

CITY OF GRESHAM



Fiscal Year 2026/27

# **INTERNAL SERVICE CHARGE MANUAL**

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## Internal Service Charges

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## Overview

### Internal Service Charges

Internal Service Funds account for the services delivered by the City's support departments to operating departments. These services are funded by Internal Service Charges (ISCs), which are collected from operating funds. Internal Service Charges are collected for the following services:

Department	Fund	Internal Service
<b>City Manager's Office</b>	Administrative Services Fund	City Administration
<b>Citywide Services</b>	Administrative Services Fund	Citywide Services General Support
	Facilities & Fleet Fund	Property Management Vehicle Maintenance Vehicle Fuels
	Equipment Replacement Fund	Vehicle & Equipment Replacement Computer Replacement
<b>Information Technology</b>	Administrative Services Fund	Information Technology
<b>Budget &amp; Finance</b>	Administrative Services Fund	Financial Services Utility Billing
<b>City Attorney's Office</b>	Legal Services Fund	Legal Services
	Liability Management Subfund	Liability Management
<b>Economic Development</b>	General Fund	Economic Development
<b>Community Livability Services</b>	General Fund	Community Livability

**NOTE:** Please refer to the *Revenue Information* and *Expenditure Information* sections of the FY 2026/27 Proposed Budget document for additional details regarding year-over-year budget comparisons.

# Overview

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## Summary

The intent of this manual is to explain the calculations behind the distribution of ISCs each year. This process requires several steps:

- Evaluate and update the drivers used to allocate the charges. These drivers are designed to approximate actual internal service use when possible.
- Identify other resources to support the internal service departments. These could include grants, interest income, or reimbursements.
- Determine the cost of the internal services to be delivered.
- Calculate the net amount that must be collected from operating departments to maintain the City's support services (other revenue subtracted from service costs).
- Allocate the remaining service costs across operating departments based on the drivers.

## Drivers

Driver data is typically based on service data from a period of time: the last completed fiscal year (in this case FY 2024/25), a single point in time (e.g., July 1), or on budgetary information for the current fiscal year (in this case FY 2025/26). For some instances, data may be based on a rolling three-year average to smooth out the impact of special projects or unusual circumstances. The Designated Purpose Fund does not pay ISCs; however, where applicable, the driver data for this fund is combined with data for the primary operating program for collection purposes. The following drivers were used to determine one or more of the ISCs for FY 2026/27:

- Size of operating budget – based on the FY 2025/26 Adopted Budget. Some items are exempt from this calculation as noted in the description of each internal service charge
- Size of payroll – based on the FY 2025/26 Adopted Budget
- FTE and LTE (full-time employee and limited-term employee equivalent) – based on the FY 2025/26 Adopted Budget
- Square footage of facilities – square footage occupied by a program area on July 1, 2025
- Number of computers – number of computers assigned to a program area on July 1, 2025
- Number of mobile devices – number of mobile devices assigned to a program area on July 1, 2025
- Number, classification, and maintenance costs (three-year average) of vehicles and equipment – assigned vehicles and equipment as of July 2025
- Fuel usage – average usage from the last three completed fiscal years
- Attorney hours – average number of hours in the last three completed fiscal years
- Property values – insured value of city-owned property as of July 2025
- Equipment replacement – number and type of vehicles and equipment and anticipated replacement costs
- Computer replacement – number and type of computers and anticipated replacement costs

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## Overview

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### Driver Changes

The drivers are updated each year to reflect the most current data available. Such updates may have an impact on the proportion collected from an individual program area for a specific support function. (Note: Since drivers are based on prior year's data, the information in this section primarily reflects changes between FY 2024/25 and FY 2025/26.)

For FY 2026/27 major changes include:

- Size of operating budget – The majority of the department budgets remained proportional, while there were decreases in Economic Development and Urban Renewal due to organizational changes, and CDBG/HOME which fluctuates based on program funding. Fire's budget increased due to contractual requirements and staffing structure, while Youth Services' budget increased due to additional grant funding. Parks increased due to Gradin Sports Complex Phase 2 coming online.
- FTE / LTE – Personnel levels remained relatively level, while a few areas increased or decreased. Increases occurred in Police due to the addition of the local option levy positions scheduled for year two, Rental Inspection due to organizational changes, Youth Services due to additional grant funding, and Parks due to the Gradin Sports Complex, and slight decreases were seen in Economic Development, Urban Renewal, Urban Design & Planning and Community Livability.
- IT – Proportions for IT drivers stayed consistent from the prior year.
- Number and classification of vehicles – Changes in drivers were primarily the result of classification adjustments and recategorization of some vehicles. Vehicle counts increased in Police, Parks, and Water.
- Vehicle insurance – Insurance costs increased slightly over FY 2024/25. Police experienced an increase due to vehicle count increases, while Fire and Stormwater experienced increases due to fleet makeup and demographics. Other areas remained proportional or saw slight decreases. This driver uses a three-year average to smooth fluctuations.
- Square Footage – Drivers have stayed consistent from FY 2025/26.
- Fuel usage – Fuel usage remained steady in most areas, except in Police which saw an increase in usage. Infrastructure Development, Building and Water, saw decreases in usage.
- Attorney hours – Increased attorney hours over the rolling three-year average caused driver increases for Community Livability. Decreased usage resulted in a lower three-year average for Fire, Urban Renewal, Infrastructure Development and Transportation.
- Property values – Property values stayed mostly consistent with years past.
- Equipment replacement – There were shifts for some programs based on additions, changes in anticipated asset life, replacement cost and other adjustments.

## Overview

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### Revenues

Specific support functions receive additional revenue from grants, interest income, or reimbursements. Changes in these revenues from year to year may influence the amount of ISCs that are collected.

For FY 2026/27 major changes include:

- Facilities & Fleet Fund – Beginning balance is anticipated to decrease slightly due to one-time capital expenses in FY 2024/25.
- Administrative Services Fund – Beginning balance is anticipated to decrease due to one-time capital expenses in FY 2024/25 and refunds to operating departments at the end of FY 2024/25.
- Equipment Replacement Fund – This fund includes anticipated transfers for internal service departments to support their portion of vehicle and equipment costs. For fiscal year 2025/26, contributions from the General Fund are being deferred and are expected to be made at year-end assuming General Fund turnback allows. It is not intended that this will impact the long-term replacement of General Fund vehicles and equipment.
- On April 18<sup>th</sup>, 2023 the Gresham City Council and Gresham Redevelopment Commission agreed to an interagency credit facility to finance Urban Renewal activities and meet the debt requirements. This overnight loan program will utilize Equipment Replacement funds. The repayment of this loan is shown in this fund in Miscellaneous Income. This arrangement has no net impact to the fund.
- Liability Management Subfund: Beginning balance increased due to lower than anticipated claims in FY 2024/25.

## Overview

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### Support Service Budgets

Operating budgets within many support service areas remained level or decreased in FY 2026/27 due to the application of a modified zero-based budgeting approach combined with a review of actual expenditures. While more details may be found in the *Central Support Funds* section of the FY 2026/27 Proposed Budget, this section highlights the significant changes.

For FY 2026/27 major changes include:

- Facilities & Fleet Management Fund: Citywide Services – The budget reflects a transfer to the Facilities Capital Fund to cover anticipated capital project costs.
- Equipment Replacement Fund – Reflects anticipated expenditures for the fiscal year, including carryover items from prior years.
- Equipment Replacement Fund – As described on the previous page, the Equipment Replacement Fund will provide an overnight loan to the Gresham Redevelopment Commission. This is budgeted as Other Requirements. This arrangement has no net impact on the fund.
- Liability Management Subfund – The budget for FY 2026/27 anticipates an increase in the premiums and fees associated with liability coverage, along with an increase in Unappropriated fund balance set aside to address anticipated upcoming needs.

## Overview

### Internal Service Charges by Fund for FY 2026/27

Fund	Property Management	Vehicle Maintenance	Vehicle Fuels	Legal Services	City Administration	Financial Services	Utility Billing
Police	870,036	801,187	327,086	501,927	1,261,297	1,338,907	-
Fire	757,859	622,257	133,664	367,642	933,993	991,464	-
Economic Development	15,908	-	-	10,716	22,679	24,074	-
Community Livability	62,121	32,480	19,474	134,805	28,101	29,830	-
Youth Services	25,847	5,289	186	-	14,849	15,763	-
Parks	320,443	237,931	45,947	59,390	110,935	117,761	-
<b>General Fund Total</b>	<b>2,052,214</b>	<b>1,699,144</b>	<b>526,357</b>	<b>1,074,480</b>	<b>2,371,854</b>	<b>2,517,799</b>	<b>-</b>
Urban Design & Planning	121,105	-	-	133,254	85,747	91,023	-
Solid Waste & Sustainability	39,382	2,645	367	12,015	31,946	33,912	-
Rental Inspection	29,821	7,934	1,353	12,356	29,220	31,017	-
Infrastructure Development	108,049	24,671	22,006	28,302	94,574	100,393	-
Streetlight	-	-	-	4,075	14,925	15,844	-
Transportation	313,696	462,719	109,429	202,671	282,647	300,039	-
CDBG/HOME	5,189	-	-	21,334	5,239	5,561	-
Building	146,648	37,025	12,951	35,569	122,393	129,924	-
Urban Renewal	18,114	-	-	43,911	25,555	198,750	-
Water	290,673	206,560	44,360	128,606	327,562	347,717	740,882
Stormwater	328,086	179,516	71,536	96,991	210,226	223,161	556,975
Wastewater	281,975	178,143	51,648	114,830	345,973	367,262	1,329,384
<b>Total Charges</b>	<b>3,734,952</b>	<b>2,798,357</b>	<b>840,007</b>	<b>1,908,394</b>	<b>3,947,861</b>	<b>4,362,402</b>	<b>2,627,241</b>

### Internal Service Charges by Department for FY 2026/27

Department	Property Management	Vehicle Maintenance	Vehicle Fuels	Legal Services	City Administration	Financial Services	Utility Billing
Police	870,036	801,187	327,086	501,927	1,261,297	1,338,907	-
Fire	757,859	622,257	133,664	367,642	933,993	991,464	-
Urban Renewal	18,114	-	-	43,911	25,555	198,750	-
Urban Design & Planning	121,105	-	-	133,254	85,747	91,023	-
CDBG/HOME	5,189	-	-	21,334	5,239	5,561	-
<b>Urban Design &amp; Planning</b>	<b>126,294</b>	<b>-</b>	<b>-</b>	<b>154,588</b>	<b>90,986</b>	<b>96,584</b>	<b>-</b>
Community Development	146,648	37,025	12,951	35,569	122,393	129,924	-
Economic Development	15,908	-	-	10,716	22,679	24,074	-
General Fund	62,121	32,480	19,474	134,805	28,101	29,830	-
Rental Inspection	29,821	7,934	1,353	12,356	29,220	31,017	-
<b>Community Livability</b>	<b>91,942</b>	<b>40,414</b>	<b>20,827</b>	<b>147,161</b>	<b>57,321</b>	<b>60,847</b>	<b>-</b>
Youth Services	25,847	5,289	186	-	14,849	15,763	-
Parks	320,443	237,931	45,947	59,390	110,935	117,761	-
Solid Waste & Sustainability	39,382	2,645	367	12,015	31,946	33,912	-
Infrastructure Development	108,049	24,671	22,006	28,302	94,574	100,393	-
Streetlight	-	-	-	4,075	14,925	15,844	-
Transportation	313,696	462,719	109,429	202,671	282,647	300,039	-
Water	290,673	206,560	44,360	128,606	327,562	347,717	740,882
Stormwater	328,086	179,516	71,536	96,991	210,226	223,161	556,975
Wastewater	281,975	178,143	51,648	114,830	345,973	367,262	1,329,384
<b>Environmental Services</b>	<b>1,361,861</b>	<b>1,054,254</b>	<b>299,346</b>	<b>587,490</b>	<b>1,307,853</b>	<b>1,388,328</b>	<b>2,627,241</b>
<b>Total Charges</b>	<b>3,734,952</b>	<b>2,798,357</b>	<b>840,007</b>	<b>1,908,394</b>	<b>3,947,861</b>	<b>4,362,402</b>	<b>2,627,241</b>

## Overview

Information Technology	Citywide Services	General Support	Liability Management	Economic Development	Community Livability	Equipment Replacement	Computer Replacement	Total
3,303,633	1,345,973	70,864	1,244,716	-	-	-	277,349	<b>11,342,975</b>
1,846,147	996,696	52,474	802,045	-	-	-	43,247	<b>7,547,488</b>
58,299	24,201	1,274	14,280	-	-	-	3,227	<b>174,658</b>
204,048	29,988	1,579	28,956	-	-	-	9,682	<b>581,064</b>
58,299	15,846	834	12,296	-	-	-	807	<b>150,016</b>
233,198	118,382	6,233	134,071	-	-	-	4,518	<b>1,388,809</b>
<b>5,703,624</b>	<b>2,531,086</b>	<b>133,258</b>	<b>2,236,364</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338,830</b>	<b>21,185,010</b>
301,213	91,503	4,817	55,136	22,845	40,483	-	20,937	<b>968,063</b>
87,449	34,091	1,795	21,420	8,511	15,082	3,000	2,420	<b>294,035</b>
106,882	31,181	1,642	21,420	7,785	13,796	14,000	4,841	<b>313,248</b>
340,080	100,923	5,313	70,605	25,197	44,651	70,000	33,080	<b>1,067,844</b>
-	15,927	839	41,253	3,977	7,047	-	-	<b>103,887</b>
757,892	301,622	15,880	282,818	-	-	787,000	40,664	<b>3,857,077</b>
19,433	5,590	294	3,173	1,396	2,473	-	807	<b>70,489</b>
427,529	130,609	6,876	100,751	32,609	57,786	58,000	20,372	<b>1,319,042</b>
38,866	27,270	1,436	21,420	6,809	12,065	-	1,614	<b>395,810</b>
660,726	349,552	18,403	320,104	87,273	154,653	349,000	40,018	<b>4,066,089</b>
641,293	224,339	11,811	183,653	56,011	99,255	484,000	35,030	<b>3,401,883</b>
631,577	369,199	19,438	608,475	92,178	163,346	705,000	28,387	<b>5,286,815</b>
<b>9,716,564</b>	<b>4,212,892</b>	<b>221,802</b>	<b>3,966,592</b>	<b>344,591</b>	<b>610,637</b>	<b>2,470,000</b>	<b>567,000</b>	<b>42,329,292</b>

Information Technology	Citywide Services	General Support	Liability Management	Economic Development	Community Livability	Equipment Replacement	Computer Replacement	Total
3,303,633	1,345,973	70,864	1,244,716	-	-	-	277,349	<b>11,342,975</b>
1,846,147	996,696	52,474	802,045	-	-	-	43,247	<b>7,547,488</b>
38,866	27,270	1,436	21,420	6,809	12,065	-	1,614	<b>395,810</b>
301,213	91,503	4,817	55,136	22,845	40,483	-	20,937	<b>968,063</b>
19,433	5,590	294	3,173	1,396	2,473	-	807	<b>70,489</b>
320,646	97,093	5,111	58,309	24,241	42,956	-	21,744	<b>1,038,552</b>
427,529	130,609	6,876	100,751	32,609	57,786	58,000	20,372	<b>1,319,042</b>
58,299	24,201	1,274	14,280	-	-	-	3,227	<b>174,658</b>
204,048	29,988	1,579	28,956	-	-	-	9,682	<b>581,064</b>
106,882	31,181	1,642	21,420	7,785	13,796	14,000	4,841	<b>313,248</b>
310,930	61,169	3,221	50,376	7,785	13,796	14,000	14,523	<b>894,312</b>
58,299	15,846	834	12,296	-	-	-	807	<b>150,016</b>
233,198	118,382	6,233	134,071	-	-	-	4,518	<b>1,388,809</b>
87,449	34,091	1,795	21,420	8,511	15,082	3,000	2,420	<b>294,035</b>
340,080	100,923	5,313	70,605	25,197	44,651	70,000	33,080	<b>1,067,844</b>
-	15,927	839	41,253	3,977	7,047	-	-	<b>103,887</b>
757,892	301,622	15,880	282,818	-	-	787,000	40,664	<b>3,857,077</b>
660,726	349,552	18,403	320,104	87,273	154,653	349,000	40,018	<b>4,066,089</b>
641,293	224,339	11,811	183,653	56,011	99,255	484,000	35,030	<b>3,401,883</b>
631,577	369,199	19,438	608,475	92,178	163,346	705,000	28,387	<b>5,286,815</b>
3,119,017	1,395,653	73,479	1,528,328	273,147	484,034	2,398,000	179,599	<b>18,077,630</b>
<b>9,716,564</b>	<b>4,212,892</b>	<b>221,802</b>	<b>3,966,592</b>	<b>344,591</b>	<b>610,637</b>	<b>2,470,000</b>	<b>567,000</b>	<b>42,329,292</b>

# Facilities & Fleet Management Fund

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## Service Description

Facilities Management oversees the repair and maintenance of City facilities, keeping them functional and safe while minimizing deterioration. The program area also provides City Hall reception, scheduling of building events, and on-call emergency response support for facilities, janitorial services, grounds maintenance, and building security. This fund also collects for debt service related to City facilities.

Fleet Management provides repair and maintenance to the City’s fleet, including emergency response vehicles for public safety. This fund also consolidates fueling costs of all City vehicles.

## Service Outcomes

- Ensure City facilities are well-maintained to provide the public and City staff a safe, clean, and aesthetically pleasing environment for conducting city business.
- Properly service vehicles for a functional and safe fleet to deliver City services.

## Drivers

Internal Service Charges based on:

- Square footage & FTE / LTE – Property Management
- Number, classification, and maintenance costs (three-year average) of vehicles – Vehicle Maintenance
- Fuel usage (three-year average) – Fuel

### Fund Summary

Resources	
Intergovernmental	125,000
Miscellaneous Income	255,300
Internal Payments	150,000
Interfund Transfers	319,000
Internal Service Charges	7,373,316
Beginning Balance	1,309,000
<b>Total Resources</b>	<b><u>9,531,616</u></b>
Requirements	
Facilities & Fleet Mgmt	7,938,616
Interfund Transfers	896,000
Contingency	697,000
<b>Total Requirements</b>	<b><u>9,531,616</u></b>

### ISC Collections

<b>Property Management</b>		
General Fund		
Police	23.3%	870,036
Fire	20.3%	757,859
Economic Development	0.4%	15,908
Community Livability	1.7%	62,121
Youth Services	0.7%	25,847
Parks	8.6%	320,443
Urban Design & Planning	3.2%	121,105
Solid Waste & Sustainability	1.1%	39,382
Rental Inspection	0.8%	29,821
Infrastructure Development	2.9%	108,049
Transportation	8.4%	313,696
CDBG/HOME	0.1%	5,189
Building	3.9%	146,648
Urban Renewal	0.5%	18,114
Water	7.8%	290,673
Stormwater	8.8%	328,086
Wastewater	7.5%	281,975
	<u>100.0%</u>	<u>3,734,952</u>

## Facilities & Fleet Management Fund

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### **Vehicle Maintenance**

General Fund		
Police	28.6%	801,187
Fire	22.2%	622,257
Community Livability	1.2%	32,480
Youth Services	0.2%	5,289
Parks	8.5%	237,931
Solid Waste & Sustainability	0.1%	2,645
Rental Inspection	0.3%	7,934
Infrastructure Development	0.9%	24,671
Transportation	16.5%	462,719
Building	1.3%	37,025
Water	7.4%	206,560
Stormwater	6.4%	179,516
Wastewater	6.4%	178,143
	100.0%	2,798,357

### **Vehicle Fuel**

General Fund		
Police	38.9%	327,086
Fire	15.9%	133,664
Community Livability	2.3%	19,474
Youth Services	0.0%	186
Parks	5.5%	45,947
Solid Waste & Sustainability	0.0%	367
Rental Inspection	0.2%	1,353
Infrastructure Development	2.6%	22,006
Transportation	13.0%	109,429
Building	1.5%	12,951
Water	5.3%	44,360
Stormwater	8.5%	71,536
Wastewater	6.1%	51,648
	100.0%	840,007

# Legal Services Fund

## Service Description

The City Attorney’s Office identifies, anticipates, and responds to the legal needs of the City by providing high quality, timely, and cost-effective legal services. Services are provided to the City Council, City commissions, committees, and task forces, the City Manager, as well as all departments. Services include legal advice and opinions; creation, review, and approval of all written contracts and legal documents; preparation of ordinances, resolutions, and other documents requiring Council action; defense and representation of City officers and employees; prosecution of legal actions as directed by Council; citywide legal training; and supervision of outside counsel.

## Service Outcomes

- Practice preventative law in the opinions offered and the projects undertaken.
- Pursue creative solutions to meet the changing needs of the organization and the diverse requirements of Council, staff, and residents.

## Drivers

Internal Service Charges are based on:

- Attorney hours
- Size of operating budget – Utility license fees, Urban Flood Safety fees, CDBG/HOME projects, and Urban Renewal Grant Program appropriations are exempt from this calculation.

<u>Fund Summary</u>		<u>ISC Collections</u>		
Resources		<b>Legal Services</b>		
Internal Service Charges	1,908,394	General Fund		
Beginning Balance	300,000	Police	26.3%	501,927
<b>Total Resources</b>	<b><u>2,208,394</u></b>	Fire	19.3%	367,642
		Economic Development	0.6%	10,716
		Community Livability	7.1%	134,805
		Youth Services	0.0%	-
		Parks	3.1%	59,390
Requirements		Urban Design & Planning	7.0%	133,254
City Attorney's Office	1,920,394	Solid Waste & Sustainability	0.6%	12,015
Contingency	288,000	Rental Inspection	0.6%	12,356
<b>Total Requirements</b>	<b><u>2,208,394</u></b>	Infrastructure Development	1.5%	28,302
		Streetlight	0.2%	4,075
		Transportation	10.6%	202,671
		CDBG/HOME	1.1%	21,334
		Building	1.9%	35,569
		Urban Renewal	2.3%	43,911
		Water	6.7%	128,606
		Stormwater	5.1%	96,991
		Wastewater	6.0%	114,830
			<u>100.0%</u>	<u>1,908,394</u>

# Administrative Services Fund

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## Service Description

Administrative Service functions provide centralized management, technology-based infrastructure, administrative, and financial services to all City departments. The staff of Administrative Services guide governance and policy development, ensure internal compliance, provide technology services, and perform public communication services. These services are provided by:

- City Administration – Consists of governance and policy development, including City Council support and City Management functions
- Citywide Services – Includes Human Resources, Communications and Community Engagement
- Financial Services – Provides accounting, payroll, purchasing, accounts payable, accounts receivable, budget, and financial planning services for all City functions as well as utility billing for water, stormwater, and wastewater
- General Support Services – Includes unemployment insurance and general postage
- Information Technology – Provides user support, network services, core business systems, computing security, telecommunications, website development, and applications support, and Geographic Information Systems

## Service Outcomes

- Manage public resources responsibly to earn and maintain public trust and build better communities for the residents and visitors of the City.
- Administer public policy to promote Council and community goals, fiscal sustainability, and a safe environment.
- Recruit, develop, and retain a diverse and well-trained workforce that is responsive to community needs.
- Provide and maintain reliable technology-based infrastructure and projects essential for the daily operations of the City.

## Drivers

Internal Service Charges generally based on:

- Size of operating budget – Utility license fees, Urban Flood Safety fees, CDBG/HOME projects, and Urban Renewal Grant Program appropriations are exempt from this calculation.

Internal Service Charges for Information Technology Services based on:

- Number of computers
- FTE / LTE
- Number of mobile devices

Internal Service Charges for Utility Billing are based on an agreement with the Department of Environmental Services.

# Administrative Services Fund

## Fund Summary

### Resources

Intergovernmental	50,000
Charges for Service	60,000
Miscellaneous Income	209,000
Internal Payments	1,740,000
Interfund Transfers	1,093,000
Internal Service Charges	25,088,762
Beginning Balance	2,322,000
<b>Total Resources</b>	<b><u>30,562,762</u></b>

### Requirements

Office of Governance & Mgmt	4,083,737
Budget & Finance	9,492,150
Information Technology	10,399,499
Citywide Services	4,531,376
Interfund Transfers	673,000
Contingency	883,000
Unappropriated	500,000
<b>Total Requirements</b>	<b><u>30,562,762</u></b>

## ISC Collections

### City Administration

General Fund		
Police	31.9%	1,261,297
Fire	23.7%	933,993
Economic Development	0.6%	22,679
Community Livability	0.7%	28,101
Youth Services	0.4%	14,849
Parks	2.8%	110,935
Urban Design & Planning	2.2%	85,747
Solid Waste & Sustainability	0.8%	31,946
Rental Inspection	0.7%	29,220
Infrastructure Development	2.4%	94,574
Streetlight	0.4%	14,925
Transportation	7.2%	282,647
CDBG/HOME	0.1%	5,239
Building	3.1%	122,393
Urban Renewal	0.6%	25,555
Water	8.3%	327,562
Stormwater	5.3%	210,226
Wastewater	8.8%	345,973
	<b>100.0%</b>	<b><u>3,947,861</u></b>

### Financial Services

General Fund		
Police	30.7%	1,338,907
Fire	22.7%	991,464
Economic Development	0.6%	24,074
Community Livability	0.7%	29,830
Youth Services	0.4%	15,763
Parks	2.7%	117,761
Urban Design & Planning	2.1%	91,023
Solid Waste & Sustainability	0.8%	33,912
Rental Inspection	0.7%	31,017
Infrastructure Development	2.3%	100,393
Streetlight	0.4%	15,844
Transportation	6.9%	300,039
CDBG/HOME	0.1%	5,561
Building	3.0%	129,924
Urban Renewal	4.6%	198,750
Water	8.0%	347,717
Stormwater	5.1%	223,161
Wastewater	8.4%	367,262
	<b>100.0%</b>	<b><u>4,362,402</u></b>

### Utility Billing

Water	28.2%	740,882
Stormwater	21.2%	556,975
Wastewater	50.6%	1,329,384
	<b>100.0%</b>	<b><u>2,627,241</u></b>

## Administrative Services Fund

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### *Information Technology*

General Fund		
Police	34.0%	3,303,633
Fire	19.0%	1,846,147
Economic Development	0.6%	58,299
Community Livability	2.1%	204,048
Youth Services	0.6%	58,299
Parks	2.4%	233,198
Urban Design & Planning	3.1%	301,213
Solid Waste & Sustainability	0.9%	87,449
Rental Inspection	1.1%	106,882
Infrastructure Development	3.5%	340,080
Transportation	7.8%	757,892
CDBG/HOME	0.2%	19,433
Building	4.4%	427,529
Urban Renewal	0.4%	38,866
Water	6.8%	660,726
Stormwater	6.6%	641,293
Wastewater	6.5%	631,577
	<u>100.0%</u>	<u>9,716,564</u>

### *General Support*

General Fund		
Police	31.9%	70,864
Fire	23.7%	52,474
Economic Development	0.6%	1,274
Community Livability	0.7%	1,579
Youth Services	0.4%	834
Parks	2.8%	6,233
Urban Design & Planning	2.2%	4,817
Solid Waste & Sustainability	0.8%	1,795
Rental Inspection	0.7%	1,642
Infrastructure Development	2.4%	5,313
Streetlight	0.4%	839
Transportation	7.2%	15,880
CDBG/HOME	0.1%	294
Building	3.1%	6,876
Urban Renewal	0.6%	1,436
Water	8.3%	18,403
Stormwater	5.3%	11,811
Wastewater	8.8%	19,438
	<u>100.0%</u>	<u>221,802</u>

### *Citywide Services*

General Fund		
Police	31.9%	1,345,973
Fire	23.7%	996,696
Economic Development	0.6%	24,201
Community Livability	0.7%	29,988
Youth Services	0.4%	15,846
Parks	2.8%	118,382
Urban Design & Planning	2.2%	91,503
Solid Waste & Sustainability	0.8%	34,091
Rental Inspection	0.7%	31,181
Infrastructure Development	2.4%	100,923
Streetlight	0.4%	15,927
Transportation	7.2%	301,622
CDBG/HOME	0.1%	5,590
Building	3.1%	130,609
Urban Renewal	0.6%	27,270
Water	8.3%	349,552
Stormwater	5.3%	224,339
Wastewater	8.8%	369,199
	<u>100.0%</u>	<u>4,212,892</u>

# Liability Management Subfund

## Service Description

The Liability Management Subfund (part of the Workers' Compensation and Liability Management Fund) is responsible for managing liability claims and costs, loss control, safety issues, and supervising outside insurance counsel. The City is insured for most property, casualty, and liability losses, therefore the primary costs associated with the fund relate to insurance premiums. Requirements include staffing to administer the program. Unanticipated, underinsured, and unfunded liabilities are funded as liability reserves.

## Service Outcomes

- Purchase insurance coverage to meet property, casualty, and liability losses consistent with industry standards and the parameters approved by the City Council.
- Manage liability claims and costs.
- Provide high quality and cost-effective risk management services to the City, Council, and staff.

## Drivers

Internal Service Charges are based on three drivers:

- Size of operating budget – Utility license fees, Urban Flood Safety fees, CDBG/HOME projects, and Urban Renewal Grant Program appropriations are exempt from this calculation.
- Rolling three-year average of vehicle insurance costs
- Property values

### Program Summary

Resources	
Miscellaneous Income	97,300
Internal Service Charges	3,966,592
Beginning Balance	3,816,000
<b>Total Resources</b>	<b><u>7,879,892</u></b>

Requirements	
City Attorney's Office	4,181,892
Interfund Transfers	-
Contingency	289,000
Unappropriated	3,409,000
<b>Total Requirements</b>	<b><u>7,879,892</u></b>

### ISC Collections

#### *Liability Management*

General Fund		
Police	31.4%	1,244,716
Fire	20.2%	802,045
Economic Development	0.4%	14,280
Community Livability	0.7%	28,956
Youth Services	0.3%	12,296
Parks	3.4%	134,071
Urban Design & Planning	1.4%	55,136
Solid Waste & Sustainability	0.5%	21,420
Rental Inspection	0.5%	21,420
Infrastructure Development	1.8%	70,605
Streetlight	1.0%	41,253
Transportation	7.1%	282,818
CDBG/HOME	0.1%	3,173
Building	2.5%	100,751
Urban Renewal	0.5%	21,420
Water	8.1%	320,104
Stormwater	4.6%	183,653
Wastewater	15.3%	608,475
	<u>100.0%</u>	<u>3,966,592</u>

Note: This table reflects the Liability Management subfund, not the entire Workers' Compensation & Liability Management Fund.

## Economic Development

### Service Description

Economic Development provides a coordinated effort for Gresham that will generate community wealth, foster regional links, support quality educational opportunities, and create a balanced and diverse traded sector industry base that provides living wage jobs and a full range of community services. Services include business retention and expansion, business recruitment, business assistance and customer service, development assistance, and grant/incentive management. Economic Development provides direction to manufacturers regarding industry growth and vitality by connecting them with business assistance resources available within the community. This division also arranges meetings for business clients, matching them with key staff to address regulatory issues before construction begins, and finding solutions to help them complete their projects on time and cost-effectively.

Economic Development also encompasses Commercial Business and Development and the Small Business Center. This division helps attract and support new commercial ventures, including small businesses and larger development projects. Providing outreach and assistance to the business community allows more Gresham storefronts to be filled with thriving enterprises.

### Service Outcomes

- Grow the economic base by responding to leads from businesses interested in placing roots in Gresham.
- Enhance collaboration with and support of Gresham businesses and attract commercial development.

## Community Livability

### Service Description

This division provides Code Compliance Services and Homeless Services program administration. The Code Compliance team investigates complaints involving severe and complex violations of the City's Revised Code and Community Development Code. This division maintains enforcement fairness via field investigations, documentation, enforcement process, and final closure with complainants and violators.

### Service Outcomes

- Ensure a safe environment in the City of Gresham.

# General Fund

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## Drivers

Internal Service Charges based on:

- Size of operating budget – Utility license fees, Urban Flood Safety fees, CDBG/HOME projects, and Urban Renewal Grant Program appropriations are exempt for this calculation.

### Program Summary

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Resources	
General Fund Support	1,751,768
Internal Service Charges	955,228
<b>Total Resources</b>	<b><u>2,706,996</u></b>
Requirements	
Economic Development	976,528
Community Livability	1,730,468
<b>Total Requirements</b>	<b><u>2,706,996</u></b>

### ISC Collections

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#### *Economic Development Services*

Urban Design & Planning	6.6%	22,845
Solid Waste & Sustainability	2.5%	8,511
Rental Inspection	2.3%	7,785
Infrastructure Development	7.3%	25,197
Streetlight	1.2%	3,977
CDBG/HOME	0.4%	1,396
Building	9.5%	32,609
Urban Renewal	2.0%	6,809
Water	25.3%	87,273
Stormwater	16.3%	56,011
Wastewater	26.7%	92,178
	<b><u>100.0%</u></b>	<b><u>344,591</u></b>

#### *Community Services*

Urban Design & Planning	6.6%	40,483
Solid Waste & Sustainability	2.5%	15,082
Rental Inspection	2.3%	13,796
Infrastructure Development	7.3%	44,651
Streetlight	1.2%	7,047
CDBG/HOME	0.4%	2,473
Building	9.5%	57,786
Urban Renewal	2.0%	12,065
Water	25.3%	154,653
Stormwater	16.3%	99,255
Wastewater	26.8%	163,346
	<b><u>100.0%</u></b>	<b><u>610,637</u></b>

# Equipment Replacement Fund

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## Service Description

The Equipment Replacement Fund contains funds collected for future replacement of city-owned vehicles and equipment. Purchases that add new equipment to the City’s assets are authorized and funded through the annual budget process. After new purchases are acquired, the vehicles and equipment are added to the replacement schedule. Replacement costs are determined and collected over the life of the asset.

## Service Outcomes

- Manage public resources responsibly by replacing vehicles and equipment when required to ensure city services are provided safely and effectively.

## Drivers

Internal Service Charges based on:

- Equipment Replacement Schedule – Vehicles and equipment
- Computer Replacement Schedule – Computers and servers

### Fund Summary

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Resources	
Miscellaneous Income	8,389,000
Interfund Transfers	107,000
Internal Service Charges	3,037,000
Beginning Balance	28,927,000
<b>Total Resources</b>	<b><u>40,460,000</u></b>
Requirements	
Citywide Services	12,397,000
Other Requirements	7,955,000
Unappropriated	20,108,000
<b>Total Requirements</b>	<b><u>40,460,000</u></b>

### ISC Collections

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<b>Vehicle &amp; Equipment Replacement</b>	
General Fund	
Police *	-
Fire *	-
Community Livability *	-
Youth Services*	-
Parks*	-
Solid Waste & Sustainability	3,000
Rental Inspection	14,000
Infrastructure Development	70,000
Transportation	787,000
Building	58,000
Water	349,000
Stormwater	484,000
Wastewater	705,000
	<u>2,470,000</u>

\* For fiscal year 2026/27, contributions from the General Fund will be deferred and are expected to be made at year-end assuming General Fund turnback allows.

## Equipment Replacement Fund

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### *Computer Replacement*

General Fund	
Police	277,349
Fire	43,247
Economic Development	3,227
Community Livability	9,682
Youth Services	807
Parks	4,518
Urban Design & Planning	20,937
Solid Waste & Sustainability	2,420
Rental Inspection	4,841
Infrastructure Development	33,080
Transportation	40,664
CDBG/HOME	807
Building	20,372
Urban Renewal	1,614
Water	40,018
Stormwater	35,030
Wastewater	28,387
	<hr/>
	567,000
	<hr/>