

RESOLUTION NO. 2023-21

**RESOLUTION ADOPTING BUDGET FOR FISCAL YEAR
COMMENCING JULY 1, 2023, AND ENDING JUNE 30, 2024**

WHEREAS, the Budget Committee of the City of Forest Grove has approved a budget for the City for the Fiscal Year commencing July 1, 2023, pursuant to the provisions of Oregon Local Budget Law; and

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

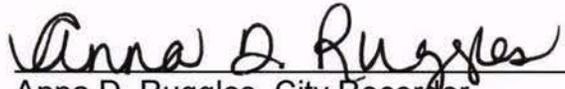
WHEREAS, a hearing has been held before the City Council as required by law and it appears to the Council that the Approved Budget as changed by the City Council should be adopted.

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

Section 1. That the City Council hereby adopts the FY 2023-24 Budget approved by the Budget Committee of the City of Forest Grove in the amount of \$155,661,914.

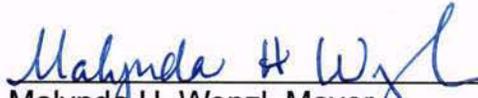
Section 2. This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 26th day of June, 2023.



Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 26th day of June, 2023.



Malynda H. Wenzl, Mayor



A place where families and businesses thrive.

<i>CITY RECORDER USE ONLY:</i>	
AGENDA ITEM #:	<u>F.2, F.3. & F.4.</u>
MEETING DATE:	<u>06.26.2023</u>
FINAL ACTION:	<u>RESO 2023-21</u>
	<u>RESO 2023-22</u>
	<u>RESO 2023-23</u>

CITY COUNCIL STAFF REPORT

TO: *City Council*

FROM: *Jesse VanderZanden, City Manager*

MEETING DATE: *June 26, 2023*

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

SUBJECT TITLE: *Resolutions to Adopt FY 2023-24 Budget, Make Appropriations for FY 2023-24, and Levy Property Taxes for FY 2023-24*

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 2023-24 Budget with changes on May 16, 2023, in the amount of \$155,661,914. The City Council now needs to adopt the FY 2023-24 Approved Budget with any changes approved by the City Council, levy the property taxes for FY 2023-24, and make the appropriations that set the legal expenditure levels in each fund for FY 2023-24.

BACKGROUND: This budget includes the increase Local Option Levy of \$1.95 per thousand of assessed value which voters approved in May 2022. Staff is proposing the following changes to the Approved Budget which will not change the total budget of \$155,661,914 but will move expenditures between budget categories:

- PERS expenses in the General Fund and the Building Permits Fund have been adjusted between departments based on the final allocation of the expenses after wages were determined. Retirement expenses have been reallocated within departments of the General Fund and within the Building Permits Fund. The overall net effect is that retirement expenses within the General Fund are decreasing by \$12,468 and retirement expenses within the Building Permits Fund are increasing by \$12,468.
- In the Street Fund, Professional Services are being increased by \$30,000 to reflect the actual quote for street striping of \$70,000 compared to the estimate of \$40,000 when the Proposed Budget was prepared. Unappropriated Ending Fund Balance is being lowered by \$30,000 to fund the increased striping costs.
- In the Light and Power Fund, capital outlay is being increased by \$600,000 to fund accelerating the department’s underground cable replacement project. The department would like to finish the project, which is part of the adopted Light & Power Master Plan, in the next twelve to eighteen months. The funds will come

from the BPA Power Dividend Distribution that was set aside by the Budget Committee for capital projects. The underground cable replacement project is a high priority for the department.

As stated above, these changes will not change the overall budget but will move expenses between budget categories. Staff has prepared the necessary resolutions, which incorporate the changes in this memorandum for 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 2023-24 Budget, levy the taxes approved by the Budget Committee for FY 2023-24, and establish the legal appropriations for FY 2023-24.

ATTACHMENT(s): Resolutions Adopting Budget for Fiscal Year Commencing July 1, 2023, and Ending June 30, 2024; Levying and Categorizing Taxes for the City of Forest Grove, Washington County, Oregon, for the Fiscal Year Commencing July 1, 2023, and Ending June 30, 2024; and Making Appropriations for the City of Forest Grove, Washington County, Oregon, for the Fiscal Year Commencing July 1, 2023, and Ending June 30, 2024.

FORM OR-LB-1

NOTICE OF BUDGET HEARING

A public meeting of the Forest Grove City Council will be held on June 26, 2023 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, 2023 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 2021-22	Adopted Budget This Year 2022-23	Approved Budget Next Year 2023-24
Beginning Fund Balance/Net Working Capital	72,355,774	80,922,187	82,170,750
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	48,970,831	42,137,205	43,003,977
Federal, State & all Other Grants, Gifts, Allocations & Donations	9,215,254	11,376,583	8,284,630
Revenue from Bonds and Other Debt	0	0	0
Interfund Transfers / Internal Service Reimbursements	8,050,437	6,206,243	5,553,710
All Other Resources Except Current Year Property Taxes	2,460,165	3,063,432	4,548,207
Current Year Property Taxes Estimated to be Received	10,273,133	10,771,540	12,100,640
Total Resources	151,325,594	154,477,190	155,661,914

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	24,681,855	26,979,826	29,658,538
Materials and Services	27,980,522	31,136,084	35,821,442
Capital Outlay	7,096,505	44,608,281	36,481,433
Debt Service	855,458	856,313	1,587,602
Interfund Transfers	5,982,718	3,861,604	2,963,870
Contingencies	0	4,604,318	4,758,000
Special Payments	0	0	0
Unappropriated Ending Balance and Reserved for Future Expenditure	84,728,536	42,430,764	44,391,029
Total Requirements	151,325,594	154,477,190	155,661,914

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	18,701,905	17,386,523	14,852,985
FTE	31.55	35.58	34.825
Name Public Safety	12,825,583	15,028,123	15,668,176
FTE	62.00	63.00	63.000
Name Community Services	3,721,109	5,975,673	5,488,735
FTE	31.55	31.16	32.245
Name Public Works	78,565,180	81,328,832	80,451,380
FTE	29.64	28.70	29.700
Name Light & Power	28,573,256	27,028,268	31,827,385
FTE	23.66	23.80	23.800
Name			
FTE			
Name			
FTE			
Not Allocated to Organizational Unit or Program	8,938,561	7,729,771	7,373,253
FTE	0	0	0
Total Requirements	151,325,594	154,477,190	155,661,914
Total FTE	178.40	182.24	183.570

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

The Approved FY 2023-24 Budget includes an increase to the City’s Local Option Levy (LOL) rate from \$1.60 to \$1.95 for five years beginning July 1, 2023. The levy includes funding to retain existing staff, increase police officers and firefighters, increase park maintenance, increase library outreach, and to fund a recreation coordinator position over the five years of the levy. The total proposed budget of \$155.6 million compares to the current year’s adopted budget of \$154.5 million, for an increase of \$1.1 million. The City continues to be prudent when adding new services to ensure those services can be sustained over the next several years. For this year, staff is proposing to add 1.92 full-time-equivalent (FTE) employees for a total of 183.57 FTE in FY 2023-24. For more detailed information, please go to the FY 2023-24 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 2021-22	Rate or Amount Imposed This Year 2022-23	Rate or Amount Approved Next Year 2023-24
Permanent Rate Levy (rate limit \$3.955 per \$1,000)	3.9554	3.9554	3.9554

Local Option Levy	1.6	1.6	1.95
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	\$2,985,674	
Total	\$2,985,674	

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

Public Hearing June 26, 2023

Requesting to Testify on Agenda Item No. F. 2.

RESOLUTION NO. 2023-21 ADOPTING BUDGET FOR FISCAL YEAR COMMENCING JULY 1, 2023, AND ENDING JUNE 30, 2024

Public Hearing: Hearings are held on each matter required by state law or City policy. The presiding officer will review the hearing instructions prior to public comment. When addressing the Council, please use the witness table (center front of the room), provide your full name. Please limit your comments to three (3) minutes unless the presiding officer grants an extension. 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. *The City Council hearing are videotaped live and published.*

Please sign-in below to testify:

PROPONENTS: **(please print legibly)*

<i>First & Last Name:</i>	<i>Address:</i>	<i>City/Zip:</i>
<i>First & Last Name:</i>	<i>Address:</i>	<i>City/Zip:</i>
<i>First & Last Name:</i>	<i>Address:</i>	<i>City/Zip:</i>
<i>First & Last Name:</i>	<i>Address:</i>	<i>City/Zip:</i>

OPPONENTS: **(please print legibly)*

<i>First & Last Name:</i>	<i>Address:</i>	<i>City/Zip:</i>
<i>First & Last Name:</i>	<i>Address:</i>	<i>City/Zip:</i>
<i>First & Last Name:</i>	<i>Address:</i>	<i>City/Zip:</i>
<i>First & Last Name:</i>	<i>Address:</i>	<i>City/Zip:</i>

OTHERS: **(please print legibly)*

<i>First & Last Name:</i>	<i>Address:</i>	<i>City/Zip:</i>
<i>First & Last Name:</i>	<i>Address:</i>	<i>City/Zip:</i>