



2024-25
City of Happy Valley
Adopted Budget



City of Happy Valley Fiscal Year 2024 - 2025 Budget

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City of Happy Valley Organization Chart

Population 26,799

Citizens of Happy Valley



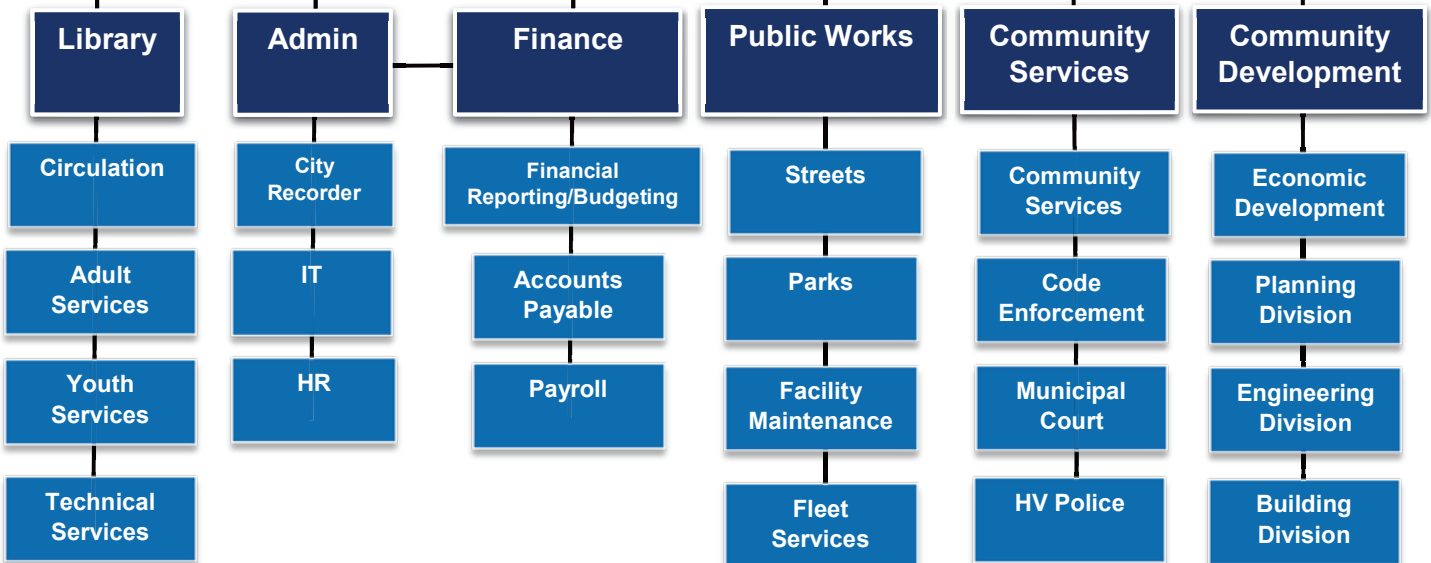
Mayor and Council

City Attorney

City Manager

Municipal Judge

Assistant City Manager





City of Happy Valley
Fiscal Year 2024 - 2025 Budget

Budget Committee

Council Members

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

Citizen Members

Geri Naumcheff
Mark Aasland
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, 2023

Christopher P. Morrill

Executive Director



City of Happy Valley Fiscal Year 2024 - 2025 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 2024-2025 Budget

City Manager's Budget Message

To The Budget Committee:

I am pleased to present the 2024-25 fiscal year budget. The total for this budget is \$101 million and includes \$90 million of resources excluding transfers between funds and \$63 million of expenditures excluding transfers, contingency, and reserves for future expenditures. This budget decreased overall by 4% from the 2023-24 budget of \$105 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 \$23 million to the Facilities Capital Projects Fund, all of which was appropriated as contract services and capital outlay expenditures. During the prior fiscal year, \$16 million of those funds were spent on property acquisitions. As with the prior budget, we expect development revenues to be steady, but lower than some of the previous high growth years. Uncertainty is the theme for the short term. 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 2023-24 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





City of Happy Valley Fiscal Year 2024-2025 Budget

the increased costs or hold steady over the next several decades. As the City has diligently built reserve funds for 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 Incremental 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 – Project out to bid
- 129th Sidewalk and Undergrounding Gap – Under construction
- Superblock phase I and II – Complete
- Superblock Phase III Project – Under construction
- 152nd Avenue and Misty Drive Crossing – Complete
- 172nd Avenue North of Sunnyside – Design underway
- 172nd Avenue Round-a-bout – ROW Acquisition and Construction
- 162nd Avenue – 10% construction design complete
- Rock Creek BLVD – 10% construction design complete
- Sunrise Corridor Gateway – Visioning Project with Clackamas County underway
- Scott Creek Trail Renovation – In final review
- Scott Creek Trail Extension – IGA approved
- Clackamas River Trail – IGA pending
- HV Park Covered Shelter Replacement – Complete
- Village Green Park Renovation – Design underway
- Pleasant Valley Villages Neighborhood Park – Complete
- Scouters Mt. Neighborhood Park – Design and Construction
- Veterans Memorial Park – Phase 1 Complete, Phase 1.5 Artwork installed
- Various Land Acquisition – 8 of 11 Properties targeted for consideration have been acquired
- Public Works Facility – Land Acquisition Complete
- Library Expansion – Under construction
- Community Center Feasibility Study – Underway
- All Abilities Playground Installations (every City-owned park) – Construction Complete/Underway
- Happy Valley Park Sports Field Improvements - Under construction
- 147th Half Street Improvement – Design 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



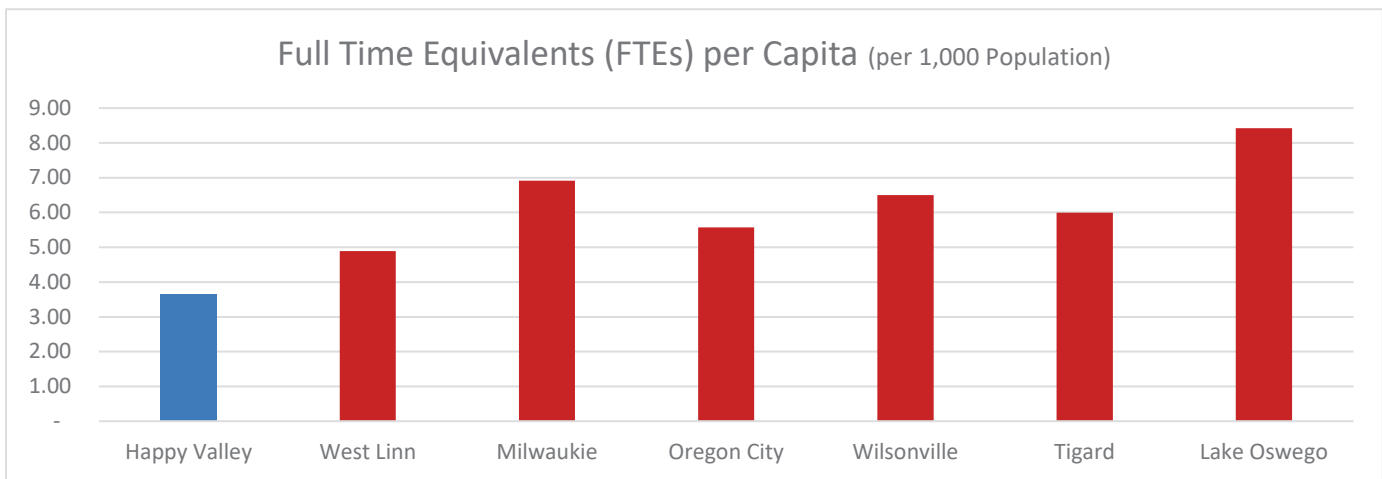
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money for the future is an essential component of any long-term financial plan and aids in the achievement of our long-term strategic goals. As with past budgets, we strive to strike the right balance between how much we spend on current requirements and how much we reserve for known and unknown long-term requirements.

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 increased full time equivalent (FTE) staff by 4.0 overall from the previous budget. This increase consists of 1.0 FTE in the General Fund – Administration, 1.0 FTE in the Parks Fund – operations department, 1.0 FTE in the Library Fund and 1.0 FTE in the Public Safety Fund.

The City continues to maintain a lean and efficient staff of 3.8 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.



City of Happy Valley Fiscal Year 2024-2025 Budget

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.
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 2024 - 2025 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 every five years up to 2020. The voters will be deciding on this levy again during fiscal year 2024-25. 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 2024 annual budget from the GFOA, making this the 8th 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 Annual Comprehensive Financial Reports (ACFR) almost continuously during recent 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 2024 - 2025 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 2024 - 2025 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 2024 - 2025 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.



City of Happy Valley Fiscal Year 2024 - 2025 Budget

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 diversity 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 Urban Renewal 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 \$209 million as of June 2023. 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.



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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 2024-25 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 2024 - 2025 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.

Total of All Funds - Happy Valley 2024-25 Budget

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	63,496,191	77,785,471	68,380,338	72,183,287	61,476,530	61,476,530	-
Property Taxes	8,974,741	9,790,235	10,130,000	10,380,000	10,952,600	10,952,600	-
Licenses, Permits, & Fees	17,847,901	6,166,851	5,960,000	6,716,000	6,470,000	6,470,000	-
Intergovernmental	11,504,302	7,331,171	9,509,000	7,384,000	8,582,000	8,582,000	-
Fines and Court Related	774,293	598,198	600,000	710,000	620,000	620,000	-
Transfers from other Funds	10,878,000	8,308,000	8,966,000	8,865,000	10,505,000	10,505,000	-
Miscellaneous	1,491,779	1,931,314	1,280,000	5,020,000	1,950,000	1,950,000	-
Total Resources	114,967,207	111,911,240	104,825,338	111,258,287	100,556,130	100,556,130	-
Requirements							
Personnel Services	9,324,852	9,612,085	10,812,800	9,957,000	11,831,800	11,831,800	-
Materials & Services	8,630,199	8,938,868	12,989,000	9,021,000	15,617,000	15,617,000	-
Operations	17,955,051	18,550,953	23,801,800	18,978,000	27,448,800	27,448,800	-
Transfers to Other Funds	10,878,000	8,308,000	8,966,000	8,865,000	10,505,000	10,505,000	-
Capital Outlay	8,425,320	12,869,000	61,691,607	21,938,757	36,282,494	36,282,494	-
Transfers, Capital	19,303,320	21,177,000	70,657,607	30,803,757	46,787,494	46,787,494	-
Contingency	-	-	6,354,365	-	7,744,764	7,744,764	-
Reserved for Future Expenditures	-	-	4,011,566	-	18,575,072	18,575,072	-
Ending Fund Balance	77,708,836	72,183,287	-	61,476,530	-	-	-
Ending Fund Balance, Reserves, and Contingency	77,708,836	72,183,287	10,365,931	61,476,530	26,319,836	26,319,836	-
Total Requirements	114,967,207	111,911,240	104,825,338	111,258,287	100,556,130	100,556,130	-
Budget Positions	71.50	77.00	81.00	77.00	81.00	81.00	81.00
Monthly Operating Costs per Capita	\$81	\$77	\$95	\$73	\$89	\$89	\$0

	Preceding	Preceding	Adopted	Estimate	Adopted	Change from Adopted	
	2021-22	2022-23	Budget 2023-24	2023-24	Budget 2024-25	2023-24	
						\$	%
General Fund							
Beginning Fund Balance	7,458,108	8,623,336	5,422,336	5,962,493	6,079,493	657,157	12.1%
Property Taxes	2,288,700	2,414,914	2,510,000	2,510,000	2,610,400	100,400	4.0%
Intergovernmental	5,820,163	1,370,085	1,050,000	1,190,000	1,150,000	100,000	9.5%
Fees and charges	8,029,936	5,800,040	5,100,000	6,135,000	5,540,000	440,000	8.6%
Misc	149,194	362,345	200,000	480,000	400,000	200,000	100.0%
Transfers In	1,478,000	1,508,000	1,740,000	1,640,000	1,805,000	65,000	3.7%
Resources Total	25,224,101	20,078,720	16,022,336	17,917,493	17,584,893	1,562,557	9.8%
Requirements							
Administration							
Personnel Services	1,808,646	1,916,356	2,168,500	2,105,000	2,486,100	317,600	14.6%
Materials and Services	1,289,827	1,395,762	1,525,000	1,490,000	1,700,000	175,000	11.5%
Administration Total	3,098,473	3,312,118	3,693,500	3,595,000	4,186,100	492,600	13.3%
Com Svcs & Public Safety							
Personnel Services	1,223,460	1,210,716	1,301,700	1,310,000	1,322,800	21,100	1.6%
Materials and Services	51,830	58,150	80,000	65,000	85,000	5,000	6.3%
Com Svcs & Public Safety Total	1,275,290	1,268,866	1,381,700	1,375,000	1,407,800	26,100	1.9%
Economic and Com Dev							
Personnel Services	2,971,534	3,047,948	3,276,700	2,880,000	3,379,900	103,200	3.1%
Materials and Services	494,381	505,192	560,000	256,000	390,000	(170,000)	-30.4%
Economic and Com Dev Total	3,465,915	3,553,140	3,836,700	3,136,000	3,769,900	(66,800)	-1.7%
Public Works							
Personnel Services	584,906	589,084	678,000	570,000	682,700	4,700	0.7%
Materials and Services	176,181	193,019	230,000	162,000	220,000	(10,000)	-4.3%
Public Works Total	761,087	782,103	908,000	732,000	902,700	(5,300)	-0.6%
Transfers Out	8,000,000	5,200,000	3,000,000	3,000,000	3,800,000	800,000	26.7%
Contingency	-	-	3,202,436	-	3,518,393	315,957	9.9%
	16,600,765	14,116,227	16,022,336	11,838,000	17,584,893	1,562,557	9.8%
Parks Fund							
Resources	2,650,815	2,861,135	3,218,608	3,213,114	4,220,314	1,001,706	31.1%
Requirements							
Operations							
Personnel Services	225,998	283,476	423,400	400,000	570,000	146,600	34.6%
Materials and Services	557,915	373,948	735,000	497,000	1,175,000	440,000	59.9%
Operations Total	783,913	657,424	1,158,400	897,000	1,745,000	586,600	50.6%
Programming							
Personnel Services	270,246	293,216	358,900	320,000	390,600	31,700	8.8%
Materials and Services	147,448	206,313	265,000	214,000	285,000	20,000	7.5%
Programming Total	417,694	499,529	623,900	534,000	675,600	51,700	8.3%
Non-Departmental							
Other	11,100	2,068	30,000	-	10,000	(20,000)	-66.7%
Non-Departmental Total	11,100	2,068	30,000	-	10,000	(20,000)	-66.7%
Transfers Out	895,000	1,045,000	795,000	795,000	1,000,000	205,000	25.8%
Contingency	-	-	611,308	-	789,714	178,406	29.2%
	2,107,707	2,204,021	3,218,608	2,226,000	4,220,314	1,001,706	31.1%

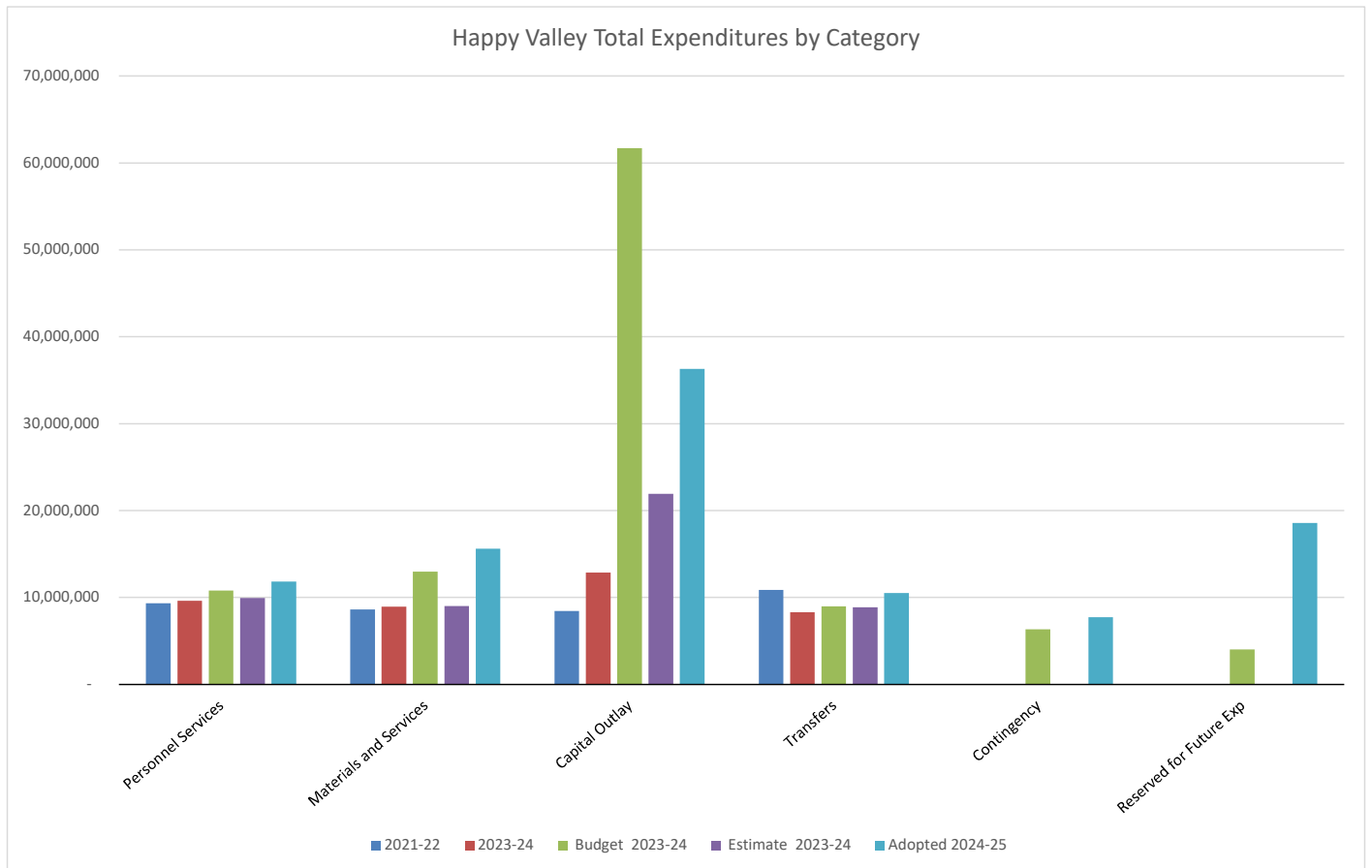
	Preceding	Preceding	Adopted	Estimate	Adopted	Change from Adopted	
	2021-22	2022-23	Budget 2023-24	2023-24	Budget 2024-25	2023-24	%
						\$	%
Public Safety Fund							
Resources	6,487,460	7,034,789	7,299,133	7,654,373	8,572,373	1,273,240	17.4%
Requirements							
Personnel Services	98,259	114,885	127,700	126,000	294,900	167,200	130.9%
Materials and Services	4,195,068	4,550,531	5,160,000	4,878,000	5,700,000	540,000	10.5%
Capital Outlay	-	-	10,000	-	10,000	-	0.0%
Transfers Out	550,000	515,000	550,000	550,000	605,000	55,000	10.0%
Contingency	-	-	1,451,433	-	1,962,473	511,040	35.2%
	<u>4,843,327</u>	<u>5,180,416</u>	<u>7,299,133</u>	<u>5,554,000</u>	<u>8,572,373</u>	<u>1,273,240</u>	<u>17.4%</u>
Library Fund							
Resources	4,667,035	4,807,075	4,732,129	4,932,899	5,101,899	369,770	7.8%
Requirements							
Personnel Services	1,772,584	1,783,855	2,021,100	1,820,000	2,200,000	178,900	8.9%
Materials and Services	524,323	564,321	645,000	535,000	695,000	50,000	7.8%
Transfers Out	1,115,000	1,220,000	1,170,000	1,170,000	1,227,000	57,000	4.9%
Contingency	-	-	896,029	-	979,899	83,870	9.4%
	<u>3,411,907</u>	<u>3,568,176</u>	<u>4,732,129</u>	<u>3,525,000</u>	<u>5,101,899</u>	<u>369,770</u>	<u>7.8%</u>
Street Maintenance Fund							
Resources	2,597,670	2,796,041	2,913,959	2,988,085	3,601,085	687,126	23.6%
Requirements							
Personnel Services	369,219	372,549	456,800	426,000	504,800	48,000	10.5%
Materials and Services	467,278	549,653	644,000	486,000	662,000	18,000	2.8%
Capital Outlay	1,156,715	1,245,754	1,300,000	960,000	1,600,000	300,000	23.1%
Transfers Out	296,000	300,000	320,000	320,000	340,000	20,000	6.3%
Contingency	-	-	193,159	-	494,285	301,126	155.9%
	<u>2,289,212</u>	<u>2,467,956</u>	<u>2,913,959</u>	<u>2,192,000</u>	<u>3,601,085</u>	<u>687,126</u>	<u>23.6%</u>
Storm Utility SDC Fund							
Resources	1,453,069	1,519,235	809,069	832,208	882,208	73,139	9.0%
Requirements							
Materials and Services	-	-	100,000	-	100,000	-	0.0%
Capital Outlay	-	747,027	709,069	-	782,208	73,139	10.3%
	<u>-</u>	<u>747,027</u>	<u>809,069</u>	<u>-</u>	<u>882,208</u>	<u>73,139</u>	<u>9.0%</u>
Transportation SDC Fund							
Resources	12,549,789	9,113,305	12,703,916	12,574,943	12,274,943	(428,973)	-3.4%
Requirements							
Materials and Services	339,753	128,598	1,000,000	-	1,000,000	-	0.0%
Capital Outlay	3,556,120	329,764	11,703,916	1,900,000	11,274,943	(428,973)	-3.7%
	<u>3,895,873</u>	<u>458,362</u>	<u>12,703,916</u>	<u>1,900,000</u>	<u>12,274,943</u>	<u>(428,973)</u>	<u>-3.4%</u>
Parks SDC Fund							
Resources	22,190,589	20,070,968	20,426,273	21,017,588	22,317,588	1,891,315	9.3%
Requirements							
Materials and Services	78,389	32,251	500,000	75,000	500,000	-	0.0%
Capital Outlay	2,845,927	21,129	19,926,273	75,000	5,000,000	(14,926,273)	-74.9%
Transfers Out	-	-	-	-	2,500,000	2,500,000	100%
	<u>2,924,316</u>	<u>53,380</u>	<u>20,426,273</u>	<u>150,000</u>	<u>8,000,000</u>	<u>(12,426,273)</u>	<u>-60.8%</u>
Reserved - Future Expenditures	-	-	-	-	14,317,588	14,317,588	100%

	Preceding	Preceding	Adopted	Estimate	Adopted	Change from Adopted	
	2021-22	2022-23	Budget 2023-24	2023-24	Budget 2024-25	2023-24	
						\$	%
Pedestrian Improvement Projects Fund							
Resources	1,544,503	1,740,549	1,955,562	2,002,354	1,922,354	(33,208)	-1.7%
Requirements							
Materials and Services	22,520	20,195	30,000	-	100,000	70,000	233.3%
Capital Outlay	26,421	-	1,895,562	360,000	1,789,354	(106,208)	-5.6%
Transfers Out	22,000	28,000	30,000	30,000	33,000	3,000	10.0%
	<u>70,941</u>	<u>48,195</u>	<u>1,955,562</u>	<u>390,000</u>	<u>1,922,354</u>	<u>(33,208)</u>	<u>-1.7%</u>
Reserve for General Operations							
Resources	838,974	838,974	838,974	838,974	838,974	-	0.0%
Requirements							
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	2,771,393	2,820,206	2,855,774	2,833,536	3,247,536	391,762	13.7%
Requirements							
Materials and Services	247,958	324,233	650,000	160,000	650,000	-	0.0%
Capital Outlay	262,661	252,437	900,000	86,000	900,000	-	0.0%
	<u>510,619</u>	<u>576,670</u>	<u>1,550,000</u>	<u>246,000</u>	<u>1,550,000</u>	<u>-</u>	<u>0.0%</u>
Reserved - Future Expenditures	-	-	1,305,774	-	1,697,536	391,762	30.0%
Street Reserve for Replacement							
Resources	4,028,656	4,203,606	3,540,817	3,792,105	892,105	(2,648,712)	-74.8%
Requirements							
Materials and Services	-	1,877	125,000	-	125,000	-	0.0%
Capital Outlay	70,839	839,624	415,817	-	267,105	(148,712)	-35.8%
Transfers Out	-	-	3,000,000	3,000,000	500,000	(2,500,000)	-83.3%
	<u>70,839</u>	<u>841,501</u>	<u>3,540,817</u>	<u>3,000,000</u>	<u>892,105</u>	<u>(2,107,895)</u>	<u>-74.8%</u>
Library Reserve for Replacement							
Resources	5,265,290	5,838,552	7,726,552	7,452,288	4,534,288	(3,192,264)	-41.3%
Requirements							
Materials and Services	1,533	4,461	150,000	3,000	150,000	-	0.0%
Capital Outlay	127,705	981,803	7,475,552	6,015,000	3,884,288	(3,591,264)	-48.0%
Transfers Out	-	-	101,000	-	500,000	500,000	395.0%
	<u>129,238</u>	<u>986,264</u>	<u>7,726,552</u>	<u>6,018,000</u>	<u>4,534,288</u>	<u>(3,091,264)</u>	<u>-41.3%</u>
Parks Reserve for Replacement							
Resources	923,818	1,688,818	2,151,818	2,090,974	2,790,974	639,156	29.7%
Requirements							
Materials and Services	-	3,196	60,000	-	70,000	10,000	16.7%
Capital Outlay	35,000	119,648	225,000	-	1,000,000	775,000	344.4%
	<u>35,000</u>	<u>122,844</u>	<u>285,000</u>	<u>-</u>	<u>1,070,000</u>	<u>785,000</u>	<u>275.4%</u>
Reserved - Future Expenditures	-	-	1,866,818	-	1,720,974	(145,844)	-7.8%
Facility Capital Projects Fund							
Resources	12,777,016	17,701,421	10,347,321	13,755,425	7,127,668	(3,219,653)	-31.1%
Requirements							
Materials and Services	24,695	25,100	500,000	200,000	2,000,000	1,500,000	300.0%
Capital Outlay	-	6,695,896	9,847,321	9,727,757	5,127,668	(4,719,653)	-47.9%
	<u>24,695</u>	<u>6,720,996</u>	<u>10,347,321</u>	<u>9,927,757</u>	<u>7,127,668</u>	<u>(3,219,653)</u>	<u>-31.1%</u>

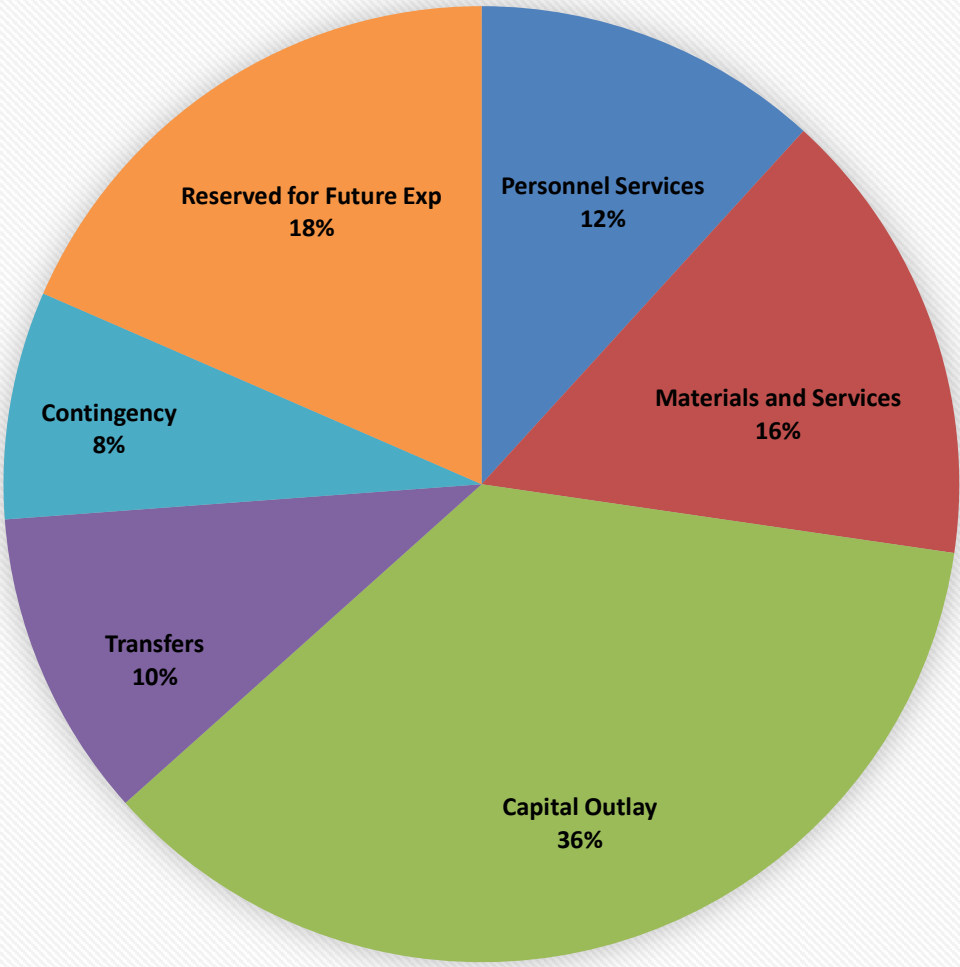
	Preceding	Preceding	Adopted	Estimate	Adopted	Change from Adopted	
	2021-22	2022-23	Budget 2023-24	2023-24	Budget 2024-25	2023-24	
						\$	%
Parks Capital Projects Fund							
Resources	8,997,029	8,797,846	7,283,097	7,361,928	4,646,928	(2,636,169)	-36.2%
Requirements							
Capital Outlay	343,932	1,635,918	7,283,097	2,815,000	4,646,928	(2,636,169)	-36.2%
	<u>343,932</u>	<u>1,635,918</u>	<u>7,283,097</u>	<u>2,815,000</u>	<u>4,646,928</u>	<u>(2,636,169)</u>	<u>-36.2%</u>
Total Budget							
Resources	114,967,207	111,911,240	104,825,338	111,258,287	100,556,130	(4,269,208)	-4.1%
Requirements							
Personnel Services	9,324,852	9,612,085	10,812,800	9,957,000	11,831,800	1,019,000	9.4%
Materials and Services	8,619,099	8,936,800	12,959,000	9,021,000	15,607,000	2,648,000	20.4%
Capital Outlay	8,425,320	12,869,000	61,691,607	21,938,757	36,282,494	(25,409,113)	-41.2%
Non-Departmental	11,100	2,068	30,000	-	10,000	(20,000)	-66.7%
Transfers	10,878,000	8,308,000	8,966,000	8,865,000	10,505,000	1,539,000	17.2%
Contingency	-	-	6,354,365	-	7,744,764	1,390,399	21.9%
Reserve for Future Exp	-	-	4,011,566	-	18,575,072	14,563,506	363.0%
	<u>37,258,371</u>	<u>39,727,953</u>	<u>104,825,338</u>	<u>49,781,757</u>	<u>100,556,130</u>	<u>(4,269,208)</u>	<u>-4.1%</u>

Summary by Category - Happy Valley Expenditures

	Preceding 2021-22	Preceding 2023-24	Adopted Budget 2023-24	Estimate 2023-24	Proposed 2024-25	Approved 2024-25	Adopted 2024-25
Personnel Services	9,324,852	9,612,085	10,812,800	9,957,000	11,831,800	11,831,800	11,831,800
Materials and Services	8,630,199	8,938,868	12,989,000	9,021,000	15,617,000	15,617,000	15,617,000
Capital Outlay	8,425,320	12,869,000	61,691,607	21,938,757	36,282,494	36,282,494	36,282,494
Transfers	10,878,000	8,308,000	8,966,000	8,865,000	10,505,000	10,505,000	10,505,000
Contingency	-	-	6,354,365	-	7,744,764	7,744,764	7,744,764
Reserved for Future Exp	-	-	4,011,566	-	18,575,072	18,575,072	18,575,072
Total Requirements	37,258,371	39,727,953	104,825,338	49,781,757	100,556,130	100,556,130	100,556,130

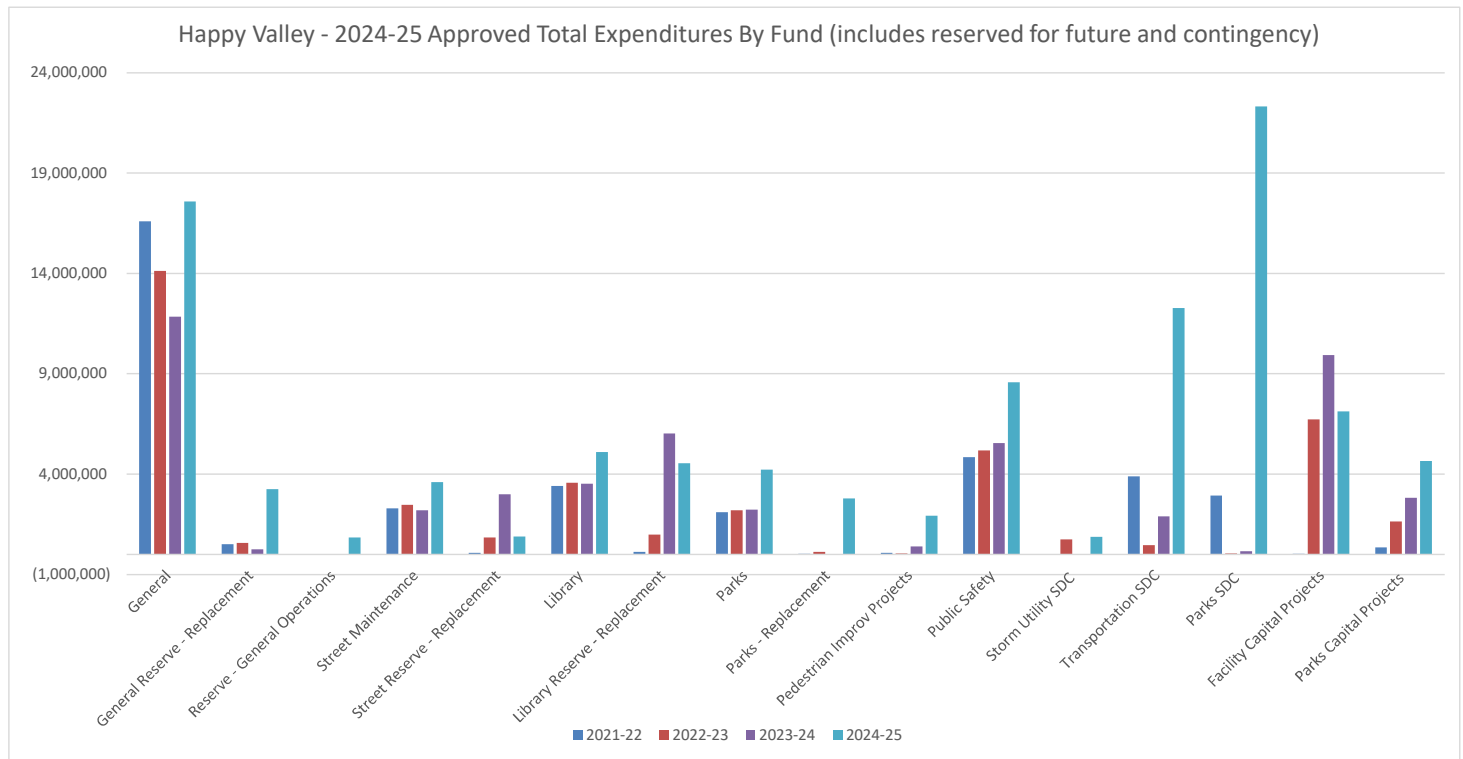


Happy Valley - 2024-25 Adopted Budget Expenditure Percentage by Category



Summary by Fund - Happy Valley Expenditures

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed 2024-25	Approved 2024-25	Adopted 2024-25
General	16,600,765	14,116,227	16,022,336	11,838,000	17,584,893	17,584,893	17,584,893
General Reserve - Replacement	510,619	576,670	2,855,774	246,000	3,247,536	3,247,536	3,247,536
Reserve - General Operations	-	-	838,974	-	838,974	838,974	838,974
Street Maintenance	2,289,212	2,467,956	2,913,959	2,192,000	3,601,085	3,601,085	3,601,085
Street Reserve - Replacement	70,839	841,501	3,540,817	3,000,000	892,105	892,105	892,105
Library	3,411,907	3,568,176	4,732,129	3,525,000	5,101,899	5,101,899	5,101,899
Library Reserve - Replacement	129,238	986,264	7,726,552	6,018,000	4,534,288	4,534,288	4,534,288
Parks	2,107,707	2,204,021	3,218,608	2,226,000	4,220,314	4,220,314	4,220,314
Parks - Replacement	35,000	122,844	2,151,818	-	2,790,974	2,790,974	2,790,974
Pedestrian Improv Projects	70,941	48,195	1,955,562	390,000	1,922,354	1,922,354	1,922,354
Public Safety	4,843,327	5,180,416	7,299,133	5,554,000	8,572,373	8,572,373	8,572,373
Storm Utility SDC	-	747,027	809,069	-	882,208	882,208	882,208
Transportation SDC	3,895,873	458,362	12,703,916	1,900,000	12,274,943	12,274,943	12,274,943
Parks SDC	2,924,316	53,380	20,426,273	150,000	22,317,588	22,317,588	22,317,588
Facility Capital Projects	24,695	6,720,996	10,347,321	9,927,757	7,127,668	7,127,668	7,127,668
Parks Capital Projects	343,932	1,635,918	7,283,097	2,815,000	4,646,928	4,646,928	4,646,928
Total Requirements	37,258,371	39,727,953	104,825,338	49,781,757	100,556,130	100,556,130	100,556,130





City of Happy Valley Fiscal Year 2024 - 2025 Budget

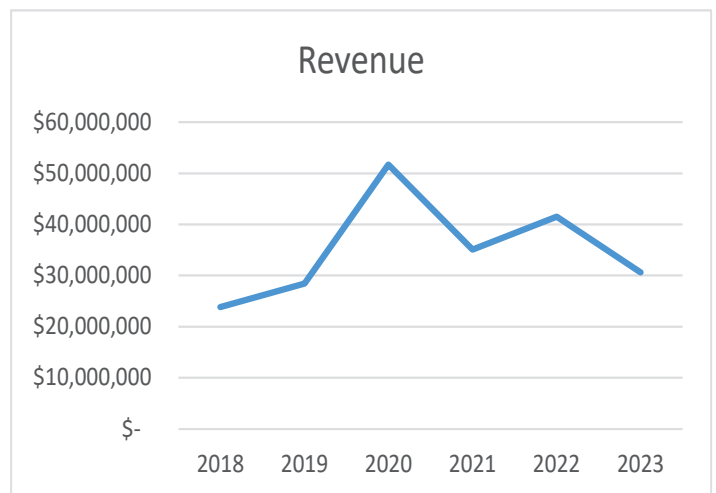
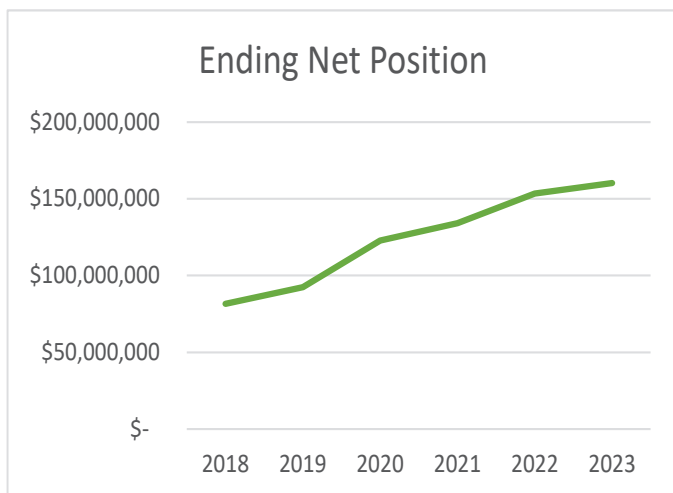
Demographics and Financial Trend Information

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.

	2018	2019	2020	2021	2022	2023
Revenue	\$ 23,821,866	\$ 28,462,144	\$ 51,732,802	\$ 35,095,757	\$ 41,506,516	\$ 30,592,836
Expenditures	(16,161,821)	(17,668,727)	(21,423,177)	(23,757,450)	(22,236,809)	(25,646,510)
Change in Net Position	7,660,045	10,793,417	30,309,625	11,338,307	19,269,707	4,946,326
Beginning Net Position	74,113,862	81,682,721	92,476,138	122,785,763	134,124,070	153,393,777
Prior Period Adjustment	(91,186)	-	-	-	-	1,936,868
Ending Net Position	\$ 81,682,721	\$ 92,476,138	\$ 122,785,763	\$ 134,124,070	\$ 153,393,777	\$ 160,276,971



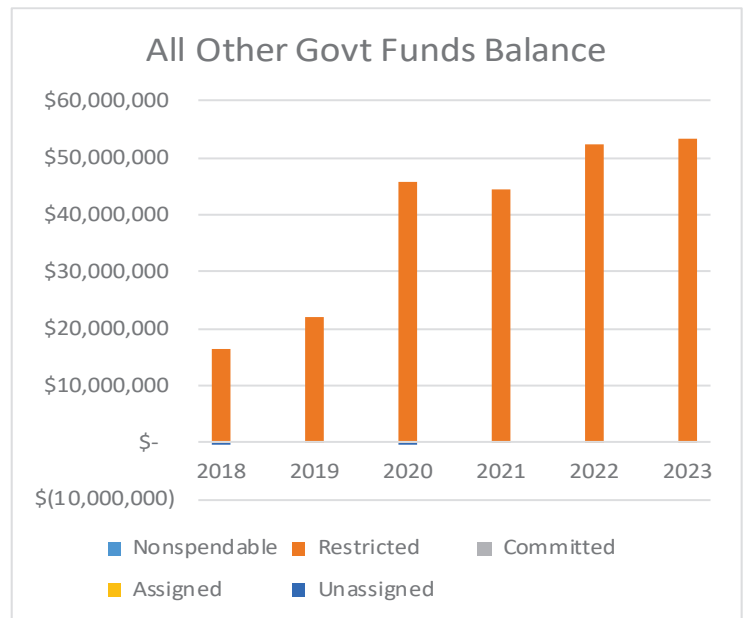
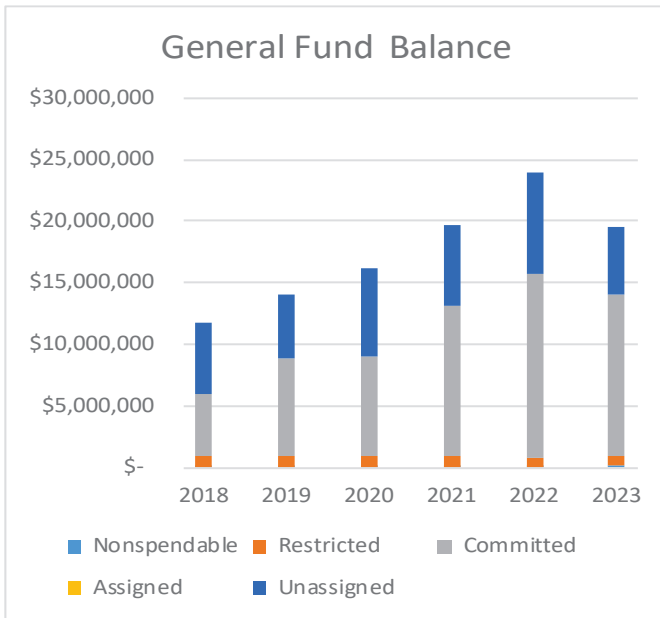


City of Happy Valley Fiscal Year 2024 - 2025 Budget

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 2018 – 2023. The General Fund – Committed increases represented reserves for capital replacement and maintenance and amounts to counter the next economic downturn.

	Fiscal Year					
	2018	2019	2020	2021	2022	2023
Nonspendable	\$ 42,773	\$ 60,998	\$ 68,139	\$ 62,786	\$ 45,878	\$ 156,605
Restricted	917,259	879,969	846,032	793,450	698,450	738,195
Committed	4,965,481	7,952,893	8,058,724	12,264,231	14,971,100	13,097,678
Assigned	-	-	-	-	-	-
Unassigned	5,839,541	5,079,303	7,268,787	6,601,872	8,316,576	5,608,677
Total General Fund	\$ 11,765,054	\$ 13,973,163	\$ 16,241,682	\$ 19,722,339	\$ 24,032,004	\$ 19,601,155

	Fiscal Year					
	2018	2019	2020	2021	2022	2023
Nonspendable	\$ 30,739	\$ 16,964	\$ 5,500	\$ 19,910	\$ 34,612	\$ 20,404
Restricted	16,373,527	21,996,564	45,821,739	44,434,715	52,226,774	53,502,203
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	(22,812)	-	(1,819)	-	-	-
Total All Other Govt Funds	\$ 16,381,454	\$ 22,013,528	\$ 45,825,420	\$ 44,454,625	\$ 52,261,386	\$ 53,522,607





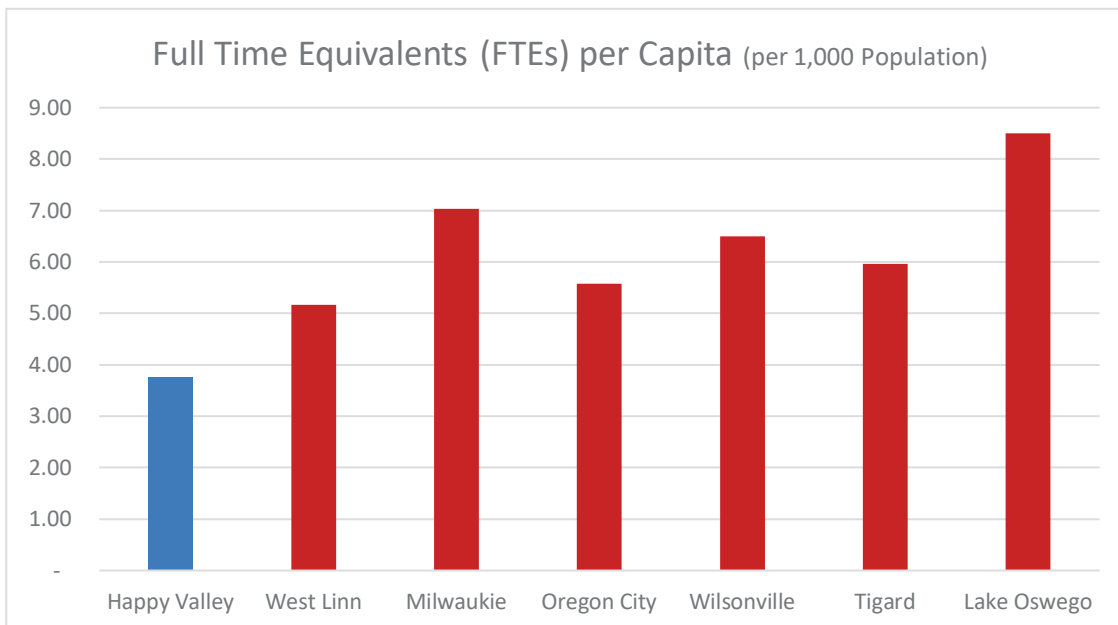
City of Happy Valley Fiscal Year 2024 - 2025 Budget

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 increased 4.0 from the previous budget. The increase consists of the following additions: 1.0 FTE General Fund – Administration, 1.0 FTE increase in the Library Fund, 1.0 Increase in Parks Fund, and 1.0 FTE increase in the Public Safety Fund. Total FTE increased from 80 FTE in the 2023-24 budget to 84 FTE in this budget.

As the following chart shows, we continue to run a lean organization. The City operates with just under 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.





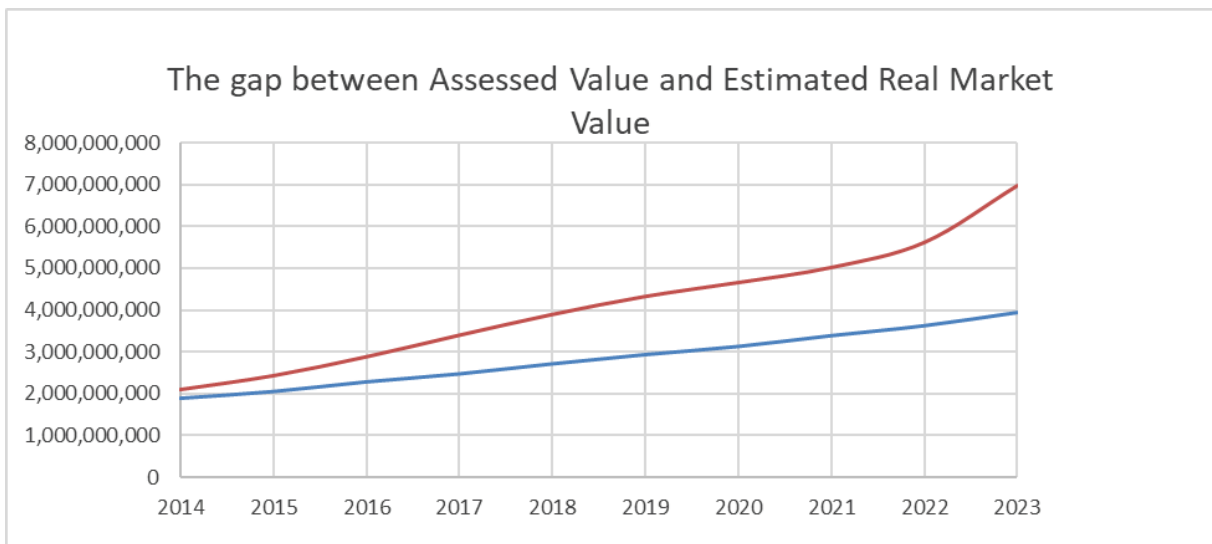
City of Happy Valley Fiscal Year 2024 - 2025 Budget

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	Assessed Value					Total assessed value	Total direct tax rate	RMV	Assessed value as percentage of RMV
	Ended June 30	Real property	Personal property	Manuf'd structure	Public utility			Estimated real market value (RMV)	
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%
2023		3,833,153,426	27,295,939	3,466,434	74,894,200	3,938,809,999	2.59	6,968,760,110	57%

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 2024 - 2025 Budget

Demographic and economic statistics

Fiscal Year	Population(1)	Median Age(1)	Household Income	Per Capita Income (2)	Public	Unemployment Rate(4)
					School Enrollment (3)	
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
2023	26,689	39	131,980	54,540	8,279	3.3

Source: (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).

Employer	Employees	Rank	of Total City Employment
Fred Meyer	328	1	8%
Ag Specialty Foods	175	2	5%
New Seasons Market	150	3	4%
Camp Withycombe	100	4	3%
Morningstar of Happy Valley	90	5	2%
City of Happy Valley	76	6	2%
McDonalds	55	7	2%
Sunnyside Meadows Memory Care	53	8	1%
Goodwill	45	9	1%
Providence Medical Group Happy Valley	35	10	1%
	1,107		21%

Source: City business licenses



City of Happy Valley Fiscal Year 2024 - 2025 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.

2024-25 Adopted Budget - Positions

Department and Position	2021-22	2022-23	Adopted	Estimate	Proposed	Approved	Adopted
			Budget	2023-24	Budget	Budget	Budget
			2023-24	2023-24	2024-25	2024-25	2024-25
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
Management Analyst	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Communication and PR	-	-	-	-	1.00	1.00	1.00
Finance and IT							
Finance Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Supervisor	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	1.00
Human Resources and City Recorder							
HR Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City Recorder	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	1.00
	<u>12.00</u>	<u>13.00</u>	<u>13.00</u>	<u>13.00</u>	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>
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	-	-	-	-
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	-	-	-	-	-
Engineer Admin	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Project Engineer	1.00	2.00	2.00	1.00	2.00	2.00	2.00

2024-25 Adopted Budget - Positions

Department and Position	2021-22	2022-23	Adopted	Estimate	Proposed	Approved	Adopted
			Budget	2023-24	Budget	Budget	Budget
			2023-24	2023-24	2024-25	2024-25	2024-25
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	1.00	1.00	2.00	2.00	2.00
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>23.00</u>	<u>24.00</u>	<u>22.00</u>	<u>20.00</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	3.00	3.00	2.00	2.00	3.00	3.00	3.00
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>11.00</u>	<u>11.00</u>	<u>10.00</u>	<u>10.00</u>	<u>11.00</u>	<u>11.00</u>	<u>11.00</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	2.00	2.00	3.00	3.00	4.00	4.00	4.00
Utility Worker II	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	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	<u>6.00</u>	<u>6.00</u>	<u>7.00</u>	<u>7.00</u>	<u>8.00</u>	<u>8.00</u>	<u>8.00</u>

2024-25 Adopted Budget - Positions

Department and Position	2021-22	2022-23	Adopted	Estimate	Proposed	Approved	Adopted
			Budget 2023-24	2023-24	Budget 2024-25	Budget 2024-25	Budget 2024-25
Streets							
Utility Worker II	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Utility Worker I	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	<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>
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	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Regular Limited Status positions	1.00	1.00	2.00	2.00	2.00	2.00	2.00
	<u>18.00</u>	<u>18.00</u>	<u>19.00</u>	<u>19.00</u>	<u>19.00</u>	<u>19.00</u>	<u>19.00</u>
Total FTE	<u>78.00</u>	<u>80.00</u>	<u>79.00</u>	<u>77.00</u>	<u>82.00</u>	<u>82.00</u>	<u>82.00</u>
Total Full Time Positions	72.00	74.00	72.00	70.00	75.00	75.00	75.00
Total Part Time Positions	6.00	6.00	7.00	7.00	7.00	7.00	7.00
Total FTE	78.00	80.00	79.00	77.00	82.00	82.00	82.00
General Fund FTE	50.00	52.00	49.00	47.00	51.00	51.00	51.00
Other FTE	28.00	28.00	30.00	30.00	31.00	31.00	31.00
Total FTE	78.00	80.00	79.00	77.00	82.00	82.00	82.00



5 Year Projection Excerpt

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

The projection is updated annually to reflect the changing financial landscape and envision a future beyond the next budget cycle. It is based on specific assumptions and should not to be interpreted as a final plan but rather one possible view of the next five years. The projection along with relevant historical data are used to expose trends that could influence our financial future. The projection should be used as a catalyst for discussion about where the City could be in five years if we follow a certain path, how to address issues revealed by the projection, and what changes can be made today to ensure we remain on a path to our long-term goals.

Included in the projection are revenue and expenditures charts for each fund to compare past projections to actual results of operations. These charts show that our assumptions underestimate revenue and overestimate expenditures. This process helps to prepare us for the economic volatility we experience with much of our revenue. Again, this projection is not a forecast, it is a mechanism to create dialog about how to increase productivity and efficiency, so we can provide essential services in any economic climate.

This projection does not include reserve funds as their use is guided by policy. SDC funds are also not included as they are guided by the SDC methodology plans.

This projection does not address issues that could have a significant effect on the organization if they were to occur within the 5-year period.

It is important to note that not all city revenues are available for all city functions. We are bound by statutes that define the specific use of certain revenues, so any review of total revenues or total expenditures is not applicable. Funds and their respective revenues and expenditures need to be reviewed and analyzed separately.

Financial Projection – Citywide

We have downgraded our expectations for development revenue compared to that of prior year projections. 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 some 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.

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 moderate period. If the development revenue total in this projection is similar to the prior moderate period, we believe the projection to be realistic.

Financial Projection – Individual Funds

Below are further explanations for each of the funds in the projection. These funds are either directly affected by changes in population and assessed value of the City or impact the number of employees. Growth in assessed value is defined in this context as new construction, increased value of real property, and annexation of property into the City.

Following the individual fund explanations there is an overview of the remaining capital project and reserve funds. Detail and chart information are not included for these funds as their expenditures are project based and are at the discretion of the Council.

General Fund

In this projection, the General Fund has an operating deficit, difference between annual revenues and annual expenditures, for four out of the five years. The operating deficit is largest in year one of the projection because of a \$3 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 all years of the projection.

This projection adds another \$3 million transfer to the Facility Cap Project Fund in year one and a total of \$5 million in years two through five. Under this scenario, there would be \$23 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. Thankfully, we have seen these rates level out.

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 11 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 besides that last. 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.

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 4 of the projection.

The operations department (parks maintenance) has FTE's added in year one which would bring the total FTE for the department up to 5.0. The recreation department has an 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 \$3.7 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.

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 and third year of the projection to bring the total to 19. 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 annual operating deficit in four of the five years of the projection. This means that if assessed value grows at the less than the 6% rate shown in this plan, the City would have to consider holding off on additional FTE (not already shown in the plan) in the later years of this plan. Any additional growth beyond the 6%, which is certainly possible, will help erase the operating deficit.

Library Fund

The projection shows an operating deficit in all 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 two 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 million to the Library Reserve for Replacement Fund.

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 million available for street reconstruction each year. This puts the City on target for maintaining its current average of 82 paving quality index.

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.

With the increased funding, this projection shows \$400 thousand + in each year of the projection available for pedestrian pathways.

Reserve Funds

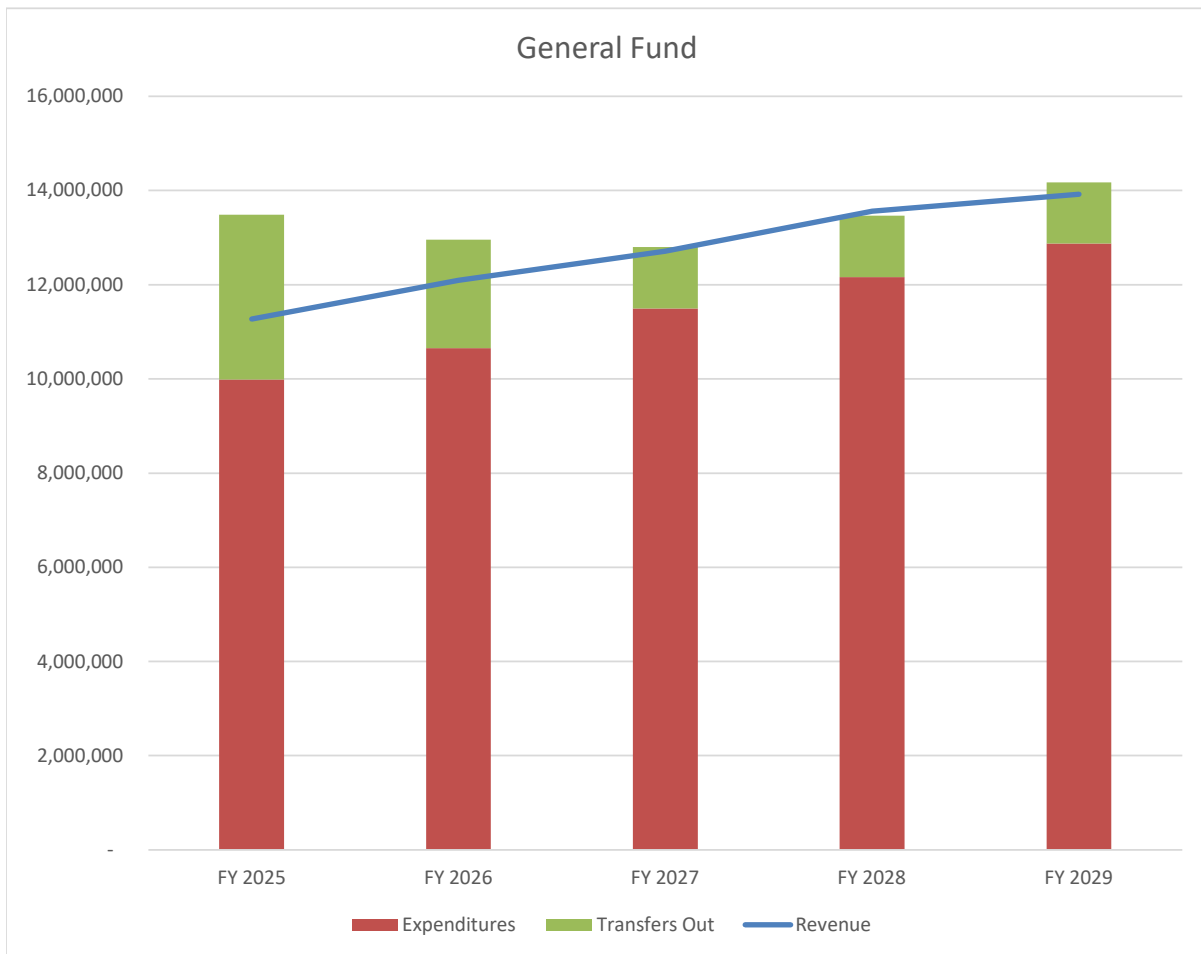
Policy 13.04 Budget & Contingency defines conditions for the expenditure of reserve funds as well as the appropriate amount to accumulate in each fund.

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. In 2019-20 the City spent \$1.6 million from this fund to create a PERS side account which will help curb future PERS rate increases.

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.

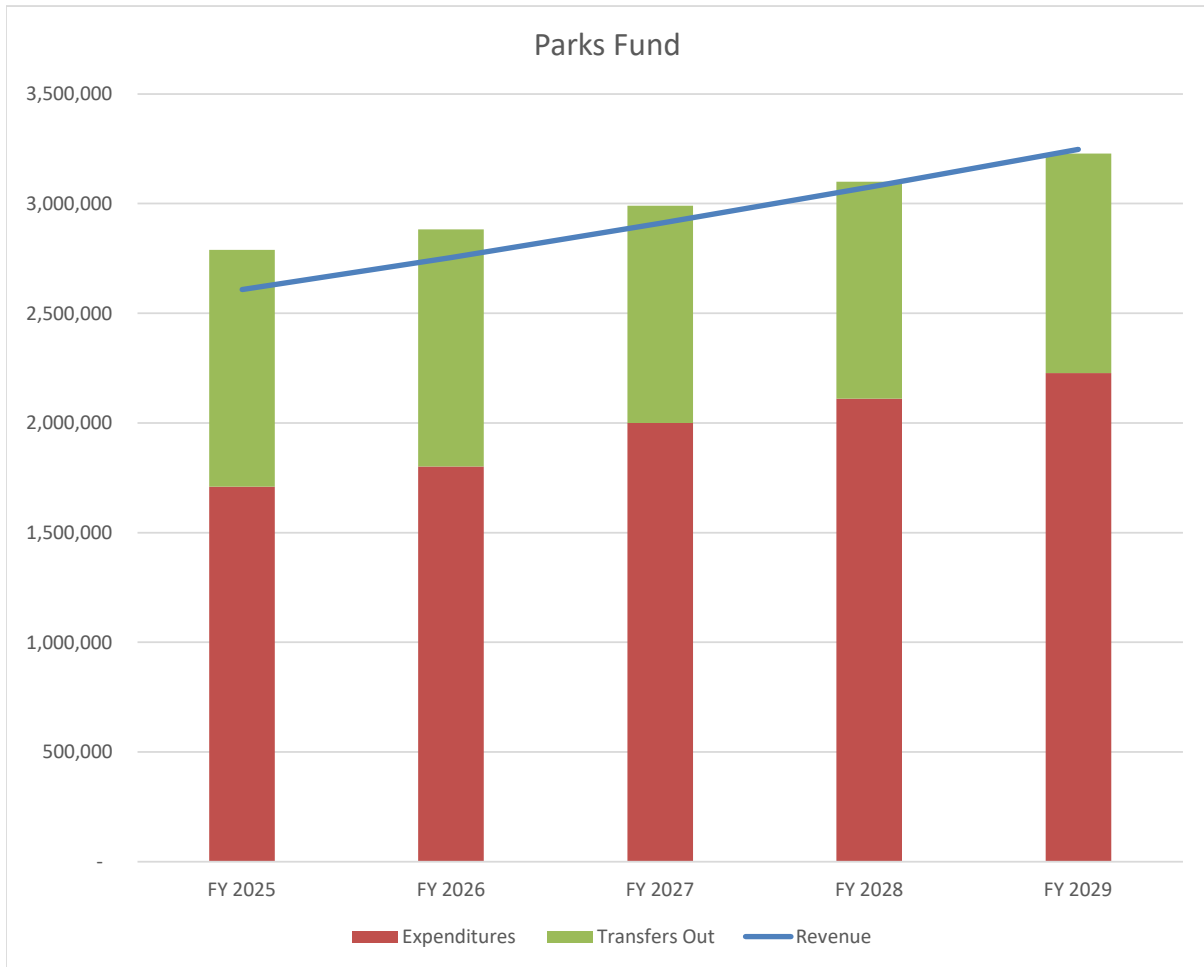
General Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	11,270,400	12,092,416	12,714,262	13,557,924	13,921,675
Expenditures	9,988,012	10,654,315	11,496,281	12,164,108	12,873,203
Transfers Out	3,500,000	2,300,000	1,300,000	1,300,000	1,300,000
Annual Operating Surplus/(Shortfall)	(2,217,612)	(861,899)	(82,020)	93,815	(251,528)
Beginning Fund Balance - BFB	6,049,493	3,831,881	2,969,981	2,887,962	2,981,777
Ending Fund Balance - EFB	3,831,881	2,969,981	2,887,962	2,981,777	2,730,249



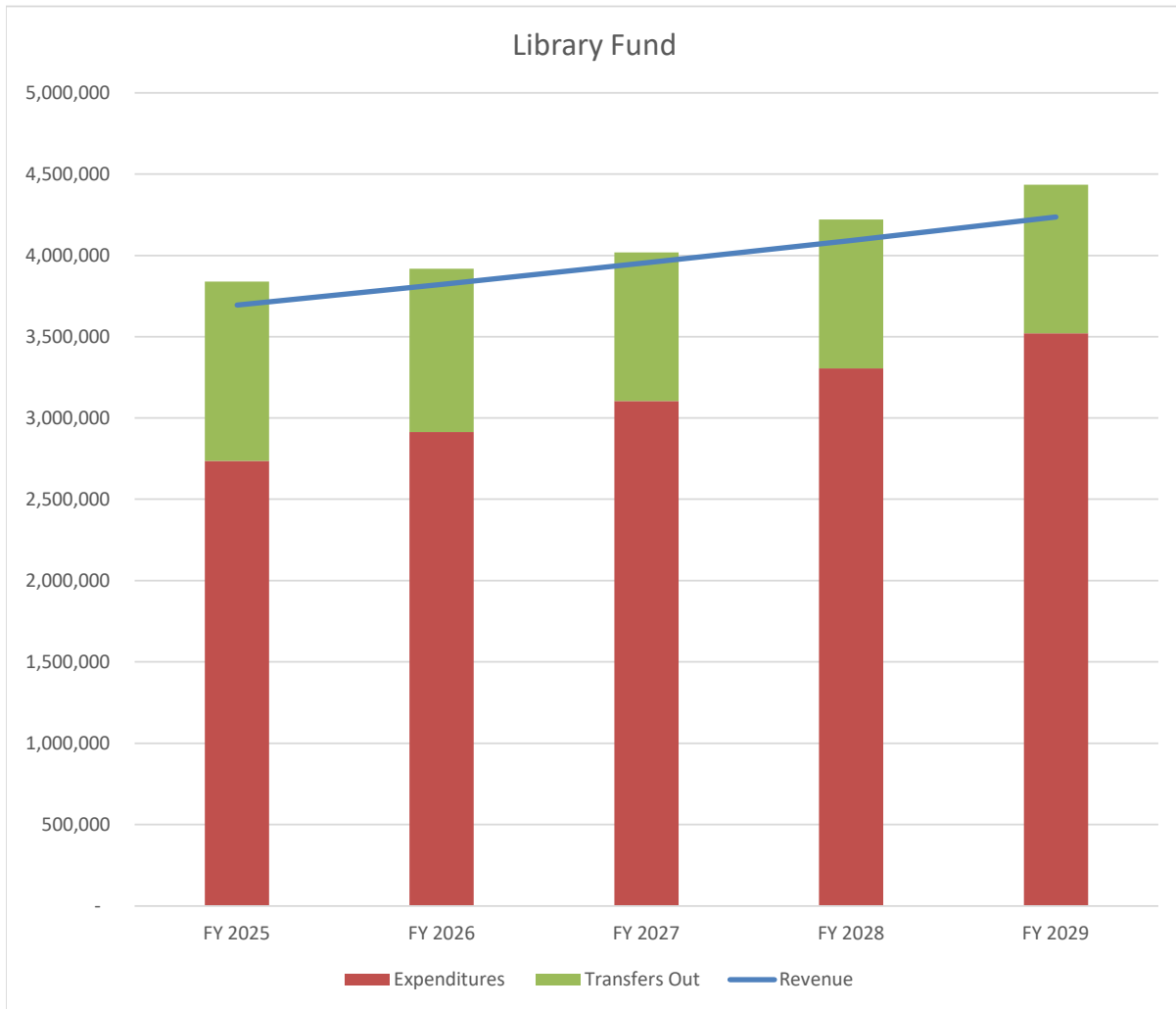
Parks Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	2,608,200	2,754,792	2,910,018	3,074,390	3,248,452
Expenditures	1,709,513	1,801,935	2,000,234	2,110,592	2,227,963
Transfers Out	1,080,000	1,080,000	990,000	990,000	1,000,000
Annual Operating Surplus/(Shortfall)	(181,313)	(127,143)	(80,217)	(26,203)	20,489
Beginning Fund Balance - BFB	1,047,114	865,801	738,658	658,442	632,239
Ending Fund Balance - EFB	865,801	738,658	658,442	632,239	652,728



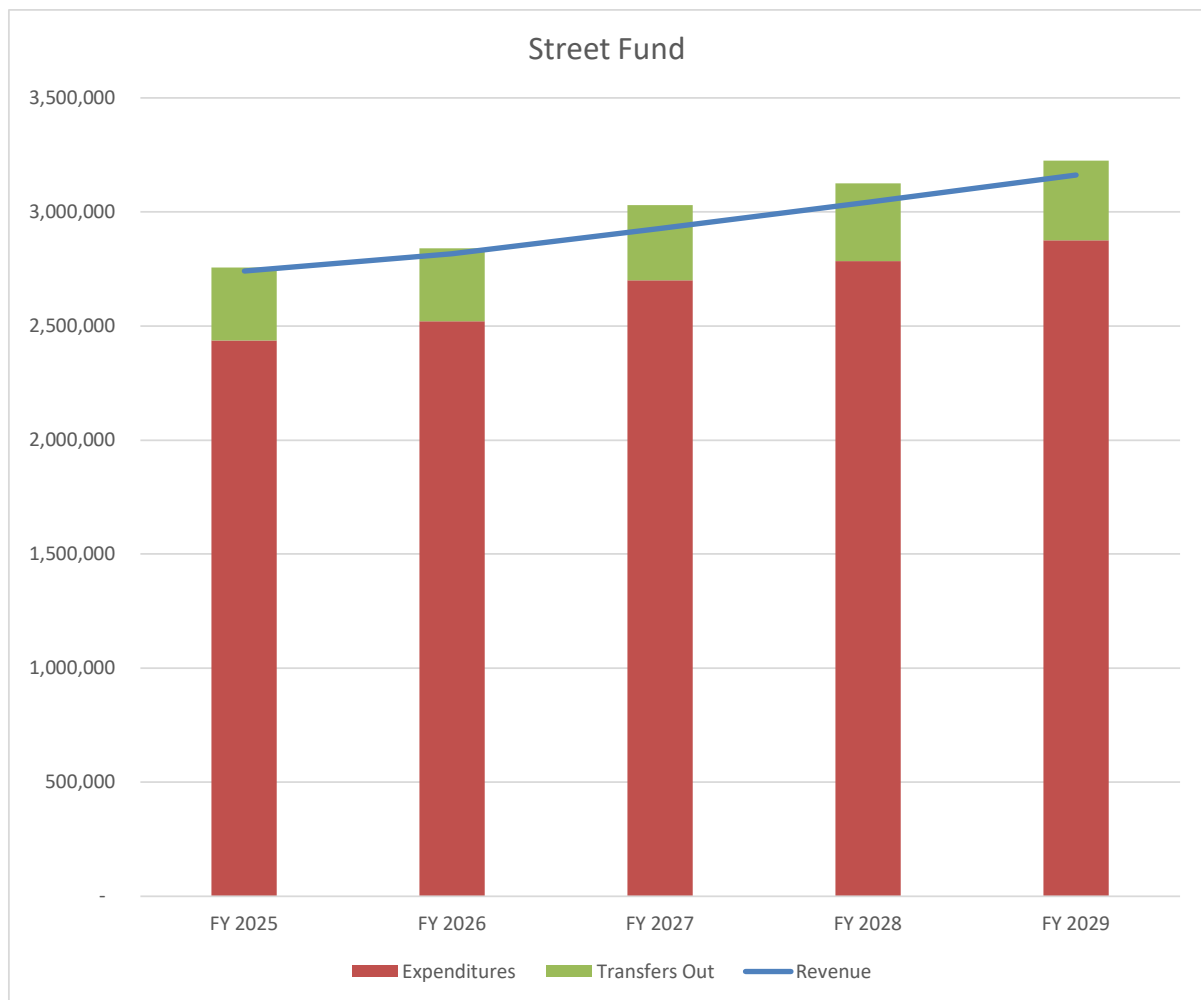
Library Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	3,694,000	3,822,400	3,955,277	4,092,786	4,235,091
Expenditures	2,735,130	2,913,288	3,103,119	3,305,392	3,520,927
Transfers Out	1,105,000	1,005,000	915,000	915,000	915,000
Annual Operating Surplus/(Shortfall)	(146,130)	(95,888)	(62,842)	(127,605)	(200,836)
Beginning Fund Balance - BFB	1,399,399	1,253,269	1,157,381	1,094,539	966,934
Ending Fund Balance - EFB	1,253,269	1,157,381	1,094,539	966,934	766,098



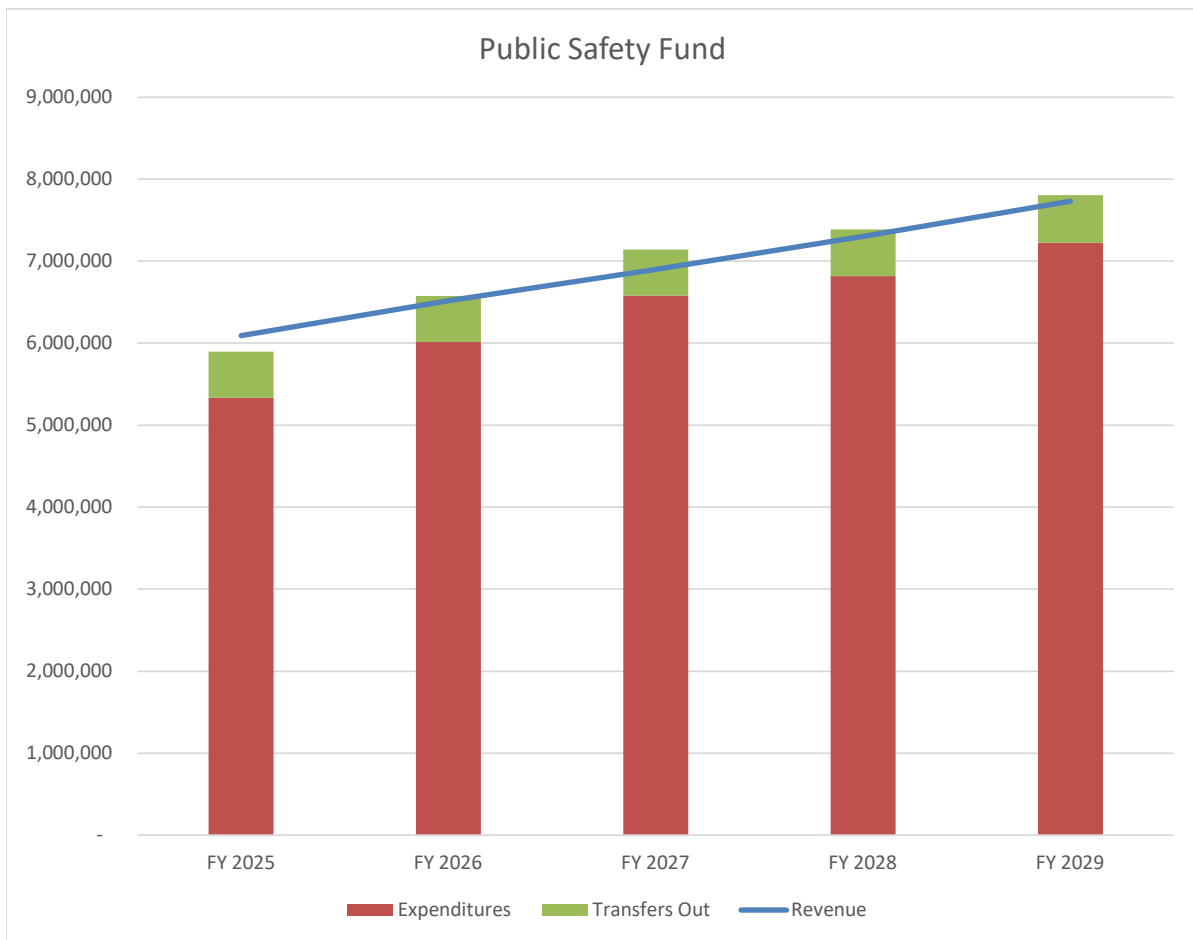
Street Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	2,740,000	2,816,400	2,927,056	3,042,138	3,161,824
Expenditures	2,436,310	2,520,350	2,699,997	2,784,931	2,875,507
Transfers Out	320,000	320,000	330,000	340,000	350,000
Annual Operating Surplus/(Shortfall)	(16,310)	(23,950)	(102,941)	(82,793)	(63,684)
Beginning Fund Balance - BFB	657,285	640,975	617,025	514,083	431,290
Ending Fund Balance - EFB	640,975	617,025	514,083	431,290	367,606



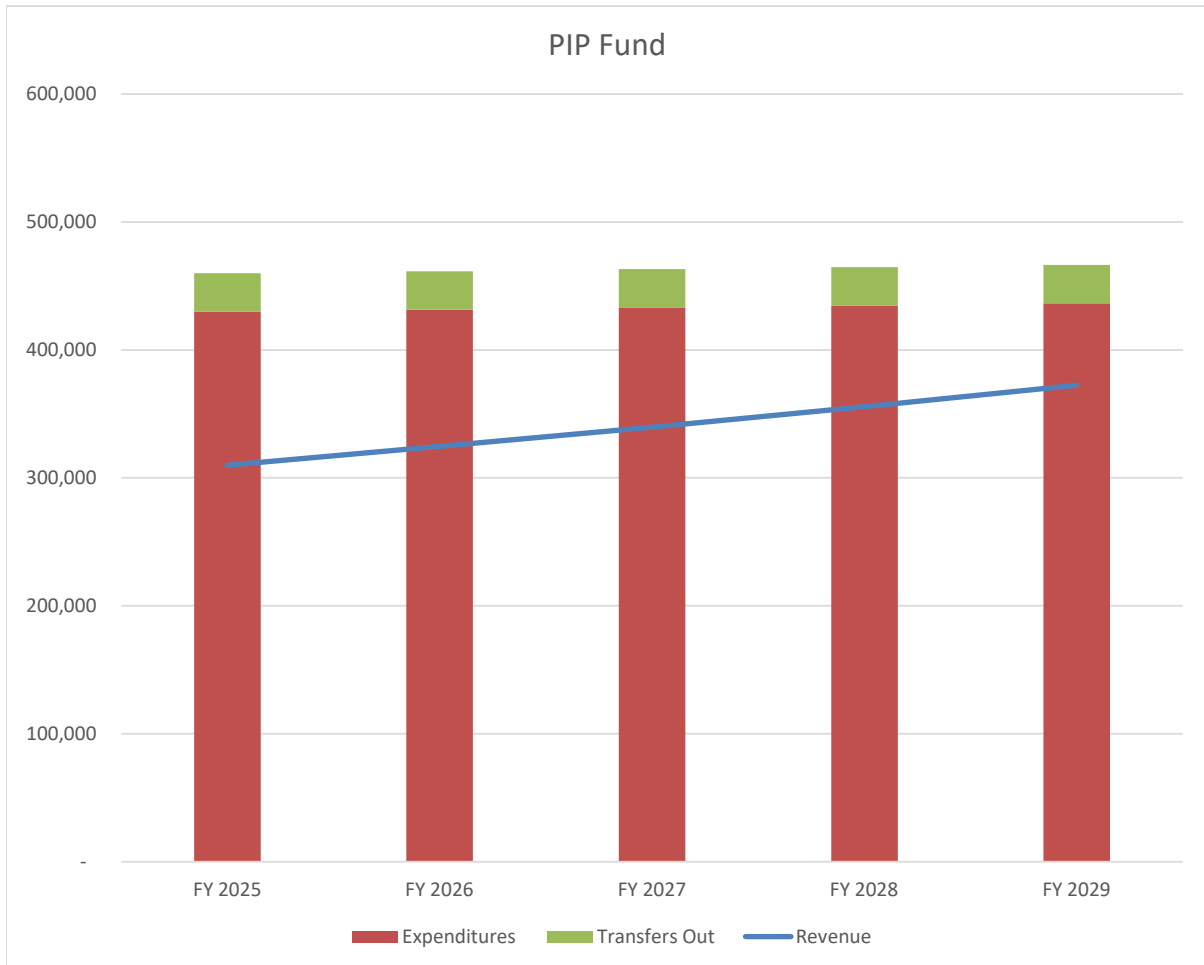
Public Safety Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	6,089,000	6,518,340	6,899,240	7,302,995	7,730,975
Expenditures	5,335,000	6,014,094	6,580,268	6,815,450	7,223,782
Transfers Out	560,000	560,000	560,000	570,000	580,000
Annual Operating Surplus/(Shortfall)	194,000	(55,754)	(241,028)	(82,455)	(72,808)
Beginning Fund Balance - BFB	2,016,373	2,210,373	2,154,619	1,913,591	1,831,136
Ending Fund Balance - EFB	2,210,373	2,154,619	1,913,591	1,831,136	1,758,329



PIP Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	310,000	324,500	339,695	355,619	372,307
Expenditures	430,000	431,500	433,075	434,729	436,465
Transfers Out	30,000	30,000	30,000	30,000	30,000
Annual Operating Surplus/(Shortfall)	(150,000)	(137,000)	(123,380)	(109,110)	(94,158)
Beginning Fund Balance - BFB	1,612,354	1,462,354	1,325,354	1,201,974	1,092,864
Ending Fund Balance - EFB	1,462,354	1,325,354	1,201,974	1,092,864	998,706





**City of Happy Valley
Fiscal Year 2024 - 2025 Budget**

General Fund



City of Happy Valley

Fiscal Year 2024 - 2025 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.

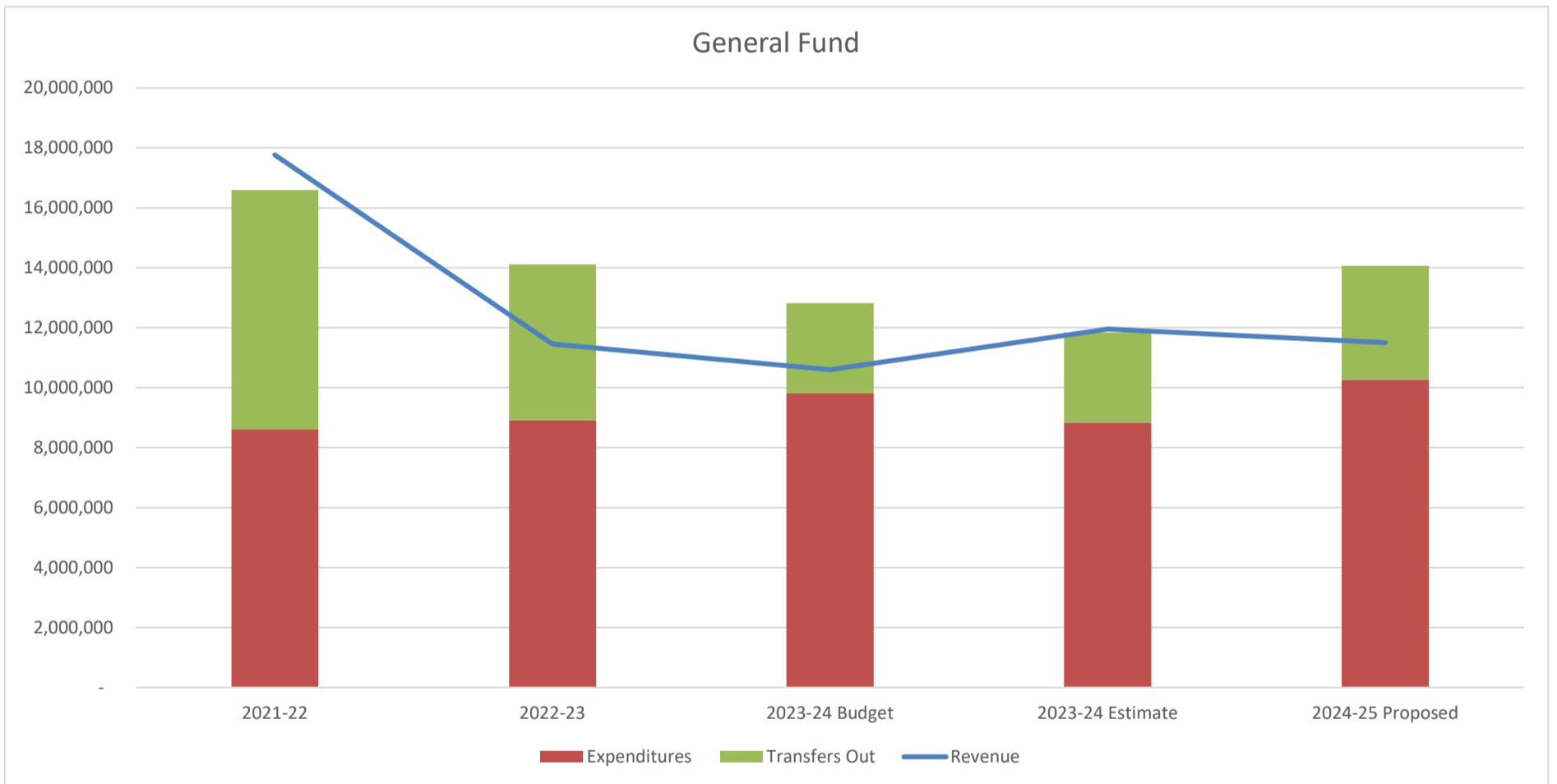
Expenditures

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.

	Budget for Fiscal Year 2024 - 2025					
	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Proposed	Approved	Adopted
Administration	3,098,473	3,312,118	3,693,500	4,186,100	4,186,100	4,186,100
Community Services and Public Safety	1,275,290	1,268,866	1,381,700	1,407,800	1,407,800	1,407,800
Economic and Community Development	3,465,915	3,553,140	3,836,700	3,769,900	3,769,900	3,769,900
Public Works	761,087	782,103	908,000	902,700	902,700	902,700
Non-Departmental	-	-	-			
Transfers	8,000,000	5,200,000	3,000,000	3,800,000	3,800,000	3,800,000
Contingency	-	-	3,202,436	3,518,393	3,518,393	3,518,393
Total	16,600,765	14,116,227	16,022,336	17,584,893	17,584,893	17,584,893

General Fund

	Preceding 2021-22	Preceding 2022-23	Adopted 2023-24 Budget	2023-24 Estimate	2024-25 Proposed	2024-25 Approved	2024-25 Adopted
Revenue	17,765,993	11,455,384	10,600,000	11,955,000	11,505,400	11,505,400	11,505,400
Expenditures	8,600,765	8,916,227	9,819,900	8,838,000	10,266,500	10,266,500	10,266,500
Transfers Out	8,000,000	5,200,000	3,000,000	3,000,000	3,800,000	3,800,000	3,800,000
Annual Operating Surplus / (Shortfall)	1,165,228	(2,660,843)	(2,219,900)	117,000	(2,561,100)	(2,561,100)	(2,561,100)
Beginning Fund Balance	7,458,108	8,623,336	5,422,336	5,962,493	6,079,493	6,079,493	6,079,493
Ending Fund Balance / Contingency	8,623,336	5,962,493	3,202,436	6,079,493	3,518,393	3,518,393	3,518,393





**City of Happy Valley
Fiscal Year 2024 - 2025 Budget**

General Fund

Resources

General Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	7,458,108	8,623,336	5,422,336	5,962,493	6,079,493	6,079,493	6,079,493
Property Taxes	2,288,700	2,414,914	2,510,000	2,510,000	2,610,400	2,610,400	2,610,400
State Shared Rev	789,240	927,881	850,000	940,000	950,000	950,000	950,000
ROW Use Fee	2,145,835	2,394,980	2,250,000	2,500,000	2,600,000	2,600,000	2,600,000
User Related Fees	574,159	570,175	600,000	550,000	550,000	550,000	550,000
Building Fees	3,218,799	1,406,058	1,000,000	1,200,000	1,000,000	1,000,000	1,000,000
Planning Fees	268,036	354,424	150,000	160,000	150,000	150,000	150,000
Engineering Fees	779,574	267,305	250,000	700,000	250,000	250,000	250,000
SDC Compliance	202,528	45,962	50,000	40,000	50,000	50,000	50,000
Urban Renewal Admin Fee	66,712	162,938	200,000	275,000	320,000	320,000	320,000
Traffic Fines	608,060	508,280	500,000	600,000	500,000	500,000	500,000
Court Related Fees	166,233	89,918	100,000	110,000	120,000	120,000	120,000
Intergovernmental	248,056	442,204	200,000	250,000	200,000	200,000	200,000
Misc Revenue	149,194	362,345	200,000	480,000	400,000	400,000	400,000
ARPA	4,782,867	-	-	-	-	-	-
Transfers In	1,478,000	1,508,000	1,740,000	1,640,000	1,805,000	1,805,000	1,805,000
Total Revenues	17,765,993	11,455,384	10,600,000	11,955,000	11,505,400	11,505,400	11,505,400
Total Resources	25,224,101	20,078,720	16,022,336	17,917,493	17,584,893	17,584,893	17,584,893



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 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 2024 - 2025 Budget**

**General Fund
Administration**



City of Happy Valley Fiscal Year 2024 - 2025 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 Systems.

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, Management Analyst I/Policy Analyst, Executive Assistant, Communication & Public Relations Coordinator.

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/Management Analyst II, Records Specialist.



City of Happy Valley Fiscal Year 2024 - 2025 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 Services Support Specialist II.

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 2024 - 2025		
	2021-22	2022-23	2023-24	Proposed	Approved	Adopted
Personnel Services	1,808,646	1,916,356	2,168,500	2,486,100	2,486,100	-
Material and Services	1,289,827	1,395,762	1,525,000	1,700,000	1,700,000	-
Total	3,098,473	3,312,118	3,693,500	4,186,100	4,186,100	-

General Fund - Administration

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Personnel Services							
FTE Positions	12.0	13.0	13.0	13.0	14.0	14.0	14.0
Wages	\$ 1,232,396	\$ 1,266,109	\$ 1,387,800	\$ 1,325,000	\$ 1,566,200	\$ 1,566,200	\$ -
Benefits	576,250	650,247	780,700	780,000	919,900	919,900	-
Total Personnel Services	1,808,646	1,916,356	2,168,500	2,105,000	2,486,100	2,486,100	-
Materials and Services							
Office Supplies	200,614	149,822	160,000	100,000	140,000	140,000	-
Professional Development	104,142	153,365	150,000	150,000	170,000	170,000	-
Utilities	112,882	158,230	155,000	160,000	200,000	200,000	-
Public Accountability	17,582	64,250	60,000	60,000	70,000	70,000	-
Repairs & Maintenance	872	-	-	-	-	-	-
Facility & Office Service Contracts	335,183	287,113	350,000	440,000	400,000	400,000	-
Public Outreach	78,535	39,459	50,000	65,000	70,000	70,000	-
General Operating	252,097	321,823	300,000	335,000	350,000	350,000	-
Legal	64,543	81,009	100,000	40,000	100,000	100,000	-
Contract Services	123,377	140,691	200,000	140,000	200,000	200,000	-
Total Materials and Services	1,289,827	1,395,762	1,525,000	1,490,000	1,700,000	1,700,000	-
Total Administration	\$ 3,098,473	\$ 3,312,118	\$ 3,693,500	\$ 3,595,000	\$ 4,186,100	\$ 4,186,100	\$ -



City of Happy Valley

Fiscal Year 2024 - 2025 Budget

General Fund

Expenditures, Administration

Personnel:

Wages: City Manager, Assistant City Manager, Finance Director, Human Resources Director, Information Systems Manager, City Recorder/Management Analyst II, Management Analyst I/Policy Analyst, Executive Assistant, Communication & Public Relations Coordinator, Records Management Specialist, Information Systems Support Specialist II, 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 2024 - 2025 Budget**

General Fund

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



City of Happy Valley Fiscal Year 2024 - 2025 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 Supervisor, Community Service Officer, Administrative Assistant II.



City of Happy Valley Fiscal Year 2024 - 2025 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, Municipal Court Clerk II.

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, Community Engagement Specialist, Administrative Assistant I (2).

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2024- 2025		
	2021-22	2022-23	2023-24	Proposed	Approved	Adopted
Personnel Services	1,223,460	1,210,716	1,301,700	1,322,800	1,322,800	-
Material and Services	51,830	58,150	80,000	85,000	85,000	-
Total	1,275,290	1,268,866	1,381,700	1,407,800	1,407,800	-

General Fund - Community Services and Public Safety

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Personnel Services							
FTE Positions	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Wages	\$ 768,452	\$ 767,604	\$ 794,000	\$ 800,000	\$ 806,900	\$ 806,900	\$ -
Benefits	455,008	443,112	507,700	510,000	515,900	515,900	-
Total Personnel Services	<u>1,223,460</u>	<u>1,210,716</u>	<u>1,301,700</u>	<u>1,310,000</u>	<u>1,322,800</u>	<u>1,322,800</u>	<u>-</u>
Materials and Services							
CSPS Supplies	5,220	9,788	10,000	5,000	10,000	10,000	-
Professional Development	10,964	15,682	20,000	25,000	25,000	25,000	-
Public Safety Related	33,516	32,255	40,000	35,000	40,000	40,000	-
Contract Services	2,130	425	10,000	-	10,000	10,000	-
Total Materials and Services	<u>51,830</u>	<u>58,150</u>	<u>80,000</u>	<u>65,000</u>	<u>85,000</u>	<u>85,000</u>	<u>-</u>
Total Community Services and Public Safety	<u>\$ 1,275,290</u>	<u>\$ 1,268,866</u>	<u>\$ 1,381,700</u>	<u>\$ 1,375,000</u>	<u>\$ 1,407,800</u>	<u>\$ 1,407,800</u>	<u>\$ -</u>



City of Happy Valley Fiscal Year 2024 - 2025 Budget

General Fund

Expenditures, Community Services and Public Safety

Personnel:

Wages: Director of Community Services & Public Safety, Program Supervisor, Community Services Officer Supervisor, Community Services Officer, Municipal Court Clerk I, Municipal Court Clerk II, Community Engagement Specialist, Administrative Assistant I (2), Administrative Assistant 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:

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 2024 - 2025 Budget

General Fund

***Economic and Community Development
Department***



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 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, Civil Engineer, Engineering Inspector II, Engineering Technician III, and Permit Technician (Engineering).

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/ Plans Examiner I, Building Inspector I, Building Inspector II (2), Plans Examiner II, Permit Technician Supervisor, Permit Technician (Building) (2), and Administrative Assistant I.

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2024 - 2025		
	2021-22	2022-23	Budget	Proposed	Approved	Adopted
Personnel Services	2,971,534	3,047,948	3,276,700	3,379,900	3,379,900	-
Material and Services	494,381	505,192	560,000	390,000	390,000	-
Total	3,465,915	3,553,140	3,836,700	3,769,900	3,769,900	-

General Fund - Economic & Community Development

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Personnel Services							
FTE Positions	24.0	22.0	22.0	20.0	22.0	22.0	22.0
Wages	\$ 1,912,899	\$ 1,955,915	\$ 2,064,300	\$ 1,800,000	\$ 2,129,300	\$ 2,129,300	\$ -
Benefits	1,058,635	1,092,033	1,212,400	1,080,000	1,250,600	1,250,600	-
Total Personnel Services	2,971,534	3,047,948	3,276,700	2,880,000	3,379,900	3,379,900	-
Materials and Services							
ECD Supplies	1,910	577	5,000	1,000	5,000	5,000	-
Professional Development	19,986	31,088	35,000	35,000	35,000	35,000	-
Contract Services	472,485	473,527	520,000	220,000	350,000	350,000	-
Total Materials and Services	494,381	505,192	560,000	256,000	390,000	390,000	-
Total Economic & Community Development	\$ 3,465,915	\$ 3,553,140	\$ 3,836,700	\$ 3,136,000	\$ 3,769,900	3,769,900	-



City of Happy Valley Fiscal Year 2024 - 2025 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, Civil Engineer, Engineering Inspector II, Engineering Technician III, Permit Technician (Engineering), Building Official, Building Inspector/Plans Examiner I, Building Inspector I, Building Inspector II (2), Plans Examiner II, Permit Technician Supervisor, Permit Technician (Building) (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 2024 - 2025 Budget**

General Fund

Public Works Department



City of Happy Valley Fiscal Year 2024 - 2025 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, Facilities Maintenance Technician, Heavy Equipment Mechanic, and Administrative Assistant III.

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2024 - 2025		
	2021-22	2022-23	Budget 2023-24	Proposed	Approved	Adopted
Personnel Services	584,906	589,084	678,000	682,700	682,700	-
Material and Services	176,181	193,019	230,000	220,000	220,000	-
Total	761,087	782,103	908,000	902,700	902,700	-

General Fund - Public Works

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Personnel Services							
FTE Positions	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Wages	\$ 375,961	\$ 381,303	\$ 427,100	\$ 370,000	\$ 430,100	\$ 430,100	\$ -
Benefits	208,945	207,781	250,900	200,000	252,600	252,600	-
Total Personnel Services	584,906	589,084	678,000	570,000	682,700	682,700	-
Materials and Services							
Public Works Supplies	28,656	11,835	20,000	15,000	20,000	20,000	-
Professional Development	11,990	21,305	15,000	17,000	20,000	20,000	-
Vehicle Operation & Main.	73,108	82,744	75,000	70,000	80,000	80,000	-
Repairs & Maintenance	51,418	47,480	70,000	30,000	60,000	60,000	-
Contract Services	11,009	29,655	50,000	30,000	40,000	40,000	-
Total Materials and Services	176,181	193,019	230,000	162,000	220,000	220,000	-
Total Public Works	\$ 761,087	\$ 782,103	\$ 908,000	\$ 732,000	\$ 902,700	\$ 902,700.00	\$ -



City of Happy Valley Fiscal Year 2024 - 2025 Budget

General Fund

Expenditures, Public Works

Personnel:

Wages: Public Works Director, Facilities Maintenance Technician, 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 2024 - 2025 Budget**

General Fund

***Transfers
Contingency
Total Requirements***

General Fund - Non-Departmental, Transfers, and Contingency

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Transfers							
To Parks Capital Projects Fund	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
To Gen Res for Replacement Fund	500,000	500,000	500,000	500,000	600,000	600,000	-
To Facility Cap Project Fund	3,500,000	4,700,000	2,500,000	2,500,000	3,200,000	3,200,000	-
Total Transfers	<u>8,000,000</u>	<u>5,200,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,800,000</u>	<u>3,800,000</u>	<u>-</u>
Contingency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,202,436</u>	<u>\$ -</u>	<u>\$ 3,518,393</u>	<u>\$ 3,518,393</u>	<u>\$ -</u>

General Fund - Total by Department

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Administration	\$ 3,098,473	\$ 3,312,118	\$ 3,693,500	\$ 3,595,000	\$ 4,186,100	\$ 4,186,100	\$ -
Community Services / Public Safety	1,275,290	1,268,866	1,381,700	1,375,000	1,407,800	1,407,800	-
Economic & Community Development	3,465,915	3,553,140	3,836,700	3,136,000	3,769,900	3,769,900	-
Public Works	761,087	782,103	908,000	732,000	902,700	902,700	-
Non-Departmental	-	-	-	-	-	-	-
Transfers	8,000,000	5,200,000	3,000,000	3,000,000	3,800,000	3,800,000	-
Contingency	-	-	3,202,436	-	3,518,393	3,518,393	-
Total General Fund Requirements	<u>16,600,765</u>	<u>14,116,227</u>	<u>16,022,336</u>	<u>11,838,000</u>	<u>17,584,893</u>	<u>17,584,893</u>	<u>-</u>
Ending Fund Balance	8,623,336	5,962,493	-	6,079,493	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 Budget**

Parks Fund



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 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.

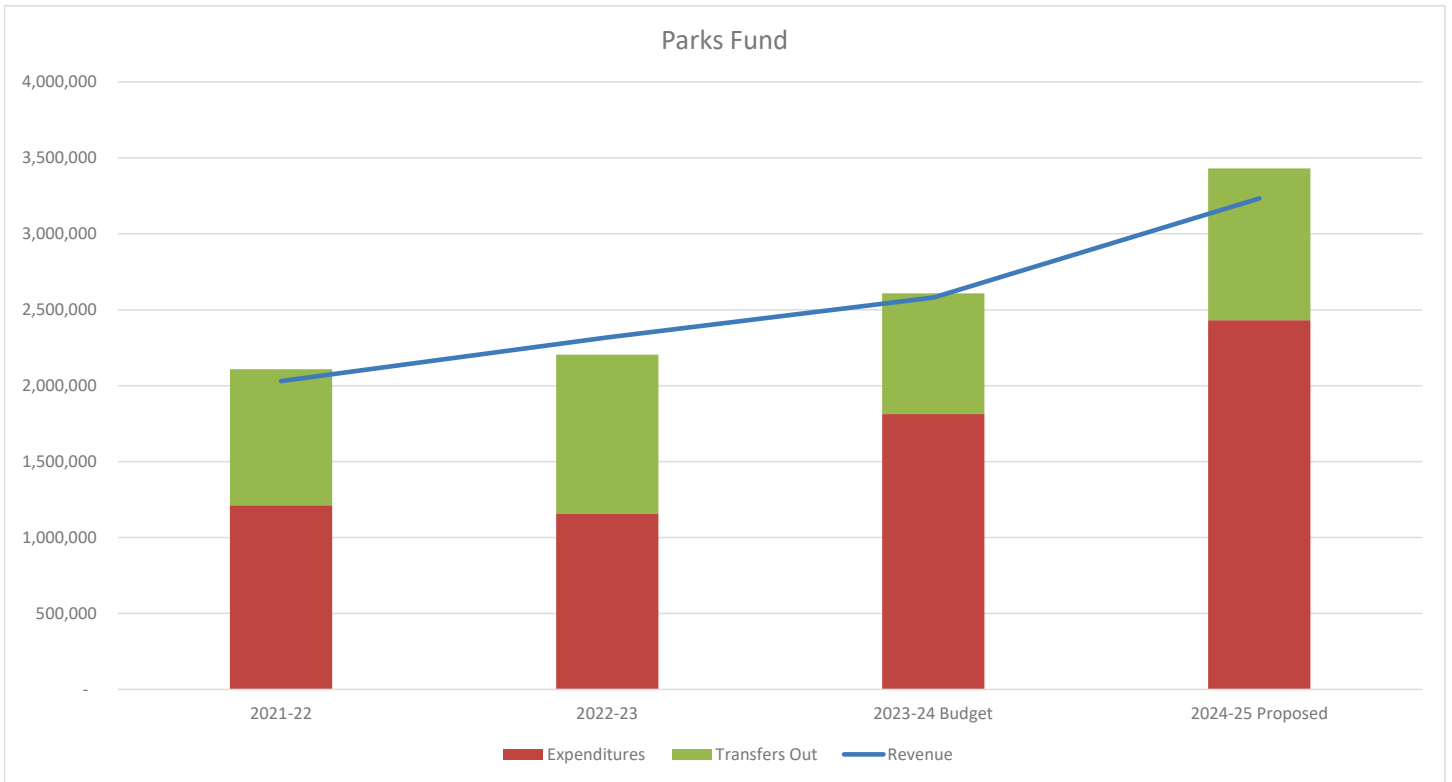
Staff includes Public Works Supervisor, Utility Worker I (3), Program Supervisor, Program Technician I, Program Technician II.

Budget Summary:

	2021-22	2022-23	2023-24	Proposed	Approved	Adopted
Operations	783,913	657,424	1,158,400	1,745,000	1,745,000	-
Programming	417,694	499,529	623,900	675,600	675,600	-
Non-Departmental	11,100	2,068	30,000	10,000	10,000	-
Transfers	895,000	1,045,000	795,000	1,000,000	1,000,000	-
Contingency	-	-	611,308	789,714	789,714	-
Total	2,107,707	2,204,021	3,218,608	4,220,314	4,220,314	-

Parks Fund

	Preceding 2021-22	Preceding 2022-23	Adopted 2023-24 Budget	2023-24 Estimate	2024-25 Proposed	2024-25 Approved	2024-25 Adopted
Revenue	2,030,570	2,318,027	2,580,000	2,556,000	3,233,200	3,233,200	-
Expenditures	1,212,707	1,159,021	1,812,300	1,431,000	2,430,600	2,430,600	-
Transfers Out	895,000	1,045,000	795,000	795,000	1,000,000	1,000,000	-
Annual Operating Surplus / (Shortfall)	(77,137)	114,006	(27,300)	330,000	(197,400)	(197,400)	-
Beginning Fund Balance	620,245	543,108	638,608	657,114	987,114	987,114	-
Ending Fund Balance / Contingency	543,108	657,114	611,308	987,114	789,714	789,714	-



Parks Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 620,245	\$ 543,108	\$ 638,608	\$ 657,114	\$ 987,114	\$ 987,114	\$ -
Property Taxes	1,880,444	2,074,301	2,120,000	2,220,000	2,353,200	2,353,200	-
Intergovernmental	-	-	-	-	-	-	-
User Related	45,014	41,200	5,000	6,000	40,000	40,000	-
Program Fees	25,693	25,192	30,000	40,000	40,000	40,000	-
Event Revenue	70,220	39,776	75,000	75,000	75,000	75,000	-
Grant Revenue	-	57,412	300,000	85,000	625,000	625,000	-
Misc Revenue	9,199	80,146	50,000	130,000	100,000	100,000	-
Total Resources	<u>2,650,815</u>	<u>2,861,135</u>	<u>3,218,608</u>	<u>3,213,114</u>	<u>4,220,314</u>	<u>4,220,314</u>	<u>-</u>

Parks Fund - Operations

Requirements	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Personnel Services							
FTE Positions	2.0	3.0	4.0	4.0	5.0	5.0	5.0
Wages	144,809	188,286	275,200	250,000	360,000	360,000	-
Benefits	81,189	95,190	148,200	150,000	210,000	210,000	-
Total Personnel Services	<u>225,998</u>	<u>283,476</u>	<u>423,400</u>	<u>400,000</u>	<u>570,000</u>	<u>570,000</u>	<u>-</u>
Materials and Services							
Park Supplies	16,192	18,122	30,000	25,000	35,000	35,000	-
Professional Development	2,814	3,912	5,000	4,000	5,000	5,000	-
Utilities	43,171	55,790	60,000	60,000	70,000	70,000	-
Vehicle Operation & Maint.	5,745	11,036	10,000	13,000	15,000	15,000	-
Repairs & Maintenance	130,492	144,756	120,000	145,000	150,000	150,000	-
Contract Services	359,501	140,332	510,000	250,000	900,000	900,000	-
Total Materials and Services	<u>557,915</u>	<u>373,948</u>	<u>735,000</u>	<u>497,000</u>	<u>1,175,000</u>	<u>1,175,000</u>	<u>-</u>
Total Operations	<u>783,913</u>	<u>657,424</u>	<u>1,158,400</u>	<u>897,000</u>	<u>1,745,000</u>	<u>1,745,000</u>	<u>-</u>

Parks Fund - Recreation

Requirements	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Personnel Services							
FTE Positions	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Wages	158,387	183,777	223,300	195,000	234,900	234,900	-
Benefits	111,859	109,439	135,600	125,000	155,700	155,700	-
Total Personnel Services	<u>270,246</u>	<u>293,216</u>	<u>358,900</u>	<u>320,000</u>	<u>390,600</u>	<u>390,600</u>	<u>-</u>
Materials and Services							
Program Supplies	12,514	3,277	20,000	5,000	20,000	20,000	-
Community Events	85,598	149,410	175,000	145,000	175,000	175,000	-
Professional Development	7,339	15,221	20,000	8,000	20,000	20,000	-
Program Services	13,048	10,030	25,000	15,000	25,000	25,000	-
Contract Services	17,630	14,155	10,000	26,000	30,000	30,000	-
Public Outreach	11,319	14,220	15,000	15,000	15,000	15,000	-
Total Materials and Services	<u>147,448</u>	<u>206,313</u>	<u>265,000</u>	<u>214,000</u>	<u>285,000</u>	<u>285,000</u>	<u>-</u>
Total Programming	<u>417,694</u>	<u>499,529</u>	<u>623,900</u>	<u>534,000</u>	<u>675,600</u>	<u>675,600</u>	<u>-</u>

Parks Fund - Non-Departmental, Transfers, and Contingency

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Public Outreach	11,100	2,068	20,000	-	5,000	5,000	-
Legal	-	-	10,000	-	5,000	5,000	-
Total Non-departmental	<u>11,100</u>	<u>2,068</u>	<u>30,000</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Transfers							
To General Fund	195,000	245,000	270,000	270,000	300,000	300,000	-
To Parks Res for Replacement	700,000	800,000	525,000	525,000	700,000	700,000	-
Total Transfers	<u>895,000</u>	<u>1,045,000</u>	<u>795,000</u>	<u>795,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Contingency	<u>-</u>	<u>-</u>	<u>611,308</u>	<u>-</u>	<u>789,714</u>	<u>789,714</u>	<u>-</u>

Parks Fund - Total by Department

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Operations	783,913	657,424	1,158,400	897,000	1,745,000	1,745,000	-
Programming	417,694	499,529	623,900	534,000	675,600	675,600	-
Non-Departmental	11,100	2,068	30,000	-	10,000	10,000	-
Transfers	895,000	1,045,000	795,000	795,000	1,000,000	1,000,000	-
Contingency	-	-	611,308	-	789,714	789,714	-
Total Parks Fund Requirements	<u>2,107,707</u>	<u>2,204,021</u>	<u>3,218,608</u>	<u>2,226,000</u>	<u>4,220,314</u>	<u>4,220,314</u>	<u>-</u>
Annual operating surplus/(deficit)	(77,137)	114,006	(638,608)	330,000	(987,114)	(987,114)	-
Ending Fund Balance	<u>543,108</u>	<u>657,114</u>	<u>-</u>	<u>987,114</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contingency % (incl transfers out)	-	-	-	-	19%	19%	#DIV/0!



City of Happy Valley Fiscal Year 2024 - 2025 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.



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 Budget**

Public Safety Fund



City of Happy Valley Fiscal Year 2024 - 2025 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

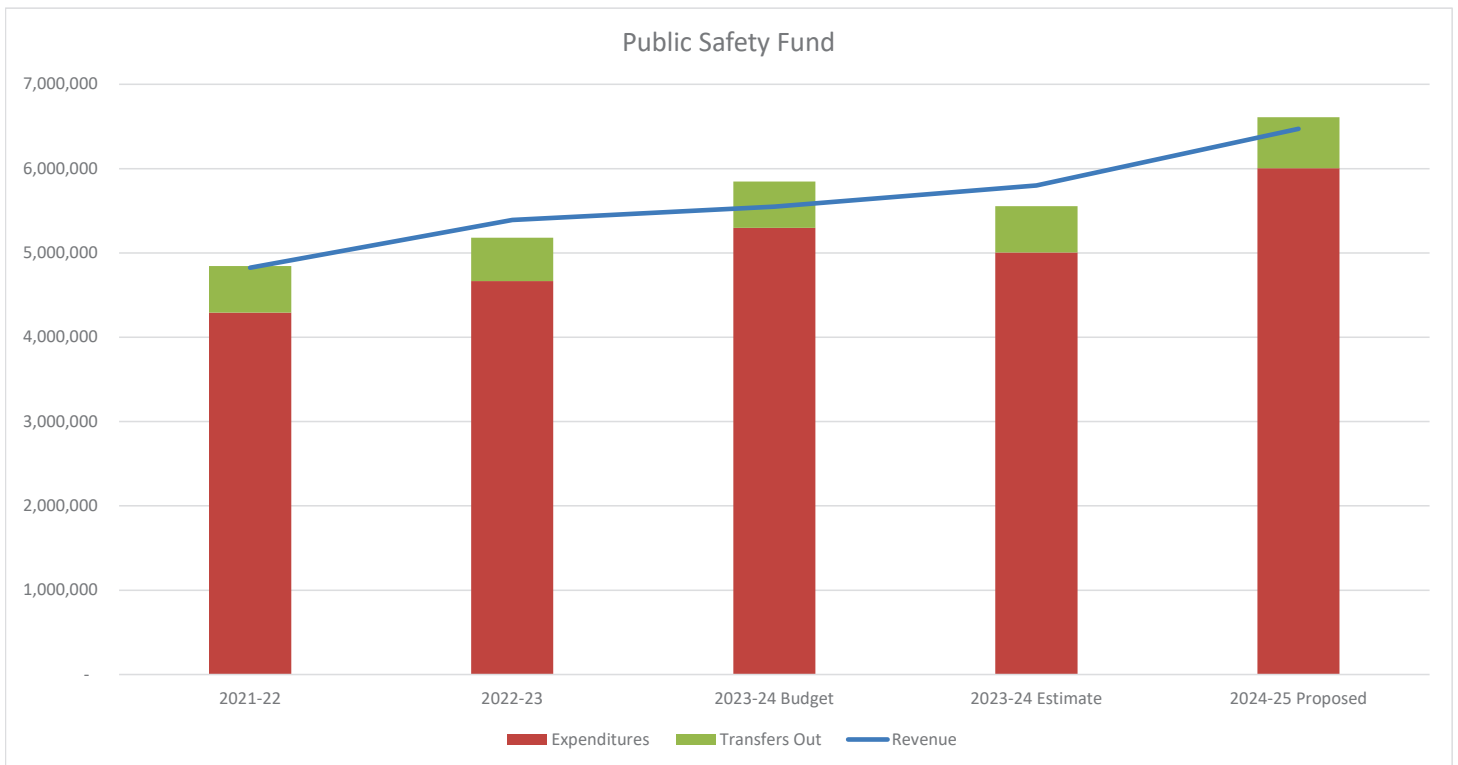
Public safety related services, wages and benefits for Non-Sworn Community Services Officer, contracted police services, equipment, training, facilities costs, and transfer to cover costs of administration. Personnel includes Police Chief, Sergeant (3), Traffic Enforcement Officer (2), Detective, Patrol Officer (9), School Resource Officer (1), Community Service Officer (2).

Budget Summary:

	Preceding		Adopted	Budget For Fiscal Year 2024-25		
	2021-22	2022-23	2023-24	Proposed	Approved	Adopted
Personnel Services	98,259	114,885	127,700	294,900	294,900	-
Material and Services	4,195,068	4,550,531	5,160,000	5,700,000	5,700,000	-
Capital Outlay	-	-	10,000	10,000	10,000	-
Transfers	550,000	515,000	550,000	605,000	605,000	-
Contingency	-	-	1,451,433	1,962,473	1,962,473	-
Total	4,843,327	5,180,416	7,299,133	8,572,373	8,572,373	-

Public Safety Fund

	Preceding 2021-22	Preceding 2022-23	Adopted 2023-24 Budget	2023-24 Estimate	2024-25 Proposed	2024-25 Approved	2024-25 Adopted
Revenue	4,824,777	5,390,656	5,550,000	5,800,000	6,472,000	6,472,000	-
Expenditures	4,293,327	4,665,416	5,297,700	5,004,000	6,004,900	6,004,900	-
Transfers Out	550,000	515,000	550,000	550,000	605,000	605,000	-
Annual Operating Surplus / (Shortfall)	(18,550)	210,240	(297,700)	246,000	(137,900)	(137,900)	-
Beginning Fund Balance	1,662,683	1,644,133	1,749,133	1,854,373	2,100,373	2,100,373	-
Ending Fund Balance / Contingency	1,644,133	1,854,373	1,451,433	2,100,373	1,962,473	1,962,473	-



Public Safety Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 1,662,683	\$ 1,644,133	\$ 1,749,133	\$ 1,854,373	\$ 2,100,373	\$ 2,100,373	\$ -
Property Taxes	4,805,597	5,301,020	5,500,000	5,650,000	5,989,000	5,989,000	-
Grant Revenue	-	-	-	-	383,000	383,000	-
Misc Revenue	19,180	89,636	50,000	150,000	100,000	100,000	-
Total Resources	<u>6,487,460</u>	<u>7,034,789</u>	<u>7,299,133</u>	<u>7,654,373</u>	<u>8,572,373</u>	<u>8,572,373</u>	<u>-</u>
Requirements							
Personnel Services							
FTE Positions	16	17	17	17	19	19	19
Wages	62,037	72,041	81,700	76,000	176,300	176,300	-
Benefits	36,222	42,844	46,000	50,000	118,600	118,600	-
Total Personnel Services	<u>98,259</u>	<u>114,885</u>	<u>127,700</u>	<u>126,000</u>	<u>294,900</u>	<u>294,900</u>	<u>-</u>
Materials and Services							
PS Supplies	9,895	4,983	10,000	10,000	10,000	10,000	-
Professional Development	12,957	23,462	20,000	15,000	20,000	20,000	-
Utilities	16,648	21,089	25,000	22,000	25,000	25,000	-
Vehicle Operation & Maint.	14,032	5,741	15,000	6,000	15,000	15,000	-
Repairs & Maintenance	25,612	34,365	35,000	25,000	30,000	30,000	-
Public Outreach	7,106	8,732	10,000	20,000	20,000	20,000	-
Contract Services	52,185	69,978	80,000	80,000	80,000	80,000	-
Police Contract - Personnel	4,056,633	4,382,181	4,965,000	4,700,000	5,500,000	5,500,000	-
Total Materials and Services	<u>4,195,068</u>	<u>4,550,531</u>	<u>5,160,000</u>	<u>4,878,000</u>	<u>5,700,000</u>	<u>5,700,000</u>	<u>-</u>
Capital Outlay							
Equip over \$5,000	-	-	10,000	-	10,000	10,000	-
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Transfers							
To General Fund	550,000	515,000	550,000	550,000	605,000	605,000	-
Total Transfers	<u>550,000</u>	<u>515,000</u>	<u>550,000</u>	<u>550,000</u>	<u>605,000</u>	<u>605,000</u>	<u>-</u>
Contingency							
	-	-	1,451,433	-	1,962,473	1,962,473	-
Total Requirements	<u>4,843,327</u>	<u>5,180,416</u>	<u>7,299,133</u>	<u>5,554,000</u>	<u>8,572,373</u>	<u>8,572,373</u>	<u>-</u>
Ending Fund Balance	1,644,133	1,854,373	-	2,100,373	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 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 23% in Contingency for the Public Safety Fund.



**City of Happy Valley
Fiscal Year 2024 - 2025 Budget**

Library Fund



City of Happy Valley Fiscal Year 2024 - 2025 Budget

Library Fund

Manager: Sarah Roller

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

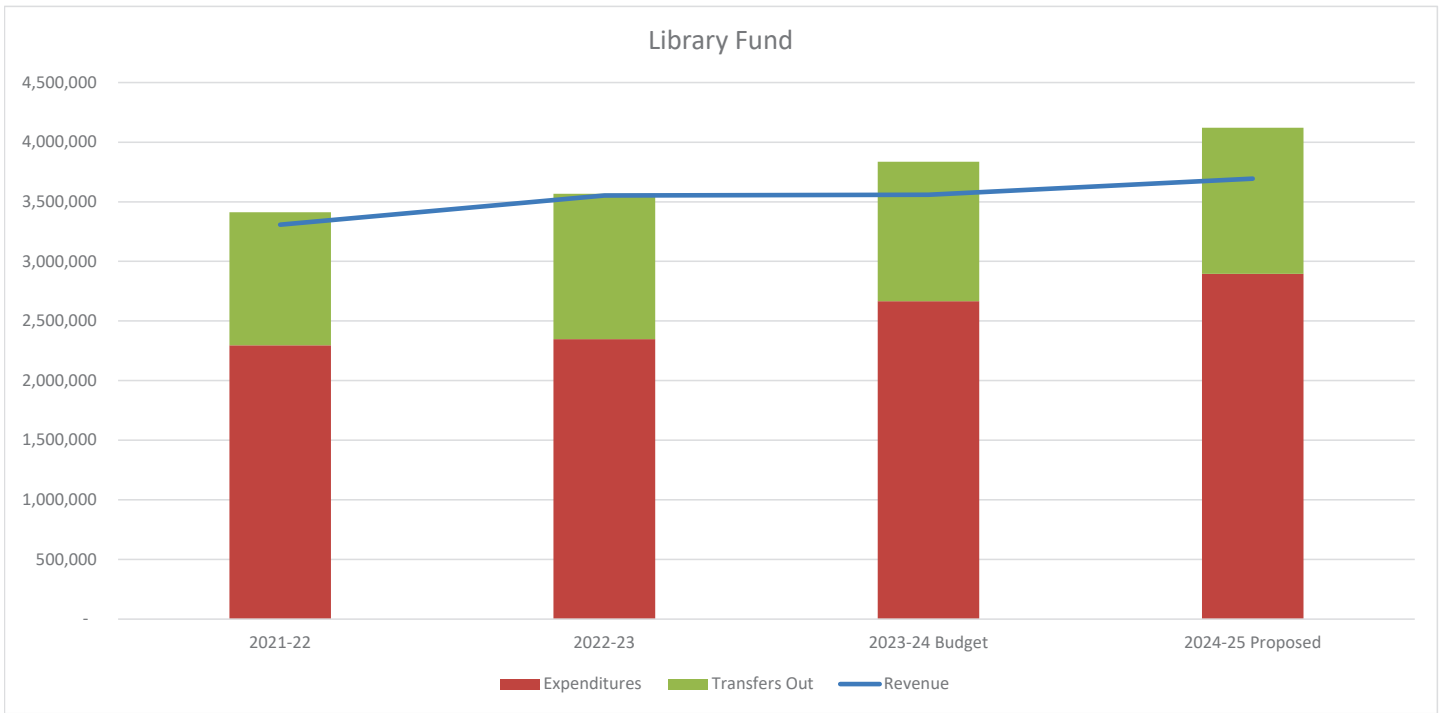
The Library maintains a seven day a week operation in a 18,300 sq. ft. building. Staff provide adult and children's programming, reference, and circulations services, cataloging of materials, and management of the Library Fund. Internet stations, public access computers and Wi-Fi access equipment and 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 2024 - 2025		
	2021-22	2022-23	2023-24	Proposed	Approved	Adopted
Personnel Services	1,772,584	1,783,855	2,021,100	2,200,000	2,200,000	-
Material and Services	524,323	564,321	645,000	695,000	695,000	-
Transfers	1,115,000	1,220,000	1,170,000	1,227,000	1,227,000	-
Contingency	-	-	896,029	979,899	979,899	-
Total	3,411,907	3,568,176	4,732,129	5,101,899	5,101,899	-

Library Fund

	Preceding 2021-22	Preceding 2022-23	Adopted 2023-24 Budget	2023-24 Estimate	2024-25 Proposed	2024-25 Approved	2024-25 Adopted
Revenue	3,307,889	3,551,947	3,559,000	3,694,000	3,694,000	3,694,000	-
Expenditures	2,296,907	2,348,176	2,666,100	2,355,000	2,895,000	2,895,000	-
Transfers Out	1,115,000	1,220,000	1,170,000	1,170,000	1,227,000	1,227,000	-
Annual Operating Surplus / (Shortfall)	(104,018)	(16,229)	(277,100)	169,000	(428,000)	(428,000)	-
Beginning Fund Balance	1,359,146	1,255,128	1,173,129	1,238,899	1,407,899	1,407,899	-
Ending Fund Balance / Contingency	1,255,128	1,238,899	896,029	1,407,899	979,899	979,899	-



Library Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 1,359,146	\$ 1,255,128	\$ 1,173,129	\$ 1,238,899	\$ 1,407,899	\$ 1,407,899	\$ -
District Revenue	3,218,934	3,372,636	3,450,000	3,450,000	3,570,000	3,570,000	-
User Related	35,447	35,169	40,000	35,000	35,000	35,000	-
Grant Revenue	-	-	9,000	9,000	9,000	9,000	-
Misc Revenue	53,508	144,142	60,000	200,000	80,000	80,000	-
Total Resources	4,667,035	4,807,075	4,732,129	4,932,899	5,101,899	5,101,899	-
Requirements							
Personnel Services							
FTE Positions	18.0	17.0	18.0	17.0	19.0	19.0	-
Wages	1,149,225	1,188,978	1,313,700	1,195,000	1,450,000	1,450,000	-
Benefits	623,359	594,877	707,400	625,000	750,000	750,000	-
Total Personnel Services	1,772,584	1,783,855	2,021,100	1,820,000	2,200,000	2,200,000	-
Materials and Services							
Office Supplies (inc- State Aid Grant)	51,763	75,665	60,000	70,000	80,000	80,000	-
Professional Development	4,434	5,707	10,000	10,000	20,000	20,000	-
Library Media	263,656	220,662	325,000	275,000	330,000	330,000	-
Utilities	37,590	41,538	45,000	45,000	65,000	65,000	-
Repairs & Maintenance	29,525	35,270	45,000	10,000	40,000	40,000	-
Facility and Office Contracts	137,355	185,479	160,000	125,000	160,000	160,000	-
Total Materials and Services	524,323	564,321	645,000	535,000	695,000	695,000	-
Transfers							
To General Fund	515,000	520,000	570,000	570,000	627,000	627,000	-
To Lib. Res. for Replacement Fund	600,000	700,000	600,000	600,000	600,000	600,000	-
Total Transfers	1,115,000	1,220,000	1,170,000	1,170,000	1,227,000	1,227,000	-
Contingency	-	-	896,029	-	979,899	979,899	-
Total Requirements	3,411,907	3,568,176	4,732,129	3,525,000	5,101,899	5,101,899	-
Ending Fund Balance	1,255,128	1,238,899	-	1,407,899	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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.



City of Happy Valley Fiscal Year 2024 - 2025 Budget

Library Fund

Expenditures

Personnel:

Wages: Library Director, Library Operations Supervisor, Library Services Supervisor, Library Program Coordinator, Librarian I (11), Librarian II (1), Library Assistant I (11), Library Assistant II (1), Library Aide (11).

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.

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 20% in Contingency for the Library Fund.



**City of Happy Valley
Fiscal Year 2024 - 2025 Budget**

Street Maintenance Fund



City of Happy Valley Fiscal Year 2024 - 2025 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 (3), Street Sweeper.

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

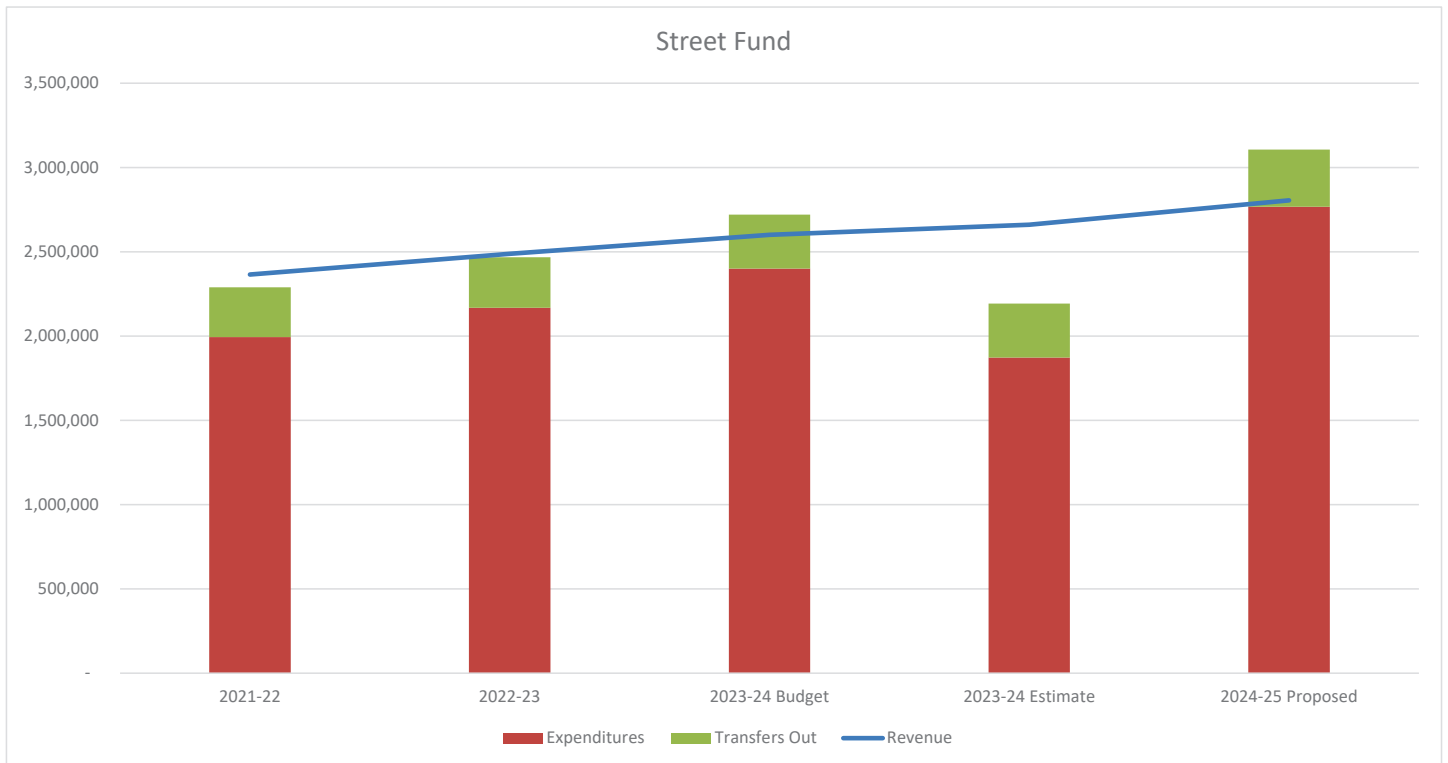
Reconstruction, overlays, slurry seals, and crack seals, installation and maintenance of traffic signage and striping, street sweeping, debris pickup, hazardous spill removal coordination, inclement weather services including snow removal and sanding icy roads, maintenance, and improvements to meet the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

Budget Summary:

	Adopted Budget			Budget for Fiscal Year 2024 - 25		
	2021-22	2022-23	2023-24	Proposed	Approved	Adopted
Personnel Services	369,219	372,549	456,800	504,800	504,800	-
Material and Services	467,278	549,653	644,000	662,000	662,000	-
Capital Outlay	1,156,714	1,245,754	1,300,000	1,600,000	1,600,000	-
Transfers	296,000	300,000	320,000	340,000	340,000	-
Contingency	-	-	193,159	494,285	494,285	-
Total	2,289,211	2,467,956	2,913,959	3,601,085	3,601,085	-

Street Fund

	Preceding 2021-22	Preceding 2022-23	Adopted 2023-24 Budget	2023-24 Estimate	2024-25 Proposed	2024-25 Approved	2024-25 Adopted
Revenue	2,364,986	2,487,583	2,600,000	2,660,000	2,805,000	2,805,000	-
Expenditures	1,993,212	2,167,956	2,400,800	1,872,000	2,766,800	2,766,800	-
Transfers Out	296,000	300,000	320,000	320,000	340,000	340,000	-
Annual Operating Surplus / (Shortfall)	75,774	19,627	(120,800)	468,000	(301,800)	(301,800)	-
Beginning Fund Balance	232,684	308,458	313,959	328,085	796,085	796,085	-
Ending Fund Balance / contingency	308,458	328,085	193,159	796,085	494,285	494,285	-



Street Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 232,684	\$ 308,458	\$ 313,959	\$ 328,085	\$ 796,085	\$ 796,085	\$ -
State Shared Revenues	1,952,952	2,061,788	2,180,000	2,150,000	2,180,000	2,180,000	-
Intergovernmental Revenue	47,295	-	-	-	145,000	145,000	-
Local Gas Tax Revenue	111,986	119,342	120,000	120,000	120,000	120,000	-
Vehicle Registration Fee	232,479	234,625	260,000	250,000	260,000	260,000	-
Misc Revenue	20,274	71,828	40,000	140,000	100,000	100,000	-
Total Resources	2,597,670	2,796,041	2,913,959	2,988,085	3,601,085	3,601,085	-
Requirements							
Personnel Services							
FTE Positions	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Wages	228,513	218,030	264,900	236,000	277,600	277,600	-
Benefits	140,706	154,519	191,900	190,000	227,200	227,200	-
Total Personnel Services	369,219	372,549	456,800	426,000	504,800	504,800	-
Materials and Services							
Supplies	151	-	2,000	-	2,000	2,000	-
Professional Development	13,259	9,766	12,000	11,000	15,000	15,000	-
Utilities	8,916	10,805	15,000	10,000	15,000	15,000	-
Vehicle Operation & Maint.	46,115	43,212	65,000	65,000	80,000	80,000	-
Repairs and Maintenance	61,061	271,119	300,000	200,000	300,000	300,000	-
Contract Services	337,776	214,751	250,000	200,000	250,000	250,000	-
Total Materials and Services	467,278	549,653	644,000	486,000	662,000	662,000	-
Capital Outlay							
Street Reconstruction	1,156,715	1,245,754	1,300,000	960,000	1,600,000	1,600,000	-
Total Capital Outlay	1,156,715	1,245,754	1,300,000	960,000	1,600,000	1,600,000	-
Transfers							
To General Fund	196,000	200,000	220,000	220,000	240,000	240,000	-
To Street Reserve for Replacement Fund	100,000	100,000	100,000	100,000	100,000	100,000	-
Total Transfers	296,000	300,000	320,000	320,000	340,000	340,000	-
Contingency	-	-	193,159	-	494,285	494,285	-
Total Requirements	2,289,212	2,467,956	2,913,959	2,192,000	3,601,085	3,601,085	-
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	308,458	328,085	-	796,085	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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.



City of Happy Valley Fiscal Year 2024 - 2025 Budget

Expenditures

Street Maintenance Fund

Personnel:

Wages: Utility Worker I (3), Street Sweeper.

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.

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.



City of Happy Valley Fiscal Year 2024 - 2025 Budget

Expenditures

Street Maintenance Fund

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.

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.

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 2024 - 2025 Budget**

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



City of Happy Valley Fiscal Year 2024 - 2025 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 2024-25		
	2021-22	2022-23	Budget 2023-24	Proposed	Approved	Adopted
Materials and Services	-	-	100,000	100,000	100,000	-
Capital Outlay	-	747,027	709,069	782,208	782,208	-
Total	-	747,027	809,069	882,208	882,208	-

Storm Utility System Development Charges (SDC) Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 1,328,137	\$ 1,453,069	\$ 758,069	\$ 772,208	\$ 832,208	\$ 832,208	\$ -
SDC - Storm Drainage	117,443	44,447	30,000	35,000	30,000	30,000	-
Misc Revenue	7,489	21,719	20,000	25,000	20,000	20,000	-
Transfers In	-	-	1,000	-	-	-	-
Total Resources	<u>1,453,069</u>	<u>1,519,235</u>	<u>809,069</u>	<u>832,208</u>	<u>882,208</u>	<u>882,208</u>	<u>-</u>
Requirements							
Materials and Services							
Contract Services	-	-	100,000	-	100,000	100,000	-
Total Materials and Services	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Capital Outlay							
SDC Projects - Storm Drain	-	747,027	709,069	-	782,208	782,208	-
Total Capital Outlay	<u>-</u>	<u>747,027</u>	<u>709,069</u>	<u>-</u>	<u>782,208</u>	<u>782,208</u>	<u>-</u>
Total Requirements	<u>-</u>	<u>747,027</u>	<u>809,069</u>	<u>-</u>	<u>882,208</u>	<u>882,208</u>	<u>-</u>
Reserve for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	1,453,069	772,208	-	832,208	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 Budget**

***Transportation System Development
Charges Fund***



City of Happy Valley Fiscal Year 2024 - 2025 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 2024-25		
	2021-22	2022-23	Budget 2023-24	Proposed	Approved	Adopted
Materials and Services	339,753	128,598	1,000,000	1,000,000	1,000,000	-
Capital Outlay	3,556,120	329,764	11,703,916	11,274,943	11,274,943	-
Total	3,895,873	458,362	12,703,916	12,274,943	12,274,943	-

Transportation System Development Charges (SDC) Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 5,615,942	\$ 8,653,916	\$ 8,753,916	\$ 8,654,943	\$ 10,674,943	\$ 10,674,943	\$ -
SDC - Transportation	377,052	279,076	300,000	170,000	150,000	150,000	-
SDC - Transportation Credits	6,464,900	-	-	-	-	-	-
Privilege Tax	-	-	500,000	500,000	750,000	750,000	-
Misc Revenue	91,895	180,313	150,000	250,000	200,000	200,000	-
Transfers In	-	-	3,000,000	3,000,000	500,000	500,000	-
Total Resources	<u>12,549,789</u>	<u>9,113,305</u>	<u>12,703,916</u>	<u>12,574,943</u>	<u>12,274,943</u>	<u>12,274,943</u>	<u>-</u>
Requirements							
Materials and Services							
Contract Services	339,753	128,598	1,000,000	-	1,000,000	1,000,000	-
Total Materials and Services	<u>339,753</u>	<u>128,598</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Capital Outlay							
SDC Projects	3,556,120	329,764	8,303,916	300,000	9,274,943	9,274,943	-
Undergrounding Projects	-	-	3,400,000	1,600,000	2,000,000	2,000,000	-
Total Capital Outlay	<u>3,556,120</u>	<u>329,764</u>	<u>11,703,916</u>	<u>1,900,000</u>	<u>11,274,943</u>	<u>11,274,943</u>	<u>-</u>
Total Requirements	<u>3,895,873</u>	<u>458,362</u>	<u>12,703,916</u>	<u>1,900,000</u>	<u>12,274,943</u>	<u>12,274,943</u>	<u>-</u>
Reserve for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	8,653,916	8,654,943	-	10,674,943	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 Budget**

Parks System Development Charges Fund



City of Happy Valley Fiscal Year 2024 - 2025 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 2024-25		
	2021-22	2022-23	2023-24	Proposed	Approved	Adopted
Materials and Services	78,389	32,251	500,000	500,000	500,000	-
Capital Outlay	2,845,927	21,129	19,926,273	5,000,000	5,000,000	-
Transfers	-	-	-	2,500,000	2,500,000	-
Total	2,924,316	53,380	20,426,273	8,000,000	8,000,000	-
Reserve for Future Expenditures	-	-	-	14,317,588	14,317,588	-

Parks System Development Charges (SDC) Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 18,802,344	\$ 19,342,908	\$ 19,826,273	\$ 20,017,588	\$ 20,867,588	\$ 20,867,588	\$ -
SDC - Parks	3,283,811	321,375	300,000	250,000	250,000	250,000	-
Misc Revenue	104,434	406,685	300,000	750,000	700,000	700,000	-
Transfer In (loan)	-	-	-	-	500,000	500,000	-
Total Resources	<u>22,190,589</u>	<u>20,070,968</u>	<u>20,426,273</u>	<u>21,017,588</u>	<u>22,317,588</u>	<u>22,317,588</u>	<u>-</u>
Requirements							
Materials and Services							
Contract Services	78,389	32,251	500,000	75,000	500,000	500,000	-
Total Materials and Services	<u>78,389</u>	<u>32,251</u>	<u>500,000</u>	<u>75,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Capital Outlay							
SDC Projects	2,845,927	21,129	19,926,273	75,000	5,000,000	5,000,000	-
Total Capital Outlay	<u>2,845,927</u>	<u>21,129</u>	<u>19,926,273</u>	<u>75,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>
Transfers							
To Library Reserve (Interfund loan)	-	-	-	-	2,500,000	2,500,000	-
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>
Total Requirements	<u>2,924,316</u>	<u>53,380</u>	<u>20,426,273</u>	<u>150,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>-</u>
Reserve for Future Expenditures	-	-	-	-	14,317,588	14,317,588	-
Ending Fund Balance	19,266,273	20,017,588	-	20,867,588	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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.

Transfers:

To Library Reserve for Replacement Fund: Transfer to fund the five-year loan borrowed for the remaining costs associated with the Happy Valley Library expansion project.

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 2024 - 2025 Budget

Pedestrian Improvement Projects Fund



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025		
	2021-22	2022-23	Budget 2023-24	Proposed	Approved	Adopted
Material and Services	22,520	20,195	30,000	100,000	100,000	-
Capital Outlay	26,421	-	1,895,562	1,789,354	1,789,354	-
Transfers	22,000	28,000	30,000	33,000	33,000	-
Total	70,941	48,195	1,955,562	1,922,354	1,922,354	-

Pedestrian Improvement Projects (PIP) Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 1,304,711	\$ 1,473,562	\$ 1,685,562	\$ 1,692,354	\$ 1,612,354	\$ 1,612,354	\$ -
Misc Revenue	7,313	32,362	10,000	60,000	50,000	50,000	-
Vehicle Registration Fee	232,479	234,625	260,000	250,000	260,000	260,000	-
Total Resources	1,544,503	1,740,549	1,955,562	2,002,354	1,922,354	1,922,354	-
Requirements							
Materials and Services							
Contract Engineering	22,520	20,195	30,000	-	100,000	100,000	-
Total Materials and Services	22,520	20,195	30,000	-	100,000	100,000	-
Capital Outlay							
Pedestrian Pathways	26,421	-	1,895,562	360,000	1,789,354	1,789,354	-
Total Capital Outlay	26,421	-	1,895,562	360,000	1,789,354	1,789,354	-
Transfers							
To General Fund	22,000	28,000	30,000	30,000	33,000	33,000	-
Total Transfers	22,000	28,000	30,000	30,000	33,000	33,000	-
Total Requirements	70,941	48,195	1,955,562	390,000	1,922,354	1,922,354	-
Reserved for Future Expenditures		-	-	-	-	-	-
Ending Fund Balance	1,473,562	1,692,354	-	1,612,354	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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.

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 2024 - 2025 Budget**

Facility Capital Projects Fund



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025		
	2021-22	2022-23	Budget 2023-24	Proposed	Approved	Adopted
Materials and Services	24,695	25,100	500,000	2,000,000	2,000,000	-
Capital Outlay	-	6,695,896	9,847,321	5,127,668	5,127,668	-
Total	24,695	6,720,996	10,347,321	7,127,668	7,127,668	-

Facility Capital Projects Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 9,221,886	\$ 12,752,321	\$ 7,647,321	\$ 10,980,425	\$ 3,827,668	\$ 3,827,668	\$ -
Misc Revenue	55,130	249,100	200,000	275,000	100,000	100,000	-
Transfers In - General Fund	3,500,000	4,700,000	2,500,000	2,500,000	3,200,000	3,200,000	-
Total Resources	<u>12,777,016</u>	<u>17,701,421</u>	<u>10,347,321</u>	<u>13,755,425</u>	<u>7,127,668</u>	<u>7,127,668</u>	<u>-</u>
Requirements							
Materials and Services							
Contract Services	24,695	25,100	500,000	200,000	2,000,000	2,000,000	-
Total Materials and Services	<u>24,695</u>	<u>25,100</u>	<u>500,000</u>	<u>200,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>
Capital Outlay							
Project Construction	-	-	1,000,000	-	-	-	-
Land	-	6,695,896	8,847,321	9,727,757	5,127,668	5,127,668	-
Total Capital Outlay	<u>-</u>	<u>6,695,896</u>	<u>9,847,321</u>	<u>9,727,757</u>	<u>5,127,668</u>	<u>5,127,668</u>	<u>-</u>
Total Requirements	<u>24,695</u>	<u>6,720,996</u>	<u>10,347,321</u>	<u>9,927,757</u>	<u>7,127,668</u>	<u>7,127,668</u>	<u>-</u>
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	12,752,321	10,980,425	-	3,827,668	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 Budget**

Parks Capital Projects Fund



City of Happy Valley Fiscal Year 2024 - 2025 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 For Fiscal Year 2024 - 2025		
	2021-22	2022-23	2023-24	Proposed	Approved	Adopted
Capital Outlay	343,932	1,635,918	7,283,097	4,646,928	4,646,928	-
Total	343,932	1,635,918	7,283,097	4,646,928	4,646,928	-

Parks Capital Projects Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 4,970,220	\$ 8,653,097	\$ 7,183,097	\$ 7,161,928	\$ 4,546,928	\$ 4,546,928	\$ -
Misc Revenue	26,809	144,749	100,000	200,000	100,000	100,000	-
Transfers In	4,000,000	-	-	-	-	-	-
Total Resources	<u>8,997,029</u>	<u>8,797,846</u>	<u>7,283,097</u>	<u>7,361,928</u>	<u>4,646,928</u>	<u>4,646,928</u>	<u>-</u>
Requirements							
Capital Outlay							
Projects	343,932	1,635,918	4,000,000	1,400,000	4,646,928	4,646,928	-
Land	-	-	3,283,097	1,415,000	-	-	-
Total Capital Outlay	<u>343,932</u>	<u>1,635,918</u>	<u>7,283,097</u>	<u>2,815,000</u>	<u>4,646,928</u>	<u>4,646,928</u>	<u>-</u>
Contingency	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Requirements	<u>343,932</u>	<u>1,635,918</u>	<u>7,283,097</u>	<u>2,815,000</u>	<u>4,646,928</u>	<u>4,646,928</u>	<u>-</u>
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	8,653,097	7,161,928	-	4,546,928	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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 2024-25, as well as future land purchases or upgrades. The full balance of \$4.6 million is available to exercise opportunities as they arise.



**City of Happy Valley
Fiscal Year 2024 - 2025 Budget**

Reserve for General Operations Fund



City of Happy Valley Fiscal Year 2024 - 2025 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 For Fiscal Year 2024 - 2025		
	2021-22	2022-23	2023-24	Proposed	Approved	Adopted
Reserve for Future Expenditures	-	-	838,974	838,974	838,974	-
Total	-	-	838,974	838,974	838,974	-

Reserve for General Operations Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 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>-</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	-
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 2024 - 2025 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 2024 - 2025 Budget**

General Reserve for Replacement Fund



City of Happy Valley Fiscal Year 2024 - 2025 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 For Fiscal Year 2024 - 2025		
	2021-22	2022-23	Budget 2023-24	Proposed	Approved	Adopted
Material and Services	247,958	324,233	650,000	650,000	650,000	-
Capital Outlay	262,661	252,437	900,000	900,000	900,000	-
Total	510,619	576,670	1,550,000	1,550,000	1,550,000	-
Reserved for Future Expenditures	-	-	1,305,774	1,697,536	1,697,536	-

General Reserve for Replacement Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 2,203,371	\$ 2,260,774	\$ 2,295,774	\$ 2,243,536	\$ 2,587,536	\$ 2,587,536	\$ -
PEG revenue	60,692	59,432	60,000	60,000	60,000	60,000	-
Misc Revenue	7,330	-	-	30,000	-	-	-
Transfers In	500,000	500,000	500,000	500,000	600,000	600,000	-
Total Resources	<u>2,771,393</u>	<u>2,820,206</u>	<u>2,855,774</u>	<u>2,833,536</u>	<u>3,247,536</u>	<u>3,247,536</u>	<u>-</u>
Requirements							
Materials and Services							
Equipment - under \$5,000	246,758	80,579	150,000	60,000	150,000	150,000	-
Repairs and Maintenance	1,200	243,654	500,000	100,000	500,000	500,000	-
Total Materials and Services	<u>247,958</u>	<u>324,233</u>	<u>650,000</u>	<u>160,000</u>	<u>650,000</u>	<u>650,000</u>	<u>-</u>
Capital Outlay							
Vehicles	38,495	89,120	300,000	-	300,000	300,000	-
Equipment - over \$5,000	122,746	30,111	400,000	15,000	400,000	400,000	-
Facility Improvements	22,991	61,851	100,000	1,000	100,000	100,000	-
PEG Grants	78,429	71,355	100,000	70,000	100,000	100,000	-
Total Capital Outlay	<u>262,661</u>	<u>252,437</u>	<u>900,000</u>	<u>86,000</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>
Total Requirements	<u>510,619</u>	<u>576,670</u>	<u>1,550,000</u>	<u>246,000</u>	<u>1,550,000</u>	<u>1,550,000</u>	<u>-</u>
Reserved for Future Expenditures	-	-	1,305,774	-	1,697,536	1,697,536	-
Ending Fund Balance	2,260,774	2,243,536	-	2,587,536	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 Budget**

Library Reserve for Replacement Fund



City of Happy Valley Fiscal Year 2024 - 2025 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		Adopted	Budget For Fiscal Year 2024 - 2025		
	2021-22	2022-23	Budget 2023-24	Proposed	Approved	Adopted
Material and Services	1,533	4,461	150,000	150,000	150,000	-
Capital Outlay	127,705	981,803	7,475,552	3,884,288	3,884,288	-
Transfer Out	-	-	101,000	500,000	500,000	-
Total	129,238	986,264	7,726,552	4,534,288	4,534,288	-
Reserved for Future Expenditures	-	-	-	-	-	-

Library Reserve for Replacement Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 4,665,290	\$ 5,136,052	\$ 5,126,552	\$ 4,852,288	\$ 1,434,288	\$ 1,434,288	\$ -
Intergovernmental Revenue	-	-	2,000,000	2,000,000	-	-	-
Misc Revenue	-	2,500	-	-	-	-	-
Transfers In (Library Fund)	600,000	700,000	600,000	600,000	600,000	600,000	-
Transfers In (Interfund Loan)	-	-	-	-	2,500,000	2,500,000	-
Total Resources	<u>5,265,290</u>	<u>5,838,552</u>	<u>7,726,552</u>	<u>7,452,288</u>	<u>4,534,288</u>	<u>4,534,288</u>	<u>-</u>
Requirements							
Materials and Services							
Equipment - under \$5,000	-	-	50,000	1,000	50,000	50,000	-
Repairs and Maintenance	1,533	4,461	100,000	2,000	100,000	100,000	-
Total Materials and Services	<u>1,533</u>	<u>4,461</u>	<u>150,000</u>	<u>3,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Capital Outlay							
Equipment - over \$5,000	-	-	500,000	15,000	269,435	269,435	-
Facility Improvements	127,705	981,803	6,975,552	6,000,000	3,614,853	3,614,853	-
Total Capital Outlay	<u>127,705</u>	<u>981,803</u>	<u>7,475,552</u>	<u>6,015,000</u>	<u>3,884,288</u>	<u>3,884,288</u>	<u>-</u>
Transfers							
To General Fund	-	-	100,000	-	-	-	-
To Storm SDC Fund	-	-	1,000	-	-	-	-
To Parks SDC (loan)	-	-	-	-	500,000	500,000	-
Total Transfers	<u>-</u>	<u>-</u>	<u>101,000</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Total Requirements	<u>129,238</u>	<u>986,264</u>	<u>7,726,552</u>	<u>6,018,000</u>	<u>4,534,288</u>	<u>4,534,288</u>	<u>-</u>
Reserved for Future Expenditures	-	-	-	-	-	-	-
Ending Fund Balance	5,136,052	4,852,288	-	1,434,288	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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 cover the remaining costs associated with the Happy Valley Library expansion project.

Transfers:

To Parks SDC Fund: Transfer to pay back the five-year loan borrowed for the remaining costs associated with the Happy Valley Library expansion project.

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 2024 - 2025 Budget**

Street Reserve for Replacement Fund



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025		
	2021-22	2021-22	2023-24	Proposed	Approved	Adopted
Material and Services	-	1,877	125,000	125,000	125,000	-
Capital Outlay	70,839	839,624	415,817	267,105	267,105	-
Transfers	-	-	3,000,000	500,000	500,000	-
Total	70,839	841,501	3,540,817	892,105	892,105	-
Reserved for Future Expenditures	-	-	-	-	-	-

Street Reserve for Replacement Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 2,988,632	\$ 3,957,817	\$ 3,340,817	\$ 3,362,105	\$ 792,105	\$ 792,105	-
Misc Revenue	940,024	145,789	100,000	330,000	-	-	-
Transfers In	100,000	100,000	100,000	100,000	100,000	100,000	-
Total Resources	<u>4,028,656</u>	<u>4,203,606</u>	<u>3,540,817</u>	<u>3,792,105</u>	<u>892,105</u>	<u>892,105</u>	<u>-</u>
Requirements							
Materials and Services							
Equipment - under \$5,000	-	-	25,000	-	25,000	25,000	-
Repairs and Maintenance	-	1,877	100,000	-	100,000	100,000	-
Total Materials and Services	<u>-</u>	<u>1,877</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>	<u>125,000</u>	<u>-</u>
Capital Outlay							
Equipment - over \$5,000	70,839	839,624	415,817	-	267,105	267,105	-
Total Capital Outlay	<u>70,839</u>	<u>839,624</u>	<u>415,817</u>	<u>-</u>	<u>267,105</u>	<u>267,105</u>	<u>-</u>
Transfers							
To TSDC Fund	-	-	3,000,000	3,000,000	500,000	500,000	-
Total Transfers	<u>-</u>	<u>-</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Total Requirements	<u>70,839</u>	<u>841,501</u>	<u>3,540,817</u>	<u>3,000,000</u>	<u>892,105</u>	<u>892,105</u>	<u>-</u>
Reserved for Future Expenditures							
Fee in Lieu	-	-	-	-	-	-	-
Ending Fund Balance	3,957,817	3,362,105	-	792,105	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 Budget**

Parks Reserve for Replacement Fund



City of Happy Valley Fiscal Year 2024 - 2025 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 2023-24	Budget For Fiscal Year 2024 - 2025		
	2021-22	2022-23		Proposed	Approved	Adopted
Material and Services	-	3,196	60,000	70,000	70,000	-
Capital Outlay	35,000	119,648	225,000	1,000,000	1,000,000	-
Total	35,000	122,844	285,000	1,070,000	1,070,000	-
Reserved for Future Expenditures	-	-	1,866,818	1,720,974	1,720,974	-

Parks Reserve for Replacement Fund

	Preceding 2021-22	Preceding 2022-23	Adopted Budget 2023-24	Estimate 2023-24	Proposed Budget 2024-25	Approved Budget 2024-25	Adopted Budget 2024-25
Resources							
Beginning Fund Balance	\$ 223,818	\$ 888,818	\$ 1,626,818	\$ 1,565,974	\$ 2,090,974	\$ 2,090,974	\$ -
Transfers In	700,000	800,000	525,000	525,000	700,000	700,000	-
Total Resources	<u>923,818</u>	<u>1,688,818</u>	<u>2,151,818</u>	<u>2,090,974</u>	<u>2,790,974</u>	<u>2,790,974</u>	<u>-</u>
Requirements							
Materials and Services							
Equipment - under \$5,000	-	-	10,000	-	20,000	20,000	-
Repairs and Maintenance	-	3,196	50,000	-	50,000	50,000	-
Total Materials and Services	<u>-</u>	<u>3,196</u>	<u>60,000</u>	<u>-</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Capital Outlay							
Equipment - over \$5,000	35,000	119,648	150,000	-	500,000	500,000	-
Facility Improvements	-	-	75,000	-	500,000	500,000	-
Total Capital Outlay	<u>35,000</u>	<u>119,648</u>	<u>225,000</u>	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Total Requirements	<u>35,000</u>	<u>122,844</u>	<u>285,000</u>	<u>-</u>	<u>1,070,000</u>	<u>1,070,000</u>	<u>-</u>
Reserved for Future Expenditures	-	-	1,866,818	-	1,720,974	1,720,974	-
Ending Fund Balance	888,818	1,565,974	-	2,090,974	-	-	-



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 Budget**

Glossary



City of Happy Valley Fiscal Year 2024 - 2025 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 2024 - 2025 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 2024 - 2025 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 2024 - 2025 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 2024 - 2025 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 2024 - 2025 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].