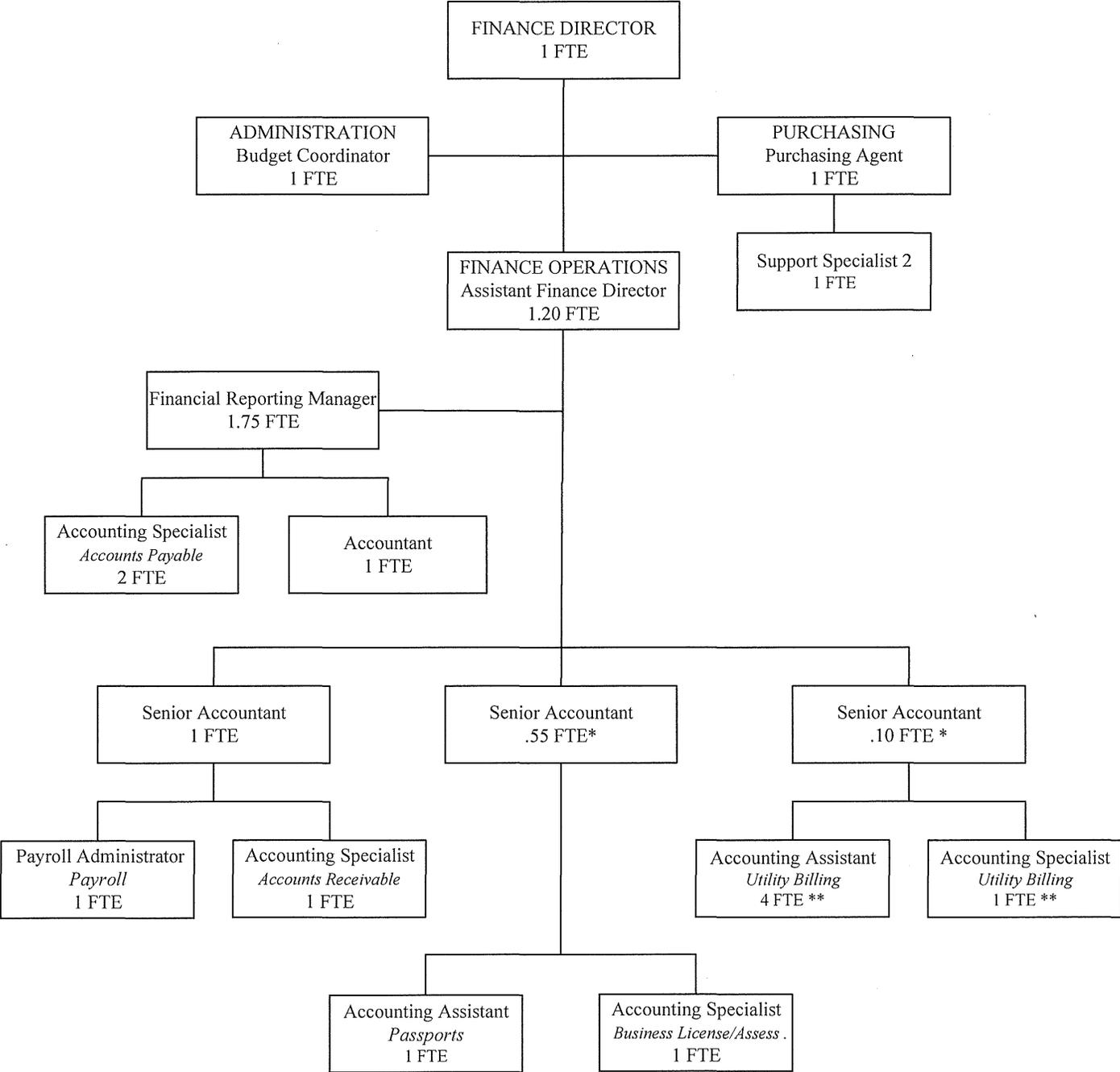


FINANCE

- Financial Administration
- Purchasing
- Finance Operations

Finance Department

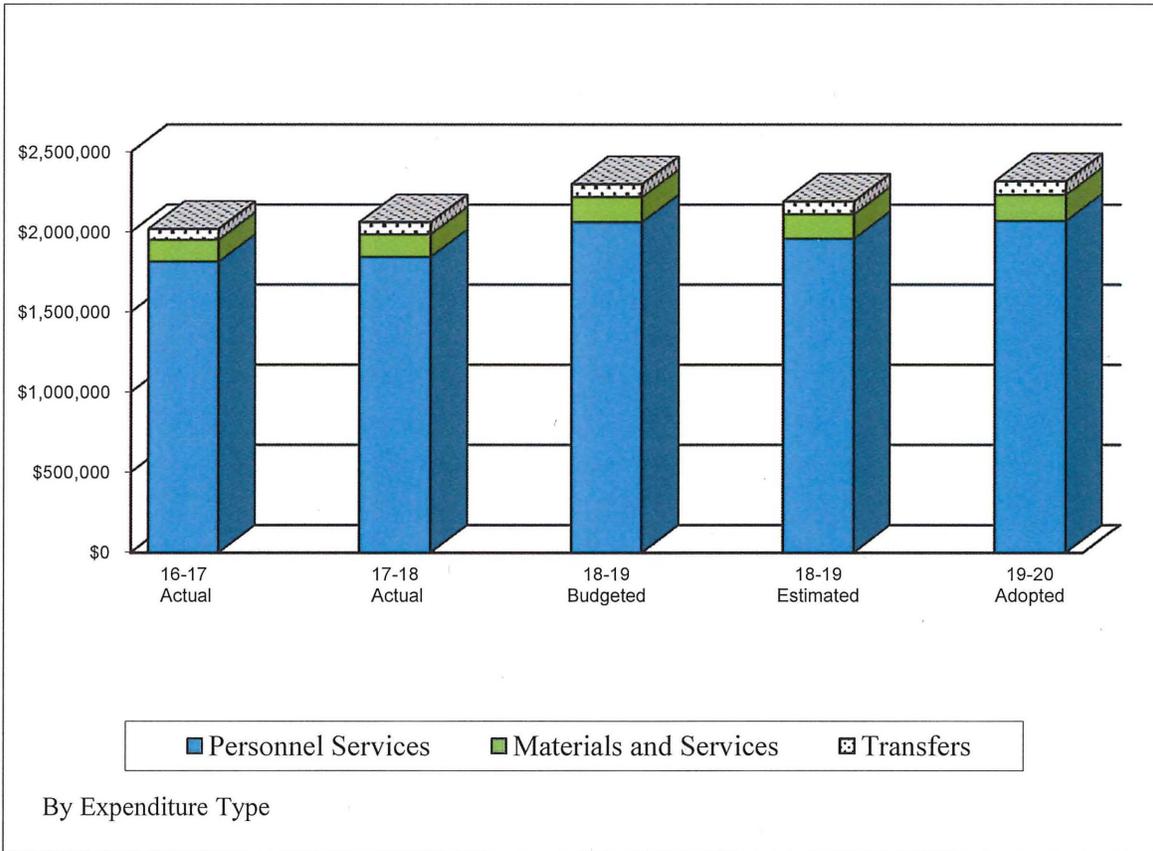
FY 2019-20 BUDGETED POSITIONS



* Partially funded in Water/Sewer/Storm Drain Funds
 ** Funded in Water/Sewer/Storm Drain Funds

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET

GENERAL FUND
FINANCE DEPARTMENT
ADOPTED FY 2019-20



CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0541 FINANCIAL ADMINISTRATION	DEPARTMENT HEAD: PATRICK O'CLAIRE

MISSION STATEMENT:

The Finance Division's mission is to preserve and maintain the City's financial integrity and trustworthiness. This is achieved by ensuring the timeliness of financial information, the adequacy of internal accounting and budgetary controls and the safeguarding of the City's assets. The mission is further maintained by providing financial administrative support to the City's operating departments to facilitate efficient and effective municipal services and providing quality service to all internal and external customers. *(Council Goal #2: Maintain the City's long-term financial stability; #4: Support City employees in providing customer-oriented, quality service.)*

REQUIREMENTS	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 BUDGETED	FY 2019-20 PROPOSED	FY 2019-20 ADOPTED
POSITION	15.85	15.85	16.25	15.60	15.60
PERSONNEL SERVICES	\$1,815,758	\$1,845,895	\$2,062,785	\$2,069,363	\$2,069,363
MATERIALS & SERVICES	135,771	139,760	155,956	163,556	163,556
CAPITAL OUTLAY					
TRANSFERS	67,588	75,409	80,402	84,223	84,223
TOTAL	\$2,019,117	\$2,061,064	\$2,299,143	\$2,317,142	\$2,317,142

Program Goal:

To ensure timeliness of financial information, to provide sound financial advice on matters relating to fiscal policies, asset management, debt management and treasury management, and to ensure the adequacy of the City's internal accounting and budgetary control.

Program Objectives (services provided):

- Continue developing multi-year Financial Plans for the General Fund, Street Fund, Building Fund, Lodging Tax and Library Fund. *(City Council Priority: Prepare long-range budget plans for upcoming major projects)*
- Review the finance department's information systems to eliminate duplicate, ineffective, non-beneficial procedures, including purchase orders and accounts payable processes.
- Continue to participate in the Distinguished Budget Presentation Award and the Certificate of Achievement for Excellence in Financial Reporting programs.
- Continue to monitor debt management practices, administration and debt service coverage.
- Continue to refine the City's cost allocation plan that distributes overhead costs to the operating departments.
- Assist the Engineering Division and other departments with the City's Capital Improvement Program especially regarding Street, Water, Sewer and Storm Water System Development Charges and Storm Water Quality and Quantity Fees, as well as civic and urban renewal projects *(City Council Priority: Broaden Capital Improvement Plan include bike lanes, sidewalks, streetlights and ramps).*
- Maintain an active role regarding financial operations of four regional utility providers of which the City is a partner; the Joint Water Commission, Willamette Intake Facility, Willamette Water Supply Project and Clean Water Services. *(City Council Priority: Build stronger relationships with local special districts).*

Trends, Services and Issues:

The Finance Department consists of 21.95 FTE employees: 15.60 employees in the General Fund and 6.35 employees in the Enterprise Funds. The major program areas include Financial Reporting, Budgeting, Accounting, Purchasing, Payroll, Accounts Receivable and Payable, Treasury Management and Utility Billing/Customer Service. The Department's mission challenges the staff to review all our internal processes in eliminating unnecessary or non-beneficial procedures and activities and to provide valuable and timely financial reporting to the operating departments. This past year, we have achieved the following improvements in efficiency, services and reporting:

- Completed enhancements of several modules and subsidiary ledgers of the primary General Ledger software module. This module incorporates the products and transactions from all subsidiary ledgers (i.e. cash receipts and accounts payable), processes journal entries and generates standard and customized reports.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0541 FINANCIAL ADMINISTRATION	DEPARTMENT HEAD: PATRICK O'CLAIRE

- Maintained our underlying General Obligation bond ratings from Standard and Poor's (AA+) and from Moody's (Aa1).
- Maintained our underlying Water Revenue bonds ratings from Standard and Poor's (AA+) and from Moody's (Aa2).
- Received the Distinguished Budget Presentation Award from the Government Finance Officers Association for the FY 2017-18 Budget Document.
- Received an Unmodified Audit Opinion and applied for the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year Ended June 30, 2018.

The department's mission provides support for both internal and external customers. Financial services that relate to public trust are among our highest priorities. These services assure that City finances are conducted in a manner to foster trust and confidence by the public, that City policies and procedures are fair and that all practices are open and above board. The financial system, comprised of accounting, purchasing, cash management, treasury services and budgeting are managed to provide maximum assurance of adherence to those high standards.

The public's interest in City finances is honored with a higher level of disclosures and greater public discussion about the use of property taxes and all fees/charges. The department is continually improving its ability to provide timely analytical data about financial transactions and their related implications. We also expect to develop ways to maximize the use of public funds by encouraging productivity and to enhance cost containment in the development and managing of budgets while minimizing risk and managing accountability for results. Information Systems improvements and professional development will continue to be our highest priority to address these needs.

Finance pursues greater automation and improved business practices in procurement to contain or reduce our cost of services provided while maintaining procedures that meet code requirements. The Finance Department's key to success is creating an environment where employees are willing to take risks, and become a stakeholder in our processes by being accountable and taking initiative. Customer satisfaction, both internal and external is critical to our success and is an integral part of our daily activities.

The Finance Department plays a critical role in achieving City Council priorities such as:

- Patricia Reser Center for the Arts and Beaverton Central Parking Garage – prepare analysis and advice on financing options as needed for the proposals.
- Expansion of sidewalk fund – use the program in the Capital Improvement Program to support projects on a sustained basis from various sources of funding.
- Monitor the impact of efforts to diversify city revenue sources, especially non-property tax revenue streams, including the development of a 4% city lodging tax, utility ROW licenses and a 3% recreational marijuana sales tax.
- Development of a longer-term Transportation Capital Improvement Plan

Budget Highlights:

The Finance Department continues to adjust responsibilities and align staff capabilities with its mission. Staff retirements and the automation of previously manual processes offer opportunities to shape the staff to fit today's needs. We continue devoting resources to staff training and equipment that will continue our direction of outstanding customer service and team building. Additionally, specific training funds are allocated to keep our financial staff current with the professional requirements of municipal government finance.

The department provides financial services and support to other departments pursuing the action items of the Beaverton Community Vision Action Plan. A specific action item for the Finance Department is:

- * *Community Vision Action #93: Make it easier for small businesses to bid on City work:* Utilize purchasing policies that expand opportunities for Minority-Owned, Woman-Owned and Emerging Small Businesses (MWESB) as well as small businesses owned by veterans with service related disabilities (SD)

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0541 FINANCIAL ADMINISTRATION	DEPARTMENT HEAD: PATRICK O'CLAIRE

Progress on FY 2018-19 Action Plan:

- Annual Update to the City's Investment Policy – Adopted and in use with new longer term, diversified but appropriate investments.
- Utilized the services of a Financial Advisor – developed scenarios for the potential use of line of credit redevelopment financing, public safety center and planning for new water revenue debt. Retained GO Bond Rating of AA+ from Standard and Poor's
- Dedicated staff time for enhancing the functionality of the Contracts module of the Purchase Order and Accounts Payable (POAP) system.
- Deployed On-Line Travel Advance application city-wide
- Submitted the June 30, 2018 Comprehensive Annual Finance Report (CAFR) Including GASB 67/68 Implementation for the Certificate of Achievement in Financial Reporting Awards program
- Submitted the FY 2018-19 budget document for the Distinguished Budget Document Presentation Award program
- A general upgrade to the software package for utility billing is underway.
- Developed revenue projections for selected items in the General Fund and prepared a separate section of budget goals and objectives that describe the initial trends.
- Created a Debt Management Policy
- Introduced Purchase Cards (a.k.a. P-Cards) to reduce check issuance expenses while retaining internal controls
- Successfully recruited new personnel into management and supervisory positions for a smooth transition from retiring employees. The department's succession planning is effective with the ability to accommodate retiring employees' preferences for reduced roles while retaining their expertise.

FY 2019-20 Action Plan:

- Continue to dedicate staff time for analysis and input to replace General Ledger module in our financial system with sufficient internal controls, standard reports, modern user interfaces and the ability to create customized reports.
- Use Internal Controls processes to evaluate and streamline work processes
- Build supervisory skills, prepare and implement succession plans. Succession planning results in some additional allocations of FTE for the training of new personnel.
- Revise periodic financial report formats to Budget Committee with more graphics
- Submit the June 30, 2019 Comprehensive Annual Finance Report (CAFR) for the Certificate of Achievement in Financial Reporting Awards program
- Submit the FY 2019-20 budget document for the Distinguished Budget Document Presentation Award program
- Provide analysis and advice on public/private development opportunities
- Further streamline the purchasing process with "procurement cards" (a.k.a. P-Cards) by expanding to all departments
- Support the Beaverton Urban Redevelopment Agency (BURA) as it moves forward with its action plans based on growth of assessed valuation and tax incremental revenue within the district. Operate the Line of Credit for property acquisition and facility construction of the Beaverton Central Parking Garage
- Support the capital investment plans of the water utility for new wells, reservoirs, drinking water sources and related transmission facilities. This includes supporting the city customers gained by the acquisition of service territory from the Tualatin Valley Water District (TVWD).
- Develop budgetary and fiscal support for the capital campaign for and operation of the Patricia Reser Center for the Arts
- Seek additional funding for a likely gap in the final costs of the Public Safety Center in FY 2020-21.
- Develop a framework for 5-year revenue and expenditure forecasting beginning with the General Fund.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0541 FINANCIAL ADMINISTRATION	DEPARTMENT HEAD: PATRICK O'CLAIRE

Workload Measures:	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Budgeted	FY 2019-20 Adopted
Maintain the Distinguished Budget Presentation Award from GFOA	Recognized	Recognized	Recognized	Submit by September 2019
City's Population	94,950	95,685	96,165	98,050
General Obligation Bond Debt (in 000's at end of fiscal year):				
2017 Public Safety Center	\$4,140	\$34,845	\$35,000	\$33,845
G. O. Bond Debt Per Capita:				
2017 Public Safety Center	\$42	\$365	\$363	\$345
Revenue Bond Debt (in 000's @ end of FY)	\$6,793	\$5,935	\$3,845	\$19,440
Revenue Bond Debt Per Capita	\$72	\$62	\$40	\$198
Special Revenue Debt (in 000's @ end of FY)	\$4,466	\$2,460	\$1,334	\$359
Special Revenue Debt Per Capita	\$47	\$26	\$14	>\$1
Property Tax Levy for General Operations (within permanent rate)	\$38,631,383	\$40,712,851	\$42,159,116	\$43,371,297
City's Taxable Assessed Valuation (in 000's)	\$9,234,782	\$9,912,532	\$9,965,442	\$10,253,114
General Operations Tax Levy Rate Per Thousand of Taxable Assessed Value (tax value)	\$4.18	\$4.17	\$4.23	\$4.23
City's Permanent Levy Rate Authority	\$4.62	\$4.62	\$4.62	\$4.62
General Operations Tax Levy Per Capita	\$407	\$424	\$444	\$442

Performance Outcomes and Program Trends:

The City's budget receives a national, peer-judged award that demonstrates the commitment to provide our citizens a budget document serving as an operations guide and as a financial plan.

The trend in the levy for general operations demonstrates the City's ability to meet citizens' demands for services while maintaining a stable tax burden and providing the ability to levy additional tax resources for future year's operations. The City operates under a state-wide measure that established a permanent levy rate for each public entity that levies property taxes. The City cannot levy more than its permanent rate of \$4.62 per thousand of taxable assessed valuation. For FY 2019-20 the City is projecting a tax levy rate of \$4.23, which is 92% of its maximum permanent levy rate authority. Levying the full permanent rate would produce an additional \$3.9 million in property tax revenues.

A description of General Fund Revenues for the FY 2019-20 budget includes modest projections of revenues over the next several years. Our intent is to lengthen those projections in future budget documents. The City Council asks the staff and particularly the Finance Department to consider adjustment in "non-property tax" revenue as a priority. In previous years, a privilege tax was added to the franchise fees for Portland General Electric and Northwest Natural Gas that is producing about \$1 million annually. Fees for Site Development and land use development permits increased and a change in the manner in which all non-franchised utilities are managed in the right-of-way generates additional income. The ROW License fees require additional monitoring to engage all utilities operating in the ROW are paying their fair share for the use and management of the street assets. In addition, the Lodging Tax of 4% supports construction of the proposed Patricia Reser Center for the Arts and other events that attract or retain visitors to the area.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0542 PURCHASING	PROGRAM MANAGER: TERRY L MURALT

Program Goal:

To ensure that supplies, services and equipment are acquired at the lowest possible cost consistent with the qualities required, to award contracts in the best interest of the City, to ensure legal and contractual compliance on all contracts and purchases, and to continue to advance equity purchasing goals for businesses which are minority-owned, women-owned, service-disabled veteran owned and emerging small businesses. *(Council Goal #2: Use City resources efficiently to ensure long-term financial stability; #4: Provide responsive, cost effective service to the community.)*

REQUIREMENTS	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 BUDGETED	FY 2019-20 PROPOSED	FY 2019-20 ADOPTED
POSITION	2.00	2.00	2.00	2.00	2.00
PERSONNEL SERVICES	\$174,599	\$186,623	\$200,469	\$213,274	\$213,274
MATERIALS & SERVICES	10,643	10,725	11,122	11,942	11,942
CAPITAL OUTLAY					
TRANSFERS	1,676	1,940	4,438	3,303	3,303
TOTAL	\$186,918	\$199,288	\$216,029	\$228,519	\$228,519

Program Objective (services provided): (All objectives relate closely to Council Goal #2)

- To process all purchasing transactions in a timely manner.
- To ensure that procurement of goods and services adhere to the current purchasing policies and State laws.
- Ensure that bids/requests for proposals are obtained for all goods and services that exceed \$100,000.
- To process all requests for bid procedure within five working days from date of receipt.
- Maintain listing of all surplus property and supervise disposal of surplus items.
- Monitor use of open purchase orders for compliance and necessity.

This program assists all departments in their activities but specifically supports these elements of the Community Vision Action Plan including:

- *Make it easier for small businesses to bid on City work(Community Vision Action #93):* Utilize purchasing policies that expand opportunities for Minority-Owned, Woman-Owned and Emerging Small Businesses (MWESB) and Service Disabled Veterans (SDV)

Progress on FY 2018-19 Action Plan:

Partnered with Metro and held an open house for Minority-Owned, Women-Owned and Emerging Small Businesses that were not State certified or had not done business with a government agency. This was to help educate these businesses on why and how they can become State certified. Encouraging these type of businesses to become State certified will increase the pool of certified firms for government agencies to do business with and help the business community.

Participated in the Cultural Inclusion and Community Services

At the end of fiscal year 2017/18 the total for the Minority-Owned, Women-Owned, Service Disabled Veteran and Emerging Small Business program was 11.54% of the overall dollar amount of contracting and purchasing activities. The City's aspirational goal is set at 10%. The City plans additional outreaches to M/W/SDV/ESB firms to increase usage percent.

Discussions with the new Sustainability Program Manager have started regarding developing a Sustainability Purchasing Policy. The initial step is developing a "project proposal" to outline the work involved and timeline of project.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0542 PURCHASING	PROGRAM MANAGER: TERRY L MURALT

FY 2019-20 Action Plan

- Research and develop/coordinate community workshop(s) to encourage and assist local contractors and businesses to bid/propose on City contracts.
- Monitor legislative changes that would affect the procurement code and make necessary updates to the Procurement code as needed.
- Review City wide expenditures and complete procurement processes where required by formal bid thresholds.
- Work with Sustainability Program Manager to develop a Sustainability Purchasing Policy.
- Review M/W/SDV and ESB program to determine possible changes that would increase the usage of state certified firms.
- Coordinate open house events for M/W/SDV and ESB businesses to connect with and start building relationships with prime contractors for sub-contracting opportunities.

Workload Measures:	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Budgeted/Revised	FY 2019-20 Adopted
Number of purchase orders issued and processed	1,300	1,411	1,400	1,000
Number of sealed bids and requests for proposals processed	17	22	25	25
Number of contracts issued	128	140	135	135
Total dollar amount paid through Purchase orders	\$22,946,905	\$32,654,117	\$35,000,000	\$40,000,000

10 Largest PO's Issued for FY 2017-18

VENDOR	DESCRIPTION	AMOUNT
Trench Line Excavation Inc.	Settler Way Utility Replacement Ph,1 CIP 4118A	\$2,471,790
FFA Architecture & Interiors Inc.	Architectural Services for the Public Safety Center	1,340,721
Owen Equipment Company	2 – New 2018 Vactor 2100 Plus Machines	910,449
Landis & Landis Construction	Cedar Hills Blvd Walker/Jenkins Water Mains CIP 4128A	866,100
Brian Clopton Excavating	Water Transmission Mains 175 th Ave/Weir Rd CIP 5092C	677,514
Relay Resources	Janitorial Services	695,650
Opsis Architecture LLP	Architectural Services for Patricia Reese Center for the Arts	576,081
Oregon Underground	Kimberly Ct Waterline Replacement CIP 4121	480,007
Baker Rock Resources	Annual Supply of HMAc	463,782
Bretthauer Oil Company	Fuel	390,227

CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2019-20 BUDGET
 CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0542 PURCHASING	PROGRAM MANAGER: TERRY L MURALT

Performance Outcomes and Program Trends:

The program places formal bids and purchase awards in conformance with purchasing policies and with the assurance that the best price was obtained through market place competition.

Use and offer cooperative purchasing with other agencies whenever possible.

Solicit bids and request for proposals for all public contracts that exceed \$100,000. Ensure that purchasing needs of City departments are handled in a timely manner and ensure acquisition of the best quality products and services at the lowest possible cost.

Ensure that procurements are in line with the M/W/SDV & ESB policy/program. Staff continues to review the program and policy to look for ways to improve the program that would increase usage of state certified firms.

Centralize disposal of surplus property. Advertise for bid, or sell at public auction, as required by City Code and provisions of the Oregon Revised Statutes.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0548 FINANCE OPERATIONS	PROGRAM MANAGER: SUSAN COLE

Program Goal:

To ensure internal control and financial integrity of the City’s accounting and budgetary system and to provide quality and innovative financial service by being good stewards of public funds and effectively serving citizens, City Council and City departments.

To publish an accurate and complete Comprehensive Annual Financial Report (CAFR) that complies with Generally Accepted Accounting Principles (GAAP) and all other applicable statutes and regulations. To maintain and or improve the City’s current bond ratings.

REQUIREMENTS	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 BUDGETED	FY 2019-20 PROPOSED	FY 2019-20 ADOPTED
POSITION	11.85	11.85	12.25	11.60	11.60
PERSONNEL SERVICES	\$1,305,875	\$1,317,197	\$1,501,976	\$1,474,197	\$1,474,197
MATERIALS & SERVICES	117,910	121,752	137,276	143,990	143,990
CAPITAL OUTLAY					
TRANSFERS	52,699	56,719	58,220	60,002	60,002
TOTAL	\$1,476,484	\$1,495,668	\$1,697,472	\$1,678,189	\$1,678,189

Program Objective (service provided):

- Provide financial services and reports to the Council, Mayor and other departments.
- Monitor and analyze revenue sources to ensure timely collection and effective use of cash flow. Invest cash resources within guidelines of the City’s investment policy.
- Ensure proper accounting treatment and compliance with regulations for all grants secured by the City.
- Operate the annual budget cycle including adoption by June 30 of each year and two supplemental budget amendments, including effective public notice and transparency.
- Continue to provide accounting services in a cost-effective and efficient manner by evaluating daily operations and activities.
- Continue to provide Finance personnel with training and equipment to provide excellent customer service. Provide financial services and support to other departments pursuing the action items of the Beaverton Community Vision Plan including integrating the Vision Action Plans into annual budgeting process.

Progress on FY 2018-19 Action Plan:

- Total core-fund investment portfolio on 2/28/2019 was \$98.4 million with an average 2.28% yield.
- Develop and approved a Fund Balance policy with considerable input from City Council members.
- Continued to develop skills of new and current staff members through cross training, outside educational seminars and on-site classes to be able to implement department’s succession plans.
- Hiring a second Assistant Finance Director mid-year for a smooth transition accommodating a planned retirement.
- No additional immediate uses of the Letter of Credit in FY 18-19 as we await the decision about proceeding with the parking garage. In the meantime, Finance makes the monthly payments to Key Bank for the interest that is due. BURA is using the “day-light loan” abilities with the City for property acquisition payments.
- Prepared and sold \$21 million Water Revenue Bond in June 2018 for funding for Capital Projects.
- Developing a new Water Master Bond Declaration for 2018 and future sales.
- Celebrated initial anniversary of moving into the second floor of The Beaverton Building with more space, additional collaboration space and a quieter work place.
- Upgraded the payroll system including use of a cloud-based host environment.
- Activated P-Card program for greater efficiency.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0548 FINANCE OPERATIONS	PROGRAM MANAGER: SUSAN COLE

FY 2019-20 Action Plan:

- Continue to develop skills of current and new staff members so as to be able to implement the department’s succession plans.
- Continue to enhance both in-house and vendor supplied financial applications to increase efficiency for the department.
- Continue to provide analysis and support of funding for capital projects. Specifically Public Safety Center, Willamette Water Supply Project, 2019 Water Revenue Bond and Beaverton Arts center.
- Develop and adopt a Debt Service Management Policy.
- Develop a framework for long range revenue and expenditure forecasts across all funds. The initial effort is aimed at the General Fund. The forecast is aimed at achieving the City Council priority of “Prepare long-range budget plan for upcoming major projects and expenses”
- Support Capital Improvement Program planning and specifically the City Council priority of “Broaden Capital Improvement Plan to include bike lanes, sidewalks, streetlights, and ramps”.

Performance Measures:	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Budgeted	FY 2019-20 Adopted
Receive Unqualified Audit Opinion, Certificate of Achievement for Excellence in Financial Reporting (CAFR) & Distinguished Budget Presentation Award	Received both awards	Received both awards	Received budget award and will submit for CAFR award	Will submit for both awards
Bond Ratings (underlying ratings):				
General Obligation Bonds				
Moody’s	Aa1	Aa1	Aa1	Aa1
Standard & Poor’s (S&P)	AA+	AA+	AA+	AA+
Water Revenue Bonds				
Moody’s	AA2	Aa2	Aa2	Aa2
Standard & Poor’s (S&P)	AA+	AA+	AA+	AA+
Average annual yield on investment portfolio	0.85%	1.30%	1.67%	2.55%
Average annual yield on State Investment Pool (used as a benchmark)	0.80%	1.10%	1.85%	3.00%
Average Monthly Investment Portfolio (in millions)	\$70	\$85	\$90	\$90
Revenue generated from passports	\$107,270	\$140,000	\$210,000	\$180,000
Number of passport applications processed	6,242	5,869	6,000	5,365
Revenue generated from Business Licenses	\$640,000	\$640,000	\$670,000	\$670,000
Business Licenses (calendar year)	5,068	5,200	5,200	5,200

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0548 FINANCE OPERATIONS	PROGRAM MANAGER: SUSAN COLE

Performance Outcomes and Program Trends:

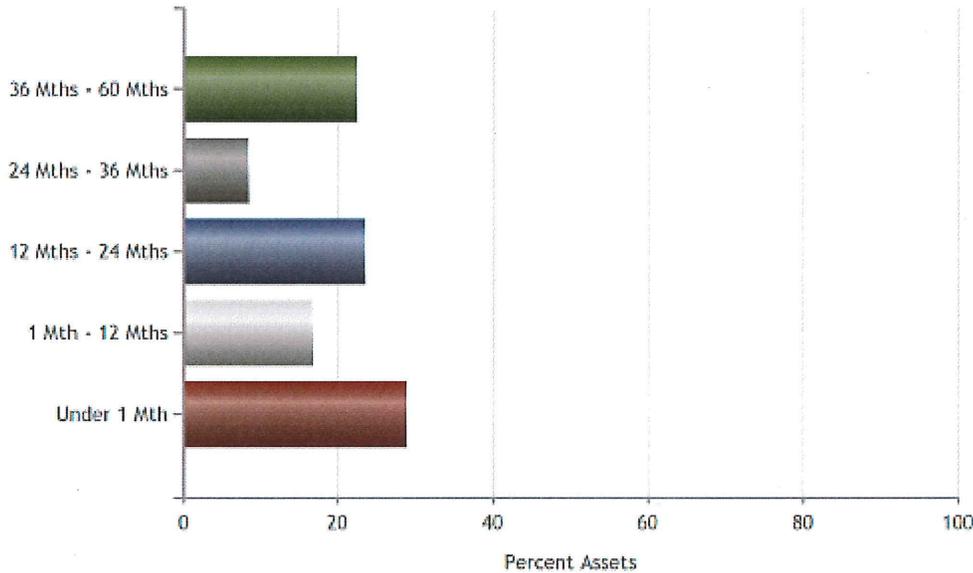
The City’s current bond ratings strongly reflect the City’s financial condition because of our fiscal policy. The ratings will assist the City securing favorable interest rates on future bond issues. Standard and Poor’s confirmed the City’s ratings for the General Obligation Bonds in February 2017 in conjunction with the sale of \$35 million in GO Bonds for a new Public Safety Center.

The City’s investment portfolio yield demonstrates earning rates that are comparable or better than the yield of the Oregon Local Government Investment Pool (LGIP), which is the benchmark. As the Federal Reserve has signals rising interest rates, recent investments agencies/treasuries and Certificates of Deposit are for slightly longer periods but consistent with the Investment Policy. The graph below illustrates the current Distribution by Maturity in our managed investment portfolio of approximately \$90 million.

DISTRIBUTION BY MATURITY

2/28/2019

Distribution by Maturity

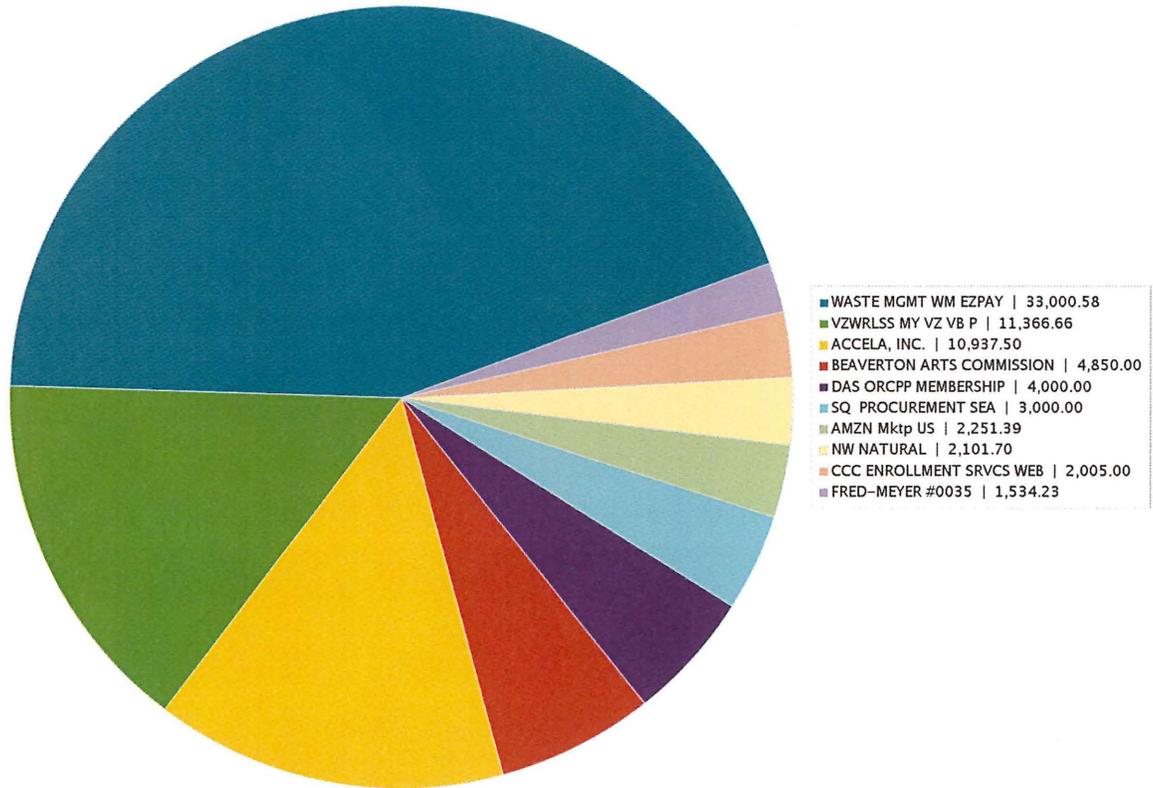


The department will continue to evaluate all finance functions to streamline daily operations and activities. We continue to make customer service improvements through training, empowering staff, and improved technology.

The department’s pilot program of using “purchasing cards (a.k.a. P-Cards) through a consortium with the Bank of America is about to be expanded citywide. The following graph shows about \$184,000 of spending with the top vendors in January 1-March 11, 2019. The debit card-like product reduces the amount of checks to issued, is speedy for the merchant and easily managed by staff. There has been \$438,000 in transactions since January 2018.

CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2019-20 BUDGET
 CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: FINANCE
PROGRAM: 0548 FINANCE OPERATIONS	PROGRAM MANAGER: SUSAN COLE



The Finance Department is recognized for its excellence in financial reporting and distinguished budget preparation and we will continue to submit the Comprehensive Annual Financial and Budget Reports to GFOA for these awards. We will continue to maintain the City's long-term financial stability by maximizing the City's short-term and long-term financial strength. The credit ratings by Standard & Poor's and Moody's, reflect the City's strong and stable financial management, solid fiscal policies, and moderate and manageable debt levels. We will continue to strive to maintain the City's current bond ratings.