

2016

**ADOPTED BUDGET**



July 1, 2015 to June 30, 2016

City of Molalla

Molalla Urban Renewal Agency



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# EXECUTIVE SUMMARY

## BUDGET COMMITTEE

Citizen Members: Leota Childress  
Steve Clark  
Laura Ferris  
Joe Harrison  
Mary Lynn Jacob  
Elizabeth Klein  
Howard Miller  
Ashly Petty  
Jason Steach

Mayor: Deborah Rogge

City Council: George Pottle, Council President  
Jason Griswold  
Russ Riggs  
Jennifer Satter  
Jimmy Thompson

Staff: Dan Huff, City Manager, Budget Officer  
Sadie Cramer, City Recorder  
Rod Lucich, Chief of Police  
Jennifer Cline, Public Works Director  
Diana Hadley, Library Director  
Heather Penni, Finance Director



## 2015/2016 Budget Calendar

January 14, 2015	Appoint Dan Huff, City Manager as Budget Officer by Resolution
March 17, 2015	Department Heads submit final proposed budgets to Budget Officer
April 22, 2015	Publish 1 <sup>st</sup> Notice of 1 <sup>st</sup> Budget Meeting (5/5/2015 @ 6:30pm)
April 29, 2015	Publish 2 <sup>nd</sup> Notice of Budget Meeting (5/5/2015 @ 6:30pm) Publish 1 <sup>st</sup> Notice of 2 <sup>nd</sup> Budget Meeting (5/12/2015 @ 6:30pm)
<b>May 5, 2015</b>	<b>Budget Committee Meeting #1</b>
May 6, 2015	Publish 2 <sup>nd</sup> Notice of 2 <sup>nd</sup> Meeting (5/12/2015 @ 6:30pm) Publish 1 <sup>st</sup> Notice of 3 <sup>rd</sup> Meeting (5/19/2015 @ 6:30pm)
<b>May 12, 2015</b>	<b>Budget Committee Meeting #2 (if needed)</b>
May 13, 2015	Publish 2 <sup>nd</sup> Notice of 3 <sup>rd</sup> Meeting (5/19/2015 @ 6:30pm)
<b>May 19, 2015</b>	<b>Budget Committee Meeting #3 (if needed)</b>
June 3, 2015	Publish Notice of Budget & LB Forms in Molalla Pioneer
June 10, 2015	Publish Notice of Budget & LB Forms in Molalla Pioneer
June 10, 2015	Budget to Council for Adoption, Appropriations, & Levy Taxes
June 30, 2015	All documents to Clackamas County

# EXECUTIVE SUMMARY

## City Overview

The City of Molalla is a community where citizens, business and city government work together to ensure that the community retains its hometown identity, livability and its natural beauty. With an estimated population of 8,820. Molalla's rich past is still reflected today in our commitment to our rural lifestyle and quality of life.

## Location

Molalla is part of the Mt. Hood territory and located in the foothills of the Cascade Range, near the Mount Hood National Forest, 15 miles south of Oregon City and 13 miles from Interstate 5. Molalla is surrounded by farms, ranches, and rural residential development.



## City of Molalla Government

The City of Molalla is a full-service municipality that operates under a council/manager form of government. The elected city council sets policies for city government, enacts ordinances and hires, directs and evaluates the city manager. In turn, the city manager is responsible for overall management and administration.

The Molalla City Council meets the second and fourth Wednesday of each month at the Molalla Adult Center. The City Council consists of the Mayor and six councilors who act as a board of directors of the City of Molalla municipal corporation. Municipal services are provided by a staff of 34 full-time employees headed by the city manager. The city operates its own police department, a municipal court, and water, wastewater and storm water utilities, street operations, planning and engineering services, and library.

## History

Long before the first settlers began arriving, the area was populated by the Molalla Indian tribe. As settlers arrived, the community grew around the crossing of two Indian trails. Descendants of the Molalla tribe are now part of the Grande Ronde Reservation in western Oregon. The last known full-blooded Molalla Indian died in 1913.

Seeking fertile soils, ample water and rich grasses, the pioneers were attracted to the Willamette Valley. William Russell filed the first land claim in the area in 1840. In 1850, a post office was opened and the community started to grow. By 1856, the first schools were operating and the town had become a thriving agricultural and trade center. The year 1857 brought the first general store.

The year 1913 was a year of "firsts" for Molalla. It welcomed the first steam train, the first Molalla Buckeroo Rodeo, the first bank, the first locally published weekly newspaper and the incorporation of the City.

# EXECUTIVE SUMMARY

Over the years, lumber production became the community's biggest commodity. At one point, five saw mills were in operation in Molalla. Timber remained the mainstay of the community's economy until the 1980s.

## Budgeting in the City of Molalla

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

Under the city's expenditure limitation, total expenditures cannot exceed the final appropriation once the budget is adopted. The budget can only be amended during the fiscal year through adoption of a supplemental budget. Supplemental budgets 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.

## Fiscal Year 2015/2016 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 of 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;



# EXECUTIVE SUMMARY

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 that begins July 1st and ends the following June 30th. Budgeting requires local governments to evaluate plans and priorities with regard to the financial resources available to meet those needs. In Oregon, a budget is necessary to justify the need for a given tax rate and amount of property taxes.

## Basis of Accounting

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

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

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

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

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

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

## Basis of Budgeting

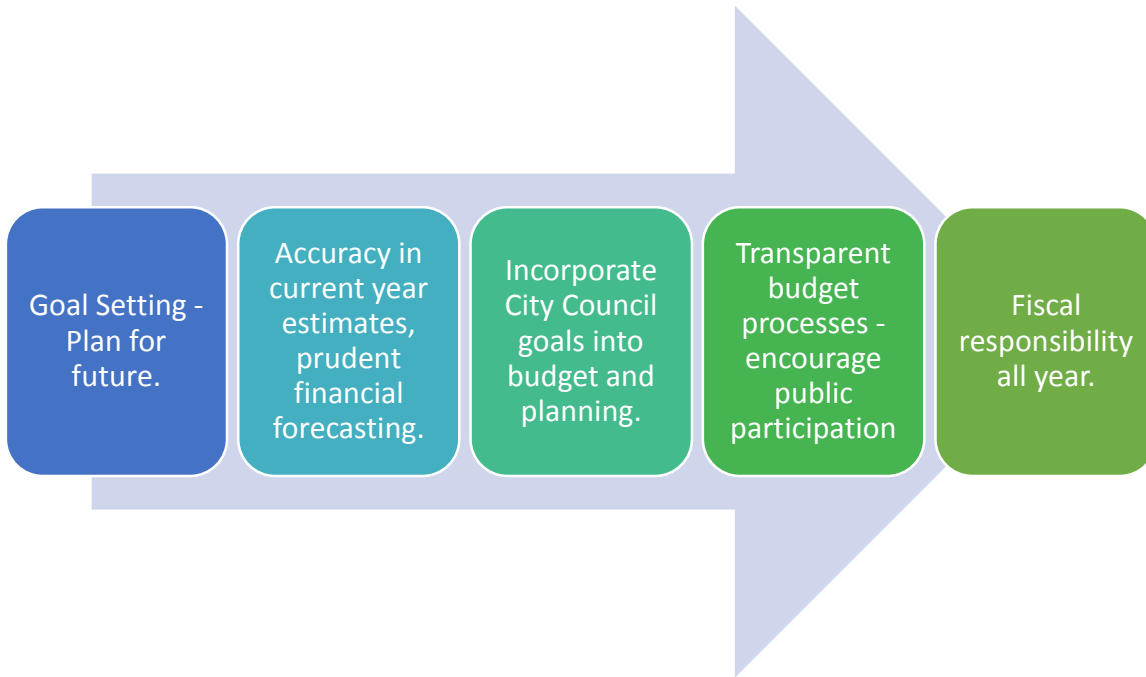
All of the funds are budgeted using the modified accrual basis of accounting practices. In modified accrual, revenues are recognized when they become measurable and available. “Measurable” means that the dollar value of the revenue is known. “Available” means that it is collectible within the current period, or soon enough after the end of the current period to pay off liabilities of the current period.

Significant revenues that are considered to be measurable and available under the modified accrual basis of accounting are property taxes, franchise fees, and assessment lien installments received within approximately 60 days of the end of the fiscal year. Expenditures are recognized when the liability is incurred, except for interest on general long-term obligations, which is recorded when due.



# EXECUTIVE SUMMARY

## 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 that 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, achieved through careful planning, fiscal responsibility and continuous improvement. In addition, the City will strive to continue providing a balance of services within its fiscal ability.

The primary goals of the plan are as follows:

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

# EXECUTIVE SUMMARY

## 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 that 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 could include the use of inter-fund transfer or borrowing of funds, deferred funding or replacement equipment for delays in capital projects.

# EXECUTIVE SUMMARY

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.

# EXECUTIVE SUMMARY

## Employee Involvement

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

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

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

## Finalize and Implement Action Plan

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

# EXECUTIVE SUMMARY



To: Budget Committee Members and Citizens of Molalla

From: Dan Huff, City Manager, Budget Officer

**Date: May 5, 2015**

RE: Presentation of the Fiscal Year 2015/2016 Proposed Budget for the City of Molalla

May 5, 2015

Honorable Mayor Rogge  
City Councilors  
Budget Committee  
Residents of Molalla

I am pleased to present the 2015/2016 Budget for the City of Molalla. Our budget process is generally a reflection of previously identified decisions, policies and programs; this budget is no different. One year ago, as part of the 2014/2015 Budget, the City made a commitment to focus on core issues centered on the following concepts:

- Fiscally conservative budgeting
- Capital infrastructure improvement focus
- Staff development
- Departmental capital improvement planning.

Part of continuing the budget process under these concepts includes a reflection on who we are as a community today. What are the needs for residents and the business community to improve quality of life? This type of reflection and questioning should be a common one in growing smaller communities like Molalla.

Population change affects the face of, and the general function of, community needs. In 1980, Molalla's population was 2,993 residents. Not too long after that the forest products industry was forever altered and the effect altered Molalla's future. Today, without timber industry employment, the certified population for Molalla is 8,820 residents. We do not have that large industry employer, but we do have 5,827 new faces, ideas, needs and philosophies.

The Budget Committee's task, in light of our community today, may be to reflect on how we pursued previous goals and where this current budget, as well as future budgets, take us in getting where we want to be. The following short list is a reflection of Council decisions and Staff efforts that have accomplished many positive projects, process and programs during the current fiscal year:

- Splash Pad reconstruction at Fox Park
- Grange/Heintz/Stowers improvements

# EXECUTIVE SUMMARY

- Community Planner
- Rodeo Walk of Fame and Downtown sidewalk improvement and tree planting project
- Police Officer hiring
- City Hall Improvements
- Over 30 new trees planted
- 96 property annexations
- Unqualified Audit
- Geo Caching project
- Comprehensive Plan Update

The 2015/2016 budget takes a similar path in that we will focus on core issues to improve what we have and prepare for the inevitable change that comes with growth.

Discretionary spending continues to be examined or reduced with the budget proposal for the 2015/2016 fiscal year. Committee members will find, once again, a healthy, yet conservative budget that focuses on core issues and infrastructure. We continue to embrace the concept of doing as much as we can with the level of resources available.

You will find within each fund a capital improvement plan that mirrors what is in the actual budget document. We stated last year that this process will take one more fiscal cycle, therefore are now implementing that concept into your budget document this year. Council, Committee Members and Staff will be able to use this document to follow our progression toward fulfilling Council Goals and Policies, Master Plans and general projects as we move forward.

We will continue our commitment of Staff professionalism to the Molalla residents, business owners and visitors. Professional levels of service are essential to our community as we carefully ride out the short term impact to one of our proprietary funds that I will discuss later. We have improved management level acumen with our hiring that has led to an increased ability to fund and complete projects. This can be seen when examining expenditures where we have kept staffing to 22% of our total expenditures. A very good mark in comparison to other public entities. Most of our resources are identified to go back into services, projects and capital.

You will also notice that Council Goals (listed on page 13) are reflected throughout the budget document. For each and every project considered, we will make every effort to apply a Council Goal as well as a budget reflection as a component of the decision.

We are not proposing significant staffing level changes for this budget cycle. We will continue to make service-based decisions that may examine a different way of doing things as opposed to simply refilling a position.

Two areas of concern are again tied to this proposed budget including Wastewater and the Aquatic Center. The Wastewater fund has been burdened with debt payment as well as the Citizen Lawsuit brought on by Bear Creek Recovery. The lawsuit has impacted our reserves and our staffing levels throughout city departments. This budget however, addresses needed cost allocations for plant maintenance, inflow and infiltration duties, NPDES Permitting requirements and the lawsuit recovery. We will once again need to be diligent with this fund.

## EXECUTIVE SUMMARY

The aquatic center continues to be a funding problem for the City and the situation was exasperated in September of 2014 when the park fee paid directly to the aquatic center was eliminated. Staff closed the aquatic center in response to funding elimination, but the City has maintained the integrity of the aquatic center since that time. At some point, this funding issue will need to be solved by the community as a whole.

We fully understand that the list of unmet needs is a fairly large one. What we also understand is that doing nothing will only make that list compound at an alarming rate. Our need for street, water, sewer, and parks improvements, as well as maintenance, is a focus of this budget and heavily identified throughout Council Goals. Our goal is to move forward in manageable, realistic ways in order to use available resources as strategically as possible.

One area that is relatively new this year, based on our actual expenditures, is our Urban Renewal program. During the 2014-2015 fiscal year, Council and Staff processed bond implementation measures to fund five (5) projects within the Urban Renewal District. Much of our Staff time will be exhausted on this project and will allow our street fund to rest from a heavy lifting year. The community will see projects begin this summer and continue throughout the next 2 to 5 years.

Again, we would like to thank and compliment everyone involved in the Budget Committee and the budget process for the 2015/2016 fiscal year. I would especially like to thank the many Staff members and their contributions leading up to preparation of this proposed budget. Overall, we continue to move forward.

Sincerely,



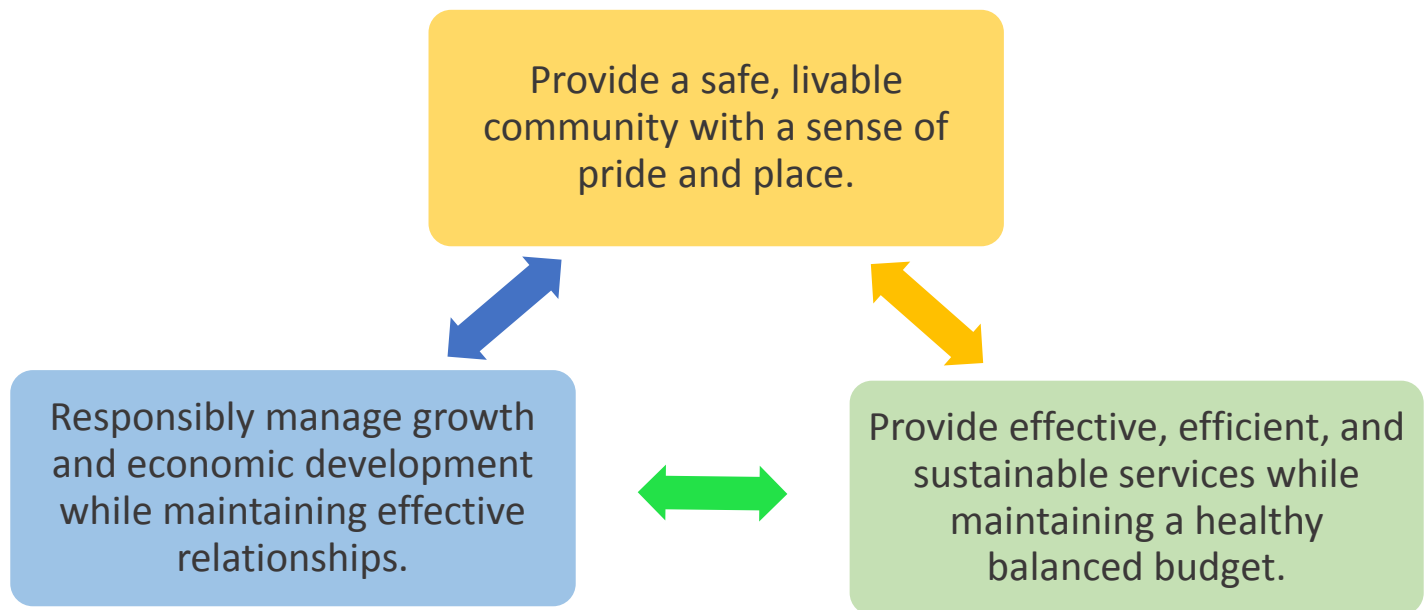
Dan Huff  
City Manager, Budget Officer, and Urban Renewal Director  
City of Molalla, Oregon



# EXECUTIVE SUMMARY

## CITY COUNCIL GOALS FOR 2015/2016

On March 11, 2015 the Molalla City Council and Staff had a goal setting session. Goals from 2014 were reviewed. Some of the 2014 goals carried over and new goals added for 2015. After discussion the council narrowed the number of goal categories from 6 to 3 for FY 2015/2016.



### 1. Provide a safe, livable community with a sense of pride and place.

- Increase public awareness of community safety needs
- Improve Community Policing Efforts (*More of a presence*)
- Increase awareness and value of having neighborhood watches
- Continue development of new website to promote community awareness and information provisions
- Ongoing changes to the website to utilize to its fullest potential.
- Promote a Downtown Development/Main Street program
- Work with local events as partners through participation
  - Chamber of Commerce
  - TEAM
  - Grow Healthy Kids
  - 4<sup>th</sup> of July Parade
  - Kiwanis
  - Rotary
  - Molalla Buckeroo Association
  - Other small community groups (Christmas Tree, Adult Center, etc)
- Promote green space and park improvements
- Promote Downtown improvements and events

# EXECUTIVE SUMMARY

## **2. Provide effective, efficient, and sustainable services while maintaining a healthy balanced budget.**

- Create a 5 Year strategic plan for the city to follow
- Participate openly in the Annual Audit process & achieve an Unqualified Audit
- Implement strategies using the Budget as the fiscal Master Plan for the City
- Prepare City of Molalla CAFR (*Comprehensive Annual Financial Report*)
- Find alternate funding source for the Aquatic Center -Partner with School District and other interested parties to resolve pool issues
- Implement a water mainline replacement program
- Maintain an annual funding source for I&I (*Inflow & Infiltration*)
- Establish a funding source for annual street maintenance
- Create a north/south connection from Toliver Road to Highway 211
- Construct a bike/pedestrian trail on the old rail line
- Pursue additional land options for recycled water and bio solid placement
- Continue to research and assess building needs for future remodeling and City expansion or the replacement of the library. Plan for public building upgrades, replacement and repurposing

## **3. Responsibly manage growth and economic development while maintaining effective relationships with local, state, and regional partners.**

- Complete the Comprehensive Plan update process
- Partner with Clackamas County Business and Economic Development, develop an economic development plan for Molalla.
- Begin process to examine public facilities including current and future needs
- Complete Highway 211 improvements
- Maintain 2014 relationships with local, state and regional partners
- Maintain funding partnerships with Clackamas County and ODOT

# EXECUTIVE SUMMARY

## 2015/2016 VALUE GROWTH ESTIMATE



BOB VROMAN  
COUNTY ASSESSOR

DEPARTMENT OF ASSESSMENT AND TAXATION  
DEVELOPMENT SERVICES BUILDING  
150 BEAVERCREEK ROAD | OREGON CITY, OR 97045

### MEMORANDUM

TO: CITY OF MOLALLA  
HEATHER PENNI, FINANCE DIRECTOR

FROM: *BV* Bob Vroman, County Assessor

DATE: March 30, 2015

SUBJECT: 2015-2016 Value Growth Estimates

To assist in budgeting, we have analyzed assessed value in your district to estimate value growth for 2015-2016. Assessed value grows with new construction and the statutory 3% maximum assessed value growth required by the Oregon tax system. In addition, we are providing your district's permanent rate and information on Measure 5 loss for the previous tax year 2014-2015.

<u>2014-2015</u> <u>Assessed Value (AV)</u>	<u>2015-2016</u> <u>Estimated Growth in (AV)</u>
\$500,437,666	4.75 - 5.25%

Permanent tax rate: \$5.3058 per \$1,000 of Assessed Value

2014-2015 loss due to exceeding Measure 5 limits was: \$ - 3.54

The predominate consolidated general government tax rate within your district is \$10.0024 per thousand dollars of assessed valuation. The Measure 5 limit test is calculated individually on every property, so depending on the relationship of Real Market Value (RMV) to Assessed Value (AV), some Measure 5 loss may occur.

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

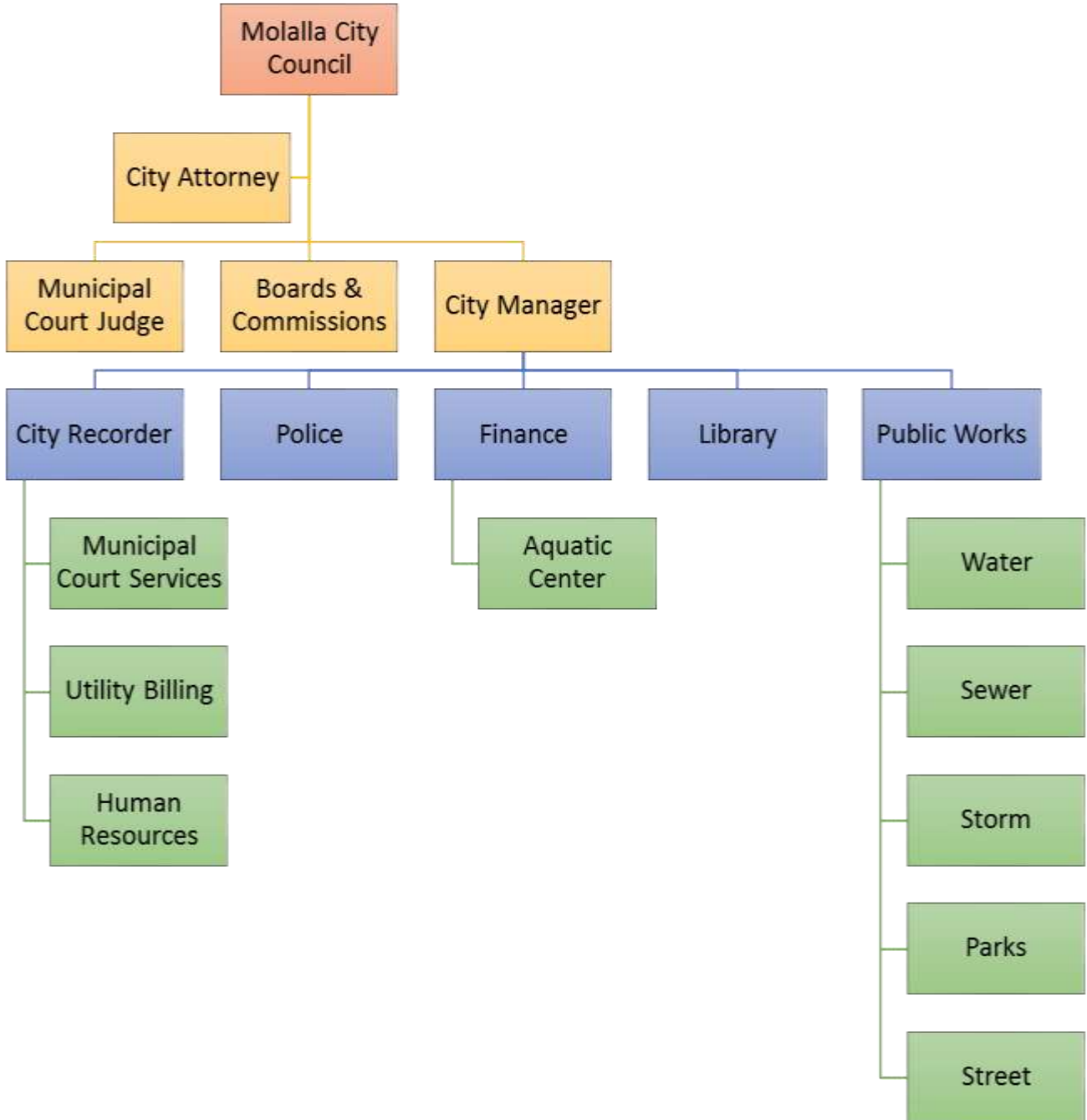
The annual growth limit on unchanged properties is limited to three percent under Oregon's Property Tax System. However, we try to take a conservative approach due to possible assessed value reductions from appeals, unknown changes in State industrial and utility value, and to account for properties where RMV is or will fall below assessed value, i.e., business personal property accounts.

BV/dlm

P. 503.655.8671 | F. 503.655.8313 | WWW.CLACKAMAS.US

# EXECUTIVE SUMMARY

## ORGANIZATIONAL CHART



# EXECUTIVE SUMMARY

## FINANCIAL ANALYSIS

The proposed budget for FY 2015/2016 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 reductions, building working capital and operating reserves and focus on capital improvements to City infrastructure.

### Fund Descriptions

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

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

### Government Funds

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

#### General Fund

- Administration and Governance (City Council, City Manager’s Office, City Recorder’s Office, Finance)
- Police Services (Patrol Services, Records & Evidence)
- Municipal Court
- Planning Services

#### Debt Service Fund

- 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.

#### Special Revenue Funds

Streets/Parks Fund

Aquatic Center Fund

Adult Center Fund (Inactive fund)

SDC Fund – (The City collects systems development charges for streets, water, sewer, storm water, and parks).

# EXECUTIVE SUMMARY

Specific Revenue/Projects Fund – The City collects (or has collected) dedicated revenues for the following: Police Restricted Revenue Fund, 911, Water/Sewer Deposits)

## Proprietary Funds

Proprietary funds are used to account for the City’s activities that are similar to those often found in the private sector and include enterprise funds.

### Water Fund

- This fund accounts for operations and maintenance of the City’s water treatment and distribution systems.

### Wastewater Fund

- This fund accounts for operations and maintenance of the City’s wastewater collection and treatment systems.

### Storm Water Fund

- This fund accounts for maintenance of the City’s storm water collection system.

Revenue analysis from an all fund perspective is demonstrated in the following table:

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2013-2014	Adopted Budget This Year 2014-2015	Proposed Budget Next Year 2015-2016
Beginning Fund Balance/Net Working Capital	\$ 6,802,981.28	\$ 7,775,712.30	\$ 7,237,148.51
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	\$ 4,470,398.20	\$ 4,014,430.30	\$ 4,644,125.00
Federal, State and all Other Grants, Gifts, Allocations and Donations	\$ 1,419,134.16	\$ 2,727,369.00	\$ 2,783,500.00
Interfund Transfers / Internal Service Reimbursements	\$ 865,500.00	\$ 1,094,914.00	\$ 783,271.56
All Other Resources Except Current Year Property Taxes	\$ 1,885,314.44	\$ 1,960,766.36	\$ 590,330.00
Current Year Property Taxes Estimated to be Rec'd	\$ 2,464,458.37	\$ 2,413,738.50	\$ 2,765,725.50
<b>Total Resources</b>	<b>\$ 17,907,786.45</b>	<b>\$ 19,986,930.46</b>	<b>\$ 18,804,100.57</b>

Overall, the revenue trends for the City are strong. A reduction of 5.91% in revenue projections can be attributed to the sharp decline in ‘All Other Resources’ as the public works personnel service fund will not be in operation for FY 2015/2016. Instead the personnel service costs have been returned to the parent funds, therefore the revenues will not be received into the closed fund through the internal service contract.

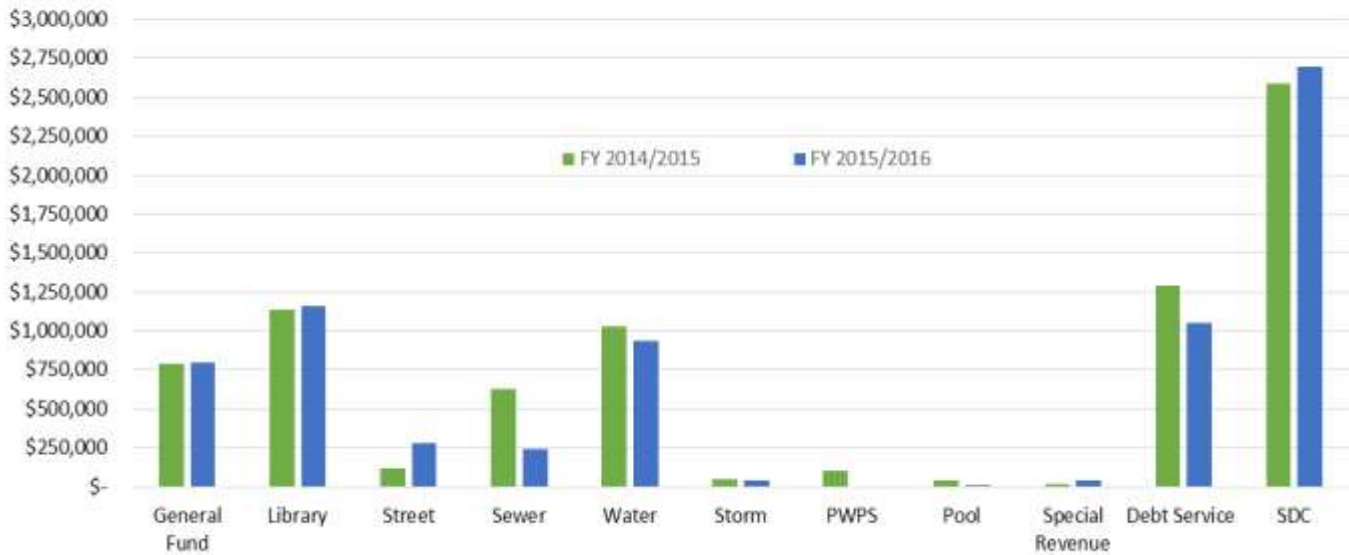
City Council’s goal to minimize transfers has been achieved. The anomaly in FY 2014/2015 requiring a large transfer from the general fund to the sewer proprietary will not be sustained in future fiscal years.

Staff will be working to rebuild lost ground in the beginning fund balance category in the next three to five fiscal years. It is still the goal to have 20-28% fund requirements as the beginning fund balance. A continuation of a dual-focused management approach to build reserves while continuing infrastructure repairs continues to be the vantage point of management.

# EXECUTIVE SUMMARY

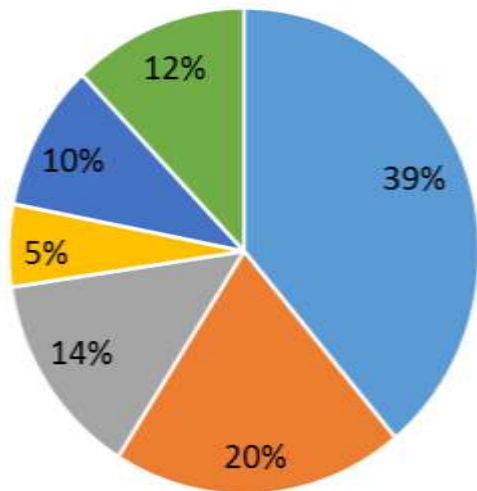
The graph below shows the beginning fund balances broken down by fund for FY 2015/2016 compared with FY 2014/2015. A large portion of the beginning fund balances are contained in restricted revenues that govern the expendability of those resources.

Beginning Fund Balance by Fund Comparison



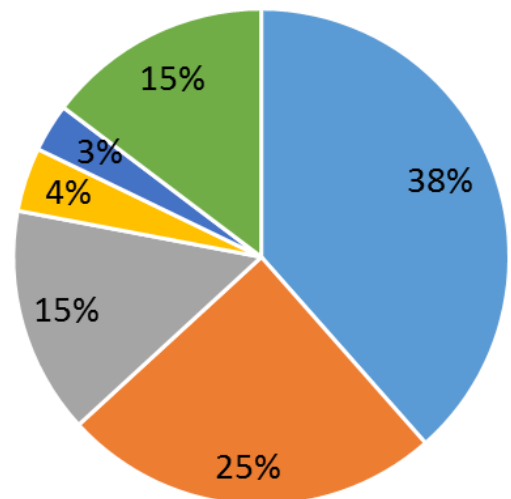
The charts below reflect the City's revenue sources holding steady with the exception of the 'All Other Resources' as noted before.

Adopted Budget 2014/2015



- Beginning Fund Balance/Net Working Capital
- Fees, Licenses, Permits, Fines, Assessments & Other Service Charges
- Federal, State and all Other Grants, Gifts, Allocations and Donations
- Interfund Transfers / Internal Service Reimbursements
- All Other Resources Except Current Year Property Taxes
- Current Year Property Taxes Estimated to be Received

Proposed Budget 2015/2016



The analysis of the beginning fund balance and the revenue percentages provide solid evidence that current goals and oversight are working.



# EXECUTIVE SUMMARY

## Cost Allocation Plan

In fiscal year 2011/2012, the City of Molalla implemented a cost allocation plan. Simply put, cost allocation is a method to identify and distribute indirect administrative (central service) costs. Direct costs are assigned to a specific cost objective. Whereas, indirect costs are costs incurred for multiple cost objectives that are not assignable to a specific cost objective with effort disproportionate to the benefit received.

The following table shows the cost allocation distribution breakdown:

Operations Fund	Budget	% of Budget	Allocatable Amount	In Budget Allocation
General Fund - OGM	<b>\$ 804,800.00</b>	11.96%		
General Fund - Police	\$2,118,000.00	31.48%		
General Fund - Court	\$ 221,350.00	3.29%		
Library	\$ 684,650.00	10.18%	\$ 81,902.11	\$ 80,000.00
Aquatic Center	\$ 28,426.24	0.42%	\$ 3,400.52	\$ 5,000.00
Streets	\$ 659,544.45	9.80%	\$ 78,898.83	\$ 78,000.00
Water	\$ 879,900.00	13.08%	\$105,259.13	\$104,000.00
Sewer	\$1,252,150.00	18.61%	\$149,790.00	\$110,000.00
Storm	\$ 89,100.00	1.32%	\$ 10,658.70	\$ 10,500.00
	\$6,727,620.69	100.15%	\$429,909.29	\$387,500.00

Budget adjustments were made for capital outlay, reserves, contingency, and unappropriated ending fund balances. Variance reductions were allocated to non-general fund accounts resulting in a difference between the full allocation amount and the in-budget allocation amounts. A large variance adjustment was made to the sewer proprietary to reflect actual trend of contributions.

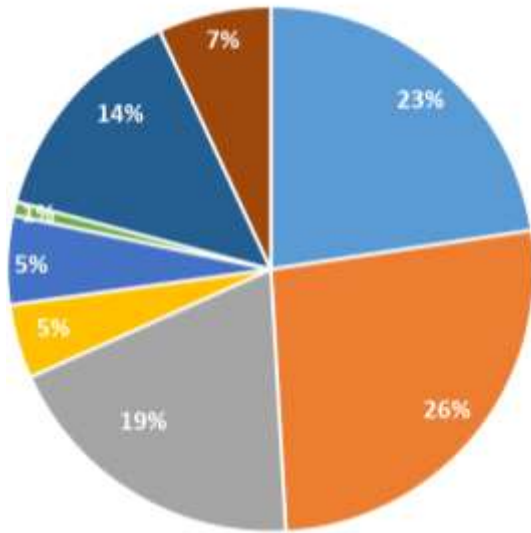
Not all costs incurred in the OGM expenditures are allocatable to all funds and, as a result, an adjustment to the general fund OGM has been made. In addition, the projected allocations are maximum projections and would require 100% of OGM budget which has not occurred in well over a decade. The actual contribution will be based on actual costs, not budgeted projections, and are measured through the month-end process.

Expenditure analysis from an all fund perspective is demonstrated in the following table:

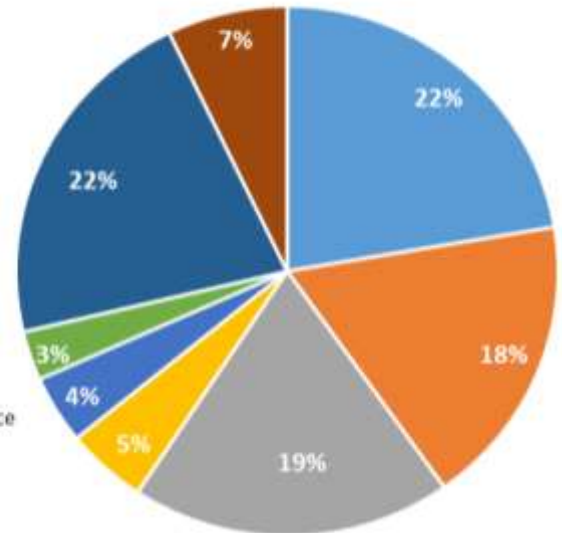
TOTAL OF ALL FUNDS	Actual Amount 2013-2014	Adopted Budget This Year 2014-2015	Proposed Budget Next Year 2015-2016
Personnel Services	\$ 3,903,108.35	\$ 4,524,340.50	\$ 4,199,506.24
Materials and Services	\$ 3,919,810.76	\$ 5,286,210.41	\$ 3,352,483.07
Capital Outlay	\$ 385,935.25	\$ 3,836,804.18	\$ 3,600,500.00
Debt Service	\$ 895,668.50	\$ 908,959.00	\$ 911,841.00
Interfund Transfers	\$ 865,500.00	\$ 1,094,914.00	\$ 783,271.56
Contingencies	\$ -	\$ 166,000.00	\$ 565,000.00
Reserve	\$ -	\$ 2,785,452.49	\$ 4,043,314.23
Unappropriated Ending Balance	\$ -	\$ 1,384,249.88	\$ 1,348,184.47
<b>Total Requirements</b>	<b>\$ 9,970,022.86</b>	<b>\$ 19,986,930.46</b>	<b>\$ 18,804,100.57</b>

# EXECUTIVE SUMMARY

Adopted Budget 2014/2015



Proposed Budget 2015/2016



The primary change in expenditures is reductions from layoffs and cutbacks to accommodate for unexpected costs in FY 2014/2015. Staffing and costs have been reduced to a level that is not sustainable long term and will affect service levels. As we repair and move forward, we will need to address shortfalls in services and restore in those areas first.

The increase in reserve is the re-allocation of library capital funds from a capital account to a construction reserve. The capital remains strong with slated system development capital projects that compliment or partner with the urban renewal projects. The City Council goal of repair and upgrade to infrastructure continues as a primary focus of staff and a key factor in decisions.

Overall, the allocations are conservative and the fund distribution is balanced.

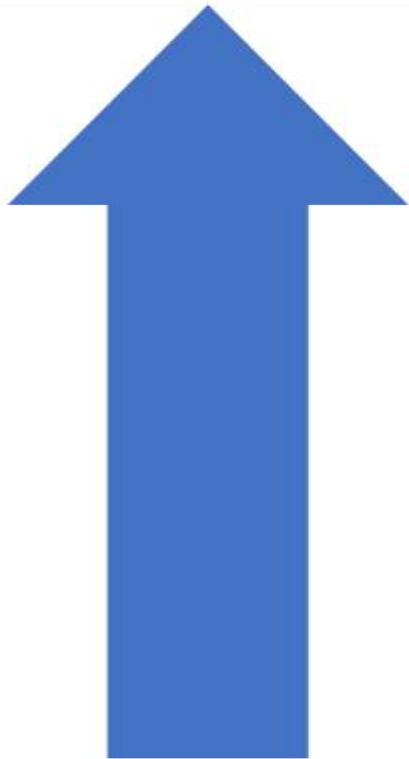
## Transfers

City Council directed staff to minimize transfers and eliminate inter-fund loans. Proposed budget transfers have reached the lowest level possible.

Proposed transfers are:	Transfers In	Transfers Out
General Fund – OGM		\$ 30,000.00
Aquatic Center	\$ 30,000.00	
Sewer SDC's		\$187,343.00
CWSRF (Debt)	\$187,343.00	
Water Proprietary		\$250,000.00
Water Debt Retirement	\$250,000.00	
Sewer Proprietary		\$315,928.56
Sewer Debt Retirement	\$315,928.56	
<b>TOTAL</b>	<b>\$783,271.56</b>	<b>\$783,271.56</b>

# EXECUTIVE SUMMARY

## Full City PROPOSED Budget by City-wide Appropriation Category



### Where the Money Comes from:

**TOTAL RESOURCES**  
**\$18,804,100.57**

Beginning Fund Balance  
\$7,237,148.51  
Current Year Property Tax Estimate  
\$2,765,725.50  
Fees, Licenses, Permits, Fines Etc.  
\$4,644,125.00  
Federal, State, Grants, Allocations  
\$2,783,500.00  
All Other Resources  
\$590,330.00  
Transfers In  
\$783,271.56



### Where the Money Goes to:

**TOTAL REQUIREMENTS \$18,804.100.57**

Personnel Service  
\$4,199,506.24  
Materials & Services  
\$3,352,483.07  
Capital Outlay  
\$3,600,500.00  
Debt Service  
\$911,841.00  
Transfers Out  
\$783,271.56  
Contingency  
\$565,000.00  
Reserve  
\$4,043,314.23  
Unappropriated Ending  
\$1,348,184.47

# EXECUTIVE SUMMARY

**PROPOSED BUDGET** – Below is the full city budget overview broken down by fund and appropriation category. The valuations in blue italics are the departmental breakdown of the overall total for the general fund.

CITY WIDE SUMMARY	BFB	15/16 Resources	Transfers In	Total Resources	Personnel Service	Materials & Services
General Fund	\$ 794,019.90	\$ 3,797,660.00		\$ 4,591,679.90	\$ 2,283,900.00	\$ 891,750.00
<i>OGM</i>					<i>\$ 517,500.00</i>	<i>\$ 303,800.00</i>
<i>Police</i>					<i>\$ 1,624,750.00</i>	<i>\$ 508,250.00</i>
<i>Court</i>					<i>\$ 141,650.00</i>	<i>\$ 79,700.00</i>
Library	\$ 1,161,068.41	\$ 1,628,500.00	\$ -	\$ 2,789,568.41	\$ 550,500.00	\$ 246,650.00
Aquatic Center	\$ 2,426.24	\$ -	\$ 30,000.00	\$ 32,426.24	\$ 13,926.24	\$ 18,500.00
Streets	\$ 277,044.45	\$ 1,277,500.00	\$ -	\$ 1,554,544.45	\$ 292,400.00	\$ 479,600.00
Special Revenue	\$ 41,003.07	\$ 50,580.00	\$ -	\$ 91,583.07		\$ 91,583.07
SDC's	\$ 2,691,666.31	\$ 784,215.00	\$ -	\$ 3,475,881.31		\$ 105,000.00
Debt Service	\$ 1,052,619.86	\$ 65,725.50	\$ 753,271.56	\$ 1,871,616.92		
Water	\$ 933,673.80	\$ 1,480,000.00	\$ -	\$ 2,413,673.80	\$ 521,650.00	\$ 585,750.00
Sewer	\$ 243,904.51	\$ 1,604,500.00	\$ -	\$ 1,848,404.51	\$ 482,330.00	\$ 888,850.00
Storm	\$ 39,721.96	\$ 95,000.00	\$ -	\$ 134,721.96	\$ 54,800.00	\$ 44,800.00
<b>TOTAL 2015/2016</b>	<b>\$ 7,237,148.51</b>	<b>\$ 10,783,680.50</b>	<b>\$ 783,271.56</b>	<b>\$ 18,804,100.57</b>	<b>\$ 4,199,506.24</b>	<b>\$ 3,352,483.07</b>
TOTAL 2014/2015	\$ 7,775,712.30	\$ 11,116,304.16	\$ 1,094,914.00	\$ 19,986,930.46	\$ 4,524,340.50	\$ 5,286,210.41
% Change	<b>-7.44%</b>	<b>-3.08%</b>	<b>-39.79%</b>	<b>-6.29%</b>	<b>-7.74%</b>	<b>-57.68%</b>

# EXECUTIVE SUMMARY

Capital Outlay	Transfers Out	Debt Service	Contingency	Reserve	Total Requirements	UEFB
\$ 305,000.00	\$ 30,000.00		\$ 200,000.00	\$ 400,000.00	\$ 4,110,650.00	\$ 481,029.90
<i>\$ 250,000.00</i>	<i>\$ 30,000.00</i>				<i>\$ 1,101,300.00</i>	
<i>\$ 55,000.00</i>					<i>\$ 2,188,000.00</i>	
					<i>\$ 221,350.00</i>	
\$ 426,000.00	\$ -		\$ 100,000.00	\$ 1,400,000.00	\$ 2,723,150.00	\$ 66,418.41
\$ -					\$ 32,426.24	\$ -
\$ 557,000.00	\$ -		\$ 100,000.00		\$ 1,429,000.00	\$ 125,544.45
					\$ 91,583.07	\$ -
\$ 1,900,000.00	\$ 187,343.00			\$ 1,283,538.31	\$ 3,475,881.31	\$ -
		\$ 911,841.00		\$ 959,775.92	\$ 1,871,616.92	\$ -
\$ 232,000.00	\$ 250,000.00		\$ 150,000.00		\$ 1,739,400.00	\$ 674,273.80
\$ 160,500.00	\$ 315,928.56		\$ -		\$ 1,847,608.56	\$ 795.95
\$ 20,000.00			\$ 15,000.00		\$ 134,600.00	\$ 121.96
\$ 3,600,500.00	\$ 783,271.56	\$ 911,841.00	\$ 565,000.00	\$ 4,043,314.23	\$ 17,455,916.10	\$ 1,348,184.47
\$ 3,836,804.18	\$ 1,094,914.00	\$ 908,959.00	\$ 166,000.00	\$ 2,785,452.49	\$ 18,602,680.58	\$ 1,384,249.88
<b>-6.56%</b>	<b>-39.79%</b>	<b>0.32%</b>	<b>70.62%</b>	<b>31.11%</b>	<b>-6.57%</b>	<b>-2.68%</b>

# EXECUTIVE SUMMARY

**ADOPTED BUDGET** – Below is the full city budget overview broken down by fund and appropriation category. The valuations in blue italics are the departmental breakdown of the overall total for the general fund.

CITY WIDE SUMMARY	BFB	15/16 Resources	Transfers In	Total Resources	Personnel Service	Materials & Services
General Fund	\$ 885,000.00	\$ 3,812,660.00		\$ 4,697,660.00	\$ 2,448,900.00	\$ 905,250.00
<i>OGM</i>					<i>\$ 517,500.00</i>	<i>\$ 323,800.00</i>
<i>Police</i>					<i>\$ 1,789,750.00</i>	<i>\$ 488,250.00</i>
<i>Court</i>					<i>\$ 141,650.00</i>	<i>\$ 93,200.00</i>
Library	\$ 1,161,068.41	\$ 1,628,500.00	\$ -	\$ 2,789,568.41	\$ 550,500.00	\$ 246,650.00
Aquatic Center	\$ 12,600.00	\$ -	\$ 20,000.00	\$ 32,600.00	\$ 14,100.00	\$ 18,500.00
Streets	\$ 197,500.00	\$ 1,277,500.00	\$ -	\$ 1,475,000.00	\$ 327,400.00	\$ 479,600.00
Special Revenue	\$ 41,003.07	\$ 50,580.00	\$ -	\$ 91,583.07		\$ 91,583.07
SDC's	\$ 2,691,666.31	\$ 784,215.00	\$ -	\$ 3,475,881.31		\$ 105,000.00
Debt Service	\$ 1,052,619.86	\$ 65,725.50	\$ 753,271.56	\$ 1,871,616.92		
Water	\$ 615,875.00	\$ 1,480,000.00	\$ -	\$ 2,095,875.00	\$ 521,650.00	\$ 585,750.00
Sewer	\$ 416,675.00	\$ 1,604,500.00	\$ -	\$ 2,021,175.00	\$ 482,330.00	\$ 888,850.00
Storm	\$ 39,721.96	\$ 95,000.00	\$ -	\$ 134,721.96	\$ 54,800.00	\$ 44,800.00
<b>TOTAL 2015/2016</b>	<b>\$ 7,113,729.61</b>	<b>\$ 10,798,680.50</b>	<b>\$ 773,271.56</b>	<b>\$ 18,685,681.67</b>	<b>\$ 4,399,680.00</b>	<b>\$ 3,365,983.07</b>
Proposed Budget	\$ 7,237,148.51	\$ 10,783,680.50	\$ 783,271.56	\$ 18,804,100.57	\$ 4,199,506.24	\$ 3,352,483.07
% Change from Approved	-1.71%	0.14%	-1.28%	-0.63%	4.77%	0.40%

# EXECUTIVE SUMMARY

Capital Outlay	Transfers Out	Debt Service	Contingency	Reserve	Total Requirements	UEFB
\$ 305,000.00	\$ 20,000.00		\$ 150,000.00	\$ 400,000.00	\$ 4,229,150.00	\$ 468,510.00
<i>\$ 250,000.00</i>	<i>\$ 20,000.00</i>				<i>\$ 1,111,300.00</i>	
<i>\$ 55,000.00</i>					<i>\$ 2,333,000.00</i>	
					<i>\$ 234,850.00</i>	
\$ 426,000.00	\$ -		\$ 100,000.00	\$ 1,400,000.00	\$ 2,723,150.00	\$ 66,418.41
\$ -					\$ 32,600.00	\$ -
\$ 557,000.00	\$ -		\$ 100,000.00		\$ 1,464,000.00	\$ 11,000.00
					\$ 91,583.07	\$ -
\$ 1,900,000.00	\$ 187,343.00			\$ 1,283,538.31	\$ 3,475,881.31	\$ -
		\$ 911,841.00		\$ 959,775.92	\$ 1,871,616.92	\$ -
\$ 232,000.00	\$ 250,000.00		\$ 100,000.00		\$ 1,689,400.00	\$ 406,475.00
\$ 160,500.00	\$ 315,928.56		\$ 100,000.00		\$ 1,947,608.56	\$ 73,566.44
\$ 20,000.00			\$ 15,000.00		\$ 134,600.00	\$ 121.96
\$ 3,600,500.00	\$ 773,271.56	\$ 911,841.00	\$ 565,000.00	\$ 4,043,314.23	\$ 17,659,589.86	\$ 1,026,091.81
\$ 3,600,500.00	\$ 783,271.56	\$ 911,841.00	\$ 565,000.00	\$ 4,043,314.23	\$ 17,455,916.10	\$ 1,348,184.47
0.00%	-1.28%	0.00%	0.00%	0.00%	1.17%	-23.89%





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# GENERAL FUND



**GENERAL FUND SUMMARY**

The graph below provides a full summary of activity in the general fund for both resources and requirements.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ (147,786.88)	\$ 166,184.83	\$ 788,595.04	BEGINNING BALANCE	\$ 794,019.90	\$ 794,019.90	\$ 885,000.00
\$ 2,265,044.11	\$ 2,401,713.98	\$ 2,350,000.00	PROPERTY TAXES	\$ 2,700,000.00	\$ 2,700,000.00	\$ 2,700,000.00
\$ 169,294.95	\$ 145,822.99	\$ 139,250.00	FED/STATE/GRANT	\$ 145,000.00	\$ 145,000.00	\$ 160,000.00
\$ 552,850.11	\$ 556,285.06	\$ 416,680.00	FEES/LICENSES/FINES	\$ 433,410.00	\$ 433,410.00	\$ 433,410.00
\$ 458,955.75	\$ 515,102.45	\$ 553,946.36	ALL OTHER RESOURCES	\$ 519,250.00	\$ 519,250.00	\$ 519,250.00
<b>\$ 3,298,358.04</b>	<b>\$ 3,785,109.31</b>	<b>\$ 4,248,471.40</b>	<b>TOTAL RESOURCES (Revenues)</b>	<b>\$ 4,591,679.90</b>	<b>\$ 4,591,679.90</b>	<b>\$ 4,697,660.00</b>
<b>REQUIREMENTS</b>						
<b>PERSONNEL SERVICES</b>						
\$ 333,772.82	\$ 383,544.48	\$ 529,520.20	OGM	\$ 517,500.00	\$ 517,500.00	\$ 517,500.00
\$ 1,567,863.88	\$ 1,552,344.29	\$ 1,719,000.00	POLICE	\$ 1,624,750.00	\$ 1,624,750.00	\$ 1,789,750.00
\$ 97,709.02	\$ 111,762.90	\$ 140,200.00	MUNICIPAL COURT	\$ 141,650.00	\$ 141,650.00	\$ 141,650.00
\$ 32,695.00	\$ -	\$ -	PLANNING	\$ -	\$ -	\$ -
<b>\$ 2,032,040.72</b>	<b>\$ 2,047,651.67</b>	<b>\$ 2,388,720.20</b>	<b>TOTAL PERSONNEL SERVICES</b>	<b>\$ 2,283,900.00</b>	<b>\$ 2,283,900.00</b>	<b>\$ 2,448,900.00</b>
<b>MATERIALS &amp; SERVICE</b>						
\$ 289,750.19	\$ 281,856.76	\$ 321,000.00	OGM	\$ 303,800.00	\$ 303,800.00	\$ 323,800.00
\$ 284,731.84	\$ 388,606.89	\$ 516,750.00	POLICE	\$ 508,250.00	\$ 508,250.00	\$ 488,250.00
\$ 90,017.67	\$ 78,066.11	\$ 77,700.00	MUNICIPAL COURT	\$ 79,700.00	\$ 79,700.00	\$ 93,200.00
\$ 78,968.29	\$ 49,335.30	\$ 46,400.00	PLANNING	\$ -	\$ -	\$ -
<b>\$ 743,467.99</b>	<b>\$ 797,865.06</b>	<b>\$ 961,850.00</b>	<b>TOTAL MATERIALS &amp; SERVICE</b>	<b>\$ 891,750.00</b>	<b>\$ 891,750.00</b>	<b>\$ 891,750.00</b>
<b>CAPITAL AQUISIONS</b>						
\$ -	\$ 8,997.54	\$ 25,000.00	OGM	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
\$ -	\$ 2,000.00	\$ 60,000.00	POLICE	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00
<b>\$ -</b>	<b>\$ 10,997.54</b>	<b>\$ 85,000.00</b>	<b>TOTAL CAPITAL AQUISIONS</b>	<b>\$ 305,000.00</b>	<b>\$ 305,000.00</b>	<b>\$ 305,000.00</b>
<b>TRANSFERS</b>						
\$ 216,088.50	\$ 140,000.00	\$ 487,500.00	OGM	\$ 30,000.00	\$ 30,000.00	\$ 20,000.00
\$ 140,576.00	\$ -	\$ -	PLANNING	\$ -	\$ -	\$ -
<b>\$ 356,664.50</b>	<b>\$ 140,000.00</b>	<b>\$ 487,500.00</b>	<b>TOTAL TRANSFERS</b>	<b>\$ 30,000.00</b>	<b>\$ 30,000.00</b>	<b>\$ 30,000.00</b>
\$ -	\$ -	\$ 16,000.00	CONTINGENCY	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00
\$ -	\$ -	\$ -	RESERVE	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00
<b>\$ 3,132,173.21</b>	<b>\$ 2,996,514.27</b>	<b>\$ 3,939,070.20</b>	<b>TOTAL REQUIREMENTS (Expenditures)</b>	<b>\$ 4,110,650.00</b>	<b>\$ 4,110,650.00</b>	<b>\$ 4,229,150.00</b>
<b>UNAPPROPRIATED ENDING BALANCE</b>						
\$ -	\$ -	\$ 309,401.20		\$ 481,029.90	\$ 481,029.90	\$ 468,510.00
<b>\$ 166,184.83</b>	<b>\$ 788,595.04</b>	<b>\$ -</b>	<b>NET RESOURCES OVER EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

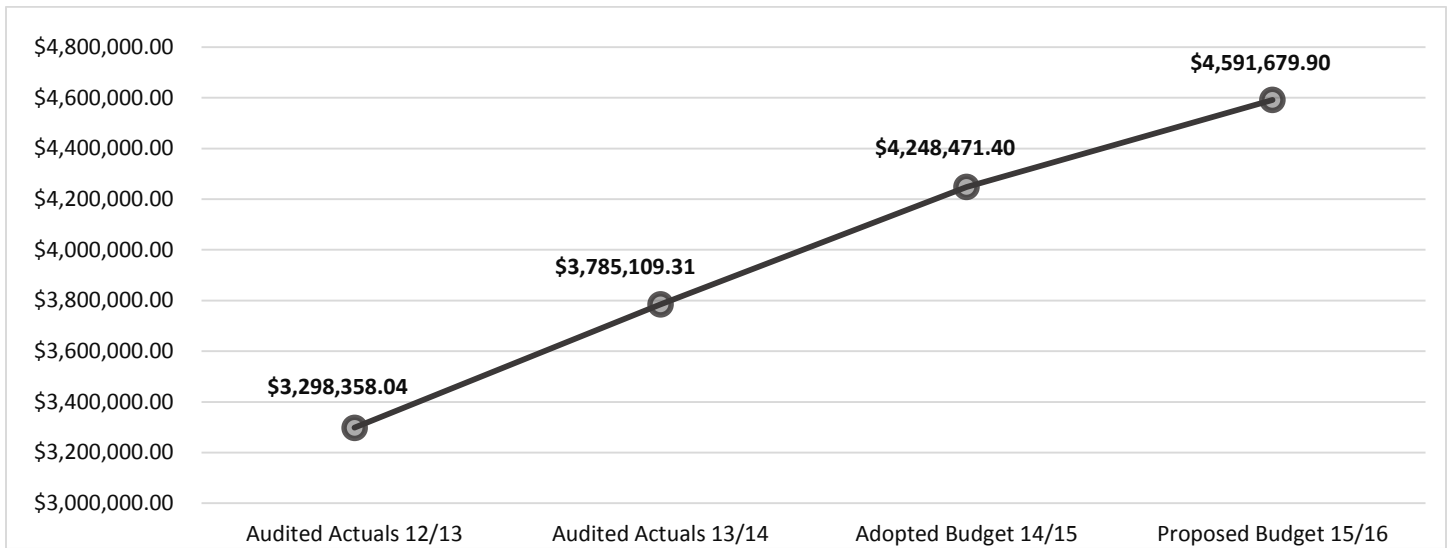
**GENERAL FUND RESOURCES (Revenues)**

Resources in the general fund cover requirements of the Office of Governance and Management (City Manager’s Office, City Recorder, and Finance), Court, Planning, and Police services. Columns 1 & 2 are audited actual resources, Column 3 is the adopted budget for the current fiscal year, and Column 5 is the proposed resources for the next fiscal year. Column 4 is the general ledger fund title. Columns 6 & 7 will be amended as we go through the budget process.

Line Item Detail:

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>RESOURCES</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ (147,786.88)	\$ 166,184.83	\$ 788,595.04	BEGINNING FUND BALANCE	\$ 794,019.90	\$ 794,019.90	\$ 885,000.00
			<u>PROPERTY TAXES</u>			
\$ 2,265,044.11	\$ 2,401,713.98	\$ 2,350,000.00	CURRENT PROPERTY TAXES	\$ 2,700,000.00	\$ 2,700,000.00	\$ 2,700,000.00
\$ 51,457.59	\$ 50,369.58	\$ 50,000.00	PRIOR PROPERTY TAXES	\$ 52,000.00	\$ 52,000.00	\$ 52,000.00
			<u>INTERGOVERNMENTAL</u>			
\$ 30,714.69	\$ 16,618.97	\$ 25,000.00	STATE REVENUE SHARING	\$ 25,000.00	\$ 25,000.00	\$ 40,000.00
\$ 110,375.16	\$ 113,188.47	\$ 102,250.00	LIQUOR TAX	\$ 110,000.00	\$ 110,000.00	\$ 110,000.00
\$ 14,028.10	\$ 11,040.55	\$ 12,000.00	CIGARETTE TAX	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
			<u>ADMIN RESOURCES</u>			
\$ 23,729.00	\$ 24,384.00	\$ 20,000.00	BUSINESS LICENSES	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00
\$ -	\$ 5,348.37	\$ 15,000.00	LIENS	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ 1,965.00	\$ -	\$ -	EID	\$ -	\$ -	\$ -
\$ -	\$ 4,872.00	\$ 3,480.00	SDC ADMINISTRATION FEE	\$ 15,660.00	\$ 15,660.00	\$ 15,660.00
\$ 39,202.87	\$ 48,087.79	\$ 40,000.00	INTEREST	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00
\$ 49,022.18	\$ 39,581.38	\$ 25,000.00	REFUNDS & REBATES	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
\$ -	\$ 1,700.00	\$ 1,000.00	KEY DEPOSITS	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
\$ 316,426.91	\$ 374,537.87	\$ 436,846.36	COST ALLOCATION PLAN	\$ 387,500.00	\$ 387,500.00	\$ 387,500.00
\$ 585.00	\$ 535.00	\$ 600.00	COFFEE PAYROLL FEE	\$ 500.00	\$ 500.00	\$ 500.00
\$ 16,825.00	\$ 8,433.75	\$ 5,000.00	PLANNING FEES	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
			<u>FRANCHISE FEES</u>			
\$ 41,700.65	\$ 44,901.34	\$ 40,000.00	NWNG FRANCHISE	\$ 43,250.00	\$ 43,250.00	\$ 43,250.00
\$ 14,607.85	\$ 13,447.74	\$ 14,000.00	TELEPHONE FRANCHISE	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
\$ 32,339.18	\$ 33,657.63	\$ 33,000.00	TV FRANCHISE	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00
\$ 77,144.76	\$ 77,446.19	\$ -	SEWER LICENSE FEE	\$ -	\$ -	\$ -
\$ 64,209.13	\$ 63,513.78	\$ -	WATER LICENSE FEE	\$ -	\$ -	\$ -
\$ 4,588.65	\$ 4,951.44	\$ -	STORM WATER LICENSE FEE	\$ -	\$ -	\$ -
\$ 42,706.58	\$ 40,000.00	\$ 62,500.00	PGE FRANCHISE	\$ 62,500.00	\$ 62,500.00	\$ 62,500.00
			<u>PD/COURT RESOURCES</u>			
\$ 1,565.00	\$ 2,030.00	\$ 1,000.00	ALARM PERMITS	\$ 1,750.00	\$ 1,750.00	\$ 1,750.00
\$ 2,443.00	\$ 789.90	\$ 1,000.00	FINGERPRINTS	\$ -	\$ -	\$ -
\$ 2,100.00	\$ 1,800.00	\$ 1,200.00	TOW FEES	\$ 1,400.00	\$ 1,400.00	\$ 1,400.00
\$ 248.00	\$ 519.00	\$ 500.00	POLICE REPORTS	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
\$ 2,261.20	\$ 290.83	\$ 500.00	PD REFUNDS & REBATES	\$ 250.00	\$ 250.00	\$ 250.00
\$ 228,643.31	\$ 230,189.92	\$ 220,000.00	POLICE FINES & BAILS	\$ 221,350.00	\$ 221,350.00	\$ 221,350.00
\$ 11,052.00	\$ -	\$ -	E.O.C. SHSP GRANT	\$ -	\$ -	\$ -
\$ 1,160.00	\$ 4,975.00	\$ -	DUII PATROL GRANT	\$ -	\$ -	\$ -
<b>\$ 3,298,358.04</b>	<b>\$ 3,785,109.31</b>	<b>\$ 4,248,471.40</b>	<b>TOTAL</b>	<b>\$ 4,591,679.90</b>	<b>\$ 4,591,679.90</b>	<b>\$ 4,697,660.00</b>

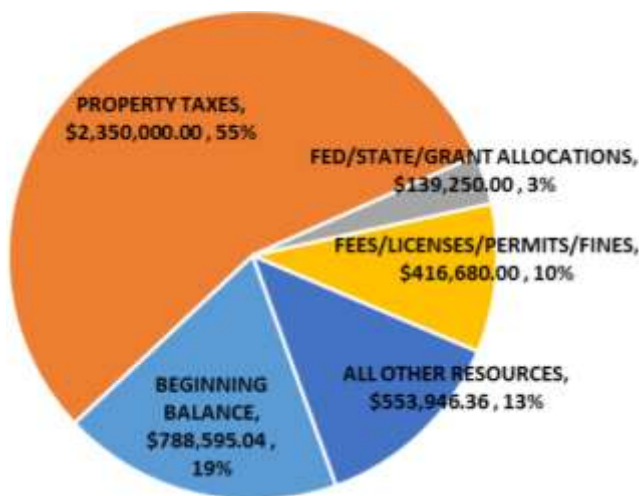
Revenue Trend Analysis



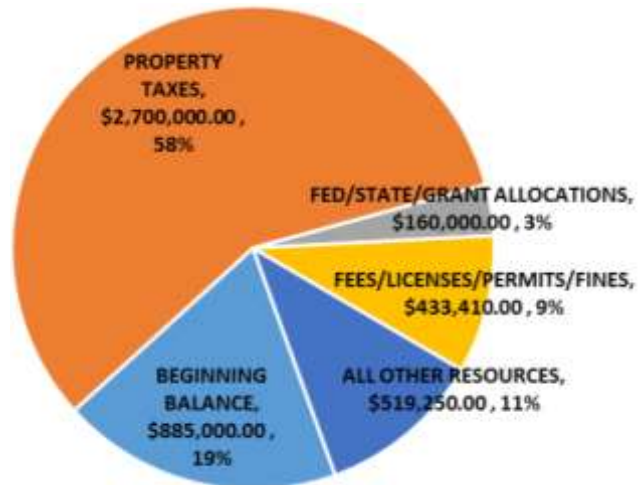
The overall trend of revenue shows growth. From audited FY 2012/2013 to audited FY 2013/2014, the General Fund experienced a growth of 14.75%. The primary causes were the positive beginning fund balance and the introduction of the cost allocation plan. The positive growth continued from audited FY 2013/2014 to budgeted FY 2014/2015 with a growth percentage of 12.24% with large strides being made in the beginning fund balances. Solid growth trends for budgeted 2014/2015 to proposed budget 2015/2016 are strong at 8.07%. The beginning fund balance recovery is budgeted flat for FY 2015/2016 as the general fund experienced unforeseen circumstances financially in FY 2014/2015. However, due to a large City of Molalla annexation project, we are adding 96 new properties into the City with a large portion being zoned industrial or commercial. The City is also projecting tax growth of 3% under the M5 and M50 limitations as real signs of economic recovery are being seen in the community from new housing starts, potential commercial increase, and recovering real estate markets.

The following charts show resource sources as compared from the adopted budget for FY 2014/2015 and the adopted budget for FY 2015/2016.

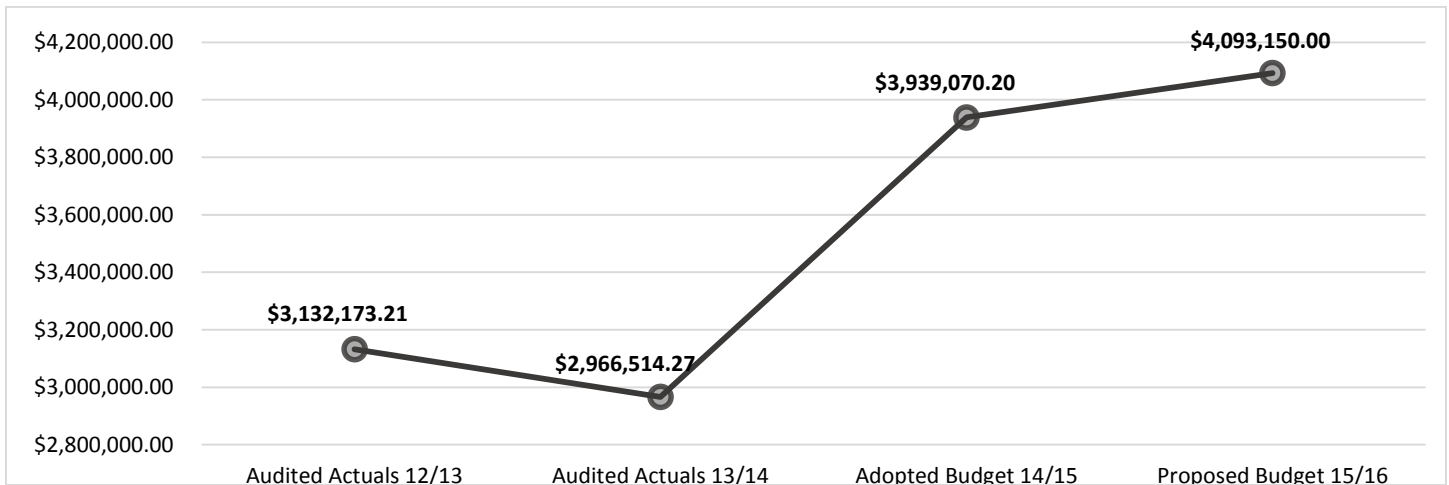
Adopted Budget 2014/2015



Adopted Budget 2015/2016



**GENERAL FUND REQUIREMENTS (Expenditures)**



The expenditure analysis shows an inconsistent trend as to what is expected in the next few fiscal cycles. Although costs are expected to rise each year with the increase in costs of goods and services, we should not be experiencing the volatility the above graph presents. In FY 2012/2013, the City was grappling with a large general fund deficit and carryover savings from layoffs and extreme cut backs carried forward into FY 2013/2014. With stable leadership in place for FY 2014/2015, the City has begun to rebuild and prepare for the future of this community and add back much of what was lost while maintaining City Council goals with creation of unappropriated funds earmarked for the future. FY 2014/2015 presented the general fund with unexpected expenditures that slowed but did not eliminate the progress.

The following charts show the requirement sources as compared from the adopted budget for FY 2014/2015 to the adopted budget for FY 2015/2016.

Adopted Budget 2014/2015



Adopted Budget 2015/2016



The general fund, overall is budgeting for reductions in spending with a continued focus on increasing reserves. Unappropriated ending balances are increasing and we are continuing toward our goals while identifying ways to work smarter and provide our community with the services needed.

The reserve fund is set aside to begin preparation for construction of a City Hall and/or Police Department.

**Office of Governance and Management Line Item Detail**

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>PERSONNEL SERVICE</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 13,722.45	\$ 533.45	\$ 45,000.00	PERS	\$ 44,000.00	\$ 44,000.00	\$ 44,000.00
\$ 574.24	\$ 13.66	\$ 800.00	SAIF	\$ 500.00	\$ 500.00	\$ 500.00
\$ 18,403.17	\$ 23,335.90	\$ 27,750.00	FICA	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00
\$ 45,280.27	\$ 64,508.88	\$ 75,970.20	INSURANCE	\$ 68,500.00	\$ 68,500.00	\$ 68,500.00
\$ 10,979.70	\$ 448.90	\$ 15,000.00	UNEMPLOYMENT LIABILITY	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ 97,442.80	\$ 93,245.78	\$ 95,000.00	CITY MANAGER	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00
\$ -	\$ -	\$ 65,000.00	ECONOMIC DEVELOPMENT	\$ 65,000.00	\$ 65,000.00	\$ 65,000.00
\$ 7,620.00	\$ 24,989.64	\$ 27,500.00	ASSISTANT TO RECORDER	\$ 13,750.00	\$ 13,750.00	\$ 13,750.00
\$ 70,905.08	\$ 77,120.01	\$ 75,000.00	FINANCE DIRECTOR	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00
\$ 68,845.11	\$ 75,958.62	\$ 75,000.00	ASST CM / CITY RECORDER	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00
\$ -	\$ 23,389.64	\$ 27,500.00	FINANCE CLERK	\$ 13,750.00	\$ 13,750.00	\$ 13,750.00
<b>\$ 333,772.82</b>	<b>\$ 383,544.48</b>	<b>\$ 529,520.20</b>	<b>TOTAL PERSONNEL SERVICES</b>	<b>\$ 517,500.00</b>	<b>\$ 517,500.00</b>	<b>\$ 517,500.00</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>MATERIALS &amp; SERVICES</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 5,972.72	\$ 6,578.84	\$ 8,000.00	POWER	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
\$ 18,821.64	\$ 20,497.74	\$ 24,000.00	PHONE	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00
\$ 28,875.68	\$ 37,986.86	\$ 35,000.00	O&M	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
\$ 5,082.69	\$ 13,173.20	\$ 17,500.00	BUILDING MAINTENANCE	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00
\$ 4,352.08	\$ 6,052.31	\$ 10,000.00	TRAINING & CONF. TRAVEL	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
\$ 9,035.08	\$ 9,909.83	\$ 8,000.00	DUES & MEMBERSHIP	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
\$ 6,106.95	\$ 9,637.83	\$ 10,000.00	POSTAGE	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
\$ 4,924.16	\$ 6,382.58	\$ 15,000.00	PRINTING & PUBLICATIONS	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
\$ 41,862.27	\$ 36,694.30	\$ 25,000.00	PROFESSIONAL SERVICES	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00
\$ 10,069.38	\$ -	\$ -	CM RECRUITMENT	\$ -	\$ -	\$ -
\$ 9,855.04	\$ 11,288.46	\$ 13,500.00	INSURANCE/LIABILITY/GEN	\$ 13,250.00	\$ 13,250.00	\$ 13,250.00
\$ -	\$ 2,625.00	\$ 1,000.00	KEY DEPOSIT REFUNDS	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
\$ -	\$ 6,019.49	\$ 7,000.00	CUSTODIAN	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
\$ 2,864.67	\$ 5,288.47	\$ 6,000.00	CUSTODIAL SUPPLIES	\$ 5,750.00	\$ 5,750.00	\$ 5,750.00
\$ 3,754.97	\$ 5,941.59	\$ 6,000.00	OFFICE SUPPLIES	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
\$ 1,200.00	\$ 1,200.00	\$ 300.00	MFD READER BOARD	\$ 300.00	\$ 300.00	\$ 300.00
\$ 45,511.28	\$ 39,549.96	\$ 30,000.00	CITY ATTORNEY	\$ 30,000.00	\$ 30,000.00	\$ 40,000.00
\$ 42,493.44	\$ 27,949.92	\$ 65,000.00	COMPUTER SERVICES	\$ 30,000.00	\$ 30,000.00	\$ 40,000.00
\$ 20,644.03	\$ 16,265.00	\$ 25,000.00	AUDITS & BUDGETS	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ 2,666.42	\$ -	\$ -	ANNEXATIONS & ELECTIONS	\$ -	\$ -	\$ -
\$ 4,200.00	\$ 4,025.00	\$ 4,500.00	MEETINGS BROADCASTING	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00
\$ 8,600.00	\$ 8,200.00	\$ 8,700.00	COUNCIL MEETINGS	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00
\$ 111.47	\$ 98.26	\$ -	CASH, OVER/SHORT	\$ -	\$ -	\$ -
\$ 1,420.15	\$ 1,261.05	\$ 1,500.00	COFFEE & COFFEE SUPPLIES	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
\$ 5,231.07	\$ 5,231.07	\$ -	SPWF LOAN	\$ -	\$ -	\$ -
\$ 5,195.00	\$ -	\$ -	CHAMBER OF COMMERCE	\$ -	\$ -	\$ -
\$ 900.00	\$ -	\$ -	COMMUNITY PROGRAMS	\$ -	\$ -	\$ -
<b>\$ 289,750.19</b>	<b>\$ 281,856.76</b>	<b>\$ 321,000.00</b>	<b>TOTAL MATERIALS &amp; SVCS</b>	<b>\$ 303,800.00</b>	<b>\$ 303,800.00</b>	<b>\$ 323,800.00</b>

# FUND SUMMARY & LINE ITEM DETAIL

# GENERAL FUND

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>CAPITAL AQUISITIONS</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ 8,997.54	\$ 25,000.00	CAPITAL IMPROVEMENTS	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
\$ -	\$ 8,997.54	\$ 25,000.00	TOTAL CAPITAL	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>TRANSFERS</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 1,345.50	\$ -	\$ -	TRANSFER FEE IN LIEU	\$ -	\$ -	\$ -
\$ 60,000.00	\$ -	\$ -	TRANSFER TO SENIOR CNTR	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 400,000.00	TRANSFER TO SEWER FUND	\$ -	\$ -	\$ -
\$ -	\$ 15,000.00	\$ -	TRANSFER TO GRANT FUND	\$ -	\$ -	\$ -
\$ 50,000.00	\$ -	\$ -	TRANSFER TO WATER CAP.	\$ -	\$ -	\$ -
\$ 104,743.00	\$ 125,000.00	\$ 87,500.00	TRANSFER TO PARKS & REC	\$ 30,000.00	\$ 30,000.00	\$ 20,000.00
\$ 216,088.50	\$ 140,000.00	\$ 487,500.00	TOTAL TRANSFERS	\$ 30,000.00	\$ 30,000.00	\$ 20,000.00

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>CONTINGENCY/RESERVE</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ -	\$ 16,000.00	OPERATING CONTINGENCY	\$ 200,000.00	\$ 200,000.00	\$ 150,000.00
\$ -	\$ -	\$ -	RESERVE/CH-PD	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00
\$ -	\$ -	\$ 16,000.00	TOTAL RESERVES	\$ 600,000.00	\$ 600,000.00	\$ 550,000.00

The proposed budget for FY 2015/2016 has a reserve fund being created for future construction for a City Hall and/or Police Department. This reserve was established in FY 2014/2015 but was exhausted in a supplemental budget to handle litigation costs in another fund. The reserve was reallocated to transfer and then moved to the sewer fund by resolution. This is similar to the Capital Acquisition allocation, where in FY 2014/2015, the budget committee allocated \$200,000 to the development of the PAL building as a public meeting room, municipal court, and city council meeting space. Those funds were also re-allocated in the supplemental budget and moved to the sewer fund. Therefore, the City is proposing funds be allocated to the capital acquisition for the PAL building renovation and last fiscal year allocation and proposed fiscal year allocation be sequestered into the reserve fund.

Transfers are budgeted for considerably less than in previous fiscal years. We are in a holding pattern with the aquatic center where the funds needed are for mechanical integrity maintenance of the facility.

The cost allocation calculations are derived from these above budgeted expenditures. In fiscal years past, the City created an internal service contract and transferred a flat amount from the funds based on the budget valuation. Under the recommendation and direction of our audit team, finance is now calculating the contract cost monthly, and off of actual expenditures occurring, rather than budgeted expectations. Adjustments are made for capital outlay, reserves, contingency, and unappropriated ending fund balance. In addition, not all costs incurred are allocable. These are identified and addressed in the month-end process.



**Police Line Item Detail**

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>PERSONNEL SERVICE</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 162,972.84	\$ 165,766.11	\$ 175,000.00	PERS	\$ 175,000.00	\$ 175,000.00	\$ 175,000.00
\$ 31,590.70	\$ 29,915.92	\$ 35,000.00	SAIF	\$ 27,250.00	\$ 27,250.00	\$ 27,250.00
\$ 81,371.41	\$ 82,140.46	\$ 86,000.00	FICA	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00
\$ 200,151.93	\$ 196,837.05	\$ 213,000.00	INSURANCE	\$ 200,000.00	\$ 200,000.00	\$ 225,000.00
\$ 21,294.00	\$ 532.17	\$ -	UNEMPLOYMENT LIABILITY	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
\$ 75,402.86	\$ 78,000.00	\$ 82,000.00	POLICE CHIEF	\$ 85,000.00	\$ 85,000.00	\$ 87,500.00
\$ 242,933.36	\$ 225,185.76	\$ 240,000.00	SERGEANTS	\$ 175,000.00	\$ 175,000.00	\$ 250,000.00
\$ 495,245.04	\$ 500,913.94	\$ 560,000.00	PATROL OFFICERS	\$ 550,000.00	\$ 550,000.00	\$ 650,000.00
\$ 46,885.83	\$ 58,051.65	\$ 71,000.00	POLICE CLERK	\$ 47,500.00	\$ 47,500.00	\$ 40,000.00
\$ 24,785.35	\$ 20,026.03	\$ 24,000.00	CERTIFICATE PAY	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00
\$ 39,006.50	\$ 32,533.80	\$ 37,000.00	HOLIDAY BUYOUT	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
\$ 82,310.33	\$ 98,616.88	\$ 125,000.00	OVERTIME	\$ 140,000.00	\$ 140,000.00	\$ 110,000.00
\$ 6,035.10	\$ 8,800.44	\$ 15,000.00	BUCKEROO OVERTIME	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00
\$ 57,878.63	\$ 55,024.08	\$ 56,000.00	PROPERTY OFFICER	\$ 59,500.00	\$ 59,500.00	\$ 59,500.00
<b>\$ 1,567,863.88</b>	<b>\$ 1,552,344.29</b>	<b>\$ 1,719,000.00</b>	<b>TOTAL PERSONNEL SERVICES</b>	<b>\$ 1,624,750.00</b>	<b>\$ 1,624,750.00</b>	<b>\$ 1,789,750.00</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>MATERIALS &amp; SERVICES</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 5,865.70	\$ 6,269.61	\$ 7,500.00	POWER	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
\$ 12,277.76	\$ 18,617.99	\$ 22,000.00	PHONE	\$ 27,500.00	\$ 27,500.00	\$ 27,500.00
\$ 14,265.16	\$ 27,391.61	\$ 40,500.00	CONNECTIVITY	\$ 23,000.00	\$ 23,000.00	\$ 23,000.00
\$ 14,381.90	\$ 26,005.51	\$ 40,000.00	O&M	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
\$ 3,427.20	\$ 5,392.19	\$ 10,000.00	BUILDING MAINTENANCE	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ 7,921.45	\$ 9,732.04	\$ 12,000.00	TRAINING & CONF. TRAVEL	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
\$ 7,676.00	\$ 411.00	\$ -	RESERVE RECRUITMENT	\$ -	\$ -	\$ -
\$ 577.00	\$ 432.00	\$ 1,000.00	DUES & MEMBERSHIP	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
\$ 62.45	\$ 206.63	\$ 500.00	POSTAGE	\$ 500.00	\$ 500.00	\$ 500.00
\$ -	\$ -	\$ 15,000.00	CONTRACTS & OBLIGATIONS	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
\$ 3,675.71	\$ 3,175.42	\$ 15,000.00	PROFESSIONAL SERVICES	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ 29,565.11	\$ 32,123.05	\$ 38,750.00	INSURANCE/LIABILITY/GEN	\$ 42,000.00	\$ 42,000.00	\$ 42,000.00
\$ 35,955.47	\$ 33,499.58	\$ 40,000.00	VEHICLE FUEL	\$ 40,000.00	\$ 40,000.00	\$ 30,000.00
\$ 27,120.53	\$ 28,348.62	\$ 40,000.00	VEHICLE REPAIR	\$ 40,000.00	\$ 40,000.00	\$ 30,000.00
\$ 11,021.63	\$ 7,620.42	\$ 15,500.00	UNIFORMS	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
\$ -	\$ 6,019.49	\$ 9,000.00	JANITOR	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
\$ 1,853.19	\$ 4,981.19	\$ 9,000.00	JANITOR SUPPLIES	\$ 5,750.00	\$ 5,750.00	\$ 5,750.00
\$ 3,262.18	\$ 1,805.95	\$ 2,500.00	OFFICE SUPPLIES	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
\$ 10,928.29	\$ -	\$ -	EOC GRANT	\$ -	\$ -	\$ -
\$ -	\$ 1,912.50	\$ 4,000.00	RADIO REPAIR	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
\$ 59,597.96	\$ 79,675.00	\$ 85,000.00	CENTRAL DISPATCH	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00
\$ 789.24	\$ 1,127.00	\$ 4,000.00	SPECIAL INVESTIGATION	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
\$ 6,178.19	\$ 8,022.08	\$ 8,500.00	OFFICE MACHINES & MAINT	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
\$ -	\$ 847.86	\$ 3,000.00	K-9 UNITS	\$ -	\$ -	\$ -
\$ 3,272.25	\$ 8,213.12	\$ 15,000.00	FIREARMS	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00
\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	JUVENILE DIVERSION PANEL	\$ 2,500.00	\$ 7,500.00	\$ 7,500.00

# FUND SUMMARY & LINE ITEM DETAIL

# GENERAL FUND

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>MATERIALS &amp; SERVICES (Cont)</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 400.00	\$ 57,518.83	\$ 15,000.00	COMPUTER REPAIR	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ -	\$ -	\$ -	COMPUTER EQUIPMENT	\$ 23,000.00	\$ 23,000.00	\$ 23,000.00
\$ 21,375.97	\$ 15,215.44	\$ 60,000.00	SUPPLIES / EQUIPMENT	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
\$ 781.50	\$ 1,542.76	\$ 1,500.00	CRIME SCENE INV SUPPLIES	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
<b>\$ 284,731.84</b>	<b>\$ 388,606.89</b>	<b>\$ 516,750.00</b>	<b>TOTAL MATERIALS &amp; SVCS</b>	<b>\$ 508,250.00</b>	<b>\$ 508,250.00</b>	<b>\$ 488,250.00</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>CAPITAL AQUISITIONS</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ 2,000.00	\$ 60,000.00	EMERGENCY VEHICLES	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00
<b>\$ -</b>	<b>\$ 2,000.00</b>	<b>\$ 60,000.00</b>	<b>TOTAL CAPITAL</b>	<b>\$ 55,000.00</b>	<b>\$ 55,000.00</b>	<b>\$ 55,000.00</b>

The 2014/2015 budget cycle for the police department has been one of cautious optimism. This was a time for us to begin rebuilding our workforce and making necessary upgrades after the setbacks brought on in 2012/2013. We made excellent strides and were well on our way towards improvements in staffing and capital improvements that were visible for our citizens to see.

We saw the goal of beginning a vehicle replacement program come to fruition and welcomed four new patrol vehicles on a lease to own program. We completed a redesign and remodel of the police department squad room area to make it more efficient. In an effort to be penny-wise, we purchased good, but used, office equipment which made it look professional at a fraction of the cost. We also were able to purchase a new enclosed trailer to be used for training and as a command post. This was done mostly through liquidating and reallocating other non-essential equipment. Although this current budget cycle was lean, we were able to continue to provide professional services to the community.

However, the City's general fund suffered a significant setback in recent months, due to a lawsuit. This litigation interrupted our momentum and caused us to make additional adjustments resulting in, what we hope is only a temporary loss of personnel. We hope this issue can be resolved and we can once again move on as resiliently as before.

The challenge we face now in this 2015/2016 budget cycle is to weather these difficulties without sacrificing services. The temporary cutbacks in personnel have challenged us to cover our shifts, while still providing the necessary training our officers and staff need. Some of this training is optional as we strive to improve our expertise and professionalism, but much of it is required.

The proposed budget we submit is faced with the reality that there are rising costs in some of our core expenses that we rely on to provide law enforcement to our community. Expenses such as insurance, janitorial services, phone and computer services all have seen significant rises in costs due to inflation. Other increases have been the result of our growing Molalla population which has seen a steady upswing resulting in a \$10,000 annual increase in our Central Dispatch services, based solely on population.

Another significant encumbrance to our next budget is the implementation of a new regional records management system (RegJIN) which involves all 44 police agencies in the tri-county area and includes all Washington State agencies up to La Center, Washington. It is an enormous undertaking that will cost agencies based on the number of sworn officers. Our annual fee will be approximately \$8,000 and it is a new

expense. The RegJIN system should significantly improve our investigative capabilities throughout the region, but it has cost all of our agencies well beyond the annual fee due to the substantial amount of training hours it has required.

The final adjustments for this next budget, brought on by these rising costs will result in an increase of about \$47,250 annually. In an attempt to counteract this increase as much as possible, we made adjustments to our line items which resulted in savings of approximately \$35,750, which reduced the net increase to only \$11,500. These adjustments in manpower and the deferral of other costs are not easily sustainable long-term, but are necessary for now. Our resolve is strong and we will overcome these obstacles and be stronger.

**Municipal Court Line Item Detail**

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>PERSONNEL SERVICES</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 6,040.78	\$ 6,184.30	\$ 6,500.00	PERS	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
\$ 668.73	\$ 199.97	\$ 300.00	SAIF	\$ 250.00	\$ 250.00	\$ 250.00
\$ 5,370.35	\$ 6,404.49	\$ 8,500.00	FICA	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
\$ 15,428.54	\$ 15,255.94	\$ 15,500.00	INSURANCE	\$ 15,500.00	\$ 15,500.00	\$ 15,500.00
\$ 20,400.00	\$ 20,400.00	\$ 20,400.00	MUNICIPAL COURT JUDGE	\$ 20,400.00	\$ 20,400.00	\$ 20,400.00
\$ -	\$ 12,916.65	\$ 30,000.00	PROSECUTING ATTORNEY	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
\$ 45,224.88	\$ 46,230.02	\$ 54,500.00	COURT CLERK	\$ 54,500.00	\$ 54,500.00	\$ 54,500.00
\$ 4,575.74	\$ 4,171.53	\$ 4,500.00	OVERTIME	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
<b>\$ 97,709.02</b>	<b>\$ 111,762.90</b>	<b>\$ 140,200.00</b>	<b>TOTAL PERSONNEL SERVICE</b>	<b>\$ 141,650.00</b>	<b>\$ 141,650.00</b>	<b>\$ 141,650.00</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>MATERIALS &amp; SERVICES</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 2,162.73	\$ 8,432.17	\$ 6,000.00	O&M	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
\$ 1,177.86	\$ 920.85	\$ 1,500.00	TRAINING & CONF. TRAVEL	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
\$ 145.00	\$ 40.00	\$ 200.00	DUES & MEMBERSHIP	\$ 200.00	\$ 200.00	\$ 200.00
\$ 134.85	\$ -	\$ 500.00	PRINTING & PUBLICATIONS	\$ 500.00	\$ 500.00	\$ 500.00
\$ 4,780.00	\$ 4,665.00	\$ 5,000.00	PROFESSIONAL SERVICES	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
\$ 2,190.01	\$ 2,822.11	\$ 3,000.00	INSURANCE/LIABILITY/GEN	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
\$ 1,728.14	\$ 53.98	\$ -	OFFICE SUPPLIES	\$ -	\$ -	\$ -
\$ 13,730.50	\$ 4,147.50	\$ -	LEGAL EXPENSES	\$ -	\$ -	\$ -
\$ 18,450.65	\$ 13,450.00	\$ 15,000.00	COURT APPOINTED ATTY	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
\$ 1,140.00	\$ 1,162.23	\$ 1,500.00	BAIL REFUND	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ 2,270.36	\$ 16,502.06	\$ 15,000.00	CLACKAMAS COUNTY	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ 36,974.59	\$ 18,763.37	\$ 25,000.00	OR DEPT OF REVENUE	\$ 1,500.00	\$ 1,500.00	\$ 15,000.00
\$ 5,132.98	\$ 7,106.84	\$ 5,000.00	VICTIM RESTITUTION	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
<b>\$ 90,017.67</b>	<b>\$ 78,066.11</b>	<b>\$ 77,700.00</b>	<b>TOTAL MATERIALS &amp; SVCS</b>	<b>\$ 79,700.00</b>	<b>\$ 79,700.00</b>	<b>\$ 93,200.00</b>

The municipal court is projecting little change from FY 2014/2015 to FY 2015/2016. The court meets on Tuesday evenings at the Molalla City Hall. The court will move to the PAL building once construction is complete.

Planning Line Item Detail

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>MATERIALS &amp; SERVICES</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 10,546.40	\$ 237.67	\$ 5,000.00	PROFESSIONAL SERVICES	\$ -	\$ -	\$ -
\$ 33,234.65	\$ 47,743.02	\$ 40,000.00	PROFESSIONAL - GLASCOW	\$ -	\$ -	\$ -
\$ 34,092.24	\$ -	\$ -	CLACK CNTY INSPECTIONS	\$ -	\$ -	\$ -
\$ 1,095.00	\$ 1,354.61	\$ 1,400.00	INSURANCE/LIABILITY/GEN	\$ -	\$ -	\$ -
\$ 78,968.29	\$ 49,335.30	\$ 46,400.00	TOTAL MATERIALS & SVCS	\$ -	\$ -	\$ -

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>TRANSFERS</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 140,576.00	\$ -	\$ -	PLANNING TO WATER LOAN	\$ -	\$ -	\$ -
\$ 140,576.00	\$ -	\$ -	TOTAL TRANSFERS	\$ -	\$ -	\$ -

The planning expenditures are fully absorbed by the OGM. There are not budgeted projections for FY 2015/2016.

The schedule below charts the capital improvement projects funded through the general fund.

<b>General Fund Capital Improvement Projects</b>						
		2015/16	2016/17	2017/18	3+ Years or Greater	TOTAL COST
<b>PROJECT TASKS</b>		<b>ESTIMATE (\$)</b>	<b>ESTIMATE (\$)</b>	<b>ESTIMATE (\$)</b>	<b>ESTIMATE (\$)</b>	
<b>INSIDE FACILITY</b>	Remodel old Court Room to Offices	\$0.00	\$50,000.00	\$0.00	\$0.00	\$50,000.00
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	<b>Subtotal</b>	<b>\$0.00</b>	<b>\$50,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$50,000.00</b>
<b>NEW FACILITY</b>	PAL Building	\$225,000.00	\$50,000.00	\$0.00	\$0.00	\$275,000.00
	New facility architect	\$0.00	\$0.00	\$150,000.00	\$0.00	\$150,000.00
	New facility construction	\$0.00	\$0.00	\$0.00	\$4,000,000.00	\$4,000,000.00
	New facility furnishings	\$0.00	\$0.00	\$0.00	\$200,000.00	\$200,000.00
	<b>Subtotal</b>	<b>\$225,000.00</b>	<b>\$50,000.00</b>	<b>\$150,000.00</b>	<b>\$4,200,000.00</b>	<b>\$4,625,000.00</b>
<b>OUTSIDE FACILITY</b>	Awnings	\$20,000.00	\$0.00	\$0.00	\$0.00	\$10,000.00
	Landscape / Trees	\$5,000.00	\$5,000.00	\$0.00	\$0.00	\$10,000.00
	PD Vehicles	\$55,000.00	\$55,000.00	\$65,000.00	\$65,000.00	\$240,000.00
	<b>Subtotal</b>	<b>\$80,000.00</b>	<b>\$60,000.00</b>	<b>\$65,000.00</b>	<b>\$65,000.00</b>	<b>\$260,000.00</b>
<b>Totals</b>		<b>\$305,000.00</b>	<b>\$160,000.00</b>	<b>\$215,000.00</b>	<b>\$4,265,000.00</b>	<b>\$4,935,000.00</b>



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# LIBRARY FUND



## LIBRARY FUND SUMMARY

The graph below provides a full summary of activity in the general fund for both resources and requirements.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 711,419.58	\$ 964,306.09	\$ 1,137,323.93	BEGINNING FUND	\$ 1,161,068.41	\$ 1,161,068.41	\$ 1,161,068.41
\$ 744,339.00	\$ 732,714.00	\$ 1,598,119.00	FED/STATE/GRANTS	\$ 1,603,500.00	\$ 1,603,500.00	\$ 1,603,500.00
\$ 27,284.78	\$ 26,781.19	\$ 27,500.00	FEES/LICENSES/FINES	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00
\$ 3,029.33	\$ 1,995.25	\$ 1,500.00	ALL OTHER RESOURCES	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
<b>\$ 1,486,072.69</b>	<b>\$ 1,725,796.53</b>	<b>\$ 2,764,442.93</b>	<b>TOTAL RESOURCES (Revenues)</b>	<b>\$ 2,789,568.41</b>	<b>\$ 2,789,568.41</b>	<b>\$ 2,789,568.41</b>
			<b>REQUIREMENTS</b>			
\$ 349,435.75	\$ 376,783.63	\$ 589,285.00	PERSONNEL SERVICE	\$ 550,500.00	\$ 550,500.00	\$ 550,500.00
\$ 105,432.20	\$ 137,262.51	\$ 212,048.80	MATERIALS & SERVICES	\$ 246,650.00	\$ 246,650.00	\$ 246,650.00
\$ 66,898.65	\$ 89,186.78	\$ 177,500.00	CAPITAL IMPROVEMENTS	\$ 426,000.00	\$ 426,000.00	\$ 426,000.00
\$ -	\$ -	\$ 50,000.00	CONTINGENCY	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
\$ -	\$ -	\$ 1,500,000.00	RESERVE	\$ 1,400,000.00	\$ 1,400,000.00	\$ 1,400,000.00
<b>\$ 521,766.60</b>	<b>\$ 603,232.92</b>	<b>\$ 2,528,833.80</b>	<b>TOTAL REQUIREMENTS (Expenditures)</b>	<b>\$ 2,723,150.00</b>	<b>\$ 2,723,150.00</b>	<b>\$ 2,723,150.00</b>
\$ -	\$ -	\$ 235,609.13	<b>UNAPPROPRIATED ENDING BALANCE</b>	<b>\$ 66,418.41</b>	<b>\$ 66,418.41</b>	<b>\$ 66,418.41</b>
<b>\$ 964,306.09</b>	<b>\$ 1,122,563.61</b>	<b>\$ -</b>	<b>NET RESOURCES OVER REQUIREMENTS</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>

The Molalla Public Library was established on May 14, 1900, and is the oldest continuously operating library in Clackamas County.

The mission of the Molalla Public Library is to serve the community by providing a wide range of library services and information technology resources and programs. In working toward fulfilling the mission statement, the library's budget reflects our goal of providing services and spaces to meet the needs of the community and working toward meeting the standards of the Oregon Library Association. The primary source of revenue for the library is Clackamas County Library District and the District is projecting a 3% increase.

One of the ways that we are looking to the future is by establishing a fund for future capital improvements to the library to meet the needs of a growing community and the changing face of providing information and entertainment. The District maintains a capital acquisition/improvement budget for Molalla of \$850,000.00 that can be allocated in addition to the District tax assessment for approved projects, a portion of the budgeted reserve includes those funds. The current facility is in a lease with the Molalla River School District and capital funds are to be available for property acquisition if a larger site is necessary to serve the community or to improve the current facility.

## Library Line Item Detail

**Resources (Revenues)** - For the 2015/16 fiscal year, Library revenue is projected to remain close to revenue from the 2014/15 fiscal year. It is in solid fiscal condition.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 711,419.58	\$ 964,306.09	\$ 1,137,323.93	BEGINNING FUND BALANCE	\$ 1,161,068.41	\$ 1,161,068.41	\$ 1,161,068.41
\$ 741,188.00	\$ 728,945.00	\$ 744,619.00	COUNTY FUNDS	\$ 750,000.00	\$ 750,000.00	\$ 750,000.00
\$ -	\$ -	\$ 850,000.00	LIBRARY DISTRICT CAPITAL	\$ 850,000.00	\$ 850,000.00	\$ 850,000.00
\$ 3,151.00	\$ 3,769.00	\$ 3,500.00	GRANTS	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
\$ 2,919.19	\$ 2,625.58	\$ 2,500.00	COPIER INCOME	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
\$ 916.89	\$ 430.30	\$ 500.00	MISC	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
\$ 24,365.59	\$ 24,155.61	\$ 25,000.00	FINES	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
\$ 2,112.44	\$ 1,564.95	\$ 1,000.00	DONATIONS	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
<b>\$ 1,486,072.69</b>	<b>\$ 1,725,796.53</b>	<b>\$ 2,764,442.93</b>	<b>TOTAL REVENUES</b>	<b>\$ 2,789,568.41</b>	<b>\$ 2,789,568.41</b>	<b>\$ 2,789,568.41</b>

## Requirements (Expenditures)

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	PERSONNEL SERVICE	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 35,453.07	\$ 39,679.54	\$ 60,000.00	PERS	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00
\$ 746.31	\$ 705.05	\$ 12,500.00	SAIF	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
\$ 18,972.59	\$ 20,653.28	\$ 30,000.00	FICA	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ 46,256.22	\$ 45,768.41	\$ 76,500.00	INSURANCE	\$ 76,000.00	\$ 76,000.00	\$ 76,000.00
\$ 63,817.68	\$ 79,989.17	\$ 65,000.00	LIBRARY DIRECTOR	\$ 66,000.00	\$ 66,000.00	\$ 66,000.00
\$ -	\$ -	\$ 44,000.00	LIBRARIAN	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00
\$ 57,030.72	\$ 58,508.06	\$ 61,285.00	ASST CITY LIBRARIAN	\$ 62,000.00	\$ 62,000.00	\$ 62,000.00
\$ -	\$ 82.74	\$ -	OVERTIME	\$ -	\$ -	\$ -
\$ 32,319.01	\$ 33,774.92	\$ 40,000.00	FULL TIME ASSISTANTS	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00
\$ 94,840.15	\$ 97,622.46	\$ 175,000.00	PART TIME ASSISTANTS	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00
\$ -	\$ -	\$ 25,000.00	ACCRUED PAYROLL LIABILITY	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
<b>\$ 349,435.75</b>	<b>\$ 376,783.63</b>	<b>\$ 589,285.00</b>	<b>TOTAL PERSONNEL SERVICE</b>	<b>\$ 550,500.00</b>	<b>\$ 550,500.00</b>	<b>\$ 550,500.00</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	MATERIALS & SERVICES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 7,923.42	\$ 8,629.44	\$ 10,000.00	POWER	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00
\$ 4,440.96	\$ 7,195.08	\$ 7,500.00	PHONE	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
\$ 1,640.48	\$ 1,945.38	\$ 3,000.00	NW NATURAL GAS	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
\$ 4,358.63	\$ 4,645.20	\$ 15,000.00	O&M	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ 2,677.72	\$ 3,292.17	\$ 10,000.00	BUILDING MAINTENANCE	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00
\$ 799.46	\$ 947.34	\$ 5,000.00	TRAINING & CONF. TRAVEL	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ 180.00	\$ 180.00	\$ 500.00	DUES & MEMBERSHIP	\$ 250.00	\$ 250.00	\$ 250.00
\$ 221.93	\$ 248.11	\$ 500.00	POSTAGE	\$ 500.00	\$ 500.00	\$ 500.00
\$ -	\$ -	\$ 3,000.00	PROFESSIONAL SERVICES	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
\$ 7,568.02	\$ 8,886.23	\$ 14,000.00	INSURANCE/LIABILITY/GEN	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00
\$ 8,050.00	\$ 8,280.00	\$ 10,000.00	CUSTODIAN	\$ 11,500.00	\$ 11,500.00	\$ 11,500.00
\$ 5,548.83	\$ 8,406.95	\$ 10,000.00	OFFICE SUPPLIES	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00
\$ -	\$ -	\$ 900.00	MFD READER BOARD	\$ 900.00	\$ 900.00	\$ 900.00



# FUND SUMMARY & LINE ITEM DETAIL

# LIBRARY

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>MATERIALS &amp; SERVICES (Cont)</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 49,996.01	\$ 71,121.56	\$ 81,148.80	COST ALLOCATION PLAN	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00
\$ -	\$ 1,630.00	\$ 3,000.00	FURNITURE & FIXTURES	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ 4,272.19	\$ 4,159.04	\$ 5,000.00	COPIER EXPENSES	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ 3,422.83	\$ 4,674.11	\$ 10,000.00	PROGRAMS	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ 3,906.07	\$ 3,016.30	\$ 3,500.00	PERIODICALS	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
\$ 425.65	\$ 5.60	\$ 20,000.00	EQUIPMENT	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
<b>\$ 105,432.20</b>	<b>\$ 137,262.51</b>	<b>\$ 212,048.80</b>	<b>TOTAL MATERIALS &amp; SVCS</b>	<b>\$ 246,650.00</b>	<b>\$ 246,650.00</b>	<b>\$ 246,650.00</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>CAPITAL IMPROVEMENTS</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ 16,358.63	\$ 75,000.00	CAPITAL IMPROVEMENTS	\$ 325,000.00	\$ 325,000.00	\$ 325,000.00
\$ 44,450.13	\$ 48,562.58	\$ 55,000.00	BOOKS	\$ 65,000.00	\$ 65,000.00	\$ 65,000.00
\$ 3,940.31	\$ 3,267.68	\$ 2,500.00	READY TO READ MATERIAL	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
\$ 9,770.44	\$ 10,816.37	\$ 10,000.00	AUDIO-VISUAL MATERIAL	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
\$ 7,048.89	\$ 7,703.70	\$ 30,000.00	DATA BASES	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
\$ 1,688.88	\$ 2,477.82	\$ 5,000.00	MUSIC	\$ -	\$ -	\$ -
<b>\$ 66,898.65</b>	<b>\$ 89,186.78</b>	<b>\$ 177,500.00</b>	<b>TOTAL CAPITAL</b>	<b>\$ 426,000.00</b>	<b>\$ 426,000.00</b>	<b>\$ 426,000.00</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>CONTINGENCY/RESERVE</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ -	\$ 50,000.00	OPERATING CONTINGENCY	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
\$ -	\$ -	\$ 1,500,000.00	CONST./ACQUISITION	\$ 1,400,000.00	\$ 1,400,000.00	\$ 1,400,000.00
<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,550,000.00</b>	<b>TOTAL CONT. / RESERVE</b>	<b>\$ 1,500,000.00</b>	<b>\$ 1,500,000.00</b>	<b>\$ 1,500,000.00</b>

## PERSONNEL SERVICE:

The Library has promoted one part-time paraprofessional to full time. It will add a few more part time staff members to ensure coverage during times of vacation or illness as well as keep operations on the front line running smoothly. A full time librarian, whose emphasis will be on serving teens and adults, will be hired.

## MATERIALS & SERVICES:

The Library contracts with companies to perform preventive maintenance on the building as well as fix issues as they arise. The Building Maintenance line item reflects these costs, which is an increase over last year. Professional Services has been increased in anticipation of working with a consultant to maximize the current space in the main part of the library as well as the possibility of working with an architect or other consultants regarding a new facility, in conjunction with the City Manager. The significant drop in the Equipment line item reflects the 2014/15 purchase of new computers, completing the conversion of all Library computers to Windows 7 (upgraded from XP).

## CAPITAL IMPROVEMENTS:

The Library will complete the carpeting project begun in the 2014/15 fiscal year. In conjunction with the City Manager, property may be acquired upon which to build a new facility. These improvements are in the Capital Improvements line item. The Book line item has been increased to enable the Library to purchase more materials for the Library in addition to eBooks, a growing trend within the County. The Audio-Visual Material line item has been increased to encompass Music, which is no longer being used as a line item as well as purchase more books on CD and popular and instructive DVDs.

**Molalla Public Library Capital Improvement Projects**

	2015/16	2016/17	2017/18	3+ Years or Greater	TOTAL COST	
PROJECT TASKS	ESTIMATE (\$)	ESTIMATE (\$)	ESTIMATE (\$)	ESTIMATE (\$)		
<b>INSIDE FACILITY</b>	New carpeting for main part of Library	\$30,000.00	\$0.00	\$0.00	\$0.00	\$30,000.00
	Consultant for floor design	\$2,000.00	\$0.00	\$0.00	\$0.00	\$2,000.00
	Movers for carpeting project	\$20,000.00	\$0.00	\$0.00	\$0.00	\$20,000.00
	<b>Subtotal</b>	<b>\$52,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$52,000.00</b>
<b>NEW FACILITY</b>	Architect for new facility	\$100,000.00	\$75,000.00	\$0.00	\$0.00	\$175,000.00
	Property for new facility	\$0.00	\$0.00	\$300,000.00	\$0.00	\$300,000.00
	New facility construction	\$0.00	\$0.00	\$0.00	\$3,500,000.00	\$3,500,000.00
	New facility furnishings	\$0.00	\$0.00	\$0.00	\$250,000.00	\$250,000.00
<b>Subtotal</b>	<b>\$100,000.00</b>	<b>\$75,000.00</b>	<b>\$300,000.00</b>	<b>\$3,750,000.00</b>	<b>\$4,225,000.00</b>	
<b>OUTSIDE FACILITY</b>	Sidewalk replacement	\$0.00	\$15,000.00	\$0.00	\$0.00	\$15,000.00
	<b>Subtotal</b>	<b>\$0.00</b>	<b>\$15,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$15,000.00</b>
<b>Totals</b>	<b>\$152,000.00</b>	<b>\$90,000.00</b>	<b>\$300,000.00</b>	<b>\$3,750,000.00</b>	<b>\$4,292,000.00</b>	



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# AQUATIC CENTER FUND



The Aquatic Center structure and land are owned by the Molalla River School District and operated by the City of Molalla through an intergovernmental agreement.

Before construction of the pool, the Molalla River School district community faced two different levies; one to construct the aquatic center and one to operate the aquatic center. The levy to build passed, therefore the costs associated with the construction of the building was shared by all property owners in the school district boundaries, yet the levy to operate the pool failed.

After a decade of service to the community, at a cost of over \$3,000,000 in subsidy from utility billing fees and City of Molalla property tax revenue, the City had no other option but to cease services until an alternative or more stable funding source was created. This source would share the burden of operational cost with all whom voted to build throughout the district rather than just City residents. The City remains committed to maintain the mechanical integrity to this beautiful facility while the community leaders (MRSD board and Molalla City Council) work out a solution that is best for the community.

The chart below shows the three different revenue categories over the decade of service:

	UB Park & Rec Fee	General Fund Transfer	Patron Fees
June 2013-July 2014	\$ 167,686.16	\$ 125,000.00	\$ 85,131.14
June 2012-July 2013	\$ 165,625.34	\$ 104,743.00	\$ 111,986.14
June 2011-July 2012	\$ 166,891.54	\$ 139,000.00	\$ 101,026.81
June 2010-July 2011	\$ 179,010.92	\$ 139,000.00	\$ 115,706.92
June 2009-July 2010	\$ 177,241.02	\$ 139,000.00	\$ 110,286.18
June 2008-July 2009	\$ 152,124.42	\$ 139,346.00	\$ 114,105.50
June 2007-July 2008	\$ 85,207.00	\$ 182,097.00	\$ 107,775.42
June 2006-July 2007	\$ -	\$ 283,065.17	\$ 68,346.59 **
June 2005-July 2006	\$ -	\$ 267,931.93	\$ 83,027.85
June 2004-July 2005	\$ -	\$ 244,516.27	\$ 81,588.52
June 2003-July 2004		\$ 157,201.27	\$ 12,730.52
<b>TOTALS</b>	<b>\$ 1,093,786.40</b>	<b>\$ 1,920,900.64</b>	<b>\$ 991,711.59</b>

*\*\*Prior to 2007, when the utility billing park & rec fee was instituted, the aquatic center was not a stand-alone fund. Rather, it was a division of the general fund similar to the municipal court or police department.*

*Aquatic Center patron revenues were tracked as in an individual general ledger revenue line code and the balance of the fiscal need for the aquatic center functions was paid from general fund resources primarily City of Molalla property taxes.*

The FY 2015/2016 budget reflects a full year of mechanical integrity operations. In the event a community solution is reached and the City of Molalla has a fiscal element to that solution, at minimum a supplemental budget will be needed and there will be a potential need to reconvene the budget committee.

**AQUATIC CENTER FUND SUMMARY**

The graph below provides a full summary of activity in the general fund for both resources and requirements.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 19,049.23	\$ 48,162.88	\$ 37,809.24	BEGINNING FUND BALANCE	\$ 2,426.24	\$ 2,426.24	\$ 12,600.00
\$ 277,611.48	\$ 252,817.30	\$ 126,500.00	FEES/LICENSES/FINES	\$ -	\$ -	\$ -
\$ 104,743.00	\$ 125,000.00	\$ 87,500.00	TRANSFERS IN	\$ 30,000.00	\$ 30,000.00	\$ 20,000.00
<b>\$ 401,403.71</b>	<b>\$ 425,980.18</b>	<b>\$ 251,809.24</b>	<b>TOTAL RESOURCES (Revenues)</b>	<b>\$ 32,426.24</b>	<b>\$ 32,426.24</b>	<b>\$ 32,600.00</b>
REQUIREMENTS						
\$ 176,635.50	\$ 190,268.25	\$ 101,609.24	PERSONNEL SERVICE	\$ 13,926.24	\$ 13,926.24	\$ 14,100.00
\$ 176,605.33	\$ 192,908.19	\$ 150,200.00	MATERIALS & SERVICES	\$ 18,500.00	\$ 18,500.00	\$ 18,500.00
\$ -	\$ 4,994.50	\$ -	CAPITAL IMPROVEMENTS	\$ -	\$ -	\$ -
<b>\$ 353,240.83</b>	<b>\$ 388,170.94</b>	<b>\$ 251,809.24</b>	<b>TOTAL REQUIRMENTS (Expenditures)</b>	<b>\$ 32,426.24</b>	<b>\$ 32,426.24</b>	<b>\$ 32,600.00</b>
\$ -	\$ -	\$ -	UNAPPROPRIATED ENDING BALANCE	\$ -	\$ -	\$ -
<b>\$ 48,162.88</b>	<b>\$ 37,809.24</b>	<b>\$ -</b>	<b>NET RESOURCES OVER REQUIREMENTS</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>

**Aquatic Center Line Item Detail**

**Resources (Revenues)** – For the 2015/16 fiscal year, the only projected revenue source is a general fund transfer.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 19,049.23	\$ 48,162.88	\$ 37,809.24	BEGINNING FUND BALANCE	\$ 2,426.24	\$ 2,426.24	\$ 12,600.00
\$ 165,625.34	\$ 167,686.16	\$ 84,000.00	PARK & RECREATION FEES	\$ -	\$ -	\$ -
\$ 111,986.14	\$ 85,131.14	\$ 42,500.00	RECREATION FEE	\$ -	\$ -	\$ -
\$ 104,743.00	\$ 125,000.00	\$ 87,500.00	TRANSFER GENERAL FUND	\$ 30,000.00	\$ 30,000.00	\$ 20,000.00
<b>\$ 401,403.71</b>	<b>\$ 425,980.18</b>	<b>\$ 251,809.24</b>	<b>TOTAL REVENUE</b>	<b>\$ 32,426.24</b>	<b>\$ 32,426.24</b>	<b>\$ 32,600.00</b>

**Requirements (Expenditures)**

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	PERSONNEL SERVICE	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 10,436.18	\$ 12,004.09	\$ 5,000.00	PERS	\$ -	\$ -	\$ -
\$ 5,776.13	\$ 5,901.76	\$ 3,250.00	SAIF	\$ -	\$ -	\$ -
\$ 10,564.34	\$ 11,072.75	\$ 6,000.00	FICA	\$ -	\$ -	\$ -
\$ 11,474.57	\$ 16,449.47	\$ 7,500.00	INSURANCE	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	UNEMPLOYMENT LIABILITY	\$ 13,926.24	\$ 13,926.24	\$ 14,100.00
\$ 38,422.94	\$ 58,085.06	\$ 29,595.87	CENTER SUPERVISOR	\$ -	\$ -	\$ -
\$ 99,961.34	\$ 86,755.12	\$ 50,263.37	PART TIME EMPLOYEES	\$ -	\$ -	\$ -
<b>\$ 176,635.50</b>	<b>\$ 190,268.25</b>	<b>\$ 101,609.24</b>	<b>TOTAL PERSONNEL SERVICE</b>	<b>\$ 13,926.24</b>	<b>\$ 13,926.24</b>	<b>\$ 14,100.00</b>

# FUND SUMMARY & LINE ITEM DETAIL

# AQUATIC CENTER

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>MATERIALS &amp; SERVICES</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 30,815.32	\$ 32,350.18	\$ 17,000.00	POWER	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
\$ 3,465.84	\$ 5,943.23	\$ 5,000.00	PHONE	\$ -	\$ -	\$ -
\$ 35,296.86	\$ 41,879.28	\$ 21,500.00	NATURAL GAS	\$ -	\$ -	\$ -
\$ 18,872.94	\$ 15,543.81	\$ 32,500.00	OPERATION & MAINTENANC	\$ -	\$ -	\$ -
\$ 5,178.21	\$ 24,893.71	\$ 7,500.00	BUILDING MAINTENANCE	\$ -	\$ -	\$ -
\$ 19,534.29	\$ 4,558.84	\$ 17,500.00	EQ MAINTENANCE & REPAIR	\$ -	\$ -	\$ -
\$ 3,088.24	\$ 6,438.65	\$ 1,250.00	TRAINING	\$ -	\$ -	\$ -
\$ 660.00	\$ 357.00	\$ 350.00	DUES & MEMBERSHIP	\$ -	\$ -	\$ -
\$ 89.66	\$ -	\$ -	POSTAGE	\$ -	\$ -	\$ -
\$ 4,134.90	\$ 4,753.90	\$ 2,500.00	PRINTING & PUBLICATION	\$ -	\$ -	\$ -
\$ 2,340.00	\$ -	\$ -	PROFESSIONAL SERVICES	\$ -	\$ -	\$ -
\$ 19,590.06	\$ 20,361.53	\$ 19,000.00	INSURANCE/LIABILITY/GEN	\$ -	\$ -	\$ -
\$ 805.92	\$ 699.95	\$ 350.00	OFFICE SUPPLIES	\$ -	\$ -	\$ -
\$ 1,478.76	\$ 1,374.91	\$ 750.00	CONCESSION SUPPLIES	\$ -	\$ -	\$ -
\$ 27,869.84	\$ 25,120.04	\$ 20,000.00	COST ALLOCATION PLAN	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ 3,384.49	\$ 8,633.16	\$ 5,000.00	CHLORINE & CHEMICAL	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
<b>\$ 176,605.33</b>	<b>\$ 192,908.19</b>	<b>\$ 150,200.00</b>	<b>TOTAL MATERIALS &amp; SVCS</b>	<b>\$ 18,500.00</b>	<b>\$ 18,500.00</b>	<b>\$ 18,500.00</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>CAPITAL IMPROVEMENTS</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ 4,994.50	\$ -	CAPITAL IMPROVEMENT	\$ -	\$ -	\$ -
<b>\$ -</b>	<b>\$ 4,994.50</b>	<b>\$ -</b>	<b>TOTAL CAPITAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

There are no capital improvement projects slated for the aquatic center over the next 3-5 years. Therefore, there is not currently an active capital improvement plan for this facility.

# PUBLIC WORKS FUNDS





The public works department consists of five different funds that encompass two different fund types.

- 1. Governmental Funds
  - A. Street Fund
  - B. Public Works Personnel Service Fund\*\*
- 2. Proprietary Funds
  - A. Water Fund
  - B. Sewer Fund
  - C. Storm Fund

*\*\*Funding for the Public Works Personnel Service Fund will no longer be budgeted for FY 2015/2016 and forward. This fund was set in place as a management tool in FY 2012/2013 as an internal department cost allocation plan to manage the staff that moved from fund to fund with services they were providing to the City. In theory this was a good plan, in works it was not. A study was completed by monitoring the employee through the timecard system and tracking them over a full fiscal year to arrive at appropriate allocations for each individual employee. That allocation structure was implemented and the employee allocations were returned to the parent funds and the personnel service fund is blank. Although no allocation will be made to that fund Oregon Budget law requires us to carry it on the budget for 3 full fiscal cycles.*

The primary budgetary goal for all public works funds is to develop a balance between frugal fiscal management for future sustainability and capital improvements to improve our processes and facilities.

Below is a total summary of all public works funds:

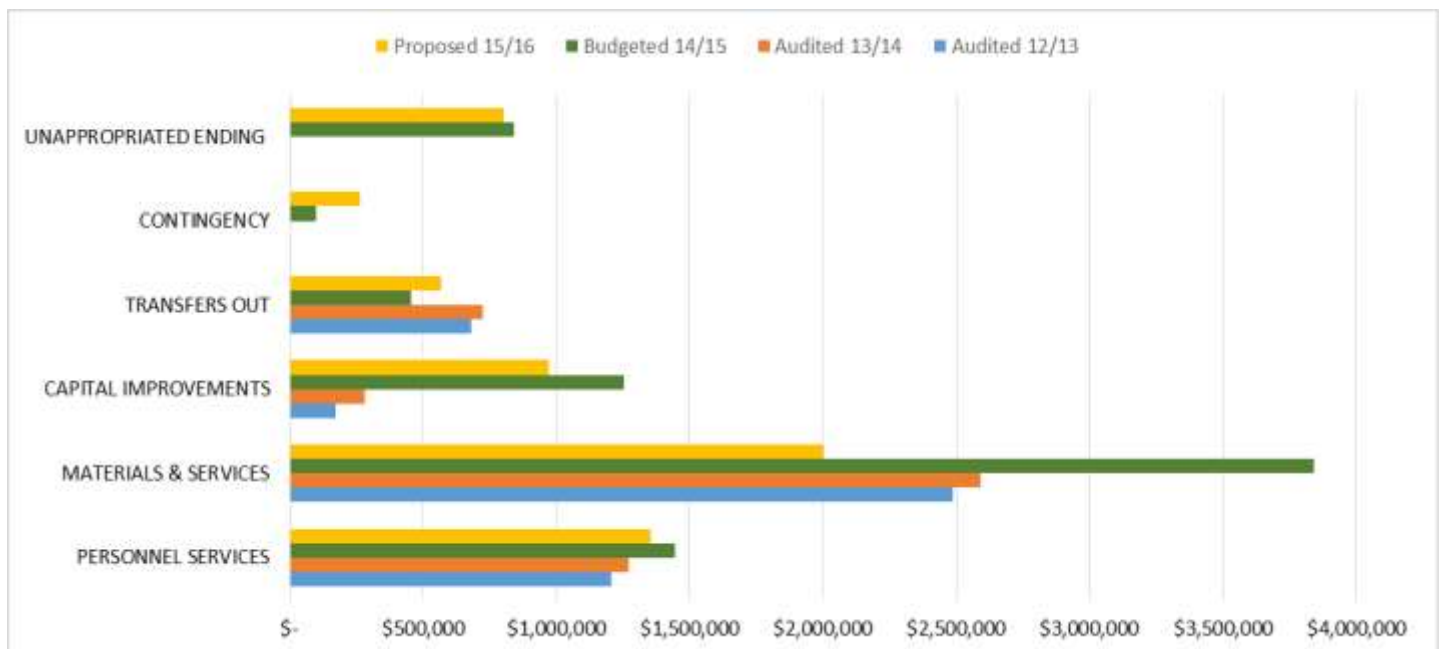
Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 1,241,549.90	\$ 1,896,929.31	\$ 1,916,210.11	BEGINNING FUND BALANCE	\$ 1,494,344.72	\$ 1,494,344.72	\$ 1,269,771.96
\$ 562,968.25	\$ 522,041.03	\$ 970,000.00	FED/STATE/GRANTS	\$ 1,015,000.00	\$ 1,015,000.00	\$ 1,015,000.00
\$ 3,076,252.03	\$ 3,135,624.64	\$ 3,259,480.30	FEES/LICENSES/FINES	\$ 3,394,000.00	\$ 3,394,000.00	\$ 3,394,000.00
\$ 190,576.00	\$ -	\$ 400,000.00	TRANSFERS IN	\$ -	\$ -	\$ -
\$ 1,364,374.33	\$ 1,350,332.96	\$ 1,386,500.00	ALL OTHER RESOURCES	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00
<b>\$ 6,435,720.51</b>	<b>\$ 6,904,927.94</b>	<b>\$ 7,932,190.41</b>	<b>TOTAL RESOURCES (Revenues)</b>	<b>\$ 5,951,344.72</b>	<b>\$ 5,951,344.72</b>	<b>\$ 5,726,771.96</b>
<b>REQUIREMENTS</b>						
\$ 1,203,424.02	\$ 1,270,688.67	\$ 1,444,726.06	PERSONNEL SERVICES	\$ 1,351,180.00	\$ 1,351,180.00	\$ 1,386,180.00
\$ 2,484,107.35	\$ 2,591,188.39	\$ 3,839,224.80	MATERIALS & SERVICES	\$ 1,999,000.00	\$ 1,999,000.00	\$ 1,999,000.00
\$ 170,259.83	\$ 280,756.43	\$ 1,254,262.00	CAPITAL IMPROVEMENTS	\$ 969,500.00	\$ 969,500.00	\$ 969,500.00
\$ 681,000.00	\$ 725,500.00	\$ 454,738.00	TRANSFERS OUT	\$ 565,928.56	\$ 565,928.56	\$ 565,928.56
		\$ 100,000.00	CONTINGENCY	\$ 265,000.00	\$ 265,000.00	\$ 315,000.00
<b>\$ 4,538,791.20</b>	<b>\$ 4,868,133.49</b>	<b>\$ 7,092,950.86</b>	<b>TOTAL REQUIRMENTS (Expenditures)</b>	<b>\$ 5,150,608.56</b>	<b>\$ 5,150,608.56</b>	<b>\$ 5,235,608.56</b>
\$ -	\$ -	\$ 839,239.55	UNAPPROPRIATED ENDING BALANCE	\$ 800,736.16	\$ 800,736.16	\$ 491,163.40
<b>\$ 1,896,929.31</b>	<b>\$ 2,036,794.45</b>	<b>\$ -</b>	<b>NET RESOURCES OVER REQUIREMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

A marginal decrease is anticipated in the unappropriated ending fund balance overall for public works. This is exemplary measured against the obstacles faced in FY 2014/2015. Frugal attention will be mandatory for individual funds while we move into the future to be able to sustain our growing community.

Contingency line items are projected to increase in some funds. This is a typical change when you are looking at the future fiscal year measured against closed audited fiscal years and a previous budgeted year impacted by a supplemental budget. In addition, public works will experience an increase in debt service transfers for bonded debt. To help us improve some fiscal sustainability, rate stabilization funds were created in the debt service funds to help us in difficult years. Those funds were exhausted, therefore increasing the financial need from the parent funds. The City would recommend moving to re-establish these stabilization funds within the next five (5) fiscal cycles.

The public works expenditure funds experienced some significant reductions. First, the capital improvement allotment for FY 2015/2016 is reduced as a large portion of staff time will revolve around the support to complete two significant Urban Renewal projects. Limited staff will limit the number of projects we can complete successfully while maintaining the status quo. Second, materials and services is budgeted with a large decrease as professional and legal fees are projected to be significantly less. Third, the personnel service allocation is slightly reduced through layoffs and re-allocation of some personnel costs to materials and services.

On the average, public works departments present daily with situations that require us to be reactionary. The budget has been developed to be prepared for those situations as well as being proactive with our duties as possible. A four-year comparison including 2 fiscal years with audited actuals and 2 fiscal years of budgeted projections, will directly reflect our City Council goal of infrastructure improvements through capital projects while balancing some significant obstacles and reduced staff.



**STREETS & PARKS FUND SUMMARY**

The graph below provides a full summary of activity in the general fund for both resources and requirements.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 164,744.49	\$ 233,155.17	\$ 115,109.02	BEGINNING FUND	\$ 277,044.45	\$ 277,044.45	\$ 197,500.00
\$ 562,968.25	\$ 522,041.03	\$ 970,000.00	FED/STATE/GRANTS	\$ 1,015,000.00	\$ 1,015,000.00	\$ 1,015,000.00
\$ 140,000.00	\$ 187,397.25	\$ 209,180.30	FEES/LICENSES/FINES	\$ 220,000.00	\$ 220,000.00	\$ 220,000.00
\$ 14,285.25	\$ 31,182.88	\$ 42,500.00	ALL OTHER RESOURCES	\$ 42,500.00	\$ 42,500.00	\$ 42,500.00
<b>\$ 881,997.99</b>	<b>\$ 973,776.33</b>	<b>\$ 1,336,789.32</b>	<b>TOTAL RESOURCES (Revenues)</b>	<b>\$ 1,554,544.45</b>	<b>\$ 1,554,544.45</b>	<b>\$ 1,475,000.00</b>
<b>REQUIREMENTS</b>						
\$ -	\$ -	\$ -	PERSONNEL SERVICES	\$ 292,400.00	\$ 292,400.00	\$ 327,400.00
\$ 546,604.02	\$ 583,867.20	\$ 701,917.69	MATERIALS & SERVICES	\$ 479,600.00	\$ 479,600.00	\$ 479,600.00
\$ 102,238.80	\$ 134,023.46	\$ 600,000.00	CAPITAL IMPROVEMENTS	\$ 557,000.00	\$ 557,000.00	\$ 557,000.00
\$ -	\$ -	\$ -	CONTINGENCY	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
<b>\$ 648,842.82</b>	<b>\$ 717,890.66</b>	<b>\$ 1,301,917.69</b>	<b>TOTAL REQUIRMENTS (Expenditures)</b>	<b>\$ 1,429,000.00</b>	<b>\$ 1,429,000.00</b>	<b>\$ 1,464,000.00</b>
\$ -	\$ -	\$ 34,871.63	UNAPPROPRIATED ENDING BALANCE	\$ 125,544.45	\$ 125,544.45	\$ 11,000.00
<b>\$ 233,155.17</b>	<b>\$ 255,885.67</b>	<b>\$ 0.00</b>	<b>NET RESOURCES OVER REQUIREMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Streets & Parks Line Item Detail**

**Resources (Revenues)** – Two new funding sources have been added to this fund for FY 2015/2016. These new sources encapsulate grant possibilities for capital projects. In addition, increases in the PGE franchise fee and the state revenue share are anticipated as a direct result of community growth and a population adjustment.

City Council goal has been to create a new revenue source for street maintenance and staff will be working through the transportation advisory committee to provide options to meet that goal. The revenue source is not reflected in this budget and will require a supplemental budget as we progress through the process.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 164,744.49	\$ 233,155.17	\$ 115,109.02	BEGINNING FUND BALANCE	\$ 277,044.45	\$ 277,044.45	\$ 197,500.00
\$ 442,968.25	\$ 465,905.74	\$ 480,000.00	STATE GAS TAX	\$ 480,000.00	\$ 480,000.00	\$ 480,000.00
\$ 140,000.00	\$ 187,397.25	\$ 209,180.30	PGE FRANCHISE FEE	\$ 220,000.00	\$ 220,000.00	\$ 220,000.00
\$ 80,000.00	\$ -	\$ 450,000.00	STP ALLOCATION	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00
\$ -	\$ -	\$ -	CDBG GRANT	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00
\$ -	\$ -	\$ -	RAILS TO TRAILS GRANT	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00
\$ 14,285.25	\$ 31,182.88	\$ 42,500.00	MISCELLANEOUS	\$ 42,500.00	\$ 42,500.00	\$ 42,500.00
\$ 40,000.00	\$ 56,135.29	\$ 40,000.00	STATE REVENUE SHARE	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00
<b>\$ 881,997.99</b>	<b>\$ 973,776.33</b>	<b>\$ 1,336,789.32</b>	<b>TOTAL REVENUE</b>	<b>\$ 1,554,544.45</b>	<b>\$ 1,554,544.45</b>	<b>\$ 1,475,000.00</b>

**Streets & Parks Requirements (Expenditures)**

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015		Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
<b>PERSONNEL SERVICE</b>						
\$ -	\$ -	\$ -	PERS	\$ 20,000.00	\$ 20,000.00	\$ 28,000.00
\$ -	\$ -	\$ -	SAIF	\$ 6,400.00	\$ 6,400.00	\$ 6,400.00
\$ -	\$ -	\$ -	FICA	\$ 13,000.00	\$ 13,000.00	\$ 15,000.00
\$ -	\$ -	\$ -	INSURANCE	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00
\$ -	\$ -	\$ -	UNEMPLOYMENT LIABILITY	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
\$ -	\$ -	\$ -	PW DIRECTOR	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ -	\$ -	\$ -	GIS MAPPING TECHNICIAN	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00
			CREW- FOREMAN	\$ 16,000.00	\$ 16,000.00	\$ 16,000.00
\$ -	\$ -	\$ -	CREW - STREETS	\$ 50,000.00	\$ 50,000.00	\$ 55,000.00
\$ -	\$ -	\$ -	CREW - PARKS	\$ 50,000.00	\$ 50,000.00	\$ 60,000.00
\$ -	\$ -	\$ -	CREW - SEASONAL	\$ 15,000.00	\$ 15,000.00	\$ 25,000.00
\$ -	\$ -	\$ -	OVERTIME	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00
\$ -	\$ -	\$ -	ACCRUED PAYROLL LIABILITY	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ -	\$ -	<b>TOTAL PERSONNEL SERVICE</b>	\$ 292,400.00	\$ 292,400.00	\$ 327,400.00
<b>MATERIALS &amp; SERVICES</b>						
\$ 82,621.49	\$ 75,502.66	\$ 82,500.00	POWER	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00
\$ 4,450.05	\$ 6,349.82	\$ 10,000.00	PHONE	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
\$ 965.78	\$ 1,657.33	\$ 1,600.00	NATURAL GAS	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
\$ 28,228.42	\$ 15,976.52	\$ 15,000.00	O&M	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
\$ 17,489.87	\$ 12,711.17	\$ 10,000.00	O&M (PARKS)	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
\$ 1,280.38	\$ 3,558.16	\$ 7,500.00	BUILDING MAINTENANCE	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ -	\$ -	\$ -	TRAINING & CERTIFICATES	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
\$ 25.00	\$ 75.00	\$ 1,000.00	DUES & MEMBERSHIP	\$ 100.00	\$ 100.00	\$ 100.00
\$ 1,000.00	\$ 8,060.49	\$ 12,000.00	COMPUTER NETWORK	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
\$ 4,476.31	\$ 14,464.54	\$ 10,000.00	PROFESSIONAL SERVICES	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
\$ 11,434.16	\$ 13,546.15	\$ 16,500.00	INSURANCE/LIABILITY/GEN	\$ 20,500.00	\$ 20,500.00	\$ 20,500.00
\$ 8,372.68	\$ 13,694.62	\$ 15,000.00	GAS FUEL	\$ 14,000.00	\$ 14,000.00	\$ 14,000.00
\$ 6,689.76	\$ 6,540.47	\$ 9,000.00	GAS FUEL (PARKS)	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
\$ 8,754.59	\$ 12,268.30	\$ 7,500.00	VEHICLE REPAIR	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
\$ 417.77	\$ 1,130.75	\$ 2,500.00	VEHICLE REPAIR (PARKS)	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
\$ 5,170.59	\$ 6,184.23	\$ 7,500.00	UNIFORMS & SAFETY GEAR	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ 46,484.52	\$ 66,062.19	\$ 65,817.69	COST ALLOCATION PLAN	\$ 78,000.00	\$ 78,000.00	\$ 78,000.00
\$ 315,000.00	\$ 315,000.00	\$ 296,000.00	PW PERSONNEL SERVICE	\$ -	\$ -	\$ -
\$ 3,012.28	\$ 3,876.35	\$ 100,000.00	SIDEWALK / STREET REPAIR	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
\$ -	\$ -	\$ 30,000.00	SMALL EQUIPMENT/TOOL	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
\$ 730.37	\$ 7,208.45	\$ 2,500.00	SIGNS	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
\$ 546,604.02	\$ 583,867.20	\$ 701,917.69	<b>TOTAL MATERIALS &amp; SVCS</b>	\$ 479,600.00	\$ 479,600.00	\$ 479,600.00
<b>CAPITAL IMPROVEMENTS</b>						
\$ 102,238.80	\$ 134,023.46	\$ 600,000.00	CAPITAL IMPROVEMENTS	\$ 557,000.00	\$ 557,000.00	\$ 557,000.00
			<i>Vector Payment #3 of 5</i>	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
			<i>CDBG - Lola Street</i>	\$ 240,000.00	\$ 240,000.00	\$ 240,000.00
			<i>Rails to Trails</i>	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00
			<i>Dump Truck (Shared Cost)</i>	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ 102,238.80	\$ 134,023.46	\$ 600,000.00	<b>TOTAL CAPITAL</b>	\$ 557,000.00	\$ 557,000.00	\$ 557,000.00
<b>CONTINGENCY</b>						
\$ -	\$ -	\$ -	OPERATING CONTINGENCY	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
\$ -	\$ -	\$ -	<b>TOTAL CONTINGENCY</b>	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00

**WATER FUND SUMMARY**

The graph below provides a full summary of activity in the general fund for both resources and requirements.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 606,893.06	\$ 918,849.43	\$ 1,023,857.13	BEGINNING FUND	\$ 933,673.80	\$ 933,673.80	\$ 615,875.00
\$ 1,293,186.45	\$ 1,285,275.34	\$ 1,388,000.00	FEES/LICENSES/FINES	\$ 1,477,000.00	\$ 1,477,000.00	\$ 1,477,000.00
\$ 33,030.00	\$ 2,075.00	\$ 1,500.00	ALL OTHER RESOURCES	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
\$ 190,576.00	\$ -	\$ -	TRANSFERS IN	\$ -	\$ -	\$ -
<b>\$ 2,123,685.51</b>	<b>\$ 2,206,199.77</b>	<b>\$ 2,413,357.13</b>	<b>TOTAL RESOURCES (Revenues)</b>	<b>\$ 2,413,673.80</b>	<b>\$ 2,413,673.80</b>	<b>\$ 2,095,875.00</b>
<b>REQUIREMENTS</b>						
\$ -	\$ -	\$ -	PERSONNEL SERVICE	\$ 521,650.00	\$ 521,650.00	\$ 521,650.00
\$ 876,960.11	\$ 891,395.22	\$ 1,053,746.99	MATERIALS & SERVICES	\$ 585,750.00	\$ 585,750.00	\$ 585,750.00
\$ 61,875.97	\$ 56,112.95	\$ 531,000.00	CAPITAL IMPROVEMENTS	\$ 232,000.00	\$ 232,000.00	\$ 232,000.00
\$ 266,000.00	\$ 300,000.00	\$ 250,000.00	TRANSFERS	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
\$ -	\$ -	\$ 85,000.00	CONTINGENCY	\$ 150,000.00	\$ 150,000.00	\$ 100,000.00
<b>\$ 1,204,836.08</b>	<b>\$ 1,247,508.17</b>	<b>\$ 1,919,746.99</b>	<b>TOTAL REQUIRMENTS (Expenditures)</b>	<b>\$ 1,680,900.00</b>	<b>\$ 1,680,900.00</b>	<b>\$ 1,689,400.00</b>
\$ -	\$ -	\$ 493,610.14	UNAPPROPRIATED ENDING BALANCE	\$ 674,273.80	\$ 674,273.80	\$ 406,475.00
<b>\$ 918,849.43</b>	<b>\$ 958,691.60</b>	<b>\$ -</b>	<b>NET RESOURCES OVER REQUIREMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Water Line Item Detail**

**Resources (Revenues)** – With the increase in community growth, a marginal increase in monthly user fees is anticipated. No new revenue sources are anticipated in the next fiscal year.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 606,893.06	\$ 918,849.43	\$ 1,023,857.13	BEGINNING FUND BALANCE	\$ 933,673.80	\$ 933,673.80	\$ 615,875.00
\$ 33,030.00	\$ 2,075.00	\$ 1,500.00	MISCELLANEOUS	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
\$ 1,284,186.45	\$ 1,270,275.34	\$ 1,380,000.00	MONTHLY USER FEE	\$ 1,450,000.00	\$ 1,450,000.00	\$ 1,450,000.00
\$ 9,000.00	\$ 15,000.00	\$ 8,000.00	SERVICE CONNECTIONS	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00
\$ 140,576.00	\$ -	\$ -	PLANNING LOAN	\$ -	\$ -	\$ -
\$ 50,000.00	\$ -	\$ -	TRANSFER FROM GENERAL	\$ -	\$ -	\$ -
<b>\$ 1,933,109.51</b>	<b>\$ 2,206,199.77</b>	<b>\$ 2,413,357.13</b>	<b>TOTAL REVENUE</b>	<b>\$ 2,413,673.80</b>	<b>\$ 2,413,673.80</b>	<b>\$ 2,413,673.80</b>

**Requirements (Expenditures)**

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	PERSONNEL SERVICE	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ -	\$ -	PERS	\$ 38,500.00	\$ 38,500.00	\$ 38,500.00
\$ -	\$ -	\$ -	SAIF	\$ 12,750.00	\$ 12,750.00	\$ 12,750.00
\$ -	\$ -	\$ -	FICA	\$ 23,000.00	\$ 23,000.00	\$ 23,000.00
\$ -	\$ -	\$ -	INSURANCE	\$ 88,500.00	\$ 88,500.00	\$ 88,500.00
\$ -	\$ -	\$ -	UNEMPLOYMENT LIABILITY	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ -	\$ -	PW DIRECTOR	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ -	\$ -	\$ -	PLANT OPERATOR	\$ 66,000.00	\$ 66,000.00	\$ 66,000.00
\$ -	\$ -	\$ -	ASST. PLANT OPERATOR	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00

# FUND SUMMARY & LINE ITEM DETAIL

# PUBLIC WORKS

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>PERSONNEL SERVICES (Cont)</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ -	\$ -	UTILITY BILLING CLERK	\$ 14,300.00	\$ 14,300.00	\$ 14,300.00
\$ -	\$ -	\$ -	GIS MAPPING TECH	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00
\$ -	\$ -	\$ -	CREW - WATER	\$ 113,000.00	\$ 113,000.00	\$ 113,000.00
\$ -	\$ -	\$ -	CREW - SEASONAL	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ -	\$ -	OVERTIME	\$ 33,600.00	\$ 33,600.00	\$ 33,600.00
\$ -	\$ -	\$ -	ACCRUED PAYROLL LIABILITY	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ -	\$ -	<b>TOTAL PERSONNEL SERVICE</b>	\$ 521,650.00	\$ 521,650.00	\$ 521,650.00
<b>MATERIALS &amp; SERVICES</b>						
\$ 53,304.65	\$ 55,422.53	\$ 64,000.00	POWER	\$ 62,250.00	\$ 62,250.00	\$ 62,250.00
\$ 3,692.57	\$ 2,352.18	\$ 4,800.00	PHONE	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
\$ 45,312.82	\$ 37,623.81	\$ 50,000.00	O&M	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
\$ 1,810.45	\$ 3,909.46	\$ 40,000.00	BUILDING MAINTENANCE	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
\$ -	\$ -	\$ -	TRAINING & CERTIFICATES	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ 505.80	\$ 4,283.00	\$ 4,000.00	DUES & MEMBERSHIP	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
\$ 5,425.37	\$ 5,624.84	\$ 11,000.00	POSTAGE	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ 1,935.00	\$ 2,323.74	\$ 14,800.00	COMPUTER NETWORK	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
\$ 6,197.47	\$ 1,562.90	\$ 75,000.00	PROFESSIONAL SERVICES	\$ 115,000.00	\$ 115,000.00	\$ 115,000.00
\$ 10,950.04	\$ 15,417.30	\$ 20,000.00	INSURANCE/LIABILITY/GEN	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
\$ 8,083.02	\$ 7,991.76	\$ 12,000.00	VEHICLE FUEL	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
\$ 2,477.51	\$ 1,016.15	\$ 3,500.00	VEHICLE REPAIR	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
\$ 3,596.57	\$ 4,278.48	\$ 5,000.00	UNIFORMS & SAFETY GEAR	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
\$ 76,613.68	\$ 100,092.44	\$ 109,146.99	COST ALLOCATION PLAN	\$ 104,000.00	\$ 104,000.00	\$ 104,000.00
\$ 545,000.04	\$ 545,000.04	\$ 508,000.00	PW PERSONNEL SERVICE	\$ -	\$ -	\$ -
\$ 23,287.11	\$ 20,477.92	\$ 35,000.00	CHLORINE & CHEMICALS	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00
\$ -	\$ 7,062.41	\$ 50,000.00	WATER LINE REPAIR	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
\$ 79.55	\$ -	\$ 7,500.00	NEW WATER CONNECTIONS	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
\$ 24,479.33	\$ 13,442.48	\$ 40,000.00	NEW WATER METERS	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
\$ 64,209.13	\$ 63,513.78	\$ -	LICENSE FEE	\$ -	\$ -	\$ -
\$ 876,960.11	\$ 891,395.22	\$ 1,053,746.99	<b>TOTAL MATERIALS &amp; SVCS</b>	\$ 585,750.00	\$ 585,750.00	\$ 585,750.00
<b>CAPITAL IMPROVEMENTS</b>						
\$ 61,875.97	\$ 56,112.95	\$ 531,000.00	CAPITAL EQUIPMENT	\$ 47,000.00	\$ 47,000.00	\$ 47,000.00
			<i>Vactor Payment #3 of 5</i>	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
			<i>Dump Truck (Shared Cost)</i>	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ -	\$ -	\$ -	CAPITAL IMPROVEMENTS	\$ 185,000.00	\$ 185,000.00	\$ 185,000.00
			<i>Trans. Line WTP to ACR</i>	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
			<i>Water Capital Projects</i>	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00
\$ 61,875.97	\$ 56,112.95	\$ 531,000.00	<b>TOTAL CAPITAL</b>	\$ 232,000.00	\$ 232,000.00	\$ 232,000.00
<b>TRANSFERS</b>						
\$ 266,000.00	\$ 300,000.00	\$ 250,000.00	WATER DEBT RETIREMENT	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
\$ 266,000.00	\$ 300,000.00	\$ 250,000.00	<b>TOTAL TRANSFERS</b>	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
<b>CONTINGENCY</b>						
\$ -	\$ -	\$ 85,000.00	OPERATING CONTINGENCY	\$ 150,000.00	\$ 150,000.00	\$ 100,000.00
\$ -	\$ -	\$ 85,000.00	<b>TOTAL CONTINGENCY</b>	\$ 150,000.00	\$ 150,000.00	\$ 100,000.00

**SEWER FUND SUMMARY**

The graph below provides a full summary of activity in the general fund for both resources and requirements.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 460,963.90	\$ 610,102.77	\$ 624,851.82	BEGINNING FUND	\$ 243,904.51	\$ 243,904.51	\$ 416,675.00
\$ 1,551,290.04	\$ 1,563,923.60	\$ 1,557,800.00	FEES/LICENSES/FINES	\$ 1,602,000.00	\$ 1,602,000.00	\$ 1,602,000.00
\$ -	\$ -	\$ 400,000.00	TRANSFERS IN	\$ -	\$ -	\$ -
\$ 2,059.00	\$ 2,075.00	\$ 1,500.00	ALL OTHER RESOURCES	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
<b>\$ 2,014,312.94</b>	<b>\$ 2,176,101.37</b>	<b>\$ 2,584,151.82</b>	<b>TOTAL RESOURCES (Revenues)</b>	<b>\$ 1,848,404.51</b>	<b>\$ 1,848,404.51</b>	<b>\$ 2,021,175.00</b>
			<b>REQUIREMENTS</b>			
	\$ -	\$ -	PERSONNEL SERVICE	\$ 482,330.00	\$ 482,330.00	\$ 482,330.00
\$ 985,177.17	\$ 1,050,950.63	\$ 2,000,996.35	MATERIALS & SERVICES	\$ 888,850.00	\$ 888,850.00	\$ 888,850.00
\$ 4,033.00	\$ 74,798.92	\$ 83,262.00	CAPITAL IMPROVEMENTS	\$ 160,500.00	\$ 160,500.00	\$ 160,500.00
\$ 415,000.00	\$ 425,500.00	\$ 204,738.00	TRANSFERS	\$ 315,928.56	\$ 315,928.56	\$ 315,928.56
\$ -	\$ -	\$ -	CONTINGENCY	\$ -	\$ -	\$ 100,000.00
<b>\$ 1,404,210.17</b>	<b>\$ 1,551,249.55</b>	<b>\$ 2,288,996.35</b>	<b>TOTAL REQUIRMENTS (Expenditures)</b>	<b>\$ 1,847,608.56</b>	<b>\$ 1,847,608.56</b>	<b>\$ 1,947,608.56</b>
\$ -	\$ -	\$ 295,155.47	UNAPPROPRIATED ENDING BALANCE	\$ 795.95	\$ 795.95	\$ 73,566.44
<b>\$ 610,102.77</b>	<b>\$ 624,851.82</b>	<b>\$ -</b>	<b>NET RESOURCES OVER REQUIREMENTS</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>

**Sewer Line Item Detail**

**Resources (Revenues)** – Sewer Fund must be managed carefully when considering needed projects and activities associated with waste water requirements. However, with the increase in community growth, a marginal increase in monthly user fees is anticipated. No new revenue sources are anticipated in the next fiscal year.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 460,963.90	\$ 610,102.77	\$ 624,851.82	BEGINNING FUND BALANCE	\$ 243,904.51	\$ 243,904.51	\$ 416,675.00
\$ 2,059.00	\$ 2,075.00	\$ 1,500.00	MISCELLANEOUS	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
\$ 1,542,890.04	\$ 1,548,923.60	\$ 1,550,000.00	MONTHLY USER FEE	\$ 1,575,000.00	\$ 1,575,000.00	\$ 1,575,000.00
\$ 8,400.00	\$ 15,000.00	\$ 7,800.00	SERVICE CONNECTIONS	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00
\$ -	\$ -	\$ 400,000.00	GENERAL FUND TRANSFER	\$ -	\$ -	\$ -
<b>\$ 2,014,312.94</b>	<b>\$ 2,176,101.37</b>	<b>\$ 2,184,151.82</b>	<b>TOTAL REVENUE</b>	<b>\$ 1,848,404.51</b>	<b>\$ 1,848,404.51</b>	<b>\$ 2,021,175.00</b>

**Requirements (Expenditures)** - As we move into year two of our NPDES permit, we have proposed maintaining our process of proactively looking at our waste water system. Annual funding for bio-solid removal, inflow and infiltration management and repair, recycled water programming, and engineering services to promote compliance is again a large component of this budget. A notable increase in the I&I (Inflow and Infiltration) is to purchase a CCTV camera to better assist the City in the identification and removal of I&I in the existing sewer collection system. In addition, irrigation fuel is increased to accommodate the addition of the new big gun.

# FUND SUMMARY & LINE ITEM DETAIL

# PUBLIC WORKS

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015		Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
<b>PERSONNEL SERVICES</b>						
\$ -	\$ -	\$ -	PERS	\$ 32,250.00	\$ 32,250.00	\$ 32,250.00
\$ -	\$ -	\$ -	SAIF	\$ 7,800.00	\$ 7,800.00	\$ 7,800.00
\$ -	\$ -	\$ -	FICA	\$ 20,500.00	\$ 20,500.00	\$ 20,500.00
\$ -	\$ -	\$ -	INSURANCE	\$ 88,500.00	\$ 88,500.00	\$ 88,500.00
\$ -	\$ -	\$ -	UNEMPLOYMENT LIABILITY	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ -	\$ -	PW DIRECTOR	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ -	\$ -	\$ -	PLANT OPERATOR	\$ 69,000.00	\$ 69,000.00	\$ 69,000.00
\$ -	\$ -	\$ -	ASST. PLANT OPERATOR	\$ 60,480.00	\$ 60,480.00	\$ 60,480.00
\$ -	\$ -	\$ -	UTILITY BILLING CLERK	\$ 14,300.00	\$ 14,300.00	\$ 14,300.00
\$ -	\$ -	\$ -	GIS MAPPING TECH	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00
\$ -	\$ -	\$ -	CREW - SEWER	\$ 82,500.00	\$ 82,500.00	\$ 82,500.00
\$ -	\$ -	\$ -	CREW - SEASONAL	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
\$ -	\$ -	\$ -	OVERTIME	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ -	\$ -	\$ -	ACCRUED PAYROLL LIABILITY	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ -	\$ -	<b>TOTAL PERSONNEL SERVICE</b>	\$ 482,330.00	\$ 482,330.00	\$ 482,330.00
<b>MATERIALS &amp; SERVICES</b>						
\$ 135,181.17	\$ 148,575.28	\$ 150,000.00	POWER	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
\$ 5,578.24	\$ 3,963.97	\$ 5,000.00	PHONE	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
\$ 1,634.48	\$ 1,688.56	\$ 2,500.00	NATURAL GAS	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
\$ 48,706.60	\$ 63,746.04	\$ 80,000.00	O&M	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00
\$ 9,611.88	\$ 9,191.47	\$ 10,000.00	BUILDING MAINTENANCE	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ -	\$ -	TRAINING & CERTIFICATES	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
\$ 2,985.00	\$ 3,500.00	\$ 4,000.00	DUES & MEMBERSHIP	\$ 2,750.00	\$ 2,750.00	\$ 2,750.00
\$ 5,428.81	\$ 5,630.42	\$ 6,000.00	POSTAGE	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
\$ 1,500.00	\$ -	\$ -	COMPUTER EQUIPMENT	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ -	\$ 3,856.21	\$ 11,000.00	COMPUTER NETWORK	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00
\$ 2,238.74	\$ 7,436.88	\$ 713,216.35	PROFESSIONAL SERVICES	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00
\$ 10,950.04	\$ 15,417.30	\$ 20,000.00	INSURANCE/LIABILITY/GEN	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
\$ 11,008.47	\$ 10,121.19	\$ 14,500.00	VEHICLE FUEL	\$ 14,000.00	\$ 14,000.00	\$ 14,000.00
\$ 2,373.50	\$ 1,837.49	\$ 5,000.00	VEHICLE REPAIR	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
\$ 6,735.74	\$ -	\$ 12,500.00	IRRIGATION FUEL	\$ 19,600.00	\$ 19,600.00	\$ 19,600.00
\$ 4,315.59	\$ 12,093.46	\$ 5,000.00	UNIFORMS & SAFETY GEAR	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00
\$ 84,065.48	\$ 95,270.41	\$ 133,280.00	COST ALLOCATION PLAN	\$ 110,000.00	\$ 110,000.00	\$ 110,000.00
\$ 420,000.00	\$ 420,000.00	\$ 499,000.00	PW PERSONNEL SERVICE	\$ -	\$ -	\$ -
\$ 155,718.67	\$ 171,175.76	\$ 200,000.00	CHLORINE & CHEMICALS	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00
\$ -	\$ -	\$ 50,000.00	BIOSOLIDS REMOVAL	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
\$ -	\$ -	\$ 5,000.00	EFFLUENT MONITORING	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ -	\$ -	\$ 75,000.00	I&I	\$ 130,000.00	\$ 130,000.00	\$ 130,000.00
\$ 77,144.76	\$ 77,446.19	\$ -	LICENSE FEE	\$ -	\$ -	\$ -
\$ 985,177.17	\$ 1,050,950.63	\$ 2,000,996.35	<b>TOTAL MATERIALS &amp; SVCS</b>	\$ 888,850.00	\$ 888,850.00	\$ 888,850.00
<b>CAPITAL IMPROVEMENTS</b>						
\$ -	\$ 35,541.97	\$ 83,262.00	CAPITAL IMPROVEMENTS	\$ 160,500.00	\$ 160,500.00	\$ 160,500.00
			<i>Vector Payment #3 of 5</i>	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00
			<i>PW Dump Truck (Shared Cost)</i>	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
			<i>Vac Truck Collection Station</i>	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
			<i>Big Gun</i>	\$ 63,000.00	\$ 63,000.00	\$ 63,000.00
\$ 4,033.00	\$ 39,256.95	\$ -	SEWER PLANT	\$ -	\$ -	\$ -
\$ 4,033.00	\$ 74,798.92	\$ 83,262.00	<b>TOTAL CAPITAL</b>	\$ 160,500.00	\$ 160,500.00	\$ 160,500.00



# FUND SUMMARY & LINE ITEM DETAIL

# PUBLIC WORKS

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>TRANSFERS</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 215,000.00	\$ 250,500.00	\$ 174,000.00	TRANSFER TO SEWER DEBT	\$ 315,928.56	\$ 315,928.56	\$ -
\$ 200,000.00	\$ 175,000.00	\$ 30,738.00	TRANSFER TO CWSRF	\$ -	\$ -	\$ -
<b>\$ 415,000.00</b>	<b>\$ 425,500.00</b>	<b>\$ 204,738.00</b>	<b>TOTAL TRANSFERS</b>	<b>\$ 315,928.56</b>	<b>\$ 315,928.56</b>	<b>\$ -</b>
<b>CONTINGENCY</b>						
\$ -	\$ -	\$ -	CONTINGENCY	\$ -	\$ -	\$ 100,000.00
<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>TOTAL CONTINGENCY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>

## STORM FUND SUMMARY

The graph below provides a full summary of activity in the general fund for both resources and requirements.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>RESOURCES</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 8,948.45	\$ 23,245.88	\$ 48,666.08	BEGINNING FUND	\$ 39,721.96	\$ 39,721.96	\$ -
\$ 91,775.54	\$ 99,028.45	\$ 104,500.00	FEES/LICENSES/FINES	\$ 95,000.00	\$ 95,000.00	\$ -
<b>\$ 100,723.99</b>	<b>\$ 122,274.33</b>	<b>\$ 153,166.08</b>	<b>TOTAL RESOURCES (Revenues)</b>	<b>\$ 134,721.96</b>	<b>\$ 134,721.96</b>	<b>\$ -</b>
<b>REQUIREMENTS</b>						
\$ -	\$ -	\$ -	PERSONNEL SERVICE	\$ 54,800.00	\$ 54,800.00	\$ -
\$ 75,366.05	\$ 64,975.34	\$ 82,563.77	MATERIALS & SERVICES	\$ 44,800.00	\$ 44,800.00	\$ -
\$ 2,112.06	\$ 15,821.10	\$ 40,000.00	CAPITAL IMPROVEMENTS	\$ 20,000.00	\$ 20,000.00	\$ -
\$ -	\$ -	\$ 15,000.00	CONTINGENCY	\$ 15,000.00	\$ 15,000.00	\$ -
<b>\$ 77,478.11</b>	<b>\$ 80,796.44</b>	<b>\$ 137,563.77</b>	<b>TOTAL REQUIRMENTS (Expenditures)</b>	<b>\$ 134,600.00</b>	<b>\$ 134,600.00</b>	<b>\$ -</b>
\$ -	\$ -	\$ 15,602.31	UNAPPROPRIATED ENDING BALANCE	\$ 121.96	\$ 121.96	\$ -
<b>\$ 23,245.88</b>	<b>\$ 41,477.89</b>	<b>\$ -</b>	<b>NET RESOURCES OVER REQUIREMENTS</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ -</b>

## Storm Line Item Detail

**Resources (Revenues)** – Storm fund anticipates no significant increase to monthly user fees this next fiscal year for this limited fund. Public works will be examining potential funding sources to rehabilitate the Creamery Creek storm system along Heintz near Molalla Avenue. If those funding sources are identified, it will be addressed in a supplemental budget. At this time no new revenue sources are projected.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>RESOURCES</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 8,948.45	\$ 23,245.88	\$ 48,666.08	BEGINNING FUND BALANCE	\$ 39,721.96	\$ 39,721.96	\$ 39,721.96
\$ 91,775.54	\$ 99,028.45	\$ 104,500.00	MONTHLY USER FEE	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00
<b>\$ 100,723.99</b>	<b>\$ 122,274.33</b>	<b>\$ 153,166.08</b>	<b>TOTAL REVENUE</b>	<b>\$ 134,721.96</b>	<b>\$ 134,721.96</b>	<b>\$ 134,721.96</b>

**Requirements (Expenditures)** – Funding was increased for the storm drain line item to address anticipated failing existing storm basins and other storm drain repair.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015		Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
<b>PERSONNEL SERVICE</b>						
\$ -	\$ -	\$ -	PERS	\$ 4,300.00	\$ 4,300.00	\$ 4,300.00
\$ -	\$ -	\$ -	SAIF	\$ 1,450.00	\$ 1,450.00	\$ 1,450.00
\$ -	\$ -	\$ -	FICA	\$ 2,750.00	\$ 2,750.00	\$ 2,750.00
\$ -	\$ -	\$ -	INSURANCE	\$ 9,400.00	\$ 9,400.00	\$ 9,400.00
\$ -	\$ -	\$ -	PW DIRECTOR	\$ 8,400.00	\$ 8,400.00	\$ 8,400.00
\$ -	\$ -	\$ -	CREW - STORM	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
\$ -	\$ -	\$ -	GIS MAPPING TECHNICIAN	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
\$ -	\$ -	\$ -	ACCRUED PAYROLL LIABILITY	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
\$ -	\$ -	\$ -	<b>TOTAL PERSONNEL SERVICE</b>	\$ 54,800.00	\$ 54,800.00	\$ 54,800.00
<b>MATERIALS &amp; SERVICES</b>						
\$ 9,927.33	\$ 4,626.46	\$ 15,000.00	O&M	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00
\$ 2,833.75	\$ 3,110.99	\$ 4,000.00	PROFESSIONAL SERVICES	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ 4,380.02	\$ 5,079.80	\$ 6,250.00	INSURANCE/LIABILITY/GEN	\$ 6,800.00	\$ 6,800.00	\$ 6,800.00
\$ 8,549.22	\$ 5,395.47	\$ 9,500.00	VEHICLE FUEL	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
\$ 2,068.07	\$ -	\$ 1,250.00	VEHICLE REPAIR	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
\$ 7,633.22	\$ 6,811.14	\$ 7,063.77	COST ALLOCATION PLAN	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00
\$ 35,000.04	\$ 35,000.04	\$ 38,000.00	PW PERSONNEL SERVICE	\$ -	\$ -	\$ -
\$ 3,819.45	\$ 4,951.44	\$ -	LICENSE FEE	\$ -	\$ -	\$ -
\$ 1,154.95	\$ -	\$ 1,500.00	STORM DRAINS	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ 75,366.05	\$ 64,975.34	\$ 82,563.77	<b>TOTAL MATERIALS &amp; SVCS</b>	\$ 44,800.00	\$ 44,800.00	\$ 44,800.00
<b>CAPITAL IMPROVEMENTS</b>						
\$ 2,112.06	\$ 15,821.10	\$ 40,000.00	CAPITAL IMPROVEMENTS	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
			<i>Vactor Truck Payment #3 of 5</i>	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
			<i>Dump Truck (Shared Cost)</i>	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
\$ -	\$ -	\$ -	STORM WATER CAPITAL	\$ -	\$ -	\$ -
\$ 2,112.06	\$ 15,821.10	\$ 40,000.00	<b>TOTAL CAPITAL</b>	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
<b>CONTINGENCY</b>						
\$ -	\$ -	\$ 15,000.00	CONTINGENCY	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
\$ -	\$ -	\$ 15,000.00	<b>TOTAL CONTINGENCY</b>	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00

**PUBLIC WORKS PERSONNEL SERVICE FUND SUMMARY**

The chart on the top of page 59 provides a full summary of activity in the general fund for both resources and requirements. Noteable is no valuations for FY 2015/2016 as the personnel service allocation has returned to the parent funds. Budget law requires municipal governments to carry a fund in the budget process for three years with zero allocations before a fund can be removed.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ 111,576.06	\$ 103,726.06	BEGINNING FUND	\$ -	\$ -	\$ -
\$ 1,315,000.08	\$ 1,315,000.08	\$ 1,341,000.00	ALL OTHER RESOURCES	\$ -	\$ -	\$ -
<b>\$ 1,315,000.08</b>	<b>\$ 1,426,576.14</b>	<b>\$ 1,444,726.06</b>	<b>TOTAL RESOURCES (Revenues)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
			REQUIREMENTS			
\$ 1,203,424.02	\$ 1,270,688.67	\$ 1,444,726.06	PERSONNEL SERVICE	\$ -	\$ -	\$ -
<b>\$ 1,203,424.02</b>	<b>\$ 1,270,688.67</b>	<b>\$ 1,444,726.06</b>	<b>TOTAL REQUIRMENTS (Expenditures)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>\$ 111,576.06</b>	<b>\$ 155,887.47</b>	<b>\$ -</b>	<b>NET RESOURCES OVER REQUIREMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Public Works Personnel Service Line Item Detail**

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	PERSONNEL SERVICE	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 109,125.35	\$ 114,698.89	\$ 130,000.00	PERS	\$ -	\$ -	\$ -
\$ 30,105.69	\$ 32,532.26	\$ 35,000.00	SAIF	\$ -	\$ -	\$ -
\$ 61,177.76	\$ 64,130.94	\$ 64,000.00	FICA	\$ -	\$ -	\$ -
\$ 202,276.24	\$ 202,639.85	\$ 223,600.00	INSURANCE	\$ -	\$ -	\$ -
\$ 531.10	\$ 2,706.49	\$ 25,727.22	UNEMPLOYMENT LIABILITY	\$ -	\$ -	\$ -
\$ 73,809.42	\$ 78,859.67	\$ 84,000.00	PUBLIC WORKS DIRECTOR	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 65,000.00	PW OPERATIONS SUPER	\$ -	\$ -	\$ -
\$ 61,532.20	\$ 59,839.44	\$ 61,000.00	UTILITY BILLING CLERK	\$ -	\$ -	\$ -
\$ 63,181.68	\$ 64,874.13	\$ -	FOREMAN	\$ -	\$ -	\$ -
\$ 58,041.84	\$ 60,090.96	\$ 60,000.00	WATER PLANT OPERATOR	\$ -	\$ -	\$ -
\$ 76,522.65	\$ 72,348.96	\$ 94,682.88	ASST WATER PLANT OP.	\$ -	\$ -	\$ -
\$ 53,565.62	\$ 55,458.21	\$ 57,500.00	WWTP OPERATOR	\$ -	\$ -	\$ -
\$ 46,279.52	\$ 39,117.55	\$ 47,715.96	ASST WWTP OPERATOR	\$ -	\$ -	\$ -
\$ 237,375.14	\$ 251,109.41	\$ 250,000.00	CREW	\$ -	\$ -	\$ -
\$ 53,377.37	\$ 56,863.11	\$ 54,000.00	CODE ENFORCEMENT	\$ -	\$ -	\$ -
\$ -	\$ 23,762.78	\$ 55,000.00	GIS MAPPING TECH	\$ -	\$ -	\$ -
\$ 45,498.82	\$ 56,036.55	\$ 70,000.00	OVERTIME	\$ -	\$ -	\$ -
\$ 25,954.68	\$ 28,838.58	\$ 31,000.00	CERTIFICATE PAY	\$ -	\$ -	\$ -
\$ 2,543.75	\$ 2,397.89	\$ 12,000.00	LONGEVITY	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 15,000.00	ACCRUED PAYROLL LIABILITY	\$ -	\$ -	\$ -
\$ 2,525.19	\$ 4,383.00	\$ 9,500.00	TRAINING & CERTIFICATES	\$ -	\$ -	\$ -
<b>\$ 1,203,424.02</b>	<b>\$ 1,270,688.67</b>	<b>\$ 1,444,726.06</b>	<b>TOTAL PERSONNEL SERVICE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

This fund will end the FY 2014/2015 with a zero balance as the internal service contract is paid on actuals on budgeted estimates.

Public Works components are the most difficult and costly services to fund for a municipal corporation but also the most necessary. The public works funds have been projected forward through the following capital improvement plan, some projects listed will have a multiple funding source component and will not be fully funded out of public works proprietary or governmental funds alone.

**Molalla Public Works Capital Improvement Projects**

		2015/16	2016/17	2017/18	3+ Years or greater	TOTAL COST
PROJECT TASKS		ESTIMATE (\$)	ESTIMATE (\$)	ESTIMATE (\$)	ESTIMATE (\$)	
STREETS & PARKS	Purchase Dump Truck (Shared cost)	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$20,000.00
	Purchase Street Sweeper with Trade (Shared cost)	\$0.00	\$40,000.00	\$90,000.00	\$90,000.00	\$220,000.00
	Long Park Revitalization - Bathrooms Only - 20% Grant Match (Parks)	\$0.00	\$24,000.00	\$0.00	\$0.00	\$24,000.00
	Lola Avenue Street Enhancement - Phase 1 -CDBG Grant (Shared Cost)	\$240,000.00	\$0.00	\$0.00	\$0.00	\$240,000.00
	Section St. - S. Molalla Ave. to Hart Ave. (SDC Eligible)	\$250,000.00	-	\$0.00	\$0.00	\$250,000.00
	Pavement Management Analysis & 10 Year Plan	\$15,000.00	\$0.00	\$0.00	\$0.00	\$15,000.00
	Rails To Trails - Land Acquisition and Trail Construction (OPRD Grant)	\$270,000.00	\$0.00	\$0.00	\$0.00	\$270,000.00
	CityWorks - Asset Management System + Annual Maintenance for 15 ULs (Shared cost)	\$0.00	\$15,000.00	\$3,300.00	\$6,600.00	\$24,900.00
	Long Park Revitalization - sidewalks, landscaping and play equip. (Parks)	\$15,000.00	\$15,000.00	\$10,000.00	\$0.00	\$40,000.00
	<b>Subtotal</b>	<b>\$800,000.00</b>	<b>\$104,000.00</b>	<b>\$103,300.00</b>	<b>\$96,600.00</b>	<b>\$1,103,900.00</b>
WASTEWATER	CCTV Camera (I & I)	\$95,000.00	\$0.00	\$0.00	\$0.00	\$95,000.00
	Professional Services - Brown & Caldwell (I & I)	\$60,000.00	\$30,000.00	\$0.00	\$0.00	\$90,000.00
	Professional Services (Project Mgmt., WWTP, Biosolids and Irrigation)	\$35,000.00	\$0.00	\$0.00	\$0.00	\$35,000.00
	Vactor Truck Dump Station - WWTP	\$50,000.00	\$0.00	\$0.00	\$0.00	\$50,000.00
	Purchase Dump Truck (Shared cost)	\$25,000.00	\$0.00	\$0.00	\$0.00	\$25,000.00
	Purchase Big Gun for Recycled Water Irrigation	\$63,000.00	\$0.00	\$0.00	\$0.00	\$63,000.00
	Biosolids Removal	\$50,000.00	\$50,000.00	\$50,000.00	\$100,000.00	\$250,000.00
	Grit & Sand Removal - Aeration Basin	\$0.00	\$10,000.00	\$0.00	\$0.00	\$10,000.00
	Purchase and Install (3) 2-5 HP Fountain Aerators - Lagoon 1	\$0.00	\$35,000.00	\$0.00	\$0.00	\$35,000.00
	Sewer & WWTP Master Plan - Update	\$0.00	\$75,000.00	\$100,000.00	\$0.00	\$175,000.00
	Aerobic Digester & FKC Screwpress for solid removal at Dafts + Hauling annually	\$0.00				\$0.00
	Sodium Hypochlorite System (Design & Construction)	\$0.00	\$35,000.00	\$0.00	\$0.00	\$35,000.00
	CityWorks - Asset Management System + Annual Maintenance for 15 ULs (Shared cost)	\$0.00	\$15,000.00	\$3,300.00	\$6,600.00	\$24,900.00
Collection System Upgrades and Repairs (I&I)	\$0.00	\$150,000.00	\$150,000.00	\$300,000.00	\$600,000.00	
<b>Subtotal</b>	<b>\$378,000.00</b>	<b>\$400,000.00</b>	<b>\$303,300.00</b>	<b>\$406,600.00</b>	<b>\$1,487,900.00</b>	
WATER	Purchase Dump Truck (Shared cost)	\$25,000.00	\$0.00	\$0.00	\$0.00	\$25,000.00
	Add 20"-30" Parallel Transmission Line from WTP to Adams Cemetery Rd. (SDC Eligible)	\$60,000.00	\$180,000.00	\$0.00	\$0.00	\$240,000.00
	Metzler Ave., 3rd St. and 4th St. - Waterline Projects (CIP & SDC Eligible)	\$200,000.00	\$0.00	\$0.00	\$0.00	\$200,000.00
	Alternate Well Source or New 2.0 MG Reservoir (SDC Eligible)	\$0.00	\$0.00	\$100,000.00	\$200,000.00	\$300,000.00
	Lola Avenue Street Enhancement - Phase 1 -CDBG Grant (Shared Cost - SDC Eligible)	\$65,000.00	\$0.00	\$0.00	\$0.00	\$65,000.00
	Water Master Plan Update	\$65,000.00	\$0.00	\$0.00	\$0.00	\$65,000.00
	CityWorks - Asset Management System + Annual Maintenance for 15 ULs (Shared cost)	\$0.00	\$15,000.00	\$3,300.00	\$6,600.00	\$24,900.00
	Replace 300 water meters with Radioread Meters	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Subtotal</b>	<b>\$415,000.00</b>	<b>\$195,000.00</b>	<b>\$103,300.00</b>	<b>\$206,600.00</b>	<b>\$919,900.00</b>	
STORM	Purchase Street Sweeper with Trade (Shared cost)	\$10,000.00	\$20,000.00	\$20,000.00	\$0.00	\$50,000.00
	Purchase Dump Truck (Shared cost)	\$5.00	\$0.00	\$0.00	\$0.00	\$5.00
	Stormwater Master Plan Update	\$0.00	\$65,000.00	\$0.00	\$0.00	\$65,000.00
	Creamery Creek Improvements - N. Molalla to Kennal Ave. (SDC Eligible)	\$250,000.00	\$0.00	\$0.00	\$0.00	\$250,000.00
	Section St. Improvements (SDC Eligible)	\$50,000.00	\$0.00	\$0.00	\$0.00	\$50,000.00
<b>Subtotal</b>	<b>\$310,005.00</b>	<b>\$85,000.00</b>	<b>\$20,000.00</b>	<b>\$0.00</b>	<b>\$415,005.00</b>	
OTHER COST	Public Works Shop (Potential SDC Eligibility)	\$300,000.00	\$0.00	\$0.00	\$0.00	\$300,000.00
	Other cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Other cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Subtotal</b>	<b>\$300,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$300,000.00</b>	
<b>Subtotals</b>		<b>\$2,203,005.00</b>	<b>\$784,000.00</b>	<b>\$529,900.00</b>	<b>\$709,800.00</b>	<b>\$4,226,705.00</b>
Risk (Contingency)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total (Scheduled)</b>		<b>\$2,203,005.00</b>	<b>\$784,000.00</b>	<b>\$529,900.00</b>	<b>\$709,800.00</b>	<b>\$4,226,705.00</b>



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# SPECIAL REVENUE



A special revenue fund is used to account for proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes and separate funds should be established for them. The City of Molalla manages dedicated resources and requirements for the following funds:

- Grant Fund. New fund in FY 2013/14. This fund was established to manage community grants from the City to a specific organization.
- PD Restricted Revenues. This fund houses dedicated revenues that are expenditure specific, for example K-9 or PD scholarships.
- Water/Sewer Deposits. Funds in trust, due back to resident either through refund or applied to utility account.

**SPECIAL REVENUE FUND SUMMARY**

The graph below provides a full summary of activity in the general fund for both resources and requirements.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 124,029.22	\$ 124,547.94	\$ 19,066.81	BEGINNING FUND	\$ 41,003.07	\$ 41,003.07	\$ 41,003.07
\$ 35,052.01	\$ 17,633.78	\$ 18,820.00	RESOURCES EXCEPT TAXES	\$ 20,580.00	\$ 20,580.00	\$ 20,580.00
\$ 1,345.50	\$ 15,000.00	\$ -	TRANSFERS IN	\$ -	\$ -	\$ -
\$ 19,791.00	\$ 20,000.00	\$ 20,000.00	INTERGOVERNMENTAL	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
\$ 15,647.34	\$ 15,754.01	\$ 10,000.00	FEES/LICENSES/FINES	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
<b>\$ 195,865.07</b>	<b>\$ 192,935.73</b>	<b>\$ 67,886.81</b>	<b>TOTAL RESOURCES (Revenue)</b>	<b>\$ 91,583.07</b>	<b>\$ 91,583.07</b>	<b>\$ 91,583.07</b>
<b>REQUIREMENTS</b>						
\$ 53,121.37	\$ 172,363.15	\$ 67,886.81	MATERIALS & SERVICES	\$ 91,583.07	\$ 91,583.07	\$ 91,583.07
<b>\$ 53,121.37</b>	<b>\$ 172,363.15</b>	<b>\$ 67,886.81</b>	<b>TOTAL REQUIREMENTS (Expenditure)</b>	<b>\$ 91,583.07</b>	<b>\$ 91,583.07</b>	<b>\$ 91,583.07</b>
<b>\$ 142,743.70</b>	<b>\$ 20,572.58</b>	<b>\$ -</b>	<b>NET RESOURCES OVER REQUIREMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Special Revenue Line Item Detail**

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	GRANT FUND	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
Account Name						
\$ -	\$ -	\$ -	BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
\$ -	\$ 20,000.00	\$ 20,000.00	TAP GRANT (Clack. County)	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
\$ -	\$ 15,000.00	\$ -	GENERAL FUND TRANSFER	\$ -	\$ -	\$ -
<b>\$ -</b>	<b>\$ 35,000.00</b>	<b>\$ 20,000.00</b>	<b>TOTAL REVENUE</b>	<b>\$ 20,000.00</b>	<b>\$ 20,000.00</b>	<b>\$ 20,000.00</b>
<b>MATERIALS &amp; SERVICES</b>						
\$ -	\$ 35,000.00	\$ 20,000.00	GRANT DISTRIBUTIONS	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
<b>\$ -</b>	<b>\$ 35,000.00</b>	<b>\$ 20,000.00</b>	<b>TOTAL MATERIALS &amp; SERVICES</b>	<b>\$ 20,000.00</b>	<b>\$ 20,000.00</b>	<b>\$ 20,000.00</b>

# FUND SUMMARY & LINE ITEM DETAIL

# SPECIAL REVENUE

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>PD RESTRICTED REVENUE</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 10,743.07	\$ 20,849.70	\$ 17,689.14	BEGINNING FUND BALANCE	\$ 36,873.47	\$ 36,873.47	\$ 36,873.47
\$ 6,627.40	\$ 15,174.12	\$ 15,000.00	EMERGENCY VEHICLE FUND	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00
\$ 1,751.00	\$ -	\$ 1,500.00	K9 DONATIONS	\$ 500.00	\$ 500.00	\$ 500.00
\$ 1,310.00	\$ 1,180.00	\$ 1,320.00	PD PAYROLL DONATIONS	\$ 1,080.00	\$ 1,080.00	\$ 1,080.00
\$ 1,538.23	\$ 1,114.66	\$ 1,000.00	PD AUCTION / YOUTH FUND	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
<b>\$ 21,969.70</b>	<b>\$ 38,318.48</b>	<b>\$ 36,509.14</b>	<b>TOTAL RESOURCES</b>	<b>\$ 57,453.47</b>	<b>\$ 57,453.47</b>	<b>\$ 57,453.47</b>

			<b>MATERIALS &amp; SERVICES</b>			
\$ -	\$ -	\$ 3,251.00	K9	\$ 2,251.00	\$ 2,251.00	\$ 2,251.00
\$ -	\$ 20,665.50	\$ 28,719.91	PD EVF (COURT)	\$ 50,586.01	\$ 50,586.01	\$ 50,586.01
\$ 120.00	\$ 60.00	\$ 1,638.23	YOUTH SCHOLARSHIPS	\$ 1,716.46	\$ 1,716.46	\$ 1,716.46
\$ 1,000.00	\$ 1,000.00	\$ 2,900.00	COLLEGE SCHOLARSHIP	\$ 2,900.00	\$ 2,900.00	\$ 2,900.00
<b>\$ 1,120.00</b>	<b>\$ 21,725.50</b>	<b>\$ 36,509.14</b>	<b>TOTAL MATERIALS &amp; SVCS</b>	<b>\$ 57,453.47</b>	<b>\$ 57,453.47</b>	<b>\$ 57,453.47</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>WATER/SEWER DEPOSITS</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ 2,377.67	\$ 1,377.67	BEGINNING FUND BALANCE	\$ 4,129.60	\$ 4,129.60	\$ 4,129.60
\$ 15,647.34	\$ 15,754.01	\$ 10,000.00	WATER/SEWER DEPOSITS	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
<b>\$ 15,647.34</b>	<b>\$ 18,131.68</b>	<b>\$ 11,377.67</b>	<b>TOTAL RESOURCES</b>	<b>\$ 14,129.60</b>	<b>\$ 14,129.60</b>	<b>\$ 14,129.60</b>

			<b>MATERIALS &amp; SERVICES</b>			
\$ 13,269.67	\$ 14,152.08	\$ 11,377.67	WATER/SEWER DEPOSITS	\$ 14,129.60	\$ 14,129.60	\$ 14,129.60
<b>\$ 13,269.67</b>	<b>\$ 14,152.08</b>	<b>\$ 11,377.67</b>	<b>TOTAL MATERIALS &amp; SVCS</b>	<b>\$ 14,129.60</b>	<b>\$ 14,129.60</b>	<b>\$ 14,129.60</b>





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# DEBT SERVICE



**DEBT SERVICE**

The City of Molalla maintains four (4) debt service funds:

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

**DEBT SERVICE SUMMARY**

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 1,659,750.07	\$ 1,398,600.47	\$ 1,292,888.86	BEGINNING FUND BALANCE	\$ 1,052,619.86	\$ 1,052,619.86	\$ 1,052,619.86
\$ 92,463.00	\$ 62,744.39	\$ 63,738.50	PROPERTY TAX REVENUE	\$ 65,725.50	\$ 65,725.50	\$ 65,725.50
\$ 681,000.00	\$ 725,500.00	\$ 607,414.00	TRANSFERS IN	\$ 753,271.56	\$ 753,271.56	\$ 753,271.56
\$ -	\$ 250.00	\$ -	OTHER REVENUE	\$ -	\$ -	\$ -
\$ 2,433,213.07	\$ 2,187,094.86	\$ 1,964,041.36	<b>TOTAL RESOURCES (Revenues)</b>	\$ 1,871,616.92	\$ 1,871,616.92	\$ 1,871,616.92
			<b>DEBT SERVICE (Requirements)</b>			
\$ 927,060.50	\$ 895,668.50	\$ 908,959.00	DEBT SERVICE	\$ 911,841.00	\$ 911,841.00	\$ 911,841.00
\$ -	\$ -	\$ 911,841.00	DEBT SERVICE RESERVE	\$ 913,806.00	\$ 913,806.00	\$ 913,806.00
\$ -	\$ -	\$ 143,241.36	RATE STABILIZATION	\$ 45,969.92	\$ 45,969.92	\$ 45,969.92
\$ 927,060.50	\$ 895,668.50	\$ 1,964,041.36	<b>TOTAL DEBT SERVICE (Requirements)</b>	\$ 1,871,616.92	\$ 1,871,616.92	\$ 1,871,616.92
\$ 1,506,152.57	\$ 1,291,426.36	\$ -	<b>NET RESOURCES OVER REQUIREMENTS</b>	\$ -	\$ -	\$ -

This budget has a significant reduction in the rate stabilization reserve as use of those funds were exhausted to minimize the needed transfers from the proprietary parent fund to pay debt in FY 2014/2015. This reserve has served us well and it will be the recommendation to re-establish strong balances in those reserves as we move through the next three to five fiscal cycles.

Changes to the debt service will be seen in FY 2017/2018 and FY 2018/2019 as some of the debts are coming to maturity. This will be very important in the repair of fund balances in the proprietary funds, primarily the sewer proprietary fund.

In FY 2014/2015, the City of Molalla provided a full faith in credit obligation to the Molalla Urban Renewal Agency to bond the urban renewal tax increment revenue for two large capital projects. The debt service will be reflected in the Urban Renewal section and the agency will be making the debt service payment. It is important to note that the City of Molalla is fully responsible for the debt obligation in the event the agency defaults.

**WATER GENERAL OBLIGATION BOND**

Issue Date – 03/17/2010 (Refinanced)  
 Final Maturity – 06/01/2018  
 Initial Loan Amount - \$505,000.00  
 Interest Rate – 2.0-3.5% Variable  
 Remitted from – Property Taxes

The following table shows the debt service repayment schedule for the 2010 GO Water Bonds:

Fiscal Year		Principal	Interest	Reserve	Total Debt Service
2015-2016	\$	60,000.00	\$ 6,463.00	\$ 64,963.00	\$ 66,463.00
2016-2017	\$	60,000.00	\$ 4,963.00	\$ 68,163.00	\$ 64,963.00
2017-2018	\$	65,000.00	\$ 3,163.00	\$ 31,050.00	\$ 68,163.00
2018-2019	\$	30,000.00	\$ 1,050.00		\$ 31,050.00
TOTAL	\$	215,000.00	\$ 14,589.00		\$ 230,639.00

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	GO DEBT SUMMARY	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 46,042.61	\$ 74,643.11	\$ 70,387.50	BEGINNING FUND BALANCE	\$ 65,700.50	\$ 65,700.50	\$ 65,700.50
\$ 92,463.00	\$ 62,994.39	\$ 63,738.50	REVENUES (Resources)	\$ 65,725.50	\$ 65,725.50	\$ 65,725.50
\$ 64,112.50	\$ 68,012.50	\$ 67,663.00	DEBT SERVICE	\$ 66,463.00	\$ 66,463.00	\$ 66,463.00
\$ -	\$ -	\$ 66,463.00	DEBT SERVICE RESERVE	\$ 64,963.00	\$ 64,963.00	\$ 64,963.00
			NET RESOURCES OVER			
\$ 74,393.11	\$ 69,625.00	\$ -	REQUIREMENTS	\$ -	\$ -	\$ -

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 46,042.61	\$ 74,643.11	\$ 70,387.50	BEGINNING FUND BALANCE	\$ 65,700.50	\$ 65,700.50	\$ 65,700.50
\$ 92,463.00	\$ 62,744.39	\$ 63,738.50	CURRENT PROPERTY TAXES	\$ 65,725.50	\$ 65,725.50	\$ 65,725.50
\$ -	\$ 250.00	\$ -	PRIOR PROPERTY TAXES	\$ -	\$ -	\$ -
\$ 138,505.61	\$ 137,637.50	\$ 134,126.00	TOTAL RESOURCES	\$ 131,426.00	\$ 131,426.00	\$ 131,426.00

			DEBT SERVICE			
\$ 9,112.50	\$ 8,012.50	\$ 7,663.00	2010 GO WATER INTEREST	\$ 6,463.00	\$ 6,463.00	\$ 6,463.00
\$ 55,000.00	\$ 60,000.00	\$ 60,000.00	2010 GO WATER PRINCIPAL	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
\$ 64,112.50	\$ 68,012.50	\$ 67,663.00	TOTAL DEBT SERVICE	\$ 66,463.00	\$ 66,463.00	\$ 66,463.00

			DEBT SERVICE RESERVE			
\$ -	\$ -	\$ 66,463.00	2010 GO WATER RESERVE	\$ 64,963.00	\$ 64,963.00	\$ 64,963.00
			TOTAL DEBT RESERVE	\$ 64,963.00	\$ 64,963.00	\$ 64,963.00

**WATER DEBT RETIREMENT**

In 2010, the City of Molalla refinanced the 1992 and 1997 Water Revenue Bonds into one bond at a lesser interest rate. The 2010 loan amount was \$2,475,000 and it is to be paid in full in 2017. Two requirements of the bond exist that affect the budget. First, the City must always keep in reserve the next fiscal years principal and interest payment. Second, the City is to create a rate stabilization line item. Those funds must be expended before any rate changes are implemented. Those funds carry no criteria for expenditure and can be used at the City's discretion for water related operations and projects.

Issue Date – 03/17/2010 (Refinanced)

Final Maturity – 08/01/2017

Initial Loan Amount - \$2,475,000.00

Interest Rate – 3.0%

Remitted from – Water Proprietary

The following table shows the debt service repayment schedule for the 2010 Water Revenue Bonds:

Fiscal Year	Principal	Interest	Reserve	Total Debt Service
2015-2016	\$ 310,000.00	\$ 29,250.00	\$344,950.00	\$ 339,250.00
2016-2017	\$ 325,000.00	\$ 19,950.00	\$350,200.00	\$ 344,950.00
2017-2018	\$ 340,000.00	\$ 10,200.00	\$ -	\$ 350,200.00
TOTAL	\$ 975,000.00	\$ 59,400.00		\$ 1,034,400.00

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	WATER DEBT SUMMARY	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 698,319.92	\$ 602,369.92	\$ 569,769.92	BEGINNING FUND BALANCE	\$ 480,169.92	\$ 480,169.92	\$ 480,169.92
\$ 266,000.00	\$ 300,000.00	\$ 250,000.00	REVENUES (Resources)	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
\$ 361,950.00	\$ 332,950.00	\$ 338,250.00	DEBT SERVICE	\$ 339,250.00	\$ 339,250.00	\$ 339,250.00
\$ -	\$ -	\$ 481,519.92	DEBT SERVICE RESERVE	\$ 390,919.92	\$ 390,919.92	\$ 390,919.92
			NET RESOURCES OVER REQUIREMENTS	\$ -	\$ -	\$ -
\$ 602,369.92	\$ 569,419.92	\$ -				

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 698,319.92	\$ 602,369.92	\$ 569,769.92	BEGINNING FUND BALANCE	\$ 480,169.92	\$ 480,169.92	\$ 480,169.92
\$ 266,000.00	\$ 300,000.00	\$ 250,000.00	TRANSFER FROM WATER	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
\$ 964,319.92	\$ 902,369.92	\$ 819,769.92	TOTAL REVENUE	\$ 730,169.92	\$ 730,169.92	\$ 730,169.92

			DEBT SERVICE			
\$ 51,950.00	\$ 42,950.00	\$ 38,250.00	2010 REVENUE - INTEREST	\$ 29,250.00	\$ 29,250.00	\$ 29,250.00
\$ 310,000.00	\$ 290,000.00	\$ 300,000.00	2010 REVENUE - PRINCIPAL	\$ 310,000.00	\$ 310,000.00	\$ 310,000.00
\$ 361,950.00	\$ 332,950.00	\$ 338,250.00	TOTAL DEBT SERVICE	\$ 339,250.00	\$ 339,250.00	\$ 339,250.00

			DEBT SERVICE RESERVE			
\$ -	\$ -	\$ 339,250.00	2010 REVENUE - RESERVE	\$ 344,950.00	\$ 344,950.00	\$ 344,950.00
\$ -	\$ -	\$ 142,269.92	RATE STABILIZATION	\$ 45,969.92	\$ 45,969.92	\$ 45,969.92
\$ -	\$ -	\$ 481,519.92	TOTAL DEBT SERVICE RESERVE	\$ 390,919.92	\$ 390,919.92	\$ 390,919.92

**SEWER DEBT RETIREMENT**

In 2010, the City of Molalla refinanced the 1995 and 2000 Sewer Revenue Bonds into one bond at a lesser interest rate. The 2010 loan amount was \$3,545,000 and it is to be paid in full in 2025. Two requirements of the bond exist that affect the budget. First, the City must always keep in reserve the next fiscal year's principal and interest payment. Second, the City is to create a rate stabilization line item. Those funds must be expended before any rate changes are implemented. Those funds carry no criteria for expenditure and can be used at the City's discretion for sewer related operations and projects. The budget is reflecting a reduction in the rate stabilization amount as the sewer proprietary fund now funds both the sewer revenue debt retirement and the CWSRF loan. CWSRF is historically and correctly funded through Sewer SDC's.

As we move through the next three to five fiscal cycles it will be important to begin a re-build of the rate stabilization fund. Steps toward that goal are not attainable in FY 2015/2016 but we should look to the future for repair of that specific line item. It has been a great benefit through difficult fiscal issues and it would behoove us to continue the practice.

Issue Date – 05/25/2010 (Refinanced)  
 Final Maturity – 03/01/2025  
 Initial Loan Amount - \$3,545,000.00  
 Interest Rate – 3.0% FY 10-17, 4% FY 18-25  
 Remitted from – Sewer Proprietary

The following table shows the debt service repayment schedule for the 2010 Water Revenue Bonds:

Fiscal Year	Principal	Interest	Reserve	Total Debt Service
2015-2016	\$ 220,000.00	\$ 98,150.00	\$316,550.00	\$ 318,150.00
2016-2017	\$ 225,000.00	\$ 91,550.00	\$314,800.00	\$ 316,550.00
2017-2018	\$ 230,000.00	\$ 84,800.00	\$315,600.00	\$ 314,800.00
2018-2019	\$ 240,000.00	\$ 75,600.00	\$316,000.00	\$ 315,600.00
2019-2020	\$ 250,000.00	\$ 66,000.00	\$316,000.00	\$ 316,000.00
2020-2021	\$ 260,000.00	\$ 56,000.00	\$315,600.00	\$ 316,000.00
2021-2022	\$ 270,000.00	\$ 45,600.00	\$314,800.00	\$ 315,600.00
2022-2023	\$ 280,000.00	\$ 34,800.00	\$313,600.00	\$ 314,800.00
2023-2024	\$ 290,000.00	\$ 23,600.00	\$312,000.00	\$ 313,600.00
2024-2025	\$ 300,000.00	\$ 12,000.00	\$ -	\$ 312,000.00
TOTAL	\$2,565,000.00	\$ 588,100.00		\$ 3,153,100.00

# FUND SUMMARY & LINE ITEM DETAIL

# DEBT SERVICE

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	SEWER DEBT SUMMARY	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 729,123.54	\$ 519,521.44	\$ 459,571.44	BEGINNING FUND BALANCE	\$ 318,771.44	\$ 318,771.44	\$ 318,771.44
\$ 215,000.00	\$ 250,500.00	\$ 174,000.00	REVENUES (Resources)	\$ 315,928.56	\$ 315,928.56	\$ 315,928.56
\$ 316,800.00	\$ 310,800.00	\$ 314,450.00	DEBT SERVICE	\$ 318,150.00	\$ 318,150.00	\$ 318,150.00
\$ -	\$ -	\$ 319,121.44	DEBT SERVICE RESERVE	\$ 316,550.00	\$ 316,550.00	\$ 316,550.00
\$ 627,323.54	\$ 459,221.44	\$ -	NET RESOURCES OVER REQUIREMENTS	\$ -	\$ -	\$ -

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 729,123.54	\$ 519,521.44	\$ 459,571.44	BEGINNING FUND BALANCE	\$ 318,771.44	\$ 318,771.44	\$ 318,771.44
\$ 215,000.00	\$ 250,500.00	\$ 174,000.00	TRANSFER FROM SEWER	\$ 315,928.56	\$ 315,928.56	\$ 315,928.56
\$ 944,123.54	\$ 770,021.44	\$ 633,571.44	TOTAL REVENUE	\$ 634,700.00	\$ 634,700.00	\$ 634,700.00

DEBT SERVICE						
\$ 116,800.00	\$ 110,800.00	\$ 104,450.00	2010 SEWER REV - INTEREST	\$ 98,150.00	\$ 98,150.00	\$ 98,150.00
\$ 200,000.00	\$ 200,000.00	\$ 210,000.00	2010 SEWER REV - PRINCIPA	\$ 220,000.00	\$ 220,000.00	\$ 220,000.00
\$ 316,800.00	\$ 310,800.00	\$ 314,450.00	TOTAL DEBT SERVICE	\$ 318,150.00	\$ 318,150.00	\$ 318,150.00

DEBT SERVICE RESERVE						
\$ -	\$ -	\$ 318,150.00	2010 SEWER REV - RESERVE	\$ 316,550.00	\$ 316,550.00	\$ 316,550.00
\$ -	\$ -	\$ 971.44	RATE STABILIZATION	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 319,121.44	TOTAL DEBT RESERVE	\$ 316,550.00	\$ 316,550.00	\$ 316,550.00

## CWSRF

CWSRF (Clean Water State Revolving Fund) was used for capacity improvements at the waste water treatment plant. This is a 20 year loan that began in 2008. The loan may be re-paid using sewer SDC's or revenues from sewer proprietary. Original loan amount was \$2,670,000 with a final payment due 01/10/2028. The loan also maintains a next fiscal year principal and interest reserve requirement.

Issue Date – 08/01/2008

Final Maturity – 01/10/2028

Initial Loan Amount - \$2,670,000.00

Interest Rate – 2.8%

Remitted from – Sewer Proprietary / Sewer SDC

The following table shows the debt service repayment schedule for the CWSRF:

Fiscal Year	Principal	Interest	Admin Fee	Reserve	Total Debt Service
2015-2016	\$ 125,301.00	\$ 53,313.00	\$ 9,364.00	\$ 187,343.00	\$ 187,978.00
2016-2017	\$ 128,835.00	\$ 49,779.00	\$ 8,729.00	\$ 186,690.00	\$ 187,343.00
2017-2018	\$ 132,467.00	\$ 46,147.00	\$ 8,076.00	\$ 186,018.00	\$ 186,690.00
2018-2019	\$ 136,203.00	\$ 42,411.00	\$ 7,404.00	\$ 185,328.00	\$ 186,018.00
2019-2020	\$ 140,043.00	\$ 38,571.00	\$ 6,714.00	\$ 184,618.00	\$ 185,328.00
2020-2021	\$ 143,991.00	\$ 34,623.00	\$ 6,004.00	\$ 183,888.00	\$ 184,618.00
2021-2022	\$ 148,051.00	\$ 30,563.00	\$ 5,274.00	\$ 183,137.00	\$ 183,888.00
2022-2023	\$ 152,226.00	\$ 26,388.00	\$ 4,523.00	\$ 182,365.00	\$ 183,137.00
2023-2024	\$ 156,518.00	\$ 22,096.00	\$ 3,751.00	\$ 181,572.00	\$ 182,365.00
2024-2025	\$ 160,931.00	\$ 17,683.00	\$ 2,958.00	\$ 180,756.00	\$ 181,572.00
2025-2026	\$ 165,469.00	\$ 13,145.00	\$ 2,142.00	\$ 179,917.00	\$ 180,756.00
2026-2027	\$ 170,135.00	\$ 8,479.00	\$ 1,303.00	\$ 179,063.00	\$ 179,917.00
2027-2028	\$ 174,941.00	\$ 3,682.00	\$ 440.00	\$ -	\$ 179,063.00
TOTAL	\$ 1,935,111.00	\$ 386,880.00	\$ 66,682.00	\$ -	\$ 2,388,673.00

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	CWSRF SUMMARY	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 186,264.00	\$ 202,066.00	\$ 193,160.00	BEGINNING FUND BALANCE	\$ 187,978.00	\$ 187,978.00	\$ 187,978.00
\$ 200,000.00	\$ 175,000.00	\$ 183,414.00	REVENUES (Resources)	\$ 187,343.00	\$ 187,343.00	\$ 187,343.00
\$ 184,198.00	\$ 183,906.00	\$ 188,596.00	DEBT SERVICE	\$ 187,978.00	\$ 187,978.00	\$ 187,978.00
\$ -	\$ -	\$ 187,978.00	DEBT SERVICE RESERVE	\$ 187,343.00	\$ 187,343.00	\$ 187,343.00
			NET RESOURCES OVER REQUIREMENTS	\$ -	\$ -	\$ -

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 186,264.00	\$ 202,066.00	\$ 193,160.00	BEGINNING FUND BALANCE	\$ 187,978.00	\$ 187,978.00	\$ 187,978.00
\$ -	\$ -	\$ 152,676.00	TRANSFER - SEWER SDC	\$ 187,343.00	\$ 187,343.00	\$ 187,343.00
\$ 200,000.00	\$ 175,000.00	\$ 30,738.00	TRANSFER FROM SEWER	\$ -	\$ -	\$ -
\$ 386,264.00	\$ 377,066.00	\$ 376,574.00	TOTAL RESOURCES	\$ 375,321.00	\$ 375,321.00	\$ 375,321.00

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	DEBT SERVICE	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 5,584.00	\$ 5,292.00	\$ 9,982.00	CWSRF - ADMIN FEE	\$ 9,364.00	\$ 9,364.00	\$ 9,364.00
\$ 63,341.00	\$ 60,090.00	\$ 56,749.00	CWSRF - INTEREST	\$ 53,313.00	\$ 53,313.00	\$ 53,313.00
\$ 115,273.00	\$ 118,524.00	\$ 121,865.00	CWSRF - PRINCIPAL	\$ 125,301.00	\$ 125,301.00	\$ 125,301.00
\$ 184,198.00	\$ 183,906.00	\$ 188,596.00	TOTAL DEBT SERVICE	\$ 187,978.00	\$ 187,978.00	\$ 187,978.00

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	DEBT SERVICE RESERVE	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ -	\$ 187,978.00	CWSRF - RESERVE	\$ 187,343.00	\$ 187,343.00	\$ 187,343.00
\$ -	\$ -	\$ 187,978.00	TOTAL DEBT RESERVE	\$ 187,343.00	\$ 187,343.00	\$ 187,343.00





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# SYSTEM DEVELOPMENT CHARGES



In November 2013, the City of Molalla contracted with Curran-McLeod, Inc. to assist in documenting the City's five public utility Capital Improvement Plans (CIP) and to update the System Development Charge (SDC) methodologies to maintain compliance with state statutes. These Capital Improvement Plans are based on the Master Plans for each area of the municipal infrastructure as supplemented by an inventory of projects identified by City staff subsequent to adopting the plans.

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

1. Water Supply, Treatment, Distribution and Storage system;
2. Wastewater Collection, Treatment and Disposal;
3. Storm water and Flood Control systems;
4. Transportation Systems; and,
5. Parks & Recreation facilities.

#### SDC METHODOLOGY OVERVIEW

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

According to the statute, SDCs are composed of:

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

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

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

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

Although all SDCs are primarily related to population, the rate of population growth has no impact on calculation of the fee. The fee is based on funding needed improvements to support growth, independent of when that population growth is realized. In periods of high growth, SDC revenues will accrue more quickly to allow the undertaking of needed improvements earlier to support the accelerated growth. In periods of low growth, revenues will accrue more slowly, but the need for infrastructure improvements to support this growth is also protracted.

SDCs are typically collected with building permits which are not based on population. As a result, the unit of measure for allocating SDC costs is defined in various unique forms for each utility, but is generally based on the impact of one single family residential unit which is adopted to be one Equivalent Dwelling Unit (EDU).

**SDC ADMINISTRATION REQUIREMENTS**

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

The statute mandates that Reimbursement fees may be expended on any capital improvements or associated debt service within the subject infrastructure. Improvement Fees may only be spent on projects that are 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.

**SUMMARY OF SDC (ALL) ACCOUNTS**

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 2,055,991.81	\$ 2,202,866.31	\$ 2,583,818.31	BEGINNING FUND BALANCE	\$ 2,691,666.31	\$ 2,691,666.31	\$ 2,691,666.31
\$ 146,874.50	\$ 483,136.00	\$ 174,270.00	FEES/LICENSES/FINES	\$ 784,215.00	\$ 784,215.00	\$ 784,215.00
			<b>TOTAL RESOURCES</b>			
\$ 2,202,866.31	\$ 2,686,002.31	\$ 2,758,088.31	(Revenue)	\$ 3,475,881.31	\$ 3,475,881.31	\$ 3,475,881.31
			<b>REQUIREMENTS</b>			
\$ -	\$ 26,000.00	\$ 55,000.00	MATERIALS & SERVICES	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00
\$ -	\$ -	\$ 2,320,042.18	CAPITAL IMPROVEMENTS	\$ 1,900,000.00	\$ 1,900,000.00	\$ 1,900,000.00
\$ -	\$ -	\$ 152,676.00	TRANSFERS OUT	\$ 187,343.00	\$ 187,343.00	\$ 187,343.00
\$ -	\$ -	\$ 230,370.13	RESERVE	\$ 1,283,538.31	\$ 1,283,538.31	\$ 1,283,538.31
			<b>TOTAL REQUIREMENTS</b>			
\$ -	\$ 26,000.00	\$ 2,758,088.31	(Expenditure)	\$ 3,475,881.31	\$ 3,475,881.31	\$ 3,475,881.31
			<b>NET RESOURCES OVER</b>			
\$ 2,202,866.31	\$ 2,660,002.31	\$ -	REQUIREMENTS	\$ -	\$ -	\$ -

# FUND SUMMARY & LINE ITEM DETAIL

SDC'S

CITY OF MOLALLA: WATER SYSTEM CAPITAL IMPROVEMENT PLAN

January 2014

NO.	PROJECT DESCRIPTION	PROJECT PRIORITY	ELIGIBLE COST	EDU CAPACITY	SDC COST PER EDU
Source Development: Total Source Capacity 4.0 MGD (5,710 EDU)					
1.	Transfer Trout Creek Water Rights to the Molalla River, Install Trout Creek flow monitoring Station	1-5 yrs	\$40,000	5,710	\$7.00
2.	Alternative Well Source Development in NW quadrant	6-10 yrs	\$300,000	5,710	52.53
3.	Molalla River Intake Capacity Expansion to 4.0 MGD	6-10 yrs	\$150,000	5,710	26.27
Treatment Improvements: Total Ultimate Treatment Capacity 4.0 MGD (5,710 EDU)					
4.	ECI Treatment Unit Process Piping Modifications, filter to waste, pumping equipment	6-10 yrs	\$60,000	5,710	1.51
5.	HVAC Improvements for power distribution room and office /lab facilities	6-10 yrs	\$15,000	5,710	2.63
6.	Molalla Forest Road / WTP Access Road Improvements	6-10 yrs	\$200,000	5,710	35.03
Distribution System Improvements: MDD of UGB Build-out is 2.83 MGD (4,040 EDU)					
7.	20" Parallel Transmission Piping, WTP to Adams Cemetery Road, est. 2,000 LF	1-5 yrs	\$240,000	6,800*	35.29
8.	1996 Master Plan CIP Distribution System upgrades to the EXISTING system:				
8.A	Patrol Street - 700 lf of 6" from dead end to Hwy 211	1-20 yrs	33,600	4,040	8.32
8.B	Cole street - 750 lf of 6" from E. 4th to E. Main Street	1-20 yrs	36,000	4,040	8.91
8.C	Debra Street - 350 lf of 8" N from Frances to 14" main	1-20 yrs	18,900	4,040	4.68
8.D	Frances Christopher link - 200 lf of 6" Upgrade	1-20 yrs	9,600	4,040	2.38
8.E	Hood Street - 300 lf 6" South of 5th Street	1-20 yrs	14,400	4,040	3.56
8.F	Metzler Ave - 800 lf of 6" Section Street to 7th Street	1-20 yrs	38,400	4,040	9.51
8.G	7th Street - 700 lf of 8" from Hart Street to S Molalla Ave	1-20 yrs	37,800	4,040	9.36
8.H	Toliver Road - 1,850 lf of 12" from Del Mar to Molalla Ave	1-20 yrs	144,300	4,040	35.72

8.I	Main Street - 6,350 lf of 12" from Hwy 213 to Shaver St	1-20 yrs	495,300	4,040	122.60
9.	1996 Master Plan CIP Distribution System upgrades to the FUTURE system:				
9.A	EW Grid 1 - 5,200 lf of 14" N Molalla Ave to Highway 213	1-20 yrs	478,400	4,040	118.42
9.B	EW Grid 2 - 5,200 lf of 10" N Molalla Ave to Meadowlawn	1-20 yrs	343,200	4,040	84.95
9.C	EW Grid 3 - 6,060 lf 10" Section St to Highway 213	1-20 yrs	400,000	4,040	99.01
9.D	School NS Grid 2 - 4,400 lf 12" Main Street North	1-20 yrs	343,200	4,040	84.95
9.E	School NS Grid 2 - 900 lf 10" Main Street South	1-20 yrs	59,400	4,040	14.70
9.F	Western NS Grid 1 - 4,400 lf 12" Main Street North	1-20 yrs	343,200	4,040	84.95
9.G	Western NS Grid 1 - 950 lf 10" Main Street South	1-20 yrs	62,700	4,040	15.52
9.H	Del Mar Tie to N UGB - 2,450 lf 12" water main	1-20 yrs	191,100	4,040	47.30
9.I	Highway 213 - 2,000 lf 12" Main Street to Toliver Road	1-20 yrs	156,000	4,040	38.61
9.J	Highway 213 - 1,500 lf 10" Main Street to South UGB	1-20 yrs	99,000	4,040	24.51
9.K	Big Meadows Tie N - 1,650 lf 10" Meadows Dr to north grid	1-20 yrs	108,900	4,040	26.96
9.L	Molalla Avenue - 1,600 lf 14" Miller St to north grid	1-20 yrs	147,200	4,040	36.44
9.M	5th Street - 1,300 lf 14" Mathias Rd to Eckerd Ave	1-20 yrs	119,600	4,040	29.60
Storage Improvements: Total Capacity 5.2 MG (6,800 EDU plus 0.4 MG Fire Storage)					
10.	New 2.0 MG Reservoir & Jockey Pump Station per Master Plan (1996 ENR 5,620)	11- 20 yrs	1,740,000	6,800	25.59
11.	1.2 MG Reservoir Safety & Access Hatch Improvements, exterior ground-level painting	1-5 yrs	40,000	6,800	5.88
Planning & General Improvements - Benefit to the entire UGB (4,040 EDU)					
12.	Planning & SDC Updates	1-20 yrs	50,000	4,040	12.38
13.	Miscellaneous Pipeline Upsizing and Oversizing	1-20 yrs	150,000	4,040	37.13
TOTAL			\$6,665,200	per EDU	\$1,150

\*Transmission line capacity was equated to the capacity of the storage system

# FUND SUMMARY & LINE ITEM DETAIL

SDC'S

CITY OF MOLALLA: WATER SYSTEM SDC FEE SCHEDULE

January 2014

METER SIZE	EDU FACTOR	IMPROVEMENT FEE	REIMBURSEMENT FEE	ADMINISTRATION FEE (2%)	TOTAL SDC
3/4"*	1	\$1,150	\$2,400	70	\$3,620
1"	1.66	\$1,910	\$4,000	\$120	\$6,030
1 1/2"	3.33	\$3,830	\$8,000	\$240	\$12,070
2"	5.33	\$6,130	\$12,800	\$380	\$19,310
3"	11.67	\$13,420	\$28,000	\$830	\$42,250
4"	20	\$23,000	\$48,000	\$1,400	\$72,400

\* Includes 5/8" x 3/4" and 3/4" x 3/4" meters

## Water SDC Summary

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	WATER SDC SUMMARY	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 1,229,174.83	\$ 1,258,756.83	\$ 1,318,872.83	BEGINNING FUND BALANCE	\$ 1,427,646.83	\$ 1,427,646.83	\$ 1,427,646.83
\$ 29,582.00	\$ 113,090.00	\$ 35,500.00	REVENUES (Resources)	\$ 159,750.00	\$ 159,750.00	\$ 159,750.00
\$ -	\$ 5,200.00	\$ 10,000.00	MATERIALS & SERVICE	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ -	\$ -	\$ 1,308,872.83	CAPITAL IMPROVEMENTS	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00
\$ -	\$ -	\$ 35,500.00	RESERVE	\$ 562,396.83	\$ 562,396.83	\$ 562,396.83
\$ 1,258,756.83	\$ 1,366,646.83	\$ -	NET RESOURCES OVER REQUIREMENTS	\$ -	\$ -	\$ -

## Water SDC Line Item Detail

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 1,229,174.83	\$ 1,258,756.83	\$ 1,318,872.83	BEGINNING FUND BALANCE	\$ 1,427,646.83	\$ 1,427,646.83	\$ 1,427,646.83
\$ -	\$ 33,600.00	\$ 24,000.00	SDC - IMPROVEMENT FEE	\$ 108,000.00	\$ 108,000.00	\$ 108,000.00
\$ -	\$ 16,100.00	\$ 11,500.00	SDC - REIMBURSEMENT FEE	\$ 51,750.00	\$ 51,750.00	\$ 51,750.00
\$ 29,582.00	\$ 63,390.00	\$ -	WATER SDC'S	\$ -	\$ -	\$ -
\$ 1,258,756.83	\$ 1,371,846.83	\$ 1,354,372.83		\$ 1,587,396.83	\$ 1,587,396.83	\$ 1,587,396.83

### MATERIALS & SERVICES

\$ -	\$ 5,200.00	\$ 10,000.00	PROFESSIONAL SERVICES	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ -	\$ 5,200.00	\$ 10,000.00	TOTAL MATERIALS & SRVCS	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00

### CAPITAL IMPROVEMENTS

\$ -	\$ -	\$ 1,308,872.83	SYSTEM IMPROVEMENTS	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00
\$ -	\$ -	\$ 1,308,872.83	TOTAL CAPITAL	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00

### RESERVE

\$ -	\$ -	\$ 35,500.00	RESERVE	\$ 562,396.83	\$ 562,396.83	\$ 562,396.83
\$ -	\$ -	\$ 35,500.00	TOTAL RESERVE	\$ 562,396.83	\$ 562,396.83	\$ 562,396.83

# FUND SUMMARY & LINE ITEM DETAIL

SDC'S

CITY OF MOLALLA: SEWER SYSTEM CAPITAL IMPROVEMENT PLAN

January 2014

NO.	PROJECT DESCRIPTION	PROJECT PRIORITY	ELIGIBLE COST	CAPACITY EDU	SDC COST PER EDU
Collection System Improvements: Total Design Capacity 4.0 MGD, 5,008 EDU					
1	Collection System I/I Abatement & System Expansion (50% SDC eligible to increase capacity)	1-20 yrs	\$310,000	5,008	\$62
2	Treatment Plant Trunk Upgrade - new 30" trunk from confluence of Bear Cr and Toliver Rd trunk to the WWTP; new 24" from confluence to Toliver Rd and to Hwy 213 (Project C1)	1-5 yrs	\$750,000	5,008	\$150
3	Bear Creek Trunk Upgrade - New 21" trunk from Hwy 211 to Hwy 213 (Project C4)	6-10 yrs	\$560,000	5,008	\$112
Treatment System Improvements: Total Design Capacity 4.0 MGD MMDWF, 5,008 EDU					
4	Install 3 - 10 Hp Aspirating Aerators at west end of Lagoon 1 (Project T-6)	1-5 yrs	\$62,000	5,008	\$12
5	Ph. I Solids Management - partition Lagoon 1 for sludge cell, (Project T-14), install wet sludge loadout, loading dock	1-5 yrs	\$600,000	5,008	\$120
6	Ph. I Secondary Treatment Upgrades (Project T-13) create two aerated cells in Lagoon 1	6-10 yrs	\$1,860,000	5,008	\$371
7	Phase I Effluent Disinfection Upgrades (Project T-15) Install Dechlorination Facilities	6-10 yrs	\$475,000	5,008	\$95
8	Install Grit Removal Facilities	6-10 yrs	\$400,000	5,008	\$80
9	Staff Building, Locker/showers, Rest room, break/meeting room	6-10 yrs	\$300,000	5,008	\$60
Planning & General Improvements - Benefit to the entire UGB					
10	Misc Upsizing and Oversizing	1-20 yrs	\$50,000	5,008	\$10
11	Planning & SDC Update	1-20 yrs	\$50,000	5,008	\$10
TOTAL			\$5,417,000	TOTAL	\$1,082



# FUND SUMMARY & LINE ITEM DETAIL

SDC'S

CITY OF MOLALLA: SANITARY SEWER SDC FEE SCHEDULE

January 2014

	EDU FACTOR	IMPROVEMENT FEE	REIMBURSEMENT FEE	ADMINFEE (2%)	TOTAL SDC
Single Family and Multi Family Residential:					
	1	\$1,082	\$3,428	\$90	\$4,600
Commercial / Industrial Development:					
METER SIZE	EDU FACTOR	IMPROVEMENT FEE	REIMBURSEMENT FEE	ADMIN FEE (2%)	TOTAL SDC
3/4"	1	\$1,082	\$3,428	\$90	\$4,600
1"	1.66	\$1,800	\$5,710	\$150	\$7,660
1 1/2"	3.33	\$3,600	\$11,420	\$300	\$15,320
2"	5.33	\$5,770	\$18,270	\$480	\$24,520
3"	11.67	\$12,620	\$40,000	\$1,050	\$53,670
4"	20	\$21,640	\$68,560	\$1,800	\$92,000

## Sewer SDC Summary

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	SEWER SDC SUMMARY	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ 53,720.00	\$ 152,676.00	BEGINNING FUND BALANCE	\$ 147,834.00	\$ 147,834.00	\$ 147,834.00
\$ 53,720.00	\$ 161,790.00	\$ 45,100.00	REVENUES (Resources)	\$ 202,950.00	\$ 202,950.00	\$ 202,950.00
\$ -	\$ 5,200.00	\$ -	MATERIALS & SERVICE	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ -	\$ 152,676.00	TRANSFERS	\$ 187,343.00	\$ 187,343.00	\$ 187,343.00
\$ -	\$ -	\$ 45,100.00	RESERVE	\$ 153,441.00	\$ 153,441.00	\$ 153,441.00
<b>NET RESOURCES OVER REQUIREMENTS</b>						
\$ 53,720.00	\$ 210,310.00	\$ -		\$ -	\$ -	\$ -

## Sewer SDC Line Item Detail

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ 53,720.00	\$ 152,676.00	BEGINNING FUND BALANCE	\$ 147,834.00	\$ 147,834.00	\$ 147,834.00
\$ -	\$ 47,992.00	\$ 34,280.00	SDC - REIMBURSEMENT FEE	\$ 154,260.00	\$ 154,260.00	\$ 154,260.00
\$ -	\$ 15,148.00	\$ 10,820.00	SDC - IMPROVEMENT FEE	\$ 48,690.00	\$ 48,690.00	\$ 48,690.00
\$ 53,720.00	\$ 98,650.00	\$ -	SEWER SDC'S	\$ -	\$ -	\$ -
\$ 53,720.00	\$ 215,510.00	\$ 197,776.00	TOTAL RESOURCES	\$ 350,784.00	\$ 350,784.00	\$ 350,784.00
<b>MATERIALS &amp; SERVICES</b>						
\$ -	\$ 5,200.00	\$ -	PROFESSIONAL SERVICES	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ 5,200.00	\$ -	TOTAL MATERIALS & SVCS	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
<b>TRANSFERS</b>						
\$ -	\$ -	\$ 152,676.00	TRANSFER TO CWSRF FUND	\$ 187,343.00	\$ 187,343.00	\$ 187,343.00
\$ -	\$ -	\$ 152,676.00	TOTAL TRANSFERS	\$ 187,343.00	\$ 187,343.00	\$ 187,343.00
<b>RESERVE</b>						
\$ -	\$ -	\$ 45,100.00	RESERVE	\$ 153,441.00	\$ 153,441.00	\$ 153,441.00
\$ -	\$ -	\$ 45,100.00	TOTAL RESERVE	\$ 153,441.00	\$ 153,441.00	\$ 153,441.00

CITY OF MOLALLA: STORM WATER SYSTEM CAPITAL IMPROVEMENT PLAN January 2014

PROJECT DESCRIPTION	ELIGIBLE COST	CONSTRUCTION SCHEDULE	PROJECT COST
2nd St/Railway Alignment Storm System - 15" to 60" pipeline and open channel Lola Avenue to Creamery Cr -Or Alternatively- 15" to 48" pipeline Lola Avenue to Creamery Creek at Heintz Street	100%	1 - 5 yrs	\$1,770,000
Detention at Mathias Ave & Creamery Cr. - Temporary detention on est 10 acres up to 3 feet deep, with controlled outfall	100%	1 - 5 yrs	\$140,000
Heintz Street Collector Replacement - 18" to 60" pipeline, Intercept Creamery Creek at Indian Oak Ct and divert Creek to Heintz Street, pipe on Heintz to Kennel Avenue.	100%	6 - 10 yrs	\$1,725,000
Shirley Street Drainage Improvements - 24" pipeline to intercept Shirley St drainage and divert to Heintz Street	100%	6 - 10 yrs	\$130,000
Miller Street Drainage Improvements - 12" to 15" pipeline from Affolter Ave to N Molalla Avenue	100%	6 - 10 yrs	\$65,000
Sunrise Acres Drainage Improvements - 12" pipelines on E 5th, 6th and 7th to Stowers lane	100%	6 - 10 yrs	\$60,000
Bear Cr Culvert Replacements, 20% Match, 12' Bridge at Mathias Rd; 14' Bridge at Molalla Ave; 15' Bridge at Ona Way; 18' Bridge at Highway 213	100%	6 - 20 yrs	\$360,000
Master Planning & SDC Update	100%	1 - 20 yrs	\$50,000
System Upsizing and Oversizing	100%	1 - 20 yrs	\$100,000
TOTAL CIP COST			\$4,400,000

Reimbursement fees. All SDC costs also include a charge of 2% for program administration.

CITY OF MOLALLA: STORM DRAINAGE SDC FEE SCHEDULE

January 2014

LAND USE	UNITS	IMPROVEMENT FEE	REIMBURSEMENT FEE	ADMINISTRATION FEE (2%)	TOTAL SDC
Residential	EDU	\$724	\$21	\$15	\$ 760 / EDU
Commercial/Industrial	KSF*	\$274	\$8	\$5	\$ 282 / KSF

\* Units are per 1,000 square feet of impervious area on the development site.

## Storm SDC Summary

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	STORM SDC SUMMARY	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 148,597.37	\$ 154,377.37	\$ 323,217.37	BEGINNING FUND BALANCE	\$ 181,269.37	\$ 181,269.37	\$ 181,269.37
\$ 5,780.00	\$ 27,192.00	\$ 7,450.00	REVENUES (Resources)	\$ 33,525.00	\$ 33,525.00	\$ 33,525.00
\$ -	\$ 5,200.00	\$ 10,000.00	MATERIALS & SERVICE	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
		\$ 250,000.00	CAPITAL IMPROVEMENT	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
\$ -	\$ -	\$ 70,667.37	RESERVE	\$ 54,794.37	\$ 54,794.37	\$ 54,794.37
			NET RESOURCES OVER			
\$ 154,377.37	\$ 176,369.37	\$ -	REQUIREMENTS	\$ -	\$ -	\$ -

## Storm SDC Line Item Detail

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 148,597.37	\$ 154,377.37	\$ 323,217.37	BEGINNING FUND BALANCE	\$ 181,269.37	\$ 181,269.37	\$ 181,269.37
\$ 5,780.00	\$ 16,762.00	\$ -	STORM WATER SDC'S	\$ -	\$ -	\$ -
\$ -	\$ 294.00	\$ 210.00	SDC - REMIBURSEMENT FEE	\$ 945.00	\$ 945.00	\$ 945.00
\$ -	\$ 10,136.00	\$ 7,240.00	SDC - IMPROVEMENT FEE	\$ 32,580.00	\$ 32,580.00	\$ 32,580.00
\$ 154,377.37	\$ 181,569.37	\$ 330,667.37	TOTAL RESOURCES	\$ 214,794.37	\$ 214,794.37	\$ 214,794.37
<b>MATERIALS &amp; SERVICES</b>						
\$ -	\$ 5,200.00	\$ 10,000.00	PROFESSIONAL SERVICES	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ 5,200.00	\$ 10,000.00	TOTAL MATERIALS & SVCS	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
<b>CAPITAL IMPROVEMENTS</b>						
\$ -	\$ -	\$ 250,000.00	CAPITAL IMPROVEMENTS	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
\$ -	\$ -	\$ 250,000.00	TOTAL CAPITAL	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
<b>RESERVE</b>						
\$ -	\$ -	\$ 70,667.37	RESERVE	\$ 54,794.37	\$ 54,794.37	\$ 54,794.37
\$ -	\$ -	\$ 70,667.37	TOTAL RESERVE	\$ 54,794.37	\$ 54,794.37	\$ 54,794.37

## CITY OF MOLALLA: TRANSPORTATION SYSTEM CAPITAL IMPROVEMENT PLAN January 2014

NO	PROJECT DESCRIPTION	PROJECT PRIORITY	CURRENT COST
1	Toliver Road / HWY 213 Intersection	1-5 yrs	\$495,000
2	Meadow Drive / Hwy 213 Intersection	1-5 yrs	\$225,000
3	May Avenue, Between 5th and 6th Streets	1-5 yrs	\$115,000
4	Section Street, Molalla to Hart Avenues	1-5 yrs	\$150,000
5	S. Cole Avenue, south of Main Street	1-5 yrs	\$210,000
6	Mathias Road / Feyrer Park Rd Intersection	1-5 yrs	\$150,000
7	Main St / Grange St / Berkley Intersection Safety Improvements	1-5 yrs	\$30,000

8	Molalla Avenue / Main Street Intersection Improvement, Signalization	6-10 yrs	\$245,000
9	Molalla Avenue / Toliver Road Intersection	6-10 yrs	\$225,000
10	Toliver Road Widening	6-10 yrs	\$3,050,000
11	Leroy Avenue / Main Street Intersection	11-20 yrs	\$300,000
12	Molalla Avenue / Shirley Street Intersection	11-20 yrs	\$225,000
13	Mathias Road / Main Street Intersection	11-20 yrs	\$600,000
14	Molalla Forest Rd / Main St Intersection including Signalization Improvements	11-20 yrs	\$500,000
15	Downtown Bypass - Hwy 211 Widening	11-20 yrs	\$275,000
16	Mathias Road Widening	11-20 yrs	\$1,950,000
17	S. Ona Way, Main St to Molalla Forrest	11-20 yrs	\$625,000
18	S. Lowe Road, Ona Way to Hwy 213	11-20 yrs	\$1,450,000
19	Ped & Bicycle Improvements (\$25k/yr) Downtown Pedestrian District Improvements	1-20 yrs	\$500,000
20	County / ODOT Projects (Vick Rd southbound left turn lane; Vaughn Rd (County/ODOT Cont) northbound left turn lane; Hwy 213 Bike Lanes; Sawtell Rd/Molalla Ave/Wilhoit Rd Realignment; Sawtell Rd/Eaves Rd Realignment)*	1-20 yrs	\$680,000
21	Molalla Avenue Widening	1-20 yrs	\$2,860,000
22	OR Hwy 211 Streetscape - Seed Funds**	1-20 yrs	\$1,000,000
23	Downtown Streetscape - Seed Funds**	1-20 yrs	\$1,000,000
24	Downtown Land Use / Transportation Concept - Seed Funds**	1-20 yrs	\$1,000,000
25	Realign Intersections - (Hart/Kennel and Berkley/Grange)	1-20 yrs	\$1,200,000
26	Main/Molalla Intersection signalization Improvements	1-20 yrs	\$410,000
27	Other OR 211 Intersection Improvements (OR 211/Ridings; Thelander)*	1-20 yrs	\$600,000
28	Molalla Forest Road - Main to Mathias	1-20 yrs	\$6,500,000
29	Master Planning & SDC Update	1-20 yrs	\$50,000
30	Miscellaneous Roadway Oversizing	1-20 yrs	\$50,000
		TOTAL	\$26,670,000

\* Match funds for County and ODOT jurisdiction projects were estimated at 50% of the estimated project costs

\*\* Seed Funds for Downtown Plan Projects

# FUND SUMMARY & LINE ITEM DETAIL

SDC'S

CITY OF MOLALLA: TRANSPORTATION SDC FEES FOR SELECTED LAND USES January 2014

	ITE CATEGORY, UNITS	ELNDT/ UNIT	TRIP FACTOR	FEE PER ELNDT	ADMIN FEE (2%)	SDC COST
--	All ITE Trip Categories	--	--	\$333	\$6	\$339
Residential						
210	Single family, per unit	9.52	100%	\$333	\$63	\$3,225
220	Apartment, per unit	6.65	100%	\$333	\$44	\$2,260
Commercial / Industrial						
110	Light Industrial, per KSF*	6.97	50%	\$333	\$23	\$1,185
120	Heavy Industrial, per KSF*	1.50	50%	\$333	\$5	\$255
320	Motel, per room	5.63	50%	\$333	\$19	\$955
630	Medical Clinic, per KSF*	31.45	50%	\$333	\$105	\$5,340
710	General Office, per KSF*	11.03	50%	\$333	\$37	\$1,875
814	Specialty Retail, per KSF*	64.03	50%	\$333	\$213	\$10,875

\* Units are per 1,000 square feet of gross building area

## Transportation SDC Summary

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	TRANSPORTATION SDC SUMMARY	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 175,411.85	\$ 221,465.35	\$ 271,169.35	BEGINNING FUND BALANCE	\$ 365,099.35	\$ 365,099.35	\$ 365,099.35
\$ 46,053.50	\$ 95,594.00	\$ 31,620.00	REVENUES (Resources)	\$ 142,290.00	\$ 142,290.00	\$ 142,290.00
\$ -	\$ 5,200.00	\$ 10,000.00	MATERIALS & SERVICE	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ -	\$ 261,169.35	CAPITAL IMPROVEMENT	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
\$ -	\$ -	\$ 31,620.00	RESERVE	\$ 247,389.35	\$ 247,389.35	\$ 247,389.35
\$ 221,465.35	\$ 311,859.35	\$ -	NET RESOURCES OVER REQUIREMENTS	\$ -	\$ -	\$ -

## Transportation SDC Line Item Detail

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 175,411.85	\$ 221,465.35	\$ 271,169.35	BEGINNING FUND BALANCE	\$ 365,099.35	\$ 365,099.35	\$ 365,099.35
\$ 46,053.50	\$ 95,594.00	\$ 31,620.00	TRANSPORTATION SDC	\$ 142,290.00	\$ 142,290.00	\$ 142,290.00
\$ 221,465.35	\$ 317,059.35	\$ 302,789.35	TOTAL RESOURCES	\$ 507,389.35	\$ 507,389.35	\$ 507,389.35
MATERIALS & SERVICES						
\$ -	\$ 5,200.00	\$ 10,000.00	PROFESSIONAL SERVICES	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
\$ -	\$ 5,200.00	\$ 10,000.00	TOTAL MATERIALS & SVCS	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
CAPITAL IMPROVEMENTS						
\$ -	\$ -	\$ 261,169.35	CAPITAL IMPROVEMENTS	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
\$ -	\$ -	\$ 261,169.35	TOTAL CAPITAL	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
RESERVE						
\$ -	\$ -	\$ 31,620.00	RESERVE	\$ 247,389.35	\$ 247,389.35	\$ 247,389.35
\$ -	\$ -	\$ 31,620.00	TOTAL RESERVE	\$ 247,389.35	\$ 247,389.35	\$ 247,389.35

## PARKS & RECREATION CAPITAL IMPROVEMENT PLAN

The 2014 Parks, Recreation and Trails Master Plan Update identified the required capital improvements for Parks and Recreation based on population. The following table identifies each component of the parks & recreation system and identifies the estimated cost from the Master Plan for needed capital improvements.

### CITY OF MOLALLA: PARKS & RECREATION SYSTEM

January 2014

	PROJECT DESCRIPTION	DEVELOPMENT PRIORITY	ESTIMATED COST	BENEFITTED POPULATION	COST PER PERSON
1	Neighborhood Parks, 3 acres @ \$240k	1-20 yrs	\$500,000*	1,000	\$500
2	Community Parks, 3 acres @ \$240k	1-20 yrs	\$500,000*	1,000	500
3	Natural/Open Space, 4 acres @ \$150k	1-20 yrs	\$420,000*	1,000	420
4	Other Facilities, 2.5 acres @ \$250k	1-20 yrs	\$420,000*	1,000	420
5	Trails, Walking Paths	1-20 yrs	\$50,000	1,000	50
6	Baseball/Softball Fields, each	1-20 yrs	\$150,000	1,500	100
7	Soccer Fields, each	1-20 yrs	\$300,000	1,500	200
8	Football/Rugby/Lacrosse Fields, each	1-20 yrs	\$300,000	1,500	200
9	Basketball Courts, each	1-20 yrs	\$40,000	500	80
10	Tennis Courts, each	1-20 yrs	\$60,000	1,500	40
11	Master Planning & SDC Update	1-20 yrs	\$40,000	12,100	3
Total Cost Per Person					\$2,463
Reduction of 17% to match existing LOS					(418)
Net Cost Per Person					\$2,045

\* Assumes Grant or alternative participation of approximately 30%

### CITY OF MOLALLA: PARKS & RECREATION SYSTEM SDC FEES

January 2014

TYPE OF UNIT	POPULATION PER EDU	IMPROVEMENT FEE PER EDU	REIMBURSEMENT FEE PER EDU	ADMINISTRATION FEE (2%)	TOTAL SDC PER EDU
Single & Multi Family Residential	2.67	\$5,460	\$0	\$110	\$5,570

## Park SDC Summary

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	PARK SDC SUMMARY	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 502,807.76	\$ 514,546.76	\$ 517,882.76	BEGINNING FUND BALANCE	\$ 569,816.76	\$ 569,816.76	\$ 569,816.76
\$ 11,739.00	\$ 85,470.00	\$ 54,600.00	REVENUES (Resources)	\$ 245,700.00	\$ 245,700.00	\$ 245,700.00
\$ -	\$ 5,200.00	\$ 25,000.00	MATERIALS & SERVICE	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
\$ -	\$ -	\$ 500,000.00	CAPITAL IMPROVEMENT	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00
\$ -	\$ -	\$ 47,482.76	RESERVE	\$ 265,516.76	\$ 265,516.76	\$ 265,516.76
\$ 514,546.76	\$ 594,816.76	\$ -	NET RESOURCES OVER REQUIREMENTS	\$ -	\$ -	\$ -

## Park SDC Line Item Detail

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 502,807.76	\$ 514,546.76	\$ 517,882.76	BEGINNING FUND BALANCE	\$ 569,816.76	\$ 569,816.76	\$ 569,816.76
\$ 11,739.00	\$ 9,030.00	\$ -	PARK SDC'S	\$ -	\$ -	\$ -
\$ -	\$ 76,440.00	\$ 54,600.00	SDC - IMPROVEMENT FEE	\$ 245,700.00	\$ 245,700.00	\$ 245,700.00
\$ 514,546.76	\$ 600,016.76	\$ 572,482.76	TOTAL RESOURCES	\$ 815,516.76	\$ 815,516.76	\$ 815,516.76
<b>MATERIALS &amp; SERVICES</b>						
\$ -	\$ 5,200.00	\$ 25,000.00	PROFESSIONAL SERVICES	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
\$ -	\$ 5,200.00	\$ 25,000.00	TOTAL MATERIALS & SVCS	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
<b>CAPITAL IMPROVEMENT</b>						
\$ -	\$ -	\$ 500,000.00	CAPITAL IMPROVEMENT	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00
\$ -	\$ -	\$ 500,000.00	TOTAL CAPITAL	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00
<b>RESERVE</b>						
\$ -	\$ -	\$ 47,482.76	RESERVE	\$ 265,516.76	\$ 265,516.76	\$ 265,516.76
\$ -	\$ -	\$ 47,482.76	TOTAL RESERVE	\$ 265,516.76	\$ 265,516.76	\$ 265,516.76

# INACTIVE FUNDS





# FUND SUMMARY & LINE ITEM DETAIL

# INACTIVE FUNDS

Oregon budget law requires that an inactive and/or discontinued fund remain on the books and participates in the audit/budget process for three full fiscal cycles without any activity. After that time the fund is officially closed and can be removed from these processes. The City has a handful of funds that fall under this requirement: Adult Center fund, 911 State Revenue Share, Mural Fund, Pavillion Fund, Molalla Arts Commission, Fee in Lieu of Park, and Sally Fox Park Fund. In this section we will present the necessary accounting. None of these funds have any fiscal impact on FY 2015/2016.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>ADULT CENTER RESOURCES</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 31,963.63	\$ 1,383.45	\$ -	BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	GRANTS	\$ -	\$ -	\$ -
\$ 12,926.87	\$ -	\$ -	TITLE III-B OUTREACH	\$ -	\$ -	\$ -
\$ 6,096.39	\$ 14,904.64	\$ -	TITLE III - MEAL SITE MGMT	\$ -	\$ -	\$ -
\$ 878.41	\$ -	\$ -	TITLE III - NSIP FUNDS	\$ -	\$ -	\$ -
\$ 32.71	\$ -	\$ -	VTI MEDICAL TRANS.	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	VTI NONMEDICAL TRANS.	\$ -	\$ -	\$ -
\$ 7,052.97	\$ -	\$ -	STF/RIDE CONNECTION	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	MEDICAID MATCH TITLE XIX	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	TRANSPORTATION GRANT	\$ -	\$ -	\$ -
\$ 18,268.49	\$ 3,651.50	\$ -	TRANS. CONTRACT SERVI	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	WELLNESS	\$ -	\$ -	\$ -
\$ 3,253.00	\$ -	\$ -	GIFTS & DONATIONS	\$ -	\$ -	\$ -
\$ 5,586.00	\$ -	\$ -	CENTER RENTALS	\$ -	\$ -	\$ -
\$ 22,457.12	\$ -	\$ -	CLIENT DONATION/MEALS	\$ -	\$ -	\$ -
\$ 4,140.50	\$ -	\$ -	FUNDRAISER	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	MEDICAID MEALS	\$ -	\$ -	\$ -
\$ 364.75	\$ -	\$ -	DONATION & MEMORIALS	\$ -	\$ -	\$ -
\$ 75,169.78	\$ -	\$ -	MCC DONATION	\$ -	\$ -	\$ -
\$ 2,753.56	\$ -	\$ -	TRANS. DONATIONS	\$ -	\$ -	\$ -
\$ 60,000.00	\$ -	\$ -	GENERAL FUND TRANSFER	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	STATE REVENUE TRANSFER	\$ -	\$ -	\$ -
<b>\$ 250,944.18</b>	<b>\$ 19,939.59</b>	<b>\$ -</b>	<b>TOTAL REVENUE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>PERSONNEL SERVICE</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 13,818.10	\$ 797.98	\$ -	PERS	\$ -	\$ -	\$ -
\$ 2,428.54	\$ -	\$ -	SAIF	\$ -	\$ -	\$ -
\$ 7,691.92	\$ -	\$ -	FICA	\$ -	\$ -	\$ -
\$ 27,326.20	\$ (125.00)	\$ -	INSURANCE	\$ -	\$ -	\$ -
\$ 13,624.00	\$ 17,043.15	\$ -	UNEMPLOYMENT LIABILITY	\$ -	\$ -	\$ -
\$ 31,907.07	\$ -	\$ -	CENTER DIRECTOR	\$ -	\$ -	\$ -
\$ 30,174.53	\$ -	\$ -	NUTRITION MANAGER	\$ -	\$ -	\$ -
\$ 25,369.13	\$ -	\$ -	CLIENT SERVICES	\$ -	\$ -	\$ -
\$ 10,974.15	\$ -	\$ -	VAN DRIVERS	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	FINANCE DIRECTOR	\$ -	\$ -	\$ -
\$ 2,126.21	\$ -	\$ -	EXTRA HELP	\$ -	\$ -	\$ -
<b>\$ 165,439.85</b>	<b>\$ 17,716.13</b>	<b>\$ -</b>	<b>TOTAL PERSONNEL SERVICE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# FUND SUMMARY & LINE ITEM DETAIL

# INACTIVE FUNDS

				<b>MATERIALS &amp; SERVICES</b>			
\$ 6,123.03	\$ -	\$ -		POWER	\$ -	\$ -	\$ -
\$ 3,290.08	\$ -	\$ -		PHONE	\$ -	\$ -	\$ -
\$ 5,647.81	\$ -	\$ -		NATURAL GAS	\$ -	\$ -	\$ -
\$ 6,135.11	\$ -	\$ -		O&M	\$ -	\$ -	\$ -
\$ 1,576.15	\$ -	\$ -		BUILDING MAINTENANCE	\$ -	\$ -	\$ -
\$ 222.56	\$ -	\$ -		TRAINING & CONF. TRAVEL	\$ -	\$ -	\$ -
\$ 141.00	\$ -	\$ -		DUES & MEMBERSHIP	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -		POSTAGE	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -		PRINTING & PUBLICATIONS	\$ -	\$ -	\$ -
\$ 9,855.04	\$ -	\$ -		INSURANCE/LIABILITY/GEN	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -		REIMBURSEMENT	\$ -	\$ -	\$ -
\$ 4,271.11	\$ -	\$ -		VEHICLE FUEL	\$ -	\$ -	\$ -
\$ 173.26	\$ 310.00	\$ -		VEHICLE REPAIR	\$ -	\$ -	\$ -
\$ 29.59	\$ -	\$ -		MISCELLANEOUS	\$ -	\$ -	\$ -
\$ 2,960.00	\$ -	\$ -		CUSTODIAN	\$ -	\$ -	\$ -
\$ 1,538.03	\$ -	\$ -		CUSTODIAL SUPPLIES	\$ -	\$ -	\$ -
\$ 1,564.87	\$ -	\$ -		OFFICE SUPPLIES	\$ -	\$ -	\$ -
\$ 55,601.00	\$ 1,913.46	\$ -		COST ALLOCATION PLAN	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -		VOLUNTEER RECOGNITION	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -		FUNDRAISING EXPENSES	\$ -	\$ -	\$ -
\$ 7,370.40	\$ -	\$ -		HDM MILEAGE	\$ -	\$ -	\$ -
\$ 3,832.63	\$ -	\$ -		FOOD EXPENSES	\$ -	\$ -	\$ -
\$ 3,886.55	\$ -	\$ -		HDM SUPPLIES	\$ -	\$ -	\$ -
\$ 1,739.50	\$ -	\$ -		TRANS. CONTRACTED SER	\$ -	\$ -	\$ -
<b>\$ 115,957.72</b>	<b>\$ 2,223.46</b>	<b>\$ -</b>		<b>TOTAL MATERIALS &amp; SVCS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>911 STATE REVENUE SHARE</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ -	\$ -	\$ -	BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
\$ 19,791.00	\$ -	\$ -	911 STATE REVENUE	\$ -	\$ -	\$ -
<b>\$ 19,791.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>TOTAL RESOURCES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

				<b>MATERIALS &amp; SERVICES</b>			
\$ 19,791.00	\$ -	\$ -		CLACK. COUNTY DISPATCH	\$ -	\$ -	\$ -
<b>\$ 19,791.00</b>	<b>\$ -</b>	<b>\$ -</b>		<b>TOTAL MATERIALS &amp; SVCS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>MOLALLA MURAL FUND</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 5,517.60	\$ 1,474.23	\$ -	BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
\$ 369.25	\$ -	\$ -	MISCELLANEOUS	\$ -	\$ -	\$ -
\$ 1,050.00	\$ -	\$ -	MURAL DONATIONS	\$ -	\$ -	\$ -
<b>\$ 6,936.85</b>	<b>\$ 1,474.23</b>	<b>\$ -</b>	<b>TOTAL RESOURCES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

				<b>MATERIALS &amp; SERVICES</b>			
\$ 462.62	\$ 1,474.23	\$ -		O&M	\$ -	\$ -	\$ -
\$ 5,000.00	\$ -	\$ -		PROFESSIONAL SERVICES	\$ -	\$ -	\$ -
<b>\$ 5,462.62</b>	<b>\$ 1,474.23</b>	<b>\$ -</b>		<b>TOTAL MATERIALS &amp; SVCS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# FUND SUMMARY & LINE ITEM DETAIL

# INACTIVE FUNDS

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>PAVILLION FUND</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
Account Name						
\$ 3,675.75	\$ -	\$ -	BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
\$ 3,019.80	\$ -	\$ -	PAVILLION DONATIONS	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	TRANSFER FROM FOX PARK	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	TRANSFER FROM PARK SDC	\$ -	\$ -	\$ -
\$ 6,695.55	\$ -	\$ -	TOTAL RESOURCES	\$ -	\$ -	\$ -

<b>MATERIALS &amp; SERVICES</b>						
\$ 6,695.55	\$ -	\$ -	O&M	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	PROFESSIONAL SERVICES	\$ -	\$ -	\$ -
\$ 6,695.55	\$ -	\$ -	TOTAL MATERIALS & SVCS	\$ -	\$ -	\$ -

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>ARTS COMMISSION</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 1,935.09	\$ 2,112.84	\$ -	BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	MISCELLANEOUS	\$ -	\$ -	\$ -
\$ 400.00	\$ 165.00	\$ -	DONATIONS/FUNDRAISING	\$ -	\$ -	\$ -
\$ 2,335.09	\$ 2,277.84	\$ -	TOTAL RESOURCES	\$ -	\$ -	\$ -

<b>MATERIALS &amp; SERVICES</b>						
\$ -	\$ -	\$ -	CLACK CNTY ARTS ALLIANCE	\$ -	\$ -	\$ -
\$ 222.25	\$ 2,277.84	\$ -	O&M	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	REIMBURSEMENTS	\$ -	\$ -	\$ -
\$ 222.25	\$ 2,277.84	\$ -	TOTAL MATERIALS & SVCS	\$ -	\$ -	\$ -

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>FEE IN LIEU OF PARK</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
Account Name						
\$ -	\$ 1,345.50	\$ -	BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	FEE IN LIEU OF PARK	\$ -	\$ -	\$ -
\$ 1,345.50	\$ -	\$ -	GENERAL FUND TRANSFER	\$ -	\$ -	\$ -
\$ 1,345.50	\$ -	\$ -	TOTAL RESOURCES	\$ -	\$ -	\$ -

<b>MATERIALS &amp; SERVICES</b>						
\$ -	\$ 1,345.50	\$ -	PARK IMPROVEMENTS	\$ -	\$ -	\$ -
\$ -	\$ 1,345.50	\$ -	TOTAL MATERIALS & SVCS	\$ -	\$ -	\$ -

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	<b>SALLY FOX PARK FUND</b>	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
Account Name						
\$ 102,157.71	\$ 96,388.00	\$ -	BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
\$ 790.57	\$ -	\$ -	INTEREST	\$ -	\$ -	\$ -
\$ 102,948.28	\$ 96,388.00	\$ -	TOTAL RESOURCES	\$ -	\$ -	\$ -

<b>MATERIALS &amp; SERVICES</b>						
\$ 6,560.28	\$ 96,388.00	\$ -	PARK IMPROVEMENTS	\$ -	\$ -	\$ -
\$ 6,560.28	\$ 96,388.00	\$ -	TOTAL MATERIALS & SVCS	\$ -	\$ -	\$ -

# URBAN RENEWAL AGENCY



# MOLALLA URBAN RENEWAL AGENCY



To: Budget Committee Members and Residents of the Agency District  
From: Dan Huff, Agency Director, Budget Officer  
Date: May 5, 2015  
RE: Presentation of the Fiscal Year 2015/2016 Proposed Budget for the Molalla Urban Renewal Agency.

Honorable Chair  
Agency Members  
Budget Committee Members  
Residents of the Agency District

I present to you the Molalla Urban Renewal Agency budget for fiscal year 2015/2016. The Molalla Urban Renewal Agency (MURA) began in 2008 and oversees the administration and implementation of Molalla's urban renewal district. The Agency presents a very robust MURA budget for the 2015/2016 fiscal year that fully implements bonds approved by the Agency Members during the previous fiscal year. The MURA identified and approved five (5) street improvement projects that are currently under design and moving toward construction that will begin the summer of 2015. Projects identified by the MURA are as follows:

1. Heintz Street Extension
2. North and South Molalla Avenue
3. Shaver Avenue
4. Hart Avenue
5. Metzler Avenue

Heintz Avenue will begin the summer of 2015 and will be followed by Molalla Avenue beginning in 2016. Each of these projects offer a component of the original purpose of the MURA including:

- Carry out public improvements, pursue acquisitions and provide incentives to attract economic and redevelopment in Molalla.
- Encourage creation and expansion of enterprises that will provide goods and services the community needs.
- Provide more family wage jobs in Molalla.
- Increase property values in Molalla.
- Enhance overall community appearance and livability.
- Help diversify the city's economic base.
- Help implement the city's comprehensive plan, downtown master plan, and enhance recreational opportunities in the community.

Following a review of the District and a recalculation of fiscal projections of the District, the Agency moved to research our bonding capabilities and directed the Agency Director to pursue bonding of \$3.5 million. The Agency concluded there is value in the District for pursuing the original goals and intended purposes.

# MOLALLA URBAN RENEWAL AGENCY

The Agency leveraged resources to undertake major community improvements as defined within the plan. This bond will partner with the City of Molalla municipal corporation using a full faith in credit bond to lock in a more competitive interest rate. This allows for more tax increment revenue to be available for projects rather than just debt repayment. The constraints on the MURA plan specify that all project debt is paid off and all projects are completed by FY 2028/2029, the final year of the Agency. This bond offers an early call date (payoff date) at ten (10) years if the Agency elects to do so. If the Agency does not elect to do so, the final call date is June 1, 2029.

With bonding in place, the MURA will hire HDJ Design Group to design and process the proposed projects. The Heintz Street Extension will be fully completed within the next fiscal year and will open up a new east to west corridor, provide safe pedestrian circulation and open up additional access to properties that can be re-developed.

Since the Agency was successful in the bonding process, requirements for the Agency show marketable increases in the professional services category to accommodate for the cost associated with bond, design and construction. In addition, the Agency shows debt service line items in preparation for bond repayment. New general ledger accounts exist in requirements to acknowledge the Agency's intent to honor the parameters of the bond financing. In addition, it is balanced with a capital improvement entry. The proposed FY 2015/2016 budget for the MURA is balanced as required by state law. The previous fiscal year activities were all within appropriation and the Agency ended with a positive ending fund balance.

Sincerely,



Dan Huff  
City Manager, Budget Officer, and Urban Renewal Director  
City of Molalla, Oregon



BOB VROMAN  
COUNTY ASSESSOR

DEPARTMENT OF ASSESSMENT AND TAXATION

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

CLACKAMAS COUNTY ASSESSOR'S CERTIFICATION  
OF FROZEN ASSESSED VALUE WITHIN  
MOLALLA URBAN RENEWAL PLAN AREA  
CLACKAMAS COUNTY, OREGON

STATE OF OREGON        )  
                                  ) ss.  
County of Clackamas    )

I, the undersigned, Tami Little, duly qualified Assessment and Tax Manager of Clackamas County, Oregon, do hereby certify that, according to the assessment records of said county in my care and custody, the frozen assessed value of all taxable property within the Molalla Urban Renewal Plan Area, Clackamas County, Oregon has been determined to be \$49,474,770 and distributed to tax codes as follows:

FROZEN TAX YEAR	TAX CODE	FROZEN ASSESSED VALUE
2007-08	035-039	\$45,933,475
2007-08	035-040	\$3,541,295
	<b>TOTAL</b>	<b>\$49,474,770</b>

# MOLALLA URBAN RENEWAL AGENCY

Molalla Urban Renewal Plan Area  
Urban Renewal Certificate of Frozen Value  
March 23, 2015

The distribution of frozen assessed value by district is as follows:

DISTRICT/LEVY	FROZEN ASSESSED VALUE
CITY MOLALLA	45,933,475
COM COLL CLACK	49,474,770
COUNTY CLACKAMAS C	45,933,475
COUNTY EXTENSION & 4-H	49,474,770
COUNTY LIBRARY	49,474,770
COUNTY SOIL CONS	49,474,770
ESD CLACKAMAS	49,474,770
FD73 MOLALLA	49,474,770
PORT OF PTLD	49,474,770
ROAD DIST 10 MOL	45,933,475
SCH MOL RIVER	49,474,770
TRANS S CLACK	49,474,770
VECTOR CONTROL	49,474,770
COUNTY CLACKAMAS R	3,541,295

This amendment reflects an annexation of parcels within the plan area into the City of Molalla. The total frozen value for the plan area has not changed.

IN WITNESS WHEREOF, I have hereunto set my hand this 23rd day of March, 2015.

ASSESSMENT & TAX MANAGER  
CLACKAMAS COUNTY, OREGON



Jami Little

TL/dlm



# MOLALLA URBAN RENEWAL AGENCY

## NET DEBT SERVICE

CITY OF MOLALLA CLACKAMAS COUNTY, OREGON

FULL FAITH AND CREDIT OBLIGATIONS, SERIES 2015

New Money Projects

BQ, S&P 'AA-' Rating

Debt Service Target Increase Annually at 3%, 2029 Final Maturity

Final Pricing (Psc4)

Period Ending	Principal	Interest	Total Debt	Debt Service
06/30/2016	85,000	131,143.06	216,143.06	216,143.06
06/30/2017	120,000	98,750.00	218,750.00	218,750.00
06/30/2018	130,000	95,150.00	225,150.00	225,150.00
06/30/2019	140,000	91,250.00	231,250.00	231,250.00
06/30/2020	155,000	87,050.00	242,050.00	242,050.00
06/30/2021	165,000	82,400.00	247,400.00	247,400.00
06/30/2022	180,000	75,800.00	255,800.00	255,800.00
06/30/2023	200,000	68,600.00	268,600.00	268,600.00
06/30/2024	200,000	60,600.00	260,600.00	260,600.00
06/30/2025	225,000	52,600.00	277,600.00	277,600.00
06/30/2026	250,000	43,600.00	293,600.00	293,600.00
06/30/2027	260,000	33,600.00	293,600.00	293,600.00
06/30/2028	280,000	23,200.00	303,200.00	303,200.00
06/30/2029	300,000	12,000.00	312,000.00	312,000.00
	2,690,000	955,743.06	3,645,743.06	3,645,743.06

The Molalla Urban Renewal Agency will be responsible for the debt repayment meaning the Agency must always keep in reserve the next fiscal year's principal and interest payment. The URA bond is designed as a fourteen (14) year pay-off (before the sunset of the URA), with a call date at ten (10) years and with a no-penalty payoff. This will open the URA timeline and/or capture a second bond opportunity if the Agency so elects.

The bonding process required a rating from Standard and Poor's and they assigned an underlying rating of the City of Molalla and "AA-" to obligations. This is an improvement from the rating received during the re-finance of debt in 2010. The City of Molalla and the Molalla Urban Renewal Agency continue to remain in good standing with EMMA (EMMA is the official repository for information on virtually all municipal bonds, providing free public access to official disclosures, trade data and other information about the municipal securities market).

# MOLALLA URBAN RENEWAL AGENCY

## MOLALLA URBAN RENEWAL AGENCY FUND SUMMARY

The graph below provides a full summary of activity in the general fund for both resources and requirements.

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 371,029.97	\$ 591,258.29	\$ 569,351.95	BEGINNING FUND BALANCE	\$ 4,005,292.42	\$ 4,005,292.42	\$ 4,005,292.42
\$ 239,999.60	\$ 267,008.84	\$ 285,000.00	PROPERTY TAX	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00
\$ 234.72	\$ 217.51	\$ 3,000,250.00	ALL OTHER RESOURCES	\$ 750.00	\$ 750.00	\$ 750.00
\$ 611,264.29	\$ 858,484.64	\$ 3,854,601.95	<b>TOTAL RESOURCES (Revenues)</b>	\$ 4,291,042.42	\$ 4,291,042.42	\$ 4,291,042.42
Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	REQUIREMENTS	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 14,006.00	\$ 26,417.20	\$ 70,000.00	MATERIALS & SERVICES	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00
\$ 6,000.00	\$ -	\$ 3,000,000.00	CAPITAL IMPROVEMENTS	\$ 3,100,000.00	\$ 3,100,000.00	\$ 3,100,000.00
\$ -	\$ -	\$ -	DEBT SERVICE	\$ 375,000.00	\$ 375,000.00	\$ 375,000.00
\$ -	\$ -	\$ 100,000.00	CONTINGENCY	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
\$ -	\$ -	\$ 81,758.29	RESERVE	\$ 491,042.42	\$ 491,042.42	\$ 491,042.42
\$ 20,006.00	\$ 26,417.20	\$ 3,251,758.29	<b>TOTAL REQUIRMENTS (Expenditures)</b>	\$ 4,291,042.42	\$ 4,291,042.42	\$ 4,291,042.42
\$ 591,258.29	\$ 832,067.44	\$ 602,843.66	<b>NET RESOURCES OVER REQUIREMENTS</b>	\$ -	\$ -	\$ -

A notable increase in the interest allocation is represented in the resources because the bond proceeds are in an interest-bearing account until they are used in a capital project. This is not a sustainable revenue source. In addition, a large portion of the beginning fund balance is the bond proceeds. Original projections (*in green*) regarding Tax Increment Financing (TIF) were highly inflated but the bond process and repayment plan is based on the actual TIF revenue (*in yellow*) trends and projections, therefore aren't as inflated as originally projected.

The following graph represents the tax increment revenue trend:



# MOLALLA URBAN RENEWAL AGENCY

In the Line Item Detail, an allocation for a business loan program has been budgeted for. This program is not available for application or use until program guidelines have been developed and approved by the City Council. This allocation is to partner with the program upon finalization; if program development is not completed by fiscal year end, the funds will roll forward and beginning fund balance for fiscal year 2016/2017. At that point they can again be negotiated by the budget committee.

Since development of the Agency in 2008, the City of Molalla has charged the Agency \$10,000.00 to cover cost associated with the City Manager, Finance Director, City Recorder, Accounts Payable, Legal, Audits, and Budget. The Agency does not and will not, in the future, carry a personnel service allocation, therefore the City of Molalla professional service charge covers those costs.

## Molalla Urban Renewal Agency Line Item Detail

Audited Actuals 2012/2013	Audited Actuals 2013/2014	Adopted Budget 2014/2015	RESOURCES	Proposed Budget 2015/2016	Approved Budget 2015/2016	Adopted Budget 2015/2016
\$ 371,029.97	\$ 591,258.29	\$ 569,351.95	BEGINNING FUND BALANCE	\$ 4,005,292.42	\$ 4,005,292.42	\$ 4,005,292.42
\$ 239,999.60	\$ 267,008.84	\$ 285,000.00	PROPERTY TAX	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00
\$ -	\$ -	\$ 3,000,000.00	FULL FAITH IN CREDIT BOND	\$ -	\$ -	\$ -
\$ 234.72	\$ 217.51	\$ 250.00	INTEREST	\$ 750.00	\$ 750.00	\$ 750.00
\$ 611,264.29	\$ 858,484.64	\$ 3,854,601.95	TOTAL REVENUE	\$ 4,291,042.42	\$ 4,291,042.42	\$ 4,291,042.42
<b>MATERIALS &amp; SERVICES</b>						
\$ 20.00	\$ 9,516.28	\$ 20,000.00	O&M	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
\$ -	\$ -	\$ -	BUSINESS LOAN PROGRAM	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
\$ 13,986.00	\$ 16,900.92	\$ 50,000.00	PROFESSIONAL SERVICES	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
\$ 14,006.00	\$ 26,417.20	\$ 70,000.00	TOTAL MATERIALS & SVCS.	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00
<b>DEBT SERVICE</b>						
\$ -	\$ -	\$ -	BOND - PRINCIPAL	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00
\$ -	\$ -	\$ -	BOND- INTEREST	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00
\$ -	\$ -	\$ -	TOTAL DEBT SERVICE	\$ 375,000.00	\$ 375,000.00	\$ 375,000.00
<b>CAPITAL IMPROVEMENTS</b>						
\$ 6,000.00	\$ -	\$ 3,000,000.00	CAPITAL IMPROVEMENTS	\$ 3,100,000.00	\$ 3,100,000.00	\$ 3,100,000.00
\$ 6,000.00	\$ -	\$ 3,000,000.00	TOTAL CAPITAL	\$ 3,100,000.00	\$ 3,100,000.00	\$ 3,100,000.00
<b>CONTINGENCY / RESERVE</b>						
\$ -	\$ -	\$ 100,000.00	CONTINGENCY	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
\$ -	\$ -	\$ 81,758.29	RESERVE	\$ 116,042.42	\$ 116,042.42	\$ 116,042.42
		\$ -	BOND - RESERVE	\$ 375,000.00	\$ 375,000.00	\$ 375,000.00
\$ -	\$ -	\$ 181,758.29	TOTAL CONT./RESERVE	\$ 591,042.42	\$ 591,042.42	\$ 591,042.42

# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES



**RESOLUTION 2015-01**

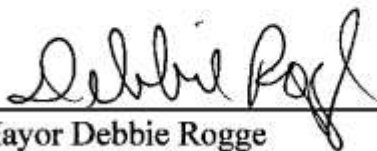
**A RESOLUTION APPOINTING THE CITY MANAGER AS BUDGET OFFICER FOR FISCAL YEAR 2015-2016**

**WHEREAS:** Municipal Budgeting requires the appointment of a Budget Officer to prepare and present the budget for the City of Molalla; and


**WHEREAS:** the City of Molalla is initiating preparation of its fiscal year 2015-2016 budget; and

**NOW, THEREFORE, THE CITY OF MOLALLA RESOLVES** to appoint City Manager, Dan Huff as Budget Officer for fiscal year 2015-2016.

DULY APPOINTED, by the City Council and the City of Molalla on this 14th day of January 2015.

  
\_\_\_\_\_  
Mayor Debbie Rogge

ATTEST:

  
\_\_\_\_\_  
Sadie Cramer, City Recorder

**RESOLUTION 2015-01**

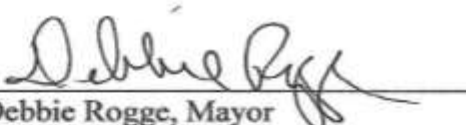
**A RESOLUTION APPOINTING THE AGENCY DIRECTOR AS BUDGET OFFICER FOR FISCAL YEAR 2015-2016 FOR THE MOLALLA URBAN RENEWAL AGENCY**

**WHEREAS:** Municipal Budgeting requires the appointment of a Budget Officer to prepare and present the budget for the Molalla Urban Renewal Agency and;


**WHEREAS:** the City of Molalla is initiating preparation of its fiscal year 2015-2016 budget; and

**NOW, THEREFORE, THE CITY OF MOLALLA RESOLVES** to appoint Agency Director, Dan Huff as Budget Officer for fiscal year 2015-2016.

DULY APPOINTED, by the Molalla Urban Renewal Agency and the City of Molalla on this 14th day of January 2015.

  
Debbie Rogge, Mayor

ATTEST:

  
Sadie Cramer, City Recorder



**LEGAL NOTIFICATION**

City of Molalla • 117 N. Molalla Ave. • Molalla, OR 97038

**April 15, 2015**

**To:** Molalla Pioneer

**Section:** Legal Publications

**For Publication in the:** April 22, 2015 Paper Edition

**Please send the bill to:**

City of Molalla – Finance Dept.  
Legal Budget Notification  
PO BOX 248  
Molalla, OR 97038

**Legal Announcement:**

**1st Notice:** A public meeting of the Budget Committee of the City of Molalla and the Molalla Renewal Agency to discuss the budgets for the fiscal year July 1, 2015 to June 30, 2016, will be held at the Molalla Community Adult Center, 315 Kennel Avenue on Tuesday, May 5, 2015 at 6:30 p.m. The purpose of the meeting is to review the budget message and to receive comment from the public on the budget.



**LEGAL NOTIFICATION**

City of Molalla • 117 N. Molalla Ave. • Molalla, OR 97038

**April 23, 2015**

**To:** Molalla Pioneer

**Section:** Legal Publications

**For Publication in the:** April 29, 2015 Paper Edition

**Please send the bill to:**

City of Molalla – Finance Dept.  
Legal Budget Notification  
PO BOX 248  
Molalla, OR 97038

**Legal Announcement:**

**2nd Notice:** A public meeting of the Budget Committee of the City of Molalla to discuss the budget for the fiscal year July 1, 2015 to June 30, 2016, will be held at the Molalla Community Adult Center, 315 Kennel Avenue on Tuesday, May 5, 2015 at 6:30 p.m. The purpose of the meeting is to review the budget message and to receive comment from the public on the budget.



## City of Molalla Budget Meeting

Meeting located at: Molalla Adult Center

115 Kennel Avenue, Molalla, OR 97038

May 5, 2015

Council Committee Members: Mayor Debbie Rogge, Present; Council President George Pottle, Present; Councilor Jimmy Thompson, Present; Councilor Jason Griswold, Present; Councilor Russ Riggs, Present; Councilor Jennifer Satter, Present.

Citizen Members: Elizabeth Klein, Present; Mary Lynn Jacob, Present; Howard Miller, Present; Ashley Petty, Present; Laura Ferris, Present; Steve Clark, Present; Joe Harrison, Present; Leota Childress, Present; Jason Steach, Absent.

Staff Members: Dan Huff, City Manager, Agency Director, Budget Officer, Present; Heather Penni, Finance Director.

**Councilor Pottle made a motion to accept Roberts Rules of Order as the decorum guideline for the meeting. Citizen Member Clark seconded.**

Motion carried (13-0) Councilor Riggs, Aye; Citizen Member Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Citizen Member Klein, Aye; Councilor Pottle, Aye; Citizen Member Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, not present for vote.

**Citizen Member Jacob nominated Citizen Member Klein as Budget Chair, Citizen Member Childress seconded.**

Motion carried (13-0) Councilor Riggs, Aye; Citizen Member Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Citizen Member Klein, Aye; Councilor Pottle, Aye; Citizen Member Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, not present for vote.

**Citizen Member Petty nominated Citizen Member Harrison as Vice Chair, Councilor Thompson seconded.**

Motion carried (13-0) Councilor Riggs, Aye; Citizen Member Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Citizen Member Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, not present for vote.

## LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

**Citizen Member Ferris nominated Citizen Member Jacob as Secretary, Citizen Member Clark seconded.**

Motion carried (13-0) Councilor Riggs, Aye; Vice-Chair Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Citizen Member Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, not present for vote.

**Councilor Pottle made a motion to open the City of Molalla Budget meeting, Mayor Rogge seconded.**

Motion carried (14-0) Councilor Riggs, Aye; Vice Chair Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Secretary Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, Aye.

Budget Officer Dan Huff presented the highlights of the budget message, noting this is the 102<sup>nd</sup> budget committee meeting. In this budget we present a capital improvement plan in each fund that matches the current year projects and looks 3-5 years into the future projects to present where we are and where we are heading.

2014/2015 had some unforeseen circumstances and obstacles that caused some restructure but the hard work of Council, the previous budget committees and staff the City maintains its current course. The dual-focused approach of increasing reserves and doing capital improvement projects can be found all throughout the budget.

The Sewer Proprietary and Aquatic Center fund will require careful fiscal management. In addition, the City is proposing closing the public works personnel service fund and returning the personnel cost back to the parent fund.

Finance Director Penni presented the City of Molalla summary of resources and requirements. Noting a concern that the proposed budget presents with a Sewer Proprietary fund with no contingency.

Mayor Rogge asked why set aside capital funds in the general fund instead of transferring to sewer proprietary to buoy up that fund. FD Penni noted that the beginning fund balance projections have changed dramatically and we should not transfer funds unless absolutely necessary because we still need to plan for future needs in the general fund. In addition, the sewer proprietary should experience some relief as the CWSRF can be paid in full from the Sewer SDC fund.



## LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

Citizen Member Ferris, Councilor Griswold, and Mayor Rogge all asked for clarification and explanation of the memo from Clackamas County regarding the compression loss, projections for 2015/2016, and the impact of the annexed properties. Overall discussion about when impacted annexed properties will be on the tax rolls and how we project moving away from a real estate compression model, although our compression assessment is very low.

Citizen Ferris and Councilor Griswold clarified the acronyms BFB (beginning fund balance) and UEFB (unappropriated ending fund balance) and a board discussion about the City council goal for minimum BFB's. Councilor Griswold verified that none of the increase seen in the SDC BFB was from transfers.

Citizen Member Clark verified that the SDC funds are kept separate.

Committee Chair Klein verified GO Bond payoff data as noted in the budget.

Citizen Member Ferris questioned why the planning section of the general fund had no appropriations. FD Penni noted that those line items were for the payments to Clackamas County for some of the contracted services. Those planning/land use issues are now handled in house out of the Office of Governance and Management.

Councilor Griswold questioned the camera purchase in the sewer proprietary. Staff clarified that it was for the continued Inflow & Infiltration needs of the sewer system and will help identify needed areas for upgrades.

Citizen Member Miller, Councilor Griswold, and Vice-Chair Harrison asked about the pool, the plan to re-open, and how do we handle the costs of a community plan, assuming one is found. Staff noted that we would have to come to Council for a re-allocation and potentially reconvene the budget committee. That is a large unknown with many moving parts and would be impossible to appropriately budget anything other than the status quo mechanical integrity plan we are currently working under.

Citizen Member Clark and Vice Chair Harrison asked about the irrigation fuel for the big gun. CM Huff defined "big gun" and explained how DEQ approved property owners distribute our effluent water onto their lands. This is a less expensive solution than to have a private company remove and dispose of the water.

FD Penni noted for the budget committee that the approved budget will be brought before the Molalla City Council on Wednesday June 10, 2015 at 7:00pm. As discussion regarding the sewer proprietary will send this budget to them with instructions to make adjustments if possible I urge all citizen members to attend that meeting.

## LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

**Councilor Pottle made a motion to approve the City of Molalla's FY 2015/2016 budget with a caveat to Council to examine the sewer proprietary with any overages from BFB to be allocated to contingency and UEFB. Citizen Member Clark seconded.**

Motion carried (14-0) Councilor Riggs, Aye; Vice Chair Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Secretary Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, Aye.

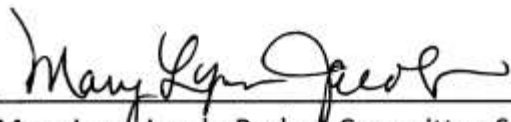
**Councilor Thompson mad a motion to approve the tax levy of 5.38 of assessed value, Councilor Pottle seconded.**

Motion carried (14-0) Councilor Riggs, Aye; Vice Chair Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Secretary Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, Aye.

**Councilor Pottle made a motion to close the budget meeting and adjourn, Councilor Thompson seconded.**

Motion carried (14-0) Councilor Riggs, Aye; Vice Chair Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Secretary Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, Aye.

Minutes reviewed and approved on 12<sup>th</sup> day of May, 2015



Mary Lynn Jacob, Budget Committee Secretary



## Molalla Urban Renewal Budget Meeting

Meeting located at: Molalla Adult Center

115 Kennel Avenue, Molalla, OR 97038

May 5, 2015

Council Committee Members: Mayor Debbie Rogge, Present; Council President George Pottle, Present; Councilor Jimmy Thompson, Present; Councilor Jason Griswold, Present; Councilor Russ Riggs, Present; Councilor Jennifer Satter, Present.

Citizen Members: Elizabeth Klein, Present; Mary Lynn Jacob, Present; Howard Miller, Present; Ashley Petty, Present; Laura Ferris, Present; Steve Clark, Present; Joe Harrison, Present; Leota Childress, Present; Jason Steach, Absent.

Staff Members: Dan Huff, City Manager, Agency Director, Budget Officer, Present; Heather Penni, Finance Director.

**Councilor Pottle made a motion to accept Roberts Rules of Order as the decorum guideline for the meeting. Citizen Member Clark seconded.**

Motion carried (13-0) Councilor Riggs, Aye; Citizen Member Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Citizen Member Klein, Aye; Councilor Pottle, Aye; Citizen Member Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, not present for vote.

**Citizen Member Jacob nominated Citizen Member Klein as Budget Chair, Citizen Member Childress seconded.**

Motion carried (13-0) Councilor Riggs, Aye; Citizen Member Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Citizen Member Klein, Aye; Councilor Pottle, Aye; Citizen Member Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, not present for vote.

**Citizen Member Petty nominated Citizen Member Harrison as Vice Chair, Councilor Thompson seconded.**

Motion carried (13-0) Councilor Riggs, Aye; Citizen Member Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Citizen Member Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye. Councilor Satter, not present for vote.

## LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

**Citizen Member Ferris nominated Citizen Member Jacob as Secretary, Citizen Member Clark seconded.**

Motion carried (14-0) Councilor Riggs, Aye; Vice-Chair Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Citizen Member Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Councilor Satter, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye.

**Councilor Pottle made a motion to accept this governing body as the budget committee for the Urban Renewal Agency, Councilor Thompson seconded.**

Motion carried (14-0) Councilor Riggs, Aye; Vice-Chair Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Secretary Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Councilor Satter, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye.

**Mayor Rogge made a motion to open the Urban Renewal Meeting, Councilor Pottle seconded.**

Motion carried (14-0) Councilor Riggs, Aye; Vice-Chair Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Secretary Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Councilor Satter, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye.

Budget Officer Huff presented the highlights in the MURA budget message noting this is the first year we are deliberating a budget that contains expenditures to construct capital improvements. We are currently in engineering for a Heintz Street extension and design for Molalla Avenue improvements.

Citizen Member Ferris asked for clarification to the Urban Renewal Agency and the corresponding board.

Finance Director Penni presented the budget by appropriation. Discussion about the change to the budget with the bond funds now showing expenditures in the capital component and the debt repayment component. The debt repayment schedule is for the life of the URA but does have an early repayment option at year ten if the Agency so chooses.

Mayor Rogge asked if the revenues received would ever reach the Agency plan expectations. Staff response was likelihood of ever reaching plan expectations is not likely but we do anticipate accelerated growth as the capital projects prepare the community for commercial and/or industrial growth.

## LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

Budget Chair Klein opened the meeting for discussion, none.

**Citizen Member Clark made a motion to approve the MURA budget, Mayor Rogge seconded.**

Motion carried (14-0) Councilor Riggs, Aye; Vice-Chair Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Secretary Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Councilor Satter, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye.

**Mayor Rogge made a motion to close the MURA Budget meeting, Councilor Pottle seconded.**

Motion carried (14-0) Councilor Riggs, Aye; Vice-Chair Harrison, Aye; Councilor Griswold, Aye; Citizen Member Miller, Aye; Citizen Member Childress, Aye; Mayor Rogge, Aye; Budget Chair Klein, Aye; Councilor Pottle, Aye; Secretary Jacob, Aye; Councilor Thompson, Aye; Citizen Member Clark, Aye; Councilor Satter, Aye; Citizen Member Ferris, Aye; Citizen Member Petty, Aye.

Minutes reviewed and approved on 12<sup>th</sup> day of May, 2015

  
\_\_\_\_\_  
Mary Lynn Jacob, Budget Committee Secretary



# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

## FORM LB-1

## NOTICE OF BUDGET HEARING

A public meeting of the CITY OF MOLALLA will be held on JUNE 10, 2015 at 7:00 p.m. at the MOLALLA ADULT CENTER 315 Kennel Avenue, Molalla, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2015 as approved by the City of Molalla Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at Molalla City Hall, 117 N Molalla Avenue, Molalla, Oregon, between the hours of 8:30 a.m. and 4:00 p.m. or online at [www.cityofmolalla.com](http://www.cityofmolalla.com). This budget is for an   X   annual    biennial budget period. This budget was prepared on a basis of accounting that is   X   the same as    different than the preceding year

Contact: Heather Penni, Finance Director

Telephone: 503-829-6855

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

### FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount 2013-2014	Adopted Budget This Year 2014-2015	Approved Budget Next Year 2015-2016
Beginning Fund Balance/Net Working Capital	\$ 6,802,981.28	\$ 7,775,712.30	\$ 7,237,148.51
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	\$ 4,470,398.20	\$ 4,014,430.30	\$ 4,644,125.00
Federal, State and all Other Grants, Gifts, Allocations and Donations	\$ 1,419,134.16	\$ 2,727,369.00	\$ 2,783,500.00
Interfund Transfers / Internal Service Reimbursements	\$ 865,500.00	\$ 1,094,914.00	\$ 783,271.56
All Other Resources Except Current Year Property Taxes	\$ 1,885,314.44	\$ 1,960,766.36	\$ 590,330.00
Current Year Property Taxes Estimated to be Rec'd	\$ 2,464,458.37	\$ 2,413,738.50	\$ 2,765,725.50
<b>Total Resources</b>	<b>\$ 17,907,786.45</b>	<b>\$ 19,986,930.46</b>	<b>\$ 18,804,100.57</b>

### FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

TOTAL OF ALL FUNDS	Actual Amount 2013-2014	Adopted Budget This Year 2014-2015	Approved Budget Next Year 2015-2016
Personnel Services	\$ 3,903,108.35	\$ 4,524,340.50	\$ 4,199,506.24
Materials and Services	\$ 3,919,810.76	\$ 5,286,210.41	\$ 3,352,483.07
Capital Outlay	\$ 385,935.25	\$ 3,836,804.18	\$ 3,600,500.00
Debt Service	\$ 895,668.50	\$ 908,959.00	\$ 911,841.00
Interfund Transfers	\$ 865,500.00	\$ 1,094,914.00	\$ 783,271.56
Contingencies	\$ -	\$ 166,000.00	\$ 565,000.00
Reserve	\$ -	\$ 2,785,452.49	\$ 4,043,314.23
Unappropriated Ending Balance	\$ -	\$ 1,384,249.88	\$ 1,348,184.47
<b>Total Requirements</b>	<b>\$ 9,970,022.86</b>	<b>\$ 19,986,930.46</b>	<b>\$ 18,804,100.57</b>

### FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM \*

Name of Organizational Unit or Program FTE for that unit or program			
Office of Governance & Management	\$ 814,398.78	\$ 1,379,020.20	\$ 1,701,300.00
FTE	3	4	4
Police Services	\$ 1,942,951.18	\$ 2,295,750.00	\$ 2,188,000.00
FTE	13	13	12
Municipal Court	\$ 189,829.01	\$ 217,900.00	\$ 221,350.00
FTE	1	1	1
Library	\$ 603,232.92	\$ 2,528,833.80	\$ 2,723,150.00
FTE	2	3	5
Public Works (Streets, Storm, Water & Sewer)	\$ 4,868,133.49	\$ 7,092,950.86	\$ 5,150,608.56
FTE	15	13	12
Aquatic Center	\$ 388,170.94	\$ 251,809.24	\$ 32,426.24
FTE	1	1	0
Not Allocated to Organizational Unit or Program	\$ 1,163,306.54	\$ 4,836,416.48	\$ 5,439,081.30
FTE	3	1	0
<b>Total Requirements</b>	<b>\$ 9,970,022.86</b>	<b>\$ 18,602,680.58</b>	<b>\$ 17,455,916.10</b>
<b>Total FTE</b>			

### STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING \*

The proposed budget for FY 2015/2016 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 reductions, building working capital and operating reserves and focus on capital improvements to City infrastructure.

### PROPERTY TAX LEVIES

	Rate or Amount Imposed 2013-2014	Rate or Amount Imposed This Year 2014-2015	Rate or Amount Approved Next Year 2015-2016
Permanent Rate Lev <i>(rate limit \$5.3058 per \$1,000)</i>	\$5.3058	\$5.3058	\$5.3058
Local Option Levy	\$0.00	\$0.00	\$0.00
Levy For General Obligation Bonds	\$67,250.00	\$67,663.00	\$66,463.00

### STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$230,639	\$0
Other Bonds	\$3,540,000	\$0
Other Borrowings	\$1,935,111	\$0
<b>Total</b>	<b>\$5,705,750</b>	<b>\$0</b>



# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

## FORM UR-1

## NOTICE OF BUDGET HEARING

A public meeting of the MOLALLA URBAN RENEWAL AGENCY will be held on JUNE 10, 2015 at 7:00 p.m. at the Molalla Adult Center, 315 Kennel Avenue, Molalla, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2015 as approved by the Molalla Urban Renewal Agency Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at the Molalla City Hall, between the hours of 8:30 a. m. and 4:00 p. m. or online at [www.cityofmolalla.com](http://www.cityofmolalla.com). This budget is for an   X   annual    biennial budget period. This budget was prepared on a basis of accounting that is   X   the same as    different than used the preceding year.

Contact: Heather Penni, Finance Director

Telephone: 503-829-6855 Email: [hpenni@cityofmolalla.com](mailto:hpenni@cityofmolalla.com)

### FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount 2013-2014	Adopted Budget This Year 2014-2015	Approved Budget Next Year 2015-2016
Beginning Fund Balance/Net Working Capital	\$ 591,258.29	\$ 569,351.95	\$ 4,005,292.42
Revenue from Bonds and Other Debt	\$ -	\$ 3,000,000.00	\$ -
All Other Resources Except Division of Tax & Special Levy	\$ 217.51	\$ 250.00	\$ 750.00
Revenue from Division of Tax	\$ 267,008.84	\$ 285,000.00	\$ 285,000.00
<b>Total Resources</b>	<b>\$ 858,484.64</b>	<b>\$ 3,854,601.95</b>	<b>\$ 4,291,042.42</b>

### FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

	\$	\$	\$
Materials and Services	26,417.20	70,000.00	225,000.00
Capital Outlay	-	3,000,000.00	3,100,000.00
Debt Service	-	-	375,000.00
Contingencies	-	100,000.00	100,000.00
Reserve	-	81,758.29	491,042.42
<b>Total Requirements</b>	<b>\$ 26,417.20</b>	<b>\$ 3,251,758.29</b>	<b>\$ 4,291,042.42</b>

### FINANCIAL SUMMARY-REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM \*

Name of Organizational Unit or Program			
FTE for that unit or program			
Molalla Urban Renewal Agency	\$ 26,417.20	\$ 3,251,758.29	\$ 4,291,042.42
FTE	0	0	0
<b>Total Requirements</b>	<b>\$ 26,417.20</b>	<b>\$ 3,251,758.29</b>	<b>\$ 4,291,042.42</b>
<b>Total FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

### STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING \*

The proposed FY 2015/2016 budget for the MURA is balanced as required by state law. The previous fiscal year activities were all within appropriation and the Agency ended with a positive ending fund balance.

### STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding July 1	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$0	\$0
Other Bonds	\$2,690,000	\$0
Other Borrowings	\$0	\$0
<b>Total</b>	<b>\$2,690,000</b>	<b>\$0</b>

# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES



6605 SE Lake Road, Portland, OR 97222 • PO  
 Box 22109 • Portland, OR 97269-2109  
 Phone: 503-684-0360 Fax: 503-620-3433  
 E-mail: legals@commnewspapers.com

## AFFIDAVIT OF PUBLICATION State of Oregon, County of Clackamas, SS

I, Charlotte Allsop, being the first duly sworn, depose and say that I am the Accounting Manager of the *Molalla Pioneer*, a newspaper of general circulation, published at Molalla, in the aforesaid county and state, as defined by ORS 193.010 and 193.020, that

**City of Molalla  
 Legal Notice  
 Notice of Budget Hearing  
 Budget Fiscal Year  
 Form LB-1**

a copy of which is hereto annexed, was published in the entire issue of said newspaper for

**2**  
 successive and consecutive weeks in the following issues:  
**May 27, 2015**  
**June 3, 2015**

*Charlotte Allsop*  
 Charlotte Allsop (Accounting Manager)

Subscribed and sworn to before me this  
 June 8, 2015

*Devin A. Magli*  
 NOTARY PUBLIC FOR OREGON  
 My commission expires March 02, 2019

Acct #503386  
 City of Molalla  
 PO Box 248  
 Molalla, OR 97038



FORM LB-1		NOTICE OF BUDGET HEARING	
A public meeting of the CITY OF MOLALLA will be held on JUNE 10, 2015 at 7:00 p.m. at the Molalla, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year begin Molalla Budget Committee. A summary of the budget is presented below. A copy of the budget will be available for review at the meeting. A copy of the budget is available for review at the City of Molalla, 117 N Molalla Avenue, Molalla, Oregon, between the hours of 8:30 a.m. and 4:00 p.m. for an annual biennial budget period. This budget was prepared on a basis of account preceding year.			
Contact: Heather Penni, Finance Director		Telephone: 503-829-4	
FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS		Actual Amount 2013-2014	
Beginning Fund Balance/Net Working Capital		\$	6,802,981.2
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges		\$	4,470,398.2
Federal, State and all Other Grants, Gifts, Allocations and Donations		\$	1,439,134.1
Interfund Transfers / Internal Service Reimbursements		\$	865,500.0
All Other Resources Except Current Year Property Taxes		\$	1,895,214.6
Current Year Property Taxes Estimated to be Rec'd		\$	2,464,458.3
<b>Total Resources</b>		\$	<b>17,907,786.4</b>
FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASS			
TOTAL OF ALL FUNDS		Actual Amount 2013-2014	
Personnel Services		\$	3,903,308.8
Materials and Services		\$	3,919,810.7
Capital Outlay		\$	385,935.2
Debt Service		\$	895,668.9
Interfund Transfers		\$	865,500.0
Contingencies		\$	-
Reserve		\$	-
Unappropriated Ending Balance		\$	-
<b>Total Requirements</b>		\$	<b>9,970,022.6</b>
FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY			
Name of Organizational Unit or Program	FTE for that unit or program		
Office of Governance & Management		\$	814,398.7
FTE			1
Police Services		\$	1,947,951.1
FTE			15
Municipal Court		\$	189,829.0
FTE			1
Library		\$	603,232.9
FTE			1
Public Works (Streets, Storm, Water & Sewer)		\$	4,868,133.4
FTE			15
Aquatic Center		\$	388,170.94
FTE			1
Not Allocated to Organizational Unit or Program		\$	1,163,306.54
FTE			1
<b>Total Requirements</b>		\$	<b>9,970,022.6</b>
<b>Total FTE</b>			<b>31</b>
STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF			
The proposed budget for FY 2015/2016 for the City of Molalla has been prepared in accordance accepted accounting principles. This is a lean budget with continued focus on expenditure reserves and focus on capital improvements to City infrastructure.			
PROPERTY TAX LEVIES			
		Rate or Amount Imposed	
		2013-2014	
Permanent Rate Lev (rate limit \$5.3058 per \$1,000)		\$5.3058	
Local Option Levy		\$0.00	
Levy For General Obligation Bonds		\$67,250.00	
STATEMENT OF INDEBTEDNESS			
LONG TERM DEBT	Estimated Debt Outstanding on July 1,		
General Obligation Bonds	\$230,639		
Other Bonds	\$3,340,000		
Other Borrowings	\$1,985,111		
<b>Total</b>	<b>\$5,705,750</b>		
Published in the Molalla Pioneer May 27 and June 3, 2015.			



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**AFFIDAVIT OF PUBLICATION**  
 State of Oregon, County of Clackamas, SS

I, Charlotte Allsop, being the first duly sworn, depose and say that I am the Accounting Manager of the *Molalla Pioneer*, a newspaper of general circulation, published at Molalla, in the aforesaid county and state, as defined by ORS 193.010 and 193.020, that

**Molalla Urban Renewal Agency  
 Legal Notice  
 Notice of Budget Hearing  
 Budget Fiscal Year  
 Form UR-1**

a copy of which is hereto annexed, was published in the entire issue of said newspaper for

2 successive and consecutive weeks in the following issues:

**May 27, 2015  
 June 3, 2015**

*Charlotte Allsop*

Charlotte Allsop (Accounting Manager)

Subscribed and sworn to before me this June 8, 2015

*Desirae Ann Marglin*

NOTARY PUBLIC FOR OREGON  
 My commission expires March 02, 2019

Acct #503386  
 City of Molalla  
 PO Box 248  
 Molalla, OR 97038



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

A public meeting of the MOLALLA URBAN RENEWAL AGENCY will be held on JUNE 10, 2015 at 10:00 a.m. at the Molalla City Hall, Molalla, Oregon. The purpose of this meeting is to discuss the budget for the Molalla Urban Renewal Agency Budget Committee. A summary of the budget is prepared or obtained at the Molalla City Hall, between the hours of 8:30 a. m. and 4:00 p. m. or on \_\_\_ annual \_\_\_ biennial budget period. This budget was prepared on a basis of accounts preceding year.

Contact: Heather Penni, Finance Director Telephone: 503-684-0360

FINANCIAL SUMMARY - RESOURCES	
TOTAL OF ALL FUNDS	Actual Amount 2013-2014
Beginning Fund Balance/Net Working Capital	\$ 591,700
Revenue from Bonds and Other Debt	\$
All Other Resources Except Division of Tax & Special Levy	\$ 2
Revenue from Division of Tax	\$ 267,000
<b>Total Resources</b>	<b>\$ 858,700</b>

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT	
Materials and Services	\$ 26,400
Capital Outlay	\$
Debt Service	\$
Contingencies	\$
Reserve	\$
<b>Total Requirements</b>	<b>\$ 26,400</b>

FINANCIAL SUMMARY-REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES	
Name of Organizational Unit or Program	
FTE for that unit or program	
Molalla Urban Renewal Agency	\$ 26,400
FTE	
<b>Total Requirements</b>	<b>\$ 26,400</b>
<b>Total FTE</b>	

**STATEMENT OF CHANGES IN ACTIVITIES and SOURCE**  
 The proposed FY 2015/2016 budget for the MURA is balanced as required by state law, appropriation and the Agency ended with a positive ending fund balance.

STATEMENT OF INDEBTEDNESS	
LONG TERM DEBT	Estimated Debt Outstanding July 1
General Obligation Bonds	\$0
Other Bonds	\$2,690,000
Other Borrowings	\$0
<b>Total</b>	<b>\$2,690,000</b>

Published in the *Molalla Pioneer* May 27 and June 3, 2015.



# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES



# Oregon

Kate Brown, Governor

## Department of Administrative Services

Enterprise Goods and Services, Shared Financial Services

155 Cottage St NE

Salem, OR 97301-3972

(503)378-3557

FAX (503)373-1273

RETURN TO:

DEPARTMENT OF ADMINISTRATIVE SERVICES  
SHARED FINANCIAL SERVICES  
ATTN Dana Keller  
155 COTTAGE ST NE  
SALEM OR 97301-3972

RESOLUTION NO. 2015-06

Whereas, ORS 221.760 provides as follows:

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

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

and

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

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

<input checked="" type="checkbox"/> Police protection	_____	One or more utility services not checked off on left:
<input type="checkbox"/> Fire protection	_____	
<input checked="" type="checkbox"/> Street construction, maintenance, & lighting	_____	
<input checked="" type="checkbox"/> Sanitary sewer	_____	
<input checked="" type="checkbox"/> Storm Sewers	_____	
<input checked="" type="checkbox"/> Planning, zoning, and subdivision control	_____	

Approved by the City of MOLALLA

this 10 day of June, 2015.

Attest:

Mayor

[Signature]  
Recorder



Oregon

Kate Brown, Governor

Department of Administrative Services

Enterprise Goods and Services, Shared Financial Services

155 Cottage St. NE

Salem, OR 97301-3972

(503)378-3557

FAX (503)373-1273

Resolution 2015-07

RETURN TO:

DEPARTMENT OF ADMINISTRATIVE SERVICES  
SHARED FINANCIAL SERVICES  
ATTN Dana Keller  
155 COTTAGE ST NE  
SALEM OR 97301-3972

AN ORDINANCE/RESOLUTION DECLARING THE CITY'S ELECTION  
TO RECEIVE STATE REVENUES

The City of MOLALLA ordains as follows:

Section 1. Pursuant to ORS 221.770, the city hereby elects to receive state revenues for fiscal year 2015-2016.

Passed by the Common Council the 10 day of June, 2015.

Approved by the Mayor this 10 day June, 2015.

Mayor Debbie Rogge

Attest Debbie Rogge

I \*certify that a public hearing before the Budget Committee was held on MAY 5, 2015 and a public hearing before the City Council was held on June 10, 2015, giving citizens an opportunity to comment on use of State Revenue Sharing.

[Signature]  
City Recorder

\* NOTE: Please return certification only. We do not need copies of notices.

# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

Resolution No. 2015-08  
CITY OF MOLALLA

**A RESOLUTION ADOPTING THE CITY OF MOLALLA BUDGET FOR THE FISCAL YEAR 2015/2016; MAKING APPROPRIATIONS; AND CATEGORIZING AND LEVYING AD VALOREM TAXES**

The City Council of the City of Molalla, Oregon, on the 10<sup>th</sup> day of June, 2015 sat in regular session for the transaction of City business.

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

**WHEREAS**, the Molalla Budget Committee approved and recommended a balanced budget to the City Council on May 5, 2015; and

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

**NOW, THEREFORE, THE CITY OF MOLALLA RESOLVES** and hereby adopts the FY 2015/2016 budget approved by the Budget Committee on May 5, 2015 with all City Council adjustments as discussed in the regular meeting on June 10, 2015, in the amount of \$18,685,681.67, of which \$1,026,091.81 is in Unappropriated Ending Fund Balance and \$4,043,314.23 is in reserves. Copies of the said budget are on file at the Molalla City Hall, 117 N. Molalla Avenue, Molalla, Oregon, 97038.

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

1. **THAT** the Molalla City Council hereby imposes taxes provided for in the adopted budget at the rate of \$5.3058 per \$1,000 of assessed value for general operations; and in the amount of \$66,463.00 for bonds; and that these taxes are hereby imposed and categorized for tax year 2015/2016 upon the assessed value of all taxable property within the City of Molalla.

Limitation	General Government	Excluded from
Permanent Rate	\$5.3058 / \$1,000.00	
General Obligation Bonded Debt Service		\$66,463.00

2. **THAT** the amounts for the purpose of operating the City of Molalla for the fiscal year 2015/2016 budget year be appropriated as follows, beginning July 1, 2015.

<b>TOTAL APPROPRIATED FUNDS</b>	<b>\$13,616,275.63</b>
<b>RESERVES</b>	<b>\$ 4,043,314.23</b>
<b>UNAPPROPRIATED ENDING FUNDS</b>	<b>\$ 1,026,091.81</b>
<b>TOTAL FY 2015/2016 BUDGET FOR THE CITY OF MOLALLA</b>	<b>\$18,685,681.67</b>



# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

## GENERAL FUND

Personnel Service	
Office of Governance & Management	\$ 517,500.00
Police Service	\$ 1,789,750.00
Municipal Court	\$ 141,650.00
Materials & Services	
Office of Governance & Management	\$ 323,800.00
Police Service	\$ 488,250.00
Municipal Court	\$ 93,200.00
Capital Outlay	
Office of Governance & Management	\$ 250,000.00
Police Service	\$ 55,000.00
Transfers	\$ 20,000.00
Contingency	\$ 150,000.00
TOTAL APPROPRIATED TO GENERAL FUND	\$ 3,829,150.00
Reserve	\$ 400,000.00
Unappropriated Ending Fund Balance	\$ 468,510.00

## LIBRARY FUND

Personnel Service	\$ 550,500.00
Materials & Services	\$ 246,650.00
Capital Outlay	\$ 426,000.00
Contingency	\$ 100,000.00
TOTAL APPROPRIATED TO LIBRARY	\$ 1,323,150.00
Reserve	\$ 1,400,000.00
Unappropriated Ending Fund Balance	\$ 66,418.41

## AQUATIC CENTER

Personnel Service	\$ 14,100.00
Materials & Services	\$ 18,500.00
TOTAL APPROPRIATED TO AQUATIC CENTER	\$ 32,600.00

## STREET FUND

Personnel Service	\$ 327,400.00
Materials & Services	\$ 479,600.00
Capital Outlay	\$ 557,000.00
Contingency	\$ 100,000.00
TOTAL APPROPRIATED TO STREETS	\$ 1,464,000.00
Unappropriated Ending Fund Balance	\$ 11,000.00

## WATER/SEWER DEPOSITS

Materials & Services	\$ 14,129.60
TOTAL APPROPRIATED TO WATER/SEWER DEPOSITS	\$ 14,129.60

# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

## PD RESTRICTED REVENUE

Materials & Services	\$	57,453.47
TOTAL APPROPRIATED TO PD RESTRICTED REVENUE	\$	57,453.47

## GRANT FUND

Materials & Services	\$	20,000.00
TOTAL APPROPRIATED TO GRANT FUND	\$	20,000.00

## WATER FUND

Personnel Service	\$	521,650.00
Materials & Services	\$	585,750.00
Capital Outlay	\$	232,000.00
Transfers	\$	250,000.00
Contingency	\$	100,000.00
TOTAL APPROPRIATED TO WATER	\$	1,689,400.00
<i>Unappropriated Ending Fund Balance</i>	\$	406,475.00

## SEWER FUND

Personnel Service	\$	482,330.00
Materials & Services	\$	888,850.00
Capital Outlay	\$	160,500.00
Transfers	\$	315,928.56
Contingency	\$	100,000.00
TOTAL APPROPRIATED TO SEWER	\$	1,947,608.56
<i>Unappropriated Ending Fund Balance</i>	\$	73,566.44

## STORM FUND

Personnel Service	\$	54,800.00
Materials & Services	\$	44,800.00
Capital Outlay	\$	20,000.00
Contingency	\$	15,000.00
TOTAL APPROPRIATED TO STORM	\$	134,600.00
<i>Unappropriated Ending Fund Balance</i>	\$	121.96

## GENERAL OBLIGATION WATER BOND

Debt Service	\$	66,463.00
TOTAL APPROPRIATED TO GO WATER BOND	\$	66,463.00
<i>Reserve</i>	\$	64,963.00

## WATER DEBT RETIREMENT

Debt Service	\$	339,250.00
TOTAL APPROPRIATED TO WATER DEBT RETIREMENT	\$	339,250.00
<i>Reserve</i>	\$	390,919.92



# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

## SEWER DEBT RETIREMENT

Debt Service	\$	318,150.00
TOTAL APPROPRIATED TO SEWER DEBT RETIREMENT	\$	318,150.00
<i>Reserve</i>	\$	316,550.00

## CWSRF

Debt Service	\$	187,978.00
TOTAL APPROPRIATED TO CWSRF	\$	187,978.00
<i>Reserve</i>	\$	187,343.00

## SEWER SDC

Materials & Services	\$	10,000.00
Transfers	\$	187,343.00
TOTAL APPROPRIATED TO SEWER SDC	\$	197,343.00
<i>Reserve</i>	\$	153,441.00

## WATER SDC

Materials & Services	\$	25,000.00
Capital Outlay	\$	1,000,000.00
TOTAL APPROPRIATED TO WATER SDC	\$	1,025,000.00
<i>Reserve</i>	\$	562,396.83

## STORM SDC

Materials & Services	\$	10,000.00
Capital Outlay	\$	150,000.00
TOTAL APPROPRIATED TO STORM SDC	\$	160,000.00
<i>Reserve</i>	\$	54,794.37

## TRANSPORTATION SDC

Materials & Services	\$	10,000.00
Capital Outlay	\$	250,000.00
TOTAL APPROPRIATED TO TRANSPORTATION SDC	\$	260,000.00
<i>Reserve</i>	\$	247,389.35

## PARK SDC


Materials & Services	\$	50,000.00
Capital Outlay	\$	500,000.00
TOTAL APPROPRIATED TO PARK SDC	\$	550,000.00
<i>Reserve</i>	\$	265,516.76

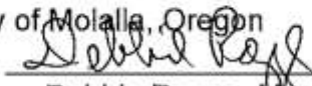
# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

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

Adopted by the Molalla City Council this 10<sup>th</sup> day of June, 2015.

ATTEST:

By:   
Sadie Cramer, CMC  
City Recorder

City of Molalla, Oregon  
By:   
Debbie Rogge, Mayor

# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

## RESOLUTION 2015-02 MOLALLA URBAN RENEWAL AGENCY

### A RESOLUTION ADOPTING THE MOLALLA URBAN RENEWAL AGENCY BUDGET FOR THE FISCAL YEAR 2015/2016; MAKING APPROPRIATIONS; AND CATEGORIZING AND LEVYING TAXES

The board of the Molalla Urban Renewal Agency on the 10<sup>th</sup> say of June, 2015 sat in regular session for the transaction of agency business.

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

**WHEREAS**, the Molalla Urban Renewal Agency Budget Committee approved and recommended a balanced budget to the Urban Renewal Agency Board on May 5, 2015; and

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

**NOW, THEREFORE, THE MOLALLA URBAN RENEWAL AGENCY RESOLVES** and hereby adopts the FY 2015/2016 Budget approved by the Budget Committee on May 5, 2015, in the amount of \$4,291,042.42, of which \$491,042.42 is in reserves. Copies of the said budget are on file at the Molalla City Hall, 117 N. Molalla Avenue, Molalla, Oregon, 97038.

**THE MOLALLA URBAN RENEWAL AGENCY FURTHER RESOLVES** as follows:


1. **THAT** the amounts for the purpose of operating the Agency for the fiscal year 2015/2016 budget year be appropriated as follows, beginning July 1, 2015.

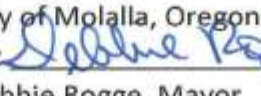
Materials & Services	\$ 225,000.00
Capital Improvements	\$ 3,100,000.00
Debt Service	\$ 375,000.00
Contingency	\$ 100,000.00
<b>TOTAL APPROPRIATED FUNDS</b>	<b>\$ 3,800,000.00</b>
<b>RESERVES</b>	<b>\$ 491,042.42</b>
<b>TOTAL FY 2015/16 BUDGET FOR MURA</b>	<b>\$ 4,291,042.42</b>

2. **THAT** the Budget Officer is authorized to prepare and submit any certifications of the taxes levied that may be deemed necessary by the Oregon Department of Revenue and Clackamas County Assessor.
3. **TO CERTIFY** to the County Assessor for the Downtown Plan Area a request for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457.

Adopted by the Molalla Urban Renewal Agency this 10<sup>th</sup> day of June, 2015.

ATTEST:

By:   
Sadie Cramer, CMC  
City Recorder

City of Molalla, Oregon  
By:   
Debbie Rogge, Mayor

# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

**FORM UR-50**

**NOTICE TO ASSESSOR**

**2015-16**

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

Check here if this is an amended form.

**Notification**

Molalla River Urban Renewal Agency authorizes its 2014-2015 ad valorem tax increment amounts  
(Agency Name)

by plan area for the tax roll of Clackamas County.

(County Name)

Heather Penni \_\_\_\_\_ 503-829-6855 X 224 \_\_\_\_\_ June 16, 2015 \_\_\_\_\_  
(Contact Person) (Telephone Number) (Date Submitted)

PO Box 248, Molalla, Oregon 97038 \_\_\_\_\_ hpenni@cityofmolalla.com \_\_\_\_\_  
(Agency's Mailing Address) (Contact Person's E-mail Address)

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

**Part 1: Option One Plans (Reduced Rate).** For definition of Option One plans, see ORS 457.435(2)(a)

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

**Part 2: Option Three Plans (Standard Rate).** For definition of Option Three plans, see ORS 457.435(2)(c)

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

**Part 3: Other Standard Rate Plans.** For definition of standard rate plans, see ORS 457.445(2)

Plan Area Name	Increment Value to Use*	100% from Division of Tax*	
	\$ _____ Or	Yes _____	
	\$ _____ Or	Yes _____	
	\$ _____ Or	Yes _____	
	\$ _____ Or	Yes _____	
	\$ _____ Or	Yes _____	

**Part 4: Other Reduced Rate Plans.** For definition of reduced rate plans, see ORS 457.445(1)

Plan Area Name	Increment Value to Use*	100% from Division of Tax*	
Downtown	\$ _____ Or	Yes <u>XX</u>	
	\$ _____ Or	Yes _____	
	\$ _____ Or	Yes _____	
	\$ _____ Or	Yes _____	
	\$ _____ Or	Yes _____	

**Notice to Assessor of Permanent Increase in Frozen Value.** Effective 2015-2016, permanently increase frozen value to:

Plan Area Name	New frozen value \$
Plan Area Name	New frozen value \$

- \* **All Plans except Option Three:** Enter amount of Increment Value to Use that is less than 100% Or check "Yes" to receive 100% of division of tax. **Do NOT enter an amount of Increment Value to Use AND check "Yes".**
- \*\* If an **Option One plan** enters a Special Levy Amount, you **MUST** check "Yes" and **NOT** enter an amount of Increment to Use.
- \*\*\* **Option Three plans** enter EITHER an amount of Increment Value to Use to raise less than the amount of division of tax stated in the 1998 ordinance under ORS 457.435(2)(c) OR the Amount from Division of Tax stated in the ordinance, **NOT** both.
- \*\*\*\* If an **Option Three plan** requests both an amount of Increment Value to Use that will raise less than the amount of division of tax stated in the 1998 ordinance and a Special Levy Amount, the Special Levy Amount cannot exceed the amount available when the amount from division of tax stated in the ordinance is subtracted from the plan's Maximum Authority.



# LEGAL NOTIFICATIONS, RESOLUTIONS, MINUTES

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

**FORM LB-50  
2015-2016**

To assessor of CLACKAMAS County

Check here if this is an amended form.

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

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

PO Box 248 Molalla OR 97038 June 16, 2015  
Mailing Address of District City State ZIP code Date  
Heather Penni Finance Director 503-829-6855 X 228 hpenni@cityofmolalla.com  
Contact Person Title Daytime Telephone Contact Person E-Mail

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

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

**PART I: TAXES TO BE IMPOSED**

		Subject to General Government Limits Rate -or- Dollar Amount		
1.	Rate per \$1,000 or Total dollar amount levied (within permanent rate limit) . . . . .	1	5.3058	Excluded from Measure 5 Limits Dollar Amount of Bond Levy
2.	Local option operating tax . . . . .	2	0	
3.	Local option capital project tax . . . . .	3	0	
4.	City of Portland Levy for pension and disability obligations . . . . .	4	0	
5a.	Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001 . . . . .	5a.		66,463
5b.	Levy for bonded indebtedness from bonds approved by voters on or after October 6, 2001 . . . . .	5b.		
5c.	Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) . . . . .	5c.		66,463

**PART II: RATE LIMIT CERTIFICATION**

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

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

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

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

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

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

The authority for putting these assessments on the roll is ORS \_\_\_\_\_ (Must be completed if you have an entry in Part IV)

150-504-073-7 (Rev. 12-13)

(see the back for worksheet for lines 5a, 5b, and 5c)

File with your assessor no later than **JULY 15**, unless granted an extension in writing.

# ADDITIONAL INFORMATION



### 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 that affect the City on a long-term basis, 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 Financial Policies

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

#### 1. 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 & 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 as a result 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 particular fund from which the money was provided for investment.

2. 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 on a monthly basis, with a thorough analysis and adjustment (if required).

2. The City shall not adopt an operating budget that is greater than the amount 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.



### 3. 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).

#### B. External Audit

1. An annual audit shall be performed by an independent public accounting firm, which will issue an official opinion on the annual financial statement, along with a management letter identifying areas needing improvement, if appropriate.
2. Full disclosure of the City's financial condition shall be provided in the financial statements and bond representations.

#### C. Financial Reporting

1. A Comprehensive Annual Financial Report (CAFR) shall be submitted to present the results, financial position, and operations of the City for the prior fiscal year.
2. Quarterly budget reports showing the current status of revenues and expenditures shall be prepared and distributed to appropriate legislative, staff and management personnel in a timely manner and made available for public inspection.

### 4. DEBT SERVICE

#### A. Uses of Debt

Debt shall not be used for operating purposes. No debt shall be in existence for longer than the useful life of the capital investment for which the debt was incurred.

#### B. Debt Margins

The City shall ensure that its debt margins are within the 3 percent true cash value limitation as set forth in ORS 287.004.

#### C. Financing Alternatives

The City will examine all financial alternatives in addition to long-term debt. These alternatives will include pay-as-you-go, reserve funds, lease-to-purchase, local improvement districts, borrowing from other funds and system development charges. Before a decision is made, a cost benefit analysis will be performed for each alternative being considered with the goal of minimizing the cost of the financing to the City. All financial analysis shall be reviewed by the finance director prior to any final decision.

### 5. RESERVE POLICY

#### A. Budget Contingency Plan

The City shall maintain a contingency plan in order to respond to significant shortfalls within the City's budget. The plan shall outline an appropriate course of action that management should consider in response to significant gaps between revenues and expenditures.

B. Minimum Fund Balances (Reserves)

The City's goal shall be to maintain a non-appropriated fund balance in the general fund of at least 5 percent of the annual operating expenditures. The above goal will also apply to the City's other operating funds. This reserve shall be used to avoid cash flow interruptions, generate interest income and reduce the need for any short-term borrowing.

C. Operating Contingency

The City shall attempt to establish an operating contingency that will be used to provide for unanticipated expenditures of a non-recurring nature or to meet unexpected increases in service delivery costs. This contingency budget shall be at least 5 percent of each fund's original budget estimate for the fiscal year. This policy does not apply to debt service, trust, capital projects, and temporary or certain special purpose funds.

6. MANAGEMENT OF FISCAL POLICIES

1. Fiscal policies and changes in policies shall be approved by the City Council and adopted by resolution at a public hearing.

2. The City Manager shall recommend fiscal policy and changes in policy to the City Council.

3. The City Manager shall prepare a report explaining the substantive impact of all recommendations and their impact on the City's operations, service levels and/or finances.

4. The City Manager shall implement fiscal policies and monitor compliance.

5. If the City Manager discovers a material deviation from policy, he/she shall inform the City Council in a timely manner.

6. As a part of the City's annual budget document, the City Manager's budget message shall identify:

(a) all major changes in policy since the previous budget year;

(b) any material variations from policy in the ensuing year's budget;

(c) any deviation from established policies in the previous fiscal year.

**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

**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 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 that 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 that are 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 that is 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)].

**Interfund 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).

**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 294.311(25).

**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)].

**Interfund 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 294.311(25).

**Local option tax.** Voter-approved taxing authority that is 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)].

**Maximum assessed value (MAV).** A constitutional limitation on the taxable value of real or personal property. It can increase a maximum of 3 percent each year. The 3 percent 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) passed in 1990 that limits the amount of operating tax that 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) 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 that 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 that describe how a certain type of municipal corporation is formed and selects its governing body, and the powers it may exercise and the types of taxing authority that 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) that are 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 that 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).