



City of Oakridge
48318 E. 1st Street – PO Box 1410
Oakridge, Oregon 97463
Phone: 541-782-2258 FAX 541-782-1081

April 17, 2023

To: City of Oakridge Budget Committee

SUBJECT: Budget Message for Fiscal Year 2023-2024

The past few years have been hard on our community. From the 2019 “Snowmagedon” storm, to COVID, to last summer’s Cedar Creek Fire, our community has been hard-hit with natural disasters that decimated our economy. Thankfully, we are a resilient community and we have always found a way to come together and survive. God & Mother Nature willing, there is now light at the end of the tunnel, as this summer’s calendar of events features several large events such as the Bus Fair, Gravel Grinder, Mountain Bike Oregon, and several other races & events which promise to bring tourism dollars back to our beautiful mountain town and stimulate our economy.

We are also back on the right path in many other aspects of our economy. Over the past few years, we have launched a series of initiatives aimed at improving and revitalizing our community. These initiatives were adopted after holding many public hearings to gather citizen input, resulting in well-designed plans to spur private-sector investment in the Oakridge Industrial Park, to revitalize our Uptown, and improve & strengthen our infrastructure, including our most recent initiative to remodel the Willamette Activities Center, wherein we have already received over \$1.5 million in funding, with multiple additional grants and funding requests already in the works.

As a brand new City Administrator with less than a year of experience, I cannot take credit for most of the hard work which has gotten us where we are today. Those kudos should be reserved for our City Council and Mayor, all of whom have worked tirelessly to continue to strengthen and diversify our economy. We are poised for growth and the city Council’s desire to revitalize our economy is finally starting to come to fruition as a result of a lot of hard work and dedication by the Council, Mayor, city staff, and community members like you who have volunteered your time to help us make prudent and sometimes hard financial decisions.



In my opinion, Oakridge is very much “on the rise.” Signs of success can be seen all over town, from the foundation of our vibrant arts scene and influx of new residents, to capital improvement projects such as the long overdue repairs to Garden, Berry, Riverview, and soon Cherry Street, to the refurbishment of our wells.

This year’s budget looks quite similar to last year’s (minus the formatting mistakes which we are already aware of and are being addressed). But there are some differences, such as our estimated beginning fund balances, which are more robust than they have been in at least a decade. That increase in financial strength is the result of frugal spending and shifting our investment strategy by prioritizing capital investments

But there is still a *lot* of work to be done. My staff and I have been working tirelessly to chase grants, increase & broaden potential revenue sources, and foster partnerships with other communities and organizations, all in an effort to find and capitalize on any and all opportunities to make Oakridge a better place to live and work. Like most of our citizens, I am fully committed to the *long-term* success of our city because I realize how lucky we are to live and work in such a beautiful community, which is why I will continue to do everything I can to earn and keep your trust.

The Budget Process:

Oregon Local Budget Law (found in Oregon Revised Statutes Chapter 294) requires each local governmental unit to prepare and adopt an annual budget. A budget is a financial plan containing estimates of revenues and expenditures by fund for a single fiscal year. The proposed budget is for the fiscal year beginning July 1, 2023 and ending June 30, 2024. It is just a “draft” and changes can and should be made.

The proposed budget document consists of a list of resources and expenditures for each fund within the City. The first two columns contain actual audited data for FY21 and FY22. The third column reflects the adopted budget figures for FY22-23. The last two columns pertain to the upcoming FY23-24 budget. The column titled “proposed” contains the proposed (draft) budget I am submitting to the Budget Committee for review. This data is based in part on our prior budgets and in part on the City’s investment strategy for the future.



Each January, our staff begins the process of projecting revenues for the coming year and balancing those projections with anticipated department expenditures, taking into account factors such as historic trends; current economic indicators; demands for service; impacts of decisions made at the regional, state and federal levels; staffing needs; contractual obligations and increased cost of materials and supplies. We also take into consideration comments received from the city's auditors, such as consolidating many of our budget line items this year.

The "Approved by Budget Committee" column will be added and filled in following the approval of the proposed budget by the Budget Committee, including any changes the committee wants to make. The final column will be added and filled in upon approval by our City Council. The final budget data is then reported to the Lane County Assessor's Office.

The role of the Budget Committee, which is comprised of all the city council members and a like number of citizens of the city, is to review and approve the proposed budget, as well as the tax rate or levy. The city council may make certain adjustments to the approved budget before adoption in June, but great weight and deference is usually shown to the work the Budget Committee does, which is why it is so important.

I want to thank everyone on the Budget Committee for contributing your time and effort to the budget process. Since a lot of city staff are new like me, we definitely need your help and expertise. The work we will be doing together over the next couple of months is vital to our community's success. Our City is stronger when we all work together, and I am honored and excited to see what we can accomplish. Now let's get to work on this year's budget!

Sincerely,

A handwritten signature in blue ink, appearing to read "James Cleavenger", with a long, sweeping underline that extends to the right.

James Cleavenger, JD, LLM
Oakridge City Administrator & Budget Officer
cityadministrator@ci.oakridge.or.us
541-782-2258 x6