



City of Lake Oswego  
**BUDGET MANUAL**  
2023-2025

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## INTRODUCTION & 2023-25 HIGHLIGHTS

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This budget manual will help guide you through the preparation/update of your 2-year budget. It includes information regarding the changes to the City's budget preparation, general guidelines to aid in the process of compiling your budgets, and instructions on the preparation and inputting of your budget.

### Highlights

The upcoming budget is *expected* to be for a 2-year period. We will propose two individual budget years that will be combined for the adopted budget. Our goal is to prepare a two-year budget that allows capital project spending to span two years without needing to be rebudgeted as costs carry forward to the second year of the project, as well as other expenditures.

Key items for the 2023-25 budget process are:

- **Estimates:** Review and update the estimates, as needed. Your department's actual Beginning Balance for 2021-22 have already been updated in Incode to reflect the actual ending balance from 2020-2021.
- **Proposed 2023-25 Budget:** All departments will review and update the Proposed 2023-24 and Proposed 2024-25 budgets. You will need to update the **beginning balance** for each year of the Proposed 2023-24 and 2024-25 budget codes in Incode with the adjusted balance that rolls through year to year from your department's 2022-23 estimated ending balance.
- **General Fund departments:** Your 2023-24 and 2024-25 general revenue allocations will be reviewed and updates provided to the departments. Charges for Services allocation will also be reviewed and revised as needed.
- **Personnel services:** Projections by department for each of the two fiscal years 2023-24 and 2024-25 will be provided and will be based upon the same budgeted FTE for 2022-23 with any approved adjustments since.
- **Capital Improvement Plan:** A new 6-year CIP will be prepared with years 2023-24 and 2024-25 matching the proposed budget.
- **Budget Notes:** Please update your budget notes, where needed, including explanations for your carryover balance (what you plan to use it on or why your carryover exists for future purposes), contingencies, and emergencies. Last year's Budget Notes from the Adopted FY22 section have been moved to Proposed 2023-25 Budget Notes on the excel summary as a start for most — update as needed.

## GENERAL INFORMATION

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### Budget Approach & Philosophy

The budget preparation process for 2023-25 will continue to use principles of “expenditure control budgeting”.

Expenditure Control Budgeting is based on the premise that managers are paid to manage, and it changes or removes some of the typical rules of the game that have undermined traditional governmental budgeting systems. Briefly put, expenditure control budgeting gives department managers a great deal of flexibility over individual line items, as long as they remain within the "bottom line." The focus is on stretching limited resources as far as possible to provide as much service as possible.

This, of course, depends on department managers having a clear idea of the service goals of the City Council and community. A Council goal-setting retreat, scheduled for [January 23](#), will be helpful in this regard. An important aspect of this budget management philosophy is to tie general fund departmental revenues into the bottom line.

Another key feature of expenditure control budgeting is that department managers are allowed to carry over savings from one budget period into the next. This policy eliminates the "spend it or lose it" incentive that is built into traditional budget systems. Carryover savings are intended to be used for **one-time** expenses, such as equipment or special projects, or for departmental contingency accounts. Carryover savings are shown as the beginning balances in the departmental budgets. As with any aspect of our budget, approval of decisions we make on how we allocate carryover savings ultimately rests with the City Council. Assuming we're all part of the same team, and staff's job is to execute Council priorities, this should pose no problem for us.

General fund programs are more in line with the way we budget for enterprise and special revenue funds. Specifically, each major department within the general fund are self-balancing, with revenues equaling expenditures. To do this, we explicitly show the allocation of general taxes as revenues for each general fund program. Expenditures therefore equal the combined total of beginning balance (carryover savings), departmental revenues, and general taxes for each general fund program.

Decentralized budget management. The premise of this is that operating managers are in the best position to identify opportunities for cost savings and new revenues. Larger departments should follow this same philosophy and decentralize budget decision-making within the department. The department director can (*and should*) set the targets for general fund programs, but leave it up to the individual program managers to identify other program revenues and expenses.

Allocation of internal support service costs to each program. Support services include administration, finance, IT, human resources, legal services, facilities, motor pool, and engineering. In past years, most of these expenses were shown in the general fund, and other funds paid the general fund their share of the expenses based on a fairly sophisticated cost allocation model developed by the finance department. Beginning in 2014-15, we used the same model to allocate these support costs to every program, including those within the general fund. This more accurately reflects the true cost of direct services such as police and library service. It also makes clear the implicit overhead rate, and will provide an incentive to keep overhead support costs as low as possible.

Target-based budgeting. Some of Lake Oswego’s biggest budgets (e.g., water and sewer) have always followed a target-based budget: expenditures will be at or less than available revenues. The only difference for general fund programs is that the allocation of **general revenues** (property tax, franchise fees, etc.) is at the discretion of the City Council. Originally the percentage allocations in the 2014-15 budget were set as the primary target basis and the general fund operating departments were given an allocation of estimated general revenues. The allocation for the Proposed 2023-24 and 2024-25 fiscal years will be reviewed and updates provided for your proposed budgets.

This amount is fixed, but departments will be free to add departmental revenues and carryover savings on the revenue side, and shift expenses across line items and across programs within the department on the expenditure side. The key point is that general fund department managers (like their counterparts in the utility funds) have broad discretion in how they build and manage their budgets.

Personnel costs. Finance will provide the latest personnel projections for 2023-24 and 2024-25 salary and benefit costs information (based on existing staffing levels). But the budgets for these expenses will be at the discretion of the various departments. While it is true that many of the wage and benefit costs are determined by union contracts and PERS rates are set by the state, operating managers still have discretion over the number and level of employees, and how or whether vacancies are filled. (Also see page 9 regarding personnel costs.)

**Sample Budgets**

The example below shows Direct Service budget summary account groupings for the Budget in Brief. Department revenues in this example covers a portion of the program's expense. The beginning balance is carryover from the prior year. The program relies on an allocation of general government revenues (property tax, franchise fees, state cigarette tax, etc.) to balance to total expenditures. The budget is self-balancing, where total revenues equal total expenditures

<b>Resources</b>		
Beginning Balance	\$ 110,000	Carryover savings estimated by department
Department Revenues	275,000	Estimated by department
General Revenues	945,000	Set by City Manager with guidance
Internal Charges for Service	90,000	
<b>Total Resources</b>	<b>\$ 1,420,000</b>	
<b>Requirements</b>		
Personnel Services	\$ 800,000	Estimated by dept w/ finance assistance
Materials & Services	340,000	
Internal Fees for Service	190,000	Based on approved support service budgets
Capital Outlay	35,000	
Department Contingency	55,000	Carryover used for contingency & one-time uses
<b>Total Requirements</b>	<b>\$ 1,420,000</b>	

The example below shows Support Services department budget summary account groupings. Besides beginning balance (carryover savings), the source of revenue is typically limited to support service internal charges to user departments. Again, the budget is self-balancing, where total revenues equal total expenditures.

<b>Resources</b>		
Beginning Balance	\$ 270,000	Carryover savings estimated by department
Department Revenues	60,000	Estimated by department
Internal Charges for Service	1,960,000	Allocation provided by Finance
<b>Total Resources</b>	<b>\$ 2,290,000</b>	
<b>Requirements</b>		
Personnel Services	\$ 1,370,000	Estimated by dept w/ finance assistance
Materials & Services	550,000	
Capital Outlay	40,000	
Department Contingency	330,000	Carryover used for contingency & one-time uses
<b>Total Requirements</b>	<b>\$ 2,290,000</b>	

### **Budgeting in the City of Lake Oswego**

Oregon's local governments are subject to a high degree of oversight from the state government. The State's local budget law is set out in ORS 294.305 to 294.520, and 294.555 to 294.565.

For the upcoming budget period, the City plans to adopt a budget for two combined fiscal years for 2023-25. Local governments operate on a fiscal year that begins July 1 and ends on June 30 of the following year. In addition to the budget, the City annually updates and adopts a rolling 6-year Capital Improvement Plan.

### **Capital Improvement Plan (CIP)**

The City develops a 6-year Capital Improvement Plan (CIP) that involves a process through which the City develops a multi-year plan for major capital expenditures that matches available resources with community needs. It lists each proposed capital project, the time frame in which the project is proposed to be undertaken, the financial requirements of the project, and methods of financing. When the CIP is adopted by the City Council, its first year become part of the budget. Future projects in the plan are reassessed when subsequent budgets are prepared. The latest CIP is available online at <http://www.lakeoswego.city/publicworks/capital-improvement-program>. For 2023-25 the CIP will be updated as needed.

## Budget Committee

The Budget Committee is the fiscal planning board of the City, consisting of the governing body (City Council) plus an equal number of legal voters of the City (citizen members of the Budget Committee) appointed by the Council. Lake Oswego therefore has 14 Budget Committee members, and the votes of all members are equal.

The Budget Committee for all Oregon local governments is mandated by state law (ORS 294.336). The City Budget Officer (in Lake Oswego, this is the City Manager) delivers the budget message to the Budget Committee and they review the proposed budget. The Budget Committee may approve the proposed budget intact, or change all or any part of the budget prior to final approval. After legal notices and publications are filed according to law, the budget is forwarded to the Council for formal adoption prior to June 30.

The three primary fiscal powers of the Budget Committee are as follows:

- ✓ Limit the amount of tax levied by the City
- ✓ Establish maximum total expenditures by fund
- ✓ Approve the Budget

The Budget Committee's formal function ends when the Budget is approved.

The following are members of the Budget Committee:

### City Council Members

Joe Buck, Mayor  
Ali Afghan\*\*  
Massene Mboup  
Trudy Corrigan\*\*  
Aaron Rapf  
Rachel Verdick  
John Wendland

### Citizen Members

Alfred Calabria  
Lin Carson  
Gary Rebello  
Elisabeth Zeller  
Steve Dodds  
Shannon Grindy  
Shima Salehi\*

*\*New effective July 2021.*

*\*\*New effective January 2023.*

## 2023-25 Budget Process Calendar

### Key Dates:

- November 28 CIP Worksheets due to Engineering
- December 12 Salary & Benefit Projections sent to Support Svc departments to begin preparing budgets
- January 3 Remaining departments begin updating budgets
- January 9 Support Service Department Budgets due
- January 23 City Council Goal Setting
- February 10 Direct Service Department Budgets due
- March 16 First Budget Committee Meeting (Policy Issues and General Direction)
- April 26 Proposed Budget Presented to Budget Committee

<b>December</b>	<ul style="list-style-type: none"> <li>▪ The Budget Manual is updated and the Calendar prepared.</li> <li>▪ Cost allocations for internal service charges are reviewed and updated</li> <li>▪ Personnel services information is sent to departments.</li> <li>▪ Departments are provided budget worksheets with revenue targets and service charges to begin preparing budgets.</li> <li>▪ City General Revenues (Property taxes, franchise fees, state shared revenues, etc.) are forecasted.</li> </ul>
<b>January</b>	<ul style="list-style-type: none"> <li>▪ 6-year forecast is updated.</li> <li>▪ City Council establishes goals and priorities for the upcoming year.</li> <li>▪ Departments balance their own budgets and enter information into Incode and update the summary level worksheets with revenue, expenses, Budget Notes, and any performance measures.</li> </ul>
<b>February</b>	<ul style="list-style-type: none"> <li>▪ Budgets are due.</li> <li>▪ City Council identifies or clarifies any remaining issues, projects, or policy issues for inclusion into the Proposed Budget.</li> </ul>
<b>March</b>	<ul style="list-style-type: none"> <li>▪ Background and summary information is prepared by the Budget Team.</li> <li>▪ Budget Committee meets and provides initial direction on Budget policy issues.</li> <li>▪ Proposed budget document is completed and meeting notices are published.</li> </ul>
<b>April/May</b>	<ul style="list-style-type: none"> <li>▪ City Manager presents the Proposed Budget and Budget Message to the Budget Committee. The Committee reviews decisions made by the Departments in balancing their budgets and deliberates.</li> </ul>
<b>May</b>	<ul style="list-style-type: none"> <li>▪ Budget Committee approves budget.</li> </ul>
<b>June</b>	<ul style="list-style-type: none"> <li>▪ City Council conducts public hearing to adopt the budget, makes appropriations and declares tax levies.</li> </ul>



# BUDGET PREPARATION GUIDE

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## General Process Overview

For the 2023-25 Proposed Budget, departments are responsible for reviewing their budgets and updating their proposed budget information in Incode. The 2022-23 Adopted Budget has been ‘pre-loaded’ into Incode for the Estimated 2022-23, Proposed 2023-24, and Proposed 2024-25 budget codes.

1. Departments receive and review summary worksheets and personnel projection information to update their budgets, as needed.
2. Departments update estimated and proposed budget information as follows:
  - a. Review the Estimated Department Revenue and Expenditures for the current fiscal year (2022-23) and update, as needed.
  - b. Calculate Next Year’s Beginning Balance (2023-24) *after* completing/reviewing estimates for the 2022-23 fiscal year.
  - c. Budget the 2023-24 and 2024-25 Department Revenues.
  - d. Update the 2023-24 and 2024-25 Budget Expenditures, as needed.
  - e. Add/update budget notes where appropriate.
  - f. Update key performance measures on respective excel summary.
3. Departments are also responsible reviewing their program information online — which is linked from the online department budget summary pages. **Please add information online that describes your departments functions on their respective main page or in the About section.**
4. Turn in budget summaries for review — including Performance Measures and Budget Notes.

### Support Service Departments

City Attorney’s Office  
City Manager’s Office (Hybrid)  
Engineering  
Facilities Management  
Finance (Hybrid)  
Human Resources  
Information Technology  
Risk Management  
Public Works Support Services (Public Works)

### Direct Service Departments

Adult Community Center (ACC)  
City Council  
Fire  
Library  
Municipal Court  
Parks & Recreation  
Planning  
Police  
Public Works (Utilities)

## TECHNICAL INFORMATION AND INSTRUCTIONS

### Estimating Current Year Revenue and Expenses

#### Year-End Estimates (FY 2022-23)

Finance updated the 2022-23 Estimated Beginning Balances in Incode with the 6/30/22 balances as a starting point and the estimated FY23 ending balance was adjusted to reflect that update with no other estimated changes made. Review the estimates for fiscal year 2022-23, that were pre-loaded from the 2021-22 adopted budget, and adjust as needed. *(Line-items by account can be reallocated within categories such as M&S.)*

To assist in reviewing estimates for 2022-23, you can run Incode Revenue & Expense reports of actual revenues and expenditures or go into General Ledger > **Account Summary** in Incode to see the transactions for current and prior years and drill-down for further details. Instructions for “Running Revenue and Expense Report” and “Looking up an Account in Incode” are located in the common drive under the FINANCE folder in “common (\\finance\data\homes)FINANCE” in the Internal BUDGET 2023-25 folder. You can also drill down to totals by account number in the online Dashboard.

One approach to review the 2022-23 salaries and benefits is to multiply the actual expenses for December by six and add this to the year-to-date amounts. Then adjust them by any anticipated changes in personnel costs (e.g., filling vacancies).

There is no penalty for over or under estimating year-end amounts, they are just educated guesses. If year-end savings are under estimated, there will be a larger beginning balance in the next year. If carryover savings are over estimated, the actual beginning balance will be less than budgeted, and departments will need to compensate by spending less or bringing in more departmental revenue than budgeted. The “Estimated” budget and Budget Notes for 2022-23 will not be published in the document or online.

*Reminder for departments in the General Fund* — Contingency is always 0 for the Estimated budget, so after all 2022-23 revenues and expenses are final and only one department is open in Budget Management, the total at the bottom of that screen is the carryover to FY2023-24.

### Proposed Budget for 2023-24 and 2024-25

#### Beginning Balances

The FY24 beginning balance carry over from FY23 is simply current year estimated Resources (FY23 Beginning Balance + Revenues) less current year estimated actual expenses. The excel summary worksheet provided to you has a formula that will automatically calculate the beginning balance if you update the Estimated and Proposed budgets revenues and expenditures. You will need to update Incode with the calculated **2023-24 and 2024-25** Beginning Balances.

#### Revenues

Department managers have had broad discretion in how they build and manage their budgets. Because the support service departments costs are allocated to the direct departments — the support departments

complete their budgets first, updating their department revenues. Their budgets will be reviewed by the direct department managers at a “tribunal” presentation in January.

Direct service departments that are within the General Fund will receive a **general revenue** allocation increased by the percent that overall general revenues increased from the prior year. General revenues include property taxes, franchise fees, state shared revenues, and other taxes and fees. The amount is fixed, but departments may add departmental revenues and carryover savings on the revenue side and shift expenses across line items and across programs within the department on the expenditure side.

Utility Funds utility fees should be equal or less than expenditures budgeted and capital will need updating.

**Expenditures**

**Personnel costs**

All projected **Personnel Costs** spreadsheets will be provided to the directors for the 2023-24 and 2024-25 fiscal years as electronic files to use as a worksheet. The projections are based upon current approved staffing levels in your department and reflect the PERS rate for the 2023-25 budget, as well as estimates for 3% COLA and 8% Health Insurance increases.

While it is true that many of the wage and benefit costs are determined by union contracts and PERS rates are set by the state, operating managers still have discretion over the number and level of employees, and how or whether vacancies are filled. The budgets for this will be at the discretion of the various departments.

Departments should review employees and positions by department and send any large updates or FTE changes to Kam. The amounts for overtime salaries and special pay on the personnel projections are similar to prior years, please advise if substantial changes. If you have any questions regarding your Personnel Services, please contact Finance.

*Reminder...* if a position needs to be moved to a different department or removed, also send a **Personnel Action Form** (PAF) form to Human Resources, so both HR and payroll get that update.

**Materials & Services**

Departments should update the budgeted expenditures that they anticipate they will spend.

Estimated inflation factor guidelines provided below are based upon very general information from service providers — including some proposed rate increases. Also, consider that many of the utilities and service providers have several different classes of usage and rates.

	<u>Proposed 2023-24</u>	<u>Proposed 2024-25</u>
Northwest Natural Gas	(3.74)% commercial - Eff. 11-1-20	<i>Est. 2% commercial - Eff. 11-1-21</i>
Portland General Electric*	0.85%	2%
Postage	0% - First Class (No change)	CPI
Gasoline**	1%	0%

\* *Over current costs*

\*\* *Some department's actuals for gas have been a lot lower than budget — review and adjust, if needed.*

As in past years, most other materials and services are budgeted flat.

## Transfers

Transfers are budgeted interfund transfers of resources from one fund to another. Purposes for interfund transfers include providing operational support or moving general revenues to utility funds.

## Capital Outlay -- Vehicle and Equipment Replacement

Please include vehicles and equipment for 2023-24 and 2024-25 in your capital outlay budgets that are in line with your replacement plans and provide budget notes for them. Items less than \$10,000 each are not capital and should be budgeted in Materials and Services.

## Contingency

See Contingency policies by fund on page 15. General Fund departments budget any department contingency in account #490900.

*Budget input screen...*

**Budget: 2022-2023 - Budget 2021-23 BN (Year ;**  
Fiscal: 2022-2023 (Installed)

Fund	Fund Name	Original Budget	B
590	PARKS BOND	0.00	

You get to the Budget Maintenance window below by opening up Budget Management from General Ledger > Tools. Then you click on the “View Budget” magnifying glass and click on the budget you wish view. From there the first tab will be the “Budget Recap” tab. Click on the tab next to it “Fund Recap”. Then click on your fund number and the window for editing the budget numbers will be available!

Click on the edit symbol next to the account (**not** the account number in blue) you wish to change and input the new amount in the New Amount line. To the left, click on notes to add any as needed.

2022-2023 - Budget 2021-23 B...  
2022-2023

Tips for entering Budget Amounts  
Revenue accounts should typically be entered with negative amounts.  
Expense accounts should typically be entered with positive amounts.

Account	Type	Status	Account Name	Change	Total Budget	Edit	Has Detail	Has Notes	Has Fixed Distribution
625-625-30210	Reve	Activ	Unrestricted Beginning Balanc	0.00	(\$2,648.42		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
625-625-30520	Reve	Activ	Federal Grants	0.00	\$0.00		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
625-625-30520	Reve	Activ	Federal Grants-FEMA Westco	0.00	\$0.00		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
625-625-30520	Reve	Activ	Federal Grants-Corona Virus	0.00	\$0.00		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
625-625-30624	Reve	Inact	LID's and Work Orders Charg	0.00	\$0.00		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
625-625-30831	Reve	Inact	Wastewater Fee Revenue	0.00	\$0.00		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
625-625-30831	Reve	Activ	Stormwater Fee Revenue	0.00	(\$4,560.20		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
625-625-30831	Reve	Activ	Tualatin Stormwater Revenue	0.00	(\$135,729.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
625-625-30831	Reve	Activ	Allowance for Doubtful Storm	0.00	\$20,000.0		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
625-625-30832	Reve	Activ	Utility Penalty	0.00	(\$10,000.0		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					0.00				

Budget Notes are updated for line-item accounts by clicking the Edit box – then on Notes. *(Or right click anywhere in the body of the Budget Maintenance screen on the line for the account, then click on Notes.)*

**Reminder:** The Adopted 2023-25 Budget Notes entered into Incode may be accessed by the public on our website later, so include clear and pertinent information. Please spell out the words for acronyms.

### **Budget Summary Completion (Excel)**

Once the budget is updated in Incode, departments can update their Proposed summary information in the excel worksheet. That worksheet has already been updated with prior budget period actuals, the current budget by categories, and the estimated 2023-24 Beginning Balance. The formulas in the worksheet will pull forward the Beginning Balance for 2024-25 to compare to Incode “Budget Worksheet-Custom” reports.

Also, to highlight current information regarding the respective budgets, the Budget Notes need to also be updated on the excel summary worksheets. *On most excel summaries worksheets being provided to departments, last year’s Adopted Budget Notes have been moved to the Proposed 2023-25 Budget Notes section for updating.*

All **Capital Outlay** should have Budget Notes — except CIP projects are listed in that section of the budget. Also, large variances from your current year budget to next year Proposed Budget should have a note where useful for the reader, such as explaining the difference in the 2024-25 Beginning Balance due to a change in 2023-24 from budget, or Materials and Services expenditures carried forward, or one-time items.

Since the Estimated 2023-24 column will not be shown in the document, notes are not needed for estimates on the excel summary. You may want to add/update 2022-23 Estimated notes in Incode Budget Management.

		Hide column Hide column Hide column						2023-25 Proposed Budget		
		E	F	= E + F						
		2019-2020	2020-2021	2021-2022	2022-2023	2021-2023	2021-2023	2023-25 Proposed Budget		
		ACTUAL	ACTUAL	ACTUAL	ESTIMATED	BN ESTIMATED	BN BUDGET	1st Year	2nd Year	Biennium
								2023-24	2024-25	2023-25
<b>Resources</b>										
Beginning Balance	\$ 734,346	\$ 681,180	\$ 751,709	\$ 1,012,138	\$ 751,709	\$ 527,180	\$ 858,138	\$ 582,138	\$ 858,138	
Department Revenues	50,944	26,528	16,995	23,000	39,995	52,000	26,000	26,000	52,000	
Internal Charges for Services	1,719,000	1,860,000	1,932,000	1,860,000	3,792,000	3,720,000	1,845,000	1,860,000	3,705,000	
Proceeds Sale of Capital Ass	-	5,000	-	-	-	-	-	-	-	-
<b>Total Resources</b>	<b>\$ 2,504,290</b>	<b>\$ 2,572,708</b>	<b>\$ 2,700,704</b>	<b>\$ 2,895,138</b>	<b>\$ 4,583,704</b>	<b>\$ 4,299,180</b>	<b>\$ 2,729,138</b>	<b>\$ 2,468,138</b>	<b>\$ 4,615,138</b>	
<b>Requirements</b>										
Personnel Services	\$ 1,111,227	\$ 1,057,761	\$ 1,005,125	\$ 1,239,000	\$ 2,244,125	\$ 2,700,000	\$ 1,315,000	\$ 1,385,000	\$ 2,700,000	
Materials & Services	423,693	532,927	473,441	564,000	1,037,441	1,222,000	476,000	469,000	945,000	
Internal Fees for Services	180,000	186,000	210,000	186,000	396,000	152,000	210,000	219,000	429,000	
Capital Outlay	108,190	44,311	-	48,000	48,000	146,000	146,000	-	146,000	
Contingency	-	-	-	-	-	79,180	251,180	64,180	64,180	
Unappropriated End Balance	681,180	751,709	1,012,138	858,138	858,138	-	330,958	330,958	330,958	
<b>Total Requirements</b>	<b>\$ 2,504,290</b>	<b>\$ 2,572,708</b>	<b>\$ 2,700,704</b>	<b>\$ 2,895,138</b>	<b>\$ 4,583,704</b>	<b>\$ 4,299,180</b>	<b>\$ 2,729,138</b>	<b>\$ 2,468,138</b>	<b>\$ 4,615,138</b>	
<b>FTE</b>	<b>10</b>	<b>10</b>	<b>9.5</b>	<b>9.5</b>	<b>9.5</b>	<b>9.5</b>				

**Budget Notes**

- Department revenue includes fuel usage reimbursement from the School District, investment income, and sundry income.
- Internal fees for service is the department's cost share for administrative support services.

**Proposed 2021-23**

- Materials and Services includes an agreement with Clackamas County to maintain all traffic signals and associated appurtenances; and funding for second phase of Computerized Maintenance Management System (CMMS) software implementation and technology upgrades for paperless workflow.

The summary worksheets will become the published and printed Proposed Budget in Brief.

For instructions on how to run Incode reports — see the Incode budget input instruction guide that will be available in the Internal BUDGET 2023-25 folder under the FINANCE folder the common drive in “common(\\finance\data\homes)FINANCE”.

Departments are requested to complete their budget entry/updates in Incode and submit their excel worksheets with the updated Budget Notes and Performance Measures that they want published in the Budget in Brief document by January 19 for Support Departments and by February 10 the remaining departments.

**Department Web Pages**

Department information needs to be kept current on the City’s website. The City’s online budget refers/links to the department’s web page *instead of* providing narrative pages for each department in the [Budget in Brief](#) document, so the Information describing the department’s functions on the respective Main or About webpage should be useful to the reader. *(Click on the department name on the summary page in the Budget in Brief to go to the respective department web page.)*



<http://www.ci.oswego.or.us/police/police-department-divisions>

	2016-2017	2017-2018	2018-2019	Biennial Budget		
	ACTUAL	ACTUAL	BUDGET	2019-21 PROPOSED	2019-21 APPROVED	2019-21 ADOPTED
<b>Resources</b>						
Beginning Balance	\$ 1,753,417	\$ 1,861,680	\$ 1,310,680	\$ 1,160,480	\$ 1,160,480	\$ 1,160,480
Allocation to Capital Reserve	-	-	-	(182,000)	(182,000)	(182,000)
Department Revenues	1,667,337	1,796,469	1,660,000	3,465,000	3,465,000	3,465,000
General Revenues	11,362,000	11,325,000	11,714,000	25,238,000	25,238,000	25,238,000
Proceeds Sale of Capital Assets	2,375	6,455	-	-	-	-
<b>Total Resources</b>	<b>\$ 14,785,129</b>	<b>\$ 14,989,604</b>	<b>\$ 14,684,680</b>	<b>\$ 29,681,480</b>	<b>\$ 29,681,480</b>	<b>\$ 29,681,480</b>

## Other Information

### Account Number roll up

The revenue and expenditure account numbers roll up into categories — a ‘condensed’ version of accounts. The groupings are based upon the first three digits of object portion of the line-item account number. Reports can be run with grouping for SubCategory or SubObject to get similar rollups.

The account categories consist of the following account series:

### Revenue Accounts and Beginning Fund Balances *(Combined these are the Resources)*

CATEGORY	DESCRIPTION
302XXX	BEGINNING FUND BALANCES
303XXX	PROPERTY TAXES
304XXX	FRANCHISE FEES
305XXX	INTERGOVERNMENTAL
306XXX	LICENSES AND FEES
307XXX	FINES AND FORFEITURES
308XXX	SALES AND SERVICES
309XXX	SPECIAL ASSESSMENTS
310XXX	MISCELLANEOUS REVENUES
311XXX	GENERAL REVENUE
312XXX	CHARGES FOR SERVICES
320XXX	TRANSFERS
344XXX	PROCEEDS SALE OF CAPITAL ASSETS
355XXX	OTHER FINANCING SOURCES

## Expenditure Accounts

CATEGORY	DESCRIPTION
<b>Personnel Services</b>	
4111XX	Full-time Salaries
4112XX	Part-time salaries
4113XX	Overtime Salaries
4114XX	Special Pay
412XXX	Employee Benefits
<b>Materials &amp; Services</b>	
421XXX	General Office Supplies
422XXX	Printing, Binding and Postage
423XXX	Microfilming Supplies & Services
424XXX	Library Print Materials
425XXX	Library Non-Print Materials
427XXX	Uniforms and Safety Materials
428XXX	Small Tools and Supplies
429XXX	Other Materials and Supplies
431XXX	Professional & Technical Svcs
432XXX	Development and Training
433XXX	Mandated Requirements
434XXX	Merchandise & Svcs for Resale
435XXX	Other Purchased Services
436XXX	Internal Overhead
437XXX	Repairs and Maintenance
438XXX	Internal Fees for Service
439XXX	Miscellaneous Charges
442XXX	Intergovernmental Expense
<b>Debt Service</b>	
461XXX	Principal Payments
462XXX	Interest Payments
<b>Transfers</b>	
47XXXX	Transfers to Other Funds
<b>Capital Outlay</b>	
48XXXX	Capital Outlay
<b>Contingency</b>	
490XXX	Contingency (Dept Cont #490900)
<b>Ending Fund Balance</b>	
498XXX	Unappropriated Ending Fund Balance

Please refer to the Grant and Program Numbers files in the common drive for those portions of account numbers that are the last 4 digits in the account string (the common on the finance\data\homes drive –under FINANCE, in the Internal Budget folder).



## Fund Contingency and Ending Fund Balance Policies for All Funds

Department contingencies in the General Fund do not have a fund balance minimum. However, policy minimums are still in effect at the Fund level.

<b>FUND</b>	<b>CONTINGENCY</b>	<b>ENDING FUND BALANCE (EFB)</b>
<b>GENERAL</b>	Risk management requirements, plus 14% of operational requirements	16% of operational requirements
<b>BUILDING</b>	5% of operational requirements	Net Balance of the Fund
<b>GOLF COURSE</b>	10% of operational requirements	Set aside for identified capital improvements on a "Pay as you go" basis
<b>TENNIS FACILITY</b>	10% of operational requirements	Set aside for identified capital improvements on a "Pay as you go" basis
<b>WATER</b>	10% of operational requirements	None
<b>SEWER</b>	10% of operational requirements	None
<b>STORMWATER</b>	10% of operational requirements	None
<b>STREET</b>	10% of operational requirements	None
<b>SYSTEM DEVELOPMENT CHARGES (SDC)</b>	Accumulated balance	None
<b>PUBLIC WORKS SUPPORT SERVICES</b>	3% of operational requirements	None
<b>ENGINEERING</b>	5% of operational requirements	None
<b>BONDED DEBT</b>	None	100% of "Dry period" debt service requirements
<b>BICYCLE PATH</b>	None	None
<b>ASSESSMENT PROJECT</b>	None	None

## Appendix A: List of directors responsible for budgets

<b>Employee</b>	<b>Position</b>	<b>Budget – Department Responsibilities</b>
Martha Bennett	City Manager	City Council, City Manager’s Office, Facilities, Tourism, Redevelopment Department in the General Fund, and LORA Capital Projects – East End and Lake Grove
TBD	City Attorney	City Attorney’s Office
Shawn Cross	Finance Manager	Finance, General Fund-Nondepartmental, Bonded Debt, and LORA Debt Service
Scot Siegel	Director of Planning & Building Services	Planning and Building
Clayton Simon	Police Captain	Police and LOCOM
Don Johnson	Fire Chief	Fire
Ivan Anderholm	Parks Director	Parks & Recreation, ACC, Golf, Tennis, Public Art, and Parks SDC
Melissa Kelly	Library Director	Library
Megan Phelan	Assistant City Manager/ Human Resources Director	Human Resources, Risk Management, and Trolley
Weston Pay	Chief Technology Officer	Information Technology and Municipal Court
Eddie Vanburen	Public Works Director	Public Works Support Services Fund, Utility Funds – Maintenance: Water, Sewer, Stormwater, and Street
Erica Rooney	City Engineer	Engineering Utility Funds – Project Management: Water and WTP, Sewer, Stormwater, and Street. SDC’s: Water, Sewer, Stormwater, and Street. Bicycle Path and Assessment Project

Appendix B: Department Roll-Up Summary Worksheets (Published Budget Format)

With general Budget Notes:

## City Council

	Annual Budgets			Biennial Budget		
	2017-2018 ACTUAL	2018-2019 ACTUAL	2019-2021 BUDGET	2021-23 PROPOSED	2021-23 APPROVED	2021-23 ADOPTED
<b>Resources</b>						
Beginning Balance	\$ 14,784	\$ 34,297	\$ 65,297	\$ 22,553	\$ 22,553	\$ 22,553
Department Revenues	239	333	-	-	-	-
General Revenues	129,000	133,000	138,000	261,000	261,000	261,000
<b>Total Resources</b>	<b>\$ 144,023</b>	<b>\$ 167,630</b>	<b>\$ 203,297</b>	<b>\$ 283,553</b>	<b>\$ 283,553</b>	<b>\$ 283,553</b>
<b>Requirements</b>						
Personnel Services	\$ 16,380	\$ 16,728	\$ 18,000	\$ 43,000	\$ 43,000	\$ 43,000
Materials & Services	93,346	119,349	158,000	227,000	227,000	227,000
Department Contingency	-	-	27,297	13,553	13,553	13,553
<b>Total Requirements</b>	<b>\$ 109,726</b>	<b>\$ 136,077</b>	<b>\$ 203,297</b>	<b>\$ 283,553</b>	<b>\$ 283,553</b>	<b>\$ 283,553</b>

### Budget Notes

- Major expenses in City Council materials and services include memberships dues for the League of Oregon Cities \$26,000, National League of Cities \$3,500, Greater Portland Inc. \$4,500, and the Municipal Grant program \$35,000.
- Materials & Services also includes the Chamber Foundation Village Flower Baskets program, and Council administrative expenses.
- The Community Survey is typically conducted every other year at a cost of \$25,000.
- The City Council Goals can be found on the their respective webpage.

Or...

Breakdown of Budget Notes by budget period:

## Stormwater

	Annual Budgets			Biennial Budget		
	2017-2018 ACTUAL	2018-2019 ACTUAL	2019-2021 BUDGET	2021-23 PROPOSED	2021-23 APPROVED	2021-23 ADOPTED
<b>Resources</b>						
Beginning Balance	\$ 662,834	\$ 1,938,950	\$ 1,886,950	\$ 1,186,393	\$ 1,186,393	\$ 1,186,393
Department Revenues	3,470,741	3,344,094	3,540,000	7,882,000	7,882,000	7,882,000
Proceeds from Bond Sale		1,276,996	-	-	-	-
<b>Total Resources</b>	<b>\$ 4,133,575</b>	<b>\$ 6,560,040</b>	<b>\$ 5,426,950</b>	<b>\$ 9,068,393</b>	<b>\$ 9,068,393</b>	<b>\$ 9,068,393</b>
<b>Requirements</b>						
Personnel Services	\$ 384,514	\$ 393,213	\$ 429,000	\$ 895,000	\$ 895,000	\$ 895,000
Materials & Services	318,931	243,213	419,000	884,000	884,000	884,000
Internal Fees for Services	1,061,000	1,085,500	1,333,000	2,622,000	2,622,000	2,622,000
Debt Service	235,495	1,462,120	234,000	453,000	453,000	453,000
Capital Outlay	194,685	1,414,601	2,683,000	3,512,000	3,512,000	3,512,000
Contingency	-	-	328,950	702,393	702,393	702,393
Unappropriated Ending Balance	1,938,950	1,961,393	-	-	-	-
<b>Total Requirements</b>	<b>\$ 4,133,575</b>	<b>\$ 6,560,040</b>	<b>\$ 5,426,950</b>	<b>\$ 9,068,393</b>	<b>\$ 9,068,393</b>	<b>\$ 9,068,393</b>
<b>FTE</b>	<b>3.9</b>	<b>3.9</b>	<b>3.9</b>	<b>3.9</b>	<b>3.9</b>	<b>3.9</b>

### Budget Notes

- Department revenue includes the stormwater water fee, utility penalties, and investment income.
- Internal Fees for Service covers general administrative services, insurance, engineering services, operations support services, services, electrician services and maintenance services by motor pool.

### Adopted 2021-23

- Materials and Services includes services needed to meet the State of Oregon's MS4 permit requirements and Total Maximum Daily Loads (TMDL) requirements.
- Capital Outlay includes Wembley Park Drainage Improvements, Goodall Road Drainage Improvements, Daniel Way Stream Stabilization, and annual catch basin retrofits.