibrillator (AED)
- ✓ Replaced out dated rope rescue equipment
- ✓ Ungraded kitchen appliances
- ✓ New computers in offices work stations
- ✓ Purchased new fitness equipment for personnel use in department fitness area

### 2019-2021 Budget Highlights:

- Replace the last old unsupported Automatic External Defibrillator (AED)
- Upgrades for fire department kitchen
- Training and certification for additional personnel to be Tech. Rescue (Ropes Rescue, Surface Water and Swift Water Rescue, and Dive Rescue)
- Maintain and upgrade extrication equipment



*circa 1928*



*circa 2018*



General Fund

<b>Fire Department Expenditures</b>							
<b>Requirements - 250</b>							
<b>Account Code</b>	<b>Description</b>	<b>2015-16 Actuals</b>	<b>2016-17 Actuals</b>	<b>2017-2019 Final Adopted</b>	<b>2019-20 Proposed Budget</b>	<b>2020-21 Proposed Budget</b>	<b>2019-2021 Proposed Biennium</b>
<b>Personnel Services</b>							
432000	SALARIES	\$ 118,270	\$ 179,584	\$ 698,375	\$ 444,967	\$ 481,084	\$ 926,051
432290	ON-CALL FIREFIGHTERS	228,727	261,133	547,223	270,000	278,000	548,000
451000	OVERTIME/HOLIDAY	-	-	26,000	25,000	25,000	50,000
470000	ASSOCIATED PAYROLL COSTS	110,457	143,917	513,803	333,034	356,985	690,019
<b>Total Personnel Services</b>		<b>\$ 457,454</b>	<b>\$ 584,634</b>	<b>\$ 1,785,401</b>	<b>\$ 1,073,001</b>	<b>\$ 1,141,069</b>	<b>\$ 2,214,070</b>
<b>Materials &amp; Services</b>							
500150	MEDICAL DIRECTOR CONTRACT	\$ 10,060	\$ 10,510	\$ 29,000	\$ 14,500	\$ 14,500	\$ 29,000
500210	COMPUTER/TECHNOLOGY SERVICE	6,188	4,110	15,000	5,000	5,000	10,000
500250	JANITORIAL SERVICES	5,282	3,980	-	-	-	-
500498	CCOM DISPATCH SERVICE	86,929	84,831	170,000	85,000	85,000	170,000
510022	FIRE GRANTS	-	-	50,000	25,000	25,000	50,000
520122	FIRE PREVENTION & INVESTIGATION	5,373	6,107	17,000	6,000	6,000	12,000
520124	FIRST RESPONDER SUPPLIES	23,260	15,874	50,000	26,500	26,500	53,000
520126	SCBA & TURNOUT MAINTENANCE	8,887	8,149	24,000	-	-	-
520200	BUILDING MAINTENANCE & SUPPLIES	26,747	26,958	85,000	42,500	42,500	85,000
520320	FLEET FUEL, MAINTENANCE & REPAIR	42,480	45,898	110,000	70,000	70,000	140,000
520400	OFFICE SUPPLIES/PRINTING	2,714	3,033	9,000	4,500	4,500	9,000
540130	PHYSICAL EXAMINATIONS	12,035	15,822	36,000	24,000	24,000	48,000
540200	DUES & MEMBERSHIPS	4,569	10,526	20,000	7,500	7,500	15,000
540222	TECH RESCUE TRAINING	2,437	1,533	15,250	7,625	7,625	15,250
540224	EMS TRAINING & RECERTIFICATION	4,549	4,372	15,000	7,500	7,500	15,000
540225	FIREFIGHTER TRAINING	12,745	21,115	82,000	31,000	31,000	62,000
540300	UNIFORMS & SAFETY EQUIPMENT	6,626	13,552	30,000	15,000	15,000	30,000
560100	UTILITIES	8,191	8,906	-	-	-	-
560110	CELL PHONES,PAGERS,RADIOS	30,713	32,651	84,000	32,000	32,000	64,000
<b>Total Materials &amp; Services</b>		<b>\$ 299,785</b>	<b>\$ 317,927</b>	<b>\$ 841,250</b>	<b>\$ 403,625</b>	<b>\$ 403,625</b>	<b>\$ 807,250</b>
<b>Capital Outlay</b>							
661010	ROUTINE EQUIPMENT REPLACEMENT	\$ 11,504	\$ 23,631	\$ 60,000	\$ -	\$ -	\$ -
661012	TURN-OUTS & SCBA RESERVE	23,190	11,996	295,000	-	-	-
661014	TECH RESCUE EQUIPMENT	5,798	15,676	27,000	-	-	-
661016	FIRE APPARATUS & EQUIPMENT RESERVE	33,832	41,721	418,667	442,667	24,000	466,667
661018	RADIO & EQUIPMENT RESERVE	28,318	50,654	100,000	22,197	22,197	44,394
<b>Total Capital Outlay</b>		<b>\$ 102,642</b>	<b>\$ 143,678</b>	<b>\$ 900,667</b>	<b>\$ 464,864</b>	<b>\$ 46,197</b>	<b>\$ 511,061</b>
<b>Total Requirements</b>		<b>\$ 859,881</b>	<b>\$ 1,046,239</b>	<b>\$ 3,527,318</b>	<b>\$ 1,941,490</b>	<b>\$ 1,590,891</b>	<b>\$ 3,532,381</b>
<b>FTE COUNT</b>		<b>6.91</b>	<b>2.00</b>	<b>4.00</b>	<b>5.00</b>	<b>5.00</b>	

Several line items have been reduced from the previous 2017-2019 biennial budget. These items are all training and/or equipment related, and have been moved to the Fire & Safety Levy Fund #229. Please refer to that Fund Detail for the Proposed 2019-2021 Biennial Budget, in accounts #520126, 560110, 661010, 661012, 661014, 661016 and 660120.

**PARKS & RECREATION DEPARTMENT EXPENDITURES**

Gladstone Parks and Recreation strive to create recreation, leisure and cultural opportunities by providing high quality parks, facilities, programming and support services to people of all ages.

**2018-2019 Noteworthy Items:**

- ✓ Oregon State Marine Board Grant for sediment analysis completed and boat dock replacement grant awarded.

**2019-2021 Budget Highlights:**

- Increased funding for Operations, Maintenance & Repairs to proactively maintain existing facilities and parks.
- Savings were realized in Fleet Fuel, Maintenance and Repairs thru lower costs.
- Utilities have significantly increased due to rates and usage.
- Equipment Replacement Reserves have been funded as scheduled.

Parks Expenditures							
Requirements - 526							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Personnel Services</b>							
432000	SALARIES	\$ 69,068	\$ 111,464	\$ 295,350	\$ 168,352	\$ 183,741	\$ 352,093
439000	PART-TIME/SEASONAL	8,693	15,836	85,000	30,000	35,000	65,000
451000	OVERTIME	1,580	1,732	4,250	3,500	3,500	7,000
470000	ASSOCIATED PAYROLL COSTS	47,199	69,006	68,000	112,508	120,377	232,885
<b>Total Personnel Services</b>		<b>\$ 126,540</b>	<b>\$ 198,038</b>	<b>\$ 452,600</b>	<b>\$ 314,360</b>	<b>\$ 342,618</b>	<b>\$ 656,978</b>
<b>Materials &amp; Services</b>							
500110	CONTRACTUAL & PROFESSIONAL	\$ 11,234	\$ 69,716	\$ 45,000	\$ 30,000	\$ 35,000	\$ 65,000
510052	MARINE BOARD ASSISTANCE PROGRM	2,447	548	-	-	-	-
520130	OPERATIONS, MAINTENANCE & REPAIRS	62,853	32,207	85,000	70,000	70,000	140,000
520132	HAZARDOUS TREE REMOVAL	9,269	23,940	60,000	30,000	30,000	60,000
520134	SPRAY PK OPERATE & MAINTENANCE	1,934	939	-	-	-	-
520300	EQUIPMENT MAINTENANCE & SUPPLIES	-	14,354	-	-	-	-
520320	FLEET FUEL, MAINTENANCE & REPAIRS	-	1,377	65,000	20,000	22,000	42,000
520400	OFFICE SUPPLIES & EQUIPMENT	-	393	4,000	2,000	2,200	4,200
530120	PORTABLE RESTROOM RENTALS	11,316	10,152	-	-	-	-
540220	TRAVEL, CONFERENCES & TRAINING	-	770	4,000	1,500	2,000	3,500
540300	SMALL TOOLS, EQUIPMENT & SAFETY	-	4,285	50,000	15,000	15,000	30,000
540400	DUMPING, HAULING & GARBAGE	-	1,408	10,000	1,500	1,500	3,000
560100	UTILITIES	8,346	10,050	34,500	30,000	30,000	60,000
<b>Total Materials &amp; Services</b>		<b>\$ 107,399</b>	<b>\$ 170,139</b>	<b>\$ 357,500</b>	<b>\$ 200,000</b>	<b>\$ 207,700</b>	<b>\$ 407,700</b>
<b>Capital Outlay</b>							
660100	EQUIPMENT REPLACEMENT RESERVES	\$ 2,455	\$ 70,262	\$ 140,000	\$ 95,200	\$ 25,000	\$ 120,200
671200	METRO LOCAL SHARE	1,080	67,343	-	-	-	-
676050	SYSTEMS IMPROVEMENTS & PROJECTS	16,750	-	150,000	68,411	-	68,411
<b>Total Capital Outlay</b>		<b>\$ 20,285</b>	<b>\$ 137,605</b>	<b>\$ 290,000</b>	<b>\$ 163,611</b>	<b>\$ 25,000</b>	<b>\$ 188,611</b>
<b>Total Requirements</b>		<b>\$ 254,224</b>	<b>\$ 505,782</b>	<b>\$ 1,100,100</b>	<b>\$ 677,971</b>	<b>\$ 575,318</b>	<b>\$ 1,253,289</b>
<b>FTE COUNT</b>		<b>1.50</b>	<b>1.60</b>	<b>2.25</b>	<b>2.45</b>	<b>2.50</b>	

## General Fund

### 2019-2021 Budget Highlights:

- The Recreation department is staffed by part-time, seasonal employees. The City does not factor in an FTE count for part-time staff as of 2016-17.
- Personnel Services have increased to provide more hours toward field maintenance.
- The Community School Contract was moved to the Administration department budget under the Outside Agencies Requests.

<b>Recreation Expenditures</b>							
<b>Requirements - 527</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Personnel Services</b>							
435110	FIELD MAINTENANCE CREW	\$ 10,710	\$ 16,236	\$ 21,500	\$ 16,000	\$ 16,000	\$ 32,000
435120	PLAYGROUND AIDES	10,057	10,890	27,000	14,000	14,000	28,000
470000	ASSOCIATED PAYROLL COSTS	2,615	3,405	11,500	3,000	3,000	6,000
<b>Total Personnel Services</b>		<b>\$ 23,382</b>	<b>\$ 30,531</b>	<b>\$ 60,000</b>	<b>\$ 33,000</b>	<b>\$ 33,000</b>	<b>\$ 66,000</b>
<b>Materials &amp; Services</b>							
500460	COMMUNITY SCHOOL CONTRACT	\$ 22,312	\$ 22,535	\$ 50,000	\$ -	\$ -	\$ -
510062	SUMMER PROGRAMS	1,368	1,498	4,000	1,500	1,500	3,000
510064	SPECIAL EVENTS	1,243	964	2,000	2,500	2,500	5,000
520136	MAINTENANCE & SUPPLIES	308	936	1,350	1,000	1,200	2,200
<b>Total Materials &amp; Services</b>		<b>\$ 25,231</b>	<b>\$ 25,933</b>	<b>\$ 57,350</b>	<b>\$ 5,000</b>	<b>\$ 5,200</b>	<b>\$ 10,200</b>
<b>Total Requirements</b>		<b>\$ 48,613</b>	<b>\$ 56,464</b>	<b>\$ 117,350</b>	<b>\$ 38,000</b>	<b>\$ 38,200</b>	<b>\$ 76,200</b>
<b>FTE COUNT</b>		<b>0.26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	



General Fund

**SENIOR CENTER EXPENDITURES**

The Gladstone Senior Center was built with City, fundraising funds and Community Block Grant funding in 1981. The Center currently sees 1,000+ patrons each month that come through the doors. The Center offers a variety of recreational classes, meals at the Center or homes, and a transport program to local area residents. In addition, Center staff conducts assessment information and referrals, along with health and wellness information.

**2018-2019 Noteworthy Items:**

- ✓ Collected new revenue through Community School IGA
- ✓ Enhanced Nutrition Services
- ✓ Streamlined processes, increasing fiscal value

<b>Senior Center Expenditures</b>							
<b>Requirements - 528</b>							
<b>Account Code</b>	<b>Description</b>	<b>2015-16 Actuals</b>	<b>2016-17 Actuals</b>	<b>2017-2019 Final Adopted</b>	<b>2019-20 Proposed Budget</b>	<b>2020-21 Proposed Budget</b>	<b>2019-2021 Proposed Biennium</b>
<b>Personnel Services</b>							
432000	SALARIES	\$ 160,982	\$ 142,580	\$ 359,275	\$ 189,233	\$ 204,238	\$ 393,471
470000	ASSOCIATED PAYROLL COSTS	72,579	50,094	150,000	81,264	87,752	169,016
<b>Total Personnel Services</b>		<b>\$ 233,561</b>	<b>\$ 192,674</b>	<b>\$ 509,275</b>	<b>\$ 270,497</b>	<b>\$ 291,990</b>	<b>\$ 562,487</b>
<b>Materials &amp; Services</b>							
500210	COMPUTER/TECHNOLOGY SERVICE	\$ 105	\$ 6,642	\$ 2,000	\$ 4,000	\$ 1,500	\$ 5,500
500250	JANITORIAL SERVICES	-	5,225	-	-	-	-
510075	NUTRITION PROGRAM SUPPLIES	-	10,635	28,000	18,000	18,000	36,000
520140	TRAM EXPENSES	2,254	6,050	11,000	6,250	6,250	12,500
520190	MISCELLANEOUS EQUIPMENT	5,588	570	5,500	5,000	2,500	7,500
520200	BUILDING MAINTENANCE & SUPPLIES	-	7,313	5,500	8,000	8,000	16,000
520320	FLEET FUEL, MAINTENANCE & REPAIRS	4,884	427	11,200	1,250	1,250	2,500
520400	OFFICE SUPPLIES & EQUIPMENT	2,772	5,891	11,000	6,500	6,500	13,000
540200	DUES & MEMBERSHIPS	9	2,453	2,600	1,400	1,400	2,800
540230	MILEAGE REIMBURSEMENT	36	-	100	50	50	100
560100	UTILITIES	-	11,620	-	-	-	-
560120	TELEPHONES	1,885	3,689	7,000	3,500	3,500	7,000
<b>Total Materials &amp; Services</b>		<b>\$ 17,533</b>	<b>\$ 60,515</b>	<b>\$ 83,900</b>	<b>\$ 53,950</b>	<b>\$ 48,950</b>	<b>\$ 102,900</b>
<b>Capital Outlay</b>							
641010	BUILDING REPAIR	\$ 12,016	\$ -	\$ 12,000	\$ 6,500	\$ 6,500	\$ 13,000
641090	PLANTON ESTATE	-	137,959	137,959	-	-	-
651000	VEHICLES & EQUIPMENT	-	-	22,000	-	-	-
676050	SYSTEMS IMPROVEMENTS & PROJECTS	-	-	11,000	-	-	-
<b>Total Capital Outlay</b>		<b>\$ 12,016</b>	<b>\$ 137,959</b>	<b>\$ 182,959</b>	<b>\$ 6,500</b>	<b>\$ 6,500</b>	<b>\$ 13,000</b>
<b>Total Requirements</b>		<b>\$ 263,110</b>	<b>\$ 391,148</b>	<b>\$ 776,134</b>	<b>\$ 330,947</b>	<b>\$ 347,440</b>	<b>\$ 678,387</b>
<b>FTE COUNT</b>		<b>2.90</b>	<b>3.50</b>	<b>3.50</b>	<b>3.10</b>	<b>3.10</b>	



**2019-2021 Budget Highlights:**

- This budget accurately reflects operational requirements for the Senior Center.
- Nutrition Program expansion, enriching nutritional benefit to Seniors.
- Re-Aligned Building Maintenance/Supplies to reflect necessities of facility.
- Fulfil technical needs to comply with changing I.T. requisites.
- Planton Estate: Capital Improvement Projects; roof repair and purchase of new HVAC units for Planton Room.
- Modify Transportation activities to enrich social lives of seniors.



***The Gladstone Senior Center.***

***Working to improve the lives of Gladstone seniors for over 35 years.  
The Senior Center staff thanks you for your continued support.***

## **LIBRARY EXPENDITURES**

The 2019-2021 Bienium will be a transitional time for Gladstone Public Library as it transitions to Clackamas County.

The Gladstone Public Library will likely stay under the jurisdiction of the City for the fiscal year 2019-20, and has been budgeted for revenues and requirements, accordingly. As of fiscal year 2020-21, Clackamas County will assume responsibility of operations, and construct a new library on the existing City Hall site (once the City has moved to the new location). Should operations transfer earlier than anticipated, the City will adjust the budget as necessary.

### **2018-2019 Noteworthy Items:**

- ✓ Amended Master IGA with the approval of ten Library cities, which allowed for the implementation of the terms of the settlement agreement between the City of Gladstone and Clackamas County.
- ✓ Formed the Gladstone Community Library Planning Task Force to begin community involvement concerning the new library construction project.
- ✓ Continue to collaborate with Clackamas County to transfer Gladstone Library operations on or shortly after July 1, 2019.
- ✓ Held joint team building events involving staff from both the Gladstone and Oak Lodge Libraries.
- ✓ LINCC Implementation of eCultural pass software.



**The Metro Youth Symphony**

General Fund

**2019-2021 Budget Highlights:**

- Fiscal year 2019-20 is a status quo budget, with a reduction in on-call staffing.
- Implement Library services intergovernmental agreement with Clackamas County, for construction of Gladstone Public Library and management of all services. The City is anticipating an annual contribution of \$200,000 to the County, beginning in fiscal year 2020-21, as shown in the Library department.

<b>GENERAL FUND</b>							
<b>Library Expenditures</b>							
<b>Requirements - 528</b>							
<b>Account Code</b>	<b>Description</b>	<b>2015-16 Actuals</b>	<b>2016-17 Actuals</b>	<b>2017-2019 Final Adopted</b>	<b>2019-20 Proposed Budget</b>	<b>2020-21 Proposed Budget</b>	<b>2019-2021 Proposed Biennium</b>
<b>Personnel Services</b>							
432000	SALARIES	\$ 363,961	\$ 380,553	\$ 964,500	\$ 360,000	\$ -	\$ 360,000
470000	ASSOCIATED PAYROLL COSTS	126,447	140,704	291,000	195,000	-	195,000
<b>Total Personnel Services</b>		<b>\$ 490,408</b>	<b>\$ 521,257</b>	<b>\$ 1,255,500</b>	<b>\$ 555,000</b>	<b>\$ -</b>	<b>\$ 555,000</b>
<b>Materials &amp; Services</b>							
500110	CONTRACTUAL & PROFESSIONAL	\$ -	\$ -	\$ -	\$ 65,900	\$ 200,000	\$ 265,900
500210	COMPUTER/TECHNOLOGY SERVICE	13,756	48,052	35,000	25,000	-	25,000
500250	JANITORIAL SERVICES	-	13,763	-	-	-	-
510081	NEW BOOKS	49,574	48,578	195,000	95,000	-	95,000
510082	ADULT/CHILDREN'S PROGRAMS	3,874	8,071	15,500	7,500	-	7,500
510084	READY TO READ GRANT	5,629	2,932	6,000	2,950	-	2,950
510086	LIBRARY FNDTN FUNDED PROGRAM	6,312	6,432	10,665	5,000	-	5,000
510100	MARKETING	216	-	1,750	700	-	700
520200	BUILDING MAINTENANCE & REPAIRS	-	12,092	-	-	-	-
520310	OFFICE SUPPLIES & EQUIPMENT	6,005	3,597	13,000	6,000	-	6,000
530100	RENTALS & LEASES	8,121	1,261	18,500	9,000	-	9,000
540200	DUES & MEMBERSHIPS	2,554	4,027	6,500	-	-	-
542000	PUBLICATIONS & SUBSCRIPTIONS	3,778	-	8,500	4,500	-	4,500
560100	UTILITIES	-	8,430	-	-	-	-
560120	TELEPHONES	154	-	950	-	-	-
<b>Total Materials &amp; Services</b>		<b>\$ 99,973</b>	<b>\$ 157,235</b>	<b>\$ 311,365</b>	<b>\$ 221,550</b>	<b>\$ 200,000</b>	<b>\$ 421,550</b>
<b>Total Requirements</b>		<b>\$ 590,381</b>	<b>\$ 678,492</b>	<b>\$ 1,566,865</b>	<b>\$ 776,550</b>	<b>\$ 200,000</b>	<b>\$ 976,550</b>
<b>FTE COUNT</b>		<b>10.32</b>	<b>8.44</b>	<b>8.86</b>	<b>5.50</b>	<b>-</b>	





## ROADS & STREET FUND REVENUES & EXPENDITURES

The Roads & Street Fund maintains the City's transportation system, including roadways, sidewalks and pathways, in order to improve public safety and livability. Operations are performed to enhance mobility while protecting the environment.

### 2018-2019 Noteworthy Items:

- ✓ Completed the Transportation SDC update.
- ✓ Fleet replacement policy (all departments) followed with a better than projected savings – possibly 50% funded within the next two years.
- ✓ Clarendon Community Development Block Grant received, designed and put out to bid. Construction anticipated to start April/May of 2019. This project will benefit Roads & Streets, Sewer, Water and Storm funds, and all will participate in the matching share of cost.
- ✓ Oversight of several private development projects and Right of Way users.

### 2019-2021 Budget Highlights:

- Ongoing maintenance and repairs including annual crack sealing, slurry seal, minor road repairs, restriping, and traffic sign upgrades.



Public Works

<b>ROAD &amp; STREET FUND - 205</b>							
<b>Resources</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
309999	FUND BALANCE	\$ 531,152	\$ 822,930	\$ 1,765,000	\$ 1,750,000	\$ 400,000	\$ 1,750,000
310140	STATE HIGHWAY TAXES	680,345	693,528	1,350,000	885,535	951,588	1,837,123
312050	RIGHT OF WAY FEES	-	-	-	446,000	446,000	892,000
314075	TRANSPORTATION SDC'S	275,176	63,121	20,000	10,000	10,000	20,000
360000	ALL OTHER ROAD/STREET REVENUE	8,225	60,706	55,000	30,000	30,000	60,000
<b>Transfers In (ROW Revenue):</b>							
399100	GENERAL FUND	-	82,477	442,350	-	-	-
399730	SEWER FUND	-	56,880	221,370	113,157	124,963	238,120
399740	WATER FUND	-	30,728	140,875	81,350	84,938	166,288
399750	STORM FUND	-	-	55,750	37,941	41,735	79,676
<b>Total Resources</b>		<b>\$ 1,494,898</b>	<b>\$ 1,810,370</b>	<b>\$ 4,050,345</b>	<b>\$ 3,353,983</b>	<b>\$ 2,089,224</b>	<b>\$ 5,043,207</b>
<b>Requirements - 305</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Personnel Services</b>							
432000	SALARIES	\$ 93,127	\$ 113,476	\$ 344,010	\$ 210,367	\$ 235,782	\$ 446,149
439000	PART-TIME/SEASONAL	12,667	19,084	50,000	20,000	25,000	45,000
450100	OVERTIME	2,133	4,533	11,000	4,000	4,000	8,000
470000	ASSOCIATED PAYROLL COSTS	61,360	81,606	165,000	140,424	161,012	301,436
<b>Total Personnel Services</b>		<b>\$ 169,287</b>	<b>\$ 218,699</b>	<b>\$ 570,010</b>	<b>\$ 374,791</b>	<b>\$ 425,794</b>	<b>\$ 800,585</b>
<b>Materials &amp; Services</b>							
500110	CONTRACTUAL & PROFESSIONAL	\$ 19,028	\$ 5,143	\$ 85,000	\$ 52,100	\$ 57,100	\$ 109,200
520130	OPERATIONS, MAINTENANCE & REPAIRS	25,726	29,255	525,000	250,000	250,000	500,000
520172	STREET LIGHT MAINTENANCE	63,610	62,230	152,500	80,000	85,000	165,000
520176	TRAFFIC SIGNAL MAINTENANCE	19,431	9,468	50,000	20,000	25,000	45,000
520178	STREET SIGN MAINTENANCE	3,628	5,056	40,000	20,000	25,000	45,000
520195	50/50 SIDEWALK REPAIR COST SHARE	-	-	20,000	-	-	-
520311	EQUIPMENT REPAIRS	41,563	12,213	-	-	-	-
530100	RENTALS & LEASES	-	2,111	-	-	-	-
520320	FLEET FUEL, MAINTENANCE & REPAIRS	8,734	1,701	100,000	30,000	35,000	65,000
520400	OFFICE SUPPLIES & EQUIPMENT	-	263	4,000	2,500	2,500	5,000
540200	DUES & MEMBERSHIPS	-	870	-	-	-	-
540220	TRAVEL, CONFERENCES & TRAINING	5	24	5,000	2,500	2,500	5,000
540300	SMALL TOOLS, EQUIPMENT & SAFETY	25,673	34,449	45,000	20,000	25,000	45,000
540400	DUMPING, HAULING, GARBAGE	-	1,408	35,000	2,500	2,500	5,000
560100	UTILITIES	-	185	-	1,000	1,200	2,200
<b>Total Materials &amp; Services</b>		<b>\$ 207,398</b>	<b>\$ 164,376</b>	<b>\$ 1,061,500</b>	<b>\$ 480,600</b>	<b>\$ 510,800</b>	<b>\$ 991,400</b>
<b>Capital Outlay</b>							
660100	EQUIPMENT REPLACEMENT RESERVES	\$ 131,361	\$ 80,125	\$ 660,000	\$ 475,000	\$ 100,000	\$ 575,000
673020	ENGINEERING SERVICES	-	29,071	-	-	-	-
675054	NEW STREET LIGHTS	-	-	20,000	-	-	-
675056	BIKEWAY & SIDEWALK IMPROVEMENTS	3,950	-	57,000	64,500	7,500	72,000
675060	BUILDING & FACILITIES IMPROVEMENTS	87,244	5,410	-	-	-	-
676050	SYSTEM IMPROVEMENTS & PROJECTS	24,472	9,100	873,698	943,739	357,312	1,301,051
678090	RESERVE FROM SDC'S	-	-	327,852	327,535	-	327,535
<b>Total Capital Outlay</b>		<b>\$ 247,027</b>	<b>\$ 123,706</b>	<b>\$ 1,938,550</b>	<b>\$ 1,810,774</b>	<b>\$ 464,812</b>	<b>\$ 2,275,586</b>

## Public Works

<b>ROAD &amp; STREET FUND - 205</b>							
<b>Requirements - 305</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Transfers out:</b>							
899100	GENERAL FUND	\$ 60,493	\$ 62,308	\$ 130,285	\$ 33,478	\$ 33,478	\$ 66,956
899730	SEWER FUND	-	-	-	84,780	84,780	169,560
899740	WATER FUND	-	-	-	84,780	84,780	169,560
899750	STORM FUND	-	-	-	84,780	84,780	169,560
<b>Contingency</b>							
910000	CONTINGENCY FUNDS	\$ -	\$ -	\$ 350,000	\$ 400,000	\$ 400,000	\$ 400,000
	UNAPPROPRIATED FUND BALANCE	810,693	1,241,281	-	-	-	-
<b>Total Requirements</b>		<b>\$ 1,494,898</b>	<b>\$ 1,810,370</b>	<b>\$ 4,050,345</b>	<b>\$ 3,353,983</b>	<b>\$ 2,089,224</b>	<b>\$ 5,043,207</b>
<b>FTE COUNT</b>		<b>1.50</b>	<b>1.88</b>	<b>2.75</b>	<b>3.08</b>	<b>3.19</b>	



## SEWER FUND REVENUES & EXPENDITURES

The City of Gladstone is responsible for removing wastewater through a system of three pump stations and almost 35 miles of local sewer pipelines. From the City's pipelines, wastewater is then sent to regional sewer districts through a series of larger pipelines, to facilities where it is treated, then discharged to rivers. Most of the City is served by Tri-City Sewer District, which was formed as a partnership between Gladstone, Oregon City, and West Linn. Portions of the north and northeast of Gladstone are served by Clackamas County Service District No. 1, or Oak Lodge Water Services.

### 2018-2019 Noteworthy Items:

- ✓ Completed the Sewer SDC update.
- ✓ Completed the Sewer Master Plan.
- ✓ Purchase of the city's first combination cleaner/vacuum truck – utilized throughout Public Works.

### 2019-2021 Budget Highlights:

- Sewer rates will increase in January, 2020 and 2021 to \$4.03 and \$4.94 for a single family home.
- Inflow & Infiltration Study kick off as required in the Mutual Agreement and Order with Department of Environmental Quality. This is in response to the city discharge of sewage in the river.
- Continue line cleaning, system maintenance and repair.
- Adding one FTE as of fiscal year 2020/21, split equally between Sewer and Water funds.





Public Works

<b>Sewer Fund - 730</b>							
<b>Resources</b>							
<b>Account Code</b>	<b>Description</b>	<b>2015-16 Actuals</b>	<b>2016-17 Actuals</b>	<b>2017-2019 Final Adopted</b>	<b>2019-20 Proposed Budget</b>	<b>2020-21 Proposed Budget</b>	<b>2019-2021 Proposed Biennium</b>
309999	FUND BALANCE	\$ 1,038,047	\$ 1,130,035	\$ 2,484,000	\$ 936,000	\$ 52,661	\$ 936,000
314050	OAK LODGE SANITARY	517,455	552,186	1,050,000	637,175	697,174	1,334,349
314055	TRI CITY SERVICE DISTRICT	1,502,049	1,529,600	3,309,375	1,620,971	1,797,081	3,418,052
314080	CONNECTIONS FEES	304,416	11,768	45,000	5,000	5,000	10,000
314110	SEWER SDC'S	33,197	5,601	8,000	7,500	7,500	15,000
360000	ALL OTHER SEWER RECEIPTS	10,902	3,159	15,000	1,000	1,000	2,000
<b>Transfers In:</b>							
399205	ROAD & STREET FUND	-	-	-	84,780	84,780	169,560
<b>Total Resources</b>		<b>\$ 3,406,066</b>	<b>\$ 3,232,349</b>	<b>\$ 6,911,375</b>	<b>\$ 3,292,426</b>	<b>\$ 2,645,196</b>	<b>\$ 5,884,961</b>
<b>Requirements - 703</b>							
<b>Account Code</b>	<b>Description</b>	<b>2015-16 Actuals</b>	<b>2016-17 Actuals</b>	<b>2017-2019 Final Adopted</b>	<b>2019-20 Proposed Budget</b>	<b>2020-21 Proposed Budget</b>	<b>2019-2021 Proposed Biennium</b>
<b>Personnel Services</b>							
432000	SALARIES	\$ 158,667	\$ 184,320	\$ 310,960	\$ 167,370	\$ 214,256	\$ 381,626
439000	PART-TIME/SEASONAL	534	3,973	30,000	15,000	20,000	35,000
450100	OVERTIME	1,307	5,941	10,000	5,000	5,000	10,000
470000	ASSOCIATED PAYROLL COSTS	81,275	172,855	207,950	106,737	142,694	249,431
<b>Total Personnel Services</b>		<b>\$ 241,783</b>	<b>\$ 367,089</b>	<b>\$ 558,910</b>	<b>\$ 294,107</b>	<b>\$ 381,950</b>	<b>\$ 676,057</b>
<b>Materials &amp; Services</b>							
500110	CONTRACTUAL & PROFESSIONAL	\$ 121,507	\$ 96,006	\$ 85,000	\$ 50,000	\$ 60,000	\$ 110,000
500210	COMPUTER/TECHNOLOGY SERVICES	-	39,658	-	-	-	-
500452	SDC PASS-THROUGH TO TCSD	299,616	14,267	30,000	7,500	7,500	15,000
500456	OAK LODGE SANITARY DISTRICT	442,364	478,680	1,004,500	517,500	535,613	1,053,113
500458	TRI-CITY SERVICE DISTRICT	984,659	1,103,496	2,329,000	1,242,000	1,285,470	2,527,470
520130	OPERATIONS, MAINTENANCE & REPAIRS	98,401	48,659	105,000	50,000	55,000	105,000
520320	FLEET FUEL, MAINTENANCE & REPAIRS	-	3,636	105,000	25,000	30,000	55,000
520400	OFFICE SUPPLIES & EQUIPMENT	-	393	4,000	2,500	2,500	5,000
520430	UTILITY BILLS & POSTAGE	-	-	-	8,000	8,000	16,000
540220	TRAVEL, CONFERENCES & TRAINING	693	2,402	7,000	3,500	4,000	7,500
540300	SMALL TOOLS, EQUIPMENT & SAFETY	-	2,128	20,500	10,000	11,000	21,000
540400	DUMPING, HAULING, GARBAGE	-	1,408	20,500	2,500	2,500	5,000
560100	UTILITIES	1,698	807	4,000	1,500	1,700	3,200
<b>Total Materials &amp; Services</b>		<b>\$ 1,948,938</b>	<b>\$ 1,791,540</b>	<b>\$ 3,714,500</b>	<b>\$ 1,920,000</b>	<b>\$ 2,003,283</b>	<b>\$ 3,923,283</b>
<b>Capital Outlay</b>							
660100	EQUIPMENT REPLACEMENT RESERVES	\$ 1,965	\$ 49,496	\$ 825,000	\$ 587,000	\$ 75,000	\$ 662,000
676050	SYSTEM IMPROVEMENTS & PROJECTS	49,336	125,699	835,190	51,501	-	51,501
676052	RIPARIAN RESTORATION	7,820	-	-	-	-	-
678090	RESERVE FROM SDC'S	-	-	-	249,000	-	249,000
<b>Total Capital Outlay</b>		<b>\$ 59,121</b>	<b>\$ 175,195</b>	<b>\$ 1,660,190</b>	<b>\$ 887,501</b>	<b>\$ 75,000</b>	<b>\$ 962,501</b>

## Public Works

### Sewer Fund - 730

#### Requirements - 703

Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Transfers out:</b>							
899100	GENERAL FUND	\$ 26,188	\$ 26,975	\$ 56,405	\$ 25,000	\$ 25,000	\$ 50,000
899205	ROAD & STREET FUND	-	56,880	221,370	113,157	124,963	238,120
<b>Contingency</b>							
910000	CONTINGENCY FUNDS	\$ -	\$ -	\$ 700,000	\$ 52,661	\$ 35,000	\$ 35,000
	UNAPPROPRIATED FUND BALANCE	1,130,036	814,670	-	-	-	-
<b>Total Requirements</b>		<b>\$ 3,406,066</b>	<b>\$ 3,232,349</b>	<b>\$ 6,911,375</b>	<b>\$ 3,292,426</b>	<b>\$ 2,645,196</b>	<b>\$ 5,884,961</b>
<b>FTE COUNT</b>		<b>2.25</b>	<b>2.60</b>	<b>2.33</b>	<b>2.21</b>	<b>2.82</b>	





## **WATER FUND REVENUES & EXPENDITURES**

The Public Works Department is responsible for delivering clean, safe water to the residents of Gladstone. Gladstone maintains a local system of three water tanks, two pump stations, and almost 40 miles of pipelines. Gladstone is an owner in a regional water treatment provider, the North Clackamas County Water Commission. This Commission provides safe, treated water from the Clackamas River. Gladstone is also part of the Clackamas River Water Providers, Our Regional Water Source, a coalition of all the municipal water providers that receive their drinking water from the Clackamas River.

### **2018-2019 Noteworthy Items:**

- ✓ Completed the Water SDC update.
- ✓ Completed the North Clackamas County Water Commission (NCCWC) IGA update.
- ✓ Water revenues are generating sufficient funds for ongoing operations and maintenance – will still lack funding for capital replacement.

### **2019-2021 Budget Highlights:**

- Water rates are due to increase on 01/20 and 01/21 by \$1.10 and \$1.15, respectively, on a single family home.
- Mostly a status quo budget –responding to water leaks, Oregon Health Authority requirements and minimal system improvements.
- Adding one FTE as of fiscal year 2020/21, split equally between Sewer and Water funds.



Public Works

<b>Water Fund - 740</b>							
<b>Resources</b>							
<b>Account Code</b>	<b>Description</b>	<b>2015-16 Actuals</b>	<b>2016-17 Actuals</b>	<b>2017-2019 Final Adopted</b>	<b>2019-20 Proposed Budget</b>	<b>2020-21 Proposed Budget</b>	<b>2019-2021 Proposed Biennium</b>
309999	FUND BALANCE	\$ 966,609	\$ 1,440,278	\$ 2,500,000	\$ 2,009,000	\$ 442,388	\$ 2,009,000
314060	WATER SERVICE REVENUE	1,294,916	1,140,794	2,681,000	1,622,000	1,693,750	3,315,750
314080	WATER SERVICE CONNECTIONS	21,095	355	24,000	5,000	5,000	10,000
314110	WATER SDC'S	223,927	33,949	40,000	5,000	5,000	10,000
316000	DEBT SERVICE PROCEEDS (REFUNDING)	1,614,000	-	-	-	-	-
360000	ALL OTHER WATER FUND RESOURCES	6,405	15,988	72,500	10,000	10,000	20,000
<b>Transfers In:</b>							
399205	ROAD & STREET FUND	-	-	-	84,780	84,780	169,560
<b>Total Resources</b>		<b>\$ 4,126,952</b>	<b>\$ 2,631,364</b>	<b>\$ 5,317,500</b>	<b>\$ 3,735,780</b>	<b>\$ 2,240,918</b>	<b>\$ 5,534,310</b>
<b>Requirements - 704</b>							
<b>Account Code</b>	<b>Description</b>	<b>2015-16 Actuals</b>	<b>2016-17 Actuals</b>	<b>2017-2019 Final Adopted</b>	<b>2019-20 Proposed Budget</b>	<b>2020-21 Proposed Budget</b>	<b>2019-2021 Proposed Biennium</b>
<b>Personnel Services</b>							
432000	SALARIES	\$ 200,850	\$ 179,125	\$ 415,130	\$ 216,989	\$ 268,172	\$ 485,161
439000	PART-TIME/SEASONAL	486	3,802	30,000	15,000	20,000	35,000
450100	OVERTIME	9,900	3,458	20,000	7,500	7,500	15,000
470000	ASSOCIATED PAYROLL COSTS	119,118	31,769	320,500	142,897	181,815	324,712
<b>Total Personnel Services</b>		<b>\$ 330,354</b>	<b>\$ 218,154</b>	<b>\$ 785,630</b>	<b>\$ 382,386</b>	<b>\$ 477,487</b>	<b>\$ 859,873</b>
<b>Materials &amp; Services</b>							
500110	CONTRACTUAL & PROFESSIONAL	\$ 1,747	\$ 15,055	\$ 120,000	\$ 65,000	\$ 70,000	\$ 135,000
500210	COMPUTER/TECHNOLOGY SERVICES	1,504	25	-	-	-	-
500240	METER READING CONTRACT	12,681	18,736	60,000	25,000	25,000	50,000
500425	WHOLESALE WATER PURCHASES	283,412	337,631	973,750	590,000	610,000	1,200,000
520120	BANK CHARGES	-	(175)	-	6,500	6,500	13,000
520130	OPERATIONS, MAINTENANCE & REPAIRS	109,500	113,710	287,000	150,000	160,000	310,000
520162	LABORATORY WATER TESTS	10,267	4,457	31,000	10,000	10,000	20,000
520165	FIRE HYDRANT REPAIR	2,750	-	31,000	15,000	15,000	30,000
520320	FLEET FUEL, MAINTENANCE & REPAIRS	10,305	15,376	105,000	20,000	25,000	45,000
520400	OFFICE SUPPLIES & EQUIPMENT	6,542	11,321	4,000	2,500	3,000	5,500
520430	UTILITY BILLS & POSTAGE	11,203	8,205	-	6,000	6,000	12,000
530190	ELECTRIC POWER/LEASE LINE	14,899	15,394	-	-	-	-
540220	TRAVEL, CONFERENCES & TRAINING	10,686	9,211	10,250	5,000	5,500	10,500
540300	SMALL TOOLS, EQUIPMENT & SAFETY	6,914	6,732	30,500	10,000	12,000	22,000
540400	DUMPING, HAULING, GARBAGE	-	1,408	31,000	5,000	5,000	10,000
560100	UTILITIES	-	1,376	41,000	20,000	20,000	40,000
<b>Total Materials &amp; Services</b>		<b>\$ 482,410</b>	<b>\$ 558,462</b>	<b>\$ 1,724,500</b>	<b>\$ 930,000</b>	<b>\$ 973,000</b>	<b>\$ 1,903,000</b>
<b>Capital Outlay</b>							
660100	EQUIPMENT REPLACEMENT RESERVES	\$ 6,245	\$ 49,496	\$ 115,000	\$ 100,000	\$ 100,000	\$ 200,000
660703	METER REPLACEMENTS/BACKFLOW	12,144	-	-	-	-	-
676050	SYSTEM IMPROVEMENTS & PROJECTS	79,647	1,209	1,089,553	1,124,025	-	1,124,025
678090	RESERVE FROM SDC'S	-	-	375,000	474,000	-	474,000
<b>Total Capital Outlay</b>		<b>\$ 98,036</b>	<b>\$ 50,705</b>	<b>\$ 1,579,553</b>	<b>\$ 1,698,025</b>	<b>\$ 100,000</b>	<b>\$ 1,798,025</b>

## Public Works

### Water Fund - 740

#### Requirements - 704

Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Debt Service</b>							
720040	2005 DEBT PRINCIPAL	\$ 1,695,000	\$ 141,000	\$ 303,000	\$ 155,000	\$ 162,000	\$ 317,000
730040	2005 DEBT INTEREST	66,355	30,561	52,362	21,631	18,493	40,124
<b>Total Debt Service</b>		<b>\$ 1,761,355</b>	<b>\$ 171,561</b>	<b>\$ 355,362</b>	<b>\$ 176,631</b>	<b>\$ 180,493</b>	<b>\$ 357,124</b>
<b>Transfers out:</b>							
899100	GENERAL FUND	\$ 14,518	\$ 15,099	\$ 31,580	\$ 25,000	\$ 25,000	\$ 50,000
899205	ROAD & STREET FUND	-	30,729	140,875	81,350	84,938	166,288
<b>Contingency</b>							
910000	CONTINGENCY FUNDS	\$ -	\$ -	\$ 700,000	\$ 442,388	\$ 400,000	\$ 400,000
	UNAPPROPRIATED FUND BALANCE	1,440,279	1,586,654	-	-	-	-
<b>Total Requirements</b>		<b>\$ 4,126,952</b>	<b>\$ 2,631,364</b>	<b>\$ 5,317,500</b>	<b>\$ 3,735,780</b>	<b>\$ 2,240,918</b>	<b>\$ 5,534,310</b>
<b>FTE COUNT</b>		<b>2.00</b>	<b>3.69</b>	<b>3.34</b>	<b>3.27</b>	<b>3.88</b>	



## STORM WATER FUND REVENUES & EXPENDITURES

In June 2017, Gladstone City Council took action to become the final city in the region to initiate a storm water utility and fee. This will enable the City to proactively manage the quality and quantity of storm water in the city.

### 2018-2019 Noteworthy Items:

- ✓ Implemented a Storm Water Utility on July 1, 2017.
- ✓ Completed the Storm Water SDC update.
- ✓ Funding levels in the Storm Water fund are at a level to fund ongoing maintenance and operations but lack funding for capital replacement.
- ✓ Purchase of the city's first combination cleaner/vacuum truck – utilized throughout Public Works.

### 2019-2021 Budget Highlights:

- Ongoing line cleaning and system maintenance and repair focusing on localized flooding and NPDES requirements.
- Rates are anticipated to go up by \$1.00 on 1/2020 and by \$1.10 on 1/2021 for a typical single family home.



*Before*

*After*

Public Works

<b>Storm Water Fund - 750</b>								
<b>Resources</b>								
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium	
309999	FUND BALANCE	\$ -	\$ -	\$ 30,390	\$ 265,000	\$ 100,000	\$ 265,000	
314060	STORM REVENUE	-	-	1,050,000	758,824	834,706	1,593,530	
314110	STORM SDC'S	-	-	-	5,000	5,000	10,000	
360000	ALL OTHER STORM WATER RESOURCES	-	-	3,000	-	-	-	
<b>Transfers In:</b>								
399205	ROAD & STREET FUND	-	-	-	84,780	84,780	169,560	
<b>Total Resources</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,083,390</b>	<b>\$ 1,113,604</b>	<b>\$ 1,024,486</b>	<b>\$ 2,038,090</b>	
<b>Requirements - 705</b>								
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium	
<b>Personnel Services</b>								
432000	SALARIES	\$ -	\$ -	\$ 234,110	\$ 149,863	\$ 173,297	\$ 323,160	
439000	PART-TIME/SEASONAL	-	-	30,000	15,000	20,000	35,000	
450100	OVERTIME	-	-	10,000	2,000	2,000	4,000	
470000	ASSOCIATED PAYROLL COSTS	-	-	157,000	95,498	105,131	200,629	
<b>Total Personnel Services</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 431,110</b>	<b>\$ 262,361</b>	<b>\$ 300,428</b>	<b>\$ 562,789</b>	
<b>Materials &amp; Services</b>								
500110	CONTRACTUAL & PROFESSIONAL	\$ -	\$ -	\$ 40,000	\$ 50,000	\$ 60,000	\$ 110,000	
520130	OPERATIONS, MAINTENANCE & REPAIRS	-	-	70,000	30,000	35,000	65,000	
520320	FLEET FUEL, MAINTENANCE & REPAIRS	-	-	61,500	10,000	12,000	22,000	
520400	OFFICE SUPPLIES & EQUIPMENT	-	-	4,000	3,000	3,000	6,000	
520430	UTILITY BILLS & POSTAGE	-	-	-	7,800	8,000	15,800	
540220	TRAVEL, CONFERENCES & TRAINING	-	-	3,000	2,500	3,000	5,500	
540300	SMALL TOOLS, EQUIPMENT & SAFETY	-	-	20,500	5,500	6,000	11,500	
540400	DUMPING, HAULING, GARBAGE	-	-	20,500	1,500	1,500	3,000	
560100	UTILITIES	-	-	-	500	500	1,000	
<b>Total Materials &amp; Services</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 219,500</b>	<b>\$ 110,800</b>	<b>\$ 129,000</b>	<b>\$ 239,800</b>	
<b>Capital Outlay</b>								
660100	EQUIPMENT REPLACEMENT RESERVES	\$ -	\$ -	\$ 100,000	\$ 50,000	\$ 50,000	\$ 100,000	
676050	SYSTEM IMPROVEMENTS & PROJECTS	-	-	164,000	527,502	378,323	905,825	
<b>Total Capital Outlay</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 264,000</b>	<b>\$ 577,502</b>	<b>\$ 428,323</b>	<b>\$ 1,005,825</b>	
<b>Transfers out:</b>								
899100	GENERAL FUND	\$ -	\$ -	\$ 90,100	\$ 25,000	\$ 25,000	\$ 50,000	
899205	ROAD & STREET FUND	-	-	55,750	37,941	41,735	79,676	
<b>Contingency</b>								
910000	CONTINGENCY FUNDS	\$ -	\$ -	\$ 22,930	\$ 100,000	\$ 100,000	\$ 100,000	
	UNAPPPROPRIATED FUND BALANCE	-	-	-	-	-	-	
<b>Total Requirements</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,083,390</b>	<b>\$ 1,113,604</b>	<b>\$ 1,024,486</b>	<b>\$ 2,038,090</b>	
<b>FTE COUNT</b>		<b>-</b>	<b>-</b>	<b>1.83</b>	<b>2.21</b>	<b>2.32</b>		



## POLICE & COMMUNICATIONS LEVY FUND REVENUES & EXPENDITURES

The Police & Communications Levy was originally approved by the voters in November, 1998. Since then, it has been renewed every five years, with the most recent approval in 2018. The existing and current levy rate until 2024, is \$0.68 per \$1,000, and funds approximately 30.5% of the total Gladstone Fire Department 2019-2021 Biennial Budget.

The levy budget funds the community services officer (to administer code violations), the school resource officer, the K9 officer program and the executive assistant to the chief. Also, other services and equipment needs are covered to maintain police service levels.

The Police Levy funds 21.54% of the total police budget for the 2019-2021 Biennium.

### 2018-2019 Noteworthy Items:

- ✓ K9 program. Since its inception and completion of training in July 2018 our K9 duo is off to a great start. With 31 deployments and 6 demonstrations under their belt.
- ✓ Extensive public outreach, particularly by patrol staff – shop with a cop, ride-alongs and school tours of the police station.



- ✓ Swat Program – Swat Officer Lee Gilliam was awarded the Medal of Valor for a decision to risk his life to save an elderly couple.



“Nanuk”



Other Funds

**2019-2021 Budget Highlights:**

- Accredited Police Agency- The law enforcement accreditation system establishes a uniform set of “Best Practices” for police agencies that are consistent on an international scale, measureable, verified by independent body as to compliance, and creates an accountability to the community, elected policy makers, and the line officers who are performing the day to day work.
- Attendance for the Swat officer to attend an advanced designated marksman/sniper course and continue in other on going training.
- K9 officer to continue education and training with an eventual goal of becoming dual.

<b>POLICE &amp; COMMUNICATIONS LEVY FUND - 228</b>							
<b>Resources</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
309999	FUND BALANCE	\$ 215,304	\$ 240,832	\$ 1,013,615	\$ 165,000	\$ 114,795	\$ 165,000
310020	LEVY TAX	496,354	517,941	1,204,250	645,177	666,146	1,311,323
310050	PRIOR YEAR TAXES	27,032	25,494	60,000	23,000	25,000	48,000
330100	INTEREST	3,352	4,348	7,500	4,000	3,800	7,800
399100	TRANSFER IN FROM GENERAL	-	-	45,000	-	-	-
<b>Total Resources</b>		<b>\$ 742,042</b>	<b>\$ 788,615</b>	<b>\$ 2,330,365</b>	<b>\$ 837,177</b>	<b>\$ 809,741</b>	<b>\$ 1,532,123</b>
<b>Requirements - 245</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Personnel Services</b>							
432000	SALARIES	\$ 244,569	\$ 232,124	\$ 720,275	\$ 324,003	\$ 346,980	\$ 670,983
439000	PART-TIME/SEASONAL	1,899	-	10,000	-	-	-
470000	ASSOCIATED PAYROLL COSTS	120,083	119,371	500,000	232,679	249,629	482,308
<b>Total Personnel Services</b>		<b>\$ 366,551</b>	<b>\$ 351,495</b>	<b>\$ 1,230,275</b>	<b>\$ 556,682</b>	<b>\$ 596,609</b>	<b>\$ 1,153,291</b>
<b>Materials &amp; Services</b>							
500498	SHARE COST	\$ 120,254	\$ 120,165	\$ 260,000	\$ 140,000	\$ 155,000	\$ 295,000
510032	SRO EXPENSES	700	963	3,000	2,500	1,500	4,000
510040	K-9 PROGRAM	-	-	24,000	7,000	7,000	14,000
510041	SWAT PROGRAM	-	-	-	6,200	2,000	8,200
520310	MAINTENANCE, REPAIR & OPERATIONS	-	-	4,000	10,000	10,000	20,000
<b>Total Materials &amp; Services</b>		<b>\$ 120,954</b>	<b>\$ 121,128</b>	<b>\$ 291,000</b>	<b>\$ 165,700</b>	<b>\$ 175,500</b>	<b>\$ 341,200</b>
<b>Capital Outlay</b>							
660000	FURNISHINGS & EQUIPMENT	\$ -	\$ -	\$ 55,000	\$ -	\$ -	\$ -
<b>Total Capital Outlay</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 55,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Transfers out</b>							
899100	TRANSFERS OUT TO GENERAL FUND	\$ 13,705	\$ 14,120	\$ 29,535	\$ -	\$ -	\$ -
<b>Contingency</b>							
910000	CONTINGENCY FUNDS	\$ -	\$ -	\$ 724,555	\$ 114,795	\$ 37,632	\$ 37,632
	UNAPPROPRIATED FUND BALANCE	240,832	301,872	-	-	-	-
<b>Total Requirements</b>		<b>\$ 742,042</b>	<b>\$ 788,615</b>	<b>\$ 2,330,365</b>	<b>\$ 837,177</b>	<b>\$ 809,741</b>	<b>\$ 1,532,123</b>
<b>FTE COUNT</b>		<b>3.50</b>	<b>4.50</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	



## **FIRE & EMERGENCY SERVICES LEVY FUND REVENUES & EXPENDITURES**

The Fire & Emergency Service Levy was originally approved by the voters in November, 1998. Since then, it has been renewed every five years, with the most recent approval in 2018. The existing and current levy rate until 2024, is \$0.31 per \$1,000, and funds approximately 30.5% of the total Gladstone Fire Department 2019-2021 Biennial Budget.

The levy budget funds one career training captain position, plus safety and equipment items for the department. Noteworthy items and budget highlights listed within the Fire Department apply to the Levy fund, also.

### **2019-2021 Budget Highlights:**

As discussed in the Fire Department detail, some line items were shifted over to the levy fund, mainly in the training and equipment accounts. The levy specifically addresses use of funding to ensure adequate training of staff and provide capital funds necessary for the replacement of fire apparatus and protective equipment.



Other Funds

<b>FIRE &amp; EMERGENCY SERVICES LEVY FUND - 229</b>							
<b>Resources</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
309999	FUND BALANCE	\$ 279,170	\$ 391,988	\$ 418,000	\$ 451,000	\$ 139,756	\$ 451,000
310020	LEVY TAX	226,345	236,194	541,046	294,082	303,640	597,722
310050	PRIOR YEAR TAXES	12,327	11,626	14,000	9,000	9,000	18,000
330100	INTEREST	3,028	5,247	8,500	6,000	6,000	12,000
<b>Total Resources</b>		<b>\$ 520,870</b>	<b>\$ 645,055</b>	<b>\$ 981,546</b>	<b>\$ 760,082</b>	<b>\$ 458,396</b>	<b>\$ 1,078,722</b>
<b>Requirements - 255</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Personnel Services</b>							
432000	SALARIES	\$ 66,325	\$ 74,799	\$ 163,825	\$ 78,313	\$ 82,219	\$ 160,532
439000	PART-TIME/SEASONAL	10,869	19,085	96,000	33,000	33,000	66,000
470000	ASSOCIATED PAYROLL COSTS	40,511	45,402	130,000	60,513	63,958	124,471
<b>Total Personnel Services</b>		<b>\$ 117,705</b>	<b>\$ 139,286</b>	<b>\$ 389,825</b>	<b>\$ 171,826</b>	<b>\$ 179,177</b>	<b>\$ 351,003</b>
<b>Materials &amp; Services</b>							
500110	CONTRACTUAL & PROFESSIONAL	\$ -	\$ 24,070	\$ 50,000	\$ 10,000	\$ 10,000	\$ 20,000
520365	EQUIPMENT TESTING & SERVICE	5,417	6,699	20,000	10,000	10,000	20,000
520400	OFFICE SUPPLIES & EQUIPMENT	-	7,286	20,000	5,000	5,000	10,000
520126	SCBA & TURNOUT MAINTENANCE	-	-	-	10,000	10,000	20,000
560110	CELL PHONES, PAGERS, RADIOS	-	-	-	10,000	10,000	20,000
<b>Total Materials &amp; Services</b>		<b>\$ 5,417</b>	<b>\$ 38,055</b>	<b>\$ 90,000</b>	<b>\$ 45,000</b>	<b>\$ 45,000</b>	<b>\$ 90,000</b>
<b>Capital Outlay</b>							
641030	TRAINING FACILITY	\$ -	\$ 19,188	\$ 78,000	\$ -	\$ -	\$ -
661010	ROUTINE EQUIP REPLACEMENT	-	-	-	25,000	25,000	50,000
661012	SCBA & TURNOUT RESERVE	-	-	-	27,500	27,500	55,000
661014	TECH RESCUE EQUIPMENT	-	-	-	12,500	12,500	25,000
661016	FIRE APPARATUS	-	-	300,000	300,000	25,000	325,000
660120	FIRE, EMS & EXTRICATION EQUIPMENT	-	21,243	77,000	38,500	38,500	77,000
<b>Total Capital Outlay</b>		<b>\$ -</b>	<b>\$ 40,431</b>	<b>\$ 455,000</b>	<b>\$ 403,500</b>	<b>\$ 128,500</b>	<b>\$ 532,000</b>
<b>Transfers out</b>							
899100	TRANSFERS OUT TO GENERAL FUND	\$ 5,760	\$ 5,935	\$ 12,415	\$ -	\$ -	\$ -
<b>Contingency</b>							
910000	CONTINGENCY FUNDS	\$ -	\$ -	\$ 34,306	\$ 139,756	\$ 105,719	\$ 105,719
	UNAPPROPRIATED FUND BALANCE	391,988	421,348	-	-	-	-
<b>Total Requirements</b>		<b>\$ 520,870</b>	<b>\$ 645,055</b>	<b>\$ 981,546</b>	<b>\$ 760,082</b>	<b>\$ 458,396</b>	<b>\$ 1,078,722</b>
<b>FTE COUNT</b>		<b>1.00</b>	<b>1.00</b>	<b>1.80</b>	<b>1.00</b>	<b>1.00</b>	

**CIVIC BUILDINGS CAPITAL FUND**

The City of Gladstone is under a progressive design-build contract for the construction of a new City Hall and Police Station. These new facilities will be the first built in over 50 years, and are a highly anticipated addition to the downtown core of Gladstone.

On July 31, 2018 the City entered into two agreements to finance the design and construction of the new facilities. The total amount of the financing was \$6.8 million, with \$3.0 million provided by a full faith and credit agreement guaranteed by the City, and \$3.8 million provided by a note with the Gladstone Urban Renewal District. Funds will be combined with existing Urban Renewal Agency cash for a total budget of \$12.8 million. Design began in June 2018 with a substantial completion date of May 2020.

<b>CIVIC BUILDINGS CAPITAL FUND - 307</b>							
<b>Resources</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
309999	FUND BALANCE	\$ -	\$ -	\$ 37,658	\$ -	\$ -	\$ -
<b>Transfers In:</b>							
399110	STATE REVENUE SHARING	-	890,602	-	-	-	-
399390	URBAN RENEWAL DISTRICT	-	94,246	13,248,600	12,766,000	-	12,766,000
<b>Total Resources</b>		<b>\$ -</b>	<b>\$ 984,848</b>	<b>\$ 13,286,258</b>	<b>\$ 12,766,000</b>	<b>\$ -</b>	<b>\$ 12,766,000</b>
<b>Requirements - 255</b>							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
620000	CAPITAL CONSTRUCTION	\$ -	\$ 984,848	\$ 13,157,658	\$ 12,766,000	\$ -	\$ 12,766,000
740040	ISSUANCE COSTS	-	-	128,600	-	-	-
<b>Total Requirements</b>		<b>\$ -</b>	<b>\$ 984,848</b>	<b>\$ 13,286,258</b>	<b>\$ 12,766,000</b>	<b>\$ -</b>	<b>\$ 12,766,000</b>



Other Funds

**MUNICIPAL COURT FUND**

Though truly an Agency Fund, the Local Budget Law requires the City to budget the resources and requirements. This fund collects all the Fines & Fees collected from traffic infractions and municipal code violations, then remitted out to other agencies. The fund balance results from funds yet to be remitted.

<b>MUNICIPAL COURT FUND - 801</b>							
<b>Resources</b>							
<b>Account Code</b>	<b>Description</b>	<b>2015-16 Actuals</b>	<b>2016-17 Actuals</b>	<b>2017-2019 Final Adopted</b>	<b>2019-20 Proposed Budget</b>	<b>2020-21 Proposed Budget</b>	<b>2019-2021 Proposed Biennium</b>
309999	FUND BALANCE	\$ -	\$ -	\$ 8,000	\$ 40,000	\$ 47,000	\$ 40,000
326020	CITY OF GLADSTONE FINES/FEES	-	-	659,000	350,000	350,000	700,000
326030	CLACKAMAS COUNTY FINES/FEES	-	-	27,000	12,000	14,000	26,000
326040	STATE OF OREGON FINES/FEES	-	-	70,000	43,000	45,000	88,000
326050	RESTITUTION	-	-	6,000	3,000	3,000	6,000
326060	BOND	-	-	40,000	2,500	2,500	5,000
360000	ALL OTHER COURT FEES	-	-	-	-	-	-
<b>Total Resources</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 810,000</b>	<b>\$ 450,500</b>	<b>\$ 461,500</b>	<b>\$ 865,000</b>
<b>Requirements - 220</b>							
<b>Account Code</b>	<b>Description</b>	<b>2015-16 Actuals</b>	<b>2016-17 Actuals</b>	<b>2017-2019 Final Adopted</b>	<b>2019-20 Proposed Budget</b>	<b>2020-21 Proposed Budget</b>	<b>2019-2021 Proposed Biennium</b>
<b>Materials &amp; Services</b>							
500500	CITY OF GLADSTONE FINES & FEES	\$ -	\$ -	\$ 635,000	\$ 345,000	\$ 345,000	\$ 690,000
500510	CLACKAMAS COUNTY FINES & FEES	-	-	35,600	10,000	12,000	22,000
500520	STATE OF OREGON FINES & FEES	-	-	75,000	43,000	45,000	88,000
500530	RESTITUTION	-	-	6,000	3,000	3,000	6,000
500540	BOND-COURT	-	-	40,000	2,500	2,500	5,000
500550	ALL OTHER FEES & FINES	-	-	-	-	-	-
910000	CONTINGENCY	\$ -	\$ -	\$ 18,400	\$ 47,000	\$ 54,000	\$ 54,000
<b>Total Requirements</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 810,000</b>	<b>\$ 450,500</b>	<b>\$ 461,500</b>	<b>\$ 865,000</b>

Other Funds

**CLOSED FUNDS (for historical purposes only)**

The State Shared Revenue Fund was closed by City Council authorization on April 11, 2017. Revenues were transferred and recorded in the General Fund as of the 2019-2019 Biennial Budget.

STATE SHARED FUNDS - 110							
Resources							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
309999	FUND BALANCE	\$ 923,267	\$ 903,411	\$ -	\$ -	\$ -	\$ -
310170	STATE REVENUE SHARING ALLOTMENTS	80,473	139,553	-	-	-	-
330100	INTEREST	5,862	4,157	-	-	-	-
<b>Total Resources</b>		<b>\$ 1,009,602</b>	<b>\$ 1,047,121</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Requirements - 255							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
<b>Transfers out</b>							
899100	TRANSFERS OUT TO GENERAL FUND	\$ -	\$ 156,519	\$ -	\$ -	\$ -	\$ -
899307	TRANSFERS OUT TO CIVIC BUILDING		890,602				
<b>Contingency</b>							
	UNAPPROPRIATED FUND BALANCE	\$ 1,009,602	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Requirements</b>		<b>\$ 1,009,602</b>	<b>\$ 1,047,121</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
On April 11, 2017 City Council authorized the closing of this fund. The data shown is for historic purpose only.							

The Library Capital Fund is no longer a viable capital project, so the City Council will be requested to close this fund with the adoption of the 2019-2021 Biennial Budget.

LIBRARY CAPITAL FUND - 306							
Resources							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
309999	FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
310130	LIBRARY CONTRIBUTION - CLACKAMAS CTY	-	-	2,600,000	-	-	-
316000	DEBT SERVICE PROCEEDS			2,700,000			
<b>Total Resources</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,300,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Requirements - 255							
Account Code	Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Final Adopted	2019-20 Proposed Budget	2020-21 Proposed Budget	2019-2021 Proposed Biennium
620000	CAPITAL CONSTRUCTION	\$ -	\$ -	\$ 4,050,000	\$ -	\$ -	\$ -
910000	CONTINGENCY FUNDS	-	-	1,250,000			
<b>Total Requirements</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,300,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
City Council will close this fund with adoption of the 2019-2021 Biennium Budget The data shown is for historic purpose only.							





Summary of FTE

Description	2015-16 Actuals	2016-17 Actuals	2017-2019 Adopted	2019-2021 Proposed
General Fund:				
General Administration	5.00	5.20	5.70	5.80
Facilities	0.00	0.00	0.60	0.60
Municipal Court	1.50	1.50	1.50	2.00
Police Department	13.50	16.50	16.50	16.50
Fire Department	6.91	2.00	4.00	5.00
Parks Department	1.50	1.60	2.25	2.45
Recreation Department	0.26	0.00	0.00	0.00
Senior Center	2.90	3.50	3.50	3.10
Library	10.32	8.44	8.86	5.50
<b>Total General Fund FTE</b>	<b>41.89</b>	<b>38.74</b>	<b>42.91</b>	<b>40.95</b>
Road & Street Fund	1.50	1.88	2.75	3.08
Police & Communication Levy Fund	3.50	4.50	5.00	5.00
Fire & Emergency Services Levy Fund	1.00	1.00	1.80	1.00
Sewer Fund	2.25	2.60	2.33	2.21
Water Fund	2.00	3.69	3.34	3.27
Storm Water Fund	0.00	0.00	1.83	2.21
<b>Total Other Funds FTE</b>	<b>10.25</b>	<b>13.67</b>	<b>17.05</b>	<b>16.77</b>
<b>Total All Funds FTE</b>	<b>52.14</b>	<b>52.41</b>	<b>59.96</b>	<b>57.72</b>

Notes:

- ✓ FTE Counts are based on the first year of the biennial budget - refer to individual budget detail pages for fiscal year breakdown.
- ✓ FTE counts are based upon the departmental allocation of each employee which accounts for slight differences between the fiscal years.
- ✓ In FY 2016/17, the City stopped including seasonal, temporary and on-call employees in the FTE count, thereby reducing the Fire, Recreation and Library counts.
- ✓ The Municipal Court has increased to a full-time Court Administrator.
- ✓ The Fire Department increased by one full-time Captain during the 2017-2019 biennium, with the award of the Safer Grant.
- ✓ The decreases in the Library, in the first year result from schedule realignment, followed by full reduction anticipated in the second year with assumption by Clackamas County Library.
- ✓ The increases in FTE in 2019-2021, stem from the proposed new positions in Public Works that will be split amongst Parks, Roads, Sewer, Water and Storm Water, by a total of 2.50 positions over the two years.

**DEBT SERVICE**

**Debt Summary:**

The City of Gladstone will have \$4,170,000 in debt outstanding at the beginning of this budget biennium, or as of June 30, 2019. This balance consists of the following:

- Water Full Faith & Credit Note: issued in 2015-16 \$1,614,000, to refund a 2005 bond for the water treatment plant and capital improvements to the water system, matures in 2025.
- General Full Faith & Credit Note: issued July 31, 2018 \$3,000,000, as a loan to the Urban Renewal Agency, to fund a portion of the construction of the new City Hall and Police Station. Transfers in from the Urban Renewal Agency will fund the repayment of the note, matures in 2029.

	Original Debt Amount	Interest Rates	Beginning Balance as of July 1, 2019	Less: Principal Due	Ending Balance as of June 30, 2020	Less: Principal Due	Ending Balance as of June 30, 2021
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**Full Faith & Credit Note:**

Water Refunding 2016	\$ 1,614,000	1.98%	\$ 1,170,000	\$ 155,000	\$ 1,015,000	\$ 162,000	\$ 853,000
General Fund 2018	\$ 3,000,000	3.00%	\$ 3,000,000	\$ 157,710	\$ 2,842,290	\$ 162,690	\$ 2,679,600
<b>Total Debt</b>	<b>\$ 4,614,000</b>		<b>\$ 4,170,000</b>	<b>\$ 312,710</b>	<b>\$ 3,857,290</b>	<b>\$ 324,690</b>	<b>\$ 3,532,600</b>

**Future Debt Requirements:**

The following provides a summary of debt service (principal and interest) requirements for the current year, next four years, and thereafter for City of Gladstone Notes:

<b>Total Debt Service by Fund</b>							
Fund	2019	2020	2021	2022	2023	Thereafter	Total Future Debt Service
<b>General Fund</b>							
Principal	\$ -	\$ 157,709	\$ 162,690	\$ 167,571	\$ 172,598	\$ 2,339,432	\$ 3,000,000
Interest	45,250	87,634	82,828	77,874	72,771	290,076	656,433
<b>Water Fund</b>							
Principal	\$ 153,000	\$ 155,000	\$ 162,000	\$ 165,000	\$ 166,000	\$ 522,000	\$ 1,323,000
Interest	24,681	21,632	18,493	15,256	11,979	15,543	107,584
Total Principal	153,000	312,709	324,690	332,571	338,598	2,861,432	4,323,000
Total Interest	69,931	109,266	101,321	93,130	84,750	305,619	764,017
<b>Total Debt Service</b>	<b>\$ 222,931</b>	<b>\$ 421,975</b>	<b>\$ 426,011</b>	<b>\$ 425,701</b>	<b>\$ 423,348</b>	<b>\$ 3,167,051</b>	<b>\$ 5,087,017</b>

## Gladstone Financial Policies

### Policy 1 - Funds

1. The City of Gladstone will maintain an orderly and logical fund structure that provides stakeholders with ready access to financial information
2. The City of Gladstone will conform to Generally Accepted Accounting Principles (GAAP) and the Government Finance Officers Association's best practices for establishing and maintaining funds.
3. The City of Gladstone will establish and maintain those funds required by law and sound financial administration. Acknowledging that unnecessary funds result in inflexibility, complexity, and inefficient financial administration, only the minimum number of funds consistent with legal and operating requirements will be established.
4. The criteria for establishing a new fund are variable, but include triggers such as;
  - a. Inauguration of a new dedicated revenue stream and a concurrent service.
  - b. The need for increased clarity of financial information.
  - c. The establishment of a new enterprise.
  - d. Covenants embodied in financing agreements.
  - e. Changes in state law or financial management/accounting standards
5. Only the Gladstone City Council has the authority to create or delete funds. The Council shall create or delete funds by resolution.

### Policy 2 - Budgeting

1. The City of Gladstone budget process shall consist of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets.
2. The purpose of the budget process is to help decision makers make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process.
3. All budgetary procedures will conform to existing state and local regulations. Oregon budget law requires each local government to prepare a balanced budget and Oregon Administrative Rules state:
  - a. The budget must be constructed in such a manner that the total resources in a fund equal the total of expenditures and requirements for that fund, and

## Additional Information

- b. The total of all resources of the municipality must equal the total of all expenditures and all requirements for the municipality.
4. The Gladstone City Council shall adopt the budget at the fund, department, or program level (as appropriate to each fund) at a total dollar amount for all appropriations except contingency, unappropriated ending fund balance and reserves, which shall be stated separately.
5. Interfund Transfers shall be kept to a minimum. Interfund loans shall be documented in a resolution that cites the terms of the loan.
6. Budget forecasts will be created using an objective, analytical process incorporating applicable projections from the State of Oregon's latest Economic Forecast and conservative assumptions where State developed data is not available. Revenues will be estimated realistically and prudently using best practices as defined by the Government Finance Officers Association
7. Oregon budget law provides a means to adjust the budget for emergency expenditures or unforeseen circumstances. All resolutions adjusting the budget will be prepared by the Finance department for City Council approval to ensure compliance with budget laws.
8. In the City's effort to strive for excellence, beginning for fiscal year 2016-17, the City of Gladstone will make every effort to obtain the Award for Distinguished Budget Presentation from the Government Finance Officers Association (GFOA).
9. Reports comparing actual to budgeted expenditures will be prepared monthly by the Finance Department and distributed to the City Council, City Administrator and Department Managers.

### Policy 3 - Revenue

1. City of Gladstone revenues are either unrestricted or dedicated. Unrestricted revenues can be used for any purpose. Dedicated revenues are restricted in the ways they can be used by federal or state regulations, contractual obligations, or by City Council action. The City of Gladstone will adhere to the restrictions applied to dedicated revenues.
2. The City of Gladstone will maintain a diversified revenue stream that is managed strategically to mitigate the impact of short term fluctuations in any revenue source.
3. The City of Gladstone will identify sustainable revenue levels and, to the extent possible, current operations will be funded by current sustainable revenues.

## Additional Information

4. One-time revenues will be used for one-time expenditures or as contributions to reserves and will not be used to pay for established services.
5. The City of Gladstone will not respond to long-term revenue shortfalls with deficit financing and borrowing to support established services. Expenses will be reduced and/or revenues will be increased to conform to the long-term revenue forecasts
6. During the budget process, the Gladstone City Council will identify those programs which are to be supported in whole by cost recovery and ensure that revenue collections reflect the cost of providing associated services by adjusting fees accordingly.
7. The City of Gladstone will charge fees for services where such an approach is permissible, and where a limited and specific group of beneficiaries who can pay such charges is identifiable.
8. New or expanded unrestricted revenue streams should first be applied to support existing programs. When existing programs are adequately funded, such revenue may be used as contributions to reserves or to fund new or expanded programs.

### Policy 4 – Expenditures

#### Controls

1. By resolutions, the City Council will establish a purchasing policy that conforms to state statutory requirements for purchasing and contracting and invests the City Administrator with purchasing and contracting authority.
2. By Budget and Supplemental Budget Resolutions, the City Council shall establish and limit expenditure appropriations by statutory categories. The City Administrator shall be responsible for limiting expenditures to those appropriation levels.

#### Specific Expenditures

1. **Personnel Services.** Pursuant to the City Charter, the City Administrator or designee is responsible for the management of employee staffing and compensation. The City Administrator or designee shall negotiate salaries and benefits for represented employee groups in conformance with the Oregon Public Employees Collective Bargaining Act and the Employee Relations Board decisions and arbitration decisions that emanate from the Act.

## Additional Information

2. **Capital Improvement Impacts.** Whenever Capital Improvement expenditures will result in increases to future operating expenses or asset replacement contributions, estimates of those impacts shall be incorporated into the long term financial plan.
3. **Capital Outlay.** By resolution the City Council shall define the characteristics of a capital asset by specifying the minimum purchase price and minimum term of service. The City will provide for adequate maintenance of Capital Assets.
4. **Capital Projects.** Gladstone City Charter requires voter approval for public projects costing more than \$1,000,000 and/or which require the City to incur debt.

### Policy 5 - Revenue Constraints and Fund Balance

#### Nature of Constraints

The City of Gladstone will maintain the following categories of revenue constraints in conformance with GASB 54. Fund Balances shall be accounted for on the basis of these categories.

1. **Non-spendable.** Assets that are not in a spendable form or are required to be maintained intact.
2. **Restricted.** Cash that can be spent only for specific purposes stipulated by third parties or by statutes. Only the constraining party can lift constraints on Restricted funds.
3. **Committed.** Cash that can be used only as directed by formal action of City Council. Council action may be in the form of a motion or resolution. Only the City Council can lift constraints on committed funds. Such a change must be made using the same action that established the constraint.
4. **Assigned.** Cash the City intends to use for specific purposes. The City Council delegates the authority to create this constraint to the City Administrator. In addition, for all funds except the general fund, all cash not in one of the Non-spendable, Restricted, or Committed categories, or specifically assigned under this category will, by default be assigned to this category.
5. **Unassigned.** General Fund cash that is not otherwise categorized fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications.

#### Other Considerations

1. **Stabilization.** The purpose of stabilization arrangements is to provide a revenue source to maintain service delivery during periods of diminished revenues. The City may choose to create stabilization arrangements either by creating new funds or dedicating revenues within existing funds. Stabilization arrangements will be created by the City Council and the authorizing legislation shall include the policies on funding and accessing the arrangement.



2. **Order of Use.** If multiple categories of fund balance are applicable to an expenditure, the City shall access funds in the following order: Restricted, Committed, Assigned, and Unassigned.
3. **Purpose of Special Revenue Funds.** Special Revenue funds are general government funds created to track the use of dedicated revenues. The City legislation creating a special revenue fund will specify which specific revenues and other resources are authorized to be reported in the fund.
4. **Fund Balance.** Unrestricted fund balance is the sum of Committed, Assigned and Unassigned fund balance in any individual fund. In the General Fund, the City will maintain an Unrestricted fund balance of at least ten percent of fund revenue.

## Policy 6 - Continuing Disclosure

### Continuing Disclosure In General

Issuers of municipal securities and entities working on their behalf disclose material information to the marketplace such as annual financial information and material event notices. In December 2008, the Securities and Exchange Commission directed the Municipal Securities Rulemaking Board to establish a continuing disclosure service of the MSRB's Electronic Municipal Market Access (EMMA) system effective July 1, 2009. The continuing disclosure service of EMMA collects continuing disclosure documents from the issuer community and makes them available to the public for free through EMMA.

In conformance with the "Continuing Disclosure Certificate" entered into by the City of Gladstone in bond issuances, the City shall comply with Rule 15c2-12 of the Securities Exchange Act of 1934 (Exchange Act). As noted above, these disclosures generally are divided between submissions made to update financial or operating information about the issuer and notices that disclose the occurrence of specific events that may have an impact on the bonds. These disclosures are described below.

### City Responsibility

The Finance Director shall be responsible for adhering to the City's Continuing Disclosure Obligations.

### Debt

The City will borrow only to finance capital assets. The City will not borrow for operating purposes.

No bonds will mature more than 20 years from the date of issuance. No debt will be issued with a life exceeding the estimated useful life of the capital assets being financed. The City will limit bonded debt to 3% or less of total assessed value, as required by ORS 287.004. Repayment sources are identified for every debt prior to issuance.

**Rule 15c2-12 Disclosures**

Rule 15c2-12 rule requires, for most new offerings of municipal securities, that the following types of information be provided to the MSRB's EMMA system:

1. Financial or operational information
  - a. Annual financial information concerning issuers or other obligated persons, or other financial information and operating data provided by issuers or other obligated persons
  - b. Audited financial statements for issuers or other obligated persons, if available
  
2. Event Notices
  - a. Principal and interest payment delinquencies
  - b. Non-payment related defaults, if material
  - c. Unscheduled draws on debt service reserves reflecting financial difficulties
  - d. Unscheduled draws on credit enhancements reflecting financial difficulties
  - e. Substitution of credit or liquidity providers, or their failure to perform
  - f. . Adverse tax opinions, Internal Revenue Service (IRS) notices or material events affecting the tax status of the security
  - g. Modifications to rights of security holders, if material
  - h. Bond calls, if material
  - i. Tender offers
  - j. Defeasances, release, substitution, or sale of property securing repayment of the securities, if material
  - k. Rating changes
  - l. Bankruptcy, insolvency, receivership or similar event;
  - m. Merger, consolidation, or acquisition, if material; and appointment of a successor or additional trustee, or the change of name of a trustee, if material
  - n. Notices of failures to provide annual financial information on or before the date specified in the written agreement.

## Budget Terms & Glossary:

**Adopted Budget** - The final budget appropriations approved by the City Council, which becomes the budget of the City.

**AFSCME** – This is the acronym for American Federation of State, County and Municipal Employees. This organization is one of the union organizations representing the bargaining employees of the City.

**Accrual basis** - A method of timing in the recognition of transactions and events. Please see Modified accrual basis for the alternative method. Accrual basis records revenue when earned and expenses as soon as a liability is incurred.

**Approved Budget** – The budget recommended by the Budget Committee for adoption by the City Council.

**Appropriation** - Authorization to spend a specific amount of money. The City Council gives appropriation authority by adopting the budget.

**Assessed value** - The value set on real and personal property as a basis for imposing taxes. Assessed values are determined by Clackamas County.

**Budget** – A plan of financial operation embodying an estimate of proposed expenditures for a given purpose and/or period. The budget is the financial plan of the City's allocations of the resources to provide services, and to accomplish the City's objectives.

**Budget Calendar** – Key dates or events which a government follows in the preparation and adoption of the budget.

**Budget Committee** - A committee required by Oregon Local Budget Law (ORS 294.305) which must recommend a budget and approve the maximum tax levy.

**Budget Message** – A written explanation of the budget and the City's financial priorities presented to the Budget Committee by the City Administrator which is required by Oregon Local Budget Law, ORS 294.

**Budget Officer** - The City Administrator or other person appointed by the City Council to prepare the proposed budget. This designation is required by Oregon Local Budget Law (ORS 294.305)

**CAFR** - The Comprehensive Annual Financial Report, the audited report of the City's finances for the fiscal year.

**Capital Lease** - Lease of a capital asset. The lease may or may not result in the City's ownership of the item at the end of the lease term.

**Capital Assets** - Items which have a useful life of two or more years and a cost of \$5,000 or more. These include land, infrastructure, buildings, improvements other than buildings, vehicles, and certain furniture and equipment.

**Capital Improvement Plan (CIP)** - A schedule of planned capital projects and their costs, for three or more years.

## Additional Information

**Capital Outlay** - Expenditures for capital assets. Includes all purchased capital assets. Expenditures for constructed capital projects appear in capital outlay, materials and services, and reimbursements, depending on the nature of the expenditure.

**Capital Projects** – Projects which purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

**COLA** - Cost of living. A COLA increases all salaries at all classes and steps by the same percentage.

**Contingency** – An amount appropriated in anticipation that some operating expenditures will become necessary which cannot be foreseen and planned in the budget.

**Debt Service** - Principal and interest payments on long-term debt.

**Department** – Units within a division consisting of one or more.

**Enterprise Funds** - A fund that accounts for operations that are financed and operated in a manner similar to private business enterprises. They are usually self-supporting. The City's enterprise funds are the Water, Storm and Sanitary Sewer funds.

**Fiscal Year** - The twelve month period to which the operating budget applies. The City's fiscal year is July 1 through June 30.

**Franchise Fee** – Fees charged to utilities for the use of public right-of-way.

**FTE** - Full-Time Equivalent - A part-time position converted to the decimal equivalent of a fulltime position based on 2,080 hours per year.

**Fund** - A fiscal and accounting entity, segregating resources for the purpose of carrying on specific activities in accordance with legal restrictions.

**Fund Balance** - The amount of available, spendable, financial resources in any given fund at a specified date.

**GASB** - The Governmental Accounting Standards Board, the body that defines generally accepted accounting principles for governments.

**General Fund** – The City's primary operating fund. There are no restrictions as to the purpose in which the revenues in this fund can be used.

**General Obligation Bond (G. O. Bond)** – A government pledge of full faith and credit to the repayment of the bonds issued by the government. They are usually issued to pay for general capital improvements.

**GFOA** – Acronym for Government Finance Officers Association.

**Goal** – A statement of direction, purpose or intent based on the needs of the community, generally to be completed in a specified amount of time.

## Additional Information

**GPA** – Gladstone Police Officers' Association union.

**Grant** – A donation or contribution by one government unit or organization to another. This is usually made to aid a specified purpose.

**Infrastructure** - Infrastructure are assets that are immovable and of value only to the City. It includes roads, bridges, curbs and gutters, sidewalks, drainage systems, lighting systems, and water and sewer systems.

**Interfund Loan** - A loan made by one fund to another and authorized by the City Council.

**Levy** - The amount of property tax certified by the City Council.

**Materials and Services** – Expendable items purchased for delivery of services. This includes supplies, repairs, maintenance and replacement parts that are not of capital nature.

**Mission** – Defines the primary purpose of the City.

**Modified Accrual** - A method of timing in the recognition of transactions and events. Please see Accrual basis for the alternative method. Modified accrual basis records revenue when earned, if they are collectible within the period or soon enough afterwards to be used to pay liabilities of the period. Expenditures are recorded when a liability is incurred except that debt service payments and other specific accrued

liabilities are recognized only when payment is due.

**Objective** - What we want to accomplish. City-wide objectives are longer term than one year, cross departments, and/or are comprehensive in scope.

**Operating Budget** - Sources and uses necessary for day-to-day operations.

**Ordinance** – A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

**ORS** - Oregon Revised Statutes, laws of the State of Oregon.

**Performance Measure** – Data collected to determine how effective or efficient a program is in achieving its objectives.

**PERS** – Acronym for Public Employees Retirement System. A State of Oregon defined benefit pension plan to which both employees and employer contribute.

**Personnel Services** - Expenditures for payroll, payroll taxes, and employee benefits.

**Project** - Projects are distinct, with a definable result, process, and beginning and end. Projects are capital or operating.

**Property Tax Levy** – Based upon the assessed value of property and is used as the source of monies to pay general

obligation debts and to support the general fund.

**PSU** – Acronym for Portland State University. The University prepares populations estimates each July 1 for all Oregon Municipalities.

**Reserved for Future Years** – An amount budgeted, but not appropriated, that is not anticipated to be spent in the fiscal year, but rather carried forward into future fiscal years.

**Resolution** – An action by the governing body which requires less formality and has a lower legal status than an ordinance.

**Resources** - Financial resources that are or will be available for expenditure during the fiscal year.

**Revenue** – The gross receipts and receivables that the City receives such as: tax payments, licenses, fines and forfeitures, grants and interest income.

**System Development Charges (SDC)** - Fees charged upon issuance of building permits to offset the cost of infrastructure improvements that are or will be required to provide capacity to serve the development. SDC's are charged for parks, water, sanitary, storm, and streets.

**Supplemental Budget** – Appropriations established to meet the needs not anticipated at the time the budget was adopted.

**Transfers** - Amounts moved from one fund to finance activities in another fund, with no requirement of repayment.

**TSP** – Acronym for Transportation System Plan. A long-range plan for transportation needs and facilities.

**Unappropriated Ending Fund Balance** – An amount set aside in the budget to be used as a cash carryover to the next year's budget; providing the local government with operating cash until tax money is received in November.

**Unrestricted Revenue** - Revenue that may be used for any legitimate City purpose. Please refer to “restricted revenue”.

**URA** - The City of Gladstone Urban Renewal Agency. The Agency is a municipal corporation distinct from the City. The Gladstone City Council serves as the Board of Directors for the URA, and its' budget may be obtained from the City of Gladstone.

**URD** - The urban renewal district, the geographic area encompassed by the City of Gladstone Urban Renewal Agency.

**User Charges** - A fee charged for services to a person who directly benefits from the service.

**Uses** - The ways in which financial resources will be used during the fiscal year.