

RESOLUTION NO. 2017-41

**RESOLUTION ADOPTING BUDGET FOR FISCAL YEAR
COMMENCING JULY 1, 2017, AND ENDING JUNE 30, 2018**

WHEREAS, the Budget Committee of the City of Forest Grove has approved a budget for the City for the Fiscal Year commencing July 1, 2017, pursuant to the provisions of the Oregon Local Budget Law; and

WHEREAS, changes have been proposed to the Budget approved by the Budget Committee, and

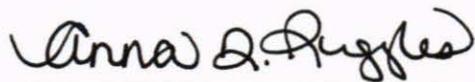
WHEREAS, a hearing has been held before the City Council as required by law and it appears to the Council that the Approved Budget as changed by the City Council should be adopted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1. That the City Council hereby adopts the FY 2017-18 Budget approved by the Budget Committee of the City of Forest Grove in the amount of \$105,466,588.

Section 2. This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 26th day of June, 2017.



Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 26th day of June, 2017.



Peter B. Truax, Mayor



A place where families and businesses thrive.

| | |
|-------------------------|--|
| CITY RECORDER USE ONLY: | |
| AGENDA ITEM #: | 8, 9, & 10. |
| MEETING DATE: | 6/26/17 |
| FINAL ACTION: | Reso 2017-41 Reso 2017-42 Reso 2017-43 |

CITY COUNCIL STAFF REPORT

TO: City Council

FROM: Jesse VanderZanden, City Manager

MEETING DATE: June 27, 2016

PROJECT TEAM: Paul Downey, Administrative Service Director

SUBJECT TITLE: Resolutions to Adopt FY 2017-18 Budget, Make Appropriations for FY 2017-18, and Levy Property Taxes for FY 2017-18

ACTION REQUESTED: Ordinance Order Resolution Motion Informational

X all that apply

ISSUE STATEMENT: The Budget Committee approved the Proposed FY 2017-18 Budget of \$105,466,588 on May 11, 2017. The City Council now needs to adopt the FY 2017-18 Approved Budget with any changes approved by the City Council, levy the property taxes for FY 2017-18, and make the appropriations that set the legal expenditure level in each fund.

BACKGROUND: Staff is proposing the following two changes to the Approved Budget:

- Increase in Intergovernmental Services line item in the Administrative Services Department of the General Fund of \$8,000 to pay potential election costs to renew the City's Local Option Levy that expires June 30, 2018. The General Fund's Unappropriated Ending Fund Balance at June 30, 2018, was reduced to fund this expense.
- Increase in the Professional Services line item of \$60,000 in the Surface Water Management (SWM) Fund and a decrease of \$15,000 in Capital Outlay line item in the SWM Fund to increase study costs to determine how to repair damage from moving ground in Forest Glen Park and to design the repair. SWM Fund Unappropriated Ending Fund Balance for FY 2017-18 was reduced by \$45,000 to fund these additional costs.

The total Budget of \$105,466,588 does not change after the proposed staff changes. The line items included above change but the total Budget does not change. Staff has prepared the necessary resolutions for the Council's consideration.

FISCAL IMPACT: The fiscal impact of the changes has been discussed above.

STAFF RECOMMENDATION: Staff recommends the City Council approve the attached resolutions to adopt the FY 2017-18 Budget, levy the appropriate taxes for FY 2017-18, and establish the legal appropriations for FY 2017-18.

ATTACHMENT(s): Resolutions Adopting Budget for Fiscal Year Commencing July 1, 2017, and Ending June 30, 2018; Levying and Categorizing Taxes for the City of Forest Grove, Washington County, Oregon, for the Fiscal Year Commencing July 1, 2017, and Ending June 30, 2018; and Making Appropriations for the City of Forest Grove, Washington County, Oregon, for the Fiscal Year Commencing July 1, 2017, and Ending June 30, 2018

A public meeting of the City of Forest Grove City Council will be held on Monday, June 26, 2017, at 7:00 pm at Community Auditorium, 1915 Main Street, Forest Grove, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2017, as approved by the City of Forest Grove Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at City Hall, 1924 Council Street, Forest Grove, Oregon, between the hours of 9:00 a.m. and 5:00 p.m. or online at www.forestgrove-or.gov. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Paul Downey, Director of Administrative Services Telephone: 503-992-3200 Email: pdowney@forestgrove-or.gov

FINANCIAL SUMMARY - RESOURCES

| TOTAL OF ALL FUNDS | Actual Amount 2015-2016 | Adopted Budget This Year 2016-2017 | Approved Budget Next Year 2017-2018 |
|---|----------------------------|---------------------------------------|--|
| Beginning Fund Balance/Net Working Capital | 39,800,889 | 43,433,275 | 47,774,810 |
| Fees, Licenses, Permits, Fines, Assessments & Other Service Charges | 35,612,282 | 34,813,120 | 36,810,047 |
| Federal, State and all Other Grants, Gifts, Allocations and Donations | 4,759,032 | 6,038,837 | 6,181,983 |
| Revenue from Bonds and Other Debt | 3,822,000 | 0 | 0 |
| Interfund Transfers / Internal Service Reimbursements | 6,516,190 | 3,783,190 | 3,859,580 |
| All Other Resources Except Current Year Property Taxes | 2,465,207 | 2,205,625 | 2,611,986 |
| Current Year Property Taxes Estimated to be Received | 8,090,590 | 8,084,093 | 8,228,182 |
| Total Resources | 101,066,190 | 98,358,140 | 105,466,588 |

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

| | | | |
|---|--------------------|-------------------|--------------------|
| Personnel Services | 18,742,249 | 20,312,771 | 21,760,546 |
| Materials and Services | 26,407,520 | 28,541,641 | 28,893,528 |
| Capital Outlay | 4,723,437 | 19,153,452 | 21,029,192 |
| Debt Service | 1,253,645 | 955,905 | 856,937 |
| Interfund Transfers | 2,514,312 | 1,686,218 | 2,000,263 |
| Contingencies | 0 | 5,027,368 | 5,014,602 |
| Special Payments | 0 | 965,000 | 0 |
| Unappropriated Ending Balance and Reserved for Future Expenditure | 47,425,027 | 21,715,785 | 25,911,520 |
| Total Requirements | 101,066,190 | 98,358,140 | 105,466,588 |

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 | | | |
|--|--------------------|-------------------|--------------------|
| Administration | 10,035,294 | 8,959,537 | 10,200,898 |
| FTE | 29.98 | 27.53 | 30.55 |
| Public Safety | 10,091,196 | 11,258,243 | 11,437,470 |
| FTE | 57.00 | 57.00 | 58.00 |
| Community Services | 3,053,244 | 3,320,988 | 3,480,132 |
| FTE | 27.59 | 31.80 | 31.12 |
| Public Works | 47,115,459 | 47,135,161 | 50,388,304 |
| FTE | 28.89 | 29.61 | 29.89 |
| Light & Power | 23,912,958 | 21,811,011 | 23,745,659 |
| FTE | 25.90 | 26.36 | 24.66 |
| Not Allocated to Organizational Unit or Program | 6,858,039 | 5,873,200 | 6,214,125 |
| FTE | 0.00 | 0.00 | 0.00 |
| Total Requirements | 101,066,190 | 98,358,140 | 105,466,588 |
| Total FTE | 169.36 | 172.30 | 174.22 |

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

The Proposed FY 2017-18 will be similar to the FY 2016-17 with respect to services provided. The General Fund budget proposing maintenance of services will cover costs increases for existing services. Limited staffing increases in the General Fund is proposed with the majority of the funding for those positions coming from allocation of overhead based on the functions the proposed personnel are performing. The focus for the General Fund in FY 2017-18 is the replacement of the Local Option Levy which expires on June 30, 2018.

The Public Works Funds are proposing the addition of one full-time utility worker in FY 2017-18 which is the first utility worker staff increase since 2005. Major capital outlay is the continuation of the electric substation improvements and improvements at the Joint Water Commission water treatment plant. The SDC Funds budget to spend all of their funds even if no projects are proposed in the event proposed development requires expenditure of SDC funds.

PROPERTY TAX LEVIES

| | Rate or Amount Imposed 2015-2016 | Rate or Amount Imposed This Year 2016-2017 | Rate or Amount Approved Next Year 2017-2018 |
|--|-------------------------------------|---|--|
| Permanent Rate Levy (rate limit 3.955 per \$1,000) | 3.9554 | 3.9554 | 3.9554 |
| Local Option Levy | 1.60 | 1.60 | 1.60 |
| Levy For General Obligation Bonds | 490,605 | 0 | 0 |

STATEMENT OF INDEBTEDNESS

| LONG TERM DEBT | Estimated Debt Outstanding on July 1. | Estimated Debt Authorized, But Not Incurred on July 1 |
|--------------------------|--|--|
| General Obligation Bonds | 0 | 0 |
| Other Bonds | 0 | 0 |
| Other Borrowings | 7,034,511 | 0 |
| Total | 7,034,511 | 0 |

* If more space is needed to complete any section of this form, insert lines (rows) on this sheet. You may delete blank lines.

Date: June 26, 2017

Agenda Item: 8.

Subject: PUBLIC HEARING AND RESOLUTION NO. 2017-41 ADOPTING BUDGET FOR FISCAL YEAR COMMENCING JULY 1, 2017, AND ENDING JUNE 30, 2018

CITY COUNCIL MEETING

Request to Testify at Public Hearing

Public Hearings – Public hearings are held on each matter required by state law or City policy. Anyone wishing to testify should sign-in for the Public Hearing prior to the meeting. The Mayor or presiding officer will review the complete hearing instructions prior to testimony. The Mayor or presiding officer will call the individual or group by the name given on the sign-in form. When addressing the Mayor and Council, please move to the witness table (center front of the room). Each person should speak clearly into the microphone and must state their first and last name and provided a mailing address for the record. All testimony is electronically recorded. In the interest of time, Public Hearing testimony is limited to three minutes unless the Mayor or presiding officer grants an extension. Written or oral testimony is heard prior to any Council action.

Please sign-in below to testify.

PROPONENTS: *(Please print legibly)*

First & Last Name:

Address:

City, State & Zip Code:

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OPPONENTS: *(Please print legibly)*

First & Last Name:

Address:

City, State & Zip Code:

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OTHERS: *(Please print legibly)*

First & Last Name:

Address:

City, State & Zip Code:

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