

M E M O R A N D U M

DATE: June 15, 2011
TO: Honorable Mayor Carson and City Council
FROM: Sue Engels, Finance Director
THROUGH: Greg Ellis, City Administrator
RE: Closing LID#100 and Logging Road Industrial Park Funds

Issue: Closing two funds.

Background: The Lid #100 Fund was created February 20, 2002, by Resolution 781. Its purpose was to receive payments from property owners assessed for their proportionate share of the project costs for sewer improvements at 3rd and Baker. Payments made to this fund were transferred to Sewer Construction Reserve Fund and the General Fund in accordance with Resolutions 785-786 and Ordinance 1088. There is one set of payments from one individual due in 2011-2012. The funds due to Sewer Construction Reserve Fund will be transferred from the General Fund when payment is received.

The Logging Road Industrial Park Fund was created to accumulate and account for funds dedicated to the implementation of the Logging Road Industrial Park project located along South Redwood Street. The fund was also expected to account for debt services on loans obtained from Oregon Economic Development Department (OEDD) which is now known as Business Oregon Development Department. It was expected that payments triggered by development in the Advanced Financing District (AFD) and interest revenues would be sufficient to meet the debt services requirements. Due to the economic slowdown and lack of development in the area, revenues from these sources are no longer large enough for this purpose. Beginning in 2011-2012, any AFD payments received will go to the General Fund, and a transfer from General Fund to Debt Service fund will meet the debt service requirements.

Recommendation: Staff recommends that the Council approve Resolution 1106.

Attached: Resolution No. 1106

RESOLUTION NO. 1106

A RESOLUTION CLOSING TWO CITY FUNDS AND DEPOSITING THEIR ENDING BALANCES INTO THE GENERAL FUND.

WHEREAS, there are two funds, LID #100 Fund and Logging Road Industrial Park Fund, that will in the future not have a sufficient stream of revenue to meet the purposes for which they were established; and

WHEREAS, in the future, revenues from the General Fund will be used to meet any ongoing obligations that would have been paid by either of these funds; and

WHEREAS, the Canby City Council wishes to close these funds as of June 30, 2011, and transfer their ending balances, if any, to the General Fund; therefore

IT IS HEREBY RESOLVED by the City of Canby Council as follows:

1. That the LID #100 Fund and the Logging Road Industrial Park Fund shall be closed as of June 30, 2011, and their ending balances, if any, be deposited into the General Fund.

This resolution shall take effect on June 15, 2011.

ADOPTED this 15th day of June, 2011, by the Canby City Council.

Randy Carson
Mayor

ATTEST:

Kimberly Scheafer, CMC
City Recorder

M E M O R A N D U M

DATE: June 15, 2011
TO: Honorable Mayor Carson and City Council
FROM: Sue Engels, Finance Director
THROUGH: Greg Ellis, City Administrator
RE: Establishment of a Facilities Fund

Issue: Establishment of a Facilities Fund as of July 1, 2011.

Background: The budget for 2011-2012 assumes a Facilities Fund. This resolution establishes it. The purpose of the Facilities Fund is to collect in one place the cost of maintaining the City's buildings, and to fund this cost by transfers from departments and funds using those buildings. The Sewer Combined Fund and the Swim Center Levy Fund building maintenance costs will not be included because those maintenance costs are handled adequately and identifiably in those funds.

Recommendation: Staff recommends that the Council approve Resolution 1107.

Attached: Resolution No. 1107

RESOLUTION NO. 1107

A RESOLUTION ESTABLISHING A FACILITIES FUND FOR THE CITY OF CANBY.

WHEREAS, the City Council wishes to provide a means for tracking and allocating the cost of maintaining its buildings; and

WHEREAS, a separate facilities fund would be an efficient means of tracking and allocating facilities maintenance costs; therefore

IT IS HEREBY RESOLVED by the City of Canby Council as follows:

1. That a new fund called the Facilities Fund be established as of July 1, 2011.
2. That the new fund be responsible for maintenance of all City buildings, except those of Sewer Combined Fund and the Swim Center Levy Fund, beginning with the 2011-2012 fiscal year.

This resolution shall take effect on June 15, 2011.

ADOPTED this 15th day of June, 2011, by the Canby City Council.

Randy Carson
Mayor

ATTEST:

Kimberly Scheafer, CMC
City Recorder

M E M O R A N D U M

DATE: June 15, 2011
TO: Honorable Mayor Carson and City Council
FROM: Sue Engels, Finance Director
THROUGH: Greg Ellis, City Administrator
RE: Establishment of a Debt Service Fund

Issue: Establishment of a new Debt Service Fund as of July 1, 2011.

Background: The budget for 2011-2012 assumes a Debt Service Fund. This resolution establishes it. The purpose of the new Debt Service Fund is to pay the City's long-term, non-general obligation bond servicing costs from one fund. Revenue for this fund will come from transfers from other funds and repayment of LID obligations by benefitted property owners. The Sewer Combined Fund has its own debt service department, so its debt servicing will not be handled in this fund.

Recommendation: Staff recommends that the Council approve Resolution 1107.

Attached: Resolution No. 1108

RESOLUTION NO. 1108

A RESOLUTION ESTABLISHING A DEBT SERVICE FUND FOR THE CITY OF CANBY.

WHEREAS, the City Council wishes to assure that all long-term debt obligations of the City are properly tracked and annual payments of these obligations are included in yearly budgets; and

WHEREAS, a separate General Obligation Bond Debt Service Fund does exist, but cannot be used for servicing other types of debt, and

IT IS HEREBY RESOLVED by the City of Canby Council as follows:

1. That a new fund called the Debt Service Fund be established as of July 1, 2011.
2. That the new fund be responsible for meeting all non-general obligation bond debt servicing requirements of all City funds, except Sewer Combined Fund, beginning with the 2011-2012 fiscal year.
3. That the revenues for this fund will consist primarily of transfers from other funds and from repayment of LID debt received.

This resolution shall take effect on June 15, 2011.

ADOPTED this 15th day of June, 2011, by the Canby City Council.

Randy Carson
Mayor

ATTEST:

Kimberly Scheafer, CMC
City Recorder

RESOLUTION NO. 1109

A RESOLUTION COMMITTING THE FUND BALANCE OF THE CEMETERY PERPETUAL CARE FUND TO THE PURPOSES AND USES FOR WHICH THE FUND WAS ESTABLISHED.

WHEREAS, Section 12.28.090 of the City of Canby Code of Ordinances describes the purposes and limits the uses of the cemetery reserve fund, which is named the Cemetery Perpetual Care Fund; and

WHEREAS, the sources of revenue for the Cemetery Perpetual Care Fund are described in Section 12.28.090 as interest income and "Amounts to be taken from cemetery rates and charges and placed in the Cemetery Reserve Fund..." which are set by resolution of the City Council; and

WHEREAS, additional revenue to the Cemetery Perpetual Care Fund comes from repayment of an interfund loan by the General Fund which borrowed money to construct a mausoleum; and

WHEREAS, the Cemetery Perpetual Care Fund, as defined by the Governmental Accounting Standards Board Statement No. 54 (GASB 54), has a fund balance which has been committed at the City's highest level of decision making that requires formal action at the same level to remove; and

WHEREAS, the City Council wishes to comply with GASB 54 in respect of defining a committed fund balance, therefore:

IT IS HEREBY RESOLVED by the City of Canby Council as follows:

1. The fund balance of the Cemetery Perpetual Care Fund is committed by the Canby City Council for the purposes described in Section 12.28.090 of the City of Canby Code of Ordinances.
2. Any changes to this designation of the Cemetery Perpetual Care Fund fund balance can only be made by the Canby City Council.
3. This designation is effective for the 2011-2012 fiscal year and afterward.

This resolution shall take effect on June 15, 2011.

ADOPTED this 15th day of June, 2011, by the Canby City Council.

Randy Carson
Mayor

ATTEST:

Kimberly Scheafer, CMC
City Recorder