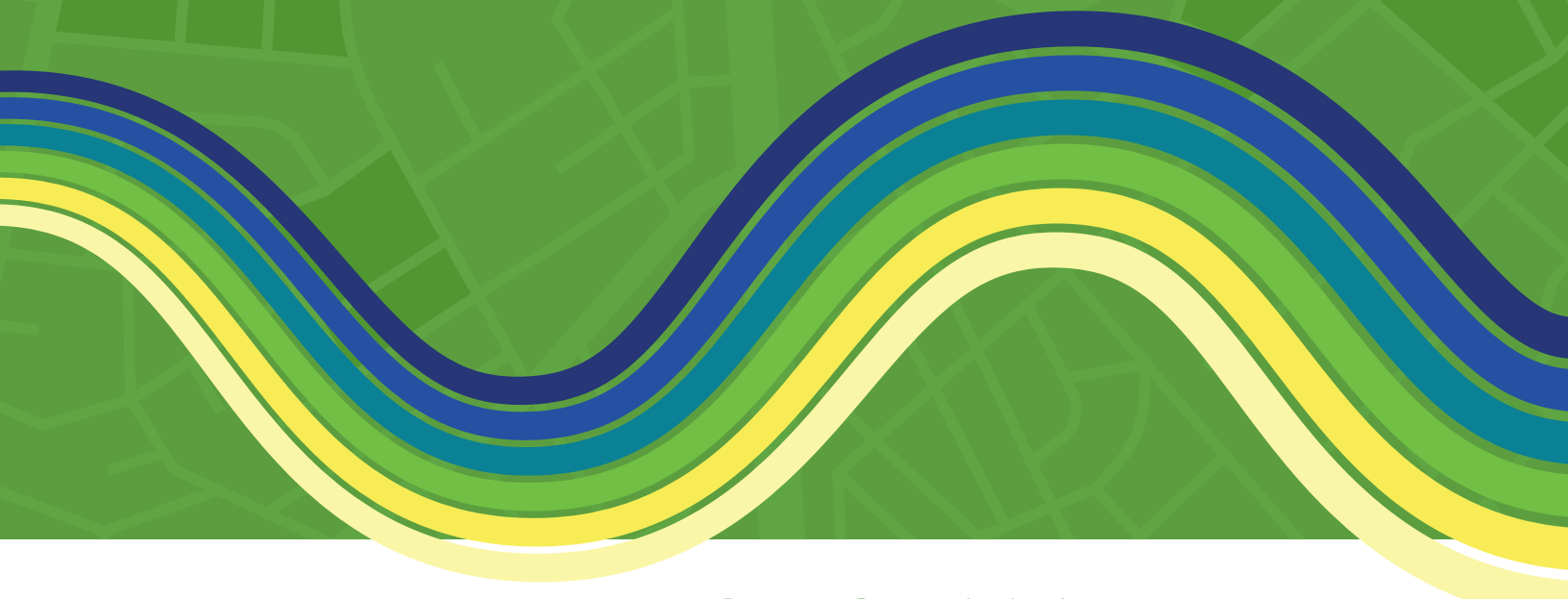


GRESHAM

Financial Road Map



JULY 2023-JUNE 2026



CITY OF GRESHAM

The Road Map

- **DURATION:** July 2023 to June 2026
- **FOCUS:** General Fund
- **SERVICES INCLUDE** Police, Fire and Emergency Services, Parks, Community Development and Livability
- **UPDATES:** Revenue targets and financial forecast reviewed annually.

What is a Financial Road Map?

Gresham’s Financial Road Map is a plan to fund a full-service City organization with the resources needed to deliver exceptional community services.

We’re at a critical turning point in Gresham. Limited by property taxes and many fees that haven’t been raised in years, the City’s budget struggles to keep up – let alone fund big dreams.

A financial road map will support the City in becoming financially stable over the next three years and charts a path to implementing the community vision identified in Gresham’s Strategic Plan.

Why is this needed?

Revenue challenges

In the 1990s, Oregon tax limitation measures capped property tax revenue. As a result, the City’s budget has not kept pace with inflation and property taxes are no longer enough to support existing services. Many fees are flat, instead of gradually increasing over time to cover rising costs.

We’ve cut costs

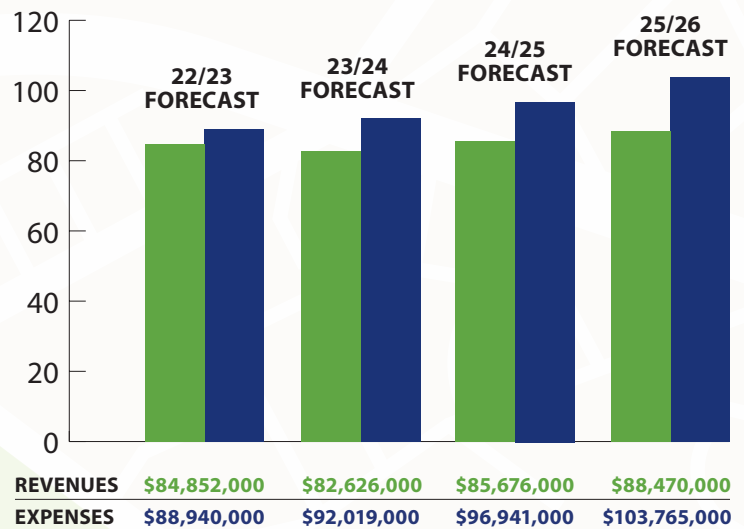
The City has worked hard to contain costs. Over two years, the City cut 31 positions, slashed costs and implemented efficiencies. The City’s third-party auditor awarded us a clean rating in our annual audit and praised the City’s strong financial management practices.

Community impact

Without additional revenue, the City will need to cut staff positions. For example, addressing the \$9.4 million gap between expenses and revenue for Fiscal Year 23/24 is comparable to laying off 30+ police officers and 20+ firefighters.

Similar size cities are operating with larger budgets and more staff, and they can provide faster response to emergencies and more services to their residents.

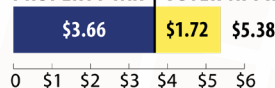
MILLIONS



Hillsboro

POPULATION 108,154
MEDIAN INCOME \$82,275

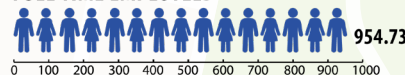
PROPERTY TAX | VOTER-APPROVED LEVY



GENERAL FUND REVENUE



FULL-TIME EMPLOYEES



Gresham

POPULATION 114,361
MEDIAN INCOME \$58,250

PROPERTY TAX



GENERAL FUND REVENUE



FULL-TIME EMPLOYEES



Three-year General Fund goal: \$28.2 million

Avoid layoffs and service reductions: Reduce deficit between expenses/revenue.

\$11.9 million

Improve service delivery: Add resources for critical services like police officers, firefighters, mental health response, houselessness support, parks maintenance.

Implement strategic plan goals: community safety, thriving economy, housing for all, community vibrancy, and financial sustainability.

\$16.3 million

How we get there: Our road map

Revenue tools

July 2023-June 2024

Operating levy (voter approval needed) | \$12.3M

City services fee | \$3M

July 2024-June 2025

City services fee increase | \$1M

Parks utility fee | \$5.5M

July 2025-June 2026

City services fee increase | \$1M

Streetlight fee | \$1.3M

Dispatch fee | \$3.1M

Indexing of fees (three year total) | \$1M

Financial stability work

2023

- **Parks and Recreation:** Begin exploring 2024 or 2025 Parks and Recreation long term funding options.

- **Naming rights:** Explore naming rights for City facilities as potential revenue tool.

- **Long term funding options:** Begin exploring alternate funding solutions, including research into special districts.

2024

- **Fire and emergency services contracts:** Prior to 2025 contract expiration, begin contract negotiations for fire and emergency services to Troutdale, Wood Village and Fairview.

2025

- **Capital needs:** Target 2025/2026 for general obligation bond for potential projects, which could include a police training facility, fire stations, community center.

Ongoing

- **Review and adjust:** Annual review of revenue targets and financial forecast.

- **Property tax reform:** Work with partners to educate voters on inequity of property tax system and advocate for reforms that positively impact Gresham.





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