

City of Molalla, Oregon & Molalla Urban Renewal



Adopted Budget FY 2022-2023

Cover Page Photos

Clark Park

211 Stop Light

Civic Center Council Chambers

Cascade Center

Bear Creek Bridge



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Molalla
Oregon**

For the Fiscal Year Beginning

July 01, 2020

Christopher P. Morill

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **City of Molalla, Oregon**, for its Annual Budget for the fiscal year beginning **July 01, 2020**. We anticipate our third award to be presented in the upcoming year. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.



The Government Finance Officers Association
of the United States and Canada

presents this

CERTIFICATE OF RECOGNITION FOR BUDGET PREPARATION

to

**Finance Department
City of Molalla, Oregon**



The Certificate of Recognition for Budget Preparation is presented by the Government Finance Officers Association to those individuals who have been instrumental in their government unit achieving a Distinguished Budget Presentation Award. The Distinguished Budget Presentation Award, which is the highest award in governmental budgeting, is presented to those government units whose budgets are judged to adhere to program standards.

Executive Director

Christopher P. Morrell

Date: **September 22, 2021**

(Chicago, Illinois)--Government Finance Officers Association is pleased to announce that **City of Molalla, Oregon**, has received GFOA's Distinguished Budget Presentation Award for its budget.

The award represents a significant achievement by the entity. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- a policy document
- a financial plan
- an operations guide
- a communications device

Budget documents must be rated "proficient" in all four categories, and in the fourteen mandatory criteria within those categories, to receive the award.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for having achieved the award. This has been presented to **Finance Department**.

There are over 1,700 participants in the Budget Awards Program. The most recent Budget Award recipients, along with their corresponding budget documents, are posted quarterly on GFOA's website. Award recipients have pioneered efforts to improve the quality of budgeting and provide an excellent example for other governments throughout North America.

Table of Contents

Distinguished Budget Presentation Award
Certificate of Recognition for Budget Preparation

Section 1 - Readers Guide	1
Budget Committee Members	2
City Manager's Budget Messge Transmittal	3
Organizationl Chart	9
Molalla Statistics	10
About Molalla	12
City of Molalla Government	16
Vision and Action Plan	17
Budgeting in Molalla	18
Basis of Budgeting	20
Financial Policies	24
Long Term Finance Poicy	25
Fund Accounting	27
Section 2 - Charts & Graphs	29
Budget Summary CY	30
Budget Summary PY	31
Property Taxes in Molalla	32
Charts & Graphs	33
Consolidated Schedules	36
Contingency	39
Personnel	40
Section 3 - Budget Details	43
General Fund	45
General Fund Resources	46
Administration Department	48
Police Department	53
Court Department	57
City Council Department	60
Parks Department	62
Planning Department	65

Special Revenue Funds	71
Library Fund	72
Street Fund	78
PD Restricted Fund	84
Capital Improvement Fund	86
Fleet Replacement Fund	94
Enterprise Funds	97
Sewer Fund	98
Water Fund	104
Storm Water Fund	110
SDC Funds	115
SDC Narrative	116
Sewer SDC Funds	119
Water SDC Funds	120
Street SDC Funds	121
Park SDC Funds	122
Stormwater SDC Funds	123
Debt Service Funds	125
Debt Narrative	126
Sewer Debt Fund	127
CWSRF Debt Fund	129
Section 4 - Molalla Urban Renewal Agency	131
Agency Director Budget Message Transmittal	132
Urban Renewal Fund	134
Urban Renewal Debt Schedule	136
Section 5 - Legal-Appendix-Other	139
PSU Population Estimate	140
County Assessor Assessed Value	141
Property Tax Worksheet	142
Finance Policies	143
Vision and Action Plan	169
Economic Vitality Roadmap Statutory and Administrative Rule Ref. Acronyms & Glossary	189 201 205
Blank Note Pages	214
Budget Resolutions	217
Master Fee Schedules	229
Updated SDC Rates	237

READERS GUIDE



Budget Committee FY 2022-2023

City Council Members:

Scott Keyser, Mayor

Jody Newland, Council President

Elizabeth Klein

Leota Childress

Eric Vermillion

Crystal Robles

Terry Shankle



Citizen Members:

Juan Aguilar

Glen Boreth

Levi Davis

Rory Cramer

Lisa Haffey

Robert Thompson

Ashly Hansen

Staff:

Dan Huff, City Manager

Chaunee Seifried, Finance Director

Cindy Chauran, Senior Accountant

Christie Teets, City Recorder

Chris Long, Chief of Police

Mac Corthell, Community Development Director

Diana Hadley, Library Director



Administration – City Manager’s Office
117 N Molalla Avenue | PO Box 248 | Molalla, Oregon 97038
Phone: (503) 829-6855 Ext. 291 | Fax: (503) 829-3676

May 2, 2022

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

RE: 2022-2023 Budget Transmittal Message

I am pleased to present the proposed 2022-2023 Budget for the City of Molalla. This Budget is balanced, sustainable, and again includes focus on City Council Visioning and Goals. City staff has been able to focus on the bigger picture, and we have accomplished many of our goals and expect to accomplish additional tasks this year.

Our number one aspiration remains to improve fiscal management and community service provision. However, there are impact items to consider that may impact our ability to appropriately plan. One obvious factor that affects us all is inflation. Each department is affected as we attempt to project the cost of goods and services such as fuel.

I have stated in previous Budget Transmittal letters that Molalla is not the same City it was 10 or 20 years ago. Currently, Molalla is a growing city of 10,207 people. The good news is that as we continue our upward fiscal trend, our ratio of non-residential to residential tax base is moving in the right direction. Molalla is a great place to live. We need to maintain focus on our livability to make sure that the items we are focused on make Molalla a better Molalla.

We expect revenue reductions in Gas Tax, and we expect additional State revenue sources to diminish. This affects our ability to maintain working programs. However, our approach has kept us moving forward, and making positive improvements and changes for our residents and community. This proposed Budget accomplishes this same effort with new tasks and projects for the Community.

Department Heads will be presenting their specific Department Budgets. I do, however, want to highlight a few important community efforts we expect to accomplish in 2022 – 2023:

1. New Police Facility Progression
2. Chief Yelkus Park
3. Library Book Mobile
4. Molalla Forest Road Examination
5. Economic and Community Development

6. Solutions to the Street Fund
7. Solutions to the Park Fund
8. Continued Progress on the Wastewater Treatment Plant Reconstruction
9. Focus on Community Engagement

Sustainable Budget

For the past nine years, we have taken a conservative approach in our Budget process and that perspective continues to be our focus in each fund we manage. This year we are focused on our ability to continue providing a high level of service amidst rising costs. Two-years ago we committed to Government Finance Officers “Best Practice” program to further our commitment to good financial practices. Because of these commitments we have survived the chaos of 2020 and 2021 and have continued to complete projects and programs.

Because this community is growing, we have areas that need attention such as Street and Park maintenance. Our Budget is sustainable, and we continue to move forward with five-year plans. Funds managed by the City of Molalla at present have not experienced reductions. The result is based on our commitment to best practices and following strict allocations for operations, maintenance, and reserves for present and future. Department Heads continue to embrace this thinking, and it leads to a healthy Budget process.

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 do have a need today for Code Enforcement, Public Information Officer and potentially a need for an additional Police Officer. However, we need to evaluate the fiscal landscape going forward a little more before we dive into that process

We continually examine both our efficiencies and deficiencies and identify opportunities to provide more proactive service provision. We constantly look to do as much as we can with the current level of resources available.

The level of elevation in staff experience and expertise is noticeable, and the community directly benefits. We continue to attract high quality staff and produce professional results for the City of Molalla.

Property Tax-General Overview

Property Tax estimated revenues total \$3,830,000 which is an estimated 5 % increase amounting to \$183,000 in additional General Fund revenue. Our overall Budget has increased from \$ 43,431,000 to \$ 49,865,047 within the Proposed Budget. Personnel Services are up 2.5 % and Material and Services are down 15 %, due to less Grants and less I&I and Biosolids.

Budget Brief FY 22/23

	2020-21 ACTUAL	2021-22 BUDGET	2022-23 PROPOSED	Variance	% change
General Fund					
Admin	1,020,974	5,332,854	4,349,880	-982,974	-18%
Police	3,347,616	3,759,000	4,017,300	258,300	7%
Court	234,975	261,950	236,900	-25,050	-10%
City Council	25,134	59,450	70,350	10,900	18%
Parks	152,759	264,550	293,825	29,275	11%
Planning	380,632	759,632	444,950	-314,682	-41%
Total General Fund	5,162,090	10,437,436	9,413,205	-1,024,231	-10%
Special Revenue Funds					
Library	801,284	3,831,978	3,838,851	6,873	0%
Street	721,157	4,241,633	4,636,677	395,044	9%
PD Restricted	51,100	128,465	57,300	-71,165	-55%
Total Special Revenue Funds	1,573,541	8,202,076	8,532,828	330,752	4%
Capital Project Funds					
Capital Projects	1,959,539	8,296,436	13,692,057	5,395,621	65%
Fleet Replacement	183,646	538,232	729,518	191,286	36%
Total Capital Project Funds	2,143,185	8,834,668	14,421,575	5,586,907	63%
Debt Service Funds					
Sewer Debt Retirement	1,691,052	381,486	403,325	21,839	6%
CWSRF Debt Retirement	1,286,297	22,000	59,000	37,000	168%
Total Debt Service Funds	2,977,349	403,486	462,325	58,839	15%
SDC Funds					
Sewer SDC's	71,679	487,696	1,069,437	581,741	119%
Water SDC's	594,498	453,509	575,935	122,426	27%
Street SDC's	110,593	1,101,609	1,543,892	442,283	40%
Park SDC's	497,937	2,100,262	1,557,979	-542,283	-26%
Stormwater SDC's	239	196,372	203,480	7,108	4%
Total SDC Funds	1,274,947	4,339,448	4,950,723	-92,892	14%
Enterprise Funds					
Sewer	2,793,322	6,091,766	7,068,625	976,859	16%
Water	1,629,144	4,640,639	4,434,841	-205,798	-4%
Stormwater	220,455	481,898	580,925	99,027	21%
Total Enterprise Funds	4,642,921	11,214,303	12,084,391	870,088	8%
Total City of Molalla	17,774,033	43,431,417	49,865,047	5,729,463	15%
URBAN RENEWAL	914,430	4,185,535	3,279,554	-905,981	-22%
TOTAL ALL FUNDS	18,688,462	47,616,952	53,144,601	5,527,649	12%

2021-2022 Budget Highlights and Overview of Results

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 93). 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.*

Follow through – The City purchased the former Molalla Bowl property (150 Grange Avenue), completed a property auction, and hired a Project Manager (OTAK). During the 2022 – 2023 fiscal year we will prepare for actions required to move this project forward.

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.*

Follow through – The City has received the first installment of ARPA funding and Council approved a spending one-time spending package including items such as a new Street Sweeper, Book Mobile, City Hall Reader Board, Molalla Current, Police Body Cams, and various water and sewer projects. The balance of this funding will be received in 2022 – 2023.

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. 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.*

Follow Through – The City, through the Park Community Program Committee, selected playground equipment and designed Strawberry Park and Fox Park playgrounds. We have combined accumulated city funds with a local grant from Molalla Communications of \$100,000 and we are able to provide fall protection for both parks. Construction is planned for Spring of 2022.

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.*

Follow Through – The Economic Development Plan is complete and further work from the Plan has occurred such as Kiosks, Art Contest preparation, Tourism grant, City recognition, public/private partnerships and leveraging resources.

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

Follow Through - Council updated the Urban Renewal Plan in the Fall of 2020. Since that time, we budgeted for projects during the 2021 – 2022 fiscal year. Projects completed under this process have been partial contribution of Urban Renewal Funds toward the purchase of the bowling alley property, Molalla Avenue/Main Street signal, and various public/private partnerships under negotiation.

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, however, if revenue is not located our streets will continue to deteriorate.*

Follow Through – Moving forward within our current funding capacity is difficult. However, we have begun the process of looking at our funding and projects differently, and we are finding new ways to accomplish limited goals.

Visioning/Goals

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.

PERS

We hear about managing PERS (Public Employees Retirement System) in each conference and anyone can find a listening session once per month. PERS rates continue to increase statewide and to plan for this we established a PERS Reserve in the General Fund last year. This year we are proposing to create PERS Reserves in additional operating funds.

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 that the past two years have created a tenuous level of uncertainty in our position. However, other than discussing our annual shortfalls in street maintenance and park operations we are in decent shape. We continue to balance the service we provide as local government and reflect on cost burden that is

borne by the community. We will need to keep a close eye on our Street Fund revenue stream moving forward.

We provide more detailed 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 2021, the City of Molalla Statement of Position is 43 million. 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. As a general comparison, the City's statement of position ten years ago was 27 million.


Conclusion

Your role as the Budget Committee is to approve total allocations within each of your 17 funds. One item 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 process works best when the community is active and hears about the proposed Budget. Thank you again for participating as a Budget Committee member.

Molalla is healthy but 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 2022-23 fiscal year. I would especially like to thank my 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.

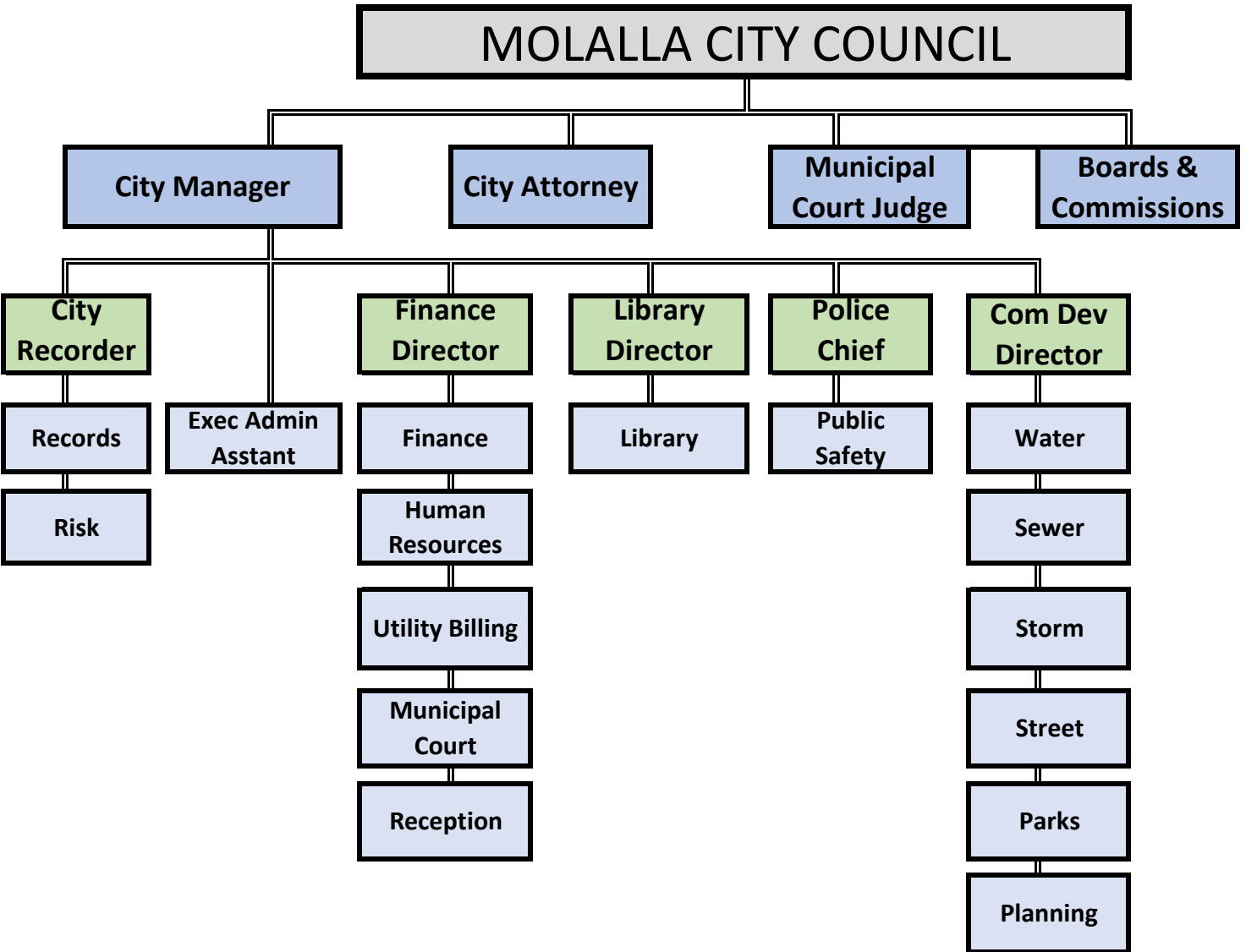
Sincerely,



Dan Huff

City Manager, Budget Officer, and Urban Renewal Director

City of Molalla
Organizational Chart



Molalla Statistics

POPULATION PATTERNS

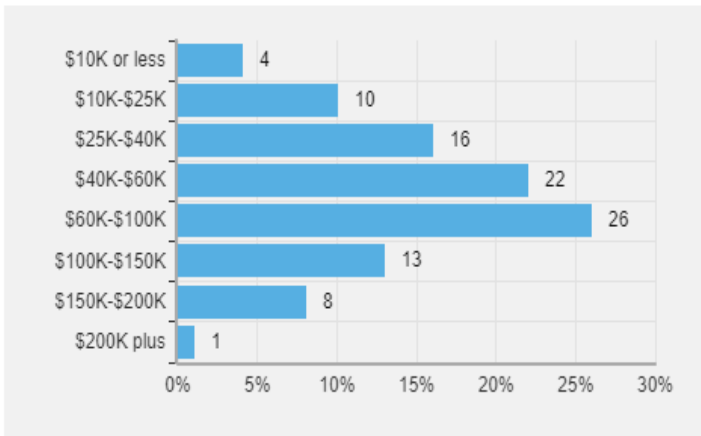
- ✓ 2010 Population 8,108
- ✓ 2021 Population 10,207

Note: The percent change from 2010-2020 is 26.7%

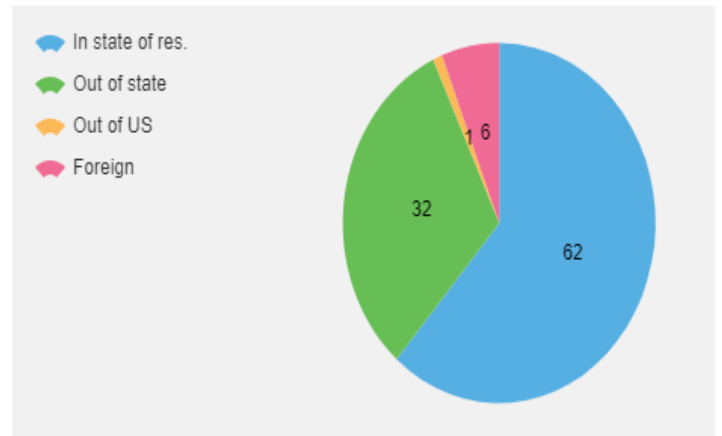
DEMOGRAPHICS

- ✓ Population Density (sq mi) 3,642
- ✓ Median Age 33.5
- ✓ Male/Female ratio 0.9:1
- ✓ Married 57%
- ✓ Family's w/ children under 18 61%

Household Income Distribution



Place Of Birth By Citizenship



Molalla Age Breakdown

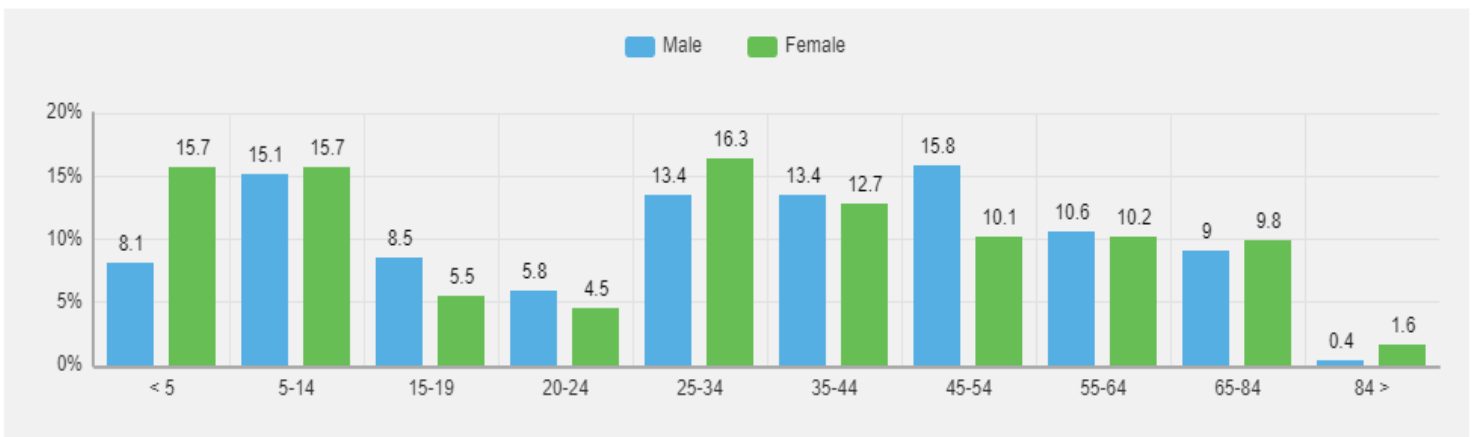


Figure 3: Molalla, OR Population Change 2010 to 2020

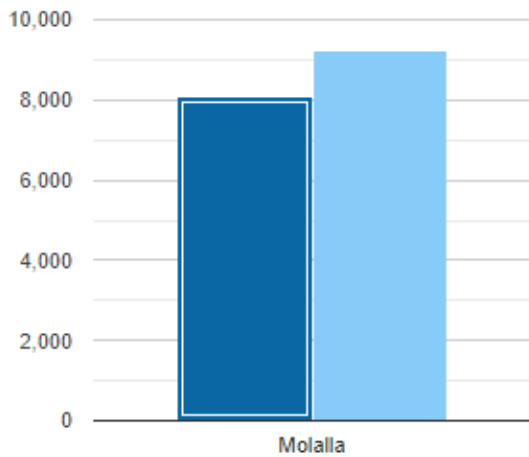


Figure 3

uses the Molalla population data for a comparison of the population growth/population change estimates from the years 2010 to 2020 and Molalla Oregon shows an increase of 1,116 (14%).

Figure 4: Molalla, OR 2010 to 2020 Population Percent Change

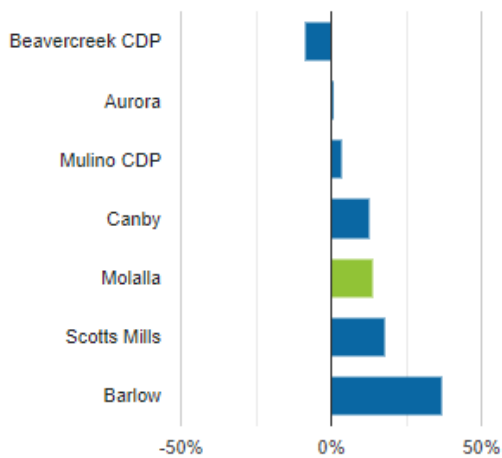


Figure 4

The total Molalla Oregon greater area population percent change for all areas for the years from 2010 to 2020 is shown and for [Molalla](#) depicts it has a Population Change of **13.8% which is the third most population percent change of all other places in the greater Molalla region.**

Figure 5: Molalla, OR Population Density

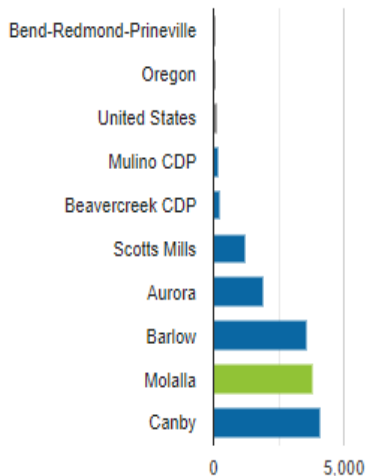


Figure 5

Looking at the Molalla population density (measured as people per square mile) and providing comparisons to both the national and state average population density in **Molalla Oregon indicates it has 3,789 people per square mile which is the second most people per square mile of all the places in the greater Molalla region.** The next lower population density is [Barlow](#) about 6.8% smaller with population density of 3,547. The city with the highest population density in the area is [Canby](#) which shows a people per square mile of 4,089 (7.9% larger).

(Below is a hyperlink that will take you to cited information above.)

[Cited Population Graphs](#)

About Molalla

Location

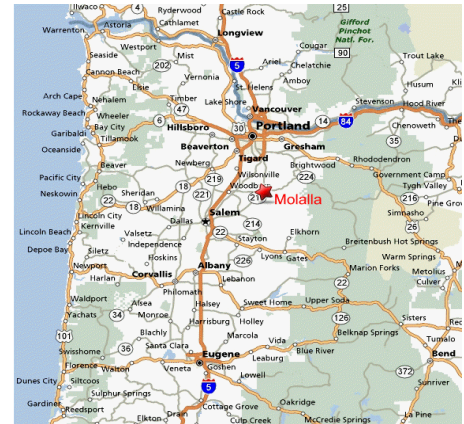
Molalla is part of the Mt. Hood Territory located at the foothills of the Cascade Range, near the Mount Hood National Forest, 15 miles south of Oregon City, and 13 miles east of Interstate 5. The city of Molalla is surrounded by the Molalla River Corridor, rich agriculture, ranches, and rural residential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

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 10,207 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.



Points of Interest Community Events

Celebrate Molalla!

Every September the town celebrates this Beautiful City! This event is hosted by our councilor Leota Childress. ***Celebrate Molalla***, will fill the street with over 100 vendors. The event will stretch south from 3rd Street to the Molalla Museum Complex where you can also take in the Molalla Heritage Apple Festival. Enjoy an expanded Food Court, Music, Beer, Cider & Wine, FREE Kids Crafts & Activities, Artists, Artisans, Antique Tractor Show, Car Show, Antiques, Locally Handcrafted Products, and More!

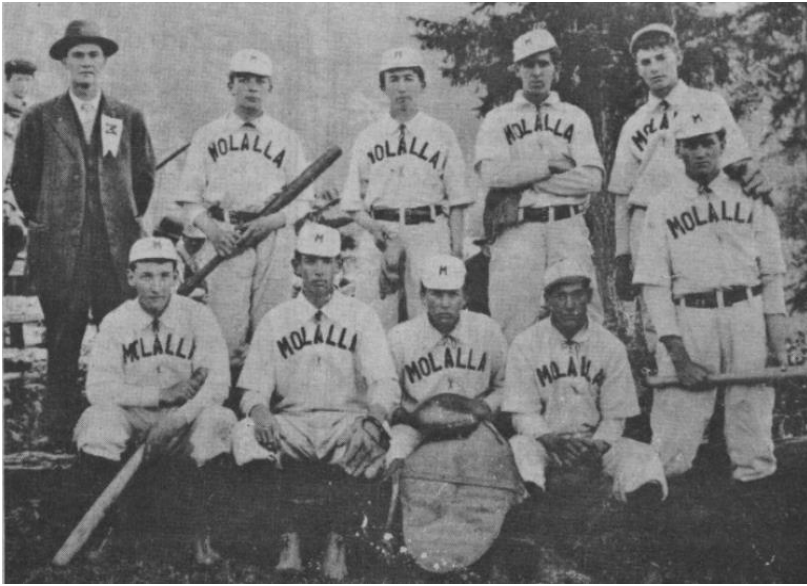
Heritage Art Walk

In 2015 a Ford Family Foundation Cohort and the Confederated Tribes of Grand Ronde Tribe helped create a light pole banner project celebrating Molalla's community and its history. Imagery from the banner project may be used and interpretive signage to expand on the stories of Molalla's heritage and in particular the Molalla Tribe. The City of Molalla works very closely with the Confederated Tribes of Grand Ronde to ensure that the Molalla Heritage is being appropriately relayed to the public. We have been very fortunate to have them help guide us through this process.

As a continuation of this project, the City of Molalla applied for a Tourism Grant through Oregon's Mt. Hood Territory. The Community Partnership Program (CPP) is offered through Clackamas County Tourism & Cultural Affairs (CCTCA) to provide funding for tourism related projects that that the ability to bring visitors into a community.

In 2018, the City of Molalla applied for a received \$15,000 in grant money to be applied toward the Molalla Heritage Art Walk. Artists were given the opportunity to apply and meet with the City's Design Team. After a thorough interview process, sculptor Ben Dye was chosen for this project. Follow Ben on his Facebook page for weekly updates of his work. Sculptures have been placed throughout Molalla in various locations; Fox Park, Clark Park, Long Park, Bear Creek Byway, The Dentist Off Main, and the park near Bi-Mart.

Historic Molalla 1900's



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.

Our proud City is governed by a Mayor, Council President, and five members of City Council. To hold these offices you must meet the following criteria:

- Registered Voter in the State of Oregon, County of Clackamas
- Reside in the City (a minimum of twelve months before running for office)
- Cannot be Mayor and Council Member simultaneously

The Mayor is the presiding officer over meetings and deliberations. Responsibilities include preserving order, and enforcing rules set by Council.

City Council meetings are the ^{second} and fourth Wednesday of each month. Meetings are held at the Molalla Civic Center, located at 315 Kennel Avenue at 7:00pm. Meetings are also live streamed through Facebook and YouTube in accordance with House Bill 2560.



Vision and Action Plan 2020-2030

The Molalla Vision and Action Plan 2030 was made possible by the hard work of dedicated citizens of Molalla. These citizens wanted to create a blueprint of what Molalla's future should look like. This Action Plan is supported by the Ford Family Foundation who provide mentorship, funding, and community building training. The complete plan can be viewed at the end of the budget document and our website. See table of contents under Legal-Appendix-Other for copies of entire plan.



BUDGETING IN THE CITY OF MOLALLA

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.....Budget Officer is designated by City Charter(ORS.294.331)
Budget worksheets delivered to departments.
- March.....Department Heads submit final proposed budgets to Budget Office/Finance.
- April.....Budget 101 Presentation
Budget Officer/Finance - Final Budget Worksheets.
- April.....Publish Notice of 1st Budget Meeting (ORS.291.401) to include Shared.
Revenue hearing and Public Comment. Post on Website.
- May..... Budget Committee Meeting #1
Additional Budget Committee Meetings (if needed)
Budget Committee approves and forwards to City Council (ORS.406)
- June.....Publish Notice of Budget LB/UR Forms (ORS.294.421)
Budget Hearing before City Council (ORS 294.430)
- July..... Submit tax certification document to County Assessor (ORS 294.555)

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



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 294.336, 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 about 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 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 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

- 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 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 if 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 and work hard to achieve the goals.



Financial Policies

Financial Policies

- **See table of contents under Legal-Appendix-Other for copies of entire plan.**

Financial Goals:

The City of Molalla's financial goals seek to:

- Ensure the financial integrity of the City.
- Improve financial information for decision makers at all levels.
- Assist policy makers as they contemplate decisions affecting the City on a long-term basis and be a manager as they implement policy on a day-to-day basis.

Financial Objectives

The City of Molalla's fiscal policies address the following major areas:

1. Revenue policy - Addresses property taxes, user charges, and other sources to adequately fund desired services.
2. Operating budget policy - Relating to budgeting guidelines.
3. Accounting policy - Relating to reporting financial transactions and preparing financial reports.
4. Debt policy - Dealing with long-term financing of the City's capital needs and its bond rating.
5. Reserve policy - For establishing reserves and contingency funding as needed for the various activities of the City.
6. Management of fiscal policy - Dealing with approval, recommendation, review, and implementation of policies including monitoring compliance.

LONG TERM FINANCE POLICY

Long-Term Financial Policies

- **See table of contents under Legal-Appendix-Other for copies of entire plan.**

The City of Molalla's long-term financial policies are as follows:

REVENUE MANAGEMENT POLICY

A. General Guidelines

1. Dedicated revenue sources shall be used only for the purposes for which funds are being collected. For example: gasoline tax revenue shall be used only for street maintenance, improvements, and operations.
2. One time revenue sources will not be used to fund ongoing operations of the City.
3. The City will closely manage the collection of its revenues. In the event of non-payment of obligations such as utility bills, the City shall discontinue service using collection agencies, liens, and other methods of collection, as necessary.

B. System Development Charges, User Fees and Other Charges

1. General: System Development Charges (SDCs) are levied on new developments to finance capacity improvements to sewer, water, streets, storm drainage, and parks due to growth. System Development Charges may be a reimbursement fee, an improvement fee, or a combination thereof assessed or completed at the time of increased usage of a capital improvement or issuance of a development permit/building permit in connection to the capital improvement. To the extent practical, the City of Molalla will use SDCs to pay for additional service. Capacity rather than levying taxes and/or imposing service charges on all city residents. As a result, SDCs have been established that reflect the costs of providing roads, storm drains, water, sewer, and parks improvements needed to service demands of the growing community.
2. Fee Increases/Reviews:
Fees and charges should be reviewed on an annual basis to determine whether the fees being charged are adequate to cover the entire cost (operating, direct, indirect, and capital) of providing the service. Before fees and charges are adjusted, the City shall consider rates assessed by comparable cities.

C. Utility Rates

1. Charges for providing water, sewer, and street lighting shall be sufficient to finance all operating, capital outlay, and debt service expenses of the City's enterprise funds, including operating contingency and reserve requirements. Projects funded with SDCs, and general obligation bonds shall be excluded from this

requirement. It is the City's position that if a system's capacity needs to be expanded because of growth, the cost of the expansion should be borne by those causing the growth. On an annual basis, the City shall review and, if necessary, revise the rates it charges to its utility customers.

D. Interest Income

1. Interest earned from the investment of City money shall be distributed to the appropriate fund in accordance with the equity balance of the fund from which the money was provided for investment.

OPERATING BUDGET POLICY

A. Compliance with Local Budget Law

The City shall prepare, present, adopt, and amend its annual operating budget in accordance with Oregon Budget Law.

B. Budgetary Control System

1. The City shall maintain a budget system to monitor expenditures and revenues monthly, with a thorough analysis and adjustment (if required).
2. The City shall not adopt an operating budget that is greater than the number of resources available to fund it. Current operating resources will be sufficient to support current operating expenditures, reimbursement transfers, reserves, and contingencies.
3. Long-term debt or bond financing shall only be used for the acquisition of capital facilities or specialized equipment. Long-term debt or bond financing shall not be used to finance current operating expenditures.

ACCOUNTING POLICY

A. Maintenance of Accounting Records

The City shall establish and maintain its accounting systems according to Generally Accepted Accounting Practices (GAAP) and shall adhere to generally accepted accounting principles and standards promulgated by the Government Finance Officers Association (GFOA), Government Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB). To the extent practical, the City of Molalla will use SDCs to pay for additional service. Capacity rather than levying taxes and/or imposing service charges on all city residents. As a result, SDCs have been established that reflect the costs of providing roads, storm drains, water, sewer, and parks improvements needed to service demands of the growing community

FUND ACCOUNTING

Financial Analysis

The proposed budget for FY 2022/2023 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 based on 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 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.”

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.

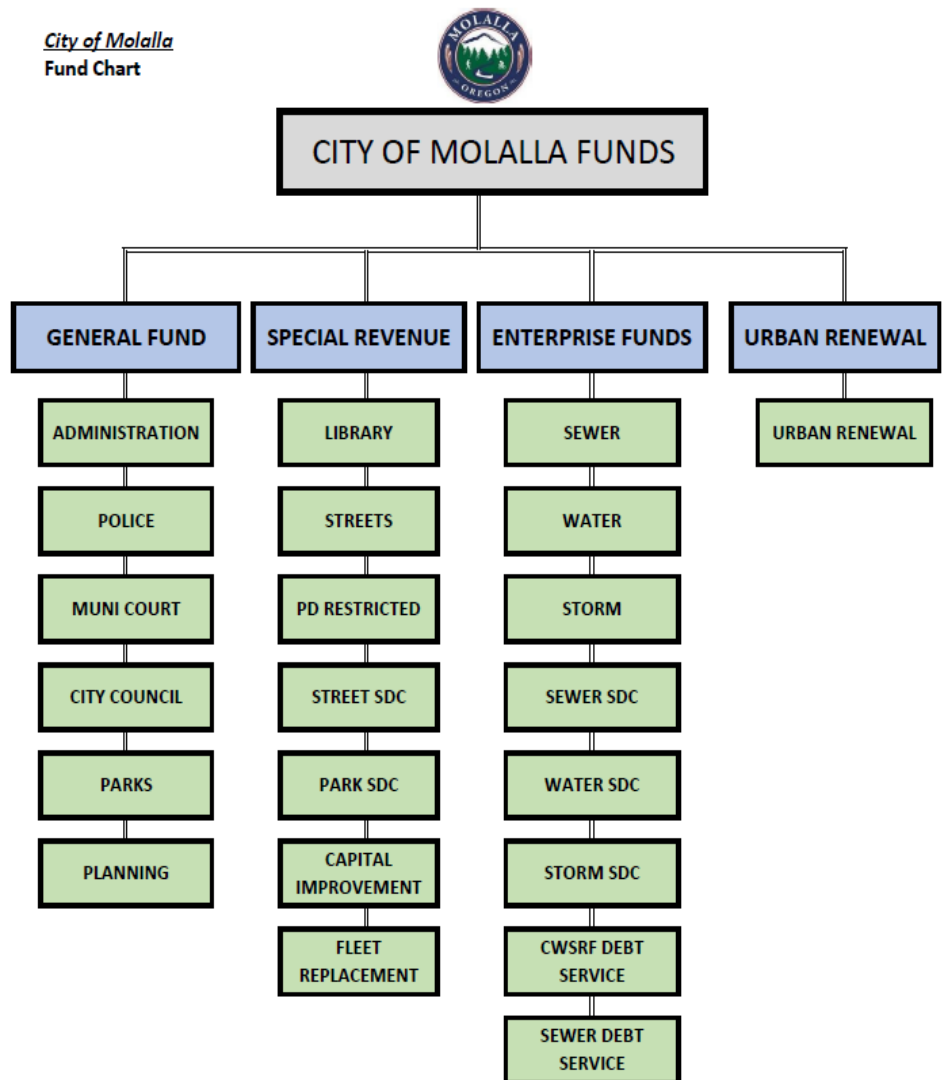
- Sewer Debt Retirement (Revenue Bond)
- Clean Water State Revolving Fund (CWSRF)

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

➤ This is the City’s fund structure at a glance, Molalla has a total of 17 funds. The units in green represent functional units.



CHARTS & GRAPHS



City of Molalla Budget Summary-Adopted FY 2022-2023

CURRENT YEAR

	Expenditures							Resources			
	Personal Services	Material & Services	Capital Outlay	Transfers	Contingency	Debt Service	Reserve	Total Expenses	BFB	Revenues	Total Revenues
General Fund								0	2,708,155	6,705,050	9,413,205
Administration	1,032,280	329,600	327,000	871,000				2,559,880			
Police	2,778,100	629,200	0	610,000				4,017,300			
Court	103,300	133,600						236,900			
City Council		70,350						70,350			
Parks	109,150	48,075	128,700	7,900				293,825			
Planning	179,450	265,500						444,950			
Capital Outlay								0			
Transfers								0			
Contingency					1,500,000		290,000	1,790,000			
Total General Fund	4,202,280	1,476,325	455,700	1,488,900	1,500,000	0	290,000	9,413,205	2,708,155	6,705,050	9,413,205
Special Revenue Funds											
Library	679,153	393,640	2,516,909	0	244,149		5,000	3,838,851	1,932,401	1,906,450	3,838,851
Street	357,021	699,994	30,000	2,409,300	1,115,362		25,000	4,636,677	1,313,677	3,323,000	4,636,677
PD Restricted		7,300	0	50,000				57,300	0	57,300	57,300
Utility Deposits								0			0
Total Special Revenue	1,036,174	1,100,934	2,546,909	2,459,300	1,359,511	0	30,000	8,532,828	3,246,078	5,286,750	8,532,828
Capital Project Funds											
Capital Projects			13,692,057					13,692,057	411,057	13,281,000	13,692,057
Fleet Replacement			729,518				0	729,518	453,468	276,050	729,518
Total Capital	0	0	14,421,575	0	0	0	0	14,421,575	864,525	13,557,050	14,421,575
Debt Service Funds											
Bonded Debt								0			0
Sewer Debt Retirement						380,618	22,707	403,325	22,700	380,625	403,325
Water Debt Retirement						0		0	0	0	0
CWSRF Debt Retirement		0				15,000	44,000	59,000	42,000	17,000	59,000
Total Debt Service	0	0	0	0	0	395,618	66,707	462,325	64,700	397,625	462,325
SDC Funds											
Street SDC's				405,000			1,138,892	1,543,892	1,478,892	65,000	1,543,892
Park SDC's				350,000			1,207,979	1,557,979	1,522,979	35,000	1,557,979
Sewer SDC's		20,000		0			1,049,437	1,069,437	879,937	189,500	1,069,437
Water SDC's		20,000		320,000			235,935	575,935	522,935	53,000	575,935
Stormwater SDC's				150,000			53,480	203,480	198,820	4,660	203,480
Total SDC's	0	40,000	0	1,225,000	0	0	3,685,723	4,950,723	4,603,563	347,160	4,950,723
Enterprise Funds											
Sewer	801,069	2,211,094	86,200	2,859,350	1,010,912		100,000	7,068,625	1,954,125	5,114,500	7,068,625
Water	755,867	718,895	46,500	1,196,725	1,616,854		100,000	4,434,841	2,349,341	2,085,500	4,434,841
Stormwater	172,300	90,207	13,900	30,400	274,118			580,925	265,425	315,500	580,925
Total Enterprise	1,729,236	3,020,196	146,600	4,086,475	2,901,884	0	200,000	12,084,391	4,568,891	7,515,500	12,084,391
Total City of Molalla	6,967,690	5,637,455	17,570,784	9,259,675	5,761,395	395,618	4,272,430	49,865,047	16,055,912	33,809,135	49,865,047
Urban Renewal		222,620	1,816,427		150,000	540,507	550,000	3,279,554	2,513,504	766,050	3,279,554
Total All Funds	6,967,690	5,860,075	19,387,211	9,259,675	5,911,395	936,125	4,822,430	53,144,601	18,569,416	34,575,185	53,144,601

City of Molalla Budget Summary-Adopted FY 21-22

PRIOR YEAR

	Expenditures							Resources			
	Personal Services	Material & Services	Capital Outlay	Transfers	Contin-gency	Debt Service	Reserve	Total Expenses	BFB	Revenues	Total Revenues
General Fund								0	2,746,029	7,691,407	10,437,436
Administration	842,354	314,500	2,500,000	0				3,656,854			
Police	2,579,000	610,000	0	570,000				3,759,000			
Court	175,250	86,700						261,950			
City Council		59,450						59,450			
Parks	102,600	67,050	87,000	7,900				264,550			
Planning	287,400	472,232						759,632			
Contingency					1,476,000		200,000	1,676,000			
Total General Fund	3,986,604	1,609,932	2,587,000	577,900	0	0	200,000	10,437,436	2,746,029	7,691,407	10,437,436
Special Revenue Funds											
Library	640,520	427,300	2,497,158	0	267,000		0	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
Total Special Revenue	1,065,820	1,181,215	2,513,858	2,863,300	577,883	0	0	8,202,076	2,709,036	5,493,040	8,202,076
Capital Project Funds											
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
Total Capital	0	0	8,564,241	0	0	0	270,427	8,834,668	648,418	8,186,250	8,834,668
Debt Service Funds											
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
Total Debt Service	0	0	0	0	0	403,486	0	403,486	20,000	383,486	403,486
SDC Funds											
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
Total SDC's	0	130,000	0	2,050,200	0	0	2,159,248	4,339,448	4,184,618	154,830	4,339,448
Enterprise Funds											
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		0	481,898	181,398	300,500	481,898
Total Enterprise	1,745,600	3,662,175	111,300	3,083,336	1,559,695	0	1,052,197	11,214,303	4,123,203	7,091,100	11,214,303
Total City of Molalla	6,798,024	6,583,322	13,776,399	8,574,736	2,137,578	403,486	3,681,872	43,431,417	14,431,304	29,000,113	43,431,417
Urban Renewal		230,000	2,658,435		150,000	547,100	600,000	4,185,535	3,484,535	701,000	4,185,535
Total All Funds	6,798,024	6,813,322	16,434,834	8,574,736	2,287,578	950,586	4,281,872	47,616,952	17,915,839	29,701,113	47,616,952

Property Taxes in Molalla

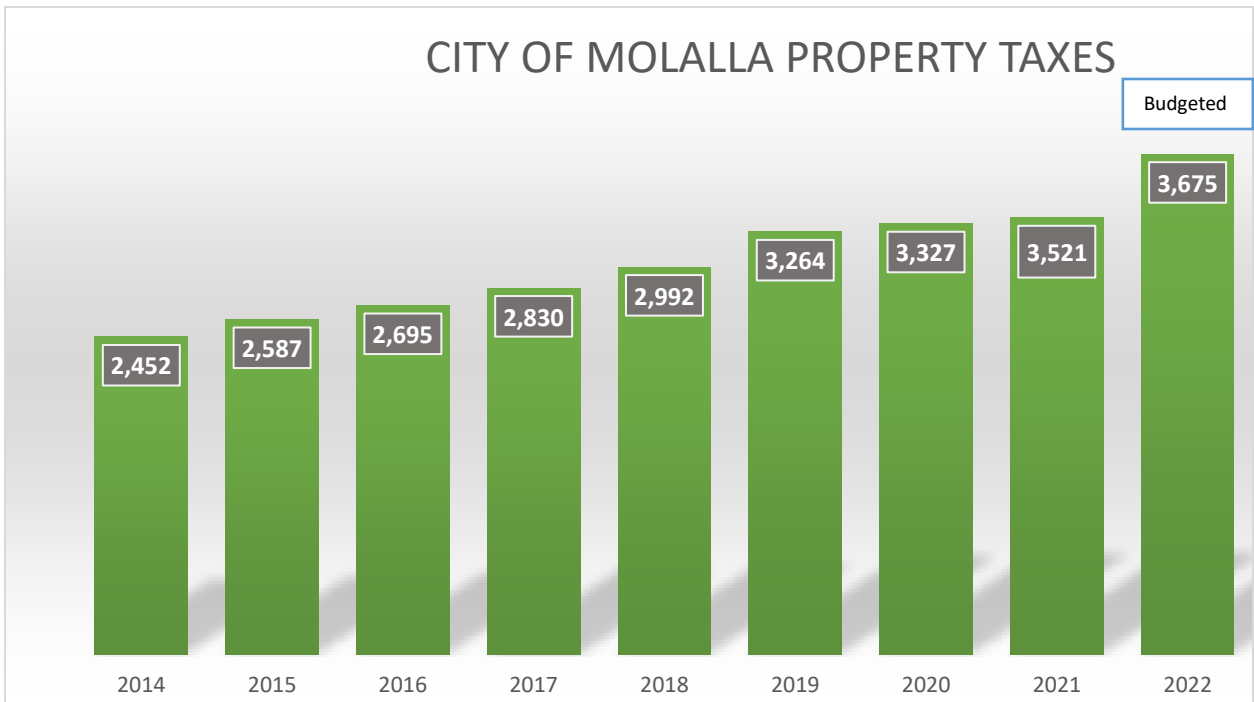
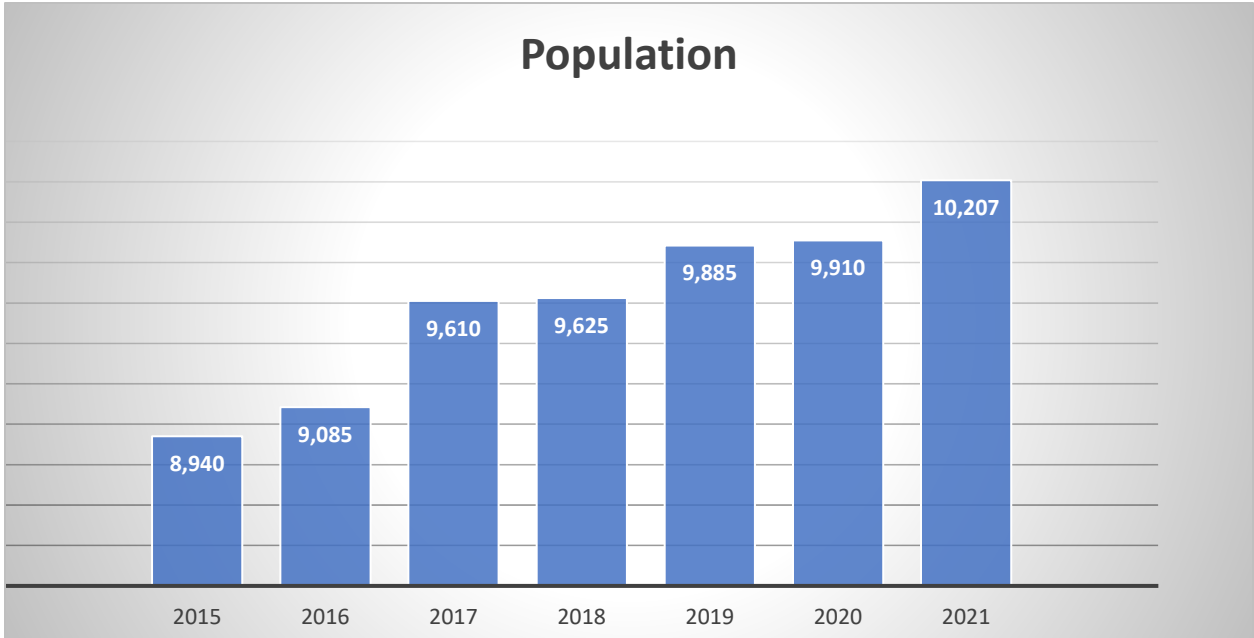


Above is a snap shot of where the tax revenue comes from for every dollar collected by the City.

Property Taxes in Molalla

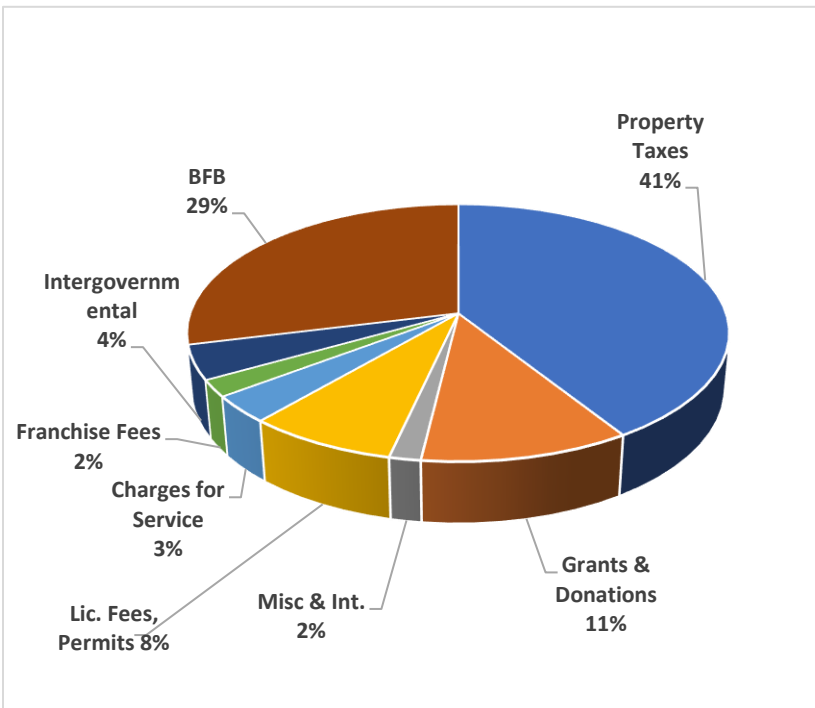
The City of Molalla tax revenue is based off of a permanent tax rate of \$5.3058 / \$1000, converted to a tax rate of .0053058%. Full payment of taxes is due by November 15, to receive the 3% discount. A two percent discount is given if 2/3 payment is received by November 15th. No discount is allowed on a 1/3 payment and additional 1/3 payments are due on February 15th and May 16.

Population vs Tax Dollars



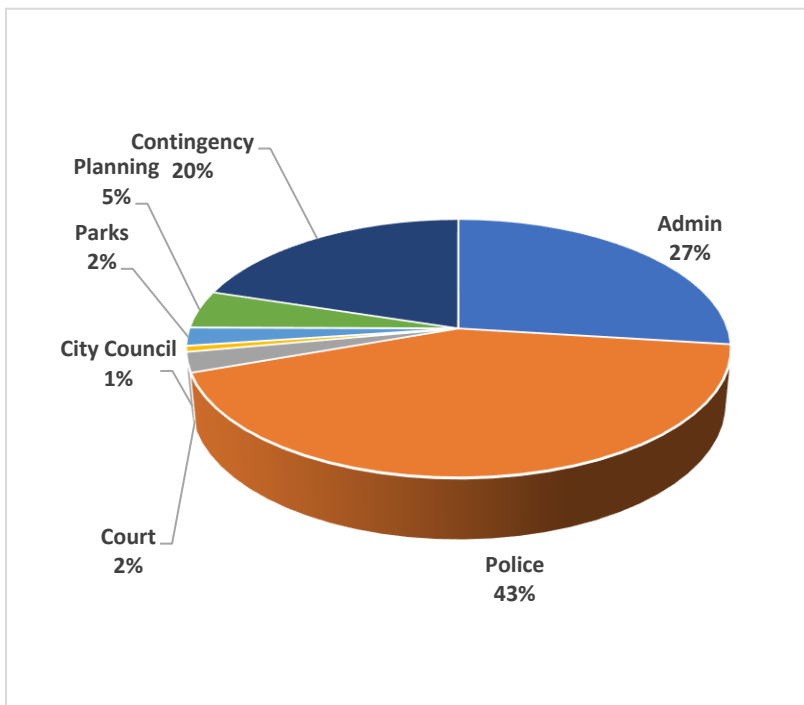
Summary: As of 2020 Clackamas County is the #3 largest county in Oregon. Residents are moving to the area because Molalla is located close to nearby Cities. Ex. Salem, Portland, Oregon City, Tigard, & Tualatin. Cited URL: <https://stacker.com/oregon/fastest-growing-countries-oregon>

General Fund Where the Money is From



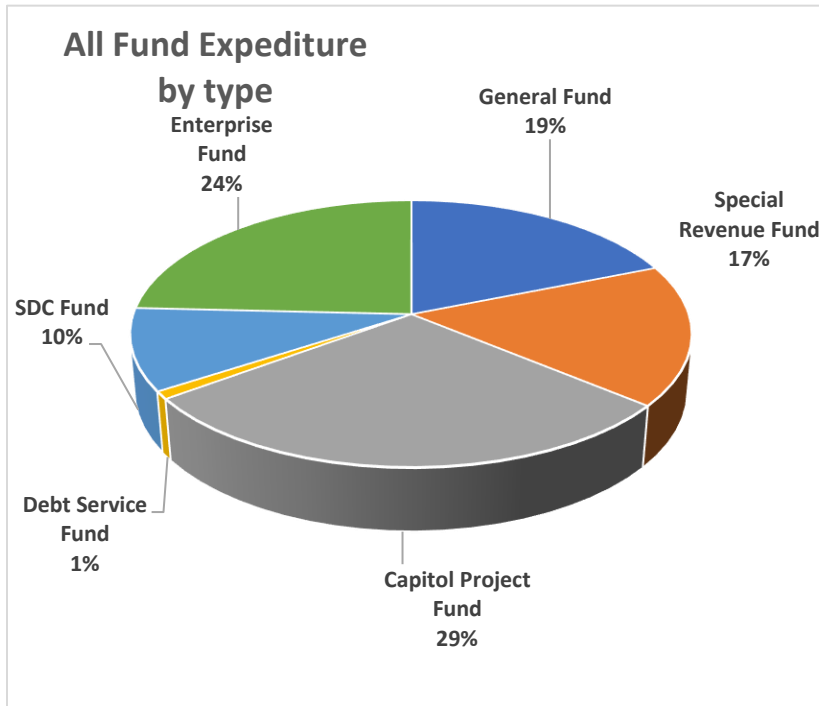
- Property Tax 41%
- Grants & Donations 11%
- Misc. & Int 2%
- Lic., Fees, Permits 8%
- Charges for Service 3%
- Franchise Fees 2%
- Intergovernmental 4%
- Beginning Fund Balance 29%

General Fund Where the Money Goes



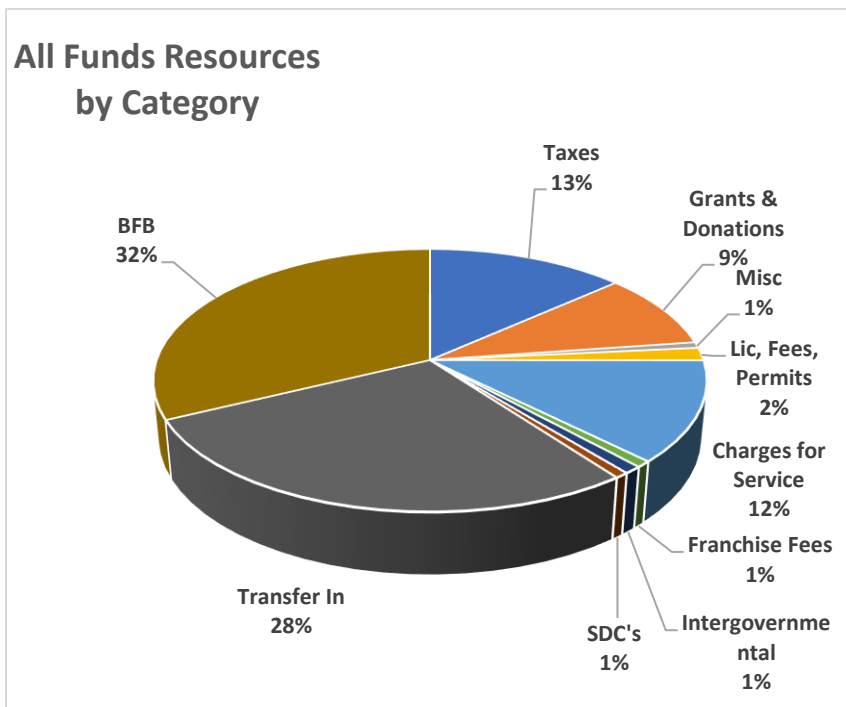
- Admin 27%
- Police 43%
- Court 2%
- City Council 1%
- Parks 2%
- Planning 5%
- Contingency 20%

All Fund Expenditure by Type



- General Fund 19%
- Special Revenue 17%
- Capital Projects 29%
- Debt Service 1%
- SDC 10%
- Enterprise 24%

All Fund Resources by Category



- Taxes 13%
- Grants & Donations 9%
- Misc. 1%
- Lic, Fees, Permits 2%
- Charges for Service 12%
- Franchise Fees 1%
- Intergovernmental 1%
- SDC 1%
- Transfer In 28%
- Beginning Fund Balance 32%

Consolidated Schedule

City of Molalla, Oregon
Budgeted Consolidated Schedule of Governmental Funds
Excluding URA, and Enterprise Funds, and Debt

ALL FUNDS - FISCAL YEARS 2020 - 2021 TO 2022 - 2023

	2020-21 Actual Audited	2021-22 Adopted Budget	2022-23 Proposed Budgeted
Revenues			
Property Taxes	3,516,069	3,675,000	3,865,000
Franchise Fees	414,214	208,050	198,550
Licenses, permits & Fees	272,729	404,500	543,000
Intergovernmental	2,172,224	4,931,000	4,774,700
Grants	351,405	2,554,900	1,222,600
Fines and Forfeitures	240,515	214,500	189,500
Charges for Services	570,988	115,100	131,500
Interest revenue	167,935	132,057	140,000
Misc. Revenue	14,119	23,900	13,900
Contributions and donations	60,900	3,000	5,750
Capital Funds		9,108,690	14,464,350
System Development Charges	944,550	76,255	100,000
Sub-Total Revenues	8,725,648	21,446,952	25,648,850
Fund Balance, Beginning	9,340,523	9,229,099	9,820,629
Total Revenues	18,066,171	30,676,051	35,469,479
Expenditures			
General government	1,102,095	3,716,304	2,630,230
Public safety	3,212,226	4,149,415	4,254,200
Highway and streets	713,313	5,343,242	6,180,569
Culture and recreation	992,675	6,196,790	5,690,655
Community development	380,632	759,632	444,950
Capital outlay	2,228,385	8,834,668	14,478,875
Contingency		1,676,000	1,790,000
Total Requirements	8,629,326	30,676,051	35,469,479
Resources over (under) Expenditures	96,322	0	0

Beginning Fund Balance

2022-2023	\$9,820,629
2021-2022	\$9,229,099
2020-2021	\$9,340,523

Consolidated Schedule of Resources

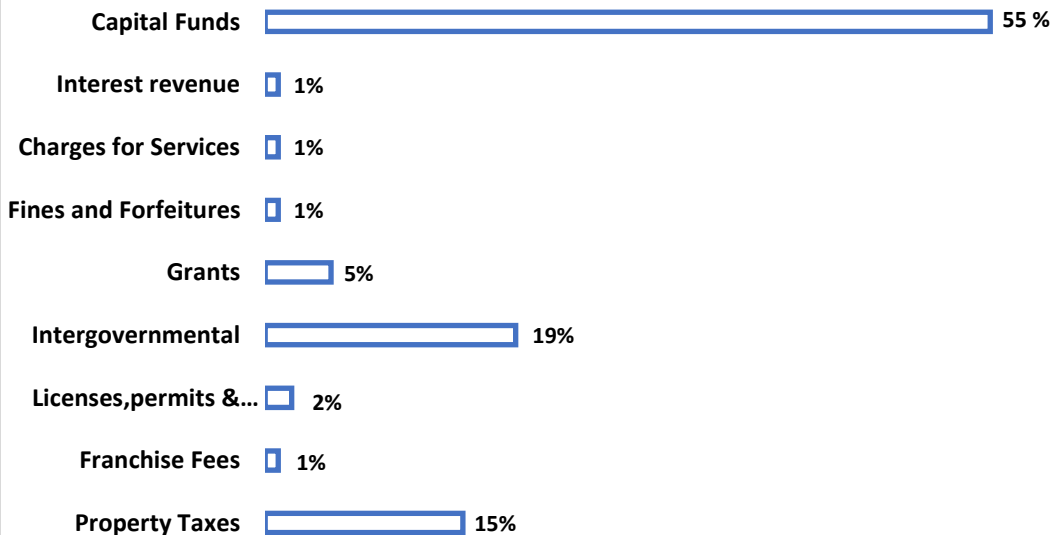
City of Molalla, Oregon
Budgeted Consolidated Schedule of Governmental Funds
Excluding URA, and Enterprise Funds, and Debt

Schedule of Consolidated Resources

ALL FUNDS - FISCAL YEARS 2020 - 2021 TO 2022 - 2023

	2020-21	2021-22	2022-23
	Actual	Adopted	Proposed
Revenues	Audited		
Property Taxes	40%	17%	15%
Franchise Fees	5%	1%	1%
Licenses, permits & Fees	3%	2%	2%
Intergovernmental	25%	23%	19%
Grants	4%	12%	5%
Fines and Forfeitures	3%	1%	1%
Charges for Services	7%	1%	1%
Interest revenue	2%	1%	1%
Misc. Revenue	0%	0%	0%
Contributions and donations	1%	0%	0%
Capital Funds	0%	42%	55%
System Development Charges	11%	0%	0%
Total Revenues	100%	100%	100%

Where the Resources are from....

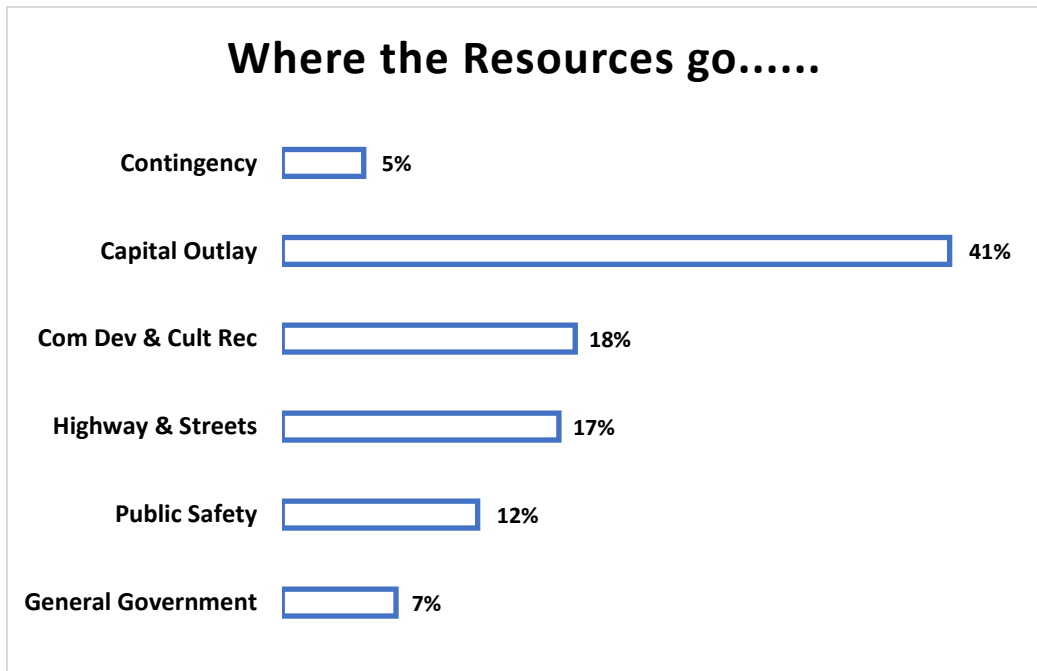


Consolidated Schedule of Expenditure

**City of Molalla, Oregon
 Budgeted Consolidated Schedule of Governmental Funds
 Excluding URA, and Enterprise Funds, and Debt**

Schedule of Consolidated Expenditures ALL FUNDS - FISCAL YEARS 2020 - 2021 TO 2022 - 2023

	2020-21 Actual Audited	2021-22 Adopted	2022-23 Proposed
Expenditures			
General government	13%	12%	7%
Public safety	37%	14%	12%
Highway and streets	8%	17%	17%
Culture and recreation	12%	20%	16%
Community development	4%	3%	2%
Capital outlay	26%	29%	41%
Contingency	0%	5%	5%
Total Requirements	100%	100%	100%



CITY OF MOLALLA

Contingency

FY 2022-2023

FUND	Total Budget	Operating Expenses	Contingency
General Fund	\$9,413,205	\$5,858,055	\$1,500,000
Library	\$3,838,851	\$1,072,793	\$244,149
Streets	\$4,636,677	\$1,057,015	\$1,115,362
Sewer	\$7,068,625	\$3,012,163	\$1,010,912
Water	\$4,434,841	\$1,474,762	\$1,616,854
Storm	\$580,925	\$262,507	\$274,118
Urban Renewal	\$3,279,554	\$222,620	\$150,000

Operating expenses includes personnel services and material & services.

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%

PERSONNEL

Summary of Personnel

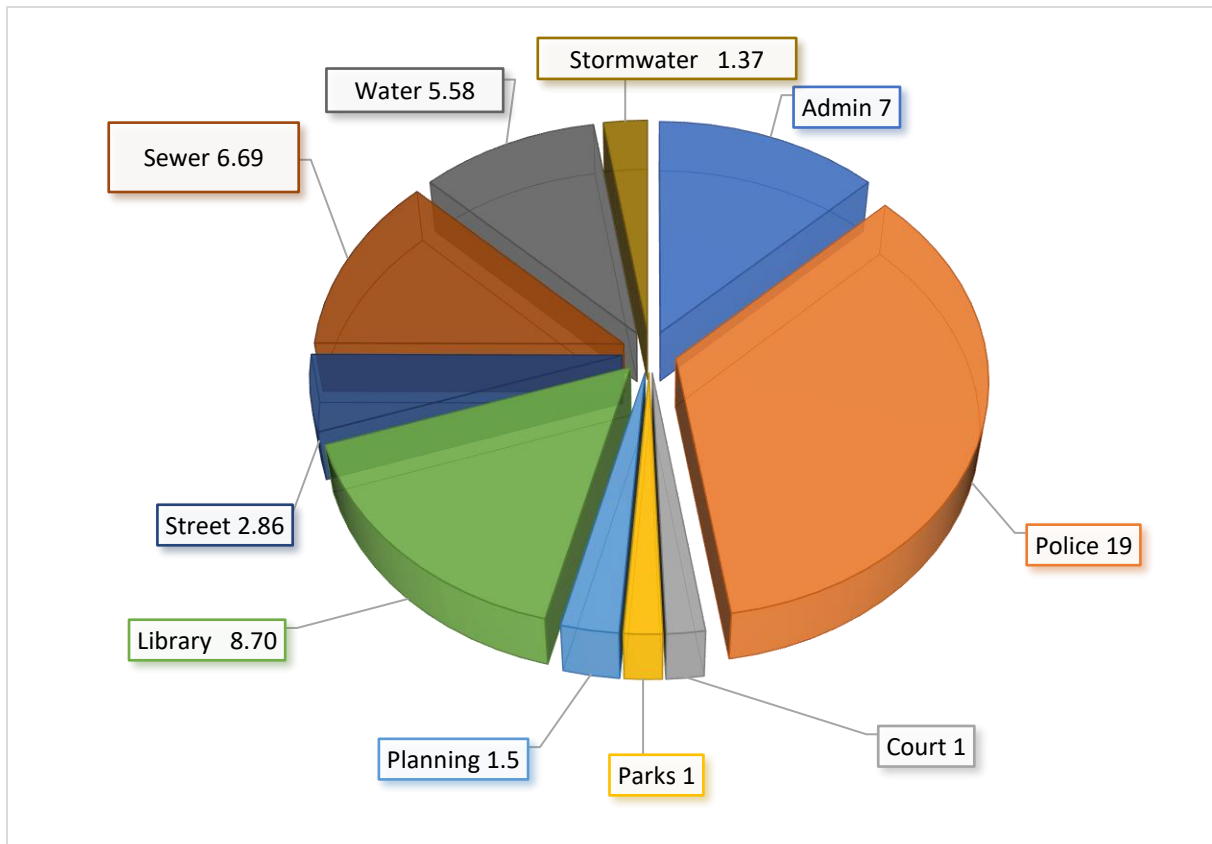
The presented budget has a combined total number of full-time equivalent positions at 54.70. Molalla is growing every year and development has been at a high. With housing developments being built population growth is expected to continue to rise. With that said the City's needs is also growing to accommodate the rise in population growth. The city works hard to fill vacant positions as they arise.

The city has two unions that represent the City of Molalla: Teamsters Local 223, and the CCPOA Clackamas County Peace Officers Association. Public Works employees fall under the Teamsters and the Police Department fall under the CCPOA. Administrative staff does not fall under a union contract.

FULL-TIME EQUIVALENT (FTE'S) EMPLOYEES

	19-20	20-21	21-22	22-23	Variance	% change
GENERAL FUND						
Admin	5.00	5.00	6.00	7.00	1.00	1%
Police	17.00	18.50	19.00	19.00	0.00	0%
Court	0.75	0.75	1.00	1.00	0.00	0%
Parks	1.00	0.86	0.86	1.00	0.14	0%
Planning	2.50	2.50	2.50	1.50	-1.00	-1%
Total General Fund	26.25	27.61	29.36	29.50	0.14	0.14%
SPECIAL REVENUE FUNDS						
Library	8.20	8.20	8.70	8.70	0.00	0%
Street	3.14	3.34	3.34	2.86	-0.48	-0.48%
Total Special Revenue	11.34	11.54	12.04	11.56	-0.48	-28%
ENTERPRISE FUNDS						
Sewer	5.90	7.85	7.85	6.69	-1.16	-1%
Water	5.65	5.84	5.84	5.58	-0.26	-0.26%
Stormwater	1.07	1.47	1.47	1.37	-0.10	-0.10%
Total Enterprise	12.62	15.16	15.16	13.64	-1.52	-2%
Total FTE	50.21	54.31	56.56	54.70	-1.86	4%

FTE by Fund / Dept



CHANGES FROM THE PRIOR YEAR

Personnel Changes

- Reorganized Community Development Department
- Removed Public Works Director Position
- Removed Budgeted Engineer

Position SCHEDULE FOR MOLALLA

<u>Position</u>	<u>Salaried</u>	<u>Hourly</u>
City Manager	✓	
Police Chief	✓	
Community Development Director - New	✓	
Finance Director	✓	
Library Director	✓	
Lieutenant Police	✓	
PW Division Manager	✓	
City Recorder / Senior Accountant	✓	
PW Maintenance Section Supervisor		
Sergeant Police	✓	
Human Resource Coordinator	✓	
Senior Planner	✓	
Finance Accountant / Senior Engineering Tech	✓	
Support Services Supervisor	✓	
Exec Admin Asst/Dep City Recorder	✓	
OSIV – UB / AP Clerk, Office Specialist IV COURT	✓	
Plan & Admin Support Specialist / OS-V Payroll Clerk	✓	
Assistant Library Director / Program & Outreach Librarian / Librarian		
FT Circulation Assistant II	✓	
PT Circulation Assistant II		✓
PT Circulation Assistant I		✓
Police Officer	✓	
Records Specialist / Evidence Tech	✓	
Utility Maintenance I	✓	
Utility Maintenance II	✓	
Utility Maintenance III	✓	
Utility Maintenance Lead	✓	
Water Plant Operator I	✓	
Water Plant Operator II	✓	
Wastewater Plant Operator Lead	✓	

BUDGET DETAILS





This page intentionally left blank

GENERAL FUND



Historical Data			GENERAL FUND RESOURCES	Budget for Next FY 2022-2023		
Actual		Adopted Budget		Proposed By	Approved By	Adopted By
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	This Year Year 2021-2022		Budget Officer	Budget Com.	Gov. Body
\$2,702,939.67	\$3,106,533.67	\$2,746,029.00	BEGINNING FUND BALANCE	\$2,708,155.00	\$2,708,155.00	\$2,708,155.00
			GENERAL REVENUES			
\$3,294,879.54	\$3,481,697.37	\$3,650,000.00	CURRENT PROPERTY TAXES	\$3,830,000.00	\$3,830,000.00	\$3,830,000.00
\$32,787.94	\$39,706.73	\$25,000.00	PRIOR PROPERTY TAXES	\$35,000.00	\$35,000.00	\$35,000.00
\$108,464.48	\$121,750.37	\$110,000.00	REVENUE SHARING	\$120,000.00	\$120,000.00	\$120,000.00
\$78,133.43	\$112,737.86	\$70,000.00	STATE/LOCAL SHARED REVENUES	\$80,000.00	\$80,000.00	\$80,000.00
\$170,055.61	\$191,868.46	\$175,000.00	LIQUOR TAX	\$196,700.00	\$196,700.00	\$196,700.00
\$10,768.33	\$9,456.13	\$15,000.00	CIGARETTE TAX	\$10,000.00	\$10,000.00	\$10,000.00
\$31,889.00	\$240,104.17	\$0.00	GRANTS-CRF COVID-19	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$1,800,000.00	GRANTS-ARP#1	\$1,028,000.00	\$1,028,000.00	\$1,028,000.00
\$0.00	\$0.00	\$500,000.00	GRANTS-CRF-PARKS	\$0.00	\$0.00	\$0.00
\$335,517.83	\$167,934.65	\$132,057.00	INTEREST	\$140,000.00	\$140,000.00	\$140,000.00
\$46,711.74	\$46,939.07	\$48,000.00	NWNG FRANCHISE FEES	\$49,000.00	\$49,000.00	\$49,000.00
\$9,341.33	\$7,914.68	\$10,000.00	TELEPHONE FRANCHISE FEES	\$9,000.00	\$9,000.00	\$9,000.00
\$21,408.83	\$17,729.37	\$25,000.00	TV FRANCHISE FEES	\$15,500.00	\$15,500.00	\$15,500.00
\$75,000.00	\$75,000.00	\$75,000.00	PGE FRANCHISE FEES	\$75,000.00	\$75,000.00	\$75,000.00
\$0.00	\$0.00	\$50.00	GENERAL FRANCHISE FEES	\$50.00	\$50.00	\$50.00
\$4,214,958.06	\$4,512,838.86	\$6,635,107.00	TOTAL GENERAL REVENUES	\$5,588,250.00	\$5,588,250.00	\$5,588,250.00
			ADMINISTRATION REVENUES			
\$31,405.00	\$33,860.00	\$30,000.00	BUSINESS LICENSES	\$34,000.00	\$34,000.00	\$34,000.00
\$9,228.45	\$13,376.61	\$10,000.00	LEIN SEARCHES	\$30,000.00	\$30,000.00	\$30,000.00
\$10,861.00	\$33,086.80	\$20,000.00	SDC ADMINISTRATION FEE	\$10,000.00	\$10,000.00	\$10,000.00
\$14,021.04	\$15,198.78	\$20,000.00	GENERAL-MISCELLANEOUS	\$10,000.00	\$10,000.00	\$10,000.00
\$301,291.91	\$423,556.91	\$360,000.00	COST ALLOCATION PLAN	\$466,000.00	\$466,000.00	\$466,000.00
\$366,807.40	\$519,079.10	\$440,000.00	TOTAL ADMINISTRATION REVENUES	\$550,000.00	\$550,000.00	\$550,000.00
			Parks Revenue			
\$50,000.00	\$50,000.00	\$50,000.00	PGE Franchise	\$50,000.00	\$50,000.00	\$50,000.00
\$0.00	\$53,103.40	\$0.00	PARK DONATIONS	\$100.00	\$100.00	\$100.00
\$75.00	-\$25.00	\$100.00	PARK-KEY DEPOSITS	\$100.00	\$100.00	\$100.00
\$0.00	\$0.00	\$3,000.00	PARK-SPECIAL EVENT RENTAL FEE	\$3,000.00	\$3,000.00	\$3,000.00
\$13.38	\$20,006.85	\$100.00	PARKS-MISCELLANEOUS	\$0.00	\$0.00	\$0.00
\$50,088.38	\$123,085.25	\$53,200.00	TOTAL PARKS REVENUES	\$53,200.00	\$53,200.00	\$53,200.00
			Court Revenue			
\$197,337.88	\$240,376.88	\$200,000.00	COURT-PD FINES	\$175,000.00	\$175,000.00	\$175,000.00
\$0.00	\$0.00	\$10,000.00	COURT-NUISANCE/PLANNING FINES	\$10,000.00	\$10,000.00	\$10,000.00
\$197,337.88	\$240,376.88	\$210,000.00	TOTAL COURT REVENUES	\$185,000.00	\$185,000.00	\$185,000.00
			Police Revenue			
\$5,991.07	\$3,358.91	\$2,500.00	PD-ALARM PERMITS	\$11,000.00	\$11,000.00	\$11,000.00
\$700.00	\$1,600.00	\$1,000.00	PD-TOW FEES	\$1,000.00	\$1,000.00	\$1,000.00
\$946.00	\$1,060.00	\$1,000.00	PD-REPORTS	\$1,000.00	\$1,000.00	\$1,000.00
\$10,742.66	\$1,037.20	\$600.00	PD-MISCELLANEOUS	\$600.00	\$600.00	\$600.00
\$50,000.00	\$50,000.00	\$50,000.00	PD-SCHOOL RESOURCE OFFICER	\$50,000.00	\$50,000.00	\$50,000.00
\$0.00	\$0.00	\$0.00	PD-OT REIMBURSE	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	PD-DUII GRANT	\$0.00	\$0.00	\$0.00
\$0.00	\$1,038.00	\$1,500.00	PD-VEST GRANT	\$0.00	\$0.00	\$0.00
\$68,379.73	\$58,094.11	\$56,600.00	TOTAL POLICE REVENUES	\$63,600.00	\$63,600.00	\$63,600.00

**GENERAL FUND
RESOURCES**

Budget for Next FY 2022-2023

Historical Data			GENERAL FUND RESOURCES-continued	Budget for Next FY 2022-2023		
Actual		Adopted Budget		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	This Year Year 2021-2022				
			City Council Revenue			
\$0.00	\$38,251.84	\$0.00	COMM VISIONING GRANT&DONAT	\$0.00	\$0.00	\$0.00
\$400.00	\$0.00	\$0.00	VETERANS MEMORIAL DONATIONS	\$0.00	\$0.00	\$0.00
\$3,450.00	\$160.00	\$2,500.00	CELEBRATE MOLALLA	\$5,000.00	\$5,000.00	\$5,000.00
\$9,000.00	\$0.00	\$0.00	NATIVE AMERICAN ART WALK GRANT	\$0.00	\$0.00	\$0.00
\$12,850.00	\$38,411.84	\$2,500.00	TOTAL CITY COUNCIL REVENUES	\$5,000.00	\$5,000.00	\$5,000.00
			Planning Revenue			
\$30,000.00	\$0.00	\$0.00	ECONOMIC DEV GRANT-FF	\$0.00	\$0.00	\$0.00
\$48,393.15	\$58,626.17	\$45,000.00	PLANNING FEES	\$70,000.00	\$70,000.00	\$70,000.00
\$0.00	\$0.00	\$45,000.00	UGB STUDY GRANT	\$40,000.00	\$40,000.00	\$40,000.00
\$0.00	\$0.00	\$24,000.00	PARKS MASTER PLAN GRANT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$180,000.00	LOCAL GOV LAND GRANT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	EMER MGMT PLAN GRANT	\$75,000.00	\$75,000.00	\$75,000.00
\$0.00	\$0.00	\$0.00	TRAVEL OR DEST READY GRANT	\$75,000.00	\$75,000.00	\$75,000.00
\$78,393.15	\$58,626.17	\$294,000.00	TOTAL PLANNING REVENUES	\$260,000.00	\$260,000.00	\$260,000.00
\$4,988,814.60	\$5,550,512.21	\$7,691,407.00	TOTAL GENERAL FUND REVENUES	\$6,705,050.00	\$6,705,050.00	\$6,705,050.00
\$2,702,939.67	\$3,106,533.67	\$2,746,029.00	TOTAL FUND BALANCE	\$2,708,155.00	\$2,708,155.00	\$2,708,155.00
\$7,691,754.27	\$8,657,045.88	\$10,437,436.00	TOTAL ALL GENERAL FUND RESOURCES	\$9,413,205.00	\$9,413,205.00	\$9,413,205.00

TOTAL GENERAL FUND NET

\$7,691,754.27	\$8,657,045.88	\$10,437,436.00	TOTAL GENERAL FUND RESOURCES AND FB	\$9,413,205.00	\$9,413,205.00	\$9,413,205.00
\$4,627,931.82	\$5,162,089.90	\$10,437,436.00	TOTAL GENERAL FUND REQUIREMENTS	\$9,413,205.00	\$9,413,205.00	\$9,413,205.00
\$3,063,822.45	\$3,494,955.98	\$0.00	TOTAL NET GENERAL FUND	\$0.00	\$0.00	\$0.00

Administration Department



The Administration Department is the core functioning unit for the City of Molalla. General Fund Administration includes the City Manager's office, City Recorder's office, Human Resource, 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, city management, financial management and services, customer service, human resources, records management, risk management and information technology. A percentage of costs that are recorded to the General Fund are recovered through cost allocations. These percentages are reviewed each fiscal year by the Finance Department.

City Manager Office

The City Manager works to unite political leadership (City Council) with skilled administrative staff. The City Manager does this through broad authority to run the City by providing an annual Budget (adopted by Council), hiring Staff (personnel) and provision of public services such as streets, water sanitary sewer, parks, storm drainage public safety (police), finance administration, etc (City Charter Chapter VIII, Section 34).

City Recorders Office

The City Recorder serves as the clerk for the City Council through recording and archiving official records, city proceedings and legislative history of the City of Molalla and acts as the City's Elections Officer. The Recorder also provides internal support to all City departments regarding record management, legal records, deeds, liens, record requests, risk management, minutes and decision for City Council and all Committees and Commissions.

Finance Department

The Finance Department, under the administrative direction of the City Manager and Finance Director plans, organizes and directs the Finance, Court, Reception, Human Resources and Risk Management of the City. Providing internal management to Staff responsible for accounting, financial reporting, reception, investments, debt management grants, purchasing, budgeting, general ledger, payroll, personnel, utility billing, court, annual audit, property, liability, FMLA (Family Medical Leave Act) and workers comp.



Human Resource Department

Processes payroll and pays all vendors associated with payroll. Researches and stays up to date on all FMLA, BOLI, and current issues affecting staffing and payroll, job recruiting, employment listings, and processes all new hires.

Highlights

- Improvements made to remote networking allowing core departments to function from home as needed.
- Will continue to offer training.
- Received the Government Finance Officers Association (GFOA) award for the last two consecutive years, with anticipation of a third.
- Continue to use electronic filing systems.
- Launched Molalla Current, allowing transparency and communication with City related business to the public.

Changes from Prior Year

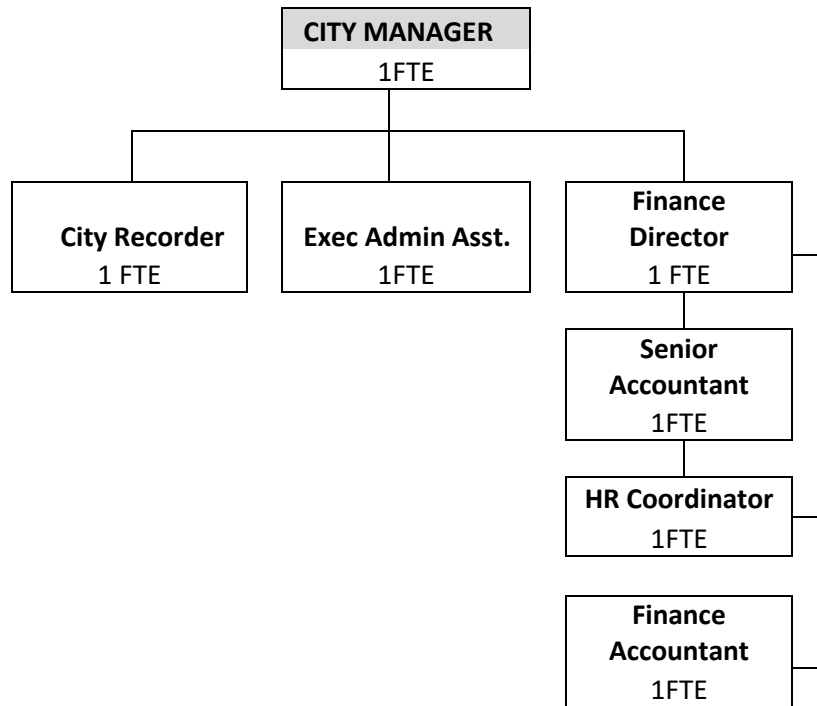
- Filled an HR position.
- Awarded ARPA Grants
- Continuing work to implement a strategic economic development plan.

Performance Measures

Strategic & Activity Measures	FY 2019-20	FY 2020-21	FY 2021-22 Estimated	FY 2022-23 Projected
City Council Meetings	18	17	24	24
City Council Executive Sessions	6	13	8	10
URA Meetings & Work sessions	17	18	10	20
Resolutions Adopted	18	19	15	18
Ordinance Adopted	17	12	8	10
Facebook Page Likes	1252	3762	4424	5600
Public Records Requests	31	32	65	70

Staffing

	FY 2019-20	FY 2020-21	FY 2021-22 Projected	FY 2022-23 Budgeted
City Manager	1	1	1	1
Finance Director	1	1	1	1
Senior Accountant	1	1	1	1
Exec Admin Assistant	.5	.5	.5	1
Accounting Specialist	.5	.5	.5	0
Finance Accountant				1
HR Coordinator			1	1
City Recorder	1	1	1	1



GENERAL FUND ADMINISTRATION DEPT

Historical Data			Budget for Next FY 2022-2023			
Actual						
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022	PERSONNEL SERVICES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$232,886.00	\$238,001.18	\$263,354.00	BENEFITS AND TAXES	\$338,180.00	\$338,180.00	\$338,180.00
\$476,687.15	\$501,998.20	\$579,000.00	SALARIES AND WAGES	\$694,100.00	\$694,100.00	\$694,100.00
\$709,573.15	\$739,999.38	\$842,354.00	TOTAL PERSONNEL SERVICES	\$1,032,280.00	\$1,032,280.00	\$1,032,280.00
5.00	5.00	6.00	FTE	7.00	7.00	7.00
			MATERIALS & SERVICES			
\$2,928.47	\$2,519.80	\$3,400.00	POWER	\$5,000.00	\$5,000.00	\$5,000.00
\$15,608.87	\$15,881.10	\$17,000.00	PHONE	\$17,500.00	\$17,500.00	\$17,500.00
\$16,855.98	\$26,052.28	\$18,000.00	OPERATIONS & MAINTENANCE	\$18,000.00	\$18,000.00	\$18,000.00
\$3,948.41	\$38,851.63	\$15,000.00	BUILDING MAINTENANCE	\$10,000.00	\$10,000.00	\$10,000.00
\$4,746.27	\$4,151.46	\$12,500.00	TRAINING & CONF. TRAVEL	\$12,500.00	\$12,500.00	\$12,500.00
\$12,888.06	\$10,746.46	\$12,000.00	DUES & MEMBERSHIP	\$12,000.00	\$12,000.00	\$12,000.00
-\$12,245.03	\$1,465.59	\$3,000.00	POSTAGE	\$2,800.00	\$2,800.00	\$2,800.00
\$1,174.18	\$4,015.45	\$10,000.00	PRINTING & PUBLICATIONS	\$5,000.00	\$5,000.00	\$5,000.00
\$22,162.96	\$540.82	\$50,000.00	PROFESSIONAL SERVICES	\$57,300.00	\$57,300.00	\$57,300.00
\$21,574.27	\$22,481.29	\$23,000.00	INSURANCE/LIABILITY/GEN	\$23,000.00	\$23,000.00	\$23,000.00
\$94.92	\$0.00	\$100.00	PARK-KEY DEPOSIT REFUNDS	\$0.00	\$0.00	\$0.00
\$2,747.89	\$2,661.27	\$3,500.00	CUSTODIAN	\$4,000.00	\$4,000.00	\$4,000.00
\$0.00	\$0.00	\$0.00	CUSTODIAL SUPPLIES	\$0.00	\$0.00	\$0.00
\$5,431.47	\$6,514.88	\$9,000.00	OFFICE SUPPLIES	\$6,500.00	\$6,500.00	\$6,500.00
\$824.78	\$8,418.64	\$30,000.00	CITY ATTORNEY	\$30,000.00	\$30,000.00	\$30,000.00
\$41,037.44	\$50,375.76	\$45,000.00	COMPUTER SERVICES	\$46,000.00	\$46,000.00	\$46,000.00
\$0.00	\$0.00	\$10,000.00	EMERGENCY MANAGEMENT	\$10,000.00	\$10,000.00	\$10,000.00
\$3,563.50	\$13,006.90	\$20,000.00	RECORDS MANAGEMENT	\$20,000.00	\$20,000.00	\$20,000.00
\$29,158.00	\$31,632.55	\$33,000.00	AUDITS & BUDGETS	\$50,000.00	\$50,000.00	\$50,000.00
\$0.00	\$175.00	\$0.00	MEETINGS	\$0.00	\$0.00	\$0.00
\$172,500.44	\$239,490.88	\$314,500.00	TOTAL MATERIALS & SERVICES	\$329,600.00	\$329,600.00	\$329,600.00

GENERAL FUND ADMINISTRATION

Budget for Next FY 2022-2023

Continued

Historical Data				Budget for Next FY 2022-2023		
Actual					Approved By	
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Proposed By Budget Officer	Budget Committee	Adopted By Governing Body
CAPITAL OUTLAY						
\$12,072.00	\$41,483.80	\$200,000.00	CAPITAL IMPROVEMENTS	\$100,000.00	\$100,000.00	\$100,000.00
\$0.00	\$0.00	\$1,800,000.00	GRANT-ARP#1	\$227,000.00	\$227,000.00	\$227,000.00
\$0.00	\$0.00	\$500,000.00	GRANT-CRF-PARKS	\$0.00	\$0.00	\$0.00
\$12,072.00	\$41,483.80	\$2,500,000.00	TOTAL CAPITAL OUTLAY	\$327,000.00	\$327,000.00	\$327,000.00
TRANSFERS OUT						
\$0.00	\$0.00	\$0.00	TRANSFER TO CAPITAL-ARPA	\$801,000.00	\$801,000.00	\$801,000.00
\$0.00	\$0.00	\$0.00	TRANSFER TO FLEET REPLACEMENT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TRANSFER CAPITAL	\$70,000.00	\$70,000.00	\$70,000.00
\$0.00	\$0.00	\$0.00	TOTAL TRANSFERS OUT	\$871,000.00	\$871,000.00	\$871,000.00
CONTINGENCY						
\$0.00	\$0.00	\$1,476,000.00	OPERATING CONTINGENCY	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00
\$0.00	\$0.00	\$1,476,000.00	TOTAL OPERATING CONTINGENCY	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00
FUND BALANCE/RESERVES						
\$0.00	\$0.00	\$200,000.00	FB RESERVE/PERS	\$200,000.00	\$200,000.00	\$200,000.00
\$0.00	\$0.00	\$0.00	FB RESERVE/PARKS EQUIPMENT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	FUND BALANCE UNALLOCATED	\$90,000.00	\$90,000.00	\$90,000.00
\$0.00	\$0.00	\$200,000.00	TOTAL RESERVES	\$290,000.00	\$290,000.00	\$290,000.00
\$894,145.59	\$1,020,974.06	\$5,332,854.00	TOTAL ADMINISTRATION REQUIREMENTS	\$4,349,880.00	\$4,349,880.00	\$4,349,880.00

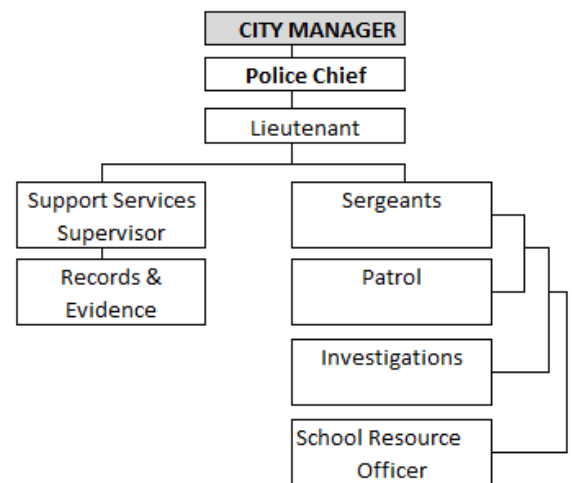
Police Department



community.

The 2022-2023 budget for the Molalla Police Department is modest but captures our essential goals. After a year of a pandemic and challenging police reforms, the Molalla Police Department was able to maintain patrol services and other essential services as we have finally been able to fully deploy the additional personnel put in place during the last budget cycle. As the police department grows it puts additional hardships on space and having an inadequate facility to conduct and provide services to the

The 2022-2023 budget for the Molalla Police Department is largely driven by the visioning goals set in place by both the department and Molalla’s visioning plan. During the last fiscal year, the department was able to utilize ARPA funding to purchase and create a body worn camera program. The body worn camera program is a huge milestone for the department and should be fully implemented by the end of March 2022. The department was also able to hire a civilian supervisor/administrative assistant to oversee the records and evidence department. With this new position we have been able to streamline many of our processes making the department more efficient and responsive both internally and externally with the community.



office and workspace for the police department. This will relieve some of the current pressure on space and confidentiality when its complete in April 2022.

In a collaborative effort between city and the council we were able to onboard a project management firm for the new police facility as well as create a community program committee to engage the public on the project. The city was able to purchase the Molalla Bowling Alley property and now has site for the new police facility. It was a daunting task to find suitable land and was accomplished through great work by the city in negotiating the land purchase. Currently the city is remodeling the upstairs of city hall into much needed

Highlights

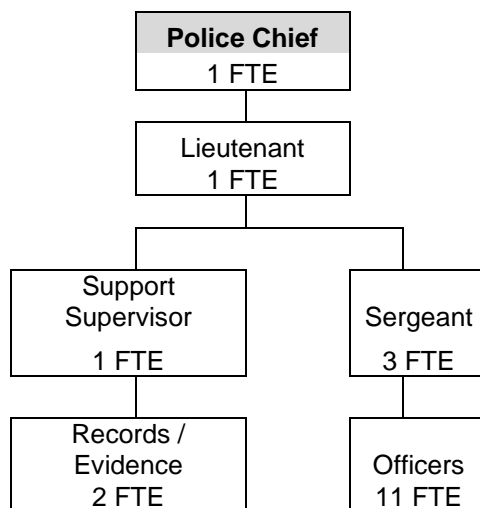
- Body Cameras funded by ARPA
- Hired a civilian supervisor/administrative assistant
- Secured property for the new Police Facility

Performance Measures

	FY 2019-20	FY 2020-21	FY 2021-22 Estimated	FY 2022-23 Projected
Offenses	1155	1123	1155	1170
Citations (Not Warnings)	763	721	730	750
Arrests	347	212	400	400

Staffing

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23 Projected
Full Time FTE's	17.0	18.5	19.0	19.0



GENERAL FUND POLICE DEPARTMENT

Budget for Next FY 2022-2023

Historical Data						
Actual						
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
			PERSONNEL SERVICES			
\$710,476.05	\$817,032.04	\$818,000.00	BENEFITS AND TAXES	\$861,000.00	\$861,000.00	\$861,000.00
\$1,568,493.40	\$1,671,610.12	\$1,761,000.00	SALARIES AND WAGES	\$1,917,100.00	\$1,917,100.00	\$1,917,100.00
\$2,278,969.45	\$2,488,642.16	\$2,579,000.00	TOTAL POLICE PERSONNEL SERVICES	\$2,778,100.00	\$2,778,100.00	\$2,778,100.00
17.00	18.50	19.00	FTE	19.00	19.00	19.00
			MATERIALS & SERVICES			
\$5,414.98	\$6,219.87	\$7,500.00	POWER	\$7,500.00	\$7,500.00	\$7,500.00
\$22,002.78	\$23,545.12	\$30,000.00	PHONE	\$25,000.00	\$25,000.00	\$25,000.00
\$39,011.00	\$43,638.00	\$55,000.00	CONNECTIVITY/INTERNET	\$70,000.00	\$70,000.00	\$70,000.00
\$10,295.62	\$10,944.45	\$20,000.00	OPERATIONS & MAINTENANCE	\$20,000.00	\$20,000.00	\$20,000.00
\$1,171.18	\$798.94	\$10,000.00	BUILDING MAINTENANCE	\$5,000.00	\$5,000.00	\$5,000.00
\$17,263.97	\$18,925.17	\$20,000.00	TRAINING & CONF. TRAVEL	\$20,000.00	\$20,000.00	\$20,000.00
\$1,267.20	\$1,700.30	\$2,500.00	DUES & MEMBERSHIP	\$2,000.00	\$2,000.00	\$2,000.00
\$755.56	\$443.75	\$2,500.00	POSTAGE	\$2,000.00	\$2,000.00	\$2,000.00
\$55,692.17	\$64,734.45	\$68,000.00	CONTRACTS & OBLIGATIONS	\$70,000.00	\$70,000.00	\$70,000.00
\$8,800.30	\$7,029.63	\$10,000.00	PROFESSIONAL SERVICES	\$10,000.00	\$10,000.00	\$10,000.00
\$45,781.95	\$47,500.00	\$42,000.00	INSURANCE/LIABILITY/GEN	\$42,000.00	\$42,000.00	\$42,000.00
\$38,216.61	\$39,263.25	\$50,000.00	VEHICLE FUEL	\$70,000.00	\$70,000.00	\$70,000.00
\$23,647.42	\$38,604.80	\$40,000.00	VEHICLE REPAIR	\$35,000.00	\$35,000.00	\$35,000.00
\$16,556.87	\$16,048.09	\$15,000.00	UNIFORMS	\$17,000.00	\$17,000.00	\$17,000.00
\$9,350.15	\$9,504.57	\$10,000.00	JANITOR	\$12,000.00	\$12,000.00	\$12,000.00
\$0.00	\$0.00	\$2,500.00	OFFICE SUPPLIES	\$700.00	\$700.00	\$700.00
\$115,399.34	\$107,657.00	\$120,000.00	CENTRAL DISPATCH	\$133,000.00	\$133,000.00	\$133,000.00
\$3,147.50	\$2,268.46	\$10,000.00	LEGAL SERVICES	\$5,000.00	\$5,000.00	\$5,000.00
\$5,271.41	\$3,841.94	\$7,000.00	OFFICE MACHINES & MAINT	\$4,000.00	\$4,000.00	\$4,000.00
\$17,492.74	\$15,942.65	\$23,000.00	FIREARMS	\$18,000.00	\$18,000.00	\$18,000.00
\$73,826.19	\$14,307.78	\$25,000.00	COMPUTER SVC,REP & UPGRADES	\$25,000.00	\$25,000.00	\$25,000.00
\$25,045.36	\$16,055.45	\$40,000.00	SUPPLIES / EQUIPMENT	\$36,000.00	\$36,000.00	\$36,000.00
\$535,410.30	\$488,973.67	\$610,000.00	TOTAL MATERIALS & SERVICES	\$629,200.00	\$629,200.00	\$629,200.00

Historical Data			GENERAL FUND	Budget for Next FY 2022-2023		
Actual			POLICE			
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022	MATERIAL & SERVICES-cont	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			CAPITAL OUTLAY			
\$71,153.44	\$0.00	\$0.00	EMERGENCY VEHICLES	\$0.00	\$0.00	\$0.00
\$71,153.44	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00
			TRANSFERS OUT			
\$100,000.00	\$300,000.00	\$500,000.00	TRANSFER TO CAP PROJECTS-PD	\$500,000.00	\$500,000.00	\$500,000.00
\$50,000.00	\$70,000.00	\$70,000.00	TRANSFER TO POLICE FLEET RES	\$110,000.00	\$110,000.00	\$110,000.00
\$150,000.00	\$370,000.00	\$570,000.00	TOTAL TRANSFERS OUT	\$610,000.00	\$610,000.00	\$610,000.00
\$3,035,533.19	\$3,347,615.83	\$3,759,000.00	TOTAL POLICE REQUIREMENTS	\$4,017,300.00	\$4,017,300.00	\$4,017,300.00

Municipal Court Department

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. As of November 1, 2021 the courthouse location moved to the Molalla Civic Center located at 315 Kennel Avenue, Molalla, OR 97038.

Municipal Court for the City of Molalla constitutes the City’s chartered judicial tribunal and hears cases arising under the Molalla Municipal Code, the Oregon Vehicle Code, and all misdemeanor charges, both traffic and non-traffic, excluding Driving Under the Influence of Intoxicants (DUII). DUII cases are currently referred to the Clackamas County Circuit Court.

However, soon Molalla Municipal Court will be processing Driving Under the Influence of Intoxicants and will no longer be referring them to Clackamas County. The change is expected to be fully operational by July 1, 2022.

Highlights

- Personnel Decreased by .25 FTE
- Court Processed \$240,376.88 in fine revenue for the year ending 2021.

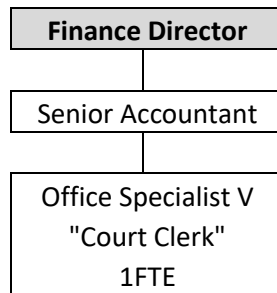
Performance Measures

Activity Measures	FY 2019-20	FY 2020-21	FY 2021-22 Projected	FY 2022-23 Projected
Misc. Violations, (MIP, Tobacco/MJ, Bikes, etc.)	15	10	14	13
Misdemeanor	139	120	147	160
Parking	3	12	2	3
Traffic	766	544	595	635

Note: Parking has decreased due to State Statutes, limited to City limits

Staffing

Full Time FTE's	FY2019-20	FY 2020-21	FY 2021-22	FY 2022-23 Projected
Court Clerk	.75	.75	1.0	1.0



GENERAL FUND MUNICIPAL COURT

Historical Data			Budget for Next FY 2022-2023			
Actual						
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
			PERSONNEL SERVICES			
\$16,931.03	\$35,984.79	\$38,250.00	BENEFITS AND TAXES	\$35,800.00	\$35,800.00	\$35,800.00
\$97,905.45	\$114,280.35	\$137,000.00	SALARIES AND WAGES	\$67,500.00	\$67,500.00	\$67,500.00
\$114,836.48	\$150,265.14	\$175,250.00	TOTAL PERSONNEL SERVICES	\$103,300.00	\$103,300.00	\$103,300.00
0.75	0.75	1.00	FTE	1.00	1.00	1.00
			MATERIALS & SERVICES			
\$652.61	\$621.99	\$900.00	POWER	\$750.00	\$750.00	\$750.00
\$10,032.27	\$7,933.04	\$13,500.00	PHONE/COMPUTER/CONNECTIVITY	\$8,300.00	\$8,300.00	\$8,300.00
\$4,272.55	\$11,669.99	\$4,200.00	OPERATIONS & MAINTENANCE	\$4,200.00	\$4,200.00	\$4,200.00
\$1,021.80	\$2,934.23	\$6,000.00	BUILDING MAINTENANCE	\$3,000.00	\$3,000.00	\$3,000.00
\$0.00	\$100.00	\$800.00	TRAINING & CONF. TRAVEL	\$500.00	\$500.00	\$500.00
\$107.80	\$370.70	\$300.00	DUES & MEMBERSHIP	\$400.00	\$400.00	\$400.00
\$1,759.02	\$459.00	\$500.00	POSTAGE	\$550.00	\$550.00	\$550.00
\$105.00	\$0.00	\$500.00	PRINTING & PUBLICATIONS	\$500.00	\$500.00	\$500.00
\$75.00	\$7,507.85	\$1,000.00	PROFESSIONAL SERVICES	\$90,000.00	\$90,000.00	\$90,000.00
\$3,133.22	\$3,644.09	\$3,900.00	INSURANCE/LIABILITY/GEN	\$2,900.00	\$2,900.00	\$2,900.00
\$866.50	\$1,265.65	\$600.00	JANITOR	\$2,000.00	\$2,000.00	\$2,000.00
\$2,208.72	\$2,731.77	\$1,500.00	OFFICE SUPPLIES	\$1,500.00	\$1,500.00	\$1,500.00
\$12,600.00	\$10,950.00	\$15,000.00	COURT APPOINTED ATTORNEY	\$15,000.00	\$15,000.00	\$15,000.00
\$0.00	\$0.00	\$0.00	COMPUTER SERVICES	\$2,000.00	\$2,000.00	\$2,000.00
\$610.00	-\$5.00	\$1,000.00	BAIL REFUND	\$500.00	\$500.00	\$500.00
\$19,113.07	\$23,400.31	\$25,000.00	CLACKAMAS COUNTY	\$0.00	\$0.00	\$0.00
\$5,076.56	\$10,303.53	\$10,000.00	OR DEPT OF REVENUE	\$0.00	\$0.00	\$0.00
\$527.49	\$822.87	\$2,000.00	VICTIM RESTITUTION	\$1,500.00	\$1,500.00	\$1,500.00
\$62,161.61	\$84,710.02	\$86,700.00	TOTAL MATERIALS & SERVICES	\$133,600.00	\$133,600.00	\$133,600.00
\$176,998.09	\$234,975.16	\$261,950.00	TOTAL COURT REQUIREMENTS	\$236,900.00	\$236,900.00	\$236,900.00

City Council Department

The City Council consists of the Mayor and six Councilors. This duly elected body serves the City of Molalla as the highest-ranking elected body within the Molalla city limits. Council provides input and governance over policy, approval of certain contracts, goal setting, adopting the annual budget, employing the City Manager and Municipal Court Judge and offers guidance to ensure and establish rules and regulations for the City of Molalla.



Highlights

- Continuing to increase public outreach through transparency and communication.
- Continuing to offer online in-person training through the LOC when available.
- New council chambers at the Civic Center.



Mayor

Scott Keyser
Elected 11/3/2020
Term Ends 12/31/2024

Councilor

Crystal Robles
Elected 11/3/2020
Term Ends 12/31/2024

Council President

Jody Newland
Elected 11/3/2020
Term Ends 12/31/2024

Councilor

Terry Shankle
Elected 11/6/2018
Term Ends 12/31/2022

Councilor

Leota Childress
Elected 11/6/2018
Term Ends 12/31/2022

Councilor

Elizabeth Klein
Elected 11/6/2018
Term Ends 12/31/2022

Councilor

Eric Vermillion
Appointed 12/22/2021
Term Ends 12/31/2024

GENERAL FUND CITY COUNCIL DEPARTMENT

Historical Data			Budget for Next FY 2022-2023			
Actual						
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
MATERIALS & SERVICES						
\$1,034.06	\$1,212.15	\$1,100.00	OPERATIONS & MAINTENANCE	\$1,100.00	\$1,100.00	\$1,100.00
\$1,352.40	\$1,208.92	\$2,000.00	TRAINING	\$5,000.00	\$5,000.00	\$5,000.00
\$875.00	\$618.00	\$800.00	DUES & MEMBERSHIP	\$800.00	\$800.00	\$800.00
\$4.00	\$4.00	\$50.00	POSTAGE	\$50.00	\$50.00	\$50.00
\$0.00	\$0.00	\$0.00	Legal Services	\$6,500.00	\$6,500.00	\$6,500.00
\$7,227.00	-\$2,248.16	\$20,000.00	VISIONING GRANT	\$19,400.00	\$19,400.00	\$19,400.00
\$1,923.26	\$0.00	\$0.00	NATIVE AMERICAN WALK GRANT	\$0.00	\$0.00	\$0.00
\$8,151.46	-\$313.75	\$9,000.00	CELEBRATE MOLALLA	\$12,000.00	\$12,000.00	\$12,000.00
\$469.19	\$0.00	\$0.00	VETERANS MEMORIAL FUND	\$0.00	\$0.00	\$0.00
\$6,380.00	\$5,628.23	\$6,500.00	BANNER PROJECT	\$6,500.00	\$6,500.00	\$6,500.00
\$12,761.40	\$13,900.00	\$15,000.00	MEETINGS AND STIPENDS	\$14,000.00	\$14,000.00	\$14,000.00
\$6,228.11	\$5,124.58	\$5,000.00	SPECIAL COUNCIL PROJECTS	\$5,000.00	\$5,000.00	\$5,000.00
\$46,405.88	\$25,133.97	\$59,450.00	TOTAL MATERIALS & SERVICES	\$70,350.00	\$70,350.00	\$70,350.00
\$46,405.88	\$25,133.97	\$59,450.00	TOTAL COUNCIL REQUIREMENTS	\$70,350.00	\$70,350.00	\$70,350.00

Parks Department

The Park Fund is part of the General Fund budget and provides the funding for the manpower, equipment, and supplies necessary to operate and maintain city parks and park structures. While the Personnel costs for this year are projected to increase slightly to account for cost of living and step increases in wages, the costs for Materials and Services, and Capital Outlay are projected to decrease by more than 30% combined. This is due to a substantial infusion of Capital Improvement funding into our City Parks projected this fiscal year from Parks System Development Charges, donations from community partners, and specific purpose grant funding.

While the mentioned funding infusion can only be used for certain Capital Projects as opposed to operations, maintenance and associated manpower, brand new equipment and facilities require less maintenance thus displacing some of the maintenance costs typically included in this portion of the fund. However, new and replacement facilities have been added in fiscal year 21-22 (e.g. *Clark Park ADA Pathway, new Wayfinding Kiosks, replacement playground equipment at Fox Park and Long Park*), and more are slated for this fiscal year (*Chief Yelkus Park and Strawberry Park; see Capital Improvement Fund Narrative for Details*). This means additional funding requirements to operate and maintain new facilities, and renewed funding requirements to operate and maintain replacement facilities as they age. So, it must be noted that the cost savings projected for this fiscal year will be offset, and likely exceeded by increased demand associated with the new and replacement facilities in the future.



Parks Crew Installing Kiosk at Clark Park



New Playground Structure for Fox Park

In Fiscal Year 21-22, the Parks Fund provided funding for the overall maintenance and operations of all City Parks, in addition to supporting several Capital Improvements including in-kind match funding that allowed city staff to install wayfinding Kiosks at Clark Park, Fox Park, and Long Park, and partial funding for the design and purchase of new playground equipment at Fox Park selected through a community process championed by the Parks Community Program Committee.

Highlights

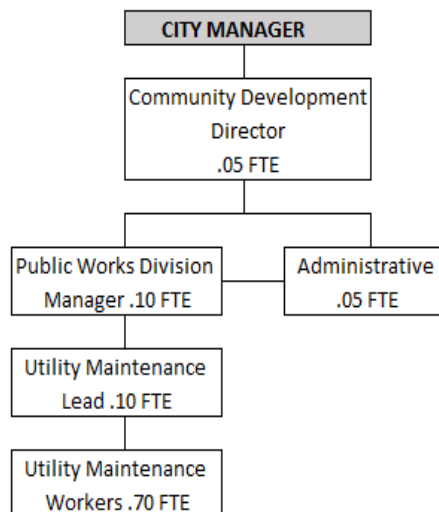
- Kiosk's installed at various parks
- Will purchase new playground equipment for Fox Park.
- Planning stages of adding (2) new parks Chief Yelkus, and Strawberry Park.
- Completed the Bike Ped Bath down OR 211

Activity Measures

Activity Measures	2020-21	2019-20	2020-21	2021-22 Projected
Park Rentals	25	26	15	30
Dog Poo Removed from Park (bags)	No Data	No Data	22745	22,800

Staffing

	FY2019-20	FY 2020-21	FY 2021-22	FY 2022-23 Projected
Full Time FTE's	1.0	.86	.86	1.0

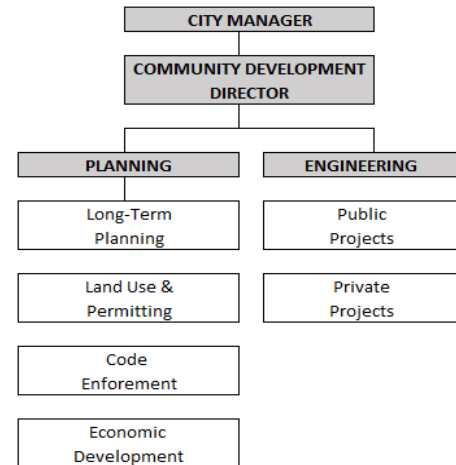


GENERAL FUND PARKS DEPARTMENT

Historical Data			Budget for Next FY 2022-2023			
Actual						
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
			PERSONNEL SERVICES			
\$30,788.72	\$33,540.47	\$38,200.00	BENEFITS AND TAXES	\$41,900.00	\$41,900.00	\$41,900.00
\$60,820.15	\$61,823.82	\$64,400.00	SALARIES AND WAGES	\$67,250.00	\$67,250.00	\$67,250.00
\$91,608.87	\$95,364.29	\$102,600.00	TOTAL PERSONNEL SERVICES	\$109,150.00	\$109,150.00	\$109,150.00
1.00	0.86	0.86	FTE	1.00	1.00	1.00
			MATERIALS & SERVICES			
\$467.40	\$621.98	\$1,000.00	POWER	\$550.00	\$550.00	\$550.00
\$0.00	\$0.00	\$2,400.00	PHONE	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$500.00	NATURAL GAS	\$0.00	\$0.00	\$0.00
\$26,296.63	\$22,501.12	\$30,500.00	OPERATIONS & MAINTENANCE	\$30,000.00	\$30,000.00	\$30,000.00
\$4,155.51	\$2,476.86	\$5,000.00	BUILDING MAINTENANCE	\$2,500.00	\$2,500.00	\$2,500.00
\$609.46	-\$25.00	\$500.00	TRAINING & CERTIFICATES	\$650.00	\$650.00	\$650.00
\$104.80	\$130.70	\$500.00	DUES & MEMBERSHIP	\$175.00	\$175.00	\$175.00
\$112.99	\$109.00	\$50.00	POSTAGE	\$50.00	\$50.00	\$50.00
\$163.79	\$0.00	\$2,700.00	COMPUTER NETWORK	\$0.00	\$0.00	\$0.00
\$18,836.89	\$9,392.25	\$2,500.00	PROFESSIONAL SERVICES	\$2,650.00	\$2,650.00	\$2,650.00
\$6,266.44	\$7,700.00	\$7,700.00	INSURANCE/LIABILITY/GEN	\$5,600.00	\$5,600.00	\$5,600.00
\$1,469.68	\$1,209.19	\$2,500.00	GAS & VEHICLE MAINTENANCE	\$2,000.00	\$2,000.00	\$2,000.00
\$2,081.68	\$2,777.51	\$6,500.00	VEHICLE REPAIR	\$2,500.00	\$2,500.00	\$2,500.00
\$978.83	\$737.67	\$1,200.00	UNIFORM & SAFETY GEAR	\$200.00	\$200.00	\$200.00
\$1,206.29	\$1,646.80	\$1,000.00	SMALL EQUIPMENT/TOOLS	\$1,000.00	\$1,000.00	\$1,000.00
\$1,999.90	\$216.49	\$2,500.00	SIGNS	\$200.00	\$200.00	\$200.00
\$64,750.29	\$49,494.57	\$67,050.00	TOTAL MATERIALS & SERVICES	\$48,075.00	\$48,075.00	\$48,075.00
			CAPITAL OUTLAY			
\$0.00	\$0.00	\$87,000.00	CAPITAL IMPROVEMENTS	\$128,700.00	\$128,700.00	\$128,700.00
\$0.00	\$0.00	\$87,000.00	TOTAL CAPITAL OUTLAY	\$128,700.00	\$128,700.00	\$128,700.00
			TRANSFERS OUT			
\$7,900.00	\$7,900.00	\$7,900.00	TRANSFER TO FLEET REPLACEMENT	\$7,900.00	\$7,900.00	\$7,900.00
\$7,900.00	\$7,900.00	\$7,900.00	TOTAL TRANSFERS OUT	\$7,900.00	\$7,900.00	\$7,900.00
\$164,259.16	\$152,758.86	\$264,550.00	TOTAL PARKS REQUIREMENTS	\$293,825.00	\$293,825.00	\$293,825.00

Planning Department

The Planning Division 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, Economic Development program, short and long-range planning, facilitates the Planning Commission, and assists in the development of master planning documents and community outreach.



Development in the city continues to flow at record rates with 11 Type III approvals (Commercial, Industrial, Multi-Family, Subdivision), 23 building permit approvals, 39 Type I permit approvals, and 2 annexation approvals from July 1, 2021 - March 11, 2022. There are at least 9 more Type III applications in the hopper or on the way.

During the course of FY21-22, the Planning Department became a Division of the Community Development Department, the Planning Director moved to Community Development Director, the Associate Planner was promoted to Senior Planner, and the Administrative Assistant moved to Planning Specialist.

The Planning Division facilitated development of the new Beautification and Culture Community Program Committee (CPC) which merged the duties of the Economic Development CPC, and the Arts and Culture CPC to reconcile mission overlap and prevent volunteer and staff burnout. But first, the Branding Action Team, under the Economic Development CPC assisted in development of a new Economic Development logo and slogan for the City.

The division was also awarded a Travel Oregon grant to place 4 new wayfinding kiosks around town (see The Molalla Current for details) adorned with a map designed by a professional graphic designer. The Beautification and Culture CPC is presently hosting a Community Art Contest to place local art on the reverse side of the new kiosks, QR codes linking a digital map of local businesses, and sponsorships from interested community members and partners.

Additionally, the division added rolled out a new tool at this year’s Celebrate Molalla to promote community outreach and engagement along with a system to provide emergency text message

notifications and a monthly e-newsletter. This new system is known as The Molalla Current; you can view it and/or register at current.cityofmolalla.com.

This year's budget anticipates continuation of the historic growth in Molalla, and like last year's anticipates several grants to aid in various division activities:



- 1) Division staff applied for and were awarded a grant from Department of Land Conservation and Development to perform a Housing Needs Analysis and develop a Housing Production Strategy. This work is legally required of cities over 10,000 in population and will provide one of the background studies relevant to expansion of the Urban Growth Boundary which is legally required to contain a 20-year land supply to meet growth forecasts.
- 2) A Destination Ready Grant from Travel Oregon that we anticipate will stem from the Destination Assessment of the Molalla River Corridor funded by Travel Oregon through our Clackamas County Tourism Partners, Mt. Hood Territory, and being performed by a group of community members and community partners.
- 3) An Emergency Management Plan Grant to overhaul and update the City's current Emergency Management Plan, with the added wisdom gained during the wildfires, ice storm, and pandemic.

Current Planning Commission Members

Rae Lynn Botsford (Chair)	
Doug Eaglebear	Jennifer Satter
Connie Farrens	Jacob Giberson
Clint Ancel	Rick Deaton



Highlights

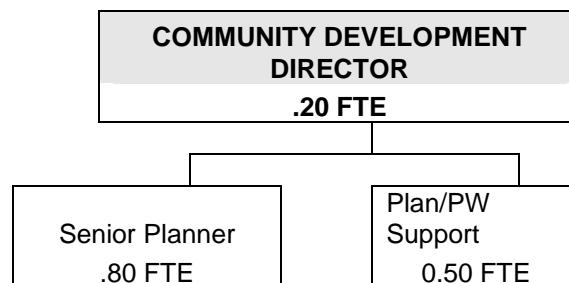
- Completed the Economic Development Plan.
- Updated Several Ordinances No 2021-05 Mobile Food units, No 2021-09 Amending MMC to Comply HB 2001, No 20021-10 Amending Code – Dwelling in Commercial and Industrial Zones.
- Awarded Travel Oregon Grant
- Anticipation of grants from Dept of Land & Conservation, Travel Oregon, Emergency Management Plan.

Performance Measures

Planning Measures Processed	2019	2020	2021
# of all land use decisions & authorizations issued	102	89	198
# of Single-Family Units Permitted	11	11	20
# of Multi-Family Units Permitted	2	40	8
# of Commercial and Industrial Units Permitted	4	6	7
# of affordable housing units Permitted	0	0	0

Staffing

	19-20	20-21	21-22	22-23
Staffing Full Time FTE's	1.0	2.0	2.5	1.5



GENERAL FUND PLANNING DEPARTMENT

Historical Data			Budget for Next FY 2022-2023			
Actual			REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2019-2020	1st Preceding Year 2021-2021	Adopted Budget This Year Year 2021-2022				
			PERSONNEL SERVICES			
\$76,672.39	\$75,890.00	\$89,400.00	BENEFITS AND TAXES	\$60,100.00	\$60,100.00	\$60,100.00
\$152,482.37	\$150,887.53	\$198,000.00	SALARIES AND WAGES	\$119,350.00	\$119,350.00	\$119,350.00
\$229,154.76	\$226,777.53	\$287,400.00	TOTAL PERSONNEL SERVICES	\$179,450.00	\$179,450.00	\$179,450.00
2.50	2.50	2.50	FTE	1.50	1.50	1.50
			MATERIALS & SERVICES			
\$652.67	\$621.98	\$1,339.00	POWER	\$1,300.00	\$1,300.00	\$1,300.00
\$10,140.06	\$2,965.45	\$10,000.00	PHONE	\$9,000.00	\$9,000.00	\$9,000.00
\$7,886.05	\$6,787.38	\$5,000.00	OPERATIONS & MAINTENANCE	\$5,000.00	\$5,000.00	\$5,000.00
\$21.00	\$32.21	\$500.00	BUILDING MAINTENANCE	\$500.00	\$500.00	\$500.00
\$1,456.94	\$429.00	\$2,000.00	TRANING & CONF. TRAVEL	\$2,500.00	\$2,500.00	\$2,500.00
\$0.00	\$0.00	\$0.00	TRANING & CONF. TRAVEL-Code	\$0.00	\$0.00	\$0.00
\$1,334.40	\$516.00	\$1,000.00	DUES & MEMBERSHIP	\$1,500.00	\$1,500.00	\$1,500.00
\$3,503.10	\$1,026.41	\$1,500.00	POSTAGE-PLANNING	\$1,500.00	\$1,500.00	\$1,500.00
\$808.51	\$1,702.00	\$2,000.00	PRINTING & PUBLICATIONS	\$2,500.00	\$2,500.00	\$2,500.00
\$3,879.25	\$3,305.55	\$10,000.00	PROFESSIONAL SERVICES	\$7,500.00	\$7,500.00	\$7,500.00
\$5,839.66	\$26,241.95	\$0.00	ECONOMIC DEVELOPMENT PLAN	\$0.00	\$0.00	\$0.00
\$2,992.09	\$3,644.09	\$3,750.00	INSURANCE/LIABILITY/GEN	\$3,900.00	\$3,900.00	\$3,900.00
\$1,034.52	\$1,520.70	\$1,133.00	CUSTODIAN	\$2,500.00	\$2,500.00	\$2,500.00
\$1,876.64	\$1,498.23	\$1,750.00	OFFICE SUPPLIES	\$1,000.00	\$1,000.00	\$1,000.00
\$38,807.66	\$99,508.34	\$10,000.00	CITY ATTORNEY-PLANNING	\$12,000.00	\$12,000.00	\$12,000.00
\$1,185.60	\$1,938.60	\$2,060.00	COMPUTER SERVICES	\$2,300.00	\$2,300.00	\$2,300.00
\$16.99	\$2,116.60	\$4,200.00	MEETINGS AND BOARDS	\$2,500.00	\$2,500.00	\$2,500.00
\$0.00	\$0.00	\$45,000.00	UGB STUDY GRANT	\$40,000.00	\$40,000.00	\$40,000.00

Historical Data			PLANNING DEPARTMENT	Budget for Next FY 2022-2023		
Actual			REQUIREMENTS	Proposed By	Approved By	Adopted By
2nd Preceding Year 2019-2020	1st Preceding Year 2021-2021	Adopted Budget This Year Year 2021-2022		Budget Officer	Budget Com.	Gov. Body
			MATERIALS & SERVICES (Cont)			
\$0.00	\$0.00	\$5,000.00	UGB STUDY GRANT-MATCH	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$24,000.00	PARKS MASTER GRANT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$16,000.00	PARKS MASTER PLAN GRANT-MATCH	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$180,000.00	LOCAL GOV LAND GRANT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$120,000.00	LOCAL GOV LAND GRANT-MATCH	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$23,500.00	AMERICORPS RARE PARTICIPANT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$2,000.00	AMERICORPS RARE PROJECTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	EMER MGMT PLAN GRANTAND MATCH	\$90,000.00	\$90,000.00	\$90,000.00
\$0.00	\$0.00	\$0.00	DESTINATION READY GRANT& MATCH	\$80,000.00	\$80,000.00	\$80,000.00
\$0.00	\$0.00	\$500.00	POSTAGE-CODE ENFORCEMENT	\$0.00	\$0.00	\$0.00
\$81,435.14	\$153,854.49	\$472,232.00	TOTAL MATERIALS & SERVICES	\$265,500.00	\$265,500.00	\$265,500.00
\$310,589.90	\$380,632.02	\$759,632.00	TOTAL PLANNING REQUIREMENTS	\$444,950.00	\$444,950.00	\$444,950.00



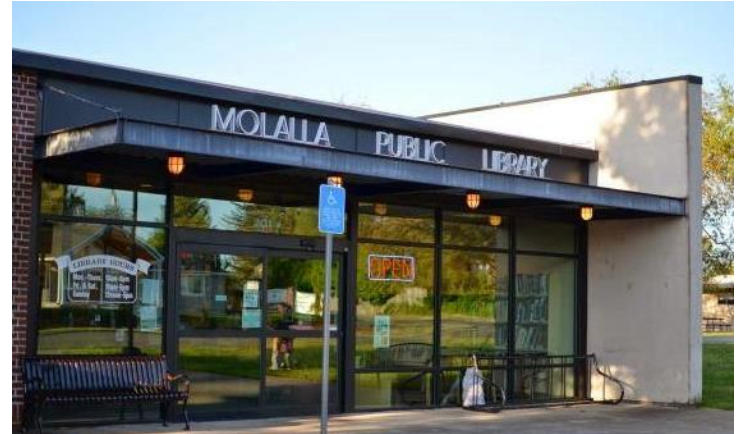
This page intentionally left blank

SPECIAL REVENUE



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 reopened its doors to the public in addition to continuing to provide curbside service, curated book boxes, virtual programs, and delivery of materials to homebound patrons. Library staff have started visiting daycare facilities, apartment complexes, and Head Start. Next fiscal year, we will have our bookmobile van and be able to increase outreach substantially.



The budget prepared for next year reflects adding the bookmobile to our Library and associated expenses. Other expenses reflect meeting the needs of the community for quality programs for all ages, electronic publications, and new technology. Increases also reflect the rising cost of doing business day to day.



Our budget is healthy and sustainable. It allows Library staff to continue to welcome our patrons, reach out to those who are unable to come to the library, grow with our community with updated resources, outreach, and educational and family friendly events.

Performance Measures

Why are these performance measures important?

- Circulation is a traditional indicator of library use and helps verify the local collection of materials is addressing community needs.
- Circulation of downloadable/streaming materials shows recognition of current trends and the library's ability to keep up with trends and the community's needs.
- Participation in library programs shows the library's ability to meet the educational and entertainment needs of the community.

Activity Measures

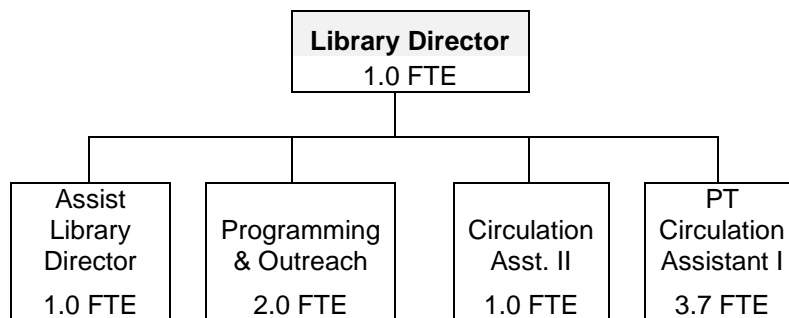
Activity Measures	FY 2019-20	FY 2020-21	FY 2021-22 Estimated
Materials Circulation	199,486	127,000	159,177
Downloads/Streaming Circulation	16,868	19,200	18,500
Participation in Programs	6,724	5,128	5,400

Staffing

Staffing (FTE)	FY 2019-20	FY 2020-21	FY 2021-22 Estimated	FY 2022 -23 Projected
Full Time FTE	8.2	8.7	8.7	8.7

Changes from Prior Year

- In person cooking classes have started back up.
- In person group meetings ex, Make it Monday's, Teen Steam, Teen Club
- In Person Story Time
- Performers on site



Coming this year, the Book Mobile! Stay tuned!

Capitol

- Five Year Plan

Molalla Public Library Capital Improvement Projects

PROJECT TASKS	2022/23	2023/24	2024/25	2025/26	2027/28	TOTAL COST
	ESTIMATE (\$)	ESTIMATE (\$)	ESTIMATE (\$)	ESTIMATE (\$)	ESTIMATE (\$)	
<i>Upgrade computers/other hardware</i>	\$17,000.00	\$7,500.00	\$18,000.00	\$7,500.00	\$7,500.00	\$57,500.00
Subtotal	\$17,000.00	\$7,500.00	\$18,000.00	\$7,500.00	\$7,500.00	\$57,500.00
NEW FACILITY						
<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
Subtotal	\$0.00	\$0.00	\$0.00	\$25,000.00	\$535,000.00	\$560,000.00
<i>Preparation for new construction</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Landscaping for new facility</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotals	\$0.00	\$7,500.00	\$18,000.00	\$32,500.00	\$542,500.00	\$617,500.00
Risk (Contingency)	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$750,000.00
Total (Scheduled)		\$157,500.00	\$168,000.00	\$182,500.00	\$692,500.00	\$1,367,500.00

LIBRARY FUND

Historical Data
Actual

Budget for Next FY 2022-2023

2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022	RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$1,782,846.89	\$1,873,941.24	\$1,977,378.00	BEGINNING FUND BALANCE	\$1,932,401.00	\$1,932,401.00	\$1,932,401.00
			REVENUE			
\$955,867.00	\$1,003,215.00	\$995,000.00	COUNTY FUNDS	\$1,045,000.00	\$1,045,000.00	\$1,045,000.00
\$0.00	\$0.00	\$850,000.00	LIBRARY DISTRICT CAPITAL FUNDS	\$850,000.00	\$850,000.00	\$850,000.00
\$4,304.00	\$4,304.00	\$4,400.00	GRANTS	\$4,600.00	\$4,600.00	\$4,600.00
\$2,277.20	\$0.00	\$100.00	COPIER INCOME	\$1,500.00	\$1,500.00	\$1,500.00
\$8.60	\$95.00	\$100.00	MISC	\$100.00	\$100.00	\$100.00
\$9,179.37	\$138.14	\$4,500.00	FINES	\$4,500.00	\$4,500.00	\$4,500.00
\$2,367.82	\$1,200.00	\$500.00	DONATIONS	\$750.00	\$750.00	\$750.00
\$974,003.99	\$1,008,952.14	\$1,854,600.00	TOTAL FUND REVENUES	\$1,906,450.00	\$1,906,450.00	\$1,906,450.00
\$1,782,846.89	\$1,873,941.24	\$1,977,378.00	TOTAL BEGINNING FUND BALANCE	\$1,932,401.00	\$1,932,401.00	\$1,932,401.00
\$2,756,850.88	\$2,882,893.38	\$3,831,978.00	TOTAL LIBRARY FUND RESOURCES	\$3,838,851.00	\$3,838,851.00	\$3,838,851.00

Historical Data			LIBRARY FUND	Budget for Next FY 2022-2023		
Actual				REQUIREMENTS	Proposed By	Approved By
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year 2021-2022		Budget Officer	Budget Committee	Governing Body
			PERSONNEL SERVICES			
\$180,740.93	\$159,919.78	\$201,600.00	BENEFITS AND TAXES	\$222,204.00	\$222,204.00	\$222,204.00
\$367,561.41	\$323,864.47	\$438,920.00	SALARIES AND WAGES	\$456,949.00	\$456,949.00	\$456,949.00
\$548,302.34	\$483,784.25	\$640,520.00	TOTAL PERSONNEL SERVICES	\$679,153.00	\$679,153.00	\$679,153.00
8.20	8.20	8.70	FTE	8.70	8.70	8.70
			MATERIALS & SERVICES			
\$7,656.14	\$6,453.53	\$11,500.00	POWER	\$9,500.00	\$9,500.00	\$9,500.00
\$7,394.18	\$6,117.82	\$8,800.00	PHONE	\$12,000.00	\$12,000.00	\$12,000.00
\$1,240.24	\$1,452.43	\$1,500.00	NW NATURAL GAS	\$2,000.00	\$2,000.00	\$2,000.00
\$2,630.66	\$4,417.27	\$6,000.00	OPERATIONS & MAINTENANCE	\$7,500.00	\$7,500.00	\$7,500.00
\$31,222.75	\$18,674.78	\$95,000.00	BUILDING MAINTENANCE	\$40,000.00	\$40,000.00	\$40,000.00
\$2,323.05	\$1,930.39	\$5,000.00	TRAINING & CONF. TRAVEL	\$5,000.00	\$5,000.00	\$5,000.00
\$304.40	\$798.10	\$1,000.00	DUES & MEMBERSHIP	\$1,000.00	\$1,000.00	\$1,000.00
\$570.25	\$310.16	\$400.00	POSTAGE	\$750.00	\$750.00	\$750.00
\$3,397.80	\$0.00	\$5,000.00	PROFESSIONAL SERVICES	\$5,000.00	\$5,000.00	\$5,000.00
\$12,667.77	\$16,634.35	\$17,500.00	INSURANCE/LIABILITY/GEN	\$21,000.00	\$21,000.00	\$21,000.00
\$56,273.93	\$59,487.10	\$62,000.00	BOOKS	\$64,000.00	\$64,000.00	\$64,000.00
\$14,045.80	\$10,340.91	\$9,000.00	E-PUBLICATIONS	\$17,500.00	\$17,500.00	\$17,500.00
\$5,102.62	\$5,716.93	\$4,400.00	READY TO READ MATERIAL	\$4,600.00	\$4,600.00	\$4,600.00
\$22,103.81	\$22,182.04	\$31,000.00	AUDIO-VISUAL MATERIAL	\$32,000.00	\$32,000.00	\$32,000.00
\$8,771.27	\$1,556.81	\$2,500.00	DATA BASES	\$7,500.00	\$7,500.00	\$7,500.00
\$19,065.25	\$15,529.03	\$27,000.00	CUSTODIAN	\$27,000.00	\$27,000.00	\$27,000.00
\$19,157.52	\$14,819.91	\$18,000.00	OFFICE SUPPLIES	\$15,000.00	\$15,000.00	\$15,000.00
\$70,451.05	\$94,343.45	\$75,000.00	COST ALLOCATION AGREEMENT	\$59,490.00	\$59,490.00	\$59,490.00
\$1,428.64	\$1,475.35	\$3,000.00	FURNITURE & FIXTURES	\$5,000.00	\$5,000.00	\$5,000.00
\$5,555.91	\$5,162.15	\$6,500.00	COPIER EXPENSES	\$6,500.00	\$6,500.00	\$6,500.00
\$23,265.95	\$23,749.20	\$30,000.00	PROGRAMS	\$32,000.00	\$32,000.00	\$32,000.00
\$2,592.73	\$2,088.25	\$2,200.00	PERIODICALS	\$2,300.00	\$2,300.00	\$2,300.00
\$18,568.13	\$4,259.33	\$5,000.00	EQUIPMENT	\$17,000.00	\$17,000.00	\$17,000.00
\$335,789.85	\$317,499.29	\$427,300.00	TOTAL MATERIALS & SERVICES	\$393,640.00	\$393,640.00	\$393,640.00

Historical Data			LIBRARY FUND				Budget for Next FY 2022-2023		
Actual									
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022	REQUIREMENTS -cont		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
			CAPITAL OUTLAY						
\$0.00	\$0.00	\$2,497,158.00	CAPITAL PROJECT - CONSTRUCTION		\$2,516,909.00	\$2,516,909.00	\$2,516,909.00		
\$0.00	\$0.00	\$2,497,158.00	TOTAL CAPITAL OUTLAY		\$2,516,909.00	\$2,516,909.00	\$2,516,909.00		
			TRANSFERS OUT						
\$5,000.00	\$0.00	\$0.00	TRANSFER TO FLEET REPLACEMENT		\$0.00	\$0.00	\$0.00		
\$5,000.00	\$0.00	\$0.00	TOTAL TRANSFERS OUT		\$0.00	\$0.00	\$0.00		
			CONTINGENCY						
\$0.00	\$0.00	\$267,000.00	OPERATING CONTINGENCY		\$244,149.00	\$244,149.00	\$244,149.00		
\$0.00	\$0.00	\$267,000.00	TOTAL OPERATING CONTINGENCY		\$244,149.00	\$244,149.00	\$244,149.00		
			RESERVES						
\$0.00	\$0.00	\$0.00	FB RESERVE/PERS		\$5,000.00	\$5,000.00	\$5,000.00		
\$0.00	\$0.00	\$0.00	TOTAL RESERVES		\$5,000.00	\$5,000.00	\$5,000.00		
\$889,092.19	\$801,283.54	\$3,831,978.00	TOTAL LIBRARY REQUIREMENTS		\$3,838,851.00	\$3,838,851.00	\$3,838,851.00		
\$2,756,850.88	\$2,882,893.38	\$3,831,978.00	TOTAL RESOURCES AND FUND BAL		\$3,838,851.00	\$3,838,851.00	\$3,838,851.00		
\$889,092.19	\$801,283.54	\$3,831,978.00	TOTAL FUND REQUIREMENTS		\$3,838,851.00	\$3,838,851.00	\$3,838,851.00		
\$1,867,758.69	\$2,081,609.84	\$0.00	TOTAL NET LIBRARY FUND		\$0.00	\$0.00	\$0.00		

Street Fund

The Streets Fund provides the labor, equipment, and supplies necessary to operate and maintain City Streets and Rights-of-Way. Primary sources of revenue for this fund are State Gas Tax, Vehicle Registration Fees, and PGE Franchise Fees. Each is expected to be only slightly higher than last year. ***STP (State Transportation Program) Allocation*** is a special revenue line to account for loan receipts which can be used only for payments to ODOT for the City’s Portion of the OR213/Toliver Roundabout Project. *Miscellaneous* includes special revenue from private entities contributing to their portion to the Roundabout Project.



A new turning radius for Shaver Street removes a large systemic hole in the road.

Salaries and Wages reflect the bargaining agreements, and COLA increases expected to be approved by Budget Committee. Materials and Services lines represent raw input needed to turn “Crew Time” into “Completed Work Orders” which is one way of understanding the Street Fund’s mission. ***Sidewalk/Street Repairs*** line is where non-capital ***Road Maintenance Resurfacing***, such as overlays, inlays, etc, are budgeted. It is helpful to note that these Street Repair Line funds are not sufficient to address all the road maintenance needs in Molalla. Even if it could all go directly to asphalt costs, the available \$199.5K could theoretically resurface a 24-ft wide road with 2-inches of new asphalt for about one-third of a mile (about two City Blocks). For perspective: there are 54 lane-miles of road in town. Street Equipment includes replacement of older attachments and machines; and Transfers include the move of the STIP Revenue line to the Capital Projects Fund, and the Street Funds’ share of a replacement Backhoe to the Fleet Replacement Fund. The remainder is held in Contingency.



Crews repair a Sink Hole in Big Meadow

Highlights

- Completed the Molalla Economic Development Plan.
- Dollar General Open for business
- Grocery Outlet Open for business

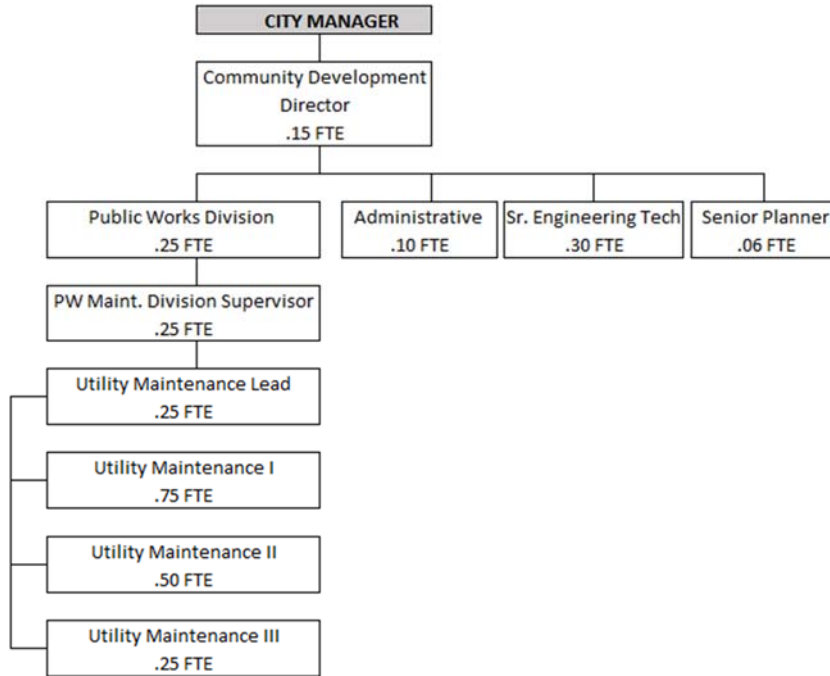
Activity Measures

	2019-20	2020-21	2021-22 Estimated
# of local road feet paved/resurfaced	0	33 FT	1300 FT
TONS of debris removed from roads	0	17	55
# of work orders completed	3948	4105	3906
Total linear feet of sewer line cleaned	9727	9727	11502



Staffing

	2019-20	2020-21	2021-22	2022-23 Projected
Full Time FTE	3.14	3.34	3.34	2.86



STREETS FUND

STREET FUND

Budget for Next FY 2022-2023

RESOURCES

Historical Data			Budget for Next FY 2022-2023			
Actual						
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$631,867.73	\$659,253.04	\$675,633.00	BEGINNING FUND BALANCE	\$1,313,677.00	\$1,313,677.00	\$1,313,677.00
			REVENUE			
\$690,444.39	\$712,141.76	\$640,000.00	STATE GAS TAX	\$778,000.00	\$778,000.00	\$778,000.00
\$34,964.52	\$179,941.35	\$45,000.00	VEHICLE REGISTRATION FEE	\$160,000.00	\$160,000.00	\$160,000.00
\$177,000.00	\$218,897.73	\$180,000.00	PGE FRANCHISE FEE	\$180,000.00	\$180,000.00	\$180,000.00
\$0.00	\$0.00	\$2,500,000.00	STP ALLOCATION	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00
\$1,105.72	\$3,294.05	\$200,000.00	MISCELLANEOUS	\$200,000.00	\$200,000.00	\$200,000.00
\$6,763.81	\$20,635.48	\$1,000.00	PLAN REVIEW AND PERMITS	\$5,000.00	\$5,000.00	\$5,000.00
\$910,278.44	\$1,134,910.37	\$3,566,000.00	TOTAL STREET FUND REVENUES	\$3,323,000.00	\$3,323,000.00	\$3,323,000.00
\$631,867.73	\$659,253.04	\$675,633.00	TOTAL BEGINNING FUND BALANCE	\$1,313,677.00	\$1,313,677.00	\$1,313,677.00
\$1,542,146.17	\$1,794,163.41	\$4,241,633.00	TOTAL STREET FUND RESOURCES	\$4,636,677.00	\$4,636,677.00	\$4,636,677.00

Historical Data			STREET FUND REQUIREMENTS	Budget for Next FY 2022-2023		
Actual		Adopted Budget		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	This Year Year 2021-2022				
			PERSONNEL SERVICES			
\$119,735.89	\$114,943.12	\$154,700.00	BENEFITS AND TAXES	\$127,321.00	\$127,321.00	\$127,321.00
\$208,011.62	\$213,622.19	\$270,600.00	SALARIES AND WAGES	\$229,700.00	\$229,700.00	\$229,700.00
\$327,747.51	\$328,565.31	\$425,300.00	TOTAL PERSONNEL SERVICES	\$357,021.00	\$357,021.00	\$357,021.00
3.14	3.34	3.34	FTE	2.86	2.86	2.86
			MATERIALS & SERVICES			
\$91,079.06	\$97,604.09	\$105,000.00	POWER	\$110,000.00	\$110,000.00	\$110,000.00
\$7,942.06	\$9,186.84	\$9,000.00	PHONE	\$11,000.00	\$11,000.00	\$11,000.00
\$1,147.69	\$1,486.80	\$1,300.00	NATURAL GAS	\$3,000.00	\$3,000.00	\$3,000.00
\$12,674.62	\$17,436.60	\$29,200.00	O&M	\$49,200.00	\$49,200.00	\$49,200.00
\$18,095.91	\$1,884.49	\$1,750.00	BUILDING MAINTENANCE	\$1,300.00	\$1,300.00	\$1,300.00
\$495.92	\$936.88	\$6,600.00	TRANING & CONF. TRAVEL	\$5,000.00	\$5,000.00	\$5,000.00
\$166.34	\$660.34	\$1,200.00	DUES & MEMBERSHIP	\$1,200.00	\$1,200.00	\$1,200.00
\$621.12	\$446.00	\$500.00	POSTAGE	\$500.00	\$500.00	\$500.00
\$12,352.71	\$7,418.90	\$12,000.00	COMPUTER NETWORK	\$12,000.00	\$12,000.00	\$12,000.00
\$5,842.15	\$2,621.65	\$13,300.00	PROFESSIONAL SERVICES	\$19,460.00	\$19,460.00	\$19,460.00
\$15,530.20	\$16,237.50	\$10,000.00	LEGAL & RECORDING	\$10,000.00	\$10,000.00	\$10,000.00
\$26,903.94	\$27,000.00	\$28,000.00	INSURANCE/LIABILITY/GEN	\$28,000.00	\$28,000.00	\$28,000.00
\$6,842.39	\$7,243.28	\$9,500.00	VEHICLE FUEL	\$9,500.00	\$9,500.00	\$9,500.00
\$7,550.33	\$25,984.00	\$25,100.00	VEHICLE REPAIR	\$20,000.00	\$20,000.00	\$20,000.00
\$1,507.33	\$1,022.65	\$3,600.00	UNIFORMS & SAFETY GEAR	\$3,600.00	\$3,600.00	\$3,600.00
\$51,553.86	\$69,037.54	\$83,000.00	COST ALLOCATION AGREEMENT	\$67,373.00	\$67,373.00	\$67,373.00
\$11,690.89	\$51,953.74	\$299,500.00	SIDEWALK / STREET REPAIRS	\$280,861.00	\$280,861.00	\$280,861.00
\$1,510.36	\$573.21	\$2,900.00	SMALL EQUIPMENT / TOOLS	\$2,500.00	\$2,500.00	\$2,500.00
\$0.00	\$0.00	\$500.00	PERMITS	\$500.00	\$500.00	\$500.00
\$22,743.52	\$17,852.41	\$53,500.00	SIGNAGE & STRIPING	\$40,000.00	\$40,000.00	\$40,000.00
\$812.72	\$0.00	\$30,000.00	NEW STREET LIGHTS	\$25,000.00	\$25,000.00	\$25,000.00
\$297,063.12	\$356,586.92	\$725,450.00	TOTAL MATERIALS & SERVICES	\$699,994.00	\$699,994.00	\$699,994.00

Historical Data			STREETS	Budget for Next FY 2022-2023		
Actual		Adopted Budget		Proposed By	Approved By	Adopted By
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	This Year Year 2021-2022	REQUIREMENTS-cont	Budget Officer	Budget Committee	Governing Body
			CAPITAL OUTLAY			
\$4,347.04	\$197.50	\$16,700.00	STREET EQUIPMENT	\$30,000.00	\$30,000.00	\$30,000.00
\$4,347.04	\$197.50	\$16,700.00	TOTAL CAPITAL OUTLAY	\$30,000.00	\$30,000.00	\$30,000.00
			TRANSFERS OUT			
\$233,935.46	\$16,007.68	\$2,725,000.00	TRANSFER TO CAPITAL PROJECT F	\$2,356,000.00	\$2,356,000.00	\$2,356,000.00
\$19,800.00	\$19,800.00	\$38,300.00	TRANSFER TO FLEET REPLACE FUND	\$38,300.00	\$38,300.00	\$38,300.00
\$0.00	\$0.00	\$0.00	TRANSFER TO DEBT SVC STP OTOB	\$15,000.00	\$15,000.00	\$15,000.00
\$253,735.46	\$35,807.68	\$2,763,300.00	TOTAL TRANSFERS OUT	\$2,409,300.00	\$2,409,300.00	\$2,409,300.00
			CONTINGENCY			
\$0.00	\$0.00	\$310,883.00	OPERATING CONTINGENCY	\$1,115,362.00	\$1,115,362.00	\$1,115,362.00
\$0.00	\$0.00	\$310,883.00	TOTAL OPERATING CONTINGENCY	\$1,115,362.00	\$1,115,362.00	\$1,115,362.00
			RESERVE			
\$0.00	\$0.00	\$0.00	FB RESERVE/PERS	\$25,000.00	\$25,000.00	\$25,000.00
\$0.00	\$0.00	\$0.00	TOTAL RESERVE	\$25,000.00	\$25,000.00	\$25,000.00
\$882,893.13	\$721,157.41	\$4,241,633.00	TOTAL STREET FUND REQUIREMENTS	\$4,636,677.00	\$4,636,677.00	\$4,636,677.00
\$1,542,146.17	\$1,794,163.41	\$4,241,633.00	TOTAL RESOURCES AND FUND BAL	\$4,636,677.00	\$4,636,677.00	\$4,636,677.00
\$882,893.13	\$721,157.41	\$4,241,633.00	TOTAL FUND REQUIREMENTS	\$4,636,677.00	\$4,636,677.00	\$4,636,677.00
\$659,253.04	\$1,073,006.00	\$0.00	TOTAL NET STREET FUND	\$0.00	\$0.00	\$0.00

PD Restricted Fund

The PD Restricted Fund 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. Below are direct Hyperlinks to the application if you are viewing this online.

[Youth Fund Scholarship Application](#)

[Youth Athletic Fund Application](#)



PD RESTRICTED FUND

Historical Data			Budget for Next FY 2022-2023			
Actual			RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022				
\$13,630.86	\$35,905.38	\$56,025.00	BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
			REVENUE			
\$6,232.61	\$4,072.05	\$20,000.00	EMERGENCY VEHICLE FUND	\$5,000.00	\$5,000.00	\$5,000.00
\$1,320.00	\$1,347.50	\$1,440.00	POLICE PAYROLL DONATIONS	\$1,300.00	\$1,300.00	\$1,300.00
\$1,136.65	\$1,180.00	\$1,000.00	POLICE AUCTION / YOUTH FUND	\$1,000.00	\$1,000.00	\$1,000.00
\$50,000.00	\$50,000.00	\$50,000.00	SHARED REVENUES	\$50,000.00	\$50,000.00	\$50,000.00
\$58,689.26	\$56,599.55	\$72,440.00	TOTAL PD RESTRICTED FUND REVENUES	\$57,300.00	\$57,300.00	\$57,300.00
\$13,630.86	\$35,905.38	\$56,025.00	TOTAL BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
\$72,320.12	\$92,504.93	\$128,465.00	TOTAL PD RESTRICTED FUND RESOURCES	\$57,300.00	\$57,300.00	\$57,300.00
			REQUIREMENTS			
			MATERIALS & SERVICES			
\$0.00	\$0.00	\$1,751.00	K9 (Donation)	\$1,751.00	\$1,751.00	\$1,751.00
\$22,764.74	\$0.00	\$0.00	PD EMERGENCY VEHICLE FUND	\$0.00	\$0.00	\$0.00
\$2,650.00	\$1,100.00	\$2,000.00	YOUTH FUND	\$1,900.00	\$1,900.00	\$1,900.00
\$1,000.00	\$0.00	\$1,000.00	H.S. SCHOLARSHIP (eeDonation)	\$1,000.00	\$1,000.00	\$1,000.00
\$0.00	\$0.00	\$23,714.00	SUPPLIES / EQUIPMENT	\$2,649.00	\$2,649.00	\$2,649.00
\$26,414.74	\$1,100.00	\$28,465.00	TOTAL MATERIALS & SERVICES	\$7,300.00	\$7,300.00	\$7,300.00
			CAPITAL OUTLAY			
\$0.00	\$0.00	\$0.00	EMERGENCY VEHICLE	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00
			TRANSFERS OUT			
\$10,000.00	\$50,000.00	\$100,000.00	TRANSFER TO FLEET REPLACEMENT	\$50,000.00	\$50,000.00	\$50,000.00
\$10,000.00	\$50,000.00	\$100,000.00	TOTAL TRANSFERS OUT	\$50,000.00	\$50,000.00	\$50,000.00
\$36,414.74	\$51,100.00	\$128,465.00	TOTAL FUND REQUIREMENTS	\$57,300.00	\$57,300.00	\$57,300.00
\$72,320.12	\$92,504.93	\$128,465.00	TOTAL RESOURCES AND FUND BAL	\$57,300.00	\$57,300.00	\$57,300.00
\$36,414.74	\$51,100.00	\$128,465.00	TOTAL FUND REQUIREMENTS	\$57,300.00	\$57,300.00	\$57,300.00
\$35,905.38	\$41,404.93	\$0.00	TOTAL NET PD RESTRICTED FUND	\$0.00	\$0.00	\$0.00

Capital Improvement Fund

The Capital Improvement Fund is a type of Special Revenue fund that is used to account for resources and expenditures needed to finance the building or acquisition of capital facilities that are nonrecurring major expenditure items. In FY 22-23, the Capital Improvement fund will receive revenues from:

- 1) Transfers in from the Capital Improvement line of each of the City's System Development Charge funds except Sewer (which is being preserved for the new wastewater treatment plant);
- 2) Transfers in from the Capital Improvement line of each of the City's Enterprise funds;
- 3) Transfers in from the Capital Improvement lines of the General Fund;
- 4) Various awarded Capital Improvement Grants.

The revenues transferred into from each of the above resources will be used exclusively and specifically for the list of Capital Project's listed below:

- **Wastewater Treatment Plant Upgrade** – This project will design and construct a new treatment process and facility at the plant and eliminate treatment from the storage lagoons. The lagoons will be repurposed to store treated effluent during flow surges and the dry season when discharge to the Molalla River is prohibited by the City's NPDES (pollution discharge) permit. In FY 22-23 it is projected that design and any property acquisition needed for the new plant will be completed.



Comparable Round About to the one planned at OR 213 and Toliver Road - Screenshot from ODOT Video on the Molalla Current

- **Oregon 213 and Toliver Road Roundabout** – This project is a shared initiative between the City of Molalla and ODOT, with ODOT as the lead agency. The project is one of ODOT's highest priorities due to the extremely high rate of vehicle collisions that occur at this intersection.

- **Eckerd Ave, 2nd St, and Lola Ave Water & Sewer Project** – This project will reconstruct the water and sewer lines running along the mentioned roadways, as well as upgrade previously substandard manholes. This project is needed due to degradation of the existing infrastructure, and the sewer portion of the project was identified as a priority project to help mitigate inflow and infiltration in the sewer system consent decree. Phase 1 is projected to be completed in FY 22-23 and includes all of Eckerd Ave, 2nd Street from Eckerd Ave to Lola Ave, and Lola Ave from 2nd Street to E Main St. Phase 2 of the project will go into design upon completion of phase 1 and includes the remainder of Lola Ave.

- **Molalla Forest Road Project Phase 3** – The final phase of the project that brought bike and pedestrian improvements to Molalla Forest Road north of OR-211, will complete the roadway from the new bike/ped bridge to Toliver Road including travel lanes and a multi-use path. This project will also provide access and utility services to the new Chief Yelkus Park.



Looking North to Phase 3 of the Molalla Forest Road Project... Phase 2 brought this bike/ped bridge

- **New Police Department Facility** – The new facility will be located on the old bowling alley property that was purchased by the city for that purpose. In FY 21-22 the city completed the public sale of the remaining bowling alley contents. It is projected that in FY 22-23 design of the new facility and demolition of the existing structure will be completed.



Molalla Water Intakes partially out of water - Summer 2021

- **Water Intakes Move** – This project will move the city's water intakes to a point lower in the river in order to mitigate some of the risk of water curtailment in the future. It is projected that design and permitting will be substantially completed in FY 22-23. However, project delays are a significant risk that cannot be controlled due to state and federal permitting of work in the waterway.

- **Chief Yelkus Park Development** – This project includes design and construction of improvements for the new park facility located along Molalla Forest Road between OR-211 and Toliver Road.

- **New 2.0-million-gallon water storage tank** – This project will provide increased water storage capacity for the City of Molalla in order to mitigate the risk of water curtailment, and to provide additional resources for potential emergency fire operations. In FY 22-23 it is projected that land acquisition for the new tank will be completed.

- **Civic Center ADA Improvements** – This project is funded by a CDBG grant award and will provide full ADA accessibility to the newly anointed Molalla Civic Center. These improvements are a necessary second phase to improving the Council Chambers and holding the Municipal Court at the Civic Center.



The newly established Molalla Civic Center provides office space, Council Chambers, and the Municipal Court room

- **Section Street Improvements Phase 1** – This project will begin the work of improving the truck route along Section Street which is currently in a state of major disrepair.

- In addition to the roadway, the project will include replacement of substandard water lines along the street so once
- built, the street does not have to be torn up to address the lines. The project will focus on completing design and cost estimates in FY 22-23.
- **Clark Park Phase 5** – This project will begin the work of designing athletic fields at Clark Park, the final stage of development for this facility.
- **Opportunity Funds Projects** – This portion of the fund is purposed to take advantage of opportunities to have private developers complete additional public improvements beyond what is required in their development approvals. This provides public improvements to the community at lower private side costs and serves as a force multiplier by eliminating many of the staff burdens of project management. In FY 22-23 this project is projected to provide sidewalk improvements along the corner of OR211 and Metzler Ave; sidewalk improvements, roadway improvements, and roadway widening along OR-211 between Ona Way and Hezzie Lane; and completion of sidewalk and travel lane improvements on S Molalla Ave from 5th to 7th Street.
- **Small Capital Projects** – This portion of the fund accounts for projects that are either less than \$100,000 in cost, or solely provide updates to planning documents. In FY 22-23 this project is projected to provide an updated Parks Master Plan and Capital Improvement Plan, an updated Stormwater Plan and Capital Improvement Plan, complete the final portions of Strawberry Park equipment upgrades, complete the final portions of Fox Park equipment upgrades, reconfigure Shirley St. curb extensions, and ensure the corner of Shaver St and OR-211 is appropriately surveyed.

Summary of Capital Outlay

Capital Projects	In Progress	FY 21 - 22	FY 22 - 23
Wastewater Treatment Plant Upgrade			✓ Design
Oregon 213 and Toliver Road Roundabout Project is partnered w/ ODOT	✓ TBA		
Eckerd Ave, 2 nd St, and Lola Ave Water & Sewer Project			✓ Phase 1
Molalla Forest Road Project Phase 3			✓ Phase 3
New Police Department Facility		✓ Purchased property	✓ Construction to start
Water Intakes Move			✓ Design & Construction
Chief Yelkus Park Development	✓ TBA		
New 2.0-million-gallon water storage tank			✓ Design & Purchase
Civic Center ADA Improvements		✓ Completed	
Section Street Improvements Phase 1			✓ Complete Design & Estimates
Clark Park Phase 5			✓ Complete
Opportunity Funds Projects			✓ Start
Small Capital Projects	✓		

Five Year CIP for Wastewater, Streets, & Water

CIP projects consist of replacing, rehabilitating existing sewer lines. Also includes replacing equipment such as pumps, controls, effluent storage ponds, building upgrades, and the removal of biosolids. Projects are rated by priority ranging from high to low. This accesses the order when creating the schedule.

WASTEWATER	Project Cost	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	>2026
Project							
City Hall Upstairs Remodel	\$60,760	\$60,760					
Civic Center Remodel	\$38,710	\$38,710					
Lola Avenue	\$720,926	\$25,000	\$695,926				
Eckerd Avenue	\$653,759		\$653,759				
S. Swiegle Avenue	\$668,685			\$668,685			
E. Main Street (Hwy 211)	\$1,096,209				\$200,000	\$896,209	
South Molalla Pump Station	\$524,010			\$524,010			
Taurus Pump Station	\$286,793				\$286,793		
Stowers Pump Station	\$159,922					\$159,922	
Steelhead & Coho Pump Station	\$159,922					\$159,922	
Biosolids Removal	\$3,700,000	\$1,100,000	\$1,300,000	\$1,300,000			
WWTP Upgrade Design*	\$5,500,000	\$1,200,000	\$1,200,000	\$1,550,000	\$1,550,000		
Expansion of Recycled Water Use Fields	\$2,142,944		\$428,589	\$1,714,355			
WWTP Construction Phase 1	\$32,877,608			\$17,700,000	\$15,177,608		
E. 5th & South Cole Pump Station	\$159,922						\$159,922
Berkley Avenue	\$739,584						\$739,584
Metzler Avenue	\$543,946						\$543,946
Kimberly Court	\$347,776						\$347,776
S. Molalla Avenue	\$420,274						\$420,274
S. Cole Avenue to E. Park Avenue	\$1,109,003						\$1,109,003
N. Cole Avenue	\$420,807						\$420,807
Garden Court	\$329,652						\$329,652
Oak Street	\$442,663						\$442,663
E. Heintz Street to E. Park Avenue	\$406,947						\$406,947
S. Molalla Forest Road	\$833,938						\$833,938
Meadowlawn Place	\$371,231						\$371,231
E. 8th Street to Mathias Court	\$673,483						\$673,483
Explorer Avenue, Escort Street, Bronco Avenue, Glory Lane, and Probe Street	\$1,351,017						\$1,351,017
WWTP Construction Phase 2	\$6,443,102						\$6,443,102
WWTP Construction Phase 3	\$7,500,000						\$7,500,000

Street CIP projects consist of the connecting of streets, curb extensions, truck routes, curbs, sidewalks, resurfacing, etc. Projects are rated by priority ranging from high to low. This accesses the order when creating the schedule.

STREETS	Project Cost	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	>2026
Project							
Decant Facility	\$30,000	\$10,000					
City Hall Upstairs Remodel	\$21,080	\$21,080					
Civic Center Remodel	\$13,430	\$13,430					
Shirley at Cole Curb Extensions	\$85,000	\$5,000	\$80,000				
Section and Shaver St Truck Route Replacement	\$850,000		\$111,000	\$750,000			
Extend S. View Lane	\$1,200,000				\$25,000	\$1,175,000	
Molalla Forest Road Conneting Toliver to Bear Creek	\$875,000	\$350,000	\$525,000				
West Lane Gravel St, pave with curb tight sidewalks	\$750,000			\$25,000	\$725,000		
Lola, Echard	\$750,000		\$350,000	\$350,000			
Molalla Forest Road - Reopening	\$875,000	\$7,000	\$350,000				
West Lane Gravel St, pave with curb tight sidewalks	\$750,000			\$25,000	\$725,000		
Lola, Echard	\$750,000		\$350,000	\$350,000			
OR 213/Toliver Road	\$3,731,503	\$5,000	\$1,500,000	\$1,500,000			
Molalla Forest Road Pedestrian Path (share with Parks)	\$150,000	\$75,000	\$75,000				
Molalla Forest Road	\$11,450,383						\$11,450,383
OR 211	\$1,455,286				\$1,455,286		
OR 211	\$15,464,413				\$15,464,413		
OR 211	\$2,750,651				\$2,750,651		
Failing Asphalt Resurfacing (Arterials)	\$5,000,000	\$250,000				\$250,000	\$4,500,000
Failing Asphalt Resurfacing (Collectors)	\$5,000,000		\$250,000				\$4,750,000
Failing Asphalt Resurfacing (Neighborhoods)	\$5,000,000			\$250,000			\$4,750,000
Failing Asphalt Resurfacing (Intersections)	\$5,000,000				\$250,000		\$4,750,000

Water CIP projects include the replacing and or purchasing of intake screens, land acquisition for water tanks, water lines, removal of ash storage tanks, treated water storage, water line improvements, etc. Projects are rated by priority ranging from high to low. This accesses the order when creating the schedule.

Water	Project Cost	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	>2026
Project							
<i>New Molalla Intake</i>	\$2,946,000		\$70,000	\$2,876,000			
<i>New 2 MG Treated Water Tank w/Land Acquisition</i>	\$6,550,000	\$15,000	\$200,000		\$6,335,000		
<i>Decant Facility</i>	\$10,000	\$10,000					
<i>AC Water Main through Coleman Field, replace with 4" PEX</i>	\$28,000		\$28,000				
<i>Scandia Waterline</i>	\$350,000	\$200,000					
<i>City Hall Upstairs Remodel</i>	\$37,200	\$37,200					
<i>Civic Center Remodel</i>	\$23,700	\$23,700					
<i>Remove and Replace Polymer and Soda Ash Bulk Storage Tanks</i>	\$120,000		\$120,000				
<i>Treated Water Storage Seismic Valves</i>	\$381,000			\$381,000			
<i>Disinfection Contact Time Tracer Study</i>	\$50,000	\$50,000					
<i>Service Line Replacements - Ph 1</i>	\$807,000	\$45,000	\$762,000				
<i>Eckerd Ave. and E 2nd St.</i>	\$687,000	\$687,000					
<i>Lola Ave.</i>	\$840,000		\$840,000				
<i>South Molalla Ave., E 6th St., and May St.</i>	\$1,099,000	\$350,000					
<i>E 6th, E 7th St., and South Cole Ave.</i>	\$1,750,000			\$1,750,000			
<i>Molalla Elem. School and PW Shops</i>	\$441,200	\$441,200					
<i>Toliver Road WWTP Water Line Improvements</i>	\$259,000	\$259,000					
<i>Frances Street Water Line Improvements</i>	\$720,000					\$720,000	
<i>Shirley Street Water Line Improvements</i>	\$1,914,000					\$450,000	

CAPITAL PROJECTS

Budget for Next FY 2022-2023

**Historical Data
Actual**

2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022	RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$0.00	\$96,236.76	\$396,236.00	BEGINNING FUND BALANCE	\$411,057.00	\$411,057.00	\$411,057.00
			REVENUE			
\$0.00	\$0.00	\$0.00	FUND EXCHANGE	\$700,000.00	\$700,000.00	\$700,000.00
\$0.00	\$0.00	\$0.00	HB 5006 GRANT	\$500,000.00	\$500,000.00	\$500,000.00
\$0.00	\$0.00	\$0.00	CDBG GRANT	\$100,000.00	\$100,000.00	\$100,000.00
\$0.00	\$0.00	\$0.00	WWTP GRANT	\$3,400,000.00	\$3,400,000.00	\$3,400,000.00
\$0.00	\$0.00	\$0.00	TRANSFER FROM GF ARPA	\$801,000.00	\$801,000.00	\$801,000.00
\$0.00	\$0.00	\$0.00	TRANSFER FROM GENERAL FUND	\$70,000.00	\$70,000.00	\$70,000.00
\$233,935.46	\$16,007.68	\$2,725,000.00	TRANSFER FROM STREETS	\$2,356,000.00	\$2,356,000.00	\$2,356,000.00
\$123,163.84	\$321,626.22	\$1,400,000.00	TRANSFER FROM SEWER	\$1,600,000.00	\$1,600,000.00	\$1,600,000.00
\$0.00	\$0.00	\$0.00	TRANSFER FROM SEWER/I&I	\$850,000.00	\$850,000.00	\$850,000.00
\$664,976.37	\$398,274.90	\$1,175,000.00	TRANSFER FROM WATER	\$1,175,000.00	\$1,175,000.00	\$1,175,000.00
\$79,538.89	\$15,153.28	\$50,000.00	TRANSFER FROM STORMWATER	\$4,000.00	\$4,000.00	\$4,000.00
\$539,909.04	\$239.34	\$0.00	TRANSFER FROM SEWER SDC	\$0.00	\$0.00	\$0.00
\$1,266,282.89	\$594,498.14	\$136,200.00	TRANSFER FROM WATER SDC	\$320,000.00	\$320,000.00	\$320,000.00
\$359,751.75	\$110,593.22	\$439,000.00	TRANSFER FROM STREET SDC	\$405,000.00	\$405,000.00	\$405,000.00
\$154,945.32	\$497,936.62	\$1,400,000.00	TRANSFER FROM PARKS SDC	\$350,000.00	\$350,000.00	\$350,000.00
\$78,228.48	\$239.34	\$75,000.00	TRANSFER FROM STORM SDC	\$150,000.00	\$150,000.00	\$150,000.00
\$100,000.00	\$300,000.00	\$500,000.00	TRANSFER FROM GF-POLICE DEPT	\$500,000.00	\$500,000.00	\$500,000.00
\$3,600,732.04	\$2,254,568.74	\$7,900,200.00	TOTAL FUND REVENUES	\$13,281,000.00	\$13,281,000.00	\$13,281,000.00
\$0.00	\$96,236.76	\$396,236.00	TOTAL BEGINNING FUND BALANCE	\$411,057.00	\$411,057.00	\$411,057.00

\$3,600,732.04	\$2,350,805.50	\$8,296,436.00	TOTAL CAPITAL PROJECTS FUND RESOURCES	\$13,692,057.00	\$13,692,057.00	\$13,692,057.00
-----------------------	-----------------------	-----------------------	--	------------------------	------------------------	------------------------

Actual

2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$0.00	\$0.00	\$0.00	SMALL CAPITAL PROJECTS	\$480,000.00	\$480,000.00	\$480,000.00
\$0.00	\$0.00	\$0.00	OPPORTUNITY FUNDS	\$530,000.00	\$530,000.00	\$530,000.00
\$0.00	\$0.00	\$0.00	CIVIC CENTER REMODEL	\$120,000.00	\$120,000.00	\$120,000.00
\$154,945.32	\$478,930.12	\$1,400,000.00	PARK CAPITAL PROJECTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	CHIEF YELKUS PARK IMPROVEMENTS	\$500,000.00	\$500,000.00	\$500,000.00
\$0.00	\$0.00	\$0.00	CLARK PARK PH5	\$50,000.00	\$50,000.00	\$50,000.00
\$589,171.11	\$126,600.91	\$3,164,000.00	STREET CAPITAL PROJECTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	MRF PED PH3-YELKUS RD	\$1,100,000.00	\$1,100,000.00	\$1,100,000.00
\$0.00	\$0.00	\$0.00	SECTION ST IMP PH1	\$100,000.00	\$100,000.00	\$100,000.00
\$0.00	\$0.00	\$0.00	OR211/TOLIVER RAB	\$2,200,000.00	\$2,200,000.00	\$2,200,000.00
\$0.00	\$0.00	\$0.00	ECKERD,LOLA,2ND	\$1,600,000.00	\$1,600,000.00	\$1,600,000.00
\$713,998.78	\$328,780.58	\$1,400,000.00	SEWER CAPITAL PROJECTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	WWTP-PLANT UPGRADE	\$5,600,000.00	\$5,600,000.00	\$5,600,000.00
\$1,884,849.46	\$1,004,864.55	\$1,311,200.00	WATER CAPITAL PROJECTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	WATER SERVICE LEAK REP	\$201,000.00	\$201,000.00	\$201,000.00
\$0.00	\$0.00	\$0.00	WATER INTAKE MOVE PH1	\$200,000.00	\$200,000.00	\$200,000.00
\$0.00	\$0.00	\$0.00	NEW WATER TANK	\$100,000.00	\$100,000.00	\$100,000.00
\$157,767.37	\$15,392.62	\$125,000.00	STORM WATER CAPITAL PROJECTS	\$0.00	\$0.00	\$0.00
\$3,763.24	\$4,969.72	\$896,236.00	POLICE FACILITY CAPITAL PROJ	\$911,057.00	\$911,057.00	\$911,057.00
\$3,504,495.28	\$1,959,538.50	\$8,296,436.00	TOTAL CAPITAL OUTLAY	\$13,692,057.00	\$13,692,057.00	\$13,692,057.00
\$3,504,495.28	\$1,959,538.50	\$8,296,436.00	TOTAL CAPITAL PROJECT FUND REQUIREMENTS	\$13,692,057.00	\$13,692,057.00	\$13,692,057.00
\$3,600,732.04	\$2,350,805.50	\$8,296,436.00	TOTAL FUND RESOURCES AND FUND BAL	\$13,692,057.00	\$13,692,057.00	\$13,692,057.00
\$3,504,495.28	\$1,959,538.50	\$8,296,436.00	TOTAL FUND REQUIREMENTS	\$13,692,057.00	\$13,692,057.00	\$13,692,057.00
\$96,236.76	\$391,267.00	\$0.00	TOTAL NET CAPITAL PROJECTS FUND	\$0.00	\$0.00	\$0.00

Fleet Replacement Fund



The Fleet Replacement Fund is a Special Revenue fund that accounts for the purchase and replacement of vehicles and other fleet equipment. Revenues for this fund are exclusively transfers in from enterprise funds, governmental funds, and the Parks Fund for fleet

vehicle purchases. In addition to the purchase of fleet vehicles, this fund acts as a savings account for future vehicle purchases. This allows the city to avoid interest payments and other fees associated with financing by having cash on hand for these purchases.

The FY22-23 budget utilizes a new strategy in budgeting to more easily account for funds carried from year to year, and to provide flexibility for vehicle purchasing as needed. This flexibility allows the city to use vehicles right up to the end of their useful life when the cost to maintain exceeds the value of the asset. Instead of preordaining vehicle purchases to replace vehicles that may not need replacing or failing to anticipate a seemingly reliable vehicle becoming unusable, staff can use and maintain a vehicle until it does



not make fiscal sense to do so, then replace it.

FLEET REPLACEMENT FUND

Budget for Next FY 2022-2023

Historical Data						
Actual						
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022	RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$148,270.40	\$254,869.61	\$252,182.00	BEGINNING FUND BALANCE	\$453,468.00	\$453,468.00	\$453,468.00
			REVENUE			
\$60,000.00	\$70,000.00	\$70,000.00	TRANSFER FROM POLICE	\$110,000.00	\$110,000.00	\$110,000.00
\$7,900.00	\$7,900.00	\$7,900.00	TRANSFER FROM GF PARKS	\$7,900.00	\$7,900.00	\$7,900.00
\$5,000.00	\$0.00	\$0.00	TRANSFER FROM LIBRARY	\$0.00	\$0.00	\$0.00
\$19,800.00	\$19,800.00	\$38,300.00	TRANSFER FROM STREETS	\$38,300.00	\$38,300.00	\$38,300.00
\$21,725.00	\$21,725.00	\$21,725.00	TRANSFER FROM SEWER	\$21,725.00	\$21,725.00	\$21,725.00
\$22,000.00	\$22,000.00	\$21,725.00	TRANSFER FROM WATER	\$21,725.00	\$21,725.00	\$21,725.00
\$7,900.00	\$7,900.00	\$26,400.00	TRANSFER FROM STORMWATER	\$26,400.00	\$26,400.00	\$26,400.00
\$0.00	\$50,000.00	\$100,000.00	TRANSFER FROM PD REST	\$50,000.00	\$50,000.00	\$50,000.00
\$144,325.00	\$199,325.00	\$286,050.00	TOTAL FUND REVENUES	\$276,050.00	\$276,050.00	\$276,050.00
\$148,270.40	\$254,869.61	\$252,182.00	TOTAL BEGINNING FUND BALANCE	\$453,468.00	\$453,468.00	\$453,468.00
\$292,595.40	\$454,194.61	\$538,232.00	TOTAL FLEET REPLACEMENT FUND RESOURCES	\$729,518.00	\$729,518.00	\$729,518.00
			REQUIREMENTS			
			CAPITAL OUTLAY			
\$26,183.79	\$114,012.42	\$193,805.00	POLICE FLEET	\$266,675.00	\$266,675.00	\$266,675.00
\$6,542.00	\$0.00	\$17,000.00	PARKS FLEET	\$32,958.00	\$32,958.00	\$32,958.00
\$5,000.00	\$0.00	\$0.00	LIBRARY FLEET	\$0.00	\$0.00	\$0.00
\$0.00	\$17,408.45	\$23,500.00	STREET FLEET	\$141,752.00	\$141,752.00	\$141,752.00
\$0.00	\$17,408.46	\$5,000.00	SEWER FLEET	\$114,378.00	\$114,378.00	\$114,378.00
\$0.00	\$17,408.45	\$5,000.00	WATER FLEET	\$115,203.00	\$115,203.00	\$115,203.00
\$0.00	\$17,408.45	\$23,500.00	STORM FLEET	\$58,552.00	\$58,552.00	\$58,552.00
\$37,725.79	\$183,646.23	\$267,805.00	TOTAL CAPITAL OUTLAY	\$729,518.00	\$729,518.00	\$729,518.00
			RESERVES			
\$0.00	\$0.00	\$8,058.00	RESERVE-PARKS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$79,361.00	RESERVE-STREETS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$87,061.00	RESERVE-SEWER	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$87,886.00	RESERVE-WATER	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$8,061.00	RESERVE-STORMWATER	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$270,427.00	TOTAL RESERVE	\$0.00	\$0.00	\$0.00
\$37,725.79	\$183,646.23	\$538,232.00	TOTAL FLEET REPLACEMENT FUND REQUIREMENTS	\$729,518.00	\$729,518.00	\$729,518.00
\$292,595.40	\$454,194.61	\$538,232.00	TOTAL FUND RESOURCES AND FUND BAL	\$729,518.00	\$729,518.00	\$729,518.00
\$37,725.79	\$183,646.23	\$538,232.00	TOTAL FUND REQUIREMENTS	\$729,518.00	\$729,518.00	\$729,518.00
\$254,869.61	\$270,548.38	\$0.00	TOTAL NET FLEET REPLACEMENT FUND	\$0.00	\$0.00	\$0.00



This page intentionally left blank

ENTERPRISE FUNDS



Sewer Fund

The Sewer Fund is an Enterprise fund that is required to function similar to a utility business. This fund accounts for income received through sewer user fees and costs associated with the sewer system including operations, maintenance, personnel, and some capital improvements of the City's sewer system and wastewater treatment plant.



Biosolids Removal is now a continuous operation at Molalla's Wastewater Treatment Plant

Beginning fund balance is projected to increase as the City reserves funds to aid in completion of a new Wastewater Treatment Plant required to meet the needs of a rising population and required by the consent decree under which the City's wastewater treatment system currently operates. Revenues from monthly user fees are expected to increase based on the 5-year rate plan adopted in 2020, and the annual inflation adjustment based on the Consumer Price Index. Personnel costs are projected to increase due to restructuring with some leeway provided for cost of living and merit-based wage increases. Materials and Services costs for the overall system are projected to fall by approximately 20% despite the effects of higher-than-normal inflation on equipment and materials costs; this is largely due to deferral of some maintenance and substantial improvements to the existing system. The cost savings in Materials and Services allows the fund to achieve the goal of reserving a larger portion of user fees for use on the new Wastewater Treatment Plant

In FY 21-22 the City restructured its biosolids removal activities to a continuous removal strategy in preparation for future repair and lining of the Treatment Lagoons into Clean Effluent Storage Ponds in accordance with the Predesign Report reviewed by the DEQ. The City has completed 4 of its 7 high priority sewer system projects with a 5th currently under construction. These have resulted in a measurable decrease to the total Inflow and Infiltration during peak storm events to the Plant. The new Wastewater Plant is currently at 40% design; though the plant was originally scheduled to be operational by December 2023, pandemic related delays, labor shortages, and longer lead times have resulted in a current estimated date for bidding and beginning construction in the Summer of 2024, with projected completion in January 2025. Staff is currently pursuing a number of state and federal financial assistance options to cover the costs associated with construction of the new plant.

Highlights

- Public Works continues it's I&I and Biosolids removal work.
- cost savings through repairs and efficiency improvements have been realized at the Wastewater Treatment Plant operations.
- The City has completed 4 of its 7 high priority sewer system projects with a 5th currently under construction

Changes from Previous Year

- The beginning fund balance has decreased from FY 2020-21 due to continued project related expenses.
- Personnel Service expenses decreased due to employee turnover.
- The wage increases are based on contract required and merit-based increases.
- Contingency line item has remained flat.
- Added a PERS reserve line to budget

Performance Measures

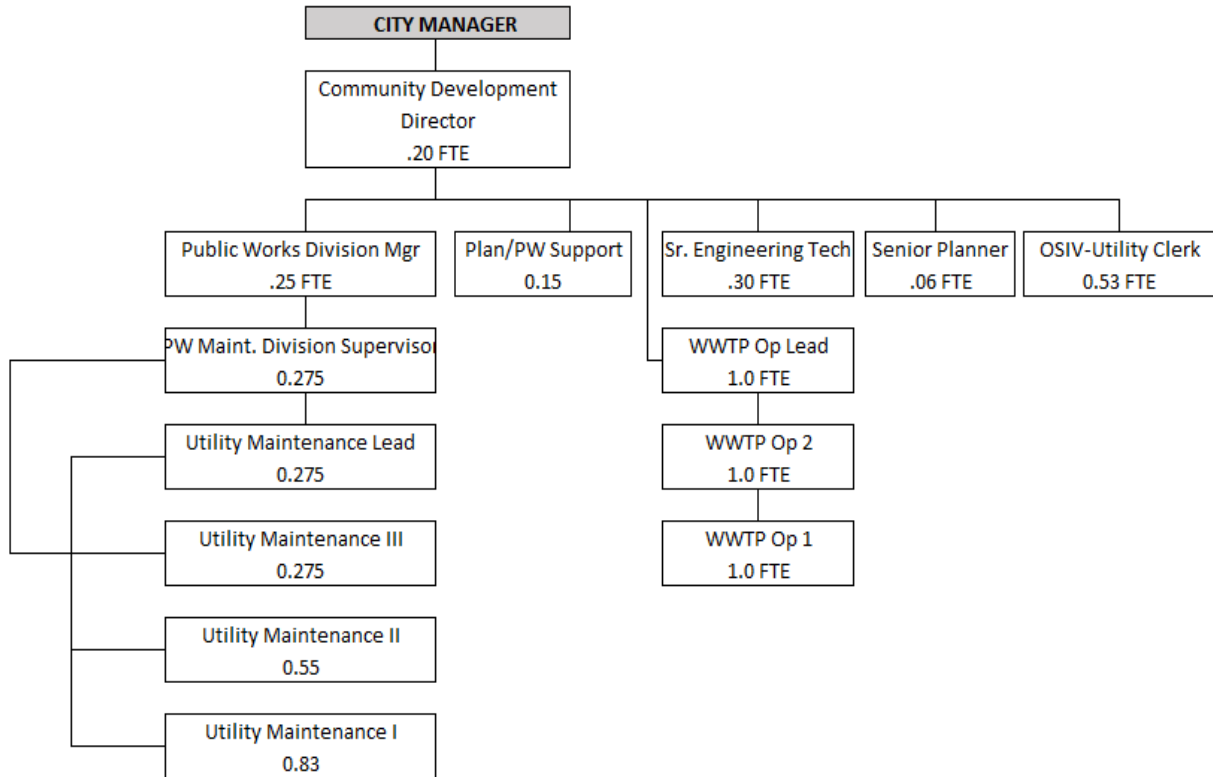
	2018	2019	2020	2021	2022
Sewer TV Inspected (Feet)	No data	No data	1500	5280	TBD
Sewer Cleaned (Feet)	9,733	9,727	9,727	11,616	TBD
Mainline Replaced (Feet)	No data	200	2,900	0	TBD
Manholes Repaired (Each)	101	0	105	20	TBD
Laterals Repaired (Each)	No data	4	9	10	TBD



These Lagoons have served for the City's needs for many years, but population now exceeds their capacity. A new Plant is in Design.

Staffing

	19-20	20-21	21-22	21-23 Proposed
FTE	5.70	7.85	7.85	6.69



SEWER FUND

Historical Data

Budget for Next FY 2022-2023

Actual

RESOURCES

2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$635,756.72	\$948,255.42	\$1,308,766.00	BEGINNING FUND BALANCE	\$1,954,125.00	\$1,954,125.00	\$1,954,125.00
REVENUE						
\$5,647.82	\$63,874.15	\$1,000.00	MISCELLANEOUS	\$1,000.00	\$1,000.00	\$1,000.00
\$59,500.00	\$60,000.00	\$10,000.00	WASTEWATER DECREE ALLOCATION	\$30,000.00	\$30,000.00	\$30,000.00
\$2,160.83	\$9,705.73	\$1,000.00	PLAN REVIEW AND PERMITS	\$1,000.00	\$1,000.00	\$1,000.00
\$2,979,897.97	\$3,214,483.13	\$3,370,000.00	MONTHLY USER FEE	\$3,475,000.00	\$3,475,000.00	\$3,475,000.00
\$10,800.00	\$7,800.00	\$1,000.00	SERVICE CONNECTIONS	\$7,500.00	\$7,500.00	\$7,500.00
\$0.00	\$208,572.00	\$1,400,000.00	DEQ LOAN	\$1,600,000.00	\$1,600,000.00	\$1,600,000.00
\$3,058,006.62	\$3,564,435.01	\$4,783,000.00	TOTAL FUND REVENUES	\$5,114,500.00	\$5,114,500.00	\$5,114,500.00
\$635,756.72	\$948,255.42	\$1,308,766.00	TOTAL BEGINNING FUND BALANCE	\$1,954,125.00	\$1,954,125.00	\$1,954,125.00
\$3,693,763.34	\$4,512,690.43	\$6,091,766.00	TOTAL SEWER FUND RESOURCES	\$7,068,625.00	\$7,068,625.00	\$7,068,625.00

REQUIREMENTS

PERSONNEL SERVICES

\$244,764.59	\$243,136.58	\$307,100.00	BENEFITS AND TAXES	\$291,873.00	\$291,873.00	\$291,873.00
\$463,254.41	\$472,933.04	\$534,400.00	SALARIES AND WAGES	\$509,196.00	\$509,196.00	\$509,196.00
\$708,019.00	\$716,069.62	\$841,500.00	TOTAL PERSONNEL SERVICES	\$801,069.00	\$801,069.00	\$801,069.00
5.90	7.85	7.85	FTE	6.69	6.69	6.69

MATERIALS & SERVICES

\$146,847.82	\$184,627.54	\$180,000.00	POWER	\$205,000.00	\$205,000.00	\$205,000.00
\$8,852.78	\$23,294.05	\$9,300.00	PHONE	\$11,000.00	\$11,000.00	\$11,000.00
\$259.91	\$274.71	\$500.00	NATURAL GAS	\$500.00	\$500.00	\$500.00
\$32,260.75	\$32,099.21	\$15,000.00	OPERATIONS & MAINTENANCE	\$25,000.00	\$25,000.00	\$25,000.00
\$13,102.37	\$1,706.84	\$10,400.00	BUILDING MAINTENANCE	\$5,000.00	\$5,000.00	\$5,000.00
\$5,431.12	\$1,488.16	\$6,500.00	TRANING & CONF. TRAVEL	\$3,500.00	\$3,500.00	\$3,500.00
\$1,084.56	\$1,607.80	\$3,000.00	DUES & MEMBERSHIP	\$2,500.00	\$2,500.00	\$2,500.00
\$13,301.45		\$12,000.00	POSTAGE	\$12,700.00	\$12,700.00	\$12,700.00
\$12,334.71	\$6,960.30	\$7,000.00	COMPUTER NETWORK	\$11,130.00	\$11,130.00	\$11,130.00

Historical Data

Budget for Next FY 2022-2023

Actual			REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022				
SEWER MAINTENANCE DIVISION						
\$58,897.32	\$33,447.10	\$42,000.00	PROFESSIONAL SERVICES	\$35,000.00	\$35,000.00	\$35,000.00
\$136,260.29	\$51,908.60	\$120,000.00	LEGAL & RECORDING	\$127,200.00	\$127,200.00	\$127,200.00
\$26,903.94	\$27,000.00	\$27,000.00	INSURANCE/LIABILITY/GEN	\$31,270.00	\$31,270.00	\$31,270.00
\$3,290.11	\$4,306.54	\$5,000.00	VEHICLE FUEL	\$5,300.00	\$5,300.00	\$5,300.00
\$5,339.55	\$11,602.43	\$17,200.00	VEHICLE REPAIR	\$15,000.00	\$15,000.00	\$15,000.00
\$888.57	\$3,828.30	\$3,600.00	UNIFORMS & SAFETY GEAR	\$2,200.00	\$2,200.00	\$2,200.00
\$30,312.00	\$0.00	\$0.00	LITIGATION PAYOUT	\$0.00	\$0.00	\$0.00
\$92,537.14	\$124,501.74	\$150,000.00	COST ALLOCATION AGREEMENT	\$224,364.00	\$224,364.00	\$224,364.00
\$192,050.76	\$385,948.17	\$645,000.00	INFLOW & INFILTRATION	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	WASTEWATER DECREE ALLOCATION	\$30,000.00	\$30,000.00	\$30,000.00
\$5,835.64	\$18,434.77	\$5,000.00	SEWER LINE REPAIR	\$25,000.00	\$25,000.00	\$25,000.00
\$0.00	\$0.00	\$2,500.00	NEW SEWER CONNECTIONS	\$0.00	\$0.00	\$0.00
\$2,966.00	\$3,351.00	\$5,000.00	PERMITS	\$1,000.00	\$1,000.00	\$1,000.00
\$1,417.73	\$476.88	\$2,900.00	SMALL EQUIP/TOOLS	\$2,500.00	\$2,500.00	\$2,500.00
\$23,220.11	\$3,390.63	\$26,000.00	LIFT STATION MAINT	\$21,200.00	\$21,200.00	\$21,200.00
\$813,394.63	\$920,254.77	\$1,294,900.00	TOTAL MAINTENANCE-MATERIALS & SERVICES	\$796,364.00	\$796,364.00	\$796,364.00
SEWER OPERATIONS DIVISION						
MATERIALS & SERVICES						
\$104,567.95	\$129,308.36	\$131,400.00	OPERATIONS & MAINTENANCE	\$100,000.00	\$100,000.00	\$100,000.00
\$6,303.72	\$2,528.32	\$49,500.00	BUILDING MAINTENANCE	\$20,000.00	\$20,000.00	\$20,000.00
\$665.00	\$605.00	\$5,000.00	TRAINING & CONF. TRAVEL	\$4,000.00	\$4,000.00	\$4,000.00
\$1,095.99	\$69.33	\$300.00	DUES & MEMBERSHIP	\$1,500.00	\$1,500.00	\$1,500.00
\$3,646.78	\$15,705.80	\$2,500.00	VEHICLE FUEL	\$3,180.00	\$3,180.00	\$3,180.00
\$1,498.08	\$2,177.50	\$8,000.00	VEHICLE REPAIR	\$4,240.00	\$4,240.00	\$4,240.00
SEWER OPERATIONS DIVISION -CONT						
\$17,190.31	\$14,381.66	\$25,000.00	IRRIGATION FUEL	\$26,500.00	\$26,500.00	\$26,500.00
\$2,814.08	\$788.47	\$2,300.00	UNIFORMS & SAFETY GEAR	\$2,500.00	\$2,500.00	\$2,500.00
\$401,667.43	\$69,160.08	\$1,116,900.00	BIOSOLIDS REMOVAL	\$1,000,000.00	\$1,000,000.00	\$1,000,000.00
\$5,263.12	\$10,339.30	\$10,000.00	EFFLUENT MONITORING	\$8,480.00	\$8,480.00	\$8,480.00
\$15,626.00	\$13,457.89	\$13,000.00	LAB SUPPLIES/EQUIPMENT	\$26,500.00	\$26,500.00	\$26,500.00
\$152,288.86	\$149,575.44	\$190,000.00	CHLORINE & CHEMICALS	\$201,400.00	\$201,400.00	\$201,400.00
\$520.00	\$904.00	\$15,500.00	PERMITS	\$16,430.00	\$16,430.00	\$16,430.00
\$713,147.32	\$409,001.15	\$1,569,400.00	TOTAL OPERATIONS-MATERIALS & SERVICES	\$1,414,730.00	\$1,414,730.00	\$1,414,730.00

Historical Data			SEWER FUND	Budget for Next FY 2022-2023		
Actual		Adopted Budget				
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	This Year Year 2021-2022	REQUIREMENTS- <i>cont</i>	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			CAPITAL OUTLAY			
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$4,078.90	\$0.00	\$86,200.00	SEWER EQUIPMENT	\$86,200.00	\$86,200.00	\$86,200.00
\$4,078.90	\$0.00	\$86,200.00	TOTAL CAPITAL OUTLAY	\$86,200.00	\$86,200.00	\$86,200.00
			TRANSFERS OUT			
\$316,000.00	\$319,748.00	\$381,486.00	TRANSFER TO SEWER DEBT	\$380,625.00	\$380,625.00	\$380,625.00
\$44,575.00	\$59,897.00	\$0.00	TRANSFER TO CWSRF	\$2,000.00	\$2,000.00	\$2,000.00
\$0.00	\$0.00	\$2,000.00	TRANSFER TO CWSRF#2	\$0.00	\$0.00	\$0.00
\$0.00	\$25,000.00	\$5,000.00	TRANSFER TO WATER	\$5,000.00	\$5,000.00	\$5,000.00
\$123,163.84	\$321,626.22	\$1,400,000.00	TRANSFER TO CAPITAL PROJECT F	\$2,450,000.00	\$2,450,000.00	\$2,450,000.00
\$21,725.00	\$21,725.00	\$21,725.00	TRANSFER TO FLEET REPLACE FUND	\$21,725.00	\$21,725.00	\$21,725.00
\$505,463.84	\$747,996.22	\$1,810,211.00	TOTAL TRANSFERS OUT	\$2,859,350.00	\$2,859,350.00	\$2,859,350.00
			CONTINGENCY/Reserve			
\$0.00	\$0.00	\$437,358.00	CONTINGENCY	\$1,010,912.00	\$1,010,912.00	\$1,010,912.00
\$0.00	\$0.00	\$0.00	FB RESERVE/PERS	\$100,000.00	\$100,000.00	\$100,000.00
\$0.00	\$0.00	\$52,197.00	RESERVE-WWTP FUNDING	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$489,555.00	TOTAL OPERATING CONTINGENCY	\$1,110,912.00	\$1,110,912.00	\$1,110,912.00
\$2,744,103.69	\$2,793,321.76	\$6,091,766.00	TOTAL SEWER REQUIREMENTS	\$7,068,625.00	\$7,068,625.00	\$7,068,625.00
\$3,693,763.34	\$4,512,690.43	\$6,091,766.00	TOTAL FUND RESOURCES AND FUND BAL	\$7,068,625.00	\$7,068,625.00	\$7,068,625.00
\$2,744,103.69	\$2,793,321.76	\$6,091,766.00	TOTAL FUND REQUIREMENTS	\$7,068,625.00	\$7,068,625.00	\$7,068,625.00
\$949,659.65	\$1,719,368.67	\$0.00	TOTAL NET SEWER FUND	\$0.00	\$0.00	\$0.00

Water Fund

The Water Fund is an Enterprise fund that is required to function similar to a utility business. This fund accounts for income received through water user fees and costs associated with the water system including operations, maintenance, personnel, and some capital improvements of the City's water system and water treatment plant.

Beginning fund balance is projected to decrease slightly due to a number of substantial water capital projects completed and currently underway, while revenues from monthly user fees are expected to increase slightly based on the new rate schedule adopted in 2021, and the annual inflationary adjustment based on the Consumer Price Index. Personnel costs are projected to remain flat due to restructuring with some leeway provided for cost of living and merit-based wage increases. Materials and Services costs for the overall system are projected to rise approximately 4% due to higher-than-normal inflation which has a direct effect on the costs of equipment and materials.



Molalla Water Intakes Nearly Above Water Line - Summer 2021

In FY 20-21 the City completed an upgraded water treatment plant filter and telemetry unit which provided the ability to make more water than what is required for the population, but the ability to make water is only as good as the ability to capture raw water for treatment. The city also adopted a new water master plan, conservation plan, and water capital improvement plan. In FY 21-22 the city experienced level 1 water curtailment for the first time in recent memory due to drought conditions endangering the flow of water from the Molalla River into the water treatment plant intakes.

To address current and future curtailment concerns, city staff has been hard at work on a slew of projects aimed at stifling water loss, ensuring continuous flow into the water intakes during low river conditions, increasing water storage, and encouraging responsible water use during drought conditions. In FY 21-22 the city completed a comprehensive water leak analysis to identify the most porous areas of the water system and is currently working on several projects aimed at curing the most significant areas of water loss in the system through repair of leaking services and replacement of porous water lines. The city also began the engineering phase of installing a new 2.0 million gallon water tank at the water treatment plant to increase water storage capacity. Additionally, the City adopted a conservation rate structure that aims to avoid curtailment through responsible customer water use. The new rate structure provides one rate for the first 500 cubic feet (cf) of water used per

month, an elevated rate for the second 500 cf of water used, and a further elevated rate for the third 500 cf of water used.

Molalla's Water Treatment Plant Operator Admires the New



The FY 22-23 budget includes funding to continue the work required to install a new 2.0-million-gallon water tank, and curing water loss through repair of leaking services, as well as beginning the engineering phase of moving the city's water intakes to a location deeper in the Molalla River.

Highlights

- Monthly User fees will increase due to CPI index.
- Personnel costs are projected to remain flat due to restructuring with some leeway provided for cost of living and merit-based wage increases
- Materials and Services costs for the overall system are projected to rise approximately 4% due to higher-than-normal inflation.

Changes from Previous Year

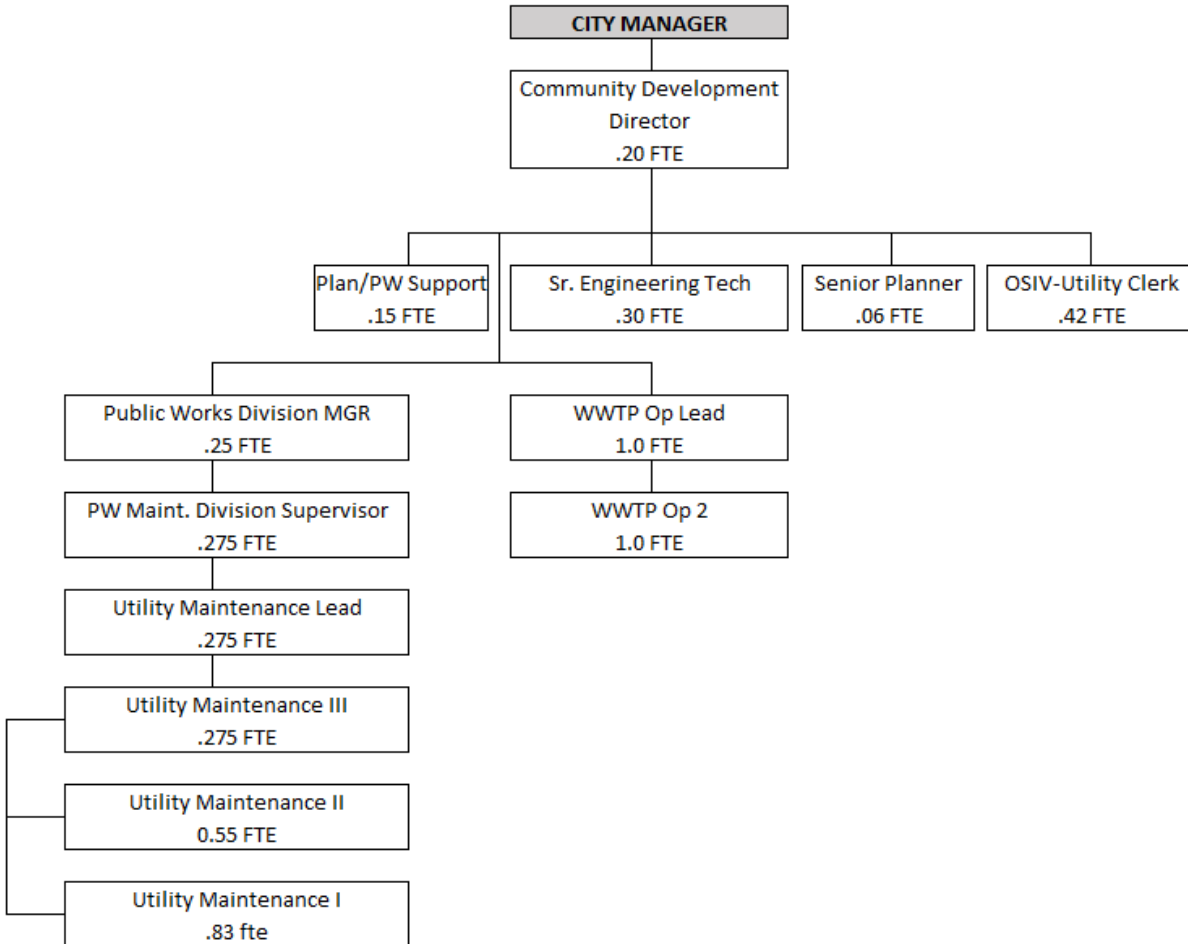
- Beginning fund balance is projected to decrease slightly due to a number of substantial water capital projects
- The city also adopted a new water master plan, conservation plan, and water capital improvement plan
- The city also began the engineering phase of installing a new 2.0 million gallon water tank at the water treatment plant to increase water storage capacity.

Activity Measures

	2018-2019	2019-20	2020-21	2021-22 Projected
Water Usage Billed (cubic feet)	0	18,042,673	23,003,272	17,289,922
New Water Meters Installed	122	31	39	97
Water Meters Replaced	22	21	21	87

Staffing

	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Water	5.83	5.83	5.83	5.58



WATER FUND

Historical Data

Budget for Next FY 22-23

Actual			RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022				
\$2,295,845.91	\$2,418,093.14	\$2,633,039.00	BEGINNING FUND BALANCE	\$2,349,341.00	\$2,349,341.00	\$2,349,341.00
			REVENUE			
\$26,516.07	\$16,065.56	\$1,000.00	MISCELLANEOUS	\$500.00	\$500.00	\$500.00
\$1,213.20	\$12,731.42	\$1,000.00	PLAN REVIEW AND PERMITS	\$10,000.00	\$10,000.00	\$10,000.00
\$1,899,707.45	\$1,805,693.80	\$2,000,000.00	MONTHLY USER FEE	\$2,060,000.00	\$2,060,000.00	\$2,060,000.00
\$9,000.00	\$7,900.00	\$600.00	SERVICE CONNECTIONS	\$10,000.00	\$10,000.00	\$10,000.00
\$0.00	\$25,000.00	\$5,000.00	TRANSFER FROM SEWER	\$5,000.00	\$5,000.00	\$5,000.00
\$1,936,436.72	\$1,867,390.78	\$2,007,600.00	TOTAL FUND REVENUES	\$2,085,500.00	\$2,085,500.00	\$2,085,500.00
\$2,295,845.91	\$2,418,093.14	\$2,633,039.00	TOTAL BEGINNING FUND BALANCE	\$2,349,341.00	\$2,349,341.00	\$2,349,341.00
\$4,232,282.63	\$4,285,483.92	\$4,640,639.00	TOTAL WATER FUND RESOURCES	\$4,434,841.00	\$4,434,841.00	\$4,434,841.00

			PERSONNEL SERVICES			
\$222,802.32	\$228,716.05	\$275,900.00	BENEFITS AND TAXES	\$270,684.00	\$270,684.00	\$270,684.00
\$425,969.96	\$454,784.85	\$478,900.00	SALARIES AND WAGES	\$485,183.00	\$485,183.00	\$485,183.00
\$648,772.28	\$683,500.90	\$754,800.00	TOTAL PERSONNEL SERVICES	\$755,867.00	\$755,867.00	\$755,867.00
5.65	5.84	5.84	FTE	5.58	5.58	5.58

WATER MAINTENANCE DIVISION

			MATERIALS & SERVICES			
\$65,582.05	\$69,507.85	\$90,000.00	POWER	\$90,000.00	\$90,000.00	\$90,000.00
\$9,956.68	\$13,509.17	\$18,000.00	PHONE	\$12,000.00	\$12,000.00	\$12,000.00
\$51,656.60	\$32,120.23	\$23,500.00	OPERATIONS & MAINTENANCE	\$40,000.00	\$40,000.00	\$40,000.00
\$13,545.61	\$1,810.12	\$3,400.00	BUILDING MAINTENANCE	\$2,500.00	\$2,500.00	\$2,500.00
\$3,369.72	\$5,324.88	\$5,975.00	TRANING & CONF. TRAVEL	\$6,000.00	\$6,000.00	\$6,000.00
\$1,696.14	\$2,216.20	\$2,800.00	DUES & MEMBERSHIP	\$2,800.00	\$2,800.00	\$2,800.00
\$13,274.53	\$9,820.93	\$13,300.00	POSTAGE	\$13,300.00	\$13,300.00	\$13,300.00
\$12,334.71	\$7,409.80	\$12,000.00	COMPUTER NETWORK	\$11,000.00	\$11,000.00	\$11,000.00
\$4,684.65	\$35,395.66	\$46,300.00	PROFESSIONAL SERVICES	\$70,300.00	\$70,300.00	\$70,300.00
\$10,347.91	\$0.00	\$10,000.00	LEGAL & RECORDING	\$10,000.00	\$10,000.00	\$10,000.00
\$33,170.38	\$35,000.00	\$35,000.00	INSURANCE/LIABILITY/GEN	\$36,000.00	\$36,000.00	\$36,000.00

WATER FUND

Budget for Next FY 22-23

REQUIREMENTS

MAINTENANCE DIVISION *cont*

MATERIALS & SERVICES

Historical Data			REQUIREMENTS	Budget for Next FY 22-23		
Actual				Proposed By	Approved By	Adopted By
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Budget Officer	Budget Committee	Governing Body
\$3,366.88	\$4,803.50	\$8,000.00	VEHICLE FUEL	\$7,000.00	\$7,000.00	\$7,000.00
\$4,239.17	\$5,830.34	\$20,000.00	VEHICLE REPAIR	\$15,000.00	\$15,000.00	\$15,000.00
\$736.55	\$4,159.96	\$3,600.00	UNIFORMS & SAFETY GEAR	\$3,000.00	\$3,000.00	\$3,000.00
\$71,750.23	\$96,083.21	\$72,000.00	COST ALLOCATION AGREEMENT	\$86,695.00	\$86,695.00	\$86,695.00
\$0.00	\$0.00	\$1,000.00	CHLORINE & CHEMICALS	\$1,000.00	\$1,000.00	\$1,000.00
\$62,272.86	\$54,823.99	\$100,000.00	WATER LINE REPAIR	\$75,000.00	\$75,000.00	\$75,000.00
\$0.00	\$1,690.88	\$10,000.00	NEW WATER CONNECTIONS	\$7,500.00	\$7,500.00	\$7,500.00
\$0.00	-\$50.00	\$500.00	PERMITS	\$500.00	\$500.00	\$500.00
\$1,616.48	\$781.74	\$2,900.00	SMALL EQUIP/TOOLS	\$2,000.00	\$2,000.00	\$2,000.00
\$499.00	\$21,962.70	\$17,500.00	NEW WATER METERS	\$35,000.00	\$35,000.00	\$35,000.00
\$364,100.15	\$402,201.16	\$495,775.00	TOTAL MAINTENANCE-MATERIALS & SERVICES	\$526,595.00	\$526,595.00	\$526,595.00

OPERATIONS DIVISION

MATERIALS & SERVICES

\$70,472.81	\$69,803.79	\$79,500.00	OPERATIONS & MAINTENANCE	\$75,000.00	\$75,000.00	\$75,000.00
\$2,474.34	\$7,120.28	\$20,200.00	BUILDING MAINTENANCE	\$18,000.00	\$18,000.00	\$18,000.00
\$2,107.50	\$1,135.00	\$3,100.00	TRANING & CONF. TRAVEL	\$2,500.00	\$2,500.00	\$2,500.00
\$297.00	\$69.33	\$1,000.00	DUES & MEMBERSHIP	\$1,000.00	\$1,000.00	\$1,000.00
\$3,520.46	\$14,189.57	\$5,000.00	VEHICLE FUEL	\$5,000.00	\$5,000.00	\$5,000.00
\$2,023.02	\$2,414.95	\$5,000.00	VEHICLE REPAIR	\$5,000.00	\$5,000.00	\$5,000.00
\$554.05	\$998.79	\$2,600.00	UNIFORMS & SAFETY GEAR	\$1,800.00	\$1,800.00	\$1,800.00
\$1.76	\$0.00	\$24,600.00	LAB SUPPLIES/EQUIPMENT	\$20,000.00	\$20,000.00	\$20,000.00
\$28,177.85	\$26,373.74	\$31,500.00	CHLORINE & CHEMICALS	\$30,000.00	\$30,000.00	\$30,000.00
\$633.00	\$1,062.00	\$2,900.00	PERMITS	\$14,000.00	\$14,000.00	\$14,000.00
\$0.00	\$0.00	\$20,000.00	WATER RESERVOIR MAINTENANCE	\$20,000.00	\$20,000.00	\$20,000.00
\$110,261.79	\$123,167.45	\$195,400.00	TOTAL OPERATIONS-MATERIALS & SERVICES	\$192,300.00	\$192,300.00	\$192,300.00

CAPITAL OUTLAY

\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$4,078.90	\$0.00	\$11,200.00	WATER EQUIPMENT	\$46,500.00	\$46,500.00	\$46,500.00
\$4,078.90	\$0.00	\$11,200.00	TOTAL CAPITAL OUTLAY	\$46,500.00	\$46,500.00	\$46,500.00

Historical Data			WATER FUND	Budget for Next FY 22-23		
Actual				REQUIREMENTS-cont	Proposed By Budget Officer	Approved By Budget Committee
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022				
			TRANSFERS OUT			
\$664,976.37	\$398,274.90	\$1,175,000.00	TRANSFER TO CAPITAL PROJECT F	\$1,175,000.00	\$1,175,000.00	\$1,175,000.00
\$22,000.00	\$22,000.00	\$21,725.00	TRANSFER TO FLEET REPLACE FUND	\$21,725.00	\$21,725.00	\$21,725.00
\$686,976.37	\$420,274.90	\$1,196,725.00	TOTAL TRANSFERS OUT	\$1,196,725.00	\$1,196,725.00	\$1,196,725.00
			CONTINGENCY			
\$0.00	\$0.00	\$986,739.00	OPERATING CONTINGENCY	\$1,616,854.00	\$1,616,854.00	\$1,616,854.00
\$0.00	\$0.00	\$986,739.00	TOTAL OPERATING CONTINGENCY	\$1,616,854.00	\$1,616,854.00	\$1,616,854.00
			RESERVE			
\$0.00	\$0.00	\$1,000,000.00	FB RESERVE/PERS	\$100,000.00	\$100,000.00	\$100,000.00
\$0.00	\$0.00	\$1,000,000.00	TOTAL RESERVE	\$100,000.00	\$100,000.00	\$100,000.00
\$1,814,189.49	\$1,629,144.41	\$4,640,639.00	TOTAL WATER REQUIREMENTS	\$4,434,841.00	\$4,434,841.00	\$4,434,841.00
\$4,232,282.63	\$4,285,483.92	\$4,640,639.00	TOTAL RESOURCES AND FUND BAL	\$4,434,841.00	\$4,434,841.00	\$4,434,841.00
\$1,814,189.49	\$1,629,144.41	\$4,640,639.00	TOTAL FUND REQUIREMENTS	\$4,434,841.00	\$4,434,841.00	\$4,434,841.00
\$2,418,093.14	\$2,656,339.51	\$0.00	TOTAL NET WATER FUND	\$0.00	\$0.00	\$0.00

Storm Fund

The Storm Fund is an Enterprise fund that provides the labor, equipment, and supplies necessary to operate and maintain the City Storm-Sewer System.

The mission of the Storm System is twofold, (1) to handle flooding adequately, and (2) achieve compliance with environmental regulations. The primary source of revenue for this fund is a User Fee, which appears on the City's utility bills monthly, and is expected to increase slightly due to an annual inflation increase based on the Consumer Price Index.



In FY 21-22 a new Street Sweeper was purchased using ARPA funds which benefits the storm system, because the primary purpose of street sweeping is compliance with environmental regulation, and secondarily to beautify streets.

The City is currently in the process of completing construction of a new Decant Facility whose purpose is to be able to take sludge debris from catch basins and storm sewers for the purpose of drying to minimize haul-away costs which are normally based on weight. Notably, the City has been named a "Designated Management Agency" in the new Willamette Basin Mercury Total Maximum Daily Load (TMDL). The City has proposed to DEQ that compliance with these new rules will be largely centered around the Decant Facility and its operation, which will eventually include testing of decanted stormwater for Mercury and other constituents. The line items in this fund support all activities related to navigating these issues.



The FY 22-23 budget includes updating the Stormwater Master Plan and Capital Improvement Plan, which will help identify and prioritize flooding and compliance issues throughout the City, and allow the Storm Fund to participate more fully in Capital Projects to address the identified issues.

Highlights

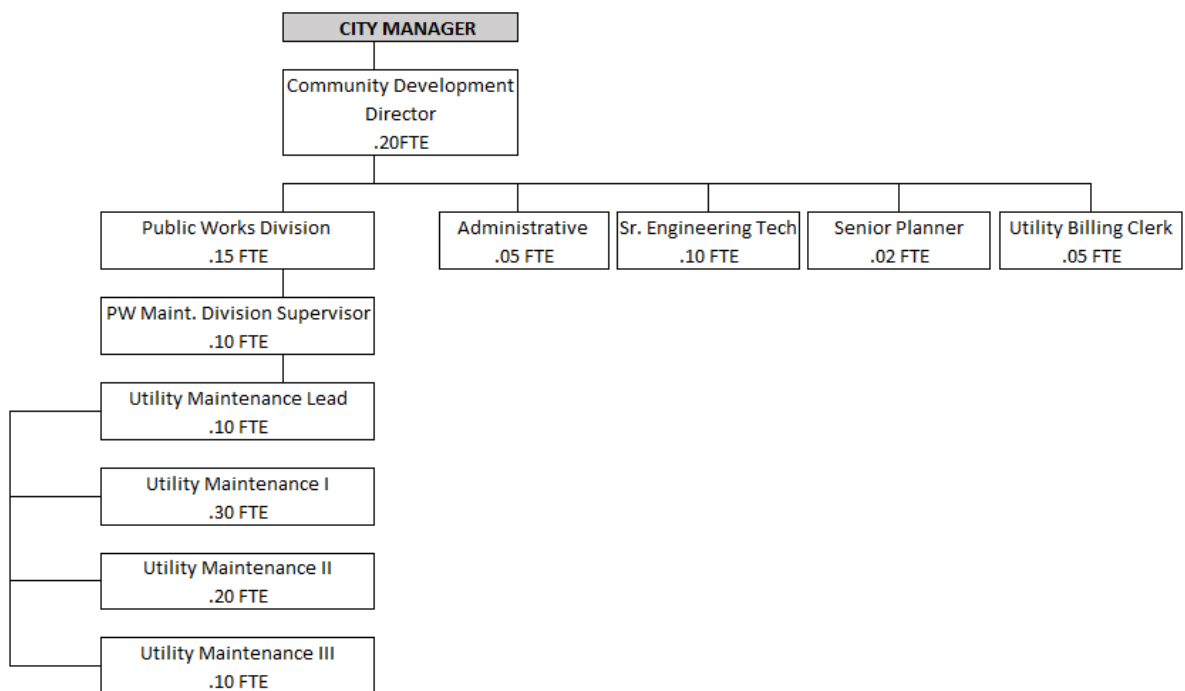
- ARPA Funds purchased a street sweeper.
- Completing construction of the Decant Facility
- Updating of the Stormwater Masterplan

Performance Measures

	2018	2019	2020	2021
Catch Basins Cleaned	No Data	No Data	No Data	Coming soon
Sweeping Debris Removed	No Data	No Data	340,000	110,000

Staffing

	19-20	20-21	21-22	22-23 Projected
Full Time FTE	1.22	1.22	1.22	1.37



STORM WATER FUND

Historical Data

Actual

Budget for Next FY 2022-2023

2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022	RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$103,619.74	\$137,053.55	\$181,398.00	BEGINNING FUND BALANCE	\$265,425.00	\$265,425.00	\$265,425.00
			REVENUE			
\$1,467.03	\$375.00	\$0.00	MISCELLANEOUS	\$0.00	\$0.00	\$0.00
\$2,559.22	\$6,053.31	\$500.00	PLAN REVIEW AND PERMITS	\$500.00	\$500.00	\$500.00
\$291,282.40	\$313,372.74	\$300,000.00	MONTHLY USER FEE	\$315,000.00	\$315,000.00	\$315,000.00
\$295,308.65	\$319,801.05	\$300,500.00	TOTAL FUND REVENUES	\$315,500.00	\$315,500.00	\$315,500.00
\$103,619.74	\$137,053.55	\$181,398.00	TOTAL BEGINNING FUND BALANCE	\$265,425.00	\$265,425.00	\$265,425.00
\$398,928.39	\$456,854.60	\$481,898.00	TOTAL STORM WATER FUND RESOURCES	\$580,925.00	\$580,925.00	\$580,925.00

STORM WATER FUND

Historical Data			Budget for Next FY 2022-2023			
Actual		Adopted Budget	REQUIREMENTS			
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			PERSONNEL SERVICES			
\$42,747.31	\$45,033.99	\$54,300.00	BENEFITS AND TAXES	\$60,891.00	\$60,891.00	\$60,891.00
\$78,796.37	\$84,137.28	\$95,000.00	SALARIES AND WAGES	\$111,409.00	\$111,409.00	\$111,409.00
\$121,543.68	\$129,171.27	\$149,300.00	TOTAL PERSONNEL SERVICES	\$172,300.00	\$172,300.00	\$172,300.00
1.07	1.47	1.47	FTE	1.37	1.37	1.37
			MATERIALS & SERVICES			
\$0.00	\$0.00	\$15,000.00	POWER	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$4,000.00	PHONE	\$0.00	\$0.00	\$0.00
\$10,805.68	\$17,707.57	\$18,000.00	OPERATIONS & MAINTENANCE	\$18,000.00	\$18,000.00	\$18,000.00
\$2,796.17	\$167.45	\$1,300.00	BUILDING MAINTENANCE	\$1,300.00	\$1,300.00	\$1,300.00
\$272.89	\$516.82	\$2,700.00	TRANING & CONF. TRAVEL	\$2,700.00	\$2,700.00	\$2,700.00
\$410.80	\$518.88	\$800.00	DUES & MEMBERSHIP	\$800.00	\$800.00	\$800.00
\$2,323.64	\$2,462.88	\$3,000.00	POSTAGE	\$3,000.00	\$3,000.00	\$3,000.00
\$3,998.20	\$2,391.48	\$2,700.00	COMPUTER NETWORK	\$3,000.00	\$3,000.00	\$3,000.00
\$1,513.94	\$2,996.94	\$10,600.00	PROFESSIONAL SERVICES	\$10,600.00	\$10,600.00	\$10,600.00
\$2,279.83	\$202.50	\$500.00	LEGAL & RECORDING	\$500.00	\$500.00	\$500.00
\$8,970.65	\$9,110.22	\$9,000.00	INSURANCE/LIABILITY/GEN	\$11,000.00	\$11,000.00	\$11,000.00
\$1,229.14	\$1,194.90	\$3,000.00	VEHICLE FUEL	\$3,000.00	\$3,000.00	\$3,000.00
\$974.71	\$7,486.68	\$12,800.00	VEHICLE REPAIR	\$12,800.00	\$12,800.00	\$12,800.00
\$33.80	\$3,258.08	\$1,800.00	UNIFORMS & SAFETY GEAR	\$1,800.00	\$1,800.00	\$1,800.00
\$14,999.63	\$20,086.53	\$15,000.00	COST ALLOCATION AGREEMENT	\$15,207.00	\$15,207.00	\$15,207.00
\$0.00	\$0.00	\$500.00	PERMITS	\$500.00	\$500.00	\$500.00
\$131.97	\$129.32	\$1,000.00	SMALL EQUIP/TOOLS	\$1,000.00	\$1,000.00	\$1,000.00
\$378.92	\$0.00	\$5,000.00	STORM DRAINS	\$5,000.00	\$5,000.00	\$5,000.00
\$51,119.97	\$68,230.25	\$106,700.00	TOTAL MATERIALS & SERVICES	\$90,207.00	\$90,207.00	\$90,207.00

STORM WATER FUND

Budget for Next FY 2022-2023

REQUIREMENTS-*cont*

Historical Data						
Actual		Adopted Budget				
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			CAPITAL OUTLAY			
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$1,772.30	\$0.00	\$13,900.00	STORM EQUIPMENT	\$13,900.00	\$13,900.00	\$13,900.00
\$1,772.30	\$0.00	\$13,900.00	TOTAL CAPITAL OUTLAY	\$13,900.00	\$13,900.00	\$13,900.00
			TRANSFERS OUT			
\$79,538.89	\$15,153.28	\$50,000.00	TRANSFER TO CAPITAL PROJECT F	\$4,000.00	\$4,000.00	\$4,000.00
\$7,900.00	\$7,900.00	\$26,400.00	TRANSFER TO FLEET REPLACE FUND	\$26,400.00	\$26,400.00	\$26,400.00
\$87,438.89	\$23,053.28	\$76,400.00	TOTAL TRANSFERS OUT	\$30,400.00	\$30,400.00	\$30,400.00
			CONTINGENCY			
\$0.00	\$0.00	\$135,598.00	CONTINGENCY	\$249,118.00	\$249,118.00	\$249,118.00
\$0.00	\$0.00	\$0.00	FB RESERVE/PERS	\$25,000.00	\$25,000.00	\$25,000.00
\$0.00	\$0.00	\$135,598.00	TOTAL OPERATING CONTINGENCY	\$274,118.00	\$274,118.00	\$274,118.00
\$261,874.84	\$220,454.80	\$481,898.00	TOTAL STORM WATER REQUIREMENTS	\$580,925.00	\$580,925.00	\$580,925.00
\$398,928.39	\$456,854.60	\$481,898.00	TOTAL FUND RESOURCES AND FUND BAL	\$580,925.00	\$580,925.00	\$580,925.00
\$261,874.84	\$220,454.80	\$481,898.00	TOTAL FUND REQUIREMENTS	\$580,925.00	\$580,925.00	\$580,925.00
\$137,053.55	\$236,399.80	\$0.00	TOTAL NET STORM WATER FUND	\$0.00	\$0.00	\$0.00

SDC FUNDS



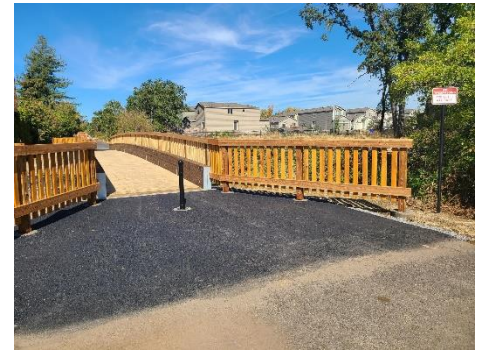
SDC Fund

SYSTEM DEVELOPMENT CHARGES

System Development Charges (SDC's) are the fees collected from new development to account for their impacts on the existing systems and to pay their portion for required increases in system capacity, they are classified as Reimbursement SDC's and Improvement SDC's. Each city managed infrastructure system collects its own SDC's, those systems are Water, Sewer, Stormwater, Transportation (Streets), and Parks (for residential development only).

Improvement SDC's may only be used on projects that are in the adopted Capital Improvement Plan and have been determined to increase system capacity. Additionally, they may only contribute to that portion of the project that actually increases system capacity.

Reimbursement SDC's may be used on any capital project within the system for which they were collected.



Parks and Transportation SDC's helped pay for the new Bike/Ped Bridge on Molalla Forest Road at OR-211

SDC METHODOLOGY OVERVIEW

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

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.



An example of the SBR type Wastewater Treatment Plant that will be built in Molalla, in part with Sewer SDC's

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 list 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.

SDCs are typically collected with the issuance of building permits, or at the time of an increase in system impacts. As a result, the unit of measure for allocating SDC costs is defined in various unique forms for each infrastructure system, 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.

PROJECTED PROJECTS USING SDC'S FY 22-23

Several projects have been identified for FY 22-23 that will utilize system development charge fees for increasing system capacity. The following is a list of those projects:

Sewer SDC

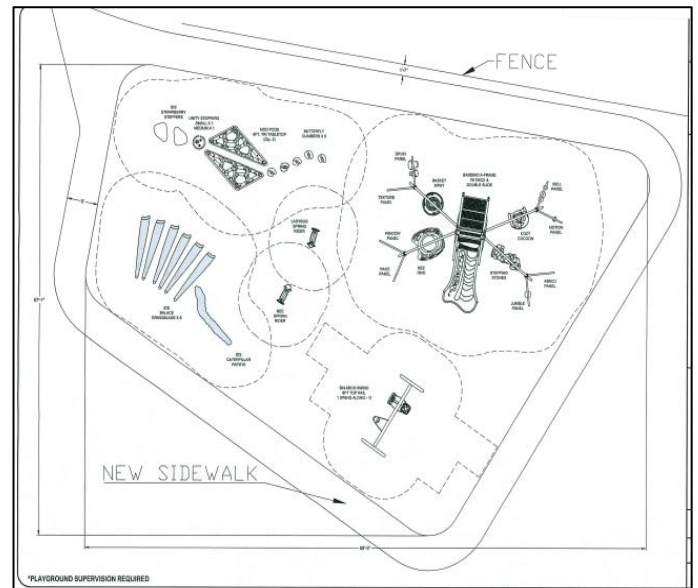
Sewer SDC's are being preserved to facilitate the New Wastewater Treatment Plant project.

Water SDC

Waterline replacement on Eckerd Avenue, parts of 2nd Street, and Lola Avenue. Land Acquisition for the new 2.0-million-gallon water storage tank.

Street SDC

Design and Construction of Molalla Forest Road from Toliver to the new bridge at OR 211. Sidewalk construction along the corner of OR 211 and Metzler Avenue. Sidewalk construction and roadway widening on OR 211 between Hezzie Lane and Ona Way.



Park SDC's helped design the new Strawberry Park and will help fund purchase of the playground equipment in FY 22-23

Parks SDC

Purchase and installation of playground equipment at Strawberry Park and Fox Park, and updated Parks Master Plan and Capital Improvement Plan.

Stormwater SDC

Updated Stormwater Master Plan and Capital Improvement Plan.

Highlights

- Updating SDC Fees
- Preserving future SDC's for New Wastewater Plant.
- Waterline replacement on Eckerd Avenue
- Land Acquisition for new 2.0 Million gallon water storage tank.
- Design and construction of Molalla Forest Road.

Historical Data
Actual

SEWER SDC FUND

Budget for Next FY 2022-2023

Historical Data			RESOURCES	Budget for Next FY 2022-2023		
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$885,761.50	\$114,339.00	\$433,591.00	BEGINNING FUND BALANCE	\$879,937.00	\$879,937.00	\$879,937.00
			REVENUE			
\$5,385.00	\$990.00	\$990.00	SEWER SDC - REIMBURSEMENT FEE	\$4,500.00	\$4,500.00	\$4,500.00
\$172,221.00	\$53,115.00	\$53,115.00	SEWER SDC - IMPROVEMENT FEE	\$185,000.00	\$185,000.00	\$185,000.00
\$177,606.00	\$54,105.00	\$54,105.00	TOTAL FUND REVENUES	\$189,500.00	\$189,500.00	\$189,500.00
\$885,761.50	\$114,339.00	\$433,591.00	TOTAL BEGINNING FUND BALANCE	\$879,937.00	\$879,937.00	\$879,937.00

\$1,063,367.50	\$168,444.00	\$487,696.00	TOTAL SEWER SDC FUND RESOURCES	\$1,069,437.00	\$1,069,437.00	\$1,069,437.00
-----------------------	---------------------	---------------------	---------------------------------------	-----------------------	-----------------------	-----------------------

REQUIREMENTS

MATERIAL & SERVICES

\$0.00	\$0.00	\$80,000.00	PROFESSIONAL SERVICES	\$20,000.00	\$20,000.00	\$20,000.00
\$0.00	\$0.00	\$80,000.00	TOTAL MATERIALS & SERVICES	\$20,000.00	\$20,000.00	\$20,000.00

TRANSFERS OUT

\$140,043.00	\$68,680.00	\$0.00	TRANSFER TO SEWER CWSRF FUND	\$0.00	\$0.00	\$0.00
\$0.00	\$2,760.00	\$0.00	TRANSFER TO SEWER DEBT FUND	\$0.00	\$0.00	\$0.00
\$539,909.04	\$239.34	\$0.00	TRANSFER TO CAPITAL PROJECTS	\$0.00	\$0.00	\$0.00
\$679,952.04	\$71,679.34	\$0.00	TOTAL TRANSFERS OUT	\$0.00	\$0.00	\$0.00

RESERVE

\$0.00	\$0.00	\$393,975.00	RESERVE - IMPROVEMENT SDC	\$1,027,706.00	\$1,027,706.00	\$1,027,706.00
\$0.00	\$0.00	\$13,721.00	RESERVE - REIMBURSEMENT SDC	\$21,731.00	\$21,731.00	\$21,731.00
\$0.00	\$0.00	\$407,696.00	TOTAL RESERVE	\$1,049,437.00	\$1,049,437.00	\$1,049,437.00

\$679,952.04	\$71,679.34	\$487,696.00	TOTAL SEWER SDC FUND REQUIREMENTS	\$1,069,437.00	\$1,069,437.00	\$1,069,437.00
---------------------	--------------------	---------------------	--	-----------------------	-----------------------	-----------------------

\$1,063,367.50	\$168,444.00	\$487,696.00	TOTAL FUND RESOURCES AND FUND BAL	\$1,069,437.00	\$1,069,437.00	\$1,069,437.00
----------------	--------------	--------------	--	----------------	----------------	----------------

\$679,952.04	\$71,679.34	\$487,696.00	TOTAL FUND REQUIREMENTS	\$1,069,437.00	\$1,069,437.00	\$1,069,437.00
--------------	-------------	--------------	--------------------------------	----------------	----------------	----------------

\$383,415.46	\$96,764.66	\$0.00	TOTAL NET SEWER SDC FUND	\$0.00	\$0.00	\$0.00
---------------------	--------------------	---------------	---------------------------------	---------------	---------------	---------------

Historical Data			WATER SDC FUND				Budget for Next FY 2022-2023		
Actual			RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body			
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022							
\$2,172,442.39	\$1,001,191.50	\$433,699.00	BEGINNING FUND BALANCE	\$522,935.00	\$522,935.00	\$522,935.00			
			REVENUE						
\$14,848.00	\$30,544.80	\$3,095.00	WATER SDC - REIMBURSEMENT FEE	\$8,000.00	\$8,000.00	\$8,000.00			
\$80,184.00	\$177,696.60	\$16,715.00	WATER SDC - IMPROVMENT FEE	\$45,000.00	\$45,000.00	\$45,000.00			
\$95,032.00	\$208,241.40	\$19,810.00	TOTAL FUND REVENUES	\$53,000.00	\$53,000.00	\$53,000.00			
\$2,172,442.39	\$1,001,191.50	\$433,699.00	TOTAL BEGINNING FUND BALANCE	\$522,935.00	\$522,935.00	\$522,935.00			
\$2,267,474.39	\$1,209,432.90	\$453,509.00	TOTAL WATER SDC FUND RESOURCES	\$575,935.00	\$575,935.00	\$575,935.00			
			REQUIREMENTS						
			MATERIAL & SERVICES						
\$0.00	\$0.00	\$50,000.00	PROFESSIONAL SERVICES-Imp	\$0.00	\$0.00	\$0.00			
\$0.00	\$0.00	\$0.00	PROFESSIONAL SERVICES-Reimb	\$20,000.00	\$20,000.00	\$20,000.00			
\$0.00	\$0.00	\$50,000.00	TOTAL MATERIALS & SERVICES	\$20,000.00	\$20,000.00	\$20,000.00			
			CAPITAL OUTLAY						
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00			
\$0.00	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00			
			TRANSFERS OUT						
\$1,266,282.89	\$594,498.14	\$136,200.00	TRANSFER TO CAPITAL PROJECT F	\$0.00	\$0.00	\$0.00			
\$0.00	\$0.00	\$0.00	TRANSFER TO CAP-REIMBURSE	\$0.00	\$0.00	\$0.00			
\$0.00	\$0.00	\$0.00	TRANSFER TO CAP-IMPROVE	\$320,000.00	\$320,000.00	\$320,000.00			
\$1,266,282.89	\$594,498.14	\$136,200.00	TOTAL TRANSFERS OUT	\$320,000.00	\$320,000.00	\$320,000.00			
			RESERVE						
\$0.00	\$0.00	\$186,455.00	FB RESERVE-IMPROVEMENT	\$140,043.00	\$140,043.00	\$140,043.00			
\$0.00	\$0.00	\$80,854.00	FB RESERVE-REIMBURSEMENT	\$95,892.00	\$95,892.00	\$95,892.00			
\$0.00	\$0.00	\$267,309.00	TOTAL TRANSFERS OUT	\$235,935.00	\$235,935.00	\$235,935.00			
\$1,266,282.89	\$594,498.14	\$453,509.00	TOTAL WATER SDC FUND REQUIREMENTS	\$575,935.00	\$575,935.00	\$575,935.00			
\$2,267,474.39	\$1,209,432.90	\$453,509.00	TOTAL FUND RESOURCES AND FUND BAL	\$575,935.00	\$575,935.00	\$575,935.00			
\$1,266,282.89	\$594,498.14	\$453,509.00	TOTAL FUND REQUIREMENTS	\$575,935.00	\$575,935.00	\$575,935.00			
\$1,001,191.50	\$614,934.76	\$0.00	TOTAL NET WATER SDC FUND	\$0.00	\$0.00	\$0.00			

STREET SDC FUND

Historical Data
Actual

Historical Data			STREET SDC FUND			
Actual						
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022	RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$1,092,197.33	\$896,178.58	\$1,038,104.00	BEGINNING FUND BALANCE	\$1,478,892.00	\$1,478,892.00	\$1,478,892.00
			REVENUE			
\$0.00	\$0.00	\$0.00	TRANSPORTATION SDC	\$0.00	\$0.00	\$0.00
\$19,457.00	\$139,296.20	\$3,845.00	TRANSPORTATION - REIMBURSEMENT	\$5,000.00	\$5,000.00	\$5,000.00
\$144,276.00	\$682,174.20	\$59,660.00	TRANSPORTATION - IMPROVEMENT	\$60,000.00	\$60,000.00	\$60,000.00
\$163,733.00	\$821,470.40	\$63,505.00	TOTAL FUND REVENUES	\$65,000.00	\$65,000.00	\$65,000.00
\$1,092,197.33	\$896,178.58	\$1,038,104.00	TOTAL BEGINNING FUND BALANCE	\$1,478,892.00	\$1,478,892.00	\$1,478,892.00
\$1,255,930.33	\$1,717,648.98	\$1,101,609.00	TOTAL STREET SDC FUND RESOURCES	\$1,543,892.00	\$1,543,892.00	\$1,543,892.00
			REQUIREMENTS			
\$0.00	\$0.00	\$0.00	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL MATERIALS % SERVICES	\$0.00	\$0.00	\$0.00
			CAPITAL OUTLAY			
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00
			TRANSFERS OUT			
\$359,751.75	\$110,593.22	\$439,000.00	TRANSFER TO CAPITAL PROJECTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TRANSFER TO CAP-REIMBURSE	\$405,000.00	\$405,000.00	\$405,000.00
\$359,751.75	\$110,593.22	\$439,000.00	TOTAL TRANSFERS OUT	\$405,000.00	\$405,000.00	\$405,000.00
			RESERVE			
\$0.00	\$0.00	\$606,994.00	FB RESERVE-IMPROVEMENT	\$1,077,922.00	\$1,077,922.00	\$1,077,922.00
\$0.00	\$0.00	\$55,615.00	FB RESERVE-REIMBURSEMENT	\$60,970.00	\$60,970.00	\$60,970.00
\$0.00	\$0.00	\$662,609.00	TOTAL RESERVES	\$1,138,892.00	\$1,138,892.00	\$1,138,892.00
\$359,751.75	\$110,593.22	\$1,101,609.00	TOTAL STREET SDC FUND REQUIREMENTS	\$1,543,892.00	\$1,543,892.00	\$1,543,892.00
\$1,255,930.33	\$1,717,648.98	\$1,101,609.00	TOTAL FUND RESOURCES AND FUND BAL	\$1,543,892.00	\$1,543,892.00	\$1,543,892.00
\$359,751.75	\$110,593.22	\$1,101,609.00	TOTAL FUND REQUIREMENTS	\$1,543,892.00	\$1,543,892.00	\$1,543,892.00
\$896,178.58	\$1,607,055.76	\$0.00	TOTAL NET STREET SDC FUND	\$0.00	\$0.00	\$0.00

Historical Data
Actual

PARK SDC FUND

Budget for Next FY 2022-2023

RESOURCES

2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$2,494,436.64	\$2,420,012.32	\$2,087,512.00	BEGINNING FUND BALANCE	\$1,522,979.00	\$1,522,979.00	\$1,522,979.00
			REVENUE			
\$80,521.00	\$112,268.00	\$12,750.00	PARK SDC - IMPROVEMENT FEE	\$35,000.00	\$35,000.00	\$35,000.00
\$80,521.00	\$112,268.00	\$12,750.00	TOTAL FUND REVENUES	\$35,000.00	\$35,000.00	\$35,000.00
\$2,494,436.64	\$2,420,012.32	\$2,087,512.00	TOTAL BEGINNING FUND BALANCE	\$1,522,979.00	\$1,522,979.00	\$1,522,979.00
\$2,574,957.64	\$2,532,280.32	\$2,100,262.00	TOTAL PARK SDC FUND RESOURCES	\$1,557,979.00	\$1,557,979.00	\$1,557,979.00

REQUIREMENTS

			MATERIAL & SERVICES			
\$0.00	\$0.00	\$0.00	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL MATERIALS % SERVICES	\$0.00	\$0.00	\$0.00
			CAPITAL OUTLAY			
\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00
			TRANSFERS OUT			
\$154,945.32	\$497,936.62	\$1,400,000.00	TRANSFER TO CAPITAL PROJECTS	\$350,000.00	\$350,000.00	\$350,000.00
\$154,945.32	\$497,936.62	\$1,400,000.00	TOTAL TRANSFERS OUT	\$350,000.00	\$350,000.00	\$350,000.00
			RESERVE			
\$0.00	\$0.00	\$700,262.00	RESERVE	\$1,207,979.00	\$1,207,979.00	\$1,207,979.00
\$0.00	\$0.00	\$700,262.00	TOTAL RESERVES	\$1,207,979.00	\$1,207,979.00	\$1,207,979.00
\$154,945.32	\$497,936.62	\$2,100,262.00	TOTAL PARK SDC FUND REQUIREMENTS	\$1,557,979.00	\$1,557,979.00	\$1,557,979.00
\$2,574,957.64	\$2,532,280.32	\$2,100,262.00	TOTAL FUND RESOURCES AND FUND BAL	\$1,557,979.00	\$1,557,979.00	\$1,557,979.00
\$154,945.32	\$497,936.62	\$2,100,262.00	TOTAL FUND REQUIREMENTS	\$1,557,979.00	\$1,557,979.00	\$1,557,979.00
\$2,420,012.32	\$2,034,343.70	\$0.00	TOTAL NET PARK SDC FUND	\$0.00	\$0.00	\$0.00

STORM WATER SDC FUND

Historical Data
Actual

2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022	RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$190,888.44	\$137,026.96	\$191,712.00	BEGINNING FUND BALANCE	\$198,820.00	\$198,820.00	\$198,820.00
			REVENUE			
\$1,071.00	\$3,672.20	\$205.00	STORM SDC - REMIBURSEMENT FEE	\$205.00	\$205.00	\$205.00
\$23,296.00	\$80,655.96	\$4,455.00	STORM SDC - IMPROVEMENT FEE	\$4,455.00	\$4,455.00	\$4,455.00
\$24,367.00	\$84,328.16	\$4,660.00	TOTAL FUND REVENUES	\$4,660.00	\$4,660.00	\$4,660.00
\$190,888.44	\$137,026.96	\$191,712.00	TOTAL BEGINNING FUND BALANCE	\$198,820.00	\$198,820.00	\$198,820.00
\$215,255.44	\$221,355.12	\$196,372.00	TOTAL STORM WATER SDC FUND RESOURCES	\$203,480.00	\$203,480.00	\$203,480.00

REQUIREMENTS

MATERIAL & SERVICES

\$0.00	\$0.00	\$0.00	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL MATERIALS & SERVICES	\$0.00	\$0.00	\$0.00

CAPITAL OUTLAY

\$0.00	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00

TRANSFERS OUT

\$78,228.48	\$239.34	\$75,000.00	TRANSFER TO CAPITAL PROJECTS	\$150,000.00	\$150,000.00	\$150,000.00
\$78,228.48	\$239.34	\$75,000.00	TOTAL TRANSFERS OUT	\$150,000.00	\$150,000.00	\$150,000.00

RESERVE

\$0.00	\$0.00	\$88,520.00	RESERVE - IMPROVEMENT SDC	\$20,218.00	\$20,218.00	\$20,218.00
\$0.00	\$0.00	\$32,852.00	RESERVE - REIMBURSEMENT SDC	\$33,262.00	\$33,262.00	\$33,262.00
\$0.00	\$0.00	\$121,372.00	TOTAL RESERVES	\$53,480.00	\$53,480.00	\$53,480.00

\$78,228.48	\$239.34	\$196,372.00	TOTAL STORM WATER SDC FUND REQUIREMENTS	\$203,480.00	\$203,480.00	\$203,480.00
--------------------	-----------------	---------------------	--	---------------------	---------------------	---------------------

\$215,255.44	\$221,355.12	\$196,372.00	TOTAL FUND RESOURCES AND FUND BAL	\$203,480.00	\$203,480.00	\$203,480.00
--------------	--------------	--------------	--	--------------	--------------	--------------

\$78,228.48	\$239.34	\$196,372.00	TOTAL FUND REQUIREMENTS	\$203,480.00	\$203,480.00	\$203,480.00
-------------	----------	--------------	--------------------------------	--------------	--------------	--------------

\$137,026.96	\$221,115.78	\$0.00	TOTAL NET STORM WATER SDC FUND	\$0.00	\$0.00	\$0.00
--------------	--------------	--------	---------------------------------------	--------	--------	--------



This page intentionally left blank

DEBT SERVICE FUNDS



Debt Fund - Combined Schedules for Molalla & Urban Renewal

In September of 2020 the City of Molalla issued the Full Faith & Credit Financing Series 2020 bond. The new debt paid off the 2005 CWSRF Bond. On August 26, 2020, through resolution, execution of financing was authorized by the agency to use tax increment revenues to make debt service payments on portions allocable to MURA projects. S&P rates the City of Molalla at a **AA** rating which states, “A very strong capacity to meet financial commitments.” Molalla is very healthy financially only using **17%** of their overall state debt limit capacity.

Outstanding Debt Fiscal Years June 30, 2023 – 2027

City of Molalla

	Loan Amount	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
Full Faith & Credit Financing Series 2020	2,086,506	380,618	379,384	377,888	148,335	148,321
City of Molalla – MURA						
Full Faith & Credit Series 2020 (Split MURA)	2,483,564	271,607	271,611	271,562	271,560	271,602
Full Faith \$ Credit Series 2015	2,186,800	268,600	260,600	277,600	293,600	293,600
Total	6,756,870	920,825	911,595	927,050	713,495	713,523

Highlights

- Fiscal Year 2022-23 Outstanding Combined Debt balance for MURA and City of Molalla is \$920,825
- Debt Limitation
 - Real Market Value \$1,333,457,422
 - Factor X 3%
 - Debt Limit/Capacity **\$40,003,723 as of 6/30/22**
- State law sets limits to 3% of real market value of property held in City Boundaries.

Noteworthy Accomplishments from 2020-2023

- ✓ Total City debt per capita as of June 30, 2022, \$662
- ✓ By completing the Full Faith & Credit Bond Series 2020 (Issued 9/11/2020) The City of Molalla received **over \$500,000 in savings** for competing the refinance on time. At that time the Wildfires of 2020 were spreading through Oregon. The Finance team was able to complete the final stages of the bond refinance remotely.

SEWER DEBT RETIREMENT

Budget for Next FY 2022-2023

Historical Data						
Actual						
2nd Preceding Year 19-20	1st Preceding Year 20-21	Adopted Budget This Year Year 21-22	RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$316,000.00	\$315,250.00	\$0.00	BEGINNING FUND BALANCE	\$22,700.00	\$22,700.00	\$22,700.00
			REVENUE			
\$316,000.00	\$319,748.00	\$381,486.00	TRANSFER FROM SEWER FUND	\$380,625.00	\$380,625.00	\$380,625.00
\$0.00	\$2,760.00	\$0.00	TRANSFER FROM SEWER SDC FUND	\$0.00	\$0.00	\$0.00
\$316,000.00	\$319,748.00	\$381,486.00	TOTAL FUND REVENUES	\$380,625.00	\$380,625.00	\$380,625.00
\$316,000.00	\$315,250.00	\$0.00	TOTAL BEGINNING FUND BALANCE	\$22,700.00	\$22,700.00	\$22,700.00
\$632,000.00	\$634,998.00	\$381,486.00	TOTAL SEWER DEBT RETIREMENT FUND RESOURCES	\$403,325.00	\$403,325.00	\$403,325.00

REQUIREMENTS

			DEBT SERVICE			
\$66,750.00	\$26,444.44	\$0.00	2010 SEWER REV BOND - INTEREST	\$0.00	\$0.00	\$0.00
\$250,000.00	\$1,400,000.00	\$0.00	2010 SEWER REV BOND - PRINCIPA	\$0.00	\$0.00	\$0.00
\$0.00	\$253,700.00	\$27,886.00	2020 SEWER FF&C LOAN -PRIN	\$358,000.00	\$358,000.00	\$358,000.00
\$0.00	\$10,908.00	\$353,600.00	2020 SEWER FF&C LOAN - INT	\$22,618.00	\$22,618.00	\$22,618.00
\$316,750.00	\$1,691,052.44	\$381,486.00	TOTAL DEBT SERVICE	\$380,618.00	\$380,618.00	\$380,618.00
			RESERVE			
\$0.00	\$0.00	\$0.00	DEBT RESERVE	\$22,707.00	\$22,707.00	\$22,707.00
\$0.00	\$0.00	\$0.00	TOTAL RESERVE	\$22,707.00	\$22,707.00	\$22,707.00
\$316,750.00	\$1,691,052.44	\$381,486.00	TOTAL SEWER DEBT RETIREMENT FUND REQUIREMENTS	\$403,325.00	\$403,325.00	\$403,325.00
\$632,000.00	\$634,998.00	\$381,486.00	TOTAL FUND RESOURCES AND FUND BAL	\$403,325.00	\$403,325.00	\$403,325.00
\$316,750.00	\$1,691,052.44	\$381,486.00	TOTAL FUND REQUIREMENTS	\$403,325.00	\$403,325.00	\$403,325.00
\$315,250.00	-\$1,056,054.44	\$0.00	TOTAL NET SEWER DEBT RETIREMENT FUND	\$0.00	\$0.00	\$0.00

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
	2,125,300	103,516.99	2,228,816.99

CWSRF DEBT RETIREMENT

Budget for Next FY 2022-2023

Historical Data Actual						
2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022				
\$185,328.00	\$184,618.00	\$20,000.00				
			RESOURCES	Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
			BEGINNING FUND BALANCE	\$42,000.00	\$42,000.00	\$42,000.00
			REVENUE			
\$140,043.00	\$143,991.00	\$0.00	TRANSFER FROM SEWER SDC FUND	\$0.00	\$0.00	\$0.00
\$44,575.00	\$59,897.00	\$2,000.00	TRANSFER FROM SEWER	\$2,000.00	\$2,000.00	\$2,000.00
\$0.00	\$0.00	\$0.00	TRANSFER FROM STREETS	\$15,000.00	\$15,000.00	\$15,000.00
\$184,618.00	\$203,888.00	\$2,000.00	TOTAL FUND REVENUES	\$17,000.00	\$17,000.00	\$17,000.00
\$185,328.00	\$184,618.00	\$20,000.00	TOTAL BEGINNING FUND BALANCE	\$42,000.00	\$42,000.00	\$42,000.00
\$369,946.00	\$388,506.00	\$22,000.00	TOTAL CWSRF DEBT RETIREMENT FUND RESOURCES	\$59,000.00	\$59,000.00	\$59,000.00
			REQUIREMENTS			
			MATERIAL & SERVICES			
\$6,714.00	\$0.00	\$0.00	CWSRF - ADMIN FEE	\$0.00	\$0.00	\$0.00
\$6,714.00	\$0.00	\$0.00	TOTAL MATERIALS % SERVICES	\$0.00	\$0.00	\$0.00
			DEBT SERVICE			
\$38,571.00	\$14,035.00	\$22,000.00	2005 CWSRF - INTEREST	\$0.00	\$0.00	\$0.00
\$140,043.00	\$1,272,262.00	\$0.00	2005 CWSRF - PRINCIPAL	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	2020 CWSRF/DEQ - INTEREST	\$15,000.00	\$15,000.00	\$15,000.00
\$0.00	\$0.00	\$0.00	2020 CWSRF/DEQ - PRINCIPAL	\$0.00	\$0.00	\$0.00
\$178,614.00	\$1,286,297.00	\$22,000.00	TOTAL DEBT SERVICE	\$15,000.00	\$15,000.00	\$15,000.00
			RESERVE			
\$0.00	\$0.00	\$0.00	CWSRF - RESERVE	\$44,000.00	\$44,000.00	\$44,000.00
\$0.00	\$0.00	\$0.00	TOTAL RESERVE OUT	\$44,000.00	\$44,000.00	\$44,000.00
\$185,328.00	\$1,286,297.00	\$22,000.00	TOTAL CSWRF DEBT RETIREMENT FUND REQUIREMENTS	\$59,000.00	\$59,000.00	\$59,000.00
\$369,946.00	\$388,506.00	\$22,000.00	TOTAL FUND RESOURCES AND FUND BAL	\$59,000.00	\$59,000.00	\$59,000.00
\$185,328.00	\$1,286,297.00	\$22,000.00	TOTAL FUND REQUIREMENTS	\$59,000.00	\$59,000.00	\$59,000.00
\$184,618.00	-\$897,791.00	\$0.00	TOTAL NET CWSRF DEBT RETIREMENT FUND	\$0.00	\$0.00	\$0.00



This page intentionally left blank

URBAN RENEWAL





Police Facility 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

May 2, 2022

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

RE: Molalla Urban Renewal Agency – 2022-2023 Budget Transmittal Memo

I am pleased to submit the proposed Budget for the City of Molalla Urban Renewal Agency for fiscal year 2022-2023. This proposed Budget includes action items and projects identified within the updated Urban Renewal Plan (August 2020). Each of these projects is identified to promote community Economic Development and revitalization through transportation, infrastructure and streetscape improvements.

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 began our current push to use MURA funds to improve Molalla in 2020 when the Urban Renewal Agency updated the Urban Renewal Plan. Project development and completion have a longer timeline today, but we made substantial progress on identified and approved projects, including the purchase of property for a new Police Facility in 2021 – 2022 as follows:

1. Molalla Avenue/Highway 211 signalization- Complete
2. Main Street/Hwy 211 widening - Complete
3. Percentage/preparation for new Police Facility and property acquisition - Complete
4. Opportunity/Streetscape projects – On-going
5. Sawyers Trucking – On going

We have scaled back large project emphasis on new projects for 2022 – 2023 with the exception of due diligence and smaller scale improvements to the Molalla Forest Road. However, two projects we are proposing to continue on the scale originally laid out is Opportunity Partnerships within the district and on going work toward the Police Facility.

2022 – 2023 MURA Projects as presented:

1. Molalla Forest Road - \$500,000
2. Opportunity Partnerships - \$400,000 - \$600,000
3. Police Facility Progression (30%) - \$200,000

TIF revenue for the 2021-2022 tax year continues to increase at a greater rate than anticipated. Within the 2021-2022 Budget we anticipated \$700,000 in TIF revenue for the Fiscal Year. By March of our Fiscal Year, we have received \$710,137. We expect that number to increase to \$735,000 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 \$540,000 in debt service for the 2022-2023 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.

The proposed FY 2022-2023 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 2022-2023

2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022
\$1,254,029.32	\$1,500,597.32	\$3,484,535.00
\$504,114.60	\$761,294.23	\$700,000.00
\$0.00	\$0.00	\$0.00
\$2,324.35	\$952.59	\$1,000.00
\$0.00	\$2,530,400.00	\$0.00
\$506,438.95	\$3,292,646.82	\$701,000.00
\$1,254,029.32	\$1,500,597.32	\$3,484,535.00

RESOURCES

BEGINNING FUND BALANCE

Proposed By Budget Officer	Approved By Budget Com.	Adopted By Gov. Body
\$2,513,504.00	\$2,513,504.00	\$2,513,504.00

REVENUE

PROPERTY TAX-CURRENT

\$756,000.00	\$756,000.00	\$756,000.00
--------------	--------------	--------------

PROPERTY TAX-PRIOR

\$10,000.00	\$10,000.00	\$10,000.00
-------------	-------------	-------------

INTEREST

\$50.00	\$50.00	\$50.00
---------	---------	---------

BOND/LOAN

\$0.00	\$0.00	\$0.00
--------	--------	--------

TOTAL FUND REVENUES

\$766,050.00	\$766,050.00	\$766,050.00
---------------------	---------------------	---------------------

TOTAL BEGINNING FUND BALANCE

\$2,513,504.00	\$2,513,504.00	\$2,513,504.00
-----------------------	-----------------------	-----------------------

\$1,760,468.27	\$4,793,244.14	\$4,185,535.00	TOTAL URBAN RENEWAL FUND RESOURCES	\$3,279,554.00	\$3,279,554.00	\$3,279,554.00
-----------------------	-----------------------	-----------------------	---	-----------------------	-----------------------	-----------------------

Historical Data			URBAN RENEWAL REQUIREMENTS	Budget for Next FY 2022-2023		
Actual 2nd Preceding Year 2019-2020	1st Preceding Year 2020-2021	Adopted Budget This Year Year 2021-2022		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			MATERIAL & SERVICES			
\$7,577.32	\$1,367.65	\$50,000.00	OPERATION & MAINTENANCE	\$50,000.00	\$50,000.00	\$50,000.00
\$7,445.00	\$16,575.00	\$150,000.00	PROFESSIONAL SERVICES	\$160,000.00	\$160,000.00	\$160,000.00
\$0.00	\$20,086.54	\$30,000.00	COST ALLOCATION AGREEMENT	\$12,620.00	\$12,620.00	\$12,620.00
\$15,022.32	\$38,029.19	\$230,000.00	TOTAL MATERIALS % SERVICES	\$222,620.00	\$222,620.00	\$222,620.00
			DEBT SERVICE			
\$155,000.00	\$165,000.00	\$180,000.00	2015 URA BOND- PRINCIPAL	\$200,000.00	\$200,000.00	\$200,000.00
\$87,028.63	\$82,449.77	\$76,000.00	2015 URA BOND- INTEREST	\$68,600.00	\$68,600.00	\$68,600.00
\$0.00	\$258,600.00	\$259,000.00	2020 URA FF&C- PRINCIPAL	\$241,300.00	\$241,300.00	\$241,300.00
\$0.00	-\$9,862.96	\$32,100.00	2020 URA FF&C- INTEREST	\$30,607.00	\$30,607.00	\$30,607.00
\$242,028.63	\$496,186.81	\$547,100.00	TOTAL DEBT SERVICE	\$540,507.00	\$540,507.00	\$540,507.00
			CAPITAL OUTLAY			
\$2,820.00	\$380,213.54	\$2,658,435.00	CAPITAL IMPROVEMENTS	\$516,427.00	\$516,427.00	\$516,427.00
\$0.00	\$0.00	\$0.00	MOLALLA FOREST ROAD	\$500,000.00	\$500,000.00	\$500,000.00
\$0.00	\$0.00	\$0.00	OPPORTUNITY PARTNERSHIPS	\$600,000.00	\$600,000.00	\$600,000.00
\$0.00	\$0.00	\$0.00	POLICE FACILITY	\$200,000.00	\$200,000.00	\$200,000.00
\$2,820.00	\$380,213.54	\$2,658,435.00	TOTAL CAPITAL OUTLAY	\$1,816,427.00	\$1,816,427.00	\$1,816,427.00
			CONTINGENCY			
\$0.00	\$0.00	\$150,000.00	CONTINGENCY	\$150,000.00	\$150,000.00	\$150,000.00
\$0.00	\$0.00	\$150,000.00	TOTAL CONTINGENCY	\$150,000.00	\$150,000.00	\$150,000.00
			RESERVE			
\$0.00	\$0.00	\$0.00	RESERVE	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$600,000.00	URA BOND - RESERVE	\$550,000.00	\$550,000.00	\$550,000.00
\$0.00	\$0.00	\$600,000.00	TOTAL RESERVES	\$550,000.00	\$550,000.00	\$550,000.00
\$259,870.95	\$914,429.54	\$4,185,535.00	TOTAL URBAN RENEWAL FUND REQUIREMENTS	\$3,279,554.00	\$3,279,554.00	\$3,279,554.00
\$1,760,468.27	\$4,793,244.14	\$4,185,535.00	TOTAL FUND RESOURCES AND FUND BAL	\$3,279,554.00	\$3,279,554.00	\$3,279,554.00
\$259,870.95	\$914,429.54	\$4,185,535.00	TOTAL FUND REQUIREMENTS	\$3,279,554.00	\$3,279,554.00	\$3,279,554.00
\$1,500,597.32	\$3,878,814.60	\$0.00	TOTAL NET URBAN RENEWAL FUND	\$0.00	\$0.00	\$0.00

The Molalla Urban Renewal Agency, although a different corporation with its own Board, functions under the administration of the City of Molalla and is governed by the same financial policies, procedures, and goals. In addition, the agency is budgeted and audited in partnership with the City.

FULL FAITH AND CREDIT OBLIGATIONS, SERIES 2015
MOLALLA URBAN RENEWAL DISTRICT

In 2015, the Molalla Urban Renewal District received a loan for Urban Renewal Debt Service and Projects.

Issue Date – 02/11/2015
 Final Maturity – 06/01/2029
 Initial Loan Amount - \$2,690,000
 Interest Rate – 3%
 Remitted from – Urban Renewal

Period Ending	Principal	Interest	Total Debt	Reserve
06/30/2021	165,000	82,400	247,400	255,800
06/30/2022	180,000	75,800	255,800	268,600
06/30/2023	200,000	68,600	268,600	260,600
06/30/2024	200,000	60,600	260,600	277,600
06/30/2025	225,000	52,600	277,600	293,600
06/30/2026	250,000	43,600	293,600	293,600
06/30/2027	260,000	33,600	293,600	303,200
06/30/2028	280,000	23,200	303,200	312,000
06/30/2029	300,000	12,000	312,000	0.00
	1,715,000	294,400	2,009,00	1,741,600

The Series 2015 bond has the same principal, interest, and debt reserve requirement as noted in all of the City of Molalla debts.

The Molalla Urban Renewal Agency, although a different corporation with its own Board, functions under the administration of the City of Molalla and is governed by the same financial policies, procedures, and goals. In addition, the agency is budgeted and audited in partnership with the City.

FULL FAITH AND CREDIT FINANCING AGREEMENT
MOLALLA URBAN RENEWAL DISTRICT

In 2020, the Molalla Urban Renewal District received a loan for Urban Renewal Debt Service and Projects.

Issue Date – 09/11/2020
 Final Maturity – 01/15/2030
 Initial Loan Amount - \$2,530,400.00
 Interest Rate – 1.49%
 Remitted from – Urban Renewal

The following table shows the debt service repayment schedule for the 2020 Loan:

Payment Dates	Principal		Interest	Debt Svc
1/15/2021	258,600	1.49	12,986.58	271,586.58
7/15/2021			16,924.91	16,924.91
1/15/2022	237,800	1.49	16,924.91	254,724.91
7/15/2022			15,153.30	15,153.30
1/15/2023	241,300	1.49	15,153.30	256,453.30
7/15/2023			13,355.62	13,355.62
1/15/2024	244,900	1.49	13,355.62	258,255.62
7/15/2024			11,531.11	11,531.11
1/15/2025	248,500	1.49	11,531.11	260,031.11
7/15/2025			9,679.79	9,679.79
1/15/2026	252,200	1.49	9,679.79	261,879.79
7/15/2026			7,800.90	7,800.90
1/15/2027	256,000	1.49	7,800.90	263,800.90
7/15/2027			5,893.70	5,893.70
1/15/2028	259,800	1.49	5,893.70	265,693.70
7/15/2028			3,958.19	3,958.19
1/15/2029	263,700	1.49	3,958.19	267,658.19
7/15/2029			1,993.62	1,993.62
1/15/2030	267,600	1.49	1,993.62	269,593.62
	2,034,000		138,732.46	2,172,732.46



This page intentionally left blank

LEGAL APPENDIX MISC



College of Urban and Public Affairs
Population Research Center

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

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

– IMPORTANT NOTICE –

Preliminary 2021 Population Estimate

November 17, 2021

To: **Molalla city**

Listed below is the preliminary population estimate for July 1, 2021. Also included are the Revised 2020 estimate and 2020 Census figure. The July 1, 2021 estimate will be certified following the review period on December 15, 2021.

PRELIMINARY POPULATION ESTIMATE:

JULY 1, 2021 10,207

Revised POPULATION ESTIMATE:

JULY 1, 2020 10,229

CERTIFIED CENSUS FIGURE:

APRIL 1, 2020 10,228

The 2021 CERTIFIED population estimates will be posted to our web site by the close of business December 15, 2021 at the following page URL:

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

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
PO Box 751
Portland, OR 97207-0751

E-mail: alkitkat@pdx.edu




TAMI LITTLE
COUNTY ASSESSOR

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 31, 2022

SUBJECT: 2022-2023 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 2022-2023 tax year.

<u>2021-2022</u> <u>Assessed Value (AV)</u>	<u>2022-2023</u> <u>Estimated Growth in (AV)</u>
\$714,766,897	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: (\$ 4.20)

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.

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 an estimate only and is intended to provide assistance in your budgeting process. It is important to note actual AV growth can vary due to the unknown changes stated. Please call if you have any questions

TL/dlm

PROPERTY TAX WORKSHEET

EST-WAITING FOR LETTER FROM ASSESSOR

1. Permanent Rate Limit		\$5.3058 / \$1000		
2. Est. Assessed Value				\$751,042,293.33
3. Tax rate (per dollar)	0		X	0.0053058
<i>(converts rate to a decimal)</i>				
4. Amount the Rate would raise				\$3,984,880.20
5. Estimate Measure 5 loss (compression)		-		\$100.00
<i>Assessor sends report in Oct each yr shows current yr information referred to as the Table 4a - Summary of Assessment & Levies (SAL) - This inform is entered on LB- 1 & 3 form, line 14a</i>				
6. Tax to be billed			=	\$3,984,780.20
7. Average Collection Factor			X	0.96
<i>See your forms & instructions booklet - Page 17 for a 5 year report - by county</i>				
8. Taxes Estimated to be Received			=	\$3,833,358.55
<i>Gets entered on LB- 1 & 3 form, line 11</i>				
9. Loss due to discount & uncollectables			=	\$151,421.65
<i>(line 6 minus line 8)</i>				
<i>Gets entered on LB- 1 & 3 form, line 14b</i>				



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

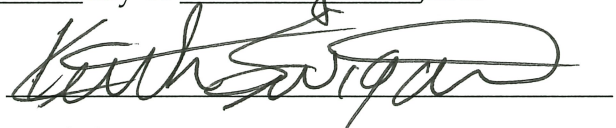
WHEREAS, staff has prepared the City of Molalla Financial Policies document that outlines procedures, safeguards, and internal controls for public fund management; and

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

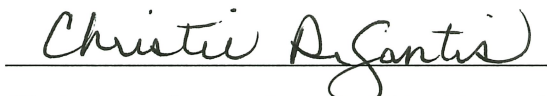
NOW, THEREFORE BE IT RESOLVED, That the City of Molalla Finance Policies document, attached hereto as Attachment A, is hereby adopted.

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 24th day of July, 2019


Keith Swigart, Mayor

ATTEST:


Christie DeSantis, Interim City Recorder



RESOLUTION NO. 2022-01

**A RESOLUTION OF THE CITY OF MOLALLA, OREGON
AMENDING THE FINANCIAL POLICY - DEBT POLICY SECTION**

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, the City of Molalla Resolves as follows:

Section 1. That the City of Molalla Finance Policies amending the Debt Policy document, hereby referred to as Exhibit A.

Section 2. Effective Date. This Resolution is effective upon the signature of the Mayor.

Signed this 9th day of March.



Scott Keyser, Mayor

ATTEST:



Christie Teets, 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

Revised 03-09-2022
Resolution 2022-01

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~~
- [Require external input and review regarding the specific methodology of recording new or refunded debt at the time such activity occurs, 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 Guidance¹.

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 procedures².

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

¹ Ref. 2 CFR Part 200

² 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 email³.

The City shall ensure the proper maintenance of federal fiscal records documenting⁴:

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 documents⁵.

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 procedures⁶ to:

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

³ Ref 2 CFR Part 200.333-337

⁴ Ref. 34 CFR Sec. 75.730-732

⁵ Ref. 2 CFR Sec. 200.336

⁶ 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.



Cover photo by
Blue Sky Rafting
(Courtesy Of The Molalla River Alliance)

- 02** About this Plan
- 05** About Molalla
- 07** Findings
- 08** 2030 Vision and Values
- 09** Vision Focus Areas: Strategies, Actions, Partners
 - 10** Focus Area #1 - A resilient community that passionately recognizes and builds on its history, culture, and location
 - 11** Focus Area #2 - A welcoming, friendly and vibrant community with an attractive hometown feel that is safe, hospitable, and inclusive of all residents, businesses and visitors
 - 14** Focus Area #3 - An economically sound and growing community which is evident in the diversity of businesses, partnerships, education, innovation, and the strong work ethic of its people
 - 15** Focus Area #4 - A full-service hub of resources
 - 16** Focus Area #5 - A beautiful and tranquil area where people are deeply connected to its unique natural features
- 17** Appendix A: Acknowledgements
- 18** Appendix B: Plan process
- 19** Appendix C: Survey responses
- 21** Appendix D: Results from stakeholder interviews
- 23** Appendix E: Vocabulary and acronyms

Fly fishing on the Molalla
Photo: David Jackson Photography

About this Plan

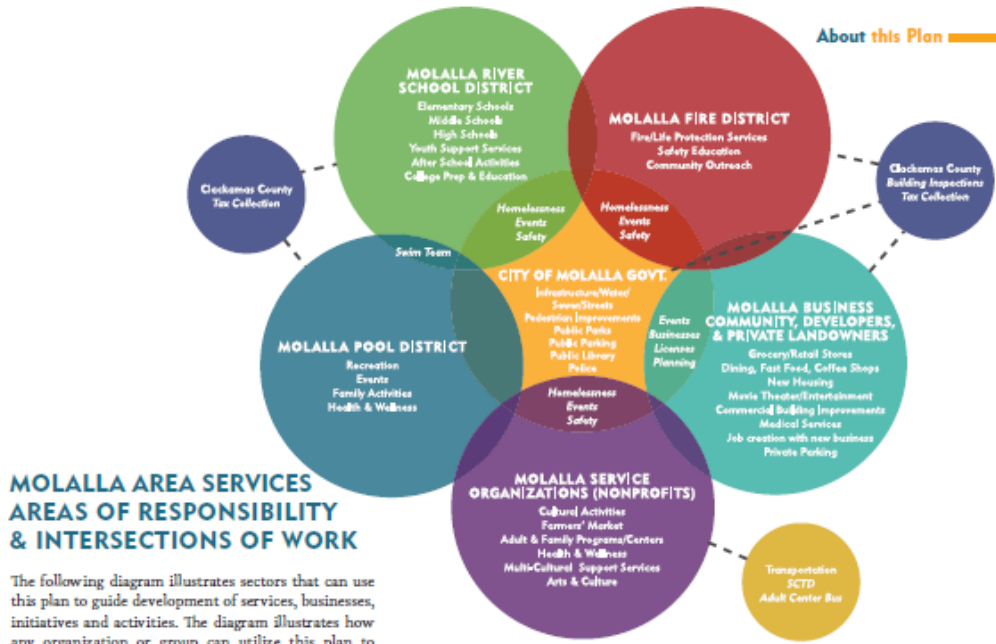


Molalla artist Ken Fetters
Photo: David Jackson Photography

The Molalla Area Vision and Action Plan 2030 came from the work of dedicated citizens who sought to engage as many people as possible in producing a blueprint for Molalla's future. The plan outlines the vision, values, focus areas, strategies, and actions for all sectors of government, business, non-profits, individuals, and groups to use.

The planning process, spanning two and a half years, focused on listening to the people who live in and around Molalla, and make this their home. Listening and engagement took many forms including public meetings, stakeholder interviews, public surveys, group exercises and public events that included almost 1,000 people. Appendix A acknowledges those who have participated in the visioning process and Appendix B details the process.

The Ford Family Foundation supported this process every step of the way, including providing mentorship, funding, and community-building training for City Council members and project leaders Councilors Childress and Klein. Facilitation of the process by the Molalla City Council is a key example of the City's objective to have a clear and strategic citizen-led action plan.



MOLALLA AREA SERVICES AREAS OF RESPONSIBILITY & INTERSECTIONS OF WORK

The following diagram illustrates sectors that can use this plan to guide development of services, businesses, initiatives and activities. The diagram illustrates how any organization or group can utilize this plan to align their strategic efforts with the plan's focus areas. Sector content within the diagram came from public feedback and does not include all services provided in and around Molalla.

Implementation



About this Plan

The plan will be implemented by committees made up of individuals from organizations named as Potential Partners in each focus area as well as others interested in a particular area. These committees will take ownership of one or more action items in their focus area. The plan will be reviewed annually to assess progress on all key focus areas, strategies and actions, and to make changes and additions.



Dancer at 2016 Molalla 4th of July Parade
Photo: David Jackson Photography

About Molalla



Molalla, a community of approximately 9,800 residents, has a rich past and beautiful setting which is reflected today in its commitment to quality of life. The population is estimated to grow to 13,400 by 2030.

Located at the foothills of the Cascade Range, near the Mount Hood National Forest, the city is situated 30 miles southeast of Portland, 32 miles northeast of Salem, and 13 miles east of Interstate 5. It is about a one to two hour drive to the Oregon Coast, the Columbia River Gorge, and Mt. Hood for winter sports. The City of Molalla is near the Molalla River Recreation Area, and surrounded by rich agricultural land, ranches, and rural residential development. It has been said that Molalla is in the middle of nowhere yet in the middle of everywhere.



Molalla's Tribal Heritage story of Coyote swallowing match with Grizzly Bear. Public Art created by Ben Dye

HISTORY AND FUTURE

Prior to the arrival of the first European settlers, the area was populated by the Molalla Indians. Descendants of the Molallas are now part of the Confederated Tribes of Grand Ronde. Recognition of Molalla's Native American heritage is prominent in the community through education and art. In 2017 the Confederated Tribes of Grand Ronde entered into an agreement with the Molalla River School District which changed its logo to a bear and coyote in order to retain their mascot name, "The Molalla Indians". The school district agreed to use the Grand Ronde Tribe's fourth- and eighth-grade history curriculum.

Seeking fertile soils, ample water and rich grasses, pioneers were attracted to the Willamette Valley and Molalla area. The community established itself at the crossing of two Indian trails and that crossing is the downtown intersection of Hwy 211 and Molalla Ave. today. William Russell filed the first land claim in the area in 1840. In 1850, a post office opened, and the community began growing. By 1856, the first schools opened, and in 1857, the first general store.

In 1913 Molalla welcomed the first steam train, the first Molalla Buckaroo Rodeo, the first bank, the first locally published weekly newspaper, and the incorporation of the City. Over time, timber became the community's largest commodity. At one point, with five sawmills operating, Molalla was a true timber town. Timber remained the mainstay of the community's economy until the 1980s.

Like many other rural communities in Oregon, the downturn of the timber industry in the 1980s impacted the community and required that Molalla evolve and diversify its economic base. Today, due to its proximity to Portland and Salem, approximately 90% of working residents, other than home business owners, work outside of Molalla, making it a bedroom community.



1914 Workers gazing Robbins Hill
Photo: Molalla Area Historical Society

This plan represents community momentum to re-define Molalla's identity and future. Despite past challenges, Molalla demonstrates resilience. City government is focused on collaboration, creative problem solving, and support of community needs through effective leadership. Public schools are on an academic upswing and a strong network of non-profit organizations and innovative businesses demonstrate care for citizens through many fundraising events. Share the Love, for example, is an event held annually by Molalla High School that raises thousands of dollars for individuals and families in dire circumstances.

Findings

Appendix C shows survey responses to "What would improve the quality of life in Molalla?" People consistently called for grocery stores, restaurants, traffic and pedestrian improvements, parks and recreation, more business and retail establishments, and events/activities including children's activities.

People also responded through stakeholder interviews to a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis. The analysis asked "What are the internal strengths and weaknesses of Molalla? What are external opportunities the city can reach for and better engage with? What are external threats and limitations facing Molalla?" A summary of the SWOT analysis is shown in Appendix D.

The visioning process focused on identifying what people value most about Molalla, understanding which elements of the community they wish to preserve, and how they would like to see Molalla transform over the next 10 years.

Following is a word cloud image illustrating the top words that people used to describe the Molalla area. The larger the word, the more often people used it to describe what they value most about living in Molalla. These words became the foundation from which this plan was crafted.



2030 Vision and Values

Through public input it became apparent that the core values must be maintained and expanded to be more forward-thinking and inclusive. Five community values emerged to make up the 2030 vision. This vision creates the picture and goal of what the community wants Molalla to be in 2030.

In 2030 Molalla is:

1. A resilient community that passionately recognizes and builds on its history, culture, and location
2. a welcoming, friendly and vibrant community with an attractive hometown feel that is safe, hospitable, and inclusive of all residents, businesses and visitors
3. an economically sound and growing community which is evident in the diversity of businesses, partnerships, education, innovation, and the strong work ethic of its people
4. A full-service hub of resources
5. a beautiful and tranquil area where people are deeply connected to its unique natural features



Molalla Running Club

Vision Focus Areas

STRATEGIES
 ACTIONS
 PARTNERS



This section of the plan provides strategies for how Molalla will reach the 2030 vision. It details areas of focus, actions, and partners. Strategies and actions provide guidance and concrete steps to realize the vision focus areas. These were carefully crafted from all the findings in the planning process, with special attention given to themes that were mentioned consistently as key to community improvement.

This plan also leaves room for additional ideas and actions that result from people working collaboratively toward community betterment. Often these spontaneous acts bring needed innovation, direction, spark, and fun to successfully motivate people toward achieving the vision.



Molalla Soccer
Photo: Breanna Bueghardt

FOCUS AREA #1

Molalla is... a resilient community that passionately recognizes and builds on its history, culture, and location

Vision Focus Areas

STRATEGIES:

- Be deliberate about building identity
- Embed collaborative thinking and practice in all actions
- Identify, support, and build on local culture including arts, history, heritage, and humanities

Anyone interested in implementing actions is a potential partner.

ACTIONS

Develop an awareness campaign that:

- celebrates the unique and interesting aspects of the area
- builds local pride of place and confidence in the Molalla community identity
- increases awareness about managed growth efforts
- Highlights community achievements (Share the Love, Running Club Charitable Giving, service organizations efforts on behalf of those in need, etc.)

Create a live, work and play promotion video for Molalla

Cultivate and continue to build on relationships with heritage partners

Inventory local arts, heritage, historical sites, and other cultural assets, and make information available online (such as Dibble House, galleries, Apple Festival, Celebrate Molalla, farmers market, Future Farmers of America)

Preserve significant buildings and other visible elements of local history

Build relationships by incentivizing collaborative work projects and be inclusive in planning and decision making

POTENTIAL PARTNERS

Chamber of Commerce (Chamber), City of Molalla (City), media partners, non-profits, Molalla River School District (MRSD), student groups, businesses, Kiwanis, Elks, Rotary, VFW, etc.

Chamber, City

Confederated Tribes of Grand Ronde, Molalla Area Historical Society, City

Chamber, City, heritage partners, non-profits

Molalla Area Historical Society, business owners, City

City, Chamber, service organizations, community, MRSD, Molalla Fire District (MFD)

MOLALLA AREA VISION AND ACTION PLAN 2030 | 10

FOCUS AREA #2

Molalla is... a welcoming, friendly and vibrant community with an attractive hometown feel that is safe, hospitable, and inclusive of all residents, businesses and visitors

Vision Focus Areas

STRATEGIES

- Develop the physical infrastructure needed to support a welcoming community
- Foster socially welcoming activities and embrace diversity as our strength
- Engage youth

ACTIONS

Research aesthetic design and architectural standards to create a plan which promotes development of an appealing and cohesive identity for downtown and throughout the community

Utilize the Transportation Master Plan to improve infrastructure and safety for all modes of travel (pedestrian, vehicles, bicycles, etc.) and identify new opportunities to enhance livability, i.e., Rails to Trails, bike/pedestrian paths, etc.

Implement wastewater treatment plant improvements to ensure compliance

Form a citizen advisory committee to provide input for development of an updated Parks/Greenspace Master Plan

- Maintain and improve existing parks and recreation areas
- Add new community parks or elements to existing parks, i.e., dog park, serenity park, tree park, nature park

Map all points of entry to the city and identify landowner contacts to develop a plan to improve gateway, wayfinding and informational signage

POTENTIAL PARTNERS

City, business owners

City, Clackamas County, Oregon Department of Transportation (ODOT), City of Canby, MRSD, MFD, Southern Pacific Hillvista Investment Co.

City, state and federal agencies

City, service organizations, neighborhood associations, landowners

City, state agencies

MOLALLA AREA VISION AND ACTION PLAN 2030 | 11

FOCUS AREA #2 (continued)

Vision Focus Areas

STRATEGIES	
<ul style="list-style-type: none"> • Develop the physical infrastructure needed to support a welcoming community • Engage youth 	<ul style="list-style-type: none"> • Foster socially welcoming activities and embrace diversity as our strength

ACTIONS	POTENTIAL PARTNERS
Build a new police station	City, landowners
Develop and implement a property reuse/redevelopment/new development strategy for properties along Highway 211 and in downtown	Chamber, City
Ensure that K-12 educational facilities meet community needs	MRSD, community
Improve downtown curb appeal: paint buildings, add vibrant colors with flowers/landscaping, artwork, banners, lighting	Property owners, Chamber
Improve awareness about free public parking locations in the downtown area	City
Create centrally located information board for community announcements and information	City, community groups, MRSD
Develop clear, consistent, effective ways of communicating with local people, including those whose first language is not English, as well as visitors <ul style="list-style-type: none"> • Monthly newsletter • Community calendar • Resource directory • Facebook, Next Door Neighbor (social media) • Molalla Communications reader boards 	City, Chamber, Mt. Hood Territory, County, Plaza Los Robles, Todos Juntos, regional contacts, MRSD, Library, Molalla Communications
Enhance City website to add event information and cross promote with Chamber and other entities	City, Chamber, service organizations, MRSD, MFD
Develop system for collecting and updating email address list for monthly community newsletter	City

MOLALLA AREA VISION AND ACTION PLAN 2030 | 12

FOCUS AREA #2 (continued)

Vision Focus Areas

STRATEGIES	
<ul style="list-style-type: none"> • Develop the physical infrastructure needed to support a welcoming community • Engage youth 	<ul style="list-style-type: none"> • Foster socially welcoming activities and embrace diversity as our strength

ACTIONS	POTENTIAL PARTNERS
Promote and utilize "Just Serve" website for connecting volunteers and volunteer opportunities	JustServe.org, community organizations
Create and deliver area resource guide to new utility bill customers	Service organizations, City, Clackamas County and specifically Health, Housing, and Human Services
Develop and encourage a wide range of events for the entire community <ul style="list-style-type: none"> • Recreational/parks events • National Night Out • Buckeroo, Celebrate Molalla and other existing events • Drug take-back day (April 27) 	Police Department, MRSD, Library, City, Chamber
Create community-building activities, education, and awareness programs that intentionally focus on including all cultures and ethnic groups	Business owners, MRSD, City, Plaza Los Robles, Todos Juntos, service organizations
Add extra safety patrols in Molalla River Corridor	Community, Clackamas County, City
Hold a contest to create a slogan or theme for Molalla that supports this plan and tells our story	City, community
Organize community groups to hold cleanup events for neighborhoods, parks and other community areas	Community, businesses
Engage youth in City government and plan implementation committees	Youth, MRSD, service organizations

MOLALLA AREA VISION AND ACTION PLAN 2030 | 13

FOCUS AREA #3

Molalla Is... an economically sound and growing community which is evident in the diversity of businesses, partnerships, education, innovation, and the strong work ethic of its people

Vision Focus Areas

STRATEGIES

- Develop and sustain an environment for successful economic development and managed growth
- Encourage youth participation in job development

ACTIONS	POTENTIAL PARTNERS
Develop directory of small to large businesses	City, Chamber
Create an economic development plan that identifies a foundation to grow resources and services for the community, i.e. shopping, entertainment, dining, and generating jobs	Clackamas County, City
Host a conference with local businesses, City of Molalla, and the MRSD Board of Directors on innovation and possible areas for growth in Molalla's local workforce	Local businesses, City, MRSD
Create a branding and marketing plan to encourage entrepreneurs and attract new businesses	Chamber of Commerce
Form a group to advise and advocate for business development	Business community
Strengthen promotion and support of local businesses, craftspeople, artisans, etc. (Made in Molalla)	Chamber of Commerce, business community
Develop a "start a new business" checklist for City website	Chamber, City
Create school/community/business initiatives to develop more local internships for students	Businesses, MRSD, Chamber, service organizations Clackamas Community College, MRSD, Oregon Universities, Colleges, Extension Services
Promote career technical education for youth, job development, and continuing education	

FOCUS AREA #4

Molalla Is... a full-service hub of resources

Vision Focus Areas

STRATEGIES

- Inventory and promote available services, resources, and opportunities in Molalla



ACTIONS	POTENTIAL PARTNERS
Inventory existing community services and resources, identify gaps, and develop a digital and printable resource database/guide to be shared through service groups, the library, newspaper, and City website	Service organizations, City, Library, adult center, Molalla Aquatic Center
Identify regional community needs and the infrastructure required to support them. Study successful models of collaborative efforts that have addressed such needs. Attract missing services to Molalla (Social Security Administration, Oregon Health Authority, health care, expanded bus service, language interpreters) and encourage greater collaboration across non-profits serving families.	County, City/police, state agencies, non-profit agencies

Vision Focus Areas

FOCUS AREA #5

A beautiful and tranquil area where people are deeply connected to its unique natural features

STRATEGIES

- Strengthen regional partnerships to identify key natural resources
- Develop new programs and support existing efforts dedicated to protecting natural areas
- Create sustainable tourism activities and promotion campaigns

ACTIONS

Develop regional partnerships across public and private groups to promote wise use of natural resources and to celebrate and promote the wild and scenic Molalla River

Add signage for Molalla River Recreational Area and promote the river corridor

Develop places and spaces that promote tranquility

Organize volunteer events for cleanup and maintenance of natural resources including the Molalla River

Develop strategies and funding resources to educate Molalla area residents about environmental sustainability through good stewardship and daily actions people can take

POTENTIAL PARTNERS

City, non-profits, Molalla River Alliance, Bureau of Land Management, tree farmers, Molalla River Watch, Weyerhaeuser, Mt. Hood Territory

City, ODOT, Bureau of Land Management, Friends of the Molalla River area, Molalla River Alliance

MRSD, City, community, businesses

Molalla River Alliance, community, We Love Clean Rivers, Molalla River Watch

City, environmental organizations, OSU Extension Services, Forestry Service, MRSD

MOLALLA AREA VISION AND ACTION PLAN 2030 | 16

Appendix A ACKNOWLEDGEMENTS



Photo: David Jackson Photography

A HUGE THANK YOU TO...

The approximately 1,000 people who gave input to this planning process, including those who participated in public input sessions and stakeholder interviews

Molalla High School, Molalla Communications, Molalla Public Library, and the Moose Lodge provided public meeting spaces

The Ford Family Foundation for its ongoing support

Molalla City Council, and especially Elizabeth Klein and Leota Childress for their leadership

City of Molalla staff

Community Development Consultant Bill Flood

A special thanks to the High School Leadership students for their insights!

Adopted by the Molalla City Council on January 22, 2020

MOLALLA AREA VISION AND ACTION PLAN 2030 | 17

Appendix B

PLAN PROCESS

SCHEDULE	ACTIVITY
May 17, 2017	Initial meeting with The Ford Family Foundation
June 21, 2017	Public meeting to test surveys
Summer 2017	Input from early Visioning Committee
Fall 2017–Winter 2018	Two public surveys gather input from approximately 600 Molalla area residents
Spring 2018	Community development consultant Bill Flood contracted to determine public values, needs and desires to improve Molalla's quality of life and assist with plan development
Summer 2018	Surveys analyzed and summarized, community values drafted
Fall 2018	First Molalla Community Celebration held with approximately 2,500 people attending; gathered feedback from community members on values and vision
Fall 2018	Analyzed strengths, weaknesses, opportunities, and threats through interviews with 50 stakeholders, including 25 high school leadership students
December 2018	Two community meetings held to review values and vision, and begin strategy development: <ul style="list-style-type: none"> • High School • Moose Lodge
Winter 2018	Four community meetings held to develop draft goals, actions, timeline, and partners: <ul style="list-style-type: none"> • City focus at City Council retreat • Business focus at Molalla Communications • Youth focus at Molalla High School • Non-profit services focus at Library
Spring 2019	Plan writing, re-writing
July 2019	First draft plan developed
Fall 2019	Plan review
Winter 2019–2020	City Council approves Vision and Action Plan
Winter 2019–2020	Begin hiring process for Vision and Action Plan Implementation Coordinator

MOLALLA AREA VISION AND ACTION PLAN 2030 | 18

Appendix C

SURVEY RESPONSES

Two on-line public surveys gathered input from approximately 600 Molalla area residents. Following are responses from the second survey to the question "What would improve the quality of life in Molalla?"

WHAT WOULD IMPROVE THE QUALITY OF LIFE IN MOLALLA?	# OF PEOPLE RESPONDING 444 TOTAL	% OF PEOPLE RESPONDING TO THIS ITEM
Grocery	152	34%
Restaurants (including fast-food)	121	27%
Traffic improvements (roads, streets, lights)	83	19%
School improvements (especially a new middle school)	82	18%
Pedestrian improvements (sidewalks/trails/walking, bike lanes, lights)	69	16%
Parks, recreation	58	13%
More retail	56	13%
More business (especially downtown)	39	9%
Events, activities, including children's activities	40	9%
Coffee shop	32	7%
Youth hang-out spot, activities	30	7%
Movie theatre	29	7%

MOLALLA AREA VISION AND ACTION PLAN 2030 | 19

SURVEY RESPONSES (continued)

Appendix C: Survey Responses

WHAT WOULD IMPROVE THE QUALITY OF LIFE IN MOLALLA?	# OF PEOPLE RESPONDING 444 TOTAL	% OF PEOPLE RESPONDING TO THIS ITEM
Local culture (support for aesthetic improvements, library, rodeo, arts, food carts, farmer's market, etc.)	28	6%
Facelift for downtown	26	6%
Address drugs, crime, safety	21	5%
Open pool/aquatic center	20	5%
Transport/bus (especially to Woodburn)	19	4%
Clinic (Spanish-speaking)	14	3%
Bring people together, build community	12	3%
Parking	8	2%
More jobs	8	2%
Address homeless issue	7	2%
New development with infrastructure, housing, affordable and senior housing	7	2%
No new housing/building	6	1%
Spanish interpreters	4	1%

Appendix D

RESULTS FROM STAKEHOLDER INTERVIEWS

Over 50 people responded through stakeholder interviews to a SWOT analysis. The analysis asked "What are the internal strengths and weaknesses of Molalla? What are external opportunities the City can reach for and better engage with? What are external threats and limitations facing Molalla?" Following is a summary of responses.

STRENGTHS

- People care about one another
- People are dedicated to hard work
- Our diversity—multiple generations and ages, cultures, ethnicities, agricultural workers, blue collar workers, and professionals, etc.
- A small-town feeling, relaxed and slower paced environment—peaceful, quiet, and safe
- The natural setting, resources, and history
- Proximity to agriculture
- Location in the region
- Schools are on the rise
- City is improving services
- Strong non-profits
- Room to grow
- Optimism, excitement about claiming the future
- Businesses, services, projects, initiatives in Molalla that are working

Appendix D

RESULTS FROM STAKEHOLDER INTERVIEWS (continued)

Appendix D: Results from Stakeholder Interviews

WEAKNESSES

- Lack of strong, positive identity; low self-esteem
- Lack of vision
- Negative myths about Molalla that are barriers to advancement
- Visual look of downtown and points of arrival in Molalla are not strong
- Not enough community engagement and volunteerism
- Not all people feel safe
- Lack of enough retail, industry, and local jobs
- Struggle to find balance of growth/change while preserving current values

OPPORTUNITIES

- Address all the prior weaknesses
- Molalla's population is nearing 10,000 residents, creating opportunities for expanded market offerings
- Build on the unique natural setting
- Existing events that can build identity
- Existing partners including the Confederated Tribes of Grand Ronde, Clackamas County Economic Development Department, and the Oregon Department of Transportation, as well as great potential for new partnerships
- Attract visitors and others traveling on Molalla's main highways and arterial roads to stop, linger, and experience all Molalla has to offer

THREATS

- Not having control over Highways 213 and 211 (Molalla's Main Street) which are the major arterials of traffic into the community
- Being a commuter town with people not supporting and doing business in Molalla
- Some perceive the location as too far from other communities
- Lack of clear, strong identity
- If Molalla doesn't claim its future, someone else will
- Trying so hard to maintain status quo that opportunities are missed

MOLALLA AREA VISION AND ACTION PLAN 2030 | 22

Appendix E

VOCABULARY & ACRONYMS

Actions – Specific steps, activities, projects or programs to implement strategies

Evaluation and Assessment – Specifically how the Implementation Action Committee will annually reflect on and measure progress toward reaching the vision and implementing actions and strategies

MFD – Molalla Fire District

MRSD – Molalla River School District

ODOT – Oregon Department of Transportation

OSU – Oregon State University

Potential Partner(s) – A person or group/organization collaborating with others toward an area of mutual interest

SCTD – South Clackamas Transportation District

Strategies – Statements describing how to implement the vision focus areas

SWOT – Strengths, weaknesses, opportunities, threats

Values – Core beliefs of community members

Vision – The picture of what the community wants Molalla to be in 2030

Vision Focus Areas – Key areas and topics for putting the vision into practice

MOLALLA AREA VISION AND ACTION PLAN 2030 | 23



ADMINISTRATION
City Manager, City Recorder, Finance

MOLALLA AREA VISION AND ACTION PLAN 2030
Approved by City Council – February 23, 2022

ACTION ITEM	GOAL (ongoing/in progress)	EXPECTATION (yearly function)	ACCOMPLISHED (task completed)
2021 Action Items			
<i>(Administration/City Manager)</i>			
DUII prosecution in Molalla Municipal Court (FA 1, 3)	✓	✓	
Revisit Wildfire Emergency Response program (FA 1)	✓		
Promote Diversity, Equity, Inclusion Opportunities (FA 1, 2)	✓	✓	✓
Community Partnership (FA 2)	✓		
Marketing/Social Media Firm (PIO?) (FA 2)	✓		
Update Emergency Operation Plan (FA 2)	✓		
Reestablish Student Liaison with City Council (FA 3)	✓		
Inventory and Promote available resources, services, and opportunities in Molalla (FA 4)			
Community Outreach via Molalla Current (FA 4, 5)	✓	✓	✓
Investigate Community Development bonding (FA 5)	✓		
Work with Molalla Hope to provide space for Warming/Cooling Shelter (FA 4)	✓		✓
Create and Implement a Parks CPC (FA 2)	✓	✓	✓
Oversee Parks CPC for creation of Chief Yelkus Park – Molalla Forest Road (FA 1, 2, 5)	✓	✓	

1

ADMINISTRATION
City Manager, City Recorder, Finance

MOLALLA AREA VISION AND ACTION PLAN 2030
Approved by City Council – February 23, 2022

ACTION ITEM	GOAL (ongoing/in progress)	EXPECTATION (yearly function)	ACCOMPLISHED (task completed)
Oversee Parks CPC for creation of Strawberry Park (FA 1, 2, 5)	✓		✓
<i>(City Recorder)</i>			
Provide prompt service when fulfilling Public Records Requests (FA 3, 4)	✓	✓	✓
<i>(Finance Department)</i>			
Develop Human Resources Department (FA 4)	✓		✓
Assist all departments with funding for projects (FA 4)	✓	✓	✓
Annually receive Budget Award (FA 4)	✓	✓	✓
Annually receive good audit (FA 4)	✓	✓	✓
Continual Grant Management (ARPA, CRF, CDBG, etc.) (FA 4)	✓	✓	
Organize and secure funding for Police Facility	✓		
Organize and secure funding for Park Property Purchase (FA 1, 2, 4, 5)	✓		✓
Financial Health – 5 yr plan Auditors state that we are better than most Cities our size (FA 4)	✓	✓	

2

LIBRARY

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – February 23, 2022

ACTION ITEM	GOAL (ongoing/in progress)	EXPECTATION (yearly function)	ACCOMPLISHED (task completed)
2021 Action Items			
Actively participate in Celebrate Molalla and National Night Out (FA 1, 2)		✓	
Coordinate with Molalla Current for updates and monthly newsletter (FA 1, 2)		✓	
Promote local musicians through summer Music in the Park series (FA 1, 2)		✓	
Plans programs promoting all holidays, increasing awareness of diversity of culture and celebrations (FA 1, 2, 5)		✓	
Library employs Spanish speaking staff to assist in all aspects of communication with Hispanic community (FA 2)		✓	
Provide materials and online databases to assist in career and test taking skills for local high school students (FA 3)		✓	
The Molalla Library is a full-service resource hub. (FA 4)		✓	
Provide a variety of resources to community regarding the environment and sustainability (FA 5)		✓	
		✓	
ACTION ITEM	GOAL	EXPECTATION	ACCOMPLISHED

1

LIBRARY

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – February 23, 2022

	(ongoing/in progress)	(yearly function)	(task completed)
2022 Action Items			
Collaborate with Todos Juntos to provide outreach programs (FA 1, 2)		✓	
Collaborate with local daycare centers to promote literacy skills (FA 1)		✓	
Collaborate with Lutheran Family Services to restart Citizenship Classes (FA 1)		✓	
Create additional teen activities for local students, providing a safe place for teens to gather (FA 3)		✓	
Introducing a Tree Planting Program to celebrate Earth Day 2022 (FA 5)	✓	✓	

2

POLICE DEPARTMENT

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – February 23, 2022

ACTION ITEM	GOAL (ongoing/in progress)	EXPECTATION (yearly function)	ACCOMPLISHED (task completed)
2021 Action Items			
New Policy Facility (FA 1-5)	✓		
Police Department Webpage Update (FA 1, 2, 5)	✓		
Public Information Officer (FA 1, 2, 5)	✓		
Expand Bike Patrol (FA 2)		✓	
Establish Police Facility CPC (FA 1-5)			✓
Develop Bicycle Registration & Education Program (FA 2, 3)	✓		
Sustainable Police Department Staff (FA 2, 3)	✓		
Pursue Traffic Unit Grants (FA 2, 3, 4)		✓	
Develop Drug Recognition Expert (FA 2, 3)	✓		
Investigate Use of Drone (FA 2, 3)	✓		
Maintain Police Accreditation (FA 2, 3)		✓	

1

POLICE DEPARTMENT

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – February 23, 2022

ACTION ITEM	GOAL (ongoing/in progress)	EXPECTATION (yearly function)	ACCOMPLISHED (task completed)
2022 Action Items			
Participate in Molalla Current Updates (FA 1)		✓	
Collaborate with Molalla & Colton Fire Departments (active shooter training) (FA 1)		✓	
Collaborate with MRSD to create an Emergency Management Plan (FA 1)	✓		
Collaborate with local businesses – Evaluating security measures in event of active shooter or similar emergencies (FA 1)	✓		
Coordinate community events with other agencies (Buckeroo, 5K run, Chamber Parade) (FA 2)		✓	
Partner with DEA – National Drug Take Back Day, including year-round kiosk at PD (FA 2)			✓

2

COMMUNITY DEVELOPMENT DEPARTMENT

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – March 23, 2022

VISION & ACTION PLAN	GOAL (ongoing/in progress)	EXPECTATION (yearly function)	ACCOMPLISHED (task completed)
2021 Goals			
Complete Clark Park Phase 4 (FA 1, 2, 5)	Completed - In warranty	20-05: N/A	Project Closed.
Complete Creamery Creek Park *Now Strawberry Park* (FA 1, 2, 5)	In progress	20-07: Complete Project 2022	Equipment on order, infrastructure in engineering.
Establish Bohlender Field Vision (FA 1, 2, 5)	None Yet	Adopt Vision (Council) 2022	Included on 2022 Goals
Recruit and Implement Parks CPC (FA 1, 2, 5)	Ongoing (CPC Seated)	Meet regularly on Park Development, and Master Plan	Fox Park & Strawberry Park Developing, Chief Yelkus Park Named and Designing
Complete Molalla Forest Road Bike & Ped Path Phase 1 (FA 1, 5)	Completed - In warranty	19-07: N/A	Project Closed.
Replace Park equipment at Fox Park (FA 2)	In progress	21-11: Complete 2022	Equipment on order, infrastructure in engineering.
Investigate Use of Marketing Firm (FA 1, 2)	None Yet	Determine potential scopes of work and pricing 2022	None
Complete Water Master Plan (FA 3)	Completed	19-02: N/A	Project Closed - Adopted 5/26/21
Continue Transportation Projects on OR 211 and OR 213 (Traffic Signal) (FA 2, 3)	Ongoing	18-08: 213/Toliver RAB, Complete 2023; 19-04: Cascade Center, Complete 2022; 19-09: 211/Molalla Signal, Complete 2022; 1000 W Main frontage/220 W Main frontage/1522 W Main frontage/501 E Main frontage /31330 Hwy 213 frontage – All Complete 2022.	19-04: Cascade Center full street improvements complete, 211 & Molalla Ave signal nearly complete; 17-04 211 Bike/Ped path complete; New ADA ramps along 211 complete; Executing private improvements on 211/213; 18-08 Row acquisition in work.
Right-of-Way acquisition and development of Leroy Avenue (FA 2)	In progress	19-04: obtain ROW through to Lowe Rd., complete existing S Leroy frontage improvements	Completed S Leroy improvements except portion developing with new Apt's, and unowned ROW at end.

COMMUNITY DEVELOPMENT DEPARTMENT

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – March 23, 2022

Designate Truck Route to ease congestion and improve safety of Molalla Avenue (FA 2)	Completed	N/A	Truck Route Completed: Ord 2020-12, adopted 11/18/2020.
Street Utility Fee (FA 3)	Ongoing	Review street utility fee options, begin public process, pass fee or other tax as applicable	Added to Council's Goals for 2022.
Park Utility Fee or Park Use Fee (FA 5)	None	Removed from list until street fee work is done.	Removed from Council's Goals for 2022.
Examine Funding Options for Acquisition of Railroad Right of Way (FA 5)	Ongoing	Begin regional discussions with County and Canby.	Determined that RR Company only interested in selling all ROW, not just city portion.
Explore Travel Oregon Grant – Wayfinding Kiosks (FA 1)	Completed	N/A	Grant awarded, kiosks and maps placed, art contest ongoing. Grant closed.
Managed Growth Efforts – Molalla Current Established (FA 1)	Completed	Additional Implementation Steps 2022.	Completed: Molalla Current procured, developed, marketed and functioning.
Community Identity – Branding Action (Real People, Real Adventure, Real Fun) (FA 1)	Ongoing	Facilitate a community branding initiative to incorporate new logo/slogan into the community.	Logo/Slogan Adopted and Being Implemented on Community Development initiatives.
Coordinate with Chamber to develop digital map to be used on wayfinding kiosks (FA 1)	Ongoing	Licensing agreements implemented; non-chamber businesses allowed on map.	Map product with list of tourism/travel developed. Digital space created and included.
Collaborate with Chamber to bring Business Resource Center to Molalla Business Community (FA 1)	Completed	N/A	Negotiated with BRC to include Molalla, brought Chamber rep to BRC rep, Chamber offered funding from BRC's to host ½ time BRC employee. Chamber did not approve.
Establish Beautification & Culture CPC – Dissolve Arts & Culture and Economic Dev. CPC's (FA 2)	Ongoing (CPC Seated, others dissolved)	Meet regularly to discuss beautification and culture initiatives. Gateways, mural code, architectural standards... etc.	Working on Destination Ready Assessment and Kiosk Art Contest.
Involved with negotiation of new Police Facility project (FA 1-5)	Completed	N/A	Several months of negotiation on purchase of property, price lowered from \$1.1 mil, to \$500k

COMMUNITY DEVELOPMENT DEPARTMENT

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – March 23, 2022

Conduct Phase I environment on new Police Facility property (FA 1 – 5)	Completed	N/A	Enviro 1 completed, no issues of major concern.
Police Facility Stormwater/drainage improvements scheduled in Phase II (ARPA Funding) (FA 1-5)	In progress	Contract with project manager, design/engineer storm/drainage improvements based on selected design... complete improvements 2022	Real property acquired, personal property auctioned, project manager contract under review.
Purchase Reader Board for City Hall (FA 2)	Completed	Establish use policy for regular and special posting to board.	Board fully installed and fully functioning.
Develop and Install Public Parking Signs at City Hall public areas (FA 2)	Completed	N/A	Public parking signs added on N Molalla Ave, adjacent to lots on Ross, in lots, and on kiosks.
Monthly Newsletter via Molalla Current (FA 2)	Ongoing	Continue monthly newsletter, enhance as opportunity allows.	Established the Molalla Current Monthly E-Newsletter using the tool on Molalla Current.
Local Government Internship hosted by Planning Department (FA 2, 3)	Ongoing	Disseminate opportunity to home and charter school as well as public school.	Hosted one H.S. intern with great success.
Provided Description for non-degree seeking City internship to MRSD program manager (FA 2)	Completed	N/A	Developed and provided non-degree seeking internship, then MHS advised the program was cancelled.
Economic Development Plan created and adopted by City Council (FA 3)	Completed	Continue to work on ED plan task list...	Conducted numerous meetings, significant research, and other public outreach in development of plan. Adopted by Council on 6/9/21.
How to "Start a New Business" checklist created and posted on website (FA 3)	Ongoing	Upgrade checklist to include any/all new processes and policies. Integrate in Planning Handbook.	Developed and posted start a business checklist.

COMMUNITY DEVELOPMENT DEPARTMENT

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – March 23, 2022

VISION & ACTION PLAN	GOAL (ongoing/in progress)	EXPECTATION (yearly function)	ACCOMPLISHED (task completed)
2022 Goals – Carried Forward from 2021			
Complete Creamery Creek Park *Now Strawberry Park* (FA 1, 2, 5)	In progress	20-07: Complete Project 2022	Equipment on order, infrastructure in engineering.
Establish Bohlander Field Vision (FA 1, 2, 5)	None Yet	Adopt Vision (Council) 2022	Included on 2022 Goals
Replace Park equipment at Fox Park (FA 2)	In progress	21-11: Complete 2022	Equipment on order, infrastructure in engineering.
Investigate Use of Marketing Firm (FA 1, 2)	None Yet	Determine potential scopes of work and pricing 2022	None
Continue Transportation Projects on OR 211 and OR 213 (Traffic Signal) (FA 2, 3)	Ongoing	18-08: 213/Toliver RAB, Complete 2023; 19-04: Cascade Center, Complete 2022; 19-09: 211/Molalla Signal, Complete 2022; 1000 W Main frontage/220 W Main frontage/1522 W Main frontage/501 E Main frontage /31330 Hwy 213 frontage – All Complete 2022.	19-04: Cascade Center full street improvements complete, 211 & Molalla Ave signal nearly complete; 17-04 211 Bike/Ped path complete; New ADA ramps along 211 complete; Executing private improvements on 211/213; 18-08 Row acquisition in work.
Right-of-Way acquisition and development of Leroy Avenue (FA 2)	In progress	19-04: obtain ROW through to Lowe Rd., complete existing S Leroy frontage improvements	Completed S Leroy improvements except portion developing with new Apt's, and unowned ROW at end.
Street Utility Fee (FA 3)	Ongoing	Review street utility fee options, begin public process, pass fee or other tax as applicable	Added to Council's Goals for 2022.
Examine Funding Options for Acquisition of Railroad Right of Way (FA 5)	Ongoing	Begin regional discussions with County and Canby.	Determined that RR Company only interested in selling all ROW, not just city portion.
Community Identity – Branding Action (Real People, Real Adventure, Real Fun) (FA 1)	Ongoing	Facilitate a community branding initiative to incorporate new logo/slogan into the community.	Logo/Slogan Adopted and Being Implemented on Community Development initiatives.

COMMUNITY DEVELOPMENT DEPARTMENT

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – March 23, 2022

Coordinate with Chamber to develop digital map to be used on wayfinding kiosks (FA 1)	Ongoing	Licensing agreements implemented; non-chamber businesses allowed on map.	Map product with list of tourism/travel developed. Digital space created and included.
Police Facility Stormwater/drainage improvements scheduled in Phase II (ARPA Funding) (FA 1-5)	In progress	Contract with project manager, design/engineer storm/drainage improvements based on selected design... complete improvements 2022	Real property acquired, personal property auctioned, project manager contract under review.
How to “Start a New Business” checklist created and posted on website (FA 3)	Ongoing	Upgrade checklist to include any/all new processes and policies. Integrate in Planning Handbook.	Developed and posted start a business checklist.
2022 Goals – Newly Established			
Develop a tracking system to account for needed data points for DLCD annual reporting requirements (over 10k population)	In Progress	Integrate datapoints into tracking system. Backlog 1-year of data and report.	Data points identified.
Complete Housing Needs Analysis and associated plan amendments	In Progress	Contract consultant, conduct studies and public outreach, complete studies, adopt findings.	Grant awarded. RFP out for bids.
Identify funding for, and begin Employment Lands Studies to aid in UGB exploration	None Yet		
Reconcile PSP Zoning and complete associated plan amendments	In Progress	Complete rezoning/comp plan amendments.	Improperly zone properties identified.
Emergency Management Plan Update	In Progress	Identify and apply for funding to complete update; begin plan update with expected completion in 2023.	Potential grant funding sources identified.
Travel Oregon Destination Ready Assessment and Projects	In Progress	Complete assessment, identify priority projects, seek funding	Grant awarded, community advisory committee seated, first 2 meetings complete
Kiosk Art Contest	In Progress	Establish contest rules and timelines, disseminate, and select. Seek options for sustainability of contest.	B & C Committee researching Art contests and working to develop proposed rules.
Mural Program	In Progress	Finalize and adopt comprehensive local mural program	B & C Committee researching mural programs.

COMMUNITY DEVELOPMENT DEPARTMENT

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – March 23, 2022

Developer Assistance Programs	In Progress	Complete MURA Opportunity Fund Grant Program and adopt, Adopt expanded enterprise zone, manage IOF – Dansons project.	Outline for MURA opportunity fund complete, Enterprise Zone Expansion in beginning stages, ODOT IOF grant awarded for Dansons improvements.
Develop integrated project management program and procedures to include Engineering, Finance, Public Works, Planning, and Administration.	In Progress	Map all processes and develop digital tools.	Opening checklist prototype complete, private development checklist complete.
Secure property for 2.0 MG Water Tank	Ongoing	Determine costs, identify and obtain funding.	Land owner talks and tank design/placement costs and options explored.
Water Intake Structure	Ongoing	Determine design and costs.	Put into CIP as a priority water project.
Complete Water Service Leak Repairs	In Progress	Conduct actual repairs.	21-06: Out for bids, other service leaks in engineering.
Wastewater Treatment Plant	In Progress	Identify funding sources, determine what (if any) property may be acquired to continue design. Ensure continued compliance with DEQ consent decree.	Substantial research into potential funding sources currently underway. Negotiating for potential property purchase.
Wastewater Consent Decree Compliance	In Progress	Continue removal of biosolids, I & I mitigation, and TMDL Mercury plan	Developed and implemented bio-solid removal plan, conducted substantial I & I mitigation, and turned in draft TMDL Mercury plan to DEQ.
Molalla Forest Road Exploration	None yet	Determine what it will take to open MFR from S Molalla to OR-211	Walked road and observed potential issues.
Develop Stormwater Master Plan, CIP, and Rate Study	None yet	Identify potential funding resources to complete plan. Contract with consultant and begin planning process.	N/A
Mitigate Flooding in the Community	None yet	Identify flood prone areas and determine action/costs to mitigate.	N/A
Chief Yelkus Park Development	In Progress	Complete park and roadway design. Assess funding availability	Parks CPC has solicited public input on the park proper. Design &

COMMUNITY DEVELOPMENT DEPARTMENT

MOLALLA AREA VISION AND ACTION PLAN 2030

Approved by City Council – March 23, 2022

		and proceed with construction as funding allows.	Engineering work being done on roadway in front of park
Civic Center Renovation	In Progress	Complete Council/Court Chamber and Executive Session room in 2022. Complete CDB Grant improvements in 2023.	21-10: Digital upgrades complete, dais on order, construction contracted.
City Hall Upstairs Renovation	In Progress	Construction in progress, complete 2022.	21-04: design, engineering, bids, all complete.
System Development Charges and Capital Improvement Plan reconciliation and adoption	Ongoing	Hire consultant to reconcile and present options to Council, adopt. Create a new baseline with certainty of appropriateness.	Multiple work sessions and discussions on this topic.

Repeating Annual Goals/Tasks	
Provide Exceptional Customer Service (FA 1-5)	Manage and Facilitate Parks CPC (FA 1, 2, 5)
Manage and Facilitate Beautification & Culture CPC (FA 1, 2, 5)	Implement Economic Development Plan (FA 1-5)
Produce and Disseminate the Molalla Current E-Newsletter (FA 1-5)	Host Local Government Internship Program (FA 2, 3)
Manage the Molalla Current and Use it to Engage the Molalla Community (FA 1-5)	Manage, Facilitate and Train the Planning Commission
Implement Water Master Plan	Implement Wastewater Master Plan
Implement Stormwater Master Plan	Implement Transportation Master Plan
Implement Downtown Master Plan	Implement Parks Master Plan
Implement Development Code	Implement Comprehensive Plan



ECONOMIC VITALITY (EV) ROADMAP

City of Molalla

June 9, 2021

marketek

MOLALLA AREA
COMMUNITY VISIONING



VISION PLAN: 5 FOCUS AREAS

5 Focus Areas based on City aspirations for 2030:

1. A resilient community that passionately recognizes and builds on its history, culture, and location
2. A welcoming, friendly and vibrant community with an attractive hometown feel that is safe, hospitable, and inclusive of all residents, businesses, and visitors
3. An economically sound and growing community which is evident in the diversity of businesses, partnerships, education, innovation, and the strong work ethic of its people
4. A full-service hub of resources
5. A beautiful and tranquil area where people are deeply connected to its unique natural features



THE MOLALLA ECONOMIC DEVELOPMENT COMMITTEE

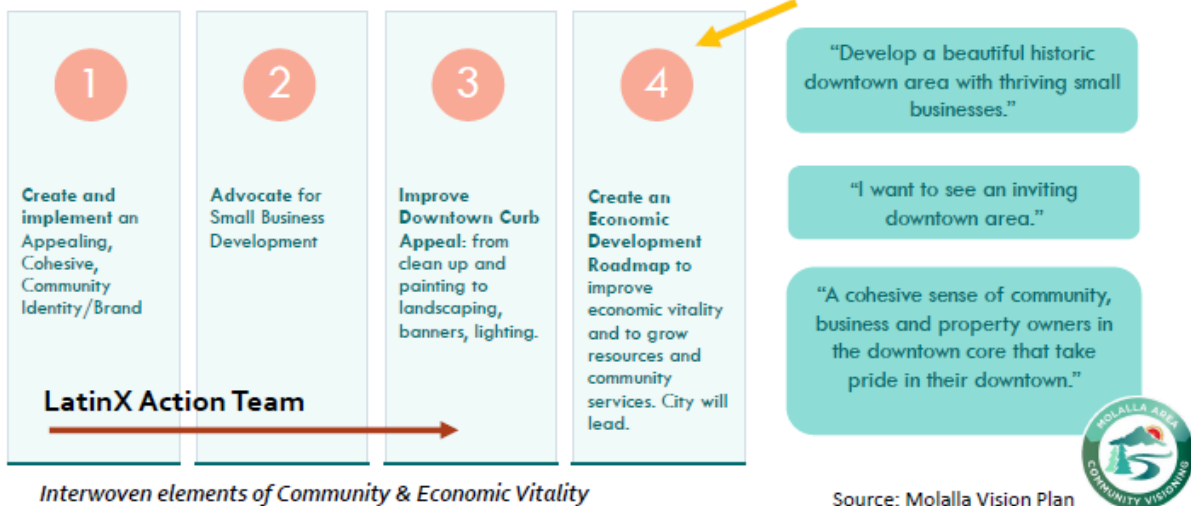
PURPOSE: To assist with the creation of a tangible economic development action plan and encourage community engagement in implementation

- Pamela Lucht - NW Transplants LLC
- Elizabeth (Lizz) Klein – City Council
- Crystal Robles - City Council
- Brad Berzinski - Molalla High School
- Robert Thompson - Welcome to Molalla & eXp Realty LLC
- Mac Corthell - City Planning Director



Guided by a Community-based Process

PRIORITIES FOR ACTION – 2021



Interwoven elements of Community & Economic Vitality

Sample of Results:

- Story Walk Storyboards are underway
- Clean-up Day planning
- Organized Advocacy for Highway improvements
- Small Business Outreach & Survey Completed
- Engagement of LatinX residents
- Draft Molalla Identity & Market Position Statement
- Flower baskets/planter program underway
- Engaged and committed Steering Committee meeting monthly

Nearly 40 community members are engaged with moving Molalla's Vision Plan to Action!



WHAT MAKES AN ECONOMIC BASE?



"It's not one thing!"



In this work, stay focused on:

BUSINESS INTERESTS & RESOURCES

- Workforce – Talent, Education
- Competitive Business Costs
- Market (access, consumer base)
- Quality of Life
- Government/Regulation (positive)
- Real Estate
- Incentives, Financing, Capital
- Housing



Assessment and Next Steps Highlights.....



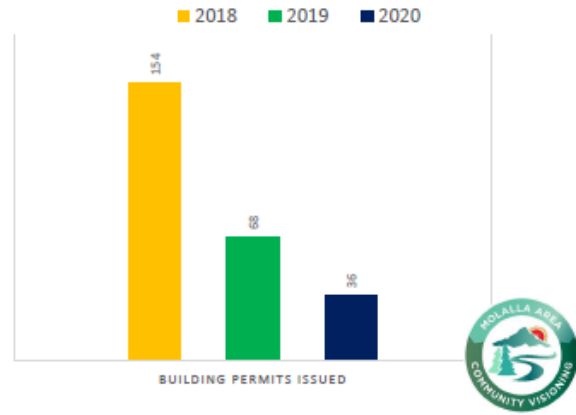
**OUR COMMUNITY is
Growing and Changing**



GROWTH TRENDS: *Building Permits Issued*

2020	
Residential	32
Commercial	4
Industrial	0
2019	
Residential	64
Commercial	4
Industrial	0
2018	
Residential	152*
Commercial	1
Industrial	1

*includes Bear Creek



In May 2021, 16 commercial & industrial projects are active.

As of May 2021, 16 active projects in pipeline:
12 commercial & 4 industrial



Nearly \$28 million in investment
233 jobs anticipated

- Self Storage - Cascade Center
- AutoZone - Cascade Center
- Grocery Outlet - Cascade Center
- Dollar Tree - Cascade Center
- Goodwill - Cascade Center
- Burger King - Cascade Center
- Dollar General - Cascade Center
- Dairy Queen
- Dansons
- Molalla Market Place Bank
- Molalla Market Place Retail
- Scandia
- Center Market
- B & I Construction and Office Space
- Industrial Landscaping Company
- Industrial Landscaping Company Retail Space
- Mobile Food Unit Pod
- By Design Steel Company





ECONOMIC DIVERSITY IS A KEY ASSET

3200 local jobs - From agriculture and manufacturing to tourism and retail



WHAT LOCAL BUSINESSES ARE SAYING...



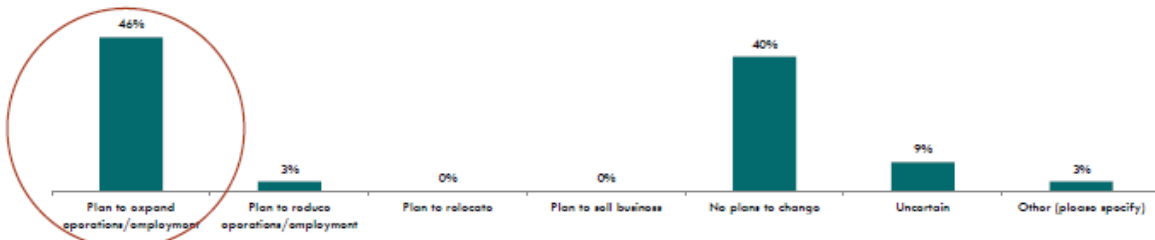
Molalla's Small Business Advocacy Action Team created a Small Business Survey, garnering 35 responses from local business owners and/or operators in March 2021. What follows are a few key highlights from results.

- Business owners are **generally optimistic** despite a tumultuous 2020 – with most saying they either will expand or stay steady
- When asked about the top advantages of doing business in Molalla, an overwhelming majority pointed to the **small town feel and local community**

Q10 What are the top advantages of doing business within Molalla? List up to three.

area Day access Small town other home close local Close home
 people great business easy town work
 community atmosphere growing products Molalla
 Customer live help supporting by love

Which phrase best describes your plans to expand or reduce your operations in the next 1 or 2 years?



BUSINESS CLIMATE SUMMARY

ASSETS



- Well-rated high school
- Community feel, neighborly support
- Natural beauty and resources
- Economic diversity

CHALLENGES



- The availability and skill level of workforce
- Ability to navigate and keep up with the tax laws and government regulation
- Limited land availability
- Market support/shoppers
- Downtown parking is limited
- Limited roads in and out of town

Source: Molalla Small Business Survey



CHALLENGES



"There are way too many vacant buildings and small businesses have a hard time. Something needs to be done to help small businesses and encourage property owners to maintain their buildings and work with renters."



"We really need another store out here. I shop Winco, Trader Joe's and Costco because Safeway is always understaffed and overpriced. Maybe a lower priced store would keep people local for shopping!"



Available Industrial Space exists but is limited and little is 'on the market'

Only 1 Industrial space actively marketed (spring 2021)

- Molalla Forest Road Industrial Park
- 17,800 SF building on 14.55 AC lot



Undeveloped; but What's Buildable?

Vacant Heavy Industrial (M-2)
Within UGB: 128.99 ac

Vacant Light Industrial (M-1)
In UGB: 13.41 ac



Sources: Loopnet, City of Molalla

OPPORTUNITIES



Retail Business Development

- Fill vacant business spaces;
- Expand retail base
- Marketing campaigns

Quality of Life Improvements

- Home prices
- Schools
- Recreation
- Crime

Tourism Development

"More shopping and food options."

"More grocery stores!"

"Bring back a vital Main Street to the heart of town -- a bustling 'old-town,' busy with hometown business, like it once was."

Industry Cluster Expansion



How to: Grow the Economy?

Economic Development Core Services

1. Build Your ED Network & Synergies
2. Business Assistance & Facilitation
3. Business Attraction & Marketing
4. Entrepreneurial Development
5. Economic Snapshots & Benchmarks
6. Branding
7. Marketing (e.g., website)



1. Get active within the economic development profession.



2. Tap Economic Development Partners and Resources (many!)



3. Tell Your Story – Promote Your Successes!

Ex: VISITOR INDUSTRY

Travel Oregon Molalla page features Molalla Train Park, the Buckaroo and Rosso Passo Acres Elk Farm

- There are opportunities to draw more visitors in to Molalla. Key to success = Partner with key attraction and visitor industry leaders in and around the area to increase Molalla's market exposure.

DON'T MISS IN MOLALLA		
Golden House First Class	Waters Park	Todd Buck Wilderness
Elk/V Buck	White Stone Restaurant and Saloon	High Arctic Pastoral

- Welcome to Molalla page has space for upcoming events and offers a comprehensive spot for visitors to see businesses and restaurants. Continue to build on the momentum on that page!



4. Get a clear picture of your real estate: commercial and industrial and how to expand 'market-ready' properties.

.....*Investment is a must*

Staff. Marketing and Visibility. Planning for continued economic growth.



2021 – 2022 FY Workplan



Strategy 1	Support and guide the Economic Development Steering Committee(SC) and Action Teams
Strategy 2	Encourage and support formation of Latinx Action Team
Strategy 3	Strengthen partnerships with and leverage resources of economic and business development organizations to serve Molalla business community
Strategy 4	Meet 1-on-1 with Molalla's largest employers (starting w/ traded sector) to build relationship and understand and help address key challenges and opportunities
Strategy 5	Follow-up with small business survey respondents
Strategy 6	Help new and expanding commercial/industrial businesses offset cost of infrastructure improvements
Strategy 7	Promote City's commitment to economic development and provide businesses 1-stop info center by adding economic development webpage to website
Strategy 8	For Visitor Marketing, clarify organizational roles and responsibilities of City, Ec Dev Steering Committee, Welcome to Molalla and Chamber + next steps
Strategy 9	Increase positive media coverage of Molalla's accomplishments, events, community spirit

Statutory and Administrative Rule References

	ORS/OAR
I. Time of Making Budget	
A. Budget message.	294.408
 II. Budget Officer	
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)
 III. Budget Document	
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 and expenditures.	294.358
D. Second preceding year actual resources and 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)
 IV. Budget Resources	
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. 294.398
(For payments between end of coming fiscal year and receipt of taxes in second coming year.) 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].

