CITY OF GRESHAM



Fiscal Year 2026/27

BUDGET IN BRIEF

To our Gresham Community,

Welcome to the 2026-27 Budget in Brief, an easy-to-read look at how the City of Gresham invests your tax dollars in the services, infrastructure, parks and projects that help our community thrive.

As stewards of the public's resources, we are committed to making thoughtful, responsible, and transparent financial decisions. The budget serves as our roadmap for the year ahead, and the Budget in Brief is designed to help you see where your money goes, understand our priorities, and stay informed about the work we're doing together.

Inside, you'll find highlights of the financial investments shaping Gresham today, including the voter-approved Fire and Police Levy that added more firefighters and police officers to help keep our neighborhoods safe. You'll also learn about the $3.8 million in federal funding your City secured to support projects that will revitalize Main City Park, expand youth violence prevention services, enhance emergency response through a new Real-Time Information Center, and upgrade the Gresham Wastewater Treatment Plant to better protect our local waterways.

We encourage you to visit the Fire and Police Levy section inside to see how your support of the 2024 levy is strengthening emergency services and helping meet the needs of our growing community. You can also stay up to date on levy progress at GreshamOregon.gov/Fire-and-Police-Levy.

Want more detailed budget information on the full 2026-27 budget? Visit GreshamOregon.gov/Budget or call 503-618-2445 to request a printed copy of the budget.

Thank you for your continued support and engagement with the City of Gresham.

Sincerely,



Travis Stovall, Mayor



Teresa Carr, City Manager

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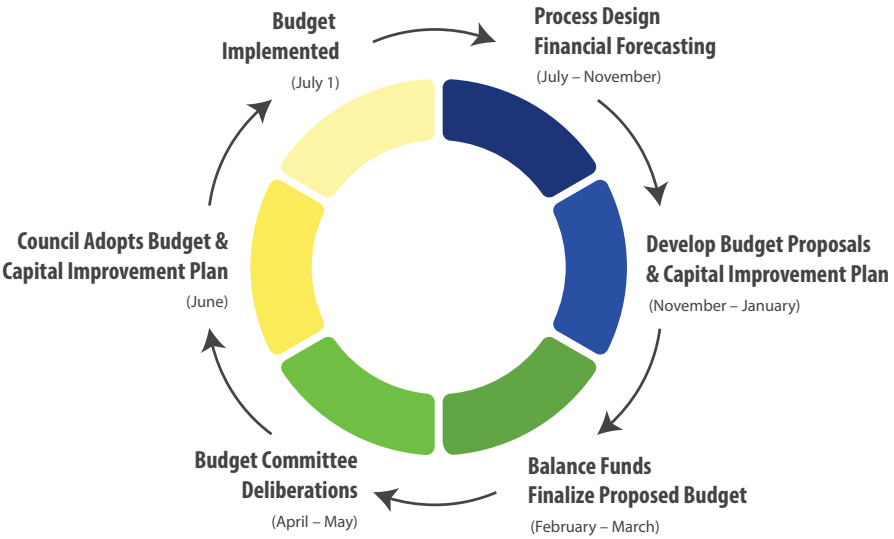
Ellen Van Riper — CAOMail@GreshamOregon.gov

MY GRESHAM - AT YOUR SERVICE

Ask a question or submit non-emergency service requests to the City anytime, anywhere. Fix a pothole, remove graffiti, report a broken streetlight and more. Download the mobile app free from the Apple App Store and Google Play or report an issue online at GreshamOregon.gov/My-Gresham.

HOW GRESHAM BUILDS ITS BUDGET

From financial forecasts to City Council approval, here's how Gresham plans for the year ahead



The process followed in the preparation of the budget complies with Oregon Local Budget Law established by Oregon Revised Statutes. City management seeks and welcomes public input, participation and deliberation throughout the process. Budget Committee meetings are open to the public and are advertised on our website and in Gresham's local newspaper, *The Outlook*.

City departments work with the Budget and Financial Planning Division to compile their budget requests and capital projects information between November and March of each year.

During this same time frame, revenue and expenditure forecasts are reviewed. Then, all of this information is reviewed by the City management, compiled and presented to the Budget Committee as the Proposed Budget. After reviewing and deliberating over the Proposed Budget, the Budget Committee forwards their recommendation to the City Council as the Approved Budget. After the public hearing, the Council adopts the budget in late June. The Adopted Budget becomes effective on July 1. The final Adopted Budget is available on the City's website and in hard copy upon request.

HOW THE CITY MANAGES YOUR MONEY

The City's budget is organized into separate funds. A fund is a means to separately track and account for financial information and to demonstrate that revenues and expenditures are balanced. The fund records the receipt of specific revenues and tracks related expenditures. The use of separate funds allows for greater management, tracking and oversight of specific funding sources related to programs, projects and activities. This, in turn, allows for timely access to information needed for decision-making and helps ensure accountability and appropriate use of specific revenues.

Gresham is a full service city that provides a wide range of services to its citizens. Using separate funds to account for services such as water, transportation or building inspections helps to ensure that money is being spent for the authorized purpose for which it is collected.

KEY INVESTMENTS IN GRESHAM'S FUTURE

The fiscal year 2026/27 budget continues investments that support public safety, infrastructure, and community growth while keeping a close eye on costs. The voter-approved Fire and Police Levy funding adds police officers and firefighters, helping maintain emergency response services and keeping the community safe.

The budget also includes targeted investments in technology, equipment and facility security to improve City services.

To manage rising costs, the City reviewed spending line by line and reduced materials and supply expenses by $1.9 million compared to last year. This careful budgeting creates a stronger financial foundation and helps ensure taxpayer dollars are used efficiently. While these reductions improve long-term sustainability, they also leave the City with less flexibility for unexpected needs during the year.

The budget also supports major projects that strengthen Gresham's future. Federal grant funding helps expand youth violence prevention programs, improves public safety technology, upgrades Main City Park and enhances wastewater treatment. The City also completed the Cascade Groundwater Alliance project, which provides a reliable, locally-controlled water supply for years to come.

For a more detailed look at the budget and investments described above, please visit us at GreshamOregon.gov/Budget.

YOUR FIRE AND POLICE LEVY: WHERE THE MONEY GOES

The voter-approved levy supports emergency services and adds firefighters and police officers to meet our community's growing need

In May 2024, Gresham voters authorized a five-year levy which provides tax revenue to fund existing fire and police personnel and hire more firefighters and police officers to provide services for the growing population and the growing demand for emergency first responders.

OVERSIGHT AND ACCOUNTABILITY

The levy revenue is placed in a dedicated fund and overseen by a seven-member committee of Gresham residents. The committee makes annual reports to the City Council and levy spending is audited each year.

WHAT THE LEVY PAYS FOR

The levy pays for preserved and new positions for police and fire services. The third year of the levy (fiscal year 2026/27) will fund:

Police

- 18 existing Police positions previously funded by the General Fund
- 9 Police positions previously funded by American Rescue Plan Act (ARPA) funds
- 13 new Police positions
- 2 mental health clinicians by contract

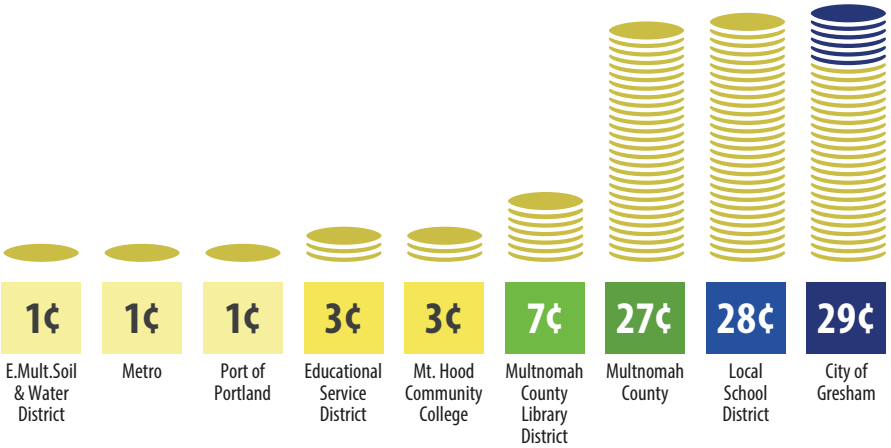
Fire

- 10 existing Fire positions previously funded by the General Fund
- 4 Fire positions previously funded by American Rescue Plan Act (ARPA) funds
- 11 new Fire positions

WHERE YOUR PROPERTY TAX DOLLAR GOES

How your property tax dollars are shared among local services and agencies

The City receives only 29¢ out of each dollar of your property taxes, including the 6¢ from the public safety levy (in blue).

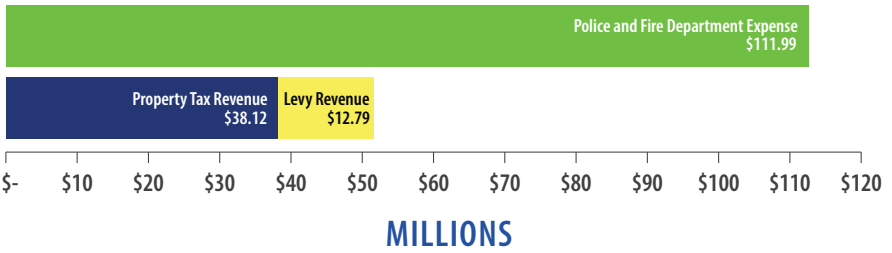


Does not include bonded debt or impact of Urban Renewal. Gresham encompasses Centennial, Gresham-Barlow and Reynolds School Districts. Figures are rounded to the nearest penny. Property taxes are based on tax assessed value which is lower than market value.

HOW PROPERTY TAXES HELP FUND PUBLIC SAFETY

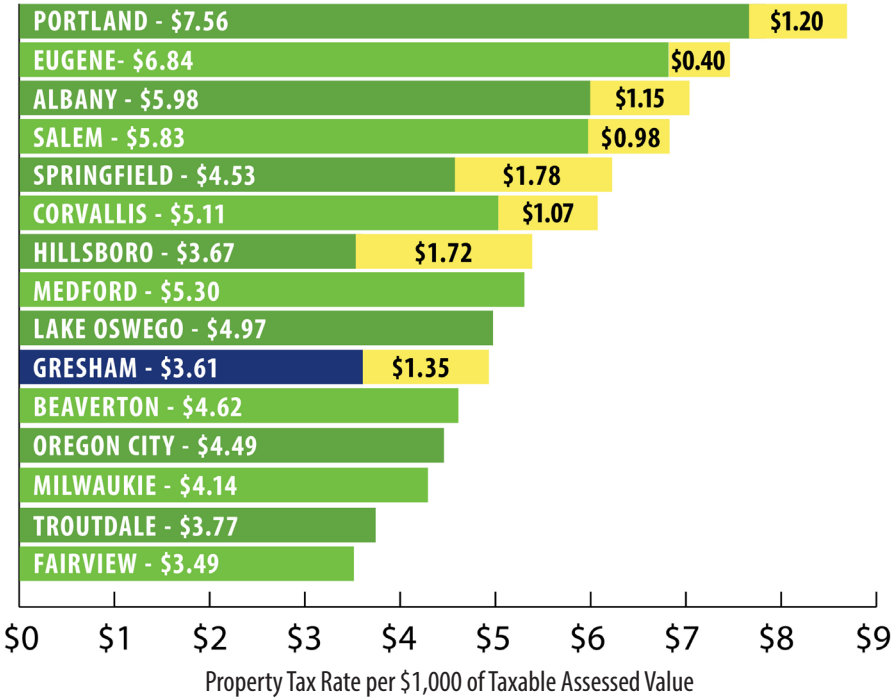
Property taxes don't cover the full cost of public safety

Gresham's General Fund and Local Option Levy Fund property tax revenue is less than the cost to provide basic public safety services. Other sources of income are needed to help cover the cost.



HOW GRESHAM'S PROPERTY TAX RATE COMPARES

See how Gresham's property tax rate compares with other Oregon cities



Yellow bars represent voter-approved levies.

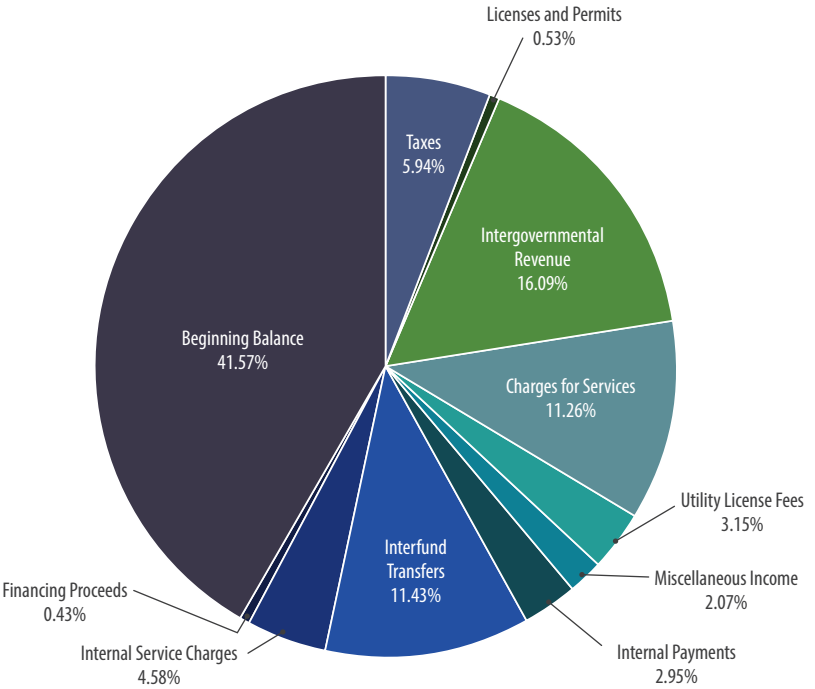
Not all cities provide the same essential services. For example, Gresham provides a full range of services except for libraries. Beaverton provides a library but does not provide parks or fire services. In areas where services such as parks or fire are provided by a special district, properties may pay a separate property tax rate in addition to the city rate shown above.

HOW THE CITY FUNDS ITS SERVICES

Where the money comes from

RESOURCES

Taxes	$54,962,000
Licenses and Permits	4,940,000
Intergovernmental Revenue	148,802,000
Charges for Services	104,089,000
Utility License Fees	29,126,000
Miscellaneous Income	19,155,100
Internal Payments	27,316,000
Interfund Transfers	105,644,000
Internal Service Charges (ISC)	42,329,292
Financing Proceeds	4,000,000
Beginning Balance	384,256,900
Total	**$924,620,292**



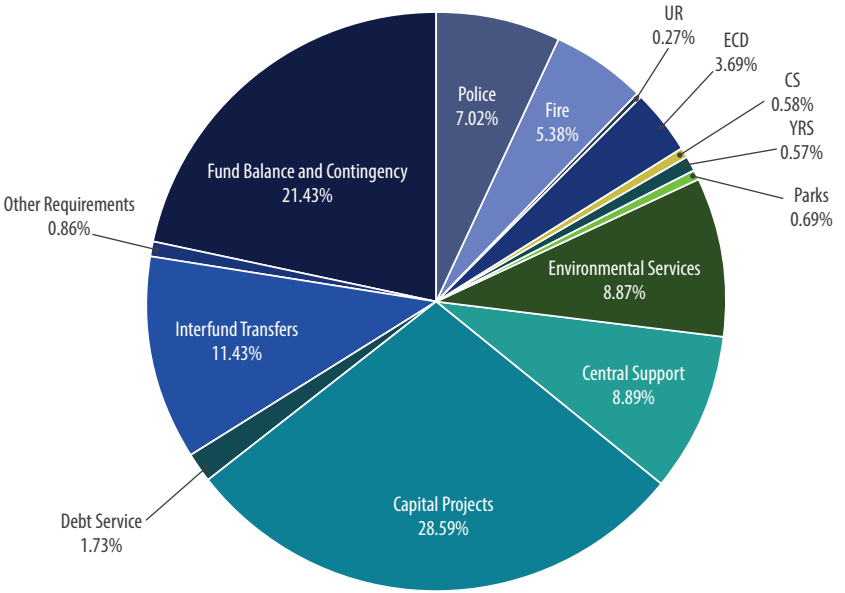
HOW THE CITY INVESTS ITS RESOURCES

Where the money goes

EXPENDITURES

Police	$64,910,030
Fire	49,780,355
Urban Renewal (UR)	2,477,757
Economic and Community Development (ECD)	34,112,913
Community Services (CS)	5,402,788
Youth and Recreation Services (YRS)	5,276,730
Parks	6,420,774
Environmental Services	81,996,149
Central Support	82,181,978
Capital Projects	264,353,000
Debt Service	16,009,000
Interfund Transfers	105,644,000
Other Requirements	7,955,000
Fund Balance* and Contingency	198,099,818
Total	**$924,620,292**

** See Budget Terms, Explained, page 16*



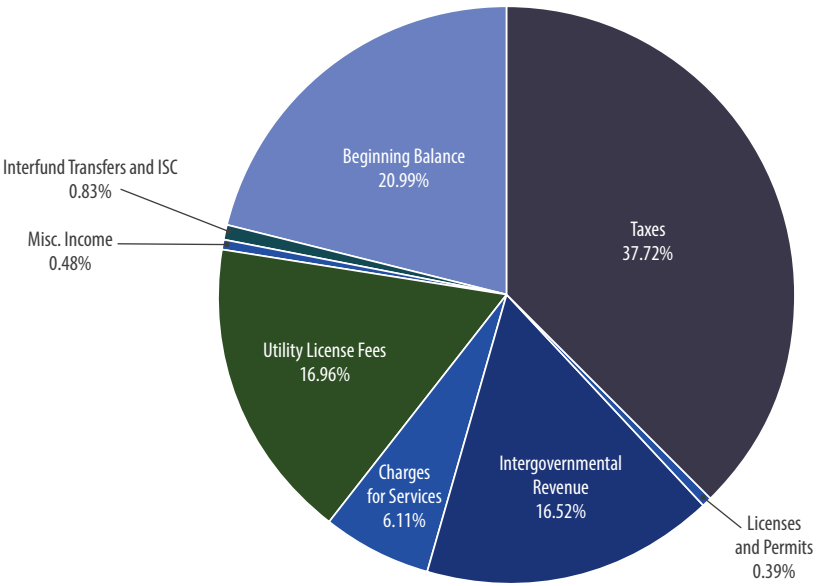
GENERAL FUND AND LEVY FUND CITY SERVICES

Where the money comes from

The General Fund is the principal operating fund of the City. The Police, Fire & Parks fee is tracked as a sub-fund within the General Fund. The Local Option Levy Fund was established in 2024/25 to clearly track and account for usage of Local Option Levy taxes. For illustrative purposes only, the General Fund and Local Option Levy Fund have been combined in this document, but they are two separate funds.

RESOURCES

Taxes	$54,719,000
Licenses and Permits	573,000
Intergovernmental Revenue	23,966,000
Charges for Services	8,858,000
Utility License Fees	24,609,000
Miscellaneous Income	692,000
Interfund Transfers and Internal Service Charges (ISC)	1,211,228
Beginning Balance	30,444,000
Total	**$145,072,228**



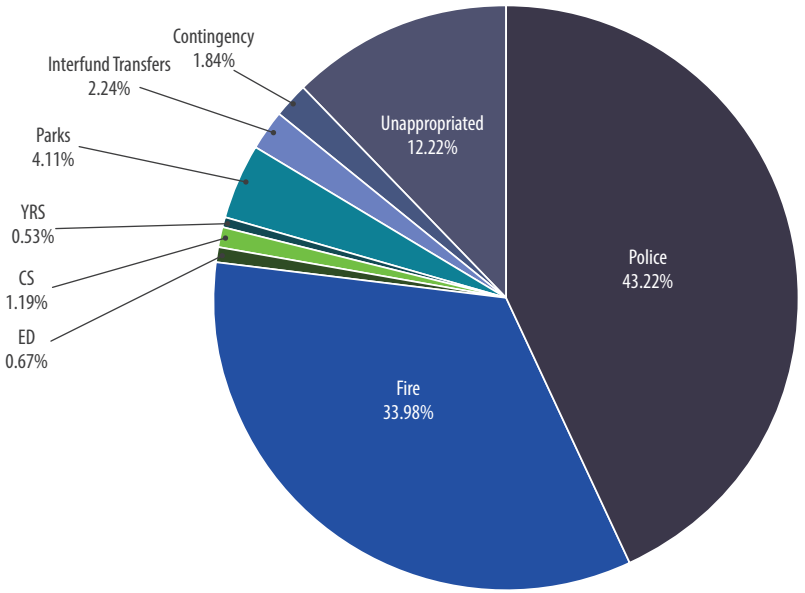
GENERAL FUND AND LEVY FUND CITY SERVICES

Where the money goes

The money received by the General Fund is used for public services such as police and fire protection, emergency response, parks maintenance, economic development, code compliance and community planning. The money received by the Local Option Levy is used to maintain and enhance police and fire services.

EXPENDITURES

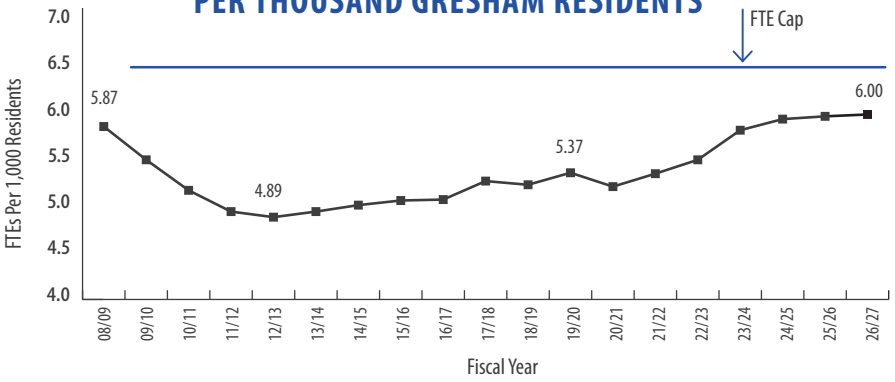
Police	$62,693,408
Fire	49,296,355
Economic Development (ED)	976,528
Community Services (CS)	1,730,468
Youth and Recreation Services (YRS)	765,856
Parks	5,961,774
Interfund Transfers	3,249,000
Contingency	2,676,050
Unappropriated	17,722,789
Total	**$145,072,228**



HOW CITY STAFFING HAS CHANGED

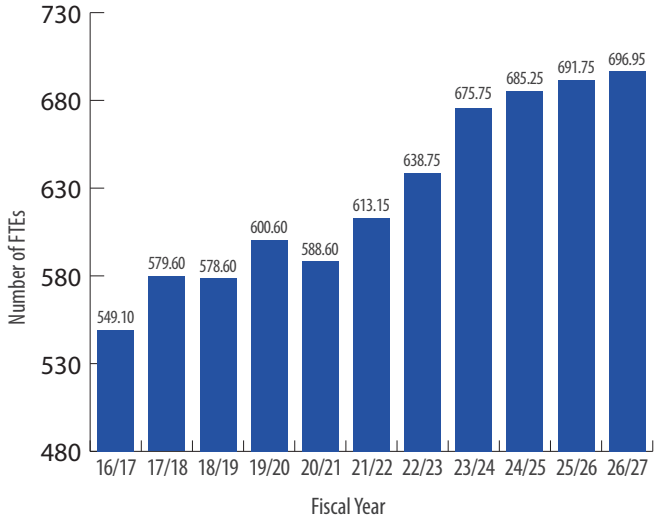
The number of employees has grown as Gresham's population and service needs have changed

FULL-TIME EQUIVALENT EMPLOYEES PER THOUSAND GRESHAM RESIDENTS



The City Charter limits staffing to 6.5 Full-Time Equivalent (FTE) employees per 1,000 population. This ratio excludes employees funded by grants or contracted through other jurisdictions. For the 2026/27 fiscal year budget, the staffing ratio is 6.0 FTE per 1,000 population, or 5.76 FTE per 1,000 residents after excluding grant or contract funded employees.

FULL-TIME EQUIVALENT EMPLOYEES AT CITY OF GRESHAM



YOUR BUDGET QUESTIONS, ANSWERED

WHAT DO MY PROPERTY TAXES PAY FOR?

Property taxes in Gresham are used to pay for public safety services. The services are not fully paid for by property taxes; the balance comes from other money the City receives, such as fees and charges for services.

WHEN I PAY MY UTILITY BILL, WHAT IS THE MONEY USED FOR?

The bill typically covers three separate utility services: water, wastewater and stormwater. The money collected from these bills pays for delivering safe water to homes, taking away and treating the waste from drains and toilets, and managing the impact of rainwater runoff to mitigate flooding.

The utility bill also includes the Police, Fire & Parks Fee. The City is able to avoid administrative costs related to processing and printing invoices by using this established system rather than generating a separate bill.

WHAT IS THE POLICE, FIRE & PARKS FEE?

The Police, Fire & Parks Fee, established in June 2014, helps to maintain essential police positions and keep our fire stations open. The per-unit fee was shaped by a public input process in 2012. As designed, 95% of the fee proceeds are used to support public safety services. The remaining 5% goes toward parks services. All Gresham utility customers, including residences, businesses and industry pay the fee. The benefit and burden is shared by the entire community.

WHY CAN'T MONEY BE MOVED TO WHERE IT IS MOST NEEDED?

Dedicated funds are legally restricted to specific programs or expenditures. Each fund is used to account for specific transactions that act as control mechanisms to ensure money is being spent for the authorized purpose for which it is collected.

BUDGET TERMS, EXPLAINED

BEGINNING FUND BALANCE – An amount representing the balance remaining at the end of the previous fiscal year; the total of resources received less the amount spent.

BUDGET – The City's financial plan for a period of one year. By statute, the budget must be balanced.

BUDGET COMMITTEE – Consists of the Mayor, six Council members, and the seven member Finance Committee who are citizens appointed by the City Council. The Committee has the legal authority to change any portion of the Proposed Budget and is responsible for passing the City's Approved Budget after a series of budget deliberation meetings and public hearings.

CAPITAL IMPROVEMENT PROGRAM – A plan for capital expenditures estimated each year for a period of five or more years. It identifies each capital project, its expected beginning and ending date, the amount and type of expenditure in each year, and the method for financing those expenditures.

CENTRAL SUPPORT SERVICES – Services, such as payroll, human resources and fleet provided by departments to other city departments. Services are paid for by collection of an internal service charge.

CHARGES FOR SERVICES – Fees collected for services provided to customers such as utility rates, site design review and fire inspections.

CITY COUNCIL – The legislative branch of the City composed of seven elected officials, each of whom serves a four-year term.

CONTINGENCY – An appropriation within an operating fund to cover unforeseen events that occur during the budget year. City Council must authorize requests for the use of contingency appropriations.

DEBT SERVICE – Annual payment of principal and interest on the City's debt.

FISCAL YEAR – A 12-month period to which the annual operating budget applies. The fiscal year for local governments in Oregon is July 1 through June 30.

FUND – An independent accounting entity whose revenues and expenditures are balanced and segregated to record a specific set of activities.

FUND BALANCE – Amount that is not available for spending in the current year. It is set aside to be used as a cash carryover into the following year to provide needed cash flow until other money is received.

BUDGET TERMS, EXPLAINED

GENERAL FUND – This fund accounts for the financial operations of the City not accounted for in any other fund. Principal sources of revenue are property taxes, utility license fees, state shared revenues, licenses, permits and charges for services. Primary expenditures are for police and fire protection, community planning, and parks.

INTERFUND TRANSFER – The movement of money between funds.

INTERGOVERNMENTAL REVENUE – Fees collected from other jurisdictions such as state shared revenue from cigarette tax.

INTERNAL SERVICE CHARGE – A charge from support funds or the Administrative Services Fund to an operating fund to recover the cost of services or overhead.

LICENSES AND PERMITS – Fees collected from businesses for licenses to operate within city limits.

MISCELLANEOUS INCOME – Revenue received from picnic reservations, sports facility reservations and other sources.

NON-OPERATING BUDGET – Includes interfund transfers, reserves and debt payments.

OPERATING BUDGET – Accounts for revenues and expenditures used to provide direct service to citizens or to support direct services.

POLICE, FIRE & PARKS FEE – In the fall of 2012, the Gresham City Council approved a Police, Fire & Parks Fee as a temporary measure to prevent immediate service reductions and maintain service levels. A permanent increase was enacted in October 2020.

PROPERTY TAX – A tax that uses property value as the tool by which the cost burden of local services is allocated. Property taxes are limited by each local jurisdiction's permanent operating tax rate. Gresham's permanent tax rate is $3.6129 per thousand dollars of assessed valuation.

SYSTEM DEVELOPMENT CHARGES (SDCs) – A one-time fee that all new residential and commercial development pays for the growth impact on City infrastructure. SDCs are a source of funding for new infrastructure such as streets, sanitary sewers, water systems, stormwater drainage, and parks.

UTILITY LICENSE FEES – Utility license fees paid to use the public right-of-way to operate a utility within Gresham. The majority of these fees go into the General Fund and help pay for police, fire, parks and code enforcement services.

VOLUNTEER OPPORTUNITIES

In addition to the budgeted resources shown elsewhere in this document, every year hundreds of residents contribute their expertise and time to a wide variety of volunteer opportunities. Our dedicated residents work together to help build a stronger community.

GET INVOLVED IN YOUR COMMUNITY

Put your knowledge, talent and energy into improving the community's quality of life as a volunteer with the City of Gresham. We have opportunities for all ages and abilities that include boards and committees, as well as various community-building, natural resources and public safety activities.

If you're looking for a specific opportunity, one-time options or information on group volunteer projects, contact Community Engagement at 503-618-2469 or visit GreshamOregon.gov/Volunteer for more information.



BUDGET COMMITTEE

This volunteer committee consists of the Mayor, six Council members, and seven citizens appointed by the City Council. The committee has the legal authority to change any portion of the Proposed Budget and is responsible for passing the City's Approved Budget.

BUDGET COMMITTEE MEMBERS*

Nicholas McWilliams, Chair

Mike Schultze, Vice Chair

Rusty Allen

Anisa Ali

Kayla Brown

Janine Gladfelter

Jerry Hinton

Cathy Keathley

Faith Luch

Eddy Morales

Preston Pace

Sue Piazza

Mayor Travis Stovall

** There was 1 citizen vacancy on the 2026/27 Budget Committee.*

For more information about this document or the City's budget, please visit GreshamOregon.gov/Budget or contact Bill Eggert, Budget Manager, at 503-618-2927 or Bill.Eggert@GreshamOregon.gov.

CITY OF GRESHAM

GreshamOregon.gov