



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Molalla**

**Oregon**

For the Fiscal Year Beginning

**July 1, 2019**

*Christopher P. Morill*

Executive Director

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# READERS GUIDE





# Budget Committee

*FY 2021-2022*

## City Council Members:

Scott Keyser, *Mayor*

Leota Childress, *Council President*

Steve Deller

Elizabeth Klein

Jody Newland

Crystal Robles

Terry Shankle

## Citizen Members:

Juan Aguilar

Glen Boreth

Michelle Carter

Rory Cramer

Lisa Haffey

Robert Thompson

Eric Vermillion

## Staff:

Dan Huff, City Manager

Chaunee Seifried, Finance Director

Frank Schoenfeld, Chief of Police

Gerald Fisher, Public Works Director

Diana Hadley, Library Director

Mac Corthell, Planning Director



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April 22, 2021

Honorable Mayor Scott  
Keyser  
City Councilors  
Budget Committee Members  
Citizens of the City of  
Molalla

**RE: 2021-2022 Budget Transmittal Message**

I am pleased to present the proposed 2020-2021 Budget for the City of Molalla. This Budget is balanced, sustainable, and again includes focus on City Council Visioning and Goals. One year ago, we submitted a Budget wrought with concern regarding COVID-19 and future revenue. That concern has been realized in a few areas but also created some opportunities based on our conservative approach to finances. We budget using our “Best Practice” financial policies and include the caveat that we may need to adjust as the Budget year moves along.

Our efforts to improve fiscal management and community service provision did not wane throughout 2020 and this focus is present throughout this proposed Budget. Each Department has touched on aspects of the City of Molalla Visioning and Goal Setting process that will shape Molalla’s future. Every year we examine staffing and workload issues much the same as we have over the past few years.

Molalla is not the same City it was 10 or 20 years ago. We have long since moved beyond fiscal issues of our past. Believe it or not, within the State of Oregon, Molalla is considered a medium sized city. We are swiftly moving past 10,000 population and looking ahead to 11,000 plus. The number of people within a city determines the workload or expectations. More is expected in Molalla while at the same time, we continue to address basic service provision and infrastructure.

Over the past 12 months we all have been dealing with daily issues of COVID-19. Our City then experienced the unexpected devastation brought by the Wildfires. Follow that up with the crippling effect of the Ice Storm. We have all been affected by drastic reductions in our personal lives, including business and school closures. Perhaps the most devastating has been personal relationships affected by illness or forced lack of contact with those we care about. Nobody has been untouched.

However, during all this chaos, I believe it is important to recognize that the City of Molalla remained open and provided a full basic service package. We believe it is important to be present for the community and provide a stable government for our residents.

There have been revenue reductions in Gas Tax and other state revenue sources, but we have maintained our working programs. This proposed Budget accomplishes this same effort and some new tasks and projects for the Community.

A few Budget highlights worth noting prior to diving into the text of this letter are as follows:

- Focus on a new Police Facility
- One-Time Funding
- Park Playground Equipment Replacement
- Economic Development
- Urban Renewal
- Street Fund

### **Sustainable Budget**

For the past 8-years we have taken a conservative approach in our Budget process and that perspective continues to be our focus in each fund we manage. One-year ago we adopted new Financial Policies that fall under the Government Finance Officers “Best Practice” program to further our commitment to good financial practices. After the past year of implementation, we were able to survive 2020 and even have a little more funding available in areas that meet community needs. This is a one-time fund savings and should not be considered ongoing revenue or a pattern.

Currently, we only have reduced funding in areas with revenue streams tied to the State of Oregon: Gas Tax, and special revenue, etc. Funding streams managed by the City of Molalla have not experienced reductions but much of that result is based on our five-year plan, capital project planning, strict allocations for operations, maintenance, and reserves for present and future. Department Heads embrace this thinking, and it leads to a healthy Budget process.

## Budget in Brief

	2018-19 Actual	2019-20 Actual	2020-21 Budget	2021-22 Proposed	Variance	% change
<b>General Fund</b>						
Admin	841,714	895,586	3,222,000	4,832,854	1,610,854	50%
Police	2,744,113	3,037,349	3,368,600	3,759,000	390,400	12%
Court	172,537	179,747	239,650	261,950	22,300	9%
City Council	67,542	46,406	63,700	54,950	-8,750	-14%
Parks	187,891	164,259	200,650	269,050	68,400	34%
Planning	140,162	311,140	351,400	759,632	408,232	116%
<b>Total General Fund</b>	<b>4,153,959</b>	<b>4,634,487</b>	<b>7,446,000</b>	<b>9,937,436</b>	<b>2,491,436</b>	<b>33%</b>
<b>Special Revenue Funds</b>						
Library	840,473	889,074	3,615,600	3,831,978	216,378	6%
Street	971,500	882,893	6,676,216	4,241,633	-2,434,583	-36%
PD Restricted	74,025	36,415	77,284	128,465	51,181	66%
<b>Total Special Revenues</b>	<b>1,885,998</b>	<b>1,808,382</b>	<b>10,369,100</b>	<b>8,202,076</b>	<b>-2,167,024</b>	<b>-21%</b>
<b>Capital Project Funds</b>						
Capital Projects	1,891,289	3,504,495	10,153,588	8,296,436	-1,857,152	-18%
Fleet Replacement	22,154	37,726	444,420	538,232	93,812	21%
<b>Total Capital Projects</b>	<b>1,913,443</b>	<b>3,542,221</b>	<b>10,598,008</b>	<b>8,834,668</b>	<b>-1,763,340</b>	<b>-17%</b>
<b>Debt Service Funds</b>						
Bonded Debt	64,964	0	0	0	0	0%
Sewer Debt Retirement	315,600	316,750	631,600	381,486	-250,114	-40%
Water Debt Retirement	14,525	0	0	0	0	0%
CWSRF Debt Retirement	186,018	185,328	388,506	22,000	-366,506	-94%
<b>Total Debt Service</b>	<b>581,107</b>	<b>502,078</b>	<b>1,020,106</b>	<b>403,486</b>	<b>-616,620</b>	<b>-60%</b>
<b>SDC Funds</b>						
Street SDC's	265,682	359,752	657,488	1,101,609	444,121	68%
Park SDC's	126,929	154,945	2,322,317	2,100,262	-222,055	-10%
Sewer SDC's	344,434	679,952	171,204	487,696	316,492	185%
Water SDC's	324,215	1,566,283	583,560	453,509	-130,051	-22%
Stormwater SDC's	<b>60,000</b>	<b>78,288</b>	103,474	196,372	92,898	90%
<b>Total SDC's</b>	<b>1,121,260</b>	<b>2,839,220</b>	<b>3,838,043</b>	<b>4,339,448</b>	<b>501,405</b>	<b>13%</b>
<b>Enterprise Funds</b>						
Sewer	2,913,759	2,744,104	5,039,711	6,091,766	1,052,055	21%
Water	1,288,513	1,814,190	4,526,864	4,640,639	113,775	3%
Stormwater	303,481	261,875	378,462	481,898	103,436	27%
<b>Total Enterprise</b>	<b>4,505,753</b>	<b>4,820,168</b>	<b>9,945,037</b>	<b>11,214,303</b>	<b>1,269,266</b>	<b>13%</b>
<b>Total City of Molalla</b>	<b>14,161,520</b>	<b>18,146,556</b>	<b>43,216,294</b>	<b>42,931,417</b>	<b>-284,877</b>	<b>-1%</b>

## 2021-2022 Budget Highlights

**Police Facility** – Now more than ever we recognize the need of a new Police Facility. Over the past few years, we have been placing limited available funds into a Police Reserve Fund page 59 and that combined with our Urban Renewal Planning is showing light in the tunnel. Staffing for our Police Department is stable and new positions will not be proposed. Focus is directed at process and preparation of the new facility.

**One-Time Funding** – 2020 and COVID-19 eliminated our ability to pursue a few General Fund projects that have created what we are terming One-Time Funding. This funding has been reprogrammed into project funds through a 2020-2021 Supplemental Budget and projects moving into this Fiscal Year. Discussions for the use of these funds will occur during department presentations.

**Park Playground Equipment Replacement** – We have made Park Playground Equipment replacement a priority within our Park budget. As you all are aware, Molalla does not have a park revenue source unlike many other cities. One year ago, we created a fund to accept donations for playground equipment replacement and the City provided \$5,000 as a fund starter. We added our MCC patronage revenue, and we are going into 2021-2022 with a fund balance of \$20,581. You will notice on page 46 that playground equipment has been identified as an expenditure in our Park Capital account. We have made progress on land acquisition and will continue to pursue a Parks Master Plan update, Greenway acquisitions and creative ways to improve our Park System.

**Economic Development** – Our Economic Development program is underway, and we have made great strides in developing a tangible program to promote Molalla. Our hope is that a practical Planning document will be available sometime near the first of the year.

**Urban Renewal** – Urban Renewal has performed even better than expected and we are expecting to begin using available funds as soon as project get off the ground. Urban Renewal is discussed further within the Urban Renewal Budget section.

**Street Fund** – The Street Fund is one of more precarious funds as revenue has been noticeably reduced. Clackamas County Commissioners have also considered eliminating the county-wide Vehicle Registration Fee (VRF). We have been able to cinch our belts and save additional funding for next year but if revenue is not located our streets will continue to deteriorate.

## Property Tax-General Overview

Property Tax revenues \$3,650,000 are up an estimated 5% amounting to \$170,000 in additional General Fund revenue. Our overall Budget has decreased from \$ 43,216,294 to \$ 42,931,417 within the Proposed Budget. Personnel Services are up 5% and Material and Services are up 30% mainly due to Grants.

## **Visioning/Goals**

Once again, City Council Visioning and Goal Setting processes are reflected throughout this document. We embrace the concept of moving forward with infrastructure, safety, and livability as the guiding aspects of Molalla that we need to address and not waiver from. Staff has made every effort to highlight that perspective throughout the Budget document while continuing to operate conservatively. Consistently, this has created a positive result in our ability to address service provision, staffing levels, infrastructure upgrades and maintenance.

## **Look Ahead**

Department Heads will discuss these items as they present their individual department budgets.

- Recovery, reconnection and moving forward
- Economic Development Plan
- Main Street/Hwy 211 pedestrian/bike path completion
- Main Street/Molalla Avenue Signalization
- Wastewater Treatment Plant design
- Toliver Road/Highway 213 round-a-bout
- Visioning implementation
- Police Facility Design
- Council/Municipal Court Chambers
- Greenspace/Park planning
- Solutions to the Street Fund

## **Sustainable Staff**

We state each year, that part of the equation in our ability to produce quality service is maintenance of our staffing in terms of both levels and capabilities. We continue to examine opportunities to become more efficient, always doing as much as we can with the level of resources available. Examination of efficiencies as well as deficiencies resulting in solutions is a daily occurrence.

There has been a continued notable elevation in expertise of our staff. We are blessed in Molalla today to have 292 years of management experience throughout our staff. We have and continue to raise the expertise of our staff and attract quality people to complete the work that needs to be finished.

## **Five-Year Financial Forecast**

Longer term Budget Committee members will recall that our long-term financial forecasts and analysis identifies future financial challenges and opportunities, and then identifies strategies to secure financial sustainability in consideration of those challenges and opportunities. Our five-year forecast has been the cornerstone of our Budget preparation process. We are recognizing a “post” COVID-19 position for this current budget and we continue to be in good shape fiscally. However, we are looking at shortfalls in our Street Fund and that is an area we desperately need to solve. We need to balance the service we provide as local government and reflect on the cost burden that is supported by the community. We will need to keep a close eye on our Street Fund revenue stream moving forward.

We provide information in our annual 5-year capital improvement plans within the Budget document. There is a focus on Master Planning and projections to plan better for future year decision making. Based on our annual Audit information from June of 2020, the City of Molalla Statement of Position is 39 million which is up from 33 million in 2018. The Statement of Position in our annual Audit is a snapshot into the overall health of the City. Molalla is prepared for what the future may hold with respect to our projections for staffing, capital costs and infrastructure and service provision. Based on our audits and comparisons with other entities, we believe our five-year forecast is positive.

### **Conclusion**

Your role as the Budget Committee is to approve total allocations within each of your 17 funds. One thing to remember is that “not spending” can create as much damage as spending too much. It is important for the Budget Committee to consider that we have a participatory process established in our local government and the budget process is one of your opportunities to weigh-in. The budgeting program works better when the community is active and hears about the proposed budget. Thank you again for participating as a Budget Committee member.

Although Molalla is healthy, we understand that the list of unmet needs is large, and this Budget does not address all the community’s needs. However, this budget is balanced and in compliance with Oregon Budget Law. We are in the position today because of the hard work of a few and we can address some of the needs that exist in our community. Molalla continues to move in the right direction.

Again, we would like to thank and compliment everyone involved in the Budget Committee and the budget process for the 2021-22 fiscal year. I would especially like to thank the many Staff members responsible for preparation of this proposed budget. Specifically, I would like to commend the Finance Department who works hard annually at raising the bar in our budget process and has done so again. As always, good things happen in Molalla and we appreciate the opportunity to be part of that process.

Sincerely,



Dan Huff

City Manager, Budget Officer, and Urban Renewal Director  
City of Molalla

## About Molalla

### History

Prior to the arrival of the first Euro-American settlers, the area now known as the City of Molalla was populated by the Molalla Peoples, a Native American tribe that occupied the greater Cascade Mountain range in modern day Oregon, from Mt. Hood in the north to Mt. McLoughlin in the south. The Molalla Peoples subsisted primarily on large game (e.g. deer and elk), fish (e.g. salmon and steelhead), and naturally occurring vegetation (e.g. huckleberries and hazelnuts). The best documented aspect of Molalla culture is the language through which it was transmitted.

Descendants of the Molalla's are now part of the Confederated Tribes of Grande Ronde. However, their presence and heritage exist today throughout our community. The City of Molalla, Molalla River School District, and other non-profits have worked hard, and will continue to do so, to bring healing and a more prominent Tribal presence back to the Molalla area.

Seeking fertile soils, ample water and rich grasses, pioneers were attracted to the Molalla area, and in 1840 William Russel filed the first land claim in the area. The community continued to grow around the crossing of two Indian trails, and in 1850 the first local post-office opened. By 1856, the first schools opened, and the town had become a thriving timber, agricultural, and trade center. The year 1857 brought the first general store.

The City of Molalla was incorporated in 1913, a year that would prove to be full of "firsts" for the new city. Molalla welcomed her first steam train, first Molalla Buckeroo Rodeo, first bank, and first locally published weekly newspaper. Over time, timber production became the community's largest commodity; at one point five sawmills were present! Molalla was a true Oregon timber town, and while the local economy has grown far more diverse today, still retains the frontier spirit and "can do" attitude that comes with the dangerous, difficult work of logging and milling.

Today, Molalla is a community of 9,910 residents where citizens, business, and City government work together to ensure the community retains its hometown identity, livability, and natural beauty. Molalla's rich past and beautiful setting is still reflected today in our commitment to our quality of life.

### Location

Molalla is part of the Mt. Hood Territory located at the foothills of the Cascade Range, near the Mount Hood National Forest, 15 miles south of Oregon City, and 13 miles east of Interstate 5. The City of Molalla is surrounded by the Molalla River Corridor, rich agriculture, ranches, and rural residential development.

### City of Molalla Government

The City of Molalla maintains all authority granted to municipal corporations under Oregon State Statute, including the authority to issue debt, levy taxes on real property within its boundaries; and extend its corporate city limits by annexation.

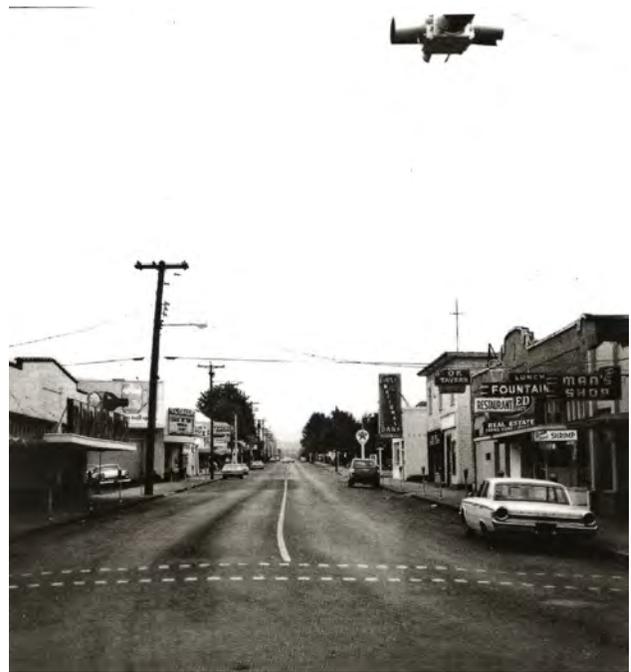
The City provides a full range of services: law enforcement; public library; street operation and maintenance; parks; treatment and distribution of municipal water; collection and treatment of wastewater; storm water collection; current and long-range planning; finance and administration; urban renewal district and enterprise zone.



# Historic Molalla 1900's



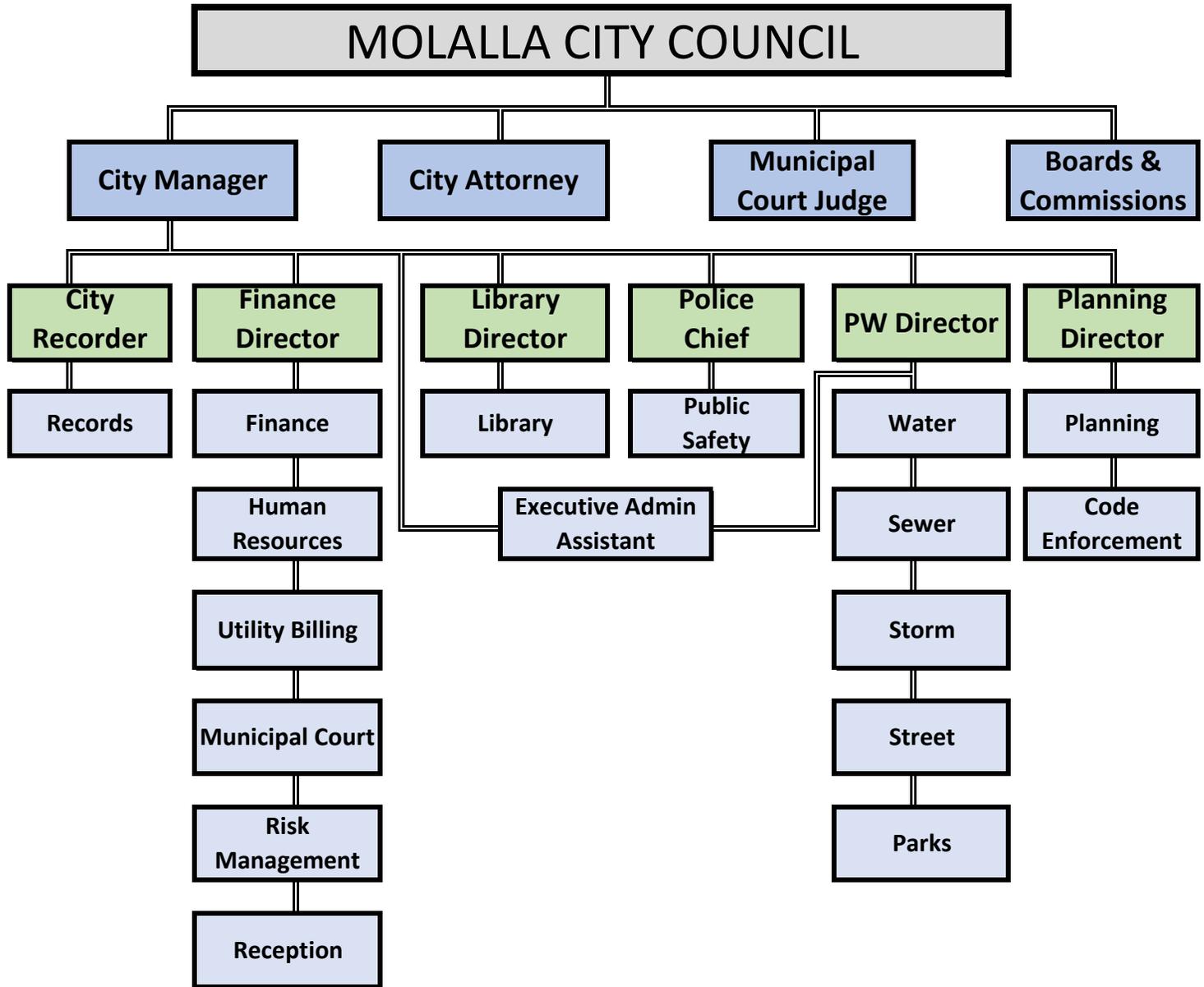
# Historic Molalla 1900's



Photos by Dave Jackson Photography



City of Molalla  
Organizational Chart



## Budget Calendar

The process followed in the preparation of this budget complies with the Local Budget Law established by the State of Oregon (ORS Chapter 294). The process and calendar of event leading up to the adoption of this budget are as follows.

January 13	Appoint Budget Officer by Resolution (ORS.294.331)
January	Budget worksheets delivered to departments.
March 16	Department Heads submit final proposed budgets to Budget Officer.
April	Budget 101 Presentation (if needed)
April 8	Budget Officer/Finance - Final Budget Worksheets.
April 14	Publish Notice of 1 <sup>st</sup> Budget Meeting (ORS.291.401) to include Shared Revenue hearing and Public Comment. Post on Website.
April 22	Budget Committee Meeting (6:30pm Thursday)
April 27-May 4	Additional Budget Committee Meetings (if needed)
	Budget Committee approves and forwards to City Council (ORS.406)
June 2	Publish Notice of Budget LB/UR Forms (ORS.294.421)
June 9	Budget Hearing before City Council (ORS 294.430)
July 15	Submit tax certification document to County Assessor (ORS 294.555)

**TO ALL:** Budget committee has openings for the citizen committee. If interested please contact the City Recorder.



## Budgeting in the City of Molalla

The City of Molalla prepares and adopts a budget in accordance with its city charter and ORS 294.305 through 294.565. The budget is presented in fund and department categories. Over-expenditures in any category are prohibited and unexpended budget appropriations lapse at the fiscal year's end.

Under the city's expenditure limitation, total expenditures cannot exceed the final appropriation once the budget is adopted. The budget can only be amended during the fiscal year through adoption of a supplemental budget. Supplemental budgets over 10% are adopted through the same process used for the regular budget, including the public hearings, and shall not extend beyond the end of the fiscal year during which they are submitted.

Supplemental budgets cannot be used to authorize a tax levy. Typically, the city has enough flexibility to carry out the programs prescribed in its adopted budget. During times when an adopted budget has no authority to make certain expenditures or when revenues are received for which the city had no prior knowledge, it is possible to use a supplemental budget in the current fiscal year.

### City of Molalla Budget Committee

The Molalla Budget Committee consists of the city council plus an equal number of citizen members approved and appointed by the city council. State law, ORS 294.414, mandates a budget committee for all Oregon local governments.

### Budgeting in the State of Oregon

Chapter 294.311 paragraph 5 of Oregon State Law defines a budget as:

***A plan of financial operation embodying an estimate of expenditures for a given period or purpose and the proposed means of financing the estimated expenditures.***

### Local Budget Law

Local budget law for local government is set out in ORS 294.305 to 294.565. Chapter 294.321 defines the six major purposes of local budget law:

1. To establish standard procedures for preparation, presentation, administration, and appraisal of municipal corporations;
2. To provide a brief description of the programs of a municipal corporation and the fiscal policy which is to accomplish these programs;
3. To provide for estimation of revenues, expenditures and proposed taxes;
4. To provide specific methods for obtaining public views in the preparation of fiscal policy;
5. To provide for the control of revenues, and expenditures for the promotion of efficiency

and economy in the expenditure of public funds;

6. To enable the public, taxpayers and investors to be apprised of the financial policies and administration of the municipal corporation in which they are interested.

Local governments in Oregon operate on a fiscal year which begins July 1st and ends the following June

30th. Budgeting requires local governments to evaluate plans and priorities with regard to the financial resources available to meet those needs. In Oregon, a budget is necessary to justify the need for a given tax rate and amount of property taxes.

### Basis of Accounting

All funds are budgeted using the modified accrual basis of accounting in accordance with budgetary accounting practices. Subsection 24 of ORS Chapter 294.311 defines the modified accrual basis of accounting as:

*“...Under this basis of accounting, revenues and other financial resource increments, such as bond proceeds, are recognized when they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures in the current period.*

*(b) As used in this subsection, “available” means collectable in the current period or soon enough thereafter to be used to pay liabilities of the current period. Under this basis of accounting, expenditures are recognized when the fund liability is incurred except for:*

*(A) Inventories of material and supplies that may be considered expenditures either when purchased or when used; and*

*(B) Prepaid insurance and similar items that may be considered expenditures either when paid for or when consumed.*

This means revenues are recognized when they become measurable and available.

“Measurable” means the dollar value of the revenue is known. “Available” means it is collectible within the current period, or soon enough after the end of the current period, to pay off liabilities of the current period. Significant revenues are considered to be measurable and available under the modified accrual basis of accounting are property taxes and franchise fees. Expenditures are recognized when the liability is incurred, except for interest on general long-term obligations which is recorded when due.

### Basis of Budgeting

All of the funds are budgeted using the modified accrual basis of accounting practices. In modified accrual, revenues are recognized when they become measurable and available.

“Measurable” means that the dollar value of the revenue is known. “Available” means it is collectible within the current period, or soon enough after the end of the current period, to pay off liabilities of the current period.

Significant revenues that are considered to be measurable and available under the modified accrual basis of accounting are property taxes, franchise fees, and assessment lien installments

received within approximately 60 days of the end of the fiscal year. Expenditures are recognized when the liability is incurred, except for interest on general long-term obligations which is recorded when due.

### Budgetary goals:



### Budget Contingency Plan

The purpose of the Budget Contingency Plan is to establish a guideline and general approach to respond to adverse financial and economic conditions which could negatively impact the City of Molalla’s fiscal health. The plan establishes a foundation of principles and goals upon which budgetary decisions will be based. The plan will create a proactive systematic response to adverse fiscal conditions, as opposed to reactionary decision-making that could have long-term negative impacts to the organization. While the plan is primarily focused on the General Fund, it also applies to all City funds as fiscal constraints are presented in these funds as well.

### Principles & Goals

The guiding principles behind the plan include the continued ability to achieve the City’s mission to protect and enhance our community’s quality of life for present and future generations. It is achieved through careful planning, fiscal responsibility, and continuous improvement. In addition, the City will strive to continue providing a balance of services within its fiscal ability.

The primary goals of the plan are as follows:

- Maintain a balanced budget—primarily the General Fund
- Preserve the City’s core services
- Retain the City’s organizational infrastructure and ensure that appropriate internal review functions remain in force

### Plan Trigger

Implementation of this plan will be predicated on one or more of the “triggers” outlined below:

1. Any adverse fiscal circumstances as determined by the City Manager, such as:
  - Natural or human-made disasters
  - Large, unexpected costs
  - Economic downturns

2. Whenever there are two consecutive quarters of adverse fiscal results in the top four revenues. Adverse results may include actual declines in revenues and/or significant variances from projected revenues. The top four revenues include:
  - Property Tax
  - Utility User Fee
  - Franchise Fee
  - County Funds

Declines in revenues will be analyzed in conjunction with expenditure trends in order to consider the net impact to fund balance. To the extent expenditure savings offset declines in revenue, reduction measures will not be implemented.

#### KEY ELEMENTS

There are four key elements to this plan:

1. Utilize Reserve Funds

Depending on the type of fiscal constraint, it may be more prudent to utilize a portion of reserve funds, rather than affect the operations of the City. In the following example, reserve funds would be utilized up to the level of availability:

- A. Natural or human made disasters—In the event Emergency Reserves are utilized, the City will strive to maintain the desired operating reserve.

2. Provide ongoing Monitoring of City’s Fiscal Health

In an effort to keep Council, employees, and the community apprised of the City’s fiscal situation, the Finance Director will provide ongoing analysis, reporting and monitoring on a quarterly basis or more frequently if the need arises. In addition, the Council will be presented with the City’s audited financial statements in accordance with generally accepted accounting principles on an annual basis.

3. Assess the Type of Fiscal Challenge

The type of duration of the fiscal impact will determine how best to respond to the situation. Different challenges call for different strategies.

- A. One-Time Events: One-time event that is not likely to continue indefinitely. “One-time” fixes are an appropriate response for “one-time” problems. Examples of “one-time” fixes include the use of inter-fund transfer or borrowing of funds, deferred funding, or replacement equipment for delays in capital projects.
- B. Ongoing Challenges: Ongoing downturn in revenues or ongoing increases in costs. In the case of ongoing challenges, “one-time” fixes will not be sustainable. A structural imbalance requires new ongoing revenues or ongoing expenditure reductions.

#### 4. Identify Options

In the long-term, there are only two basic budget-balancing options:

- A. Increase Revenue
- B. Reduce Expenditure (and related service levels) in the short-term. Use of fund balances is an option, but it is not a viable long-term solution. An exception is the strategic use of fund balances that reduces future year operating costs or increases ongoing revenues.

#### General Strategy

Department Heads are responsible for crafting expenditure reduction options that:

1. Are realistic and ongoing
2. Reflect the least service impacts to the community
3. Are within the City's ability to do independently – no speculative reductions contingent upon actions by others
4. Can be implemented within three months after adoption
5. Maintain essential facilities, infrastructure, and equipment at reasonable levels
6. Reflect participation from throughout the organization

#### Key Principles in Preparing Operating Expenditure Reduction Measures

1. Reduction measures will be based on service priorities
  - A. Reallocating existing staff resources, when possible, to provide flexibility in meeting service demands while mitigating the need for lay-offs.
2. Any service reductions will be balanced and ensure that highest priority services are retained
  - A. Focus will be on retaining core services and reducing services with the least impact on the community.
3. Preserve organizational infrastructure and ensure that appropriate and necessary internal review functions remain.
4. Ensuring the City's ability to respond to an economic rebound by maintaining core staffing levels across all functions.

#### Legislative Advocacy

Depending on the reason for the adverse circumstances (and especially if they are driven by state or federal budget actions), the City will work closely with its elected representatives and others (such as the League of Oregon Cities) in mitigating service (and related cost) reductions.

#### Employee Involvement

Department Heads will encourage employee participation and involvement in preparing expenditure reduction options. The City will strive to identify potential position reductions resulting from this plan as soon as practical before implementation in order to:

1. Communicate with affected employees regarding their employment outlook
2. Allow affected employees a reasonable amount of time to make other plans

There are downsides to this approach, and many organizations consciously keep force reduction actions under wraps as long as possible because of them. However, the City believes treating employees with respect means informing them about City plans affecting them as soon as possible.

#### Finalize and Implement Action Plan

1. With advice from Department Heads, the City Manager is responsible for preparing the recommended action plan
2. Council approval is required for implementation
3. Finance will closely monitor results of the action plan in achieving its goal and will quickly



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# RESOURCES & EXPENDITURES



City of Molalla Budget Summary-Proposed FY 21-22

	Expenditures								Resources		
	Personal Services	Material & Services	Capital Outlay	Transfers	Contingency	Debt Service	Reserve	Total Expenses	BFB	Revenues	Total Revenues
<b>General Fund</b>								<b>0</b>	<b>2,746,029</b>	<b>7,191,407</b>	<b>9,937,436</b>
Administration	842,354	314,500	2,000,000	0				3,156,854			
Police	2,579,000	610,000	0	570,000				3,759,000			
Court	175,250	86,700						261,950			
City Council		54,950						54,950			
Parks	102,600	71,550	87,000	7,900			0	269,050			
Planning	287,400	472,232						759,632			
Contingency					1,476,000		200,000	1,676,000			
<b>Total General Fund</b>	<b>3,986,604</b>	<b>1,609,932</b>	<b>2,087,000</b>	<b>577,900</b>	<b>0</b>	<b>0</b>	<b>200,000</b>	<b>9,937,436</b>	<b>2,746,029</b>	<b>7,191,407</b>	<b>9,937,436</b>
<b>Special Revenue Funds</b>											
Library	640,520	427,300	2,497,158	0	267,000			3,831,978	1,977,378	1,854,600	3,831,978
Street	425,300	725,450	16,700	2,763,300	310,883			4,241,633	675,633	3,566,000	4,241,633
PD Restricted		28,465	0	100,000				128,465	56,025	72,440	128,465
<b>Total Special Revenue</b>	<b>1,065,820</b>	<b>1,181,215</b>	<b>2,513,858</b>	<b>2,863,300</b>	<b>577,883</b>	<b>0</b>	<b>0</b>	<b>8,202,076</b>	<b>2,709,036</b>	<b>5,493,040</b>	<b>8,202,076</b>
<b>Capital Project Funds</b>											
Capital Projects			8,296,436					8,296,436	396,236	7,900,200	8,296,436
Fleet Replacement			267,805				270,427	538,232	252,182	286,050	538,232
<b>Total Capital</b>	<b>0</b>	<b>0</b>	<b>8,564,241</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>270,427</b>	<b>8,834,668</b>	<b>648,418</b>	<b>8,186,250</b>	<b>8,834,668</b>
<b>Debt Service Funds</b>											
Bonded Debt								0			0
Sewer Debt Retirement						381,486	0	381,486	0	381,486	381,486
Water Debt Retirement						0		0	0	0	0
CWSRF Debt Retirement		0				22,000	0	22,000	20,000	2,000	22,000
<b>Total Debt Service</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>403,486</b>	<b>0</b>	<b>403,486</b>	<b>20,000</b>	<b>383,486</b>	<b>403,486</b>
<b>SDC Funds</b>											
Street SDC's				439,000			662,609	1,101,609	1,038,104	63,505	1,101,609
Park SDC's				1,400,000			700,262	2,100,262	2,087,512	12,750	2,100,262
Sewer SDC's		80,000		0			407,696	487,696	433,591	54,105	487,696
Water SDC's		50,000		136,200			267,309	453,509	433,699	19,810	453,509
Stormwater SDC's				75,000			121,372	196,372	191,712	4,660	196,372
<b>Total SDC's</b>	<b>0</b>	<b>130,000</b>	<b>0</b>	<b>2,050,200</b>	<b>0</b>	<b>0</b>	<b>2,159,248</b>	<b>4,339,448</b>	<b>4,184,618</b>	<b>154,830</b>	<b>4,339,448</b>
<b>Enterprise Funds</b>											
Sewer	841,500	2,864,300	86,200	1,810,211	437,358		52,197	6,091,766	1,308,766	4,783,000	6,091,766
Water	754,800	691,175	11,200	1,196,725	986,739		1,000,000	4,640,639	2,633,039	2,007,600	4,640,639
Stormwater	149,300	106,700	13,900	76,400	135,598			481,898	181,398	300,500	481,898
<b>Total Enterprise</b>	<b>1,745,600</b>	<b>3,662,175</b>	<b>111,300</b>	<b>3,083,336</b>	<b>1,559,695</b>	<b>0</b>	<b>1,052,197</b>	<b>11,214,303</b>	<b>4,123,203</b>	<b>7,091,100</b>	<b>11,214,303</b>
<b>Total City of Molalla</b>	<b>6,798,024</b>	<b>6,583,322</b>	<b>13,276,399</b>	<b>8,574,736</b>	<b>2,137,578</b>	<b>403,486</b>	<b>3,681,872</b>	<b>42,931,417</b>	<b>14,431,304</b>	<b>28,500,113</b>	<b>42,931,417</b>
<b>Urban Renewal</b>		230,000	2,658,435		150,000	547,100	600,000	4,185,535	3,484,535	701,000	4,185,535
<b>Total All Funds</b>	<b>6,798,024</b>	<b>6,813,322</b>	<b>15,934,834</b>	<b>8,574,736</b>	<b>2,287,578</b>	<b>950,586</b>	<b>4,281,872</b>	<b>47,116,952</b>	<b>17,915,839</b>	<b>29,201,113</b>	<b>47,116,952</b>

City of Molalla Budget Summary-Proposed FY 20-21

	Prior Year							Resources			
	Expenditures										
	Personal Services	Material & Services	Capital Outlay	Transfers	Contingency	Debt Service	Reserve	Total	BFB	Revenues	Total Revenues
<b>General Fund</b>								500,000	2,500,000	4,946,000	7,446,000
Admin	796,900	370,100	35,000	0				1,202,000			0
Police	2,374,600	624,000	0	370,000				3,368,600			0
Court	154,850	84,800						239,650			0
City Council		63,700						63,700			0
Parks	110,200	82,550	0	7,900				200,650			0
Planning	258,600	92,800						351,400			0
Capital Outlay								0			0
Transfers								0			0
Contingency					1,320,000		200,000	1,520,000			0
<b>Total General Fund</b>	<b>3,695,150</b>	<b>1,317,950</b>	<b>35,000</b>	<b>377,900</b>	<b>1,320,000</b>	<b>0</b>	<b>200,000</b>	<b>7,446,000</b>	<b>2,500,000</b>	<b>4,946,000</b>	<b>7,446,000</b>
<b>Special Revenue Funds</b>											0
Library	621,600	358,550	2,435,450	0	200,000			3,615,600	1,767,000	1,848,600	3,615,600
Street	412,900	563,700	1,700	5,469,800	228,116			6,676,216	434,216	6,242,000	6,676,216
PD Restricted		27,284	0	50,000				77,284	10,964	66,320	77,284
Utility Deposits								0			0
<b>Total Special Revenues</b>	<b>1,034,500</b>	<b>949,534</b>	<b>2,437,150</b>	<b>5,519,800</b>	<b>428,116</b>	<b>0</b>	<b>0</b>	<b>10,369,100</b>	<b>2,212,180</b>	<b>8,156,920</b>	<b>10,369,100</b>
<b>Capital Project Funds</b>											0
Capital Projects			10,153,588					10,153,588	90,000	10,063,588	10,153,588
Fleet Replacement			217,000				227,420	444,420	245,095	199,325	444,420
<b>Total Capital Projects</b>	<b>0</b>	<b>0</b>	<b>10,370,588</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>227,420</b>	<b>10,598,008</b>	<b>335,095</b>	<b>10,262,913</b>	<b>10,598,008</b>
<b>Debt Service Funds</b>											0
Bonded Debt						0		0	0		0
Sewer Debt Retirement						655,250	0	655,250	349,000	306,250	655,250
Water Debt Retirement								0			0
CWSRF Debt Retirement		6,004				293,195	89,307	388,506	184,618	203,888	388,506
<b>Total Debt Service</b>	<b>0</b>	<b>6,004</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>948,445</b>	<b>89,307</b>	<b>1,043,756</b>	<b>533,618</b>	<b>510,138</b>	<b>1,043,756</b>
<b>SDC Funds</b>											0
Street SDC's		0		657,488			0	657,488	593,983	63,505	657,488
Park SDC's				1,000,000			1,322,317	2,322,317	2,309,567	12,750	2,322,317
Sewer SDC's		0		146,751			24,453	171,204	117,099	54,105	171,204
Water SDC's		10,000		502,900			70,660	583,560	563,750	19,810	583,560
Stormwater SDC's				25,000			78,474	103,474	98,814	4,660	103,474
<b>Total SDC's</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>2,332,139</b>	<b>0</b>	<b>0</b>	<b>1,495,904</b>	<b>3,838,043</b>	<b>3,683,213</b>	<b>154,830</b>	<b>3,838,043</b>
<b>Enterprise Funds</b>											0
Sewer	907,300	2,025,300	89,225	1,562,872	455,014			5,039,711	672,280	4,343,781	5,016,061
Water	736,800	676,700	1,700	940,200	841,000		1,330,464	4,526,864	2,399,264	2,127,600	4,526,864
Stormwater	144,400	105,800	3,100	67,900	57,262			378,462	92,962	285,500	378,462
<b>Total Enterprise</b>	<b>1,788,500</b>	<b>2,807,800</b>	<b>94,025</b>	<b>2,570,972</b>	<b>1,353,276</b>	<b>0</b>	<b>1,330,464</b>	<b>9,945,037</b>	<b>3,164,506</b>	<b>6,756,881</b>	<b>9,921,387</b>
<b>Total City of Molalla</b>	<b>6,518,150</b>	<b>5,091,288</b>	<b>12,936,763</b>	<b>10,800,811</b>	<b>3,101,392</b>	<b>948,445</b>	<b>3,343,095</b>	<b>43,239,944</b>	<b>12,428,612</b>	<b>30,787,682</b>	<b>43,216,294</b>
<b>Urban Renewal</b>	0	150,000	3,000,000	0	150,000	600,000	600,000	4,500,000	1,516,000	2,984,000	4,500,000
<b>Total All Funds</b>	<b>6,518,150</b>	<b>5,241,288</b>	<b>15,936,763</b>	<b>10,800,811</b>	<b>3,251,392</b>	<b>1,548,445</b>	<b>3,943,095</b>	<b>47,739,944</b>	<b>13,944,612</b>	<b>33,771,682</b>	<b>47,716,294</b>

## CITY OF MOLALLA

### Contingency and Reserve Information

#### FY 2021-2022

FUND	Total Budgeted	% of			Operating Expenses	Per Policy	Over - Under
		Contingency and Reserves	Operating Budget	or 2/3 Mo			
General Fund	\$9,937,436	\$1,676,000	28%	\$1,470,984	\$5,883,936	\$1,176,787	\$499,213
Library	\$3,831,978	\$267,000	25%	\$266,955	\$1,067,820	\$213,564	\$53,436
Streets	\$4,241,633	\$310,883	27%	\$287,688	\$1,150,750	\$230,150	\$80,733
Sewer	\$6,091,766	\$489,555	13%	\$926,450	\$3,705,800	\$555,870	-\$66,315
Water	\$4,640,639	\$1,986,739	137%	\$361,494	\$1,445,975	\$216,896	\$1,769,843
Storm	\$481,898	\$735,598	287%	\$64,000	\$256,000	\$38,400	\$697,198
Urban Renewal	\$4,185,535	\$150,000	65%	\$38,333	\$230,000	\$11,500	\$138,500

Operating expenses includes personnel services and material & services.

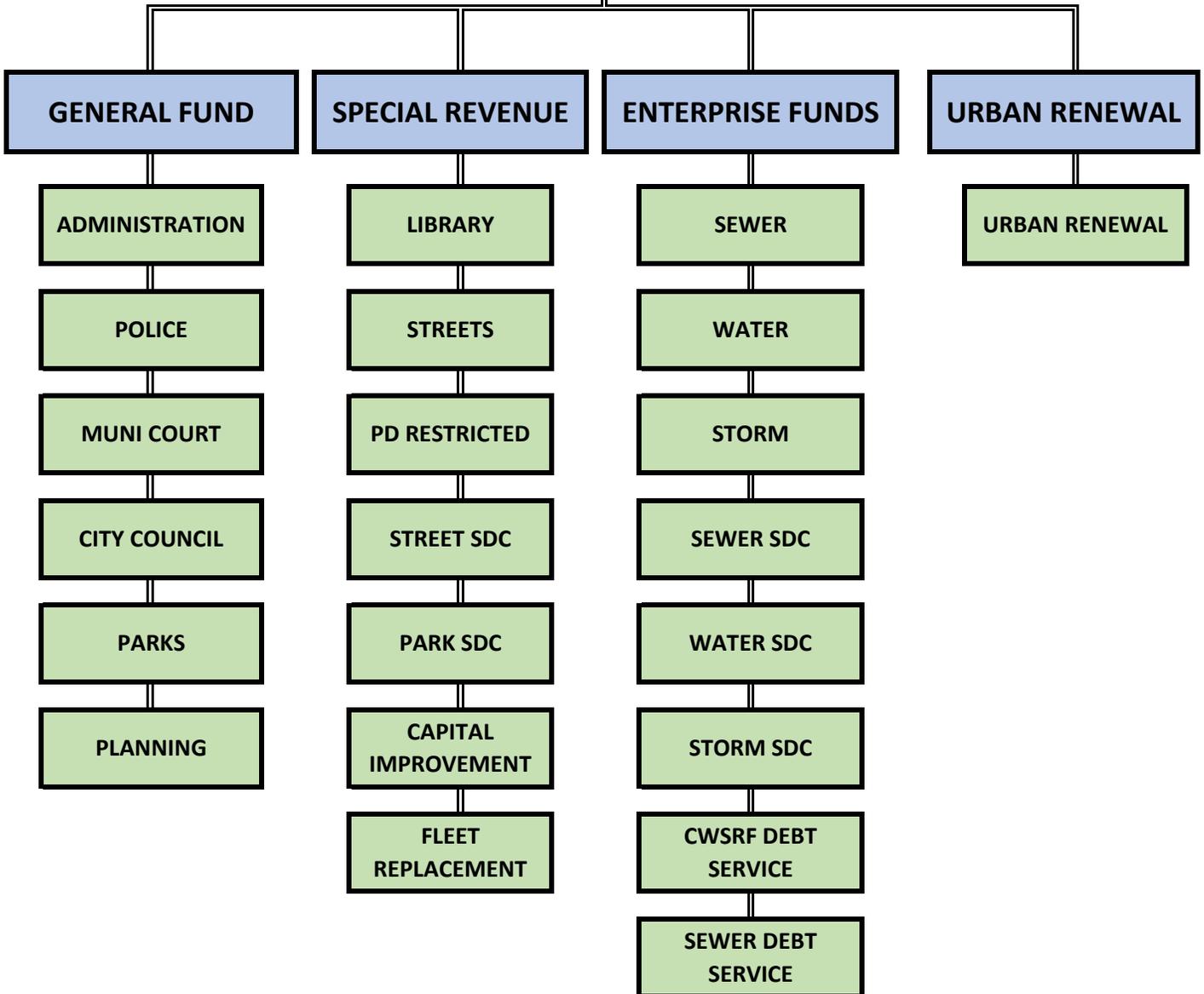
Financial Policy Requirements:

FUND	Recommended per Policy
General Fund	3 months or 20%
Library	3 months or 20%
Streets	3 months or 20%
Sewer	3 months or 15%
Water	3 months or 15%
Storm	3 months or 15%
Urban Renewal	2 months or 5%

**City of Molalla**  
**Fund Chart**



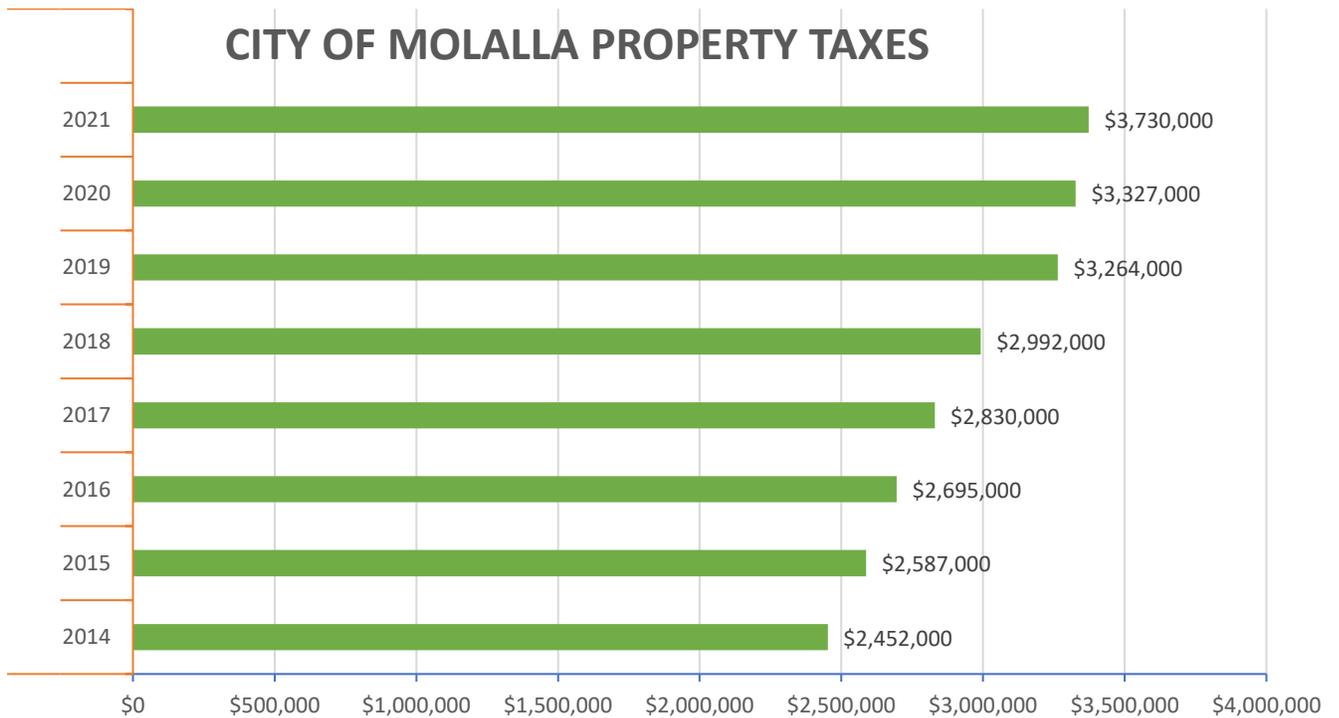
**CITY OF MOLALLA FUNDS**



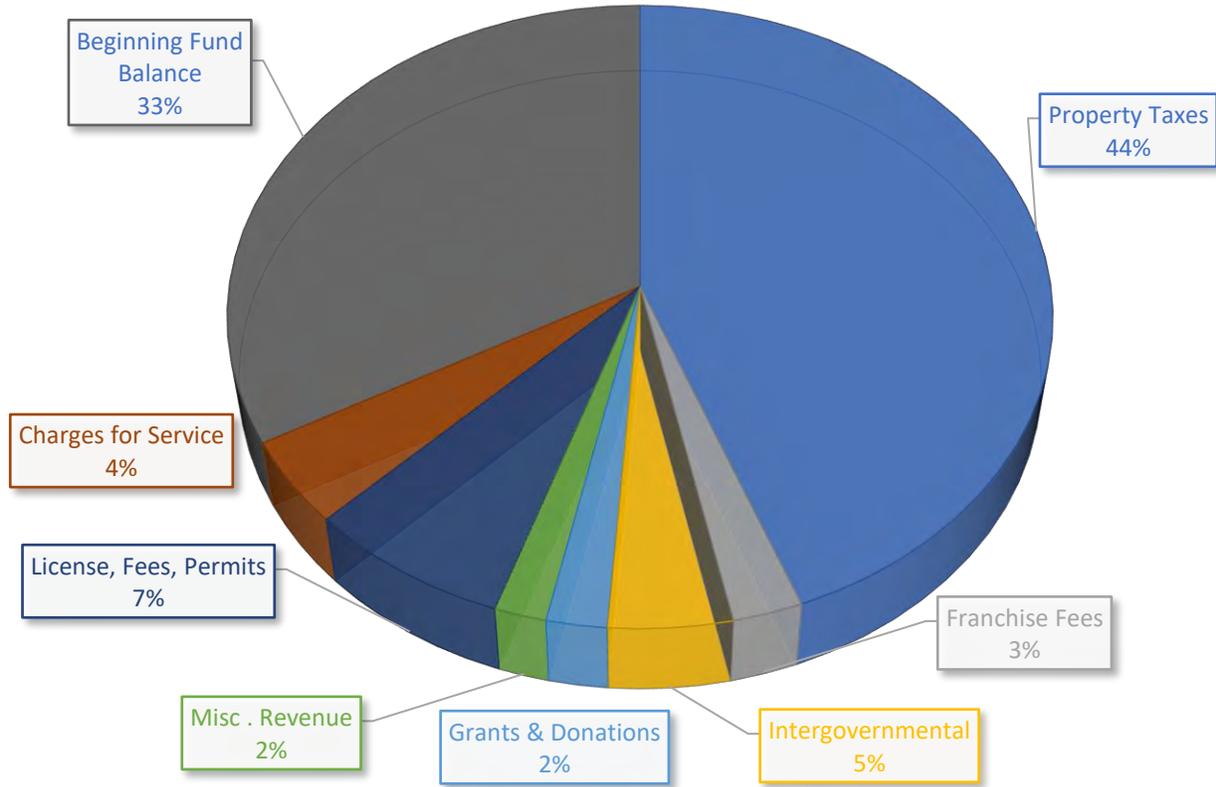
## Full Time Equivalent Employees (fte's)

	18-19	19-20	20-21	21-22	Variance	% change
<b>General Fund</b>						
Admin	4.75	5.25	6.10	6.10	0.00	0%
Police	18.50	18.50	19.50	19.50	0.00	0%
Court	0.75	0.75	1.00	1.00	0.00	0%
Parks	1.00	0.86	0.86	0.86	0.00	0%
Planning	1.00	2.00	2.50	2.50	0.00	0%
<i>Total General Fund</i>	<i>26.00</i>	<i>27.36</i>	<i>29.96</i>	<i>29.96</i>	<i>0.00</i>	<i>0%</i>
<b>Special Revenue Funds</b>						
Library	7.20	8.20	8.70	8.70	0.00	0%
Street	3.14	3.14	3.14	3.14	0.00	0%
<i>Total Special Revenue</i>	<i>10.34</i>	<i>11.34</i>	<i>11.84</i>	<i>11.84</i>	<i>0.00</i>	<i>0%</i>
<b>Enterprise Funds</b>						
Sewer	5.90	7.85	7.85	7.85	0.00	0%
Water	5.65	5.84	5.74	5.74	0.00	0%
Stormwater	1.07	1.22	1.22	1.22	0.00	0%
<i>Total Enterprise</i>	<i>12.62</i>	<i>14.91</i>	<i>14.81</i>	<i>14.81</i>	<i>0.00</i>	<i>0%</i>
<b>Total FTE</b>	<b>48.96</b>	<b>53.61</b>	<b>56.61</b>	<b>56.61</b>	<b>0.00</b>	<b>0%</b>

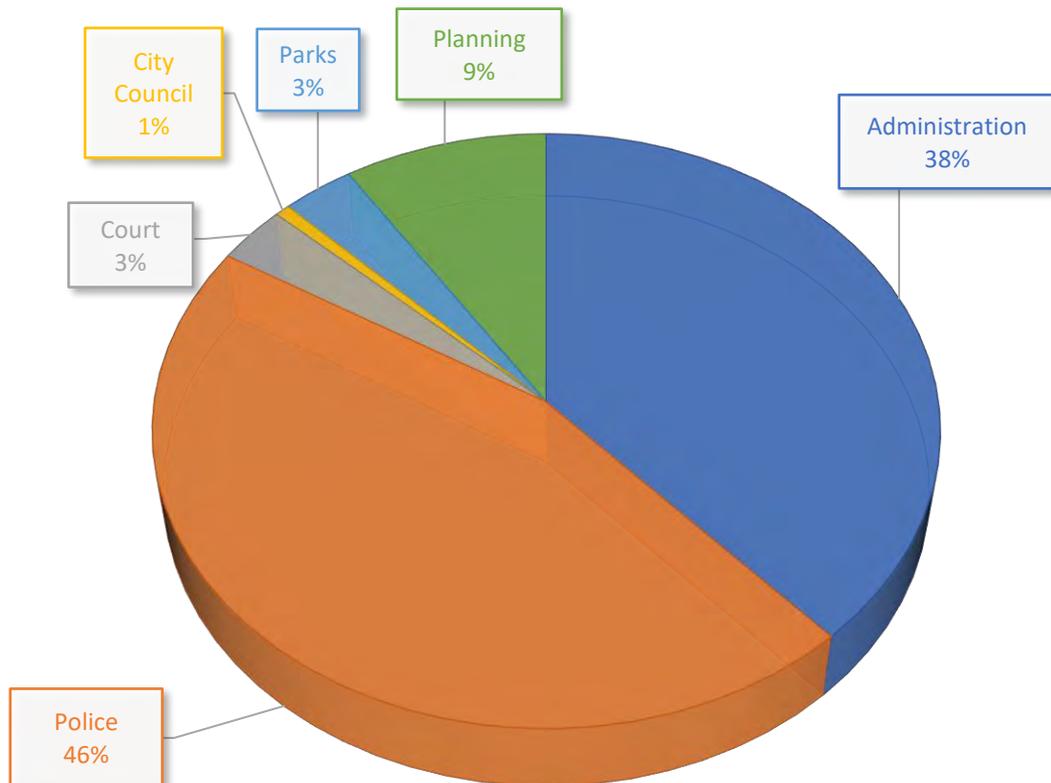
No Changes in Personnel this year



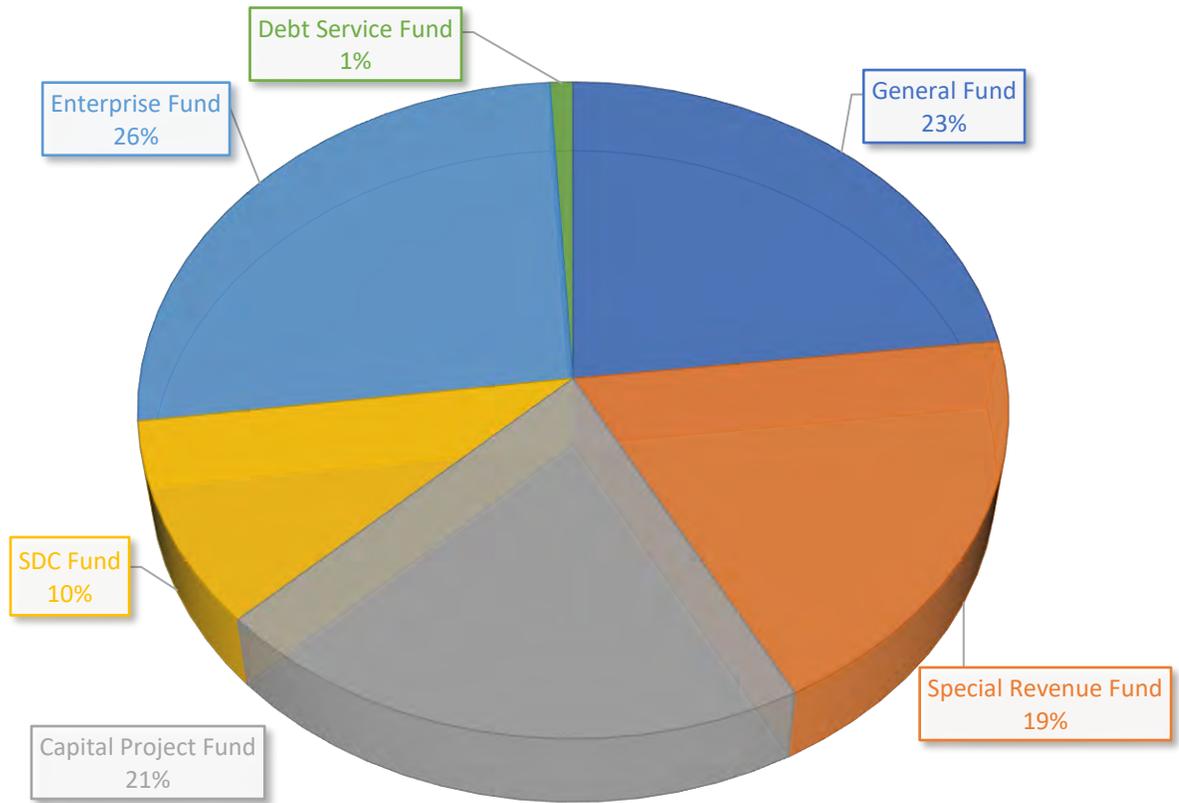
## GENERAL FUND RESOURCES BY CATEGORY



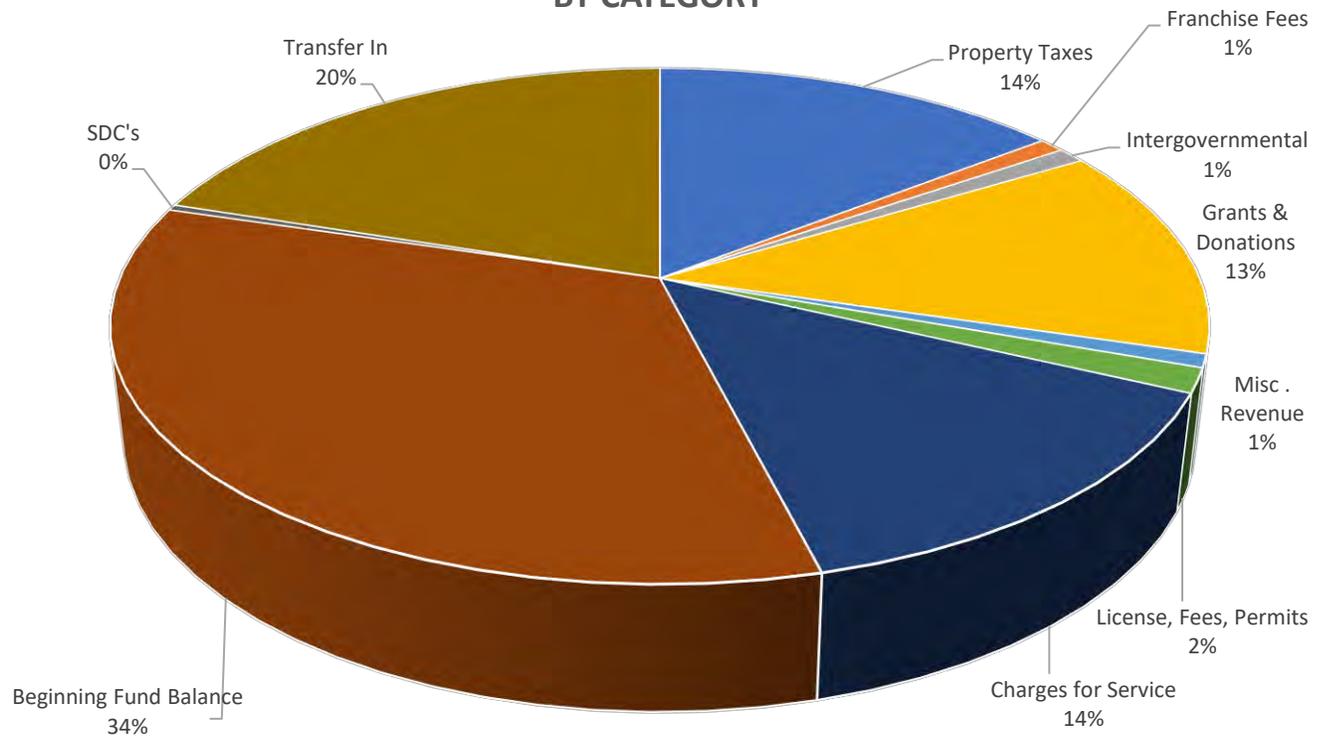
## GENERAL FUND EXPENDITURES BY DEPARTMENT



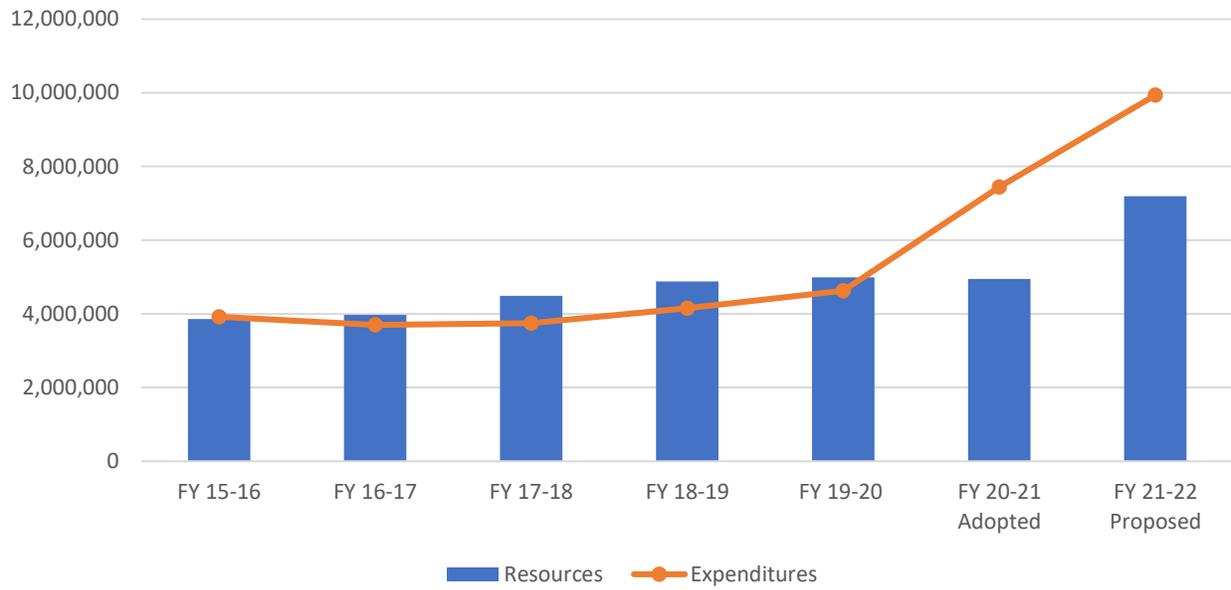
## ALL FUNDS EXPENDITURES BY TYPE



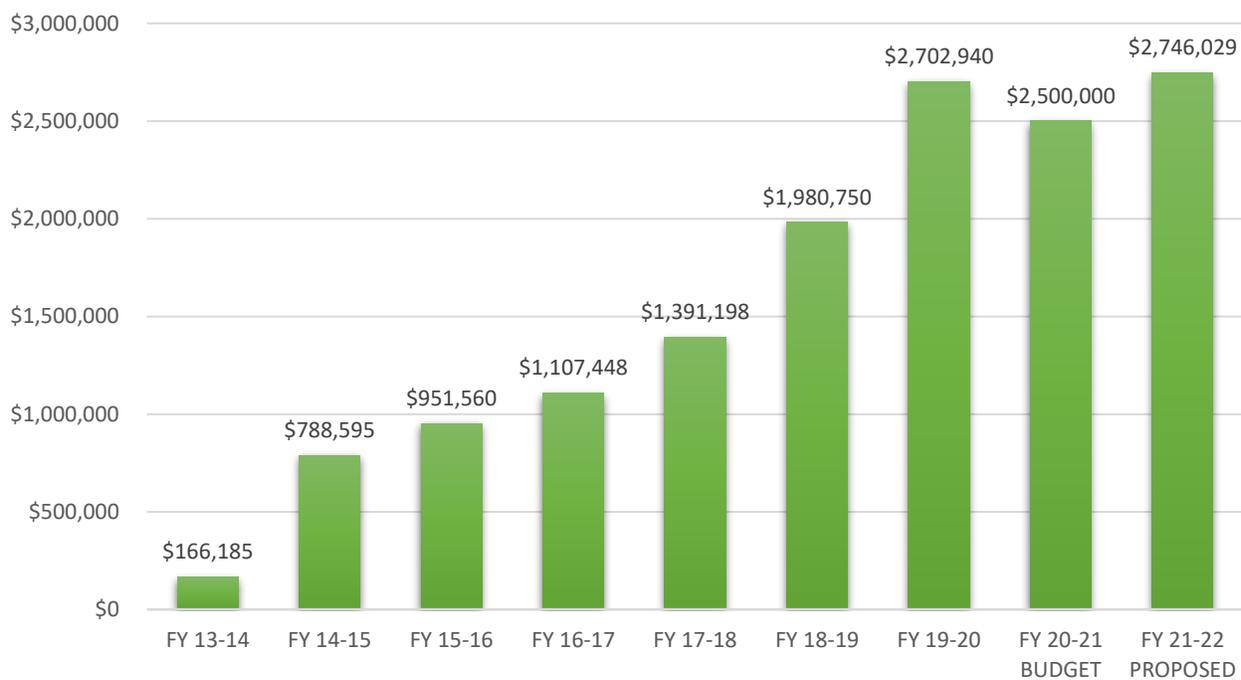
## ALL FUNDS RESOURCES BY CATEGORY



## GENERAL FUND Resources vs. Expenditures



## GENERAL FUND FUND BALANCE



## Financial Analysis

The proposed budget for FY 2021/2022 for the City of Molalla has been prepared in accordance with Oregon budget law and generally accepted accounting principles. This is a lean budget with continued focus on expenditure controls, building working capital, contingencies, and reserves, and focus on capital improvements to City infrastructure.

### Fund Descriptions

The financial structure of the City is organized and operated on the basis of fund accounting. There are both federal and state requirements for local governments to budget by fund as a means of maintaining records for resources which are designated to carry out specific activities or meet particular objectives. Oregon Administrative Rules define a fund as “a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives with special regulations, restrictions, or limitations.”

The City must prepare an itemized balanced budget for each fund. Each fund contains appropriations, which provide the local government with legal spending authority throughout the fiscal year. Throughout all funds, appropriations are established at the object classification level (personnel services, materials and services, capital outlay, debt service, transfers, operating contingency, reserves, and ending fund balance).

### Government Funds

Government funds house most of the City’s functions and include the General Fund, Special Revenue Funds, and Debt Service Funds.

- GENERAL FUND – Money should be accounted for in the general fund unless there is a compelling reason to report them in some other fund type.
  - Administration
  - Police
  - Municipal Court
  - City Council
  - Parks
  - Planning
  
- SPECIAL REVENUE – accounts for money that is earmarked for a specific purpose. For example, gas tax or special district revenue.
  - Library Fund
  - Street Fund
  - Police Restricted
  - Capital Projects
  - Fleet Reserve
  - Transportation SDC’s
  - Parks SDC’s

- DEBT SERVICE FUNDS - The City maintains a dedicated fund for repayment of long-term debt including voter approved general obligation bonds, special revenue bonds, and Clear Water State Revolving Fund (CWSRF) debt.
  - Sewer Debt Retirement (Revenue Bond)
  - Clean Water State Revolving Fund (CWSRF)
  
- Bonded Debt, and Water Debt Retirement (Inactive Funds).
- SDC Fund – (The City collects systems development charges for streets, water, sewer, storm water, and parks).
  
- ENTERPRISE (or Proprietary) FUNDS – Governments often levy user charges for certain types of services. These funds record the resources and expenses of acquiring, operating, and maintaining a self-supporting facility or service.
  - Water Fund
  - Wastewater Fund
  - Storm Water Fund

# BUDGET DETAILS





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# GENERAL FUND



**GENERAL FUND  
RESOURCES**

Budget for Next FY 21-22

Historical Data				Budget for Next FY 21-22		
Actual				Proposed By	Approved By	Adopted By
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021		Budget Officer	Budget Com.	Gov. Body
\$1,980,749.81	\$2,702,939.67	\$2,500,000.00	BEGINNING FUND BALANCE	\$2,746,029.00	\$0.00	\$0.00
			<b>GENERAL REVENUES</b>			
\$3,079,223.87	\$3,294,879.54	\$3,333,000.00	CURRENT PROPERTY TAXES	\$3,650,000.00	\$0.00	\$0.00
\$185,301.16	\$32,787.94	\$40,000.00	PRIOR PROPERTY TAXES	\$25,000.00	\$0.00	\$0.00
\$100,379.36	\$108,464.48	\$75,000.00	REVENUE SHARING	\$110,000.00	\$0.00	\$0.00
\$68,261.26	\$78,133.43	\$40,000.00	STATE/LOCAL SHARED REVENUES	\$70,000.00	\$0.00	\$0.00
\$155,697.12	\$170,055.61	\$165,000.00	LIQUOR TAX	\$175,000.00	\$0.00	\$0.00
\$11,046.10	\$10,768.33	\$11,000.00	CIGARETTE TAX	\$15,000.00	\$0.00	\$0.00
\$0.00	\$31,889.00	\$0.00	GRANTS-CRF COVID-19	\$0.00	\$0.00	
\$0.00	\$0.00	\$0.00	GRANTS-ARP	\$1,800,000.00	\$0.00	
\$378,829.62	\$335,517.83	\$320,000.00	INTEREST	\$132,057.00	\$0.00	\$0.00
\$42,540.38	\$46,711.74	\$46,000.00	NWNG FRANCHISE FEES	\$48,000.00	\$0.00	\$0.00
\$9,966.07	\$9,341.33	\$10,000.00	TELEPHONE FRANCHISE FEES	\$10,000.00	\$0.00	\$0.00
\$25,122.56	\$21,408.83	\$25,000.00	TV FRANCHISE FEES	\$25,000.00	\$0.00	\$0.00
\$75,000.00	\$75,000.00	\$75,000.00	PGE FRANCHISE FEES	\$75,000.00	\$0.00	\$0.00
\$75,000.00	\$75,000.00	\$75,000.00	GENERAL FRANCHISE FEES	\$50.00	\$0.00	\$0.00
<b>\$4,131,367.50</b>	<b>\$4,214,958.06</b>	<b>\$4,140,000.00</b>	<b>TOTAL GENERAL REVENUES</b>	<b>\$6,135,107.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>ADMINISTRATION REVENUES</b>			
\$31,075.00	\$31,405.00	\$30,000.00	LICENSES	\$30,000.00	\$0.00	\$0.00
\$6,204.00	\$9,228.45	\$6,000.00	LEIN SEARCHES	\$10,000.00	\$0.00	\$0.00
\$49,844.80	\$10,861.00	\$8,000.00	SDC ADMINISTRATION FEE	\$20,000.00	\$0.00	\$0.00
\$26,459.52	\$14,021.04	\$20,000.00	GENERAL-MISCELLANEOUS	\$20,000.00	\$0.00	\$0.00
\$266,040.68	\$301,291.91	\$350,000.00	COST ALLOCATION PLAN	\$360,000.00	\$0.00	\$0.00
<b>\$379,624.00</b>	<b>\$366,807.40</b>	<b>\$414,000.00</b>	<b>TOTAL ADMINISTRATION REVENUES</b>	<b>\$440,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>Parks Revenue</b>			
\$50,000.00	\$50,000.00	\$50,000.00	PGE Franchise	\$50,000.00	\$0.00	
\$75.00	\$75.00	\$100.00	PARK-KEY DEPOSITS	\$100.00	\$0.00	\$0.00
\$0.00	\$0.00	\$3,000.00	PARK-SPECIAL EVENT RENTAL FEE	\$3,000.00	\$0.00	\$0.00
\$4,041.05	\$13.38	\$1,000.00	PARKS-MISCELLANEOUS	\$100.00	\$0.00	\$0.00
<b>\$54,116.05</b>	<b>\$50,088.38</b>	<b>\$54,100.00</b>	<b>TOTAL PARKS REVENUES</b>	<b>\$53,200.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>Court Revenue</b>			
\$180,651.70	\$197,337.88	\$200,000.00	COURT-PD FINES	\$200,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	COURT-NUISANCE/PLANNING FINES	\$10,000.00	\$0.00	\$0.00
<b>\$180,651.70</b>	<b>\$197,337.88</b>	<b>\$200,000.00</b>	<b>TOTAL COURT REVENUES</b>	<b>\$210,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**GENERAL FUND  
RESOURCES**

Budget for Next FY 21-22

Historical Data				Budget for Next FY 21-22		
Actual				Proposed By	Approved By	Adopted By
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021	RESOURCES-continued	Budget Officer	Budget Com.	Gov. Body
			<b>Police Revenue</b>			
\$2,555.83	\$5,991.07	\$4,000.00	PD-ALARM PERMITS	\$2,500.00	\$0.00	\$0.00
\$1,300.00	\$700.00	\$1,000.00	PD-TOW FEES	\$1,000.00	\$0.00	\$0.00
\$1,265.00	\$946.00	\$1,000.00	PD-REPORTS	\$1,000.00	\$0.00	\$0.00
\$531.00	\$10,742.66	\$2,000.00	PD-MISCELLANEOUS	\$600.00	\$0.00	\$0.00
\$50,000.00	\$50,000.00	\$50,000.00	PD-SCHOOL RESOURCE OFFICER	\$50,000.00	\$0.00	\$0.00
\$4,000.00	\$0.00	\$4,000.00	PD-OT REIMBURSE	\$0.00	\$0.00	\$0.00
\$592.14	\$0.00	\$1,500.00	PD-DUII GRANT	\$0.00	\$0.00	\$0.00
\$1,335.00	\$0.00	\$1,500.00	PD-VEST GRANT	\$1,500.00	\$0.00	\$0.00
<b>\$61,578.97</b>	<b>\$68,379.73</b>	<b>\$65,000.00</b>	<b>TOTAL POLICE REVENUES</b>	<b>\$56,600.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>City Council Revenue</b>			
\$20,300.00	\$0.00	\$25,000.00	COMM VISIONING GRANT&DONAT	\$0.00	\$0.00	\$0.00
\$0.00	\$400.00	\$400.00	VETERANS MEMORIAL DONATIONS	\$0.00	\$0.00	\$0.00
\$11,615.00	\$3,450.00	\$2,500.00	CELEBRATE MOLALLA	\$2,500.00	\$0.00	\$0.00
\$11,420.02	\$9,000.00	\$0.00	NATIVE AMERICAN ART WALK GRANT	\$0.00	\$0.00	\$0.00
<b>\$43,335.02</b>	<b>\$12,850.00</b>	<b>\$27,900.00</b>	<b>TOTAL CITY COUNCIL REVENUES</b>	<b>\$2,500.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>Planning Revenue</b>			
\$0.00	\$30,000.00	\$0.00	ECONOMIC DEV GRANT-FF	\$0.00	\$0.00	\$0.00
\$19,702.91	\$48,393.15	\$45,000.00	PLANNING FEES	\$45,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	UGB STUDY GRANT	\$45,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	PARKS MASTER PLAN GRANT	\$24,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	LOCAL GOV LAND GRANT	\$180,000.00	\$0.00	\$0.00
<b>\$19,702.91</b>	<b>\$78,393.15</b>	<b>\$45,000.00</b>	<b>TOTAL PLANNING RE VENUES</b>	<b>\$294,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$4,870,376.15</b>	<b>\$4,988,814.60</b>	<b>\$4,946,000.00</b>	<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$7,191,407.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$1,980,749.81</b>	<b>\$2,702,939.67</b>	<b>\$2,500,000.00</b>	<b>TOTAL FUND BALANCE</b>	<b>\$2,746,029.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$6,851,125.96</b>	<b>\$7,691,754.27</b>	<b>\$7,446,000.00</b>	<b>TOTAL ALL GENERAL FUND RESOURCES</b>	<b>\$9,937,436.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**TOTAL GENERAL FUND NET**

\$6,851,125.96	\$7,691,754.27	\$7,446,000.00	<b>TOTAL GENERAL FUND RESOURCES AND FB</b>	\$9,937,436.00	\$0.00	\$0.00
\$4,154,217.96	\$4,627,931.82	\$7,446,000.00	<b>TOTAL GENERAL FUND REQUIREMENTS</b>	\$9,937,436.00	\$0.00	\$0.00
\$2,696,908.00	\$3,063,822.45	\$0.00	<b>TOTAL NET GENERAL FUND</b>	\$0.00	\$0.00	\$0.00

## GENERAL FUND ADMINISTRATION DEPT

General Fund Administration includes the City Manager's office, City Recorder's office and Finance. Administration is where the City connects with the public and provides organizational and the business foundation for the City. This department provides many external services such as civic leadership, communication, engagement, administrative support, strategic planning economic development, city management, financial management and services, customer service, human resources, records management, risk management and information technology.

Historical Data			Budget for Next FY 21-22			
Actual			PERSONNEL SERVICES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021				
\$183,457.50	\$232,886.00	\$247,000.00	BENEFITS AND TAXES	\$263,354.00	\$0.00	\$0.00
\$431,993.35	\$476,687.15	\$549,900.00	SALARIES AND WAGES	\$579,000.00	\$0.00	\$0.00
<b>\$615,450.85</b>	<b>\$709,573.15</b>	<b>\$796,900.00</b>	<b>TOTAL ADMIN PERSONNEL SERVICES</b>	<b>\$842,354.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
4.75	5.25	6.10	FTE	6.10		
			<b>MATERIALS &amp; SERVICES</b>			
\$5,878.63	\$2,928.47	\$5,000.00	POWER	\$3,400.00	\$0.00	\$0.00
\$14,449.36	\$15,608.87	\$16,500.00	PHONE	\$17,000.00	\$0.00	\$0.00
\$13,653.53	\$16,855.98	\$20,000.00	OPERATIONS & MAINTENANCE	\$18,000.00	\$0.00	\$0.00
\$22,486.65	\$3,948.41	\$20,000.00	BUILDING MAINTENANCE	\$15,000.00	\$0.00	\$0.00
\$5,983.87	\$4,746.27	\$12,000.00	TRAINING & CONF. TRAVEL	\$12,500.00	\$0.00	\$0.00
\$12,327.52	\$12,888.06	\$12,000.00	DUES & MEMBERSHIP	\$12,000.00	\$0.00	\$0.00
\$2,696.54	-\$12,245.03	\$3,000.00	POSTAGE	\$3,000.00	\$0.00	\$0.00
\$14,932.49	\$1,174.18	\$15,000.00	PRINTING & PUBLICATIONS	\$10,000.00	\$0.00	\$0.00
\$7,899.82	\$22,162.96	\$56,000.00	PROFESSIONAL SERVICES	\$50,000.00	\$0.00	\$0.00
\$12,429.50	\$21,574.27	\$22,000.00	INSURANCE/LIABILITY/GEN	\$23,000.00	\$0.00	\$0.00
\$100.00	\$94.92	\$100.00	PARK-KEY DEPOSIT REFUNDS	\$100.00	\$0.00	\$0.00
\$6,375.43	\$2,747.89	\$3,500.00	CUSTODIAN	\$3,500.00	\$0.00	\$0.00
\$860.01	\$0.00	\$0.00	CUSTODIAL SUPPLIES	\$0.00	\$0.00	\$0.00
\$7,835.29	\$5,431.47	\$9,000.00	OFFICE SUPPLIES	\$9,000.00	\$0.00	\$0.00
\$21,697.41	\$824.78	\$45,000.00	CITY ATTORNEY	\$30,000.00	\$0.00	\$0.00
\$29,223.28	\$41,037.44	\$79,000.00	COMPUTER SERVICES	\$45,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	EMERGENCY MANAGEMENT	\$10,000.00	\$0.00	\$0.00
\$0.00	\$3,563.50	\$20,000.00	RECORDS MANAGEMENT	\$20,000.00	\$0.00	\$0.00
\$27,691.25	\$29,158.00	\$32,000.00	AUDITS & BUDGETS	\$33,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	MEETINGS	\$0.00	\$0.00	\$0.00
<b>\$206,520.58</b>	<b>\$172,500.44</b>	<b>\$370,100.00</b>	<b>TOTAL ADMIN MATERIALS &amp; SERVICES</b>	<b>\$314,500.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

Historical Data			GENERAL FUND ADMINISTRATION	Budget for Next FY 21-22		
Actual				<i>Continued</i>	Proposed By Budget Officer	Approved By Budget Committee
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021				
			<b>CAPITAL OUTLAY</b>			
\$0.00	\$12,072.00	\$35,000.00	CAPITAL IMPROVEMENTS	\$200,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	GRANT-ARP	\$1,800,000.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$12,072.00</b>	<b>\$35,000.00</b>	<b>TOTAL ADMIN CAPITAL OUTLAY</b>	<b>\$2,000,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>TRANSFERS OUT</b>			
\$0.00	\$0.00	\$0.00	TRANSFER TO PD RESTRICTED EVF	\$0.00	\$0.00	\$0.00
\$20,000.00	\$0.00	\$0.00	TRANSFER TO FLEET REPLACEMENT	\$0.00	\$0.00	\$0.00
<b>\$20,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL ADMIN TRANSFERS OUT</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>CONTINGENCY</b>			
\$0.00	\$0.00	\$1,320,000.00	OPERATING CONTINGENCY	\$1,476,000.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,320,000.00</b>	<b>TOTAL OPERATING CONTINGENCY</b>	<b>\$1,476,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>FUND BALANCE/RESERVES</b>			
\$0.00	\$0.00	\$195,000.00	FB RESERVE/PERS	\$200,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$5,000.00	FB RESERVE/PARKS EQUIPMENT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$500,000.00	FUND BALANCE UNALLOCATED	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$700,000.00</b>	<b>TOTAL RESERVES</b>	<b>\$200,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$841,971.43</b>	<b>\$894,145.59</b>	<b>\$3,222,000.00</b>	<b>TOTAL ADMINISTRATION REQUIREMENTS</b>	<b>\$4,832,854.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

## GENERAL FUND POLICE DEPARTMENT

The 2021-2022 budget for the Molalla Police department will be one of modest but essential progress. After coming out of a year wrought with significant challenges surrounding the pandemic, wildfires, recent ice storms, and demanding police reforms, the Molalla Police Department was able to maintain patrol strength and service to our community thanks to the addition of personnel and equipment needs put in place during the last budget cycle. These challenges, have now more than ever, highlighted the desperate need for an adequate police facility to meet the needs of our growing department and community. As we move in this direction, we are forced to make efforts to expand out our current facility. Although this will not accommodate all our needs, it will still at least allow police personnel to function in one location.

Incrementally, over the past few fiscal years, we have continued to upgrade key equipment components such as our fleet, mobile data computers, and aging and damaged hardware used for ticket writing. By continuing in this direction, we will upgrade and replace damaged speed enforcement equipment, replace two aging police vehicles, and in lieu of recent police reforms and demands, continue to implement, and expand new online training software. We will continue to improve social media along with outreach programs for better communication with our citizens in our goal to be a more efficient resource hub for our community.

During the last two budget cycles, the City of Molalla has been identified as the number one safest City two years in a row according to a survey conducted by HomeSnacks which collected this data from the FBI’s Uniform Crime Report statistics. This aligns with the visioning plan put in place by both the department and the City of Molalla to promote a hometown feel that is welcoming and most importantly safe.

The need to accommodate our growing department has moved to top priority with this budget. By taking a phased approach, first by expanding our current facility and continuing our pursuit of building a new police facility, this will be achieved with the continued support of our great community.

Historical Data			Budget for Next FY 21-22			
Actual				Proposed By	Approved By	Adopted By
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021		Budget Officer	Budget Com.	Gov. Body
<b>PERSONNEL SERVICES</b>						
\$627,771.61	\$710,476.05	\$725,000.00	BENEFITS AND TAXES	\$818,000.00	\$0.00	\$0.00
\$1,509,935.67	\$1,568,493.40	\$1,649,600.00	SALARIES AND WAGES	\$1,761,000.00	\$0.00	\$0.00
<b>\$2,137,707.28</b>	<b>\$2,278,969.45</b>	<b>\$2,374,600.00</b>	<b>TOTAL POLICE PERSONNEL SERVICES</b>	<b>\$2,579,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
17.00	18.50	19.50	FTE	19.50		
<b>MATERIALS &amp; SERVICES</b>						
\$4,973.29	\$5,414.98	\$7,500.00	POWER	\$7,500.00	\$0.00	\$0.00
\$26,938.83	\$22,002.78	\$35,000.00	PHONE	\$30,000.00	\$0.00	\$0.00
\$43,195.33	\$39,011.00	\$65,000.00	CONNECTIVITY/INTERNET	\$55,000.00	\$0.00	\$0.00
\$26,891.04	\$10,295.62	\$20,000.00	OPERATIONS & MAINTENANCE	\$20,000.00	\$0.00	\$0.00
\$10,081.26	\$1,171.18	\$10,000.00	BUILDING MAINTENANCE	\$10,000.00	\$0.00	\$0.00
\$17,504.93	\$17,263.97	\$20,000.00	TRAINING & CONF. TRAVEL	\$20,000.00	\$0.00	\$0.00
\$1,270.50	\$1,267.20	\$2,500.00	DUES & MEMBERSHIP	\$2,500.00	\$0.00	\$0.00
\$868.17	\$755.56	\$0.00	POSTAGE	\$2,500.00	\$0.00	\$0.00
\$47,496.01	\$55,692.17	\$60,000.00	CONTRACTS & OBLIGATIONS	\$68,000.00	\$0.00	\$0.00
\$18,875.50	\$8,800.30	\$10,000.00	PROFESSIONAL SERVICES	\$10,000.00	\$0.00	\$0.00
\$46,920.98	\$45,781.95	\$47,500.00	INSURANCE/LIABILITY/GEN	\$42,000.00	\$0.00	\$0.00
\$44,509.07	\$38,216.61	\$50,000.00	VEHICLE FUEL	\$50,000.00	\$0.00	\$0.00

Historical Data

**GENERAL FUND**

Budget for Next FY 20-21

Actual

**POLICE**

2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021	<b>MATERIAL &amp; SERVICES-cont</b>	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
\$30,399.86	\$23,647.42	\$40,000.00	VEHICLE REPAIR	\$40,000.00	\$0.00	\$0.00
\$20,450.67	\$16,556.87	\$18,000.00	UNIFORMS	\$15,000.00	\$0.00	\$0.00
\$7,421.92	\$9,350.15	\$10,000.00	JANITOR	\$10,000.00	\$0.00	\$0.00
\$71.41	\$0.00	\$0.00	JANITOR SUPPLIES	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	OFFICE SUPPLIES	\$2,500.00	\$0.00	\$0.00
\$114,883.03	\$115,399.34	\$117,000.00	CENTRAL DISPATCH	\$120,000.00	\$0.00	\$0.00
\$0.00	\$3,147.50	\$10,000.00	LEGAL SERVICES	\$10,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$10,000.00	SPECIAL INVESTIGATION	\$0.00	\$0.00	\$0.00
\$6,462.03	\$5,271.41	\$8,500.00	OFFICE MACHINES & MAINT	\$7,000.00	\$0.00	\$0.00
\$14,890.04	\$17,492.74	\$18,000.00	FIREARMS	\$23,000.00	\$0.00	\$0.00
\$13,903.30	\$73,826.19	\$25,000.00	COMPUTER SVC,REP & UPGRADES	\$25,000.00	\$0.00	\$0.00
\$37,513.70	\$25,045.36	\$40,000.00	SUPPLIES / EQUIPMENT	\$40,000.00	\$0.00	\$0.00
<b>\$535,520.87</b>	<b>\$535,410.30</b>	<b>\$624,000.00</b>	<b>TOTAL POLICE MATERIALS &amp; SERVICES</b>	<b>\$610,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>CAPITAL OUTLAY</b>			
\$70,884.50	\$71,153.44	\$0.00	EMERGENCY VEHICLES	\$0.00	\$0.00	\$0.00
<b>\$70,884.50</b>	<b>\$71,153.44</b>	<b>\$0.00</b>	<b>TOTAL POLICE CAPITAL OUTLAY</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>TRANSFERS OUT</b>			
\$0.00	\$100,000.00	\$300,000.00	TRANSFER TO CAP PROJECTS-PD	\$500,000.00	\$0.00	\$0.00
\$0.00	\$50,000.00	\$70,000.00	TRANSFER TO POLICE FLEET RES	\$70,000.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$150,000.00</b>	<b>\$370,000.00</b>	<b>TOTAL ADMIN TRANSFERS OUT</b>	<b>\$570,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$2,744,112.65</b>	<b>\$3,035,533.19</b>	<b>\$3,368,600.00</b>	<b>TOTAL POLICE REQUIREMENTS</b>	<b>\$3,759,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

## GENERAL FUND MUNICIPAL COURT

The Molalla Municipal Court is a service to our community and as such it is important that our staff be available to answer the needs of the public.

Historical Data			Budget for Next FY 21-22			
Actual						
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021	PERSONNEL SERVICES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$23,805.28	\$16,931.03	\$37,350.00	BENEFITS AND TAXES	\$38,250.00	\$0.00	\$0.00
\$87,187.12	\$97,905.45	\$117,500.00	SALARIES AND WAGES	\$137,000.00	\$0.00	\$0.00
<b>\$110,992.40</b>	<b>\$114,836.48</b>	<b>\$154,850.00</b>	<b>TOTAL COURT PERSONNEL SERVICES</b>	<b>\$175,250.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
0.75	0.75	1.00	FTE	1.00		
			<b>MATERIALS &amp; SERVICES</b>			
\$1,243.34	\$652.61	\$900.00	POWER	\$900.00	\$0.00	\$0.00
\$6,449.76	\$10,032.27	\$8,000.00	PHONE/COMPUTER/CONNECTIVITY	\$13,500.00	\$0.00	\$0.00
\$3,142.28	\$4,272.55	\$3,000.00	OPERATIONS & MAINTENANCE	\$4,200.00	\$0.00	\$0.00
\$3,000.00	\$1,021.80	\$6,000.00	BUILDING MAINTENANCE	\$6,000.00	\$0.00	\$0.00
\$394.35	\$0.00	\$1,000.00	TRAINING & CONF. TRAVEL	\$800.00	\$0.00	\$0.00
\$107.00	\$107.80	\$300.00	DUES & MEMBERSHIP	\$300.00	\$0.00	\$0.00
\$1,158.97	\$1,759.02	\$1,000.00	POSTAGE	\$500.00	\$0.00	\$0.00
\$1,358.68	\$105.00	\$1,500.00	PRINTING & PUBLICATIONS	\$500.00	\$0.00	\$0.00
\$1,078.50	\$75.00	\$1,000.00	PROFESSIONAL SERVICES	\$1,000.00	\$0.00	\$0.00
\$3,338.73	\$3,133.22	\$3,300.00	INSURANCE/LIABILITY/GEN	\$3,900.00	\$0.00	\$0.00
\$1,475.70	\$866.50	\$1,000.00	JANITOR	\$600.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	JANITOR SUPPLIES	\$0.00	\$0.00	\$0.00
\$1,373.53	\$2,208.72	\$1,300.00	OFFICE SUPPLIES	\$1,500.00	\$0.00	\$0.00
\$11,250.00	\$12,600.00	\$15,000.00	COURT APPOINTED ATTORNEY	\$15,000.00	\$0.00	\$0.00
\$390.81	\$610.00	\$1,000.00	BAIL REFUND	\$1,000.00	\$0.00	\$0.00
\$16,873.45	\$19,113.07	\$27,000.00	CLACKAMAS COUNTY	\$25,000.00	\$0.00	\$0.00
\$6,535.80	\$5,076.56	\$11,000.00	OR DEPT OF REVENUE	\$10,000.00	\$0.00	\$0.00
\$2,373.75	\$527.49	\$2,500.00	VICTIM RESTITUTION	\$2,000.00	\$0.00	\$0.00
<b>\$61,544.65</b>	<b>\$62,161.61</b>	<b>\$84,800.00</b>	<b>TOTAL COURT MATERIALS &amp; SERVICES</b>	<b>\$86,700.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$172,537.05</b>	<b>\$176,998.09</b>	<b>\$239,650.00</b>	<b>TOTAL COURT REQUIREMENTS</b>	<b>\$261,950.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

## GENERAL FUND CITY COUNCIL DEPARTMENT

The City Council Fund addresses programs and funding needs of the Mayor and City Councilors. This Fund provides limited funding for special projects as needed or identified by Council action currently including city banners, Community Visioning, Celebrate Molalla and Culture and Art. This fund also covers Council training, and conference attendance for the Mayor and Councilors.

Historical Data			Budget for Next FY 21-22				
Actual							
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021					
			Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body		
<b>MATERIALS &amp; SERVICES</b>							
\$315.57	\$1,034.06	\$1,000.00	OPERATIONS & MAINTENANCE	\$1,100.00	\$0.00	\$0.00	
\$5,367.07	\$1,352.40	\$2,000.00	TRAINING	\$2,000.00	\$0.00	\$0.00	
\$139.00	\$875.00	\$700.00	DUES & MEMBERSHIP	\$800.00	\$0.00	\$0.00	
\$0.00	\$4.00	\$0.00	POSTAGE	\$50.00	\$0.00	\$0.00	
\$11,573.38	\$7,227.00	\$25,000.00	VISIONING GRANT	\$20,000.00	\$0.00	\$0.00	
\$26,633.64	\$1,923.26	\$0.00	NATIVE AMERICAN WALK GRANT	\$0.00	\$0.00	\$0.00	
\$8,155.84	\$8,151.46	\$8,500.00	CELEBRATE MOLALLA	\$4,500.00	\$0.00	\$0.00	
\$0.00	\$469.19	\$500.00	VETERANS MEMORIAL FUND	\$0.00	\$0.00	\$0.00	
\$4,250.00	\$6,380.00	\$6,500.00	BANNER PROJECT	\$6,500.00	\$0.00	\$0.00	
\$11,107.88	\$12,761.40	\$14,500.00	MEETINGS AND STIPENDS	\$15,000.00	\$0.00	\$0.00	
\$0.00	\$6,228.11	\$5,000.00	SPECIAL COUNCIL PROJECTS	\$5,000.00	\$0.00	\$0.00	
<b>\$67,542.38</b>	<b>\$46,405.88</b>	<b>\$63,700.00</b>	<b>TOTAL COUNCIL MATERIALS &amp; SERVICES</b>	<b>\$54,950.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
<b>\$67,542.38</b>	<b>\$46,405.88</b>	<b>\$63,700.00</b>	<b>TOTAL COUNCIL REQUIREMENTS</b>	<b>\$54,950.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

## GENERAL FUND PLANNING DEPARTMENT

The Planning Department is responsible for implementation of the Comprehensive Plan through administration of the City’s development code and related processes. The department also manages the Code Enforcement program, Community Development program, short and long-range planning, facilitates the Planning Commission, and assists in the development of master planning documents and community outreach.

This year’s budget includes grant revenues and expenditures to: 1) assist in background studies for a future Urban Growth Boundary expansion, 2) assist in revamping the Parks Master Plan, and 3) pursue land acquisition for a future police station, or park. Additionally, this budget includes a line item for placement of a, “Resource Assistant for Rural Environments” (RARE – Ameri Corps) participant which is applied for similarly to a grant. The RARE works on a pre-approved work plan that is part of the application, full-time, for a period of 11 months, and will have a focus in each of their workplan areas on support and inclusion of the Latinx community.

During the course of FY20-21 the Planning Department hired and integrated a new Planning Director, recruited and sat an Economic Development Steering Committee, hosted a bi-lingual Vision to Action Kickoff event, and recruited 4 action teams around Beautification, Identity/Branding, Business Advocacy, and Latinx actions. Additionally, the department developed a code enforcement database, brought planning processes into compliance with the city code, created and implemented a Temporary Emergency Dining program, revamped the Planning Department website, developed performance metrics, and developed comprehensive Mobile Food Unit legislation.

Historical Data			Budget for Next FY 21-22			
Actual			REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021				
			<b>PERSONNEL SERVICES</b>			
\$19,540.61	\$76,672.39	\$67,000.00	BENEFITS AND TAXES	\$89,400.00	\$0.00	\$0.00
\$50,760.74	\$152,482.37	\$191,600.00	SALARIES AND WAGES	\$198,000.00	\$0.00	\$0.00
<b>\$70,301.35</b>	<b>\$229,154.76</b>	<b>\$258,600.00</b>	<b>TOTAL PLANNING PERSONNEL SERVICES</b>	<b>\$287,400.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
1.00	2.00	2.50	FTE	2.50		
			<b>MATERIALS &amp; SERVICES</b>			
\$1,243.34	\$652.67	\$1,300.00	POWER	\$1,339.00	\$0.00	\$0.00
\$3,747.30	\$10,140.06	\$3,000.00	PHONE	\$10,000.00	\$0.00	\$0.00
\$2,945.87	\$7,886.05	\$6,000.00	OPERATIONS & MAINTENANCE	\$5,000.00	\$0.00	\$0.00
\$0.00	\$21.00	\$1,000.00	BUILDING MAINTENANCE	\$500.00	\$0.00	\$0.00
\$505.53	\$1,456.94	\$2,000.00	TRANING & CONF. TRAVEL	\$2,000.00	\$0.00	\$0.00
\$167.00	\$1,334.40	\$1,500.00	DUES & MEMBERSHIP	\$1,000.00	\$0.00	\$0.00
\$1,143.59	\$3,503.10	\$2,000.00	POSTAGE-PLANNING	\$1,500.00	\$0.00	\$0.00
\$2,777.28	\$808.51	\$2,500.00	PRINTING & PUBLICATIONS	\$2,000.00	\$0.00	\$0.00
\$49,393.12	\$3,879.25	\$20,000.00	PROFESSIONAL SERVICES	\$10,000.00	\$0.00	\$0.00
\$0.00	\$5,839.66	\$30,000.00	ECONOMIC DEVELOPMENT PLAN	\$0.00	\$0.00	\$0.00
\$1,360.16	\$2,992.09	\$3,200.00	INSURANCE/LIABILITY/GEN	\$3,750.00	\$0.00	\$0.00
\$1,266.45	\$1,034.52	\$1,100.00	CUSTODIAN	\$1,133.00	\$0.00	\$0.00
\$1,738.22	\$1,876.64	\$1,500.00	OFFICE SUPPLIES	\$1,750.00	\$0.00	\$0.00

Historical Data

PLANNING DEPARTMENT

Budget for Next FY 21-22

Actual

2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
<b>MATERIALS &amp; SERVICES (Cont)</b>						
\$2,568.62	\$38,807.66	\$15,000.00	CITY ATTORNEY-PLANNING	\$10,000.00	\$0.00	\$0.00
\$305.00	\$1,185.60	\$2,000.00	COMPUTER SERVICES	\$2,060.00	\$0.00	\$0.00
\$700.00	\$16.99	\$700.00	MEETINGS AND BOARDS	\$4,200.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	UGB STUDY GRANT	\$45,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	UGB STUDY GRANT-MATCH	\$5,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	PARKS MASTER PLAN GRANT	\$24,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	PARKS MASTER PLAN GRANT-MATCH	\$16,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	LOCAL GOV LAND GRANT	\$180,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	LOCAL GOV LAND GRANT-MATCH	\$120,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	AMERICORPS RARE PARTICIPANT	\$23,500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	AMERICORPS RARE PROJECTS	\$2,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	POSTAGE-CODE ENFORCEMENT	\$500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	CITY ATTORNEY-CODE ENFORCEMENT	\$0.00	\$0.00	\$0.00
<b>\$69,861.48</b>	<b>\$81,435.14</b>	<b>\$92,800.00</b>	<b>TOTAL PLANNING MATERIALS &amp; SERVICES</b>	<b>\$472,232.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$140,162.83</b>	<b>\$310,589.90</b>	<b>\$351,400.00</b>	<b>TOTAL PLANNING REQUIREMENTS</b>	<b>\$759,632.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

## GENERAL FUND PARKS DEPARTMENT

The Park Fund is part of the General Fund budget. Personnel Service expenses have remained essentially the same. A wage increase has been included for some Public Works positions. The wage increases are based on contract required and merit-based increases. Materials & Services expenses have decreased to better represent the actual operating expenditures. There is an increase to capital improvement expenses this year for replacement of the Fox Park playground structure and addition of a backup generator to the new Public Works shops building. Transfers for fleet replacement remain flat.

Historical Data			Budget for Next FY 21-22			
Actual						
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021	PERSONNEL SERVICES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$24,388.90	\$30,788.72	\$37,100.00	BENEFITS AND TAXES	\$38,200.00	\$0.00	\$0.00
\$56,385.41	\$60,820.15	\$73,100.00	SALARIES AND WAGES	\$64,400.00	\$0.00	\$0.00
<b>\$80,774.31</b>	<b>\$91,608.87</b>	<b>\$110,200.00</b>	<b>TOTAL PARKS PERSONNEL SERVICES</b>	<b>\$102,600.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
1.00	0.86	.86.	FTE	0.86		
<b>MATERIALS &amp; SERVICES</b>						
\$0.00	\$467.40	\$1,000.00	POWER	\$1,000.00	\$0.00	\$0.00
\$295.41	\$0.00	\$2,400.00	PHONE	\$2,400.00	\$0.00	\$0.00
\$0.00	\$0.00	\$500.00	NATURAL GAS	\$500.00	\$0.00	\$0.00
\$33,932.83	\$26,296.63	\$36,000.00	OPERATIONS & MAINTENANCE	\$30,500.00	\$0.00	\$0.00
\$1,006.20	\$4,155.51	\$5,000.00	BUILDING MAINTENANCE	\$5,000.00	\$0.00	\$0.00
\$972.35	\$609.46	\$500.00	TRAINING & CERTIFICATES	\$500.00	\$0.00	\$0.00
\$90.00	\$104.80	\$500.00	DUES & MEMBERSHIP	\$5,000.00	\$0.00	\$0.00
\$301.70	\$112.99	\$50.00	POSTAGE	\$50.00	\$0.00	\$0.00
\$0.00	\$163.79	\$2,700.00	COMPUTER NETWORK	\$2,700.00	\$0.00	\$0.00
\$15,269.75	\$18,836.89	\$12,500.00	PROFESSIONAL SERVICES	\$2,500.00	\$0.00	\$0.00
\$4,866.27	\$6,266.44	\$7,700.00	INSURANCE/LIABILITY/GEN	\$7,700.00	\$0.00	\$0.00
\$5,798.61	\$1,469.68	\$2,500.00	GAS & VEHICLE MAINTENANCE	\$2,500.00	\$0.00	\$0.00
\$1,832.34	\$2,081.68	\$6,500.00	VEHICLE REPAIR	\$6,500.00	\$0.00	\$0.00
\$575.24	\$978.83	\$1,200.00	UNIFORM & SAFETY GEAR	\$1,200.00	\$0.00	\$0.00
\$349.39	\$1,206.29	\$1,000.00	SMALL EQUIPMENT/TOOLS	\$1,000.00	\$0.00	\$0.00
\$2,177.22	\$1,999.90	\$2,500.00	SIGNS	\$2,500.00	\$0.00	\$0.00
<b>\$67,467.31</b>	<b>\$64,750.29</b>	<b>\$82,550.00</b>	<b>TOTAL PARKS MATERIALS &amp; SERVICES</b>	<b>\$71,550.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>CAPITAL OUTLAY</b>						
\$31,750.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$87,000.00	\$0.00	\$0.00
<b>\$31,750.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL PARKS CAPITAL OUTLAY</b>	<b>\$87,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TRANSFERS OUT</b>						
\$7,900.00	\$7,900.00	\$7,900.00	TRANSFER TO FLEET REPLACEMENT	\$7,900.00	\$0.00	\$0.00
<b>\$7,900.00</b>	<b>\$7,900.00</b>	<b>\$7,900.00</b>	<b>TOTAL ADMIN TRANSFERS OUT</b>	<b>\$7,900.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$187,891.62</b>	<b>\$164,259.16</b>	<b>\$200,650.00</b>	<b>TOTAL PARKS REQUIREMENTS</b>	<b>\$269,050.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

# SPECIAL REVENUE FUNDS



## LIBRARY FUND

The Molalla Public Library is funded by the Clackamas County Library District which voters established in 2008. The permanent rate is 0.3974 per thousand of assessed property value. The Library continues to be a community Resource Hub and provides educational and entertainment materials and programs for our community. This past year, the Library staff rose to the challenges presented by COVID and found ways to continue to serve our community. Thinking outside the box, staff created grab and go kits, provided curbside service and curated bundles, and virtual programs. Over the next year, we will increase our programs and outreach, especially to schools and Head Start programs. We are also expanding our adult and teen programs both online and in person as the current climate allows. The budget prepared for next year allows us to continue to be a safe, hospitable, and inclusive place for all while growing with our community to provide updated resources in print and online and educational and family friendly events.

Historical Data			Budget for Next FY 21-22			
Actual			<b>RESOURCES</b>	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021				
\$1,655,469.91	\$1,782,846.89	\$1,767,000.00	BEGINNING FUND BALANCE	\$1,977,378.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$940,682.00	\$955,867.00	\$975,000.00	COUNTY FUNDS	\$995,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$850,000.00	LIBRARY DISTRICT CAPITAL FUNDS	\$850,000.00	\$0.00	\$0.00
\$7,169.00	\$4,304.00	\$4,500.00	GRANTS	\$4,400.00	\$0.00	\$0.00
\$2,910.05	\$2,277.20	\$3,000.00	COPIER INCOME	\$100.00	\$0.00	\$0.00
\$423.13	\$8.60	\$100.00	MISC	\$100.00	\$0.00	\$0.00
\$14,200.67	\$9,179.37	\$13,000.00	FINES	\$4,500.00	\$0.00	\$0.00
\$2,465.71	\$2,367.82	\$3,000.00	DONATIONS	\$500.00	\$0.00	\$0.00
<b>\$967,850.56</b>	<b>\$974,003.99</b>	<b>\$1,848,600.00</b>	<b>TOTAL LIBRARY FUND REVENUES</b>	<b>\$1,854,600.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$1,655,469.91</b>	<b>\$1,782,846.89</b>	<b>\$1,767,000.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$1,977,378.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$2,623,320.47</b>	<b>\$2,756,850.88</b>	<b>\$3,615,600.00</b>	<b>TOTAL LIBRARY FUND RESOURCES</b>	<b>\$3,831,978.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

Historical Data			LIBRARY FUND	Budget for Next FY 20-21		
Actual		Adopted Budget		Proposed By	Approved By	Adopted By
Second Preceding Year 2017-2018	First Preceding Year 2018-2019	This Year Year 2019-2020	REQUIREMENTS	Budget Officer	Budget Committee	Governing Body
			<b>PERSONNEL SERVICES</b>			
\$172,951.35	\$180,722.99	\$190,200.00	BENEFITS AND TAXES	\$201,600.00	\$0.00	\$0.00
\$382,520.56	\$367,561.41	\$431,400.00	SALARIES AND WAGES	\$438,920.00	\$0.00	\$0.00
<b>\$555,471.91</b>	<b>\$548,284.40</b>	<b>\$621,600.00</b>	<b>TOTAL LIBRARY PERSONNEL SERVICES</b>	<b>\$640,520.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
7.20	8.20	8.70	FTE	8.70		
			<b>MATERIALS &amp; SERVICES</b>			
\$10,214.67	\$7,656.14	\$12,500.00	POWER	\$11,500.00	\$0.00	\$0.00
\$8,627.59	\$7,394.18	\$8,800.00	PHONE	\$8,800.00	\$0.00	\$0.00
\$1,230.26	\$1,240.24	\$1,350.00	NW NATURAL GAS	\$1,500.00	\$0.00	\$0.00
\$2,157.31	\$2,630.66	\$3,500.00	OPERATIONS & MAINTENANCE	\$6,000.00	\$0.00	\$0.00
\$27,509.66	\$31,222.75	\$25,500.00	BUILDING MAINTENANCE	\$95,000.00	\$0.00	\$0.00
\$3,597.57	\$2,323.05	\$5,000.00	TRAINING & CONF. TRAVEL	\$5,000.00	\$0.00	\$0.00
\$209.00	\$304.40	\$500.00	DUES & MEMBERSHIP	\$1,000.00	\$0.00	\$0.00
\$0.00	\$570.25	\$400.00	POSTAGE	\$400.00	\$0.00	\$0.00
\$3,995.00	\$3,397.80	\$5,000.00	PROFESSIONAL SERVICES	\$5,000.00	\$0.00	\$0.00
\$11,468.58	\$12,667.77	\$15,000.00	INSURANCE/LIABILITY/GEN	\$17,500.00	\$0.00	\$0.00
\$60,769.22	\$56,273.93	\$65,000.00	BOOKS	\$62,000.00	\$0.00	\$0.00
\$8,475.22	\$14,045.80	\$13,000.00	E-PUBLICATIONS	\$9,000.00	\$0.00	\$0.00
\$6,215.93	\$5,102.62	\$4,500.00	READY TO READ MATERIAL	\$4,400.00	\$0.00	\$0.00
\$21,157.37	\$22,103.81	\$30,000.00	AUDIO-VISUAL MATERIAL	\$31,000.00	\$0.00	\$0.00
\$9,276.28	\$8,771.27	\$9,500.00	DATA BASES	\$2,500.00	\$0.00	\$0.00
\$9,719.16	\$19,065.25	\$25,500.00	CUSTODIAN	\$27,000.00	\$0.00	\$0.00
\$10,432.30	\$19,157.52	\$18,000.00	OFFICE SUPPLIES	\$18,000.00	\$0.00	\$0.00
\$1,200.00	\$0.00	\$0.00	MOLALLA FIRE READER BOARD	\$0.00	\$0.00	\$0.00
\$61,693.68	\$70,451.05	\$73,000.00	COST ALLOCATION AGREEMENT	\$75,000.00	\$0.00	\$0.00
\$1,839.30	\$1,428.64	\$3,000.00	FURNITURE & FIXTURES	\$3,000.00	\$0.00	\$0.00
\$3,676.99	\$5,555.91	\$7,500.00	COPIER EXPENSES	\$6,500.00	\$0.00	\$0.00
\$13,979.05	\$23,265.95	\$24,000.00	PROGRAMS	\$30,000.00	\$0.00	\$0.00
\$3,204.12	\$2,592.73	\$3,000.00	PERIODICALS	\$2,200.00	\$0.00	\$0.00
\$4,371.35	\$18,568.13	\$5,000.00	EQUIPMENT	\$5,000.00	\$0.00	\$0.00
<b>\$285,019.61</b>	<b>\$335,789.85</b>	<b>\$358,550.00</b>	<b>TOTAL LIBRARY MATERIALS &amp; SERVICES</b>	<b>\$427,300.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

Historical Data			LIBRARY FUND			
Actual		Adopted Budget	Budget for Next FY 20-21			
Second Preceding Year 2017-2018	First Preceding Year 2018-2019	This Year Year 2019-2020	REQUIREMENTS -cont	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
<b>CAPITAL OUTLAY</b>						
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$2,435,450.00	CAPITAL PROJECT - CONSTRUCTION	\$2,497,158.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	BOOKS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	E-PUBLICATIONS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	READY TO READ MATERIAL	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	AUDIO-VISUAL MATERIAL	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	DATA BASES	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,435,450.00</b>	<b>TOTAL LIBRARY CAPITAL OUTLAY</b>	<b>\$2,497,158.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TRANSFERS OUT</b>						
\$0.00	\$5,000.00	\$0.00	TRANSFER TO FLEET REPLACEMENT	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$5,000.00</b>	<b>\$0.00</b>	<b>TOTAL LIBRARY TRANSFERS OUT</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>CONTINGENCY</b>						
\$0.00	\$0.00	\$200,000.00	OPERATING CONTINGENCY	\$267,000.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$200,000.00</b>	<b>TOTAL OPERATING CONTINGENCY</b>	<b>\$267,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$840,491.52</b>	<b>\$889,074.25</b>	<b>\$3,615,600.00</b>	<b>TOTAL LIBRARY REQUIREMENTS</b>	<b>\$3,831,978.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$2,623,320.47	\$2,756,850.88	\$3,615,600.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$3,831,978.00	\$0.00	\$0.00
\$840,491.52	\$889,074.25	\$3,615,600.00	<b>TOTAL FUND REQUIREMENTS</b>	\$3,831,978.00	\$0.00	\$0.00
\$1,782,828.95	\$1,867,776.63	\$0.00	<b>TOTAL NET LIBRARY FUND</b>	\$0.00	\$0.00	\$0.00

### Molalla Public Library Capital Improvement Projects

Project Tasks	2021/22 Estimate (\$)	2022/23 Estimate (\$)	2023/24 Estimate (\$)	2024/25 Estimate (\$)	2024/25 Estimate (\$)	Total Cost
<i>Upgrade computers hdw</i>	\$7,500.00	\$5,000.00	\$18,000.00	\$7,500.00	\$5,000.00	\$43,000.00
<b>Subtotal</b>	<b>\$7,500.00</b>	<b>\$5,000.00</b>	<b>\$18,000.00</b>	<b>\$7,500.00</b>	<b>\$5,000.00</b>	<b>\$43,000.00</b>
<i>Consultant for new facility</i>	\$0.00	\$0.00	\$0.00	\$25,000.00	\$0.00	\$25,000.00
<i>Architect for new facility</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$35,000.00	\$35,000.00
<i>Property for new facility</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$500,000.00	\$500,000.00
<i>New facility construction</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>New facility furnishings</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Move to new facility</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Subtotal</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$25,000.00</b>	<b>\$535,000.00</b>	<b>\$560,000.00</b>
<i>Preparation for new cons</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Landscaping for new faci</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Subtotal</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Subtotals</b>	<b>\$0.00</b>	<b>\$5,000.00</b>	<b>\$18,000.00</b>	<b>\$32,500.00</b>	<b>\$540,000.00</b>	<b>\$603,000.00</b>
<b>Risk (Contingency)</b>	<b>\$150,000.00</b>	<b>\$150,000.00</b>	<b>\$150,000.00</b>	<b>\$150,000.00</b>	<b>\$150,000.00</b>	<b>\$750,000.00</b>
<b>Total (Scheduled)</b>		<b>\$155,000.00</b>	<b>\$168,000.00</b>	<b>\$182,500.00</b>	<b>\$690,000.00</b>	<b>\$1,353,000.00</b>

## STREETS FUND

The Street Fund has two primary revenue sources; State Gas Tax and Franchise Fees. Public Works expects State gas tax revenues decreased COVID-19 pandemic and PGE Franchise Fee revenues remain flat. The beginning fund balance is estimated to increase due to Public Works improvements based on revenue shortfalls in the State Gas Tax. This was a conservative move by staff to preserve funding until the pandemic gas tax revenues recovered. Additional revenue is forecasted for this fiscal year due to the OR213-Toliver Road roundabout project. Personnel expenses increased and a wage increase has been included for some Public Works positions. The wage increases are based on contract required increases. Materials & Services expenses have increased in sidewalk and street repair due to fund preservations described above. There is an increase to capital outlay for the addition of a backup generator to the new Public Works shops building. Capital Improvements and transfer to Capital Project Fund have increased to cover OR213-Toliver Road roundabout and decant facility project costs. Transfers for fleet replacement due to the Street Sweeper Replacement cost and the Contingency line item now meets best practice levels outlined in the City's Finance

Historical Data			STREET FUND		
Actual			Budget for Next FY 21-		
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021	<b>RESOURCES</b>	Proposed By Budget Officer	Approved By Budget Com.
\$688,299.47	\$631,867.73	\$434,216.00	BEGINNING FUND BALANCE	\$675,633.00	\$0.00
			<b>REVENUE</b>		
\$700,430.44	\$690,444.39	\$710,000.00	STATE GAS TAX	\$640,000.00	\$0.00
\$0.00	\$34,964.52	\$150,000.00	VEHICLE REGISTRATION FEE	\$45,000.00	\$0.00
\$188,268.26	\$177,000.00	\$180,000.00	PGE FRANCHISE FEE	\$180,000.00	\$0.00
\$0.00	\$0.00	\$5,200,000.00	STP ALLOCATION	\$2,500,000.00	\$0.00
\$13,584.87	\$1,105.72	\$1,000.00	MISCELLANEOUS	\$200,000.00	\$0.00
\$12,785.00	\$6,763.81	\$1,000.00	PLAN REVIEW AND PERMITS	\$1,000.00	\$0.00
\$0.00	\$0.00	\$0.00	ODOT/213 & TOLIVER	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	STATE REVENUE SHARE	\$0.00	\$0.00
<b>\$915,068.57</b>	<b>\$910,278.44</b>	<b>\$6,242,000.00</b>	<b>TOTAL STREET FUND REVENUES</b>	<b>\$3,566,000.00</b>	<b>\$0.00</b>
<b>\$688,299.47</b>	<b>\$631,867.73</b>	<b>\$434,216.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$675,633.00</b>	<b>\$0.00</b>
<b>\$1,603,368.04</b>	<b>\$1,542,146.17</b>	<b>\$6,676,216.00</b>	<b>TOTAL STREET FUND RESOURCES</b>	<b>\$4,241,633.00</b>	<b>\$0.00</b>

Historical Data			STREET FUND			Budget for Next FY 20	
Actual		Adopted Budget	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee		
Second Preceding Year 2017-2018	First Preceding Year 2018-2019	This Year Year 2019-2020					
			<b>PERSONNEL SERVICES</b>				
\$96,733.30	\$119,735.89	\$154,100.00	BENEFITS AND TAXES	\$154,700.00	\$0.00		
\$200,916.46	\$208,011.62	\$258,800.00	SALARIES AND WAGES	\$270,600.00	\$0.00		
<b>\$297,649.76</b>	<b>\$327,747.51</b>	<b>\$412,900.00</b>	<b>TOTAL PERSONNEL SERVICES</b>	<b>\$425,300.00</b>	<b>\$0.00</b>		
3.14	3.14	3.14	FTE	3.14			
			<b>MATERIALS &amp; SERVICES</b>				
\$100,594.12	\$91,079.06	\$106,000.00	POWER	\$105,000.00	\$0.00		
\$6,357.56	\$7,942.06	\$11,000.00	PHONE	\$9,000.00	\$0.00		
\$1,766.47	\$1,147.69	\$1,700.00	NATURAL GAS	\$1,300.00	\$0.00		
\$5,993.93	\$12,674.62	\$29,200.00	O&M	\$29,200.00	\$0.00		
\$0.00	\$0.00	\$0.00	O&M (PARKS)	\$0.00	\$0.00		
\$2,433.82	\$18,095.91	\$3,400.00	BUILDING MAINTENANCE	\$1,750.00	\$0.00		
\$1,522.19	\$495.92	\$5,600.00	TRANING & CONF. TRAVEL	\$6,600.00	\$0.00		
\$730.50	\$166.34	\$1,200.00	DUES & MEMBERSHIP	\$1,200.00	\$0.00		
\$677.88	\$621.12	\$500.00	POSTAGE	\$500.00	\$0.00		
\$7,753.77	\$12,352.71	\$7,500.00	COMPUTER NETWORK	\$12,000.00	\$0.00		
\$12,665.08	\$5,842.15	\$13,300.00	PROFESSIONAL SERVICES	\$13,300.00	\$0.00		
\$0.00	\$15,530.20	\$10,000.00	LEGAL & RECORDING	\$10,000.00	\$0.00		
\$21,901.49	\$26,903.94	\$27,000.00	INSURANCE/LIABILITY/GEN	\$28,000.00	\$0.00		
\$3,014.25	\$6,842.39	\$9,500.00	VEHICLE FUEL	\$9,500.00	\$0.00		
\$0.00	\$0.00	\$0.00	VEHICLE FUEL (PARKS)	\$0.00	\$0.00		
\$11,728.76	\$7,550.33	\$25,200.00	VEHICLE REPAIR	\$25,100.00	\$0.00		
\$0.00	\$0.00	\$0.00	VEHICLE REPAIR (PARKS)	\$0.00	\$0.00		
\$2,552.81	\$1,507.33	\$4,600.00	UNIFORMS & SAFETY GEAR	\$3,600.00	\$0.00		
\$0.00	\$0.00	\$0.00	UNIFORMS & SAFETY GEAR (PARKS)	\$0.00	\$0.00		
\$49,508.01	\$51,553.86	\$62,000.00	COST ALLOCATION AGREEMENT	\$83,000.00	\$0.00		
\$43,410.13	\$11,690.89	\$180,500.00	SIDEWALK / STREET REPAIRS	\$299,500.00	\$0.00		
\$902.96	\$1,510.36	\$1,500.00	SMALL EQUIPMENT / TOOLS	\$2,900.00	\$0.00		
\$0.00	\$0.00	\$500.00	PERMITS	\$500.00	\$0.00		
\$41,570.00	\$22,743.52	\$33,500.00	SIGNAGE & STRIPING	\$53,500.00	\$0.00		
\$0.00	\$812.72	\$30,000.00	NEW STREET LIGHTS	\$30,000.00	\$0.00		
<b>\$315,083.73</b>	<b>\$297,063.12</b>	<b>\$563,700.00</b>	<b>TOTAL MATERIALS % SERVICES</b>	<b>\$725,450.00</b>	<b>\$0.00</b>		

Historical Data			STREETS	Budget for Next FY 20	
Actual				REQUIREMENTS- <i>cont</i>	Proposed By
Second Preceding Year 2017-2018	First Preceding Year 2018-2019	Adopted Budget This Year Year 2019-2020			Budget Officer
\$0.00	\$0.00	\$0.00	<b>CAPITAL OUTLAY</b>		
\$20,485.00	\$4,347.04	\$1,700.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00
\$20,485.00	\$4,347.04	\$1,700.00	STREET EQUIPMENT	\$16,700.00	\$0.00
			<b>TOTAL CAPITAL OUTLAY</b>	<b>\$16,700.00</b>	<b>\$0.00</b>
			<b>TRANSFERS OUT</b>		
\$318,481.82	\$233,935.46	\$5,450,000.00	TRANSFER TO CAPITAL PROJECT F	\$2,725,000.00	\$0.00
\$19,800.00	\$19,800.00	\$19,800.00	TRANSFER TO FLEET REPLACE FUND	\$38,300.00	\$0.00
<b>\$338,281.82</b>	<b>\$253,735.46</b>	<b>\$5,469,800.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$2,763,300.00</b>	<b>\$0.00</b>
			<b>CONTINGENCY</b>		
\$0.00	\$0.00	\$228,116.00	OPERATING CONTINGENCY	\$310,883.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$228,116.00</b>	<b>TOTAL OPERATING CONTINGENCY</b>	<b>\$310,883.00</b>	<b>\$0.00</b>
<b>\$971,500.31</b>	<b>\$882,893.13</b>	<b>\$6,676,216.00</b>	<b>TOTAL STREET FUND REQUIREMENTS</b>	<b>\$4,241,633.00</b>	<b>\$0.00</b>
\$1,603,368.04	\$1,542,146.17	\$6,676,216.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$4,241,633.00	\$0.00
\$971,500.31	\$882,893.13	\$6,676,216.00	<b>TOTAL FUND REQUIREMENTS</b>	\$4,241,633.00	\$0.00
\$631,867.73	\$659,253.04	\$0.00	<b>TOTAL NET STREET FUND</b>	\$0.00	\$0.00

**PD RESTRICTED FUND**

The account category titled PD Restricted Funds houses several smaller accounts designed to be protected or set-aside. For example, when citizens or a business entity donates money for a particular cause (like K9) those funds need to be held separately to ensure they are used for the reason they were designated. When funds are donated to the police department and are not designated to a particular area, they go into a Youth Athletic or Activity fund which the Department uses to pay for registration fees for families that otherwise could not afford to let their children participate. This category is also funded from any auctions or sales of surplus equipment. Similarly, our officers and staff personally donate monthly funds to a Youth Scholarship fund which awards an annual \$1000 college scholarship to a worthy graduating senior at Molalla High School. There is also a small portion of revenue that comes from traffic citations that is directed to be used for emergency vehicle replacement and related issues.

**Historical Data**

**Budget for Next FY 21-22**

**Actual**

			<b>RESOURCES</b>	<b>Proposed By Budget Officer</b>	<b>Approved By Budget Com.</b>	<b>Adopted By Gov. Body</b>
<b>2nd Preceding Year 2018-2019</b>	<b>1st Preceding Year 2019-2020</b>	<b>Adopted Budget This Year Year 2020-2021</b>				
\$20,923.99	\$13,630.86	\$10,964.00	BEGINNING FUND BALANCE	\$56,025.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$13,559.51	\$6,232.61	\$14,000.00	EMERGENCY VEHICLE FUND	\$20,000.00	\$0.00	\$0.00
\$1,370.00	\$1,320.00	\$1,320.00	POLICE PAYROLL DONATIONS	\$1,440.00	\$0.00	\$0.00
\$1,803.00	\$1,136.65	\$1,000.00	POLICE AUCTION / YOUTH FUND	\$1,000.00	\$0.00	\$0.00
\$50,000.00	\$50,000.00	\$50,000.00	SHARED REVENUES	\$50,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TRANSFER FROM GENERAL FUND	\$0.00	\$0.00	\$0.00
<b>\$66,732.51</b>	<b>\$58,689.26</b>	<b>\$66,320.00</b>	<b>TOTAL STREET FUND REVENUES</b>	<b>\$72,440.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$20,923.99</b>	<b>\$13,630.86</b>	<b>\$10,964.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$56,025.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$87,656.50</b>	<b>\$72,320.12</b>	<b>\$77,284.00</b>	<b>TOTAL PD RESTRICTED FUND RESOURCES</b>	<b>\$128,465.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**REQUIREMENTS**

**MATERIALS & SERVICES**

\$0.00	\$0.00	\$1,751.00	K9 (Donation)	\$1,751.00	\$0.00	\$0.00
\$69,795.64	\$22,764.74	\$0.00	PD EMERGENCY VEHICLE FUND	\$0.00	\$0.00	\$0.00
\$3,230.00	\$2,650.00	\$2,000.00	YOUTH FUND	\$2,000.00	\$0.00	\$0.00
\$1,000.00	\$1,000.00	\$1,000.00	H.S. SCHOLARSHIP (eeDonation)	\$1,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$22,533.00	SUPPLIES / EQUIPMENT	\$23,714.00	\$0.00	\$0.00
<b>\$74,025.64</b>	<b>\$26,414.74</b>	<b>\$27,284.00</b>	<b>TOTAL MATERIALS % SERVICES</b>	<b>\$28,465.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**CAPITAL OUTLAY**

\$0.00	\$0.00	\$0.00	EMERGENCY VEHICLE	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**TRANSFERS OUT**

\$0.00	\$10,000.00	\$50,000.00	TRANSFER TO FLEET REPLACEMENT	\$100,000.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$10,000.00</b>	<b>\$50,000.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$100,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$74,025.64</b>	<b>\$36,414.74</b>	<b>\$77,284.00</b>	<b>TOTAL PD RESTRICTED FUND REQUIREMENTS</b>	<b>\$128,465.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$87,656.50	\$72,320.12	\$77,284.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$128,465.00	\$0.00	\$0.00

\$74,025.64	\$36,414.74	\$77,284.00	<b>TOTAL FUND REQUIREMENTS</b>	\$128,465.00	\$0.00	\$0.00
\$13,630.86	\$35,905.38	\$0.00	<b>TOTAL NET PD RESTRICTED FUND</b>	\$0.00	\$0.00	\$0.00

### Capital Improvement Fund

The Capital Improvement Fund for FY 2020-21 is made up of a combination existing projects that began in FY 2019-20 and new projects beginning in FY 2020-21. The following is list of those projects with a brief explanation of their purpose:

#### *Street Projects*

- OR 211 Pedestrian-Bicycle Improvements – This project is partially funded with a Multimodal Transportation Enhance Program (MTEP) grant to provide a pedestrian and bicycle connection from the Safeway Shopping Center to east of Ona Way on the north side of Highway 211.
- OR 213 All Roads Transportation Safety (ARTS) Project – This project is a state delivered federal project to install safety upgrades, such as lighting and signage, to improve intersection safety along the Hwy 213 corridor. The project is focused mainly on the intersection of Hwy 213 and Toliver Road.
- Shops Decant Facility – This project will construct a drying bed for street sweeping materials to reduce the trucking and disposal costs of street sweeping debris.
- City Hall Remodel Ph 3 – This project will replace single pane windows in the conference room, upgrade portions of the HVAC system, add office space and improve material storage and clerical work areas.
- OR 213-Toliver Road Roundabout – This project will construct a roundabout to improvement traffic flow and safety at this high crash intersection. Improvements to crash rates were made recently with the reduction in speed limits along OR 213.
- OR 211-Molalla Avenue Signal – This project is listed in the Transportation Master Plan high priority project list and city’s Capital Improvement Plan. This project will construct a signal and install dedicated left turn lanes in the east-west directions.
- Molalla Forest Road Bike/Ped Pathway Ph 1 – This project is listed in the Transportation Master Plan high priority project list, Parks Master Plan, and city’s Capital Improvement Plan. This project will remove an old timber culvert at Bear Creek and prepare the site for a new pedestrian bridge.
- Molalla Avenue Intersection Improvements (Heintz and 5<sup>th</sup>) – This project is listed in the Transportation Master Plan high priority project list and city’s Capital Improvement Plan. This project will construct a dedicated left turn lane in the north-south directions and create an all-way stop at both locations.

#### *Sewer Projects*

- WWTP Upgrade – This project will design and construct a new treatment process at the plant and eliminate treatment from the storage lagoons. The lagoons will be repurposed for treated effluent storage for surges in treated flows.
- WWMP Phase 1 Project 2 Patrol Street – This project will design and reconstruct the sewer on Patrol Street.
- City Hall Remodel Ph 3 – See Street Projects above.
- WWMP Phase 1 Project 4 Eckerd Ave – This project will design and reconstruct the sewer on Echerd Avenue.
- WWMP Phase 1 Project 6 Molalla LS to May Street – This project will design and reconstruct the sewer from the Molalla Avenue lift station to the east end of May Street.

#### *Water Projects*

- Patrol Street Waterline – This project will design and reconstruct the waterline on Patrol Street.
- Eckerd Avenue Waterline – This project will design and reconstruct the waterline on Eckerd Avenue.
- WTP New Trident 1400 GPM Filter – The project will design and construct a new 2 MGD water treatment plant filtration unit bringing the plant treatment capacity to 4 MGD.
- WTP Sodium Hypochlorite & Controls Upgrade – This project will upgrade the chemical delivery system for the treatment plant and supervisory control and data acquisition (SCADA) to better control the water treatment process, replace aging equipment, and reduce maintenance costs.
- City Hall Remodel Ph 3 – See Street Projects above.
- Trout Creek Monitoring Station – This project will continue to read flows at the monitoring station on Trout Creek as part of the City’s monitoring requirements for water rights.
- Trout Creek Water Right Transfer – This project will move the water right from Trout Creek to the Molalla River intake so that the City’s water right is in one location at the point of access.
- Water Master Plan/Water Management & Conservation Plan/Risk Assessment and Emergency Response Plan – This project will update the 1996 Water Master Plan and develop a new water management plan meeting State of Oregon requirements.

#### *Stormwater Projects*

- City Hall Remodel Ph 3 – See Street Projects above.
- Shops Decant Facility – See Street Projects above.

#### *Park Projects*

- Molalla Forest Road Bike/Ped Pathway Ph 1 – See Street Projects above.
- Creamery Creek Park – This project will design and construct a small neighborhood park on Mary Drive next to Creamery Creek.
- Park Acquisition – This project will allow the City to acquire land for a future park. No specific location has been determined at this time.
- Police Department
- We are contributing to this line so we can build a much needed Police Facility.

#### Future Outlook

Because the community increased the Water, Sewer, and Stormwater Fund user fees as recommended in the 2017 rate study, the City has and will continue to be able to make necessary system improvements and replacements. Public Works continues to work on capital improvements that were on a deferred list. Completion of these projects will help the City of Molalla remain on its Pathway to Compliance and improve services to the community. The Sewer Fund has remained manageable and with the approved additional funding, the Wastewater Treatment Plant upgrade is now a reality. The Water Fund continues to remain healthy and the Storm Fund is growing slowly. The outlook for sewer, water, stormwater and parks systems are good. Streets will continue to struggle until a comprehensive funding strategy is approved by the community.

# Molalla Public Works - Capital Improvement Plan Estimates

Special Revenue Fund

	2021/2022 ESTIMATE (\$)		2022/2023 ESTIMATE (\$)		2023/2024 ESTIMATE (\$)		2024/2025 ESTIMATE (\$)		2025/2026 ESTIMATE (\$)		TOTAL COST
	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	
<b>STREETS</b>											
Capital Improvement Expenditures											
City Hall Remodel Ph 3 (Share) \$50K	Project Completed										
TSP M29 & M30 Project Molalla Ave (5th & Heintz) Int Improv.	Project Completed										
OR 211 Ped/Bike Improvements (OR 213-Ona) - TGM Grant \$1.947M (13.51% City Match)	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000
OR 213 ARTS Project \$11K	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Shops Decant Facility \$100K (Shared Cost)	\$25,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
TSP M20-1 & M20-2 OR 213 and Toliver Road RAB (City Share \$2.3M)	\$0	\$2,700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,700,000
TSP M25 & S5 OR 211-Molalla Signal \$800K	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TSP P42-PMP Tier 2 Project MFR Ped Proj Ph 1 \$720K	\$0	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$130,000
TSP Multiple B Projects Bike Lane Improvements \$184K	\$0	\$184,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$184,000
Subtotal	\$25,000	\$3,139,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,164,000

	2021/2022 ESTIMATE (\$)		2022/2023 ESTIMATE (\$)		2023/2024 ESTIMATE (\$)		2024/2025 ESTIMATE (\$)		2025/2026 ESTIMATE (\$)		TOTAL COST
	Rates/Other	SDC									
<b>WASTEWATER</b>											
Capital Improvement Expenditures											
Phase 1 Project 2 Patrol \$654K	Project Completed										
Phase 1 Project 6 S Molalla \$1.187M	Project Completed										
City Hall Remodel Ph 3 (Share) \$50K	Project Completed										
WWTP Lagoon 1 Biosolids Removal \$500K (Sewer Fund)	\$1,116,900	\$0	\$500,000	\$0	\$250,000	\$0	\$23,000	\$0	\$0	\$0	\$1,889,900
WWTP Upgrade	\$1,400,000	\$0	\$7,760,000	\$0	\$12,200,000	\$0	\$5,500,000	\$0	\$0	\$0	\$26,860,000
Phase 1 Project 3 Lola \$740K	\$0	\$0	\$0	\$0	\$54,000	\$0	\$600,000	\$0	\$0	\$0	\$654,000
Phase 1 Project 4 Eckerd \$645K (Sewer Fund)	\$645,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$645,000
Phase 1 Project 5 Swiegle \$669K	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$0	\$550,000	\$0	\$595,000
Subtotal	\$3,161,900	\$0	\$8,260,000	\$0	\$12,504,000	\$0	\$6,168,000	\$0	\$550,000	\$0	\$30,643,900

	2021/2022 ESTIMATE (\$)		2022/2023 ESTIMATE (\$)		2023/2024 ESTIMATE (\$)		2024/2025 ESTIMATE (\$)		2025/2026 ESTIMATE (\$)		TOTAL COST
	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	
<b>WATER</b>											
Capital Improvement Expenditures											
WTP 2MG Filter Plant/Telemetry/Chem Upgrade \$2.25M	Project Completed										
Water Master Plan/Mgmt Conservation Plan/Risk Assess \$230K	Project Completed										
Trout Creek Monitoring Station \$75K	Project Completed										
Trout Creek Water Right Transfer \$30K	Project Completed										
City Hall Remodel Ph 3 (Share) \$50K	Project Completed										
Phase 1 Project 2 Patrol \$300K	Project Completed										
PW Shops-WWTP Waterline \$441.2K	\$605,000	\$136,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$741,200
Phase 1 Project 3 Lola \$450K	\$0	\$0	\$0	\$0	\$15,000	\$0	\$435,000	\$0	\$0	\$0	\$450,000
Phase 1 Project 4 Eckerd \$250K	\$360,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$360,000
Phase 1 Project 5 Swiegle \$400K	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000	\$0	\$235,000	\$0	\$250,000
Scandia Waterline Replacement \$300K	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Decant Facility	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000
Subtotal	\$1,175,000	\$136,200	\$0	\$0	\$15,000	\$0	\$450,000	\$0	\$235,000	\$0	\$2,011,200

	2021/2022 ESTIMATE (\$)		2022/2023 ESTIMATE (\$)		2023/2024 ESTIMATE (\$)		2024/2025 ESTIMATE (\$)		2025/2026 ESTIMATE (\$)		TOTAL COST
	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	
<b>STORM</b>											
Capital Improvement Expenditures											
City Hall Remodel Ph 3 (Share) \$50K	Project Completed										
Shops Decant Facility \$60K (Shared Cost)	\$25,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
Creamery Creek Video Inspection \$25K	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
Stormwater System Master Plan Update \$250K	\$0	\$50,000	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Subtotal	\$50,000	\$75,000	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$325,000

	2021/2022 ESTIMATE (\$)		2022/2023 ESTIMATE (\$)		2023/2024 ESTIMATE (\$)		2024/2025 ESTIMATE (\$)		2025/2026 ESTIMATE (\$)		TOTAL COST
	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	
<b>PARKS</b>											
Capital Improvement Expenditures											
TSP P42-PMP Tier 2 Project MFR Ped Proj Ph 1 \$720K	\$0	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$130,000
Creamery Creek Pocket Park \$200K	\$0	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Clark Park Ph 4 (ADA Pathway) \$150K	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Clark Park Ph 3 (N. Parking/Francis/ADA)	To Be Determined										
New Park Land Acquisition	\$0	\$970,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$970,000
Parks System Master Plan Update \$150K	\$0	\$50,000	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Subtotal	\$0	\$1,400,000	\$0	\$350,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,750,000

	2021/2022 ESTIMATE (\$)		2022/2023 ESTIMATE (\$)		2023/2024 ESTIMATE (\$)		2024/2025 ESTIMATE (\$)		2025/2026 ESTIMATE (\$)		TOTAL COST
	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	Rates/Other	SDC	
Subtotal	\$4,411,900	\$4,750,200	\$8,260,000	\$550,000	\$12,519,000	\$0	\$6,618,000	\$0	\$785,000	\$0	\$37,894,100
Capital Improvement Plan Total	\$9,162,100	\$8,810,000	\$12,519,000	\$550,000	\$6,618,000	\$0	\$785,000	\$0	\$0	\$0	\$37,894,100

**CAPITAL PROJECTS**

Budget for Next FY 21-22

Historical Data						
Actual						
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021	<b>RESOURCES</b>	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$0.00	\$0.00	\$90,000.00	BEGINNING FUND BALANCE	\$396,236.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$318,481.82	\$233,935.46	\$5,450,000.00	TRANSFER FROM STREETS	\$2,725,000.00	\$0.00	\$0.00
\$311,006.55	\$123,163.84	\$1,150,000.00	TRANSFER FROM SEWER	\$1,400,000.00	\$0.00	\$0.00
\$188,300.36	\$664,976.37	\$918,200.00	TRANSFER FROM WATER	\$1,175,000.00	\$0.00	\$0.00
\$95,200.57	\$79,538.89	\$60,000.00	TRANSFER FROM STORMWATER	\$50,000.00	\$0.00	\$0.00
\$205,197.77	\$539,909.04	\$0.00	TRANSFER FROM SEWER SDC	\$0.00	\$0.00	\$0.00
\$324,214.88	\$1,266,282.89	\$502,900.00	TRANSFER FROM WATER SDC	\$136,200.00	\$0.00	\$0.00
\$261,959.10	\$359,751.75	\$657,488.00	TRANSFER FROM STREET SDC	\$439,000.00	\$0.00	\$0.00
\$126,928.87	\$154,945.32	\$1,000,000.00	TRANSFER FROM PARKS SDC	\$1,400,000.00	\$0.00	\$0.00
\$59,999.74	\$78,228.48	\$25,000.00	TRANSFER FROM STORM SDC	\$75,000.00	\$0.00	\$0.00
\$0.00	\$100,000.00	\$300,000.00	TRANSFER FROM GF-POLICE DEPT	\$500,000.00	\$0.00	\$0.00
<b>\$1,891,289.66</b>	<b>\$3,600,732.04</b>	<b>\$10,063,588.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$7,900,200.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$90,000.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$396,236.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$1,891,289.66</b>	<b>\$3,600,732.04</b>	<b>\$10,153,588.00</b>	<b>TOTAL CAPITAL PROJECTS FUND RESOURCES</b>	<b>\$8,296,436.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>REQUIREMENTS</b>			
			<b>CAPITAL OUTLAY</b>			
\$117,887.84	\$154,945.32	\$1,000,000.00	PARK CAPITAL PROJECTS	\$1,400,000.00	\$0.00	\$0.00
\$590,121.62	\$589,171.11	\$6,107,488.00	STREET CAPITAL PROJECTS	\$3,164,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	HWY 213 & TOLIVER INTERSECTION	\$0.00	\$0.00	\$0.00
\$500,646.50	\$713,998.78	\$1,150,000.00	SEWER CAPITAL PROJECTS	\$1,400,000.00	\$0.00	\$0.00
\$514,677.86	\$1,884,849.46	\$1,421,100.00	WATER CAPITAL PROJECTS	\$1,311,200.00	\$0.00	\$0.00
\$167,955.84	\$157,767.37	\$85,000.00	STORM WATER CAPITAL PROJECTS	\$125,000.00	\$0.00	\$0.00
\$0.00	\$3,763.24	\$390,000.00	POLICE FACILITY CAPITAL PROJ	\$896,236.00	\$0.00	\$0.00
<b>\$1,891,289.66</b>	<b>\$3,504,495.28</b>	<b>\$10,153,588.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$8,296,436.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$1,891,289.66</b>	<b>\$3,504,495.28</b>	<b>\$10,153,588.00</b>	<b>TOTAL CAPITAL PROJECT FUND REQUIREMENTS</b>	<b>\$8,296,436.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$1,891,289.66	\$3,600,732.04	\$10,153,588.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$8,296,436.00	\$0.00	\$0.00
\$1,891,289.66	\$3,504,495.28	\$10,153,588.00	<b>TOTAL FUND REQUIREMENTS</b>	\$8,296,436.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$96,236.76</b>	<b>\$0.00</b>	<b>TOTAL NET CAPITAL PROJECTS FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

# FLEET REPLACEMENT FUND

This fund is for purchase of replacement vehicles and equipment. Funds will be transferred each year from enterprise funds, governmental funds, and the Park Fund for future purchases. The intent is to set aside funding each year for a cash replacement of vehicles and equipment in an effort to avoid administrative and interests fees associated with financing vehicles and equipment.

Historical Data			Budget for Next FY 21-22			
Actual			RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021				
\$71,100.00	\$148,270.40	\$245,095.00	BEGINNING FUND BALANCE	\$252,182.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$20,000.00	\$0.00	\$0.00	TRANSFER FROM GENERAL FUND	\$0.00	\$0.00	\$0.00
\$0.00	\$60,000.00	\$70,000.00	TRANSFER FROM POLICE	\$70,000.00	\$0.00	\$0.00
\$7,900.00	\$7,900.00	\$7,900.00	TRANSFER FROM GF PARKS	\$7,900.00	\$0.00	\$0.00
\$0.00	\$5,000.00	\$0.00	TRANSFER FROM LIBRARY	\$0.00	\$0.00	\$0.00
\$19,800.00	\$19,800.00	\$19,800.00	TRANSFER FROM STREETS	\$38,300.00	\$0.00	\$0.00
\$21,725.00	\$21,725.00	\$21,725.00	TRANSFER FROM SEWER	\$21,725.00	\$0.00	\$0.00
\$22,000.00	\$22,000.00	\$22,000.00	TRANSFER FROM WATER	\$21,725.00	\$0.00	\$0.00
\$7,900.00	\$7,900.00	\$7,900.00	TRANSFER FROM STORMWATER	\$26,400.00	\$0.00	\$0.00
\$0.00	\$0.00	\$50,000.00	TRANSFER FROM PD REST	\$100,000.00	\$0.00	\$0.00
<b>\$99,325.00</b>	<b>\$144,325.00</b>	<b>\$199,325.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$286,050.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$71,100.00</b>	<b>\$148,270.40</b>	<b>\$245,095.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$252,182.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$170,425.00</b>	<b>\$292,595.40</b>	<b>\$444,420.00</b>	<b>TOTAL FLEET REPLACEMENT FUND RESOURCES</b>	<b>\$538,232.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>REQUIREMENTS</b>			
			<b>CAPITAL OUTLAY</b>			
\$20,000.00	\$0.00	\$0.00	ADMIN FLEET	\$0.00	\$0.00	\$0.00
\$0.00	\$26,183.79	\$145,000.00	POLICE FLEET	\$193,805.00	\$0.00	\$0.00
\$0.00	\$6,542.00	\$0.00	PARKS FLEET	\$17,000.00	\$0.00	\$0.00
\$0.00	\$5,000.00	\$0.00	LIBRARY FLEET	\$0.00	\$0.00	\$0.00
\$538.65	\$0.00	\$18,000.00	STREET FLEET	\$23,500.00	\$0.00	\$0.00
\$538.65	\$0.00	\$18,000.00	SEWER FLEET	\$5,000.00	\$0.00	\$0.00
\$538.65	\$0.00	\$18,000.00	WATER FLEET	\$5,000.00	\$0.00	\$0.00
\$538.65	\$0.00	\$18,000.00	STORM FLEET	\$23,500.00	\$0.00	\$0.00
<b>\$22,154.60</b>	<b>\$37,725.79</b>	<b>\$217,000.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$267,805.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>RESERVES</b>			
\$0.00	\$0.00	\$16,200.00	RESERVE-PARKS	\$8,058.00	\$0.00	\$0.00
\$0.00	\$0.00	\$64,562.00	RESERVE-STREETS	\$79,361.00	\$0.00	\$0.00
\$0.00	\$0.00	\$70,336.00	RESERVE-SEWER	\$87,061.00	\$0.00	\$0.00
\$0.00	\$0.00	\$71,161.00	RESERVE-WATER	\$87,886.00	\$0.00	\$0.00
\$0.00	\$0.00	\$5,161.00	RESERVE-STORMWATER	\$8,061.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$227,420.00</b>	<b>TOTAL RESERVE</b>	<b>\$270,427.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$22,154.60</b>	<b>\$37,725.79</b>	<b>\$444,420.00</b>	<b>TOTAL FLEET REPLACEMENT FUND REQUIREMENTS</b>	<b>\$538,232.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$170,425.00	\$292,595.40	\$444,420.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$538,232.00	\$0.00	\$0.00
\$22,154.60	\$37,725.79	\$444,420.00	<b>TOTAL FUND REQUIREMENTS</b>	\$538,232.00	\$0.00	\$0.00
\$148,270.40	\$254,869.61	\$0.00	<b>TOTAL NET FLEET REPLACEMENT FUND</b>	\$0.00	\$0.00	\$0.00

# ENTERPRISE FUNDS



## SEWER FUND

The Sewer Fund anticipates Monthly User Fee to increase based on new rates effective July 1, 2020 for FY 2021-22. Public Works is continuing its I&I and biosolids removal work and continued cost savings through repairs and efficiency improvements have been realized at the Wastewater Treatment Plant operations. The beginning fund balance has increased from FY 2020-21 due to set asides for biosolids removal. Personnel Service expenses decreased due to the temporary elimination of a Wastewater Treatment Plant Operator until the new treatment plant is constructed and a wage increase has been included for some Public Works positions. The wage increases are based on contract required and merit based increases.

The Materials & Services expenses increased in the Maintenance Division have increased slightly and Operations Division increased due to expense increase estimates for biosolids removal. Other line items adjustments have been made to better match existing expenditures. There is an increase to capital outlay for the addition of a backup generator to the new Public Works shops building. Transfers to the Sewer Debt Service and CWSRF Fund have been adjusted for the new treatment plant upgrade debt and refinancing of two old sewer debts. Transfers to the Capital Projects Fund have increased to \$1,400,000 for the WWTP Upgrade project. Contingency line item now meets best practice levels outlined in the City's Finance Policy.

Historical Data			SEWER FUND			
Actual			Budget for Next FY 21-22			
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021	<b>RESOURCES</b>	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$691,997.17	\$635,756.72	\$672,280.00	BEGINNING FUND BALANCE	\$1,308,766.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$536.93	\$5,647.82	\$1,000.00	MISCELLANEOUS	\$1,000.00	\$0.00	\$0.00
\$49,500.00	\$59,500.00	\$25,000.00	WASTEWATER DECREE ALLOCATION	\$10,000.00	\$0.00	\$0.00
\$11,797.07	\$2,160.83	\$1,000.00	PLAN REVIEW AND PERMITS	\$1,000.00	\$0.00	\$0.00
\$2,739,284.24	\$2,979,897.97	\$3,215,781.00	MONTHLY USER FEE	\$3,370,000.00	\$0.00	\$0.00
\$56,400.00	\$10,800.00	\$1,000.00	SERVICE CONNECTIONS	\$1,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$1,100,000.00	DEQ LOAN	\$1,400,000.00	\$0.00	\$0.00
<b>\$2,857,518.24</b>	<b>\$3,058,006.62</b>	<b>\$4,343,781.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$4,783,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$691,997.17</b>	<b>\$635,756.72</b>	<b>\$672,280.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$1,308,766.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$3,549,515.41</b>	<b>\$3,693,763.34</b>	<b>\$5,016,061.00</b>	<b>TOTAL SEWER FUND RESOURCES</b>	<b>\$6,091,766.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

## REQUIREMENTS

### PERSONNEL SERVICES

\$197,856.21	\$244,764.59	\$338,700.00	BENEFITS AND TAXES	\$307,100.00	\$0.00	\$0.00
\$416,990.58	\$463,254.41	\$568,600.00	SALARIES AND WAGES	\$534,400.00	\$0.00	\$0.00
<b>\$614,846.79</b>	<b>\$708,019.00</b>	<b>\$907,300.00</b>	<b>TOTAL PERSONNEL SERVICES</b>	<b>\$841,500.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
5.90	7.85	7.85	FTE	7.85		

Historical Data			SEWER FUND REQUIREMENTS	Budget for Next FY 20-21		
Actual		Adopted Budget		Proposed By	Approved By	Adopted By
Second Preceding Year 2017-2018	First Preceding Year 2018-2019	This Year Year 2019-2020	REQUIREMENTS	Budget Officer	Budget Committee	Governing Body
<b>SEWER MAINTENANCE DIVISION</b>						
<b>MATERIALS &amp; SERVICES</b>						
\$141,082.40	\$146,847.82	\$155,000.00	POWER	\$180,000.00	\$0.00	\$0.00
\$8,889.89	\$8,852.78	\$28,000.00	PHONE	\$9,300.00	\$0.00	\$0.00
\$655.94	\$259.91	\$1,000.00	NATURAL GAS	\$500.00	\$0.00	\$0.00
\$27,617.03	\$32,260.75	\$15,000.00	OPERATIONS & MAINTENANCE	\$15,000.00	\$0.00	\$0.00
\$5,495.44	\$13,102.37	\$3,400.00	BUILDING MAINTENANCE	\$10,400.00	\$0.00	\$0.00
\$2,446.66	\$5,431.12	\$6,500.00	TRANING & CONF. TRAVEL	\$6,500.00	\$0.00	\$0.00
\$1,880.50	\$1,084.56	\$3,000.00	DUES & MEMBERSHIP	\$3,000.00	\$0.00	\$0.00
\$7,060.08		\$12,000.00	POSTAGE	\$12,000.00	\$0.00	\$0.00
\$7,731.56	\$12,334.71	\$7,000.00	COMPUTER NETWORK	\$7,000.00	\$0.00	\$0.00
\$39,568.73	\$58,897.32	\$42,000.00	PROFESSIONAL SERVICES	\$42,000.00	\$0.00	\$0.00
\$233,205.69	\$136,260.29	\$150,000.00	LEGAL & RECORDING	\$120,000.00	\$0.00	\$0.00
\$24,772.94	\$26,903.94	\$27,000.00	INSURANCE/LIABILITY/GEN	\$27,000.00	\$0.00	\$0.00
\$1,734.85	\$3,290.11	\$5,000.00	VEHICLE FUEL	\$5,000.00	\$0.00	\$0.00
\$2,177.15	\$5,339.55	\$20,000.00	VEHICLE REPAIR	\$17,200.00	\$0.00	\$0.00
\$1,493.90	\$888.57	\$4,600.00	UNIFORMS & SAFETY GEAR	\$3,600.00	\$0.00	\$0.00
\$59,374.45	\$30,312.00	\$0.00	LITIGATION PAYOUT	\$0.00	\$0.00	\$0.00
\$78,370.38	\$92,537.14	\$110,000.00	COST ALLOCATION AGREEMENT	\$150,000.00	\$0.00	\$0.00
\$37,291.70	\$192,050.76	\$530,000.00	INFLOW & INFILTRATION	\$645,000.00	\$0.00	\$0.00
\$938.35	\$5,835.64	\$5,000.00	SEWER LINE REPAIR	\$5,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$2,500.00	NEW SEWER CONNECTIONS	\$2,500.00	\$0.00	\$0.00
\$4,665.00	\$2,966.00	\$5,000.00	PERMITS	\$5,000.00	\$0.00	\$0.00
\$168.46	\$1,417.73	\$1,500.00	SMALL EQUIP/TOOLS	\$2,900.00	\$0.00	\$0.00
\$33,281.05	\$23,220.11	\$26,000.00	LIFT STATION MAINT	\$26,000.00	\$0.00	\$0.00
<b>\$719,902.15</b>	<b>\$800,093.18</b>	<b>\$1,159,500.00</b>	<b>SEWER MAINTENANCE-MATERIALS &amp; SER</b>	<b>\$1,294,900.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>SEWER OPERATIONS DIVISION</b>						
<b>MATERIALS &amp; SERVICES</b>						
\$100,630.34	\$104,567.95	\$89,500.00	OPERATIONS & MAINTENANCE	\$131,400.00	\$0.00	\$0.00
\$6,456.38	\$6,303.72	\$17,500.00	BUILDING MAINTENANCE	\$49,500.00	\$0.00	\$0.00
\$1,517.68	\$665.00	\$1,200.00	TRANING & CONF. TRAVEL	\$5,000.00	\$0.00	\$0.00
\$388.00	\$1,095.99	\$1,000.00	DUES & MEMBERSHIP	\$300.00	\$0.00	\$0.00
\$4,075.28	\$3,646.78	\$2,500.00	VEHICLE FUEL	\$2,500.00	\$0.00	\$0.00
\$3,121.00	\$1,498.08	\$5,000.00	VEHICLE REPAIR	\$8,000.00	\$0.00	\$0.00

Historical Data			SEWER FUND	Budget for Next FY 20-21		
Actual		Adopted Budget		REQUIREMENTS- <i>cont</i>	Proposed By	Approved By
Second Preceding Year 2017-2018	First Preceding Year 2018-2019	This Year Year 2019-2020			Budget Officer	Budget Committee
<b>SEWER OPERATIONS DIVISION -CONT</b>						
\$17,430.02	\$17,190.31	\$25,000.00	IRRIGATION FUEL	\$25,000.00	\$0.00	\$0.00
\$622.83	\$2,814.08	\$2,200.00	UNIFORMS & SAFETY GEAR	\$2,300.00	\$0.00	\$0.00
\$523,641.34	\$401,667.43	\$533,900.00	BIOSOLIDS REMOVAL	\$1,116,900.00	\$0.00	\$0.00
\$6,116.93	\$5,263.12	\$4,000.00	EFFLUENT MONITORING	\$10,000.00	\$0.00	\$0.00
\$0.00	\$15,626.00	\$18,500.00	LAB SUPPLIES/EQUIPMENT	\$13,000.00	\$0.00	\$0.00
\$192,579.40	\$152,288.86	\$150,000.00	CHLORINE & CHEMICALS	\$190,000.00	\$0.00	\$0.00
\$3,239.00	\$520.00	\$15,500.00	PERMITS	\$15,500.00	\$0.00	\$0.00
<b>\$859,818.20</b>	<b>\$713,147.32</b>	<b>\$865,800.00</b>	<b>AL SEWER OPERATIONS-MATERIALS &amp; SERV</b>	<b>\$1,569,400.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>CAPITAL OUTLAY</b>						
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$20,645.00	\$4,078.90	\$89,225.00	SEWER EQUIPMENT	\$86,200.00	\$0.00	\$0.00
<b>\$20,645.00</b>	<b>\$4,078.90</b>	<b>\$89,225.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$86,200.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TRANSFERS OUT</b>						
\$316,000.00	\$316,000.00	\$306,250.00	TRANSFER TO SEWER DEBT	\$381,486.00	\$0.00	\$0.00
\$49,815.00	\$44,575.00	\$39,897.00	TRANSFER TO CWSRF	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$20,000.00	TRANSFER TO CWSRF#2	\$2,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$25,000.00	TRANSFER TO WATER	\$5,000.00	\$0.00	\$0.00
\$311,006.55	\$123,163.84	\$1,150,000.00	TRANSFER TO CAPITAL PROJECT F	\$1,400,000.00	\$0.00	\$0.00
\$21,725.00	\$21,725.00	\$21,725.00	TRANSFER TO FLEET REPLACE FUND	\$21,725.00	\$0.00	\$0.00
<b>\$698,546.55</b>	<b>\$505,463.84</b>	<b>\$1,562,872.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$1,810,211.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>CONTINGENCY/Reserve</b>						
\$0.00	\$0.00	\$455,014.00	CONTINGENCY	\$437,358.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	RESERVE-WWTP FUNDING	\$52,197.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$455,014.00</b>	<b>TOTAL OPERATING CONTINGENCY</b>	<b>\$489,555.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$2,913,758.69</b>	<b>\$2,730,802.24</b>	<b>\$5,039,711.00</b>	<b>TOTAL SEWER REQUIREMENTS</b>	<b>\$6,091,766.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$3,549,515.41	\$3,693,763.34	\$5,016,061.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$6,091,766.00	\$0.00	\$0.00
\$2,913,758.69	\$2,730,802.24	\$5,039,711.00	<b>TOTAL FUND REQUIREMENTS</b>	\$6,091,766.00	\$0.00	\$0.00
\$635,756.72	\$962,961.10	-\$23,650.00	<b>TOTAL NET SEWER FUND</b>	\$0.00	\$0.00	\$0.00

### WATER FUND

The Water Fund anticipates Monthly User Fee to remain flat based on no rate increases for FY 2021-22. Public Works is currently working on waterline replacements. The beginning fund balance increased from FY 2020-21 due to less than anticipated project related expenses. Personnel Service expenses increased and a wage increase has been included for some Public Works positions. The wage increases are based on contract required and merit-based increases.

The Materials & Services expenses have remained mostly flat in the Maintenance and Operation Divisions due to efficiencies and reduction in overall costs. There is an increase to capital outlay for the addition of a backup generator to the new Public Works shops building. Transfers to the Capital Project Fund and Fleet Replacement Fund have increased slightly for anticipated project costs. Contingency line item now meets best practice levels outlined in the City’s Finance Policy and a \$1,000,000 reserve exists for upcoming water replacement projects.

Historical Data			Budget for Next FY 21-22			
Actual		Adopted Budget	<b>RESOURCES</b>	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	This Year Year 2020-2021				
\$1,678,396.32	\$2,295,845.91	\$2,399,264.00	BEGINNING FUND BALANCE	\$2,633,039.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$14,370.53	\$26,516.07	\$1,000.00	MISCELLANEOUS	\$1,000.00	\$0.00	\$0.00
\$2,426.77	\$1,213.20	\$1,000.00	PLAN REVIEW AND PERMITS	\$1,000.00	\$0.00	\$0.00
\$1,831,565.15	\$1,899,707.45	\$2,100,000.00	MONTHLY USER FEE	\$2,000,000.00	\$0.00	\$0.00
\$57,600.00	\$9,000.00	\$600.00	SERVICE CONNECTIONS	\$600.00	\$0.00	\$0.00
\$0.00	\$0.00	\$25,000.00	TRANSFER FROM SEWER	\$5,000.00	\$0.00	\$0.00
<b>\$1,905,962.45</b>	<b>\$1,936,436.72</b>	<b>\$2,127,600.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$2,007,600.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$1,678,396.32</b>	<b>\$2,295,845.91</b>	<b>\$2,399,264.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$2,633,039.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$3,584,358.77</b>	<b>\$4,232,282.63</b>	<b>\$4,526,864.00</b>	<b>TOTAL WATER FUND RESOURCES</b>	<b>\$4,640,639.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

			<b>PERSONNEL SERVICES</b>			
\$199,607.23	\$222,802.32	\$275,400.00	BENEFITS AND TAXES	\$275,900.00	\$0.00	\$0.00
\$424,381.69	\$425,969.96	\$461,400.00	SALARIES AND WAGES	\$478,900.00	\$0.00	\$0.00
<b>\$623,988.92</b>	<b>\$648,772.28</b>	<b>\$736,800.00</b>	<b>TOTAL PERSONNEL SERVICES</b>	<b>\$754,800.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
5.65	5.84	5.74	FTE	5.74		

### WATER MAINTENANCE DIVISION

			<b>MATERIALS &amp; SERVICES</b>			
\$79,462.11	\$65,582.05	\$90,000.00	POWER	\$90,000.00	\$0.00	\$0.00
\$7,183.49	\$9,956.68	\$18,000.00	PHONE	\$18,000.00	\$0.00	\$0.00
\$29,695.45	\$51,656.60	\$23,500.00	OPERATIONS & MAINTENANCE	\$23,500.00	\$0.00	\$0.00

Historical Data			WATER FUND REQUIREMENTS	Budget for Next FY 20-21		
Actual	Adopted Budget	Proposed By		Approved By	Adopted By	
Second Preceding Year 2017-2018	First Preceding Year 2018-2019	This Year Year 2019-2020	REQUIREMENTS	Proposed By Budget Officer	Budget Committee	Governing Body
<b>WATER MAINTENANCE DIVISION <i>cont</i></b>						
<b>MATERIALS &amp; SERVICES</b>						
\$1,120.95	\$13,545.61	\$3,400.00	BUILDING MAINTENANCE	\$3,400.00	\$0.00	\$0.00
\$2,513.99	\$3,369.72	\$5,175.00	TRANING & CONF. TRAVEL	\$5,975.00	\$0.00	\$0.00
\$1,927.26	\$1,696.14	\$2,800.00	DUES & MEMBERSHIP	\$2,800.00	\$0.00	\$0.00
\$7,034.88	\$13,274.53	\$11,000.00	POSTAGE	\$13,300.00	\$0.00	\$0.00
\$7,703.22	\$12,334.71	\$7,425.00	COMPUTER NETWORK	\$12,000.00	\$0.00	\$0.00
\$5,993.73	\$4,684.65	\$31,300.00	PROFESSIONAL SERVICES	\$46,300.00	\$0.00	\$0.00
\$0.00	\$10,347.91	\$10,000.00	LEGAL & RECORDING	\$10,000.00	\$0.00	\$0.00
\$27,228.34	\$33,170.38	\$35,000.00	INSURANCE/LIABILITY/GEN	\$35,000.00	\$0.00	\$0.00
\$1,224.03	\$3,366.88	\$8,000.00	VEHICLE FUEL	\$8,000.00	\$0.00	\$0.00
\$2,887.17	\$4,239.17	\$20,000.00	VEHICLE REPAIR	\$20,000.00	\$0.00	\$0.00
\$1,179.66	\$736.55	\$4,600.00	UNIFORMS & SAFETY GEAR	\$3,600.00	\$0.00	\$0.00
\$56,542.38	\$71,750.23	\$85,000.00	COST ALLOCATION AGREEMENT	\$72,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$1,000.00	CHLORINE & CHEMICALS	\$1,000.00	\$0.00	\$0.00
\$62,184.83	\$62,272.86	\$100,000.00	WATER LINE REPAIR	\$100,000.00	\$0.00	\$0.00
\$4,972.73	\$0.00	\$10,000.00	NEW WATER CONNECTIONS	\$10,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$500.00	PERMITS	\$500.00	\$0.00	\$0.00
\$1,175.34	\$1,616.48	\$1,500.00	SMALL EQUIP/TOOLS	\$2,900.00	\$0.00	\$0.00
\$14,441.69	\$499.00	\$25,000.00	NEW WATER METERS	\$17,500.00	\$0.00	\$0.00
<b>\$314,471.25</b>	<b>\$364,100.15</b>	<b>\$493,200.00</b>	<b>WATER MAINTENANCE-MATERIALS &amp; SEF</b>	<b>\$495,775.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>WATER OPERATIONS DIVISION</b>						
<b>MATERIALS &amp; SERVICES</b>						
\$68,720.32	\$70,472.81	\$58,300.00	OPERATIONS & MAINTENANCE	\$79,500.00	\$0.00	\$0.00
\$3,723.54	\$2,474.34	\$20,200.00	BUILDING MAINTENANCE	\$20,200.00	\$0.00	\$0.00
\$1,099.00	\$2,107.50	\$3,100.00	TRANING & CONF. TRAVEL	\$3,100.00	\$0.00	\$0.00
\$507.00	\$297.00	\$1,000.00	DUES & MEMBERSHIP	\$1,000.00	\$0.00	\$0.00
\$4,824.75	\$3,520.46	\$5,000.00	VEHICLE FUEL	\$5,000.00	\$0.00	\$0.00
\$3,537.12	\$2,023.02	\$5,000.00	VEHICLE REPAIR	\$5,000.00	\$0.00	\$0.00
\$935.43	\$554.05	\$4,500.00	UNIFORMS & SAFETY GEAR	\$2,600.00	\$0.00	\$0.00
\$0.00	\$1.76	\$25,000.00	LAB SUPPLIES/EQUIPMENT	\$24,600.00	\$0.00	\$0.00
\$34,960.69	\$28,177.85	\$31,500.00	CHLORINE & CHEMICALS	\$31,500.00	\$0.00	\$0.00
\$614.00	\$633.00	\$2,900.00	PERMITS	\$2,900.00	\$0.00	\$0.00

**Historical Data**  
**Actual**

**WATER FUND**

**Budget for Next FY 20-21**

Second Preceding Year 2017-2018	First Preceding Year 2018-2019	Adopted Budget This Year Year 2019-2020	<b>REQUIREMENTS-<i>cont</i></b>	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
<b>WATER OPERATIONS DIVISION</b>						
<b>MATERIALS &amp; SERVICES - <i>cont</i></b>						
\$0.00	\$0.00	\$27,000.00	WATER RESERVOIR MAINTENANCE	\$20,000.00	\$0.00	\$0.00
<b>\$118,921.85</b>	<b>\$110,261.79</b>	<b>\$183,500.00</b>	<b>WATER OPERATIONS-MATERIALS &amp; SER</b>	<b>\$195,400.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>CAPITAL OUTLAY</b>						
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$20,830.48	\$4,078.90	\$1,700.00	WATER EQUIPMENT	\$11,200.00	\$0.00	\$0.00
<b>\$20,830.48</b>	<b>\$4,078.90</b>	<b>\$1,700.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$11,200.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TRANSFERS OUT</b>						
\$0.00	\$0.00	\$0.00	TRANSFER TO WATER EXPANSI	\$0.00	\$0.00	\$0.00
\$188,300.36	\$664,976.37	\$918,200.00	TRANSFER TO CAPITAL PROJECT F	\$1,175,000.00	\$0.00	\$0.00
\$22,000.00	\$22,000.00	\$22,000.00	TRANSFER TO FLEET REPLACE FUND	\$21,725.00	\$0.00	\$0.00
<b>\$210,300.36</b>	<b>\$686,976.37</b>	<b>\$940,200.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$1,196,725.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>CONTINGENCY</b>						
\$0.00	\$0.00	\$841,000.00	OPERATING CONTINGENCY	\$986,739.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$841,000.00</b>	<b>TOTAL OPERATING CONTINGENCY</b>	<b>\$986,739.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>RESERVE</b>						
\$0.00	\$0.00	\$1,330,464.00	RESERVE	\$1,000,000.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,330,464.00</b>	<b>TOTAL RESERVE</b>	<b>\$1,000,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$1,288,512.86</b>	<b>\$1,814,189.49</b>	<b>\$4,526,864.00</b>	<b>TOTAL WATER REQUIREMENTS</b>	<b>\$4,640,639.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$3,584,358.77	\$4,232,282.63	\$4,526,864.00	<b>TOTAL FUND RESOURCES AND FUND BA</b>	\$4,640,639.00	\$0.00	\$0.00
\$1,288,512.86	\$1,814,189.49	\$4,526,864.00	<b>TOTAL FUND REQUIREMENTS</b>	\$4,640,639.00	\$0.00	\$0.00
\$2,295,845.91	\$2,418,093.14	\$0.00	<b>TOTAL NET WATER FUND</b>	\$0.00	\$0.00	\$0.00

### STORM WATER FUND

The Storm Fund anticipates Monthly User Fee to increase based on updated collection numbers from Finance audit of accounts. The beginning fund balance increased slightly from FY 2020-21 due to less than anticipated project related expenses. Personnel Service expenses increased and a wage increase has been included for some Public Works positions. The wage increases are based on contract required and merit-based increases.

The Materials & Services expenses remains essentially flat. There is an increase to capital outlay for the addition of a backup generator to the new Public Works shops building. Capital Improvement transfers to the Capital Project Fund have increased to cover the decant facility and other project costs. Transfers for fleet replacement increased due to the Street Sweeper Replacement cost and the Contingency line item now meets best practice levels outlined in the City’s Finance Policy.

**Historical Data**

**Budget for Next FY 21-22**

**Actual**

### RESOURCES

2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$143,127.52	\$103,619.74	\$92,962.00	BEGINNING FUND BALANCE	\$181,398.00	\$0.00	\$0.00
<b>REVENUE</b>						
\$867.80	\$1,467.03	\$0.00	MISCELLANEOUS	\$0.00	\$0.00	\$0.00
\$4,156.46	\$2,559.22	\$500.00	PLAN REVIEW AND PERMITS	\$500.00	\$0.00	\$0.00
\$258,949.30	\$291,282.40	\$285,000.00	MONTHLY USER FEE	\$300,000.00	\$0.00	\$0.00
<b>\$263,973.56</b>	<b>\$295,308.65</b>	<b>\$285,500.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$300,500.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$143,127.52</b>	<b>\$103,619.74</b>	<b>\$92,962.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$181,398.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$407,101.08</b>	<b>\$398,928.39</b>	<b>\$378,462.00</b>	<b>TOTAL STORM WATER FUND RESOURCES</b>	<b>\$481,898.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**STORM WATER FUND**

Historical Data			Budget for Next FY 20-21			
Actual			REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2017-2018	First Preceding Year 2018-2019	Adopted Budget This Year Year 2019-2020				
			<b>PERSONNEL SERVICES</b>			
\$38,917.83	\$42,747.31	\$53,700.00	BENEFITS AND TAXES	\$54,300.00	\$0.00	\$0.00
\$80,870.06	\$78,796.37	\$90,700.00	SALARIES AND WAGES	\$95,000.00	\$0.00	\$0.00
<b>\$119,787.89</b>	<b>\$121,543.68</b>	<b>\$144,400.00</b>	<b>TOTAL PERSONNEL SERVICES</b>	<b>\$149,300.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
1.07	1.22	1.22	FTE	1.22		
			<b>MATERIALS &amp; SERVICES</b>			
\$0.00	\$0.00	\$15,000.00	POWER	\$15,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$4,000.00	PHONE	\$4,000.00	\$0.00	\$0.00
\$10,589.82	\$10,805.68	\$18,000.00	OPERATIONS & MAINTENANCE	\$18,000.00	\$0.00	\$0.00
\$233.83	\$2,796.17	\$1,300.00	BUILDING MAINTENANCE	\$1,300.00	\$0.00	\$0.00
\$520.44	\$272.89	\$2,700.00	TRAINING & CONF. TRAVEL	\$2,700.00	\$0.00	\$0.00
\$337.50	\$410.80	\$600.00	DUES & MEMBERSHIP	\$800.00	\$0.00	\$0.00
\$2,374.53	\$2,323.64	\$3,000.00	POSTAGE	\$3,000.00	\$0.00	\$0.00
\$2,567.77	\$3,998.20	\$2,700.00	COMPUTER NETWORK	\$2,700.00	\$0.00	\$0.00
\$3,145.30	\$1,513.94	\$10,600.00	PROFESSIONAL SERVICES	\$10,600.00	\$0.00	\$0.00
\$0.00	\$2,279.83	\$500.00	LEGAL & RECORDING	\$500.00	\$0.00	\$0.00
\$6,823.22	\$8,970.65	\$9,000.00	INSURANCE/LIABILITY/GEN	\$9,000.00	\$0.00	\$0.00
\$2,447.30	\$1,229.14	\$3,000.00	VEHICLE FUEL	\$3,000.00	\$0.00	\$0.00
\$9,191.22	\$974.71	\$12,800.00	VEHICLE REPAIR	\$12,800.00	\$0.00	\$0.00
\$83.16	\$33.80	\$1,600.00	UNIFORMS & SAFETY GEAR	\$1,800.00	\$0.00	\$0.00
\$20,251.08	\$14,999.63	\$15,000.00	COST ALLOCATION AGREEMENT	\$15,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$500.00	PERMITS	\$500.00	\$0.00	\$0.00
\$85.76	\$131.97	\$500.00	SMALL EQUIP/TOOLS	\$1,000.00	\$0.00	\$0.00
\$1,200.00	\$378.92	\$5,000.00	STORM DRAINS	\$5,000.00	\$0.00	\$0.00
<b>\$59,850.93</b>	<b>\$51,119.97</b>	<b>\$105,800.00</b>	<b>TOTAL MATERIALS &amp; SERVICES</b>	<b>\$106,700.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

Historical Data			STORM WATER FUND REQUIREMENTS- <i>cont</i>	Budget for Next FY 20-21		
Actual		Adopted Budget		Proposed By	Approved By	Adopted By
Second Preceding Year 2017-2018	First Preceding Year 2018-2019	This Year Year 2019-2020	Budget Officer	Budget Committee	Governing Body	
			<b>CAPITAL OUTLAY</b>			
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	
\$20,741.95	\$1,772.30	\$3,100.00	STORM EQUIPMENT	\$13,900.00	\$0.00	
<b>\$20,741.95</b>	<b>\$1,772.30</b>	<b>\$3,100.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$13,900.00</b>	<b>\$0.00</b>	
			<b>TRANSFERS OUT</b>			
\$95,200.57	\$79,538.89	\$60,000.00	TRANSFER TO CAPITAL PROJECT F	\$50,000.00	\$0.00	
\$7,900.00	\$7,900.00	\$7,900.00	TRANSFER TO FLEET REPLACE FUND	\$26,400.00	\$0.00	
<b>\$103,100.57</b>	<b>\$87,438.89</b>	<b>\$67,900.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$76,400.00</b>	<b>\$0.00</b>	
			<b>CONTINGENCY</b>			
\$0.00	\$0.00	\$57,262.00	CONTINGENCY	\$135,598.00	\$0.00	
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$57,262.00</b>	<b>TOTAL OPERATING CONTINGENCY</b>	<b>\$135,598.00</b>	<b>\$0.00</b>	
<b>\$303,481.34</b>	<b>\$261,874.84</b>	<b>\$378,462.00</b>	<b>TOTAL STORM WATER REQUIREMENTS</b>	<b>\$481,898.00</b>	<b>\$0.00</b>	
\$407,101.08	\$398,928.39	\$378,462.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$481,898.00	\$0.00	
\$303,481.34	\$261,874.84	\$378,462.00	<b>TOTAL FUND REQUIREMENTS</b>	\$481,898.00	\$0.00	
\$103,619.74	\$137,053.55	\$0.00	<b>TOTAL NET STORM WATER FUND</b>	\$0.00	\$0.00	

# SDC FUNDS



## System Development Charges

In 2018, the Molalla City Council examined and adopted the City's Capital Improvement Plans (CIP) and in December 2020 adopted a temporary update to the System Development Charge (SDC) fees until a review of transportation fees could be completed by City Council. These Capital Improvement Plans are based on Master Plans for each area of municipal infrastructure as supplemented by an inventory of projects identified by City staff subsequent to adopting the plans.

The City of Molalla's System Development Charges are divided into five areas of infrastructure in compliance with the requirements of the Oregon Revised Statutes, to include:

1. Water supply, treatment, distribution, and storage system;
2. Wastewater collection, treatment, and disposal;
3. Storm water and flood control systems;
4. Transportation systems;
5. Parks and recreation facilities.

### SDC METHODOLOGY OVERVIEW

Oregon Revised Statutes 223.297 through 223.314 provide the statutory basis for application of System Development Charges. This statute is intended to provide a uniform framework for development of equitable funding to support orderly growth.

Based on the statutes, SDCs are composed of:

- Reimbursement Fees to address the value of existing improvements,
- Improvement Fees to address the cost of needed future improvements, or
- Combination of both Reimbursement and Improvement Fees.

The City's updated methodologies identify current "replacement value" for all existing improvements to establish the basis of the Reimbursement Fee. The basis for the Improvement Fee is the "estimated cost" of improvements not yet constructed, but needed, to serve future populations.

Existing improvements typically have surplus capacity for future users as well as deficiencies in serving the existing users. Similarly, projects on the Capital Improvement Plan listing are required to provide capacity for future users. They also frequently resolve deficiencies in service to the existing users. To account for the available capacity in the City's infrastructure and the concurrent need to undertake capital improvements to resolve deficiencies, the Molalla SDC Methodologies include a combination of both Reimbursement Fees and Improvement Fees.

To assure an equitable allocation of costs between existing and future users, the value of all existing facilities and the estimated cost of all future improvements are allocated to all users, current and future equally, based on their proportionate use of the available capacity. This methodology avoids double charging for capacity and is also independent of current population. With this approach there is no need to identify percentage of remaining capacity to serve future users, nor to estimate future population growth. This allocation is dependent only upon the ultimate capacity of the facility and the value or cost of the facility.

Although all SDCs are primarily related to population, the rate of population growth has no impact on calculation of the fee. The fee is based on funding needed for improvements to support growth, independent

of when that population growth is realized. In periods of high growth, SDC revenues will accrue more quickly to allow construction of needed improvements earlier to support the accelerated growth. In periods of low growth, revenues will accrue more slowly, but the need for infrastructure improvements to support this growth is also protracted.

SDCs are typically collected with the issuance of building permits. As a result, the unit of measure for allocating SDC costs is defined in various unique forms for each utility, but is generally based on the impact of one single family residential unit which is adopted to be one Equivalent Dwelling Unit (EDU).

#### SDC ADMINISTRATION REQUIREMENTS

Per ORS 223.311, System Development Charge revenues must be deposited in dedicated accounts for each utility and an annual accounting prepared identifying amounts collected for each utility, amounts spent on each qualified project, and the annual cost of complying with these requirements.

The statute mandates that Reimbursement fees may be expended on any capital improvements or associated debt service within the subject infrastructure. Improvement Fees may only be spent on projects included in the Capital Improvement Plan for each infrastructure, including associated debt service. Accordingly, it is important to account for reimbursement and improvement fees separately.

#### LOOKING FORWARD INTO 2020/2021

Several projects have been identified for FY 2020/21 that will utilize system development charge fees for increasing system capacity. The following is a list of those projects:

##### Sewer SDC

No SDC's are available for projects.

##### Water SDC

Eckerd Avenue Waterline Replacement. Shops-Elementary School and Toliver-WWTP waterline replacement projects are being paid for by the Water Fund with a portion of the capacity increasing to be added to the reimbursement SDC fee once the project are completed.

##### Street SDC

OR 211 Pedestrian and Bicycle Improvements (213 to Ona Way), OR 213 ARTS Project, Molalla Forest Road Bike/Pedestrian Path Ph 1, OR 211-Molalla Ave Signal, Shops Decant Facility, and multiple shared lane projects. Note: This budget projection assumes no change to the Transportation SDC fee structure.

##### Parks SDC

Molalla Forest Road Bike/Pedestrian Path Ph 1, Clark Park Ph 4, Future Park Land Acquisition, and Parks Master Plan Update.

##### Stormwater SDC

Shops Decant Facility and Stormwater Master Plan.

After FY 2021/22, the City of Molalla anticipates limited funding of projects with SDC revenues and the reserves on all SDC accounts.

**Historical Data**  
**Actual**

**STREET SDC FUND**

Budget for Next FY 21-22

Historical Data			STREET SDC FUND			
Actual			RESOURCES			
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$813,582.63	\$1,092,197.33	\$593,983.00	BEGINNING FUND BALANCE	\$1,038,104.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$0.00	\$0.00	\$0.00	TRANSPORTATION SDC	\$0.00	\$0.00	\$0.00
\$103,363.00	\$19,457.00	\$3,845.00	TRANSPORTATION - REIMBURSEMENT	\$3,845.00	\$0.00	\$0.00
\$440,934.00	\$144,276.00	\$59,660.00	TRANSPORTATION - IMPROVEMENT	\$59,660.00	\$0.00	\$0.00
<b>\$544,297.00</b>	<b>\$163,733.00</b>	<b>\$63,505.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$63,505.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$813,582.63</b>	<b>\$1,092,197.33</b>	<b>\$593,983.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$1,038,104.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$1,357,879.63</b>	<b>\$1,255,930.33</b>	<b>\$657,488.00</b>	<b>TOTAL STREET SDC FUND RESOURCES</b>	<b>\$1,101,609.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>REQUIREMENTS</b>			
\$3,723.20	\$0.00	\$0.00	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00
<b>\$3,723.20</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL MATERIALS % SERVICES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>CAPITAL OUTLAY</b>			
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>TRANSFERS OUT</b>			
\$261,959.10	\$359,751.75	\$657,488.00	TRANSFER TO CAPITAL PROJECTS	\$439,000.00	\$0.00	\$0.00
<b>\$261,959.10</b>	<b>\$359,751.75</b>	<b>\$657,488.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$439,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>RESERVE</b>			
\$0.00	\$0.00	\$0.00	RESERVE - IMPROVEMENT SDC	\$606,994.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	RESERVE - REIMBURSEMENT SDC	\$55,615.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL RESERVES</b>	<b>\$662,609.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$265,682.30</b>	<b>\$359,751.75</b>	<b>\$657,488.00</b>	<b>TOTAL STREET SDC FUND REQUIREMENTS</b>	<b>\$1,101,609.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$1,357,879.63	\$1,255,930.33	\$657,488.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$1,101,609.00	\$0.00	\$0.00
\$265,682.30	\$359,751.75	\$657,488.00	<b>TOTAL FUND REQUIREMENTS</b>	\$1,101,609.00	\$0.00	\$0.00
<b>\$1,092,197.33</b>	<b>\$896,178.58</b>	<b>\$0.00</b>	<b>TOTAL NET STREET SDC FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

Historical Data  
Actual

**PARK SDC FUND**

Budget for Next FY 21-22

**RESOURCES**

2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$1,787,784.51	\$2,494,436.64	\$2,309,567.00	BEGINNING FUND BALANCE	\$2,087,512.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$833,581.00	\$80,521.00	\$12,750.00	PARK SDC - IMPROVEMENT FEE	\$12,750.00	\$0.00	\$0.00
<b>\$833,581.00</b>	<b>\$80,521.00</b>	<b>\$12,750.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$12,750.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$1,787,784.51	\$2,494,436.64	\$2,309,567.00	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$2,087,512.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$2,621,365.51</b>	<b>\$2,574,957.64</b>	<b>\$2,322,317.00</b>	<b>TOTAL PARK SDC FUND RESOURCES</b>	<b>\$2,100,262.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**REQUIREMENTS**

			<b>MATERIAL &amp; SERVICES</b>			
\$0.00	\$0.00	\$0.00	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL MATERIALS % SERVICES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>CAPITAL OUTLAY</b>			
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>TRANSFERS OUT</b>			
\$126,928.87	\$154,945.32	\$1,000,000.00	TRANSFER TO CAPITAL PROJECTS	\$1,400,000.00	\$0.00	\$0.00
<b>\$126,928.87</b>	<b>\$154,945.32</b>	<b>\$1,000,000.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$1,400,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>RESERVE</b>			
\$0.00	\$0.00	\$1,322,317.00	RESERVE	\$700,262.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,322,317.00</b>	<b>TOTAL RESERVES</b>	<b>\$700,262.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$126,928.87</b>	<b>\$154,945.32</b>	<b>\$2,322,317.00</b>	<b>TOTAL PARK SDC FUND REQUIREMENTS</b>	<b>\$2,100,262.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$2,621,365.51	\$2,574,957.64	\$2,322,317.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$2,100,262.00	\$0.00	\$0.00
\$126,928.87	\$154,945.32	\$2,322,317.00	<b>TOTAL FUND REQUIREMENTS</b>	\$2,100,262.00	\$0.00	\$0.00
<b>\$2,494,436.64</b>	<b>\$2,420,012.32</b>	<b>\$0.00</b>	<b>TOTAL NET PARK SDC FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**Historical Data**  
**Actual**

**SEWER SDC FUND**

**Budget for Next FY 21-22**

			<b>RESOURCES</b>	<b>Proposed By Budget Officer</b>	<b>Approved By Budget Com.</b>	<b>Adopted By Gov. Body</b>
<b>2nd Preceding Year 2018-2019</b>	<b>1st Preceding Year 2019-2020</b>	<b>Adopted Budget This Year Year 2020-2021</b>				
\$681,347.27	\$780,682.00	\$117,099.00	BEGINNING FUND BALANCE	\$433,591.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$22,242.00	\$1,980.00	\$990.00	SEWER SDC - REIMBURSEMENT FEE	\$990.00	\$0.00	\$0.00
\$526,606.20	\$45,020.00	\$53,115.00	SEWER SDC - IMPROVEMENT FEE	\$53,115.00	\$0.00	\$0.00
<b>\$548,848.20</b>	<b>\$47,000.00</b>	<b>\$54,105.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$54,105.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$681,347.27</b>	<b>\$780,682.00</b>	<b>\$117,099.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$433,591.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$1,230,195.47</b>	<b>\$827,682.00</b>	<b>\$171,204.00</b>	<b>TOTAL SEWER SDC FUND RESOURCES</b>	<b>\$487,696.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>REQUIREMENTS</b>			
			<b>MATERIAL &amp; SERVICES</b>			
\$3,723.20	\$0.00	\$0.00	PROFESSIONAL SERVICES	\$80,000.00	\$0.00	\$0.00
<b>\$3,723.20</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL MATERIALS &amp; SERVICES</b>	<b>\$80,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>TRANSFERS OUT</b>			
\$135,513.00	\$140,043.00	\$143,991.00	TRANSFER TO SEWER CWSRF FUND	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$2,760.00	TRANSFER TO SEWER DEBT FUND	\$0.00	\$0.00	\$0.00
\$205,197.77	\$539,909.04	\$0.00	TRANSFER TO CAPITAL PROJECTS	\$0.00	\$0.00	\$0.00
<b>\$340,710.77</b>	<b>\$679,952.04</b>	<b>\$146,751.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>RESERVE</b>			
\$0.00	\$0.00	\$11,722.00	RESERVE - IMPROVEMENT SDC	\$393,975.00	\$0.00	\$0.00
\$0.00	\$0.00	\$12,731.00	RESERVE - REIMBURSEMENT SDC	\$13,721.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$24,453.00</b>	<b>TOTAL RESERVE</b>	<b>\$407,696.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$344,433.97</b>	<b>\$679,952.04</b>	<b>\$171,204.00</b>	<b>TOTAL SEWER SDC FUND REQUIREMENTS</b>	<b>\$487,696.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$1,230,195.47	\$827,682.00	\$171,204.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$487,696.00	\$0.00	\$0.00
\$344,433.97	\$679,952.04	\$171,204.00	<b>TOTAL FUND REQUIREMENTS</b>	\$487,696.00	\$0.00	\$0.00
<b>\$885,761.50</b>	<b>\$147,729.96</b>	<b>\$0.00</b>	<b>TOTAL NET SEWER SDC FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**Historical Data**  
**Actual**

**WATER SDC FUND**

**Budget for Next FY 21-22**

			<b>RESOURCES</b>			
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$2,081,037.27	\$2,172,442.39	\$563,750.00	BEGINNING FUND BALANCE	\$433,699.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$66,440.00	\$14,848.00	\$3,095.00	WATER SDC - REIMBURSEMENT FEE	\$3,095.00	\$0.00	\$0.00
\$349,180.00	\$80,184.00	\$16,715.00	WATER SDC - IMPROVMENT FEE	\$16,715.00	\$0.00	\$0.00
<b>\$415,620.00</b>	<b>\$95,032.00</b>	<b>\$19,810.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$19,810.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$2,081,037.27</b>	<b>\$2,172,442.39</b>	<b>\$563,750.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$433,699.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$2,496,657.27</b>	<b>\$2,267,474.39</b>	<b>\$583,560.00</b>	<b>TOTAL WATER SDC FUND RESOURCES</b>	<b>\$453,509.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>REQUIREMENTS</b>			
			<b>MATERIAL &amp; SERVICES</b>			
\$0.00	\$0.00	\$10,000.00	PROFESSIONAL SERVICES	\$50,000.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$10,000.00</b>	<b>TOTAL MATERIALS &amp; SERVICES</b>	<b>\$50,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>CAPITAL OUTLAY</b>			
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>TRANSFERS OUT</b>			
\$324,214.88	\$1,266,282.89	\$502,900.00	TRANSFER TO CAPITAL PROJECT F	\$136,200.00	\$0.00	\$0.00
<b>\$324,214.88</b>	<b>\$1,266,282.89</b>	<b>\$502,900.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$136,200.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>RESERVE</b>			
\$0.00	\$0.00	\$0.00	RESERVE - IMPROVEMENT SDC	\$186,455.00	\$0.00	\$0.00
\$0.00	\$0.00	\$70,660.00	RESERVE - REIMBURSEMENT SDC	\$80,854.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$70,660.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$267,309.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$324,214.88</b>	<b>\$1,266,282.89</b>	<b>\$583,560.00</b>	<b>TOTAL WATER SDC FUND REQUIREMENTS</b>	<b>\$453,509.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$2,496,657.27	\$2,267,474.39	\$583,560.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$453,509.00	\$0.00	\$0.00
\$324,214.88	\$1,266,282.89	\$583,560.00	<b>TOTAL FUND REQUIREMENTS</b>	\$453,509.00	\$0.00	\$0.00
<b>\$2,172,442.39</b>	<b>\$1,001,191.50</b>	<b>\$0.00</b>	<b>TOTAL NET WATER SDC FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**Historical Data**  
**Actual**

**STORM WATER SDC FUND**

**Budget for Next FY 21-22**

Historical Data			STORM WATER SDC FUND			
Actual			RESOURCES			
2nd Preceding Year 2018- 2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$112,738.18	\$190,888.44	\$98,814.00	BEGINNING FUND BALANCE	\$191,712.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$6,282.00	\$1,071.00	\$205.00	STORM SDC - REMIBURSEMENT FEE	\$205.00	\$0.00	\$0.00
\$131,868.00	\$23,296.00	\$4,455.00	STORM SDC - IMPROVEMENT FEE	\$4,455.00	\$0.00	\$0.00
<b>\$138,150.00</b>	<b>\$24,367.00</b>	<b>\$4,660.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$4,660.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$112,738.18</b>	<b>\$190,888.44</b>	<b>\$98,814.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$191,712.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$250,888.18</b>	<b>\$215,255.44</b>	<b>\$103,474.00</b>	<b>TOTAL STORM WATER SDC FUND RESOURCES</b>	<b>\$196,372.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>REQUIREMENTS</b>			
			<b>MATERIAL &amp; SERVICES</b>			
\$0.00	\$0.00	\$0.00	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL MATERIALS &amp; SERVICES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>CAPITAL OUTLAY</b>			
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>TRANSFERS OUT</b>			
\$59,999.74	\$78,228.48	\$25,000.00	TRANSFER TO CAPITAL PROJECTS	\$75,000.00	\$0.00	\$0.00
<b>\$59,999.74</b>	<b>\$78,228.48</b>	<b>\$25,000.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$75,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>RESERVE</b>			
\$0.00	\$0.00	\$67,934.00	RESERVE - IMPROVEMENT SDC	\$88,520.00	\$0.00	\$0.00
\$0.00	\$0.00	\$10,540.00	RESERVE - REIMBURSEMENT SDC	\$32,852.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$78,474.00</b>	<b>TOTAL RESERVES</b>	<b>\$121,372.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$59,999.74</b>	<b>\$78,228.48</b>	<b>\$103,474.00</b>	<b>TOTAL STORM WATER SDC FUND REQUIREMENTS</b>	<b>\$196,372.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$250,888.18</b>	<b>\$215,255.44</b>	<b>\$103,474.00</b>	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	<b>\$196,372.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$59,999.74</b>	<b>\$78,228.48</b>	<b>\$103,474.00</b>	<b>TOTAL FUND REQUIREMENTS</b>	<b>\$196,372.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$190,888.44</b>	<b>\$137,026.96</b>	<b>\$0.00</b>	<b>TOTAL NET STORM WATER SDC FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

# DEBT SERVICE FUNDS



## Sewer Debt Retirement Full Faith & Credit Financing Series 2020

Issue Date - 09/11/2020 (Refinanced)

Final Maturity - 01/15/2028

Initial Loan Amount -\$2,125,300

Interest Rate - 1.49%

Remitted From - Sewer Proprietary

### Debt Service Schedule

Payment Dates	Principal	Interest 1.49%	Debt Svc
1/15/2021	253,700	10,908	264,607.51
7/15/2021		13,943	13,943.42
1/15/2022	353,600	13,943	367,543.42
7/15/2022		11,309	11,309.10
1/15/2023	358,000	11,309	369,309.10
7/15/2023		8,642	8,642.00
1/15/2024	362,100	8,642	370,742.00
7/15/2024		5,944	5,944.36
1/15/2025	366,000	5,944	371,944.36
7/15/2025		3,218	3,217.66
1/15/2026	141,900	3,218	145,117.66
7/15/2026		2,161	2,160.50
1/15/2027	144,000	2,161	146,160.50
7/15/2027		1,088	1,087.70
1/15/2028	146,000	1,088	147,087.70
	<b>2,125,300</b>	<b>103,516.99</b>	<b>2,228,816.99</b>

**Historical Data**  
**Actual**

**SEWER DEBT RETIREMENT**

**Budget for Next FY 21-22**

<b>Historical Data</b>			<b>RESOURCES</b>			
<b>2nd Preceding Year 18-19</b>	<b>1st Preceding Year 19-20</b>	<b>Adopted Budget This Year 20-21</b>		<b>Proposed By Budget Officer</b>	<b>Approved By Budget Com.</b>	<b>Adopted By Gov. Body</b>
\$315,600.00	\$316,000.00	\$349,000.00	BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$316,000.00	\$316,000.00	\$306,250.00	TRANSFER FROM SEWER FUND	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$2,760.00	TRANSFER FROM SEWER FUND	\$381,486.00	\$0.00	\$0.00
<b>\$316,000.00</b>	<b>\$316,000.00</b>	<b>\$306,250.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$381,486.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$315,600.00</b>	<b>\$316,000.00</b>	<b>\$349,000.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$631,600.00</b>	<b>\$632,000.00</b>	<b>\$655,250.00</b>	<b>TOTAL SEWER DEBT RETIREMENT FUND RESOURCES</b>	<b>\$381,486.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**REQUIREMENTS**

			<b>DEBT SERVICE</b>			
\$75,600.00	\$66,750.00	\$56,000.00	2010 SEWER REV BOND - INTEREST	\$0.00	\$0.00	\$0.00
\$240,000.00	\$250,000.00	\$599,250.00	2010 SEWER REV BOND - PRINCIPA	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	2020 SEWER FF&C LOAN - INT	\$27,886.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	2020 SEWER FF&C LOAN - PRIN	\$353,600.00	\$0.00	\$0.00
<b>\$315,600.00</b>	<b>\$316,750.00</b>	<b>\$655,250.00</b>	<b>TOTAL DEBT SERVICE</b>	<b>\$381,486.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>RESERVE</b>			
\$0.00	\$0.00	\$0.00	2010 SEWER REV BOND - RESERVE	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL RESERVE</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$315,600.00</b>	<b>\$316,750.00</b>	<b>\$655,250.00</b>	<b>TOTAL SEWER DEBT RETIREMENT FUND REQUIREMENTS</b>	<b>\$381,486.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$631,600.00</b>	<b>\$632,000.00</b>	<b>\$655,250.00</b>	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	<b>\$381,486.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$315,600.00</b>	<b>\$316,750.00</b>	<b>\$655,250.00</b>	<b>TOTAL FUND REQUIREMENTS</b>	<b>\$381,486.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$316,000.00</b>	<b>\$315,250.00</b>	<b>\$0.00</b>	<b>TOTAL NET SEWER DEBT RETIREMENT FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

### CWSRF DEBT RETIREMENT

Budget for Next FY 21-22

**Historical Data**  
**Actual**

### RESOURCES

Historical Data			Budget for Next FY 21-22			
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year 2020-2021		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$186,018.00	\$185,328.00	\$184,618.00	BEGINNING FUND BALANCE	\$20,000.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$135,513.00	\$140,043.00	\$143,991.00	TRANSFER FROM SEWER SDC FUND	\$0.00	\$0.00	\$0.00
\$49,815.00	\$44,575.00	\$59,897.00	TRANSFER FROM SEWER	\$2,000.00	\$0.00	\$0.00
<b>\$185,328.00</b>	<b>\$184,618.00</b>	<b>\$203,888.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$2,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$186,018.00</b>	<b>\$185,328.00</b>	<b>\$184,618.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$20,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$371,346.00</b>	<b>\$369,946.00</b>	<b>\$388,506.00</b>	<b>TOTAL CWSRF DEBT RETIREMENT FUND RESOURCES</b>	<b>\$22,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

### REQUIREMENTS

**MATERIAL & SERVICES**

\$7,404.00	\$6,714.00	\$6,004.00	CWSRF - ADMIN FEE	\$0.00	\$0.00	\$0.00
<b>\$7,404.00</b>	<b>\$6,714.00</b>	<b>\$6,004.00</b>	<b>TOTAL MATERIALS % SERVICES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**DEBT SERVICE**

\$42,411.00	\$38,571.00	\$54,623.00	2005 CWSRF - INTEREST	\$0.00	\$0.00	\$0.00
\$136,203.00	\$140,043.00	\$238,572.00	2005 CWSRF - PRINCIPAL	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	2010 CWSRF - INTEREST	\$22,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	2010 CWSRF - PRINCIPAL	\$0.00	\$0.00	\$0.00
<b>\$178,614.00</b>	<b>\$178,614.00</b>	<b>\$293,195.00</b>	<b>TOTAL DEBT SERVICE</b>	<b>\$22,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**RESERVE**

\$0.00	\$0.00	\$89,307.00	CWSRF - RESERVE	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$89,307.00</b>	<b>TOTAL RESERVE OUT</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

<b>\$186,018.00</b>	<b>\$185,328.00</b>	<b>\$388,506.00</b>	<b>TOTAL CSWRF DEBT RETIREMENT FUND REQUIREMENTS</b>	<b>\$22,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
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\$371,346.00	\$369,946.00	\$388,506.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$22,000.00	\$0.00	\$0.00
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\$186,018.00	\$185,328.00	\$388,506.00	<b>TOTAL FUND REQUIREMENTS</b>	\$22,000.00	\$0.00	\$0.00
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\$185,328.00	\$184,618.00	\$0.00	<b>TOTAL NET CWSRF DEBT RETIREMENT FUND</b>	\$0.00	\$0.00	\$0.00
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# INACTIVE FUNDS



Historical Data			HISTORY ONLY BONDED DEBT FUND RESOURCES	Budget for Next FY 21-22		
Actual				Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021				
\$64,964.00	\$0.00	\$0.00	BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$0.00	\$0.00	\$0.00	CURRENT PROPERTY TAXES	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$64,964.00	\$0.00	\$0.00	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$64,964.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL BONDED DEBT FUND RESOURCES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**REQUIREMENTS**

			<b>DEBT SERVICE</b>			
\$0.00	\$0.00	\$0.00	2010 GO WATER BOND INTEREST	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	2010 GO WATER BOND PRINCIPAL	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL DEBT SERVICE</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>TRANSFERS OUT</b>			
\$64,964.00	\$0.00	\$0.00	RESO 2018-13 TRANSFER TO CLOSE	\$0.00	\$0.00	\$0.00
<b>\$64,964.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL TRANSFERS OUT</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$64,964.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL BONDED DEBT FUND REQUIREMENTS</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$64,964.00	\$0.00	\$0.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$0.00	\$0.00	\$0.00
\$64,964.00	\$0.00	\$0.00	<b>TOTAL FUND REQUIREMENTS</b>	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	<b>TOTAL NET BONDED DEBT FUND</b>	\$0.00	\$0.00	\$0.00

Historical Data			<b>HISTORY ONLY</b> <b>WATER DEBT RETIREMENT</b> <b>RESOURCES</b>	Budget for Next FY 21-22		
Actual				Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021				
\$14,525.00	\$0.00	\$0.00	BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$0.00	\$0.00	\$0.00	TRANSFER FROM WATER FUND	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	TOTAL FUND REVENUES	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$14,525.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	TOTAL BEGINNING FUND BALANCE	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$14,525.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>TOTAL SEWER DEBT RETIREMENT FUND RESOURCES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

			<b>REQUIREMENTS</b> <b>DEBT SERVICE</b>			
				Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	Adopted Budget This Year Year 2020-2021				
\$0.00	\$0.00	\$0.00	2010 REVENUE BOND - INTEREST	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	2010 REVENUE BOND - PRINCIPAL	\$0.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	TOTAL DEBT SERVICE	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	TOTAL WATER DEBT RETIREMENT FUND REQUIREMENTS	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$14,525.00	\$0.00	\$0.00	TOTAL FUND RESOURCES AND FUND BAL	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL FUND REQUIREMENTS	\$0.00	\$0.00	\$0.00
<b>\$14,525.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	TOTAL NET WATER DEBT RETIREMENT FUND	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>



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# URBAN RENEWAL





City of Molalla – Urban Renewal Agency  
Director’s Office  
117 N Molalla Avenue | PO Box 248 | Molalla, Oregon 97038  
Phone: (503) 829-6855 Fax: (503) 829-3676

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April 22, 2021

Members of the Urban Renewal Agency  
Chair, Scott Keyser, and Board Members  
Molalla Citizens

**RE: Molalla Urban Renewal Agency – 2020-2021 Budget Transmittal Memo**

I am pleased to submit the proposed Budget for the City of Molalla Urban Renewal Agency for fiscal year 2021-2022. This proposed Budget includes action items and projects identified within the Urban Renewal Plan Amendments that Council approved in August of 2020. Each of these projects is identified to promote community Economic Development and revitalization through transportation and infrastructure development.

Urban Renewal is a tool used to help improve and spur Economic Development within a specific district by using Tax Increment Financing (TIF) to implement capital improvements and other projects within the District. The basic purpose of Urban Renewal is to increase the total assessed value of the District, and during the District timeline, use the funds derived from that increase in assessed value to fund various projects in the Urban Renewal Plan. Once the District expires, the full assessed value of the District comes back on the tax rolls and the increased revenue goes into the City’s General Fund.

We commissioned a financial audit of the Molalla Urban Renewal District (MURD) one year ago and based much of the Plan Amendments on that projection and community changes in circumstance. Projections we reviewed indicated that the City of Molalla Urban Renewal District will support additional debt. To date, MURD revenue has exceeded projections identified in 2020.

TIF revenue for the 2020-2021 tax year continues to increase at a greater rate than anticipated. Within the 2020-2021 Budget we anticipated \$570,000 in TIF revenue for the Fiscal Year. By March of our Fiscal Year, we have received \$739,372. We expect that number to increase to \$760,000 by the end of the Fiscal Year. Based on anticipated development and redevelopment within the District we will likely see revenue increase to \$800,000 - \$1,000,000 over the next few years. We have budgeted the \$2.4 million loan and \$547,000 in debt service for the 2021-2022 fiscal year.

The significance of Molalla’s level of revenue is that we are generating funds to pay back debt. This tax financing option is used to create debt to initiate development and projects that would

not be financially feasible without the infrastructure improvements made possible by Urban Renewal. Within the 2020-2021 Budget we began the process to use our generated revenue we have accumulated to create additional debt. That process was completed, and we can now move into the process of project development this year.

Part of that preparation process included the update to the existing Urban Renewal Plan as I mentioned earlier. One of those important projects added into the plan was a Public Building Project for a new Police Facility. We completed the process of gaining concurrence from three (3) of the top four (4) taxing agencies. This process was completed in the fall of 2020 and we can now move forward once a property is identified.

Simultaneously with the Public Building concurrence process we began the MURA loan process and eventually received our \$2.4 million MURA. This process was completed in September 2020 amidst the Wildfire Conflagration. The Budget Committee will see that revenue listed in the MURA Budget. We are prepared to move forward with identified projects listed below:

1. Molalla Avenue/Highway 211 signalization
2. Leroy Avenue dry sewer main extension
3. Percentage/preparation for new Police Facility and property acquisition.
4. Opportunity/partnership projects
5. Downtown streetscape/Public Infrastructure Participation

The proposed FY 2021-2022 Budget for the MURA is balanced as required by Oregon State Budget Law.

Sincerely,



Dan Huff  
Agency Director

**Historical Data**  
**Actual**

**URBAN RENEWAL**

**Budget for Next FY 21-22**

<b>Historical Data</b>			<b>RESOURCES</b>	<b>Budget for Next FY 21-22</b>		
<b>2nd Preceding Year 2018-2019</b>	<b>1st Preceding Year 2019-2020</b>	<b>Adopted Budget This Year Year 2020-2021</b>		<b>Proposed By Budget Officer</b>	<b>Approved By Budget Com.</b>	<b>Adopted By Gov. Body</b>
\$1,030,342.13	\$1,254,029.32	\$1,516,000.00	BEGINNING FUND BALANCE	\$3,484,535.00	\$0.00	\$0.00
			<b>REVENUE</b>			
\$549,744.28	\$504,114.60	\$570,000.00	PROPERTY TAX	\$700,000.00	\$0.00	\$0.00
\$1,598.89	\$2,324.35	\$2,500.00	INTEREST	\$1,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$2,411,500.00	BOND/LOAN	\$0.00	\$0.00	\$0.00
<b>\$551,343.17</b>	<b>\$506,438.95</b>	<b>\$2,984,000.00</b>	<b>TOTAL FUND REVENUES</b>	<b>\$701,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$1,030,342.13</b>	<b>\$1,254,029.32</b>	<b>\$1,516,000.00</b>	<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$3,484,535.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$1,581,685.30</b>	<b>\$1,760,468.27</b>	<b>\$4,500,000.00</b>	<b>TOTAL URBAN RENEWAL FUND RESOURCES</b>	<b>\$4,185,535.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

Historical Data			URBAN RENEWAL REQUIREMENTS	Budget for Next FY 21-22		
Actual		Adopted Budget		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
2nd Preceding Year 2018-2019	1st Preceding Year 2019-2020	This Year Year 2020-2021				
			<b>MATERIAL &amp; SERVICES</b>			
\$1,406.43	\$7,577.32	\$50,000.00	OPERATION & MAINTENANCE	\$50,000.00	\$0.00	\$0.00
\$67.50	\$7,445.00	\$100,000.00	PROFESSIONAL SERVICES	\$150,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	COST ALLOCATION AGREEMENT	\$30,000.00	\$0.00	\$0.00
<b>\$1,473.93</b>	<b>\$15,022.32</b>	<b>\$150,000.00</b>	<b>TOTAL MATERIALS % SERVICES</b>	<b>\$230,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>DEBT SERVICE</b>			
\$140,000.00	\$155,000.00	\$400,000.00	2015 URA BOND- PRINCIPAL	\$180,000.00	\$0.00	\$0.00
\$91,182.05	\$87,028.63	\$200,000.00	2015 URA BOND- INTEREST	\$76,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	2020 URA FF&C- PRINCIPAL	\$259,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	2020 URA FF&C- INTEREST	\$32,100.00	\$0.00	\$0.00
<b>\$231,182.05</b>	<b>\$242,028.63</b>	<b>\$600,000.00</b>	<b>TOTAL DEBT SERVICE</b>	<b>\$547,100.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>CAPITAL OUTLAY</b>			
\$95,000.00	\$2,820.00	\$3,000,000.00	CAPITAL IMPROVEMENTS	\$2,658,435.00	\$0.00	\$0.00
<b>\$95,000.00</b>	<b>\$2,820.00</b>	<b>\$3,000,000.00</b>	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$2,658,435.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>CONTINGENCY</b>			
\$0.00	\$0.00	\$150,000.00	CONTINGENCY	\$150,000.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$150,000.00</b>	<b>TOTAL CONTINGENCY</b>	<b>\$150,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
			<b>RESERVE</b>			
\$0.00	\$0.00	\$0.00	RESERVE	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$600,000.00	URA BOND - RESERVE	\$600,000.00	\$0.00	\$0.00
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$600,000.00</b>	<b>TOTAL RESERVES</b>	<b>\$600,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>\$327,655.98</b>	<b>\$259,870.95</b>	<b>\$4,500,000.00</b>	<b>TOTAL URBAN RENEWAL FUND REQUIREMENTS</b>	<b>\$4,185,535.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
\$1,581,685.30	\$1,760,468.27	\$4,500,000.00	<b>TOTAL FUND RESOURCES AND FUND BAL</b>	\$4,185,535.00	\$0.00	\$0.00
\$327,655.98	\$259,870.95	\$4,500,000.00	<b>TOTAL FUND REQUIREMENTS</b>	\$4,185,535.00	\$0.00	\$0.00
<b>\$1,254,029.32</b>	<b>\$1,500,597.32</b>	<b>\$0.00</b>	<b>TOTAL NET URBAN RENEWAL FUND</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**Full Faith and Credit Financing Series 2015****Urban Renewal**

Payment Dates	Principal	Interest 4%	Debt Svc
6/1/2021	\$165,000	\$41,200	\$206,200
12/1/2021		\$37,900	\$37,900
6/1/2022	\$180,000	\$37,900	\$217,900
12/1/2022		\$34,300	\$34,300
6/1/2023	\$200,000	\$34,300	\$234,300
12/1/2023		\$30,300	\$30,300
6/1/2024	\$200,000	\$30,300	\$230,300
12/1/2024		\$26,300	\$26,300
6/1/2025	\$225,000	\$26,300	\$251,300
12/1/2025		\$21,800	\$21,800
6/1/2026	\$250,000	\$21,800	\$271,800
12/1/2026		\$16,800	\$16,800
6/1/2027	\$260,000	\$16,800	\$276,800
12/1/2027		\$11,600	\$11,600
6/1/2028	\$280,000	\$11,600	\$291,600
12/1/2028		\$6,000	\$6,000
6/1/2029	\$300,000	\$6,000	\$306,000
12/1/2029	<b>\$2,690,000</b>	<b>\$955,743</b>	<b>\$3,645,743</b>

**Full Faith and Credit Financing Series 2020****Urban Renewal**

Payment Dates	Principal	Interest 1.49%	Debt Svc
1/15/2021	\$258,600	\$12,987	\$271,587
7/15/2021		\$16,925	\$16,925
1/15/2022	\$237,800	\$16,925	\$254,725
7/15/2022		\$15,153	\$15,153
1/15/2023	\$241,300	\$15,153	\$256,453
7/15/2023		\$13,356	\$13,356
1/15/2024	\$244,900	\$13,356	\$258,256
7/15/2024		\$11,531	\$11,531
1/15/2025	\$248,500	\$11,531	\$260,031
7/15/2025		\$9,680	\$9,680
1/15/2026	\$252,200	\$9,680	\$261,880
7/15/2026		\$7,801	\$7,801
1/15/2027	\$256,000	\$7,801	\$263,801
7/15/2027		\$5,894	\$5,894
1/15/2028	\$259,800	\$5,894	\$265,694
7/15/2028		\$3,958	\$3,958
1/15/2029	\$263,700	\$3,958	\$267,658
7/15/2029		\$1,994	\$1,994
1/15/2030	\$267,600	\$1,994	\$269,594
	<b>\$2,530,400</b>	<b>\$185,569</b>	<b>\$2,715,969</b>

# APPENDIX

# LEGAL





## **GOAL SETTING RETREAT JANUARY 2021**

### **FOCUS AREA #1**

### **RESILIENCE, HISTORY, CULTURE,**

- New Police Facility
- Recruit and Implement a Police Facility Community Program Committee
- Complete Economic Development Plan
- Complete first year initiatives (branding, gateway beautification, downtown beautification/curb appeal, informational and wayfinding signage)
- Parks Master Plan update/overhaul
- Provide Spanish interpretation of the various program documents
- Complete Clark Park Ph 4 and Creamery Creek Park
- Complete Molalla Forest Road Bike and Ped Path
- Bohlander Field Layout
- Diversity, Equity, Inclusion Program
- Recruit and implement a Parks Community Program Committee
- Police Department administered webpage-updated regularly, our own content, messages, resources
- Social media - develop a running history page
- Examine the need for a Public Information Officer
- Move toward a DUII's prosecution in Molalla Municipal Court



## **GOAL SETTING SESSION JANUARY 2021**

### **FOCUS AREA #2**

**WELCOMING,  
FRIENDLY, SAFE,  
INCLUSIVE**

- New Police Facility
- Recruit and Implement a Police Facility Community Program Committee
- Recruit, develop and implement action plans
- Complete first year initiatives (branding, gateway beautification, downtown beautification/curb appeal, informational and wayfinding signage)
- Provide Spanish interpretation of the various program documents
- Bohlander Field Layout
- Diversity, Equity, Inclusion Program
- Recruit and implement a Parks Community Program Committee
- Library Resources available to everyone
- Investigate using a marketing/Social Media person firm
- Maintain good customer service from front line staff
- Expand Bike Patrol
- Police Department administered webpage – updated regularly, our own content, messages, resources
- Social media – develop a running history page
- Examine the need for a Public Information Officer
- Community partnership – become more involved in community groups
- Develop a Bike registration/education program
- Reestablish a Citizen academy
- Examine sustainable 24-hour Police supervision

- Pursue viable Traffic Unit grants
- Develop a Drug Recognition Expert
- Investigate the use of a drone
- Maintain Police Accreditation
- Personal contact vs. phone or forms



## **GOAL SETTING RETREAT JANUARY 2021**

### **FOCUS AREA #3 ECONOMICALLY SOUND, MANAGED GROWTH, BUSINESS, EDUCATION**

- New Police Facility
- Recruit and Implement a Police Facility Community Program Committee
- Complete Economic Development Plan
- Develop Planning Handbook
- Complete Water Master Plan
- Continue Transportation projects underway on OR 211 & OR 213
- Parks Utility Fee
- Begin Stormwater Master Plan after Water Master Plan completed and SDC/rate updates in place
- Continue receiving clean audits
- Continue receiving Budget Award
- Maintain sustainable staff levels
- Develop a traffic control model
- Maintain Police Accreditation
- Examine sustainable 24-hour Police supervision
- Pursue viable Traffic Unit grants
- Move toward DUII's prosecution in Molalla Municipal Court
- Develop a Drug Recognition Expert
- Investigate the use of a drone
- Develop a Bike registration/education program



## **GOAL SETTING RETREAT JANUARY 2021**

### **ACTION ITEM #4**

### **RESOURCE HUB**

- New Police Facility
- Recruit and Implement a Police Facility Community Program Committee
- Complete Economic Development Plan
- Recruit, develop and implement Action Plans
- Develop Planning Handbook
- Library Resources available to everyone
- Marketing/Social Media person
- Support needs Internal and External
- Work with FEMA for wildfires
- Federal Grant to support Small Businesses
- Human Resources department
- Develop a traffic control model
- Police Department administered webpage – updated regularly, our own content, messages, resources
- Social media – develop a running history page
- Examine the need for a Public Information Officer
- Pursue viable Traffic Unit grants



## **GOAL SETTING RETREAT JANUARY 2021**

### **FOCUS AREA #5**

### **BEAUTY, TRANQUILITY, NATURAL AREAS**

- New Police Facility
- Recruit and Implement a Police Facility Community Program Committee
- Complete first year initiatives (branding, gateway beautification, downtown beautification/curb appeal, informational and wayfinding signage)
- Parks Master Plan update/overhaul
- Complete Clark Park Ph 4 and Creamery Creek Park
- Complete Molalla Forest Road Bike and Ped Path
- Parks Utility Fee
- Bohlander Field Layout
- Recruit and implement a Parks Community Program Committee
- Community partnership-become more involved in community groups
- Development of funding options for acquisition of the Railroad Right of Way



**DEPARTMENT OF ASSESSMENT AND TAXATION**

**DEVELOPMENT SERVICES BUILDING**  
150 BEAVERCREEK ROAD | OREGON CITY, OR 97045

MEMORANDUM

TO: CITY MOLALLA  
CHAUNEE SEIFRIED, FINANCE DIRECTOR

FROM: Tami Little, County Assessor

DATE: March 10, 2021

SUBJECT: 2021-2022 Value Growth Estimates

Oregon’s property tax system limits the rate of growth of property value subject to taxation. Assessed value grows each year by a statutory 3% growth test on maximum assessed value and by new construction. Below is our estimated percentage of assessed value growth anticipated for your district in the 2021-2022 tax year.

<u>2020-2021</u> <u>Assessed Value (AV)</u>	<u>2021-2022</u> <u>Estimated Growth in (AV)</u>
\$682,408,520	4.5 - 5%

Your district’s permanent rate and Measure 5 compression loss for certified tax year 2020-21.

- Permanent tax rate: \$5.3058 per \$1,000 of Assessed Value
- Measure 5 compression loss: \$ (\$11.48)

The median consolidated tax rate for the general government category within your district is \$10.7498 per thousand dollars of assessed value. Measure 5 tax limits are \$10 per 1,000 in the government category and are calculated individually on every property. Depending on annual adjustments to Real Market Value, Measure 5 limits reducing revenue to districts can vary each year. Compression loss to districts decreases as market values increase

**Annexations will cause the growth estimate to vary, so please consider that in your final analysis.**

Other Factors can affect AV growth such as possible value reductions from appeals or changes in State industrial and Public Utility values outside of our authority. Due to these unknown changes, we take a conservative approach in our estimate.

This is only an estimate of Assessed Value growth and is intended to provide some assistance in your budgeting process. Please let us know if you have any questions.

TL/dlm

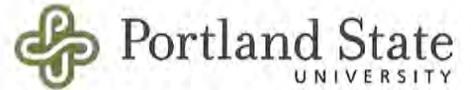
PROPERTY TAX WORKSHEET

1. Permanent Rate Limit	<b>\$5.3058</b>	
2. Est. Assessed Value		<b>\$716,528,946.00</b>
	0	
3. Tax rate (per dollar)		<b>0.0053058</b>
		<hr/>
4. Amount the Rate would raise		<b>\$3,801,759.28</b>
5. Estimate Measure 5 loss (compression)		<b>\$100.00</b>
6. <i>Tax to be billed</i>		<b>\$3,801,659.28</b>
7. Average Collection Factor		<b>0.96</b>
		<hr/>
8. Taxes Estimated to be Received		<b>\$3,653,394.57</b>
		<hr/>
9. Loss due to discount & uncollectables		<b>\$148,264.71</b>

**College of Urban and Public Affairs**  
Population Research Center

Post Office Box 751  
Portland, Oregon 97207-0751  
780 Urban Center  
506 SW Mill Street

503-725-3922 tel: message only  
503-725-5199 fax  
askprc@pdx.edu  
www.pdx.edu/prc



City of Molalla  
PO Box 248  
Mollala, OR 97038

– IMPORTANT NOTICE –

**Preliminary 2020 Population Estimate**

Listed below is the preliminary population estimate for July 1, 2020. Also included are the certified 2019 estimate and 2010 Census figure. The July 1, 2020 estimate will be certified following the review period on December 15, 2020.

PRELIMINARY POPULATION ESTIMATE:

JULY 1, 2020: 9910

CERTIFIED POPULATION ESTIMATE:

JULY 1, 2019: 9815

CERTIFIED CENSUS FIGURE:

APRIL 1, 2010: 8108

The 2020 certified population estimates will be posted to our web site by the close of business December 15, 2020 at the following page URL:

<https://www.pdx.edu/population-research/population-estimates>

If you have any questions or comments about the preliminary population estimate, please contact:

Huda Alkitkat, Ph.D.  
Population Estimates Program Manager  
Population Research Center  
Portland State University

E-mail: [alkitkat@pdx.edu](mailto:alkitkat@pdx.edu)

**FORM LB-1 NOTICE OF BUDGET HEARING**

A public meeting of the **CITY OF MOLALLA** will be held on **JUN 24, 2020 at 7:00 pm** at the **MOLALLA ADULT CENTER 315 Kennel Avenue, Molalla, Oregon**. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2020 as approved by the City of Molalla Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at the Molalla City Hall, 117 N. Molalla Avenue, Molalla, Oregon, between the hours of 8:00 a.m. and 4:30 p.m. or online at [www.cityofmolalla.com](http://www.cityofmolalla.com). This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Chaunee Seifried Telephone: 503-829-6855 Email: [cseifried@cityofmolalla.com](mailto:cseifried@cityofmolalla.com)

<b>FINANCIAL SUMMARY - RESOURCES</b>			
<b>TOTAL OF ALL FUNDS</b>	<b>Actual Amount 2018/2019</b>	<b>Adopted Budget This Year 2019/2020</b>	<b>Approved Budget Next Year 2020/2021</b>
Beginning Fund Balance/Net Working Capital	\$ 12,037,252.85	\$ 13,966,797.00	\$ 12,180,757.00
Fees, Licenses, Permits, Fines, Assessments & Service Charges	\$ 7,056,552.96	\$ 5,609,210.00	\$ 7,599,881.00
Federal, State and all Other Grants, Allocations and Donations	\$ 5,056,647.01	\$ 8,501,400.00	\$ 9,010,238.00
Interfund Transfers / Internal Service Reimbursements	\$ 798,980.00	\$ 12,630,905.00	\$ 10,133,908.00
All Other Resources Except Current Year Property Taxes	\$ 1,383,452.71	\$ 425,600.00	\$ 432,100.00
Current Year Property Taxes Estimated to be Received	\$ 3,079,223.97	\$ 3,200,000.00	\$ 3,333,000.00
<b>Total Resources</b>	<b>\$ 29,412,109.50</b>	<b>\$ 44,333,912.00</b>	<b>\$ 42,689,884.00</b>

<b>FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION</b>			
<b>TOTAL OF ALL FUNDS</b>	<b>Actual Amount 2018/2019</b>	<b>Adopted Budget This Year 2019/2020</b>	<b>Approved Budget Next Year 2020/2021</b>
Personnel Services	\$ 4,805,624.18	\$ 6,199,600.00	\$ 6,518,150.00
Materials and Services	\$ 3,188,084.46	\$ 4,437,507.00	\$ 5,091,288.00
Capital Outlay	\$ 3,608,330.11	\$ 14,359,205.00	\$ 12,936,763.00
Debt Service		\$ 560,614.00	\$ 514,614.00
Interfund Transfers	\$ 2,491,942.66	\$ 12,265,943.00	\$ 10,774,401.00
Contingencies	\$ -	\$ 2,205,103.00	\$ 3,101,392.00
Reserve		\$ 4,305,940.00	\$ 3,753,276.00
Unappropriated Ending Balance Reserved for Future Expenditure		\$ -	
<b>Total Requirements</b>	<b>\$ 14,093,981.41</b>	<b>\$ 44,333,912.00</b>	<b>\$ 42,689,884.00</b>

<b>FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *</b>			
<b>Name of Organizational Unit or Program FTE for that unit or program</b>			
Administration	\$ 841,714.21	\$ 1,108,700.00	\$ 1,202,000.00
FTE	4.75	5.25	6.1
Police Services	\$ 2,818,138.29	\$ 3,214,536.00	\$ 3,368,600.00
FTE	18.50	18.50	19.5
Parks	\$ 187,892.00	\$ 216,652.00	\$ 200,650.00
FTE	1.00	0.76	0.86
Planning	\$ 140,162.00	\$ 312,750.00	\$ 351,400.00
FTE	1.00	2.00	2.5
Municipal Court	\$ 172,537.00	\$ 201,050.00	\$ 239,650.00
FTE	1.00	1.00	1
Library	\$ 840,473.58	\$ 3,511,100.00	\$ 3,615,600.00
FTE	8.40	8.52	8.7
Public Works (Street, Storm, Water, Sewer)	\$ 9,028,100.33	\$ 21,953,374.00	\$ 21,238,396.00
FTE	15.62	17.74	17.95
Not Allocated to Organizational Unit or Program	\$ 64,964.00	\$ 13,815,750.00	\$ 12,473,588.00
FTE	0.00		
<b>Total Requirements</b>	<b>\$ 14,093,981.41</b>	<b>\$ 44,333,912.00</b>	<b>\$ 42,689,884.00</b>
<b>Total FTE</b>	<b>50.27</b>	<b>53.77</b>	<b>56.61</b>

The approved budget for FY 2019/2020 for the City of Molalla has been prepared in accordance with Oregon budget law and generally accepted accounting principals. This is a lean budget with continued focus on expenditure reduction, building working capital and operating reserves, and a focus on capital improvements to City infrastructure.

<b>PROPERTY TAX LEVIES</b>			
	<b>Rate or Amount Imposed</b>	<b>Rate or Amount Imposed</b>	<b>Rate or Amount Approved</b>
Permanent Rate Levy (rate limit \$5.3058 per \$1,000)	\$5.3058	\$5.3058	\$5.3058
Local Option Levy	\$0.00	\$0.00	\$0.00
Levy For General Obligation Bonds	\$68,163.00	\$30,300.00	\$0.00

<b>STATEMENT OF INDEBTEDNESS</b>		
<b>LONG TERM DEBT</b>	<b>Estimated Debt Outstanding on July 1.</b>	<b>Estimated Debt Authorized, But Not Incurred on July 1</b>
General Obligation Bonds	\$0	\$0.00
Other Bonds	\$1,650,000	\$0.00
Other Borrowings	\$1,412,305	\$0.00
<b>Total</b>	<b>\$3,062,305</b>	<b>\$0.00</b>

**City of Molalla**  
**Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment or Charge on Property**

**FORM LB-50**  
**2020-2021**

To assessor of Clackamas County

• Be sure to read instructions in the Notice of Property Tax Levy Forms and Instruction booklet

Check here if this is an amended form.

The City of Molalla District Name has the responsibility and authority to place the following property tax, fee, charge or assessment on the tax roll of Clackamas County Name County. The property tax, fee, charge or assessment is categorized as stated by this form.

PO BOX 248 Mailing Address of District  
Molalla City OR State 97038 ZIP code 7/10/2020 Date  
Chauneee Seifried Contact Person Finance Director Title 503-829-6855 Daytime Telephone cseifried@cityofmolalla.com Contact Person E-Mail

**CERTIFICATION - You must check one box if your district is subject to Local Budget Law.**

- The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.
- The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

**PART I: TAXES TO BE IMPOSED**

		Subject to General Government Limits		
		Rate -or- Dollar Amount		
1.	Rate per \$1,000 or Total dollar amount levied (within permanent rate limit) . . . . .	1	5.3058	
2.	Local option operating tax . . . . .	2	0	
3.	Local option capital project tax . . . . .	3	0	
4.	City of Portland Levy for pension and disability obligations . . . . .	4	0	
5a.	Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001 . . . . .	5a.	0	<b>Excluded from Measure 5 Limits</b> Dollar Amount of Bond Levy
5b.	Levy for bonded indebtedness from bonds approved by voters on or after October 6, 2001 . . . . .	5b.	0	
5c.	Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) . . . . .	5c.	0	

**PART II: RATE LIMIT CERTIFICATION**

6.	Permanent rate limit in dollars and cents per \$1,000 . . . . .	6	5.3058
7.	Election date when your new district received voter approval for your permanent rate limit . . . . .	7	0
8.	Estimated permanent rate limit for newly merged/consolidated district . . . . .	8	0.0000

**PART III: SCHEDULE OF LOCAL OPTION TAXES** - Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount -or- rate authorized per year by voters

**Part IV. SPECIAL ASSESSMENTS, FEES AND CHARGES\***

Description	ORS Authority**	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1			
2			

\*If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.

\*\*The ORS authority for putting these assessments on the roll must be completed if you have an entry in Part IV.



**RESOLUTION NUMBER 2020-11**

**A RESOLUTION OF THE CITY OF MOLALLA, OREGON,  
DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUE  
SHARING.**

**WHEREAS**, the Legislature of the State of Oregon has provided for the apportionment of certain revenues to the cities of the State of Oregon; and

**WHEREAS**, such legislation provides that a city, in order to participate in the sharing of those certain revenues, must express an election to receive such funds, which election must be made prior to July 31 of the fiscal year; and

**WHEREAS**, Pursuant to ORS 221.770 the City must elect to receive the State Revenue Sharing Program

**WHEREAS**, the City of Molalla desires to receive portion of such funds; and

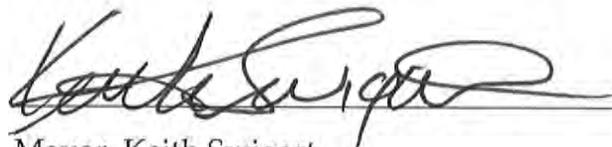
**WHEREAS**, the City certifies that it published notice and held a public hearing before the Budget Committee on May 28, 2020 giving citizen's opportunity to comment on use of State Revenue Sharing; and

**WHEREAS**, the City published notice and held a public hearing before the City Council on June 24, 2020 giving citizen's the opportunity to comment on use of Sate Revenue Sharing.

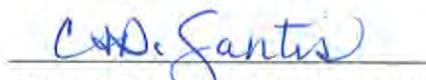
**Now, Therefore, the City of Molalla resolves as follows:** pursuant to ORS 221.770 does hereby elect to receive its proportionate share of the revenues to be apportioned to the cities by the State of Oregon for the fiscal year 2020-2021.

Section 1. This Resolution shall become effective immediately upon passage by Molalla City Council.

Adopted this 24<sup>th</sup> day of June 2020.

  
Mayor, Keith Swigart

ATTEST:

  
Christie DeSantis, City Recorder



RESOLUTION NUMBER 2020 -12

**A RESOLUTION OF THE CITY OF MOLALLA, OREGON,  
CERTIFYING ALL REQUIREMENTS TO RECEIVE STATE SHARED  
REVENUES HAVE BEEN MET**

WHEREAS, ORS 221.760 provides as follows:

Section 1. The officer responsible for disbursing funds to cities under ORS 323.455, 366.785 to 366.820, and 471.805 shall, in the case of a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census, disburse such funds only if the city provides four or more of the following services:

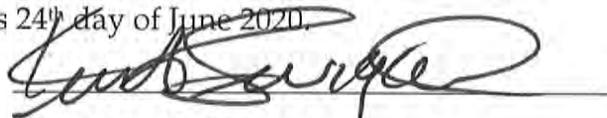
- 1) Police protection
- 2) Street construction, maintenance, and lighting
- 3) Sanitary sewer
- 4) Storm sewer
- 5) Planning, zoning, and subdivision control
- 6) One or more utility services; and

WHEREAS, City officials recognize the desirability of assisting the state officer responsible for determining the eligibility of cities to receive such funds in accordance with ORS 221.760, now, therefore,

Be it resolved, that the City of Molalla hereby certifies that it provides the following four or more municipal services enumerated in Section 1, ORS 221.760:

- 1) Police protection
- 2) Street construction, maintenance, and lighting
- 3) Sanitary sewer
- 4) Storm sewer
- 5) Planning, zoning, and subdivision control
- 6) One or more utility services

Approved by the City of Molalla this 24<sup>th</sup> day of June 2020.

  
\_\_\_\_\_  
Mayor, Keith Swigart

ATTEST:

  
\_\_\_\_\_  
Christie DeSantis, City Recorder



**RESOLUTION NUMBER 2020-13**

**A RESOLUTION ADOPTING THE CITY OF MOLALLA BUDGET FOR THE FISCAL YEAR 2020/2021; MAKING APPROPRIATIONS; AND CATEGORIZING AND LEVYING AD VALOREM TAXES**

The City Council of the City of Molalla, Oregon, on the 24<sup>th</sup> day of June 2020 sat in regular session for the transaction of City business.

**WHEREAS**, the Molalla Budget Committee has reviewed and acted on the proposed City budget; and

**WHEREAS**, the Molalla Budget Committee approved and recommended a balanced budget to the City Council on May 28, 2020; and

**WHEREAS**, in accordance with State law, the Molalla City Council has held a public hearing on the budget as approved and recommended but the Molalla Budget Committee.

**NOW, THEREFORE, THE CITY OF MOLALLA RESOLVES** and hereby adopts the FY 2020/2021 budget approved by the Budget Committee on May 28, 2020, in the amount of **\$42,689,884**, of which **\$3,753,276** is Fund Balance - Reserved. Copies of said budget are on file at the Molalla City Hall, 117 N. Molalla Avenue, Molalla, Oregon, 97038.

**THE CITY OF MOLALLA FURTHER RESOLVES** as follows:

1. **THAT** the amounts for the purpose of operating the City of Molalla for the fiscal year 2020/2021 budget year be appropriated as follows, beginning July 1, 2020

**GENERAL FUND**

Administration	\$	1,202,000
Police Service	\$	2,998,600
Municipal Court	\$	239,650
City Council	\$	63,700
Parks Department	\$	192,750
Planning Department	\$	351,400
Transfers	\$	377,900
Contingency	\$	1,320,000

Fund Balance - Reserved	\$	200,000
<b>TOTAL APPROPRIATED TO GENERAL FUND</b>	<b>\$</b>	<b>6,946,000</b>

**LIBRARY FUND**

Library	\$	3,415,600
Contingency	\$	200,000
<b>TOTAL APPROPRIATED TO LIBRARY</b>	<b>\$</b>	<b>3,615,600</b>

**STREET FUND**

Streets	\$	978,300
Transfers	\$	5,469,800
Contingency	\$	228,116
<b>TOTAL APPROPRIATED TO STREETS</b>	<b>\$</b>	<b>6,676,216</b>

**PD RESTRICTED REVENUE**

PD Restricted	\$	27,284
Transfers	\$	50,000
<b>TOTAL APPROPRIATED TO PD RESTRICTED</b>	<b>\$</b>	<b>77,284</b>

**SEWER FUND**

Sewer	\$	996,525
Sewer Maintenance	\$	1,159,500
Sewer Operations	\$	865,800
Transfers	\$	1,539,222
Contingency	\$	455,014
<b>TOTAL APPROPRIATED TO SEWER</b>	<b>\$</b>	<b>5,016,061</b>

**WATER FUND**

Water	\$	738,500
Water Maintenance	\$	493,200
Water Operations	\$	183,500
Transfers	\$	940,200
Contingency	\$	841,000
Fund Balance – Reserved	\$	1,330,464
<b>TOTAL APPROPRIATED TO WATER</b>	<b>\$</b>	<b>4,526,864</b>

**STORM WATER FUND**

Storm Water	\$	253,300
Transfers	\$	67,900
Contingency	\$	57,262
<b>TOTAL APPROPRIATED TO STORM</b>	<b>\$</b>	<b>378,462</b>

**SEWER DEBT RETIREMENT**

Debt Service	\$	316,000
Fund Balance – Reserved	\$	315,600
<b>TOTAL APPROPRIATED TO SEWER DEBT RETIREMENT</b>	<b>\$</b>	<b>631,600</b>

**CWSRF**

Material & Service	\$	6,004
Debt Service	\$	198,614
Fund Balance - Reserved	\$	183,888
<b>TOTAL APPROPRIATED TO CWSRF</b>	<b>\$</b>	<b>388,506</b>

**TRANSPORTATION SDC**

Transfers	\$	657,488
<b>TOTAL APPROPRIATED TO TRANSPORTATION SDC</b>	<b>\$</b>	<b>657,488</b>

**PARK SDC**

Transfers	\$	1,000,000
Fund Balance – Reserved	\$	1,322,317
<b>TOTAL APPROPRIATED TO PARK SDC</b>	<b>\$</b>	<b>2,322,317</b>

**SEWER SDC**

Transfers	\$	143,991
Fund Balance - Reserved	\$	24,453
<b>TOTAL APPROPRIATED TO SEWER SDC</b>	<b>\$</b>	<b>168,444</b>

**WATER SDC**

Material & Service	\$	10,000
--------------------	----	--------

Transfer	\$	502,900
Fund Balance - Reserved	\$	70,660
<b>TOTAL APPROPRIATED TO WATER SDC</b>	<b>\$</b>	<b>583,560</b>

**STORM SDC**

Transfer	\$	25,000
Fund Balance - Reserved	\$	78,474
<b>TOTAL APPROPRIATED TO STORM SDC</b>	<b>\$</b>	<b>103,474</b>

**CAPITAL PROJECTS FUND**

Capital Projects	\$	10,153,588
<b>TOTAL APPROPRIATED TO CAPITAL PROJECTS</b>	<b>\$</b>	<b>10,153,588</b>

**FLEET REPLACEMENT FUND**

Fleet Replacement	\$	217,000
Fund Balance – Reserved	\$	227,420
<b>TOTAL APPROPRIATED TO FLEET REPLACEMENT</b>	<b>\$</b>	<b>444,420</b>

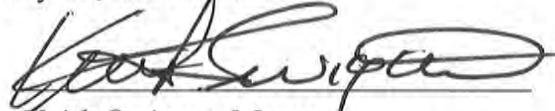
TOTAL APPROPRIATIONS ALL FUNDS	\$	42,689,884
TOTAL FY 2019/2020 ADOPTED BUDGET	\$	42,689,884

2. **THAT** the Molalla City Council hereby imposes taxes provided for the adopted budget at the rate of \$5.3058 per \$1,000 of assessed value for general operations; and that these taxes are hereby imposed and categorized for tax year 2020/2021 upon the assessed value of all taxable property within the City of Molalla.

Limitation	General Government	Excluded from
Permanent Rate	\$5.3058 / \$1,000.00	

3. **THAT** the Budget Officer is authorized to prepare and submit any certifications of the taxes levied that may be deemed necessary by the Oregon Department of Revenue and Clackamas County Assessor.

Adopted by the Molalla City Council this 24<sup>th</sup> day of June 2020.

  
Keith Swigart, Mayor

ATTEST:   
Christie DeSantis, City Recorder



RESOLUTION 2020-22  
CITY OF MOLALLA

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2020-2021 AND APPROPRIATING FUNDS.**

**WHEREAS**, the City adopted a budget and appropriated funds for fiscal year 2020-2021, on Resolution 2020-13,

**WHEREAS**, unanticipated revenues and expenditures are expected to exceed the original adopted budget in some of the City's funds and budgetary changes are necessary within these funds to provide increased appropriations; and, we were able to refinance our Sewer Debt at a lower interest rate and used reserve funds to pay off annual amount.

**WHEREAS**, ORS 294.480 provides that a city may amend the current year adopted budget through the supplemental budget process; and,

**NOW THEREFORE, THE CITY OF MOLALLA RESOLVES AS FOLLOWS:**

The City amends the budget for the fiscal year beginning July 1, 2020 and ending June 30, 2021 to include unanticipated expenses and revenues and appropriations within the following funds:

	Res 2020-13 Current Appropriations	Res 2020-22 Change Appropriations	Amended Appropriations
<b>Sewer Fund</b>			
Transfers	1,539,222	23,650	1,562,872
<b>Total Appropriated to Sewer Fund</b>	<b>1,539,222</b>	<b>23,650</b>	<b>1,562,872</b>
<b>Sewer SDC Fund</b>			
Transfers	0	2,760	2,760
<b>Total Appropriated to Sewer Fund</b>	<b>0</b>	<b>2,760</b>	<b>2,760</b>
<b>Sewer Debt Fund</b>			
Debt Service	316,000	315,600	631,600
Reserve	315,600	(315,600)	0
<b>Total Appropriated to Sewer Fund</b>	<b>631,600</b>	<b>0</b>	<b>631,600</b>
<b>CWSRF Fund</b>			
Debt Service	198,614	94,581	293,195
Reserve	183,888	(94,581)	89,307
<b>Total Appropriated to Sewer Fund</b>	<b>382,502</b>	<b>0</b>	<b>382,502</b>
<b>TOTAL ALL REQUIREMENTS</b>	<b>2,553,324</b>	<b>23,650</b>	<b>2,576,974</b>

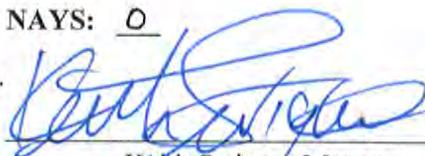
This resolution shall become effective immediately upon its passage by Council.

Adopted by the City Council of the City of Molalla at a regular meeting thereof this 18th day of November, 2020 by the following vote:

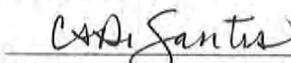
**AYES:** 7

**NAYS:** 0

APPROVED BY THE MAYOR this 18th day of November, 2020.

  
Keith Swigart, Mayor

ATTESTED BY:

  
Christie DeSantis, City Recorder

**FORM UR-1****NOTICE OF BUDGET HEARING**

A public meeting of the **MOLALLA URBAN RENEWAL AGENCY** will be held on **JUNE 24, 2020 at 7:00 pm** at MOLALLA ADULT CENTER, 315 Kennel Avenue, Molalla, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2020 as approved by the Molalla Urban Renewal Agency Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at the Molalla City Hall between the hours of 8:00 a. m. and 4:30 p. m. or online at [www.cityofmolalla.com](http://www.cityofmolalla.com). This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Chaunee Seifried

Telephone: 503-829-6855

Email: [cseifried@cityofmolalla.com](mailto:cseifried@cityofmolalla.com)

<b>FINANCIAL SUMMARY - RESOURCES</b>			
<b>TOTAL OF ALL FUNDS</b>	<b>Actual Amount 2018/2019</b>	<b>Adopted Budget This Year 2019/2020</b>	<b>Adopted Budget Next Year 2020/2021</b>
Beginning Fund Balance/Net Working Capital	\$ 1,030,342.13	\$ 900,000.00	\$ 1,516,000.00
Revenue from Bonds and Other Debt	\$ -	\$ -	\$ 2,411,500.00
All Other Resources Except Division of Tax & Special Levy		\$ 1,500.00	\$ 2,500.00
Revenue from Division of Tax	\$ 223,687.19	\$ 540,000.00	\$ 570,000.00
<b>Total Resources</b>	<b>\$ 1,254,029.32</b>	<b>\$ 1,441,500.00</b>	<b>\$ 4,500,000.00</b>

<b>FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION</b>			
Materials and Services	\$ 1,473.93	\$ 125,000.00	\$ 150,000.00
Capital Outlay	\$ 95,000.00	\$ 642,450.00	\$ 3,000,000.00
Debt Service	\$ 231,182.05	\$ 242,050.00	\$ 600,000.00
Contingencies	\$ -	\$ 100,000.00	\$ 150,000.00
Reserve	\$ -	\$ 332,000.00	\$ 600,000.00
<b>Total Requirements</b>	<b>\$ 327,655.98</b>	<b>\$ 1,441,500.00</b>	<b>\$ 4,500,000.00</b>

<b>FINANCIAL SUMMARY-REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *</b>			
<b>Name of Organizational Unit or Program</b>			
<b>FTE for that unit or program</b>			
Molalla Urban Renewal Agency	\$ 327,655.98	\$ 1,441,500.00	\$ 4,500,000.00
FTE	0	0	0
<b>Total Requirements</b>	<b>\$ 327,655.98</b>	<b>\$ 1,441,500.00</b>	<b>\$ 4,500,000.00</b>
<b>Total FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

**STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING \***  
The approved FY 2019/2020 budget for the Molalla Urban Renewal Agency is balanced as required by state law. The previous fiscal year activities were all within appropriation and the Agency ended with a positive ending fund balance.

<b>STATEMENT OF INDEBTEDNESS</b>		
<b>LONG TERM DEBT</b>	<b>Estimated Debt Outstanding July 1</b>	<b>Estimated Debt Authorized, But Not Incurred on July 1</b>
General Obligation Bonds	\$0	\$0
Other Bonds	\$2,512,400	\$0
Other Borrowings	\$0	\$0
<b>Total</b>	<b>\$2,512,400</b>	<b>0</b>

**FORM UR-50**

**NOTICE TO ASSESSOR**

**2020-2021**

• Submit two (2) copies to county assessor by July 15.

Check here if this is an amended form.

**Notification**

Molalla Urban Renewal Agency authorizes its 2019-2020 ad valorem tax increment amounts  
 (Agency Name)

by plan area for the tax roll of Clackamas County  
 (County Name)

Chaunee Seifried 503-829-6855 7/10/2020  
 (Contact Person) (Telephone Number) (Date Submitted)

PO Box 248, Molalla, OR 97038 cseifried@cityofmolalla.com  
 (Agency's Mailing Address) (Contact Person's E-mail Address)

Yes, the agency has filed an impairment certificate by May 1 with the assessor (ORS 457.445).

**Part 1: Option One Plans (Reduced Rate).** [ORS 457.435(2)(a)]

Plan Area Name	Increment Value to Use*		100% from Division of Tax	Special Levy Amount**
	\$	OR	<input type="checkbox"/> Yes	\$
	\$	OR	<input type="checkbox"/> Yes	\$

**Part 2: Option Three Plans (Standard Rate).** [ORS 457.435(2)(c)]

Plan Area Name	Increment Value to Use***		100% from Division of Tax	Special Levy Amount****
	\$	OR		\$
	\$	OR		\$

**Part 3: Other Standard Rate Plans.** [ORS 457.445(2)]

Plan Area Name	Increment Value to Use*		100% from Division of Tax	
	\$	OR	<input type="checkbox"/> Yes	
	\$	OR	<input type="checkbox"/> Yes	

**Part 4: Other Reduced Rate Plans.** [ORS 457.445(1)]

Plan Area Name	Increment Value to Use*		100% from Division of Tax	
DOWNTOWN	\$	OR	<input checked="" type="checkbox"/> Yes	
	\$	OR	<input type="checkbox"/> Yes	

**Part 5: Permanent Rate Plans.** [chapter 580 (2019 Or Laws)]

Plan Area Name	Increment Value to Use*		100% from Division of Tax	
	\$	OR	<input type="checkbox"/> Yes	
	\$	OR	<input type="checkbox"/> Yes	

**Notice to Assessor of Permanent Increase in Frozen Value.** Beginning tax year 2020-21, permanently increase frozen value to:

Plan Area Name	New frozen value \$

\* **All Plans except Option Three:** Enter amount of Increment Value to Use that is less than 100% Or check "Yes" to receive 100% of division of tax. Do NOT enter an amount of Increment Value to Use AND check "Yes".

\*\* If an **Option One plan** enters a Special Levy Amount, you MUST check "Yes" and NOT enter an amount of Increment to Use.

\*\*\* **Option Three plans** enter EITHER an amount of Increment Value to Use to raise less than the amount of division of tax stated in the 1998 ordinance under ORS 457.435(2)(c) OR the Amount from Division of Tax stated in the ordinance, NOT both.

\*\*\*\* If an **Option Three plan** requests both an amount of Increment Value to Use that will raise less than the amount of division of tax stated in the 1998 ordinance and a Special Levy Amount, the Special Levy Amount cannot exceed the amount available when the amount from division of tax stated in the ordinance is subtracted from the plan's Maximum Authority.



**RESOLUTION NUMBER 2020-03  
MOLALLA URBAN RENEWAL AGENCY**

**A RESOLUTION OF THE MOLALLA URBAN RENEWAL AGENCY ADOPTING THE  
BUDGET FOR THE FISCAL YEAR 2020/2021; MAKING APPROPRIATIONS; AND  
CATEGORIZING AND LEVYING TAXES**

The board of the Molalla Urban Renewal Agency on the 24<sup>th</sup> day of June 2020 sat in regular session for the transaction of agency business.

**WHEREAS**, the Molalla Urban Renewal Agency Budget Committee has reviewed and acted on the proposed Agency budget; and

**WHEREAS**, the Molalla Urban Renewal Agency Budget Committee approved and recommended a balanced budget to the Urban Renewal Agency Board on May 28, 2020; and

**WHEREAS**, in accordance with State law, the Urban Renewal Agency Board has held a public hearing on the budget as approved and recommended by the Molalla Agency Budget Committee.

**Now, Therefore, the Molalla Urban Renewal Agency Resolves as follows:**

Section 1. To hereby adopt the FY 2020/2021 Budget approved by the Budget Agency on May 28, 2020, in the amount of \$4,500,000.00, of which \$600,000.00 is in reserves. Copies of the said budget are on file at the Molalla City Hall, 117 N. Molalla Avenue, Molalla, Oregon, 97038.

**Therefore, the Molalla Urban Renewal Agency Further Resolves as follows:**

1. **THAT** the amounts for the purpose of operating the Agency for the fiscal year 2020/2021 budget year be appropriated as follows, beginning July 1, 2020.

Materials & Services	\$ 150,000.00
Capital Outlay	\$ 3,000,000.00
Debt Service	\$ 600,000.00
Contingency	\$ 150,000.00
Reserves	\$ 600,000.00

**TOTAL FY 2019/20 BUDGET FOR MURA \$ 4,500,000.00**

2. **THAT** the Budget Officer is authorized to prepare and submit any certifications of the taxes levied that may be deemed necessary by the Oregon Department of Revenue and Clackamas County Assessor.

3. **TO CERTIFY** to the County Assessor for the Downtown Plan Area a request for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457.

Adopted by the Molalla Urban Renewal Agency this 24<sup>th</sup> day of June 2020.

By:   
Keith Swigart, Mayor

ATTEST:

By:   
Christie DeSantis, City Recorder



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## RESOLUTION NUMBER 2019-17

### A RESOLUTION ADOPTING THE CITY OF MOLALLA FINANCIAL POLICIES.

**WHEREAS**, the City of Molalla has a responsibility to ensure it handles public funds appropriately; and

**WHEREAS**, written, adopted financial policies and have many benefits in assisting Council with the financial management of the City; and

**WHEREAS**, the auditing firm for the City has recommended that Council adopt financial policies that promote sound financial management practices designed to meet Council's goals and objectives; and

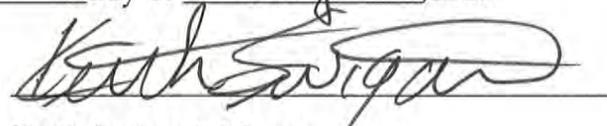
**WHEREAS**, staff has prepared the City of Molalla Financial Policies document that outlines procedures, safeguards, and internal controls for public fund management; and

**WHEREAS**, the City of Molalla Financial Policies document, attached hereto as Exhibit A,

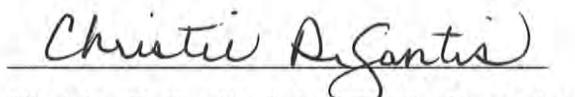
**NOW, THEREFORE BE IT RESOLVED**, That the City of Molalla Finance Policies document, attached hereto as Attachment A, is hereby adopted.

**PASSED AND ADOPTED** by the City of Molalla City Council and signed by me, and the City Recorder, in authentication of its passage.

Duly Appointed this 24<sup>th</sup> day of July, 2019

  
Keith Swigart, Mayor

ATTEST:

  
Christie DeSantis, Interim City Recorder

# City of Molalla



## Budget Policy

Adopted July 24, 2019

Resolution 2019-17

**This document supersedes any and all previous budget policies.**

**I. Purpose**

The purpose of this policy is to establish guidelines for The City of Molalla (City) to account for public funds, to manage municipal finances wisely, and to plan for the provision of services desired by the public through the budget cycle.

This policy is designed to provide conceptual standards for financial decision-making, enhance consistency in financial decisions, and establish parameters to use in directing the day-to-day financial affairs of the City.

**II. Scope**

This policy governs the budgeting process, monitoring of budget execution, performance monitoring, and any revision of the budget.

**III. Objectives**

The primary objectives of budget activities shall be:

- To ensure that the annual budgeting process is performed timely and supports the City's financial and operational planning objectives and processes.
- To ensure actual versus budget is reviewed and monitored for significant variances.
- To ensure that expenditures made are in line with program objectives.
- To ensure that budgets are reviewed periodically for relevance and revised as necessary.

To the extent possible, the City's budget process will:

- Incorporate a long-term perspective,
- Establish linkages to broad organizational goals,
- Focus budget decisions on results and outcomes,
- Involve and promote effective communication with stakeholders, and

**IV. Policy Statement****A. Oregon Local Budget Law**

The City is subject to the requirements of Oregon Local Budget Law under ORS Section 294.

**B. Long-term Focus**

The City recognizes the importance of long-term strategic planning. Similarly, it recognizes that prudent financial planning considers the multi-year implications of financial decisions. The City shall maintain a long-term focus in its financial planning that is mindful of the long-term objectives of the City.

**C. Conservatism**

Revenues will be projected conservatively, but realistically, considering:

1. past experience,

2. the volatility of the revenue source,
3. inflation and other economic conditions, and
4. the costs of providing the related service.

Expenditures will be projected conservatively considering:

1. a conservative but likely scenario of events (versus “worst case”),
2. specific, identified needs of the program or service,
3. historic consumption and trends, and
4. inflation and other economic trends.

D. Matching Concept

The City will make an effort to match one-time resources with one-time uses in the development of the budget. Similarly, recurring resources will be identified with recurring uses to the extent possible.

If it becomes necessary to use one-time resources to balance the City’s budget, a plan for achieving a structural balance will be developed simultaneously that identifies revenue enhancements or expenditure decreases to bring the budget back into balance

E. Contingencies and Unappropriated Ending Fund Balance

Contingencies will be budgeted in all operating funds to provide flexibility and to address unforeseen circumstances that may arise after the budget is adopted. There shall be no expenditures from contingencies. Transfers of appropriations to expenditure categories may be made with City Council approval.

The City will report an unappropriated ending fund balance in the debt service funds equal to the first scheduled debt service payment of the subsequent year. Unappropriated fund balances may not be appropriated or spent. Unappropriated balances will then be available and appropriated in the following year to ensure adequate resources to cover debt service.

F. Budget Development

1. The operating budget is the City’s financial operating plan. All funds will be subject to appropriation by the City Council.
2. The budget will be balanced for each fund. The proposed cash resources of each fund (beginning of year fund balance plus estimated receipts) will equal or exceed appropriations. When necessary, the following budget-balancing strategies will be used, in order of priority:
  - a. Reduce expenditures through improved productivity.
  - b. Create new service fees or increase existing fees and charges.
  - c. Reduce or eliminate services.
3. Unencumbered appropriations lapse at the end of the fiscal year.

4. The City Manager shall serve as the City's Budget Officer, and as such will present the proposed budget to the Budget Committee for consideration and eventual approval. The Finance Director is the City Manager's alternate.
5. Public hearings will be held to obtain public input on the City's proposed and approved budget.
6. The City's budget shall be prepared on a budgetary basis. The budget will be sufficiently detailed to identify all significant sources and uses of funds. Adopted budget for current year data, second proceeding year actuals, and first proceeding year actual results will be presented for comparative purposes.
7. The budget will be adopted by the City Council no later than June 30.

G. Budget Modification

1. The adopted budget may be amended to transfer appropriations between funds or budget categories through resolution of the City Council.
2. A supplemental budget may be adopted by the City Council, following a public hearing, to increase the adopted appropriations of any fund.

# City of Molalla



## Debt Policy

**Adopted July 24, 2019  
Resolution 2019-17**

**This document supersedes any and all previous debt policies.**

**I. Purpose**

This Debt Policy for the City of Molalla (City) is established to help ensure that all debt is issued both prudently and cost effectively. This policy sets forth comprehensive guidelines for the financing of capital expenditures of the City. Adherence to the policy is essential to ensure that the City Council maintains a sound debt position and protects the credit quality of its obligations.

**II. Governing Authority**

The City's debt policy shall be operated in conformance with Oregon Revised Statutes, applicable federal law and other regulatory requirements. The Finance Director will maintain the debt policy and develop recommendations for debt financing.

**III. Scope**

This policy applies to all financing activities of the City.

**IV. Objectives**

The objectives of the policy shall be that:

- i. the City obtain financing only when necessary,
- ii. the process for identifying the timing and amount of debt or other financing be as efficient as possible,
- iii. the most favorable interest rate and other related costs be obtained, and
- iv. when appropriate, future financial flexibility be maintained.

**V. Conditions of Debt****1. Debt Limits****i. Legal Restrictions**

- The City shall observe and comply with all legal restrictions including State constitution or law, local charter, by-laws, resolution or ordinance, or covenant, and bond referenda approved by voters.

**ii. Public Policies**

- The City shall observe and support appropriate public policy considerations including the purposes for which debt proceeds may be used or prohibited,
- The types of debt that may be issued or prohibited, the relationship to and integration with the Capital Improvement Program, and policy goals related to economic development, including potential public-private partnerships.

**iii. Financial Restrictions****A. Direct Debt**

The City shall develop and maintain financial information in the consideration and evaluation of its debt position including the ratio of debt

per capita, the ratio of debt to personal income, the ratio of debt to taxable property value, and debt service payments as a percentage of general fund revenues or expenditures.

#### B. Revenue Debt

The City may consider issuance of revenue bonds as an alternative to other types of financing when the situation and conditions of the borrowing so indicate, and upon advice from financial advisors and/or bond counsel.

#### C. Conduit Debt

The City shall not engage in the issuance of conduit debt.

#### D. Short-term Debt

The City may engage in short-term financing if cash or working capital needs so dictate. All short-term borrowings should reflect the same objectives as those identified for debt financing above.

#### E. Variable Rate Debt

The City may consider issuance of variable rate debt as an alternative to other types of financing when the situation and conditions of the borrowing so indicate, and upon advice from financial advisors and/or bond counsel.

### 2. Debt Structuring Practices

The City shall consult with financial advisors and bond counsel, and within the framework of applicable accounting and reporting requirements to identify and implement sound debt structuring practices for each type of bond to the best advantage of the City, including:

- Maximum term
- Average maturity
- Debt service pattern (i.e. equal payments or equal principal amortization)
- Use of optional redemption features that reflect market conditions and/or needs of the City,
- Use of variable or fixed-rate debt, credit enhancements, short-term debt, and limitations as to when, and to what extent, each can be used, and
- Other structuring practices should be considered, such as capitalizing interest during the construction of the project and deferral of principal, and/or other internal credit support, including general obligation pledges.

### 3. Debt Issuance Practices

The City shall employ sound practices for debt issuance in the context of best practices and strong internal controls, including:

- Selection and use of professional service providers, including an independent financial advisor, to assist with determining the method of sale and the selection of other financing team members,

- Criteria for determining the sale method (competitive, negotiated, private placement) and investment of proceeds,
- Use of comparative bond pricing services or market indices as a benchmark in negotiated transactions, as well as to evaluate final bond pricing results,
- Criteria for issuance of refunding bonds, and
- Use of credit ratings, minimum bond ratings, determination of the number of ratings, and selection of rating services.

#### 4. Debt Management Practices

The City shall manage outstanding debt to the direct advantage of the City, and ultimately to the benefit of citizens. In doing so, the City shall:

- Establish and maintain appropriate funds and accounting structures to properly support budgeting, recording, and reporting of debt service activities,
- Establish, document, and maintain a system of internal control over debt activities including proper approvals for debt issuance and debt service payments, and
- Provide for periodic review of the City's debt position for purposes of reporting to the City Council and evaluation of opportunities for refunding or other adjustments to the portfolio.

# City of Molalla



## Expenditure Policy

Adopted July 24, 2019  
Resolution 2019-17

**This document supersedes any and all previous expenditures policies.**

**I. Purpose**

The purpose of this policy is to establish guidelines for the City of Molalla to efficiently and effectively process expenditure transactions.

**II. Scope**

This policy is applicable to all expenditure transactions of the City.

**III. Objectives**

- A. To ensure a fundamental level of integrity, directness, and transparency in how the City spends public funds.
- B. To ensure City expenditures directly support services to customers and citizens.

**IV. Policy Statements**

- A. All payments due shall be paid as agreed . The City shall take advantage of vendor discounts to the extent practicable and available.
- B. All payments must be properly authorized and supported by appropriate documentation. Proper authorization may consist of an approved purchase order or direct approval on an original invoice or payment request. Approval is based on City Charter limits. Appropriate documentation consists of an original invoice or payment request and proof of receipt of goods and services. Payment shall not be made on copies of invoices.
- C. All checks require two (2) signatures, one of which is the Mayor or a City Councilor if available. Signers include the City Manager, Department Head, at least 2 Councilors and the Mayor. Payments other than by check require the same approval process.
- D. Expenditure-related duties shall be assigned to City staff in such a manner that there is appropriate separation of duties. Specifically, the initiation, authorization, and processing of expenditures shall be assigned to separate individuals.
- E. Access shall be restricted to City staff with direct responsibilities for expenditure-related functions, and only those functions as assigned.
  - 1. System access shall be assigned and maintained according to specific functional assignments and accessed by unique login and password, by employee.
  - 2. Access to blank check stock shall be restricted and under the control of the Finance Director. All check numbers in sequence shall be properly accounted for.
  - 3. Voided checks shall be appropriately cancelled (stamped or marked "void" and the signature lines removed) and retained until after completion of the annual audit.

# City of Molalla



## Fund Balance and Reserve Policy

Adopted July 24, 2019  
Resolution 2019-17

**This document supersedes any and all previous fund balance and reserve policies.**

## I. Purpose

The City wishes to maintain existing service levels and maintain a stable financial position during periods of economic uncertainty. To that end, the City will establish prudent reserves in certain funds in order to ensure financial stability throughout the fiscal year including provision for unforeseen contingencies and consideration to revenue timing. This policy establishes threshold minimums for the City's funds and is intended to serve as a guide for operational, budgetary, and policy decisions made by the City Council and management.

## II. Definition

Fund balance is defined as the difference between assets and liabilities in a fund. Reserves are broadly referred to as the portion of fund balance held in reserve to provide a buffer against risk, unforeseen circumstances, or for planned future expenditures.

For purposes of this policy, the terms "fund balance" and "reserves" may be used together and interchangeably to refer to amounts retained in the City's various funds for purposes of offsetting risk, providing flexibility and stability, or for specific future expenditures.

An adequate fund balance is critical to lessen the impact of revenue shortfalls and/or unanticipated expenditures over time and provide a lower level of financial risk. Fund balance also serves as a source of bridge funding from year to year, allowing the City to maintain or transition to sustainable service levels.

## III. Policy Statement

The City will establish and maintain a minimum fund balance in identified funds to:

1. Provide sufficient resources to meet cash flow needs;
2. Maintain an investment grade bond rating capacity;
3. Cover unforeseen emergencies;
4. Avoid short-term borrowing to fund operations; and
5. Set aside funds for major capital projects or equipment purchase when deemed appropriate.

Fund balance targets for respective funds are as follows:

### **General Fund**

A minimum fund balance equal to three (3) months of operations or 20% of budgeted expenditures in the Fund.

### **Library Fund**

A minimum fund balance equal to three (3) months of operations or 8% of budgeted expenditures in the Fund.

### **Street Fund**

A minimum fund balance equal to three (3) months of operations or 15% of budgeted expenditures in the Fund.

**Urban Renewal Agency Fund**

A minimum fund balance equal to two (2) months of operations or 5% of budgeted expenditures in the Fund.

Enterprise Funds:

**Water Fund**

A minimum fund balance equal to three (3) months of operations or 15% of budgeted expenditures in the Fund.

**Sewer Fund**

A minimum fund balance equal to three (3) months of operations or 15% of budgeted expenditures in the Fund.

**Storm Water Fund**

A minimum fund balance equal to three (3) months of operations or 15% of budgeted expenditures in the Fund.

# City of Molalla



## Grants Management Policy

Adopted July 24, 2019  
Resolution 2019-17

**This document supersedes any and all previous grants management policies.**

**I. Purpose**

To assist City of Molalla (City) personnel involved in pursuing, acquiring, and administering federal grant funding by providing clear guidelines for alignment with the overall purpose of the City and with specific project goals. While specifically addressing requirements of federal funding, this policy shall also be applied to non-federal grants and programs as appropriate.

**II. Authority**

The City Council shall ensure federal funds received by the City are administered in accordance with federal requirements including, but not limited to, the federal Uniform Grant Guidance<sup>1</sup>.

The City Council designates the City Manager or the Finance Director as the City's primary contact for all federal programs and funding. Administration and management of individual funding programs shall be accomplished by the respective departments working in conjunction with the Finance Director or designee.

**III. Policy Statement**

The City encourages the consideration of grants as a funding source for established or planned projects as appropriate. Grant funding should only be pursued as it relates to current or planned projects, and not funding for projects yet to be identified.

The Finance Director shall establish and maintain a sound financial management system. The system shall ensure internal controls and federal grant management standards address the receipt of both direct and pass-through federal grants, track costs and expenditures of funds associated with grant awards, maintain a high level of transparency and accountability, and document all applicable procedures<sup>2</sup>.

**A. Guidelines**

Financial management standards and procedures shall ensure that the following responsibilities are fulfilled:

**1. Identification**

The City must identify in its accounts, all federal awards received and expended and the federal programs under which they were received.

**2. Financial Reporting**

Accurate, current, and complete disclosure of the financial results of each federal award or program must be made in accordance with the financial reporting requirements of the Governmental Accounting Standards Board (GASB) and generally accepted accounting principles for government.

**3. Accounting Records**

The City must maintain records which adequately identify the source and application of funds provided for federally-assisted activities.

**4. Internal Controls**

<sup>1</sup> Ref. 2 CFR Part 200

<sup>2</sup> Ref. 2 CFR Part 200

Effective control and accountability must be maintained for all funds, real and personal property, and other assets. The City must adequately safeguard all such property and must ensure that it is used solely for authorized purposes.

5. Budget Control

Actual expenditures or outlays must be compared with budgeted amounts for each federal award. Procedures shall be developed to establish determination for allowability of costs with respect to federal programs.

6. Cash Management

The City recognizes Uniform Grant guidance with respect to cash management requirements and incorporate by reference..

7. Allowability of Costs

The City shall ensure that allowability of all costs charged to each federal award is accurately determined and documented.

B. Training

The City shall provide annual training to those employees with direct responsibility over various aspects of federal award management and administration. Training will include, but not be limited to, identification and differentiation of federal grants from other funding sources, identification of direct and material compliance requirements of federal awards, establishing and documenting effective internal controls over compliance, and proper use of the City's centralized grants management system.

C. Standards of Conduct

The City shall maintain standards of conduct covering conflicts of interest and the actions of the City Council and City employees engaged in the selection, award, and administration of federal grants and of all contracts.

All employees shall be informed of conduct that is required for federal fiscal compliance and the disciplinary actions that may be applied for violation of Council policies, administrative regulations, rules, and procedures.

The City shall communicate to all employees the importance of ethical and legal actions in dealing with grant-related programs and funds. The City shall reinforce its zero-tolerance position as appropriate to ensure proper awareness and attention to policies and procedures guiding appropriate employee activities related to federal award programs.

D. Grant Project Management

The City shall establish clear roles and responsibilities for post-award, close-out, and audit activities related to federal grant awards. Key personnel in consideration of those roles and responsibilities include, but are not limited to departmental Project Manager, Finance Director, City Manager, and the City Council.

The City shall establish a grants project team for each federal award consisting at a minimum of the departmental Project Manager and the Finance Director or his/her designee. This team shall have primary responsibility for managing all aspects of the award

program including, but not limited to, implementation and documentation of effective internal controls, compliance with stated program requirements, effective accounting and reporting to support both financial and compliance needs of the City and the federal program, and monitoring activities.

Roles and responsibilities will be identified with appropriate parties so as to provide efficient and effective administration of federal grant monies, effective internal control over financial reporting and related compliance, and effective project management.

E. Annual Risk Assessment

The Finance Director shall have responsibility to perform an annual risk assessment with respect to potential noncompliance related to the City's federal award programs. Such risk assessment will be documented and serve as the basis for further efforts to provide reasonable assurance of compliance with all applicable compliance requirements.

The City's departmental Project Manager identified to each respective federal grant program shall have primary responsibility for compliance with applicable requirements of the federal award. The Project Manager shall also have primary responsibility for establishing and documenting internal controls over compliance with respect to each identified compliance requirement so as to provide reasonable assurance that compliance is achieved.

F. Expenditure Review and Approval

Consistent with a strong system of internal controls, all grant-related expenditures shall follow established City policies and procedures with respect to procurement, approvals, and documentation. All grant expenditures shall require review and approval by the applicable departmental Project Manager to ensure compliance with all applicable requirements. Such review and approval shall be evidenced by an appropriate method (initials and date on expenditure documentation (purchase order, invoice, pay request, etc.), email, electronic approval, etc.). All grant-related expenditures shall be coded with the appropriate general ledger and project account numbers to accommodate proper accounting and reporting of grant amounts in the City's financial records and reporting to federal granting agencies.

G. Employee Time and Effort Reporting

All City employees paid with federal funds shall, in accordance with law, document the time they expend in work performed in support of each federal program. Time and effort reporting requirements do not apply to contracted individuals.

City employees shall be reimbursed for travel costs incurred in the course of performing services related to official business as a federal grant recipient. Such reimbursements shall be made on the basis of documentation as required under City policy.

The City shall establish and maintain employee policies on hiring, benefits and leave, and outside activities as approved by the City Council.

#### H. Procurement

The City shall establish and maintain a written procurement policy. The City shall follow that policy for all grant-related procurements.

#### I. Record Keeping

The City shall develop, document, and maintain a written Records Management Plan and related policy and administrative rules for the retention, retrieval, and disposition of manual and electronic records including email<sup>3</sup>.

The City shall ensure the proper maintenance of federal fiscal records documenting<sup>4</sup>:

1. Amount of federal funds.
2. How federal funds are used.
3. Total cost of each federally-funded project.
4. Share of total cost of each project provided from other, non-federal sources.
5. Evidence of the design and maintenance of effective internal controls over compliance.
6. Evidence of compliance with federal program requirements.
7. Significant project experiences and results (programmatic).

All records must be retrievable and available for federal monitoring, programmatic or financial audit purposes.

The City shall provide the federal awarding agency, Inspectors General, the Comptroller General of the United States, pass-through entities, or any of their authorized representatives, the right of access to any documents, papers, or other City records which are pertinent to federal funding awards. The City shall also permit timely and reasonable access to the City's personnel for the purpose of interview and discussion related to such documents<sup>5</sup>.

The Plan shall include identification of staff authorized to access records, appropriate training, and preservation measures to protect the integrity of records and data.

The City shall ensure that all personally identifiable information (PII) protected by law or regulations is handled in accordance with the requirements of applicable law, regulations, policy, and administrative regulations.

#### J. Subrecipient Monitoring

In the event the City awards subgrants of federal funds, the City shall establish written procedures<sup>6</sup> to:

1. Assess the risk of noncompliance on the part of the subrecipient.

<sup>3</sup> Ref 2 CFR Part 200.333-337

<sup>4</sup> Ref. 34 CFR Sec. 75.730-732

<sup>5</sup> Ref. 2 CFR Sec. 200.336

<sup>6</sup> Ref. 2 CFR Sec. 200.330-331

2. Monitor grant subrecipients to ensure compliance with federal compliance requirements, state and local laws and policy and procedures.
3. Ensure the City 's record retention schedule addresses document retention on assessment and monitoring.

K. Compliance Violations

Employees and contractors involved in federally-funded programs and subrecipients shall be made aware of all identifying information and federal compliance requirements associated with the award. They shall also be made aware that failure to comply with federal requirements, law, regulation or terms and conditions of a federal award may result in the federal awarding agency or pass-through entity imposing additional conditions or terminating the award in whole or in part.

# City of Molalla



## Revenue Policy

Adopted July 24, 2019  
Resolution 2019-17

**This document supersedes any and all previous revenue policies.**

**I. Purpose**

The purpose of this policy is to establish guidelines for City of Molalla to encourage diversification and stabilization of the revenue base in order to minimize the effects of fluctuations in revenue yield.

**II. Scope**

This policy is designed to provide general principles and guidelines to promote effective control over, and proper accounting of revenues from external sources and the related accounts receivable.

**III. Objectives**

- Revenue received by the City shall be utilized in accordance with this policy.
- Revenue received for specific funds within the City shall be utilized for expenses and obligations of that fund.
- All revenue is accurately recorded in the City 's accounting system in the period in which it is earned.
- Appropriate internal controls and sound financial business practices are adopted for the recognition and billing of revenue, the collection and timely recording and deposit of cash receipts, and the management of accounts receivable.

**IV. Policy Statements****A. High level Roles and Responsibilities**

The City will assign roles and responsibilities according to skills, knowledge, and expertise necessary to accomplish the respective tasks, and to maintain an appropriate separation of duties consistent with strong internal controls.

- The City Manager
  1. Provide guidance and advice on compliance to the political structures, political office-bearers and officials of the City.
- The Finance Director
  1. Administratively in charge of the budget;
  2. Advise the City Manager on the exercise of powers and duties assigned to the City Manager;
  3. Advise Senior Managers and other officials in the exercise of powers and duties assigned to them; and
  4. Must perform such budgeting, accounting, analysis, financial reporting, cash management, debt management, supply chain management, financial management, review and other duties as delegated by the City Manager to the Finance Director.
- Senior Management
  1. Managing and coordinating the financial administration of the City.
- Any Official or External Consultant duly appointed
  1. Performs any operation in respect to the revenue management given by the Finance Director or City Manager.

**B. Determination of Fees and Charges**

The City shall ensure that all fees and charges have a basis in the associated cost of

providing the related service. Full costing shall be determined for all services, including direct costs of materials, labor, and related services as well as any appropriate allocation of overhead or indirect costs. The City Council will decide full cost recovery or the percentage to be recovered.

C. Utility Billing

The City shall ensure the completeness and accuracy of billings to all utility customers as a basis for revenues collected.

- Water services

1. Application for water service shall be made in writing by the owner of the premises to be served, or the owner's agent duly authorized in writing on regular application forms furnished by the City. No service will be rendered until such application has been completed and the required payments made. All applications shall include signature of applicant, location of premises for which service is requested, address to which all bills shall be sent, and such additional data as the Council from time to time may require.
  - a. Applications for service shall be considered merely as a request for service, and they shall not bind the City or Council to provide service.
2. Meters shall be read on a regular cycle as a basis for accurate billing of usage to customers.
3. All charges for utility service shall be due and payable monthly on the date of mailing and become delinquent on the 16th of each month. A late fee set by resolution shall be assessed on any utility accounts, which become delinquent. After a customer's utility bill is delinquent, the Finance Director or designee shall mail to customer a notice stating:
  - a. That the utility bill is delinquent;
  - b. The amount necessary to cure the delinquency;
  - c. That the utility service to the property will be shut off 20 days after the date of the notice, unless the delinquency is paid in full.
  - d. After termination of utility service, the full account balance including the fees will be required before service can be restored. If notice is mailed as provided in this section, the City may shut off utility service to the property 20 days after mailing of the notice unless the total amount due is paid in full, but subject to the City's compliance with the options specified in subsection
4. Utility services disconnected for lack of payment of the utility bills will be assessed a disconnect/reconnect fee as set by resolution and shall not be restored until all past-due-bills, late fees, and any other utility charges or connection fees are paid in full.
  - a. The customer may request in writing a one-time emergency extension of payment (not to exceed 10 days) to avoid service

being shut off and a disconnect fee being charged. If customer defaults on this agreement the utility account will be shut off the morning after the agreement expires and a disconnect fee will then be charged.

- b. Any customer may request a waiver of their late fee in writing providing no other late fees have been assessed in the prior 12 months.
  - c. A customer may appeal a notice of utility shut-off by filing a written request for an informal hearing with the City within 15 days after the date of mailing of the notice. The appeal shall be filed with the City Manager and shall specify the reasons for the appeal. If an appeal is so filed, utility service shall not be disconnected before the business day after the announcement of the result of the hearing. The informal hearing shall be held as soon as is practically possible before the City Manager or designee. The City shall provide the customer reasonable notice of the date of the hearing. The customer may be represented by an attorney at the hearing, and any probative evidence shall be admissible. The hearing officer may affirm, overrule, or modify the notice of utility shut-off, considering applicable law and the nature of any hardship of the customer.
5. All payments shall be made to the City either by mail, online bill pay, at the office of the City, placed in drop box, or such other place as the Council may from time to time designate.
- Wastewater services
    1. Wastewater usage fees will be based on the winter average usage of water at the physical address listed for the account and will be reevaluated annually.
  - Surface water services
    - a. There is hereby established a surface water utility user charge, which shall be set by the City Council by resolution. The rate shall be in an amount reasonable and necessary to fund the administration, planning, design, construction, operation, maintenance and repair of the surface water management system. The surface water utility user charge shall be based upon the amount of developed impervious surface used by a customer. Owners or occupants of undeveloped property shall not be charged. Each customer using a location for one single-family residential use shall be charged a uniform rate based upon one equivalent development unit (EDU). For multifamily residential uses, the charge shall be one EDU per each residential unit. The charge for all other uses shall be based upon the total amount of measured impervious surface used, divided by one EDU and rounded to the nearest whole number. The actual service charge shall be computed by multiplying the amount of EDUs measured for each use by the rate established

for each EDU; provided, however, that the amount of EDUs measured shall be limited to 20 EDUs per use.

D. Detailed Role of Finance Director

- That the City had effective revenue collection systems
- That the revenue due to the City is calculated on a monthly basis;
- That all money received is promptly deposited in the City 's primary and other bank accounts;
- That the City has and maintains a management, accounting and information system which—
  1. recognize revenue when it is earned;
  2. accounts for debtors; and
  3. accounts for receipts of revenue;
- That the City has and maintains a system of internal control in respect of debtors and revenue, as may be prescribed;
- That the City charges interest on arrears, except where the Council has granted exemptions in accordance with its budget-related policies and within a prescribed framework; and
- That all revenue received by the City, including revenue received by any collecting agent on its behalf, is reconciled at least on a weekly basis.

E. Receipt of Revenue to the City

- Cash transactions are verified by two employees to ensure that cash is properly recorded and deposited.
- Receipts are given to all customers who pay with cash. Customers paying with check are offered a receipt and customers who pay with debit/credit are offered a confirmation number.

## Statutory and Administrative Rule References

	ORS/OAR
<b>I. Time of Making Budget</b>	
A. Budget message.	294.408
 <b>II. Budget Officer</b>	
A. Appointed by the governing body.	294.331
B. Under supervision of executive officer or governing body.	294.331
C. Prepares or supervises preparation of budget.	294.331
D. Publishes notice of meeting of budget committee including notice of where a copy of the budget is available.	294.426(3)(a)
If published only in a newspaper of general circulation, the notice is published twice between five to 30 days before the meeting. If published once in a newspaper of general circulation, the notice is also published on the district’s website, and the website address is included in the newspaper publication. If published by mailing or hand delivery, the notice is published not later than 10 days before the meeting.	294.426(5)
E. Provides copy of budget to committee.	294.426(2)&(6)
F. Files copy of budget in office of governing body immediately following presentation of budget to committee.	294.426(7)
 <b>III. Budget Document</b>	
A. Coming year budget shown:	294.358
1. Proposed	
2. Approved	
3. Adopted	
B. Current year budget shown.	294.358
C. First preceding year actual resources <b>and</b> expenditures.	294.358
D. Second preceding year actual resources <b>and</b> expenditures.	294.358
E. Each fund to contain estimates of expenditures for:	150-294.388
1. Personal services	294.388
2. Materials and services	294.388
3. Capital outlay	294.388
4. Special payments and interfund transfers	294.388
5. General operating contingencies	294.388
	150-294.388(7)
 <b>IV. Budget Resources</b>	
A. Estimate of beginning cash balances for the ensuing year.	294.361(2)
B. Estimate for delinquent tax collection included if fund has been tax-supported.	294.361(2)(k)
C. Transfers budgeted as requirements in other funds.	294.361(2)(q)
D. Resources must be equal to requirements.	294.388(1)
	150-294.352(1)(B)

E. Excess of actual revenues over actual expenditures in second preceding year must equal the beginning balance in first preceding year.

## V. Debt Service Fund

- |   |                        |
|---|------------------------|
| A. Principal and interest payments identified for each bond issue.  | 294.388(6)             |
| B. Requirement shown in unappropriated ending fund balance.<br>(For payments between end of coming fiscal year and receipt of taxes in second coming year.) | 294.398<br>150-294.398 |

## VI. Budget Committee

- |  |            |
|--|------------|
| A. A budget committee is established by each local government subject to Local Budget Law.   | 294.414(1) |
| B. Committee shall consist of the members of the governing body and an equal number of qualified electors.   | 294.414(2) |
| C. Committee shall at its first meeting elect a presiding officer from its members.  | 294.414(9) |
| D. The purpose of the budget committee is to receive the budget document and budget message, and to provide the public with an opportunity to ask questions and comment on the budget. | 294.426(1) |
| E. Duty of the committee to review, or revise and approve the budget document.   | 294.428(1) |
| F. Committee may compel any official or employee of the municipality to furnish information regarding the budget.  | 294.428(3) |

## VII. Financial Summary

- |   |            |
|---|------------|
| A. Publish Financial Summary, LB-1, UR-1, CC-1 or ED-1 five to 30 days prior to the public hearing. | 294.438(1) |
| B. Summary of indebtedness is shown on Form LB-1, UR-1, or ED-1.                                    | 294.438(7) |

## VIII. Publication of Notice of Budget Hearing

- |   |            |
|---|------------|
| A. Notice of budget hearing advertised five to 30 days prior to hearing.  | 294.448(2) |
| B. If budget requirements do not exceed \$100,000 and no newspaper is published in district, the financial summary and notice of hearing can be posted for at least 20 days prior to the hearing. | 294.448(1) |

## IX. After Public Hearing of Budget

- |   |                  |
|---|------------------|
| A. Changes, if made after hearing, cannot increase estimated expenditures of any fund more than \$5,000 or 10 percent, whichever is greater, of the amounts approved by the budget committee. | 294.456(1)(c)(A) |
| B. Budget adopted prior to June 30.   | 294.408          |

C. Levy the taxes. 294.456(1)  
150-294.456(1)-(A)

D. Make appropriations: 294.456(3)  
150-294.456(3)

1. By organizational unit or program for personnel services, materials and services, and capital outlay.
2. When not allocated to organizational unit or program by:
  - a. personnel services
  - b. materials and services
  - c. capital outlay
  - d. special payments
  - e. transfers
  - f. general operating contingency
  - g. debt service

### **X. Certify Tax to Assessor by July 15**

- A. Two copies of the notice of tax; LB-50, UR-50, or ED-50. 150-310.060(A)  
294.458(3)(a)  
310.060(2)  
294.456(1)(c)  
150-294.456(1)-(A)  
310.060(2)(b), (c)
1. Total tax certified cannot exceed amount approved by the budget committee.
  2. Local option taxes are detailed on LB-50 or ED-50 showing:
    - a. Purpose of tax.
    - b. Date of approval by voters.
    - c. Total amount or rate to be imposed.
    - d. Amount to be imposed each year.
    - e. First year of tax.
    - f. Last year of tax.
  3. Levies for the payment of bond principal and interest. 310.060(2)(d), (e)
  4. Categorization of tax. 294.458(3)(c)
- B. Two copies of the resolutions adopting the budget, making appropriations, levying tax, and categorizing tax. 294.458(3);  
310.060(1)
- C. Two copies of successful tax ballot measures. 150-294.458(3)-(a),(c)
- D. File a copy of the budget with the county clerk by September 30. 294.458(5)
- E. School districts file a budget with the county Educational Service District (ESD) and State Department of Education.

### **XI. Supplemental Budgets**

150-294.480

- A. One or more of the following circumstances must exist:
1. An occurrence, condition or need which had not been ascertained  
294.471(1)(a)&(b)  
at the time the budget was adopted.
  2. Funds were made available by another unit of federal, state  
294.471(1)(c)&(d)  
or local government or the costs are to be born by a private individual corporation or company, and the availability of funds could not have been known at the time the budget was adopted.

3. Proceeds from the involuntary destruction, involuntary conversion, or sale of property has necessitated the immediate purchase, construction, or acquisition of different facilities in order to carry on the government operation.	294.471(1)(e)
4. Ad valorem taxes are received during the fiscal year in an amount greater than the amount estimated to be collected.	294.471(1)(f)
5. A reduction in available resources that requires reduced appropriations.	294.471(1)(h)
B. A supplemental budget shall not authorize any levy of taxes.	294.471(4)
C. A supplemental budget shall not extend beyond the end of the fiscal year during which it is submitted.	294.471(2)

## XII. Other

A. Interfund Transfers.	294.463
	150-294.463(3)
1. Transfers may be made between appropriations within a fund by board resolution.	294.463(1)
2. Contingency appropriation transfers not to exceed 15 percent of total fund without supplemental budget.	294.463(2)
3. Transfers of appropriations, or appropriations and a like amount of resources, may be made from the general fund to any other fund by board resolution.	294.463(3)
B. Expenditures outside of the budget.	294.338
1. Specific purpose grants or gifts.	294.338(2)
2. Unforeseen occurrence with non-tax funds.	294.338(3)
3. Bond exceptions.	294.338(4)&(5)
4. Bond redemptions expenditures.	294.338(5)
5. Expenditure of assessments for local improvements.	294.338(6)
6. Payment of deferred compensation.	294.338(7)
7. Refunds when purchased items are returned.	294.338(9)
8. Newly formed municipal corporations.	294.338(10)
C. Interfund loans.	294.468
D. Elimination of unnecessary fund.	294.353
E. Major emergencies or public calamities.	294.481
F. Basis of accounting.	294.333
1. Cash	
2. Accrual	
3. Modified Accrual	

## Appendix - Acronyms

AED	Automated External Defibrillator
AV	Assessed Value
BLM	Bureau of Land Management
CAFR	Comprehensive Annual Financial Report
CIP	Capital Improvement Projects
CPI	Consumer Price Index
CWSRF	Clean Water State Revolving Loan Fund
DEQ	Department of Environmental Quality
DHS	Department of Human Services
DMV	Department of Motor Vehicles
FASB	Financial Accounting Standards Board
FTE	Full Time Employee
FY	Fiscal Year
GAAP	Generally Accepted Accounting Practices
GASB	Government Accounting Standards Board
GFOA	Government Finance Officers Association
LEDS	Law Enforcement Data System
LOC	League of Oregon Cities
MAC	Molalla Aquatic Center
MCC	Molalla Communications Company
OACA	Oregon Association of Court Administrators
OAMR	Oregon Association of Municipal Recorders
ODOT	Oregon Department of Transportation
OSHA	Oregon Safety & Health Association
OSP	Oregon State Police
PERS	Public Employees Retirement System
PGE	Portland General Electric
SAIF	State Accident Insurance Fund
SDC'S	System Development Charges
STP	Surface Transportation Program
TAP	Tourism Action Plan
TEAM	Team for Economic Action in Molalla
UPS	United Parcel Service
UR	Urban Reserve
URA	Urban Reserve Area
W & S	Weed & Seed
WTP	Water Treatment Plant
WWTP	Wastewater Treatment Plan

## Appendix - Glossary

**Accrual basis.** Method of accounting recognizing transactions when they occur without regard to cash flow timing [ORS 294.311(1)].

**Activity.** That portion of the work of an organizational unit relating to a specific function or class of functions, a project or program, a subproject or subprogram, or any convenient division of these. [ORS 294.311(2)].

**Adopted budget.** Financial plan that is the basis for appropriations. Adopted by the governing body [ORS 294.435].

**Ad valorem tax.** A property tax computed as a percentage of the assessed value of taxable property.

**Agent.** Generally, someone who is authorized to act for the local government, or who can make commitments or sign contracts in the name of the local government. Agency is the fiduciary relationship that arises when one person (a 'principal') manifests assent to another person (an 'agent') that the agent shall act on the principal's behalf and be subject to the principal's control, and the agent manifests assent or otherwise consents so to act.

**Appropriation.** Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body [ORS 294.311(3)].

**Approved budget.** The budget which has been approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing [ORS 294.406].

**Assessed value.** The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property's maximum assessed value or real market value.

**Assessment date.** The date on which the value of property is set, January 1 [ORS 308.210, 308.250].

**Audit.** The annual review and appraisal of a municipal corporation's accounts and fiscal affairs conducted by an accountant under contract or the Secretary of State [ORS 297.425].

**Audit report.** A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government's financial statements, and compliance with requirements, orders, and regulations

**Balanced budget.** A budget in which the resources equal the requirements in every fund.

**Bequest.** A gift by will of personal property; a legacy.

**Biennial budget.** A budget for a 24-month period.

**Billing rate.** The tax rate used to compute ad valorem taxes for each property

**Budget.** Written report showing the local government's comprehensive financial plan for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(5)].

**Budget committee.** Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters appointed from the district [ORS 294.336].

**Budget message.** Written explanation of the budget and the local government's financial priorities. It is prepared and presented by the executive officer or chairperson of the governing body [ORS 294.391].

**Budget officer.** Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget [ORS 294.331].

**Budget period.** For local governments on a biennial budget, the 24-month period beginning July 1 and ending June 30 of the second following calendar year. See also "Fiscal year."

**Budget transfers.** Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.

**Capital outlay.** Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings [ORS 294.352 (6)].

**Capital projects fund.** A fund used to account for resources, such as bond sale proceeds, to be used for major capital item purchase or construction [OAR 150-294.352 (1)].

**Cash basis.** System of accounting under which revenues are accounted for only when received in cash and expenditures are accounted for only when paid [ORS 294.311 (9)].

**Category of limitation.** The three categories in which taxes on property are placed before the constitutional limits can be tested—education, general government, excluded from limitation [ORS 310.150].

**Consolidated billing tax rate.** The combined total of the billing rates for all taxing Districts in a code area. Does not include the billing rate for any urban renewal special levies or non-ad valorem taxes, fees, or other charges.

**Constitutional limits.** The maximum amount of tax on property that can be collected from an individual property in each category of limitation (Art. XI, sect. 11b, OR Const.).

**Debt service fund.** A fund established to account for payment of general long-term debt principal and interest [OAR 150-294.352 (1)].

**Devise.** A gift by will of the donor of real property.

**District.** See “Local government.”

**Division of tax.** Division of tax refers to the process of, and revenue from, apportioning tax to urban renewal agencies based on the relationship of the excess to frozen value, a.k.a. tax increment revenue.

**Double majority.** A term that refers to an election where at least 50 percent of the registered voters eligible to vote in the election cast a ballot and more than 50 percent voting approve the question.

**Education category.** The category for taxes that will be used to support the public school system and are not used to pay exempt bonded indebtedness [ORS 310.150(2)].

**Encumbrance.** An obligation chargeable to an appropriation and for which part of the appropriation is reserved [ORS 294.311(10)].

**Enterprise fund.** A fund established to account for operations financed and operated in a manner similar to private business enterprises. They are usually self-supporting. Examples of enterprise funds are those for water, gas, and electric utilities, swimming pools, airports, parking garages, transit systems, and ports [OAR 150-294.352(1)].

**Estimate.** (v) To arrive at a rough calculation or an opinion formed from imperfect data. (n) The resulting amount.

**Excluded from limitation category.** The category for taxes used to pay principal and interest on exempt bonded indebtedness [ORS 310.150(2)].

**Exempt bonded indebtedness.** 1) Bonded indebtedness authorized by a specific provision of the Oregon Constitution, or 2) bonded indebtedness issued as a general obligation on or before November 6, 1990, incurred for capital construction or capital improvements, or 3) bonded indebtedness issued as a general obligation after November 6, 1990, incurred for capital construction or capital improvements with the approval of the electors of the local government. Bonded indebtedness issued to refund or refinance any bonded indebtedness described above is also included [ORS 310.140(7)].

**Existing plan.** An existing urban renewal plan is defined as a plan that existed in December 1996 and 1) chose an option and 2) established a maximum amount of indebtedness by July 1998 and has not been amended to increase the land area or maximum indebtedness [ORS 457.101(4) (a)].

**Expenditures.** Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis [ORS 294.311(16)].

**Fiscal year.** A 12-month period to which the annual operating budget applies. The fiscal year is July 1 through June 30 for local governments [ORS 294.311(17)].

**Fund.** A fiscal and accounting entity with self-balancing accounts to record cash and other financial

resources, related liabilities, balances, and changes, all segregated for specific, regulated activities and objectives.

**Fund balance.** The fund equity of government funds.

**Fund type.** One of nine fund types: General, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and agency, and reserve [OAR 150-294.352 (1) and ORS 280.100].

**Gap bonds.** Any portion of a local government's property tax levy used to repay qualified taxing district obligations. This portion was exempted from the calculation of the permanent rate limit. When the debt is paid, the permanent rate is adjusted. Qualified obligations include principal and interest on certain bonds or formal, written borrowings of moneys issued before December 5, 1996, and pension and disability plan obligations that commit property taxes to fulfill those obligations.

**General fund.** A fund used to account for most fiscal activities except for those activities required to be accounted for in another fund [OAR 150-294.352 (1)].

**General government category.** The category for taxes used to support general government operations other than schools that are not for the purposes of paying exempt bonded indebtedness [ORS 310.150(1)].

**Good Faith.** The standard for estimating budget resources and requirements. Good faith estimates are reasonable and are reasonably likely to prove accurate, based on the known facts at the time.

**Governing body.** County court, board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit [ORS 294.311(15)].

**Grant.** A donation or contribution in cash by one governmental unit to another unit which may be made to support a specified purpose or function, or general purpose [ORS 294.311(19)].

**Inter-fund loans.** Loans made by one fund to another and authorized by resolution or ordinance (ORS 294.460).

**Internal service fund.** A fund used to account for fiscal activities when goods or services are provided by one department or agency to other departments or agencies on a cost-reimbursement basis (ORS 294.470).

**Legal opinion.** The opinion as to legality rendered by an authorized official, such as the Oregon attorney general or city attorney.

**Levy.** (v) To impose a property tax. (n) Ad valorem tax certified by a local government.

**Local government.** Any city, county, port, school district, education service district, community college, special district, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipality or municipal corporation under ORS

**Local option tax.** Voter-approved taxing authority in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose, or capital projects. It is limited to five years unless it is for a capital project, then it is limited to the useful life of the project or 10 years, whichever is less [Art. XI, section 11(4) OR Const.].

**Maximum assessed value (MAV).** A constitutional limitation on the taxable value of real or personal property. It can increase a maximum of 3% each year. The 3% limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction.

**Maximum authority.** The limitation on the amount of revenue an existing urban renewal plan may raise from the property tax system [ORS 457.435(3)]. The assessor calculated this amount for the 1997-98 tax year for each existing plan based on the taxes each urban renewal plan area would have been entitled to prior to Measure 50. This amount is adjusted each year based on the growth of excess value in the plan area.

**Maximum indebtedness.** The amount of the principal of the indebtedness necessary to complete an urban renewal plan. This does not include indebtedness incurred to refund or refinance existing indebtedness [ORS 457.010(10)]. It is specified in dollars and cents and based on good faith estimates of the scope and costs of the anticipated project or projects. All existing plans are required to have an ordinance which establishes a maximum indebtedness.

**Measure 5.** A constitutional amendment (Art. XI, section 11b OR Const.) passed in 1990 that limits the amount of operating tax which can be imposed on a property to \$5 per \$1,000 of real market value for education and \$10 per 1,000 for general government.

**Measure 50.** A constitutional amendment (Art. XI, section 11 OR Const.) passed in 1997 that limits the growth in a property's assessed value to 3% per year. It also limits a local government's taxing authority by creating permanent rate limits.

**Municipal Corporation.** See "Local government."

**Municipality.** See "Local government."

**Net working capital.** The sum of the cash balance, accounts receivable expected to be realized during the ensuing year, inventories, supplies, prepaid expenses less current liabilities and, if encumbrance method of accounting is used, reserve for encumbrances [ORS 294.311(26)].

**Object classification.** A grouping of expenditures, such as personal services, materials and services, capital outlay, debt services, and other types of requirements [ORS 294.311(28)].

**Operating rate.** The rate determined by dividing the local government's operating tax amount by the estimated assessed value of the local government. This rate is needed when a local government wants to impose less tax than its permanent rate will raise.

**Option, urban renewal.** Financing arrangement chosen by existing urban renewal plans. Cannot be changed. The options are as follows:

**Option 1** [ORS 457.435(2) (a)], allows the plan to collect division of tax as computed under ORS 457.440. If the amount collected from the division of tax is insufficient, a special levy may be imposed against all taxable property of the municipality that activated the urban renewal agency. Option 1 plans are “reduced rate” (do not divide local option or bond levies approved by voters after October, 2001).

**Option 2** [ORS 457.435(2) (b)]. The Cascade Locks Plan in Hood River County was the only Option 2 Urban Renewal Plan and that plan has been completed. May impose a special levy, but does not collect division of tax.

**Option 3** [ORS 457.435(2) (c)], provides that Option 3 plans can obtain funds from both the division of tax and a special levy. Like Option 1, the agency may limit the amount to be received from the special levy, but unlike Option 1 the agency limited the amount of funds received from the division of tax when the Option was chosen. Option 3 plans are “standard rate” (divide all tax levies).

**Other “standard rate” plan** was adopted between December 1996 and October 2001. Receives division of tax, but no special levy.

**Other “reduced rate” plan** was adopted after October 2001, or was an Option 1 or 2 plan that was substantially amended. Receives division of tax only.

**Ordinance.** A formal legislative enactment by the governing board of a municipality.

**Organizational unit.** Any administrative subdivision of the local government, especially one charged with carrying on one or more specific functions (such as a department, office, or division) [ORS 294.311 (30)].

**Personal services expenses.** Expenses related to the compensation of salaried employees, such as health and accident insurance premiums, Social Security and retirement contributions, civil service assessments.

**Permanent rate limit.** The maximum rate of ad valorem property taxes a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government or its voters can change a permanent rate limit.

**Principal act.** The Oregon Revised Statutes which describe how a certain type of municipal corporation is formed and selects its governing body, the powers it may exercise, and the types of taxing authority its voters may authorize.

**Prior years’ tax levies.** Taxes levied for fiscal years preceding the current one.

**Program.** A group of related activities to accomplish a major service or function for which the local government is responsible [ORS 294.311 (32)].

**Program budget.** A budget based on the programs of the local government.

**Property taxes.** Ad valorem tax certified to the county assessor by a local government unit.

**Proposed budget.** Financial plan prepared by the budget officer. All funds must balance. It is submitted to the public and the budget committee for review.

**Publication.** Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by first class mail to each street address within the boundaries of the local government; and hand delivery to each street address within the boundaries of the local government [ORS 294.311 (34)].

**Real Market Value (RMV).** The amount in cash which could reasonably be expected by an informed seller from an informed buyer in an arm's-length transaction as of the assessment date. For most properties, the value used to test the constitutional limits [ORS 308.205].

**Reserve fund.** Established to accumulate money from year to year for a specific purpose, such as purchase of new equipment [ORS 294.525].

**Resolution.** A formal order of a governing body; lower legal status than an ordinance.

**Resource.** Estimated beginning funds on hand plus anticipated receipts [ORS 294.361].

**SAL Report.** Summary of Assessments and Levies [ORS 309.330].

**Special levy.** A special levy is an ad valorem tax, imposed for an urban renewal plan on the entire municipality that adopted the plan. It is not a result of a division of tax.

**Special revenue fund.** A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) legally restricted to expenditure for specific purposes [OAR 150-294.352 (1)].

**Special payment.** A budget expenditure category for pass-through payments, grants made to other organizations and other one-time or unusual expenditures which do not fall into the other categories of personal services, materials and services, capital outlay, etc.

**Supplemental budget.** A financial plan adopted during a budget period to meet unexpected needs or to appropriate revenues not anticipated when the regular budget was adopted. It cannot be used to authorize a tax [ORS 294.480].

**Tax increment financing.** A financial mechanism for urban renewal plans which captures the tax from the growth in property value within a designated geographical area by dividing the taxes of local governments.

**Tax on property.** Any tax, fee, charge, or assessment imposed by any government unit upon property or upon a property owner as a direct consequence of ownership of that property [ORS 310.140(1)].

**Tax rate.** The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable

property.

**Tax roll.** The official listing of the amount of taxes imposed against each taxable property.

**Tax year.** The fiscal year from July 1 through June 30.

**Trust fund.** A fund used to account for fiscal activities of assets held in trust by a local government.

**Unappropriated ending fund balance.** Amount set aside in the budget to be carried over to the next year's budget. It provides the local government with cash until tax money or other revenues are received later in the year. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency [ORS 294.371, ORS 294.455].







