

CITY OF
GRESHAM

Fiscal Year
2024/25



BUDGET IN BRIEF

Dear Gresham Community,

We take our responsibility as stewards of the public's financial resources very seriously at the City of Gresham, and work hard to communicate budget information as simply and openly as possible. One important tool we use to do that is our annual "Budget in Brief." This document is intended to make Gresham's budget information straightforward and easier to understand.

Public budgeting requires the adoption of a budget at a set point in time. As we know, however, our world and the needs of our community continue to change rapidly. This adopted budget serves as a milepost that reflects the information available at the time of its development.

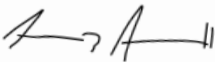
As a City, we do everything we can to stretch our City dollars further. We consistently pursue state and federal funds to maximize every dollar we have, and we are proud to say that the City of Gresham has received the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada for the past 44 years.

As we look ahead, we recognize that the City of Gresham faces many challenges regarding our financial resources despite recent progress that has been made. While we are grateful for the passing of the Gresham Safety Levy and the relief those additional funds will provide our Fire and Police Departments, the levy is only the first step in creating sustainable financial solutions to address our challenges and align with the City's Strategic Plan to provide our community's long- term needs.

We are committed to moving forward with transparency, accountability, and ongoing improvement to address the changing financial conditions and the priorities of our community.

For a more detailed view of the budget, please visit the City's webpage at GreshamOregon.gov/Budget or call us at 503-618-2445 for a copy of the budget.

Sincerely,



Travis Stovall, Mayor



Eric Schmidt, City Manager

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CITY DIRECTORY

MAYOR

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Travis Stovall

Mayor@GreshamOregon.gov

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Council President

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Janine Gladfelter

Jerry Hinton

Vincent Jones-Dixon

Eddy Morales

CITY OF GRESHAM

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CITY MANAGER

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Eric Schmidt

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CITY ATTORNEY

503-618-2507

Ellen Van Riper

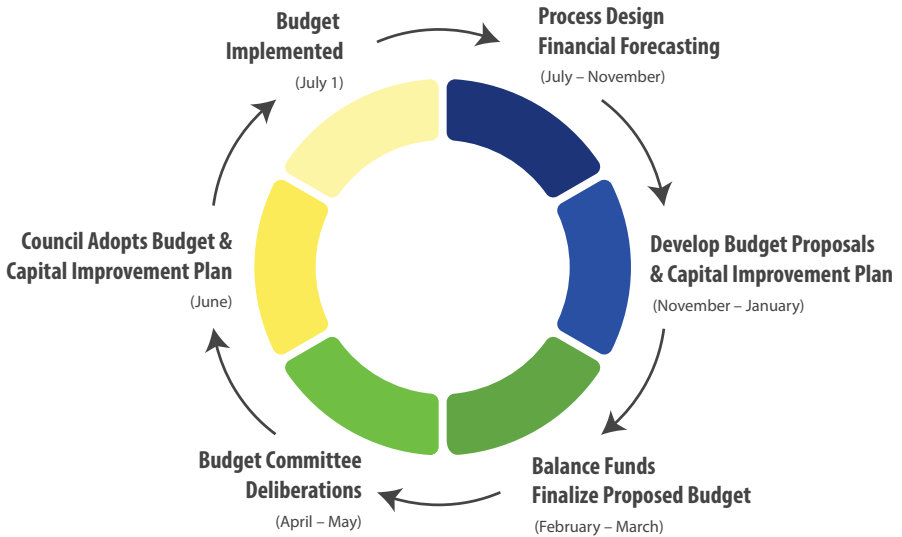
CAOMail@GreshamOregon.gov

MY GRESHAM - AT YOUR SERVICE

Ask a question or submit non-emergency service requests to the City anytime, anywhere. Fix a pothole, remove graffiti, report a broken streetlight and more. Download the mobile app free from the Apple App Store and Google Play or report an issue online at GreshamOregon.gov/My-Gresham.



BUDGET PROCESS



The process followed in the preparation of the budget complies with the Oregon Local Budget Law established by Oregon Revised Statutes. City management seeks and welcomes public input, participation and deliberation throughout the process. Budget Committee meetings are open to the public and are advertised on our website and in Gresham's local newspaper, *The Outlook*.

City departments work with the Budget and Financial Planning Division to compile their budget requests and capital projects information between November and March of each year. During

this same time frame, revenue and expenditure forecasts are reviewed. Then, all of this information is reviewed by the City management, compiled and presented to the Budget Committee as the Proposed Budget. After reviewing and deliberating over the Proposed Budget, the Budget Committee forwards their recommendation to the City Council as the Approved Budget. After the public hearing, the Council adopts the budget in late June. The Adopted Budget becomes effective on July 1. The final Adopted Budget is available on the City's website and in hard copy upon request.

BUDGET OVERVIEW

The City's budget is organized into separate funds. A fund is a means to separately track and account for financial information and to demonstrate that revenues and expenditures are balanced. The fund records the receipt of specific revenues and tracks related expenditures. The use of separate funds allows for greater management, tracking and oversight of specific funding sources related to programs, projects and activities. This, in turn, allows for timely access to information needed for decision-making and helps ensure accountability and appropriate use of specific revenues.

Gresham is a full service city that provides a wide range of services to its citizens. Using separate funds to account for services such as water, transportation or building inspections helps to ensure that money is being spent for the authorized purpose for which it is collected.

STRATEGIC PLAN

We know our community has big dreams for Gresham and we want to see them come true. Gresham's citywide Strategic Plan lays a foundation for this progress, defines our shared vision for the future and focuses City resources on five key strategic priorities: Financial Sustainability; Community Safety; Thriving Economy; Housing for All; and Community Vibrancy.

The Strategic Plan's alignment with the City's annual budget process creates a stronger connection between finances and operations. With the three-year Strategic Plan as a guide, other City plans and initiatives can be prioritized.



The priorities in the Strategic Plan came from considerable community input and feedback. These priorities drive us toward meaningful outcomes for you, Gresham, and big steps forward on the road to reaching our collective long-term vision.

GRESHAM'S LOCAL OPTION LEVY

In May 2024, Gresham voter's authorized a five-year levy which will provide tax revenue to fund existing fire and police personnel and hire more firefighters and police officers to provide services for the growing population and the growing demand for emergency first responders.

OVERSIGHT & ACCOUNTABILITY

The levy revenue will be placed in a dedicated fund and overseen by a 7-member committee of Gresham residents. The committee will make annual reports to the City Council and levy spending will be audited each year.

WHAT THE LEVY WILL PAY FOR

The levy will pay for preserved and new positions for police and fire services. The first year of the levy (FY 2024/25) will fund:

Police

- 26 existing Police positions
- 9 Police positions previously funded by American Rescue Plan Act (ARPA) funds
- 5 new Police positions
- Contract for 2 Behavioral Health Unit Clinicians

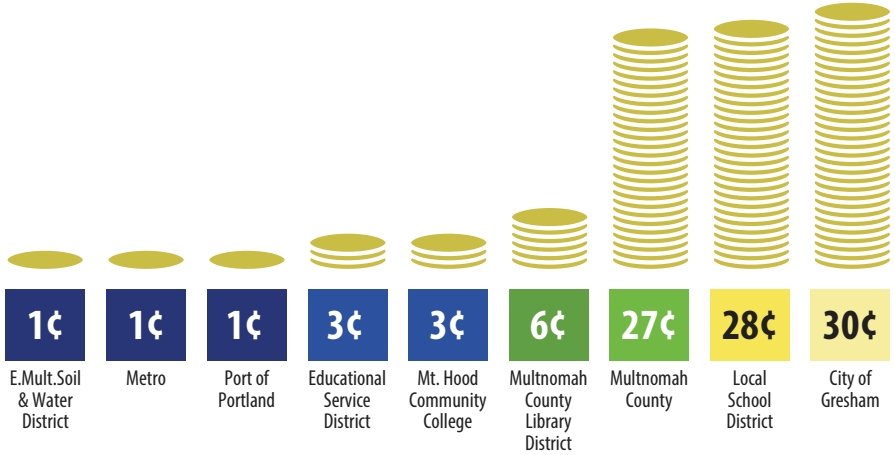
Fire

- 18 existing Fire positions
- 4 Fire positions previously funded by American Rescue Plan Act (ARPA) funds
- 11 new Fire positions
- Fire Academy to train new firefighters

COMBINED TAXES

WHERE DO YOUR PROPERTY TAXES GO?

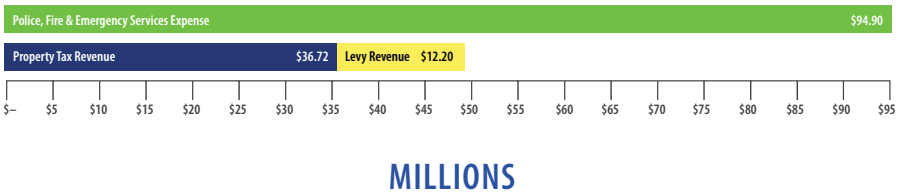
The City receives only 30¢ out of each dollar of your property taxes.



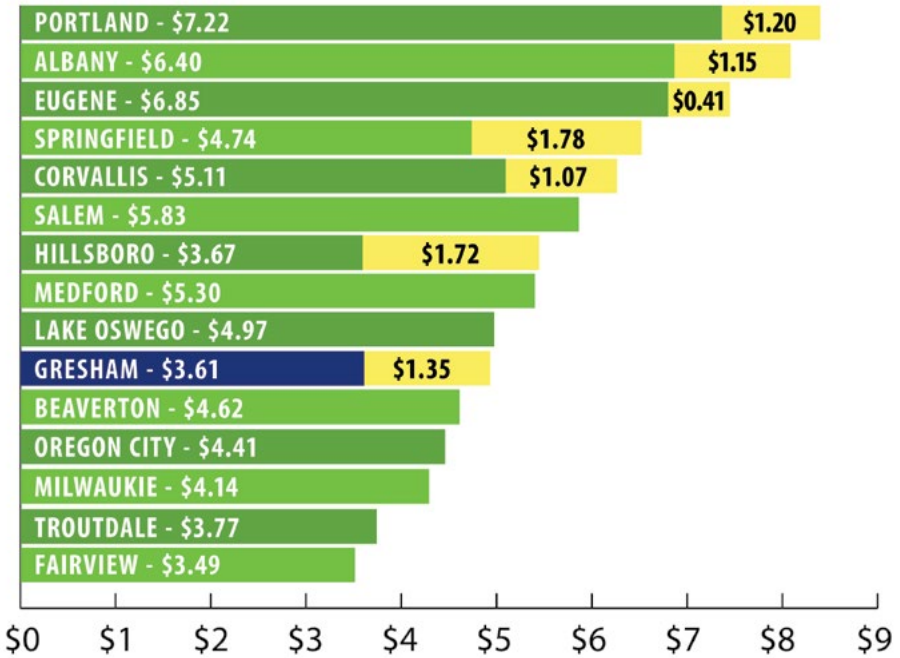
Does not include bonded debt or impact of Urban Renewal. Gresham encompasses Centennial, Gresham-Barlow and Reynolds School Districts. Figures are rounded to the nearest penny.

PROPERTY TAXES

Gresham's General Fund property tax revenue is less than the cost to provide basic public safety services. Other sources of income are needed to help cover the cost.



PROPERTY TAX COMPARISON



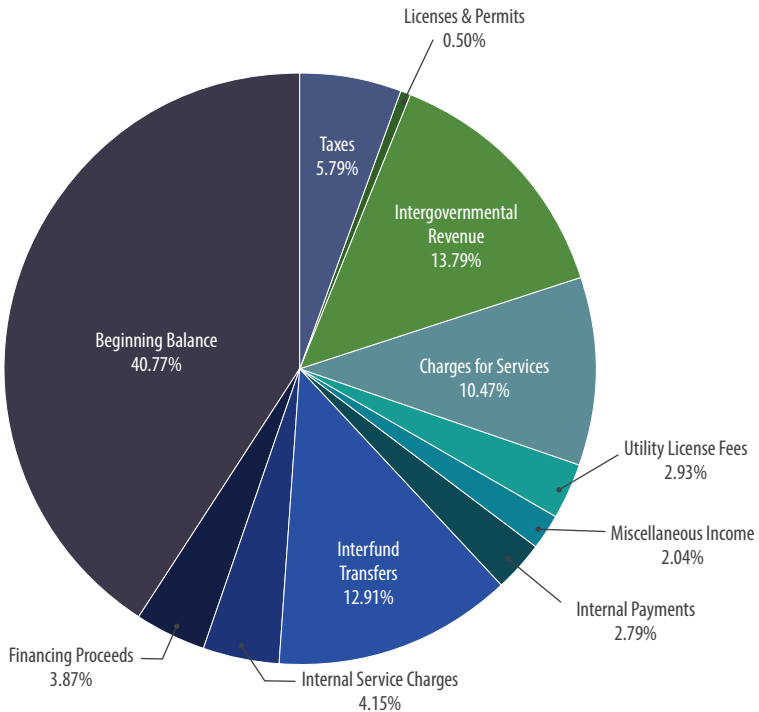
Yellow bars represent voter-approved levies.

Not all cities provide the same essential services. For example, Gresham provides a full range of services except for libraries. Beaverton provides a library but does not provide parks or fire services. In areas where services such as parks or fire are provided by a special district, properties may pay a separate property tax rate in addition to the city rate shown above.

ALL FUNDS COMBINED: WHERE MONEY COMES FROM

RESOURCES

Taxes	\$50,925,400
Licenses & Permits	4,392,300
Intergovernmental Revenue	121,349,100
Charges for Services	92,128,200
Utility License Fees	25,763,800
Miscellaneous Income	17,971,000
Internal Payments	24,537,800
Interfund Transfers	113,635,596
Internal Service Charges (ISC)	36,512,781
Financing Proceeds	34,078,906
Beginning Balance	358,760,049
Total	\$880,054,932

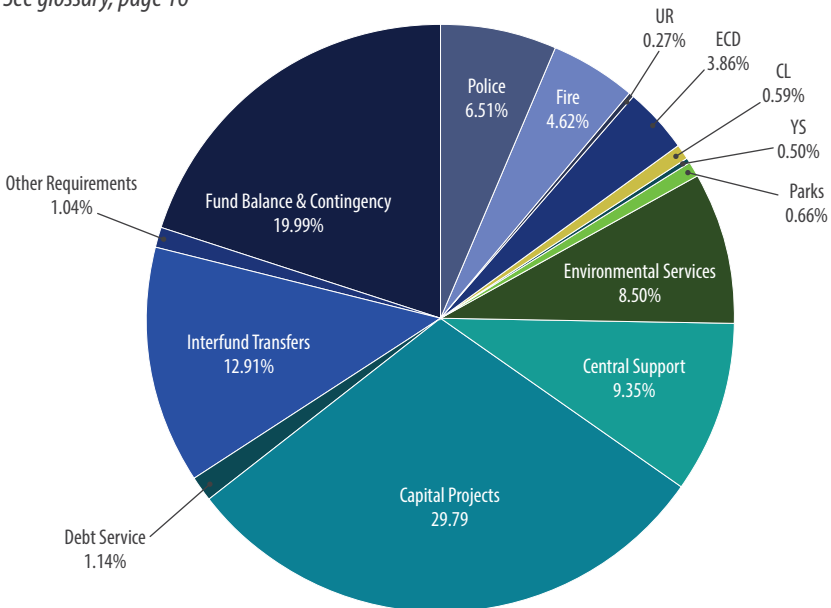


ALL FUNDS COMBINED: WHERE MONEY GOES

EXPENDITURES

Police	\$57,300,533
Fire	40,701,806
Urban Renewal (UR).....	2,349,500
Economic & Community Development (ECD)	33,998,735
Community Livability (CL)	5,174,160
Youth Services (YS)	4,391,297
Parks	5,851,085
Environmental Services	74,774,178
Central Support	82,298,538
Capital Projects	262,138,000
Debt Service	12,372,000
Interfund Transfers	113,635,596
Other Requirements	9,127,200
Fund Balance* & Contingency	175,942,304
Total	\$880,054,932

* See glossary, page 16

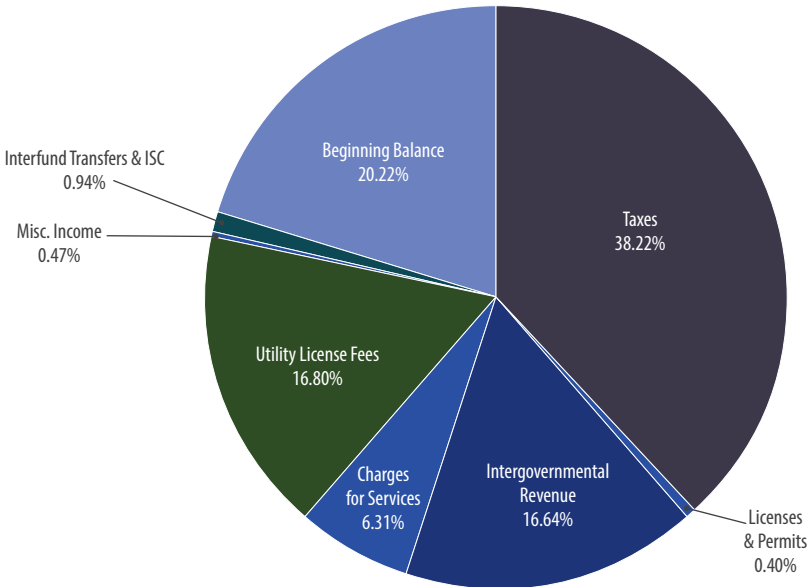


GENERAL FUND; POLICE, FIRE & PARKS FUND, AND LOCAL OPTION LEVY FUND: WHERE MONEY COMES FROM

The General Fund is the principal operating fund of the City. The Local Option Levy Fund was established in 2024/25 to clearly track and account for usage of Local Option Levy taxes. For illustrative purposes only, the General Fund and Local Option Levy Fund have been combined in this document, but they are two separate funds.

RESOURCES

Taxes	\$50,647,000
Licenses & Permits	536,000
Intergovernmental Revenue	22,052,000
Charges for Services	8,368,000
Utility License Fees	22,268,000
Miscellaneous Income	621,000
Interfund Transfers & Internal Service Charges (ISC)	1,264,586
Beginning Balance	26,777,000
Total	\$132,515,226



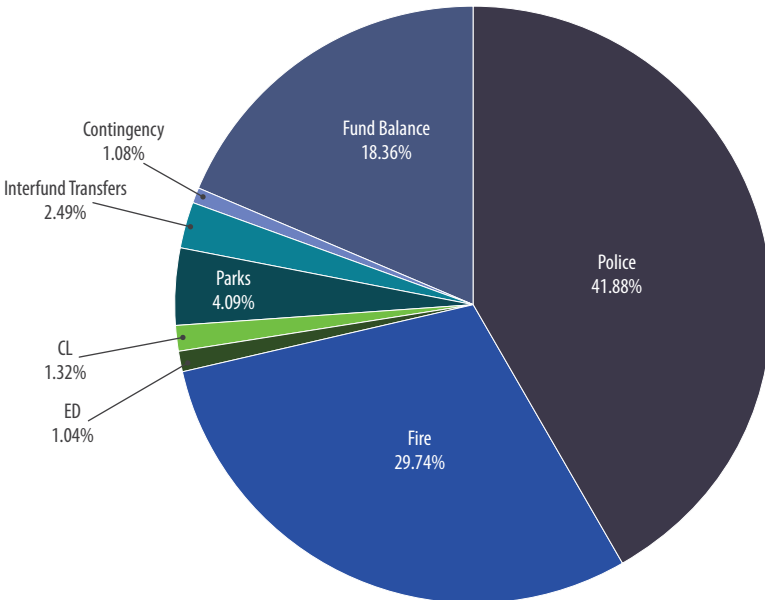
GENERAL FUND; POLICE, FIRE & PARKS FUND, AND LOCAL OPTION LEVY FUND: WHERE MONEY GOES

The money received by the General Fund is used for public services such as police and fire protection, emergency response, parks maintenance, economic development, code compliance and community planning. The money received by the Local Option Levy is used to maintain and enhance Police and Fire services.

EXPENDITURES

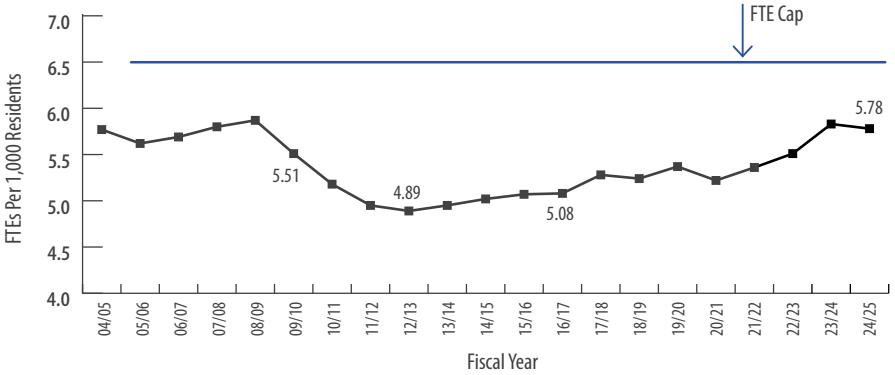
Police	\$55,490,833
Fire	39,414,684
Economic Development (ED)	1,375,030
Community Livability (CL)	1,751,013
Parks	5,425,085
Interfund Transfers	3,305,596
Contingency	1,429,395
Fund Balance*	24,323,590
Total	\$132,515,226

* See glossary, page 16



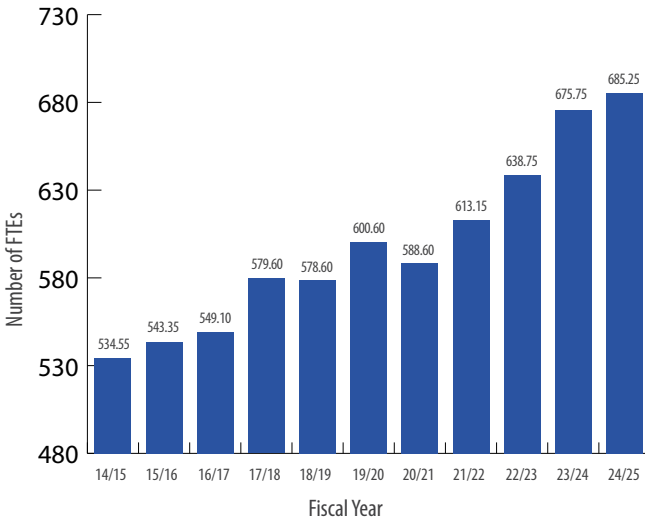
STAFFING TRENDS

FULL-TIME EQUIVALENT EMPLOYEES PER THOUSAND GRESHAM RESIDENTS



The City Charter limits staffing to 6.5 Full-Time Equivalent (FTE) employees per 1,000 population. This ratio excludes employees funded by grants or contracted through other jurisdictions. For the 2024/25 fiscal year budget, the staffing ratio is 5.78 FTE per 1,000 population, or 5.56 FTE per 1,000 residents after excluding grant or contract funded employees.

FULL-TIME EQUIVALENT EMPLOYEES AT CITY OF GRESHAM



In May of 2024, Gresham voters passed the Local Option Levy, increasing full-time equivalent (FTE) positions in Police and Fire for FY 2024/25. Some positions related to central services and business funds were eliminated based on operational needs and available funding. These changes combined with conversion of limited-term equivalent (LTE) positions to FTE positions resulted in a net increase of total positions serving the City of Gresham.

FREQUENTLY ASKED QUESTIONS

WHAT DO MY PROPERTY TAXES PAY FOR?

Property taxes in Gresham are used to pay for public safety services. The services are not fully paid for by property taxes; the balance comes from other money the City receives, such as fees and charges for services.

WHEN I PAY MY UTILITY BILL, WHAT IS THE MONEY USED FOR?

The bill typically covers three separate utility services: water, wastewater and stormwater. The money collected from these bills pays for delivering safe water to homes, taking away and treating the waste from drains and toilets, and managing the impact of rainwater runoff to mitigate flooding.

The utility bill also includes the Police, Fire & Parks Fee. The City is able to avoid administrative costs related to processing and printing invoices by using this established system rather than generating a separate bill.

WHAT IS THE POLICE, FIRE & PARKS FEE?

The Police, Fire & Parks Fee, established in June 2014, helps to maintain essential police positions and keep our fire stations open. The per-unit fee was shaped by a public input process in 2012. As designed, 95% of the fee proceeds are used to support public safety services. The remaining 5% goes toward parks services. All Gresham utility customers, including residences, businesses and industry pay the fee. The benefit and burden is shared by the entire community.

WHY CAN'T MONEY BE MOVED TO WHERE IT IS MOST NEEDED?

Dedicated funds are legally restricted to specific programs or expenditures. Each fund is used to account for specific transactions that act as control mechanisms to ensure money is being spent for the authorized purpose for which it is collected.

GLOSSARY

BEGINNING FUND BALANCE – An amount representing the balance remaining at the end of the previous fiscal year; the total of resources received less the amount spent.

BUDGET – The City’s financial plan for a period of one year. By statute, the budget must be balanced.

BUDGET COMMITTEE – Consists of the Mayor, six Council members, and the seven member Finance Committee who are citizens appointed by the City Council. The Committee has the legal authority to change any portion of the Proposed Budget and is responsible to pass the City’s Approved Budget after a series of budget deliberation meetings and public hearings.

CAPITAL IMPROVEMENT PROGRAM – A plan for capital expenditures estimated each year for a period of five or more years. It identifies each capital project, its expected beginning and ending date, the amount and type of expenditure in each year, and the method for financing those expenditures.

CENTRAL SUPPORT SERVICES – Services, such as payroll, human resources and fleet provided by departments to other City departments. Services are paid for by collection of an internal service charge.

CHARGES FOR SERVICES – Fees collected for services provided to customers such as utility rates, site design review and fire inspections.

CITY COUNCIL – The legislative branch of the City composed of seven elected officials, each of whom serves a four-year term.

CONTINGENCY – An appropriation within an operating fund to cover unforeseen events that occur during the budget year. City Council must authorize requests for the use of contingency appropriations.

DEBT SERVICE – Annual payment of principal and interest on the City’s debt.

FISCAL YEAR – A 12-month period to which the annual operating budget applies. The fiscal year for local governments in Oregon is July 1 through June 30.

FUND – An independent accounting entity whose revenues and expenditures are balanced and segregated to record a specific set of activities.

FUND BALANCE – Amount that is not available for spending in the current year. It is set aside to be used as a cash carryover into the following year to provide needed cash flow until other money is received.

GLOSSARY

GENERAL FUND – This fund accounts for the financial operations of the City not accounted for in any other fund. Principal sources of revenue are property taxes, utility license fees, state shared revenues, licenses, permits and charges for services. Primary expenditures are for police and fire protection, community planning, and parks.

INTERFUND TRANSFER – The movement of money between funds.

INTERGOVERNMENTAL REVENUE – Fees collected from other jurisdictions such as state shared revenue from cigarette tax.

INTERNAL SERVICE CHARGE – A charge from support funds or the Administrative Services Fund to an operating fund to recover the cost of services or overhead.

LICENSES AND PERMITS – Fees collected from businesses for licenses to operate within city limits.

MISCELLANEOUS INCOME – Revenue received from picnic reservations, sports facility reservations and other sources.

NON-OPERATING BUDGET – Includes interfund transfers, reserves and debt payments.

OPERATING BUDGET – Accounts for revenues and expenditures used to provide direct service

to citizens or to support direct services.

POLICE, FIRE & PARKS FEE – In the fall of 2012, the Gresham City Council approved a Police, Fire & Parks Fee as a temporary measure to prevent immediate service reductions and maintain service levels. A temporary increase was enacted in October 2020.

PROPERTY TAX – A tax that uses property value as the tool by which the cost burden of local services is allocated. Property taxes are limited by each local jurisdiction's permanent operating tax rate. Gresham's permanent tax rate is \$3.6129 per thousand dollars of assessed valuation.

SYSTEM DEVELOPMENT CHARGES

(SDCS) – A one-time fee that all new residential and commercial development pays for the growth impact on City infrastructure. SDCs are a source of funding for new infrastructure such as streets, sanitary sewers, water systems, stormwater drainage, and parks.

UTILITY LICENSE FEES – Utility license fees paid to use the public right-of-way to operate a utility within Gresham. The majority of these fees go into the General Fund and help pay for police, fire, parks and code enforcement services.

VOLUNTEER OPPORTUNITIES

In addition to the budgeted resources shown elsewhere in this document, every year hundreds of residents contribute their expertise and time to a wide variety of volunteer opportunities. Our dedicated citizens work together to help build a stronger community.

BECOME A VOLUNTEER

Put your knowledge, talent and energy into improving the community's quality of life as a volunteer with the City of Gresham. We have opportunities for all ages and abilities that include boards and committees, as well as various community-building, natural resources and public safety activities.

If you're looking for a specific opportunity, one-time options or information on group volunteer projects, contact the Office of Neighborhoods at 503-618-2469 or visit GreshamOregon.gov/Volunteer for more information.



For more information about this document or the City's budget, please visit GreshamOregon.gov/Budget or contact Elizabeth McCann, Budget Manager, at 503-618-2312 or Elizabeth.McCann@GreshamOregon.gov.

BUDGET COMMITTEE

This volunteer committee consists of the Mayor, six Council members, and seven citizens appointed by the City Council. The committee has the legal authority to change any portion of the Proposed Budget and is responsible for passing the City's Approved Budget.

BUDGET COMMITTEE MEMBERS

Michael Schultze (chair)

Theresa Tschirky (vice-chair)

Rusty Allen

Jan Baker

Dina DiNucci

Dave Dyk

Janine Gladfelter

Jerry Hinton

Vince Jones-Dixon

Nicholas McWilliams

Eddy Morales

Sue Piazza

Travis Stovall

CITY OF GRESHAM

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