

Fiscal Year 2025/26

INTERNAL SERVICE CHARGE MANUAL



CITY OF GRESHAM

Table of Contents

Overview

Internal Service Charges	1
Summary	2
Drivers	2
Driver Changes	3
Revenues	4
Support Service Budgets	5
Internal Service Charges by Fund & Department	6

Internal Service Charges

Facilities & Fleet Management Fund	8
Property Management	
Vehicle Maintenance	
Vehicle Fuels	
Legal Services Fund	10
Legal Services	
Administrative Services Fund	11
City Administration	
Financial Services	
Utility Billing	
Information Technology	
Citywide Services	
General Support	
Liability Management Subfund	14
Liability Management	
General Fund	15
Economic Development	
Community Livability	
Equipment Replacement Fund	17
Vehicle & Equipment Replacement	
Computer Replacement	



Overview

Internal Service Charges

Internal Service Funds account for the services delivered by the City's support departments to operating departments. These services are funded by Internal Service Charges (ISCs), which are collected from operating funds. Internal Service Charges are collected for the following services:

Department	Fund	Internal Service
Office of Governance & Management	Administrative Services Fund	City Administration
Citywide Services	Administrative Services Fund	Citywide Services
		General Support
	Facilities & Fleet Fund	Property Management
		Vehicle Maintenance
		Vehicle Fuels
	Equipment Replacement Fund	Vehicle & Equipment Replacement
		Computer Replacement
Information Technology	Administrative Services Fund	Information Technology
Budget & Finance	Administrative Services Fund	Financial Services
		Utility Billing
City Attorney's Office	Legal Services Fund	Legal Services
	Liability Management Subfund	Liability Management
Economic Development	General Fund	Economic Development
Community Livability	General Fund	Community Livability

NOTE: Please refer to the *Revenue Information* and *Expenditure Information* sections of the FY 2025/26 Proposed Budget document for additional details regarding year-over-year budget comparisons.

Summary

The intent of this manual is to explain the calculations behind the distribution of ISCs each year. This process requires several steps:

- Evaluate and update the drivers used to allocate the charges. These drivers are designed to approximate actual internal service use when possible.
- Identify other resources to support the internal service departments. These could include grants, interest income, or reimbursements.
- Determine the cost of the internal services to be delivered.
- Calculate the net amount that must be collected from operating departments to maintain the City's support services (other revenue subtracted from service costs).
- Allocate the remaining service costs across operating departments based on the drivers.

Drivers

Driver data is typically based on service data from a period of time: the last completed fiscal year (in this case FY 2023/24), a single point in time (e.g., July 1), or on budgetary information for the current fiscal year (in this case FY 2024/25). For some instances, data may be based on a rolling three-year average to smooth out the impact of special projects or unusual circumstances. The Designated Purpose Fund does not pay ISCs; however, where applicable, the driver data for this fund is combined with data for the primary operating program for collection purposes. The following drivers were used to determine one or more of the ISCs for FY 2025/26:

- Size of operating budget – based on the FY 2024/25 Adopted Budget. Some items are exempt from this calculation as noted in the description of each internal service charge.
- Size of payroll – based on the FY 2024/25 Adopted Budget
- FTE and LTE (full-time employee and limited-term employee equivalent) – based on the FY 2024/25 Adopted Budget
- Square footage of facilities – square footage occupied by a program area on July 1, 2024
- Number of computers – number of computers assigned to a program area on July 1, 2024
- Number of mobile devices – number of mobile devices assigned to a program area on July 1, 2024
- Number, classification, and maintenance costs (three-year average) of vehicles and equipment – assigned vehicles and equipment as of July 2024
- Fuel usage – average usage from the last three completed fiscal years
- Attorney hours – average number of hours in the last three completed fiscal years
- Property values – insured value of city-owned property as of July 2024
- Equipment replacement – number and type of vehicles and equipment and anticipated replacement costs
- Computer replacement – number and type of computers and anticipated replacement costs

Driver Changes

The drivers are updated each year to reflect the most current data available. Such updates may have an impact on the proportion collected from an individual program area for a specific support function.

(Note: Since drivers are based on prior year's data, the information in this section primarily reflects changes between FY 2023/24 and FY 2024/25.)

For FY 2025/26 major changes include:

- Size of operating budget – The majority of the department budgets remained proportional, except for Economic Development and Rental Inspection, which decreased due to organizational changes, and CDBG/HOME which fluctuates based on program funding. Youth Services has been separated into a new department, out of the Parks department.
- FTE / LTE – The personnel levels remained relatively level with increases in Fire and Police due to Levy funding, and decreases in Rental Inspection, and Urban Renewal in fiscal year 2024/25.
- IT – Proportions for IT drivers stayed consistent with only minor adjustments.
- Number and classification of vehicles – Changes in drivers were primarily the result of classification adjustments and recategorization of some vehicles. Vehicle counts increased in Police, Fire, Transportation and Wastewater.
- Vehicle insurance – Insurance costs increased almost 50% over FY 2023/24. Police and Fire experienced increases due to vehicle count increases, while other areas remained stable or saw slight decreases. This driver uses a three-year average to smooth changes.
- Square Footage – The City has shifted responsibility for the Police training facility to the Facilities Division. As a result, the square footage for the training facility has been incorporated into the facilities driver.
- Fuel usage – Fuel usage remained steady in most areas, except in Infrastructure Development and Water, which saw decreases in usage.
- Attorney hours – Increased attorney hours over the rolling three-year average caused driver increases for Fire, Community Livability, Water and Stormwater. Decreased usage resulted in a lower three-year average for CDBG/HOME, Infrastructure Development and Wastewater.
- Property values – Property values stayed consistent with prior years.
- Equipment replacement – There were shifts for some programs based on additions, changes in anticipated asset life, replacement cost and other adjustments.

Overview

Revenues

Specific support functions receive additional revenue from grants, interest income, or reimbursements. Changes in these revenues from year to year may influence the amount of ISCs that are collected.

For FY 2025/26 major changes include:

- Facilities & Fleet Fund – The City engaged in a strategic property acquisition of a downtown Gresham property in 2024/25. The anticipated revenue from this property will be used for debt service payments and other expenses related to the property. Beginning balance is anticipated to increase due to cost savings in FY 2024/25.
- Legal Services Fund - Beginning balance is anticipated to increase due to cost savings in FY 2024/25.
- Administrative Services Fund – Miscellaneous income is budgeted to increase to align with recent years' actuals. Utility Billing is anticipated to receive revenues to support the work associated with the Urban Flood Safety and Water Quality District pass-through charges starting in May 2025.
- Equipment Replacement Fund – This fund includes anticipated transfers for internal service departments to support their portion of vehicle and equipment costs. For fiscal year 2025/26, contributions from the General Fund are being deferred and are expected to be made at year-end assuming General Fund turnback allows. It is not intended that this will impact the long-term replacement of General Fund vehicles and equipment.
- Annually, the Gresham City Council and Gresham Redevelopment Commission renew an interagency credit facility to finance Urban Renewal activities and meet the debt requirements. This overnight loan program will utilize Equipment Replacement funds. The repayment of this loan is shown in this fund in Miscellaneous Income. This arrangement has no net impact to the fund.
- Liability Management Subfund: Beginning balance increased due to lower than anticipated claims in FY 2023/24 and the first half of FY 2024/25.

Support Service Budgets

Operating budgets within many support service areas increased in FY 2025/26 due to expected costs to meet the demands of the City's current needs. While more details may be found in the *Central Support Funds* section of the FY 2025/26 Proposed Budget, this section highlights the significant changes.

For FY 2025/26 major changes include:

- Facilities & Fleet Management Fund: Citywide Services – The budget reflects a transfer to the Facilities Capital Fund to cover anticipated project costs. Operating budgets increased to accommodate rising prices of vehicle body repairs and parts. In addition, Facilities will take over the maintenance of the Police training facility which was funded previously by the General Fund.
- Administrative Services Fund - Reflects additional Contracted Service expenditures, along with realignment of positions in the Office of Governance & Management to more accurately reflect the City's organizational structure.
- Equipment Replacement Fund – Reflects anticipated expenditures for the fiscal year, including carryover items from prior years.
- Equipment Replacement Fund –The Equipment Replacement Fund will provide an overnight loan to the Gresham Redevelopment Commission. This is budgeted as Other Requirements. This arrangement has no net impact on the fund.
- Liability Management Subfund – The budget for FY 2025/26 anticipates an increase in the premiums and fees associated with liability coverage.

Overview

Internal Service Charges by Fund for FY 2025/26

Fund	Property Management	Vehicle Maintenance	Vehicle Fuels	Legal Services	City Administration	Financial Services	Utility Billing
Police	791,034	866,252	305,027	520,182	1,342,475	1,237,235	-
Fire	686,415	794,659	130,752	387,640	967,469	891,627	-
Econ & Dev	21,304	-	-	12,110	32,780	30,211	-
Community Livability	60,570	38,817	18,474	97,600	36,948	34,052	-
Youth Services	18,630	5,733	138	-	14,295	13,174	-
Parks	305,447	214,670	46,950	55,348	108,741	100,216	-
General Fund Total	1,883,400	1,920,131	501,341	1,072,880	2,502,708	2,306,515	-
Urban Design & Planning	116,132	-	-	139,683	99,127	91,357	-
Solid Waste & Recycling	33,782	5,733	180	9,026	33,764	31,117	-
Rental Inspection	25,199	8,599	1,341	8,946	25,789	23,767	-
Infrastructure Development	92,464	26,158	27,209	41,177	94,801	87,370	-
Streetlight	-	-	-	3,815	15,090	13,907	-
Transportation	288,902	487,641	110,731	221,846	307,048	282,978	-
CDBG/HOME	4,769	-	-	18,285	5,810	5,355	-
Building	137,093	40,130	13,765	33,469	131,439	121,135	-
Urban Renewal	18,563	-	-	55,643	40,741	198,750	-
Water	263,488	197,029	47,338	127,545	352,654	325,008	697,489
Stormwater	295,768	170,966	70,225	91,773	222,831	205,363	524,354
Wastewater	266,327	244,202	52,116	117,807	397,278	366,134	1,251,524
Total Charges	3,425,887	3,100,589	824,246	1,941,895	4,229,080	4,058,756	2,473,367

Internal Service Charges by Department for FY 2025/26

Department	Property Management	Vehicle Maintenance	Vehicle Fuels	Legal Services	City Administration	Financial Services	Utility Billing
Police	791,034	866,252	305,027	520,182	1,342,475	1,237,235	-
Fire	686,415	794,659	130,752	387,640	967,469	891,627	-
Urban Renewal	18,563	-	-	55,643	40,741	198,750	-
Urban Design & Planning	116,132	-	-	139,683	99,127	91,357	-
CDBG/HOME	4,769	-	-	18,285	5,810	5,355	-
Urban Design & Planning	120,901	-	-	157,968	104,937	96,712	-
GF: Econ & Dev	21,304	-	-	12,110	32,780	30,211	-
Building	137,093	40,130	13,765	33,469	131,439	121,135	-
Econ & Dev	158,397	40,130	13,765	45,579	164,219	151,346	-
GF: Community Livability	60,570	38,817	18,474	97,600	36,948	34,052	-
Rental Inspection	25,199	8,599	1,341	8,946	25,789	23,767	-
Community Livability	85,769	47,416	19,815	106,546	62,737	57,819	-
Youth Services	18,630	5,733	138	-	14,295	13,174	-
Parks	305,447	214,670	46,950	55,348	108,741	100,216	-
Solid Waste & Recycling	33,782	5,733	180	9,026	33,764	31,117	-
Infrastructure Development	92,464	26,158	27,209	41,177	94,801	87,370	-
Streetlight	-	-	-	3,815	15,090	13,907	-
Transportation	288,902	487,641	110,731	221,846	307,048	282,978	-
Water	263,488	197,029	47,338	127,545	352,654	325,008	697,489
Stormwater	295,768	170,966	70,225	91,773	222,831	205,363	524,354
Wastewater	266,327	244,202	52,116	117,807	397,278	366,134	1,251,524
Environmental Services	1,240,731	1,131,729	307,799	612,989	1,423,466	1,311,877	2,473,367
Total Charges	3,425,887	3,100,589	824,246	1,941,895	4,229,080	4,058,756	2,473,367

Overview

Information Technology	Citywide Services	General Support	Liability Management	Economic Development	Community Livability	Equipment Replacement	Computer Replacement	Total
2,832,018	1,434,333	83,423	1,043,599	-	-	-	261,158	10,716,736
1,564,308	1,033,669	60,119	670,886	-	-	-	40,722	7,228,266
82,383	35,023	2,037	16,942	-	-	-	3,039	235,829
187,951	39,476	2,296	27,107	-	-	-	9,117	552,408
41,324	15,273	888	10,165	-	-	-	760	120,380
166,243	116,182	6,757	108,426	-	-	-	4,254	1,233,234
4,874,227	2,673,956	155,520	1,877,125	-	-	-	319,050	20,086,853
287,738	105,910	6,160	50,825	29,848	43,267	-	19,715	989,762
65,784	36,075	2,098	16,942	10,167	14,738	2,700	2,279	264,385
90,658	27,554	1,603	16,942	7,765	11,256	10,600	4,558	264,577
299,097	101,288	5,891	57,601	28,545	41,379	62,900	31,149	997,029
-	16,123	938	33,883	4,544	6,587	-	-	94,887
674,421	328,058	19,080	247,347	-	-	775,400	38,290	3,781,742
13,978	6,208	361	3,388	1,750	2,536	-	760	63,200
391,044	140,432	8,168	91,484	39,577	57,371	55,600	19,183	1,279,890
35,969	43,529	2,532	23,718	12,267	17,783	-	1,519	451,014
550,320	376,784	21,914	277,842	106,186	153,927	327,000	37,682	3,862,206
537,749	238,079	13,847	152,474	67,096	97,262	438,800	32,985	3,159,572
585,760	424,462	24,687	538,742	119,621	173,404	711,600	26,730	5,300,394
8,406,745	4,518,458	262,799	3,388,313	427,366	619,510	2,384,600	533,900	40,595,511

Information Technology	Citywide Services	General Support	Liability Management	Economic Development	Community Livability	Equipment Replacement	Computer Replacement	Total
2,832,018	1,434,333	83,423	1,043,599	-	-	-	261,158	10,716,736
1,564,308	1,033,669	60,119	670,886	-	-	-	40,722	7,228,266
35,969	43,529	2,532	23,718	12,267	17,783	-	1,519	451,014
287,738	105,910	6,160	50,825	29,848	43,267	-	19,715	989,762
13,978	6,208	361	3,388	1,750	2,536	-	760	63,200
301,716	112,118	6,521	54,213	31,598	45,803	-	20,475	1,052,962
82,383	35,023	2,037	16,942	-	-	-	3,039	235,829
391,044	140,432	8,168	91,484	39,577	57,371	55,600	19,183	1,279,890
473,427	175,455	10,205	108,426	39,577	57,371	55,600	22,222	1,515,719
187,951	39,476	2,296	27,107	-	-	-	9,117	552,408
90,658	27,554	1,603	16,942	7,765	11,256	10,600	4,558	264,577
278,609	67,030	3,899	44,049	7,765	11,256	10,600	13,675	816,985
41,324	15,273	888	10,165	-	-	-	760	120,380
166,243	116,182	6,757	108,426	-	-	-	4,254	1,233,234
65,784	36,075	2,098	16,942	10,167	14,738	2,700	2,279	264,385
299,097	101,288	5,891	57,601	28,545	41,379	62,900	31,149	997,029
-	16,123	938	33,883	4,544	6,587	-	-	94,887
674,421	328,058	19,080	247,347	-	-	775,400	38,290	3,781,742
550,320	376,784	21,914	277,842	106,186	153,927	327,000	37,682	3,862,206
537,749	238,079	13,847	152,474	67,096	97,262	438,800	32,985	3,159,572
585,760	424,462	24,687	538,742	119,621	173,404	711,600	26,730	5,300,394
2,713,131	1,520,869	88,455	1,324,831	336,159	487,297	2,318,400	169,115	17,460,215
8,406,745	4,518,458	262,799	3,388,313	427,366	619,510	2,384,600	533,900	40,595,511

Facilities & Fleet Management Fund

Service Description

Facilities Management oversees the repair and maintenance of City facilities, keeping them functional and safe while minimizing deterioration. The program area also provides City Hall reception, scheduling of building events, and on-call emergency response support for facilities, janitorial services, grounds maintenance, and building security. This fund also collects for debt service related to City facilities.

Fleet Management provides repair and maintenance to the City's fleet, including emergency response vehicles for public safety. This fund also consolidates fueling costs of all City vehicles.

Service Outcomes

- Ensure City facilities are well-maintained to provide the public and City staff a safe, clean, and aesthetically pleasing environment for conducting city business.
- Properly service vehicles for a functional and safe fleet to deliver City services.

Drivers

Internal Service Charges based on:

- Square footage & FTE / LTE – Property Management
- Number, classification, and maintenance costs (three-year average) of vehicles – Vehicle Maintenance
- Fuel usage (three-year average) – Fuel

Fund Summary

Resources	
Intergovernmental	75,000
Miscellaneous Income	235,100
Interfund Transfers	330,000
Internal Service Charges	7,350,722
Beginning Balance	1,690,000
Total Resources	9,680,822
Requirements	
Facilities & Fleet Mgmt	7,580,822
Interfund Transfers	1,621,000
Contingency	479,000
Total Requirements	9,680,822

ISC Collections

Property Management

General Fund		
Police	23.1%	791,034
Fire	20.0%	686,415
Economic Development	0.6%	21,304
Community Livability	1.8%	60,570
Youth Services	0.5%	18,630
Parks	8.9%	305,447
Urban Design & Planning	3.4%	116,132
Solid Waste & Recycling	1.0%	33,782
Rental Inspection	0.7%	25,199
Infrastructure Development	2.7%	92,464
Transportation	8.4%	288,902
CDBG/HOME	0.1%	4,769
Building Fund	4.0%	137,093
Urban Renewal	0.5%	18,563
Water	7.7%	263,488
Stormwater	8.6%	295,768
Wastewater	7.8%	266,327
	100.0%	3,425,887

Facilities & Fleet Management Fund

Vehicle Maintenance

General Fund		
Police	27.9%	866,252
Fire	25.6%	794,659
Community Livability	1.3%	38,817
Youth Services	0.2%	5,733
Parks	6.9%	214,670
Solid Waste & Recycling	0.2%	5,733
Rental Inspection	0.3%	8,599
Infrastructure Development	0.8%	26,158
Transportation	15.7%	487,641
Building Fund	1.3%	40,130
Water	6.4%	197,029
Stormwater	5.5%	170,966
Wastewater	7.9%	244,202
	100.0%	3,100,589

Vehicle Fuel

General Fund		
Police	37.0%	305,027
Fire	15.9%	130,752
Community Livability	2.2%	18,474
Youth Services	0.0%	138
Parks	5.7%	46,950
Solid Waste & Recycling	0.0%	180
Rental Inspection	0.2%	1,341
Infrastructure Development	3.3%	27,209
Transportation	13.4%	110,731
Building Fund	1.7%	13,765
Water	5.7%	47,338
Stormwater	8.5%	70,225
Wastewater	6.3%	52,116
	100.0%	824,246

Legal Services Fund

Service Description

The City Attorney's Office identifies, anticipates, and responds to the legal needs of the City by providing high quality, timely, and cost-effective legal services. Services are provided to the City Council, City commissions, committees, and task forces, the City Manager, as well as all departments. Services include legal advice and opinions; creation, review, and approval of all written contracts and legal documents; preparation of ordinances, resolutions, and other documents requiring Council action; defense and representation of City officers and employees; prosecution of legal actions as directed by Council; citywide legal training; and supervision of outside counsel.

Service Outcomes

- Practice preventative law in the opinions offered and the projects undertaken.
- Pursue creative solutions to meet the changing needs of the organization and the diverse requirements of Council, staff, and residents.

Drivers

Internal Service Charges are based on:

- Attorney hours
- Size of operating budget – Utility license fees, CDBG/HOME projects, and Urban Renewal Grant Program appropriations are exempt from this calculation.

Fund Summary

Resources

Internal Service Charges	1,941,895
Beginning Balance	360,000
Total Resources	2,301,895

Requirements

City Attorney's Office	2,001,895
Contingency	300,000
Total Requirements	2,301,895

ISC Collections

Legal Services

General Fund

Police	26.8%	520,182
Fire	20.0%	387,640
Economic Development	0.6%	12,110
Community Livability	5.0%	97,600
Parks	2.9%	55,348
Urban Design & Planning	7.2%	139,683
Solid Waste & Recycling	0.5%	9,026
Rental Inspection	0.5%	8,946
Infrastructure Development	2.1%	41,177
Streetlight	0.2%	3,815
Transportation	11.4%	221,846
CDBG/HOME	0.9%	18,285
Building Fund	1.7%	33,469
Urban Renewal	2.9%	55,643
Water	6.6%	127,545
Stormwater	4.7%	91,773
Wastewater	6.1%	117,807
	100.0%	1,941,895

Administrative Services Fund

Service Description

Administrative Service functions provide centralized management, technology-based infrastructure, and administrative and financial services to all City departments. The staff of Administrative Services guide governance and policy development, ensure internal compliance, provide technology services, and perform public communication services. These services are provided by:

- City Administration – Consists of governance and policy development, including City Council support and City Management functions
- Citywide Services – Includes Human Resources, Communications and Community Engagement
- Financial Services – Provides accounting, payroll, purchasing, accounts payable, accounts receivable, budget, and financial planning services for all City functions as well as utility billing for water, stormwater, and wastewater
- General Support Services – Includes unemployment insurance and general postage
- Information Technology – Provides user support, network services, core business systems, computing security, telecommunications, website development, and applications support, and Geographic Information Systems

Service Outcomes

- Manage public resources responsibly to earn and maintain the public's trust and build better communities for the residents and visitors of the City.
- Administer public policy to promote Council and community goals, fiscal sustainability, and a safe environment.
- Recruit, develop, and retain a diverse and well-trained workforce that is responsive to community needs.
- Provide and maintain reliable technology-based infrastructure and projects essential for the daily operations of the City.

Drivers

Internal Service Charges are generally based on:

- Size of operating budget – Utility license fees, CDBG/HOME projects, and Urban Renewal Grant Program appropriations are exempt from this calculation.

Internal Service Charges for Information Technology Services based on:

- Number of computers
- FTE / LTE
- Number of mobile devices

Internal Service Charges for Utility Billing based on agreement with the Department of Environmental Services.

Administrative Services Fund

Fund Summary

Resources

Charges for Service	61,000
Miscellaneous Income	356,000
Internal Payments	1,740,000
Interfund Transfers	1,209,000
Internal Service Charges	23,949,205
Beginning Balance	3,206,000
Total Resources	30,521,205

Requirements

Office of Governance & Mgmt	4,487,895
Budget & Finance	9,469,877
Information Technology	9,356,850
Citywide Services	5,387,583
Interfund Transfers	433,000
Contingency	886,000
Unappropriated	500,000
Total Requirements	30,521,205

Financial Services

General Fund

Police	30.5%	1,237,235
Fire	22.0%	891,627
Economic Development	0.7%	30,211
Community Livability	0.8%	34,052
Youth Services	0.3%	13,174
Parks	2.5%	100,216
Urban Design & Planning	2.3%	91,357
Solid Waste & Recycling	0.8%	31,117
Rental Inspection	0.6%	23,767
Infrastructure Development	2.2%	87,370
Streetlight	0.3%	13,907
Transportation	7.0%	282,978
CDBG/HOME	0.1%	5,355
Building Fund	3.0%	121,135
Urban Renewal	4.9%	198,750
Water	8.0%	325,008
Stormwater	5.1%	205,363
Wastewater	9.0%	366,134
	100.0%	4,058,756

Utility Billing

Water	28.2%	697,489
Stormwater	21.2%	524,354
Wastewater	50.6%	1,251,524
	100.0%	2,473,367

ISC Collections

City Administration

General Fund

Police	31.7%	1,342,475
Fire	22.9%	967,469
Economic Development	0.8%	32,780
Community Livability	0.9%	36,948
Youth Services	0.3%	14,295
Parks	2.6%	108,741
Urban Design & Planning	2.3%	99,127
Solid Waste & Recycling	0.8%	33,764
Rental Inspection	0.6%	25,789
Infrastructure Development	2.2%	94,801
Streetlight	0.4%	15,090
Transportation	7.3%	307,048
CDBG/HOME	0.1%	5,810
Building Fund	3.1%	131,439
Urban Renewal	1.0%	40,741
Water	8.3%	352,654
Stormwater	5.3%	222,831
Wastewater	9.4%	397,278
	100.0%	4,229,080

Administrative Services Fund

Information Technology

General Fund		
Police	33.7%	2,832,018
Fire	18.6%	1,564,308
Economic Development	1.0%	82,383
Community Livability	2.2%	187,951
Youth Services	0.5%	41,324
Parks	2.0%	166,243
Urban Design & Planning	3.4%	287,738
Solid Waste & Recycling	0.8%	65,784
Rental Inspection	1.1%	90,658
Infrastructure Development	3.6%	299,097
Transportation	8.0%	674,421
CDBG/HOME	0.2%	13,978
Building Fund	4.7%	391,044
Urban Renewal	0.4%	35,969
Water	6.5%	550,320
Stormwater	6.4%	537,749
Wastewater	7.0%	585,760
	100.0%	8,406,745

General Support

General Fund		
Police	31.7%	83,423
Fire	22.9%	60,119
Economic Development	0.8%	2,037
Community Livability	0.9%	2,296
Youth Services	0.3%	888
Parks	2.6%	6,757
Urban Design & Planning	2.3%	6,160
Solid Waste & Recycling	0.8%	2,098
Rental Inspection	0.6%	1,603
Infrastructure Development	2.2%	5,891
Streetlight	0.4%	938
Transportation	7.3%	19,080
CDBG/HOME	0.1%	361
Building Fund	3.1%	8,168
Urban Renewal	1.0%	2,532
Water	8.3%	21,914
Stormwater	5.3%	13,847
Wastewater	9.4%	24,687
	100.0%	262,799

Citywide Services

General Fund		
Police	31.7%	1,434,333
Fire	22.9%	1,033,669
Economic Development	0.8%	35,023
Community Livability	0.9%	39,476
Youth Services	0.3%	15,273
Parks	2.6%	116,182
Urban Design & Planning	2.3%	105,910
Solid Waste & Recycling	0.8%	36,075
Rental Inspection	0.6%	27,554
Infrastructure Development	2.2%	101,288
Streetlight	0.4%	16,123
Transportation	7.3%	328,058
CDBG/HOME	0.1%	6,208
Building Fund	3.1%	140,432
Urban Renewal	1.0%	43,529
Water	8.3%	376,784
Stormwater	5.3%	238,079
Wastewater	9.4%	424,462
	100.0%	4,518,458

Liability Management Subfund

Service Description

The Liability Management Subfund (part of the Workers' Compensation and Liability Management Fund) is responsible for managing liability claims and costs, loss control, safety issues, and supervising outside insurance counsel. The City is insured for most property, casualty, and liability losses, therefore the primary costs associated with the fund relate to insurance premiums. Requirements include staffing to administer the program. Unanticipated, underinsured, and unfunded liabilities are funded as liability reserves.

Service Outcomes

- Purchase insurance coverage to meet property, casualty, and liability losses consistent with industry standards and the parameters approved by the City Council.
- Manage liability claims and costs.
- Provide high quality and cost-effective risk management services to the City, Council, and staff.

Drivers

Internal Service Charges are based on three drivers:

- Size of operating budget – Utility license fees, CDBG/HOME projects, and Urban Renewal Grant Program appropriations are exempt from this calculation.
- Rolling three-year average of vehicle insurance costs
- Property values

Program Summary

Resources	
Miscellaneous Income	81,000
Internal Service Charges	3,388,313
Beginning Balance	2,724,000
Total Resources	6,193,313
Requirements	
City Attorney's Office	4,620,313
Interfund Transfers	29,000
Contingency	687,000
Unappropriated	857,000
Total Requirements	6,193,313

ISC Collections

Liability Management		
General Fund		
Police	30.8%	1,043,599
Fire	19.8%	670,886
Economic Development	0.5%	16,942
Community Livability	0.8%	27,107
Youth Services	0.3%	10,165
Parks	3.2%	108,426
Urban Design & Planning	1.5%	50,825
Solid Waste & Recycling	0.5%	16,942
Rental Inspection	0.5%	16,942
Infrastructure Development	1.7%	57,601
Streetlight	1.0%	33,883
Transportation	7.3%	247,347
CDBG/HOME	0.1%	3,388
Building Fund	2.7%	91,484
Urban Renewal	0.7%	23,718
Water	8.2%	277,842
Stormwater	4.5%	152,474
Wastewater	15.9%	538,742
	100.0%	3,388,313

Note: This table reflects the Liability Management subfund, not the entire Workers' Compensation & Liability Management Fund.

Economic Development

Service Description

Economic Development provides a coordinated effort for Gresham that will generate community wealth, foster regional links, support quality educational opportunities, and create a balanced and diverse trade sector industry base providing living wage jobs and a full range of community services. Services include business retention and expansion, business recruitment, business assistance and customer service, development assistance, and grant/incentive management. Economic Development provides direction to manufacturers regarding industry growth and vitality by connecting them with business assistance resources available within the community. This division also arranges meetings for business clients, matching them with key staff to address regulatory issues before construction begins, and finding solutions to help them complete their projects on time and cost-effectively.

Economic Development also encompasses Commercial Business and Development and the Small Business Center. This division helps attract and support new commercial ventures, including small businesses and larger development projects. Providing outreach and assistance to the business community allows more Gresham storefronts to be filled with thriving enterprises.

Service Outcomes

- Grow the economic base by responding to leads from businesses interested in placing roots in Gresham.
- Enhance collaboration with and support of Gresham businesses and attract commercial development.

Community Livability

Service Description

This division provides Code Compliance Services and Homeless Services program administration. The Code Compliance team investigates complaints involving severe and complex violations of the City's Revised Code and Community Development Code. This division maintains enforcement fairness via field investigations, documentation, enforcement process, and final closure with complainants and violators.

Service Outcomes

- Ensure a safe environment in the City of Gresham.

General Fund

Drivers

Internal Service Charges based on:

- Size of operating budget – Utility license fees, CDBG/HOME projects, and Urban Renewal Grant Program appropriations are exempt for this calculation.

Program Summary

Resources	
General Fund Support	1,845,966
Internal Service Charges	1,046,876
Total Resources	<u>2,892,842</u>
Requirements	
Economic Development	1,180,945
Community Livability	1,711,897
Total Requirements	<u>2,892,842</u>

ISC Collections

Economic Development

Urban Design & Planning	7.0%	29,848
Solid Waste & Recycling	2.4%	10,167
Rental Inspection	1.8%	7,765
Infrastructure Development	6.7%	28,545
Streetlight	1.1%	4,544
CDBG/HOME	0.4%	1,750
Building Fund	9.3%	39,577
Urban Renewal	2.9%	12,267
Water	24.8%	106,186
Stormwater	15.7%	67,096
Wastewater	28.0%	119,621
	<u>100.0%</u>	<u>427,366</u>

Community Livability

Urban Design & Planning	7.0%	43,267
Solid Waste & Recycling	2.4%	14,738
Rental Inspection	1.8%	11,256
Infrastructure Development	6.7%	41,379
Streetlight	1.1%	6,587
CDBG/HOME	0.4%	2,536
Building Fund	9.3%	57,371
Urban Renewal	2.9%	17,783
Water	24.8%	153,927
Stormwater	15.7%	97,262
Wastewater	28.0%	173,404
	<u>100.0%</u>	<u>619,510</u>

Equipment Replacement Fund

Service Description

The Equipment Replacement Fund contains funds collected for future replacement of city-owned vehicles and equipment. Purchases that add new equipment to the City's assets are authorized and funded through the annual budget process. After new purchases are acquired, the vehicles and equipment are added to the replacement schedule. Replacement costs are determined and collected over the life of the asset.

Service Outcomes

- Manage public resources responsibly by replacing vehicles and equipment when required to ensure city services are provided safely and effectively.

Drivers

Internal Service Charges based on:

- Equipment Replacement Schedule – Vehicles and equipment
- Computer Replacement Schedule – Computers and servers

Fund Summary

Resources	
Miscellaneous Income	9,023,000
Interfund Transfers	134,000
Internal Service Charges	2,918,500
Beginning Balance	24,758,100
Total Resources	36,833,600
Requirements	
Citywide Services	8,389,100
Interfund Transfers	2,000
Other Requirements	8,652,000
Unappropriated	19,790,500
Total Requirements	36,833,600

ISC Collections

Vehicle & Equipment Replacement

General Fund	
Police *	-
Fire *	-
Community Livability *	-
Youth Services*	-
Parks*	-
Solid Waste & Recycling	2,700
Rental Inspection	10,600
Infrastructure Development	62,900
Transportation	775,400
Building Fund	55,600
Water	327,000
Stormwater	438,800
Wastewater	711,600
	<u>2,384,600</u>

* For fiscal year 2025/26, contributions from the General Fund will be deferred and are expected to be made at year-end assuming General Fund turnback allows.

Equipment Replacement Fund

Computer Replacement

General Fund

Police	261,158
Fire	40,722
Economic Development	3,039
Community Livability	9,117
Youth Services	760
Parks	4,254
Urban Design & Planning	19,715
Solid Waste & Recycling	2,279
Rental Inspection	4,558
Infrastructure Development	31,149
Transportation	38,290
CDBG/HOME	760
Building Fund	19,183
Urban Renewal	1,519
Water	37,682
Stormwater	32,985
Wastewater	26,730
	<hr/>
	533,900
	<hr/>