



CITY OF TIGARD, OREGON

POPULAR ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2022



CITY OF
Tigard

13125 SW Hall Blvd.
Tigard, OR 97223
www.tigard-or.gov



WE ARE ALL TIGARD.
TODOS SOMOS TIGARD.
chúng ta là tất cả Tigard.
МЫ ВСЕ Tigard.

English

This document contains information about the city's finances and strategy. You have the right to request translation or interpretation of this information. Request these services by contacting 503-718-2742.

Español

Este documento contiene información sobre las finanzas y estrategia de la ciudad. Usted tiene el derecho de pedir que se le traduzca o interprete esta información. Puede pedir este servicio llamando al 503-718-2742.

Tiếng Việt

Tài liệu này chứa thông tin về tài chính và chiến lược của thành phố. Bạn có quyền yêu cầu thông tin này được dịch hoặc giải thích. Bạn có thể yêu cầu dịch vụ này bằng cách gọi 503-718-2742.

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OUR VISION

Tigard: An equitable community that is walkable, healthy, and accessible for everyone.

STRATEGIC PRIORITIES

- 1** Set the standard for excellence in public service and customer experience.
- 2** Create a well-connected, attractive, and accessible pedestrian network.
- 3** Ensure development and growth support the vision.

Strategic Plan Summary

The purpose of the strategic plan is to provide guidance and direction for the city's priorities for the next five years, through the end of 2025. Our vision highlights where we want to go and what we want to be, while our strategic priorities point to how we are going to achieve our vision.

Proactively planning provides an opportunity to grow the city in a new way that is thoughtful and unique. This plan accomplishes this by leveraging and building on Tigard's existing strengths and aiming to continue to grow Tigard as a thriving, desirable place to live, work, and play. This strategic plan also informs the allocation of limited city resources to both long- and short-term goals.

To stay informed on the progress of the strategic plan, visit:
www.tigard-or.gov/your-government/strategic-plan

City Council Goals

Operating under a council-manager form of government, the mayor and city council are the policy makers elected to represent the community. The city manager is appointed by council to carry out policy and ensure that the entire community is being served.

Our elected officials, city manager and employees are driven by our vision of becoming an equitable community that is walkable, healthy, and accessible for everyone.

We are also led by the 2021-23 City Council's four goals that address opportunities and challenges on the horizon as well as advance the City towards its vision.

- Implement an actionable, person-centric, and regional response to homelessness.
- Support the Tigard community through a coordinated COVID-19 response.
- Develop and implement a bold community resiliency plan.
- Adopt and implement the Parks and Recreation System Plan by developing a realistic funding plan and cost-effective service delivery model.

Along with these goals, the Council developed the Community Promise or the 'Five E's' which will guide us in achieving our vision and implementing goals.

Community Promise



EQUITY

WE will ensure just and fair inclusion where all can participate, prosper, and reach their full potential.



ENVIRONMENT

WE will embrace sustainability to improve our natural resources and the livability of our community.



ECONOMY

WE will be responsible stewards of the community's financial resources entrusted to us.



ENGAGEMENT

WE will involve all voices in our community while building trusting relationships.



EXCELLENCE

WE will set high standards and strive to exceed community expectations.

Message from the Mayor



“ In this document, you will learn that the City’s finances remain stable and well-managed, and we live within our means. ”

I am pleased to present the Fiscal Year 2022 Popular Annual Financial Report (PAFR) for the City of Tigard, Oregon. The purpose of the PAFR is to increase awareness throughout the community of the financial operations of the City. For the last three years, this report (which is published in English and Spanish) has received the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association.

In this document, you will learn that the City’s finances remain stable and well-managed, and we live within our means. This is accomplished through the hard work of many, including members of the City Council, Budget Committee, Audit Committee, and the city staff who work on your behalf every single day.

We continue to provide essential services and support community members and businesses dealing with the impacts of COVID-19. We have provided \$5.9 million dollars in COVID-19 support to businesses, non-profits, and utility customers.

Along with COVID-19 support, we are working towards City Council goals that include developing a community resiliency plan, implementing an actionable response to homelessness, and implementing the parks and recreation system plan.

The Police Service Levy also remains a priority -- critical to the safety of our community and financial health. We are ahead of schedule in hiring the 11 levy-funded staff positions. The additional officers will aid in responding to increased calls for service faster, multiple emergencies at the same time, and community patrols.

All our work is completed through the lens of our Community Promise.

1. **EQUITY:** WE will ensure just and fair inclusion where all can participate, prosper, and reach their full potential.
2. **ENVIRONMENT:** WE will embrace sustainability to improve our natural resources and the livability of our community.
3. **ECONOMY:** WE will be responsible stewards of the community’s financial resources entrusted to us.
4. **ENGAGEMENT:** WE will involve all voices in our community while building trusting relationships.
5. **EXCELLENCE:** WE will set high standards and strive to exceed community expectations.

I hope you find this report informative, and we always welcome your comments and questions. I can be reached via email at jason@tigard-or.gov.

Thank you,

Mayor Jason Snider

City Leaders / GFOA Award

Mayor & Councilors at June 30, 2022



Jason Snider
Mayor

Term Expires:
12/31/2022



Heidi Lueb
Council President

Term Expires:
12/31/2024



John Goodhouse
Councilor

Term Expires:
12/31/2022



Liz Newton
Councilor

Term Expires:
12/31/2022



Jeanette Shaw
Councilor

Term Expires:
12/31/2024



Aishiki Nag
Youth Councilor

Term Expires:
06/30/2022

The city receives the Triple Crown award from the GFOA for its Annual Budget Document, Annual Comprehensive Financial Report, and Popular Annual Financial Report. This has been received by the city since fiscal year 2019.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**CITY OF TIGARD
OREGON**

For its Annual Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

Supporting Our Community

“Tigard Forward” is the city’s plan to improve our long-term fiscal health, meet our existing commitments, and continue to invest in our shared priorities. It is rooted in our vision to become “an equitable community that is walkable, healthy, and accessible for everyone.”

We have leveraged our allocation of \$7.5 million from the American Rescue Plan Act (ARPA) to help advance this plan. Our initial ARPA investments through FY22 include:

\$1.5M for the **Middle Housing Revolving Loan Fund** that provides short-term construction lending to builders constructing middle housing.

\$875,000

for the implementation of **Community Resiliency Plan**

\$800,000

Library HVAC System to provide a safe and effective emergency cooling center

\$500,000

for **houselessness support**, including three year term-limited positions to lead these efforts.

\$250,000 for **Residential Aid Fund of Tigard**, a grant program for nonprofits and organizations with emphasis on childcare support.

\$160,000 **Lost Revenue Replacement Program** to replace city funds that were negatively impacted by the pandemic.

\$125K for the development of a **Community Resiliency Plan** to identify existing efforts, opportunities, vulnerabilities, and goals in addressing climate change.

\$25,000 for the **‘Launch Pod’ Mobile Business Incubator** to provide low-barrier entry for food and beverage entrepreneurs.

\$13,893

for **COVID self-test kits** for city employees.

Along with ARPA funding, a five-year Police Services Levy, which was approved by voters in 2020, is allowing us to add eight critically needed police officers, who make it possible to meet minimum staffing requirements around the clock on three daily patrol shifts. The levy also allows us to add a School Resource Officer, Property and Evidence Specialist, Records Specialist and provides for all sworn police officers to get advanced training in crisis intervention and de-escalation. In alignment with our commitment to transparency, we published the second annual report on the Police Services Levy. The report is included on the next page.

June 2022 Update of 2020 Police Services Levy



Background

After years of the Tigard Police Department facing significant staffing shortfalls, voters approved a five-year Police Services Levy in 2020. This allowed the department to hire critically-needed patrol officers and support staff. In this yearly update, we highlight how we are following through on the promises made to the community.

Status

Hired! 8 Patrol Officers

- ▶ 5 are fully trained
- ▶ 3 are in various stages of training



✓ **Hired!**

1 School Resource Officer (SRO)

✓ **Hired!**

1 Property & Evidence Specialist

→ **Underway! Records Specialist**

- ▶ Recruiting for this position is open now

NOW HIRING

→ **Underway!**

40 Hour Advanced Crisis Intervention & De-Escalation Training:

- ▶ Due to COVID restrictions, this in-person training was delayed for over a year. Limited openings have only become available recently.
- ▶ So far, 7 officers have completed the training.
- ▶ Officers have completed an additional **331** hours of other de-escalation trainings.



Emergency Response Times & Patrol District Coverage:

COVID impacted both figures. Many officers were out sick or on quarantine during the year. This made it difficult to decrease emergency response times or provide consistent district coverage. Additionally, calls for service increased from 21,008 in 2020 to 21,731 in 2021.

Average Emergency Response Times
(minutes:seconds)



2021	6:17
2020	6:01
2019	6:11
2018	6:14
2017	6:14

FY2022

Patrol District Coverage
(1 officer in each of 5 city districts)

53% of the time on swing shift

36% of the time across all shifts



“The Tigard Police Services Levy was crucial in allowing officers to sustain core services, including maintaining patrol coverage across the city, while we faced staffing challenges due to COVID exposure and sickness. We had hoped to report more significant improvements in emergency response times and patrol district coverage, but I believe these numbers will rebound as the impacts of the pandemic lessen in the future and the final levy officers move out of training and into ‘solo’ status.”

~ Chief Kathy McAlpine, Tigard Police Department

City Report Card – July 2021 to June 2022

Equitable

- **Staff Diversity** % of Tigard employees that are people of color

18.7% June 2022

14.1% June 2021

12.9% June 2020

12.5% Oct. 2019

10.2% Oct. 2018

9% 2017



- **8 Public Safety Advisory Board Recommendations to Council**

Including Replacement and Expansion of Body Worn and Dash Cameras



- **\$7.6M** For Direct COVID Relief 

\$4.0M for business grants & loans

\$2.2M for city fees & charges assistance

\$625K for unemployed
\$125K for businesses
\$50K for low-income households
\$1.4M for rate increase delays

\$860K for houselessness support

\$490K for non-profit organizations

\$90K for mental health

- **92%** of community has access to technology and internet services

Healthy

- **City Bond Rating**
Indicates financial health. AAA is the top rating.

★ **AAA** S&P

Aa1 Moody's



- **46** Recreation Scholarships Awarded 

- **2.7%** Local Rate of Unemployment

- **87%** Rec programs filled to capacity

- **98%** of Recreation participants who had a 'GOOD' or 'VERY GOOD' experience



City Report Card – July 2021 to June 2022

Walkable



● **51.2%**
of community within walking distance of essential services

● **79** Pavement Condition Index

● **31.9** Miles of streets without sidewalks on either side



● **B** Park Quality Assessment Score

● **16** Miles of Trails

● **66%** of our community can walk to a developed park within 10 minutes



Accessible



● **524** Units in the pipeline

● **864** Existing units of regulated affordable housing to date

● **City Podcast Downloads**



8,351 Talking Tigard

611 En Contacto

● **4,275** Average number of monthly communications from community

● **Library Programs & Attendees**
421 Programs | **12,055** Attendees

● **Library Visitors**
138,394

● **Library Items Checked Out**
1,107,225

● **Dollar value of a library card**



\$309

● **Increased Social Media Presence**

Followers | **% Change**



23,827 | **7%**



20,391 | **9%**



6,447 | **21%**



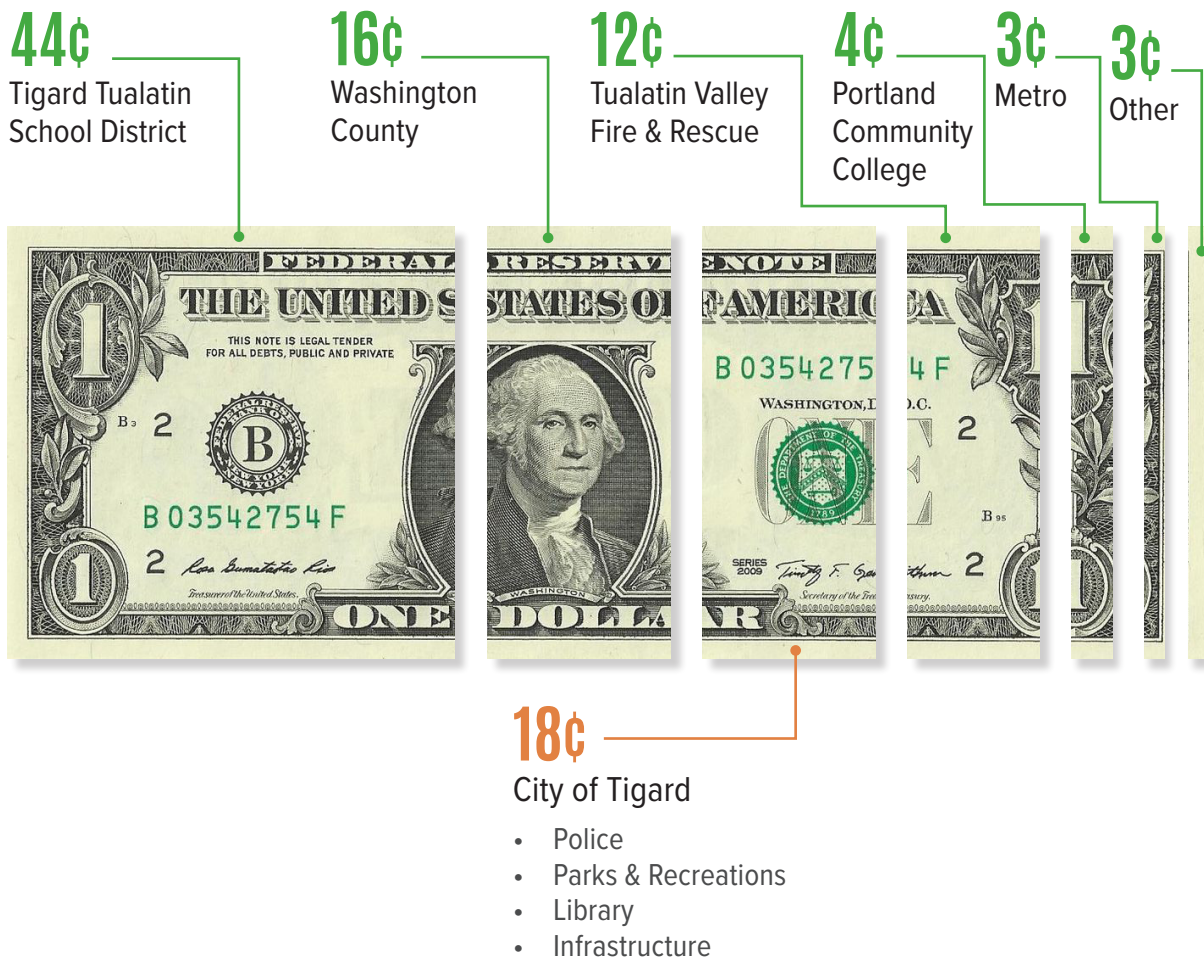
2,065 | **36%**

Tigard is Financially Stable

The City of Tigard is financially stable with clean financial audits, a strong credit rating from Moody's and Standard and Poor's, and a history of creating its budget in the most fiscally responsible manner.

During fiscal year 2022, the city continued to work on financial stability by adopting a responsible budget that focused on maintaining what we have, and advancing projects that aligned with our priorities and goals

Where do your tax dollars go?



Your property tax bill consists of various taxing agencies all with different permanent tax rates. The City of Tigard has a permanent tax rate of \$2.5131 per thousand. Compared to other municipalities in Washington County, Tigard has one of the lowest rates.

Financial Trend Summary

The financial data is intended to provide a big picture overview of key financial metrics over the past three years. The information represents the city as a whole. For ease of reading, this data is summarized in ways that are not in accordance with Generally Accepted Accounting Principles (GAAP) and the notes to the financial statements are not provided. The City of Tigard is audited annually and prepares a full GAAP based Annual Comprehensive Financial Report (ACFR).

The latest report is available to readers on the City of Tigard website at <https://www.tigard-or.gov/your-government/departments/finance>. Also available on this site is the city's budget document, which provides additional information on the state of the city's finances. For more information about the ACFR or other financial reporting questions, contact the City Hall at 503-639-4171.



What is the General Fund?

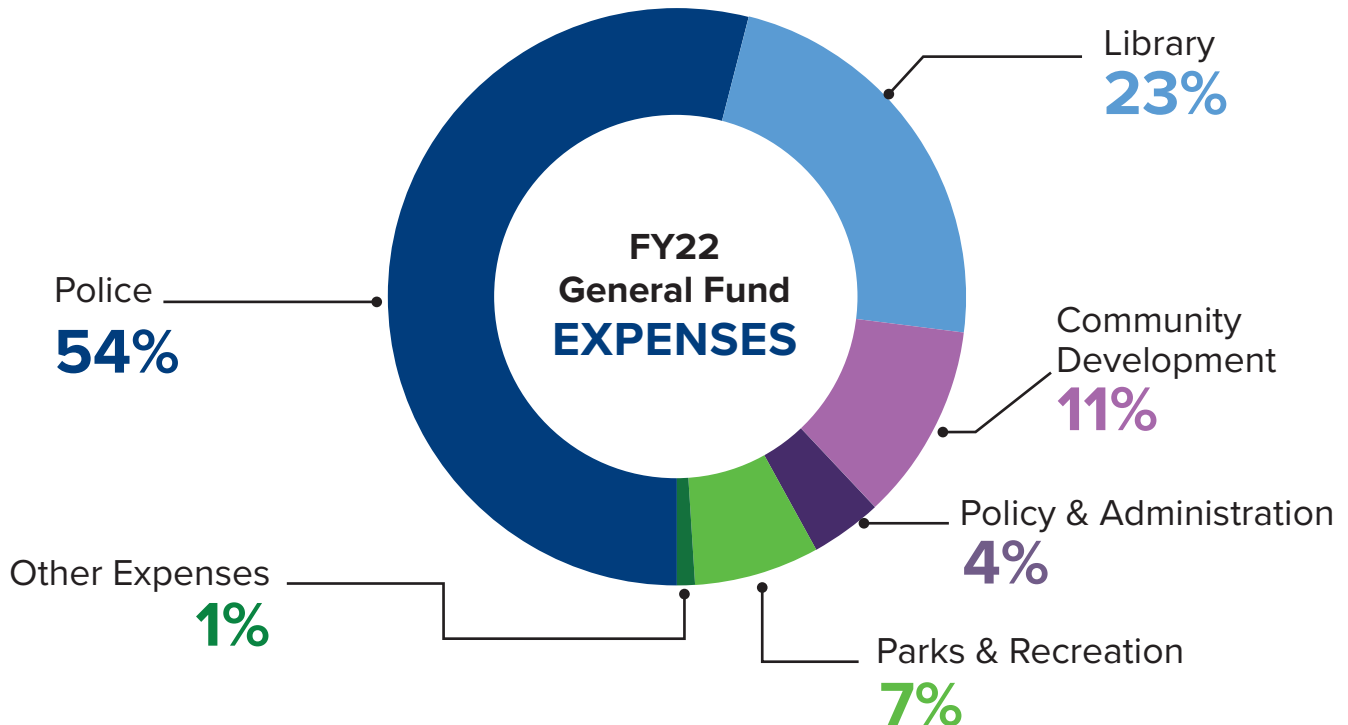
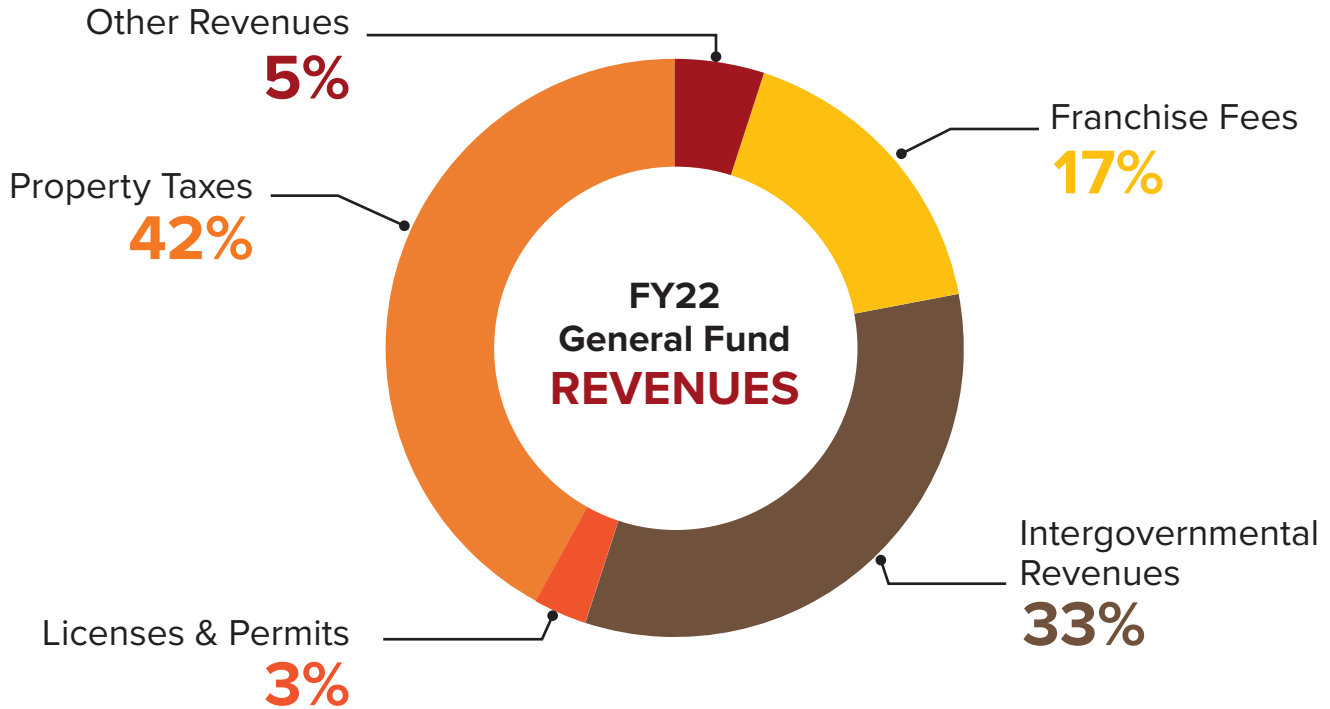
The General Fund is the city's primary operating fund, accounting for resources that have no specific restrictions and are therefore available for general operations. The major services provided by the General Fund resources are police, library services, parks and recreation and community development.

Property taxes are a major revenue source for Tigard's General Fund, but they don't cover all the costs. In FY22, the Police Department spent \$19.8 million to support operations. Of this amount, \$18 million is funded with General Fund dollars, however Tigard only received \$18.4 million in property taxes to cover all the General Fund operations, which include

police, parks and recreation, library services, and city administration services like finance and planning. The rest of the funding for these services came from fees, licenses, permits, fines, and a variety of federal, state and local sources and grants.

During fiscal year 2022, the city lifted COVID-19 related restrictions in coordination with public health partners and city services were restored nearly to pre-pandemic levels. Additionally, the city was allocated \$7.5M to the General Fund from the American Rescue Plan Act (ARPA) to invest in the Tigard community's response and recovery efforts for COVID-19.

General Fund Revenue & Expenses Charts



The City's total budget for FY22 was \$236.7 million. The General Fund is approximately \$37.9 million or approximately 16% of the total budget. The General Fund received \$18.4 million from property taxes and \$14.6 million for intergovernmental revenue, representing the largest sources of revenue for the General Fund at 42% and 33%.

Income Statement

The government-wide Statement of Activities provides information on all of the city's revenues and expenses, with the difference between the two reported as the change in net position.

INCOME STATEMENT - Fiscal Year

	2020	2021	2022
Revenues			
Property Taxes	\$ 20,325,728	\$ 23,620,200	\$ 25,117,084
Charges for Services	\$ 41,395,994	\$ 43,960,582	\$ 49,338,710
Operating Grants and Contributions	\$ 9,625,070	\$ 13,346,482	\$ 17,770,216
Capital Grants and Contributions	\$ 11,682,010	\$ 11,798,074	\$ 9,410,795
Franchise Fees	\$ 6,360,563	\$ 6,978,783	\$ 7,272,781
Other	\$ 7,398,323	\$ 4,355,008	\$ 1,039,529
Total Revenues	\$ 96,787,688	\$ 104,059,129	\$ 109,949,115

Expenses

Community Services	\$ 25,961,675	\$ 30,378,435	\$ 27,313,548
Public Works	\$ 9,578,442	\$ 14,035,986	\$ 11,755,291
Community Development	\$ 5,817,188	\$ 6,719,376	\$ 6,395,322
Policy and Administration	\$ 3,383,319	\$ 4,092,081	\$ 4,715,974
Interest on long-term debt	\$ 760,211	\$ 543,661	\$ 623,927
Utilities	\$ 25,895,834	\$ 27,848,273	\$ 25,304,542
Total Expenses	\$ 71,396,669	\$ 83,617,812	\$ 76,108,604

Increase (Decrease) in Net Position	\$ 25,391,019	\$ 20,441,317	\$ 33,840,511
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Net Position (beginning of year)	\$ 474,099,213	\$ 499,490,232	\$ 519,931,549
Net Position (end of year)	\$ 499,490,232	\$ 519,931,549	\$ 553,772,060

GENERAL FUND COMPARED TO INCOME STATEMENT - Fiscal Year

	2020	2021	2022
Fund Balance	\$ 27,981,597	\$ 30,919,724	\$ 41,692,399
General Fund Balance as a % of Net Position	5.6%	5.9%	7.5%

Balance Sheet as of June 30

The government-wide Statement of Net Position presents information on all the city's **assets**, **deferred outflows** of resources, **liabilities**, and **deferred inflows** of resources with the difference between the four reported as net position.

Net position is divided up into Net investment in capital assets, Restricted (by third parties or by law), and Unrestricted (available to meet the city's ongoing obligations). Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating. The net position of the city increased by **\$33.8** million for the year ended June 30, 2022.

Assets	2020	2021	2022
Current Asset & Other Assets	\$ 202,338,469	\$ 222,214,704	\$ 255,544,820
Capital Assets	\$ 472,749,458	\$ 470,389,960	\$ 469,584,292
Total Assets	\$ 675,087,927	\$ 692,604,664	\$ 725,129,112

Deferred Outflows of Resources			
Pension & Post Employment Benefits	\$ 4,120,286	\$ 8,407,873	\$ 8,135,778

Liabilities			
Current Liabilities	\$ 19,660,562	\$ 23,986,517	\$ 21,223,765
Long-Term Liabilities	\$ 158,954,619	\$ 155,317,776	\$ 150,705,117
Total Liabilities	\$ 178,615,181	\$ 179,304,293	\$ 171,928,882

Deferred Inflows of Resources			
Pension & Post Employment Benefits	\$ 1,102,803	\$ 1,776,695	\$ 7,563,948

Net Position			
Net Investment in Capital Assets	\$ 325,063,233	\$ 326,517,531	\$ 330,645,446
Restricted	\$ 84,669,459	\$ 87,507,801	\$ 100,964,208
Unrestricted	\$ 89,757,537	\$ 105,906,217	\$ 122,162,406
Total Net Position	\$ 499,490,229	\$ 519,931,549	\$ 553,772,060

Our Net Position



What Does the Net Position Mean for Tigard?

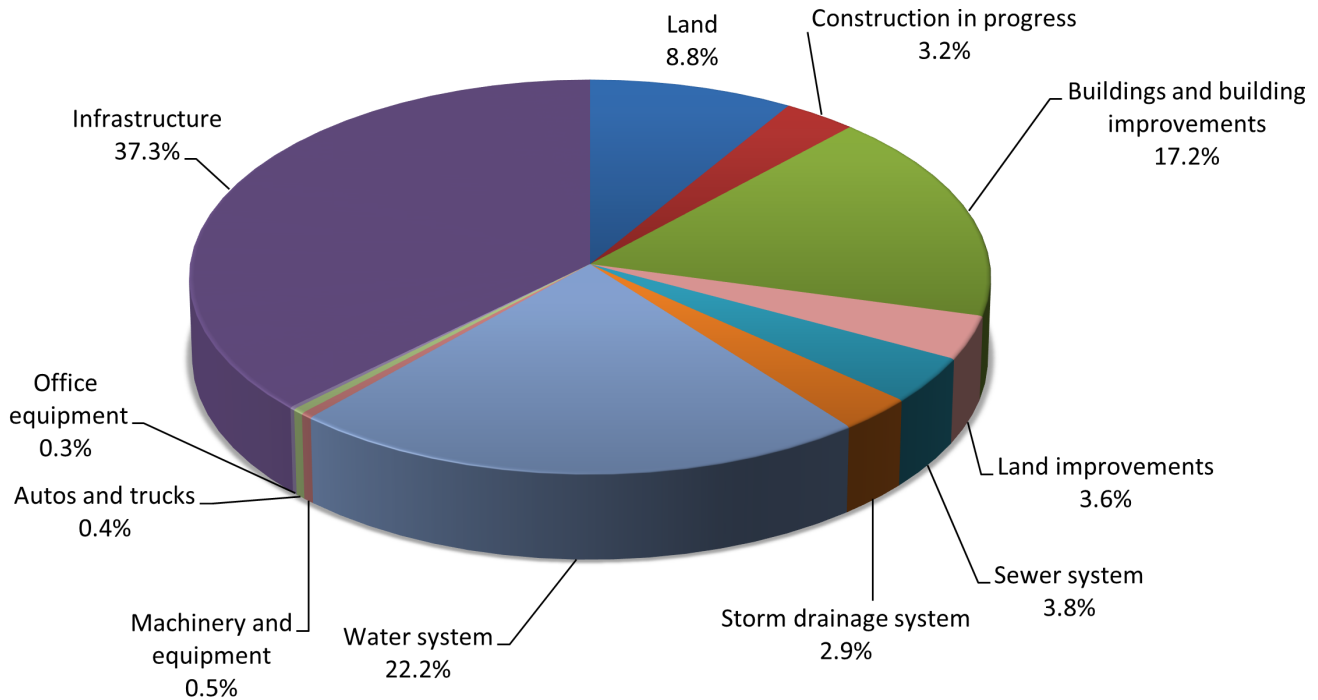
It is important to emphasize that our finances cover a wide range of activities and our General Fund is a small proportion of the total. When looking at Tigard's Net Position, the General Fund, which supports services like Police, Library, and Parks, is only 7.5% of the total. Further, the unrestricted assets in the Net Position are one-time in nature, when they are spent, they are gone. Accordingly, Tigard has a fiscally responsible history of matching ongoing service expenditures with ongoing revenues and use of one-time assets with one-time project expenditures.

During the fiscal year 2022, the city's net position has increased largely due to the receipt of Federal American Rescue Plan Act funds (ARPA), an increased collection of system development charges (SDCs), building permit fees and expense savings throughout the city. The increased development activity is mainly related to the River Terrace area. In the coming years these restricted funds will be used to offset the expense of capital projects within the city. Expense savings were mainly due to staffing shortages and challenges filling vacant positions. Both regionally and nationally, unemployment levels were at record lows during 2022, causing a challenging environment to fill vacant positions.

Capital Assets

Capital Assets - Fiscal Year	2020	2021	2022
Land	\$ 38,355,999	\$ 40,903,642	\$ 41,221,453
Construction in progress	\$ 11,432,606	\$ 13,651,277	\$ 14,809,718
Buildings and building improvements	\$ 85,525,398	\$ 83,559,330	\$ 81,001,125
Land improvements	\$ 17,121,214	\$ 16,556,832	\$ 16,799,715
Sewer system	\$ 17,905,816	\$ 17,352,721	\$ 17,877,069
Stormwater system	\$ 12,481,961	\$ 12,150,930	\$ 13,469,957
Water system	\$ 110,349,547	\$ 107,268,183	\$ 104,163,956
Machinery and equipment	\$ 2,099,398	\$ 2,080,715	\$ 2,192,287
Autos and trucks	\$ 1,913,916	\$ 2,059,481	\$ 2,045,633
Office equipment	\$ 1,748,428	\$ 1,377,364	\$ 982,976
Infrastructure (Streets, Sidewalks, Trails)	\$ 173,815,175	\$ 173,429,485	\$ 175,020,403
Total Capital Assets	\$ 472,749,458	\$ 470,389,960	\$ 469,584,292

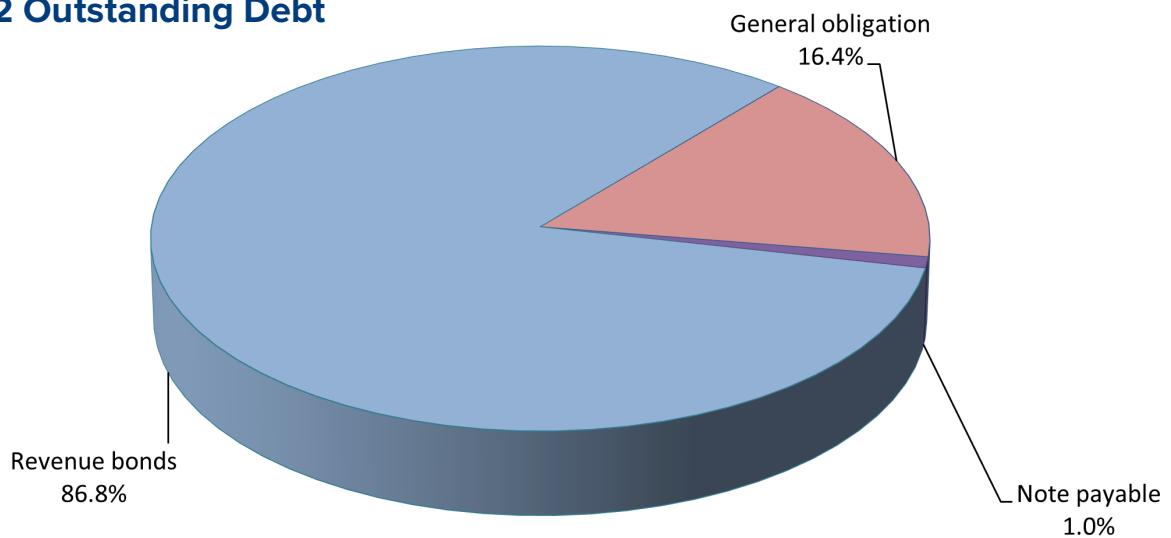
FY 2022 Capital Assets



Debt / Glossary

Type of Debt - Fiscal Year	2020	2021	2022
General obligation	\$ 19,870,531	\$ 17,657,088	\$ 24,185,316
Note payable	\$ 1,585,637	\$ 1,472,023	\$ 1,355,000
Revenue bonds	\$ 128,254,644	\$ 125,917,499	\$ 122,210,627
Total Outstanding Debt	\$ 149,710,812	\$ 145,046,610	\$ 147,750,943

FY 2022 Outstanding Debt



Glossary

Assets

Items owned by the city.

Capital Assets

Assets with a life extending beyond the current year that are intended to continue to be used over time, such as land, buildings, vehicles, machinery, infrastructure, and other equipment.

Deferred Inflows of Resources / Deferred Outflows of Resources

Deferrals are not assets or liabilities and are not revenues or expenses. Deferrals represent flows of resources into and out of a government during the current fiscal year but are related to future periods; such as pensions.

Expenditures

City purchases using revenue and/or borrowed funds.

Liabilities

Planned future spending that results from past transactions and/or events such as obtaining an item without yet paying for it.

Net Investment in Capital Assets

Consists of capital assets (roads, water pipes, land), net of costs to acquire, construct, or improve those assets.

Net Position

Net Position is the difference between what the City owns and what the City owes. Positive net position balances indicate a measure of financial stability.

