

**RESOLUTION NO. 2021-37**

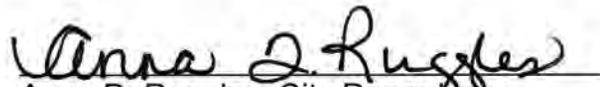
**RESOLUTION DECLARING THE CITY'S ELECTION  
TO RECEIVE STATE REVENUES**

The City of Forest Grove resolves as follows:

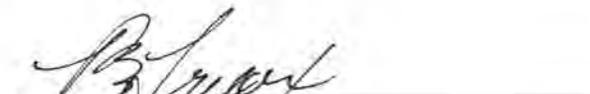
**Section 1:** Pursuant to ORS 221.770, the City hereby elects to receive state revenues for Fiscal Year 2021-22.

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

**PRESENTED AND PASSED** this 28<sup>th</sup> day of June, 2021.

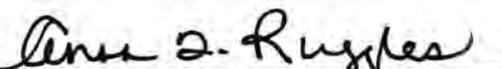
  
Anna D. Ruggles, City Recorder

**APPROVED** By the Mayor this 28<sup>th</sup> day of June, 2021.

  
Peter B. Truax, Mayor

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I certify that a Public Hearing before the Budget Committee was held June 1, 2021, and a Public Hearing before the City Council was held June 28, 2021, giving citizens an opportunity to comment on use of State Revenue Sharing.

Attested:   
Anna D. Ruggles, City Recorder



*A place where families and businesses thrive.*

<i>CITY RECORDER USE ONLY:</i>	
AGENDA ITEM #:	<u>6. 5. &amp; 6. 6.</u>
MEETING DATE:	<u>06/28/2021</u>
FINAL ACTION:	<u>RESO 2021-36</u> <u>RESO 2021-37</u>

**CITY COUNCIL STAFF REPORT**

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**TO:** *City Council*

**FROM:** *Jesse VanderZanden, City Manager*

**MEETING DATE:** *June 28, 2021*

**PROJECT TEAM:** *Paul Downey, Administrative Services Director*

**SUBJECT TITLE:** *State Revenue Sharing Resolutions*

**ACTION REQUESTED:**

<input type="checkbox"/>	Ordinance	<input type="checkbox"/>	Order	<input checked="" type="checkbox"/>	X	Resolution	<input type="checkbox"/>	Motion	<input type="checkbox"/>	Informational
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*X all that apply*

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**ISSUE STATEMENT:** In order to receive State Revenue Sharing, the City is required by the State to elect to participate in the State Revenue Sharing Program and to certify services. The attached resolutions fulfill the requirement of certifying the services provided by the City and electing to receive state revenues for FY 2021-22.

**BACKGROUND:** Before the City can elect to participate in the State Revenue Sharing Program, the City is required to hold two hearings on the use of the funds. The Budget Committee meeting of June 1, 2021, was one of those hearings and the second will occur June 28, 2021, when the Council holds its public hearing on the budget. For fiscal year 2021-22, the City is projected to receive \$470,802 in Alcohol Tax revenue, \$19,330 in Cigarette Tax revenue, \$43,000 in State Marijuana Tax revenue, \$310,729 in State Revenue Sharing, and \$1,948,484 in State Gasoline Tax revenue. For budgetary purposes, the Alcohol Tax is allocated to the Police Department, the Cigarette Tax is allocated to the Fire Department, and the State Marijuana Tax and the State Shared Revenue are put in General Fund Discretionary Revenue. Per State regulation, the State Gasoline Tax is distributed 99% to the Street Fund and 1% to the Bikeways and Pedestrian Fund.

**FISCAL IMPACT:** If the City decided not to accept the State Shared Revenue, the City will have to reduce General Fund expenditures by \$842,861 or use General Fund reserves to make up for the loss of that revenue. In the Street Fund, road maintenance activities would be heavily curtailed.

**STAFF RECOMMENDATION:** Staff recommends the City Council approve the attached resolutions so the City can receive State Shared Revenue in FY 2021-22.

**ATTACHMENT(s):** Resolution Certifying Services provided by the City of Forest Grove, and Resolution Declaring the City's Election to Receive State Revenues.