

Date: 06/30/2019 **Updated:** 06/30/2022 **Date To Be Reviewed:** Three Years – 06/30/2025

Title of Document: 5.1 – 5.2 LOPR_ City of Lake Oswego 5.1 Fiscal Policies and 5.2 Management Procedures (includes 5.2.1, 5.3, 5.3.1, 5.3.3, 5.3.4, and 5.4)

Background:

5.1 - Authority – The City of Lake Oswego’s authority is derived from the City Charter approved by voters May 15, 1964 and amended by voter approval through the years, the latest being November 2, 2021. The charter outlines the powers of the City, posers and duties of officers and specific chapters and sections realting to fiscal management. Refer to Evidence of Compliance (EOC) document *5.1 Authority* for relevant authority and fiscal management excerpts from the City Charter.

The City of Lake Oswego gets revenues from property and other taxes, utility fees and fees for services provided and permitting, by issuing bonds, through endowments and interest on endowment funds, sponsorships, donations, fees for recreation programs, and the sale of property.

The City Council sets annual goals, and these goals can impact the City budget and overall expenditures. **5.2.1** - The [Finance Department](#) has the fiduciary responsibility to safeguard the City’s financial assets and manage them in accordance with generally accepted accounting and financial management principles. Also refer to *5.2.1 LOPR_ Authority and Responsibility for Fiscal Management*.

5.3 Accounting System

[Budget Process with Calendar BN23.docx \(oswego.or.us\)](#) – Pg 4 of 4

BASIS OF ACCOUNTING: Budget Basis

All of the funds are budgeted using the modified accrual basis of accounting in accordance with budgetary accounting practices. In modified accrual, revenues are recognized when they become measurable and available. Measurable means that the dollar value of the revenue is known. Available means that it is collectible within the current period or soon enough after the end of the current period to pay off liabilities of the current period. Significant revenues that are considered to be measurable and available under the modified accrual basis of accounting are property taxes, franchise fees, and assessment lien installments received within approximately 60 days of the end of the fiscal year. Expenditures are recognized when the



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liability is incurred, except for interest on general long-term obligations which is recorded when due.

Audit Basis The audit, as reported in the Comprehensive Annual Financial Report (CAFR), accounts for the City’s finances on the basis of generally accepted accounting principles. Generally Accepted Accounting Principles or GAAP is defined as conventions, rules, and procedures necessary to describe accepted accounting practice at a particular time. The modified accrual basis of accounting, a GAAP-approved method, is also used in the audit for all funds except for the Proprietary Fund Types (i.e., Water, LO-Tigard Water Partnership, Sewer, Stormwater, Tennis, Engineering, and Public Works Support Services). The audit uses the full-accrual method of accounting for the Proprietary Funds. The CAFR shows all of the City’s funds on both a budgetary and GAAP basis for comparison purposes.

5.3.1 - Monthly detailed Budget Reports are available in the following locations:

The most current LOPR monthly budget reports are available on the shared P drive

parks > BUDGET > 2021_2023 BUDGET > 01_MONTHLY DEPT DETAIL REPORTS

Name	Date modified	Type
2021	2/9/2023 5:16 PM	File folder
2022	2/9/2023 5:44 PM	File folder
2023	2/9/2023 5:44 PM	File folder

Historical (2020 and earlier) monthly all City Department reports are located on the K drive, FINANCE

common (\\finance\data\homes) (K:) > FINANCE > Monthly Budget Re

Name	Date modified
_mm	8/12/2020 10:30 AM
FY15	9/17/2015 12:05 PM
FY16	7/25/2016 9:08 AM
FY17	7/13/2017 8:17 AM
FY18	7/11/2018 9:08 AM
FY19	7/9/2019 11:00 AM
FY20	7/16/2020 11:38 AM



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5.3.3 - All of the City’s Financial Policies can be found at:

<https://www.ci.oswego.or.us/finance/financial-policies>.

[General Policies](#), [Revenue Policies](#), [Expenditure Policies](#), [Fund Balance/Contingency Policies](#), [Capital Improvement Plan Policies](#), [Capital Asset Management Policies](#), [Debt Policies](#), [Investment Policies](#) and **5.3.4** [Accounting, Auditing & Financial Reporting Policies](#).

The most recent [\(FY 2022\) Audit Report](#) can be found at [Audits | City of Lake Oswego](#)

Also, refer to **Appendix A** (more information on signing authorities for contracts, POs and P cards) at the end of this document

5.4 - The City of Lake Oswego operates on a biennial budget, and the fiscal year runs July 1 through June 30. The current budget can be found at:

<https://www.ci.oswego.or.us/finance/city-budget>. City Departments begin creating budgets in late fall and the process continues through early winter. The prepared budget is presented to the budget committee early spring. The budget committee approves the budget late spring. Budget committee agendas and meeting minutes can be found at the link above along with previous years’ budgets. The City Council reviews the committee’s recommendations and may modify budget items prior to approving it in June. The new budget becomes effective July 1.

The City of Lake Oswego provides an Online Dashboard of Current Budget Revenues, Expenditures, and Capital Improvement Projects (CIP) for the public to view which can be found at <http://www.ci.oswego.or.us/dashboard>.

Master Fees and Charges outline fee structures and charges for services and programs and are reviewed annually. Refer to the link <https://www.ci.oswego.or.us/finance/master-fees-and-charges>.

Official Statements for Bond Issues can be found at <https://www.ci.oswego.or.us/finance/official-statements-bond-issues>.

[Annual Comprehensive Financial Report \(ACFR\) FY21](#)

[Awards for Financial Reporting](#)

Related Documents:

PP&P 5.1.A,5.2.A LOPR_Supplemental Fiscal Practices



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- PP&P 5.1.1 LOPR_Comprehensive Revenue Policy
 - PP&P 5.1.2 LOPR_Agency Acceptance of Gifts & Donations
 - PP&P 5.2.1 LOPR_Authority and Responsibility for Fiscal Management
 - PP&P 5.2.2 LOPR_Purchasing Procedures
 - PP&P 5.2.2.A LOPR_Contract_PO_Signing_Authority
 - PP&P 5.2.2.1 LOPR_Emergency Purchasing Procedures
 - PP&P 5.4.1 LOPR_Budget Development Guidelines (also addresses 5.3.2, 5.5 and 5.5.1)

- City of Lake Oswego - Finance Department Matrix of Signing Authority (for Purchase Orders, Invoices, and Payment Requests) is located at the City’s Private Pages, Finance:
- Letter of Agreement Signing Authority is located at the City’s Private Pages, CAO:
- How To Create and Track Purchase Orders is located on the shared P Drive, How To/Personnel folder.
- City of Lake Oswego Finance Department Purchase Orders Authorization Form is located at the City’s Private Pages, Finance:
- City of Lake Oswego Finance Department Procurement Card (P-Card) Policy is located at the City’s Private Pages, Finance:

Appendix A

Responsibility/Contacts: Director, Deputy Directors, Administrative Assistant, Registrars/Front Desk Personnel

Appendix A:

Signing Authority, Contracts, Purchase Orders and P Cards

Signing Authority



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PARKS & RECREATION

Per Resolution 11-53 on October 4, 2011

The Lake Oswego City Council hereby delegates to the City Manger, or City Manager's designee, authority to award contracts, and amendments or change orders to contracts relating to the **Lake Oswego-Tigard Water Partnership Project**, as follows:

Contracts Awardable by Public Contracting Officer Relating to Lake Oswego-Tigard Water Partnership Project Only	Special Limitations	Maximum Amount / Scope
Goods or services (excepting personal services contracts), Public Improvements, and Public Works	Generally	\$500,000
Personal Services	Generally	\$150,000

Contract Amendments Awardable by Public Contracting Officer Relating to Lake Oswego-Tigard Water Partnership Project Only	Special Limitations	Maximum Amount / Scope
Goods or Services (excepting personal service contracts), Public Improvements, and Public Works	Not to exceed \$1,000,000 aggregate in any calendar month for all public improvements contracts Amendment to alter scope time for performance	\$500,000 None
Personal Services	Amendment of Contract A	\$150,000

Intergovernmental Agreements Authorized to be Executed by Public Contracting Officer Relating to Lake Oswego-Tigard Water Partnership Project Only	Special Limitations	Maximum Amount / Scope
Purchase of Goods and Services (materials, supplies, equipment, vehicles, services), Public improvements, and Public Works	Generally	\$500,000
Personal Services	Generally	\$150,000

Contract signing authority is granted by the City Manager in written form. It cannot be delegated to anyone else even in the Director's absence. It is the contractual authority that binds the City. The Parks & Recreation Director can approve up to \$50,000 in contracts. The City Manager can approve up to \$250,000. Contracts greater than \$250,000 have to be presented to City Council for approval. For amounts not requiring contracts or not being paid by P card, refer to Letter of Agreement Signing Authority which is located at the City's Private Pages under CAO, Contracts, What Type.



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PARKS & RECREATION

City of Lake Oswego - Finance Department

Matrix of Signing Authority (for Contracts)

Last updated: April 8th, 2022

First name	Last name	Title	Maximum
			\$250,000 unless City Council authorized
Martha	Bennett	City Manager	
Jason	Loos	City Attorney	\$ 80,000
Megan	Phelan	Assistant City Manager	\$ 80,000
Shawn	Cross	Finance Director	\$ 80,000
Brad	Stevens	Assistant Finance Director	\$ 80,000
Edward	Van Buren	Operations Manager	\$ 50,000
Scot	Siegel	Community Development Director	\$ 50,000
Sidaro	Sin	Redevelopment Manager	\$ 50,000
Erica	Rooney	City Engineer/Public Works Director	\$ 50,000
Stefan	Broadus	Assistant City Engineer	\$ 50,000
Dale	Jorgensen	Police Chief	\$ 50,000
Don	Johnson	Fire Chief	\$ 50,000
Ivan	Anderholm	Parks & Recreation Director	\$ 50,000
Anthony	Hooper	Deputy City Manager	\$ 50,000
Melissa	Kelly	Library Director	\$ 50,000
Wes	Pay	Chief Technology Officer	\$ 50,000
Shaun	Kohn	Facilities Manager	\$ 25,000
Bret	Bienerth	Water Treatment Plant Manager	\$ 25,000
Bonnie	Hirshberger	Citizen Information Specialist	\$ 10,000

Note:

Contract signing authority is granted by the City Manager in written form. It can be delegated by PCO in PCO absence (written delegation recommended). It is the contractual authority that binds the City.

Contract signing authority differs from signing authority for Purchase Orders, Invoices, and Payment Requests. This authority is maintained by Accounts Payable on a different listing and can be delegated to others in your absence.

Located in Private Pages, Finance

Contract signing authority differs from signing authority for Purchase Orders, Invoices, and Payment Requests. This authority is requested by the Department through the Purchase Orders Authorization Form (see graphic on the next page) and maintained by the Finance Department Accounts Payable is on a different listing and can be delegated to others in authorized person's absence.

The form should be updated each time a new authorized signer is added or a signer is removed, or annually at a minimum. The LOPR Main Office Administrative Assistant is responsible for maintaining the form and providing updated forms to the Finance Department Accounts Payable. The most current completed form is found in the PP&P, Section 5, 5.2.2.A LOPR_Contract_PO_Signing_Authority.



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PARKS & RECREATION



Signing Authority for Purchase Orders, Invoices and Payment Requests

Department Directors are authorized to sign purchase orders totaling \$10,000 without prior approval of the Public Contracting Officer. Authorization up to \$5,000 may be delegated in whole or in part to other department employees as deemed necessary and expedient. Final purchase order approval may be contingent upon authorization from the Finance Director.

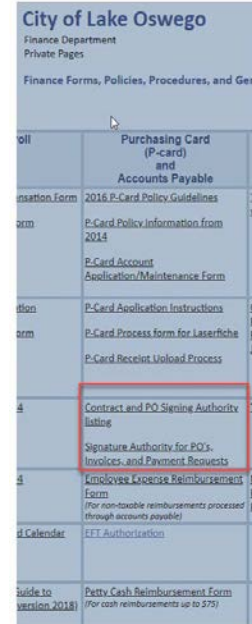
Please provide the following information: Parks & Recreation

Name (Print or Type)	Signature	Authorized Limit
Ivan Anderholm	<i>[Signature]</i>	\$10,000
Jeff Munro	<i>[Signature]</i>	\$10,000
Jan Wirtz	<i>[Signature]</i>	\$10,000
Maria Bigelow	<i>[Signature]</i>	\$10,000
Megan Big John	<i>[Signature]</i>	\$10,000
Bruce Powers	<i>[Signature]</i>	\$4000
Kyra Haggart	<i>[Signature]</i>	\$4000
Dina Balogh	<i>[Signature]</i>	\$2500
Pam Montoya	<i>[Signature]</i>	\$2500
Cyd Fletcher	<i>[Signature]</i>	\$2500

Department Director Signature: *[Signature]* 4/6/22 (Today's Date)

The Finance Dept. → current listing of PO and Contract Signing Authority is located at the City's Private Pages, Finance.

← The blank form titled Signing Authority for Purchase Orders, Invoices, and Payment Requests is located at the City's Private Pages, Finance.



Purchase Orders

Typically purchase orders have a duration of the fiscal year, but not always. Purchase orders are used to encumber funds for future payment, for any capital project, and for any project with multiple invoices and/or multiple vendors. Purchase order signing authority is mandated by the authorized listing of signers (refer to graphic above.)

Refer to How To Create and Track Purchase Orders (located on the shared P Drive, How To/Personnel folder) for instructions on creating a purchase order document and maintaining the tracking form located on the shared P drive in the Purchase Order Tracking folder.

P Cards

Purchasing Cards are provided by the City to easily allow employees to purchase without using a Purchase Order. The specific thresholds are determined by user needs and charges are reconciled monthly with required documentation as outlined in the policy. The specific policies are outlined in City of Lake Oswego Finance Department Procurement Card (P-Card) Policy located at the City's Private Pages



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Contracting & EFT Form

Generally, contracts for services are explained under the City Attorney’s Office. All processes and procedures are explained in detail See City Private Pages under CAO, Contracts.

A public contract is "a sale or other disposal, or a purchase, lease, rental or other acquisition, by a contracting agency of personal property, services, including personal services, public improvements (including public works, minor alterations, or ordinary repair or maintenance necessary to preserve a public improvement). Public contract” does not include grants. [ORS [279A.010\(1\)\(z\)](#)]

LOPR creates and administers many types of contracts for programming, projects, services and there are two main sections of the contract, the scope of work and the payment schedule. The payment schedule explains the details funds paid to the contractor and also how the funds are to be received. The City of Lake Oswego preferred method of paying their vendors is by direct deposit as an electronic fund transfer, EFT. If a request to change the bank account is received from the contractor, it is the duty of the recipient of the request to investigate the request to ensure it is legitimate.

The EFT authorization is to remain in full force and effect until the City of Lake Oswego has received written notification the contractor of its termination, in such time and in manner as to afford the City and Depository a reasonable opportunity to act on it. Once the notification that the EFT account is no longer authorized, it is then appropriate to distribute the EFT form.

The form for the contractor to complete is located on the City’s private pages under the Finance section.

Electronic Funds Transfer Authorization Form

The City of Lake Oswego preferred method of paying their vendors is by direct deposit. This form authorizes the City of Lake Oswego to make payments to a business or individual electronically. Please complete the authorization agreement below, then fax, email, or mail back to us along with a voided check or bank verification letter on letterhead from your financial institution to:

City of Lake Oswego
 Accounts Payable
 PO Box 308
 Lake Oswego, OR 97034
 Phone: 503-675-3987
 Fax: 503-534-5201
 Email: invencs@lakeoswego.city

Authorization Agreement for Direct Deposit

Company name: _____
 Address: _____
 Contact & phone no: _____
 Email for deposit notification: _____

We hereby authorize the City of Lake Oswego to initiate credit entries to our account indicated at the financial institution named below:

Depository Name: _____ Phone: _____
 City: _____ State: _____ Zip: _____

This authorization is to remain in full force and effect until the City of Lake Oswego has received written notification from us, of its termination, in such time and in manner as to afford the City and Depository a reasonable opportunity to act on it.

Name: _____ Title: _____
 (Please print) (Please print)

Signature: _____ Date: _____