

URBAN RENEWAL BUDGET

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Canby Urban Renewal Agency

Agency Directors Budget Message for Fiscal Year 2016-2017

To the Urban Renewal Budget Committee:

Following is the proposed budget for the Canby Urban Renewal Agency for the 2016-2017 Fiscal Year. The proposed budget is balanced, as required by state law.

Background

The purpose of the Canby Urban Renewal Agency is to administer the statutory tax increment revenues for funding of the goals and objectives of the Canby Urban Renewal Plan through designated projects within the Urban Renewal District. The Canby Urban Renewal Agency, composed of the Mayor and City Councilors, began operating under the Oregon Urban Renewal Laws and the adopted Canby Urban Renewal Plan on December 24, 1999. The Urban Renewal Agency will be working on programs to carry out the goals and objectives of the Canby Urban Renewal Plan:

- 1) To diversify economic base and family wage jobs within the district;
- 2) To maintain effective, efficient and safe traffic system for vehicular and pedestrian users;
- 3) To improve and retain existing businesses; and
- 4) To improve attractive visual amenities for customers and community members throughout the district.

Funds

The Urban Renewal District has two separate funds; ***the Urban Renewal Debt Service Fund*** which accounts for tax increment revenue and repayment of debt obligations issued to fund Agency projects, and the ***Urban Renewal General Fund***, where administration and project implementation are accounted for.

The Agency contracts with the City to provide staff to administer programs and required materials and services. In addition, the Agency at times contracts with outside experts, including financial consultants, engineers, and an attorney specializing in Urban Renewal law. Total contract costs for all of these functions are budgeted to be \$572,794.

Total debt obligations outstanding for the Agency as of July 1, 2015 will be approximately \$26,216,427. If paid in accordance with debt payment schedules as issued, all currently outstanding debt will be paid in full on June 1, 2036. However all of the debt has early payment provisions, the latest of which allows debt outstanding to be paid in full on June 1, 2022 if that is the will of the governing body and funds are available.

The Urban Renewal Plan projected completing all plan projects within 20 years of inception or fiscal year 2020. However the Agency has the authority to continue issuing debt until it has reached its maximum indebtedness of \$51,149,000. As of June 30, 2015, debt incurred was \$39,261,723 and additional debt capacity was \$11,887,277. Legally the Agency will exist until all debt has been extinguished.

Projects and Programs include:

The Library / Civic Building: \$2,836,595 to complete construction of a new two story building for a new library and Civic Building on NE 2nd Avenue and Juniper Street. The first floor will contain a library, council chambers and multipurpose space as well as a public courtyard. The second story will house city staff from administration, planning, finance, information technology and economic development departments. The building will be a community gathering space as well as to provide access books, information, computers and other technology. This building replaces cramped, inefficient space and will meet the growing needs of the community. The project should be completed in late 2016.



Railroad Quiet Zone for Downtown Canby: \$80,000 for installation of medians and signage at Ivy, Grant, and Elm based on an approved design by Union Pacific Railroad. This improvement is important to a multi-story developments along 2nd Avenue that will bring new retail and housing to downtown. The Downtown District is adjacent to the Railroad that serves at least 18 trains per day. Railroad engineers sound their horns at each of the three public crossings. Train horns discourage outdoor activity, and negatively impacts the economic vitality of our Downtown and nearby residential neighborhoods.



Fire Department Capital Projects: \$387,508 as the second of four payments to the Canby Fire District to purchase a new ladder truck and ambulance and make building improvements to meet URA District fire safety and emergency service needs. This investment has already significantly reduced fire ratings and lowered fire insurance rates for properties located in the district.



URD projects: \$100,000 is available for Urban Renewal projects including feasibility studies, land acquisition for development opportunities, commercial or industrial partnerships, public facilities, housing or other infrastructure projects described in the Urban Renewal Plan.

Façade Improvement Program: \$50,000 to help property owners and businesses spruce up their appearance. The program offers grants of up to \$1,500 for design, \$1,500 for construction documents and a 50% match up to \$25,000 for façade improvement construction. Over seventeen businesses have taken advantage of the program to date. Staff is working with several businesses to line up projects for next fiscal year.

Beautification: \$25,000 towards beautification for the new civic building. Projects could include artistic signage and wayfinding that will reflect Canby's unique history and character and help residents easily find the city services they need.

Wait and Community Park: \$13,000 to partner with Wilderness International and community groups to upgrade areas of the Park. The URA is investing money and is leveraging funds from donors. Projects include invasive plants, extending the nature trail, restoring wetlands areas, installing native plants and spreading bark dust.



Contingency: \$990,219 is budgeted and will be available to fund high priority projects identified in the Plan. Last year, the Urban Renewal Agency identified redevelopment projects, high density housing options and Highway 99E Corridor Beautification as potential projects for possible funding.

Conclusion

The Urban Renewal District is fully capable of funding the projects and expenses described above. The Agency has substantial bonding authority which can be used for additional projects if prioritized for spending by the Agency. City staff is ready to answer any questions you may have about this budget or activities funded by the Agency.

Respectfully submitted,

Rick Robinson
City Administrator

CITY OF CANBY
REVENUES

URBAN RENEWAL GENERAL FUND

ACTUAL PRECEEDING YR 2013-2014	ACTUAL PRECEEDING YR 2014-2015	ADOPTED BUDGET YR 2015-2016	DESCRIPTION RESOURCES	BUDGET FOR NEXT YEAR 2016-2017 PROPOSED BY OFFICER	APPROVED BY COMMITTEE	ADOPTED BY GOVERNING BODY
			GRANT REVENUE			
0	7,240	9,275	URD GRANTS	3,650	3,650	3,650
0	7,240	9,275	TOTAL GRANT REVENUE	3,650	3,650	3,650
			SPECIAL ASSESSMENTS			
7,691	10,255	10,255	REVOLVING LOAN INCOME	10,255	10,255	10,255
7,691	10,255	10,255	TOTAL SPECIAL ASSESSMENTS	10,255	10,255	10,255
			MISCELLANEOUS REVENUE			
396	1,808	0	MISCELLANEOUS-INCOME	0	0	0
189	0	0	CITY LOGO PRODUCT SALES	0	0	0
585	1,808	0	TOTAL MISCELLANEOUS REVENUE	0	0	0
			INTEREST REVENUES			
54,624	43,619	25,000	INTEREST REVENUE	25,440	25,440	25,440
54,624	43,619	25,000	TOTAL INTEREST REVENUES	25,440	25,440	25,440
			DONATIONS			
0	0	0	COMMUNITY PLAZA PROJ DONATIONS	65,000	65,000	65,000
0	0	0	CIVIC BUILDING DONATIONS	0	0	0
0	0	0	TOTAL DONATIONS	65,000	65,000	65,000
			OPERATIONAL TRANSFERS IN			
500,000	500,000	1,234,924	OP TRANSFER IN FROM UR DEBT	860,135	860,135	860,135
500,000	500,000	1,234,924	TOTAL OPERATIONAL TRANSFERS IN	860,135	860,135	860,135
			INTERFUND TRANSFERS			
0	0	0	TRANSFER FROM LIBRARY	1,238,254	1,238,254	1,238,254
0	0	0	TOTAL INTERFUND TRANSFERS	1,238,254	1,238,254	1,238,254
			CASH CARRYOVER			
12,143,066	9,174,535	7,698,280	CASH CARRYOVER	2,906,812	2,906,812	2,906,812
12,143,066	9,174,535	7,698,280	TOTAL CASH CARRYOVER	2,906,812	2,906,812	2,906,812
12,705,966	9,737,458	8,977,734	TOTAL FUND REVENUE	5,109,546	5,109,546	5,109,546
			OTHER:			

CITY OF CANBY
EXPENDITURES

URBAN RENEWAL GENERAL FUND

ACTUAL PRECEEDING YR 2013-2014	ACTUAL PRECEEDING YR 2014-2015	ADOPTED BUDGET YR 2015-2016	DESCRIPTION EXPENDITURES	BUDGET FOR NEXT YEAR 2016-2017		
				PROPOSED BY OFFICER	APPROVED BY COMMITTEE	ADOPTED BY GOVERNING BODY
URD EXPENDITURES						
MATERIAL AND SERVICES:						
353,752	0	0	PERSONAL SERVICE CONTRACT	0	0	0
46,555	26,425	24,763	MAT & SVC CONTRACT	24,430	24,430	24,430
8,937	0	0	MAIN STREET PROJECT	0	0	0
117,127	487,594	557,371	DUE TO CITY	572,794	572,794	572,794
526,371	514,019	582,134	TOTAL MATERIAL AND SERVICES	597,224	597,224	597,224
CAPITAL OUTLAY:						
0	0	257,000	FIRE DEPT CAPITAL PROJECTS	387,508	387,508	387,508
0	22,000	22,000	RARE PROGRAM	0	0	0
2,765,265	0	0	SEQUOIA/13TH AVE CONNECTION	0	0	0
1,770	0	15,000	1ST AVENUE REDEVELOPMENT	0	0	0
5,125	0	120,000	URD PROJECTS	100,000	100,000	100,000
127,562	1,122,375	7,112,678	LIBRARY/CIVIC BUILDING PROJECT	2,863,595	2,863,595	2,863,595
0	64,500	0	SDC INCENTIVE PROGRAM	0	0	0
1,325	25,730	25,000	BEAUTIFICATION & MARKETING	25,000	25,000	25,000
37,507	18,768	75,000	FACADE IMP. PROGRAM	50,000	50,000	50,000
0	0	3,000	REDEVLOP. GRT PROGRM	3,000	3,000	3,000
26,000	13,000	20,000	WAIT AND COMMUNITY PARK	13,000	13,000	13,000
5,505	2,465	80,000	RAILROAD QUIET ZONE	80,000	80,000	80,000
35,000	0	0	REVOLVING LOAN FUND	0	0	0
3,005,060	1,268,838	7,729,678	TOTAL CAPITAL OUTLAY	3,522,103	3,522,103	3,522,103
3,531,431	1,782,857	8,311,812	TOTAL URD EXPENDITURES	4,119,327	4,119,327	4,119,327
OTHER:						
0	0	665,922	CONTINGENCY	990,219	990,219	990,219
0	0	665,922	TOTAL OTHER	990,219	990,219	990,219
3,531,431	1,782,857	8,977,734	TOTAL FUND EXPENDITURES	5,109,546	5,109,546	5,109,546

CITY OF CANBY
REVENUES

URBAN RENEWAL DEBT SVC. FUND

ACTUAL PRECEEDING YR 2013-2014	ACTUAL PRECEEDING YR 2014-2015	ADOPTED BUDGET YR 2015-2016	DESCRIPTION RESOURCES	BUDGET FOR NEXT YEAR 2016-2017		
				PROPOSED BY OFFICER	APPROVED BY COMMITTEE	ADOPTED BY GOVERNING BODY
PROPERTY TAXES						
2,332,265	2,390,446	2,485,619	TAX INCREMENT	2,654,881	2,654,881	2,654,881
70,345	71,581	77,000	TAX INCREMENT - PRIOR	58,800	58,800	58,800
2,402,610	2,462,027	2,562,619	TOTAL PROPERTY TAXES	2,713,681	2,713,681	2,713,681
SPECIAL ASSESSMENTS						
35,651	31,119	41,096	LID WALNUT ST PRINC	41,012	41,012	41,012
8,778	9,313	9,880	LID HAZEL DELL WAY PRINC	10,482	10,482	10,482
44,429	40,432	50,976	TOTAL SPECIAL ASSESSMENTS	51,494	51,494	51,494
INTEREST REVENUES						
3,592	3,398	3,000	INTEREST REVENUES	3,400	3,400	3,400
20,666	15,433	16,393	LID WALNUT ST INT.	14,805	14,805	14,805
3,193	2,659	2,092	LID HAZEL DELL WAY-INTEREST	1,490	1,490	1,490
58,691	57,064	55,460	BOND INTEREST REBATE (ARRA)	53,750	53,750	53,750
86,143	78,554	76,945	TOTAL INTEREST REVENUES	73,445	73,445	73,445
CASH CARRYOVER						
252,749	426,616	637,857	CASH CARRYOVER	135,212	135,212	135,212
252,749	426,616	637,857	TOTAL CASH CARRYOVER	135,212	135,212	135,212
2,785,931	3,007,629	3,328,397	TOTAL FUND REVENUE	2,973,832	2,973,832	2,973,832
OTHER:						

CITY OF CANBY
EXPENDITURES

URBAN RENEWAL DEBT SVC. FUND

ACTUAL PRECEEDING YR 2013-2014	ACTUAL PRECEEDING YR 2014-2015	ADOPTED BUDGET YR 2015-2016	DESCRIPTION EXPENDITURES	BUDGET FOR NEXT YEAR 2016-2017		
				PROPOSED BY OFFICER	APPROVED BY COMMITTEE	ADOPTED BY GOVERNING BODY
URBAN RENEWAL DEBT EXPENDITURE						
DEBT:						
78,543	79,018	79,578	DEBT PMTS-SEQUOIA ST 5 & 6	85,160	85,160	85,160
335,000	0	0	DEBT PAY-NW 2ND/LOT (CINEMA)	0	0	0
37,044	38,896	40,842	DEBT PAY-WALNUT ST	42,883	42,883	42,883
0	0	25,000	DEBT PAY-POLICE BUILDING	30,000	30,000	30,000
100,000	100,000	105,000	DEBT PAY-1ST AVE REDEV	105,000	105,000	105,000
145,000	550,000	610,000	DEBT PAY-2012 BOND PRINCIPAL	650,000	650,000	650,000
77,107	74,358	71,198	DEBT PAY-SEQUOIA 5 & 6 INT	68,015	68,015	68,015
13,471	0	0	DEBT PAY-NW2ND/LOT INT (CINEMA)	0	0	0
17,079	15,227	13,283	DEBT PAY-WALNUT ST INT	11,240	11,240	11,240
425,738	425,738	425,738	DEBT PAY-POLICE BUILDING INT	425,238	425,238	425,238
140,544	136,794	132,951	DEBT PAY-1ST AVE REDEV INT	128,159	128,159	128,159
489,788	479,363	461,962	DEBT PAY-2012 BOND INT	443,063	443,063	443,063
0	0	127,921	LOAN PAYMENT RESERVE	124,939	124,939	124,939
1,859,314	1,899,393	2,093,473	TOTAL DEBT	2,113,697	2,113,697	2,113,697
TRANSFERS:						
500,000	500,000	1,234,924	OP TRANSFER TO UR GENERAL	860,135	860,135	860,135
500,000	500,000	1,234,924	TOTAL TRANSFERS	860,135	860,135	860,135
2,359,314	2,399,393	3,328,397	TOTAL URBAN RENEWAL DEBT EXPEN	2,973,832	2,973,832	2,973,832
OTHER:						
0	0	0	TOTAL OTHER	0	0	0
2,359,314	2,399,393	3,328,397	TOTAL FUND EXPENDITURES	2,973,832	2,973,832	2,973,832

Check here if this is an amended form.

• Submit two (2) copies to the county assessor by July 15.

Notification

Canby Urban Renewal Agency _____ authorizes its 2016 - 17 ad valorem tax increment amounts
(Agency name)
by plan area for the tax roll of Clackamas County _____
(County name)

Haley Fish _____ 503-266-0725 _____ June 30, 2016
(Contact person) (Telephone number) (Date submitted)
PO Box 930, Canby, OR 97013 _____ fishh@ci.canby.or.us
(Agency's mailing address) (Contact person's e-mail address)

Yes, the agency has filed an impairment certificate by May 1 with the assessor (ORS 457.445).

Part 1: Option One Plans (Reduced Rate). [ORS 457.435(2)(a)]

Plan Area Name	Increment Value to Use*	100% from Division of Tax	Special Levy Amount**
	\$ _____ OR <input type="checkbox"/> Yes		
	\$ _____ OR <input type="checkbox"/> Yes		
	\$ _____ OR <input type="checkbox"/> Yes		
	\$ _____ OR <input type="checkbox"/> Yes		

Part 2: Option Three Plans (Standard Rate). [ORS 457.435(2)(c)]

Plan Area Name	Increment Value to Use***	100% from Division of Tax***	Special Levy Amount****
	\$ _____ OR _____		
	\$ _____ OR _____		
	\$ _____ OR _____		

Part 3: Other Standard Rate Plans. [ORS 457.445(2)]

Plan Area Name	Increment Value to Use*	100% from Division of Tax*	
Canby Urban Renewal District	\$ _____ OR <input checked="" type="checkbox"/> Yes		
	\$ _____ OR <input type="checkbox"/> Yes		
	\$ _____ OR <input type="checkbox"/> Yes		
	\$ _____ OR <input type="checkbox"/> Yes		

Part 4: Other Reduced Rate Plans [ORS 457.445(1)]

Plan Area Name	Increment Value to Use*	100% from Division of Tax*	
	\$ _____ OR <input type="checkbox"/> Yes		
	\$ _____ OR <input type="checkbox"/> Yes		
	\$ _____ OR <input type="checkbox"/> Yes		
	\$ _____ OR <input type="checkbox"/> Yes		

Notice to Assessor of Permanent Increase in Frozen Value. Beginning tax year 2016-17, permanently increase frozen value to:

Plan Area Name	New frozen value
	\$ _____
	\$ _____

*All Plans except Option Three: Enter amount of Increment Value to Use that is less than 100 percent or check "Yes" to receive 100 percent of division of tax. Do NOT enter an amount of "Increment Value to Use" AND check "Yes."
 **If an Option One plan enters a Special Levy Amount, you MUST check "Yes" and NOT enter an amount of "Increment to Use."
 ***Option Three plans enter EITHER an amount of "Increment Value to Use" to raise less than the amount of division of tax stated in the 1998 ordinance under ORS 457.435(2)(c) OR the "Amount from Division of Tax" stated in the ordinance, NOT both.
 ****If an Option Three plan requests both an amount of "Increment Value to Use" that will raise less than the amount of division of tax stated in the 1998 ordinance and a "Special Levy Amount," the "Special Levy Amount" cannot exceed the amount available when the amount from division of tax stated in the ordinance is subtracted from the plan's Maximum Authority.

FORM UR-1

NOTICE OF BUDGET HEARING

A public meeting of the Canby Urban Renewal Agency will be held on June 15, 2016 at 8 p.m at the Council Chambers, 155 NW 2nd Avenue, Canby, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2016, a second hearing will be held to discuss the budget as amended herein due to clerical error in total approved in motion by the Canby Urban Renewal Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at City Hall, 182 N Holly Street, Canby, between the hours of 8:00 a.m. and 5:00 p.m., or on the city's website at www.ci.canby.or.us. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Haley Fish, Finance Director	Telephone: 503-266-0725	Email: fishh@ci.canby.or.us
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FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2014-15	Adopted Budget This Year 2015-16	Approved Budget Next Year 2016-17
Beginning Fund Balance/Net Working Capital	9,601,151	8,336,137	3,042,024
Federal, State and All Other Grants	7,240	9,275	68,650
Revenue from Bonds and Other Debt	0	0	0
Interfund Transfers	500,000	1,234,924	2,098,389
All Other Resources Except Division of Tax & Special Levy	174,670	163,176	160,634
Revenue from Division of Tax	2,462,027	2,562,619	2,713,681
Revenue from Special Levy	0	0	0
Total Resources	12,745,088	12,306,131	8,083,378

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	0	0	0
Materials and Services	514,019	582,134	597,224
Capital Outlay	1,268,838	7,729,678	3,522,103
Debt Service	1,899,394	2,093,473	2,113,697
Interfund Transfers	500,000	1,234,924	860,135
Contingencies	0	665,922	990,219
All Other Expenditures and Requirements	0	0	0
Unappropriated Ending Balance	8,562,837	0	0
Total Requirements	12,745,088	12,306,131	8,083,378

FINANCIAL SUMMARY - REQUIREMENTS BY ORGANIZATIONAL UNIT OR PROGRAM			
Name of Program FTE for that unit or program			
Urban Renewal	1,782,857	8,311,812	4,119,327
FTE	0.00	0.00	0.00
Not Allocated to Organizational Unit	10,962,231	3,994,319	3,964,051
FTE	0.00	0.00	0.00
Total Requirements	12,745,088	12,306,131	8,083,378
Total FTE	0.00	0.00	0.00

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING
None noted.

STATEMENT OF INDEBTEDNESS		
LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$0	\$0
Other Bonds	\$0	\$0
Other Borrowings	\$26,216,427	\$0
Total	\$26,216,427	\$0

Canby Urban Renewal District

Resolution URR 16-001

A RESOLUTION ADOPTING THE BUDGET FOR THE 2016-2017 FISCAL YEAR

BE IT RESOLVED that the Board of Directors of the Canby Urban Renewal Agency hereby adopts the budget for fiscal year 2016-2017 in the total of \$8,083,378 now on file at the City of Canby, 182 N Holly St. Canby, Oregon.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2016 and for the purpose shown below are hereby appropriated:

	Management Object Category	Appropriation in accordance with local budget law
URD General Fund		
Urban Renewal		\$4,119,327
Materials & Services	\$597,224	
Capital Outlay	3,522,103	
<u>Not Allocated to Program</u>		
Contingency		990,219
Total		\$5,109,546
URD Debt Service Fund		
<u>Not Allocated to Program</u>		
Debt Service		\$2,113,697
Transfers		860,135
Total		\$2,973,832

DECLARATION OF TAX INCREMENT

BE IT RESOLVED that the Board of Directors of the Canby Urban Renewal Agency hereby resolves to certify to the county assessor for the Canby Urban Renewal Plan Area a request for the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article XI of the Oregon Constitution and ORS Chapter 457.

The above resolution statements are approved and declared adopted on this 15th day of June 2016 and take effect July 1, 2016.



Tim Dale
Chair

ATTEST:



Kimberly Scheafer, MMC
City Recorder

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APPENDIX

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Historical Trends & Forecast

GENERAL FUND

	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Projected	2017 Proposed	Assumption	2018 Forecasted	2019 Forecasted	2020 Forecasted	2021 Forecasted
REVENUE												
GENERAL REVENUES												
PROPERTY TAXES	3,679,102	3,722,477	3,794,510	3,951,087	4,055,245	4,187,942	4,339,897	3.00%	4,470,094	4,604,197	4,742,323	4,884,592
FRANCHISE FEES	428,300	463,062	459,100	442,497	479,347	452,702	450,300		450,000	450,000	450,000	450,000
INTERGOVERNMENTAL	328,256	360,710	374,953	393,736	406,719	399,300	416,400	2.00%	424,728	433,223	441,887	450,725
IN LIEU OF TAXES	544,103	576,813	595,905	629,307	637,231	705,000	731,000	3.00%	752,930	775,518	798,783	822,747
CHARGES FOR SERVICES	7,920	10,160	15,032	15,441	18,049	25,244	27,663		25,000	25,000	25,000	25,000
PASS THRU REVENUE	137,029	116,775	516,787	43,446	28,317	29,254	29,680		29,680	29,680	29,680	29,680
SPECIAL ASSESSMENTS	-	-	-	10,103	4,170	39,818	2,250		4,000	4,000	4,000	4,000
MISCELLANEOUS REVENUE	8,860	9,925	8,226	9,534	8,277	17,925	13,050		10,000	10,000	10,000	10,000
INTEREST REVENUES	9,348	10,339	7,652	8,137	8,344	9,600	9,600		10	10	10	10
RESERVE REVENUE	-	-	-	237,896	-	-	-		-	-	-	-
REVENUE TRANSFERS	-	-	228,824	249,879	260,728	280,770	277,270	0.00%	277,270	277,270	277,270	277,270
	5,142,918	5,270,262	6,000,989	6,059,317	5,906,427	6,199,213	6,330,020		6,465,212	6,630,397	6,800,453	6,975,524
ADMINISTRATION REVENUES												
CHARGES FOR SERVICES	52,314	58,100	57,320	59,230	64,400	62,000	70,600		55,000	55,000	55,000	55,000
	52,314	58,100	57,320	59,230	64,400	62,000	70,600		55,000	55,000	55,000	55,000
look into these												
COURT REVENUES												
CHARGES FOR SERVICES	505,001	466,752	418,231	441,658	617,613	446,917	453,000	4.00%	450,000	450,000	450,000	450,000
PASS THRU REVENUE	2,310	1,460	630	885	1,287	1,200	2,000		2,080	2,163	2,250	2,340
MISCELLANEOUS REVENUE	46,577	37,993	32,854	27,397	26,568	23,125	23,125		20,000	20,000	20,000	20,000
	553,888	506,205	451,715	469,940	645,468	471,242	478,125		472,080	472,163	472,250	472,340
PLANNING REVENUES												
CHARGES FOR SERVICES	37,995	36,939	29,790	96,523	73,227	88,365	55,750	5.00%	58,538	61,464	64,538	67,764
MISCELLANEOUS REVENUE	99	746	233	195	394	122	60		150	150	150	150
	38,095	37,685	30,023	96,718	73,621	88,486	55,810		58,688	61,614	64,688	67,914
PARKS REVENUES												
CHARGES FOR SERVICES	220	-	645	535	535	220	500		500	500	500	500
MISCELLANEOUS REVENUE	3,074	232	500	2,236	4,554	4,500	5,000		3,500	3,500	3,500	3,500
DONATIONS	-	-	-	-	194	-	-		-	-	-	-
TRANSFERS IN	-	-	-	-	-	2,500	335,000		-	-	-	-
	3,294	232	1,145	2,771	5,283	7,220	340,500		4,000	4,000	4,000	4,000
BUILDING REVENUES												
CHARGES FOR SERVICES	260,424	340,888	14,170	17,719	12,003	30,000	23,000	5.00%	24,150	25,358	26,625	27,957
	260,424	340,888	14,170	17,719	12,003	30,000	23,000		24,150	25,358	26,625	27,957
POLICE REVENUES												
GRANT REVENUE	9,170	42,142	21,263	69,213	4,773	45,547	76,000		10,000	10,000	10,000	10,000
CHARGES FOR SERVICES	39,440	27,605	26,045	30,970	30,047	32,400	25,400		25,000	25,000	25,000	25,000
MISCELLANEOUS REVENUE	111,519	58,628	70,163	83,388	92,664	91,267	74,182	5.00%	77,891	81,786	85,875	90,169
DONATIONS	3,700	2,250	2,429	2,250	11,490	600	1,000		2,500	2,500	2,500	2,500
	163,829	130,625	119,900	185,821	138,974	169,814	176,582		115,391	119,286	123,375	127,669

Historical Trends & Forecast

GENERAL FUND

	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Projected	2017 Proposed	<u>Assumption</u>	2018 Forecasted	2019 Forecasted	2020 Forecasted	2021 Forecasted
REVENUE (CONT)												
CEMETERY REVENUES												
CHARGES FOR SERVICES	53,143	62,181	68,103	63,675	36,614	50,233	41,400	4.00%	43,056	44,778	46,569	48,432
MISCELLANEOUS REVENUE	3,075	4,050	4,650	3,300	3,940	4,500	2,700		4,000	4,000	4,000	4,000
DONATIONS	-	-	-	-	100	200	300		100	100	100	100
	56,218	66,231	72,753	66,975	40,654	54,933	44,400		47,156	48,878	50,669	52,532
FINANCE REVENUES												
OPERATIONAL TRANSFERS IN	478,005	772,897	859,562	757,435	759,857	748,562	747,720	-1.00%	740,243	732,840	725,512	718,257
TRANSFERS IN	104,000	75,000	192,960	94,806	-	-	-		-	-	-	-
	582,005	847,897	1,052,522	852,241	759,857	748,562	747,720		740,243	732,840	725,512	718,257
ECONOMIC DEVELOPMENT REVENUES												
CHARGES FOR SERVICES	-	-	-	-	1,440	13,900	12,225	4.00%	11,000	11,000	11,000	11,000
TRANSFERS	-	-	-	-	487,594	557,537	572,794		595,706	619,534	644,315	670,088
	-	-	-	-	489,034	571,437	585,019		606,706	630,534	655,315	681,088
TOTAL FUND REVENUE	6,852,985	7,258,125	7,800,537	7,810,732	8,135,721	8,402,907	8,851,776		8,588,625	8,780,071	8,977,887	9,182,280
CASH CARRYOVER												
	2,126,979	1,244,274	1,609,373	1,279,941	1,234,770	1,402,635	1,559,108		1,370,636	911,845	258,249	(602,212)
	8,979,964	8,502,399	9,409,910	9,090,673	9,370,491	9,805,542	10,410,884		9,959,261	9,691,916	9,236,137	8,580,069

Historical Trends & Forecast

GENERAL FUND

	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Projected	2017 Proposed	Assumption	2018 Forecasted	2019 Forecasted	2020 Forecasted	2021 Forecasted
EXPENDITURES												
ADMINISTRATION DEPT												
PERSONNEL SERVICES	734,111	690,441	659,451	631,535	575,339	539,718	553,641	5.00%	581,323	610,389	640,909	672,954
MATERIALS & SERVICES	393,362	353,218	840,434	524,086	542,902	457,269	522,836	2.00%	533,293	543,959	554,838	565,935
CAPITAL OUTLAY	-	-	-	27,178	55,687	-	-		-	-	-	-
DEBT	-	-	-	73,268	74,826	-	-		-	-	-	-
TRANSFERS OUT	309,878	448,855	428,293	70,000	-	-	-		-	-	-	-
	1,437,351	1,492,514	1,928,178	1,326,067	1,248,754	996,987	1,076,477		1,114,616	1,154,348	1,195,746	1,238,889
COURT DEPT												
PERSONNEL SERVICES	219,564	195,467	201,062	171,000	233,788	249,496	310,992	5.00%	326,542	342,869	360,012	378,013
MATERIALS & SERVICES	59,442	53,807	60,914	70,901	84,526	78,406	78,686	2.00%	80,260	81,865	83,502	85,172
CAPITAL OUTLAY	-	-	15,650	-	-	-	-		-	-	-	-
TRANSFERS OUT	11,203	15,316	14,349	-	-	-	-		-	-	-	-
	290,209	264,590	291,975	241,901	318,314	327,902	389,678		406,801	424,734	443,514	463,185
PLANNING DEPT												
PERSONNEL SERVICES	247,530	243,163	295,613	103,672	100,847	125,136	138,129	5.00%	145,035	152,287	159,902	167,897
MATERIALS & SERVICES	78,494	33,607	21,322	97,768	74,522	82,966	79,504	2.00%	81,094	82,716	84,370	86,058
TRANSFERS OUT	13,071	15,536	14,349	-	-	-	-		-	-	-	-
	339,095	292,306	331,284	201,440	175,369	208,102	217,633		226,130	235,003	244,272	253,954
PARKS DEPT												
PERSONNEL SERVICES	303,562	304,610	376,515	483,270	331,018	352,043	390,207	5.00%	409,717	430,203	451,713	474,299
MATERIALS & SERVICES	60,221	51,415	59,694	109,870	132,246	125,367	142,489	2.00%	145,339	148,246	151,210	154,235
CAPITAL OUTLAY	59,821	42,103	-	-	7,127	-	320,000		-	-	-	-
TRANSFERS OUT	62,855	62,448	40,807	-	-	-	-		-	-	-	-
	486,458	460,576	477,016	593,140	470,391	477,410	852,696		555,056	578,449	602,924	628,534
BUILDING DEPT												
PERSONNEL SERVICES	183,187	147,413	68,205	78,083	29,531	31,945	32,467	5.00%	34,090	35,795	37,585	39,464
MATERIALS & SERVICES	38,738	125,488	5,493	8,621	4,204	992	790	2.00%	806	822	838	855
TRANSFERS OUT	(32,340)	51,857	86,149	19,197	19,010	11,428	10,941	5.00%	11,488	12,062	12,666	13,299
	189,584	324,758	159,847	105,901	52,745	44,365	44,198		46,384	48,679	51,089	53,618
POLICE DEPT												
PERSONNEL SERVICES	3,242,063	3,471,003	3,582,842	3,953,093	3,782,006	3,961,161	4,182,123	5.00%	4,391,229	4,610,791	4,841,330	5,083,397
MATERIALS & SERVICES	255,174	213,715	243,949	812,967	844,302	894,445	970,907	2.00%	990,325	1,010,132	1,030,334	1,050,941
CAPITAL OUTLAY	10,117	35,747	61,918	10,000	20,000	32,000	26,000		-	-	-	-
TRANSFERS OUT	407,787	301,249	455,034	-	-	-	-		-	-	-	-
	3,915,141	4,021,714	4,343,743	4,776,060	4,646,308	4,887,606	5,179,030		5,381,554	5,620,922	5,871,664	6,134,338
CEMETERY DEPT												
PERSONNEL SERVICES	3,842	4,545	4,996	3,956	3,992	13,037	13,230	5.00%	13,892	14,586	15,315	16,081
MATERIALS & SERVICES	93,796	99,425	95,262	96,809	112,949	62,153	66,401	2.00%	67,729	69,084	70,465	71,875
	24,636	-	-	-	-	-	-		-	-	-	-
	122,274	103,970	100,258	100,765	116,941	75,190	79,631		81,621	83,670	85,781	87,956
FINANCE DEPT												
PERSONNEL SERVICES	340,806	357,324	397,088	418,783	334,327	319,966	334,622	5.00%	351,353	368,921	387,367	406,735
MATERIALS & SERVICES	88,876	69,890	79,231	91,846	93,528	110,397	122,031	2.00%	124,472	126,961	129,500	132,090
TRANSFERS OUT	7,469	23,816	21,349	-	-	-	-		-	-	-	-
	437,150	451,030	497,668	510,629	427,855	430,363	456,653		475,825	495,882	516,867	538,825

Historical Trends & Forecast

GENERAL FUND

	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Projected	2017 Proposed	Assumption	2018 Forecasted	2019 Forecasted	2020 Forecasted	2021 Forecasted
EXPENDITURES (CONT)												
ECONOMIC DEVELOPMENT DEPT												
PERSONNEL SERVICES	-	-	-	-	356,376	426,136	444,568	5.00%	466,796	490,136	514,643	540,375
MATERIALS & SERVICES	-	-	-	-	82,436	100,815	95,798	2.00%	97,714	99,668	101,662	103,695
TRANSFERS OUT	-	-	-	-	72,367	61,002	63,220	5.00%	66,381	69,700	73,185	76,844
	-	-	-	-	511,179	587,953	603,586		630,891	659,505	689,490	720,914
UNALLOCATED												
PERSONNEL SERVICES	-	-	-	-	-	117,032	75,000	5.00%	78,750	82,688	86,822	91,163
MATERIALS & SERVICES	-	-	-	-	-	37,969	211,868	2.00%	300,000	400,000	500,000	510,000
CAPITAL OUTLAY	-	-	-	-	-	34,698	45,558		29,680	29,680	29,680	29,680
DEBT SERVICE	-	-	-	-	-	20,857	20,108		20,108	20,108	20,500	20,500
CONTINGENCY/RESERVES	-	-	-	-	-	-	1,100,984	10.00%	921,976	970,212	1,020,232	1,063,123
	-	-	-	-	-	210,556	1,453,518		1,350,514	1,502,687	1,657,234	1,714,466
TOTAL FUND EXPENDITURES	7,217,292	7,411,459	8,129,969	7,855,903	7,967,856	8,246,434	10,353,100		10,269,392	10,803,878	11,358,580	11,834,679
REVENUE OVER EXPENDITURE	(364,279)	(153,334)	(329,432)	(45,171)	167,865	156,473	(188,472)		(458,791)	(653,596)	(860,461)	(1,079,275)
CASH CARRYOVER	1,244,274	1,609,373	1,279,941	1,234,770	1,402,635	1,559,108	1,370,636		911,845	258,249	(602,212)	(1,681,487)*

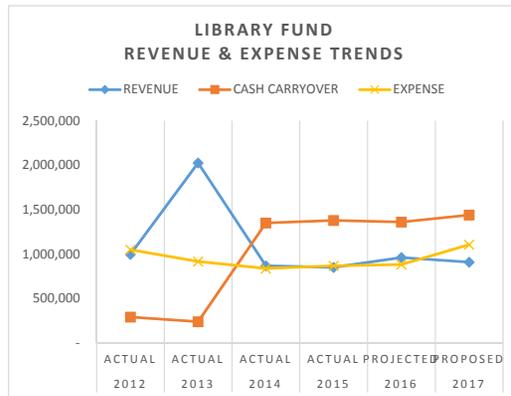
*assumes contingency is not spent

Historical Trends & Forecast

LIBRARY FUND

	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Projected	2017 Proposed		2018 Forecasted	2019 Forecasted	2020 Forecasted	2021 Forecasted	
REVENUE												
<i>PROGRAM REVENUES</i>							Assumption					
PROPERTY TAXES	753,412	707,376	733,693	783,269	789,404	818,849		3%	843,414	868,717	894,778	921,622
GRANT REVENUE	75,134	1,010,682	10,589	11,689	3,584	3,384			5,000	5,000	5,000	5,000
CHARGES FOR SERVICES	4,352	5,623	5,262	4,969	4,500	-			-	-	-	-
FOL PASS THRU REVENUE	-	-	-	-	6,500	14,400			15,000	15,000	15,000	15,000
MISCELLANEOUS REVENUE	25,486	23,520	23,495	23,849	24,000	30,000			30,000	30,000	30,000	30,000
INTEREST REVENUES	1,125	3,547	6,962	6,587	6,700	2,500			2,500	2,500	2,500	2,500
DONATIONS	23,253	67,442	16,952	18,828	124,345	38,353			20,000	20,000	20,000	20,000
TRANSFER FROM GENERAL FUND	113,266	70,000	70,000	-	-	-			-	-	-	-
TRANSFER FROM LIBRARY ENDOWMENT	-	135,481	-	-	-	-			-	-	-	-
REVENUE	996,027	2,023,671	866,953	849,191	959,033	907,486		915,914	941,217	967,278	994,122	
CASH CARRYOVER												
	289,821	238,119	1,347,619	1,377,844	1,359,925	1,437,536		114,885	44,351	(36,906)	(129,870)	
	1,285,848	2,261,790	2,214,572	2,227,035	2,318,958	2,345,022		1,030,799	985,568	930,372	864,252	
<i>LIBRARY EXPENDITURES</i>												
PERSONNEL SERVICES	644,165	624,830	523,753	601,900	619,718	649,754	5%	682,242	716,354	752,171	789,780	
MATERIALS & SERVICES	181,721	132,938	207,553	162,068	167,949	245,834	0%	208,577	208,577	208,577	208,577	
TRANSFERS OUT	221,842	156,403	105,423	103,142	93,755	1,334,549	2%	95,630	97,543	99,494	101,483	
CONTINGENCY/OTHER EXPENSE	-	-	-	-	-	114,885	10%	89,082	92,493	96,075	99,836	
EXPENSE	1,047,728	914,171	836,728	867,110	881,422	2,345,022		1,075,531	1,114,967	1,156,317	1,199,676	
REVENUE OVER EXPENDITURE	(51,701)	1,109,500	30,225	(17,919)	77,611	(1,437,536)		(159,616)	(173,750)	(189,038)	(205,554)	
CASH CARRYOVER	238,120	1,347,619	1,377,844	1,359,925	1,437,536	114,885		44,351	(36,906)	(129,870)	(235,588)*	

*assumes contingency is not spent



City Comparables

Library Service Area	Population	Perm Rate	2015 Property Taxes levied	2016 Estimated District Distribution	FTE
Gladstone	20,333	4.82	3,638,993	667,787	NA
Canby	23,555	3.49	4,157,339	789,404	8.53
Happy Valley	52,520	0.67	1,366,670	2,305,478	NA
Milwaukie	40,101	4.08*	7,451,908	1,536,923	19.76
Wilsonville	23,910	2.52	5,982,244	1,051,235	16.46

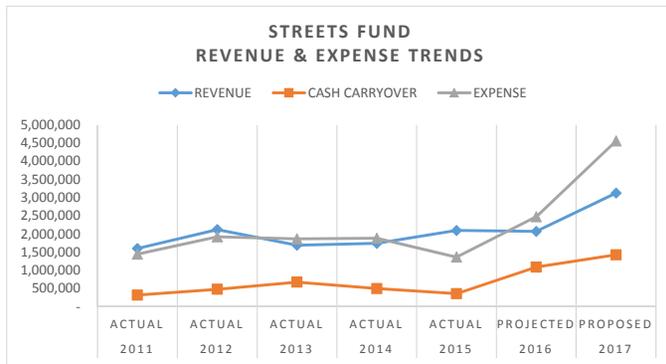
Historical Trends & Forecast

STREETS FUND

	2011	2012	2013	2014	2015	2016	2017	Assumptions	2018	2019	2020	2021
REVENUE	Actual	Actual	Actual	Actual	Actual	Projected	Proposed		Forecasted	Forecasted	Forecasted	Forecasted
<i>PROGRAM REVENUES</i>												
INTERGOVERNMENTAL	1,066,241	1,584,982	1,151,471	1,187,721	1,382,730	1,339,088	1,653,588		1,371,838	1,386,981	1,402,332	1,417,893
CHARGES FOR SERVICES	530,570	531,122	532,962	549,222	590,344	585,400	581,900		581,900	581,900	581,900	581,900
SPECIAL ASSESSMENTS-SDC'S	-	-	-	-	21,658	100,389	115,711		50,000	50,000	50,000	50,000
MISCELLANEOUS REVENUE	2,997	1,859	1,288	4,288	59,116	40,744	50,000		52,250	54,613	57,093	59,698
INTEREST REVENUES	2,305	3,448	3,376	2,395	2,991	5,600	5,600		5,600	5,600	5,600	5,600
TRANSFERS	-	-	-	-	39,000	-	718,812		549,000	175,000	132,500	111,500
REVENUE	1,602,112	2,121,411	1,689,096	1,743,625	2,095,840	2,071,221	3,125,611		2,610,588	2,254,093	2,229,425	2,226,591
CASH CARRYOVER	321,557	480,081	677,298	499,273	358,375	1,089,596	1,429,578		1,146,980	1,380,443	1,380,443	1,175,442
	1,923,669	2,601,492	2,366,394	2,242,898	2,454,215	3,160,817	4,555,189		3,757,568	3,634,536	3,609,868	3,402,033
EXPENDITURES												
<i>STREETS EXPENDITURES</i>												
PERSONNEL SERVICES	353,315	374,798	391,379	499,098	518,047	609,403	639,646	5%	671,390	704,709	739,682	776,390
MATERIALS & SERVICES	175,507	150,539	169,485	332,086	316,525	384,092	383,840	2-5%	395,735	404,385	413,425	422,875
CAPITAL OUTLAY	-	1,144	31,463	-	430,759	628,735	2,270,642		1,310,000	1,350,000	1,140,000	1,200,000
CONTINGENCY/OTHER	-	-	-	-	-	743,946	1,146,980		727,673	611,049	508,701	467,816
TRANSFERS OUT	914,765	1,397,714	1,274,794	1,053,340	99,287	109,009	114,081		-	-	-	-
EXPENSE	1,443,588	1,924,194	1,867,122	1,884,524	1,364,619	2,475,185	4,555,189		3,104,798	3,070,143	2,801,808	2,867,081
REVENUE OVER EXPENDITURE	480,081	197,217	(178,025)	(140,898)	731,221	339,982	(1,429,578)		(494,210)	(816,050)	(572,383)	(640,490)
CASH CARRYOVER	480,081	677,298	499,273	358,375	1,089,596	1,429,578	1,146,980		1,380,443	1,175,442	1,111,760	939,086
							1,044,631		1,171,381	855,471	676,479	383,878

*assumes contingency is not spent

^assumes contingency is fully spent each year



Street Fund Capital Improvement Plan (CIP)

Vehicles and Equipment	61,000			50,000		
Street Maint Fee Program	621,380		620,000	620,000	620,000	620,000
NW Territorial	277,500					
N Cedar	198,000					
N Locust 4th-10th	675,000					
S Ivy	437,762					
N Knott				150,000		
NE 4th to N Pine Realignment				370,000		
NE 10th, phase 1				170,000		
NE 10th, phase 2					585,000	
NE 12th					95,000	
NE 10th, phase 3						520,000
N Maple 10th-14th						580,000
	2,270,642		1,310,000	1,350,000	1,140,000	1,200,000

Historical Trends & Forecast

TRANSIT FUND

	2011	2012	2013	2014	2015	2016	2017		2018	2019	2020	2021
REVENUE	Actual	Actual	Actual	Actual	Actual	Projected	Proposed		Forecasted	Forecasted	Forecasted	Forecasted
<i>PROGRAM REVENUES</i>								Assumption				
GRANT REVENUE	747,409	920,129	1,163,104	1,321,202	626,237	1,010,023	650,692	6%	689,734	731,118	774,985	821,484
PAYROLL TAX	849,806	947,403	1,075,247	1,134,649	1,259,598	1,296,800	1,328,000	3%	1,328,000	1,367,840	1,408,875	1,451,141
MISCELLANEOUS REVENUE	4,180	27,005	2,332	54,250	2,797	11,358	5,000		5,000	5,000	5,000	5,000
INTEREST REVENUES	6,708	(1,337)	3,743	3,664	4,144	4,800	5,000	3%	5,150	5,305	5,464	5,628
DONATIONS	458	1,207	727	706	668	800	600		700	700	700	700
INTERFUND LOAN PROCEEDS	-	250,000	250,000	-	-	-	-		-	-	-	-
TRANSFER	50,000	-	-	-	-	-	-		-	-	-	-
REVENUE	1,658,562	2,144,407	2,495,154	2,514,471	1,893,444	2,323,781	1,989,292		2,028,584	2,109,962	2,195,023	2,283,953
CASH CARRYOVER	(89,449)	(230,347)	275,783	1,038,078	986,369	1,041,466	1,099,140		1,246,574	1,442,309	1,672,062	1,938,036
	1,569,113	1,914,060	2,770,937	3,552,549	2,879,813	3,365,247	3,088,432		3,275,158	3,552,271	3,867,086	4,221,989
EXPENDITURES												
<i>TRANSIT EXPENDITURES</i>												
PERSONNEL SERVICES	111,814	140,075	142,546	181,476	252,679	279,602	308,864	5%	324,307	340,523	357,549	375,426
MATERIALS & SERVICES	1,014,856	779,149	850,050	1,241,697	1,117,109	1,196,511	1,315,607	2%	1,341,919	1,368,758	1,396,133	1,424,055
CAPITAL OUTLAY	132,479	254,877	52,406	809,086	313,343	619,878	53,000		-	-	-	-
TRANSFERS OUT	440,722	464,177	687,857	333,921	155,216	170,116	164,387	10%	166,623	170,928	175,368	179,948
DEBT SERVICE	99,588	-	-	-	-	-	-		-	-	-	-
CONTINGENCY/OTHER	-	-	-	-	-	-	1,246,574		1,246,574	1,246,574	1,246,574	1,246,574
EXPENSE	1,799,458	1,638,278	1,732,859	2,566,180	1,838,347	2,266,107	3,088,432		3,079,423	3,126,782	3,175,623	3,226,004
REVENUE OVER EXPENDITURE	(140,897)	506,129	762,295	(51,709)	55,097	57,674	147,434		195,735	229,754	265,974	304,523
CASH CARRYOVER	(230,345)	275,782	1,038,078	986,369	1,041,466	1,099,140	1,246,574		1,442,309	1,672,062	1,938,036	2,242,559 *

*assumes contingency is not spent

Historical Trends & Forecast SWIM CENTER LOCAL OPTION LEVY FUND

Prepared for work session May 18, 2016 to consider renewal of local option levy; including estimated affect of HB 2632

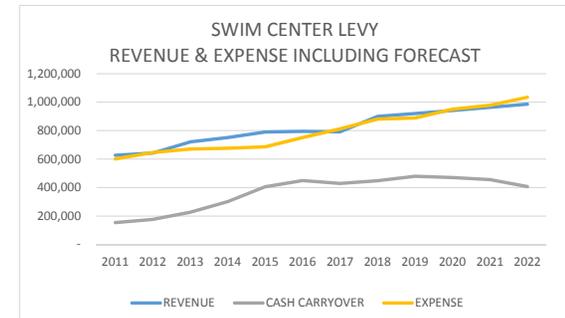
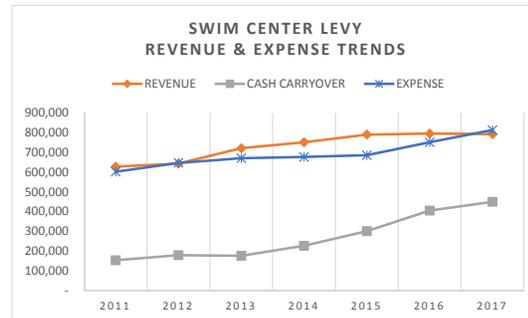
	2011	2012	2013	2014	2015	2016	2017		2018	2019	2020	2021	2022
REVENUE	Actual	Actual	Actual	Actual	Actual	Projected	Proposed		Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
<i>PROGRAM REVENUES</i>								Assumption					
PROPERTY TAXES	436,672	448,261	516,667	552,215	568,151	585,265	606,561	3%	701,961	722,609	743,876	765,781	788,344 X
CHARGES FOR SERVICES	190,038	193,482	203,374	195,001	219,118	207,300	183,000		195,000	195,000	195,000	195,000	195,000
INTEREST REVENUES	777	970	1,189	1,507	1,905	2,400	2,400		2,400	2,400	2,400	2,400	2,400
DONATIONS	-	50	-	2,500	643	-	-		-	-	-	-	-
REVENUE	627,487	642,764	721,229	751,223	789,817	794,965	791,961		899,361	920,009	941,276	963,181	985,744
CASH CARRYOVER	154,251	179,952	176,294	227,061	301,596	405,580	449,617		429,237	447,817	479,483	470,307	455,465
	781,738	822,716	897,523	978,284	1,091,413	1,200,545	1,241,578		1,328,598	1,367,826	1,420,759	1,433,489	1,441,209
EXPENDITURES													
<i>SWIM CENTER EXPENDITURES</i>													
PERSONNEL SERVICES	403,710	420,419	460,918	488,368	497,524	528,547	547,163	~	578,148	601,719	635,652	660,704	680,473
MATERIALS & SERVICES	109,804	103,057	97,858	110,719	111,596	123,589	144,295	2%	147,181	161,899	178,089	195,898	215,488
CAPITAL OUTLAY	38,341	34,181	14,065	-	-	22,500	39,500		70,000	35,000	42,500	22,500	35,000
TRANSFERS OUT	49,931	88,764	97,624	77,600	76,712	76,292	81,383	5%	85,452	89,725	94,211	98,922	103,868
CONTINGENCY/OTHER EXPENSE	-	-	-	-	-	-	69,146	10%	72,533	76,362	81,374	85,660	89,596
	601,786	646,420	670,464	676,687	685,833	750,928	881,487		953,314	964,705	1,031,826	1,063,684	1,124,424
REVENUE OVER EXPENDITURE	25,701	(3,656)	50,766	74,536	103,984	44,037	(89,526)		(53,953)	(44,696)	(90,550)	(100,502)	(138,680) -
CASH CARRYOVER	154,251	176,296	227,060	301,597	405,580	449,617	429,237		447,817	479,483	470,307	455,465	406,381 *
							360,091		306,138	261,443	170,893	70,391	(68,290) ^

*assumes contingency is not spent

^assumes contingency is fully spent each year

~ Includes the following assumptions:
 Minimum wage increases as approved by legislature
 2% cola for AFSCME employees
 10% Health insurance inc Yr/Yr
 5% WC inc Yr/Yr
 PERS advisory rates 18&19
 PERS advisory rates 18&19*1.2(20% inc) for 20&21
 PERS advisory rates 20&21*1.2(20% inc)

X - Includes estimated prior year tax of \$13,700/yr and the estimated increase in revenue due to HB 2632



Historical Trends & Forecast

SEWER COMBINED FUND

	2011	2012	2013	2014	2015	2016	2017	Assumptions	2018	2019	2020	2021
	Actual	Actual	Actual	Actual	Actual	Projected	Proposed		Forecasted	Forecasted	Forecasted	Forecasted
REVENUE												
<i>PROGRAM REVENUES</i>												
MISCELLANEOUS REVENUE	3,587	7,720	3,647	1,175,363	35,650	34,070	25,000		10,000	10,000	10,000	10,000
INTEREST REVENUES	8,615	11,043	12,908	20,264	26,785	26,900	26,900		25,000	25,000	25,000	25,000
CHARGES FOR SERVICES	2,550,765	3,181,472	3,301,858	3,556,367	3,766,369	4,011,000	3,961,000	0%	3,961,000	3,961,000	3,961,000	3,961,000
SPECIAL ASSESSMENTS	25,353	48,685	112,538	125,455	89,958	235,744	201,053		100,000	50,000	50,000	50,000
TRANSFER IN	8,624	10,939	301,775	200,936	21,208	72,046	151,397		50,000	50,000	50,000	50,000
TOTAL FUND REVENUE	2,596,943	3,259,860	3,732,726	5,078,385	3,939,970	4,379,760	4,365,350		4,146,000	4,096,000	4,096,000	4,096,000
CASH CARRYOVER	2,420,091	1,887,962	2,620,853	3,144,461	5,332,519	4,780,005	4,894,667		1,207,080	1,732,375	2,421,879	3,475,111
	5,017,034	5,147,822	6,353,579	8,222,845	9,272,489	9,159,765	9,260,017		5,353,080	5,828,375	6,517,879	7,571,111
EXPENDITURES												
SEWER/WWTP EXPENDITURES												
PERSONNEL SERVICES	488,209	558,199	596,287	627,230	566,557	582,064	622,444	5%	653,566	686,245	720,557	756,585
MATERIALS & SERVICES	410,954	484,127	622,195	493,752	411,167	462,871	543,072	2%	553,933	565,012	576,312	587,839
CAPITAL OUTLAY	-	-	-	-	-	1,182,015	2,155,000		435,000	495,000	85,000	680,000
TRANSFERS OUT	154,064	404,668	681,835	413,607	408,417	418,616	406,389	2%	414,517	422,807	431,263	439,889
	1,053,227	1,446,994	1,900,317	1,534,589	1,386,141	2,645,566	3,726,905		2,057,016	2,169,064	1,813,132	2,464,312
SEWER COLLECTIONS EXPENDITURES												
PERSONNEL SERVICES	198,933	227,350	277,558	319,688	259,074	296,130	317,259	5%	333,122	349,778	367,267	385,630
MATERIALS & SERVICES	53,009	39,398	47,739	66,564	86,081	86,961	97,665	2%	99,618	101,611	103,643	105,716
CAPITAL OUTLAY	-	-	-	-	-	410,965	1,775,000		260,000	140,000	60,000	610,000
TRANSFERS OUT	136,262	102,146	123,813	45,863	44,988	48,715	47,911	5%	50,307	52,822	55,463	58,236
	388,204	368,894	449,110	432,116	390,144	842,771	2,237,835		743,047	644,211	586,373	1,159,582
STORMWATER EXPENDITURES												
PERSONNEL SERVICES	-	81,777	137,381	338,736	241,036	276,544	297,376	5%	312,245	327,857	344,250	361,462
MATERIALS & SERVICES	-	47,559	38,545	45,744	71,508	63,875	60,585	2%	61,797	63,033	64,293	65,579
CAPITAL OUTLAY	-	-	-	-	-	-	920,000		-	-	30,000	180,000
TRANSFERS OUT	-	48,108	85,928	29,073	42,084	40,399	40,383	5%	42,402	44,522	46,748	49,086
	-	177,444	261,854	413,553	354,628	380,818	1,318,344		416,444	435,412	485,292	656,127
SEWER UNALLOCATED												
PERSONNEL SERVICES	-	-	-	-	-	50,209	51,573	5%	54,152	56,859	59,702	62,687
MATERIALS & SERVICES	21,874	12,042	73,175	30,825	-	38,450	39,360	2%	40,147	40,950	41,769	42,605 ~
CAPITAL OUTLAY	1,368,295	222,461	229,137	183,201	2,030,680	5,000	125,000		-	-	-	-
DEBT SERVICE	296,872	298,534	294,925	296,043	291,891	302,284	297,050	5%	300,900	-	-	-
TRANSFERS	600	600	600	-	39,000	-	256,870	0%	9,000	60,000	56,500	111,500
CONTINGENCY	-	-	-	-	-	-	215,433	10%	210,858	219,134	227,779	236,810
	1,687,641	533,637	597,837	510,069	2,361,571	395,943	985,286		615,057	376,944	385,751	453,602
TOTAL FUND EXPENDITURES	3,129,072	2,526,969	3,209,118	2,890,327	4,492,483	4,265,098	8,268,370		3,831,564	3,625,630	3,270,547	4,733,623
REVENUE OVER EXPENDITURE	(532,129)	732,890	523,608	2,188,058	(552,513)	114,662	(3,903,020)		314,436	470,370	825,453	(637,623)
CASH CARRYOVER	1,887,962	2,620,853	3,144,461	5,332,519	4,780,005	4,894,667	1,207,080		1,732,375	2,421,879	3,475,111	3,074,298 *
<i>CASH CARRYOVER</i>							991,647	-	1,306,083	1,776,453	2,601,906	1,964,283 ^

*assumes contingency is not spent

^assumes contingency is fully spent each year

~ master plans and rate studies budgeted as materials and services

City of Canby

Reserve Policy

DRAFT as considered by the MAFOC December 11, 2014

Purpose:

The Council recognizes its responsibility to maintain long-term financial sustainability within the City. This policy establishes reserve minimums, goals and is intended to serve as a guide for important budgetary decisions made by the City Council, Budget Committee and management.

As a best financial management practice, the City will maintain sufficient contingency and reserves in each fund for the ability to:

- 1) Provide sufficient resources to meet cash flow requirements before the collection of property taxes, grant proceeds and other operating revenues
- 2) Protect the City from any shortfalls in revenues or to pay for any necessary unanticipated expenses including but not limited to emergencies and possible catastrophic events.
- 3) Protect the City's credit standing and future ratings that help the City to qualify for lower interest rates and greater bond marketability that may be necessary in the future construction and renovation of City facilities.
- 4) Fund specific long-term obligations or major capital projects as identified and considered prudent to maintain the long-term sustainability of services and assets.
- 5) Minimizing annual budget fluctuations due to changes in the collection of revenue associated with economic uncertainties.

Target minimum reserve goals:

The following establishes a policy in line with best practices provided by the Government Finance Officers Association (GFOA)

General Fund – The GFOA recommends an unreserved fund balance in a government general fund of no less than two months of regular operating expense/revenue however in order to meet expenditure requirements based on the timing of significant revenue sources the City is establishing a target goal of 25% of reoccurring revenues with a minimum unrestricted contingency of 10%.

Special Revenue Funds – (Library, Street, Swim, Transit, etc.) – Minimum operating contingency of 10%.

Internal Service Funds – (Facilities, Fleet, Tech Services) – Minimum operating contingency of 10% and a maintenance/replacement reserve based on the schedule of assets to be replaced/renovated.

Sewer Combined Fund – Minimum operating contingency of 10%. Consideration for the requirement of capital reserves will be addressed in the Long-term Financial Planning Policy (LTFP).

Capital Project, Debt and Reserve Funds – (URA General Fund, URA Debt Fund, Cemetery Perpetual Fund, Forfeiture Fund) A minimum reserve for these funds is not considered necessary as capital project budgets should contain a sufficient contingency, Debt service is predictable and reserves for future expenditures should not be impacted by current events.

Use of Reserves:

The City may use reserves on a one-time or temporary basis for the purposes described above.

Authority to use reserves:

The City Council authorizes expenditure of reserves through the adoption of the annual budget or the adoption of a supplemental budget.

Replenishment of reserves:

In the event that reserve funds are presently or decrease to a level below the goal the City will develop a plan to restore reserves to the desired levels. The plan should identify specific resources which will be dedicated to restore the reserve and outline the timeframe within which the reserve will be fully restored.

Use of Surplus:

In the event the City exceeds its reserve goals management will present decision packages to the Budget Committee for one time capital projects or temporary program initiatives which could be funded with the surplus in that budget year. Surpluses will not be used to expand ongoing operations or fund permanent positions unless projections indicate the surplus is sustainable throughout the 5 year forecast.

Periodic Monitoring of Reserve Targets:

An analysis of Reserves in relation to target minimums and goals should be included in the annual proposed budget document. In addition an analysis of actual reserves as of the end of the previous year should be presented with the midyear quarterly report. All long term financial planning should consider the impact to reserves and work toward achieving or maintaining compliance with target minimum and goal reserve levels. If reserves do not meet target minimums the analysis should include the plan management proposes to replenish the reserves to the desired levels.

Definitions:

Operating contingency – When the City is operating on a non-structurally balanced budget contingency shall be calculated based on the percentage of the total of personnel services plus the total of materials and services. When the city is operating consistently on a structurally balanced budget and revenues are more consistent than expenses then operating contingency shall be calculated based on a % of recurring revenue. This approach is conservative and recognizes that when expenses are volatile and exceed revenue then the operating contingency needs to be sufficient to absorb the increased risk in operations.

Reserves =

Contingency +
Restricted/Committed Reserves +
Reserve for future expenditure(R/UNR) +
Unappropriated Ending Fund Balance

PERS Contribution Stabilization Reserve (Committed Reserve)

Established in the last fiscal year by the City Council through Resolution No. 1170 and committed by Ordinance No. 1384.

In the current year the reserve was maintained at the previously funded level of \$224,600. It was originally funded by the difference between the original contribution rates provided by PERS for the 2013-2015 biennium which was reduced by PERS subsequent to the adoption of the 2013-14 budget. The rate reduction was a result of the state legislature passing Senate Bill 822 which included some cost savings due to changes in PERS benefits and a budget note requesting an additional 1.9% of the previously issued rates be collared, or in other words deferred to a future period. The actuarial method used by OPERS also includes a rate collaring provision, again these provisions defer current expense to future periods. We realized minimal rate increases for the 2015-2017 biennium as outlined in the budget message. Rates are expected to increase in future biennium's therefore we are continuing to propose that the reserve be maintained at the previously funded level of \$224,600.

Retirement and Separation Payout Reserve (Committed Reserve)

Established and committed in fiscal year 2014 by the City Council through Ordinance No. 1394.

As of 4/1/2016 the City had 26 employees eligible for retirement or early retirement under PERS which in accordance with benefit agreements have an approximate liability of \$480,000 that would be paid out upon retirement. In addition the City has an approximate \$290,000 liability or accrued vacation that would be payable upon an employee's separation from the City, which in total is an approximate \$770,000 unfunded liability.

In fiscal year 2014 this reserve was funded by the difference between budgeted healthcare insurance expense and actual healthcare insurance expense. We had budgeted a 15% increase and the increase was actually only 9.9%. This amounted to approximately \$68,000 in funding however as of the end of fiscal year 2015 the reserve had been completely exhausted due to retirement and separation payouts which exceeded the amounts reserved.

In the fiscal year 2016, through the budget process, we funded this reserve with \$75,000 which was be allocated to departments as a percent of personnel services. Payouts are projected to total approximately \$117,000. We have proposed allocating the excess using the same methodology as the reserve which will be fully exhausted. Additionally we have proposed continuing to fund at the \$75,000 level in the proposed budget. Previously the payouts were funded by general fund contingency. Our intention is that we would continue to fund the reserve at a specific amount allocated at a percent of payroll until we are able to attain a funding level considered reasonable to address the currently unfunded liability. Currently based on how payouts are trending managements believes a target of 35% of the rolling unfunded liability would make the reserve reasonably funded.

General Fund Recurring Revenue / Expense Summary

15/16 Projected	Gen	Admin	Court	Planning	Parks	Building	Police	Cemetery	Finance	EconDev	Unallocated	GF Total
Recurring revenue	6,059,124	62,000	488,615	24,025	-	30,000	101,139	54,933	748,562	-	-	7,568,398
Restricted or one-time revenues	1,483,547	-	-	16,595	2,500	-	44,545	-	-	557,537	-	2,104,724
Inconsistent/unreliable revenues	61,343	-	-	52,977	4,720	-	24,130	-	-	13,900	-	157,070
prospectively irrelevant revenues	-	-	-	-	-	-	-	-	-	-	-	-
	7,604,014	62,000	488,615	93,597	7,220	30,000	169,814	54,933	748,562	571,437	-	9,830,192
Recurring expense	-	996,987	303,672	190,602	465,600	44,365	4,814,857	75,710	430,363	30,416	56,126	7,408,699
Restricted or one-time expense	-	-	24,230	17,500	11,860	-	72,749	-	-	557,537	163,225	847,101
Inconsistent/unreliable expense	-	-	-	-	-	-	-	-	-	-	3,600	3,600
prospectively irrelevant expense	-	-	-	-	-	-	-	-	-	-	-	-
	-	996,987	327,902	208,102	477,460	44,365	4,887,606	75,710	430,363	587,953	222,951	8,259,400
Net Recurring Rev/Exp												159,700
16/17 Proposed Budget												
Recurring revenue	6,248,530	70,600	478,125	14,250	-	23,000	96,582	44,400	747,720	-	-	7,723,207
Restricted or one-time revenues	1,633,383	-	-	14,000	335,000	-	74,000	-	-	572,794	-	2,629,177
Inconsistent/unreliable revenues	18,900	-	-	27,560	5,500	-	6,000	-	-	12,225	-	70,185
prospectively irrelevant revenues	-	-	-	-	-	-	-	-	-	-	-	-
	7,900,813	70,600	478,125	55,810	340,500	23,000	176,582	44,400	747,720	585,019	-	10,422,569
Recurring expense	-	1,076,477	364,761	202,633	488,942	44,198	5,078,030	79,631	456,653	30,792	75,073	7,897,190
Restricted or one-time expense	-	-	24,917	15,000	363,754	-	101,000	-	-	572,794	1,436,229	2,513,694
Inconsistent/unreliable expense	-	-	-	-	-	-	-	-	-	-	-	-
prospectively irrelevant expense	-	-	-	-	-	-	-	-	-	-	-	-
	-	1,076,477	389,678	217,633	852,696	44,198	5,179,030	79,631	456,653	603,586	1,511,302	10,410,884
Net Recurring Rev/Exp												(173,983)

Other Fund Recurring Revenue / Expense Summary

	Special Revenue Funds						Internal Service Funds			Enterprise Fund	Capital Projects Fund	Debt Service Fund
	Library	Streets	SysDev	Transit	Swim	Forfeiture	Facilities	Fleet	Tech	Sewer	URA	URA
15/16 Projected												
Recurring revenue	817,904	1,077,788	-	1,908,453	792,565	-	236,503	656,546	263,219	4,011,000	-	2,639,535
Restricted or one-time revenues	1,519,384	2,032,650	2,726,601	1,439,836	405,580	50,181	160,167	105,410	121,654	5,079,285	9,251,775	608,236
Inconsistent/unreliable revenues	6,700	67,844	10,900	16,958	2,400	-	900	5,900	1,235	69,480	53,880	135,212
prospectively irrelevant revenues	-	-	-	-	-	-	-	-	-	-	-	-
	2,343,988	3,178,282	2,737,501	3,365,247	1,200,545	50,181	397,570	767,856	386,108	9,159,765	9,305,655	3,382,983
Recurring expense	855,538	1,101,878	-	1,646,229	728,428	-	259,606	685,538	259,839	2,371,290	-	1,965,551
Restricted or one-time expense	25,884	1,372,681	2,737,501	619,878	22,500	14,943	12,400	-	35,230	1,900,264	6,398,843	-
Inconsistent/unreliable expense	-	626	-	-	-	-	-	-	-	-	-	-
prospectively irrelevant expense	-	-	-	-	-	-	-	-	-	-	-	-
	881,422	2,475,185	2,737,501	2,266,107	750,928	14,943	272,006	685,538	295,069	4,271,554	6,398,843	1,965,551
Net Recurring Rev/Exp	(37,634)	(24,090)	-	262,224	64,137	-	(23,103)	(28,992)	3,380	1,639,710	-	673,984
16/17 Proposed Budget												
Recurring revenue	848,849	1,059,688	-	1,905,516	789,561	-	239,347	724,976	303,589	3,961,000	-	2,734,735
Restricted or one-time revenues	1,518,703	3,417,401	4,573,344	1,172,316	449,617	35,238	125,564	82,318	91,039	5,240,661	5,019,106	1,417,432
Inconsistent/unreliable revenues	2,500	78,100	11,990	10,600	2,400	-	900	1,440	700	51,900	90,440	124,939
prospectively irrelevant revenues	-	-	-	-	-	-	-	-	-	-	-	-
	2,370,052	4,555,189	4,585,334	3,088,432	1,241,578	35,238	365,811	808,734	395,328	9,253,561	5,109,546	4,277,106
Recurring expense	914,159	1,132,567	-	1,788,858	772,841	-	282,139	735,058	295,462	2,524,017	-	1,988,762
Restricted or one-time expense	1,455,893	3,417,622	4,585,334	1,299,574	468,737	35,289	83,672	73,676	99,866	6,736,000	5,109,546	-
Inconsistent/unreliable expense	-	5,000	-	-	-	-	-	-	-	-	-	124,939
prospectively irrelevant expense	-	-	-	-	-	-	-	-	-	-	-	-
	2,370,052	4,555,189	4,585,334	3,088,432	1,241,578	35,289	365,811	808,734	395,328	9,260,017	5,109,546	2,113,701
Net Recurring Rev/Exp	(65,310)	(72,879)	-	116,658	16,720	-	(42,792)	(10,082)	8,127	1,436,983	-	745,973

Internal Charges and Overhead Cost Allocation

Internal Charges:

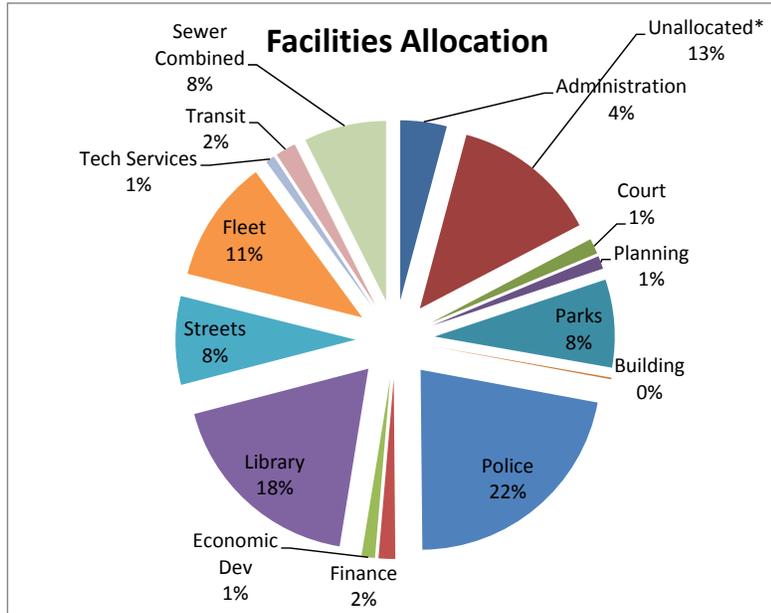
Facilities

Purpose: Its purpose is to provide for the maintenance and repair of all City-owned structures.

Cost basis: Costs include utilities, alarm monitoring, janitorial services and supplies, pest control and other repairs and maintenance costs.

Cost allocation methodology: Costs are allocated to departments/funds on a per square foot basis.

<u>Department</u>	<u>Facilities Allocation</u>
Administration	9,874
Unallocated*	31,269
Court	3,267
Planning	2,784
Parks	18,755
Building	328
Police	52,088
Finance	3,570
Economic Dev	2,878
Library	43,672
Streets	18,864
Fleet	26,199
Tech Services	1,965
Transit	4,367
Sewer Combined	17,567
Total	237,447



*Unallocated includes the Adult Center and the undesignated space in the Civic Building

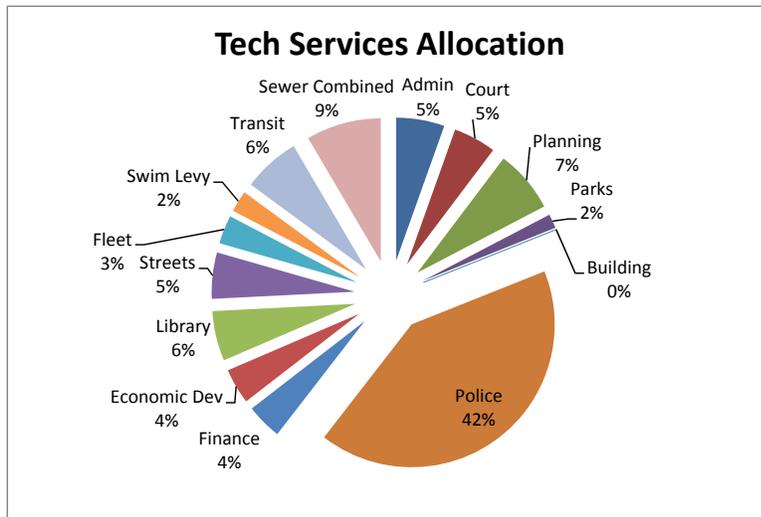
Tech Services

Purpose: The purpose of the Technical Services Department is to provide reliable phone services and computer-based informational systems and services for all city staff.

Cost basis: Costs include contract IT services, internet and phone service, web hosting and maintenance costs, IT supplies and equipment, basic software licenses and computer replacement costs.

Cost allocation methodology: Costs are allocated to departments/funds on a per computer basis.

<u>Department</u>	<u>Tech Allocation</u>
Admin	16,526
Court	14,690
Planning	21,422
Parks	4,896
Building	-
Police	126,087
Finance	12,241
Economic Dev	12,241
Library	17,138
Streets	15,914
Fleet	9,796
Swim Levy	7,345
Transit	19,586
Sewer Combined	25,707
Total	303,589



Internal Charges and Overhead Cost Allocation

Internal Charges (continued):

Fleet Services

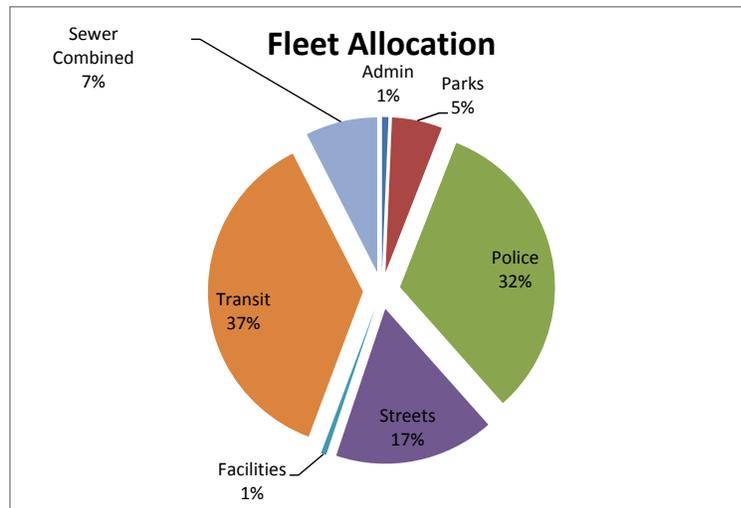
Purpose: The Fleet Services Department facilitates the purchase, outfitting, maintenance and repair of all City rolling stock and most machinery owned by the City to maximize safety and minimize equipment downtime.

Cost basis: Costs include Mechanic labor, contract services, oil, gas, parts, other supplies and equipment.

Cost allocation methodology: Costs are estimated by department based on historical information and adjusted to a 12 month actual at the end of March.

Department	Fleet Allocation*
Admin	4,840
Parks	37,438
Police	232,154
Streets	119,202
Facilities	4,000
Transit	262,675
Sewer Combined	53,539
Total	713,848

*Budget allocation is converted to 12-month actual in March each year



Overhead:

Administration/Finance

Purpose: These departments provides a number of direct and support services to City departments/funds and the City Council. It includes human resources, the office of the City Recorder, the office of the City Attorney, and finance.

Cost basis: Costs include salaries and benefits for department employees, election costs, professional and technical services, costs to broadcast city council meetings, liability insurance, recruitment costs, travel and training for department employees and City Council, accounting software licenses, audit fees and other related supplies and services.

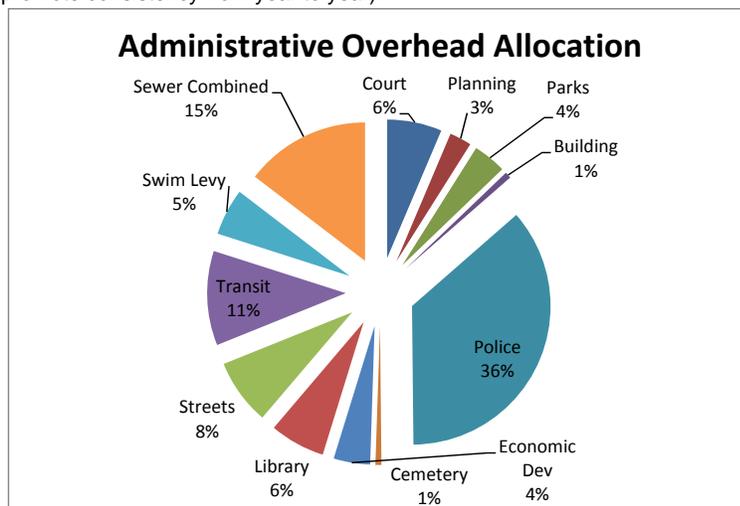
Cost allocation methodology:

HR costs are allocated based on FTE (full time equivalent) count.

Attorney costs are allocated based on an estimation of time spent on initiatives for each department.

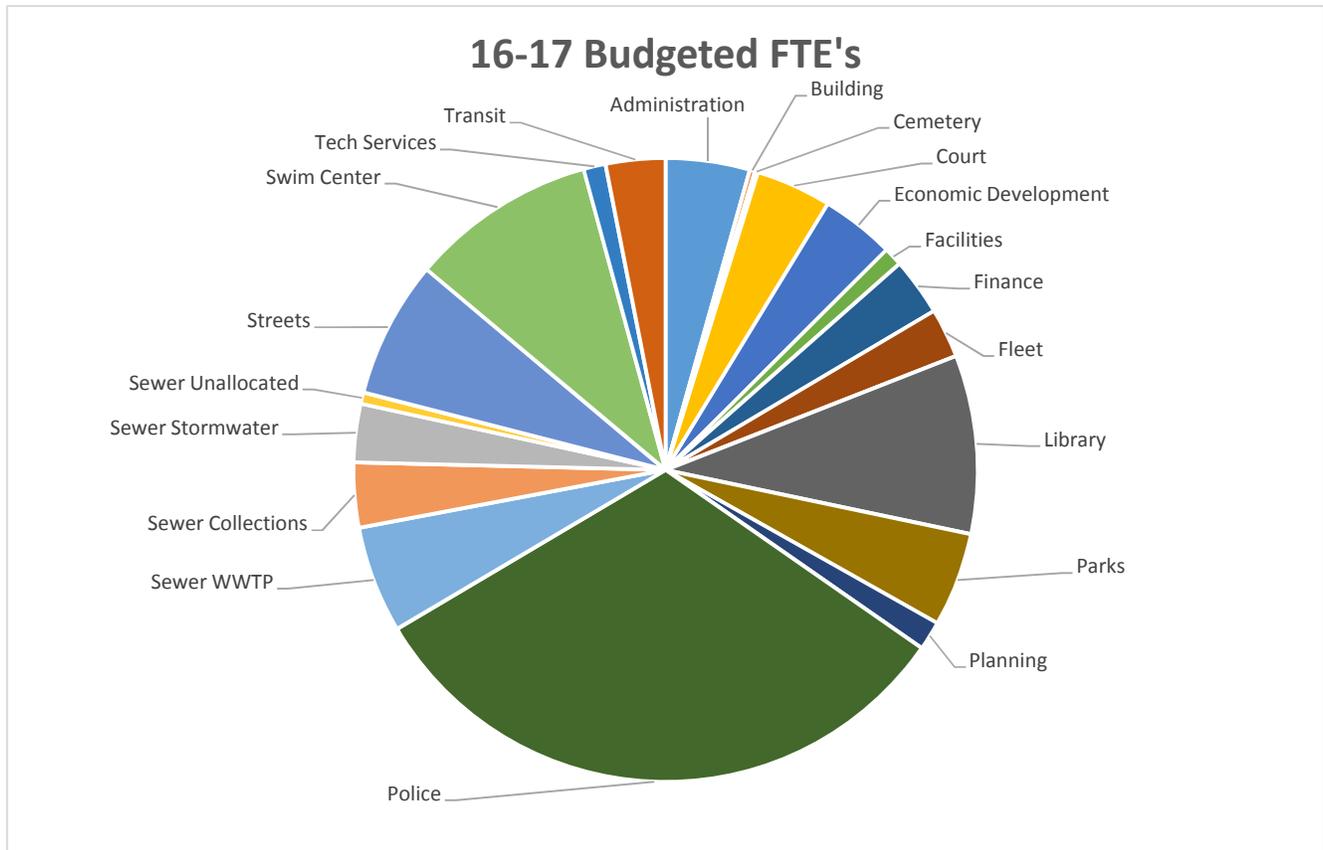
Administration and Finance costs are allocated based on a % of prior year budgeted operating expense (personnel services + materials and services; capital outlay was excluded to promote consistency from year to year).

Department	Administrative Overhead Allocation
Court	95,043
Planning	38,389
Parks	57,616
Building	10,941
Police	539,968
Cemetery	10,309
Economic Dev	63,220
Library	96,295
Streets	114,081
Transit	164,387
Swim Levy	81,383
Sewer Combined	217,413
Total	1,489,045



**CITY OF CANBY 2016-2017 BUDGET
FULL TIME EQUIVALENT (FTE) SUMMARY**

Department	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Projected 2015-2016	Change	Proposed 2016-2017
Administration	6.48	5.10	5.28	4.87	3.80	4.01	-	4.01
Building	2.09	1.33	0.80	0.83	0.25	0.25	-	0.25
Cemetery	0.05	0.05	0.05	0.05	0.05	0.15	-	0.15
Court	2.30	1.88	2.61	1.97	3.01	3.02	0.59	3.61
Economic Development	2.49	4.15	3.65	3.27	3.26	3.51	-	3.51
Facilities	0.00	0.50	0.90	0.90	0.90	0.90	-	0.90
Finance	4.07	3.15	3.67	3.85	3.04	2.75	-	2.75
Fleet	3.30	2.51	2.30	2.37	2.36	2.35	-	2.35
Library	9.27	6.60	9.34	8.09	8.49	8.36	0.17	8.53
Parks	4.00	5.00	4.69	5.30	3.40	3.85	0.65	4.50
Planning	3.30	3.03	3.23	1.14	1.03	1.30	0.07	1.37
Police	28.06	28.45	27.83	28.95	28.28	28.22	0.08	28.30
Sewer Collections	1.43	2.13	3.53	3.33	2.85	3.10	-	3.10
Sewer Stormwater	0.00	0.40	1.35	3.34	2.48	2.78	-	2.78
Streets	5.16	5.00	4.63	5.12	5.64	6.97	-0.42	6.55
Sewer Unallocated	0.00	0.00	0.00	0.00	0.00	0.55	-	0.55
Swim Center	8.71	3.00	8.77	8.76	9.36	9.03	-0.15	8.88
Tech Services	0.60	1.09	1.15	1.15	1.01	0.95	0.10	1.05
Transit	1.60	1.90	1.89	2.20	2.76	2.85	-	2.85
WWTP	5.64	5.64	5.70	4.48	5.17	4.87	0.23	5.10
Total	88.55	80.91	91.37	89.97	87.14	89.77	1.32	91.09



**City of Canby FY 16-17
Allocated Salaries**

Position	Department	%
<i>City Administrator/URD Director</i>	Administration	30%
	Economic Dev	30%
	Collections	15%
	Stormwater	10%
	Streets	15%
	Total	<u>100%</u>
<i>City Recorder</i>	GF Administration	75%
	Economic Dev	25%
	Total	<u>100%</u>
<i>Assistant City Admin/HR Director</i>	GF Administration	25%
	HR	40%
	Tech Services	5%
	Economic Dev	30%
	Total	<u>100%</u>
<i>Main Street Manager</i>	Economic Dev	10%
	Economic Dev	90%
	Total	<u>100%</u>
<i>Planning Director</i>	GF Planning	35%
	GF Building	15%
	Collections	10%
	Stormwater	20%
	Streets	20%
	Total	<u>100%</u>
<i>Senior Planner</i>	Planning	15%
	Economic Dev	10%
	Collections	5%
	Parks	30%
	Stormwater	10%
	Streets	30%
	Total	<u>100%</u>
<i>Code Enforcement Officer</i>	Police	80%
	Planning	10%
	Building	10%
	Total	<u>100%</u>

**City of Canby FY 16-17
Allocated Salaries**

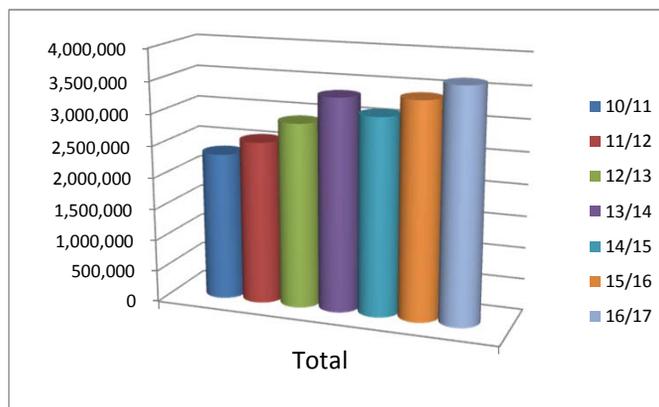
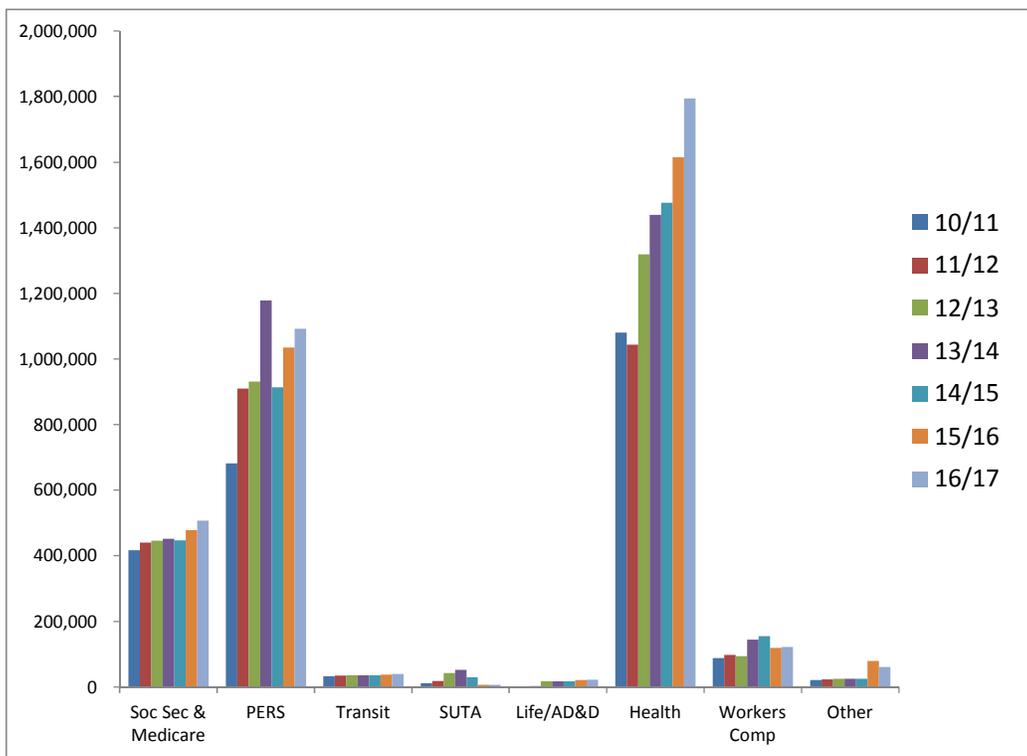
Position	Department	%
<i>Office Specialist II</i>	GF Planning	27.5%
	Economic Dev	50%
	WWTP	0%
	Streets	7.5%
	Stormwater	7.5%
	Collections	7.5%
	Total	<u>100%</u>
<i>Office Specialist II</i>	GF Cemetery	5%
	Admin	95%
	Total	<u>100%</u>
<i>Utility Office Specialist III</i>	Streets	45%
	Sewer-Unallocated	45%
	Finance	10%
	Total	<u>100%</u>
<i>Office Specialist II</i>	Streets	40%
	Fleet	20%
	Collections	15%
	Stormwater	15%
	Cemetery	10%
	Total	<u>100%</u>
<i>Public Works Lead</i>	Collections	25%
	Stormwater	25%
	Streets	50%
	Total	<u>100%</u>
<i>Public Works Lead</i>	Facilities	90%
	Collections	2.5%
	Stormwater	5%
	Streets	2.5%
	Total	<u>100%</u>
<i>Administrative Supervisor</i>	Police	50%
	Court	50%
	Total	<u>100%</u>

**City of Canby FY 16-17
Allocated Salaries**

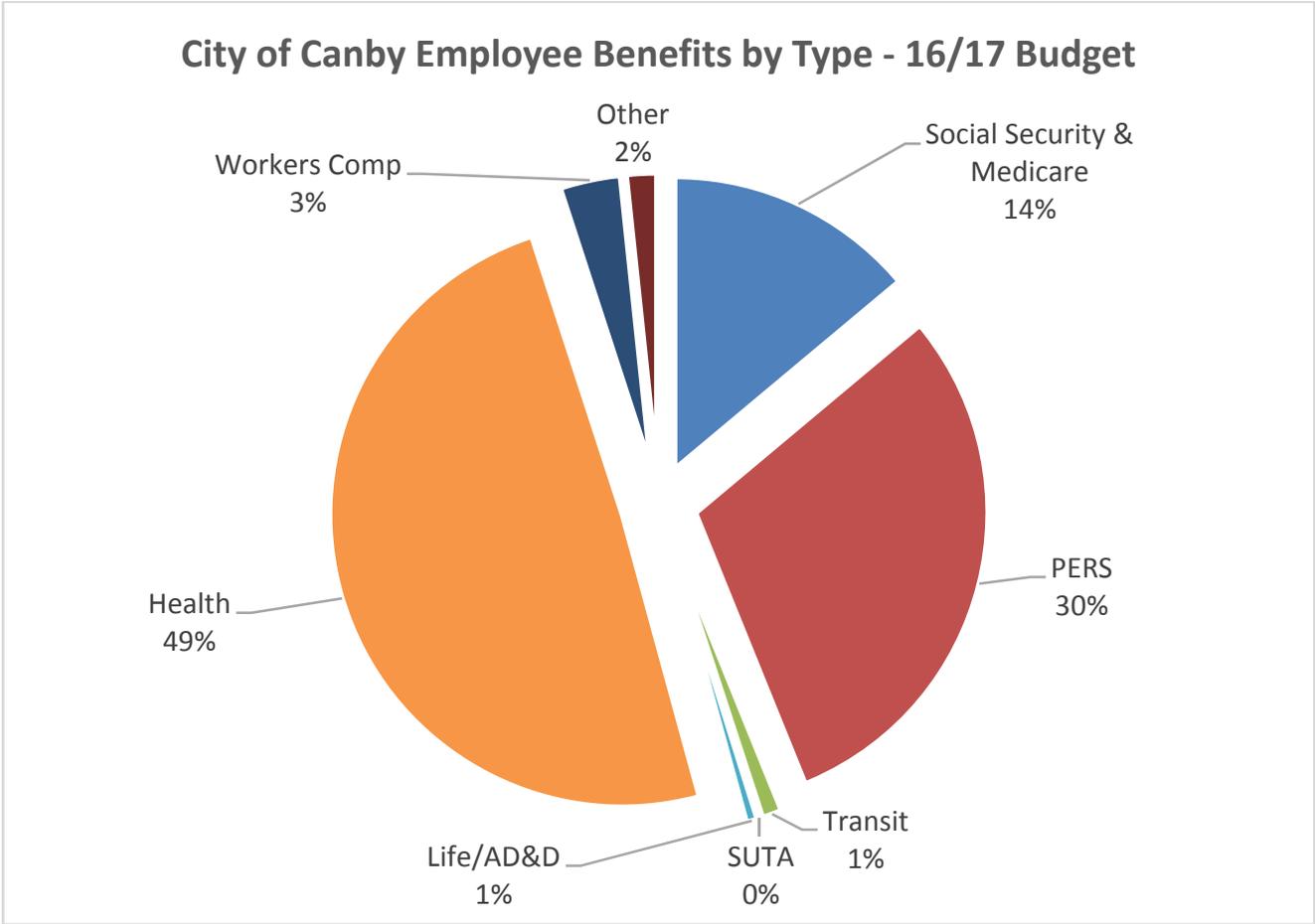
Position	Department	%
<i>Office Specialist II</i>	Finance	44%
	Admin-HR	33%
	Streets	11%
	Sewer Unallocated	11%
	Total	<u>100%</u>
<i>Maintenance Worker III</i>	Stormwater	50%
	Collections	50%
	Total	<u>100%</u>
<i>Maintenance Worker II</i>	Stormwater	50%
	Collections	50%
	Total	<u>100%</u>
<i>Public Works Director</i>	Collections	25%
	Stormwater	25%
	Streets	25%
	WWTP	10%
	Parks	5%
	Fleet	5%
	Planning	5%
	Total	<u>100%</u>
<i>Financial Analyst</i>	Finance	75%
	Transit	25%
	Total	<u>100%</u>
<i>Office Specialist III</i>	Finance	50%
	Transit	50%
	Total	<u>100%</u>
<i>Maintenance Worker II</i>	Parks	0%
	Stormwater	50%
	Streets	50%
	Total	<u>100%</u>
<i>Associate Planner</i>	Streets	17%
	Stormwater	17%
	Collections	8%
	Planning	58%
	Total	<u>100%</u>

Employee Benefits by Type Fiscal Years FY 10/11 to 16/17

	Soc Sec & Medicare	PERS	Transit	SUTA	Life/AD&D	Health	Workers Comp	Other	Total
10/11	417,308	681,373	32,909	11,420	0	1,080,214	88,260	21,177	2,332,661
11/12	439,777	910,112	34,747	17,811	2,826	1,043,942	97,798	22,819	2,569,832
12/13	446,034	930,818	35,224	41,984	17,373	1,319,420	93,719	24,675	2,909,248
13/14	452,058	1,178,190	35,790	52,049	17,472	1,439,958	144,513	25,428	3,345,458
14/15	447,317	913,843	35,343	30,211	17,407	1,476,621	155,396	24,876	3,101,014
15/16	477,839	1,035,232	37,478	6,267	20,782	1,615,487	118,624	79,479	3,391,189
16/17	506,948	1,091,820	39,761	6,553	22,007	1,794,166	121,940	60,639	3,643,834
<i>7-yr inc</i>	21.5%	60.2%	20.8%	-42.6%	678.8%	66.1%	38.2%	186.3%	56.2%



16/17



Social Security & Medicare	PERS	Transit	SUTA	Life/AD&D	Health	Workers Comp	Other	Total
506,948	1,091,820	39,761	6,553	22,007	1,794,166	121,940	60,639	3,643,834

Property Tax In Oregon

This document was originally published by the League of Oregon Cities as “Your Money Your City 2015 Report”; it was tailored to include City of Canby reference points and limit discussion on potential future property tax legislation changes.

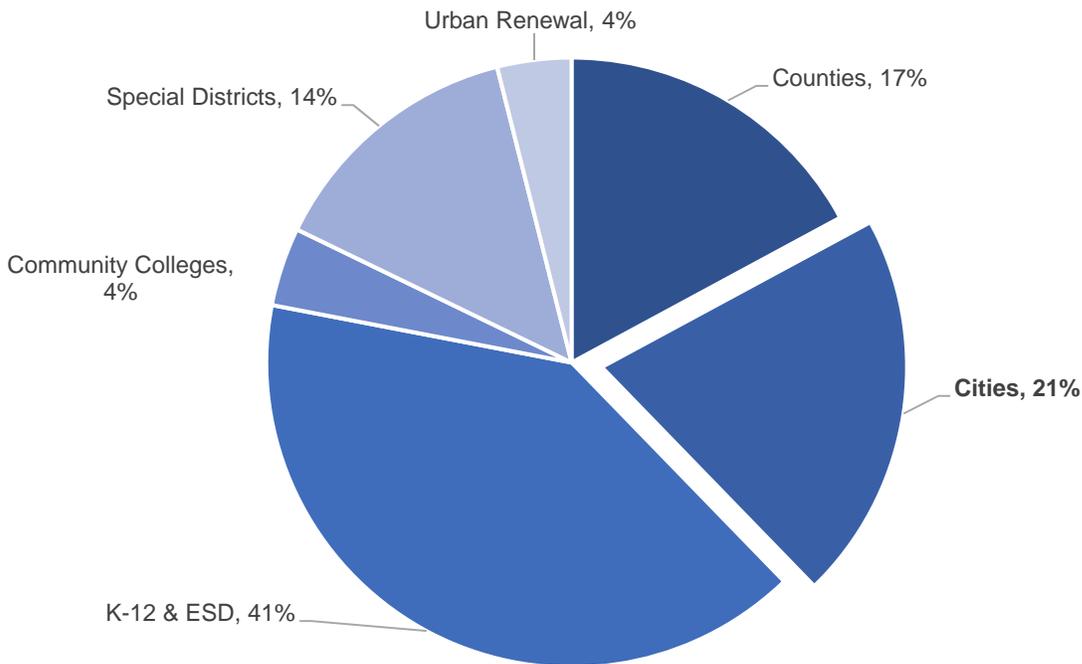
This report¹ explains the basics of the property tax system and underscores the importance of property tax revenue to cities. Each city faces unique circumstances that define the community’s challenges and opportunities. The fiscal conditions cities face today combine historical, geographical, social, legal, national and international factors and decisions.

Where do Your Property Tax Dollars Go?

Although the main focus of this report is on property taxes that fund city services, property taxes also fund other government programs and services. For most property owners, the largest portion of their property tax payment goes to schools and other education districts (more than 40 percent). In addition, roughly 20 percent goes to cities, slightly less than 20 percent goes to counties, and the rest goes to special taxing districts such as water and fire districts.

Source: Oregon Department of Revenue, Oregon Property Tax Statistics - Fiscal Year 2014-2015 report.

Where Property Taxes are Distributed Statewide



¹ League annual reports (formerly called “Where the Money Goes”) dating back to 2013 are archived at <http://www.orcities.org/Publications/Library/tabid/6518/language/en-US/Default.aspx>

A Brief Explanation of Property Taxes in Oregon

This section will provide a brief property tax overview, followed by a review of the two property tax measures, Measures 5 and 50, which changed and re-shaped the property tax system in the 1990s.

The following information is meant to provide a basic understanding about property taxes. The more complicated and technical aspects of the system, such as issues surrounding specially-assessed property and urban renewal, are beyond the report's scope and are not discussed. The Oregon Department of Revenue website is a resource with more detailed information.

Counties are responsible for assessing property values and collecting property taxes on behalf of all taxing districts within the county. Taxing districts are governmental entities that provide specific services to a geographic area. Taxing districts include cities, counties, special districts (fire, water, library districts, etc.) and school districts. Most properties in Oregon have five to 10 different overlapping taxing districts², and there are more than 1,300 districts that impose property taxes in Oregon.

There are three components to property tax rates: permanent rates and gap bond levies³, local option levies, and bond levies. To determine the tax amount owed, the assessed value (AV) is multiplied by all the district rates added together (this value is called "tax extended"). If this amount exceeds any of the constitutional limits, it is reduced (compressed) to the maximum limit in a process called "compression." This value is called the "tax imposed."

**Final tax imposed = (AV x combined rates of all districts, levies and bonds) -
compression**

Measure 5

Measure 5, passed in 1990, was the first of the two property tax reform measures and limits both the tax amount individual owners pay, and the amount of revenue that taxing districts receive. Measure 5 limits a property owner's tax rate to \$10 per \$1,000 for general governments (cities, counties and special districts) and \$5 per \$1,000 for school districts. The limits are based on an **individual** property's **real market value** (RMV). These are two important points to remember, and are discussed more below. When the tax extended exceeds the limit, the amount dedicated to local option levies is reduced (compressed) first. If the limits are still exceeded after the local option levy has been reduced to \$0, then the permanent rate amounts levied are reduced until the taxed amount equals the limits (bonds are excluded from compression). When taxes are compressed, the reduced amount is called "compression loss," because it is lost to the taxing district. For instance, if a property's tax is compressed by \$100, then the taxing jurisdiction loses \$100. The money is not redistributed to other property owners even if they have the ability to absorb it without going into compression.

² Oregon Department of Revenue, *Oregon Property Tax Statistics Report FY2014-2015*. Retrieved from: http://www.oregon.gov/dor/STATS/docs/303-405-15/property-tax-stats_303-405_2014-15.pdf.

³ Gap bond levy-operating levies used to pay off indebtedness incurred prior to the passage of Measure 50. Portland is the only city with a gap bond.

Measure 50

Passed in 1997, Measure 50 sought to reduce property taxes and control their future growth, and it made three changes to the existing system: creating permanent rates for taxing districts; reducing assessed values of individual properties; and limiting annual growth of assessed value to three percent.

At this point in the discussion, it is important to define three key property tax values:

Real Market Value (RMV): a property's value if it was sold in an arm's length transaction and is used to check the \$5 and \$10 per \$1,000 rate limits set by Measure 5.

Maximum Assessed Value (MAV): the previous year's assessed value times 1.03 (a maximum three percent increase).

Assessed Value (AV): the lower of the real market and maximum assessed value which is used to calculate the tax to be paid.

Changed Property Ratio

A changed property ratio (CPR) is simply a way for new properties to receive a discount similar to what existing properties received when Measure 50 was passed. How it works: the ratio is the average maximum assessed value (MAV) to real market value (RMV) for existing properties. The ratio is calculated for each county by property class (residential, commercial and industrial). For example: a new house is built with a RMV of \$250,000, and the county's CPR is 0.7 (meaning the average MAV is 70 percent of the average RMV). The beginning assessed value (AV) for the new property will be \$175,000 ($\$250,000 \times 0.7$).

Permanent Rates:

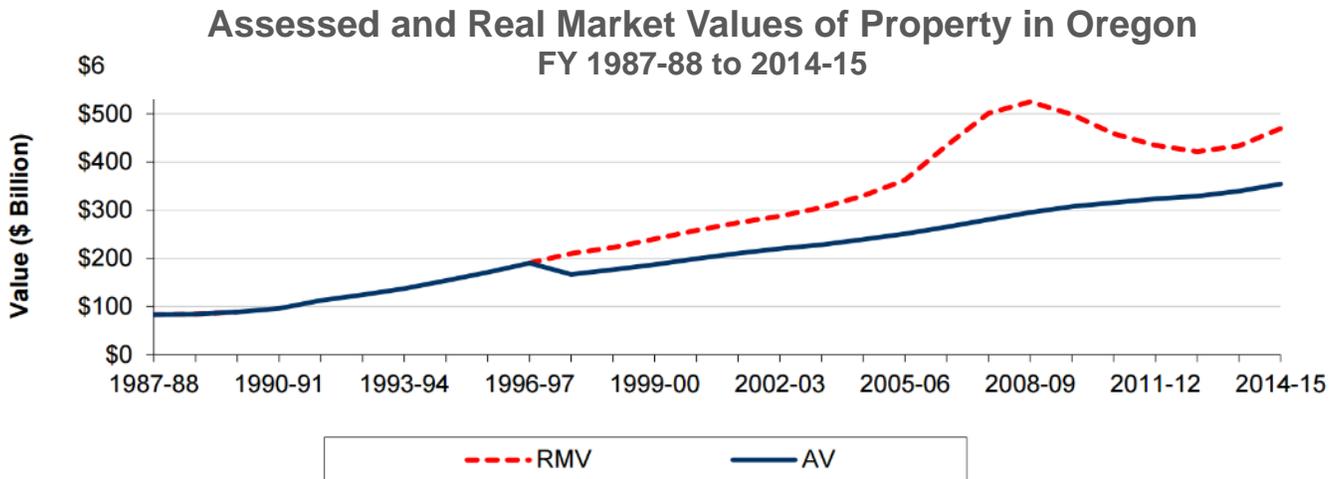
Measure 50 established permanent rates for each taxing district based on historic taxes each district charged. A permanent rate is the maximum tax rate a district can charge without voter approval. Districts can charge a lower rate, which 10 cities are doing in FY2015-16. Once established, permanent rates cannot change. In order for a district to tax more than the permanent rate, voters must approve either a local option levy or a bond. Permanent rates for new districts must be passed by voters. There are currently 13 Oregon cities that cannot levy property taxes because either their permanent rate is set at \$0.00, or because voters have not approved one. These cities thus rely on alternate revenue sources, such as fees, licenses and grants. (Heppner has the highest permanent rate at \$10.62.)

Maximum Assessed Value:

Measure 50 set a property's initial maximum assessed value for FY1997-98 as 90 percent of the FY1995-96 real market value. The assessed value was then capped at a maximum 3 percent annual growth, which can be exceeded under certain

circumstances, such as when there is new construction or renovations which meet certain criteria. New properties are assessed using the changed property ratio (see sidebar). When implemented in FY1997-98, the effect of Measure 50 was an average effective tax rate reduction of 11 percent compared to the previous year⁴.

⁴ Oregon Department of Revenue, *Oregon Property Tax Statistics Report FY2014-2015*. Retrieved from: http://www.oregon.gov/dor/STATS/docs/303-405-15/property-tax-stats_303-405_2014-15.pdf.



Source: Oregon Department of Revenue, Oregon Property Tax Statistics - Fiscal Year 2014-2015 report

Compression

Compression creates inequalities for different reasons. As mentioned before, compression is calculated at the individual property level. One property can be in compression, while an adjoining property isn't. When a local option levy is on an election ballot, the property owner in compression can vote in favor of the levy, knowing they will not pay it until the property's RMV increases to a point where it is no longer in compression. At the same time, the property owner not in compression will pay for the levy if it passes until their levied tax amount exceeds the Measure 5 limitations. Again, this leads to property owners disproportionately paying for the same services.

Impacts to Local Government

Limits from Measures 5 and 50 have combined to affect local governments in two significant ways. They've decreased revenue to local governments through compression losses, and permanent rates limit local government's ability to adjust property tax rates to fund necessary and desired services.

In the past two years local governments lost almost \$400 million (\$212 million in FY2013-14 and \$175 million in FY2014-15) to compression at a time when expenses are steadily increasing. Employee costs (wages, healthcare and retirement) and infrastructure maintenance are two of the largest local government expenses. Cities unfortunately have little control over the material and personnel costs which are both driven by national and international market forces. To keep revenues and expenditures balanced, local governments can either reduce expenses to services, or increase revenues.

Property owners in different cities have different needs and service expectations. Local option levies generate revenue and can address some of these expectations. **But local option levies are compressed first if the tax amount exceeds the Measure 5 limits.** Even if voters decide during an election to pay for the services, such as funding more police officers or expanding library hours, their individual property rates can't exceed the Measure 5 limits. This results in the levy raising less revenue, and less funding for the service.

How City Government Uses Your Property Taxes

Property taxes are the single largest revenue source for local governments, **comprising on average 47 percent** of a city's general fund revenue. The property tax rates imposed and the per capita tax burden varies depending on the city. The graph below illustrates the variation in property tax per capita for 10 comparable Cities to Canby; comparable was determined based primarily on population.



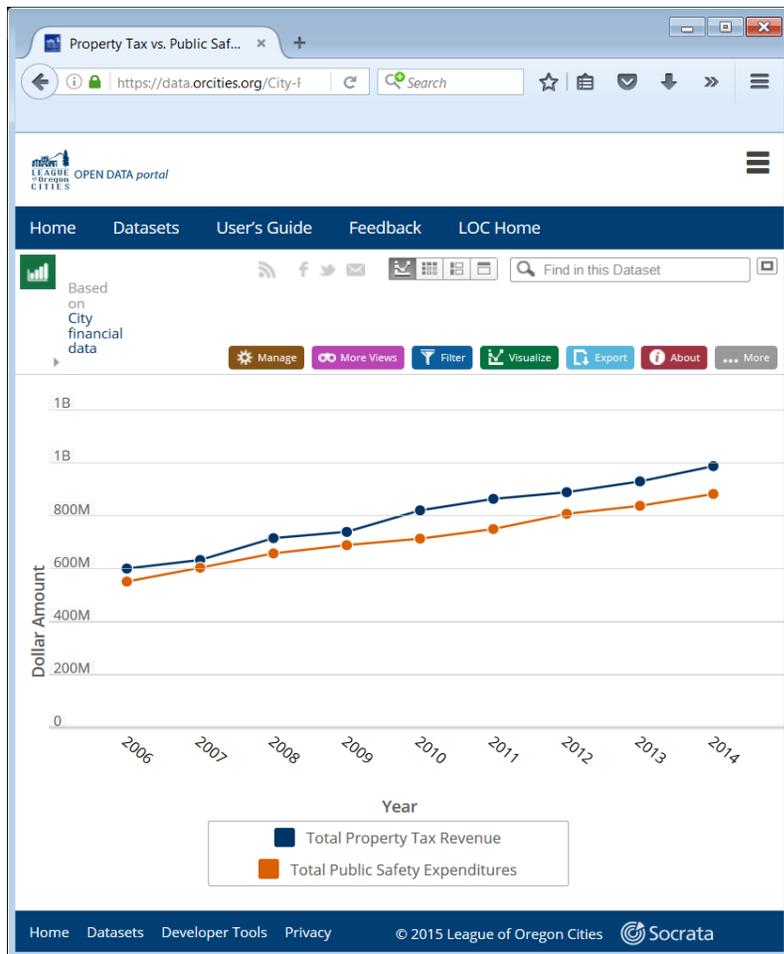
Property taxes are often directed to the general fund, which is available for general purposes and used to provide the majority of city services such as police, fire, libraries and parks. How a general fund is funded, and in turn used to fund various city services, is unique to each city. Not all cities provide the same services, nor do they have the same opportunities to generate revenue from alternate sources (such as licenses, franchise fees or gas taxes). Likewise, not all revenues can be used to fund all services. Some revenue sources, like transportation utility fees and a percentage of transient lodging taxes, are legally restricted to funding specific purposes. This fact makes property taxes even more critical. They are the most flexible revenue source cities have to fund core services, which include social services, police, fire, roads, libraries, planning, and the local judicial system.

Property tax restrictions combined with rising costs creates a revenue-expenditure imbalance because revenues aren't increasing at the same rate as expenditures when adjusted for inflation. Since 2006, city property tax revenue increased only 13 percent⁵ while inflation increased 20 percent. This imbalance creates service dilemmas for Oregon cities, particularly smaller cities experiencing stagnant or slow-growing property tax revenues. So in light of the imbalance, how are cities able to provide core services? Service cuts and/or reductions are a typical solution.

Property taxes support some of the most important services offered to citizens. Yet in many cities, these services are being cut or scaled down. Even though most property owner's tax bills have been increasing, expenses are often growing at a far greater rate.

⁵ Based on an analysis of 50 cities' Comprehensive Annual Financial Reports.

Average Oregon City Property Tax Revenue vs Public Safety Expense



Canby Property Tax vs Public Safety Expense

Property taxes are the single largest revenue source for local governments, comprising on average 47 percent of a city's general fund revenue; this is relatively true for Canby however as you can see our Public Safety Expense averages 58.19% of our General Fund expense which consistently exceeds Total Property Tax Revenue realized.

