

BUDGET IN BRIEF

FISCAL YEAR 2024/25



CITY OF TUALATIN



City of Tualatin



Message from the City Manager

Dear Tualatin Community Members,

This year as we began to prepare for the FY 2024/25 Budget, we stopped to think about all that goes into providing the services the City of Tualatin offers to our residents and customers. Our budget is made up of people, things and bigger things, or in other words, personal services, materials and services and capital outlay. What stands out when thinking about our budget and our services is the people. Without the dedicated people that come to work every day, focused on providing excellent services, the things and bigger things wouldn't matter.

This year, our internal budgeting process looked a little different. We asked our budget managers to focus on what their employees do when putting together their budgets. We reworked the descriptions that are located at the beginning of each department's budget and include the highlights from FY 2023/24. We also took a look at the structure of the city's budget and where our revenue comes from, how we are spending that revenue, and the difference between the General Fund and the Restricted funds and how that money can be spent.

Our employees make up a big part of the City's budget, about one-third of the overall city expenditure budget and 75% of the City's General Fund budget. This year's budget includes many more pictures of our employees in action than in previous years.

I am excited to present our Budget in Brief for the FY 2024/25 which provides a simplified overview of the City's 270+ page budget and includes where

our money comes from, how it is spent, budget highlights, approved capital projects and general information about the City. A full copy of the budget is available on our website at www.tualatinoregon.gov/finance.

The City is budgeting

\$158,698,925 for FY 2024/25. This includes continuing parks improvements through the Parks Bond passed last year, completion of the Veterans Plaza, Nyberg Creek Trail design, Riverfront property community engagement and more. The budget also includes complete design of the next phase of Martinazzi sewer trunk upsizing, beginning design of a new B-Level Reservoir and Pump Station Generator at the Aquifer Storage and Recovery Site, and infrastructure planning including updating the Transportation System Plan. The Police Department will be establishing an unmanned aerial system drone program.

The City Council unanimously adopted the budget on June 24. I am proud of the work that has gone into the City's budget.

Thank you for being part of this great community and reading this report.



Sherilyn Lombos
City Manager





Mayor and City Councilmembers

The Budget Committee

City Council Members

Frank Bubenik, Mayor
Valerie Pratt, Council President
Bridget Brooks
Octavio Gonzalez
Cyndy Hillier
Maria Reyes
Christen Sacco

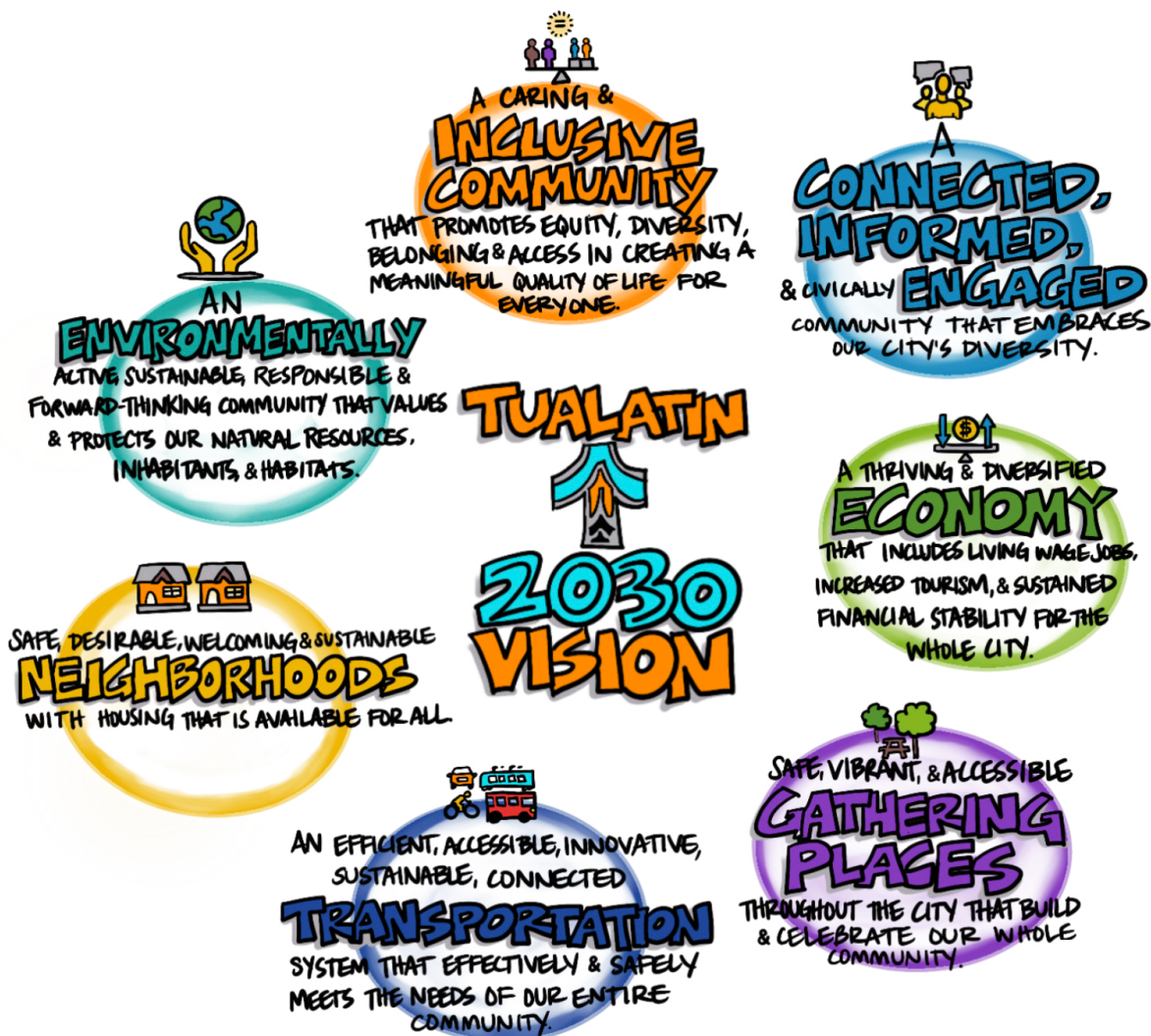
Citizen Members

Chris Brune, Chair
Alyssa Colon
Mary Dirksen
John Hannam
Elizabeth Michels
Joseph Tanous
Brittany Valli

Executive Management Team

Sherilyn Lombos, City Manager
Megan George, Deputy City Manager
Ross Hoover, Parks & Recreation Director
Don Hudson, Assistant City Manager/Finance Director
Kim McMillan, Community Development Director
Greg Pickering, Police Chief
Bates Russell, Information Services Director
Stacy Ruthrauff, Human Resources/Volunteer Services Director
Rachel Sykes, Public Works Director
Jerianne Thompson, Library Director/Equity and Inclusion Officer
Kevin McConnell, City Attorney

CITY OF TUALATIN 2030 VISION



The Tualatin City Council holds a focused goal setting workshop in odd numbered years to create a long-term vision and provide staff with priorities for shorter-term goals. Executive staff take the vision statements and high-level goals to guide work plans and priorities when completing the annual budget. Many of the goals highlighted in the Expenditures section of the budget document are guided by the Council vision and goals.

ADOPTED BUDGET HIGHLIGHTS

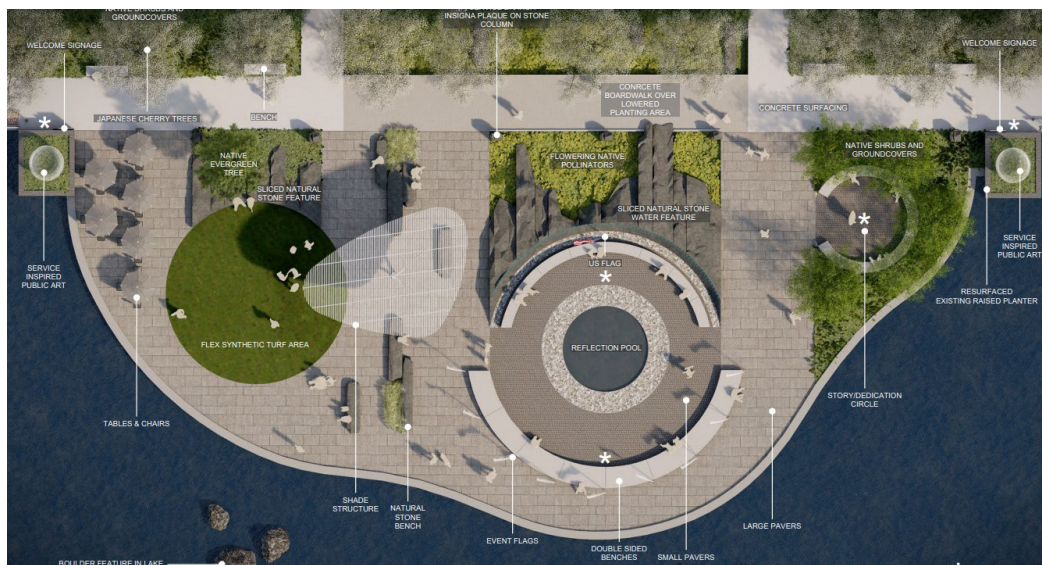
The FY 2024/25 adopted budget includes many new and continuing projects. Here are a few of the highlights:

- Completion of **Veterans Plaza, Nyberg Creek Trail design, Victoria Woods stair replacement, Little Woodrose design, Riverfront property** community engagement, **Las Casitas Park** design and construction, and **Basalt Creek** parkland planning.
- Complete construction of capital projects, including **Martinazzi Sewer Main upsizing, Siuslaw Greenway area stormwater improvements**, neighborhood transportation safety improvements around Tualatin, and sidewalk and ramp improvements to 67th and 68th Avenues.
- Complete design of the next phase of **Martinazzi sewer trunk upsizing, B-Level Reservoir and pump station**, and **stormwater improvements in the Nyberg Creek/Martinazzi area**, and begin a design of a new **B-Level Reservoir and Pump Station Generator at the Aquifer Storage and Recovery Site**.
- Develop **conceptual design plans for the 65th Avenue/Sagert Street/Borland Road and Herman Road/Cipole Road** intersection areas.

- Infrastructure planning including **updating the Transportation System Plan for multi-modal transportation** supporting Tualatin's livability and economy, and working with partners and developers planning Basalt Creek area systems.



- Community engagement is scheduled to begin on the **waterfront access property** adjacent to Tualatin Community Park.
- Design of the Nyberg Creek trail between 65th Avenue and Interstate 5 with a connection to Sagert Street
- Award one **\$1,000 Science and Technology Scholarship** in FY 2024/25
- Establish an **Unmanned Aerial System Drone** program.
- Install new on-site generator at **Norwood Pump Station**.
- Install three pieces of **public art at the Veterans Plaza**.



OBJECTIVES TIED TO COUNCIL PRIORITIES



Foster inclusivity within our community and reduce barriers to public participation by implementing an engagement incentives program

Engage youth, families and adults in volunteer programs.

Continue to broaden and deepen community engagement, including underserved communities and Tualatin's Community Involvement Organizations (CIOs).

Provide outreach through print, social, and in-person engagement to ensure all community members are aware of recreation opportunities.



Perform comprehensive analysis of existing and potential revenue streams.

Infrastructure planning including updating the Transportation System Plan for multi-modal transportation supporting Tualatin's livability and economy.



Move forward with code updates that support the City's Climate Action Plan.

Oversee environmental protection of our natural resources through flood plain management and implementation of stormwater standards.

Ensure incorporation of environmentally friendly features that value and protect natural resources, wildlife, and habitats.

Adapt and respond to Climate Action Plan recommendations involving our work.

Service operations including participation in the Strategic Energy Management program and other related initiatives to reduce energy, resource consumption and waste.

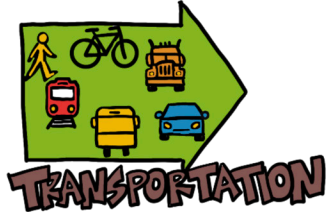
Continue Unregulated Contaminate Monitoring Rule 5 (UCMR5) testing. This is an Environmental Protection Agency program that tests for contaminants that may be regulated in the future.



Provide equitable Municipal Court services to all customers.

Adjust the Library's programming portfolio to better match community wants and needs.

Award one \$1,000 scholarship in FY 2024-2025. The Tualatin Science and Technology Scholarship recognizes high achieving Tualatin students who plan to pursue a degree in science, technology, engineering, math, or a related field at an Oregon college or university.



Provide support to the first major update to the City's Transportation System Plan since 2013.

Complete construction of capital projects, including Martinazzi Sewer Main upsizing, Siuslaw Greenway area stormwater improvements, and neighborhood transportation safety improvements around Tualatin.

Promote an efficient, accessible, and sustainable transportation system by implementing traffic improvements and coordinating projects with partner agencies to enhance design and provide better vehicle, bike and pedestrian facilities.

Make pedestrian and American with Disabilities Act improvements as part of the Pavement Maintenance Program and the newly created Neighborhood Transportation Safety Program.



Completion of Veterans Plaza, Nyberg Creek Trail design, Victoria Woods stair replacement, Little Woodrose design, Riverfront property community engagement, Las Casitas design and construction, and Basalt Creek parkland planning.

Parks system expansion using Park System Development Charges focusing on the growing Basalt Creek area.

Park improvements and projects including Ki-a-Kuts Bridge rehabilitation, Hwy 99 boat launch ramp, and Parks & Recreation Office ADA ramp.

WHERE THE MONEY COMES FROM

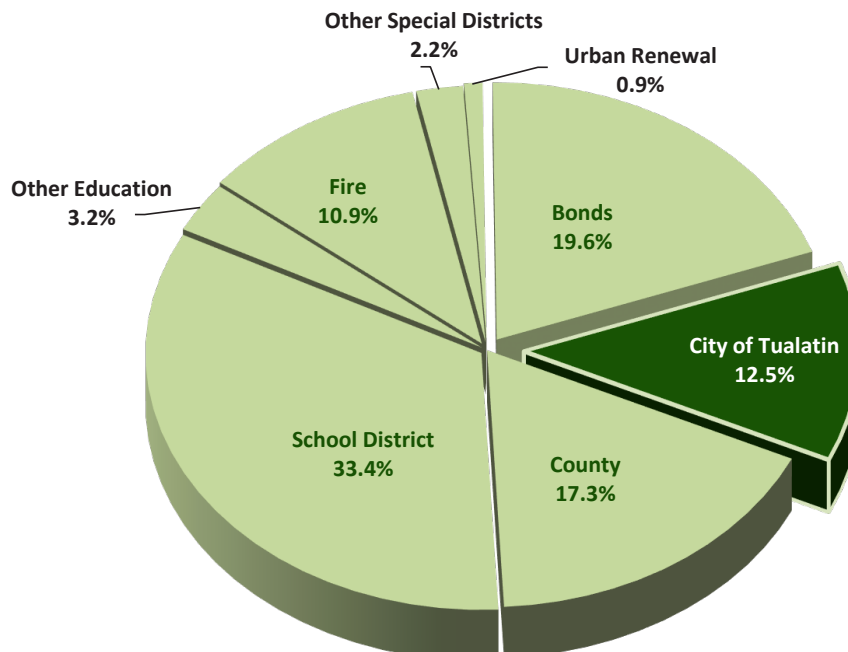
Adopted Revenues by Source

	FY 23/24	FY 24/25
Beginning Fund Balance	86,655,535	89,424,990
Property Taxes	16,957,110	17,276,340
Licenses, Permits & Fees	3,883,320	4,404,605
Intergovernmental Revenue	11,234,430	9,111,010
Charges for Service	15,409,655	17,711,625
Fines & Forfeitures	976,000	1,035,700
Fees & Charges	6,516,925	6,895,540
Transfers and Other	9,156,405	9,430,425
Investment Earnings	2,849,960	3,408,690
Total Resources	153,639,340	158,698,925

TAX COMPARISONS

City	Tax Rate
Lake Oswego	\$4.9703
Beaverton	\$4.6180
Sherwood	\$3.2975
Wilsonville	\$2.5206
Tigard	\$2.5131
Tualatin	\$2.2665
West Linn	\$2.1200

Annual property taxes are based on the assessed value, as opposed to the market value, of a property. The average Tualatin homeowner pays \$17.81 per \$1,000 of assessed value; homeowners with an assessed value of \$300,000 would pay property tax of \$5,343 annually. Of this amount, the City of Tualatin receives approximately 12.5% or \$668. The remaining is allocated to other entities, such as the County, school districts, and the fire district.



REVENUES

The City's revenues continues to show stability across all categories, except for intergovernmental revenue, where a single purpose grant that is included in the FY 2023/24 budget will be completely received and not budgeted in the FY 2024/25 budget. Total City revenues are showing an increase of 3.42%.

Property taxes make up 44.25% of the general fund revenues and 24.95% of total City revenues. Over the last number of years, our assessed value has experienced growth, increase property tax revenue. New development around the City helps increase our assessed value, while depreciating machinery and equipment in our industrial properties decrease our property tax revenue. We are budgeting for a 3% increase in this category.

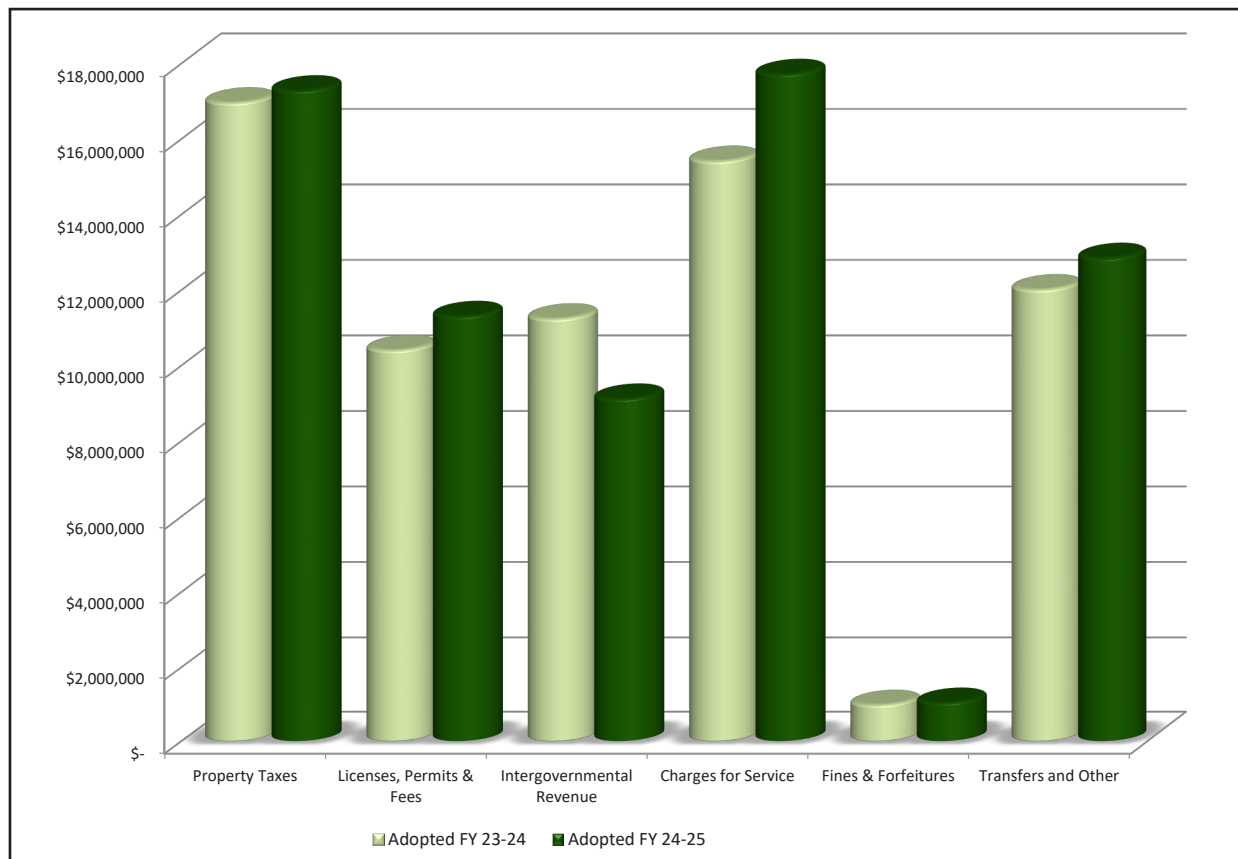
Licenses, Permits & Fees are for building development fees, business rental licenses, as well as franchise fees from utility companies for use of the City's right-of-way, and make up 16.31% of total revenues. They are expected to increase in FY 2024/25.

Intergovernmental revenues, which make up 13.15% of total revenues, include revenues received from the State of Oregon for the City's share of cigarette, liquor, marijuana and gas taxes, and for the Tualatin Public Library from the Washington County Library System and the Clackamas County Library District, as well as other miscellaneous revenues. This category is decreasing due to a grant for a FY 2023/24 trail project that is not included in the FY 2024/25 budget.

Charges for services is the largest single category in the City's revenue budget at 25.57%. Utility rate increases which are guided by the utility's master plans, account for the increases in this category.

Fines and Forfeitures which only account for 1.50% of revenue is increasing slightly in the upcoming year.

The Transfers and Others category, including investment earnings, which includes the costs of services provided to non-General Fund programs for the cost of providing services to those programs, accounts for 18.53% of total City revenues and is increasing in FY 2024/25.



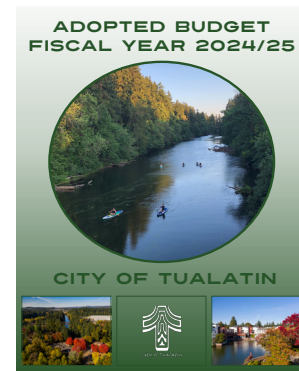
WHERE THE MONEY GOES

Adopted Requirements by Object

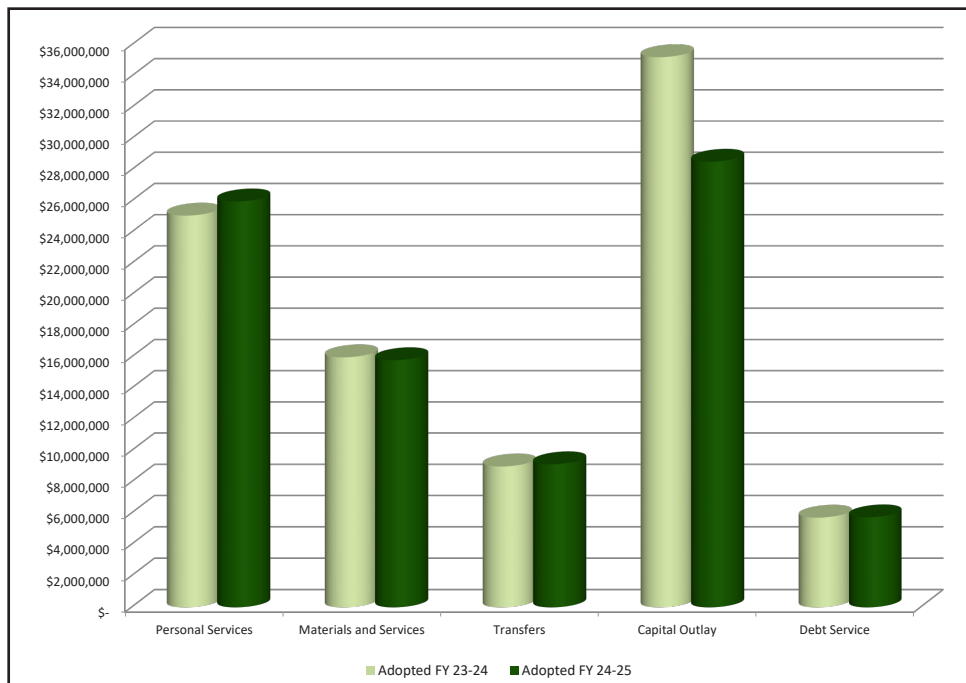
	FY 23/24	FY 24/25
Personal Services	25,069,185	25,979,815
Materials & Services	15,987,665	15,805,190
Transfers	8,992,560	9,133,835
Capital Outlay	35,226,885	28,525,585
Debt Service	5,713,305	5,733,305
Contingencies & Reserves	62,649,740	73,521,195
Total Requirements	153,639,340	158,698,925



FY 2024/25 Budget



<https://www.tualatinoregon.gov/finance/>



EXPENDITURES

The expenditure budget this fiscal year (total requirements less contingency, reserves and un-appropriated fund balances) equals **\$85,177,730** which is a 6.39 decrease from the previous year.

Personal Services make up approximately 75% of General Fund expenditures with 135 Full-time Equivalent (FTE) employees, and one third of the overall city expenditure budget with 26 additional FTE spread out amongst the Building Fund, the Water Operating Fund, the Sewer Operating Fund and the Road Operating Fund. The Street/Storm/Sewer Division is divided between the Sewer and the Road funds, with transfers from Stormwater Operating and Road Utility to cover those fund's share of personnel costs.

The General Fund Personal Services budget increased 4.35% over last year to \$22.3 million, with Personal Services in the restricted funds increasing 2.60%. This increase includes health and dental coverage increases, which are just under 10%. The Public Employees Retirement System (PERS) Board sets every two years for the biennium. FY 2024/25 is in the second year of the biennium so our contribution rate is not increasing this fiscal year, though we anticipate moderate increases in the PERS contribution rate beginning on July 1, 2025.

Materials and Services are decreasing 1.14% overall. Budget managers use diligence in absorbing increases in costs that are out of their control and do an outstanding job of managing their budgets while maintaining current services levels. Unfortunately, not all expenditure amounts are within their control, leading to an increase in expenditures of 2.01% in the General Fund. Decreased road related maintenance and new projects are behind the decreases in Materials and Services in the restricted funds and Capital Outlay citywide.

The **Capital Outlay** budget is decreasing by 19.02% in FY 2024/25 due to the completion of the Tualatin River Greenway Trail, and completion of the Tualatin Moving Forward program, but there is still funding for HVAC replacements, replacing the Police Department roof and other components in the Police Building, as well as other building updates and replacements. As part of the Parks Bond Projects Fund, the City is constructing a Veteran's Plaza, Nyberg Creek Trail, and with funding from the American Rescue Plan, the Las Casitas Park Renovation project will provide improved park amenities and recreational opportunities to a largely underserved population, as well as a trail adjacent to Plambeck Gardens, a new affordable housing development currently under construction.

TRIPLE CROWN AWARD

The City of Tualatin has been awarded the Triple Crown Award by the Government Finance Officers Association (GFOA). GFOA's Triple Crown recognizes governments who have received GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award, and the Distinguished Budget Presentation Award.



CAPITAL IMPROVEMENT PLAN

The City of Tualatin's Capital Improvement Plan (CIP) establishes, prioritizes, and plans funding for projects to improve existing, and develop new, infrastructure and facilities. The plan promotes efficient use of the City's limited financial resources, reduces costs, and assists in the coordination of public and private development.

The City's CIP is a five-year road map which identifies the major expenditures beyond routine annual operating expenses. While the CIP serves as a long-range plan, it is reviewed and revised annually. Priorities may be changed due to funding opportunities or circumstances that cause a more rapid deterioration of an asset.

Categories in the CIP include utilities, transportation, facilities and equipment, parks and recreation, and technology.



For more information on the capital improvement projects or to view the complete Capital Improvement Plan, visit our website at: <https://www.tualatinoregon.gov/engineering/capital-improvement-plan-cip>



Capital outlay for FY 2024/25 equals **\$28,525,585**. Here are a few of the projects that will be started or completed this year:

- ✓ Tualatin River Greenway Trail Extension
- ✓ Veterans Plaza
- ✓ Hwy 99 Boat Ramp
- ✓ Basalt Creek Park Land Acquisition and Site Planning
- ✓ Nyberg Creek Trail/Wetlands
- ✓ SCADA System Improvements
- ✓ Siuslaw Stormwater Quality Retrofit & 99th/Coquille
- ✓ Las Casitas Park Renovation
- ✓ Nyberg Creek Stormwater Improvements
- ✓ Martinazzi Sanitary Sewer Upsizing
- ✓ ADA Improvements/Library Lighting
- ✓ Tualatin-Sherwood Rd. Utility Relocate, Washington County Widening Project

PARKS BOND FUND UPDATE

On August 8, 2022, Tualatin City Council passed a resolution to include a parks and trails bond on the November ballot for new park investments. This bond measure authorized up to \$25,000,000 in principal amount of general obligation bonds to finance capital costs related to trails, natural areas, sports fields, parks, and river access; and is expected to include a new east-west trail corridor and public access on the Tualatin River, and parks improvements citywide. The measure passed by a 55% to 45% margin.

\$15,000,000 of the Parks general obligation bonds were sold in 2023 yielding \$ 17,346,615 for parks projects and acquisitions. The remaining \$10,000,000 are projected to be sold in 2026.

- New river access - the new riverfront property planning, community engagements, and design to begin in Spring 2025
- Athletic field upgrades at parks and schools - in collaboration with community sports organization and the school district
- Veterans Plaza construction at Tualatin Commons on the east side of the public plaza continues. Substantial completion is expected prior to West Coast Giant Pumpkin Regatta in October 2024 with project completion, including art installations in 2025.

The Park Bond playground and shelter projects, and other projects that have been completed include:

- ✓ Play equipment upgrades at Jurgens, Ibach, and Atfalati parks
- ✓ Tualatin Community Park Athletic Field Lights
- ✓ Acquired 3 acres of Riverfront Property Adjacent to Tualatin Community Park and 17 acres (3 properties acquired in Basalt Creek)

To learn more about the Parks and Trails Bond, visit <https://www.tualatinoregon.gov/recreation/web-forms/parks-and-trails-bond>

The following projects are underway:

- Nyberg Creek Trail design



Ibach Park



Proposed Tualatin Riverfront Access



Veterans Plaza

COMMUNITY - MAKING A DIFFERENCE



From serving on committees and boards that make recommendations to City Council on matters of importance to the community, suggesting ways to make our parks more convenient for everyone, attending meetings and providing input, and volunteering in many capacities, our community members make a difference by offering their time, their expertise and their ideas which make our City a great place to live, work and play.



FUN IN THE CITY



The city offers many programs for our community including the wildly popular Giant Pumpkin Regatta, Share the Love, Blender Dash, Holiday Lights, ¡VIVA Tualatin!, Juanita Pohl Center Programs, Summer Concerts, and the Library's Summer Reading Program, to name a few.

In the Library, children's reading programs, the Teen Room, and the MakerSpace are also favorites in the Community. Our Police Department offers a summer teen program and Drug Take Back Day, and our Public Works offers free bulky waste and yard debris disposal. These are just a few of the programs we offer.



TUALATIN AT A GLANCE

Incorporated in 1913



Police calls for service:
22,491

of Library items checked out: 619,378
of ebook checkouts: 195,853
new library cards: 2,449



Aa1
Moody's
Investors
Service
Bond
Rating

 **27,910*** Population

12 parks

340 acres



Traffic Signals **52**

73 Miles of
Maintained Streets

180 acres of
greenway trails and
natural areas



* 2023 Certified Population, Portland State
University Population Research Center

VOLUNTEERS IN FY 2023/24

15,115
donated volunteer hours

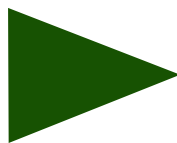
856
Total volunteers

Our community of amazing volunteers gave their time to make these places, programs and events special:

Library – 2,600 hours
Parks, Greenspaces and Trails – 3,000 hours
Summer Youth Programs – 2,900 hours
Boards & Advisory Committees – 1,500 hours
The Juanita Pohl Center – 1,800 hours
Community Events – 1,100 hours



STAY CONNECTED, INFORMED & INVOLVED



The City of Tualatin strives to keep you updated and informed of things happening in and around Tualatin that are important to our residents and businesses. Our website is updated regularly to provide the most up-to-date information. Here are other ways to stay connected, keep informed and get involved.

The City Council meets the second and fourth Monday of every month. Attend in person at Tualatin City Services (10699 SW Herman Road), watch on Cable Channel 28, or stream the meeting on our website.



Stay up-to-date with City news by subscribing to **Tualatin Today**, our monthly e-newsletter. **Tualatin Today** covers events, programs, construction, and much more.



Explore Tualatin Now! is the City's activity guide and is available on the City's website. It includes activities for kids, teens, adults and over 50's put on by the Library, Juanita Pohl Center, Heritage Center and Recreation.



Community involvement is highly valued in the City of Tualatin. The City strives to involve and inform everyone in decisions that affect our community's quality of life. The CIO (Community Involvement Organization) Program is a grass roots effort started and implemented by Tualatin residents to

improve communication with one another and with City government. To learn more about this program, or to get involved, please visit tualatincio.org.

Stay Connected by following us on social media.



Are you a Facebook user? Friend us on Facebook and stay informed with the latest City news and happening



Are you an X user? Follow us to stay informed



Check out our YouTube Channel for the latest City videos



Join us on Instagram for the latest information on events and news



Are you a Nextdoor user? Follow us on Nextdoor to stay informed



¿Hablas Español? Check out our Spanish-language Facebook Group, Somos Tualatin.



Scan this QR code to access our website.

For more information on our budget, this document, or serving on the Budget Committee, visit our website or contact the Finance Department at 503-691-3054.