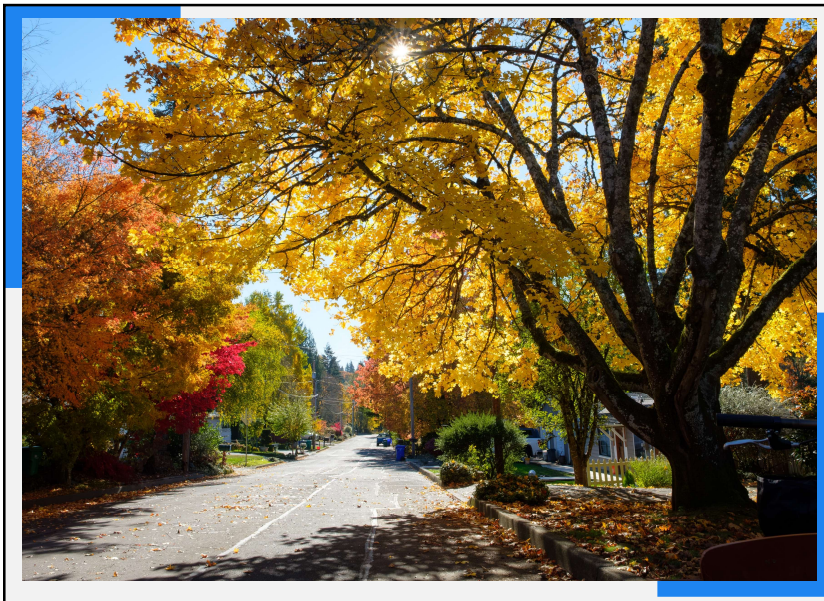

# FY 2025/26 Proposed Budget

April 17, 2025

CITY OF GRESHAM

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Welcome City Manager

# BUDGET MESSAGE

CITY OF GRESHAM | Fiscal Year 2025/26

Eric Schmidt, PE, SE, CBO
City Manager

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# A YEAR AGO...

**LEVY VOTE**
Fate of Public Safety Levy unknown

**FACING REDUCTIONS**
Poised to face difficult staff and service reductions

**LEADERSHIP**
City leadership in transition

**LEVY PASSED**
Thankfully, voters approved the Levy

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# A YEAR LATER...

**FIRE**
- 7 levy funded Lateral Firefighter Paramedic Academy.
- 12 New Fire Recruit Academy (Incl 2 levy funded).
- 2 Deputy Fire Marshals.
- Additional Rescue Unit adding system capacity.

**SAFETY LEVY**
- Public Safety Levy Accountability Sub-Committee Appointed.
- First meeting scheduled for May 2025.

**POLICE**
- Ongoing and enhanced recruitment efforts.
- NET team is operational at a basic level.
- Community Safety Specialist (CSS) program up and running.
- Rockwood Public Safety building open for limited hours.

**ORGANIZATION**
- City Leadership solidified
- City Hall parking lot nearing capacity again

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# OUR WORK CONTINUES...

**Future Budget**
Still face a challenging budgetary future.

**Budget Constraints**
Gaps remain in service areas across the City, primarily amongst GF related services.

**Revenue Forecast & Expenditure Review**
- Additional revenue is needed to maintain current service levels.
- Must also review expenditures.

**Financial Position**
- Gresham is not alone in this ongoing challenge.
- Temporarily stronger GF reserves thanks to federal aid and fiscal discipline.

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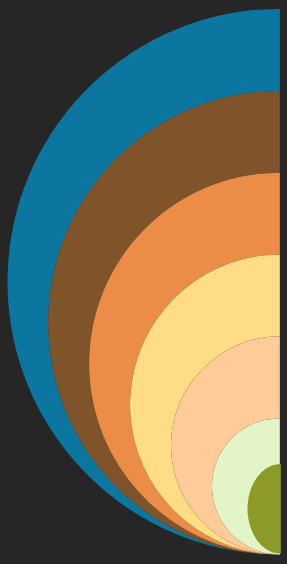
# APPROACH TO BUDGET



**REVIEW OF EXISTING VACANT POSITIONS**
Realignment to help meet operational needs of the City.

**ELIMINATION**
Several vacant positions across the City.

**REDUCTION**
"Materials and Services."

**STRATEGIC GENERAL FUND ADDITION**
2.0 New positions supporting Gradin Sports Park.

**CONTINUED INVESTMENT**
Public Safety with 5.0 new levy funded positions.

**ADDITION OF POSITIONS**
Supporting infrastructure needs (non-general fund impacted).

**PROPOSED FY 25/26 BUDGET**
No elimination of currently filled positions.

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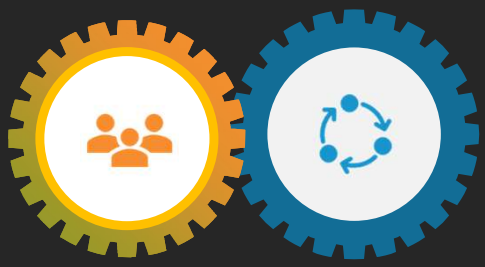
# ORGANIZATIONAL EFFICIENCES

**STAFFING SUMMARY**

- Citywide +4.5 FTE
- Citywide -7.5 LTE
- Vacant positions re-aligned.
- Vacancies eliminated.



**OPERATIONS**

- Ensuring alignment in operations with Mayor/Council goals.
- Return to office post-COVID.

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# SUMMARY OF POSITIONS

## NET POSITION CHANGES

| DEPT | GENERAL FUND | LEVY FUND | BUSINESS FUND | INFRAST. FUND | CENTRAL SERV. FUND | SPECIAL REV. & OTHER | NET CHANGE |
|---|---|---|---|---|---|---|---|
| FTEs | 0.00 | 5.00 | (1.80) | 5.00 | (5.70) | 2.00 | 4.50 |
| LTEs | 0.00 | 0.00 | 0.00 | (2.00) | (1.00) | (4.48) | (7.48) |
| NET CHANGE (FTEs+ LTEs) | 0.00 | 5.00 | (1.80) | 3.00 | (6.70) | (2.48) | (2.98) |

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# PROPOSED FUND BALANCE DRAW-DOWNS

**FIRE**

- Complete purchase of 3 Fire Engines already ordered and set for delivery FY2025/26.
- Staffing improvements in alignment with post incident report recommendations.

**POLICE**

**Real Time Information Center (RTIC)**

Quicker response times, improved safety, collaboration, data driven policing, crime prevention.

**PERS**

Reducing unfunded liabilities with matching funds.

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# THE NEXT YEAR...

**1 REVIEW**

Review/ update of City financial policies.

**2 EVALUATE**

Evaluation of internal budget development processes & practices.

**3 REFINE**

Continued refinement of organizational structure given impacts of proposed budget.

**4 ONGOING**

Ongoing review of any vacancy that occurs with operational & efficiency lens.

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# THE NEXT YEAR...

## GOALS INCLUDE

**RECOGNIZE**

1 Recognizing any further potential efficiencies

**IMPLEMENT**

2 Implementing budget best practices.

**ENHANCE**

3 Enhanced communication of financial/budgetary information
- City Council
- Finance Committee
- City Staff
- Community

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## CONTINUED DEVELOPER INTEREST

- Potential of new Urban Renewal district covering our core commercial areas
- Pleasant Valley - Residential and commercial
- Springwater – Completion of Metro 2040 grant project

## COMMUNITY SUPPORT

- Public Safety Levy | May 2024
- Charter amendments | November 2024

# GRESHAM'S FUTURE REMAINS BRIGHT

## COMMUNITY INVESTMENTS

- East County Library | $139M – Spring 2026
- Positive retail investments such as Trader Joe's | Summer 2025

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Thank You!

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# Department Overviews

CITY OF GRESHAM

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# Department Overviews

- City Attorney's Office

CITY OF GRESHAM

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# City Attorney's Office

CITY OF GRESHAM

**BUDGETED STAFFING:** 10.00 FTE/LTE

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by Internal Service and Payroll Charges
- Legal Services: $2.0 million
- Workers' Comp/Liability Management: $9.3 million

**MAJOR INITIATIVES:**

- Ensure Council decisions are implemented; provide legal advice to City Departments; enforce City law; staff Council and Planning and Design Commission meetings
- Seek methods to preserve and safeguard City assets through risk management techniques and the transfer of risk.
- Update the Gresham Revised Code
- Assist Urban Design and Planning with revising the Gresham Community Development Code
- Assist Human Resources with revising the Gresham Employee Manual
- Assist the City Council with updating the Council Rules

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# Department Overviews

- Environmental Services
  - Water
  - Wastewater
  - Stormwater
  - Transportation
  - Solid Waste & Sustainability
  - Infrastructure Development
- Parks

CITY OF GRESHAM

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# Water

CITY OF GRESHAM

**BUDGETED STAFFING:** 33.19 FTE/LTE (+1.00 FTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by Utility Rates, SDCs and Grants
- Water Fund: $19.1 million
- Water CIP Fund: $72.7 million

**MAJOR INITIATIVES:**

- Oversee design and construction of groundwater supply projects as part of the Cascade Groundwater Alliance partnership with Rockwood Water People's Utility District
- Inspect, repair, and replace aging water pipes
- Complete seismic upgrades to the water system and participate in regional disaster preparedness exercises
- Manage the Cascade Well Field Protection Program

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# Wastewater

**BUDGETED STAFFING:** 32.20 FTE/LTE

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by Utility Rates, SDCs and Grants
- Wastewater Fund: $20.9 million
- Wastewater CIP Fund: $51.1 million

**MAJOR INITIATIVES:**

- Design and construct upgrades at the Wastewater Treatment Plant (WWTP) to treat for ammonia
- Design and construct a new secondary clarifier at the WWTP
- Inspect, repair, and replace aging sewer pipes
- Study the impacts of treating wastewater from the City of Sandy for Council consideration

CITY OF GRESHAM

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# Stormwater

CITY OF GRESHAM

**BUDGETED STAFFING:** 34.63 FTE/LTE (+1.00 FTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by Utility Rates, SDCs and Grants
- Stormwater Fund: $14.0 million
- Stormwater CIP Fund: $16.6 million
- Designated Purpose Fund: $4.5 million

**MAJOR INITIATIVES:**

- Retrofit streets with stormwater treatment and tree canopy
- Operate and maintain vegetated stormwater facilities
- Inspect, repair, and replace aging pipes and culverts
- Comply with new and changing environmental regulatory requirements:
  - NPDES- surface waters
  - WPCF- ground water
  - TMDL- stream temperature and specific pollutants of concern

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# Transportation

**BUDGETED STAFFING:** 45.75 FTE/LTE

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by State Gas Tax & Vehicle Registration Fees, SDCs, Utility License Fees and Grants
- Transportation Fund: $15.6 million
- Streetlight Fund: $0.7 million
- Designated Purpose Fund: $0.1 million
- Transportation/Footpaths CIP Fund: $52.5 million

**MAJOR INITIATIVES:**

- Design and construct street safety and capacity upgrades
- Enhance mobility options
- Operate and maintain all streets, traffic lights, streetlights, striping and signage
- Respond to winter weather events
- Initiate the automated traffic enforcement pilot project

CITY OF GRESHAM

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# Solid Waste & Sustainability

CITY OF GRESHAM

**BUDGETED STAFFING:** 6.73 FTE/LTE

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated from ECHO fees (Fees on waste haulers), and grants
- Solid Waste & Sustainability Fund: $1.6 million
- Designated Purpose Fund: $0.3 million

**MAJOR INITIATIVES:**

- Oversight of the licensed garbage and recycling system, including annual rate review
- Implementation of the Community Climate Action Plan
- Implementation of the Recycle Plus Program
- Working with businesses and schools to reduce waste
- Conducting community recycling events

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# Infrastructure Development

**BUDGETED STAFFING:** 18.50 FTE/LTE

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by Permit Fees & Infrastructure Funds
- Infrastructure Development Fund: $4.9 million
- Designated Purpose Fund: $0.4 million
- General Development CIP Fund: $8.6 million

**MAJOR INITIATIVES:**

- Complete infrastructure permitting and inspection services for all public and private development projects
- Perform survey services for all City projects
- Adapt to changing regulations related to Middle Housing and the environment

CITY OF GRESHAM

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# Parks

CITY OF GRESHAM

**BUDGETED STAFFING:** 17.60 FTE/LTE (+2.00 FTE from FY 2024/25*)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funded by the General Fund, Grants, SDCs
- General Fund: $5.8 million
- Designated Purpose Fund: $0.5 million
- Parks CIP: $15.4 million

**MAJOR INITIATIVES:**

- Continue progress on parks capital projects including Gradin Community Sports Park and Metro Local Share-eligible projects
- Update the City's 2009 Parks, Recreation, Trails and Natural Areas Master Plan
- Operate and maintain the City's park system of over 314 acres of developed parks, 8 miles of trails, and 800+ acres of natural areas

* 1.0 FTE is budgeted in the Tourism TLT division in the Designated Purpose Fund

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# Department Overviews

- Communications
- Community Engagement
- Facilities & Fleet

CITY OF GRESHAM

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# Communications

**BUDGETED STAFFING:** 5.60 FTE/LTE

**BUDGET & FUNDING FOR FY 2025/26:**

- Funded by Internal Service Charges
- Administrative Services Fund: $1.3 million

**MAJOR INITIATIVES:**

- Support Strategic Plan projects with communications and marketing needs.
- Ensure all audiences have timely access to City information via the platform of their choice.
- Educate the public on the City's budget and Financial Road Map to further financial transparency.
- Continued storytelling around City services and the value to the community.

CITY OF GRESHAM

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# Community Engagement

**BUDGETED STAFFING:** 4.00 FTE/LTE (-1.00 FTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funded by Internal Service Charges, Sponsorships, and Donations
- Administrative Services Fund: $1.0 million
- Designated Purpose Fund: $0.3 million

**MAJOR INITIATIVES:**

- Explore strategies to reach underserved communities, provide translation services and explore new tools and tactics to support staff in their public outreach efforts.
- Provide support to the Neighborhood Association and Volunteer Programs.
- Coordinate community-based organization engagement to help minimize engagement fatigue and foster more sustainable partnerships.
- Collaborate to improve neighborhood livability and social connectivity through volunteer clean-up events and neighborhood connections.

CITY OF GRESHAM

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# Department Overviews

- Youth & Recreation

CITY OF GRESHAM

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# Youth & Recreation Services

**BUDGETED STAFFING:** 7.0 FTE/LTE

**BUDGET & FUNDING FOR FY 2025/26:**

- Funded by the Grants, IGAs, and General Fund
- General Fund: $0.7 million
- Designated Purpose Fund: $6.0 million

**MAJOR INITIATIVES:**

- Continued development/expansion of the City's youth violence prevention services, designed to improve safety and livability.
- In conjunction with Parks and Rec, expanded recreational offerings for youth and adults.
- Prevention, intervention and outreach services in concert with community-based organizations to provide transformative and life-saving work.
- Ceasefire Oregon, nationally-recognized violence prevention strategy.
- Youth government service through the Youth Advisory Committee.

CITY OF GRESHAM

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# Department Overviews

- Police

CITY OF GRESHAM

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# Police

**BUDGETED STAFFING:** 180.00 FTE/LTE (+ 6.00 FTE from FY 24/25)

**BUDGET & FUNDING FOR FY 2024/25:**

- Funding is generated from the General Fund, Local Option Levy, Grants and Donations
- General Fund: $55,350,458
- Local Option Levy Fund: $7,930,188
- Designated Purpose Fund: $2,934,324

CITY OF GRESHAM

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# Police

**MAJOR INITIATIVES:**

- Strategic Recruiting, Hiring, and Retention
  - All Star Recruiting, KPTV Commercials, & Sourcing Specialist
  - Professional Training Opportunities for Staff Development
- Crime Reduction Plan
  - Gun Violence Reduction, Ceasefire Model, Youth Services & EMOPI
  - Targeted Mission & Regional Task Forces to address theft
  - Traffic Safety & Camera Enforcement for Safer Streets
- Leveraging Technology
  - Pilot a Real Time Information Center
  - Modernized Software for Efficient & Effective case management & accountability

CITY OF GRESHAM

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# Department Overviews

- Fire
- Emergency Management

CITY OF GRESHAM

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# Fire

CITY OF GRESHAM

**BUDGETED STAFFING:** 134.00 FTE/LTE (-1.00 LTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated from the General Fund, Local Option Levy, Grants and Donations
- General Fund: $43.4 million
- Local Option Levy Fund: $5.9 million
- Designated Purpose Fund: $0.9 million

**MAJOR INITIATIVES:**

- Implementation of funded levy positions. Deputy Fire Marshals and additional response resource, Rescue 72.
- The new training tower construction will begin in July 2025.
- Review and finalize schematic design for Fire Station 74's replacement. Continue to work with the State to secure funding.
- Remodel and add a second level to Fire Station 72.
- Continue to implement safety and health improvements for existing fire facilities.

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# Emergency Management

**BUDGETED STAFFING:** 0.0 FTE/LTE (-1.00 FTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by Internal Service Charges and Grants
- Designated Purpose Fund: $87,000

**MAJOR INITIATIVES:**

- Define the Emergency Manager role and responsibility guided by the Fire Chief and how Gresham will move forward without this position. Collaborative efforts will involve other departments such as Police and IT.
- Assist city departments in their planning efforts for disaster and large-scale emergencies.
- Develop staffing plan for the City's Emergency Operations Center (EOC).
- Actively participate with county, state, and regional partners to increase inter-agency and inter-disciplinary information sharing.

CITY OF GRESHAM

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# Department Overviews

- Office of Governance & Management
- Budget & Finance
- Information Technology
- Human Resources

CITY OF GRESHAM

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# Office of Governance & Management

**BUDGETED STAFFING:** 11.00 FTE/LTE (-3.00 FTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by Internal Service Charges
- Administrative Services: $4.5 million

**MAJOR INITIATIVES:**

- Continued support for Mayor & Council
- Work with Council on next iteration of a Strategic Plan
  - Community Safety
  - Financial Sustainability
  - Thriving Economy
  - Housing for All
  - Community Vibrancy
- Continued implementation of the Financial Road Map
- Advocate for federal, state and local financial support of City services including Transportation, Public Safety and Economic Development
- Oversee efficient and high-quality delivery of city services

CITY OF GRESHAM

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# Budget & Finance

**BUDGETED STAFFING:** 42.55 FTE/LTE (-1.70 FTE/LTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funded by Internal Service Charges, Health & Dental Premiums and other sources
- Administrative Services Fund: $9.5 million

**OTHER FUNDS:**

- Administrative Services Fund (General Support): $0.4 million
- Equipment Replacement Fund (ERF): $8.4 million
- COG Health & Dental Plans Fund: $19.3 million
- Designated Purpose Fund:
  - Tourism TLT: $0.3 million
  - Settlements: $1.2 million
  - ARPA: $2.9 million

CITY OF GRESHAM

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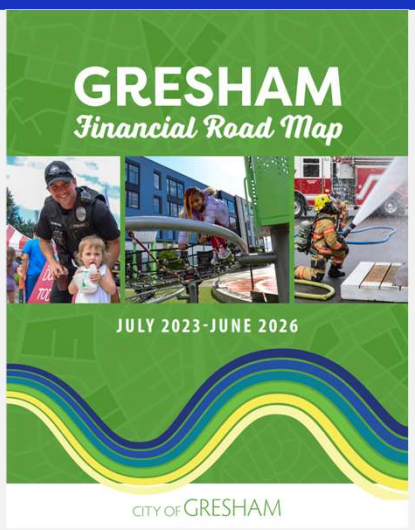
# Budget & Finance




**MAJOR INITIATIVES:**

- Continue to support the timekeeping software conversion to a more efficient and integrated payroll system.
- In collaboration with the City Council and Finance Committee, review and update the City's financial policies.
- Increased focus on managing, reporting and tracking grants.
- Continue implementation of the Financial Road Map, working towards long-term financial stability for the General Fund.

CITY OF GRESHAM

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# Information Technology

**BUDGETED STAFFING:** 27.00 FTE/LTE

**BUDGET & FUNDING FOR FY 2025/26:**

- Funded by Internal Service Charges
- Administrative Services Fund: $9.3 million
- Enterprise System Replacement Fund (IT Capital): $0.9 million

**MAJOR INITIATIVES:**

Continue efforts to…

- Enhance our **cybersecurity** posture to protect the City's data and technology resources from cyberattacks.
- Build the technology foundation to empower **data-driven decision** making.
- Leverage **geospatial information** to support the community.
- Improve the **systems and applications utilized by the community**.
- Use technology to **improve the efficiency** of the City staff.

CITY OF GRESHAM

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# Human Resources

**BUDGETED STAFFING:** 10.00 FTE/LTE (-1.00 FTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funded by Internal Service Charges
- Administrative Services Fund: $2.7 million
- Designated Purpose Fund: $62,000

**MAJOR INITIATIVES:**

- Continue with review and update of policies/practices to ensure compliance with Equal Pay Act
- Respond, monitor, address and close out employee relation/labor relation matters in a timely manner.
- Evaluate and assess the recruitment process
- Collaborate with stakeholders on process efficiencies

CITY OF GRESHAM

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# Department Overviews

- Urban Renewal
- Economic Development
- Building Inspections/Permits
- Urban Design & Planning
- Community Livability

CITY OF GRESHAM

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# Urban Renewal

Rockwood Market Hall

CITY OF GRESHAM

**BUDGETED STAFFING:** 3.00 FTE/LTE (-1.00 FTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is provided by GRDC
- Urban Renewal Support Fund: $2.0 million
- Urban Renewal CIP: $10.4 million

**URBAN RENEWAL BUDGET SCHEDULE:**

- City of Gresham Budget Hearings
  - April 17th, 29th and May 1st (if needed)
- GRDC Budget Hearing
  - May 7th at 6 PM

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# Urban Renewal

**MAJOR INITIATIVES:**

- **Community Vibrancy:** Invest in gymnasium at POIC campus at B188 to serve broader community
- **Public Safety:** Complete construction documents for a new fire station to replace Gresham Fire Station 74.
- **Transportation:** Improve pedestrian safety on Yamhill St. between 182nd and 197th.
- **Economic Opportunity:** Re-launch storefront improvement and continue business incubator grants for small scale business improvements.

AVIVA Apartments

CITY OF GRESHAM

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# Economic Development

CITY OF GRESHAM

**BUDGETED STAFFING:** 3.00 FTE/LTE

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by General Fund, Internal Service Charges, and Grants
- General Fund: $1.2 million
- Designated Purpose: $7.3 million

**MAJOR INITIATIVES/STRATEGIES:**

- **Traded Sector Recruitment/Retention:** Capital investment support, family wage jobs, education connections, redevelopment opportunities.
- **Commercial/Retail:** Development and commercial retail strategy work, Downtown/Civic Urban Renewal.
- **Small Business Support:** Incentives, permit assistance, culturally focused outreach, entrepreneurship support network, and collaboration with MHCC Small Business Development Center.

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# Building Inspections/Permits

**BUDGETED STAFFING:** 24.35 FTE/LTE

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by Permits and Fees
- Building Fund: $6.4 million

**MAJOR INITIATIVES:**

- Provide building permit and inspection services for Troutdale, Fairview, Wood Village, and East Multnomah County
- Provide plan review and inspection services for major commercial projects, including Grainger, the Gresham Library, and the Portland Water Bureau Treatment Facility
- Provide plan review and inspection services for large housing projects, including 10th & Roberts Apartments & large subdivisions in Pleasant Valley and East Gresham

CITY OF GRESHAM

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# Urban Design & Planning

**BUDGETED STAFFING:** 18.50 FTE/LTE (-0.80 FTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated by Permit Fees, IGA's and Grants
- Urban Design & Planning Fund: $4.6 million
- Designated Purpose Fund: $8.4 million
- CDBG/Home Fund: $3.3 million

**MAJOR INITIATIVES:**

- Contract negotiation and final approval for remaining Metro Affordable Housing Bond project
- Complete Development Code, Transportation, and Tree Code Update projects
- Continue to provide development planning support to community members and developers
- Work on large-scale update of Volumes I & II of Gresham's Comprehensive plan
- Study the Springwater Plan Area

CITY OF GRESHAM

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# Community Services

**BUDGETED STAFFING:** 17.65 FTE/LTE (-2.48 FTE/LTE from FY 2024/25)

**BUDGET & FUNDING FOR FY 2025/26:**

- Funding is generated from the General Fund, Internal Service Charges, Grants and Rental Inspection Fees
- General Fund: $1.7 million
- Designated Purpose Fund: $2.4 million
- Rental Inspection Fund: $1.5 million

**MAJOR INITIATIVES:**

- The new Compliance Supervisor position will support the Code Compliance and Rental Housing teams to maximize coordinated, customer service-focused, and impactful services to the community.
- Homeless services will utilize an expanded team to enhance outreach, case management, and rent assistance to help people experiencing homelessness secure housing and achieve stability.

CITY OF GRESHAM

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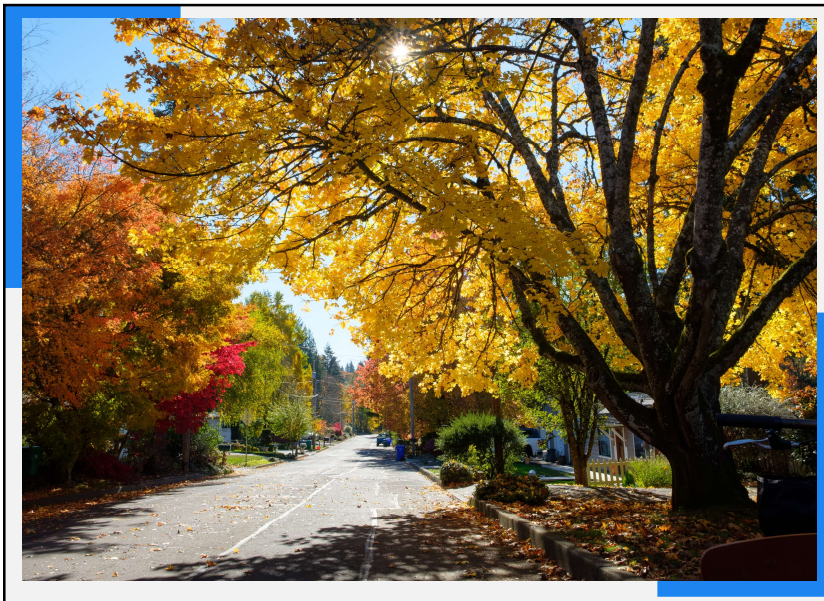

# Budget Process

CITY OF GRESHAM

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## Budget Process

CITY OF GRESHAM

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# Required Budget Process Actions

**Budget Committee (April)**

- Hear Budget Message
- Hold State Shared Revenue hearing
- Take public comment
- Approve the budget
- Approve the tax rate(s)

**City Council (Must be complete by June 30)**

- Hold State Shared Revenue Hearing
- Take public comment
- Adopt the budget
- Adopt the tax rate(s)
- Adopted FTE count (charter requirement)

CITY OF GRESHAM

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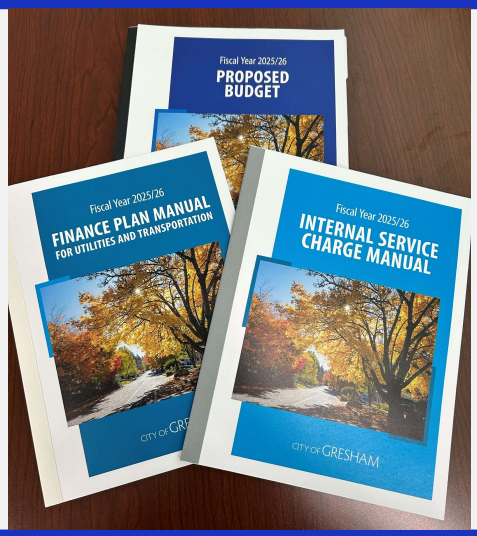
# Budget Materials

- FY 2025/26 Proposed Budget
- Internal Service Charge Manual
- Finance Plan Manual for Utilities & Transportation
- Capital Improvement Program Information Handout




CITY OF GRESHAM

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# Proposed Budget Document Structure

- Budget Message
- Revenue Information
- Expenditure Information
  - *General Fund & Local Option Levy Fund*
  - *Business Funds*
  - *Infrastructure Funds*
  - *Central Support Funds*
  - *Special Revenue & Non-Operating Funds*
  - *Capital Improvement Funds*
- Additional Information

CITY OF GRESHAM

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# Document Report Layout

Resources and Requirements by Fund

Audited data from prior fiscal years

Revised Budget for current year

Budget for upcoming year

Resources

Operating Requirements

Non-operating Requirements

| General Fund | 2017/18 Actual | 2018/19 Actual | 2019/20 Adopted Budget | 2020/21 City Manager Proposed | 2020/21 Budget Committee Approved | 2020/21 City Council Adopted |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| Taxes | 36,316,588 | 39,422,284 | 30,898,200 | 32,447,000 | - | - |
| Licenses & Permits | 420,372 | 429,795 | 372,300 | 489,000 | - | - |
| Intergovernmental | 11,093,641 | 11,197,658 | 17,192,000 | 18,304,000 | - | - |
| Charges for Services | 399,666 | 430,599 | 4,234,500 | 4,394,000 | - | - |
| Utility License Fees | 10,380,166 | 10,641,084 | 10,935,000 | 14,653,000 | - | - |
| Interest Income | 347,841 | - | - | - | - | - |
| Miscellaneous Income | 208,922 | 719,025 | 642,700 | 648,000 | - | - |
| Interfund Transfers | 136,141 | 127,256 | 75,000 | 175,000 | - | - |
| Internal Service Charges | 944,378 | 518,052 | 819,385 | 838,257 | - | - |
| Financing Proceeds | 1,275,000 | - | - | - | - | - |
| Beginning Balance | 20,872,473 | 20,014,665 | 13,834,000 | 10,612,000 | - | - |
| **Total Resources** | 82,395,288 | 83,500,418 | 79,003,085 | 82,560,257 | - | - |
| **Requirements** | | | | | | |
| Police | 29,763,542 | 32,673,686 | 39,307,078 | 39,477,202 | - | - |
| Fire & Emergency Services | 20,996,001 | 21,759,595 | 26,367,334 | 27,127,116 | - | - |
| Community Development | 1,193,193 | 852,341 | 1,245,818 | 1,045,441 | - | - |
| Economic Development | 667,123 | 661,911 | 1,061,977 | 854,143 | - | - |
| Parks | 2,447,422 | 2,779,083 | 3,363,351 | 3,499,257 | - | - |
| *Operating Total* | *53,067,281* | *58,726,616* | *71,345,558* | *72,003,159* | - | - |
| Interfund Transfers | 7,313,342 | 7,523,238 | 6,608,017 | 5,622,200 | - | - |
| Contingency | - | - | - | 1,115,000 | - | - |
| Unappropriated | 20,014,665 | 17,250,564 | 1,049,510 | 3,819,898 | - | - |
| *Non-Operating Total* | *27,328,007* | *24,773,802* | *7,657,527* | *10,557,098* | - | - |
| **Total Requirements** | 82,395,288 | 83,500,418 | 79,003,085 | 82,560,257 | - | - |

CITY OF GRESHAM

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# Proposed Budget Document Structure

- Budget Message
- Revenue Information
- Expenditure Information } NEW department reports (funding & staffing)
  - *General Fund & Local Option Levy Fund*
  - *Business Funds*
  - *Infrastructure Funds*
  - *Central Support Funds*
  - *Special Revenue & Non-Operating Funds*
  - *Capital Improvement Funds*
- Additional Information

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# New Report: Department Summary

Department Requirements by Fund

**Police**

| Fund | 2022/23 Actual | 2023/24 Actual | 2024/25 Revised Budget | 2025/26 City Manager Proposed |
|---|---|---|---|---|
| General | 41,268,762 | 45,813,546 | 48,601,993 | 55,350,458 |
| Local Option Levy | - | - | 6,888,840 | 7,930,188 |
| Designated Purpose | 436,967 | 484,606 | 1,809,700 | 2,934,324 |
| **Total** | **41,705,730** | **46,298,152** | **57,300,533** | **66,214,970** |

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# New Report: Department Summary

| Police | Staffing Authorized FY 2022/23 | Authorized FY 2023/24 | Authorized FY 2024/25 | Proposed FY 2025/26 |
|---|---|---|---|---|
| **Fund** | | | | |
| General | 160.00 | 160.00 | 134.00 | 142.00 |
| Local Option Levy | - | - | 40.00 | 38.00 |
| **Total Positions (FTE + LTE)** | **160.00** | **160.00** | **174.00** | **180.00** |

CITY OF GRESHAM

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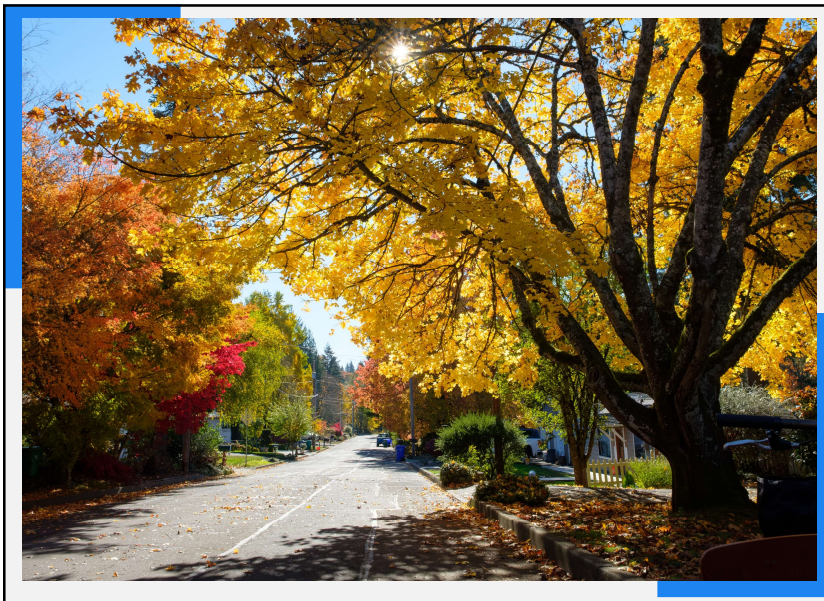

# FY 2025/26 Proposed Budget Overview

CITY OF GRESHAM

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# Structure of the City's Budget

Resources

Fund

Category

Requirements

Fund

Department

Division

Category

Object

CITY OF GRESHAM

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# Balanced Budget

Beginning Balance + Revenues

=

Expenditures + Contingency / Unappropriated

CITY OF GRESHAM

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# Structurally Balanced Budget

CITY OF GRESHAM

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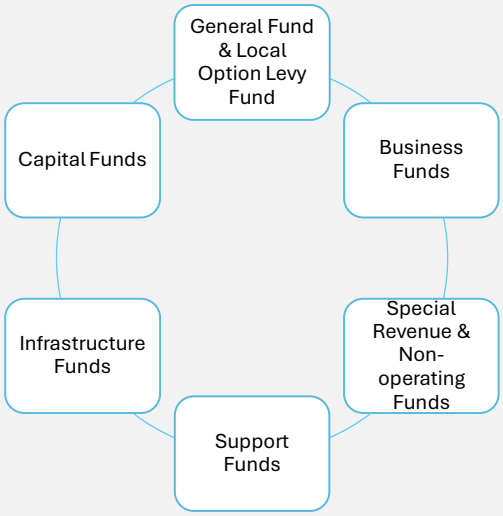
# Types of Funds




CITY OF GRESHAM

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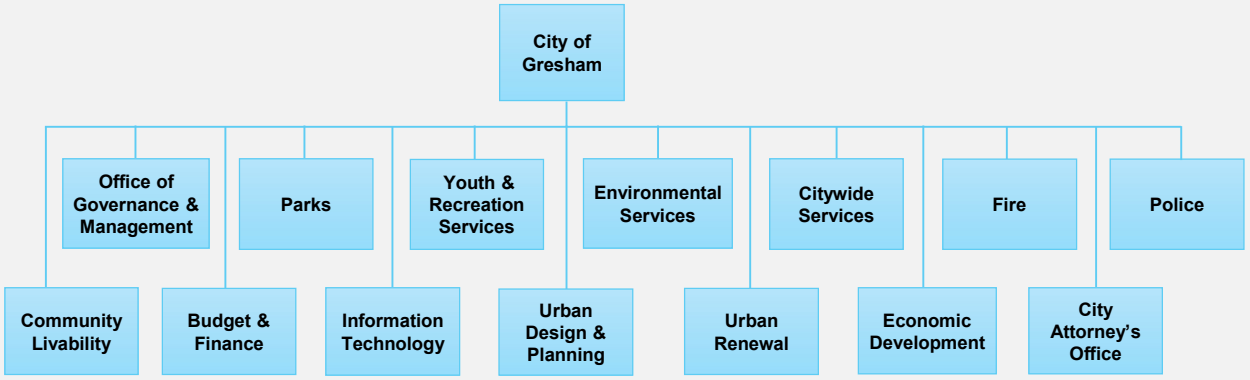
# Overview of City's Departments




CITY OF GRESHAM

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# Fund – Department Matrix Example

| Funds | | Budgetary Departments | | | | | |
|---|---|---|---|---|---|---|---|
| | | CWS | Police | Fire | Comm Liv | Econ Dev | DES |
| | General Fund | | X | X | X | X | |
| | Local Option Levy | | X | X | | | |
| | Designated Purpose | X | X | X | X | X | X |
| | Rental Inspection | | | | X | | |
| | Transportation | | | | | | X |
| | Water | | | | | | X |
| | Facilities & Fleet | X | | | | | |
| | Administrative Services | X | | | | | |

CITY OF GRESHAM

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# FY 2025/26 Total Budget

| Expenditure Categories | Budget |
|---|---|
| Operating | $ 330.7 million |
| Capital | $ 231.8 million |
| Debt | $ 13.4 million |
| Transfers | $ 102.2 million |
| Other Requirements | $8.6 million |
| Contingency / Unappropriated | $ 209.3 million |
| | $ 896.0 million |

CITY OF GRESHAM

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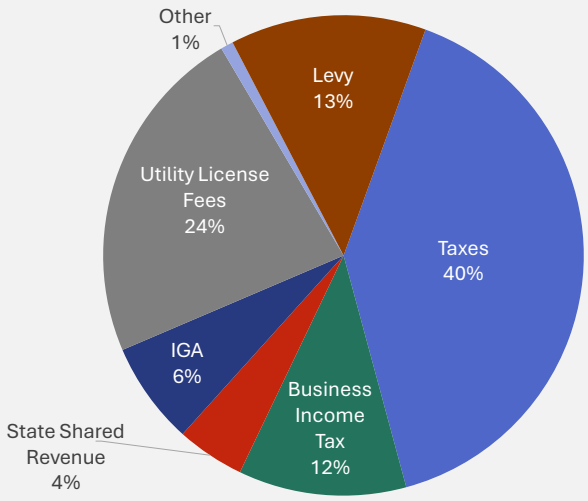
# General Fund/Local Option Levy Fund Revenues




CITY OF GRESHAM

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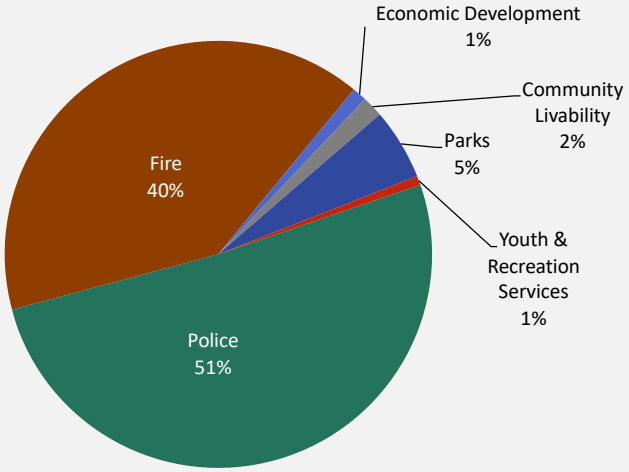
# Overview of FY 2025/26 Budget
## General Fund




**Primary Resources**
- Taxes
- Intergovernmental Agreements
- License & Permit Fees
- Charges for services
- City Services Fee
- State Shared Revenue

**Primary Expenditures**
- Personnel

CITY OF GRESHAM

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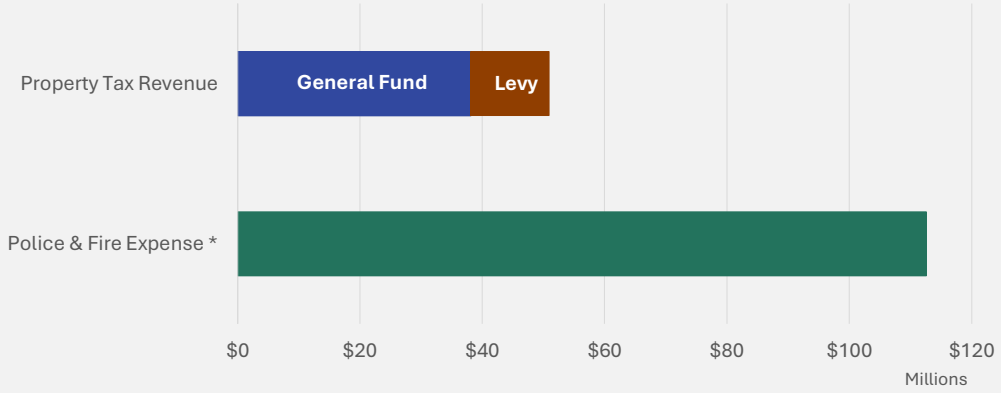
# FY 2025/26 Property Taxes




* Police & Fire Department budgets in the General and Local Option Levy Funds

CITY OF GRESHAM

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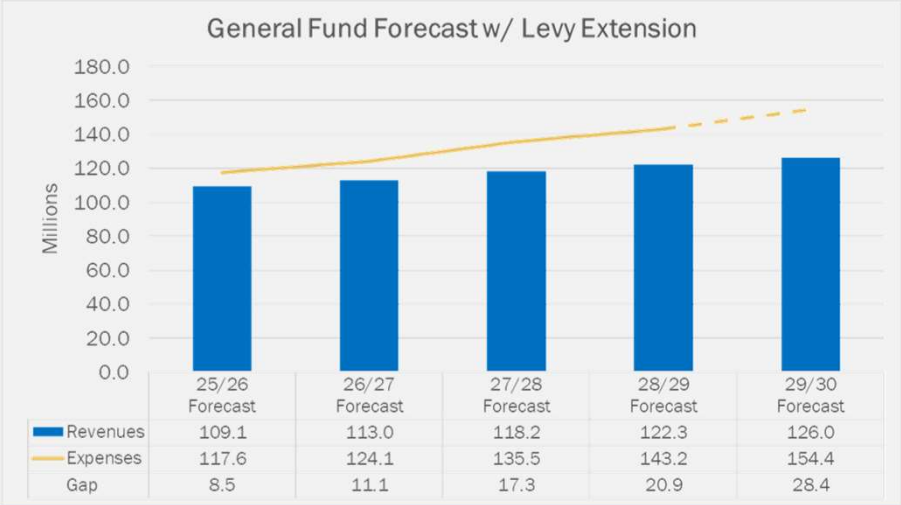
# General Fund & Local Option Levy Fund Forecast COMBINED




Presented at the February 18, 2025 City Council Meeting

CITY OF GRESHAM

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# Ending Fund Balance Use
## (General & Levy Funds)

| General & Levy Funds<br>Fund Balance Calculations | | |
|---|---|---|
| Beginning Balance | **35,621,000** | |
| Budgetary Structural Gap | -8,475,000 | Ongoing |
| Fire Engines Purchase | -3,100,000 | One-time |
| PERS Employer Incentive Program | -4,300,000 | One-time |
| Fire Rescue Staffing | -275,000 | Ongoing |
| Ending Fund Balance | **$19,471,000** | |

CITY OF GRESHAM

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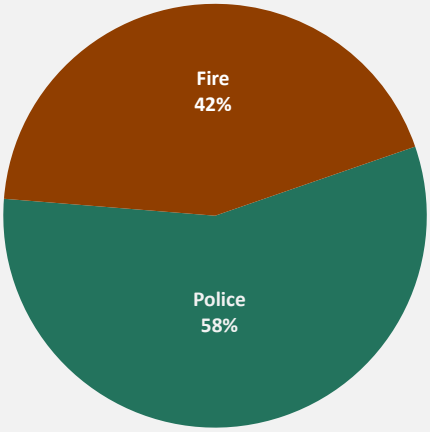
# Overview of FY 2025/26 Budget
## Local Option Levy Fund




**Primary Resources**
- Taxes

**Primary Expenditures**
- Personnel

CITY OF GRESHAM

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# FY 2025/26 Local Option Levy Fund

- Police
  - 19 existing positions
  - 5 new positions in FY 2024/25
  - 5 new positions in FY 2025/26
  - 9 positions previously funded by ARPA
  - Contract for 2 clinicians
- Fire
  - 12 existing positions
  - 11 new positions in FY 2024/25
  - 4 positions previously funded by ARPA
  - Fire Academy to train new firefighters in FY 2024/25

CITY OF GRESHAM

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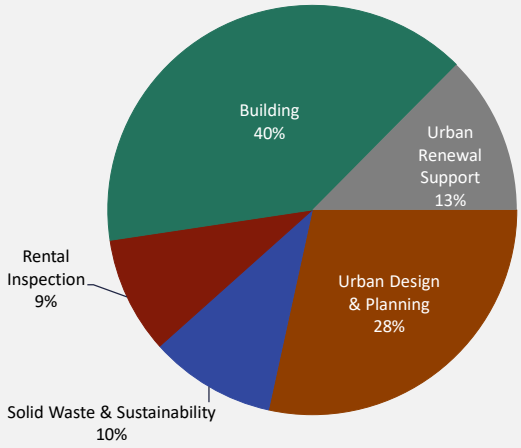
# Overview of FY 2025/26 Budget
## Business Funds




**Primary Resources**
- Charges for Services
- Licenses
- Interfund Support
- Urban Renewal Commission

**Primary Expenditures**
- Personnel

CITY OF GRESHAM

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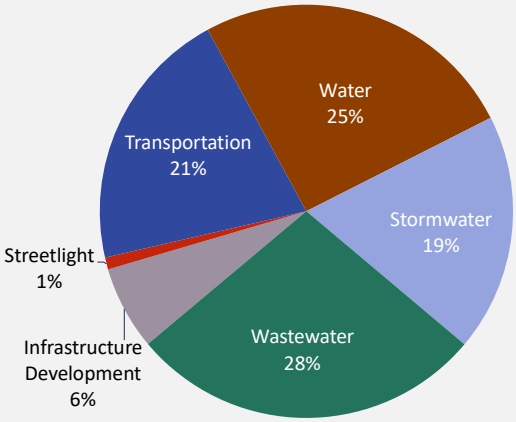
# Overview of FY 2025/26 Budget
## Infrastructure Funds




**Primary Resources**
- Gas Tax
- License Fees
- Utility Customers
- Charges for Services

**Primary Expenditures**
- Infrastructure Repair and Replacement
- System Operations
- Debt

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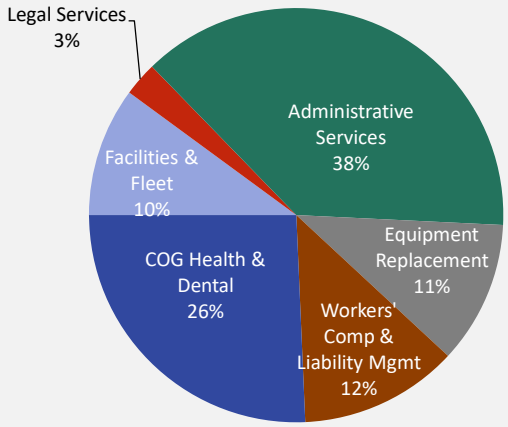
# Overview of FY 2025/26 Budget
## Central Support Funds




**Primary Resources**
- Internal Service Charges
- Payroll Premiums

**Primary Expenditures**
- Personnel
- Claims & Insurance Premiums
- Vehicles & Equipment

CITY OF GRESHAM

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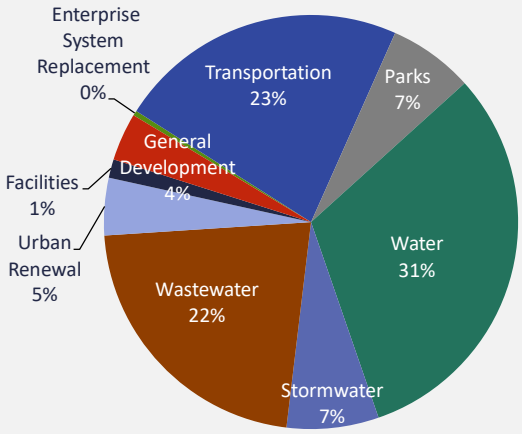
# Overview of FY 2025/26 Budget
## Capital Funds




**Primary Resources**
- Transfers from Operating Funds
- Development Fees (SDCs)
- Grants

**Primary Expenditures**
- Infrastructure

CITY OF GRESHAM

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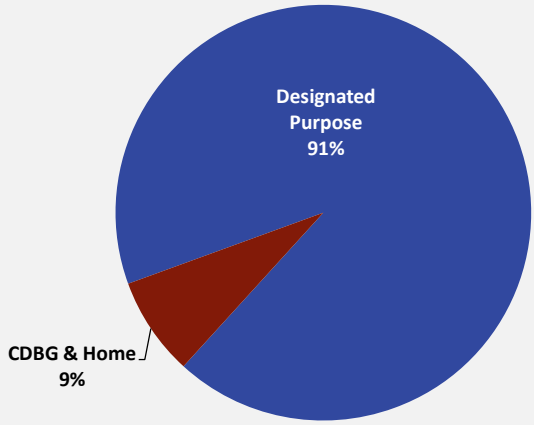
# Overview of FY 2025/26 Budget
## Special Revenue Funds




**Primary Resources**
- Grants & Donations

**Primary Expenditures**
- Grant Programs
- Personnel

CITY OF GRESHAM

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# American Rescue Plan Act (ARPA)

- All projects were identified, contracted and obligated by the December 31, 2024 deadline.
- All funds are on track and anticipated to be spent by the December 31, 2026 deadline.
- Active Projects:
  - Public Safety Packages – Police
  - Public Safety Packages – Fire
  - Housing & Houselessness
  - Pleasant Valley Concept Plan
  - Economic Development Project
  - Comprehensive Plan Update
  - Wy-East Trail Improvements
  - Parks Projects
  - IT/GIS upgrades Project
  - LTE Project
  - Undeveloped Parks Project
  - Gradin Sports Park
  - Gresham Fairview Trail
  - Station 72

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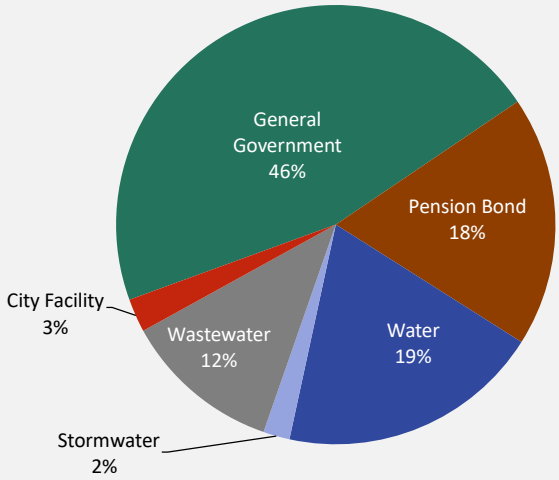
# Overview of FY 2025/26 Budget
## Debt Funds




**Primary Resources**
- Development Fees
- Transfers from Operating Funds

**Primary Expenditures**
- Pass Through Transfers
- Debt

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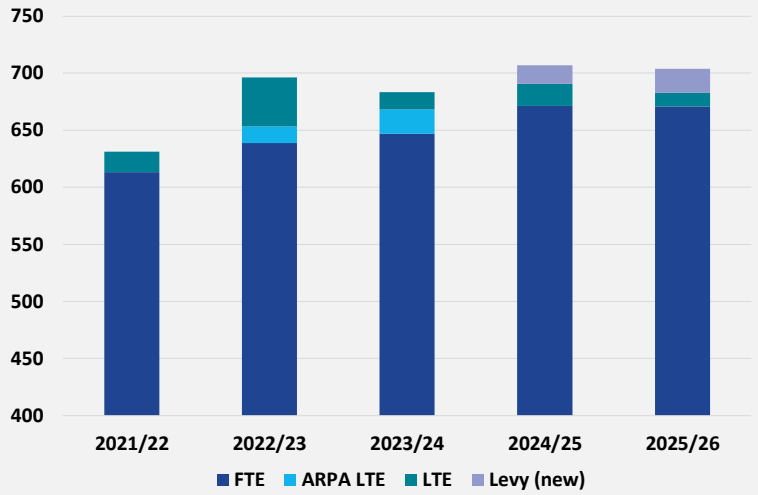
# Staffing Levels

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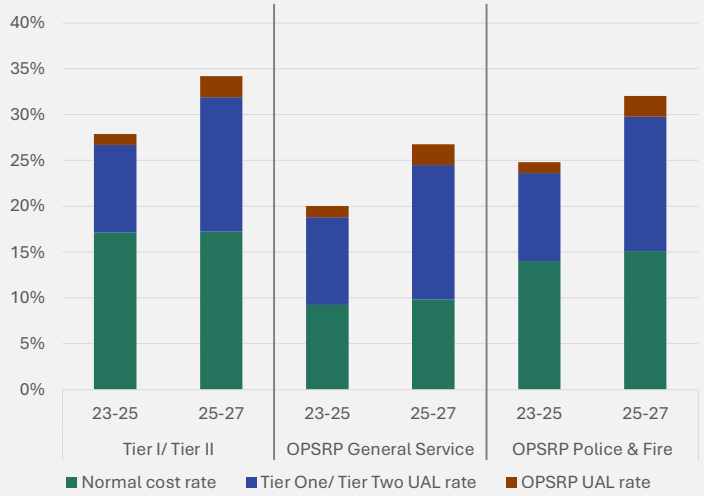
# City of Gresham PERS Rates

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# PERS Employe Incentive Program

- Side Accounts offer the ability for additional contributions to "buy-down" liabilities
- Side Accounts provide a discount on PERS rates over time
- PERS invests side account funds
- Gresham has a side account funded by bonds from ~ 20 years ago
- State of Oregon is offering a 25% match on new **cash** Side Account contributions
- Proposal:
  - $8,000,000 cash contribution from Gresham
  - $2,000,000 cash contribution from State of Oregon
  - $12,400,000 estimated side account discount over 6 years

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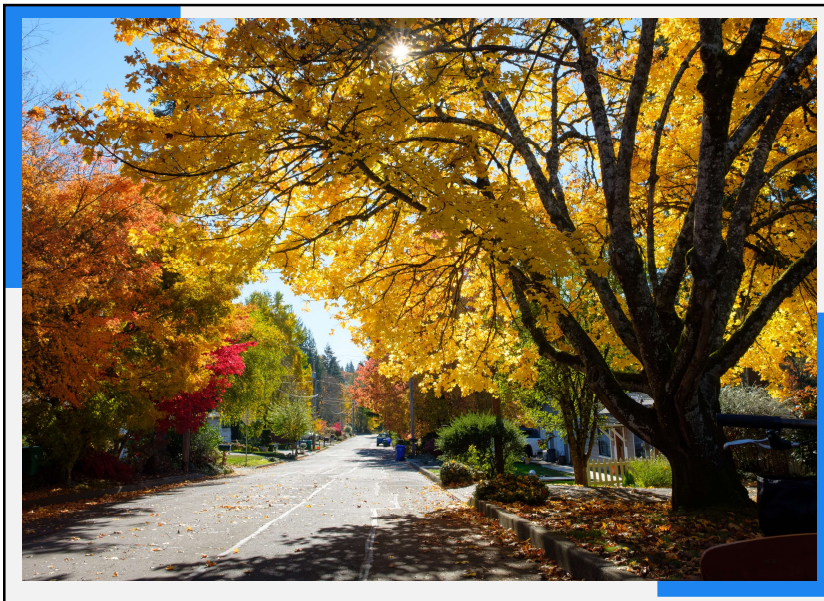

# Public Hearing

Proposed Use of State Shared Revenue

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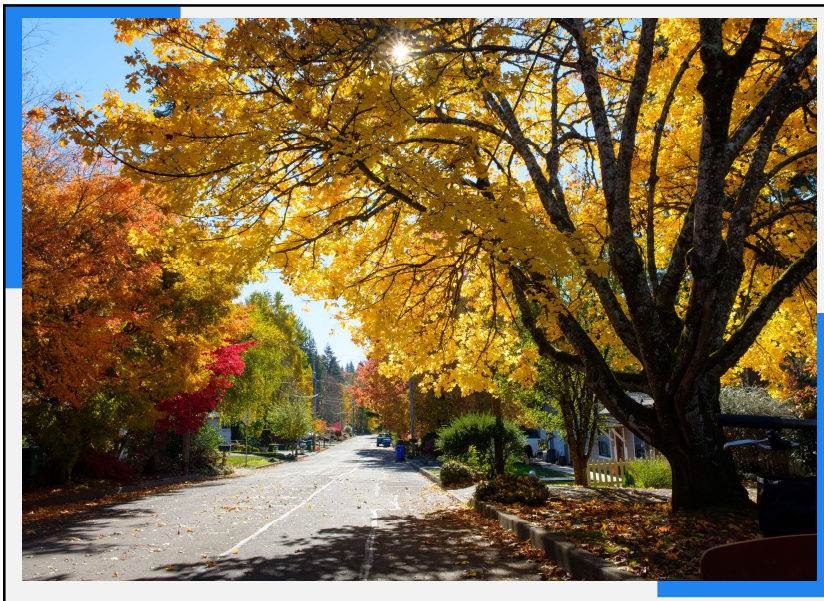

# Public Comment

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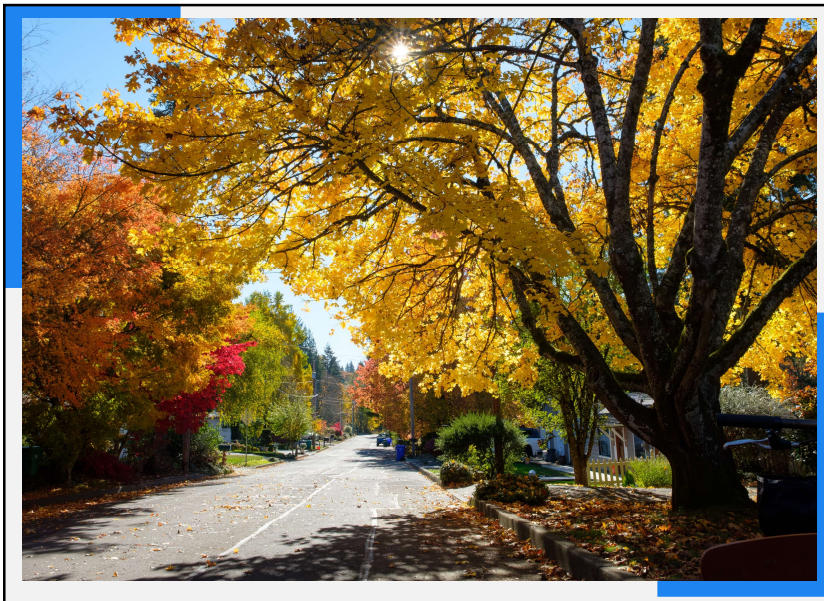

# Committee Discussion

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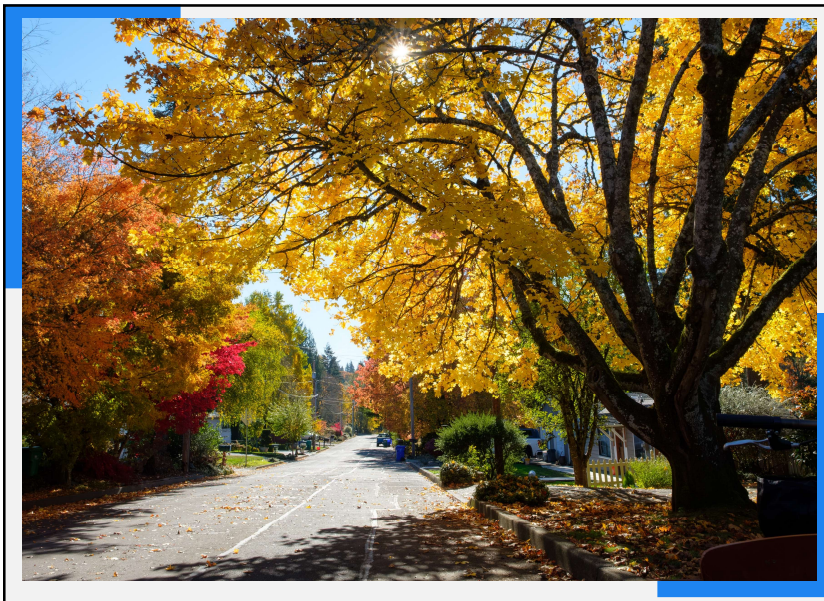

# Next Meeting:

April 29, 2025
at 6:00 pm
(on Zoom)

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