



2023-24
City of Happy Valley
Adopted Budget



City of Happy Valley Fiscal Year 2023 - 2024 Budget

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City of Happy Valley Organization Chart

Population 26,689

Citizens of Happy Valley



Mayor and Council

City Attorney

City Manager

Municipal Judge

**Assistant
City Manager**

Library

Admin

Finance

Public Works

**Community
Services**

**Community
Development**

Circulation

**City
Recorder**

**Financial
Reporting/Budgeting**

Streets

**Community
Services**

**Economic
Development**

**Adult
Services**

IT

**Accounts
Payable**

Parks

**Code
Enforcement**

**Planning
Division**

**Youth
Services**

HR

Payroll

**Facility
Maintenance**

**Municipal
Court**

**Engineering
Division**

**Technical
Services**

**Fleet
Services**

HV Police

**Building
Division**



City of Happy Valley
Fiscal Year 2023 - 2024 Budget

Budget Committee

Council Members

Tom Ellis – Mayor
David Emami – Council President
Brett Sherman – Councilor
David Golobay – Councilor
Josh Callahan – Councilor

Citizen Members

Grant Roper
Ana Sarish
Asher Chen
Sheila Ritz
Glen Wachter



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Happy Valley
Oregon**

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morrill

Executive Director



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Mission Statement

Preserve and enhance the safety, livability, and character of our community.

Citywide goals:

- Goal 1 Managed growth and economic development*
- Goal 2 Employee development in a quality work environment*
- Goal 3 A safe, livable community with a sense of pride and strong identity*
- Goal 4 Effective relationships with local, regional and state partners*
- Goal 5 Fiscal accountability*
- Goal 6 Environmentally sensible practices*
- Goal 7 Effective and efficient services*



City of Happy Valley Fiscal Year 2023-2024 Budget

City Manager's Budget Message

To The Budget Committee:

I am pleased to present the 2023-24 fiscal year budget. The total for this budget is \$103 million and includes \$94 million of resources excluding transfers between funds and \$83 million of expenditures excluding transfers, contingency, and reserves for future expenditures. This budget decreased overall by 12% from the 2022-23 budget of \$116 million. This change is partially due to decreases in capital outlay appropriations and reserves as the City has been ramping up on several multiyear capital improvement projects. Through General Fund savings over the past several years and including this proposed budget, the City has transferred \$20 million to the Facilities Capital Projects Fund, all of which was appropriated as contract services and capital outlay expenditures. During the current fiscal year, \$10 million of those funds have been spent on property acquisitions. We have downgraded our expectations for development revenue compared to that of prior year budgets. Uncertainty is the theme as we go forward. However, given the plethora of available residential lots and projects already underway, we do expect to see at least a steady baseline of development revenue. We would expect to see strong growth at some point in the five years, however, it is difficult to pinpoint when this will happen, so we are showing moderate/low building fees relative to the recent prior years.

Economic Outlook

The 2022-23 fiscal year has seen a marked slowdown in development activity within the City. While our volatile revenue streams related to development can be challenging to project, especially during times of uncertainty, we are more fortunate now than ever that the City has used prudent and conservative financial planning over the last decade so that we are in a solid position to move forward without cutbacks to service levels. The combination of well-funded reserves and zero debt (not including Urban Renewal debt) provide us financial flexibility on large crucial projects and allow us to think big when planning for the future.

Development activity has continued to increase population which will increase revenues received on a per capita basis such as state shared revenues. Development will also increase assessed value which will increase property tax revenues. Revenues associated with higher population and assessed value are much more predictable than revenue associated with development activity. Given these predictable and unpredictable revenue streams, our goal is to budget ongoing operations based on predictable revenue streams and use unpredictable revenue for one-time type expenditures such as a new facility. This proactive method of setting aside funds for large one-time purchases will allow the City to provide a constant level of service even when development activity fluctuates.

One ongoing concern regarding expenditures, is the Public Employee Retirement System (PERS) and its associated employer rate increases. Legislative changes to PERS are required otherwise it is likely the city will see continued increases in employer rates for the foreseeable future. This budget includes PERS rates for Tier1/Tier 2 at 22.15 and OPSRP rates at 19.00% compared to 21.02% and 17.52% respectively in the previous biennium. Due to the statewide unfunded actuarial liability, we can almost guarantee to remain at these high rates for each biennium in the foreseeable future. However, the City's impact will be reduced as a result of funding a PERS side account in 2019 which will lessen the increased costs or hold steady over the next several decades. As the City has diligently built reserve funds for





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general operations and replacement of capital assets and has been cautious when adding personnel, each fund with PERS employees will be in a position to absorb these cost increases.

Urban Renewal

In July of 2019, City Council approved the City's first ever Urban Renewal District to fund much needed infrastructure projects in the East Happy Valley area. The District is expected to generate nearly \$150 million in Tax Increment Revenues over a 25-year period. See the separate budget document for further details on the Happy Valley Urban Renewal District.

Capital Improvement Projects

The City has taken a more active role in capital improvement projects. Often, these projects take millions of dollars, involve a significant amount of staff time, and span several years to complete. Below is a list of the key capital improvement projects that have been recently completed or are underway.

- 129th Avenue Curves – Complete
- 129th Avenue and King Road Round-a-bout – Design and Construction
- 129th Sidewalk and Undergrounding Gap – Design and construction
- Superblock phase I and II – Complete
- Superblock Phase III Project – Design and Construction
- 152nd Avenue and Misty Drive Crossing – Design and Construction
- 172nd Avenue North of Sunnyside – Design
- 172nd Avenue Round-a-bout – ROW Acquisition and Construction
- 162nd Avenue – 10% construction design
- Rock Creek BLVD – 10% construction design
- Sunrise Corridor Gateway – Visioning Project with Clackamas County
- Scott Creek Trail Renovation – Construction
- Scott Creek Trail Extension – Design and Metro approval
- Clackamas River Trail – Design and construction
- HV Park Covered Shelter Replacement – Complete
- Village Green Park Renovation – Design
- Pleasant Valley Villages Neighborhood Park – Design and Construction
- Scouters Mt. Neighborhood Park – Design and Construction
- Veterans Memorial Park – Phase 1 Complete, Phase 1.5 Artwork Selection Underway
- Various Land Acquisition – 10 of 15 Properties targeted for consideration have been acquired
- Public Works Facility – Land Acquisition, Design, Construction
- Library Expansion – 50% Design Complete, Construction in 2023
- Community Center Feasibility Study – Underway
- All Abilities Playground Installations (every City-owned park) – Construction Complete/Underway

Reserves

This budget, like past budgets, contains transfers to reserve funds. We use reserve funds to prepare for the foreseeable replacement of capital assets and to provide necessary operations during periods of revenue declines. Reserving money for the future is an essential component of any long-term financial plan and aids in the achievement of our long-term strategic goals. As with past budgets, we strive to strike the right balance between how much we spend on current requirements and how much we reserve for known and unknown long-term requirements.

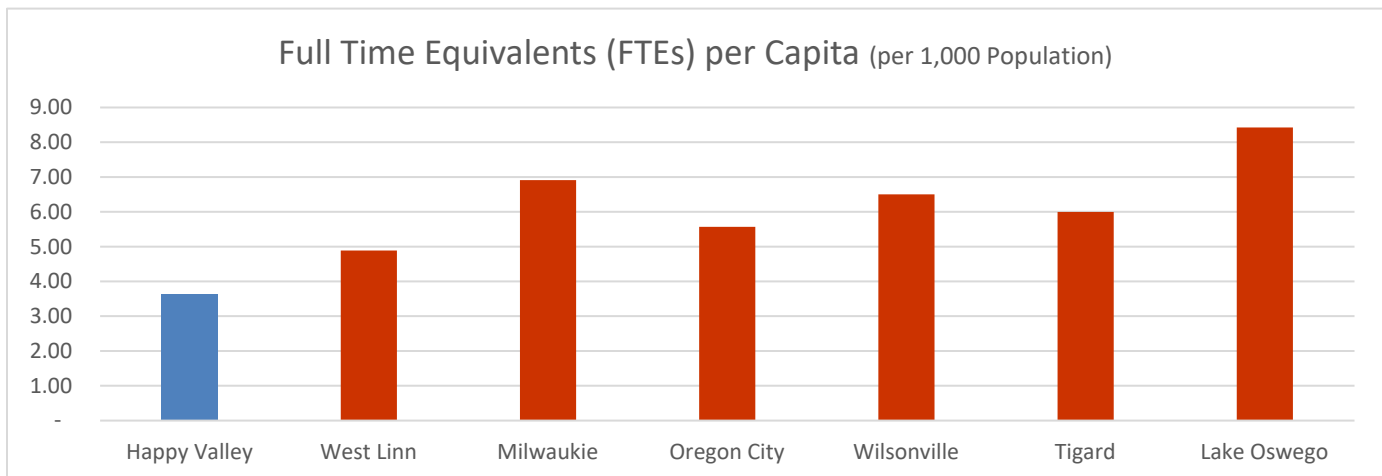


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Personnel expenditures

Happy Valley continues to grow with annexations, new housing developments, and commercial/industrial projects. This development activity is beneficial long term for our City but makes it difficult to determine when to add or decrease staffing or rely more on contracted services. In this budget, we decreased full time equivalent (FTE) staff by 1.0 overall from the previous budget. This decrease consists of 2.0 FTE increase in the General Fund – Economic and Community Development, and a 1.0 FTE increase in the Parks Fund - Operating.

The City continues to maintain a lean and efficient staff of 3.6 FTE (including contracted police officers) per 1,000 of population which is the lowest rate compared with other similar sized Portland Metro cities.



Personnel costs also include contributions to PERS. PERS rates are expected to remain steady over the next two biennia based on information we received from PERS staff.

Goals and Initiatives

The City hears from residents all over town about projects and ideas that could make the City a better place. As tempting as it is to try and do everything, we recognize that most of the City's resources and staff time are spent providing day-to-day services such as road maintenance, public safety, permitting, etc. To make the most of our limited resources, it's important for us to prioritize and establish a cohesive set of goals for our team to accomplish.

Below is a recap of the some of the major projects underway, as well as the new priorities the City Council identified.

1. **Downtown** / Plan for a downtown core that will provide the future Happy Valley community with opportunities to gather, recreate, and support local business.
2. **City Facilities** / Evaluate and plan for future city facilities to meet growing service demands.
3. **Public Safety** / Collaborate with community and regional partners to ensure a safe community.
4. **Smart Growth** / Be forward-thinking in how we manage and plan for growth and ensure our policies and plans align with community needs and values.



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5. **Park System Development + Programming** / Provide excellent park and recreation facilities and programs for the Happy Valley community.
6. **Transportation / Plan** and provide varying modes of transportation to keep Happy Valley moving as we continue to grow.
7. **Diversity, Equity, and Inclusion (DEI)** / Support and foster a community and organizational culture that embraces and supports DEI.

Of course, these projects are in addition to the critical tasks of keeping our City clean, well-run, fiscally responsible, and family oriented. We have big dreams for Happy Valley. The first step is to identify and set priorities and we are excited to get to work on this list.

While we have accomplished a lot this past year, there is much work ahead. Indeed, many of the highlights from this past year are on-going efforts that will be prioritized based on City Council direction.

Conclusion

While economic uncertainty is at the forefront of our minds, we must still concentrate on long term strategies. We can contemplate the important questions about the City: What will the City look like 10 or 20 years from now? What services and amenities will be provided to our citizens and who is best suited to provide them? Do our policies attract the businesses we hope to attract? How do we maintain the look and feel of the community as we grow our city to 30,000 or 40,000 residents? These are the questions we continue to discuss as decisions are made regarding ongoing development, annexations, service model changes, and infrastructure requirements. These big questions and answers will have lasting implications for this City.

We use our five-year projection process to address these questions and look beyond the next fiscal year. The process helps us better understand the longer-term ramifications of decisions we make today. We then integrate that knowledge into the budget process each year, so our short-term plan is in alignment with our long-term plan. Given what we know and what we project for the coming fiscal year, this budget positions us to evaluate and address issues as well as provide adequate funding for operations.

Each year we strive to improve our budget and make it a document useful to those both inside and outside the organization. We believe our budget conveys the spirit of our City and translates our goals into a spending plan for the upcoming fiscal year. I want to thank everyone who participates in this budget process for their commitment to the success of the budget which aids in the success of the City. I also want to thank Travis Warneke and the Finance staff for the preparation of this budget.

Respectfully submitted,

Jason Tuck, ICMA-CM
City Manager and Budget Officer



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Happy Valley Overview

Happy Valley, Oregon is located in Clackamas County and is in the northwest corner of the state of Oregon. The city has a total area of approximately 11.6 square miles. It is a member of the Portland, Oregon metropolitan area bordering Portland on the southeast. The city is located within Clackamas County which is governed by a five-member board of commissioners. The city is included in several special districts governed by the Clackamas County Board of Commissioners. The city is also part of Metro, the regional government for the Portland metropolitan area. The city's interaction with Metro is in the areas of land use planning including the urban growth boundary, management of regional parks and natural area systems, and regional transportation systems.



Happy Valley includes beautiful parks, meandering trails, well maintained streets, safe neighborhoods, and attractive commercial centers, Happy Valley is a wonderful place to call home. Much of the look and feel of the city took decades of thoughtful planning and steadfast leadership to instill development standards that reflect the community values. Since its incorporation as a city, Happy Valley has grown from a rural area with a population of approximately 300 people to a thriving city of over 26,000 residents. Happy Valley is one of the fastest growing cities and has one of the highest median family incomes in Oregon. We are proud of our heritage and excited for the future ahead.

Happy Valley was organized in November of 1965, as a Council-Mayor form of government. From January 1991 to December 2000 the City operated under Ordinance 105 that created the position of City Administrator and operated under the Council-Administrator form of government. On November 7, 2000 voters approved a new charter now referred to as the 2000 Happy Valley Charter. The new charter created the position of City Manager and new form of government, Council-Manager. The City Manager is the administrative head of the city government.

Happy Valley is governed by the City Council, which is comprised of three City councilors, one Council president, and the Mayor. All councilors and the mayor serve four-year terms and are elected by the voters of Happy Valley in the general election in November. The City Manager is appointed by, reports to, and is responsible to the Mayor and City Council.

Councilor terms are staggered so term expiration occurs every two years. This assures the city has always at least two experienced Council members. The Happy Valley Council serves on a voluntary basis and dedicates a considerable amount of time in their involvement not only at Council meetings but also as representatives of the City in regional and statewide capacities. Council meets the first and third Tuesday of each month at City Hall. Council meetings are recorded and available for replay on the city's website: www.happyvalleyor.gov

The administration is committed to customer service, efficiency, and transparency. The City operates its own municipal court and provides street maintenance and operations, planning, engineering, building inspections, transportation planning, library, code enforcement, parks and recreation and community events. The City contracts with Clackamas County to provide police services funded by a local option levy first approved by the citizens in 2002 and passed again in 2006, 2010, and 2015. Sewer, storm water management, water, K12 and community college, and fire and emergency services are provided by separate districts overlaying the city.



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The City received the Distinguished Budget Presentation Award for its 2022 annual budget from the GFOA, making this the 6th consecutive City budget document to receive this award. This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant accomplishment by a governmental entity, its finance staff, and its management. This international award program was first established in 1984 to encourage exemplary budgetary practices and to provide peer recognition for government finance officers who prepare budget documents. Budget proficiency is rated in four major categories: as a policy document, an operations guide, a financial plan, and a communications device.

We believe this budget document continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award. In addition to the budget award, the City received awards for its Comprehensive Annual Financial Reports (CAFR) in each of the previous three fiscal years.

Budget Process

Happy Valley prepares and adopts an annual budget in accordance with ORS 294.305 through 294.565. The budget is presented in fund and department categories for the fiscal year. Over-expenditures in any category are a violation of local budget law. Any unexpended budget appropriations lapse at the end of the fiscal year because the city does not employ an encumbrance system to encumber funds from one budget year to the next.

The Budget Committee for Happy Valley consists of the Council plus an equal number of legal voters who have resided in the city for at least a year. The citizen members are appointed by Council. Since Happy Valley has five councilors the Budget Committee consists of ten members, with the vote of each member being equal.



This committee is established in accordance with the provisions of Oregon Revised Statutes to review the City Manager's Proposed Budget document as prepared by the budget officer and to recommend a budget they approve to the Council for adoption. Terms for citizen members on the budget committee are three years. The City Recorder is the official record keeper for the committee and the Finance Director is the staff liaison.

Budgeted appropriations may be transferred after adoption of the budget document using a budget resolution passed by Council. The budget may be amended during the fiscal year using a supplemental budget process as outlined in Oregon Revised Statutes governing local budget law. Supplemental budgets are adopted during a public hearing at a Council meeting and do not extend beyond the end of the fiscal year.

The City Manager is responsible for management of the overall budget and for maintaining budgetary control at the adopted appropriation level including any budget resolutions and supplemental budgets passed by Council. Ongoing review and monitoring of revenues and expenditures is performed by the Finance Department in collaboration with the respective department directors.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Budget Phases and Calendar

Pre-budget – Long Term Planning December – February

Update the five-year financial projection. This process is completed each year prior to the beginning of the budget process. Long term issues and ideas are discussed and reviewed during the five-year projection process.

The projection is prepared by the Finance Department under the guidance of the City Manager. Projection assumptions are reviewed, updated and then applied to the current year forecast. The updated projection is reviewed by the management team.

After adjustments are made, the draft projection is presented to the Council at a work session. Changes from the Council are incorporated into the projection and a final version is then presented at the next available regular session for acceptance of the projection. The first year of the finalized projection is used as the basis for the annual budget. See excerpt from five-year projection after personnel overview.

Phase 1 February – April

Review and further refine numbers from the five-year projection based on the current year forecast and other available pertinent information. The management team meets to discuss and review all funds, programs, and services. During this timeframe, Budget Buddy meetings are held to educate the citizen volunteers on the Budget Committee about the budget process as well as city departments and services. The Proposed Budget is created based on programs and services planned for the upcoming budget period as well as information from the five-year projection to incorporate a longer-term vision.

Phase 2 April – May

The Budget Committee Meeting is held at City Hall. This public meeting requires public notices set out in statute. The entire Budget Committee is in attendance along with the city manager, department directors and other staff. City staff is in attendance to present the Proposed Budget and Budget Message as well as answer any questions the Budget Committee members may have regarding the Proposed Budget.

The Budget Committee Meeting allows in-depth review and discussion of the Proposed Budget. After discussion and review of the Proposed Budget is complete, the Budget Committee members vote on the budget. The budget and tax levies are approved if a majority of the committee votes in favor of the Proposed Budget including changes voted on and passed by the committee during the meeting. This vote of approval by the Budget Committee allows the Finance Department to convert the Proposed Budget into the Approved Budget. The Approved Budget is then sent to the Council for the Budget Hearing and adoption.

Phase 3 June – July

The Approved Budget is presented to City Council during a public meeting for adoption. Council holds a hearing to discuss the use of state shared revenues and passes resolutions to certify provision of city services and the election to receive state shared revenues. The Council holds the budget hearing to review and deliberate the Approved Budget. Council passes a resolution to adopt the budget, make appropriations, and impose taxes. If necessary, resolutions to create new reserve funds are also passed during this meeting.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Adoption of the budget by the Council allows the Finance Department to update the budget document to the Adopted version. The Adopted Budget is effective beginning July 1 of the fiscal year. The budget resolutions and property tax certification are submitted to the County before July 15 in order for the property taxes to be assessed.

Phase 4 **July – June**

If during the fiscal year a transfer of appropriation becomes necessary, the Finance Director and City Manager submit a resolution to the Council for approval. An increase in appropriation or creation of a new appropriation category or fund requires the Council to adopt a supplemental budget. A supplemental budget modifies the adopted budget and is effective through the end of the fiscal year.

Basis of Budgeting

All funds are budgeted using the modified accrual basis of accounting in accordance with budgetary accounting practices. In the modified accrual basis of accounting, revenues are recognized when they become available and measurable. Measurable means the amount is known and available means it is collectible within the current period or soon enough after the end of the current period to pay liabilities of the current period. Major revenues considered measurable and available under the modified accrual basis of accounting are property taxes, franchise fees, and inter-governmental revenues received within 60 days of the end of the fiscal year. Expenditures are recognized when the liability is incurred, except for interest on general long-term obligations which is recorded when due.

The following governmental funds are included in this budget: General, Street, Library, Parks, Storm Utility SDC, Transportation SDC, Parks SDC, Pedestrian Improvement Projects (PIP), Public Safety, Facility Capital Projects and Parks Capital Projects funds. Also, included in the budget are the following reserve funds which are budgeted per Oregon local budget law but are combined into one of the governmental funds in the Comprehensive Annual Financial Report: General Operations Reserve, General Reserve for Replacement, Library Reserve for Replacement, Parks Reserve for Replacement and Street Reserve for Replacement.

Basis of Auditing

In the Comprehensive Annual Financial Report (CAFR), governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Net Assets

The comprehensive annual financial report includes information about the City as a whole using accounting methods similar to those used by private-sector companies. The government-wide statements report the City's net position and how it has changed. Net position is the difference between the City's assets, deferred outflows of resources, liabilities



City of Happy Valley Fiscal Year 2023 - 2024 Budget

and deferred inflows of resources and are a way to measure the City's financial health. Over time, increases or decreases in the City's net position are indicators of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the City, one must consider additional non-financial factors such as the City's tax base, local and statewide economic and legislative climate, as well as many other factors.

Fund Balance

In the budget each fund shows a beginning and ending fund balance. Fund balance refers to the excess of the assets of a fund over its liabilities and reserves. Budgeted beginning fund balance in a fund is an estimate of where that fund will be at the end of the preceding fiscal year. This amount is used in the budget process as part of the estimate of total resources for a fund. Ending fund balance is calculated based on the expenditures and resources estimated for the fiscal year in the current year.



Financial Policies

The City of Happy Valley has a responsibility to its citizens to carefully account for public funds and to manage municipal finances wisely. The City Council is ultimately responsible for decisions concerning the City Charter, ordinances, and all applicable state and federal laws in its decision making. These policies are designed to establish guidelines for the fiscal stability of Happy Valley and to provide guidance for the city manager.

Budget

The City shall prepare, adopt and amend its annual budget in accordance with Oregon Revised Statutes governing local budget law.

A balanced budget is a budget where revenues are equal to expenditures and neither a budget deficit nor a budget surplus exists. In the case of the city budget, it refers to a budget that does not have a budget deficit, but could possibly have a budget surplus. The budget surplus could be in the form of an unappropriated ending fund balance, a contingency amount, or an amount reserved for future expenditures. These categories allow amounts to be set aside and not expended in the current fiscal year.

The Finance Director will be responsible for maintaining a budgetary control system to ensure adherence to the adopted budget. The budget will support the Council's goals, long-range plans, as well as the needs of the community.

Asset Investment

Management responsibility for the asset investment program is delegated to the Finance Director with oversight by the City Manager. The Finance Director shall adhere to the Oregon Revised Statutes regarding managing the investment program for the city.

The Finance Director will invest the city's surplus funds only in those investments authorized by Oregon Revised Statutes. The city will not invest in stocks and it will not speculate or deal in futures or options.



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The city will conduct business only with financial institutions (banks investment brokers, investment bankers, trustees, paying agents, registrants, etc.) deemed to be credit worthy. Safety of principal is the foremost objective of the city. Each investment transaction shall be undertaken in a manner that seeks to ensure preservation of capital and avoidance of capital losses through securities defaults, erosion of market value or other risks.

The Finance Director shall match the city's investment portfolio with its cash flow requirement. Due to the changing requirements of cash flow caused by factors not totally within the control of the Finance Director, the ability to convert a security into cash must be considered.

Investments of the city shall be acquired in a manner designed to attain the maximum rate of return through all budget and economic cycles, taking into account constraints on investment instruments, cash flow characteristics of transactions and safety of principal.

Finance Director will maintain a capital asset record keeping system, to record capital asset values as support for amounts recorded in the financial statements, as well as establish specific procedures to ensure both the acquisition and retirement of capital assets are recorded on an ongoing basis.

Revenue

Dedicated revenue sources shall only be used for the purpose for which they are collected. One-time revenue sources will not be used to fund ongoing activities of the city. The city will closely manage the collection of revenues and when necessary, discontinuing service, collection agencies, liens, and other collection methods may be used.

The city shall endeavor to diversify its revenue system so as to shelter operations from over reliance on any specific revenue source. Interest earned shall be distributed to the appropriate fund in accordance with the equity balance of the particular fund from which the money was provided for investment.

Debt

Debt shall not be used for operational expenditures. No debt shall be in existence for longer than the useful life of the capital investment for which the debt was incurred.

The city will examine financial alternatives in addition to long-term debt. These alternatives include pay-as-you-go, joint financing, reserve funds, lease-purchase, local improvement districts, special assessments, borrowing from other funds, system development charges, and developer contributions. A cost benefit analysis will be performed for any alternative being considered with the goal of minimizing the cost of financing.

The city shall ensure its debt margins are within the 3 percent limitation as set forth in the Oregon Revised Statutes. The city will be actively involved in the selection of all financial advisors, underwriters, paying agents and bond counsel. Costs associated with the issuance of debt will be kept to a minimum while maintaining the goal of conducting business with stable, low risk, credit worthy firms.

Accounting

The city shall establish and maintain its accounting systems in accordance with Generally Accepted Accounting Principles (GAAP) and shall adhere to the principles and standards promulgated by the Government Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB) using guidance suggested by the Government Finance Officers Association (GFOA). The city shall maintain an accurate and current record of its capital assets in order to factor its investment in these capital assets into the fees the city charges for services.



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An annual audit shall be performed by an independent public accounting firm, which will issue an official opinion on the annual financial statements, as well as identify areas needing improvement, if required. A Comprehensive Annual Financial Report shall be to present the results, financial position and operations of the city for the prior fiscal year.

Reserve and Contingency

The city shall maintain a contingency plan in order to respond to significant shortfalls in the budget. The plan shall outline an appropriate course of action that management should take in response to significant gaps between revenues and expenditures. Policy 13-04 Budget Reserves & Contingency covers this issue.

The Council policy is to budget 20% of total expenditures to mitigate short term volatility of revenues, mitigate short term economic downturns, absorb unanticipated operating needs, and meet operating cash flow requirement prior to collection of property taxes and other operating revenues.



Long Term Debt

In February 2023, the Happy Valley Urban Renewal Agency issued \$14,575,000 of full faith and credit obligation bonds to provide funds for the purchase of property within the Urban Renewal boundary. Interest coupon rates range from 4% to 5%. The bonds are direct obligations and pledge the full faith and credit of the City. They were issued as 20-year serial bonds with increasing principal amounts due each year.

In the budget, debt payments are classified as expenditures for the fiscal year. In the Annual Comprehensive Financial Report (ACFR), long-term debt is reported as a liability and payments are a reduction of that liability and not an expenditure. In the Reserve for Debt Service Fund financial statement in the ACFR, bond premiums and discounts and bond issuance costs, are recognized when incurred. The face amount of the debt issued and premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

Pursuant to Oregon Revised Statute 287.004, outstanding general obligation debt for cities in Oregon cannot exceed three percent of the real market value of all properties within the city limits. For Happy Valley, this maximum is \$102 million as of June 2017. The city has not issued debt subject to this limitation.

Residents of Happy Valley are subject to debt outside of that issued by the City. Debt issued by overlapping districts becomes part of the debt burden if residents are within those overlapping districts. Happy Valley residents may be part of various overlapping districts including school, community college, sewer, and fire, as well as county and regional government districts.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Goals

The Council has established the following seven goals:

- Goal 1 – Managed growth and economic development
- Goal 2 – Employee development in a quality work environment
- Goal 3 – A safe, livable community with a sense of pride and strong identity
- Goal 4 – Effective relationships with local, regional, and state partners
- Goal 5 – Fiscal responsibility
- Goal 6 – Environmentally-sensible practices
- Goal 7 – Effective and efficient services

Summary of 2023-24 Fiscal Year Budget

Happy Valley budgets at the fund level. A fund is a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, and balances and changes, which are segregated for specific activities and objectives. Happy Valley uses only governmental fund types. Governmental funds are used to account for most of the city's functions and include general, special revenue, debt service, and capital projects funds.

Description of Funds

General Fund – accounts for all financial resources and expenditures of the City, except those required to be accounted for in another fund. The principal revenue sources are property taxes, intergovernmental revenues, various fees for provided services, and interest income.

Street Fund – accounts for shared state highway revenues and expenditures authorized by the Oregon Constitution to be made from those revenues. This fund also accounts for other revenue sources so expenditures are also made from this fund based on those revenue sources.

Library Fund – accounts for operations and maintenance of library services within the area designated by the Library District. Revenues are primarily from the Library District calculated distribution based on an intergovernmental agreement.

Parks Fund – accounts for maintenance of Happy Valley parks, city trail systems, and the recreation program. Revenues are from the Parks 5-year operating levy (current levy runs through June 30, 2023), event sponsorships, vendor fees, and user fees.

Storm Utility Systems Development Charge (SDC) Fund – accounts for City's development of storm drain infrastructure and improvements. Expenditures include credits to developers and capital outlay for items on the capital improvement plan. Revenues are primarily fees collected from developers.

Transportation Systems Development Charge (SDC) Fund – accounts for City's development of transportation infrastructure and improvements. Expenditures include credits to developers and capital outlay for items on the capital improvement plan. Revenues are primarily fees collected from developers.

Parks Systems Development Charge (SDC) Fund – accounts for City's development of parks and improvements. Expenditures include credits to developers and capital outlay for items on the capital improvement plan. Revenues are primarily fees collected from developers.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Public Safety Fund – accounts for public safety operations and maintenance within the city. Revenues are primarily from a local option levy. Expenditures include a contract for police services.

The following reserve funds are budgeted per Oregon local budget law. However, they are not considered separate funds for financial reporting and are combined into one of the above funds in the ACFR.

Pedestrian Improvement Projects (PIP) Fund – accounts for pedestrian improvement projects such as bike lanes, pedestrian crossings, pedestrian refuge, sidewalks, and pathways. Revenues in this fund are primarily vehicle registration fees.

Facilities Capital Projects Fund – accounts for the purchase of land and construction of new facilities. Revenues in this fund are transfers from the General Fund.

Parks Capital Projects Fund – resources consist of a transfer from the Parks Fund. These resources will be available to supplement a Parks SDC project when the time comes. Not all SDC projects are 100% SDC eligible so having dedicated funds set aside will help get a project off the ground smoothly.

General Operations Reserve Fund – reserve amounts to offset the cyclical nature of resources used to provide the general operations of the City. Revenues are transfers from the General Fund.

General Reserve for Replacement Fund – reserve amounts for purchase of large dollar maintenance and capital replacement and purchase, according to an annually reviewed and updated replacement schedule. Accounting for these items here allows operational expenditures to be comparable year over year without spikes caused by capital replacement purchases. Revenues are transfers from the General Fund and PEG fees.

Library Reserve for Replacement Fund – reserve amounts for purchase of large dollar maintenance and capital replacement and purchase, according to an annually reviewed and updated Library replacement schedule. Accounting for these items here allows operational expenditures to be comparable year over year without spikes caused by capital replacement purchases. Revenues are transfers from the Library Fund.

Street Reserve for Replacement Fund – reserve amounts for purchase of large dollar maintenance and capital replacement and purchase, according to an annually reviewed and updated Street replacement schedule. Accounting for these items here allows operational expenditures to be comparable year over year without spikes caused by capital replacement purchases. Revenues are transfers from the Street Fund.

Parks Reserve for Replacement Fund – reserve amounts for purchase of large dollar maintenance and capital replacement and purchase, according to an annually reviewed and updated Parks replacement schedule. Accounting for these items here allows operational expenditures to be comparable year over year without spikes caused by capital replacement purchases. Revenues are transfers from the Parks Fund.

Highlights

The budget for the fiscal year beginning July 1, 2023 and ending June 30, 2024 totals \$103 million. This is a decrease of 11% over the 2022-23 fiscal year budget which totaled \$116 million.

In this 2023-24 budget, personnel services represent 11% of total budgeted expenditures at \$10.8 million, up from \$10.7 million budgeted in 2022-2. This slight increase was a combination of cost of living increases and a reduction of 1 FTE.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Materials and services represent 13% of the total at \$13 million, this increased slightly from \$12.5 million in the previous budget. Capital outlay is 58% of total budgeted expenditures at \$60 million compared to 61% and \$70 million in the 2022-23 budget. The majority of this decrease was due to a decrease of appropriations in the Parks SDC Fund and Facility Capital Projects Fund.

The remaining \$19.3 million is made up of transfers, contingency, and reserved for future expenditures. Transfers of \$9 million were more than the \$8.3 million budgeted in 2022-23, contingency of \$6.3 million is down from the \$7.2 million in the previous budget and reserved for future expenditures at \$4 million decreased from \$6.6 million in the 2022-23 budget.

Transfers primarily consisted of \$3 million from the Street Reserve Fund to the Transportation SDC Fund, as well as transfers from the General, Library, Park and Street Funds to the respective reserve for replacement funds.

Administrative costs in the General Fund benefit all departments and are allocated to departments and funds based on the cost allocation plan. The plan is reviewed and updated each year to reflect any changes in the organization. Transfers from the Parks, Street, Library, Public Safety, and PIP Funds to the General Fund cover the cost of general administration per the cost allocation plan.



Below is the chart of transfers in and out for all funds in this budget.

	General Fund	Parks Fund	Street Fund	Library Fund	Public Safety Fund	Ped Improv Proj	SDC Funds	Facility Capital Projects Fund	Reserve for Rplcmnt Funds	Total Interfund Transfers
Transfers In	1,740,000	-	-	-	-	-	3,001,000	2,500,000	1,725,000	8,966,000
Transfers Out	(3,000,000)	(795,000)	(320,000)	(1,170,000)	(550,000)	(30,000)	(1,000)	-	(3,100,000)	(8,966,000)
Total by Fund	(1,260,000)	(795,000)	(320,000)	(1,170,000)	(550,000)	(30,000)	3,000,000	2,500,000	(1,375,000)	-

The reserved for future expenditures went from \$6.6 million in the previous budget to \$4 million in this budget. These reserves include amounts for mitigation of the cyclical nature of the economy and amounts reserved for replacement of equipment. Amounts reserved for future expenditures can be made available for appropriation using the supplemental budget process.

Amounts set aside for the replacement of equipment and facilities are determined based on schedules using replacement value, life of asset, and years until replacement. These schedules are used to justify amounts set aside in the three Reserve for Replacement Funds. The schedules are reviewed and all items evaluated on an annual basis. The schedules are updated as items are replaced and as new items are purchased and meet the criteria for addition.

Following are charts and tables showing overall budget information by fund, category and overall resources and requirements.

Total of All Funds - Happy Valley 2023-24 Budget

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	62,067,102	63,496,191	80,458,361	77,708,838	68,310,338	68,310,338	68,380,338
Property Taxes	8,521,013	8,974,741	9,515,000	9,615,000	10,130,000	10,130,000	10,130,000
Licenses, Permits, & Fees	12,403,821	17,847,901	8,835,000	5,660,000	5,960,000	5,960,000	5,960,000
Intergovernmental	6,654,476	11,504,302	7,156,000	7,146,000	7,509,000	7,509,000	7,509,000
Fines and Court Related	676,585	774,293	750,000	580,000	600,000	600,000	600,000
Transfers from other Funds	5,797,000	10,878,000	8,308,000	8,308,000	8,865,000	8,865,000	8,966,000
Miscellaneous	3,041,690	1,491,779	655,000	1,562,500	1,280,000	1,280,000	1,280,000
Total Resources	99,161,687	114,967,207	115,677,361	110,580,338	102,654,338	102,654,338	102,825,338
Requirements							
Personnel Services	8,406,642	9,324,852	10,706,000	9,667,000	10,812,800	10,812,800	10,812,800
Materials & Services	8,224,519	8,630,198	12,520,000	8,783,000	12,989,000	12,989,000	12,989,000
Operations	16,631,161	17,955,050	23,226,000	18,450,000	23,801,800	23,801,800	23,801,800
Transfers to Other Funds	5,797,000	10,878,000	8,308,000	8,308,000	8,865,000	8,865,000	8,966,000
Capital Outlay	13,237,335	8,425,319	70,320,208	15,512,000	59,721,607	59,721,607	59,691,607
Transfers, Capital	19,034,335	19,303,319	78,628,208	23,820,000	68,586,607	68,586,607	68,657,607
Contingency	-	-	7,241,990	-	6,254,365	6,254,365	6,354,365
Reserved for Future Expenditures	-	-	6,581,163	-	4,011,566	4,011,566	4,011,566
Ending Fund Balance	63,496,191	77,708,838	-	68,310,338	-	-	-
Ending Fund Balance, Reserves, and Contingency	63,496,191	77,708,838	13,823,153	68,310,338	10,265,931	10,265,931	10,365,931
Total Requirements	99,161,687	114,967,207	115,677,361	110,580,338	102,654,338	102,654,338	102,825,338

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Change from Adopted 2022-23	
						\$	%
General Fund							
Beginning Fund Balance	7,336,926	7,458,108	8,145,642	8,623,336	5,422,336	(2,723,306)	-33.4%
Property Taxes	2,179,593	2,288,700	2,415,000	2,415,000	2,510,000	95,000	3.9%
Intergovernmental	1,279,587	1,037,296	1,027,000	1,200,000	1,050,000	23,000	2.2%
Fees and charges	7,097,439	12,812,803	6,000,000	5,260,000	5,100,000	(900,000)	-15.0%
Misc	152,007	149,194	100,000	340,000	200,000	100,000	100.0%
Transfers In	1,397,000	1,478,000	1,578,000	1,578,000	1,640,000	62,000	3.9%
Resources Total	19,442,552	25,224,101	19,265,642	19,416,336	15,922,336	(3,343,306)	-17.4%
Requirements							
Administration							
Personnel Services	1,602,908	1,808,646	2,104,200	1,880,000	2,168,500	64,300	3.1%
Materials and Services	1,614,796	1,289,827	1,590,000	1,265,000	1,525,000	(65,000)	-4.1%
Administration Total	3,217,704	3,098,473	3,694,200	3,145,000	3,693,500	(700)	0.0%
Com Svcs & Public Safety							
Personnel Services	1,206,184	1,223,460	1,313,900	1,220,000	1,301,700	(12,200)	-0.9%
Materials and Services	41,296	51,830	79,000	50,000	80,000	1,000	1.3%
Com Svcs & Public Safety Total	1,247,480	1,275,290	1,392,900	1,270,000	1,381,700	(11,200)	-0.8%
Economic and Com Dev							
Personnel Services	2,654,196	2,971,534	3,444,400	3,110,000	3,276,700	(167,700)	-4.9%
Materials and Services	644,433	494,381	645,000	499,000	560,000	(85,000)	-13.2%
Economic and Com Dev Total	3,298,629	3,465,915	4,089,400	3,609,000	3,836,700	(252,700)	-6.2%
Public Works							
Personnel Services	550,780	584,906	668,900	585,000	678,000	9,100	1.4%
Materials and Services	169,851	176,181	227,000	185,000	230,000	3,000	1.3%
Public Works Total	720,631	761,087	895,900	770,000	908,000	12,100	1.4%
NonDepartmental	-	-	-	-	-	-	N/A
Transfers Out	3,500,000	8,000,000	5,200,000	5,200,000	3,000,000	(2,200,000)	-42.3%
Contingency	-	-	3,993,242	-	3,102,436	(890,806)	-22.3%
	11,984,444	16,600,765	19,265,642	13,994,000	15,922,336	(3,343,306)	-17.4%
Parks Fund							
Resources	1,926,593	2,650,815	3,099,335	2,800,108	3,218,608	119,273	3.8%
Requirements							
Operations							
Personnel Services	181,117	225,998	341,800	290,000	423,400	81,600	23.9%
Materials and Services	416,504	557,915	470,000	339,500	735,000	265,000	56.4%
Operations Total	597,621	783,913	811,800	629,500	1,158,400	346,600	42.7%
Programming							
Personnel Services	204,724	270,246	340,000	290,000	358,900	18,900	5.6%
Materials and Services	26,653	147,448	260,000	195,000	265,000	5,000	1.9%
Programming Total	231,377	417,694	600,000	485,000	623,900	23,900	4.0%
Non-Departmenta							
Other	350	11,100	35,000	2,000	30,000	(5,000)	-14.3%
Capital Outlay	-	-	-	-	-	-	N/A
Non-Departmental Total	350	11,100	35,000	2,000	30,000	(5,000)	-14.3%
Transfers Out	477,000	895,000	1,045,000	1,045,000	795,000	(250,000)	-23.9%
Contingency	-	-	607,535	-	611,308	3,773	N/A
	1,306,348	2,107,707	3,099,335	2,161,500	3,218,608	119,273	3.8%

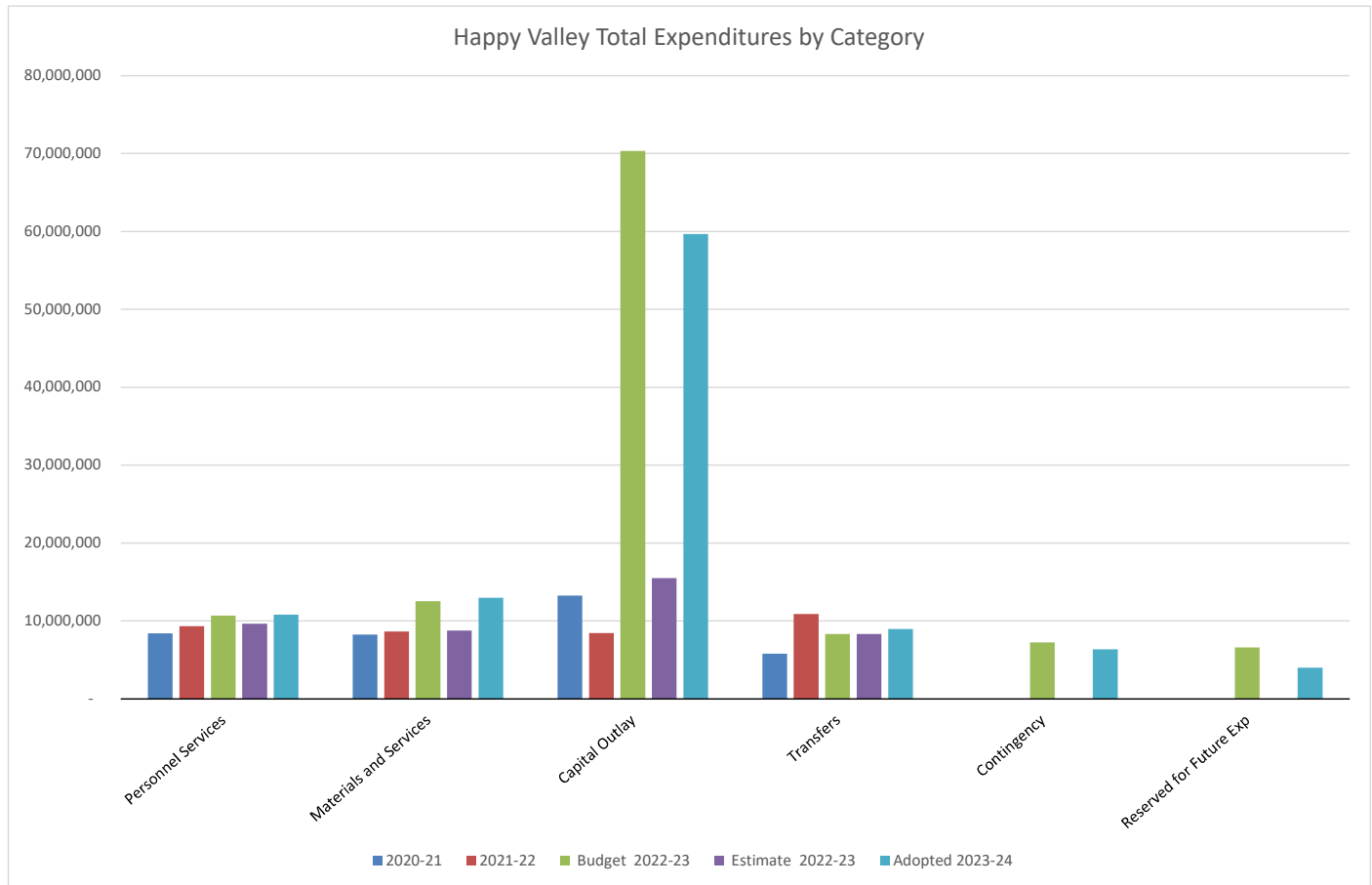
	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Change from Adopted 2022-23	
						\$	%
Public Safety Fund							
Resources	6,274,108	6,487,460	6,813,183	6,904,133	7,299,133	485,950	7.1%
Requirements							
Personnel Services	-	98,259	121,000	115,000	127,700	6,700	5.5%
Materials and Services	4,103,315	4,195,068	4,726,000	4,525,000	5,160,000	434,000	9.2%
Capital Outlay	6,110	-	10,000	-	10,000	-	0.0%
Transfers Out	502,000	550,000	515,000	515,000	550,000	35,000	6.8%
Contingency	-	-	1,441,183	-	1,451,433	10,250	0.7%
	<u>4,611,425</u>	<u>4,843,327</u>	<u>6,813,183</u>	<u>5,155,000</u>	<u>7,299,133</u>	<u>485,950</u>	<u>7.1%</u>
Library Fund							
Resources	4,453,034	4,667,035	4,806,146	4,724,129	4,732,129	(74,017)	-1.5%
Requirements							
Personnel Services	1,666,552	1,772,584	1,944,900	1,790,000	2,021,100	76,200	3.9%
Materials and Services	427,336	524,322	703,000	541,000	645,000	(58,000)	-8.3%
Transfers Out	1,000,000	1,115,000	1,220,000	1,220,000	1,170,000	(50,000)	-4.1%
Contingency	-	-	938,246	-	896,029	(42,217)	-4.5%
	<u>3,093,888</u>	<u>3,411,906</u>	<u>4,806,146</u>	<u>3,551,000</u>	<u>4,732,129</u>	<u>(74,017)</u>	<u>-1.5%</u>
Street Maintenance Fund							
Resources	2,747,429	2,597,670	2,928,684	2,803,459	2,913,959	(14,725)	-0.5%
Requirements							
Personnel Services	340,181	369,219	426,900	387,000	456,800	29,900	7.0%
Materials and Services	581,521	467,278	570,000	552,500	644,000	74,000	13.0%
Capital Outlay	1,297,043	1,156,714	1,300,000	1,250,000	1,300,000	-	0.0%
Transfers Out	296,000	296,000	300,000	300,000	320,000	20,000	6.7%
Contingency	-	-	331,784	-	193,159	(138,625)	-41.8%
	<u>2,514,745</u>	<u>2,289,211</u>	<u>2,928,684</u>	<u>2,489,500</u>	<u>2,913,959</u>	<u>(14,725)</u>	<u>-0.5%</u>
Reserved - Future Expenditures	-	-	-	-	-	-	0.0%
Storm Utility SDC Fund							
Resources	1,328,137	1,453,069	1,474,963	1,509,069	809,069	(665,894)	-45.1%
Requirements							
Materials and Services	-	-	200,000	-	100,000	(100,000)	-50.0%
Capital Outlay	-	-	1,273,963	750,000	709,069	(564,894)	-44.3%
Transfers Out	-	-	-	-	-	-	0.0%
	<u>-</u>	<u>-</u>	<u>1,473,963</u>	<u>750,000</u>	<u>809,069</u>	<u>(664,894)</u>	<u>-45.1%</u>
Reserved - Future Expenditures	-	-	1,000	-	-	(1,000)	0.0%
Transportation SDC Fund							
Resources	16,460,587	12,549,789	10,100,942	9,353,916	12,963,916	2,862,974	28.3%
Requirements							
Materials and Services	24,924	339,753	1,000,000	300,000	1,000,000	-	0.0%
Capital Outlay	10,819,721	3,556,120	8,840,942	40,000	11,963,916	3,122,974	35.3%
Transfers Out	-	-	-	-	-	-	N/A
	<u>10,844,645</u>	<u>3,895,873</u>	<u>9,840,942</u>	<u>340,000</u>	<u>12,963,916</u>	<u>3,122,974</u>	<u>N/A</u>
Reserved - Future Expenditures	-	-	260,000	-	-	(260,000)	N/A
Parks SDC Fund							
Resources	19,562,542	22,190,589	23,867,344	19,866,273	20,426,273	(3,441,071)	-14.4%
Requirements							
Materials and Services	40,300	78,389	500,000	20,000	500,000	-	0.0%
Capital Outlay	719,898	2,845,927	23,367,344	20,000	19,926,273	(3,441,071)	-14.7%
	<u>760,198</u>	<u>2,924,316</u>	<u>23,867,344</u>	<u>40,000</u>	<u>20,426,273</u>	<u>(3,441,071)</u>	<u>-14.4%</u>
Reserved - Future Expenditures	-	-	-	-	-	-	N/A

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Change from Adopted 2022-23	
						\$	%
Pedestrian Improvement Projects Fund							
Resources	1,375,870	1,544,503	1,758,911	1,743,562	1,955,562	196,651	11.2%
Requirements							
Materials and Services	-	22,520	30,000	30,000	30,000	-	0.0%
Capital Outlay	49,159	26,421	1,700,911	-	1,895,562	194,651	11.4%
Transfers Out	22,000	22,000	28,000	28,000	30,000	2,000	7.1%
	<u>71,159</u>	<u>70,941</u>	<u>1,758,911</u>	<u>58,000</u>	<u>1,955,562</u>	<u>196,651</u>	<u>11.2%</u>
Reserved - Future Expenditures	-	-	-	-	-	-	0.0%
Reserve for General Operations							
Resources	838,974	838,974	838,974	838,974	838,974	-	0.0%
Requirements							
Materials and Services	-	-	-	-	-	-	0.0%
Reserved - Future Expenditures	-	-	838,974	-	838,974	-	0.0%
	<u>-</u>	<u>-</u>	<u>838,974</u>	<u>-</u>	<u>838,974</u>	<u>-</u>	<u>0.0%</u>
General Reserve for Replacement							
Resources	2,489,428	2,771,393	2,868,371	2,820,774	2,855,774	(12,597)	-0.4%
Requirements							
Materials and Services	48,217	247,958	650,000	270,000	650,000	-	0.0%
Capital Outlay	237,840	262,661	900,000	255,000	900,000	-	0.0%
Transfers Out	-	-	-	-	-	-	N/A
	<u>286,057</u>	<u>510,619</u>	<u>1,550,000</u>	<u>525,000</u>	<u>1,550,000</u>	<u>-</u>	<u>0.0%</u>
Reserved - Future Expenditures	-	-	1,318,371	-	1,305,774	(12,597)	-1.0%
Street Reserve for Replacement							
Resources	3,068,318	4,028,656	4,123,652	4,167,817	3,540,817	(582,835)	-14.1%
Requirements							
Materials and Services	79,686	-	125,000	2,000	125,000	-	0.0%
Capital Outlay	-	70,839	998,652	825,000	415,817	(582,835)	-58.4%
Transfers	-	-	-	-	3,000,000	3,000,000	NA
	<u>79,686</u>	<u>70,839</u>	<u>1,123,652</u>	<u>827,000</u>	<u>540,817</u>	<u>(582,835)</u>	<u>-51.9%</u>
Reserved - Future Expenditures	-	-	3,000,000	-	-	-	N/A
Library Reserve for Replacement							
Resources	4,701,584	5,265,290	5,868,290	5,838,552	5,395,552	(472,738)	-8.1%
Requirements							
Materials and Services	980	1,533	150,000	-	150,000	-	0.0%
Capital Outlay	35,314	127,705	5,387,290	712,000	5,245,552	(141,738)	-2.6%
Transfers	-	-	331,000	331,000	-	(331,000)	-100.0%
	<u>36,294</u>	<u>129,238</u>	<u>5,537,290</u>	<u>712,000</u>	<u>5,395,552</u>	<u>(141,738)</u>	<u>-2.6%</u>
Reserved - Future Expenditures	-	-	-	-	-	-	0%
Parks Reserve for Replacement							
Resources	300,000	923,818	1,723,818	1,688,818	2,151,818	428,000	24.8%
Requirements							
Materials and Services	4,357	-	60,000	2,000	60,000	-	0.0%
Capital Outlay	71,825	35,000	240,000	60,000	225,000	(15,000)	-6.3%
	<u>76,182</u>	<u>35,000</u>	<u>300,000</u>	<u>62,000</u>	<u>285,000</u>	<u>(15,000)</u>	<u>-5.0%</u>
Reserved - Future Expenditures	-	-	1,423,818	-	1,866,818	443,000	N/A
Facility Capital Projects Fund							
Resources	9,222,311	12,777,016	17,441,886	17,652,321	10,347,321	(7,094,565)	-40.7%
Requirements							
Materials and Services	-	24,695	500,000	5,000	500,000	-	0.0%
Capital Outlay	425	-	16,941,886	10,000,000	9,847,321	(7,094,565)	-41.9%
	<u>425</u>	<u>24,695</u>	<u>17,441,886</u>	<u>10,005,000</u>	<u>10,347,321</u>	<u>(7,094,565)</u>	<u>-40.7%</u>

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Change from Adopted 2022-23	
						\$	%
Parks Capital Projects Fund							
Resources	4,970,220	8,997,029	9,028,220	8,783,097	7,283,097	(1,745,123)	-19.3%
Requirements							
Capital Outlay	-	343,932	9,028,220	1,600,000	7,283,097	(1,745,123)	-19.3%
Contingency	-	-	-	-	-	-	NA
	-	343,932	9,028,220	1,600,000	7,283,097	(1,745,123)	-19.3%
Total Budget							
Resources	99,161,687	114,967,207	116,008,361	110,911,338	102,654,338	(13,354,023)	-11.5%
Requirements						-	
Personnel Services	8,406,642	9,324,852	10,706,000	9,667,000	10,812,800	106,800	1.0%
Materials and Services	8,224,519	8,630,198	12,520,000	8,783,000	12,989,000	469,000	3.7%
Capital Outlay	13,237,335	8,425,319	69,989,208	15,512,000	59,721,607	(10,267,601)	-14.7%
Non-Departmental	-	-	-	-	-	-	N/A
Transfers	5,797,000	10,878,000	8,639,000	8,639,000	8,865,000	226,000	2.6%
Contingency	-	-	7,311,990	-	6,254,365	(1,057,625)	-14.5%
Reserve for Future Exp	-	-	6,842,163	-	4,011,566	(2,830,597)	-41.4%
	35,665,496	37,258,369	116,008,361	42,601,000	102,654,338	(13,354,023)	-11.5%

Summary by Category - Happy Valley Expenditures

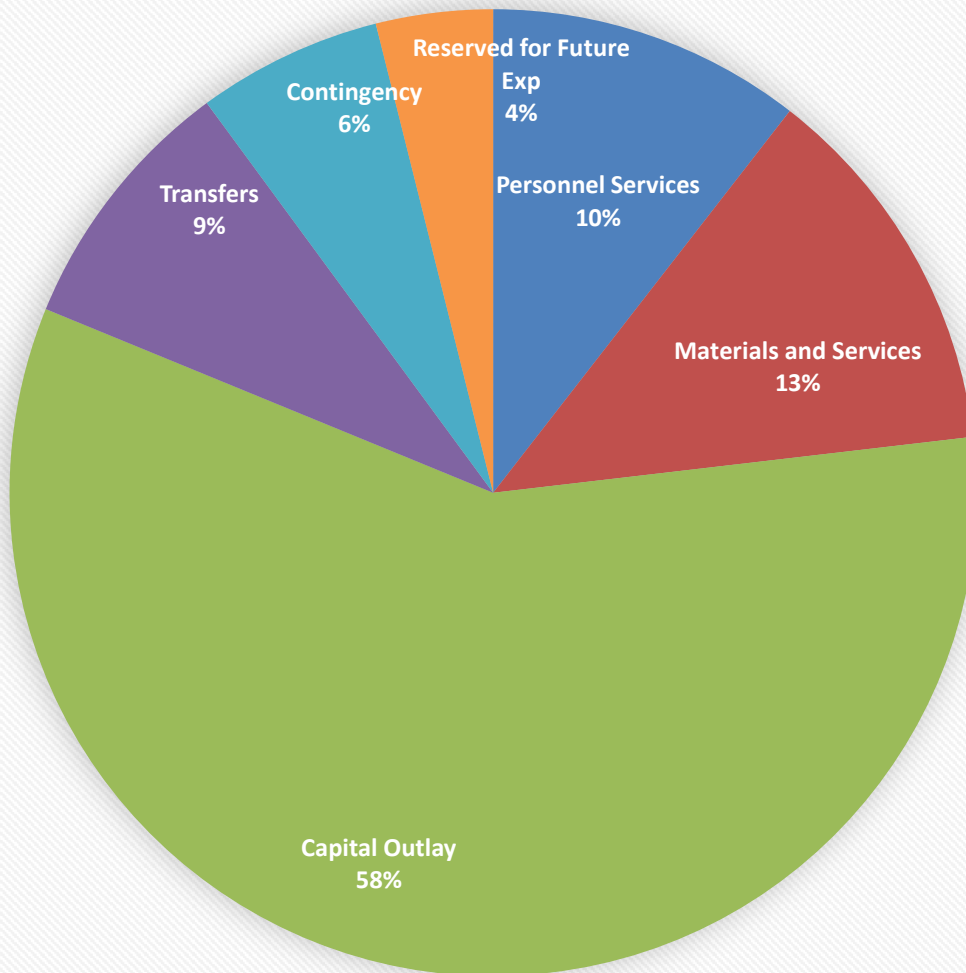
	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed 2023-24	Approved 2023-24	Adopted 2023-24
Personnel Services	8,406,642	9,324,852	10,706,000	9,667,000	10,812,800	10,812,800	10,812,800
Materials and Services	8,224,519	8,630,198	12,520,000	8,783,000	12,989,000	12,989,000	12,989,000
Capital Outlay	13,237,335	8,425,319	70,320,208	15,512,000	59,721,607	59,721,607	59,691,607
Transfers	5,797,000	10,878,000	8,308,000	8,308,000	8,865,000	8,865,000	8,966,000
Contingency	-	-	7,241,990	-	6,254,365	6,254,365	6,354,365
Reserved for Future Exp	-	-	6,581,163	-	4,011,566	4,011,566	4,011,566
Total Requirements	35,665,496	37,258,369	115,677,361	42,270,000	102,654,338	102,654,338	102,825,338





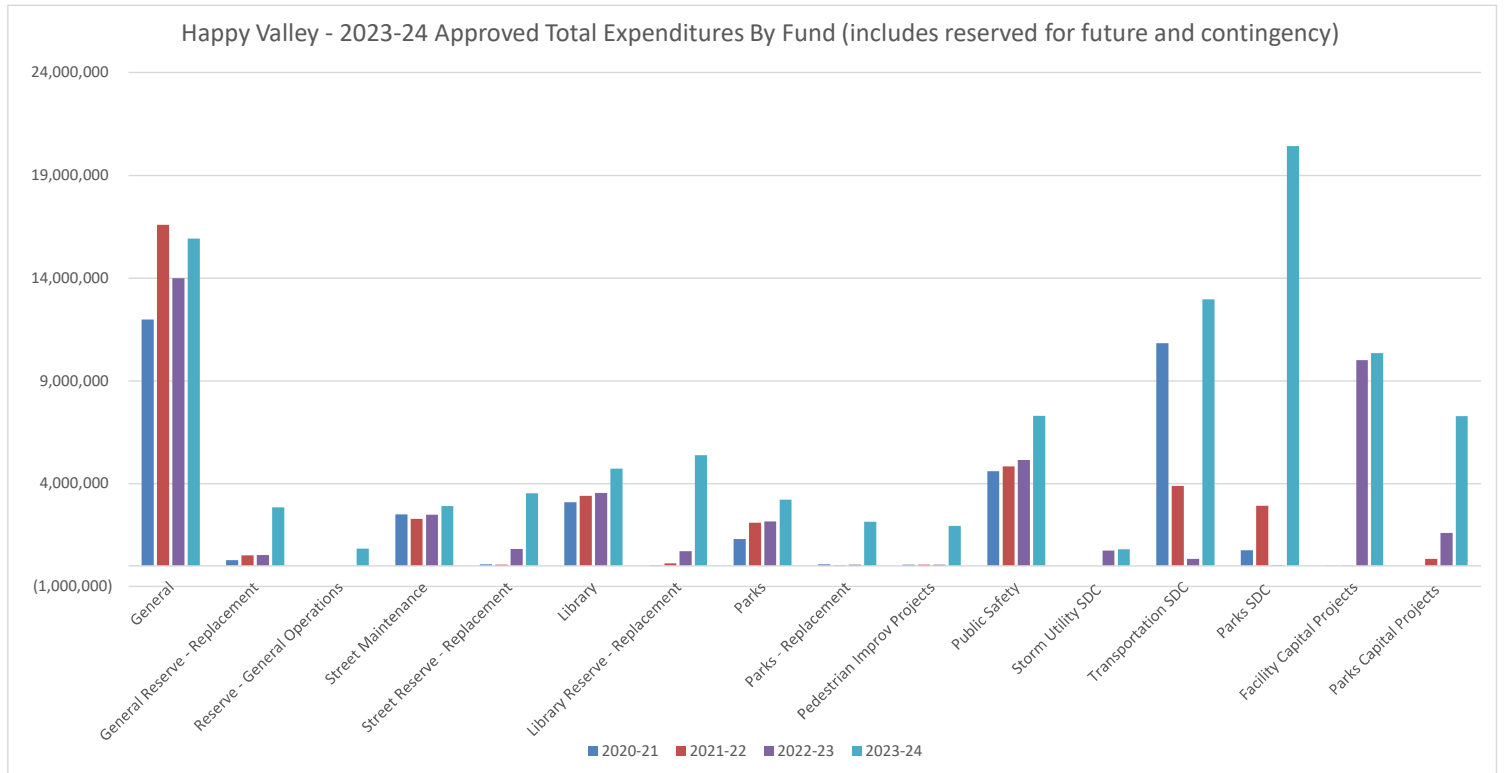
City of Happy Valley Fiscal Year 2023 - 2024 Budget

Happy Valley - 2023-24 Adopted Budget Expenditure Percentage by Category



Summary by Fund - Happy Valley Expenditures

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed 2023-24	Approved 2023-24	Adopted 2023-24
General	11,984,444	16,600,765	19,195,642	13,994,000	15,922,336	15,922,336	16,022,336
General Reserve - Replacement	286,057	510,619	2,868,371	525,000	2,855,774	2,855,774	2,855,774
Reserve - General Operations	-	-	838,974	-	838,974	838,974	838,974
Street Maintenance	2,514,745	2,289,211	2,928,684	2,489,500	2,913,959	2,913,959	2,913,959
Street Reserve - Replacement	79,686	70,839	4,123,652	827,000	3,540,817	3,540,817	3,540,817
Library	3,093,888	3,411,906	4,806,146	3,551,000	4,732,129	4,732,129	4,732,129
Library Reserve - Replacement	36,294	129,238	5,868,290	712,000	5,395,552	5,395,552	5,726,552
Parks	1,306,348	2,107,707	3,099,335	2,161,500	3,218,608	3,218,608	3,218,608
Parks - Replacement	76,182	35,000	1,723,818	62,000	2,151,818	2,151,818	2,151,818
Pedestrian Improv Projects	71,159	70,941	1,758,911	58,000	1,955,562	1,955,562	1,955,562
Public Safety	4,611,425	4,843,327	6,813,183	5,155,000	7,299,133	7,299,133	7,299,133
Storm Utility SDC	-	-	1,473,963	750,000	809,069	809,069	809,069
Transportation SDC	10,844,645	3,895,873	9,840,942	340,000	12,963,916	12,963,916	12,703,916
Parks SDC	760,198	2,924,316	23,867,344	40,000	20,426,273	20,426,273	20,426,273
Facility Capital Projects	425	24,695	17,441,886	10,005,000	10,347,321	10,347,321	10,347,321
Parks Capital Projects	-	343,932	9,028,220	1,600,000	7,283,097	7,283,097	7,283,097
Total Requirements	35,665,496	37,258,369	115,677,361	42,270,000	102,654,338	102,654,338	102,825,338





City of Happy Valley Fiscal Year 2023 - 2024 Budget

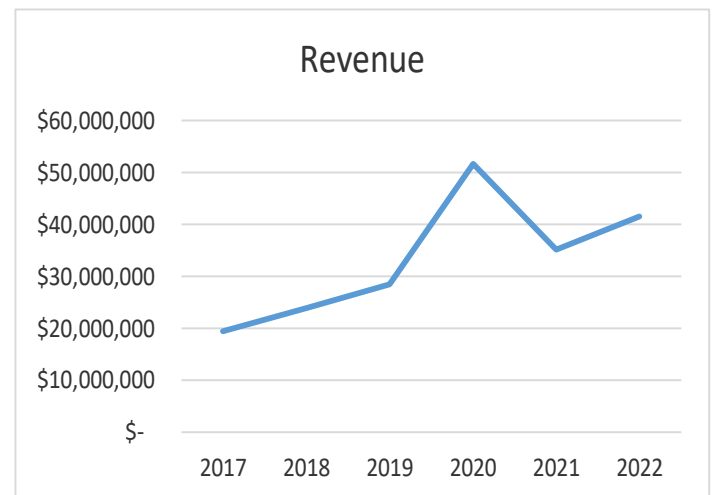
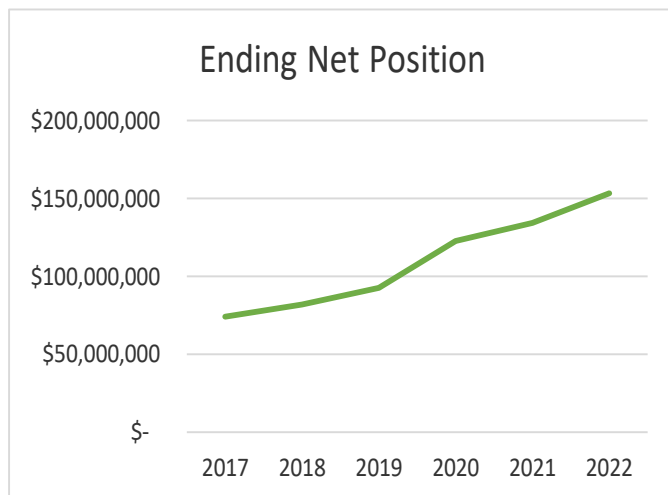
Demographics and Financial Trend Information

The charts and graphs below illustrate the positive economic cycle we are currently experiencing. We continued to see healthy amounts of development and building within the City which accounts for much of the revenue increases. Other factors include the increase in population which increases our proportionate share of state revenues and increases in assessed value which increase property taxes assessed and collected. Projections going forward are unclear but less optimistic as a pending recession seems to be a strong possibility.

Net position increases are due to our continued diligence in keeping expenditures below revenues. This is done by creating efficiencies whenever possible. We expect the economic upturn to continue and this budget was created using that assumption.

The following information illustrates the change in net position and subsequent change in Ending Net Position for each year.

	2017	2018	2019	2020	2021	2022
Revenue	\$ 19,387,830	\$ 23,821,866	\$ 28,462,144	\$ 51,732,802	\$ 35,095,757	\$ 41,506,516
Expenditures	(14,703,089)	(16,161,821)	(17,668,727)	(21,423,177)	(23,757,450)	(22,236,809)
Change in Net Position	4,684,741	7,660,045	10,793,417	30,309,625	11,338,307	19,269,707
Beginning Net Position	69,429,121	74,113,862	81,682,721	92,476,138	122,785,763	134,124,070
Prior Period Adjustment	-	-	-	-	-	-
Ending Net Position	\$ 74,113,862	\$ 81,682,721	\$ 92,476,138	\$ 122,785,763	\$ 134,124,070	\$ 153,393,777



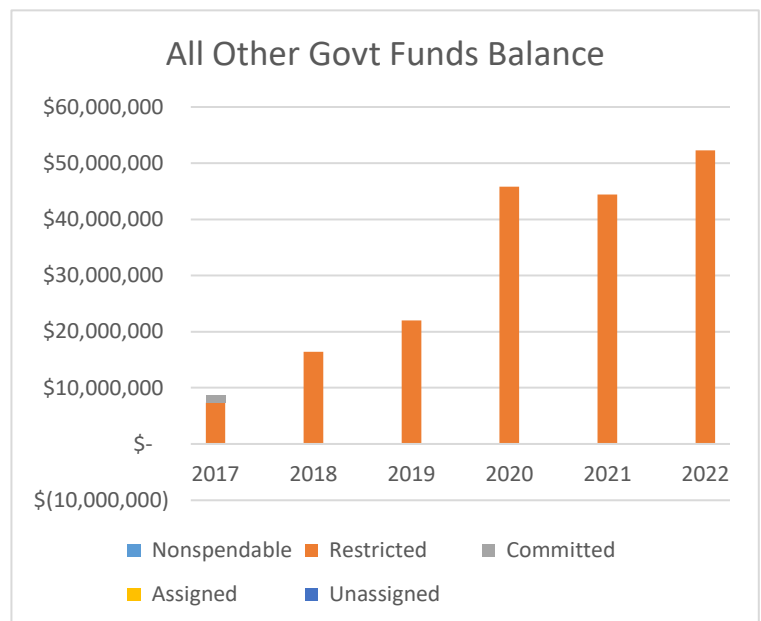
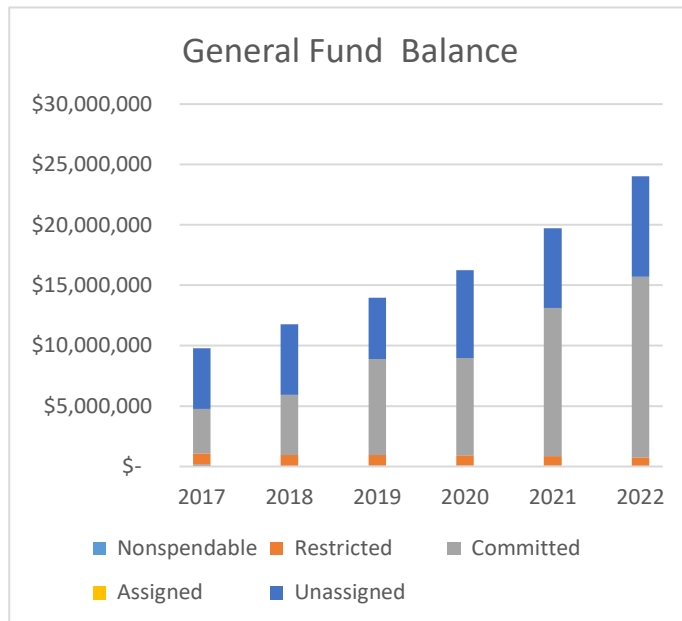


City of Happy Valley Fiscal Year 2023 - 2024 Budget

The following shows the various components of the General Fund ending fund balance as well as the various components of all other governmental funds combined from 2017 – 2022. The General Fund – Committed increases represented reserves for capital replacement and maintenance and amounts to counter the next economic downturn.

	Fiscal Year					
	2017	2018	2019	2020	2021	2022
Nonspendable	\$ 152,186	\$ 42,773	\$ 60,998	\$ 68,139	\$ 62,786	\$ 45,878
Restricted	919,791	917,259	879,969	846,032	793,450	698,450
Committed	3,688,533	4,965,481	7,952,893	8,058,724	12,264,231	14,971,100
Assigned	-	-	-	-	-	-
Unassigned	5,017,696	5,839,541	5,079,303	7,268,787	6,601,872	8,316,576
Total General Fund	\$ 9,778,206	\$ 11,765,054	\$ 13,973,163	\$ 16,241,682	\$ 19,722,339	\$ 24,032,004

	Fiscal Year					
	2017	2018	2019	2020	2021	2022
Nonspendable	\$ -	\$ 30,739	\$ 16,964	\$ 5,500	\$ 26,695	\$ 34,612
Restricted	7,326,609	16,373,527	21,996,564	45,821,739	44,427,710	52,226,774
Committed	1,415,222	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	(22,812)	-	(1,819)	-	-
Total All Other Govt Funds	\$ 8,741,831	\$ 16,381,454	\$ 22,013,528	\$ 45,825,420	\$ 44,454,405	\$ 52,261,386





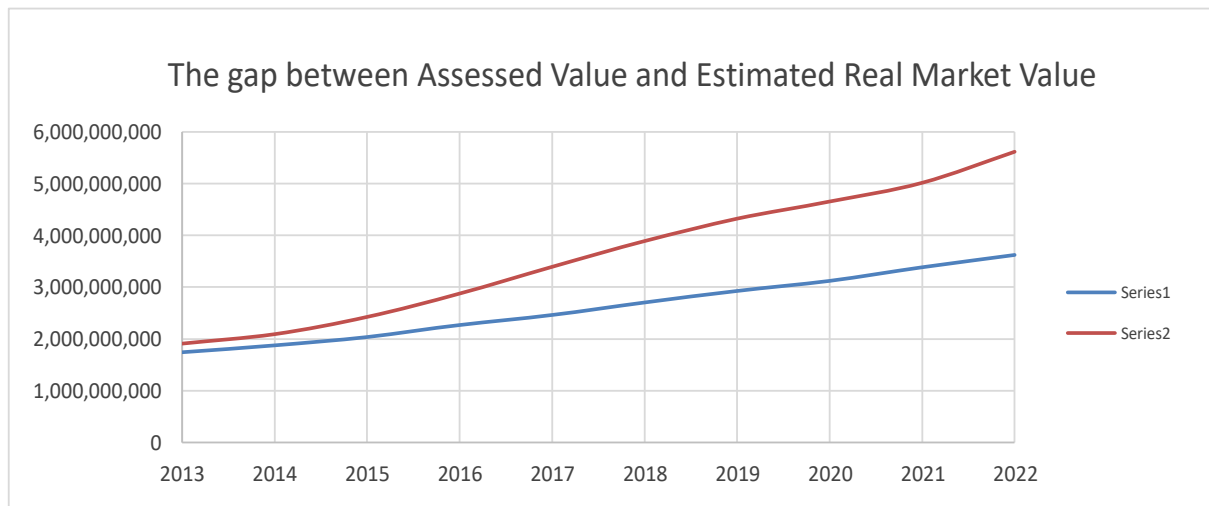
City of Happy Valley Fiscal Year 2023 - 2024 Budget

Also included are various charts and graphs as added information. Included are property values with a chart to illustrate the gap between assessed value and estimated real market value, tax rates including overlapping rates, ratios of outstanding debt, direct and overlapping activities debt, legal debt margin information, demographic and economic statistics, principal employers, and operating indicators by program related to Happy Valley. This information is included to help illustrate how financial information in the budget relates to services provided and activities performed by the City as well as provide information about the overall city environment both economic and demographic.

Fiscal Year Ended June 30	Assessed Value					RMV		Assessed value as percentage of RMV
	Real property	Personal property	Manuf'd structure	Public utility	Total assessed value	Total direct tax rate	Estimated real market value (RMV)	
2017	2,398,435,939	8,482,412	2,283,394	53,606,800	2,462,808,545	2.05	3,393,208,454	73%
2018	2,631,897,068	15,683,359	2,927,826	54,349,830	2,704,858,083	2.05	3,889,314,139	70%
2019	2,852,512,294	22,198,356	3,261,749	48,955,700	2,926,928,099	2.59	4,320,368,740	68%
2020	3,047,960,020	20,162,975	3,120,309	51,435,000	3,122,678,304	2.05	4,651,611,326	67%
2021	3,290,886,433	24,085,598	3,248,430	65,299,300	3,383,519,761	2.59	5,013,115,146	67%
2022	3,527,283,771	23,720,763	3,338,469	67,547,800	3,621,890,803	2.59	5,611,742,435	65%

Source: Clackamas County Assessor's Office

Note: Property is generally assessed as of July 1st of each fiscal year





City of Happy Valley Fiscal Year 2023 - 2024 Budget

Demographic and economic statistics

Fiscal Year	Population(1)	Median Age(1)	Household Income	Per Capita Income (2)	Public School Enrollment (3)	Unemployment Rate(4)
2017	19,985	37	101,250	38,358	6,877	3.9
2018	20,181	37	106,029	44,220	6,592	3.7
2019	20,945	38	111,066	44,761	6,838	3.8
2020	21,700	37	114,111	47,713	7,918	11.1
2021	22,552	37	113,276	45,664	8,310	4.5
2022	25,738	37	126,851	53,500	8,137	3.3

Sources (1) Portland Population Research Center.

(2) U.S. Census Bureau.

(3) North Clackamas School District; included all schools in City limits plus Clackamas High School.

(4) State Department of Labor unemployment rate for the County (not seasonally adjusted).

PRINCIPAL EMPLOYERS

<u>Employer</u>	<u>2022</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Fred Meyer	295	1	8%
Ag Specialty Foods	175	2	5%
New Seasons Market	165	3	4%
Camp Withycombe	100	4	3%
Providence Medical Group Happy Valley	80	5	2%
City of Happy Valley	78	6	2%
Morningstar of Happy Valley	64	7	2%
McDonalds	55	8	1%
Sunnyside Meadows Memory Care	50	9	1%
Goodwill	45	10	1%
	1,107		21%

Source: City business licenses



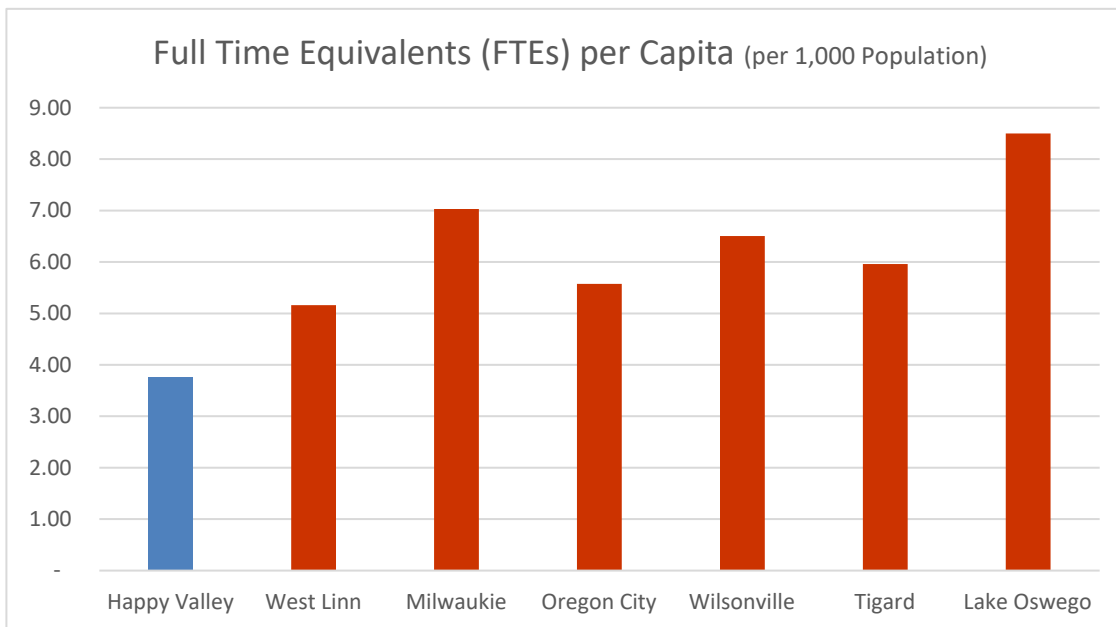
City of Happy Valley Fiscal Year 2023 - 2024 Budget

Personnel Overview

The following pages summarize salary and benefits for City employees. The following page is used to show the cost for each department and fund. It also shows the Full Time Equivalent (FTE) budgeted for each fund, each department, and the City as a whole. When reviewing FTE remember personnel costs are not apportioned between funds. A methodology was created to determine an amount each dedicated fund would transfer to the General Fund to cover personnel costs attributable to that fund.

Overall budgeted FTE decreased 1.0 from the previous budget. This decrease consists of reduction of 2.0 FTE General Fund – Economic and Community Development, and a 1.0 FTE increase in the Parks Fund. Total FTE increased from 81 FTE in the 2021-22 budget to 80 FTE in this budget.

As the following chart shows, we continue to run a lean organization. The City operates with just over 4 FTE per 1,000 population which is well below other similar sized organizations in the area. As personnel costs are the number one cost driver, we are very deliberate with our hiring and seek efficiencies elsewhere whenever possible.





City of Happy Valley Fiscal Year 2023 - 2024 Budget

Benefits

Benefits as offered to City employees can be found in the employee manual. Along with benefits required by law the City also offers employees other benefits including medical coverage through CIS Insurance. Employees have the option to choose between Regence Blue Cross and Kaiser Permanente. Full time employees pay 5% of the premium costs for medical and dental benefits.

The City provides a life insurance benefit for employees with a coverage amount of \$50,000. Employees can opt to have supplemental coverage for themselves and their families. The cost of any supplemental life insurance is paid by the employee.

Employees of the City are eligible to become members of the Public Employees Retirement System (PERS). The City pays the employer rate for member's pension share accounts as well as picks up the 6% contribution to the Individual Account Program. In this budget PERS employer contribution rates from the previous budget as they are the 2023-25 biennium rates. The Tier1 / Tier2 rate is 22.15% and the OPSPR rate is 19%.

The City provides a long-term disability insurance benefit for employees with coverage beginning after 90 days. The City also provides an accidental death and dismemberment (AD&D) benefit for employees with a coverage amount of \$15,000.

Following is information related to positions by department along with their respective FTE's.

2023-24 Adopted Budget - Positions

Department and Position	2020-21	2021-22	Adopted		Proposed	Approved	Adopted
			Budget 2022-23	Estimate 2022-23	Budget 2023-24	Budget 2023-24	Budget 2023-24
Administration							
City Manager's Office							
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Program Technician	1.00	1.00	1.00	1.00	1.00	1.00	1.00
New Position	1.00	1.00	-	-	-	-	-
Finance and IT							
Finance Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior Accountant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Financial Analyst	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Accountant I	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Information Technology							
IT Administrator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
ISS Specialist	-	1.00	1.00	1.00	1.00	1.00	1.00
Human Resources and City Recorder							
City Recorder/HR Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Records Specialist	-	-	1.00	1.00	1.00	1.00	1.00
Management Analyst/ City Recorder	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	12.00	13.00	13.00	13.00	13.00	13.00	13.00
Economic and Community Development							
Community Development Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant III	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Planning							
Planning Services Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Planner	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Associate Planner	1.00	1.00	1.00	1.00	1.00	1.00	1.00
GIS Tech	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering							
Engineering Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sr.Civil Engineer	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering Technician	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Associate Engineer	1.00	1.00	1.00	1.00	-	-	-
Engineer Admin	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Project Engineer	-	1.00	2.00	1.00	2.00	2.00	2.00

2023-24 Adopted Budget - Positions

Department and Position	2020-21	2021-22	Adopted	Estimate	Proposed	Approved	Adopted
			Budget 2022-23	2022-23	Budget 2023-24	Budget 2023-24	Budget 2023-24
Building Inspection							
Building Official	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Building Official	-	-	-	-	-	-	-
Administrative Assistant I	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Permit Technician	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Building Inspector I	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Building Inspector II	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Building Insp/Plans Examiner	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Plumbing/Bldg Insp	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	<u>22.00</u>	<u>23.00</u>	<u>24.00</u>	<u>23.00</u>	<u>22.00</u>	<u>22.00</u>	<u>22.00</u>
Community Services and Public Safety							
Community Services							
Comm Svcs/Pub Safety Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Program Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Program Technician	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant II	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant I	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Code Enforcement							
Code Enforcement Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Comm Svcs Officer	2.00	3.00	3.00	3.00	2.00	2.00	2.00
Municipal Court							
Court Clerk Lead	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Court Clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	<u>10.00</u>	<u>11.00</u>	<u>11.00</u>	<u>11.00</u>	<u>10.00</u>	<u>10.00</u>	<u>10.00</u>
Public Works							
Public Works Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant II	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Heavy Equip Mechanic	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Utility Worker II - WES Contract	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>
Parks							
Operations							
Utility Worker I	1.00	2.00	2.00	2.00	3.00	3.00	3.00
Public Works Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Programming							
Program Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Programming Specialist/ Tech	1.00	2.00	2.00	2.00	2.00	2.00	2.00

2023-24 Adopted Budget - Positions

Department and Position	2020-21	2021-22	Adopted	Estimate	Proposed	Approved	Adopted
			Budget 2022-23	2022-23	Budget 2023-24	Budget 2023-24	Budget 2023-24
	4.00	6.00	6.00	6.00	7.00	7.00	7.00
Streets							
Utility Worker II	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Utility Worker I	1.00	2.00	2.00	2.00	2.00	2.00	2.00
	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Public Safety Fund							
Comm Svcs Officer		1.00	1.00	1.00	1.00	1.00	1.00
Library							
Library Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant III	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Program Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Librarians	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Library Assistant I	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Library Aide	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Part time positions	5.80	4.80	4.80	4.80	5.30	5.30	5.30
Regular Limited Status positions	1.20	1.20	1.20	1.20	1.70	1.70	1.70
	19.00	18.00	18.00	18.00	19.00	19.00	19.00
Total FTE	55.00	80.00	81	80.00	80.00	80.00	80.00
Total Full Time Positions	67.00	72.00	1.00	74.00	73.00	73.00	73.00
Total Part Time Positions	7.00	6.00	6.00	6.00	7.00	7.00	7.00
Total FTE	74.00	78.00	7.00	80.00	80.00	80.00	80.00
General Fund FTE	48.00	51.00	52.00	51.00	49.00	49.00	49.00
Other FTE	26.00	28.00	29.00	29.00	31.00	31.00	31.00
Total FTE	74.00	79.00	81.00	80.00	80.00	80.00	80.00



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Five-Year Projection Excerpt

The following is excerpt from the five-year projection that the City produced prior to the budget process. The five-year projection is created to be a high-level review of revenue and expenditures of the City's operating funds. It is based on a moderate set of assumptions applied for all funds. Any adjustments to those assumptions are noted. This projection is not an in depth look at any one area but rather an overall view to envision what could happen given one set of circumstances. The application of our assumptions may cause negative fund balances in this projection. The City cannot legally have negative fund balances so estimates will be adjusted during the budget process.

Financial Projection – Citywide

We remain optimistic that development activity will continue in Happy Valley over the five years of this projection. Revenue for planning and engineering remains moderate overall with a steady upward trend. Barring a significant economic downturn, we believe some of the years in this projection will see high levels of building fees as a number of subdivisions become available. However, it is difficult to pinpoint when this will happen, so we are showing steady increasing building fees that match moderate 5-year spans from the past.

Development revenue is very difficult to predict for any specific fiscal year, so our goal is to create a projection with a realistic development revenue total. We then compare the development revenue total in this projection to revenue received during a prior similar growth period. If the development revenue total in this projection is similar to the prior growth period, we believe the projection to be realistic.

General Fund

In this projection, the General Fund has an operating deficit, difference between annual revenues and annual expenditures, for all five years. The operating deficit is largest in year one of the projection because of a \$5 million transfer to the Facility Capital Projects Fund. Removing the reserve for replacement and facility capital project fund transfers, which are discretionary, shifts the fund to an operating surplus in the first three years. Staff is added in each year of the projection in one of the General Fund departments.

This projection adds another \$2.5 million transfer to the Facility Cap Project Fund in year one and a total of \$5.5 millions in years two through five. Under this scenario, there would be \$10.3 million available for a project in the Facility Capital Project Fund after year 1, including previous year transfers.

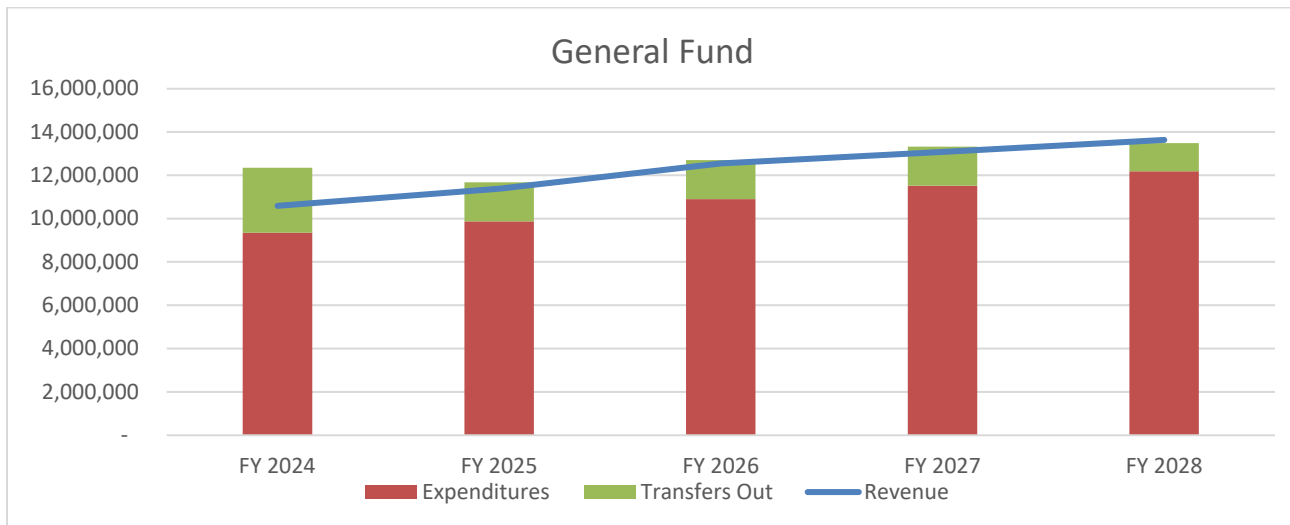
One primary long-term concern is the predicted increase of PERS rates. The City has taken a proactive approach to this by creating a PERS side account which will curb future PERS rate increases. Through State legislation that passed in 2019, the City took advantage available of matching funds to create a \$2 million PERS side account. The City's portion of this (\$1.6 million) came from the General Operations Reserve Fund.

The Urban Renewal Admin Fee which is 5% of Urban Renewal Tax revenue collected is a new revenue in the General Fund. This revenue source began in 2020-21 and will steadily increase as the Urban Renewal area grows in assessed value. The purpose of this fee is to cover the cost of running the Urban Renewal District programs including associated staff.

The chart on page 40 illustrates the reason for the operating deficits. The stacked bar represents ongoing expenditures in red and transfers out in green. Revenue is represented by a blue line. The revenue line is lower than the total stacked bar but higher than the expenditures represented by the red portion of the bar for each of the projection years. Transfers out of the General Fund are determined during the budget process and are based on Council Policy 13.04 Budget Reserves & Contingency. Given that the revenue line is higher than the expenditures portion of the bar adjustments could be made to create an operating surplus for all years of this projection if the amount of transfers was decreased.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

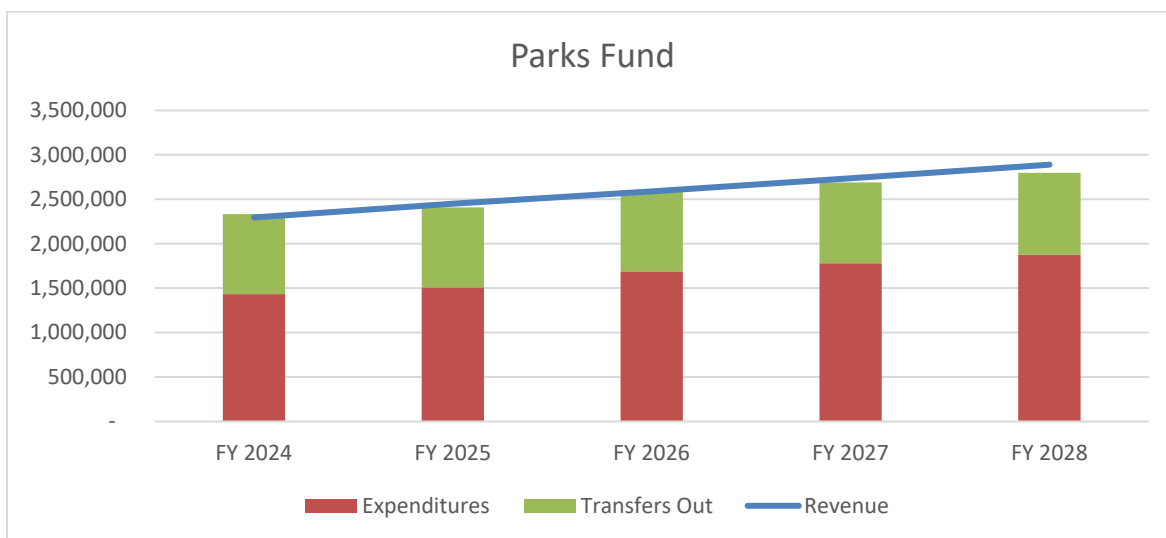


Parks Fund

This projection includes the parks operating levy property tax at \$0.54 per \$1,000 of assessed value. The current voter approved Parks Levy runs through Year 5 of the projection.

The operations department (parks maintenance) has FTE's added in year 1 which would bring the total FTE for the department up to 5.0. The recreation department has a FTE added in year 3 which would bring the total FTE for the department up to 4.0.

Under this scenario, the Parks Fund is able to transfer \$3.3 million to the Parks Reserve for Replacement Fund which will begin funding what is currently a large backlog of capital items that will eventually come due for replacement.



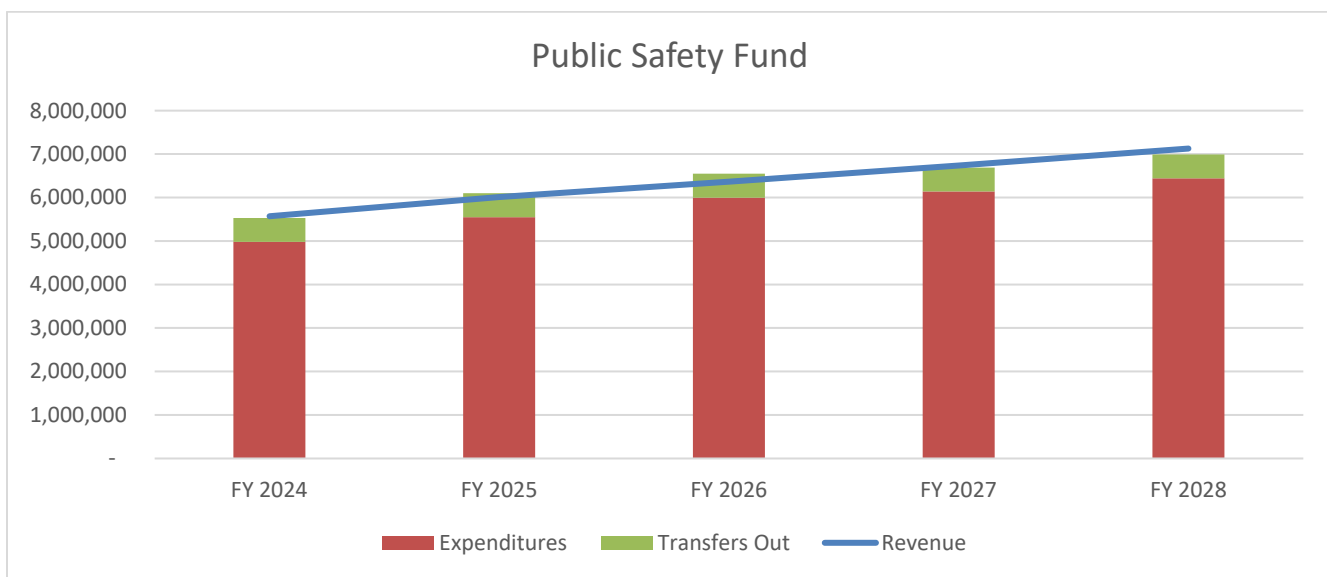


City of Happy Valley Fiscal Year 2023 - 2024 Budget

Public Safety Fund

The Public Safety fund is funded using a local operating tax levy of \$1.38 per \$1,000 of assessed value. The last tax levy was passed by voters in May 2019. This projection increases the FTE level by 1.0 in the second year of the projection and remains at 18 FTE thereafter. Although the \$1.38 per \$1,000 of assessed value does not change, as property is improved and annexed into the City the amount of taxes collected increases.

This fund has an slight operating deficit in two of the five years of the projection. If assessed value grows at the 6% rate shown in this plan, the City would be able to add additional FTE. Any additional growth beyond the 6%, which is certainly possible, will help erase any operating deficits.



Library Fund

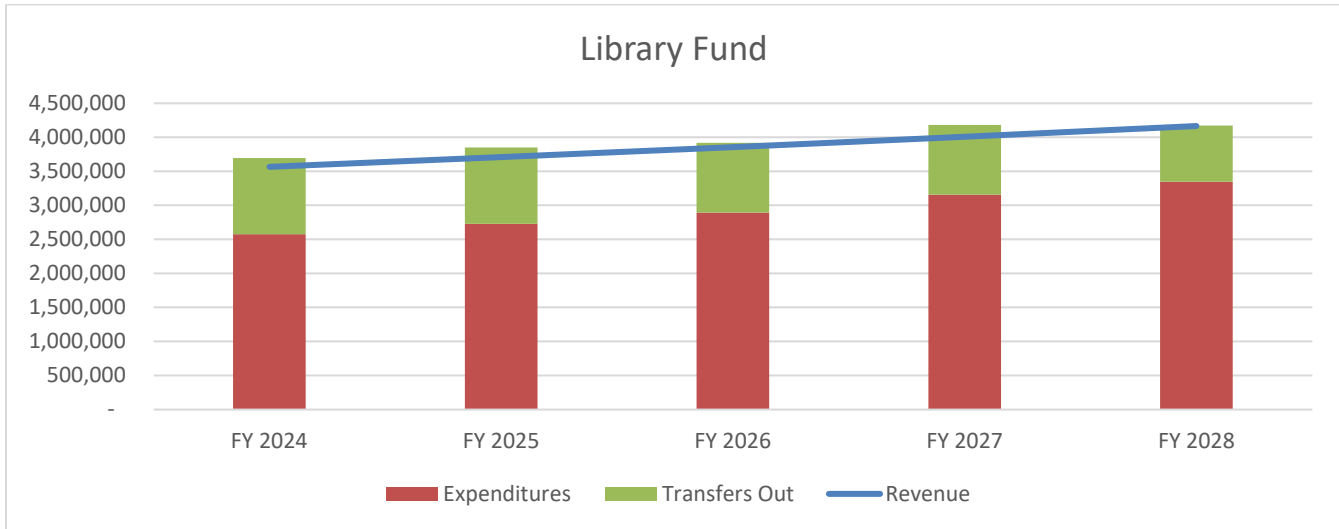
The projection shows an operating deficit in 4 out of 5 years, but that deficit is due to the amount transferred from the Library Fund to the Reserve for Replacement Fund.

The Library has 35 total employees, many of whom are used only on an 'on call' basis to fill in scheduling gaps. In year four of the projection, 1.0 FTE was added.

The transfers in this projection fund the Library Reserve for Replacement Fund to a very healthy level. The actual amount transferred to the reserve fund will be determined during the annual budget process. The amounts will be based on the schedule created for the replacement of equipment as well as any capital construction required. This projection shows transfers totaling \$2.5 million to the Library Reserve for Replacement Fund.



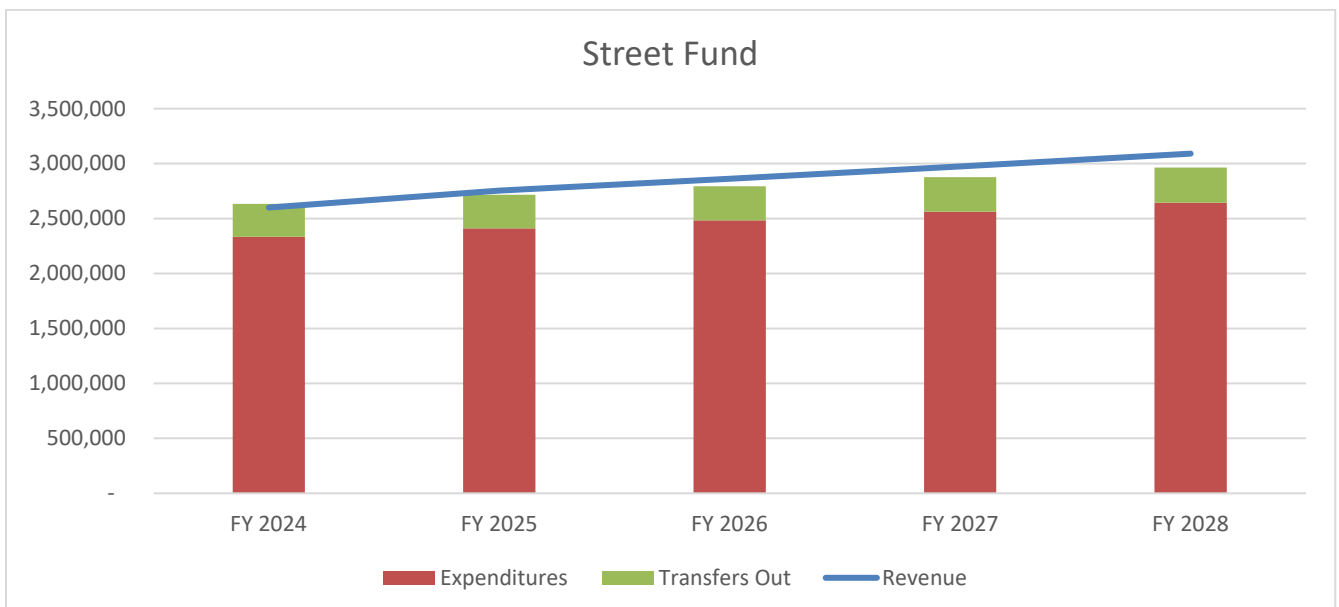
City of Happy Valley Fiscal Year 2023 - 2024 Budget



Street Fund

With the passage of HB 2017, the City's share of gas tax state shared revenue is projected to increase significantly. Additional revenue from the gas station built in the fall of 2016 which collects and remits to the City the local gas tax of 2 cents per gallon help increase the amount we can allocate to the street reconstruction line. Additionally, half of the City's vehicle registration fee goes to the Street Fund.

With the increased funding, this projection shows \$1.3-\$1.4 million available for street reconstruction each year. This puts the City on target for maintaining its current average of 82 paving quality index.



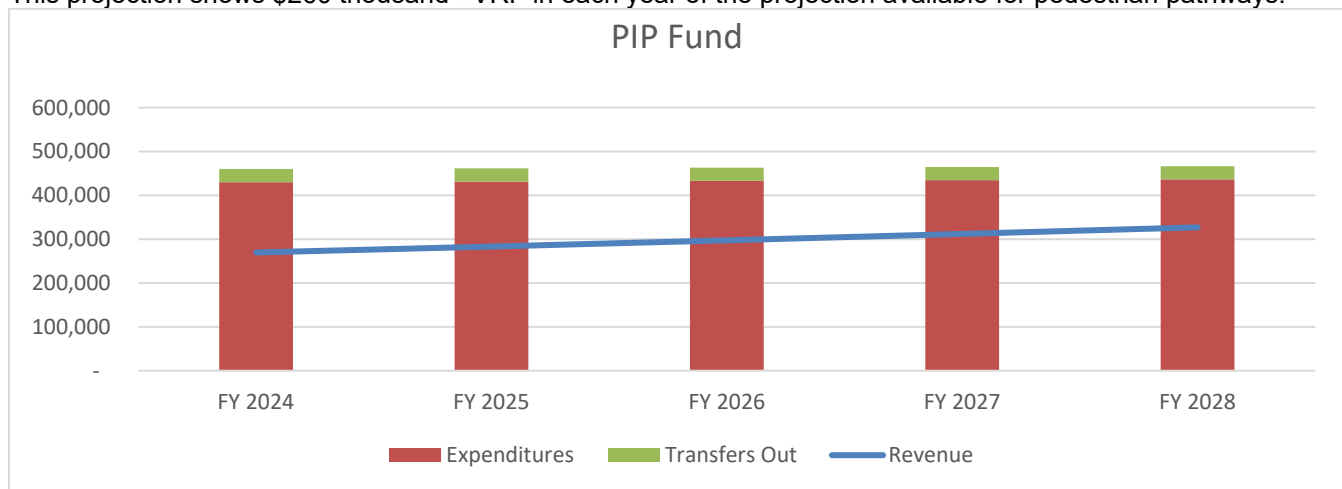


City of Happy Valley Fiscal Year 2023 - 2024 Budget

Pedestrian Improvement Projects (PIP) Fund

The expenditures in this fund will be for livability improvements such as bike path and sidewalk projects. In February 2019, the Clackamas County Board of Commissioners approved a countywide vehicle registration fee (VRF). The City began receiving this revenue in the 2019-20 fiscal year.

This projection shows \$260 thousand +VRF in each year of the projection available for pedestrian pathways.



Explanation of funds not included in the projection – System Development Charges (SDC), and Reserve Funds

The SDC funds accounts for Storm, Transportation and Parks SDC revenue collected and retained by the City. Expenditures for projects included in the Capital Improvement Plan (CIP) are identified and approved each year during the budget process.

Policy 13.04 Budget & Contingency defines conditions for the expenditure of reserve funds as well as the appropriate amount to accumulate in each fund.

The Reserve for General Operations Fund was established to offset the cyclical nature of the economy. The target level of this fund is discussed annually during the budget process and is guided by Council policy. One significant issue that affects the amount reserved in this fund is Public Employees Retirement System (PERS) employer rates. Our rates have increased for the 2023-25 biennium and it is highly likely rates will continue to increase over the five years of this projection. Each year during the budget process reserve funds are reviewed to determine an adequate reserve level and whether the funds are still required. PERS rate increases and how to counterbalance them will be a substantial part of that reserve level discussion.

The Reserve for Replacement Funds (General, Library, Street) are the long-term capital replacement plan for assets. A schedule for replacement of assets is used to determine the fund balance. The schedule considers replacement cost and service life of assets to determine the amount of revenue necessary to allow for replacement in the year required. Expenditures are based on the replacement schedule which is reviewed on an ongoing basis and revised when required.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

The General Fund accounts for all financial activities of the City except for those that by law or council decision are accounted for in other funds. The City's General Fund has five distinct departments: Administration, Community Services and Public Safety, Economic and Community Development, and Public Works.

Revenue Sources

The main sources of revenue in the General Fund are property taxes, right of way fees from utilities operating within the City, land use and construction fees, building permit fees, city's portion of various state shared revenues, municipal court fees, and intergovernmental revenue.

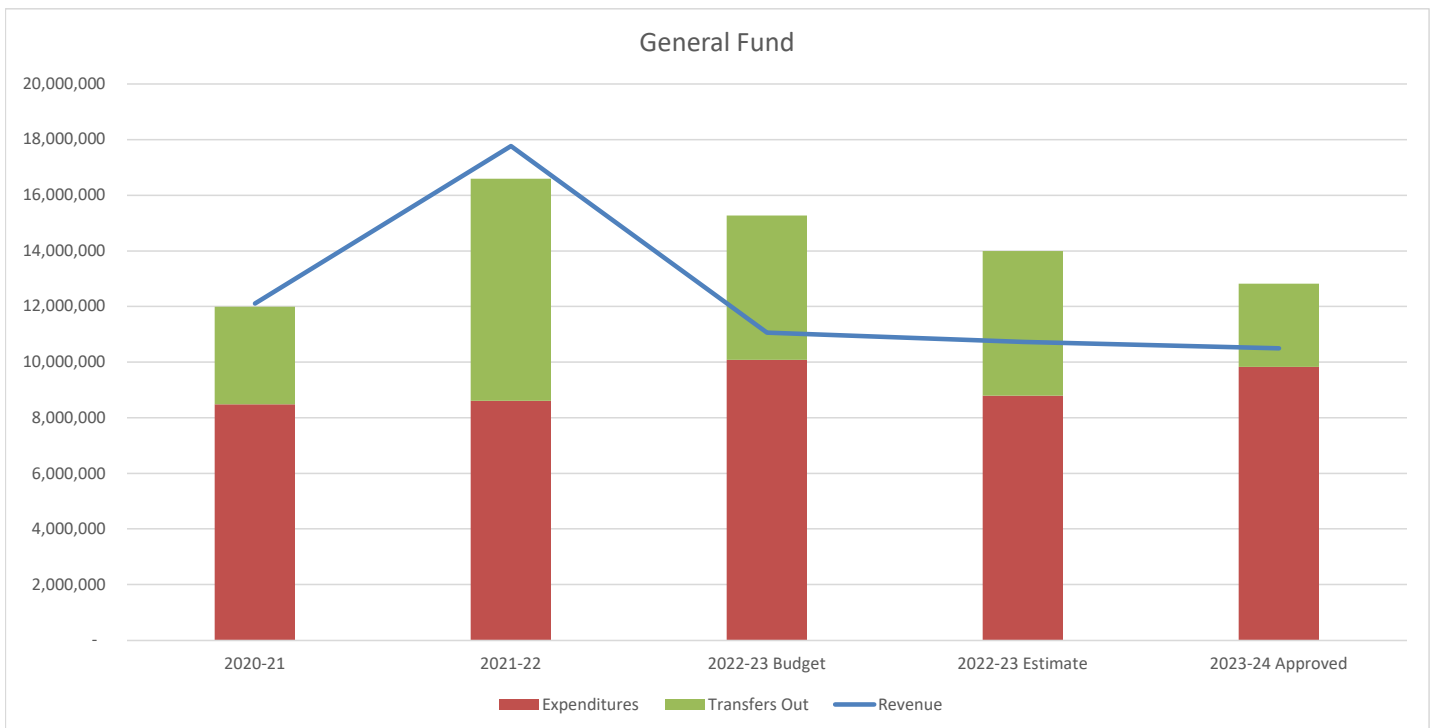
Expenditures

The main expenditures within the five departments are personnel and materials and services. General Fund capital outlay is expended in the Reserve for Replacement Fund which receives revenue as a transfer from the General Fund.

	Preceding		Adopted	Budget for Fiscal Year 2023-2024		
	2020-21	2021-22	2022-23	Proposed	Approved	Adopted
Administration	3,217,704	3,098,473	3,694,200	3,693,500	3,693,500	3,693,500
Community Service & Public Safety	1,247,480	1,275,290	1,392,900	1,381,700	1,381,700	1,381,700
Economic and Community Development	3,298,629	3,465,915	4,089,400	3,836,700	3,836,700	3,836,700
Public Works	720,631	761,087	895,900	908,000	908,000	908,000
Transfers	3,500,000	8,000,000	5,200,000	3,000,000	3,000,000	3,000,000
Contingency	-	-	3,923,242	3,102,436	3,102,436	3,202,436
Total	11,984,444	16,600,765	19,195,642	15,922,336	15,922,336	16,022,336

General Fund

	Preceding 2020-21	Preceding 2021-22	Adopted 2022-23 Budget	2022-23 Estimate	2023-24 Proposed	2023-24 Approved	2023-24 Adopted
Revenue	12,105,626	17,765,993	11,050,000	10,723,000	10,500,000	10,500,000	10,600,000
Expenditures	8,484,444	8,600,765	10,072,400	8,794,000	9,819,900	9,819,900	9,819,900
Transfers Out	3,500,000	8,000,000	5,200,000	5,200,000	3,000,000	3,000,000	3,000,000
Annual Operating Surplus / (Shortfall)	121,182	1,165,228	(4,222,400)	(3,271,000)	(2,319,900)	(2,319,900)	(2,219,900)
Beginning Fund Balance	7,336,926	7,458,108	8,145,642	8,623,336	5,422,336	5,422,336	5,422,336
Ending Fund Balance / Contingency	7,458,108	8,623,336	3,923,242	5,352,336	3,102,436	3,102,436	3,202,436





City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund Resources

General Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	7,336,926	7,458,108	8,145,642	8,623,336	5,422,336	5,422,336	5,422,336
Property Taxes	2,179,593	2,288,700	2,415,000	2,415,000	2,510,000	2,510,000	2,510,000
State Shared Rev	842,701	789,240	827,000	850,000	850,000	850,000	850,000
ROW Use Fee	1,912,466	2,145,835	2,050,000	2,200,000	2,250,000	2,250,000	2,250,000
User Related Fees	414,061	574,159	450,000	600,000	600,000	600,000	600,000
Building Fees	2,963,619	3,218,799	2,000,000	1,200,000	1,000,000	1,000,000	1,000,000
Planning Fees	200,650	268,036	150,000	180,000	150,000	150,000	150,000
Engineering Fees	531,750	779,574	300,000	280,000	250,000	250,000	250,000
SDC Compliance	278,350	202,528	200,000	50,000	50,000	50,000	50,000
Urban Renewal Admin Fee	25,000	66,712	100,000	170,000	200,000	200,000	200,000
Traffic Fines	561,804	608,060	600,000	490,000	500,000	500,000	500,000
Court Related Fees	114,781	166,233	150,000	90,000	100,000	100,000	100,000
Intergovernmental	436,886	248,056	200,000	350,000	200,000	200,000	200,000
Misc Revenue	152,007	149,194	100,000	340,000	200,000	200,000	200,000
ARPA	94,958	4,782,867	-	-	-	-	-
Transfers In	1,397,000	1,478,000	1,508,000	1,508,000	1,640,000	1,640,000	1,740,000
Total Revenues	12,105,626	17,765,993	11,050,000	10,723,000	10,500,000	10,500,000	10,600,000
Total Resources	19,442,552	25,224,101	19,195,642	19,346,336	15,922,336	15,922,336	16,022,336



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

Property Taxes: The City's permanent tax rate is \$0.671 per thousand dollars and is levied on the assessed value of property within the City as determined under current state law. Includes taxes levied in prior years but collected in the current year.

State Shared Revenues: Includes 20% of liquor receipts distributed monthly to cities on a per capita basis. with statutory authorization for distribution in ORS 471.810(a)(b) and 471.810(1)(d) and 14% of liquor revenues paid quarterly to cities based on formula outlined in the ORS 221.770. HB3601 passed in the 2013 Special Session and implemented January 1, 2014 raised the cigarette tax 13 cents. Although the tax per pack increased cities will not receive any additional proceeds. Two 2 cents of the \$1.31 per pack cigarette tax is distributed monthly to cities on a per capita basis with statutory authorization for distribution in ORS 323.445. Population estimates compiled each July by Portland State University's Center for Population Research are certified in January of the following year and thereafter govern the distributions. Cities are to receive 10% of marijuana state tax revenues. Distribution will be based on the number of licenses issued by OLCC in the previous year for premises located in each city, after administrative and enforcement expenses are deducted. The share will be based on the number of licenses for premises located in the city compared to the total issued by the OLCC for all premises in the state. Key statutes are ORS 475B.700-.710, and .760. These state shared revenues may be used for general city operations.

ROW Use Fees: Includes fees paid to operate within or use services provided by the City. These include facility rental charges, cell phone tower rental fees, bi-annual alarm permits, late payment and false alarm assessments, burn permits, registration fee for any dog 6 months or older, fees to operate a business within the City, local marijuana tax revenue, fee for passport photos and process filing for US Customs, and Metro business license program revenue.

Building Permit Fees: Residential and commercial, new and remodel inspection permits. Plan review for residential and commercial buildings including commercial buildings requiring a fire life safety plan. Permits and fees for mechanical inspection, plumbing inspection, and single lot erosion control. Other building permits not listed above such as: re-inspection, statewide Minor Label program revenue from the State of Oregon for performing plumbing and mechanical inspections, septic tank or sewer line abandonment, connection of public lateral to private homeowner sewer, residential construction sidewalk and driveway approach inspection, and certificates of occupancy.

Planning Fees: Includes all categories of development fees including fees by type of application and fees associated with a cost per lot to be developed. Fees are set to cover staff time and all related costs.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Resources

Engineering Fees: Includes fees to cover improvement plan review, overall development, erosion sediment control plan review, and periodic construction supervision of public improvements by the City to ensure compliance with National, State, Regional, and City standards.

SDC Compliance: Per the adopted SDC methodology, 5% of Transportation and Parks SDC's goes to the General Fund for the administration of the SDC programs.

Traffic Fines: Fines imposed in the Happy Valley Municipal Traffic Court.

Court Related Fees: Includes state and county fees associated with Traffic Court fines, municipal code violation fines, traffic safety class for persons who commit minor traffic infractions, fee to review variance applications and monitor for non-compliance issues.

Intergovernmental: Revenue from other municipalities or governmental agencies such as solid waste franchise fees, 5% of Metro Construction Excise tax, 3% of North Clackamas School District Construction Excise Tax and fees to cover administrative costs, payments from other jurisdictions for code enforcement, building inspection, street sweeping services provided, and grant revenue received from other municipalities or governmental agencies.

Misc Revenue: Includes but not limited to: unanticipated income for copy fees, refunds, donations, interest income from cash in the Local Government Investment Pool, grant revenue received from other than governmental agencies.

Transfers In: From other funds to cover respective portion of allocated costs associated with administration.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund Administration



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Administration

Manager: Jason Tuck, ICMA-CM

Administration consists of the Office of the City Manager, Human Resources, City Recorder, Risk, Finance, and Information Technology.

City Manager

The Office of the City Manager is responsible for governmental coordination/cooperation, program evaluation/management, management of City staff, Council coordination/communication, special project management, implementation of Council goals and policies, fiscal responsibility/transparency, and franchise agreement negotiation/administration.

Staff members include City Manager, Assistant City Manager, Program Technician Policy Analyst, Executive Assistant.

Human Resources/Risk Management

Human Resources is responsible for ensuring comprehensive competitive benefit packages, providing strategic interaction with departments to attract, hire, and retain top candidates for each position, work collaboratively to provide the best outcomes to challenges related to employees as they occur.

Staff members include Human Resources Director.

City Recorder / Risk Management

The City Recorder is responsible for the maintenance of official Ordinances and Resolutions and records pertaining to the City Council, liaison with the Clackamas County Recorder's Office, as well as all archival responsibilities for City records. The City Recorder also acts as the Elections Officer, ensuring all applicable laws are adhered to during the course of all elections within the City.

Risk management includes 1) identification of risk 2) risk assessment including minimizing exposures wherever practicable 3) transfer of risk utilizing risk management and insurance strategies 4) implementation and ongoing monitoring of the risk management plan 5) review and revision as needed. Administration and evaluation of Contracts, Intergovernmental Agreements, Bonds and other forms of financial guaranty which the City regularly requires for both developments within the City, as well as for projects initiated by the City Council. Management of the City's insurance program including Property, Casualty, and Workers' Compensation.

Staff members include City Recorder, Records Specialist.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Administration

Information Technology

Information Technology manages City servers, WAN and LAN, computer and peripheral equipment, all software programs tailored specifically to meet the varying needs of staff.

Staff members include Information Services Manager, Information Systems Support Specialist.

Finance Department

Finance is responsible for management of all financial aspects in accordance with generally accepted accounting principles and Federal and State regulations, maintenance of automated systems to provide useful accurate financial information to internal and external users, creation of annual budget per local budget statutes, creation of financial statements, management of annual audit process, manage banking and investments.

Staff members include Finance Director, Accounting & Grant Supervisor, Accounting Specialist, Financial Analyst.

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22	2022-23	Proposed	Approved	Adopted
Personnel Services	1,602,908	1,602,908	2,104,200	2,168,500	2,168,500	2,168,500
Material and Services	1,614,796	1,614,796	1,590,000	1,525,000	1,525,000	1,525,000
Total	3,217,704	3,217,704	3,694,200	3,693,500	3,693,500	3,693,500

General Fund - Administration

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Personnel Services							
FTE Positions	11.0	12.0	13.0	13.0	13.0	13.0	13.0
Wages	\$ 1,067,027	\$ 1,232,396	\$ 1,304,600	\$ 1,230,000	\$ 1,387,800	\$ 1,387,800	\$ 1,387,800
Benefits	535,881	576,250	799,600	650,000	780,700	\$ 780,700	780,700
Total Personnel Services	<u>1,602,908</u>	<u>1,808,646</u>	<u>2,104,200</u>	<u>1,880,000</u>	<u>2,168,500</u>	<u>2,168,500</u>	<u>2,168,500</u>
Materials and Services							
Office Supplies	191,175	200,614	160,000	140,000	160,000	160,000	160,000
Professional Development	101,378	104,142	160,000	115,000	150,000	150,000	150,000
Utilities	100,357	112,882	150,000	130,000	155,000	155,000	155,000
Public Accountability	33,784	17,582	40,000	60,000	60,000	60,000	60,000
Repairs & Maintenance	5,488	872	-	-	-	-	-
Facility & Office Service Contracts	331,477	335,183	350,000	300,000	350,000	350,000	350,000
Public Outreach	415,214	78,535	80,000	40,000	50,000	50,000	50,000
General Operating	244,766	252,097	250,000	250,000	300,000	300,000	300,000
Legal	43,220	64,543	150,000	70,000	100,000	100,000	100,000
Contract Services	147,937	123,377	250,000	160,000	200,000	200,000	200,000
Total Materials and Services	<u>1,614,796</u>	<u>1,289,827</u>	<u>1,590,000</u>	<u>1,265,000</u>	<u>1,525,000</u>	<u>1,525,000</u>	<u>1,525,000</u>
Total Administration	<u>\$ 3,217,704</u>	<u>\$ 3,098,473</u>	<u>\$ 3,694,200</u>	<u>\$ 3,145,000</u>	<u>\$ 3,693,500</u>	<u>\$ 3,693,500</u>	<u>\$ 3,693,500</u>



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Administration

Goals and Priorities

General Administration

- Continue partnership with the City's lobbyist to monitor upcoming legislative session and engage with local legislators.
- Implement and track progress on the DEI Strategic Plan.
- Finalize Municipal Code updates regarding anti-camping laws.
- Participate on the Cities Workgroup for the Clackamas County Climate Action Plan.
- Complete the Community Center Feasibility Study.
- Continue to pursue land acquisition for Community Center and future downtown.
- Complete the design for the Library expansion and Village Green Park renovation.
- Coordinate with Public Works Department and Metro to finalize transfer of miscellaneous properties at Mt. Talbert.
- Finalize Intergovernmental Agreement with Metro to receive "local share" dollars as part of the Parks and Nature Bond Measure.
- Develop short-term rental regulation options for City Council.

Human Resources

- Implement City equivalent plan for Oregon Paid Sick Leave.
- Complete a full Job Description Review and Equal Pay Analysis.
- Finalize digitizing new employee pre-boarding and onboarding process.
- Finalize programming for regular training programs to auto deploy.
- Finalize moving remaining electronic employee files to Laserfiche.
- Continue to develop and grow diverse and qualified applicant pools for vacant positions.
- Complete violence in the workplace training for staff, City Councilors and committee members.
- Complete the development of a formalized volunteer program in partnership with Risk Management.

City Recorder

- Continue to lead the effort to digitize current and historical records with the support of supervisors.
- Plan a successful Laserfiche Week 2023 with 2,300 records or more digitized records during that event.
- Automate processes for Human Resources using Laserfiche, such as pre-boarding and onboarding.
- Digitize all annexation files from the records storage room in partnership with the Records Specialist.

Performance Measures	2022-23 Estimated	2023-24 Forecast
Documents Archived in Laserfiche	44,426	46,000
Public Record Requests	69	75
City Council Meetings	29	30



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Administration

Risk Management

- Complete the development of a formalized volunteer program in partnership with Human Resources.
- Partner with the Safety Committee to complete the audit of Safety Data Sheets.
- Implement improved written documentation and tracking for facility safety inspections.
- Coordinate the Best Practices Survey with City County Insurance Services.

Risk Management performance measures	2022-23 Estimated	2023-24 Forecast
Certificates of Insurance	312	350
Contracts	121	125
Property Damage Reimbursements	2	1
Financial Guarantees	42	45

Information Technology

- Look into moving the Library to Microsoft Teams Phone later in 2023.
- Start moving files server data into various Department Teams locations.
- Transition more software deployment to automated systems when possible.
- Expand the use of our JIRA platform for more options and departments.
- Deployment of new Tyler Enterprise Permitting software for call city services.
- Transition all users to Adobe Acrobat Enterprise from FoxIT.
- Decide best solution for Microsoft licensing renewal.
- Provide new FTP with training options.
- Migrate all city Apple devices to managed solution.
- Continue providing internal customer service on help desk requests.

Finance

- Create comprehensive internal control document and review all financial policies and compare to GFOA best practices.
- Create a Capital Improvement Plan (CIP) as it relates to each Reserve for Replacement Fund to become part of the budget document.
- Complete software implementation projects for Energov.
- Complete debt issuance and disclosures for the purchase of property.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Expenditures, Administration

Personnel:

Wages: City Manager, Assistant City Manager, Finance Director, Human Resources Director, Information Systems Manager, City Recorder, Program Technician Policy Analyst, Executive Assistant, Records Management Specialist, Information Systems Support Specialist, Accounting & Grant Supervisor, Accounting Specialist, Financial Analyst.

Benefits: Unemployment claims, retirement incentives, employer portion of FICA and Tri-met taxes, Paid Leave Oregon tax (1% employee and employer cost share picked up by the City), medical and dental benefits (employees pay 5% of premium costs), life and disability insurance, payments to PERS system for both the employer percentage and 6% employee portion, and workers' compensation insurance pooled through the League of Oregon Cities.

Materials and Services:

Office Supplies: General office supplies, postage, computer, and technology items less than \$5,000.

Professional Development: Training, travel, and meals related to City business, annual membership and professional organization dues, certifications, subscriptions, and books for staff budgeted under Administration and City Council.

Utilities: All utilities including gas, electricity, trash, recycling, phone services, water, storm, and sewer for all City facilities excluding the Library and Community Policing Center.

Public Accountability: Legal notices, website hosting of Municipal Code, financial audit, city recorder fees.

Public Outreach: Costs associated with City events, expenses for City sponsored events with other civic entities, community events, social media, newsletter (portion allocated to the Public Safety Fund), tourism, annexation program, merchandise for sale with the City logo, and Youth Council.

Repairs and Maintenance: Repairs, improvements, maintenance, and cleaning supplies for the City Hall building and systems.

Facility and Office Service Contracts: Annual maintenance and service contracts related to the City's facilities and operations. This includes the accounting system, internet services, website, document management, network, computer software, facility access and security, elevator, HVAC, landscape, and janitorial services maintenance agreements.

General Operating: Property, General Liability Automobile, banking fees, title search fees, other miscellaneous fees, costs associated with recruiting and hiring, and employee recognition and appreciation programs.

Legal: Legal expenses pertaining to all General Fund departments.

Contract Services: Services required beyond the scope of staff and items requested by Council.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

General Fund

***Community Services/Public Safety
Department***



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Community Services and Public Safety

Manager: Steve Campbell

Community Services and Public Safety consists of Police, Emergency Management, Code Enforcement, Animal Control, Municipal Court/Juvenile Diversion and Public Information & Services.

Police/Emergency Management

The Police/Emergency Services department operates in close coordination with the Clackamas County Sheriff's Office and Clackamas Fire District #1 to ensure public safety and provide efficient emergency services. This department oversees the police contract, which includes managing police staffing, setting mission and goals, and delivering general police services to the community. A primary focus is maintaining public safety through preventive measures that help avoid events that could endanger the well-being of the public. The department also takes charge of crime prevention programs to proactively address potential threats and ensure a secure environment. In addition, they facilitate public forums, such as the Traffic & Public Safety Committee, where citizens can express their safety concerns and collaborate on finding solutions. To ensure preparedness for emergencies, the department plays a pivotal role in developing comprehensive plans like the Emergency Operations Plan, Hazard Mitigation Plan, and Continuity of Operations Plan. They also serve as the Emergency Manager and take on the role of Incident Commander when the Emergency Operations Center is activated, effectively coordinating responses during critical situations. Through these efforts, the Police/Emergency Services department works diligently to safeguard the community and respond swiftly and effectively in times of crisis.

Staff members include Director of Community Services & Public Safety.

Code Enforcement & Animal Control

Our dedicated team of community service officers provide code enforcement and animal control as their primary function. Our main objective is to promote code compliance through proactive enforcement, effective communication, and mediation with citizens, businesses, builders/developers, and neighbors. In addition to addressing specific code violations, our officers and volunteers use their role in code compliance to identify other potential issues within the neighborhood, working towards a safer and more harmonious community. We also prioritize community safety through a comprehensive crime prevention program, engaging crime watch volunteers to patrol parks, schools, and open spaces. When it comes to animal control, we strive to reunite lost or found animals with their owners by leveraging licensing records and chip ID recognition. Our team also investigates complaints related to animal neglect and abuse, advocating for the welfare of our furry companions. We emphasize education for pet owners, highlighting the importance of adhering to animal laws and the benefits of properly licensing their pets. Furthermore, we acknowledge the needs of our homeless community and promptly respond to calls, providing resources and support. Collaborating with a transitional shelter, that offer shelter and food to those in need, recognizing the importance of providing assistance and care for vulnerable individuals. To ensure the safety and compliance of our parks and trails, our Community Service Officers (CSOs) regularly patrol Happy Valley parks, including larger Metro-owned parks, to uphold park rules and ensure the well-being of all patrons.

Staff members include Community Service Officer Coordinator, 2 Community Service Officers, Administrative Assistant II.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Community Services and Public Safety

Municipal Court / Juvenile Diversion

The Court Administration is responsible for the judicial resolution of minor traffic and parking violations, as well as cases involving minors in possession of alcohol, tobacco, and City ordinance infractions. The dedicated court staff oversees various administrative duties, including enrollment, instruction, and compliance monitoring of traffic safety and fireworks diversion classes. These classes serve as an educational component of the court process and are offered to individuals who qualify. The court staff diligently work towards resolving specified offenses through compliance, diversion, or non-contested payment, ensuring a fair and efficient legal process. In cases involving low-level youth offenders, the Juvenile Diversion program provides an opportunity for community service, offering a constructive alternative to traditional legal proceedings. Through these efforts, the Court Administration aims to administer justice, promote education, and provide appropriate resolutions for minor offenses within the community.

Staff members include Municipal Court Clerk I (1), Municipal Court Clerk II (1).

Public Information/Marketing & Administrative support Services

The Community Services and Administrative Support Services team serves as a crucial link between the city government, local media, citizens, and the business community. In their role as the Public Information Office, they oversee various communication channels, including the management of the newspaper, media releases, the community radio station, city website, and City social media platforms. Furthermore, they act as a liaison to the Happy Valley Business Alliance and Homeowner Associations, fostering collaboration and engagement between these entities. In addition to their communication and liaison duties, the team also takes charge of overseeing key programs such as the Happy Valley Youth Council, tourism program, and passport services program. They facilitate residential tree permits, business licenses, special event permits, filming permits, alarm permits, burn permits, and animal licensing. Furthermore, they manage the solid waste franchise, city store, and marketing efforts. Another essential aspect of their work involves providing administrative support to both residents and staff members. They assist residents and business owners in navigating administrative processes smoothly, ensuring the issuance of licenses and permits, and facilitating passport services. Moreover, the team supports internal staff by managing incoming calls, providing notary services, maintaining office supplies, and efficiently handling mail distribution throughout the organization.

Staff members include Program Supervisor, Administrative Assistant I, Administrative Assistant II, Communication & Public Relations Coordinator.

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2023- 2024		
	2020-21	2021-22	2022-23	Proposed	Approved	Adopted
Personnel Services	1,206,184	1,223,460	1,313,900	1,301,700	1,301,700	1,301,700
Material and Services	41,296	51,830	79,000	80,000	80,000	80,000
Total	1,247,480	1,275,290	1,392,900	1,381,700	1,381,700	1,381,700

General Fund - Community Services and Public Safety

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Personnel Services							
FTE Positions	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Wages	\$ 738,855	\$ 768,452	\$ 788,300	\$ 770,000	\$ 794,000	\$ 794,000	\$ 794,000
Benefits	467,329	455,008	525,600	450,000	507,700	\$ 507,700	507,700
Total Personnel Services	<u>1,206,184</u>	<u>1,223,460</u>	<u>1,313,900</u>	<u>1,220,000</u>	<u>1,301,700</u>	<u>1,301,700</u>	<u>1,301,700</u>
Materials and Services							
CSPS Supplies	1,981	5,220	4,000	7,000	10,000	10,000	10,000
Professional Development	4,946	10,964	25,000	13,000	20,000	20,000	20,000
Public Safety Related	34,369	33,516	40,000	30,000	40,000	40,000	40,000
Contract Services	-	2,130	10,000	-	10,000	10,000	10,000
Total Materials and Services	<u>41,296</u>	<u>51,830</u>	<u>79,000</u>	<u>50,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
Total Community Services and Public Safety	<u>\$ 1,247,480</u>	<u>\$ 1,275,290</u>	<u>\$ 1,392,900</u>	<u>\$ 1,270,000</u>	<u>\$ 1,381,700</u>	<u>\$ 1,381,700</u>	<u>\$ 1,381,700</u>



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Expenditures, Community Services and Public Safety

Goals and Priorities

Community Services

- Continue to increase communication efforts through real time messaging on social media.
- Participate in social media training focusing on industry standards for government messaging.
- Continue to research and develop prospective programs that may be utilized in Happy Valley to bolster Community Safety (Lock Box program) and Parks and Recreation marketing (Marketing Brand Representatives).
- Continue working with finance to initiate online dog/business/alarm licensing and permitting with Energov. Scheduled to switch over in May 2023.
- Build Meals on Wheels fundraising opportunities through success of Pints with Purpose. Search for other ways to help with funding of the growing service in Happy Valley.
- Created an online appointment schedule system for applicants to book passport appointments online. Online system allows applicants to receive information emails, receive appointment confirmation email 24 hours before appointment or the ability to change or cancel appointment if necessary. Online appointments started 03/01/23. Continue accepting passport applications by utilizing online scheduling system.

Performance Measures

Council Goal: Effective, efficient, and readily available services.

Statistics	2020-21 Actual	2021-22 Actual	2022-23 Estimated	2023-24 Forecast
Business Licenses				
· NEW	230	186	257	134
· RENEW	827	901	918	775
Passports Issued	1,550	4,379	5,180	2,400
City Instagram Account Followers	1,500	2,000	2,400	2,700



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Code Enforcement Goals

- Create the tree trimming program to help residents with proper time to trim trees in violation of the city code and provides disposal services at leaf drop off and guidance with the City arborist.
- Staff certification for mediation services.
- Obtain Animal Abuse Investigator Certification for Staff.
- Obtain current information on HOA's and boards. Create and keep a database with updated information bi-annually.
- Establish a park/business watch program.
- Create a partnership with local veterinarians and Clackamas County Dog Services to increase dog licenses within the city

Performance Measures

Council Priority: Collaborate with community and regional partners to ensure a safe community.

	2020-21	2021-22	2022-23 Estimated	2023-24 Forecast
Dog Licenses				
· NEW	212	260	231	357
· RENEW	383	360	352	434
Tree Permits	149	169	164	154
Alarm Permits				
• NEW	123	103	167	112
• RENEW	440	651	440	664
Community Watch Patrols - Total Volunteer Hours	619		407	600
Code Cases for this time period	2,578	2185	3,068	3,459
Animal Cases-including dog bite & abuse investigations	152	76	162	176
Construction Site Violations/inspections	799	746	1,808	1,609
Noxious Vegetation Complaints and enforcement	63	53	79	97
Park Patrols	466	407	1,739	1,678
Noise/Construction Variances	40	106	81	57

Court

- Research Tyler Incode Notify
- Re-visit Parking E-cites
- Implement updated credit card processing procedure
- Oregon Court Administration Certification Level 1 – Brionna
- Oregon Court Administration Certification Level 2/3 - Kim

	2020-21	2021-22	2022-23 Estimated	2023-24 Forecast
Traffic violations	2,598	2,649	2,768	2,800



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Expenditures, Community Services and Public Safety

Personnel:

Wages: Director of Community Services & Public Safety, Program Supervisor, Community Services Officer Coordinator, Community Services Officer, Communication & Public Relations Coordinator, Municipal Court Clerk I (1), Municipal Court Clerk II (1), Administrative Assistant I (1), Administrative Assistant II (2).

Benefits: Items paid from these line items include unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, Paid Leave Oregon tax (1% employee and employer cost share picked up by the City), medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

CSPS Supplies: Supplies other than Office Supplies needed for the various functions included in this department as well as equipment below the capital item threshold. Includes but not limited to items to provide photo passport and process filing for US Customs and supplies needed in case of emergencies as stipulated in grant agreements.

Professional Development: Training, travel, and meals related to City business, annual membership dues to professional organization, certifications, subscriptions, and books for staff. Training in code enforcement, emergency services, animal control, and any of the various services provided by the department.

Public Safety Related: Lodging costs associated with non-licensed animals found in the City per requirement the City shelter animals in custody. Judge for Municipal Court sessions, translation services including signing to aid communication between defendants and court staff, student books and materials for Driver Safety Classes, and City's portion of costs for administering juvenile diversion program.

Contract Services: Contract services for nuisance abatement. The City contracts services to remove nuisances on private property if court ordered abatement fails.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

General Fund

***Economic and Community Development
Department***



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Economic and Community Development

Manager: Michael D. Walter, AICP

The Economic and Community Development Department consists of three divisions, the Planning & Economic Development Division; the Engineering Division; and the Building Division. Each has specific responsibilities, though many are inter-departmental responsibilities in relation to development reviews.

Planning and Economic Development Division

Guide residential, institutional, commercial and industrial growth to facilitate improvement of quality of life of our residents. Provide information and assistance to developers and the general public about development requirements, the planning process, and Planning Commission and City Council procedures. Optimize land development, confirm compliance with adopted land use regulations and policies, and ensure development projects enhance the functional and visual characteristics of the community. Provide technical review of preliminary and final subdivision plats, design review, transportation planning, environmental planning, landscape plan review, annexations, development agreements, and long-range planning. Coordinate planning and economic development efforts with other city departments and local, regional, and state planning agencies and organizations. Review, research, and update our Comprehensive Plan and Land Development Code to be certain it meets the goals prescribed by regional and state planning agencies as well as the City Council. Promote the development and expansion of commercial, industrial and health care sector businesses. Promote the annexation of properties in order to provide future economic development opportunities and residential growth.

Staff members include the Economic and Community Development Director, Planning Services Manager, Senior Planner (2), and Planning Assistant.

Engineering Division

Oversee construction and improvement of city facilities and infrastructure, provide public works related inspections, review plans, monitor construction activities, and submit grant applications. Provide strategic planning related to new development, transportation improvements, utilities, city-supported public works programs and capital improvement projects in conjunction with other city departments. Provide city residents a high level of customer service relative to street construction, improvements, maintenance and repairs, and public rights-of-way. Coordinate surface water issues with Clackamas County Water Environment Services (WES). Coordinate with the Traffic and Public Safety Committee, City Traffic Engineer, Code Enforcement, and Public Works Director regarding the installation and maintenance of signage and traffic control devices within public rights-of-way. Coordinate with Public Works on street cleaning including; sweeping, debris pick-up and hazardous spill removal coordination, and MS4 reporting. Review construction plans for compliance with national, regional and city standards and oversee construction and improvement projects relative to new development and growth within the city limits.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Economic and Community Development

Oversee capital, upgrade, and public improvement projects within the public rights-of-way, utilizing System Development Charges for capital projects. Update Street Inventory Pavement Management Program and conduct feasibility studies regarding street pre-design. Work with the other departments relative to new site development, code compliance, and final plat review to assure compliance with conditions of approval. Maintain and updates as necessary the City's Construction Design Standards.

Staff members include the City Engineer, Senior Civil Engineer (2), Engineering Inspector II, Engineering Technician II, and Administrative Assistant II.

Building Division

Provide code administration, inspection, plan review and permit services integral to the safe and effective construction of structures in the City. Services provided to architects, engineers, contractors, and members of the public who need code interpretation of various specialty codes. Maintain updated copies of Oregon's construction codes and rules for use within the jurisdiction. Ensure organizations are operating in compliance with appropriate laws, individuals are properly licensed, and products meet legal specifications. Permit and inspection services provided for structural, mechanical, electrical, and plumbing permits. Issue permits to administer and enforce the state's building codes including plan review for construction. Recognize and meet the work plan and program standards mandated through the Tri-County Service Board (State of Oregon Building Codes Division Northwest Regional Office). Issue timely building permits for construction projects following submission of complete permit applications and plans. Accomplish all requested building inspections within 24 hours of date of request. Respond to public concerns within 48 hours from date received. Provide inspection services and plan review to the City of Milwaukie and City of Oregon City per existing Intergovernmental Agreements. Allow for, facilitate, and encourage alternate methods of construction and or materials. Provide code resources for architects, engineers, building contractors and homeowners. Uniformly administer and enforce the state building codes, city ordinances and policies that set standards for construction.

Staff members include the Building Official, Building Inspector I (1), Building Inspector II (2), Plans Examiner I, Plans Examiner II, Permit Technician Supervisor, Building Permit Technician (2), and Administrative Assistant I.

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22	Budget 2022-23	Proposed	Approved	Adopted
Personnel Services	2,654,196	2,971,534	3,444,400	3,276,700	3,276,700	3,276,700
Material and Services	644,433	494,381	645,000	560,000	560,000	560,000
Total	3,298,629	3,465,915	4,089,400	3,836,700	3,836,700	3,836,700

General Fund - Economic & Community Development

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Personnel Services							
FTE Positions	20.0	24.0	24.0	22.0	22.0	22.0	22.0
Wages	\$ 1,705,923	\$ 1,912,899	\$ 2,135,500	\$ 2,000,000	\$ 2,064,300	\$ 2,064,300	\$ 2,064,300
Benefits	948,273	1,058,635	1,308,900	1,110,000	1,212,400	\$ 1,212,400	1,212,400
Total Personnel Services	<u>2,654,196</u>	<u>2,971,534</u>	<u>3,444,400</u>	<u>3,110,000</u>	<u>3,276,700</u>	<u>3,276,700</u>	<u>3,276,700</u>
Materials and Services							
ECD Supplies	1,023	1,910	5,000	1,000	5,000	5,000	5,000
Professional Development	15,332	19,986	40,000	28,000	35,000	35,000	35,000
Contract Services	628,078	472,485	600,000	470,000	520,000	520,000	520,000
Total Materials and Services	<u>644,433</u>	<u>494,381</u>	<u>645,000</u>	<u>499,000</u>	<u>560,000</u>	<u>560,000</u>	<u>560,000</u>
Total Economic & Community Development	<u>3,298,629</u>	<u>3,465,915</u>	<u>4,089,400</u>	<u>3,609,000</u>	<u>3,836,700</u>	<u>3,836,700</u>	<u>3,836,700</u>



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Economic and Community Development

Goals and Priorities

Planning and Economic Development Divisions

- Adopt the Pleasant Valley / North Carver Comprehensive Plan.
- Update the East Happy Valley Comprehensive Plan (Comprehensive Plan/Zoning Map amendments) in the planned Happy Valley Downtown District (HVDD) area and create a specific HVDD Overlay Zone.
- Initiate direction from the City Council on short-term rentals and amend the Land Development Code as needed.
- Begin development of a Housing Production Strategy.
- Initiate the City Council directed Land Development Code amendments for tree preservation.
- Implement the initial Climate Friendly and Equitable Communities (CFEC) Land Development Code requirements and initiate the final associated LDC amendments.
- Complete implementation of a new permitting and application submittal system.
- Continue learning and applying ArcPro GIS system to improve transparency and information sharing.
- Continue to improve the GIS structure and policies.

Performance Measures

Council Goal: Managed growth and development.

Statistics	2020-21	2021-22	2022-23 Estimated	2023-24 Forecast
Annexations	0	6	3	10
Accessory Dwelling Units	3	3	1	2
Comprehensive Plan Amendments (CPA)	3	3	5	1
Comprehensive Plan Amendment-Amendment	0	0	1	0
Conditional Use	1	1	0	1
Conditional Use Amend			1	0
Design Review	24	26	29	22
Design Review Amend	5	1	3	1
Environmental Review	5	2	6	4
Extension	4	7	4	3
LUCS			17	10
Master Plan	3	1	0	1
Master Plan Amend			1	1
Model Home	3	1	1	1
Home Occupation Permit	0	0	1	1



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Land Partition	4	4	2	3
Lot Line Adjustment	5	3	6	4
Land Development Code	5	4	6	5
Pre-Applications	24	26	21	22
Temp Sign Permits	16	24	7	5
Tree Permits	19	30	32	30
Planned Unit Development	0	1	2	1
Planned Unit Development Amend	0	1	1	1
Subdivisions	2	2	1	2
Subdivisions Amend	1	0	0	1
Street Vacation	1	0	0	1
Temporary Use	17	11	10	10
Variance	13	7	2	2
Totals	158	164	163	125

Engineering Division

- Continue to provide excellent customer service levels and quality of work on development related projects by working with internal staff, including Planning and Building, to utilize new technologies for electronic plan submittals, improve on efficiencies in review and inspections, and continually provide communication and feedback throughout the project.
- Continue work on Transportation and Parks SDC credit applications, Reimbursement Districts and extensive construction plan review and inspections.
- Continue to plan and manage the design and construction of the CIP paving and maintenance projects.
- Continue to work with Clackamas County on the future 172nd Avenue Capital Improvement Project and provide engineering support to other capital projects including the 129th Ave./King Rd. compact roundabout; Superblock Phase 3; the future public works facility; and preliminary designs for several important collector road extensions.
- Publish an update to the Engineering Design and Standards Manual including a major update to standard design drawings.
- Update the Land Development Code Section 16.50 (Public Facilities), to provide clear and objective standards for frontage improvements to single-family and middle housing developments.

	2020-21	2021-22	2022-23 Estimated	2023-24 Forecast
Public ROW Permit	113	134	126	120
Site Development Permit	14	18	20	19
Erosion Control Permits	13	18	19	20
Minor Grading Permits	3	4	5	5
Totals	143	174	170	164
Inspections				
Erosion Control Inspections	228	308	184	164



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Economic and Community Development

Building Division

- Continue to archive all new house permits as they are completed and begin archiving ALL projects large and small when they are complete.
- Provide training for builders on using new Enterprise/EPL permitting system launching in Summer 2023.
- Provide additional training for staff and builders for the adopted 2021 Residential Building Code.
- Continue to move “all things digital” in our permitting, plan review, and inspection processes.

Performance Measures

Council Goal: Managed growth and development.

	2020-21	2021-22	2022-23 Estimated	2023-24 Forecast
Single Family Homes (detached & attached)	415	416	339	300
Residential Alteration/Addition	69	74	61	50
Multi-family Buildings	3	0	15	0
Commercial Tenant Improvement	8	11	33	10
Commercial Buildings	7	11	10	3
Miscellaneous Permits	789	949	1,217	1,000
Totals	1,291	1,461	1,675	1,363
Inspection Count	21,079	19,908	21,178	19,000



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Expenditures, Economic and Community Development

Personnel:

Wages: Economic and Community Development Director, Planning Services Manager, City Engineer, Senior Planner (2), Planning Assistant, Senior Civil Engineer (2), Engineering Inspector II, Engineering Technician II, Administrative Assistant II, Building Official, Building Inspector I, Building Inspector II (2), Plans Examiner I, Plans Examiner II, Permit Technician Supervisor, Building Permit Technician (2) and Administrative Assistant I.

Benefits: Items paid from these line items include: Unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, Paid Leave Oregon tax (1% employee and employer cost share picked up by the City), medical and dental benefits paid for employees (employees pay five percent of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the six percent employee match.

Materials and Services:

ECD Supplies: Supplies other than Office Supplies needed for the various functions included in this department as well as equipment below the capital item threshold.

Professional Development: Training, travel, and meals related to City business, annual membership dues, professional organization dues, certifications, subscriptions, professional and code books. Annual membership dues paid to local, regional and national economic development, planning, engineering and building associations.

Contract Services: Contract for review of City transportation issues and reviewing development applications. Consulting professional engineer responsible for evaluating traffic safety and control issues throughout the city limits, provide assistance with construction plans, plat review, and project close out if needed, may include professional staff for erosion control permitting and inspections, as well as assistance with street design standards. Code revision and project work related to growth and future expansion most of which is proposed to be funded by grants. Costs associated with development of required legal descriptions for annexations. Fees paid to Metro for annexation. Costs associated with special projects, over-load current planning review, municipal code updates, and economic development plan assistance.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

General Fund

Public Works Department



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Public Works

Manager: Chris Randall

Public Works

Oversee operations related to the maintenance of City facilities and infrastructure, maintenance of the city's fleet of vehicles and equipment, manage and maintain quality public roads, parks, trails, storm drains, open spaces, and other infrastructure for the residents of the City. Provide quality community services for the health and safety of residents and the environment. Provide high level of customer service related to street construction, implementation, maintenance and repair, public rights-of-way maintenance and repair, coordination of surface water issues with Water Environment Services, installation, and maintenance of signage within public rights-of-way, street sweeping, debris pickup-up, and hazardous spill removal coordination. Coordinate work efforts of volunteers and community work force, work with committees to address existing and anticipated concerns and goals of the community. Promote recycling and sustainability practices through building maintenance. Work with the other departments to maintain a Safety Committee, coordinate issues related to public rights-of-ways, event staffing, warning sign installation and maintenance, surface water issues, feasibility studies, forecasting, and master planning projects.

Staff members include the Public Works Director, Utility Worker III, Heavy Equipment Mechanic, and Administrative Assistant III.

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22	Budget 2022-23	Proposed	Approved	Adopted
Personnel Services	550,780	584,906	668,900	678,000	678,000	678,000
Material and Services	169,851	176,181	227,000	230,000	230,000	230,000
Total	720,631	761,087	895,900	908,000	908,000	908,000

Goals and Priorities

Public Works

- In 2023, staff would like to provide a biddable design and specification for the superblock phase III effort. This work will include curbs, sidewalks, and half street improvements along the north side of King Rd while also providing an underground solution for overhead utilities.
- Work over the next year on the public works facility design. This effort will identify overall construction costs and provide the documents needed to bid and construct the project.

General Fund - Public Works

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Personnel Services							
FTE Positions	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Wages	\$ 346,706	\$ 375,961	\$ 401,300	\$ 375,000	\$ 427,100	\$ 427,100	\$ 427,100
Benefits	204,074	208,945	267,600	210,000	250,900	\$ 250,900	250,900
Total Personnel Services	<u>550,780</u>	<u>584,906</u>	<u>668,900</u>	<u>585,000</u>	<u>678,000</u>	<u>678,000</u>	<u>678,000</u>
Materials and Services							
Public Works Supplies	26,695	28,656	22,000	15,000	20,000	20,000	20,000
Professional Development	12,735	11,990	15,000	15,000	15,000	15,000	15,000
Vehicle Operation & Main.	52,071	73,108	70,000	75,000	75,000	75,000	75,000
Repairs & Maintenance	39,368	51,418	70,000	50,000	70,000	70,000	70,000
Contract Services	38,982	11,009	50,000	30,000	50,000	50,000	50,000
Total Materials and Services	<u>169,851</u>	<u>176,181</u>	<u>227,000</u>	<u>185,000</u>	<u>230,000</u>	<u>230,000</u>	<u>230,000</u>
Total Public Works	<u>720,631</u>	<u>761,087</u>	<u>895,900</u>	<u>770,000</u>	<u>908,000</u>	<u>908,000</u>	<u>908,000</u>



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Expenditures, Public Works

Personnel:

Wages: Public Works Director, Utility Worker III, Heavy Equipment Mechanic, and Administrative Assistant III.

Benefits: Items paid from these line items include unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, Paid Leave Oregon tax (1% employee and employer cost share picked up by the City), medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

Public Works Supplies: Supplies and materials for repairs and continued operation of Public Works facilities. Safety equipment worn by Public Works staff for protection from injury such as hardhats, boots, gloves, and safety goggles.

Professional Development: Training, travel, and meals related to City business, annual membership dues, professional organization dues, certifications, subscriptions, professional and code books. Training classes and certifications on subjects such as insecticide/herbicide use, road maintenance, safety, construction, first aid and flagman training. Staff membership in Public Works/Environmental associations, such as the American Public Works Association (APWA), Association of Clean Water Agencies (ACWA), Regional Erosion Prevention Awards program, and Pacific Northwest Clean Water Association (PNCWA).

Vehicle Operation & Maintenance: Operation, repair, and maintenance of all General Fund vehicles.

Repairs and Maintenance: Maintenance and repairs of non-vehicular equipment such as upkeep of trees, shrubs, and landscape in the public rights of way to maintain our Tree City USA status. Equipment rented during special projects. Repairs, improvements, maintenance, recycling costs, and cleaning supplies for all City buildings and systems excluding the Library and the Community Policing Center.

Contract Services: Public Works facility feasibility study and project engineering.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Public Works

Performance measures

Council Goals – Fiscal responsibility and stewardship. Environmentally-sensible practices.

	2020-21	2021-22	2022-23 Estimated	2023-24 Forecast
Vehicles Maintenance				
· Services calls	240	300	542	400
· Number of recalls	10	0	3	10
· Number of surplus vehicles	1	0	0	6
Facility Maintenance				
· Calls for service at City Hall	173	178	196	200
· Calls for service at CPC	54	57	53	50
· Calls for service at Library	181	228	191	200
· Calls for service at Public Works	72	79	81	80
· Calls for service at HV Park	63	99	103	100
· Number of workstation changes	8	10	12	4
General Operations				
· Restoration projects completed	4	7	5	5



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

General Fund

Transfers

Contingency

Total Requirements

General Fund - Non-Departmental, Transfers, and Contingency

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Transfers							
To Parks Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
To Parks Capital Projects Fund	-	4,000,000	-	-	-	-	-
To Gen Res for Replacement Fund	500,000	500,000	500,000	500,000	500,000	500,000	500,000
To Facility Cap Project Fund	3,000,000	3,500,000	4,700,000	4,700,000	2,500,000	2,500,000	2,500,000
Total Transfers	<u>3,500,000</u>	<u>8,000,000</u>	<u>5,200,000</u>	<u>5,200,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>
Contingency	<u>-</u>	<u>-</u>	<u>3,923,242</u>	<u>-</u>	<u>3,102,436</u>	<u>3,102,436</u>	<u>3,202,436</u>

General Fund - Total by Department

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Administration	\$ 3,217,704	\$ 3,098,473	\$ 3,694,200	\$ 3,145,000	\$ 3,693,500	\$ 3,693,500	\$ 3,693,500
Community Services / Public Safety	1,247,480	1,275,290	1,392,900	1,270,000	1,381,700	1,381,700	1,381,700
Economic & Community Development	3,298,629	3,465,915	4,089,400	3,609,000	3,836,700	3,836,700	3,836,700
Public Works	720,631	761,087	895,900	770,000	908,000	908,000	908,000
Non-Departmental	-	-	-	-	-	-	-
Transfers	3,500,000	8,000,000	5,200,000	5,200,000	3,000,000	3,000,000	3,000,000
Contingency	-	-	3,923,242	-	3,102,436	3,102,436	3,202,436
Total General Fund Requirements	<u>11,984,444</u>	<u>16,600,765</u>	<u>19,195,642</u>	<u>13,994,000</u>	<u>15,922,336</u>	<u>15,922,336</u>	<u>16,022,336</u>
Ending Fund Balance	7,458,108	8,623,336	-	5,352,336	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Fund

Transfers, Contingency

Manager: Jason Tuck, ICMA-CM

Transfers:

To General Reserve for Replacement Fund: Transfer to reserve fund for the purchase of items per the replacement schedule.

To Facility Capital Projects Fund: Transfer to fund future construction of new facilities including, but not limited to a public works facility.

Other:

Contingency: An amount set aside to meet unforeseen circumstances. Contingency funds may only be transferred to Personnel Services, Materials and Services, and Transfers by resolutions approved by City Council. This budget has 20% in Contingency for the General Fund.

General Fund Department Totals:

Department Totals: Summary total for each department as well as total for Non-Departmental, Transfers, and Contingency.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks Fund

Manager: Chris Randall / Steve Campbell

Ensure a clean, safe park and trail environment, including friendly park personnel on a daily basis. Provide a high level of customer service regarding picnic areas, sport fields, splash pad, boardwalk, park equipment, and playgrounds. Work with volunteers who provide improvements to parks and trail systems. Conduct documented park inspections once a month, provide staff support for City sponsored and endorsed park activities, maintain trail systems, and assist with construction of new trails and trail connections using City staff and volunteer labor. Maintain irrigation system to provide healthy turf and conserve water, semiannually top dress and fertilize all sports fields for optimum use throughout the year. Assist in the planning and construction of new park facilities, promote recycling and sustainability practices, and meet quarterly with the Parks Advisory Committee to discuss capital projects.

Recreation Services

Provide recreation programming to the community and plan and organize community events throughout the year. Recreation services are at the core of our organization, offering a diverse range of activities throughout the year. Our primary goal is to provide educational opportunities for individuals of all ages, including youth, adults, and seniors. Collaborating closely with the Happy Valley Parks Foundation, we actively promote recreation and fundraising efforts, while also offering scholarships to underserved youth. Our business model revolves around establishing partnerships with local businesses, enabling us to offer a wide array of recreational services such as art, music, sports, and education. These partnerships not only help us keep costs down for participants but also contribute to the overall growth and prosperity of the business community. During the summer, we organize camps and social outings for adults and families, encompassing exciting adventures like hiking, snowshoeing, kayaking, and engaging field trips to movies, museums, and other points of interest. Moreover, we curate a vibrant calendar of special events and community gatherings, including annual celebrations like the 4th of July, Summer Concert Series, International Day of Happiness, National Night Out, Safety Fair, Oktoberfest, Tree Lighting, and Dumpster Day. In addition, we extend support to both profit and non-profit events, such as the Happy Valley fun run, and take charge of coordinating school activities involving the city government. Furthermore, we manage the city's volunteer program, overseeing blood drives and community service projects, as well as operating the city store and handling marketing efforts to enhance community engagement.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks Fund

Revenue

Property Taxes provided through the Parks operating levy. User related and program fees come from citizens utilizing programs and park space. Event revenue provided through event sponsorship and vendors. Park and trail grants received from other entities. Miscellaneous revenue is interest earned on the level of fund balance.

Expenditures

Parks operations department covers maintenance and operation of all parks facilities. Parks programming department plans and organizes recreational programming and community events.

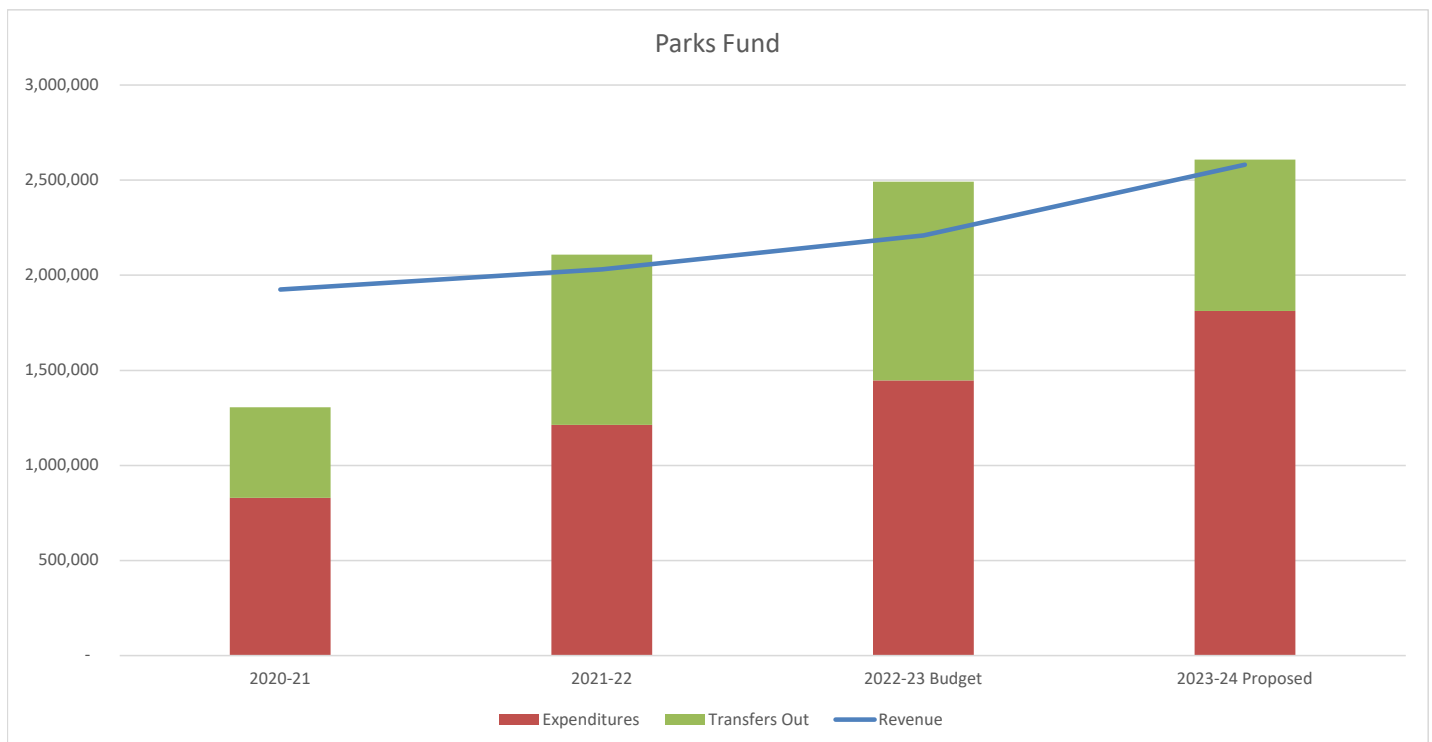
Staff includes Public Works Supervisor, Utility Worker I (3), Program Supervisor, Program Technician (1), Program Technician II (1)

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22	Budget 2022-23	Proposed	Approved	Adopted
Operations	597,621	783,913	811,800	1,158,400	1,158,400	1,158,400
Programming	231,377	417,694	600,000	623,900	623,900	623,900
Non-Departmental	350	11,100	35,000	30,000	30,000	30,000
Transfers	477,000	895,000	1,045,000	795,000	795,000	795,000
Contingency	-	-	607,535	611,308	611,308	611,308
Total	1,306,348	2,107,707	3,099,335	3,218,608	3,218,608	3,218,608

Parks Fund

	Preceding 2020-21	Preceding 2021-22	Adopted 2022-23 Budget	2022-23 Estimate	2023-24 Proposed	2023-24 Approved	2023-24 Adopted
Revenue	1,924,412	2,030,570	2,210,000	2,257,000	2,580,000	2,580,000	2,580,000
Expenditures	829,348	1,212,707	1,446,800	1,116,500	1,812,300	1,812,300	1,812,300
Transfers Out	477,000	895,000	1,045,000	1,045,000	795,000	795,000	795,000
Annual Operating Surplus / (Shortfall)	618,064	(77,137)	(281,800)	95,500	(27,300)	(27,300)	(27,300)
Beginning Fund Balance	2,181	620,245	889,335	543,108	638,608	638,608	638,608
Ending Fund Balance / Contingency	620,245	543,108	607,535	638,608	611,308	611,308	611,308



Parks Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 2,181	\$ 620,245	\$ 889,335	\$ 543,108	\$ 638,608	\$ 638,608	\$ 638,608
Property Taxes	1,776,407	1,880,444	1,960,000	2,000,000	2,120,000	2,120,000	2,120,000
Intergovernmental	3,835	-	20,000	-	-	-	-
User Related	30,038	45,014	40,000	35,000	5,000	5,000	5,000
Program Fees	8,611	25,693	15,000	30,000	30,000	30,000	30,000
Event Revenue	7,500	70,220	100,000	75,000	75,000	75,000	75,000
Grant Revenue	23,521	-	25,000	57,000	300,000	300,000	300,000
Misc Revenue	74,500	9,199	50,000	60,000	50,000	50,000	50,000
Total Resources	<u>1,926,593</u>	<u>2,650,815</u>	<u>3,099,335</u>	<u>2,800,108</u>	<u>3,218,608</u>	<u>3,218,608</u>	<u>3,218,608</u>

Parks Fund - Operations

Requirements	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Personnel Services							
FTE Positions	2.0	3.0	3.0	3.0	4.0	4.0	4.0
Wages	110,729	144,809	211,900	190,000	275,200	275,200	275,200
Benefits	70,388	81,189	129,900	100,000	148,200	148,200	148,200
Total Personnel Services	<u>181,117</u>	<u>225,998</u>	<u>341,800</u>	<u>290,000</u>	<u>423,400</u>	<u>423,400</u>	<u>423,400</u>
Materials and Services							
Park Supplies	20,463	16,192	30,000	20,000	30,000	30,000	30,000
Professional Development	3,013	2,814	10,000	3,500	5,000	5,000	5,000
Utilities	40,451	43,171	45,000	56,000	60,000	60,000	60,000
Vehicle Operation & Maint.	2,658	5,745	5,000	10,000	10,000	10,000	10,000
Repairs & Maintenance	157,726	130,492	110,000	110,000	120,000	120,000	120,000
Contract Services	192,193	359,501	270,000	140,000	510,000	510,000	510,000
Total Materials and Services	<u>416,504</u>	<u>557,915</u>	<u>470,000</u>	<u>339,500</u>	<u>735,000</u>	<u>735,000</u>	<u>735,000</u>
Total Operations	<u>597,621</u>	<u>783,913</u>	<u>811,800</u>	<u>629,500</u>	<u>1,158,400</u>	<u>1,158,400</u>	<u>1,158,400</u>

Parks Fund - Recreation

Requirements	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Personnel Services							
FTE Positions	2.5	3.0	3.0	3.0	3.0	3.0	3.0
Wages	118,389	158,387	212,000	180,000	223,300	223,300	223,300
Benefits	86,335	111,859	128,000	110,000	135,600	135,600	135,600
Total Personnel Services	<u>204,724</u>	<u>270,246</u>	<u>340,000</u>	<u>290,000</u>	<u>358,900</u>	<u>358,900</u>	<u>358,900</u>
Materials and Services							
Program Supplies	1,085	12,514	20,000	10,000	20,000	20,000	20,000
Community Events	13,457	85,598	150,000	130,000	175,000	175,000	175,000
Professional Development	1,549	7,339	20,000	20,000	20,000	20,000	20,000
Program Services	9,113	13,048	50,000	12,000	25,000	25,000	25,000
Contract Services	449	17,630	10,000	10,000	10,000	10,000	10,000
Public Outreach	1,000	11,319	10,000	13,000	15,000	15,000	15,000
Total Materials and Services	<u>26,653</u>	<u>147,448</u>	<u>260,000</u>	<u>195,000</u>	<u>265,000</u>	<u>265,000</u>	<u>265,000</u>
Total Programming	<u>231,377</u>	<u>417,694</u>	<u>600,000</u>	<u>485,000</u>	<u>623,900</u>	<u>623,900</u>	<u>623,900</u>

Parks Fund - Non-Departmental, Transfers, and Contingency

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Public Outreach	350	11,100	25,000	2,000	20,000	20,000	20,000
Legal	-	-	10,000	-	10,000	10,000	10,000
Contract Services	-	-	-	-	-	-	-
Total Non-departmental	350	11,100	35,000	2,000	30,000	30,000	30,000
Transfers							
To General Fund	177,000	195,000	245,000	245,000	270,000	270,000	270,000
To Parks Res for Replacement	300,000	700,000	800,000	800,000	525,000	525,000	525,000
Total Transfers	477,000	895,000	1,045,000	1,045,000	795,000	795,000	795,000
Contingency	-	-	607,535	-	611,308	611,308	611,308

Parks Fund - Total by Department

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Operations	597,621	783,913	811,800	629,500	1,158,400	1,158,400	1,158,400
Programming	231,377	417,694	600,000	485,000	623,900	623,900	623,900
Non-Departmental	350	11,100	35,000	2,000	30,000	30,000	30,000
Transfers	477,000	895,000	1,045,000	1,045,000	795,000	795,000	795,000
Contingency	-	-	607,535	-	611,308	611,308	611,308
Total Parks Fund Requirements	1,306,348	2,107,707	3,099,335	2,161,500	3,218,608	3,218,608	3,218,608
Annual operating surplus/(deficit)	618,064	(77,137)	(889,335)	95,500	(638,608)	(638,608)	(638,608)
Ending Fund Balance	620,245	543,108	-	638,608	-	-	-
Contingency % (incl transfers out)	-	-	-	-	19%	19%	19%



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

Property Tax Revenue: Property tax revenue received through the Parks operating levy.

Intergovernmental Revenue: Revenue from other municipalities or governmental agencies.

User Related – Fees paid for park reservations.

Program Fees – Enrollment fees for recreation programming.

Grant Revenue: Grant Revenue received from other entities.

Event Revenue: Event sponsorships and event vendor fees.

Misc Revenue: Includes but not limited to: unanticipated income and interest income from cash is invested in the Local Government Investment Pool and in other investments.

Transfer In - from General Fund: Transfer from General Fund to cover operating deficit.

Goals and Priorities

Parks – Programming

- ACTIVE Net software implemented and running smoothly. Continuing to discover other aspects and functions of ACTIVE Net, allowing staff to efficiently meet the needs of residents.
- Enhance recreation programming and continue building programming for youth, adults, and seniors in the City.

Performance Measures

Council Goals – Effective, efficient, and readily available services. A safe, livable community with a sense of pride and strong identity.

Park Reservations	2020-21	2021-22	2022-23 Estimated	2023-24 Forecast
· Reservations coordinated	3	244	296	100
· Sports Field Reservations	325	648	490	200
· People served (Park)	235	8,237	11,444	5,000
· People served (Sports fields)	8,125	19,500	18,000	6,000



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks Fund

Expenditures

Personnel:

Wages: Public Works Supervisor, Utility Worker I (3), Program Supervisor, Program Technician I, Program Technician II.

Benefits: Items paid from these line items include unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, Paid Leave Oregon tax (1% employee and employer cost share picked up by the City), medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

Park Supplies: Supplies used for City parks, open spaces, and trail systems to maintain safe and user-friendly environment. Safety equipment such as hardhats, safety goggles, gloves, and boots.

Professional Development: Training, travel, and meals related to City business, annual membership dues, professional organization dues, certifications, subscriptions, professional and code books. Training classes and certifications on subjects such as insecticide/herbicide use, safety, first aid, splash pad and general equipment operation. Staff membership in Oregon Recreation and Parks Association, trade journal subscriptions, and dues associated with professional memberships.

Utilities: All utilities including gas, electricity, trash, recycling, phone services, water, storm, sewer including portable toilets, and operation of all facilities within the park.

Vehicle Operation & Maintenance: Fuel, supplies, servicing, parts, and maintenance of park vehicles and equipment. Equipment included are items such as the small utility vehicle, backhoe, trucks, tractor, and mowers.

Repairs and Maintenance: Expenses related to cleanup and repair of picnic areas, routine maintenance of restroom facilities, invasive plant control, repair due to vandalism, sports field maintenance, repair and maintenance of Splash Pad and equipment rental for special projects.

Public Outreach: Costs associated with the production of educational and promotional material, social media, and events associated with park operations.

Grant Expenditures: Expenditures related to grant received from other entities.

Contract Services: Project engineering for park system projects. Programming instructors.

Program Supplies: Supplies used for running recreation programs.

Community Events – Cost associated with planning and running community events.

Transfers Out:

To General Fund: Amount calculated with cost allocation plan to cover administrative overhead costs. Included in these costs are city administration, finance, payroll, accounts payable, human resources, city recorder, overall administrative costs related to running the city.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks – Operations Goals and Priorities

- Finalize design plans for a redeveloped Village Green Park (and associated phasing). Staff will be working with the Parks Advisory Committee and City Council on updating the park in conjunction with the Happy Valley Library improvements.
- Upgrade Scott Creek Trail through a grant received from ODOT. This reconstruction will happen over the next three years and will include a completely new paved trail system from SE Cedar Way to Southern Lites Park.
- The Metro trail grant was awarded in 2022 with an official intergovernmental agreement anticipated in 2023. Staff estimates moving forward with the Scott Creek Trail planning grant effort within this budget year. The Clackamas River Trail will follow once development options for the Clackamas River property (Grabhorn) are developed.
- Complete sports field upgrades for Happy Valley. This effort will include new irrigation, turf surfacing, drainage and top dressing. Based on the Parks Advisory's recommendation this project will be moving forward following 4th of July 2023. The sports field reconstruction effort will then conclude in October of 2024.
- In an effort to complete all of the playground replacements staff will be coordinating both Ashley Meadows and Southern Lites Parks spring of 2023. This final effort will secure the replacement of 100% of the playgrounds within our entire park system.

Performance Measures

	2020-21 Actual	2021-22 Actual	2022-23 Estimated	2023-24 Forecast
Splash Pad Maintenance				
• Chemical tests	0	324	342	340
• Gallons of chorine used	0	75	120	120
• Gallons of muriatic acid used	0	45	34	40
Dog Park Maintenance				
• Service checks	350	350	350	350
• Cases of dog bags used	64	58	54	60
Community Garden				
• Gardens reserved	29	29	29	29
• Wait list applications	4	11	12	9
• Community work days	2	2	1	3
Playground Maintenance				
• Inspections performed	9	52	52	52
• Equipment repairs made	5	8	10	15
Trail System Maintenance				
• Trail system service calls	25	30	30	30
• Yards of bark dust applied to park	50	30	116	73
• Yards of chips applied to park trails, off-leash dog area, playground and trails within the system	60	225	65	63



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Public Safety Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Public Safety Fund

Manager: Steve Campbell

Provide public safety services to citizens at the level promised when the Local Option Levy was passed by the voters of the City. Account for tax dollars collected for contract law enforcement services which includes around the clock services by sworn and non-sworn officers dedicated to the City, two full time sergeants act as a field supervisor, a dedicated traffic officer, dedicated detective, Happy Valley identification on police cars, as well as local control, supervision and administration of the services provided. Services are provided through an intergovernmental agreement with the Clackamas County Sheriff Office.

Revenue

Local Option Levy property tax collections, amount from contract reconciliation with Clackamas County Sheriff Office, and interest allocated based on fund balance.

Expenditures

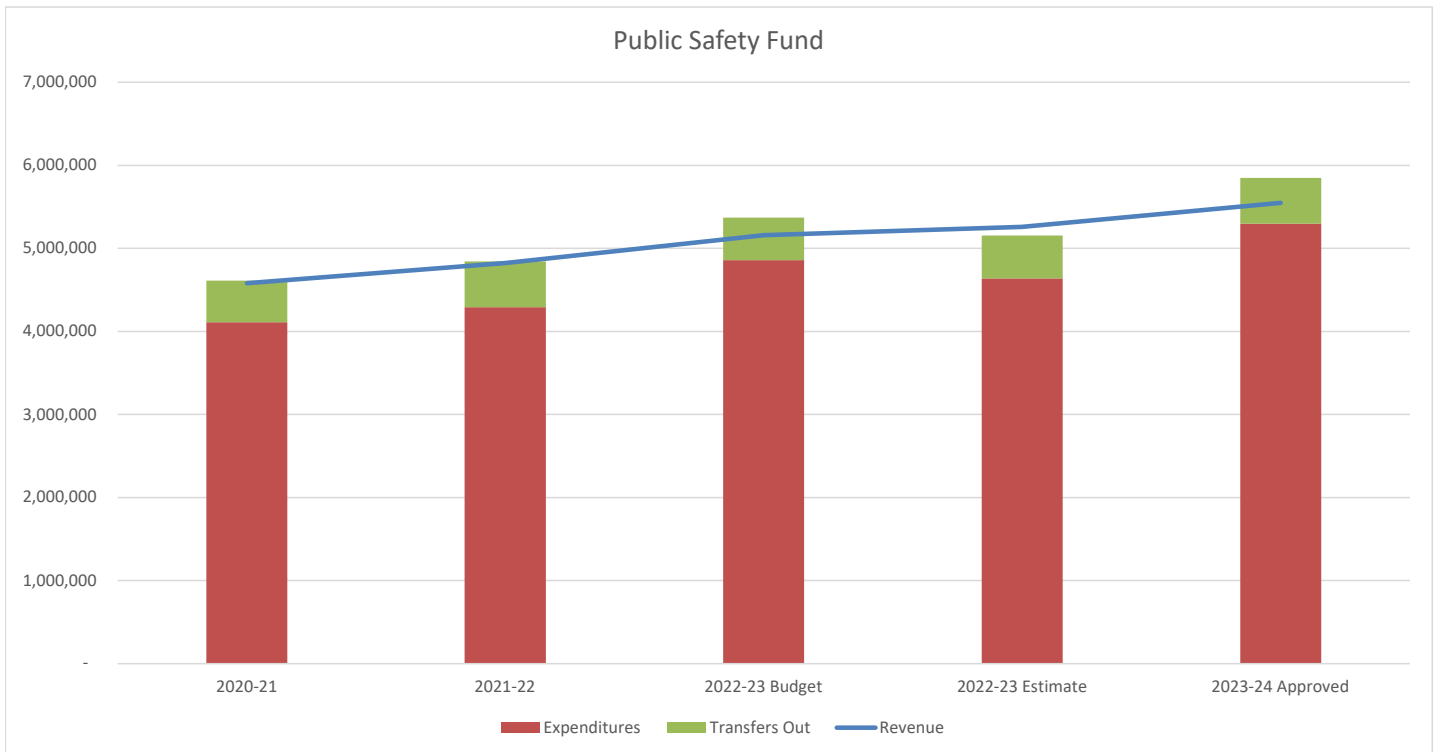
Public safety related services, wages and benefits for Non-Sworn Community Services Officer, contracted police services, equipment, training, facilities costs, and transfer to cover costs of administration. Contract includes Police Chief, Sergeant (2), Traffic Enforcement Officer (2), Detective, Patrol Officer (9), School Resource Officer (1), Community Service Desk Officer (1).

Budget Summary:

	Preceding		Adopted Budget 2022-23	Budget For Fiscal Year 2023-24		
	2020-21	2021-22		Proposed	Approved	Adopted
Personnel Services	-	98,259	121,000	127,700	127,700	127,700
Material and Services	4,103,315	4,195,068	4,726,000	5,160,000	5,160,000	5,160,000
Capital Outlay	6,110	-	10,000	10,000	10,000	10,000
Transfers	502,000	550,000	515,000	550,000	550,000	550,000
Contingency	-	-	1,441,183	1,451,433	1,451,433	1,451,433
Total	4,611,425	4,843,327	6,813,183	7,299,133	7,299,133	7,299,133

Public Safety Fund

	Preceding 2020-21	Preceding 2021-22	Adopted 2022-23 Budget	2022-23 Estimate	2023-24 Proposed	2023-24 Approved	2023-24 Adopted
Revenue	4,582,731	4,824,777	5,160,000	5,260,000	5,550,000	5,550,000	5,550,000
Expenditures	4,109,425	4,293,327	4,857,000	4,640,000	5,297,700	5,297,700	5,297,700
Transfers Out	502,000	550,000	515,000	515,000	550,000	550,000	550,000
Annual Operating Surplus / (Shortfall)	(28,694)	(18,550)	(212,000)	105,000	(297,700)	(297,700)	(297,700)
Beginning Fund Balance	1,691,377	1,662,683	1,653,183	1,644,133	1,749,133	1,749,133	1,749,133
Ending Fund Balance / Contingency	1,662,683	1,644,133	1,441,183	1,749,133	1,451,433	1,451,433	1,451,433



Public Safety Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 1,691,377	\$ 1,662,683	\$ 1,653,183	\$ 1,644,133	\$ 1,749,133	\$ 1,749,133	\$ 1,749,133
Property Taxes	4,565,013	4,805,597	5,140,000	5,200,000	5,500,000	5,500,000	5,500,000
Misc Revenue	17,718	19,180	20,000	60,000	50,000	50,000	50,000
Total Resources	<u>6,274,108</u>	<u>6,487,460</u>	<u>6,813,183</u>	<u>6,904,133</u>	<u>7,299,133</u>	<u>7,299,133</u>	<u>7,299,133</u>
Requirements							
Personnel Services							
FTE Positions	15	16	17	17	18	18	18
Wages	-	62,037	77,400	72,000	81,700	81,700	81,700
Benefits	-	36,222	43,600	43,000	46,000	46,000	46,000
Total Personnel Services	<u>-</u>	<u>98,259</u>	<u>121,000</u>	<u>115,000</u>	<u>127,700</u>	<u>127,700</u>	<u>127,700</u>
Materials and Services							
PS Supplies	5,278	9,895	10,000	5,000	10,000	10,000	10,000
Professional Development	6,751	12,957	20,000	20,000	20,000	20,000	20,000
Utilities	21,110	16,648	24,000	20,000	25,000	25,000	25,000
Vehicle Operation & Maint.	8,667	14,032	15,000	10,000	15,000	15,000	15,000
Repairs & Maintenance	17,646	25,612	25,000	30,000	35,000	35,000	35,000
Public Outreach	4,920	7,106	10,000	10,000	10,000	10,000	10,000
Contract Services	101,501	52,185	70,000	70,000	80,000	80,000	80,000
Police Contract - Personnel	3,937,442	4,056,633	4,552,000	4,360,000	4,965,000	4,965,000	4,965,000
Total Materials and Services	<u>4,103,315</u>	<u>4,195,068</u>	<u>4,726,000</u>	<u>4,525,000</u>	<u>5,160,000</u>	<u>5,160,000</u>	<u>5,160,000</u>
Capital Outlay							
Equip over \$5,000	6,110	-	10,000	-	10,000	10,000	10,000
Total Capital Outlay	<u>6,110</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Transfers							
To General Fund	502,000	550,000	515,000	515,000	550,000	550,000	550,000
Total Transfers	<u>502,000</u>	<u>550,000</u>	<u>515,000</u>	<u>515,000</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>
Contingency	<u>-</u>	<u>-</u>	<u>1,441,183</u>	<u>-</u>	<u>1,451,433</u>	<u>1,451,433</u>	<u>1,451,433</u>
Total Requirements	<u>4,611,425</u>	<u>4,843,327</u>	<u>6,813,183</u>	<u>5,155,000</u>	<u>7,299,133</u>	<u>7,299,133</u>	<u>7,299,133</u>
Ending Fund Balance	1,662,683	1,644,133	-	1,749,133	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Public Safety Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

Property Taxes: The voters passed a local option tax levy allowing the City to levy \$1.38 per thousand of assessed valuation for a period of five years to fund full time police protection within the City limits. Includes taxes levied in prior years but collected in the current year.

Misc. Revenue: Includes but not limited to unanticipated income, interest income from cash invested in the Local Government Investment Pool and other investments. Prior to the 2018-19 budget, this also included revenue from the reconciliation process between the City and Clackamas County regarding the actual services provided compared to the services outlined in the contract. The County now bills based on actuals so there will be no reconciliation revenue.

Transfer In: Transfer from Reserve for Replacement Fund. The decision was made to split the Reserve for Replacement Fund into separate funds associated with the respective funds of origin. That analysis determined the Public Safety Fund does not have enough high dollar items to warrant a separate reserve fund.

Expenditures

Personnel:

Wages: Non-Sworn Community Services Officer.

Benefits: Items paid from these line items include unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, Paid Leave Oregon tax (1% employee and employer cost share picked up by the City), medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

PS Supplies: Office supplies needed for the various functions included in this department as well as non-capital type equipment.

Professional Development: Training, travel, and meals related to City business, annual membership dues to professional organization, certifications, subscriptions, and books for staff. Training in code enforcement, emergency services, animal control, and any of the various public safety services provided by the department.

Utilities: Costs for utilities at facility provided for Sheriff Personnel.

Vehicle Operation & Maintenance: Costs related to vehicle operation and maintenance of vehicles used for public safety.

Repairs & Maintenance: Costs associated with the upkeep of the facility used by Sheriff Personnel. Costs for unexpected and unanticipated events which are beyond the scope of the current contract.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Public Safety Fund

Expenditures

Public Outreach: Costs for Community Services officers, uniforms badges, nametags, and other required clothing and portion of newsletter.

Contract Services: Costs for contract services providing public safety in the City not covered in the inter-governmental agreement (IGA) with Clackamas County. Maintenance costs for e-ticketing software.

Police Contract - IGA: Contract with Clackamas County Sheriff for full time police protection. Contract includes Police Chief, Sergeant (2), Traffic Enforcement Officer, Detective, Patrol Officer (7), Non-sworn Community Services Officer.

Capital Outlay:

Equipment over \$5,000: Items associated with the maintenance and upkeep of the Community Policing Station and items to be used in connection with public safety.

Transfers:

To General Fund: Amount calculated with cost allocation plan to cover administrative overhead costs. Included in these costs are city administration, finance, payroll, accounts payable, human resources, city recorder, overall administrative costs related to running the city.

Other:

Contingency: Amount set aside to meet unforeseen circumstances. Contingency funds may only be transferred to Materials and Services, and Transfers by resolutions approved by City Council. This budget has 20% in Contingency for the Public Safety Fund.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Public Safety Fund

Goals and Priorities

- Police Oversight Committee for Contract Cities will be conducting a contract review in the year 2023. This includes working with CCSO and 3 contract police cities to review the IGA and Cost Book. Its been more than 10 years since the last contact review and IGA agreement.
- Work with apartment managers to develop a landlord – tenant program.
- Conduct a study to determine the best approach for police staffing. Finding the best methodology to apply based on our demographic, response times, contract police services, geographic boundaries, crime rate and assigned time verses unassigned time.
- Review data to create boundaries for two patrol districts.
- Explore adding an additional Sergeant to allow better direct supervision throughout the continuous operation work week.
- Continue to review crime and safety data and analyze growth to maintain effective staffing levels, consistent with the 5-year staffing plan.
- Build on the relationships developed during the social injustice protests to create a meaningful relationships in the community with the goal of promoting diversity, equity, inclusion.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Library Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Library Fund

Manager: Doris Grolbert

The Library Fund provides and promotes informational, educational, cultural and recreational materials, resources and programs to enhance the economic, social and cultural vitality of the community. The library is responsive to the needs of the community with welcoming environments, a broad range of relevant programs and materials in a variety of formats and highly qualified, customer-focused employees.

Revenue

The primary revenue for Library operations is from the distribution of Library District funds. The Library District distributes funds to each Library City according to a set formula outlined in the intergovernmental agreement and includes an assessed value and unincorporated population served calculation. In addition, the Library receives revenue from a Ready to Read grant from the State of Oregon and collection of fines, lost books, and copier fees.

Expenditures

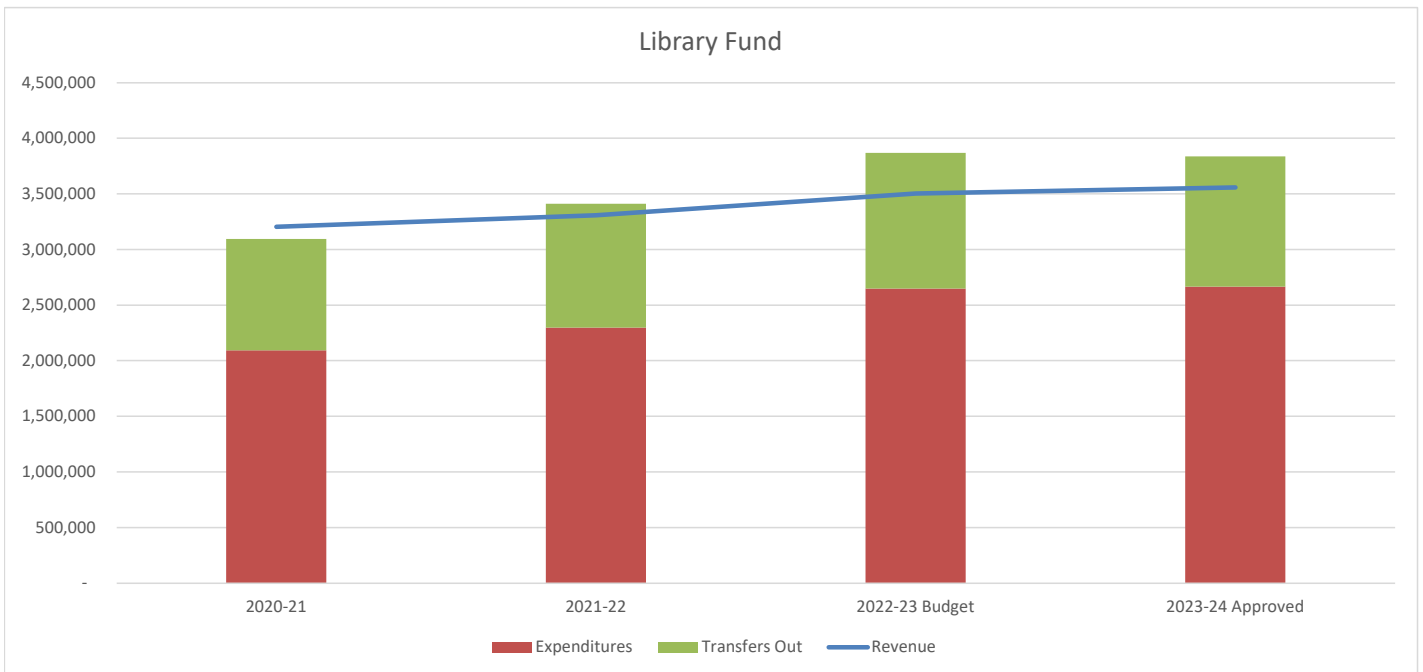
The Library maintains a seven day a week operation in a 18,300 sq. ft. building. Staff provide adult and children's programming, reference, and circulations services, cataloging of materials, and management of the Library Fund. Internet stations, public access computers and Wi-Fi access equipment and software are provided for public use. Books, DVDs, audio books, compact discs, magazines, eBooks, and other electronic resources are purchased and processed for use by the public.

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22	2022-23	Proposed	Approved	Adopted
Personnel Services	1,666,552	1,772,584	1,944,900	2,021,100	2,021,100	2,021,100
Material and Services	427,336	524,322	703,000	645,000	645,000	645,000
Transfers	1,000,000	1,115,000	1,220,000	1,170,000	1,170,000	1,170,000
Contingency	-	-	938,246	896,029	896,029	896,029
Total	3,093,888	3,411,906	4,806,146	4,732,129	4,732,129	4,732,129

Library Fund

	Preceding 2020-21	Preceding 2021-22	Adopted 2022-23 Budget	2022-23 Estimate	2023-24 Proposed	2023-24 Approved	2023-24 Adopted
Revenue	3,205,561	3,307,889	3,504,000	3,469,000	3,559,000	3,559,000	3,559,000
Expenditures	2,093,888	2,296,906	2,647,900	2,331,000	2,666,100	2,666,100	2,666,100
Transfers Out	1,000,000	1,115,000	1,220,000	1,220,000	1,170,000	1,170,000	1,170,000
Annual Operating Surplus / (Shortfall)	111,673	(104,017)	(363,900)	(82,000)	(277,100)	(277,100)	(277,100)
Beginning Fund Balance	1,247,473	1,359,146	1,302,146	1,255,129	1,173,129	1,173,129	1,173,129
Ending Fund Balance / Contingency	1,359,146	1,255,129	938,246	1,173,129	896,029	896,029	896,029



Library Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 1,247,473	\$ 1,359,146	\$ 1,302,146	\$ 1,255,129	\$ 1,173,129	\$ 1,173,129	\$ 1,173,129
District Revenue	3,132,510	3,218,934	3,406,000	3,325,000	3,450,000	3,450,000	3,450,000
User Related	1,142	35,447	40,000	35,000	40,000	40,000	40,000
Grant Revenue	-	-	8,000	9,000	9,000	9,000	9,000
Misc Revenue	71,909	53,508	50,000	100,000	60,000	60,000	60,000
Total Resources	<u>4,453,034</u>	<u>4,667,035</u>	<u>4,806,146</u>	<u>4,724,129</u>	<u>4,732,129</u>	<u>4,732,129</u>	<u>4,732,129</u>
Requirements							
Personnel Services							
FTE Positions	18.0	18.0	18.0	17.0	18.0	18.0	18.0
Wages	1,080,862	1,149,225	1,244,700	1,180,000	1,313,700	1,313,700	1,313,700
Benefits	585,690	623,359	700,200	610,000	707,400	707,400	707,400
Total Personnel Services	<u>1,666,552</u>	<u>1,772,584</u>	<u>1,944,900</u>	<u>1,790,000</u>	<u>2,021,100</u>	<u>2,021,100</u>	<u>2,021,100</u>
Materials and Services							
Office Supplies (inc- State Aid Grant)	40,950	51,763	50,000	55,000	60,000	60,000	60,000
Professional Development	2,315	4,434	10,000	6,000	10,000	10,000	10,000
Library Media	229,078	263,656	375,000	230,000	325,000	325,000	325,000
Utilities	35,749	37,590	45,000	40,000	45,000	45,000	45,000
Repairs & Maintenance	11,086	29,525	38,000	60,000	45,000	45,000	45,000
Facility and Office Contracts	108,158	137,354	185,000	150,000	160,000	160,000	160,000
Total Materials and Services	<u>427,336</u>	<u>524,322</u>	<u>703,000</u>	<u>541,000</u>	<u>645,000</u>	<u>645,000</u>	<u>645,000</u>
Transfers							
To General Fund	500,000	515,000	520,000	520,000	570,000	570,000	570,000
To Lib. Res. for Replacement Fund	500,000	600,000	700,000	700,000	600,000	600,000	600,000
Total Transfers	<u>1,000,000</u>	<u>1,115,000</u>	<u>1,220,000</u>	<u>1,220,000</u>	<u>1,170,000</u>	<u>1,170,000</u>	<u>1,170,000</u>
Contingency	<u>-</u>	<u>-</u>	<u>938,246</u>	<u>-</u>	<u>896,029</u>	<u>896,029</u>	<u>896,029</u>
Total Requirements	<u>3,093,888</u>	<u>3,411,906</u>	<u>4,806,146</u>	<u>3,551,000</u>	<u>4,732,129</u>	<u>4,732,129</u>	<u>4,732,129</u>
Ending Fund Balance	1,359,146	1,255,129	-	1,173,129	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Library Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

District Revenue: Each year the District receives the amount collected for the year plus delinquent taxes recovered from the previous year. The District distributes funds when received using the formula. The Formula has two components:

City Assessed Value Component: The annual distribution to a Library City for properties within its boundaries shall equal the assessed value of such Library City's properties, as established annually by the Clackamas County Assessor, divided by the total assessed value of all properties in the District. This determines the Assessed Value Percentage Rate for each Library City. Each Library City will receive funds equal to the Assessed Value fund amount multiplied by its individual Assessed Value Percentage Rate.

Unincorporated Population Served Component: After calculation of each Library City's Assessed Value fund amount, the District shall calculate the remaining funds to be distributed (the "Remainder Amount") and distribute those funds based on the Unincorporated Population Served Percentage Rate based on their Service Population Area.

User Related Fees: Library receives overdue fines, payments for lost material, internet fees, copier fees, and printer fees.

Misc. Revenue: Includes but not limited to donations, interest income from cash invested in the Local Government Investment Pool and other investments. Ready to Read grant from the State of Oregon to provide funds for Summer Reading and reading readiness programs.

Expenditures

Personnel:

Wages: Library Director, Library Operations Supervisor, Library Program Coordinator, Librarian I (7), Librarian II (1), Library Assistant I (12), Library Assistant II (1), Library Aide (9).

Benefits: Items paid from these line items include unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA, Tri-met taxes paid by the City, Paid Leave Oregon tax (1% employee and employer cost share picked up by the City), medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, and disability insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

Office Supplies: General office supplies, postage, Ready to Read grant expenditures, program expenditures, and cleaning supplies for the Library building and systems.

Professional Development: Training, travel, and meals related to City business, annual membership and professional organization dues, certifications, subscriptions, and books for Library staff.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Library Media: Books, music CDs, audio books, DVDs and Blu-Ray discs, kits, e-books, periodicals, databases, and electronic resources for the public's use.

Utilities: Gas, electricity, trash, recycling, phone services, water, internet, storm, and sewer.

Repairs and Maintenance: Repairs, improvements, maintenance, and computer and technology items less than \$5,000.

Facility and Office Service Contracts: Annual maintenance and service contracts related to the Library's facilities and operations. This includes internet services, access and security, elevator, HVAC, janitorial services, network, and computer software maintenance agreements.

Transfers:

To General Fund: Amount calculated with cost allocation plan to cover administrative overhead costs. Included in these costs are city administration, finance, payroll, accounts payable, human resources, city recorder, overall administrative costs related to running the city.

To Library Reserve for Replacement Fund: Transfer to accumulate funds for purchases per the Library Reserve for Replacement list.

Other:

Contingency: An amount set aside to meet unforeseen circumstances. Contingency funds may be transferred to Personnel Services, Materials and Services, and Transfers by resolutions approved by Council. This budget has 24% in Contingency for the Library Fund.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Goals and Priorities

- Increase our programming to meet the needs of our community and demonstrate the need for more community meeting space.
- Work with the City, architects, and contractors to plan, design, and begin construction on a new program and community room space.
- Work with Parks and Recreation on planning Village Green Park.
- Evaluate our capacity to grow our outreach to other senior living facilities.
- Continue to provide outreach to low-income preschools.
- Continue to partner with schools to encourage library use by both students and teachers.
- Continue to develop partnership with Parks & Recreation for collaboration on programs and services.
- Continue our commitment to equity, diversity and inclusion in our programs, services, and collection.
- Continue to manage our collection so the items provided are relevant and meet the needs of our community.

Performance Measures

Council Goal: Effective, efficient, and readily available services.

	2020-21 Actual	2021-22 Actual	2022-23 Estimated	2023-24 Forecast
Circulation of books, DVDs, audiobooks and other materials	503,927	488,260	705,537	784,327
New library cards issued	2,150	1,969	3,686	4,300
New items added to the collection	14,227	14,710	15,578	13,000
Number of Internet uses	7,992	20,401	35,241	38,000
Number of reference questions & inquiries	18,388	16,065	23,828	28,000
Storytimes offered / attendance	149 / 4,999	79/2203	46/1,609	135/5,300
Teen & Juvenile programs offered / attendance	125 / 4,011	26/130	59/2,837	150/7,000
Adult Programs offered / attendance	181 / 2,074	103/1,563	108/1,765	175/3,000
Off-site visits / attendance		12/288	166/5,565	300/9,0000
On-site visits / attendance	30 / 1,017	0/0	11/165	12/600
Volunteer Hours	1,402	1,658	2,045	2,000



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Street Maintenance Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Street Maintenance Fund

Manager: Chris Randall

The Street Maintenance Fund provides maintenance, and preservation of all paved roads and streets within the City. Provide high level of customer service related to street construction, public rights-of-way maintenance and repair, coordination of surface water issues with Water Environment Services, installation, and maintenance of signage within public rights-of-way, street sweeping, debris pickup-up, and hazardous spill removal coordination. Maintenance activities include but are not limited to pot-hole patching, street reconstruction, overlays, seal coating, crack sealing, street sweeping, sign replacement, fog and centerline striping, median maintenance, debris pickup and removal, and hazardous spill cleanup. Promote and pursue the use of the Pedestrian Master Plan. Update street standard construction details to address changing needs. Promote recycling and sustainability practices. Work with Engineering Department related to inspections, public rights-of-ways, street design, maintenance, and preservation, and reconstruction. Maintenance activities are coordinated with other agencies such as Clackamas County Water Environment Services (WES) and Department of Transportation and Development, and Oregon Department of Transportation.

Staff members include Utility Worker I (4)

Revenue

City's share of State Highway Trust Fund from a per-gallon tax and state vehicle registration fees, intergovernmental revenue based on agreements with neighboring jurisdictions for street sweeping and public works projects, and interest earned on the level of fund balance. Also included is revenue from City gas tax from any gas station operating within city boundaries as well as the City's portion of the vehicle registration fee administered by Clackamas County.

Expenditures

Reconstruction, overlays, slurry seals, and crack seals, installation and maintenance of traffic signage and striping, street sweeping, debris pickup, hazardous spill removal coordination, inclement weather services including snow removal and sanding icy roads, maintenance, and improvements to meet the street maintenance index. Staff training and continued education related to street maintenance practices. Contracted WES Street Sweeping.

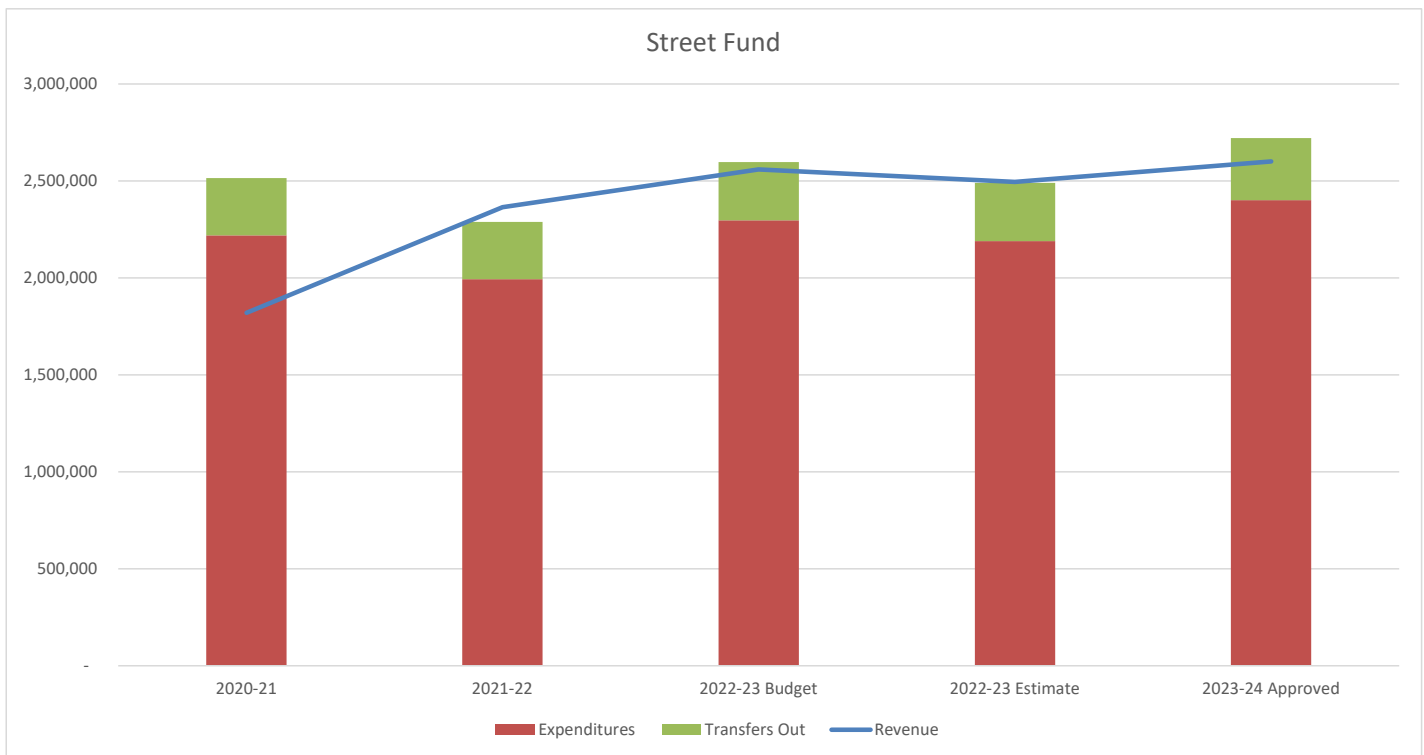
Budget Summary:

	2020-21	2021-22	Adopted Budget 2022-23	Budget for Fiscal Year 2023 - 24		
				Proposed	Approved	Adopted
Personnel Services	340,181	369,219	426,900	456,800	456,800	456,800
Material and Services	581,521	467,278	520,000	644,000	644,000	644,000
Capital Outlay	1,297,043	1,156,714	1,300,000	1,300,000	1,300,000	1,300,000
Transfers	296,000	296,000	300,000	320,000	320,000	320,000
Contingency	-	-	381,784	193,159	193,159	193,159
Total	2,514,745	2,289,211	2,928,684	2,913,959	2,913,959	2,913,959

Street Fund

	Preceding 2020-21	Preceding 2021-22	Adopted 2022-23 Budget	2022-23 Estimate	2023-24 Proposed	2023-24 Approved	2023-24 Adopted
Revenue	1,819,148	2,364,986	2,560,000	2,495,000	2,600,000	2,600,000	2,600,000
Expenditures	2,218,745	1,993,211	2,296,900	2,189,500	2,400,800	2,400,800	2,400,800
Transfers Out	296,000	296,000	300,000	300,000	320,000	320,000	320,000
Annual Operating Surplus / (Shortfall)	(695,597)	75,775	(36,900)	5,500	(120,800)	(120,800)	(120,800)
Beginning Fund Balance	928,281	232,684	368,684	308,459	313,959	313,959	313,959
Ending Fund Balance / contingency	232,684	308,459	331,784	313,959	193,159	193,159	193,159

2018-19 Spike is from the transfer out of Fee in Lieu, and increased Capital Outlay appropriation.



Street Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	928,281	232,684	368,684	\$ 308,459	\$ 313,959	\$ 313,959	\$ 313,959
State Shared Revenues	1,645,180	1,952,952	2,000,000	2,075,000	2,180,000	2,180,000	2,180,000
Intergovernmental Revenue	52,409	47,295	150,000	-	-	-	-
Local Gas Tax Revenue	103,659	111,986	130,000	110,000	120,000	120,000	120,000
Vehicle Registration Fee	-	232,479	260,000	240,000	260,000	260,000	260,000
Misc Revenue	17,900	20,274	20,000	70,000	40,000	40,000	40,000
Total Resources	2,747,429	2,597,670	2,928,684	2,803,459	2,913,959	2,913,959	2,913,959
Requirements							
Personnel Services							
FTE Positions	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Wages	196,480	228,513	247,600	225,000	264,900	264,900	264,900
Benefits	143,701	140,706	179,300	162,000	191,900	191,900	191,900
Total Personnel Services	340,181	369,219	426,900	387,000	456,800	456,800	456,800
Materials and Services							
Supplies	234	151	5,000	500	2,000	2,000	2,000
Professional Development	4,666	13,259	10,000	10,000	12,000	12,000	12,000
Utilities	9,079	8,916	15,000	12,000	15,000	15,000	15,000
Vehicle Operation & Maint.	42,337	46,115	40,000	60,000	65,000	65,000	65,000
Repairs and Maintenance	207,876	61,061	250,000	250,000	300,000	300,000	300,000
Contract Services	317,329	337,776	250,000	220,000	250,000	250,000	250,000
Total Materials and Services	581,521	467,278	570,000	552,500	644,000	644,000	644,000
Capital Outlay							
Street Reconstruction	1,297,043	1,156,714	1,300,000	1,250,000	1,300,000	1,300,000	1,300,000
Total Capital Outlay	1,297,043	1,156,714	1,300,000	1,250,000	1,300,000	1,300,000	1,300,000
Transfers							
To General Fund	196,000	196,000	200,000	200,000	220,000	220,000	220,000
To Street Reserve for Replacement Fund	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Transfers	296,000	296,000	300,000	300,000	320,000	320,000	320,000
Contingency	-	-	331,784	-	193,159	193,159	193,159
Total Requirements	2,514,745	2,289,211	2,928,684	2,489,500	2,913,959	2,913,959	2,913,959
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	232,684	308,459	-	313,959	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Street Maintenance Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

State Shared Revenue: The City's share of the apportionment of Highway Fund revenue (includes Motor Vehicle Fuel Tax Fees, Motor Carrier Fees, DMV Registration Fees, and Road Use Assessment Fees). These funds are distributed under ORS 366.524 and 366.800.

Intergovernmental Revenue: Revenue from other municipalities or governmental agencies. Payment for street sweeping services and public works projects provided to other jurisdictions,

Local Vehicle Registration Fee: Revenue from the City's portion of the vehicle registration fee administered by Clackamas County.

Local Gas Tax Revenue: Revenue from City gas tax from any gas station operating within city boundaries.

Transportation Maintenance Fee (TMF) Revenue: Revenue collected from residents for maintenance of streets within city boundaries if passed by council.

Misc. Revenue: Includes but not limited to unanticipated income and interest income from cash is invested in the Local Government Investment Pool and other investments.

Expenditures

Goals and Priorities

Streets

- Street maintenance continues to be a priority for our department. Maintaining our current pavement quality index while delivering approximately 1.3m in annual street maintenance will again be a major effort for both Engineering and Public Works in 2023.

Personnel:

Wages: Utility Worker I (4)

Benefits: Items paid from these line items include unemployment claims as the City is self-insured for unemployment, any retirement incentives offered, FICA and Tri-met taxes paid by the City, Paid Leave Oregon tax (1% employee and employer cost share picked up by the City), medical and dental benefits paid for employees (employees pay 5% of the premium costs), life, disability, and workers' compensation insurance, payments into the PERS system for both the employer percentage and the 6% pick up employee portion.

Materials and Services:

Supplies: Safety equipment worn by staff to protect them from injury. Examples: Hardhats, safety goggles, gloves, and boots.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Street Maintenance Fund

Expenditures

Professional Development: Training, travel, and meals related to City business, annual membership dues, professional organization dues, certifications, subscriptions, professional and code books. Cost of travel, meals and lodging while attending training and meetings. Costs for the attendance at street construction/inspection and/or maintenance seminars and training materials. Memberships associated with street repair and maintenance and subscriptions to trade journals.

Utilities: Share of cost of utilities for Public Works Shop. Equipment to control vehicle speeds and routes, i.e., lights, speed humps, barricades, and school zone indicators. Also includes Street Lighting District expense.

Vehicle Operation & Maintenance: Cost share for operation of vehicles including tractor, backhoe, street sweeper, large and mid-size dump trucks, and attachments for work on public streets.

Repairs and Maintenance: Maintenance and repairs of non-vehicular equipment. Street name, warning, notification signage, and striping located within the public rights of way. Street sweeping recycling and disposal. Continued equipment repairs and improvements associated with the Public Works Operations Facility. Materials for minor or emergency street repairs such as crushed rock, cold patch, and sealers. Costs due to severe or inclement weather where snow or ice create driving hazards. Cost of debris removal caused by severe wind or rain events. Expenditures related to any emergency events that cause damage to publicly owned infrastructure. Additional equipment rental during special projects or emergency situations.

Contract Services: Cost of using outside organizations or companies for the routine maintenance of streets, such as crack sealing, tree maintenance, and street sweeping. Utilization of traffic and civil engineering consulting services as required for street improvements projects.

Capital Outlay:

Street Reconstruction (Pavement Management Rehabilitation and Preventative Maintenance): Roadway improvements including overlays, sealcoats, and other related improvements to assure the preservation of the roadway system and prevent deterioration to a worse condition category. Additional costs are associated with the replacement of streets and roads that have suffered deteriorations rates of 80% or more. All maintenance is based on the Pavement Quality Index.

Potential projects for the current year include:

Spring Mountain Road

Valley View Terrace

Transfers Out:

To General Fund: Amount calculated with cost allocation plan to cover administrative overhead costs. Included in these costs are city administration, finance, payroll, accounts payable, human resources, city recorder, overall administrative costs related to running the city.

To Street Reserve for Replacement Fund: Transfer to accumulate funds for purchases per the Street Reserve for Replacement list.



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Street Maintenance Fund

Expenditures

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.

Performance Measures

Council Goals: A safe, livable community with a sense of pride and strong identity. Environmentally sensible practices. Effective, efficient, and readily available services.

	2020-21	2021-22	2022-23 Estimated	2023-24 Forecast
Stop Bars/Thermo-plastic Applied				
· LF of stop bars installed	100	12	335	472
Traffic Control Changes	2	0	15	2
Winter Storm/De-icing				
· Yards of de-icing sand applied	0	125	182	97
· Gallons of de-icing chemicals applied	2,500	2,000	6,155	17,500
· Yards of de-icing sand re-claimed	0	111	144	77
ROW Trees				
· Street trees installed	25	23	0	330
Pothole Patching/Pavement Maintenance Program				
· Tons of asphalt used for pothole patching	24.5	15.62	1	256.27
· Linear ft of asphalt installed for pavement maintenance	158,974	125,381	123,391	169,040
Roadway/Parking Lot Striping				
· Gallons of yellow traffic paint applied to area roadways	30	100	90	100
· Gallons of white traffic paint applied to area roadways/parking lots	25	20	55	55
Street Sweeping				
· Lane miles of streets swept	1430.72	1,412	1,494.44	1,545.99
· Yards of material collected	663	989	1,096	1,351
Sign Maintenance				
· New signs installed	65	169	97	135
· Sign service checks	912	566	127	218



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

***Storm Utility System Development Charges
Fund***



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Storm Utility System Development Charges Fund

Managers: Michael D. Walter, AICP / Chris Randall

ORS 223.297 to 223.314 provides a uniform framework for imposing systems development charges (SDC) by governmental units and established that these charges may only be used for capital improvements. ORS 223.307 sets authorized expenditure of SDC's. Stating improvement fees may be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such improvement. An increase in system capacity may be established if improvement increases level of performance or service provided by existing facilities or provides new facilities. ORS 223.311 requires SDC's be deposited into accounts designated for such monies and an annual accounting of these funds is to be made.

Revenue

Storm Drain SDCs, interest, miscellaneous revenue.

Expenditures

Storm Drain SDCs

Used to complete Capital Storm Drain Projects as identified in the City's Storm Drain Master Plan and Capital Improvement Plan (CIP). Projects are planned within the City's major drainage ways and focused on watershed protection/enhancement activities.

Contract Services

Used to complete Storm and Sewer Master Plans.

Budget Summary:

	Preceding		Adopted	Budget for Fiscal Year 2023-24		
	2020-21	2021-22	2022-23	Proposed	Approved	Adopted
Materials and Services	-	-	200,000	100,000	100,000	100,000
Capital Outlay	-	-	1,273,963	709,069	709,069	709,069
Total	-	-	1,473,963	809,069	809,069	809,069

Storm Utility System Development Charges (SDC) Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 1,189,883	\$ 1,328,137	\$ 1,353,963	\$ 1,453,069	\$ 759,069	\$ 759,069	\$ 758,069
SDC - Storm Drainage	130,607	117,443	100,000	35,000	30,000	30,000	30,000
Misc Revenue	7,647	7,489	20,000	20,000	20,000	20,000	20,000
Transfers In	-	-	-	-	-	-	1,000
Total Resources	<u>1,328,137</u>	<u>1,453,069</u>	<u>1,473,963</u>	<u>1,508,069</u>	<u>809,069</u>	<u>809,069</u>	<u>809,069</u>
Requirements							
Materials and Services							
Contract Services	-	-	200,000	-	100,000	100,000	100,000
Total Materials and Services	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Capital Outlay							
SDC Projects - Storm Drain	-	-	1,273,963	750,000	709,069	709,069	709,069
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>1,273,963</u>	<u>750,000</u>	<u>709,069</u>	<u>709,069</u>	<u>709,069</u>
Total Requirements	<u>-</u>	<u>-</u>	<u>1,473,963</u>	<u>750,000</u>	<u>809,069</u>	<u>809,069</u>	<u>809,069</u>
Reserve for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	1,328,137	1,453,069	-	758,069	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Storm Utility System Development Charges Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

Misc Revenue: Interest earned on cash invested in the Local Government Investment Pool and other investments.

SDC – Storm Drain: SDC's collected on building permits to fund the City's CIP for storm drainage.

Expenditures

Capital Outlay:

Planned projects for Storm Drain

Typical projects include the removal of existing roadside drainage ways with the installation of underground drainage systems including inlets and manhole structures.

- Storm Drain Master Plan update.
- Storm Drain system construction in undeveloped storm drain system areas.
- Partnerships with outside agencies associated with capital storm drain projects within Clackamas County Service District No. 1 (CCSD#1).



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

***Transportation System Development
Charges Fund***



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Transportation System Development Charges Fund

Managers: Michael D. Walter, AICP / Chris Randall

ORS 223.297 to 223.314 provides a uniform framework for imposing systems development charges (SDC) by governmental units and established that these charges may only be used for capital improvements. ORS 223.307 sets authorized expenditure of SDC's. Stating improvement fees may be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such improvement. An increase in system capacity may be established if improvement increases level of performance or service provided by existing facilities or provides new facilities. ORS 223.311 requires systems development charges be deposited into accounts designated for such monies and an annual accounting of these funds is to be made.

Revenue

Transportation SDCs, privilege tax, interest, miscellaneous revenue.

Expenditures

Completion of Capital Transportation Projects as identified in the City's Transportation System Plan (TSP) and Capital Improvement Plan (CIP). Also includes an SDC methodology and administrative documents.

Budget Summary:

	Preceding		Adopted	Budget for Fiscal Year 2023-24		
	2020-21	2021-22	Budget 2022-23	Proposed	Approved	Adopted
Materials and Services	24,924	339,753	1,000,000	1,000,000	1,000,000	1,000,000
Capital Outlay	10,819,721	3,556,120	8,840,942	11,963,916	11,963,916	11,703,916
Total	10,844,645	3,895,873	9,840,942	12,963,916	12,963,916	12,703,916

Transportation System Development Charges (SDC) Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 11,955,862	\$ 5,615,942	\$ 8,590,942	\$ 8,653,916	\$ 9,013,916	\$ 9,013,916	\$ 8,753,916
SDC - Transportation	1,899,324	377,052	500,000	300,000	300,000	300,000	300,000
SDC - Transportation Credits	440,554	6,464,900	600,000	-	-	-	-
Privilege Tax	-	-	-	-	500,000	500,000	500,000
Misc Revenue	2,164,847	91,895	150,000	140,000	150,000	150,000	150,000
Transfers In	-	-	-	-	3,000,000	3,000,000	3,000,000
Total Resources	<u>16,460,587</u>	<u>12,549,789</u>	<u>9,840,942</u>	<u>9,093,916</u>	<u>12,963,916</u>	<u>12,963,916</u>	<u>12,703,916</u>
Requirements							
Materials and Services							
Contract Services	24,924	339,753	1,000,000	300,000	1,000,000	1,000,000	1,000,000
Total Materials and Services	<u>24,924</u>	<u>339,753</u>	<u>1,000,000</u>	<u>300,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Capital Outlay							
SDC Projects	10,819,721	3,556,120	8,840,942	40,000	8,563,916	8,563,916	8,303,916
Undergrounding Projects	-	-	-	-	3,400,000	3,400,000	3,400,000
Total Capital Outlay	<u>10,819,721</u>	<u>3,556,120</u>	<u>8,840,942</u>	<u>40,000</u>	<u>11,963,916</u>	<u>11,963,916</u>	<u>11,703,916</u>
Total Requirements	<u>10,844,645</u>	<u>3,895,873</u>	<u>9,840,942</u>	<u>340,000</u>	<u>12,963,916</u>	<u>12,963,916</u>	<u>12,703,916</u>
Reserve for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	5,615,942	8,653,916	-	8,753,916	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Transportation System Development Charges Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

SDC – Transportation (TSDC's): TSDC's collected on building permits to fund the City's CIP for transportation.

Privilege Tax: Privilege tax collected through utilities which will be committed to electrical line undergrounding projects.

Misc. Revenue: Interest earned on cash invested in the Local Government Investment Pool and other investments.

Transfers In: Transfer from the Street Fund for Fee in Lieu collections for TSDC related projects.

Expenditures

Materials and Services:

Contract Services: Completion of the Capital Improvement Plan (CIP), SDC methodology, and administrative documents.

Capital Outlay: Expenditures for TSDC capital and electric line undergrounding projects.

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Parks System Development Charges Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks System Development Charges Fund

Managers: Michael D. Walter, AICP / Chris Randall

ORS 223.297 to 223.314 provides a uniform framework for imposing systems development charges (SDC) by governmental units and established that these charges may only be used for capital improvements. ORS 223.307 sets authorized expenditure of SDC's. Stating improvement fees may be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such improvement. An increase in system capacity may be established if improvement increases level of performance or service provided by existing facilities or provides new facilities. ORS 223.311 requires systems development charges be deposited into accounts designated for such monies and an annual accounting of these funds is to be made.

Revenue

Parks SDCs, interest, miscellaneous revenue.

Expenditures

Completion of Capital Parks Projects as identified in the City's Parks Master Plan and Capital Improvement Plan (CIP). Also includes an SDC methodology and administrative documents.

Budget Summary:

	Preceding		Adopted	Budget for Fiscal Year 2023-24		
	2020-21	2021-22	Budget 2022-23	Proposed	Approved	Adopted
Materials and Services	40,300	78,389	500,000	500,000	500,000	500,000
Capital Outlay	719,898	2,845,927	23,367,344	19,926,273	19,926,273	19,926,273
Total	760,198	2,924,316	23,867,344	20,426,273	20,426,273	20,426,273

Parks System Development Charges (SDC) Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 16,054,668	\$ 18,802,344	\$ 21,767,344	\$ 19,266,273	\$ 19,826,273	\$ 19,826,273	\$ 19,826,273
SDC - Parks	3,396,944	3,283,811	2,000,000	300,000	300,000	300,000	300,000
Misc Revenue	110,930	104,434	100,000	300,000	300,000	300,000	300,000
Total Resources	<u>19,562,542</u>	<u>22,190,589</u>	<u>23,867,344</u>	<u>19,866,273</u>	<u>20,426,273</u>	<u>20,426,273</u>	<u>20,426,273</u>
Requirements							
Materials and Services							
Contract Services	40,300	78,389	500,000	20,000	500,000	500,000	500,000
Total Materials and Services	<u>40,300</u>	<u>78,389</u>	<u>500,000</u>	<u>20,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Capital Outlay							
SDC Projects	719,898	2,845,927	23,367,344	20,000	19,926,273	19,926,273	19,926,273
Total Capital Outlay	<u>719,898</u>	<u>2,845,927</u>	<u>23,367,344</u>	<u>20,000</u>	<u>19,926,273</u>	<u>19,926,273</u>	<u>19,926,273</u>
Total Requirements	<u>760,198</u>	<u>2,924,316</u>	<u>23,867,344</u>	<u>40,000</u>	<u>20,426,273</u>	<u>20,426,273</u>	<u>20,426,273</u>
Reserve for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	18,802,344	19,266,273	-	19,826,273	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks System Development Charges Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

SDC – Parks (PSDC's): PSDC's collected on building permits to fund the City's CIP for Parks.

Misc. Revenue: Interest earned on cash invested in the Local Government Investment Pool and other investments.

Expenditures

Materials and Services:

Contract Services: Completion of the Capital Improvement Plan (CIP), SDC methodology, and administrative documents.

Capital Outlay:

SDC Projects: Capital expenditures on SDC eligible projects.

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Pedestrian Improvement Projects Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Pedestrian Improvement Projects Fund

Managers: Michael D. Walter, AICP / Chris Randall

Purpose of this fund is to account for pedestrian pathways and other improvements based on the City's adopted Pedestrian Master Plan. High priority projects constructed as funds become available. Smaller projects to connect existing pedestrian networks approved by Council annually.

Revenue

Revenues received from the Vehicle Registration Fee.

Expenditures

Project engineering and costs for construction of planned pedestrian projects. PIP amounts allocated annually for Traffic and Public Safety projects as well as for boulevard sidewalk maintenance. Amounts used for matching when grants are awarded to the City.

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22	Budget 2022-23	Proposed	Approved	Adopted
Material and Services	-	22,520	30,000	30,000	30,000	30,000
Capital Outlay	49,159	26,421	1,700,911	1,895,562	1,895,562	1,895,562
Transfers	22,000	22,000	28,000	30,000	30,000	30,000
Total	71,159	70,941	1,758,911	1,955,562	1,955,562	1,955,562

Pedestrian Improvement Projects (PIP) Fund

	Preceding 2019-20	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 946,731	\$ 1,304,711	\$ 1,488,911	\$ 1,473,562	\$ 1,685,562	\$ 1,685,562	\$ 1,685,562
Misc Revenue	6,663	7,313	10,000	30,000	10,000	10,000	10,000
Vehicle Registration Fee	422,476	232,479	260,000	240,000	260,000	260,000	260,000
Total Resources	<u>1,375,870</u>	<u>1,544,503</u>	<u>1,758,911</u>	<u>1,743,562</u>	<u>1,955,562</u>	<u>1,955,562</u>	<u>1,955,562</u>
Requirements							
Materials and Services							
Contract Engineering	-	22,520	30,000	30,000	30,000	30,000	30,000
Total Materials and Services	<u>-</u>	<u>22,520</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
Capital Outlay							
Pedestrian Pathways	49,159	26,421	1,700,911	-	1,895,562	1,895,562	1,895,562
Total Capital Outlay	<u>49,159</u>	<u>26,421</u>	<u>1,700,911</u>	<u>-</u>	<u>1,895,562</u>	<u>1,895,562</u>	<u>1,895,562</u>
Transfers							
To General Fund	22,000	22,000	28,000	28,000	30,000	30,000	30,000
Total Transfers	<u>22,000</u>	<u>22,000</u>	<u>28,000</u>	<u>28,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
Total Requirements	<u>71,159</u>	<u>70,941</u>	<u>1,758,911</u>	<u>58,000</u>	<u>1,955,562</u>	<u>1,955,562</u>	<u>1,955,562</u>
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	1,304,711	1,473,562	-	1,685,562	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Pedestrian Improvement Projects Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous fiscal year.

Misc Revenue: Interest earned on cash invested in the Local Government Investment Pool and other investments.

Vehicle Registration Fee: The City's share of the vehicle registration fee administered through Clackamas County.

Transfers In: Transfer to fund projects.

Expenditures

Materials and Services:

Contract Engineering: Transportation engineering and planning.

Capital Outlay:

Pedestrian Pathways: Construction of pedestrian pathways. The Traffic and Public Safety Committee reviews and prioritizes a list of projects up to \$50,000 per budget cycle to the Public Works Director and City Manager for consideration. Also \$10,000 per budget cycle for the maintenance of boulevard street sidewalks.

Grant Match: Matching funds paid to comply with grant award. Included are the 122nd/129th RFFA grant design engineering phase.

Transfers:

To General Fund: Amount calculated with cost allocation plan to cover administrative overhead costs. Included in these costs are city administration, finance, payroll, accounts payable, human resources, city recorder, overall administrative costs related to running the city.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Facility Capital Projects Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Facility Capital Projects Fund

Manager: Travis Warneke, CPA

This fund was created for the construction of new facilities including but not limited to a public works facility and a police station. The timing of these projects is uncertain, but the eventual purchase of land and construction of the facilities will be accounted for in this fund.

Revenue

Transfers from the General Fund.

Expenditures

Purchase of land and expenditures related to the construction of facilities.

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2023 - 2024		
	2020-21	2020-21	Budget 2022-23	Proposed	Approved	Adopted
Materials and Services	-	24,695	500,000	500,000	500,000	500,000
Capital Outlay	425	-	16,941,886	9,847,321	9,847,321	9,847,321
Total	425	24,695	17,441,886	10,347,321	10,347,321	10,347,321

Facility Capital Projects Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 6,179,492	\$ 9,221,886	\$ 12,741,886	\$ 12,752,321	\$ 7,647,321	\$ 7,647,321	\$ 7,647,321
Misc Revenue	42,819	55,130	-	200,000	200,000	200,000	200,000
Transfers In - General Fund	3,000,000	3,500,000	4,700,000	4,700,000	2,500,000	2,500,000	2,500,000
Total Resources	<u>9,222,311</u>	<u>12,777,016</u>	<u>17,441,886</u>	<u>17,652,321</u>	<u>10,347,321</u>	<u>10,347,321</u>	<u>10,347,321</u>
Requirements							
Materials and Services							
Contract Services	-	24,695	500,000	5,000	500,000	500,000	500,000
Total Materials and Services	<u>-</u>	<u>24,695</u>	<u>500,000</u>	<u>5,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Capital Outlay							
Project Construction	425	-	12,941,886	-	1,000,000	1,000,000	1,000,000
Land	-	-	4,000,000	10,000,000	8,847,321	8,847,321	8,847,321
Total Capital Outlay	<u>425</u>	<u>-</u>	<u>16,941,886</u>	<u>10,000,000</u>	<u>9,847,321</u>	<u>9,847,321</u>	<u>9,847,321</u>
Total Requirements	<u>425</u>	<u>24,695</u>	<u>17,441,886</u>	<u>10,005,000</u>	<u>10,347,321</u>	<u>10,347,321</u>	<u>10,347,321</u>
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	9,221,886	12,752,321	-	7,647,321	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Facility Capital Projects Fund

Resources

Transfer from General Fund: Amounts from the General Fund to allow for the construction of facilities.

Expenditures

Capital Outlay:

Land: Purchase of land for future facility location.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Parks Capital Projects Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks Capital Projects Fund

Manager: Travis Warneke, CPA

The Parks Capital Projects Fund resources consist of a transfer from the Parks Fund. These resources will be available to supplement a Parks SDC project when the time comes. Not all SDC projects are 100% SDC eligible so having dedicated funds set aside will help get a project off the ground smoothly.

Revenue

Transfers from the Parks Fund.

Expenditures

Capital expenditures for parks facilities.

Budget Summary:

	Preceding		Adopted Budget 2022-23	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22		Proposed	Approved	Adopted
Capital Outlay	-	343,932	9,028,220	7,283,097	7,283,097	7,283,097
Total	-	343,932	9,028,220	7,283,097	7,283,097	7,283,097

Parks Capital Projects Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 4,938,934	\$ 4,970,220	\$ 9,003,220	\$ 8,653,097	\$ 7,183,097	\$ 7,183,097	\$ 7,183,097
Misc Revenue	31,286	26,809	25,000	130,000	100,000	100,000	100,000
Transfers In	-	4,000,000	-	-	-	-	-
Total Resources	<u>4,970,220</u>	<u>8,997,029</u>	<u>9,028,220</u>	<u>8,783,097</u>	<u>7,283,097</u>	<u>7,283,097</u>	<u>7,283,097</u>
Requirements							
Capital Outlay							
Projects	-	343,932	4,000,000	1,500,000	4,000,000	4,000,000	4,000,000
Land	-	-	5,028,220	100,000	3,283,097	3,283,097	3,283,097
Total Capital Outlay	<u>-</u>	<u>343,932</u>	<u>9,028,220</u>	<u>1,600,000</u>	<u>7,283,097</u>	<u>7,283,097</u>	<u>7,283,097</u>
Contingency	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Requirements	<u>-</u>	<u>343,932</u>	<u>9,028,220</u>	<u>1,600,000</u>	<u>7,283,097</u>	<u>7,283,097</u>	<u>7,283,097</u>
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	4,970,220	8,653,097	-	7,183,097	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks Capital Projects Fund

Resources

Transfer from Parks Fund: Amounts from the Parks Fund to supplement Parks SDC eligible projects.

Expenditures

Capital Outlay: Amount set aside for park improvements in 2023-24, as well as future land purchases or upgrades. The full balance of \$9 million is available to exercise opportunities as they arise.

SDC Match: Capital expenditures for parks facilities.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Reserve for General Operations Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Reserve for General Operations Fund

Manager: Travis Warneke, CPA

This reserve fund will hold amounts to be accumulated and expended to offset the cyclical nature of general operation resources. The most recent economic downturn highlighted the cyclical nature of revenues in the General Fund and the impact that has on the ability to ensure service delivery in the event of an economic downturn. The amount to be accumulated in this fund along with the conditions for expenditures are set forth in Policy 13-04 - Budget Reserves & Contingency.

Revenue

Transfer from the General Fund for future general operations expenditures.

Expenditures

Will be used to offset the effects of the cyclical nature of revenue generation in the General Fund in future years based on Policy 13-04 – Budget Reserves & Contingency.

The fund will be reviewed to determine whether it will be continued or abolished each year. When it is determined it is no longer necessary to maintain this reserve fund any unexpended balance in the fund will be transferred to another fund. Any unexpended balance is not required to be held for subsequent expenditure for the purposes for which this fund was established.

Budget Summary:

	Preceding		Adopted Budget 2022-23	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22		Proposed	Approved	Adopted
Materials and Services	-	-	-	-	-	-
Reserve for Future Expenditures	-	-	838,974	838,974	838,974	838,974
Total	-	-	838,974	838,974	838,974	838,974

Reserve for General Operations Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 838,974	\$ 838,974	\$ 838,974	\$ 838,974	\$ 838,974	\$ 838,974	\$ 838,974
Total Resources	<u>838,974</u>	<u>838,974</u>	<u>838,974</u>	<u>838,974</u>	<u>838,974</u>	<u>838,974</u>	<u>838,974</u>
Requirements							
Materials and Services	-	-	-	-	-	-	-
Total Requirements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reserved for Future Expenditures	-	-	838,974	-	838,974	838,974	838,974
Ending Fund Balance	<u>838,974</u>	<u>838,974</u>	<u>-</u>	<u>838,974</u>	<u>-</u>	<u>-</u>	<u>-</u>



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Reserve for General Operations Fund

Resources

Transfer from General Fund: Transfer from the General Fund.

Expenditures

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

General Reserve for Replacement Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Reserve for Replacement Fund

Manager: Travis Warneke, CPA

Created to provide a long-term approach to funding the purchase and replacement of equipment and major facility maintenance expenditures. A schedule was established to calculate the amount required annually based on the expected useful life of equipment and facilities. The schedule is reviewed and updated annually based on an assessment of the condition of items along with any additions or deletions of equipment or facilities. The fund will be reviewed to determine whether it will be continued or abolished each year. When it is determined it is no longer necessary to maintain this reserve fund any unexpended balance in the fund will be transferred to another fund. Any unexpended balance is not required to be held for subsequent expenditure for the purposes for which this fund was established. This fund allows the City to save for replacement of all major capital items without having dramatic swings in the General Fund and makes for clear and relevant analysis of operating trends.

Revenue

Transfers from the General Fund, PEG revenue, interest.

Expenditures

Repair and replacement of Items listed on the replacement schedules. The schedules are reviewed periodically throughout the year and annually for the budget process. The assumptions used to create the schedules are reviewed for validity and changed if required.

Budget Summary:

	Preceding		Adopted Budget 2022-23	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22		Proposed	Approved	Adopted
Material and Services	48,217	247,958	650,000	650,000	650,000	650,000
Capital Outlay	237,840	262,661	900,000	900,000	900,000	900,000
Total	286,057	510,619	1,550,000	1,550,000	1,550,000	1,550,000
Reserved for Future Expenditures	-	-	1,318,371	1,305,774	1,305,774	1,305,774

General Reserve for Replacement Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 1,886,290	\$ 2,203,371	\$ 2,298,371	\$ 2,260,774	\$ 2,295,774	\$ 2,295,774	\$ 2,295,774
PEG revenue	59,546	60,692	60,000	60,000	60,000	60,000	60,000
Misc Revenue	43,592	7,330	10,000	-	-	-	-
Transfers In	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total Resources	<u>2,489,428</u>	<u>2,771,393</u>	<u>2,868,371</u>	<u>2,820,774</u>	<u>2,855,774</u>	<u>2,855,774</u>	<u>2,855,774</u>
Requirements							
Materials and Services							
Equipment - under \$5,000	48,217	246,758	150,000	70,000	150,000	150,000	150,000
Repairs and Maintenance	-	1,200	500,000	200,000	500,000	500,000	500,000
Total Materials and Services	<u>48,217</u>	<u>247,958</u>	<u>650,000</u>	<u>270,000</u>	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>
Capital Outlay							
Vehicles	-	38,495	300,000	100,000	300,000	300,000	300,000
Equipment - over \$5,000	237,840	122,746	400,000	50,000	400,000	400,000	400,000
Facility Improvements	-	22,991	100,000	25,000	100,000	100,000	100,000
PEG Grants	-	78,429	100,000	80,000	100,000	100,000	100,000
Total Capital Outlay	<u>237,840</u>	<u>262,661</u>	<u>900,000</u>	<u>255,000</u>	<u>900,000</u>	<u>900,000</u>	<u>900,000</u>
Total Requirements	<u>286,057</u>	<u>510,619</u>	<u>1,550,000</u>	<u>525,000</u>	<u>1,550,000</u>	<u>1,550,000</u>	<u>1,550,000</u>
Reserved for Future Expenditures	-	-	1,318,371	-	1,305,774	1,305,774	1,305,774
Ending Fund Balance	2,203,371	2,260,774	-	2,295,774	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

General Reserve for Replacement Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous year.

PEG Revenue: Cable PEG fees collected for Public, Educational and Governmental access.

Misc Revenue: Includes interest income from cash in the Local Government Investment Pool.

Transfers In: Amounts from the General Fund per replacement schedules.

Expenditures

Materials and Services:

Equipment – under \$5,000: Equipment per replacement schedules.

Repairs and Maintenance: Repairs and maintenance items per replacement schedules.

Education Benefits: Benefits provided to staff for education.

Capital Outlay:

Vehicles: Vehicles per replacement schedules.

Equipment – over \$5,000: Equipment per replacement schedules.

Facility Improvements: Facility improvements per replacement schedules.

Park Improvements: Park improvements scheduled for the current budget year per Council direction.

PEG Grants: Grants awarded based on criteria.

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Library Reserve for Replacement Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Library Reserve for Replacement Fund

Manager: Travis Warneke, CPA

Created to provide a long-term approach to funding the purchase and replacement of equipment and major facility maintenance expenditures associated with the Library. A schedule was established to calculate the amount required annually based on the expected useful life of equipment and facilities. The schedule is reviewed and updated annually based on an assessment of the condition of items along with any additions or deletions of equipment or facilities.

The fund will be reviewed to determine whether it will be continued or eliminated each year. When it is determined it is no longer necessary to maintain this reserve fund any unexpended balance in the fund will be transferred to the Library Fund. Any unexpended balance is not required to be held for subsequent expenditure for the purposes for which this fund was established.

This fund allows the City to save for replacement of all major library capital items without having dramatic swings in the operating Library Fund and makes for clear and relevant analysis of operating trends.

Revenue

Transfers from the Library Fund and interest earned on amounts invested in the Local Government Investment Pool and other investments.

Expenditures

Repair and replacement of Items listed on the replacement schedules. The schedules are reviewed periodically throughout the year and annually for the budget process. The assumptions used to create the schedules are reviewed for validity and changed if required. The transfer out in the 2023-24 budget is for building permit fees and SDCs related to the library expansion project.

Budget Summary:

	Preceding		Budget			
	2020-21	2021-22	2022-23	Proposed	Approved	Adopted
Material and Services	980	1,533	150,000	150,000	150,000	150,000
Capital Outlay	35,314	127,705	5,718,290	5,245,552	5,245,552	5,475,552
Transfer Out	-	-	-	-	-	101,000
Total	36,294	129,238	5,868,290	5,395,552	5,395,552	5,726,552

Library Reserve for Replacement Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 4,201,584	\$ 4,665,290	\$ 5,168,290	\$ 5,136,052	\$ 4,795,552	\$ 4,795,552	\$ 5,126,552
Misc Revenue	-	-	-	2,500	-	-	-
Transfers In	500,000	600,000	700,000	700,000	600,000	600,000	600,000
Total Resources	<u>4,701,584</u>	<u>5,265,290</u>	<u>5,868,290</u>	<u>5,838,552</u>	<u>5,395,552</u>	<u>5,395,552</u>	<u>5,726,552</u>
Requirements							
Materials and Services							
Equipment - under \$5,000	-	-	50,000	-	50,000	50,000	50,000
Repairs and Maintenance	980	1,533	100,000	-	100,000	100,000	100,000
Total Materials and Services	<u>980</u>	<u>1,533</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Capital Outlay							
Equipment - over \$5,000	-	-	500,000	12,000	500,000	500,000	500,000
Facility Improvements	35,314	127,705	5,218,290	700,000	4,745,552	4,745,552	4,975,552
Total Capital Outlay	<u>35,314</u>	<u>127,705</u>	<u>5,718,290</u>	<u>712,000</u>	<u>5,245,552</u>	<u>5,245,552</u>	<u>5,475,552</u>
Transfers							
To General Fund	-	-	-	-	-	-	100,000
To Storm SDC Fund	-	-	-	-	-	-	1,000
To TSDC Fund	-	-	-	-	-	-	-
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>101,000</u>
Total Requirements	<u>36,294</u>	<u>129,238</u>	<u>5,868,290</u>	<u>712,000</u>	<u>5,395,552</u>	<u>5,395,552</u>	<u>5,726,552</u>
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	4,665,290	5,136,052	-	5,126,552	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Library Reserve for Replacement Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous year.

Transfers In: Amounts from the Library Fund per the replacement schedule.

Expenditures

Materials and Services:

Equipment – under \$5,000: Equipment per replacement schedules.

Repairs and Maintenance: Repairs and maintenance items per replacement schedules.

Capital Outlay:

Equipment – over \$5,000: Equipment per replacement schedules.

Facility Improvements: Facility improvements per replacement schedules. In addition, to meet the needs of one of Oregon's fastest growing and most diverse communities – and the unincorporated areas served by the Happy Valley Library, the City of Happy Valley is looking into the possibility of constructing a 7,000 square-foot expansion to the existing Library building. Improvements will enable the City to potentially provide a 300-person community room, kitchen, and quiet study rooms, creating a welcoming place for all to use, gather, and celebrate our unique and shared cultural experiences. Construction is slated to begin Summer 2023 and conclude Summer 2024.

Other:

Reserved for Future Expenditures: Amount set aside to meet unforeseen circumstances. Will be appropriated based on policy thresholds.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Street Reserve for Replacement Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Street Reserve for Replacement Fund

Manager: Travis Warneke, CPA

Created to provide a long-term approach to funding the purchase and replacement of equipment and major facility maintenance expenditures associated with the street maintenance. A schedule was established to calculate the amount required annually based on the expected useful life of equipment and facilities. The schedule is reviewed and updated annually based on an assessment of the condition of items along with any additions or deletions of equipment or facilities.

The fund will be reviewed to determine whether it will be continued or eliminated each year. When it is determined it is no longer necessary to maintain this reserve fund any unexpended balance in the fund will be transferred to the Street Fund. Any unexpended balance is not required to be held for subsequent expenditure for the purposes for which this fund was established.

This fund allows the City to save for replacement of all major street capital equipment items without having dramatic swings in the Street Maintenance Fund and makes for clear and relevant analysis of operating trends.

Revenue

Transfers from the Street Fund and interest earned on amounts invested in the Local Government Investment Pool and other investments.

Expenditures

Repair and replacement of Items listed on the replacement schedules. The schedules are reviewed periodically throughout the year and annually for the budget process. The assumptions used to create the schedules are reviewed for validity and changed if required.

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22	2022-23	Proposed	Approved	Adopted
Material and Services	79,686	-	125,000	125,000	125,000	125,000
Capital Outlay	-	70,839	998,652	415,817	415,817	415,817
Transfers	-	-	-	3,000,000	3,000,000	3,000,000
Total	79,686	70,839	1,123,652	3,540,817	3,540,817	3,540,817
Reserved for Future Expenditures	-	-	3,000,000	-	-	-

Street Reserve for Replacement Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ 2,668,446	\$ 2,988,632	\$ 3,923,652	\$ 3,957,817	\$ 3,340,817	\$ 3,340,817	\$ 3,340,817
Misc Revenue	299,872	940,024	100,000	110,000	100,000	100,000	100,000
Transfers In	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Resources	<u>3,068,318</u>	<u>4,028,656</u>	<u>4,123,652</u>	<u>4,167,817</u>	<u>3,540,817</u>	<u>3,540,817</u>	<u>3,540,817</u>
Requirements							
Materials and Services							
Equipment - under \$5,000	-	-	25,000	2,000	25,000	25,000	25,000
Repairs and Maintenance	79,686	-	100,000	-	100,000	100,000	100,000
Total Materials and Services	<u>79,686</u>	<u>-</u>	<u>125,000</u>	<u>2,000</u>	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>
Capital Outlay							
Vehicles	-	-	500,000	-	-	-	-
Tree Planting	-	-	-	285,000	-	-	-
Equipment - over \$5,000	-	70,839	498,652	540,000	415,817	415,817	415,817
Total Capital Outlay	<u>-</u>	<u>70,839</u>	<u>998,652</u>	<u>825,000</u>	<u>415,817</u>	<u>415,817</u>	<u>415,817</u>
Transfers							
To TSDC Fund	-	-	-	-	3,000,000	3,000,000	3,000,000
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>
Total Requirements	<u>79,686</u>	<u>70,839</u>	<u>1,123,652</u>	<u>827,000</u>	<u>3,540,817</u>	<u>3,540,817</u>	<u>3,540,817</u>
Reserved for Future Expenditures							
Fee in Lieu	-	-	3,000,000	-	-	-	-
Ending Fund Balance	2,988,632	3,957,817	-	3,340,817	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Street Reserve for Replacement Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous year.

Transfers In: Amounts from the Street Fund per the replacement schedule.

Expenditures

Materials and Services:

Equipment – under \$5,000: Equipment per replacement schedules.

Repairs and Maintenance: Repairs and maintenance items per replacement schedules.

Capital Outlay:

Vehicles: Vehicles per replacement schedules.

Equipment – over \$5,000: Equipment per replacement schedules.

Transfers:

To Transportation Development Charges Fund: Transfer to the TSDC fund for Fee in Lieu payments utilized for TSDC eligible projects.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Parks Reserve for Replacement Fund



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks Reserve for Replacement Fund

Manager: Travis Warneke, CPA

Created to provide a long-term approach to funding the purchase and replacement of equipment and major facility maintenance expenditures associated with park maintenance. A schedule was established to calculate the amount required annually based on the expected useful life of equipment and facilities. The schedule is reviewed and updated annually based on an assessment of the condition of items along with any additions or deletions of equipment or facilities.

The fund will be reviewed to determine whether it will be continued or eliminated each year. When it is determined it is no longer necessary to maintain this reserve fund any unexpended balance in the fund will be transferred to the Parks Fund. Any unexpended balance is not required to be held for subsequent expenditure for the purposes for which this fund was established.

This fund allows the City to save for replacement of all major park capital equipment items without having dramatic swings in the Parks Fund and makes for clear and relevant analysis of operating trends.

Revenue

Transfers from the Parks Fund and interest earned on amounts invested in the Local Government Investment Pool and other investments.

Expenditures

Repair and replacement of items listed on the replacement schedules. The schedules are reviewed periodically throughout the year and annually for the budget process. The assumptions used to create the schedules are reviewed for validity and changed if required.

Budget Summary:

	Preceding		Adopted Budget 2022-23	Budget For Fiscal Year 2023 - 2024		
	2020-21	2021-22		Proposed	Approved	Adopted
Material and Services	4,357	-	60,000	60,000	60,000	60,000
Capital Outlay	71,825	35,000	240,000	225,000	225,000	225,000
Total	76,182	35,000	300,000	285,000	285,000	285,000
Reserved for Future Expenditures	-	-	1,423,818	1,866,818	1,866,818	1,866,818

Parks Reserve for Replacement Fund

	Preceding 2020-21	Preceding 2021-22	Adopted Budget 2022-23	Estimate 2022-23	Proposed Budget 2023-24	Approved Budget 2023-24	Adopted Budget 2023-24
Resources							
Beginning Fund Balance	\$ -	\$ 223,818	\$ 923,818	\$ 888,818	\$ 1,626,818	\$ 1,626,818	\$ 1,626,818
Transfers In	300,000	700,000	800,000	800,000	525,000	525,000	525,000
Total Resources	<u>300,000</u>	<u>923,818</u>	<u>1,723,818</u>	<u>1,688,818</u>	<u>2,151,818</u>	<u>2,151,818</u>	<u>2,151,818</u>
Requirements							
Materials and Services							
Equipment - under \$5,000	4,357	-	10,000	2,000	10,000	10,000	10,000
Repairs and Maintenance	-	-	50,000	-	50,000	50,000	50,000
Total Materials and Services	<u>4,357</u>	<u>-</u>	<u>60,000</u>	<u>2,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>
Capital Outlay							
Equipment - over \$5,000	71,825	35,000	150,000	60,000	150,000	150,000	150,000
Facility Improvements	-	-	90,000	-	75,000	75,000	75,000
Total Capital Outlay	<u>71,825</u>	<u>35,000</u>	<u>240,000</u>	<u>60,000</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>
Total Requirements	<u>76,182</u>	<u>35,000</u>	<u>300,000</u>	<u>62,000</u>	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>
Reserved for Future Expenditures	-	-	1,423,818	-	1,866,818	1,866,818	1,866,818
Ending Fund Balance	223,818	888,818	-	1,626,818	-	-	-



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Parks Reserve for Replacement Fund

Resources

Beginning Fund Balance: Funds available but not spent during the previous year.

Transfers In: Amounts from the Parks Fund per the replacement schedule.

Expenditures

Materials and Services:

Equipment – under \$5,000: Equipment per replacement schedules.

Repairs and Maintenance: Repairs and maintenance items per replacement schedules.

Capital Outlay:

Equipment – over \$5,000: Equipment per replacement schedules.

Facility Improvements: Facility improvements per replacement schedules.



**City of Happy Valley
Fiscal Year 2023 - 2024 Budget**

Notices and Resolutions

NOTICE OF BUDGET COMMITTEE MEETING

A public meeting of the Budget Committee of the Happy Valley Urban Renewal Agency, Clackamas County, State of Oregon, to discuss the budget for fiscal year July 1, 2023 to June 30, 2024 will be held at City Hall, 16000 SE Misty Drive, Happy Valley, OR 97086. The meeting link and information will be available on the City website. The meeting will take place on May 16th, 2023 at 6:00 PM. The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 9th, 2023 on the City's website. This notice and the proposed budget for fiscal year 2023-24 will be posted on the city website: www.happyvalleyor.gov. This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee.

Publish May 10, 2023

CLK287396

FORM LB-1

NOTICE OF BUDGET HEARING

A public meeting of the City of Happy Valley will be held on June 20, 2023 at 7:00pm at City Hall. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2023 as approved by the City of Happy Valley Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at City Hall, 16000 SE Misty Drive, Happy Valley, OR between the hours of 8:30 a.m. and 4:30 p.m. or online at www.happyvalleyor.gov. 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: Travis Warneke, Finance Director

Telephone: 503-783-3800

Email: travisw@happyvalleyor.gov

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2021-22	Adopted Budget This Year 2022-23	Approved Budget Next Year 2023-24
Beginning Fund Balance/Net Working Capital	63,496,191	80,458,361	68,310,338
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	18,622,194	9,585,000	6,560,000
Federal, State and all Other Grants, Gifts, Allocations and Donations	11,504,302	7,156,000	7,509,000
Interfund Transfers / Internal Service Reimbursements	10,878,000	8,639,000	8,865,000
All Other Resources Except Current Year Property Taxes	1,491,779	655,000	1,280,000
Current Year Property Taxes Estimated to be Received	8,974,741	9,515,000	10,130,000
Total Resources	114,967,207	116,008,361	102,654,338

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	9,324,852	10,706,000	10,812,800
Materials and Services	8,630,198	12,520,000	12,989,000
Capital Outlay	8,425,319	69,989,208	59,721,607
Debt Service	0	0	0
Interfund Transfers	10,878,000	8,639,000	8,865,000
Contingencies	0	7,311,990	6,254,365
Unappropriated Ending Balance and Reserved for Future Expenditure	77,708,838	6,842,163	4,011,566
Total Requirements	114,967,207	116,008,361	102,654,338

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *			
Name of Organizational Unit or Program			
FTE for that unit or program			
General Administration	3,098,473	3,694,200	3,693,500
FTE	13.00	13.00	13.00
Community Services / Public Safety	6,118,617	7,990,377	8,680,833
FTE	10.00	11.00	11.00
Economic & Community Development	3,465,915	4,089,400	3,836,700
FTE	22.00	24.00	22.00
Public Works	761,087	895,900	908,000
FTE	4.00	4.00	4.00
Parks	2,107,707	3,099,335	3,218,608
FTE	6.00	6.00	7.00
Streets	2,289,211	2,928,684	2,913,959
FTE	4.00	4.00	4.00
Library	3,411,906	4,806,146	4,732,129
FTE	19.00	18.50	18.50
Not Allocated to Organizational Unit or Program	93,714,291	88,504,319	74,670,609
FTE	0.00	0.00	0.00
Total Requirements	114,967,207	116,008,361	102,654,338
Total FTE	79.00	80.50	79.50

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

There were no new funds added in this budet. The total for this budget is \$103 million and includes \$94 million of resources excluding transfers between funds and \$84 million of expenditures excluding transfers, contingency, and reserves for future expenditures. This budget decreased overall by 12% from the 2022-23 budget of \$116 million. This change is due to decreases in capital outlay expenditures. There were also significant decreased in development revenue in the General Fund and SDC funds as there has been a slowdown in development activity City-wide.

PROPERTY TAX LEVIES			
	Rate or Amount Imposed 2021-22	Rate or Amount Imposed This Year 2022-23	Rate or Amount Approved Next Year 2023-24
Permanent Rate Levy (rate limit 67.1 cents per \$1,000)	0.671	0.671	0.671
Local Option Levy - Public Safety	1.380	1.380	1.380
Local Option Levy - Parks	.540	.540	0.540
Levy For General Obligation Bonds	0	0	0

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
Total	\$0	\$0

Publish June 14, 2023

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**CITY OF HAPPY VALLEY
RESOLUTION NO. 23-20**

**RESOLUTION ADOPTING THE BUDGET FOR FISCAL YEAR 2023-24,
APPROPRIATING FUNDS,
IMPOSING AND CATEGORIZING THE TAXES**

ADOPTING THE BUDGET

BE IT RESOLVED the CITY OF HAPPY VALLEY hereby adopts the budget for fiscal year 2023-2024 now on file at City Hall in the sum of \$98,813,772.*

MAKING APPROPRIATIONS

BE IT RESOLVED the amounts for the fiscal year beginning July 1, 2023, and for the purposes shown below are hereby appropriated as follows:

GENERAL FUND	
Administration	3,693,500
Community Services & Public Safety	1,381,700
Economic & Community Development	3,836,700
Public Works	908,000
Transfers	3,000,000
Contingency	3,202,436
FUND TOTAL	16,022,336
PARKS FUND	
Operations	1,158,400
Programming	623,900
Non-Departmental	30,000
Transfers	795,000
Contingency	611,308
FUND TOTAL	3,218,608
STREET FUND	
Personal Services	456,800
Materials & Services	644,000
Capital Outlay	1,300,000
Transfers	320,000
Contingency	193,159
FUND TOTAL	2,913,959
PUBLIC SAFETY FUND	
Personal Services	127,700
Materials & Services	5,160,000
Capital Outlay	10,000
Transfers	550,000
Contingency	1,451,433
FUND TOTAL	7,299,133

CITY OF HAPPY VALLEY
RESOLUTION NO. 23-20

MAKING APPROPRIATIONS, CONTINUED:

LIBRARY FUND	
Personal Services	2,021,100
Materials & Services	645,000
Transfers	1,170,000
Contingency	896,029
FUND TOTAL	4,732,129
STORM UTILITY SDC FUND	
Materials & Services	100,000
Capital Outlay	709,069
FUND TOTAL	809,069
TRANSPORTATION SDC FUND	
Materials & Services	1,000,000
Capital Outlay	11,703,916
FUND TOTAL	12,703,916
PARKS SDC FUND	
Materials & Services	500,000
Capital Outlay	19,926,273
FUND TOTAL	20,426,273
PEDESTRIAN IMPROVEMENT PROJECTS FUND	
Materials & Services	30,000
Capital Outlay	1,895,562
Transfers	30,000
FUND TOTAL	1,955,562
FACILITY CAPITAL PROJECTS FUND	
Materials & Services	500,000
Capital Outlay	9,847,321
FUND TOTAL	10,347,321
PARKS CAPITAL PROJECTS FUND	
Capital Outlay	7,283,097
FUND TOTAL	7,283,097

CITY OF HAPPY VALLEY
RESOLUTION NO. 23-20

MAKING APPROPRIATIONS, CONTINUED:

GENERAL RESERVE FOR REPLACEMENT FUND

Materials & Services	650,000
Capital Outlay	900,000
FUND TOTAL	1,550,000

LIBRARY RESERVE FOR REPLACEMENT FUND

Materials & Services	150,000
Capital Outlay	5,475,552
Transfers	101,000
FUND TOTAL	5,726,552

STREET RESERVE FOR REPLACEMENT FUND

Materials & Services	125,000
Capital Outlay	415,817
Transfers	3,000,000
FUND TOTAL	3,540,817

PARKS RESERVE FOR REPLACEMENT FUND

Materials & Services	60,000
Capital Outlay	225,000
FUND TOTAL	285,000

TOTAL APPROPRIATIONS ALL FUNDS 98,813,772 *

* Note the total appropriation amount is not equal to the amount of the total adopted budget. This is due to a total of \$4,011,566 categorized as Reserved for Future Expenditures in five of the funds. Reserved for Future Expenditures are not appropriated which accounts for the difference between total appropriations and total budget.

IMPOSING AND CATEGORIZING TAXES

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Happy Valley hereby imposes the taxes provided for in the adopted budget at the rate of \$0.6710 per \$1,000 of the assessed value for operations, at the rate of \$1.3800 per \$1,000 of the assessed value for operations for the Public Safety five year local option levy and at the rate of \$0.5400 per \$1,000 of the assessed value for operations for the Parks five year local option levy; and that these taxes are hereby imposed

CITY OF HAPPY VALLEY
RESOLUTION NO. 23-20

and categorized for tax year 2023-2024 upon the assessed value of all taxable property within the City.

	<i>Subject to the General Government Limitation</i>	<i>Excluded from the Limitation</i>
GENERAL FUND	\$0.6710/\$1,000	\$-0-
PUBLIC SAFETY FUND	\$1.3800/\$1,000	\$-0-
PARKS FUND	\$0.5400/\$1,000	\$-0-

BE IT RESOLVED that this resolution is and shall be effective immediately from and after its adoption by the Council.

PASSED by the City Council this 20th day of June 2023.

APPROVED by the Mayor this 20th day of June 2023.

Tom Ellis

Tom Ellis, Mayor

ATTEST: Kara Kerpan

Kara Kerpan, City Recorder

Glossary



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Glossary

Accrual basis. Method of accounting recognizing transactions when they occur without regard toward cash flow timing [ORS 294.311(1)].

Activity. That portion of the work of an organizational unit relating to a specific function or class of functions, a project or program, a subproject or subprogram, or any convenient division of these [ORS 294.311(2)].

Adopted budget. Financial plan that is the basis for appropriations. Adopted by the governing body [ORS 294.456].

Ad valorem tax. A property tax computed as a percentage of the value of taxable property. See “Assessed Value.”

Appropriation. Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body [ORS 294.311(3)].

Approved budget. The budget that has been approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing [ORS 294.428].

Assessed value. The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property’s maximum assessed value or real market value. The growth is limited to 3% unless an exception applies (e.g., new or enlarged structure).

Assessment date. The date on which the real market value of property is set—January 1.

Audit. The annual review and appraisal of a municipal corporation’s accounts and fiscal affairs conducted by an accountant under contract or the Secretary of State [ORS 297.425].

Audit report. A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government’s financial statements, and compliance with requirements, orders and regulations.

Balanced Budget. A budget is “balanced” when total resources (beginning fund balance plus current revenues plus transfers-in) equals total requirements (expenditures plus contingency plus transfers-out plus ending fund balance) for each fund. Per Oregon Administrative Rule 150-294.352(1)-(B), “The...total resources in a fund equal to the total of expenditures and requirements for that fund.”

Bequest. A gift by will of personal property; a legacy.

Biennial budget. A budget for a 24-month period.

Billing rate. A district’s tax rate used to compute ad valorem taxes for each property. The billing rate is expressed in dollars per \$1,000 of assessed property value.

Budget. Written document showing the local government’s comprehensive financial plan for one fiscal year or biennium. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(5)].

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of registered voters appointed from the district [ORS 294.414].

Budget message. Written explanation of a local government’s budget and financial policies, including any changes from the prior fiscal year. It is prepared and presented under the direction of the executive officer or chairperson of the governing body [ORS 294.403].

Budget officer. Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget [ORS 294.331].



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Budget period. For local governments on a biennial budget, the 24-month period beginning July 1 and ending June 30 of the second following calendar year. See also “Fiscal year.”

Budget transfers. Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.

Capital outlay. Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings.

Capital projects fund. A fund used to account for resources, such as bond sale proceeds, and expenditures to be used for major capital item purchase or construction [OAR 150- 294.352(1)].

Cash basis. System of accounting under which revenues are accounted for only when received in cash, and expenditures are accounted for only when paid [ORS 294.311(9)].

Category of limitation. The three categories of taxes on property for the purpose of the constitutional limits - education, general government, excluded from limitation [ORS 310.150].

Compression. A reduction in taxes required by Measure 5 (1990) property tax limits. Compression is computed on a property-by-property basis, and is first applied towards local option tax levies, then permanent rate levies.

Consolidated billing tax rate. The consolidated billing tax rate is the combined total of the billing rates for all taxing districts in a limitation category in the code area but does not include the billing rate for any urban renewal special levies or non-ad valorem taxes, fees, or other charges.

Constitutional limits. The maximum amount of tax on property that can be collected from an individual property for education and for other government activities (Art. XI, sect. 11b, Or Const.).

Contingency. An amount appropriated in anticipation that some operating expenditures will become necessary which cannot be foreseen and planned in the budget. A general operating fund may contain one line for operating contingency [ORS 294.388].

Debt service fund. A fund established to account for payment of general long-term debt principal and interest [OAR 150-294.352(1)].

Devise. A gift by will of the donor of real property.

District. See “Local government.” A local government entity that imposes property taxes (e.g. county, city, K-12 school district).

Division of tax. Division of tax refers to the process of, and revenue from, apportioning tax to urban renewal agencies based on the relationship of the excess to frozen value, a.k.a. tax increment revenue.

Double majority. A term that refers to an election where at least 50 percent of the registered voters eligible to vote in the election cast a ballot and more than 50 percent voting approve the question. (*Any March or September Election*)

Education category. The limitation category for taxes that will be used to support the public school system and that are not used to pay exempt bonded indebtedness [ORS 310.150(1)(b)].

Encumbrance. An obligation chargeable to an appropriation and for which part of the appropriation is reserved [ORS 294.311(13)].

Enterprise fund. A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. They are usually self- supporting. Examples of enterprise funds are those for water, gas, and electric utilities, swimming pools, airports, parking garages, transit systems, and ports [OAR 150-294.352(1)].

Excluded from limitation category. The category for taxes used to pay principal and interest on exempt bonded indebtedness [ORS 310.150(1)(a)].



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Exempt bonded indebtedness. 1) Bonded indebtedness authorized by a specific provision of the Oregon Constitution, or 2) bonded indebtedness issued as a general obligation on or before November 6, 1990, incurred for capital construction or capital improvements, or 3) bonded indebtedness issued as a general obligation after November 6, 1990, incurred for capital construction or capital improvements with the approval of the electors of the local government. Bonded indebtedness issued to refund or refinance any bonded indebtedness described above is also included [ORS 310.140(7)(b)].

Existing plan. An existing urban renewal plan is defined as a plan that existed in December 1996, and, 1) chose an option and, 2) established a maximum amount of indebtedness by July 1998 and has not been amended to increase the land area or maximum indebtedness [ORS 457.435(4)(a)].

Expenditures. Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis. Does not include amounts budgeted for interfund transfers, contingency, reserved for future expenditure or unappropriated ending fund balance. [ORS 294.311(16)].

Fiscal year. A 12-month period to which the annual operating budget applies. The fiscal year is July 1 through June 30 for local governments [ORS 294.311(17)].

Fund. A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives.

Fund balance. The excess of the assets of a fund over its liabilities and reserves. [ORS 294.311(18)].

Fund type. One of nine fund types: General, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and agency, and reserve [OAR 150- 294.352(1)].

General fund. A fund used to account for most fiscal activities except for those activities required to be accounted for in another fund [OAR 150-294.352(1)].

General government category. The limitation category for taxes used to support general government operations that are not for the purposes of paying exempt bonded indebtedness [ORS 310.150(1)(c)].

Governing body. County court or board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit [ORS 294.311(20)].

Grant. A donation or contribution in cash by one governmental unit to another unit which may be made to support a specified purpose or function, or general purpose [ORS 294.311(21)].

Interfund loan. Loan made from one fund to another and authorized by resolution or ordinance [ORS 294.468].

Interfund Transfer. Transfer from an existing appropriation category in one fund to another existing appropriation category in another fund. [ORS 294.463].

Intrafund Transfer. Transfer from one existing appropriation category to another within the same fund. [ORS 294.463].

Internal service fund. A fund used to account for fiscal activities when goods or services are provided by one organizational unit to another on a cost-reimbursement basis [ORS 294.311(23) and 294.343].

Levy. Amount of ad valorem tax certified by a local government for the support of governmental activities.

Liability. Debt or other legal obligation arising from transactions in the past which must be liquidated, renewed, or refunded at a future date; does not include encumbrances [ORS 294.311(24)].



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Local government. Any city, county, port, school district, community college, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipal corporation or municipality [ORS 294.311(26)].

Local option tax. Taxing authority approved by voters that is in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose or capital projects. They are limited to five years unless they are for a capital project, then they are limited to the useful life of the project or 10 years, whichever is less.

Materials and Services. Expenses for operating costs and supplies and contracted services, such as utilities, rent, liability insurance, repair parts, fuel, accountant's fees, etc.

Maximum assessed value (MAV). The maximum taxable value limitation placed on real or personal property by the Article XI, section 11 of the Constitution. It can increase a maximum of 3 percent each year. The 3 percent limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction.

Maximum authority. The limitation on the amount of revenue that can be raised each year for an existing urban renewal plan area [ORS 457.435(3)(a)]. Plans that are not existing plans do not have a maximum authority amount. This amount is adjusted each year based on the growth of excess value in the plan area.

Maximum indebtedness. The amount of the principal of the indebtedness necessary to complete an urban renewal plan. This does not include indebtedness incurred to refund or refinance existing indebtedness [ORS 457.190(3)(a)]. It is specified in dollars and cents and based on good faith estimates of the scope and costs of the anticipated project or projects. All existing plans are required to have an ordinance which establishes a maximum indebtedness.

Measure 5. A constitutional tax rate limitation (Article XI, Section 11b) passed by the voters in 1990 which restricts the amount an individual property can be taxed. Measure 5 limits school taxes to \$5 per \$1,000 of 'real market value'. All other general government taxes are limited to \$10 per \$1,000 of 'real market value'.

Measure 50. Initially this measure was passed as Measure 47 in 1996 and was found to be unworkable, so was rewritten and submitted to the voters as Measure 50 in 1997 and passed. M50 reduced every property's 1995-96 assessed value by 10%, and also limited the amount of annual growth of the assessed value to 3 %. M50 also established permanent rate limitations for each taxing district in the state based on the current year tax in 1997, and then reduced 13% for most districts. If a district did not have a tax levy in 1997 and had never levied a tax, they could later request a permanent rate limit by going to the voters through a ballot measure.

Municipal corporation. See "Local government."

Municipality. See "Local government."

Net working capital. The sum of the cash balance, accounts receivable expected to be realized during the ensuing year, inventories, supplies, prepaid expenses less current liabilities and, if encumbrance method of accounting is used, reserve for encumbrances [ORS 294.311(27)].

Object classification. A grouping of expenditures, such as personnel services, materials and services, capital outlay, debt services, and other types of requirements [ORS 294.311(29)].

Operating rate. The rate determined by dividing the local government's tax amount by the estimated assessed value in district. This rate is calculated by the assessor when a local government imposes its operating tax as an amount, rather than a tax rate.

Ordinance. A formal enactment by the governing board of a municipality.

Organizational unit. Any administrative subdivision of the local government, especially one charged with carrying on one or more specific functions such as a department, office or division. [ORS 294.311(31)].



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Personnel Services. Expenses related to the compensation of salaried employees, such as health and accident insurance premiums, Social Security and retirement contributions, civil service assessments.

Permanent rate limit. The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government or its voters can increase or decrease a permanent rate limit. A district can levy any rate or amount up to their permanent rate authority each year.

Prior years' tax levies. Taxes levied for fiscal years preceding the current one.

Program. A group of related activities to accomplish a major service or function for which the local government is responsible [ORS 294.311(33)].

Property taxes. An ad valorem tax, another other "tax on property", or fees, charges and assessments that are specifically authorized by statute to be certified to the county assessor by a local government unit.

Proposed budget. Financial and operating plan prepared by the budget officer. It is submitted to the public and the budget committee for review.

Publication. Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by first class mail to each street address, PO Box and Rural Route within the boundaries of the local government; or hand delivery to each street address, PO Box and Rural Route address within the boundaries of the local government.

Real Market Value (RMV). The amount in cash which could reasonably be expected by an informed seller from an informed buyer in an arm's-length transaction as of the assessment date (Jan 1). [ORS 308.205].

Reserve for Future Expenditure. An amount budgeted, but not appropriated, that is not anticipated to be spent in the fiscal year, but rather carried forward into future fiscal years. The correct way to "save" money under Local Budget Law.

Reserve fund. Established to accumulate money from year to year for a specific purpose, such as purchase of new equipment [ORS 294.346; 280.050].

Resolution. A formal order of a governing body; lower legal status than an ordinance.

Resource. Estimated beginning funds on hand plus anticipated receipts [ORS 294.361].

Special levy. A special levy is an ad valorem tax imposed for an existing urban renewal plan. It is not a result of a division of tax but rather imposed directly for the plan.

Special revenue fund. A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes [OAR 150-294.352(1)].

Special payment. A budget expenditure category for distributions, pass-through payments, grants made to other organizations and other one-time or unusual expenditures where goods or services are not received in return, and that do not fall into the other categories of personal services, materials and services, capital outlay, etc.

Supplemental budget. A revised financial plan prepared to meet unexpected needs or to spend revenues not anticipated when the regular budget was adopted. It cannot be used to authorize additional taxes. [ORS 294.471].

Tax increment financing. A financial mechanism for urban renewal plans which captures the tax from the growth in property value within a designated geographical area. AKA urban renewal division of tax.

Tax on property. Any tax, fee, charge or assessment imposed by any government unit upon property or upon a property owner as a direct consequence of ownership of that property [ORS 310.140(18)].



City of Happy Valley Fiscal Year 2023 - 2024 Budget

Tax rate. The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

Tax roll. The official list showing the amount of taxes imposed against each taxable property.

Tax year. The fiscal year from July 1 through June 30.

Trust fund. A fund used to account for fiscal activities of assets held in trust by a local government.

Unappropriated ending fund balance. Amount set aside in the budget to be used as a cash carryover to the next year's budget. It provides the local government with operating cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency [ORS 294.398].