

RESOLUTION NO. 2022-32

**RESOLUTION ADOPTING BUDGET FOR FISCAL YEAR
COMMENCING JULY 1, 2022, AND ENDING JUNE 30, 2023**

WHEREAS, the Budget Committee of the City of Forest Grove has approved a budget for the City for the Fiscal Year commencing July 1, 2022, pursuant to the provisions of Oregon Local Budget Law; and

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

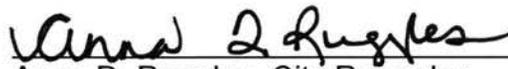
WHEREAS, a hearing has been held before the City Council as required by law.

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

Section 1. That the City Council hereby adopts the FY 2022-23 Budget approved by the Budget Committee of the City of Forest Grove in the amount of \$154,477,191.

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

PRESENTED AND PASSED this 27th day of June, 2022.



Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 27th day of June, 2022.



Peter B. Truax, Mayor



A place where families and businesses thrive.

<i>CITY RECORDER USE ONLY:</i>	
AGENDA ITEM #:	F. 1, F. 2, F. 3.
MEETING DATE:	06/27/2022
FINAL ACTION:	RESO 2022-32 RESO 2022-33 RESO 2022-34

CITY COUNCIL STAFF REPORT

TO: *City Council*

FROM: *Jesse VanderZanden, City Manager*

MEETING DATE: *June 27, 2022*

PROJECT TEAM: *Paul Downey, Assistant City Manager/Finance Director*

SUBJECT TITLE: *Resolutions to Adopt FY 2022-23 Budget, Make Appropriations for FY 2022-23, and Levy Property Taxes for FY 2022-23*

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

ISSUE STATEMENT: The Budget Committee approved the Proposed FY 2022-23 Budget with changes on June 1, 2022, in the amount of \$154,442,191. The City Council now needs to adopt the FY 2022-23 Approved Budget with any changes approved by the City Council, levy the property taxes for FY 2022-23, and make the appropriations that set the legal expenditure levels in each fund for FY 2022-23.

BACKGROUND: Staff is proposing the following changes to the Approved Budget which will change the total budget to be adopted by \$35,000 to \$154,477,191:

- The City will be contracting out desktop computer support instead of having a City employee provide these services. The City will be using a company used by other cities in Washington County so the company is familiar with some of the City’s operations already. Staff is proposing to increase Professional Services in the General Fund Administrative Services Department by \$75,000 and decrease wages by \$75,000 to fund this expenditure. The City’s Total Budget does not change as one expenditure category is being increased by the same amount another expenditure category is being decreased.
- The City received a \$35,000 grant to help pay overtime, temporary employee, and administrative costs for wildfire fighting expenses in the coming fiscal year. Overtime and temporary employee wages in the Fire Department in the General Fund have been increased by a total of \$35,000 for these grant expenses.
- The Library is purchasing a van to carry materials to sites when offsite outreach is done. The source of funds is a bequest received earlier this year from the Library Foundation. The van is being delivered earlier than anticipated so there is no appropriation authority in the Library Endowment Fund (LEF) where the bequest was recorded. The Equipment Fund will purchase the van in the current fiscal year and a transfer of \$38,453 to the Equipment Fund from the

LEF is being budgeted in FY 2022-23. Materials & Services and Capital Outlay Expenditures in the LEF have been reduced to fund the transfer.

- The bids for a capital project in the American Rescue Plan Fund came in lower than anticipated. As a result, staff is proposing to move \$117,500 from Capital Outlay to Materials and Services within the American Rescue Plan Fund to fund the following items:
 - \$12,500 increase in fire fuel reduction program
 - \$20,000 for the City's 25% estimated share of B Street site cleanup
 - \$30,000 to implement online bidding and procurement software
 - \$20,000 for additional records digitizing and shredding
 - \$15,000 for additional costs to recruit Police Chief
 - \$20,000 contingency as most of the costs in this line item are estimates
- Insurance expenses are higher than originally estimated so insurance expenses in the Risk Management Fund are being increased to pay for the higher costs. This Fund will absorb the increased costs in FY 2022-23 but the higher costs will need to be charged to the operating department in future years. The increased insurance costs are:
 - \$12,224 for worker's compensation premiums
 - \$27,326 for property and liability premiums'
 - \$30,000 for cyber insurance premiums. The City had paid CIS \$5,000 in the current fiscal year for this coverage. At the end of this fiscal year, CIS will stop providing cyber insurance due to changes in cyber losses and the resulting premium increases based on losses. The City must purchase coverage from a different provider. The \$30,000 insurance premium will cover \$500,000 losses with a \$50,000 deductible. The increases are being funded through reserves and a decrease in a transfer to the General Fund for a portion of an IT staff person. To make up for the loss in transfer revenue to the General Fund, the Information System Fund will transfer \$30,000 to the General Fund for FY 2022-23 for that IT staff person.

The Adopted Budget increased by \$35,000 to \$154,447,191 after the above changes. Staff has prepared the necessary resolutions which incorporate the changes in this memorandum for Council's consideration.

FISCAL IMPACT: See above.

STAFF RECOMMENDATION: Staff recommends the City Council approve the attached resolutions to adopt the FY 2022-23 Budget, levy the taxes approved by the Budget Committee for FY 2022-23, and establish the legal appropriations for FY 2022-23.

ATTACHMENT(s): Resolutions Adopting Budget for Fiscal Year Commencing July 1, 2022, and Ending June 30, 2023; Levying and Categorizing Taxes for the City of Forest Grove, Washington County, Oregon, for the Fiscal Year Commencing July 1, 2022, and Ending June 30, 2023; and Making Appropriations for the City of Forest Grove, Washington County, Oregon, for the Fiscal Year Commencing July 1, 2022, and Ending June 30, 2023.

Date: June 27, 2022

Agenda Item: F. 1.

Subject: PUBLIC HEARING:
RESOLUTION NO. 2022-32 ADOPTING BUDGET FOR FISCAL YEAR
COMMENCING JULY 1, 2022, AND ENDING JUNE 30, 2023

CITY COUNCIL MEETING

Request to Testify at Public Hearing

Public Hearings: Hearings are held on each matter required by state law or City policy. Sign in before the meeting on the Public Hearing form posted in the foyer. The presiding officer will review the hearing instructions prior to testimony. The presiding officer will call the individual or group by the name given on the sign-in form. When addressing the Council, please use the witness table (center front of the room), provide your full name and please limit your remarks to three (3) minutes unless the presiding officer grants an extension. Written or oral testimony is heard prior to any Council action. All testimony is electronically recorded. Written testimony may be submitted by 3:00 p.m. the day of the meeting to: CityCouncilors@forestgrove-or.gov.

Please sign-in below to testify:

PROPONENTS: *(Please print legibly)*

First & Last Name:

Address:

City, State & Zip Code:

OPPONENTS: *(Please print legibly)*

First & Last Name:

Address:

City, State & Zip Code:

OTHERS: *(Please print legibly)*

First & Last Name:

Address:

City, State & Zip Code:

Please continue on Page 2:



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 E-mail: legals@commnewspapers.com

AFFIDAVIT OF PUBLICATION

State of Oregon, County of Washington, Clackamas, SS I, Charlotte Allsop, being the first duly sworn, depose and say that I am the Accounting Manager of the **News Times**, a newspaper of general circulation, serving Forest Grove in the aforesaid county and state, as defined by ORS 193.010 and 193.020, that

City of Forest Grove

**NOTICE OF PUBLIC HEARING
 Ad#: 244986**

A copy of which is hereto annexed, was published in the entire issue of said newspaper(s) for 1 week(s) in the following issue(s):
06/09/2022

Charlotte Allsop

Charlotte Allsop (Accounting Manager)

Subscribed and sworn to before me this
 06/09/2022.

James John Fodermesi
 NOTARY PUBLIC FOR OREGON

Acct #: 104052
Attn: Anna Ruggles
 FOREST GROVE, CITY OF
 PO BOX 326
 FOREST GROVE, OR 97116

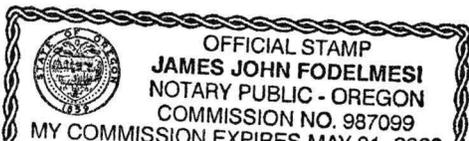
**NOTICE OF PUBLIC HEARING
 PROPOSED RESOLUTIONS INCREASING
 VARIOUS FEES AND CHARGES
 FOR THE CITY OF FOREST GROVE**

NOTICE IS HEREBY GIVEN that the Forest Grove City Council will hold Public Hearings on **Monday, June 13, 2022, at 7:00 p.m.** or thereafter, in the Community Auditorium, 1915 Main Street, Forest Grove, to consider adopting resolutions that would increase various fees and charges and Aquatic fees by approximately four (4%) percent for the City of Forest Grove. The proposed fees would be effective upon approval by the City Council and shall become effective July 1, 2022.

The hearing will be held in a "hybrid" format allowing the public to attend the meeting virtual via Zoom and in-person. A copy of the meeting agenda with Zoom instructions and staff report are available seven days prior to the hearing and are published on the City's website at <https://www.forestgrove-or.gov/meetings>. To provide testimony via Zoom, please email aruggles@forestgrove-or.gov at least 24 hours prior to the hearing. Written comments or testimony be submitted at the hearings or sent prior to the hearings to the attention of the City Recorder's Office, P.O. Box 326, 1924 Council Street, 2nd Floor, Forest Grove, OR 97116, aruggles@forestgrove-or.gov. For assistance, please call the City Recorder's Office at (503) 992-3235

Anna D. Ruggles, CMC, City Recorder
City of Forest Grove
 Publish June 9, 2022

FGNT244986



FORM OR-LB-1

NOTICE OF BUDGET HEARING

A public meeting of the Forest Grove City Council will be held on **June 27, 2022 at 7:00 p.m.** at the 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, 2022, 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, Assistant City Manager/Finance Director Telephone: 503-992-3220 Email: pdowney@forestgrove-or.gov

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2020-21	Adopted Budget This Year 2021-22	Approved Budget Next Year 2022-23
Beginning Fund Balance/Net Working Capital	66,709,785	70,221,645	80,960,645
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	40,379,348	37,959,825	42,137,205
Federal, State & all Other Grants, Gifts, Allocations & Donations	6,718,950	13,616,843	11,341,583
Revenue from Bonds and Other Debt	0	0	0
Interfund Transfers / Internal Service Reimbursements	4,111,878	8,401,362	6,167,785
All Other Resources Except Current Year Property Taxes	6,489,412	3,487,935	3,063,432
Current Year Property Taxes Estimated to be Received	9,742,976	10,303,960	10,771,540
Total Resources	134,152,349	143,991,570	154,442,190

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	24,371,801	25,735,147	27,019,826
Materials and Services	26,181,220	28,550,962	31,179,689
Capital Outlay	8,233,691	36,260,578	44,458,584
Debt Service	798,060	1,002,413	856,313
Interfund Transfers	2,238,513	6,429,675	3,926,846
Contingencies	0	4,487,266	4,604,318
Special Payments	0	0	0
Unappropriated Ending Balance and Reserved for Future Expenditure	72,329,064	41,525,529	42,396,614
Total Requirements	134,152,349	143,991,570	154,442,190

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			
Name Administration	14,304,868	15,641,647	17,386,523
FTE	31.05	31.55	35.575
Name Public Safety	12,793,959	14,199,574	14,993,123
FTE	61.00	62.00	63.000
Name Community Services	3,547,008	3,912,909	5,975,673
FTE	31.05	31.55	30.920
Name Public Works	67,924,634	75,568,257	81,328,832
FTE	29.64	29.64	28.700
Name Light & Power	27,401,039	24,982,580	27,028,268
FTE	23.66	23.66	23.800
Name			
FTE			
Name			
FTE			
Not Allocated to Organizational Unit or Program	8,180,841	9,686,603	7,729,771
FTE	0	0	0
Total Requirements	134,152,349	143,991,570	154,442,190
Total FTE	176.40	178.40	181.995

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

The Approved FY 2022-23 Budget is increasing by approximately \$19.2 million due to the funding from the American Rescue Plan, increased SDC collection from development, increases in property taxes, interfund transfers to pay for a new office building and City Hall remodel being paid for by internal funding, and higher beginning fund balances due to several capital projects and equipment purchases being delayed. Major capital projects for the coming year include completing the construction of a new Development Services Annex /City Hall Remodel, reconstruction of a portion of 26th Avenue, and participation in the construction of a roundabout at the intersection of Martin Road and Highway 47. These projects are being carried-over from the current fiscal year. For more detailed information, please go to the FY 2022-23 Proposed Budget document for the City of Forest Grove on the City's website www.forestgrove-or.gov.

PROPERTY TAX LEVIES			
	Rate or Amount Imposed 2020-21	Rate or Amount Imposed This Year 2021-22	Rate or Amount Approved Next Year 2022-23
Permanent Rate Levy (rate limit \$3.955 per \$1,000)	3.9554	3.9554	3.9554

Local Option Levy	1.6	1.6	1.6
Levy For General Obligation Bonds			

STATEMENT OF INDEBTEDNESS		
LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds		
Other Bonds		
Other Borrowings	\$3,678,291	
Total	\$3,678,291	

150-504-064 (Rev. 11-19-21)