

*City of Molalla Oregon &
Molalla Urban Renewal Agency*



PROPOSED BUDGET FY 2019/20

Of the People, By the People
For the People
Your City Dollars at Work

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Budget Committee

City Council Members:

Keith Swigart, *Mayor*
Elizabeth Klein, *Council President*
Leota Childress
Jody Newland
DeLise Palumbo
Terry Shankle
Vacant

Citizen Members:

Glen Boreth
Michelle Carter
Rory Cramer
Mitch Jorgensen
Vacant 1
Vacant 2
Vacant 3

Staff:

Dan Huff, *City Manager*
Chaunee Seifried, *Finance Director*
Cindy Chauran, *Senior Accountant*
Kelly Richardson, *City Recorder*
Frank Schoenfeld, *Chief of Police*
Gerald Fisher, *Public Works Director*
Diana Hadley, *Library Director*



City of Molalla – Administration Office
117 N Molalla Avenue | PO Box 248 | Molalla, Oregon 97038
Phone: (503) 829-6855 Fax: (503) 829-3676

May 2, 2019

Honorable Mayor Keith Swigert
City Councilors
Budget Committee Members
Citizens of the City of Molalla

RE: 2019-2020 Budget Transmittal Message

I am pleased to present the proposed 2019-2020 Budget for the City of Molalla. This Budget is balanced, sustainable, with a focus on City Council visioning and goals. This Budget was developed with a focus on “Best Practice” financial policies. Our financial policies need to be updated and in order to present a sustainable budget that complies with accepted financial policies, we have inserted a few changes that we will discuss later. Our efforts to improve fiscal management and community service provision are present throughout this Budget.

We have touched on aspects of the City of Molalla visioning and goal setting process that will shape Molalla’s future. As part of this process, we will need to examine staffing and workload issues much the same as we have over the past few years. As we do more and expect more, there is an effect on our ability to continue to address basic service provision and infrastructure. The proposed Budget accomplishes some of our identified new tasks and general service provision to the Community.

Sustainable Budget

We have adopted conservative approaches to our budget process and that perspective shows up in each fund that we manage. Because of this conservative approach, we have turned a corner financially that will allow us to produce a little more in areas that meet community needs.

We do not have budgeting shortfalls, however, that is a result of self-imposed expenditure limits and the conservative approach we all practice. You will see in each fund this type of approach, in the five-year plan in order to appropriately allocate capital projects, operations, maintenance and reserves for present and future. Department Heads embrace this process and it leads to a healthy budget process.

Changes/Additions to the Budget from the Previous Year

Planning/Economic Development – It has been a Council Goal and is now part of our Community Visioning process that planning and economic development become a more prominent part of our community future. We have addressed this need with sustainable actions:

1. Bolstering our Planning Program by upgrading the planner position and identifying a new planning tech/assistant planner staff member (1.0 FTE).
2. Identifying and funding (with a potential grant) an economic development plan within the planning department.

The combination of each of these actions increase the Planning Budget by 115% (See Budget Overview). Adding 1.0 FTE in the Planning Fund (General Fund) will greatly improve our service to the existing community, development community and provide us with more opportunities to coordinate and facilitate community outreach.

Public Works – Due to the number of projects we have coming up in all areas of Public Works we are proposing the position of Project Manager. This position will assist the Public Works Director and Operation Supervisor in delivering capital projects through completion. The addition of a new mid-level manager and additional projects will create the need for additional support staffing. We are also adding 1.0 FTE in Wastewater Treatment to prepare for the numerous projects we will undertake in wastewater over the next 5-years.

Project Manager – 1.0 FTE

Wastewater Treatment Operator – 1.0 FTE

Street Capitol – The Oregon Department of Transportation (ODOT) has recently indicated that the City may receive \$5.2 million for design and construction as soon as early spring of 2020, in order to finalize design and begin construction of the Toliver Road/Highway 213 intersection. The Budget Committee will notice an increase of approximately 10 million, due to the transfers that occur in order to receive the funding. We are identifying the potential funding amount but there is the possibility that the project may be delayed until the 2020-2021 fiscal year. We look forward to the partnership that is developing with ODOT and potentially Clackamas County in order to bring this much needed project to the community.

Police Department – The Police Department is entering a new era, but we are not proposing new staffing. We have a great need to supply our community and police department with adequate facilities and high-quality public safety services. We are working toward an opportunity to begin the process of constructing a new Police Facility that will serve Molalla for years to come. At the time of this transmittal memo we do not have actuals to bring to the committee, but it is important to identify the need and potential expenditures.

Financial Policies – We have identified a need to update our financial policies to be in-line with GFOA (Government Finance Officers Association) Best Practice. Focusing our annual budget as a policy document, as a financial plan, as an operations guide and as a community communication guide has been part of our practice for some time but has not been a focus. The City Council will need to consider and adopt these updated policies, but this budget begins the process of best practice.

You will find in the proposed budget a few areas where we have increased our Reserves. As an example, we have proposed adding \$700,000 in contingency for operating expenses to cover all City costs over a two-month stretch. This fund is in addition to the \$1,000,000 unallocated Fund Balance to carry the City from July 1st to November. We are also proposing to begin a PERS reserve account by placing \$100,000

in a PERS reserve account. We believe this is sound fiscal planning and complies with our proposed best practice.

Administration – We are also planning for the increase in work load by setting aside funding in the City Manager’s Office (Administration) for an additional part-time support staff if needed.

All of the proposed FTE’s are based on future need and anticipation of work load increases. The positions will also be carefully planned to coincide with space availability. The Public Works Shop should be complete next fiscal year and Staff is proposing to complete Phase II of the City Hall remodel to create much needed space.

Property Tax-General Overview

Property Tax revenues (\$3,300,000) are up an estimated 6% amounting to \$200,000 in additional General Fund revenue available. Our overall budget has increased from \$ 32,537,637 to \$ 44,333,912 within the Proposed Budget. Personnel Services are up 7.3% and Material and Services are up .3% mainly due to the increases of two FTE. The balance of our budgetary increases can be identified in the ODOT transfer, transfers for Capital Outlay and various service increases.

Again, we have continued to present a conservative budget proposal in order to maintain our strong budget position within the 18 individual funds we manage. Our ability to increase and address our service provision to the community is reflected in our budgeting endeavors. We continue to operate conservatively and that has created a positive result in our increasing ability to address service provision, staffing levels, infrastructure upgrades and maintenance.

Throughout the City Council Visioning and Goal Setting processes, we understand that moving forward with infrastructure, safety and livability are aspects of Molalla that we need to address and not waiver from. Staff has made every effort to highlight that perspective throughout the budget document.

Parks

Two years ago, we moved Parks out of the Street Fund and into the General Fund. We need to continue making improvements in our Parks for the community. Lack of funding for operations and maintenance limits what we can accomplish, but improvements as the opportunities arise is important. With recent development we have an increase in desire for greenspace/riparian donations. Staff will be examining the potential of an updated Parks Master Plan and pathway plan during the 2019-2020 fiscal year. However, Clark Park Phase II will be completed this spring and into next fiscal year. This project addresses needs of accessibility, connectivity and infill sidewalks near the High School and Buckeroo grounds.

CITY OF MOLALLA BUDGET IN BRIEF

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2019-20 Proposed	Variance	% change
GENERAL FUND						
Admin	1,173,362	983,072	1,301,122	2,986,700	1,685,578	130%
Police	2,228,719	2,452,748	2,893,550	3,116,785	223,235	8%
Court	216,472	164,941	196,300	201,050	4,750	2%
City Council	10,306	23,731	74,500	47,000	-27,500	-37%
Parks	0	163,477	250,157	216,652	-33,505	-13%
Planning	0	111,934	145,526	312,750	167,224	115%
TOTAL GENERAL FUND	3,628,859	3,899,903	4,861,155	6,880,937	2,019,782	2
SPECIAL REVENUE FUNDS						
Library	730,213	779,623	3,432,500	3,511,100	78,600	2%
Street	678,829	717,519	1,471,799	6,597,152	5,125,353	348%
PD Restricted	1,240	82,146	82,800	97,751	14,951	18%
TOTAL SPECIAL REVENUE	1,410,282	1,579,288	4,987,099	10,206,003	5,218,904	105%
CAPITAL PROJECT FUNDS						
Capital Projects	0	740,988	7,410,287	11,621,000	4,210,713	57%
Fleet Replacement	0	0	171,425	269,750	98,325	57%
TOTAL CAPITAL PROJECTS	0	740,988	7,581,712	11,890,750	4,309,038	57%
DEBT SERVICE FUNDS						
Bonded Debt	68,162	31,050	31,050	0	-31,050	-100%
Sewer Debt Retirement	316,550	314,800	631,600	632,000	400	0%
Water Debt Retirement	340,075	345,200		0	0	0%
CWSRF Debt Retirement	187,343	186,690	371,346	369,946	-1,400	0%
TOTAL DEBT SERVICE	912,130	877,740	1,033,996	1,001,946	-32,050	-3%
SDC FUNDS						
Street SDC's	16,046	52,814	892,023	851,908	-40,115	-4%
Park SDC's	116,117	125,736	1,932,245	2,360,159	427,914	22%
Sewer SDC's	185,289	375,431	775,347	827,682	52,335	7%
Water SDC's	204,764	12,251	2,155,897	2,095,222	-60,675	-3%
Stormwater SDC's	111,099	4,626	130,218	134,624	4,406	3%
TOTAL SDC FUNDS	633,315	570,858	5,885,730	6,269,595	383,865	7%
ENTERPRISE FUNDS						
Sewer	1,839,821	2,697,463	3,389,247	3,518,584	129,337	4%
Water	1,455,377	1,185,578	3,510,981	4,157,752	646,771	18%
Stormwater	121,080	207,345	396,139	408,345	12,206	3%
TOTAL ENTERPRISE	3,416,278	4,090,386	7,296,367	8,084,681	788,314	11%
Total City of Molalla	10,000,864	11,759,163	31,646,059	44,333,912	12,687,853	40%
URBAN RENEWAL	1,697,655	250,121	1,501,000	1,441,500	-59,500	-4%
TOTAL ALL FUNDS	11,698,519	12,009,284	33,147,059	45,775,412	12,628,353	38%

Look Ahead

- Clark Park Phase II
- Water Master Plan
- Water and sewer line replacement on the balance of Fenton Avenue and other locations
- Continual improvements in our wastewater system and treatment
- Development review and Economic Development Plan
- Visioning completion and begin implementation
- Transportation coordination and planning
- Future Police Department coordination and planning
- Greenspace planning

Sustainable Staff

We have stated for a few years now that part of the equation in our ability to produce is maintenance of our staffing levels. We continue to embrace the concept of doing as much as we can with the level of resources available and examine efficiencies as well as deficiencies. We have and continue to raise not only the staffing levels but the expertise of our staff. We need to continue maintaining and attracting quality people if we are going to continue our forward trek.

Five-Year Financial Forecast

Long-term financial planning uses financial forecasts and analysis to identify future financial challenges and opportunities, and then identifies strategies to secure financial sustainability in consideration of those challenges and opportunities. Our five-year forecast is the cornerstone of our budget preparation process. In looking for balance we sometimes compromise between services we provide as local government and the cost burden supported by the community.

We have attempted to provide some of that information in our annual 5-year capital improvement plans within the budget document. We also have focused on master planning and projections in order to plan better for future year decision making. Based on our audit information and our projections for staffing, capital costs and infrastructure and service provision we believe our five-year forecast is positive.

Conclusion

Your role as the Budget Committee is to approve the total allocations within each of your 18 funds. One thing to remember is that “not spending” can create as much damage as spending too much. It is important for the Budget Committee to consider that we have a participatory process established in our local government and the budget process is one of your opportunities to weigh-in. The budgeting program works better when the community actually hears about the proposed budget. Thank you again for participating as a Budget Committee member.

Although Molalla is healthy, we understand that the list of unmet needs is large and this Budget does not address all of the community’s needs. However, this budget is balanced, sustainable and in compliance with Oregon Budget Law. We are in the position today because of the hard work of a few and we can address some of the needs that exist in our community. Molalla continues to move in the right direction.

Again, we would like to thank and compliment everyone involved in the Budget Committee and the budget process for the 2019-2020 fiscal year. I would especially like to thank the many Staff members responsible for preparation of this proposed budget. Specifically, I would like to commend the Finance

Department who works hard annually at raising the bar in our budget process and has done so again. As always, I truly believe Molalla is on the cusp of great things and becoming that amazing place where people call their hometown.

Sincerely,



Dan Huff
City Manager, Budget Officer, and Urban Renewal Director
City of Molalla, Oregon

About Molalla

History

Molalla was incorporated in 1913. That year became a year of “firsts” for Molalla. It welcomed the first steam train, the first Molalla Buckeroo Rodeo, the first bank, the first locally published weekly newspaper, and the incorporation of the City. Over time, timber production became the community’s largest commodity. At one point, five saw mills were present. Molalla was a true timber town. Timber remained the mainstay of the community’s economy until the 1980s.



Prior to the first settlers arriving, the area was populated by the Molalla Indians. Descendants of the Molalla’s are now part of the Confederated Tribes of Grande Ronde. However, their presence and heritage exists today throughout our community. Efforts of the City of Molalla, Molalla River School District and non-profits have worked hard to bring healing and a more prominent Tribal presence back to the Molalla area.

Seeking fertile soils, ample water and rich grasses, pioneers were attracted to the Willamette Valley and Molalla. The community grew around the crossing of two Indian trails. William Russell filed the first land claim in the area in 1840. In 1850, a post office opened and the community began growing. By 1856, the first schools opened and the town had become a thriving timber, agricultural, and trade center. The year 1857 brought the first general store.

Today, Molalla is a community of 9,610 residents where citizens, business, and City government work together to ensure the community retains its hometown identity, livability, and natural beauty. Molalla’s rich past and beautiful setting is still reflected today in our commitment to our quality of life.

Location

Molalla is part of the Mt. Hood Territory located at the foothills of the Cascade Range, near the Mount Hood National Forest, 15 miles south of Oregon City, and 13 miles east of Interstate 5. The City of Molalla is surrounded by the Molalla River Corridor, rich agriculture, ranches, and rural residential development.

City of Molalla Government

The City of Molalla maintains all authority granted to municipal corporations under Oregon State Statute, including the authority to issue debt, levy taxes on real property within its boundaries; and extend its corporate city limits by annexation.

The City provides a full range of services: law enforcement; public library; street operation and maintenance; parks; treatment and distribution of municipal water; collection and treatment of wastewater; storm water collection; current and long-range planning; finance and administration; urban renewal district and enterprise zone.

Budget Calendar

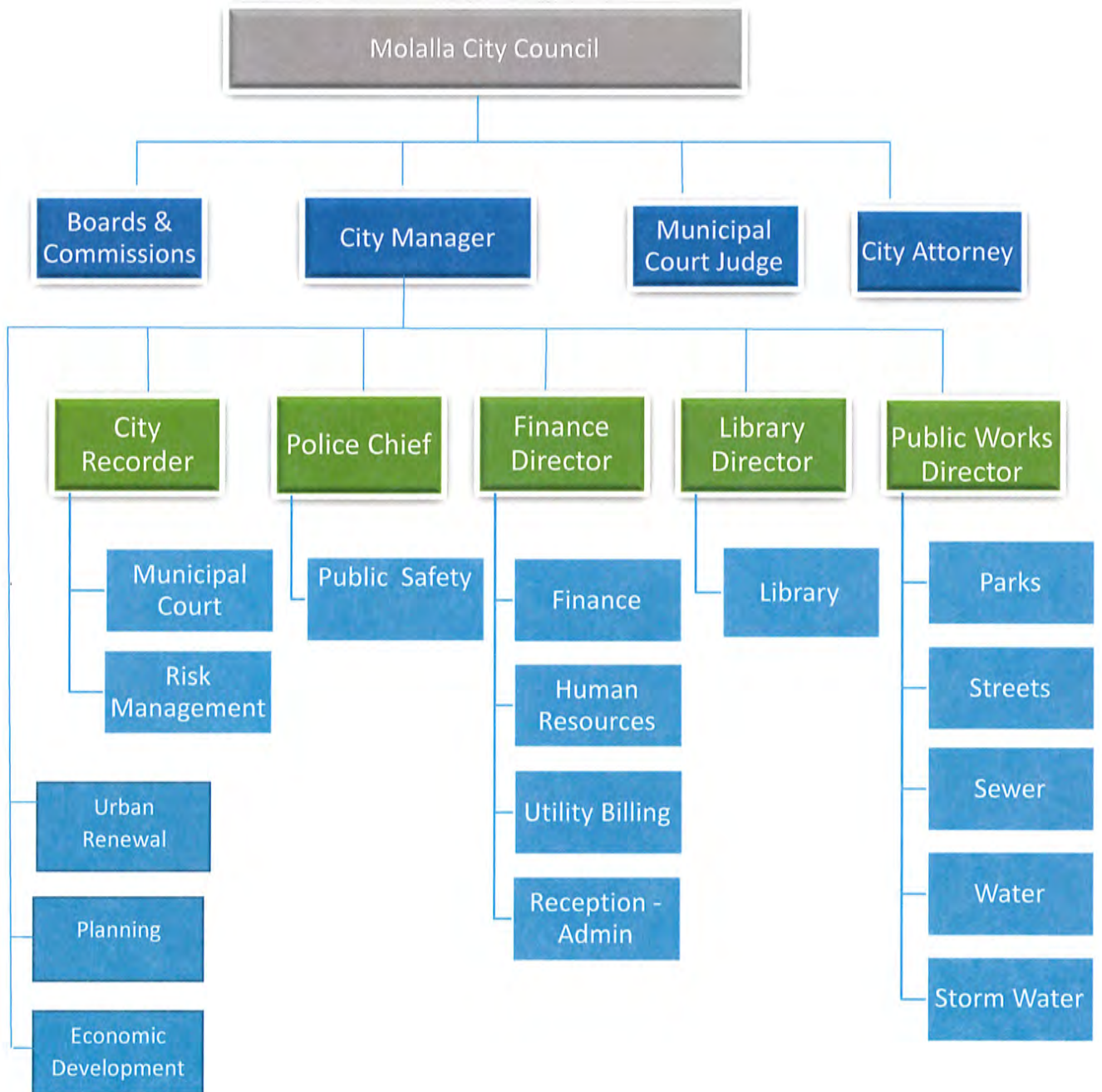
The process followed in the preparation of this budget complies with the Local Budget Law established by the State of Oregon (ORS Chapter 294). The process and calendar of event leading up to the adoption of this budget are as follows.

January 09, 2019	Appoint Budget Officer by Resolution (ORS.294.331)
January, 2019	Budget worksheets delivered to departments.
March 15, 2019	Department Heads submit final proposed budgets to Budget Officer.
April, 2019	Budget 101 Presentation (if needed)
April 12, 2019	Budget Officer/Finance - Final Budget Worksheets.
April 18, 2019	Publish Notice of 1 st Budget Meeting (ORS.291.401) to include Shared Revenue hearing and Public Comment. Post on Website.
May 02, 2019	Budget Committee Meeting #1 (Thursday) Additional Budget Committee Meetings (Will decide May 2nd if needed) Budget Committee approves and forwards to City Council (ORS.406)
June 05, 2019	Publish Notice of Budget LB/UR Forms (ORS.294.421)
June 12, 2019	Budget Hearing before City Council (ORS 294.430)
July 15, 2019	Submit tax certification document to County Assessor (ORS 294.555)

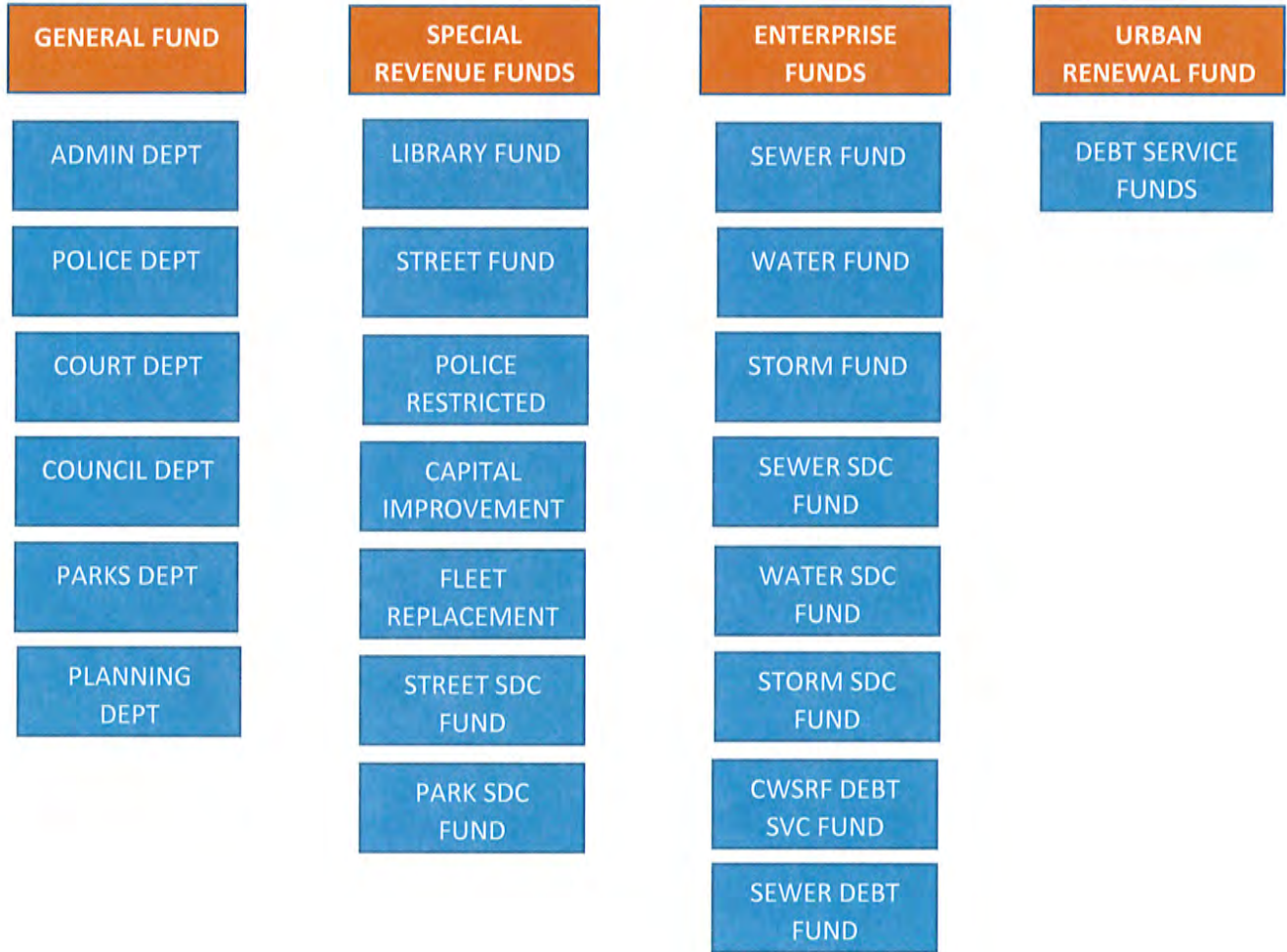
TO ALL: Budget committee has openings for the citizen committee. If interested please contact the City Recorder.



Organizational Chart



CITY OF MOLALLA FUNDS



Budgeting in the City of Molalla

The City of Molalla prepares and adopts a budget in accordance with its city charter and ORS 294.305 through 294.565. The budget is presented in fund and department categories. Over-expenditures in any category are prohibited and unexpended budget appropriations lapse at the fiscal year's end.

Under the city's expenditure limitation, total expenditures cannot exceed the final appropriation once the budget is adopted. The budget can only be amended during the fiscal year through adoption of a supplemental budget. Supplemental budgets over 10% are adopted through the same process used for the regular budget, including the public hearings, and shall not extend beyond the end of the fiscal year during which they are submitted.

Supplemental budgets cannot be used to authorize a tax levy. Typically, the city has enough flexibility to carry out the programs prescribed in its adopted budget. During times when an adopted budget has no authority to make certain expenditures or when revenues are received for which the city had no prior knowledge, it is possible to use a supplemental budget in the current fiscal year.

City of Molalla Budget Committee

The Molalla Budget Committee consists of the city council plus an equal number of citizen members approved and appointed by the city council. State law, ORS 294.336, mandates a budget committee for all Oregon local governments.

Budgeting in the State of Oregon

Chapter 294.311 paragraph 5 of Oregon State Law defines a budget as:

A plan of financial operation embodying an estimate of expenditures for a given period or purpose and the proposed means of financing the estimated expenditures.

Local Budget Law

Local budget law for local government is set out in ORS 294.305 to 294.565. Chapter 294.321 defines the six major purposes of local budget law:

1. To establish standard procedures for preparation, presentation, administration, and appraisal of municipal corporations;
2. To provide a brief description of the programs of a municipal corporation and the fiscal policy which is to accomplish these programs;
3. To provide for estimation of revenues, expenditures and proposed taxes;
4. To provide specific methods for obtaining public views in the preparation of fiscal policy;
5. To provide for the control of revenues, and expenditures for the promotion of efficiency

and economy in the expenditure of public funds;

6. To enable the public, taxpayers and investors to be apprised of the financial policies and administration of the municipal corporation in which they are interested.

Local governments in Oregon operate on a fiscal year which begins July 1st and ends the following June

30th. Budgeting requires local governments to evaluate plans and priorities with regard to the financial resources available to meet those needs. In Oregon, a budget is necessary to justify the need for a given tax rate and amount of property taxes.

Basis of Accounting

All funds are budgeted using the modified accrual basis of accounting in accordance with budgetary

accounting practices. Subsection 24 of ORS Chapter 294.311 defines the modified accrual basis of accounting as:

“...Under this basis of accounting, revenues and other financial resource increments, such as bond proceeds, are recognized when they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures in the current period.

(b) As used in this subsection, “available” means collectable in the current period or soon enough thereafter to be used to pay liabilities of the current period. Under this basis of accounting, expenditures are recognized when the fund liability is incurred except for:

(A) Inventories of material and supplies that may be considered expenditures either when purchased or when used; and

(B) Prepaid insurance and similar items that may be considered expenditures either when paid for or when consumed.

This means revenues are recognized when they become measurable and available.

“Measurable” means the dollar value of the revenue is known. “Available” means it is collectible within the current period, or soon enough after the end of the current period, to pay off liabilities of the current period. Significant revenues are considered to be measurable and available under the modified accrual basis of accounting are property taxes and franchise fees. Expenditures are recognized when the liability is incurred, except for interest on general long-term obligations which is recorded when due.

Basis of Budgeting

All of the funds are budgeted using the modified accrual basis of accounting practices. In modified accrual, revenues are recognized when they become measurable and available.

“Measurable” means that the dollar value of the revenue is known. “Available” means it is collectible within the current period, or soon enough after the end of the current period, to pay off liabilities of the current period.

Significant revenues that are considered to be measurable and available under the modified

accrual basis of accounting are property taxes, franchise fees, and assessment lien installments received within approximately 60 days of the end of the fiscal year. Expenditures are recognized when the liability is incurred, except for interest on general long-term obligations which is recorded when due.

Budgetary goals:



Budget Contingency Plan

The purpose of the Budget Contingency Plan is to establish a guideline and general approach to respond to adverse financial and economic conditions which could negatively impact the City of Molalla’s fiscal health. The plan establishes a foundation of principles and goals upon which budgetary decisions will be based. The plan will create a proactive systematic response to adverse fiscal conditions, as opposed to reactionary decision-making that could have long-term negative impacts to the organization. While the plan is primarily focused on the General Fund, it also applies to all City funds as fiscal constraints are presented in these funds as well.

Principles & Goals

The guiding principles behind the plan include the continued ability to achieve the City’s mission to protect and enhance our community’s quality of life for present and future generations. It is achieved through careful planning, fiscal responsibility, and continuous improvement. In addition, the City will strive to continue providing a balance of services within its fiscal ability.

The primary goals of the plan are as follows:

- Maintain a balanced budget—primarily the General Fund
- Preserve the City’s core services
- Retain the City’s organizational infrastructure and ensure that appropriate internal review functions remain in force

Plan Trigger

Implementation of this plan will be predicated on one or more of the “triggers” outlined below:

1. Any adverse fiscal circumstances as determined by the City Manager, such as:
 - Natural or human-made disasters
 - Large, unexpected costs

- Economic downturns
2. Whenever there are two consecutive quarters of adverse fiscal results in the top four revenues. Adverse results may include actual declines in revenues and/or significant variances from projected revenues. The top four revenues include:
 - Property Tax
 - Utility User Fee
 - Franchise Fee
 - County Funds

Declines in revenues will be analyzed in conjunction with expenditure trends in order to consider the net impact to fund balance. To the extent expenditure savings offset declines in revenue, reduction measures will not be implemented.

KEY ELEMENTS

There are four key elements to this plan:

1. Utilize Reserve Funds

Depending on the type of fiscal constraint, it may be more prudent to utilize a portion of reserve funds, rather than affect the operations of the City. In the following example, reserve funds would be utilized up to the level of availability:

- A. Natural or human made disasters—In the event Emergency Reserves are utilized, the City will strive to maintain the desired operating reserve.

2. Provide ongoing Monitoring of City's Fiscal Health

In an effort to keep Council, employees, and the community apprised of the City's fiscal situation, the Finance Director will provide ongoing analysis, reporting and monitoring on a quarterly basis or more frequently if the need arises. In addition, the Council will be presented with the City's audited financial statements in accordance with generally accepted accounting principles on an annual basis.

3. Assess the Type of Fiscal Challenge

The type of duration of the fiscal impact will determine how best to respond to the situation. Different challenges call for different strategies.

- A. One-Time Events: One-time event that is not likely to continue indefinitely. "One-time" fixes are an appropriate response for "one-time" problems. Examples of "one-time" fixes include the use of inter-fund transfer or borrowing of funds, deferred funding, or replacement equipment for delays in capital projects.
- B. Ongoing Challenges: Ongoing downturn in revenues or ongoing increases in costs. In the case of ongoing challenges, "one-time" fixes will not be sustainable. A structural imbalance requires new ongoing revenues or ongoing expenditure reductions.

4. Identify Options

In the long-term, there are only two basic budget-balancing options:

- A. Increase Revenue
- B. Reduce Expenditure (and related service levels) in the short-term. Use of fund balances is an option, but it is not a viable long-term solution. An exception is the strategic use of fund balances that reduces future year operating costs or increases ongoing revenues.

General Strategy

Department Heads are responsible for crafting expenditure reduction options that:

1. Are realistic and ongoing
2. Reflect the least service impacts to the community
3. Are within the City's ability to do independently – no speculative reductions contingent upon actions by others
4. Can be implemented within three months after adoption
5. Maintain essential facilities, infrastructure, and equipment at reasonable levels
6. Reflect participation from throughout the organization

Key Principles in Preparing Operating Expenditure Reduction Measures

1. Reduction measures will be based on service priorities
 - A. Reallocating existing staff resources, when possible, to provide flexibility in meeting service demands while mitigating the need for lay-offs.
2. Any service reductions will be balanced and ensure that highest priority services are retained
 - A. Focus will be on retaining core services and reducing services with the least impact on the community.
3. Preserve organizational infrastructure and ensure that appropriate and necessary internal review functions remain.
4. Ensuring the City's ability to respond to an economic rebound by maintaining core staffing levels across all functions.

Legislative Advocacy

Depending on the reason for the adverse circumstances (and especially if they are driven by state or federal budget actions), the City will work closely with its elected representatives and others (such as the League of Oregon Cities) in mitigating service (and related cost) reductions.

Employee Involvement

Department Heads will encourage employee participation and involvement in preparing expenditure reduction options. The City will strive to identify potential position reductions

resulting from this plan as soon as practical before implementation in order to:

1. Communicate with affected employees regarding their employment outlook
2. Allow affected employees a reasonable amount of time to make other plans

There are downsides to this approach, and many organizations consciously keep force reduction actions under wraps as long as possible because of them. However, the City believes treating employees with respect means informing them about City plans affecting them as soon as possible.

Finalize and Implement Action Plan

1. With advice from Department Heads, the City Manager is responsible for preparing the recommended action plan
2. Council approval is required for implementation
3. Finance will closely monitor results of the action plan in achieving its goal and will quickly



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PROPOSED BUDGET SUMMARY FY 19-20

	REQUIREMENTS								RESOURCES	
	Personal Services	Material & Services	Capital Outlay	Transfers	Contingency	Debt Service	Reserve & Fund Bal	Total	BFB	Revenues
GENERAL FUND									2,055,385	4,825,552
Admin	702,200	356,500	50,000		778,000		1,100,000	2,986,700		
Police	2,317,800	578,100	70,885	150,000				3,116,785		
Court	119,050	82,000						201,050		
City Council		47,000						47,000		
Parks	112,700	96,052		7,900				216,652		
Planning	195,250	117,500						312,750		
TOTAL GENERAL FUND	3,447,000	1,277,152	120,885	157,900	778,000	0	1,100,000	6,880,937	2,055,385	4,825,552
SPECIAL REVENUE FUNDS										
Library	595,100	396,800	2,416,320	5,000	97,880			3,511,100	1,700,000	1,811,100
Street	411,500	500,300	6,500	5,543,800	135,052			6,597,152	498,152	6,099,000
PD Restricted	0	37,751	50,000	10,000				97,751	31,351	66,400
TOTAL SPECIAL REVENUE	1,006,600	934,851	2,472,820	5,558,800	232,932	0		10,206,003	2,229,503	7,976,500
CAPITAL PROJECT FUNDS										
Capital Projects			11,621,000					11,621,000	0	11,621,000
Fleet Replacement			127,500				142,250	269,750	125,425	144,325
TOTAL CAPITAL PROJECTS	0	0	11,748,500	0	0	0	142,250	11,890,750	125,425	11,765,325
DEBT SERVICE FUNDS										
<i>Paid Off</i> Bonded Debt								0		
Sewer Debt Retirement						382,000	250,000	632,000	316,000	316,000
<i>Paid Off</i> Water Debt Retirement								0		
CWSRF Debt Retirement		6,714	178,614				184,618	369,946	185,328	184,618
TOTAL DEBT SERVICE	0	6,714	178,614	0	0	382,000	434,618	1,001,946	501,328	500,618
SDC FUNDS										
Street SDC's				731,000			120,908	851,908	812,688	39,220
Park SDC's				1,000,000			1,360,159	2,360,159	2,287,929	72,230
Sewer SDC's				745,043			82,639	827,682	780,682	47,000
Water SDC's		5,000		1,979,480			110,742	2,095,222	2,057,792	37,430
Stormwater SDC's				100,000			34,624	134,624	125,884	8,740
TOTAL SDC FUNDS	0	5,000	0	4,555,523	0	0	1,709,072	6,269,595	6,064,975	204,620
ENTERPRISE FUNDS										
Sewer	885,500	1,499,790	6,500	741,300	385,494			3,518,584	740,584	2,778,000
Water	715,500	631,500	6,500	1,041,520	762,732		1,000,000	4,157,752	2,104,752	2,053,000
Stormwater	145,000	82,500	4,000	130,900	45,945			408,345	152,845	255,500
TOTAL ENTERPRISE	1,746,000	2,213,790	17,000	1,913,720	1,194,171	0	1,000,000	8,084,681	2,998,181	5,086,500
TOTAL CITY	6,199,600	4,437,507	14,537,819	12,185,943	2,205,103	382,000	4,385,940	44,333,912	13,974,797	30,359,115

44,333,912

URBAN RENEWAL	0	125,000	642,450	0	100,000	242,050	332,000	1,441,500	900,000	521,500
TOTAL ALL FUNDS	6,199,600	4,562,507	15,180,269	12,185,943	2,305,103	624,050	4,717,940	45,775,412	14,874,797	30,880,615

45,755,412

Financial Analysis

The proposed budget for FY 2019/2020 for the City of Molalla has been prepared in accordance with Oregon budget law and generally accepted accounting principles. This is a lean budget with continued focus on expenditure controls, building working capital, contingencies, and reserves, and focus on capital improvements to City infrastructure.

Fund Descriptions

The financial structure of the City is organized and operated on the basis of fund accounting. There are both federal and state requirements for local governments to budget by fund as a means of maintaining records for resources which are designated to carry out specific activities or meet particular objectives. Oregon Administrative Rules define a fund as “a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives with special regulations, restrictions, or limitations.”

The City must prepare an itemized balanced budget for each fund. Each fund contains appropriations, which provide the local government with legal spending authority throughout the fiscal year. Throughout all funds, appropriations are established at the object classification level (personnel services, materials and services, capital outlay, debt service, transfers, operating contingency, reserves, and ending fund balance).

Government Funds

Government funds house most of the City’s functions and include the General Fund, Special Revenue Funds, and Debt Service Funds.

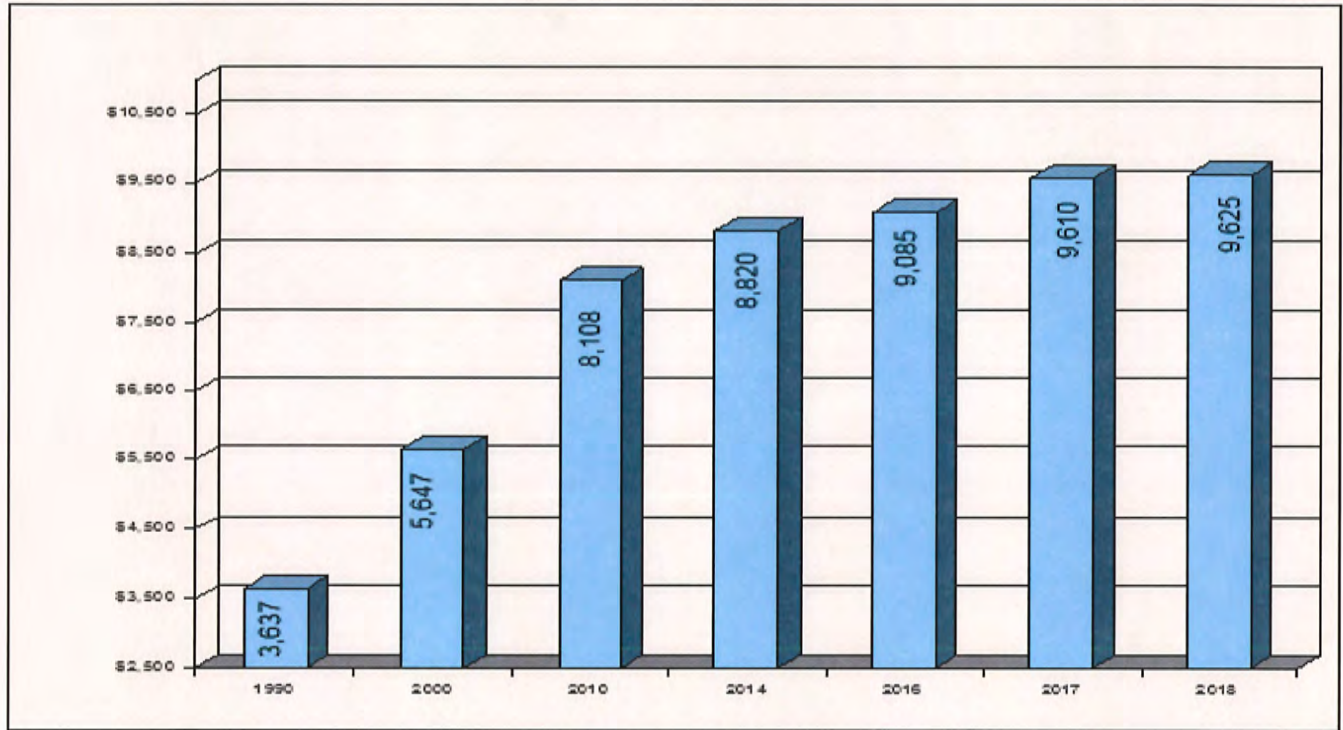
- GENERAL FUND – Money should be accounted for in the general fund unless there is a compelling reason to report them in some other fund type.
 - Administration
 - Police
 - Municipal Court
 - City Council
 - Parks
 - Planning

- SPECIAL REVENUE – accounts for money that is earmarked for a specific purpose. For example, gas tax or special district revenue.
 - Library Fund
 - Street Fund
 - Police Restricted
 - Capital Projects
 - Fleet Reserve
 - Transportation SDC’s

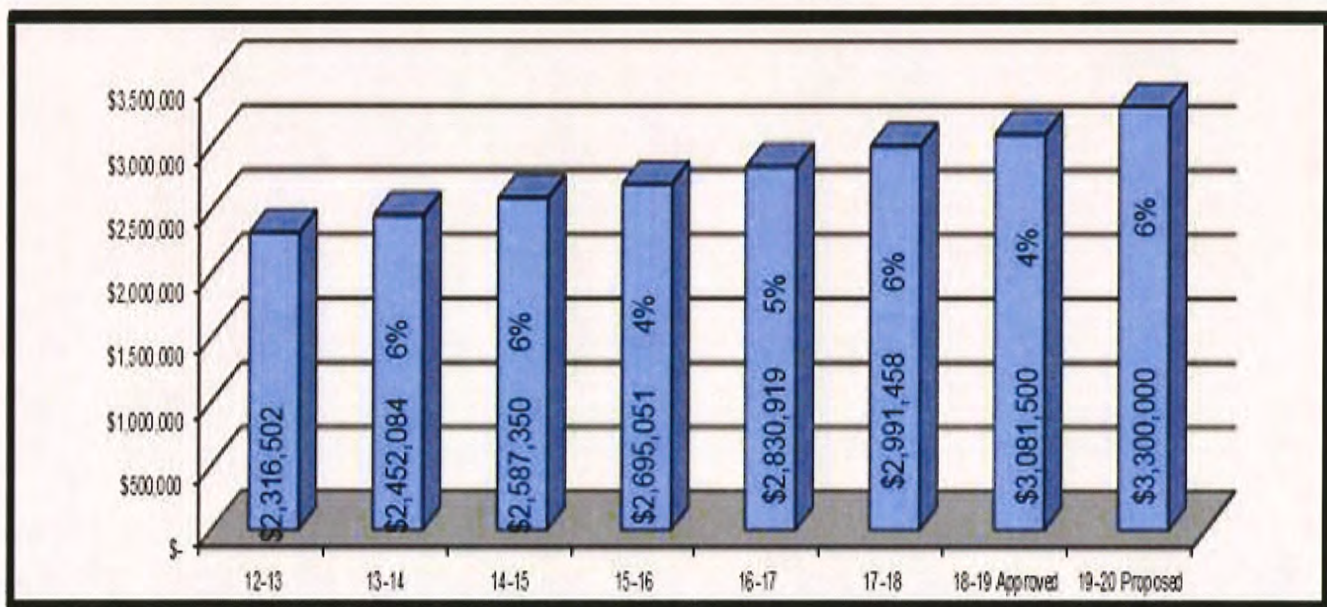
- Parks SDC's
- DEBT SERVICE FUNDS - The City maintains a dedicated fund for repayment of long-term debt including voter approved general obligation bonds, special revenue bonds, and Clear Water State Revolving Fund (CWSRF) debt.
 - Sewer Debt Retirement (Revenue Bond)
 - Clean Water State Revolving Fund (CWSRF)
- Bonded Debt, Utility Deposit, and Water Debt Retirement (Inactive Funds).
- SDC Fund – (The City collects systems development charges for streets, water, sewer, storm water, and parks).
- ENTERPRISE (or Proprietary) FUNDS – Governments often levy user charges for certain types of services. These funds record the resources and expenses of acquiring, operating, and maintaining a self-supporting facility or service.
 - Water Fund
 - Wastewater Fund
 - Storm Water Fund

CITY OF MOLALLA

POPULATION GROWTH

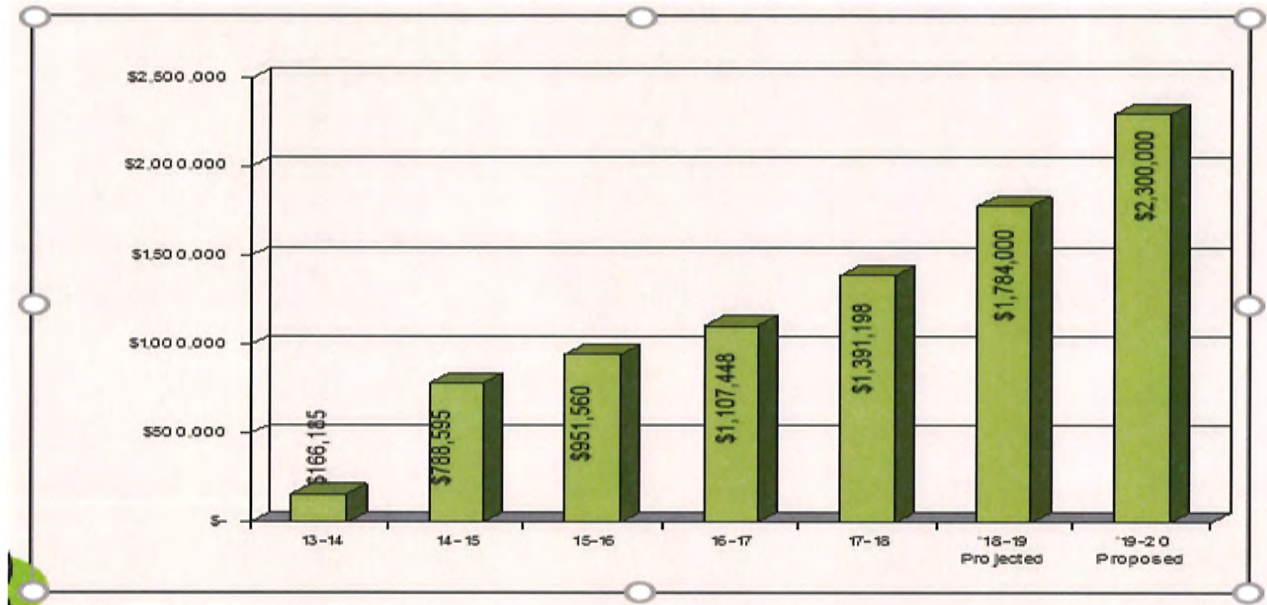


PROPERTY TAX GROWTH

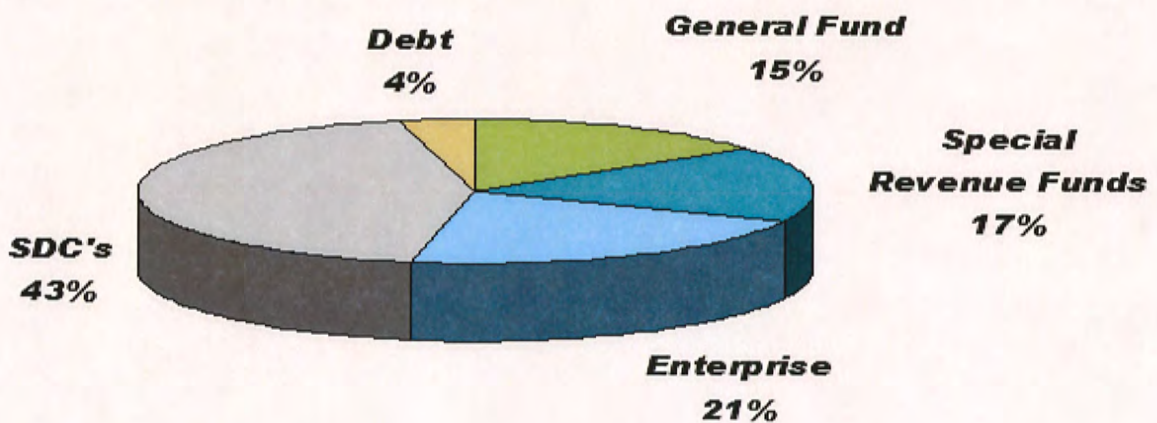


FUND BALANCE

GENERAL FUND



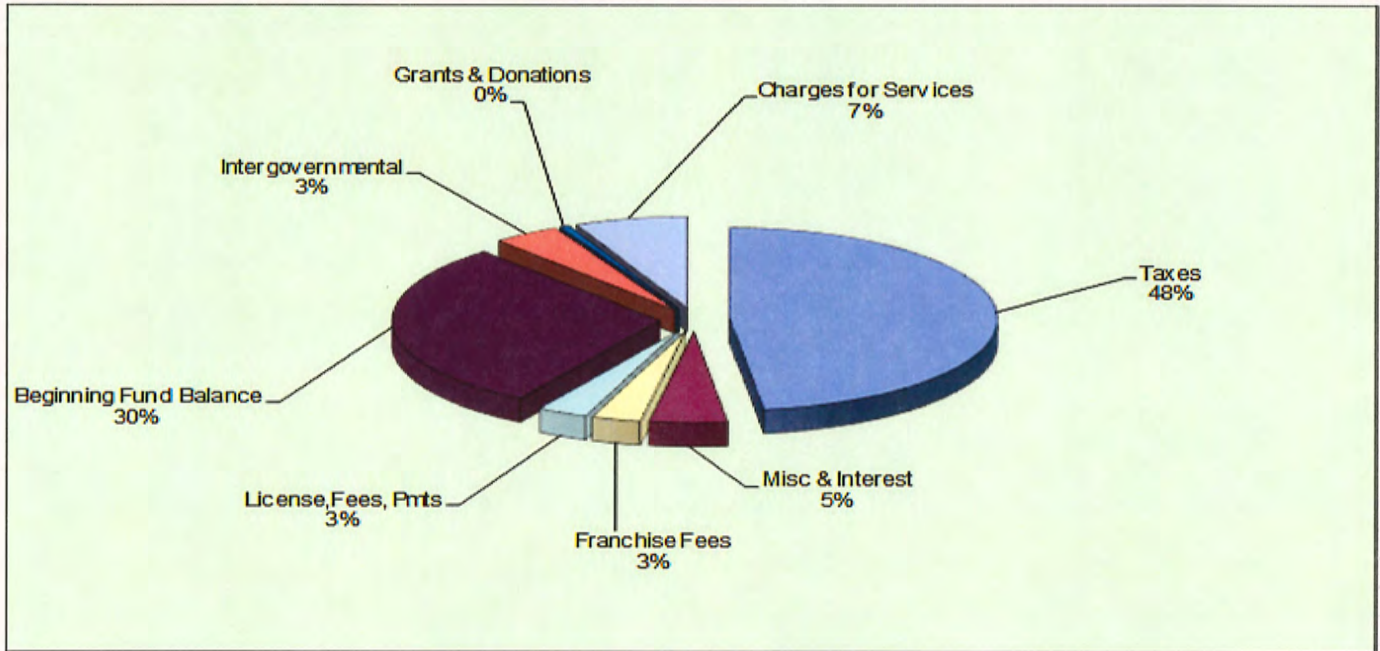
ALL FUNDS



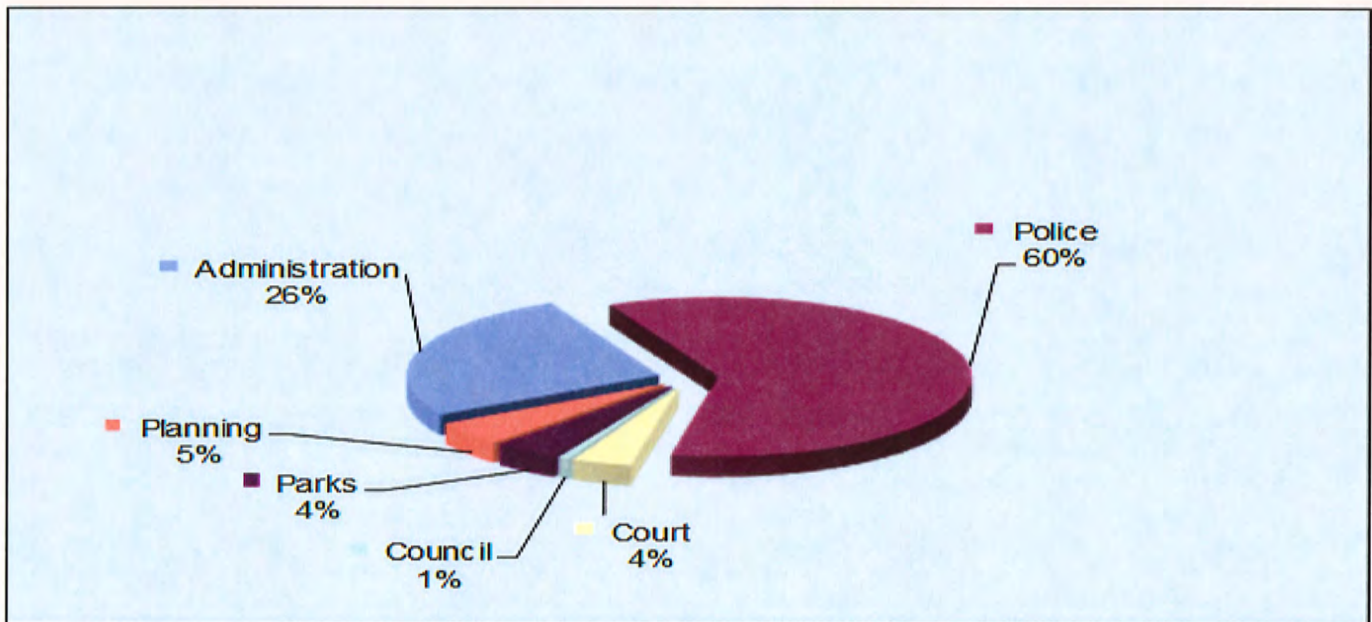
■ General Fund
 ■ Special Revenue Funds
 ■ Enterprise
 ■ SDC's
 ■ Debt

GENERAL FUND

...WHERE THE MONEY COMES FROM

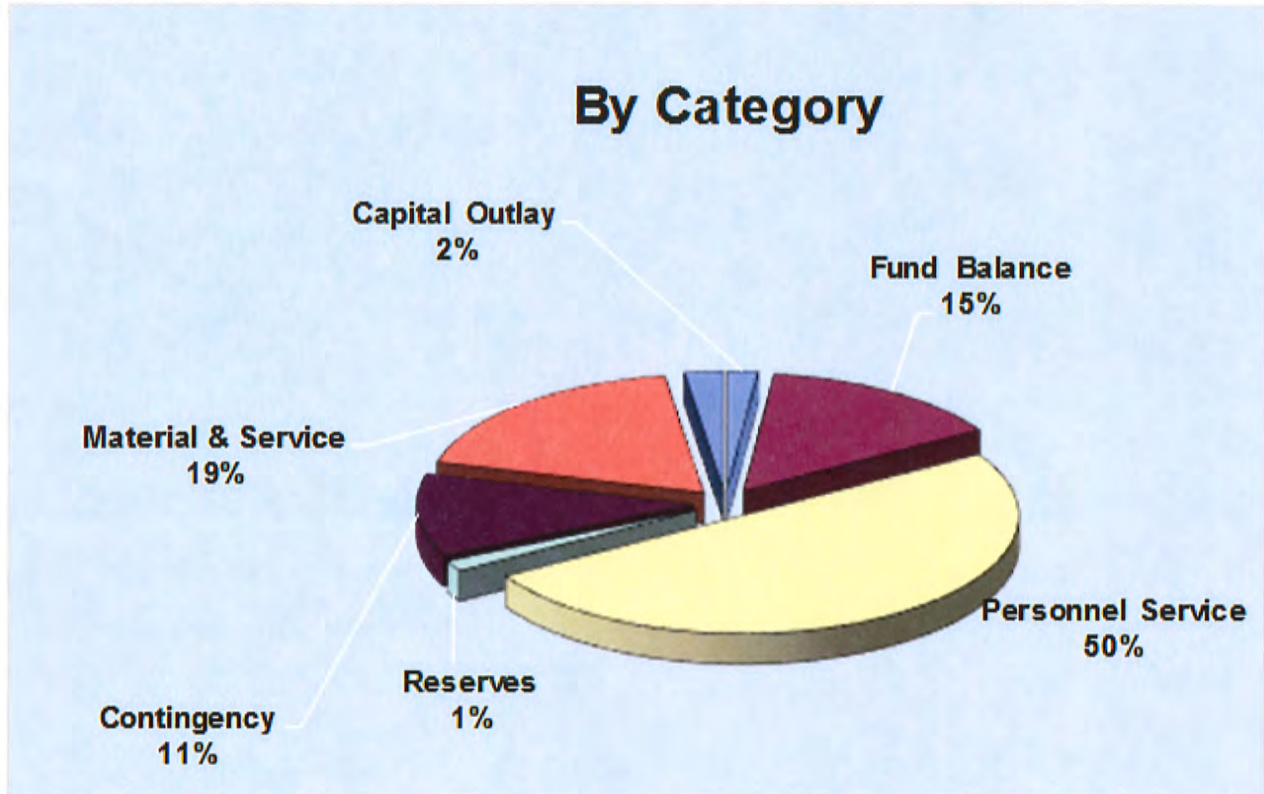


...WHERE THE MONEY GOES



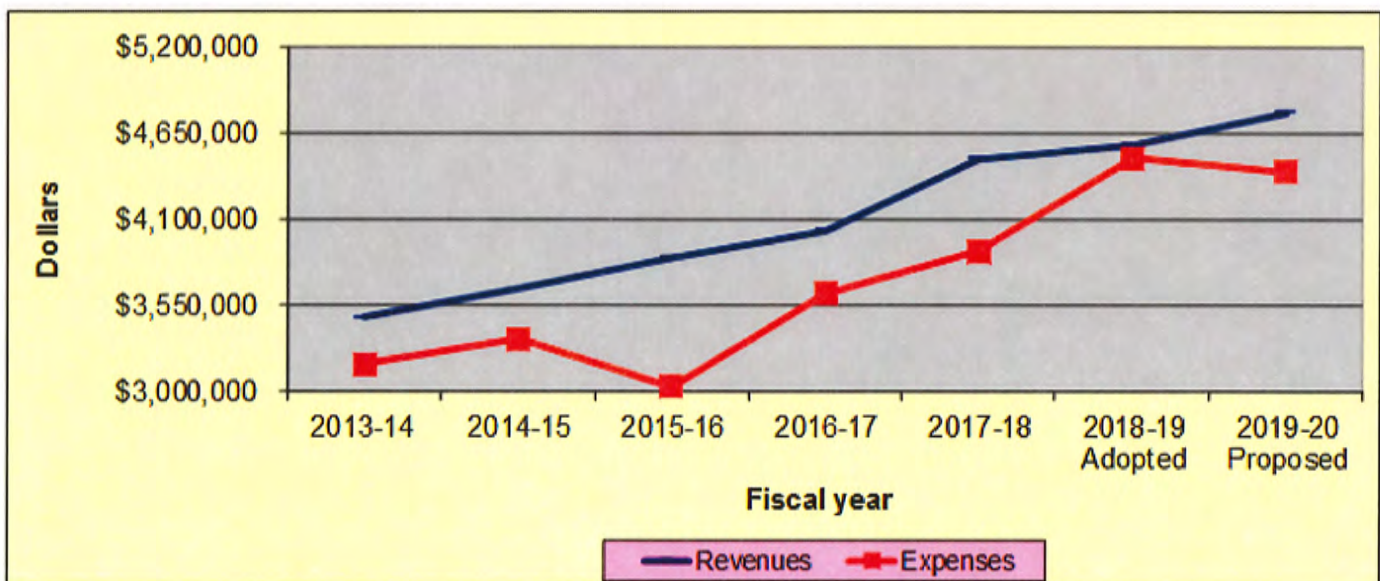
REQUIREMENTS

BY CATEGORY – GENERAL FUND



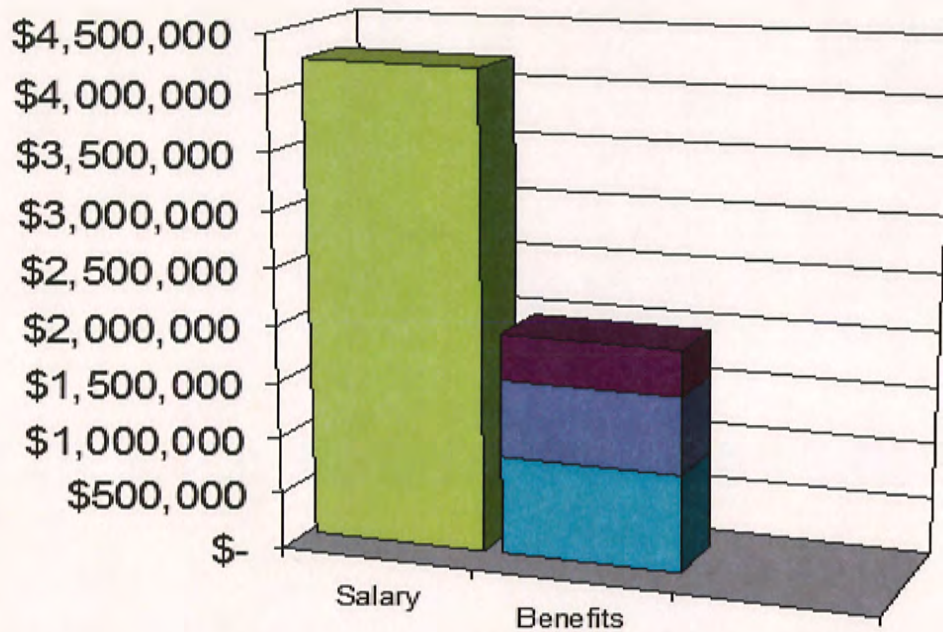
ONGOING REVENUE VS ONGOING EXPENSES

– GENERAL FUND



SALARIES & BENEFITS

– ALL FUNDS



■ Salary 68% ■ Health 14% ■ Pers 11% ■ Taxes 7% ■ total

GENERAL FUND



Historical Data			GENERAL FUND RESOURCES	Budget for Next FY 19-20		
Actual				Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019				
\$1,107,447.55	\$1,391,197.82	\$1,283,155.00	BEGINNING FUND BALANCE	\$2,055,385.00	\$0.00	\$0.00
			GENERAL REVENUES			
\$2,794,952.21	\$2,960,332.31	\$3,050,500.00	CURRENT PROPERTY TAXES	\$3,200,000.00	\$0.00	\$0.00
\$35,967.24	\$31,126.03	\$31,000.00	PRIOR PROPERTY TAXES	\$100,000.00	\$0.00	\$0.00
\$59,854.13	\$93,467.42	\$60,000.00	REVENUE SHARING	\$75,000.00	\$0.00	\$0.00
\$16,254.38	\$134,463.80	\$114,000.00	STATE/LOCAL SHARED REVENUES	\$20,000.00	\$0.00	\$0.00
\$135,811.27	\$149,716.02	\$170,000.00	LIQUOR TAX	\$170,000.00	\$0.00	\$0.00
\$13,174.45	\$11,626.40	\$11,500.00	CIGARETTE TAX	\$11,500.00	\$0.00	\$0.00
\$120,565.89	\$207,984.74	\$170,000.00	INTEREST	\$287,000.00	\$0.00	\$0.00
\$40,289.92	\$46,847.10	\$47,000.00	NW NATURAL GAS FRANCHISE	\$47,000.00	\$0.00	\$0.00
\$13,584.60	\$10,473.04	\$10,500.00	TELEPHONE FRANCHISE	\$10,000.00	\$0.00	\$0.00
\$30,099.97	\$25,620.23	\$25,000.00	TV FRANCHISE	\$25,000.00	\$0.00	\$0.00
\$50,000.00	\$125,000.00	\$125,000.00	PGE FRANCHISE	\$125,000.00	\$0.00	\$0.00
\$3,310,554.06	\$3,796,657.09	\$3,814,500.00	TOTAL GENERAL REVENUES	\$4,070,500.00	\$0.00	\$0.00
			ADMINISTRATION REVENUES			
\$24,834.50	\$28,742.00	\$26,500.00	LICENSES	\$27,500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	LEIN SEARCHES	\$6,000.00	\$0.00	\$0.00
\$9,095.00	\$26,291.00	\$6,500.00	SDC ADMINISTRATION FEE	\$4,090.00	\$0.00	\$0.00
\$58,823.44	\$26,340.01	\$25,000.00	REFUNDS & REBATES	\$25,000.00	\$0.00	\$0.00
\$409,596.05	\$356,156.53	\$375,000.00	COST ALLOCATION PLAN	\$364,962.00	\$0.00	\$0.00
\$502,348.99	\$437,529.54	\$433,000.00	TOTAL ADMINISTRATION REVENUES	\$427,552.00	\$0.00	\$0.00

Historical Data			GENERAL FUND RESOURCES	Budget for Next FY 19-20		
Actual				RESOURCES-continued	Proposed By	Approved By
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019			Budget Officer	Budget Committee
			Police Revenue			
\$3,100.00	\$4,315.00	\$4,000.00	PD-ALARM PERMITS	\$4,000.00	\$0.00	\$0.00
\$2,100.00	\$400.00	\$1,000.00	PD-TOW FEES	\$1,000.00	\$0.00	\$0.00
\$1,183.01	\$595.00	\$1,000.00	PD-REPORTS	\$1,000.00	\$0.00	\$0.00
\$5,394.33	\$7,004.70	\$4,000.00	PD REFUNDS & REBATES	\$4,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$50,000.00	PD-SCHOOL RESOURCE OFFICER	\$50,000.00	\$0.00	\$0.00
\$0.00	\$4,000.00	\$4,000.00	PD-OT REIMBURSE	\$4,000.00	\$0.00	\$0.00
\$2,675.71	\$262.04	\$1,500.00	PD-DUII GRANT	\$1,500.00	\$0.00	\$0.00
\$0.00	\$1,297.50	\$1,500.00	PD-VEST GRANT	\$1,500.00	\$0.00	\$0.00
\$14,453.05	\$17,874.24	\$67,000.00	TOTAL POLICE REVENUES	\$67,000.00	\$0.00	\$0.00
			Court Revenue			
\$192,019.58	\$161,013.20	\$180,000.00	PD-FINES & BAILS	\$170,000.00	\$0.00	\$0.00
\$192,019.58	\$161,013.20	\$180,000.00	TOTAL COURT REVENUES	\$170,000.00	\$0.00	\$0.00
			City Council Revenue			
\$0.00	\$2,115.12	\$32,000.00	COMM VISIONING GRANT&DONAT	\$0.00	\$0.00	\$0.00
\$0.00	\$15,000.00	\$5,000.00	NATIVE AMERICAN ART WALK GRANT	\$9,000.00	\$0.00	\$0.00
\$0.00	\$17,115.12	\$37,000.00	TOTAL CITY COUNCIL REVENUES	\$9,000.00	\$0.00	\$0.00
			Parks Revenue			
			PGE Franchise	\$50,000.00		
-\$855.00	\$1,175.00	\$500.00	KEY DEPOSITS	\$500.00	\$0.00	\$0.00
\$0.00	\$11,015.97	\$6,000.00	PARKS REFUNDS & REBATES	\$6,000.00	\$0.00	\$0.00
-\$855.00	\$12,190.97	\$6,500.00	TOTAL PARKS REVENUES	\$6,500.00	\$0.00	\$0.00
			Planning Revenue			
\$0.00	\$0.00	\$0.00	ECONOMIC DEV GRANT-FF	\$30,000.00	\$0.00	\$0.00
\$13,935.55	\$46,897.00	\$40,000.00	PLANNING FEES	\$45,000.00	\$0.00	\$0.00
\$13,935.55	\$46,897.00	\$40,000.00	TOTAL PLANNING RE VENUES	\$75,000.00	\$0.00	\$0.00
\$4,032,456.23	\$4,489,277.16	\$4,578,000.00	TOTAL GENERAL FUND REVENUES	\$4,825,552.00	\$0.00	\$0.00
\$1,107,447.55	\$1,391,197.82	\$1,283,155.00	TOTAL FUND BALANCE	\$2,055,385.00	\$0.00	\$0.00
\$5,139,903.78	\$5,880,474.98	\$5,861,155.00	TOTAL ALL GENERAL FUND RESOURCES	\$6,880,937.00	\$0.00	\$0.00

ADMINISTRATION DEPT

General Fund Administration includes the City Manager’s office, City Recorder’s office and Finance. Administration is where the City connects with the public and provides organizational and the business foundation for the City. This department provides many external services such as civic leadership, communication, engagement, administrative support, strategic planning economic development, city management, financial management and services, customer service, human recourses, records management, risk management and information technology.

Historical Data			GENERAL FUND	Budget for Next FY 19-20		
Actual			ADMINISTRATION			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			PERSONNEL SERVICES			
-\$1,568.51	\$77,365.99	\$90,000.00	PERS	\$90,000.00	\$0.00	\$0.00
\$0.00	\$515.03	\$500.00	PERS UAL/RHIA	\$500.00	\$0.00	\$0.00
\$934.14	\$1,584.74	\$1,000.00	SAIF	\$1,500.00	\$0.00	\$0.00
\$35,475.75	\$32,361.05	\$34,000.00	FICA	\$36,000.00	\$0.00	\$0.00
\$84,822.10	\$75,600.76	\$85,000.00	INSURANCE	\$90,000.00	\$0.00	\$0.00
\$0.00	\$15,704.00	\$5,000.00	UNEMPLOYMENT LIABILITY	\$0.00	\$0.00	\$0.00
\$110,959.92	\$118,159.92	\$125,000.00	CITY MANAGER	\$140,000.00	\$0.00	\$0.00
\$23,024.60	\$10,981.20	\$11,500.00	OFFICE SPECIALIST IV	\$12,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	OFFICE SPECIALIST II	\$23,000.00	\$0.00	\$0.00
\$3,202.29	\$24,222.44	\$27,100.00	EXEC ADMIN ASSISTANT	\$29,100.00	\$0.00	\$0.00
\$93,106.72	\$94,722.96	\$96,500.00	FINANCE DIRECTOR	\$114,500.00	\$0.00	\$0.00
\$98,460.07	\$89,659.22	\$75,600.00	CITY RECORDER	\$82,500.00	\$0.00	\$0.00
\$18,026.07	\$85,483.20	\$87,500.00	SENIOR ACCOUNTANT	\$81,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	RECORDS INTERN	\$2,100.00	\$0.00	\$0.00
\$466,443.15	\$626,360.51	\$638,700.00	TOTAL ADMIN PERSONNEL SERVICES	\$702,200.00	\$0.00	\$0.00
4.75	4.75	4.75	FTE	5.25		

Historical Data			GENERAL FUND		Budget for Next FY 19-20		
Actual			ADMINISTRATION				
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS- <i>cont</i>	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
			MATERIALS & SERVICES				
\$6,681.28	\$5,334.87	\$6,000.00	POWER	\$6,000.00	\$0.00	\$0.00	
\$15,552.44	\$14,334.05	\$15,000.00	PHONE	\$15,500.00	\$0.00	\$0.00	
\$22,664.66	\$17,465.60	\$20,000.00	OPERATIONS & MAINTENANCE	\$20,000.00	\$0.00	\$0.00	
\$8,944.39	\$10,440.28	\$20,000.00	BUILDING MAINTENANCE	\$20,000.00	\$0.00	\$0.00	
\$4,725.34	\$8,056.12	\$11,000.00	TRAINING & CONF. TRAVEL	\$12,000.00	\$0.00	\$0.00	
\$10,994.53	\$10,202.14	\$10,000.00	DUES & MEMBERSHIP	\$12,000.00	\$0.00	\$0.00	
\$17,889.88	\$5,434.83	\$5,000.00	POSTAGE	\$8,000.00	\$0.00	\$0.00	
\$21,809.56	\$22,506.51	\$21,000.00	PRINTING & PUBLICATIONS	\$22,000.00	\$0.00	\$0.00	
\$30,417.46	\$11,747.98	\$60,000.00	PROFESSIONAL SERVICES	\$76,000.00	\$0.00	\$0.00	
\$8,678.86	\$9,187.00	\$11,000.00	INSURANCE/LIABILITY/GEN	\$14,500.00	\$0.00	\$0.00	
\$75.00	\$947.96	\$1,000.00	KEY DEPOSIT REFUNDS	\$1,000.00	\$0.00	\$0.00	
\$9,279.00	\$8,795.74	\$12,000.00	CUSTODIAN	\$7,000.00	\$0.00	\$0.00	
\$5,439.56	\$1,261.27	\$2,000.00	CUSTODIAL SUPPLIES	\$2,000.00	\$0.00	\$0.00	
\$11,634.49	\$8,766.24	\$11,000.00	OFFICE SUPPLIES	\$11,000.00	\$0.00	\$0.00	
\$35,382.86	\$55,753.74	\$50,000.00	CITY ATTORNEY	\$50,000.00	\$0.00	\$0.00	
\$44,889.92	\$32,732.75	\$40,000.00	COMPUTER SERVICES	\$42,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$5,000.00	RECORDS MANAGEMENT	\$5,000.00	\$0.00	\$0.00	
\$25,250.00	\$26,000.00	\$29,000.00	AUDITS & BUDGETS	\$32,000.00	\$0.00	\$0.00	
\$4,979.00	\$4,200.00	\$5,000.00	MEETINGS	\$500.00	\$0.00	\$0.00	
\$62.82	\$15.44	\$0.00	CASH, OVER/SHORT	\$0.00	\$0.00	\$0.00	
\$261.27	\$241.78	\$0.00	COFFEE & COFFEE SUPPLIES	\$0.00	\$0.00	\$0.00	
\$285,612.32	\$253,424.30	\$334,000.00	TOTAL ADMIN MATERIALS & SERVICES	\$356,500.00	\$0.00	\$0.00	
			CAPITAL OUTLAY				
\$421,306.93	\$53,286.92	\$100,000.00	CAPITAL IMPROVEMENTS	\$50,000.00	\$0.00	\$0.00	
\$421,306.93	\$53,286.92	\$100,000.00	TOTAL ADMIN CAPITAL OUTLAY	\$50,000.00	\$0.00	\$0.00	
			TRANSFERS OUT				
\$0.00	\$50,000.00	\$0.00	TRANSFER TO PD RESTRICTED EVF	\$0.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$20,000.00	TRANSFER TO FLEET REPLACEMENT	\$0.00	\$0.00	\$0.00	
\$0.00	\$50,000.00	\$20,000.00	TOTAL ADMIN TRANSFERS OUT	\$0.00	\$0.00	\$0.00	
			CONTINGENCY				
\$0.00	\$0.00	\$100,000.00	OPERATING CONTINGENCY	\$778,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$100,000.00	TOTAL OPERATING CONTINGENCY	\$778,000.00	\$0.00	\$0.00	
			FUND BALANCE/RESERVES				
\$0.00	\$0.00	\$108,422.00	ADMIN/PERS RESERVE	\$100,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$1,000,000.00	FUND BALANCE UNALLOCATED	\$1,000,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$1,108,422.00	TOTAL RESERVES	\$1,100,000.00	\$0.00	\$0.00	
\$1,173,362.40	\$983,071.73	\$2,301,122.00	TOTAL ADMINISTRATION REQUIREMENTS	\$2,986,700.00	\$0.00	\$0.00	

POLICE DEPARTMENT

The 2019-2020 budget for the Molalla Police Department is going to continue to build on the conservative and responsible principals that have helped us meet many of the benchmarks we set for ourselves in previous years. During this past fiscal year, we have seen modest but significant improvements in several critical areas. We have continued to upgrade our fleet incrementally, replaced many outdated pieces of equipment, acquired all new police radios and launched a new computer automated dispatch system. We have continued to respond to the modern high-tech demands of our profession with the implementation of new on-line training software and improved social media for better communication with our community.

In an effort to expand our capabilities, we have added one patrol position and have partnered with the School District in a cost-sharing effort to fund a new School Resource Officer position, which has surpassed expectations and made a significant impact. Even with these improvements, we still face the challenge to provide better and safer coverage around the clock. Finally, the City is working diligently to address our most urgent need, which is to provide an adequate facility to perform our duties in a professional manner and meet the Community's need for the future.

Historical Data			GENERAL FUND		Budget for Next FY 19-20		
Actual			POLICE				
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
			PERSONNEL SERVICES				
\$191,568.29	\$192,517.10	\$250,000.00	PERS	\$230,000.00	\$0.00	\$0.00	
\$28,590.19	\$32,912.29	\$34,000.00	SAIF	\$34,000.00	\$0.00	\$0.00	
\$93,855.24	\$100,866.92	\$120,000.00	FICA	\$130,000.00	\$0.00	\$0.00	
\$219,208.68	\$247,566.51	\$274,000.00	INSURANCE	\$280,000.00	\$0.00	\$0.00	
\$11,374.00	\$2,068.00	\$0.00	UNEMPLOYMENT LIABILITY	\$0.00	\$0.00	\$0.00	
\$90,960.00	\$102,592.48	\$102,500.00	POLICE CHIEF	\$123,000.00	\$0.00	\$0.00	
\$0.00	\$86,521.53	\$92,250.00	LEIUTENANT	\$109,500.00	\$0.00	\$0.00	
\$235,312.52	\$242,621.87	\$266,500.00	SERGEANTS	\$275,000.00	\$0.00	\$0.00	
\$620,260.48	\$623,003.68	\$775,500.00	PATROL OFFICERS	\$780,000.00	\$0.00	\$0.00	
\$49,522.35	\$57,393.79	\$70,800.00	POLICE CLERKS	\$76,300.00	\$0.00	\$0.00	
\$27,442.89	\$21,327.51	\$36,000.00	CERTIFICATE PAY	\$24,000.00	\$0.00	\$0.00	
\$20,145.41	\$15,370.39	\$24,000.00	HOLIDAY BUYOUT	\$35,000.00	\$0.00	\$0.00	
\$119,967.26	\$108,613.89	\$138,500.00	OVERTIME	\$140,000.00	\$0.00	\$0.00	
\$11,072.53	\$13,621.30	\$18,000.00	BUCKEROO OVERTIME	\$18,000.00	\$0.00	\$0.00	
\$54,750.00	\$55,955.04	\$65,000.00	SUPPORT SERVICES SUPERVISOR	\$63,000.00	\$0.00	\$0.00	
\$1,774,029.84	\$1,902,952.30	\$2,267,050.00	TOTAL POLICE PERSONNEL SERVICES	\$2,317,800.00	\$0.00	\$0.00	
13.50	14.00	15.50	FTE	15.50			

Historical Data			GENERAL FUND		Budget for Next FY 19-20		
Actual			POLICE				
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS-cont	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
			MATERIALS & SERVICES				
\$6,512.63	\$4,758.66	\$7,500.00	POWER	\$7,500.00	\$0.00	\$0.00	
\$25,565.49	\$26,608.19	\$27,500.00	PHONE	\$28,000.00	\$0.00	\$0.00	
\$43,935.46	\$44,180.12	\$45,000.00	CONNECTIVITY/INTERNET	\$45,000.00	\$0.00	\$0.00	
\$9,784.44	\$11,864.53	\$17,500.00	OPERATIONS & MAINTENANCE	\$20,000.00	\$0.00	\$0.00	
\$3,303.07	\$3,398.18	\$10,000.00	BUILDING MAINTENANCE	\$10,000.00	\$0.00	\$0.00	
\$11,644.35	\$8,604.98	\$15,000.00	TRAINING & CONF. TRAVEL	\$18,000.00	\$0.00	\$0.00	
\$646.00	\$651.50	\$1,500.00	DUES & MEMBERSHIP	\$2,500.00	\$0.00	\$0.00	
\$27,652.92	\$46,048.33	\$47,500.00	CONTRACTS & OBLIGATIONS	\$55,000.00	\$0.00	\$0.00	
\$7,536.66	\$7,689.40	\$15,000.00	PROFESSIONAL SERVICES	\$20,000.00	\$0.00	\$0.00	
\$51,368.00	\$49,969.00	\$55,000.00	INSURANCE/LIABILITY/GEN	\$58,000.00	\$0.00	\$0.00	
\$29,753.53	\$37,182.30	\$45,000.00	VEHICLE FUEL	\$45,000.00	\$0.00	\$0.00	
\$35,189.89	\$30,694.93	\$40,000.00	VEHICLE REPAIR	\$40,000.00	\$0.00	\$0.00	
\$6,019.94	\$17,009.82	\$17,500.00	UNIFORMS	\$18,000.00	\$0.00	\$0.00	
\$9,279.00	\$9,369.51	\$12,000.00	JANITOR	\$8,000.00	\$0.00	\$0.00	
\$9,302.50	\$295.93	\$2,000.00	JANITOR SUPPLIES	\$1,000.00	\$0.00	\$0.00	
\$93,374.00	\$99,098.04	\$107,500.00	CENTRAL DISPATCH	\$110,600.00	\$0.00	\$0.00	
\$123.74	\$0.00	\$10,000.00	SPECIAL INVESTIGATION	\$10,000.00	\$0.00	\$0.00	
\$6,514.64	\$6,546.61	\$8,500.00	OFFICE MACHINES & MAINT	\$8,500.00	\$0.00	\$0.00	
\$7,734.59	\$9,371.62	\$17,500.00	FIREARMS	\$18,000.00	\$0.00	\$0.00	
\$0.00	\$12,301.12	\$15,000.00	COMPUTER SVC,REP & UPGRADES	\$15,000.00	\$0.00	\$0.00	
\$16,351.83	\$69,152.75	\$40,000.00	SUPPLIES / EQUIPMENT	\$40,000.00	\$0.00	\$0.00	
\$401,592.68	\$494,795.52	\$556,500.00	TOTAL POLICE MATERIALS & SERVICES	\$578,100.00	\$0.00	\$0.00	
			CAPITAL OUTLAY				
\$53,096.49	\$55,000.00	\$70,000.00	EMERGENCY VEHICLES	\$70,885.00	\$0.00	\$0.00	
\$53,096.49	\$55,000.00	\$70,000.00	TOTAL POLICE CAPITAL OUTLAY	\$70,885.00	\$0.00	\$0.00	
			TRANSFERS OUT				
\$0.00	\$0.00	\$0.00	TRANSFER TO CAP PROJECTS-PD	\$100,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$0.00	TRANSFER TO POLICE FLEET RES	\$50,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$0.00	TOTAL ADMIN TRANSFERS OUT	\$150,000.00	\$0.00	\$0.00	
\$2,228,719.01	\$2,452,747.82	\$2,893,550.00	TOTAL POLICE REQUIREMENTS	\$3,116,785.00	\$0.00	\$0.00	

MUNICIPAL COURT

The Molalla Municipal Court is a service to our community and as such it is important that our staff be available to answer the needs of the public. To address public service needs an increase in overtime is part of the proposed budget.

Other changes decreased were expenditures to Clackamas County and Oregon Department of Revenue to better reflect actual expenditures. Court revenue has also been adjusted to better reflect actual revenue.

Historical Data			GENERAL FUND		Budget for Next FY 19-20		
Actual			MUNICIPAL COURT				
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
			PERSONNEL SERVICES				
\$8,564.20	\$4,637.68	\$6,500.00	PERS	\$5,400.00	\$0.00	\$0.00	
\$209.80	\$318.39	\$250.00	SAIF	\$250.00	\$0.00	\$0.00	
\$8,770.65	\$6,442.97	\$7,000.00	FICA	\$7,200.00	\$0.00	\$0.00	
\$14,792.46	\$11,985.66	\$12,500.00	INSURANCE	\$13,500.00	\$0.00	\$0.00	
\$20,400.00	\$20,400.00	\$20,500.00	MUNICIPAL COURT JUDGE	\$20,500.00	\$0.00	\$0.00	
\$30,000.00	\$30,000.00	\$30,000.00	PROSECUTING ATTORNEY	\$32,000.00	\$0.00	\$0.00	
\$59,369.13	\$32,943.84	\$33,800.00	OFFICE SPECIALIST IV	\$35,000.00	\$0.00	\$0.00	
\$0.00	\$3,520.91	\$5,000.00	COURT BAILIFF	\$5,000.00	\$0.00	\$0.00	
\$4,878.58	\$116.42	\$200.00	OVERTIME	\$200.00	\$0.00	\$0.00	
\$146,984.82	\$110,365.87	\$115,750.00	TOTAL COURT PERSONNEL SERVICES	\$119,050.00	\$0.00	\$0.00	
1.50	1.00	1.00	FTE	1.00			
			MATERIALS & SERVICES				
\$0.00	\$1,189.68	\$1,100.00	POWER	\$1,200.00	\$0.00	\$0.00	
\$0.00	\$7,410.26	\$8,000.00	PHONE/COMPUTER/CONNECTIVITY	\$8,000.00	\$0.00	\$0.00	
\$10,919.43	\$1,148.93	\$2,000.00	OPERATIONS & MAINTENANCE	\$2,000.00	\$0.00	\$0.00	
\$104.00	\$389.04	\$3,000.00	BUILDING MAINTENANCE	\$3,000.00	\$0.00	\$0.00	
\$1,740.96	\$500.28	\$1,000.00	TRAINING & CONF. TRAVEL	\$1,000.00	\$0.00	\$0.00	
\$50.00	\$140.00	\$300.00	DUES & MEMBERSHIP	\$300.00	\$0.00	\$0.00	
\$0.00	\$440.00	\$1,000.00	POSTAGE	\$1,000.00	\$0.00	\$0.00	
\$0.00	\$812.42	\$500.00	PRINTING & PUBLICATIONS	\$2,200.00	\$0.00	\$0.00	
\$1,320.00	\$1,440.00	\$1,500.00	PROFESSIONAL SERVICES	\$1,000.00	\$0.00	\$0.00	
\$3,250.00	\$1,498.00	\$3,950.00	INSURANCE/LIABILITY/GEN	\$4,000.00	\$0.00	\$0.00	
\$0.00	\$1,493.50	\$2,000.00	JANITOR	\$2,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$500.00	JANITOR SUPPLIES	\$500.00	\$0.00	\$0.00	
\$83.98	\$1,058.55	\$1,200.00	OFFICE SUPPLIES	\$1,300.00	\$0.00	\$0.00	
\$17,437.50	\$7,125.00	\$15,000.00	COURT APPOINTED ATTORNEY	\$15,000.00	\$0.00	\$0.00	
\$1,087.50	\$1,115.00	\$2,000.00	BAIL REFUND	\$2,000.00	\$0.00	\$0.00	
\$19,769.98	\$17,795.33	\$24,000.00	CLACKAMAS COUNTY	\$24,000.00	\$0.00	\$0.00	
\$8,904.13	\$7,650.28	\$10,000.00	OR DEPT OF REVENUE	\$10,000.00	\$0.00	\$0.00	
\$4,820.01	\$3,369.20	\$3,500.00	VICTIM RESTITUTION	\$3,500.00	\$0.00	\$0.00	
\$69,487.49	\$54,575.47	\$80,550.00	TOTAL COURT MATERIALS & SERVICES	\$82,000.00	\$0.00	\$0.00	
\$216,472.31	\$164,941.34	\$196,300.00	TOTAL COURT REQUIREMENTS	\$201,050.00	\$0.00	\$0.00	

CITY COUNCIL DEPARTMENT

The City Council Fund addresses programs and funding needs of the Mayor and City Councilors. This Fund provides limited funding for special projects as needed or identified by Council action currently including city banners, Community Visioning, Celebrate Molalla and the Heritage Art Walk. This fund also covers Council training, mileage and conference attendance for the Mayor and Councilors.

Historical Data Actual			GENERAL FUND CITY COUNCIL	Budget for Next FY 19-20		
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019		REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee
			MATERIALS & SERVICES			
\$0.00	\$416.65	\$0.00	OPERATIONS & MAINTENANCE	\$1,000.00	\$0.00	\$0.00
\$0.00	\$587.14	\$2,000.00	TRAINING	\$3,000.00	\$0.00	\$0.00
\$0.00	\$2,978.98	\$32,000.00	VISIONING GRANT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$15,000.00	NATIVE AMERICAN WALK GRANT	\$9,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	CELEBRATE MOLALLA	\$8,000.00	\$0.00	\$0.00
\$0.00	\$5,490.00	\$6,500.00	BANNER PROJECT	\$6,500.00	\$0.00	\$0.00
\$10,306.41	\$13,258.47	\$14,000.00	MEETINGS AND STIPENDS	\$14,500.00	\$0.00	\$0.00
\$0.00	\$1,000.00	\$5,000.00	SPECIAL COUNCIL PROJECTS	\$5,000.00	\$0.00	\$0.00
\$10,306.41	\$23,731.24	\$74,500.00	TOTAL COUNCIL MATERIALS & SERVICES	\$47,000.00	\$0.00	\$0.00
\$10,306.41	\$23,731.24	\$74,500.00	TOTAL COUNCIL REQUIREMENTS	\$47,000.00	\$0.00	\$0.00

PARKS DEPARTMENT

The Park Fund is part of the General Fund budget. Personnel Service expenses have decreased after reallocation of staff positions more in line with the time they expend within the enterprise funds and cost efficiencies. A wage increase has been included for some Public Works positions. The wage increases are based on contract required and merit-based increases. Materials & Services expenses have increased to better represent the actual operating expenditures. There are no anticipated capital improvement expenses for this year. Transfers for fleet replacement remain flat.

Historical Data			GENERAL FUND	Budget for Next FY 19-20		
Actual			PARKS			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			PERSONNEL SERVICES			
\$0.00	\$11,161.65	\$13,940.00	PERS	\$12,000.00	\$0.00	\$0.00
\$0.00	\$3,119.30	\$3,715.00	SAIF	\$2,500.00	\$0.00	\$0.00
\$0.00	\$6,178.63	\$6,500.00	FICA	\$4,500.00	\$0.00	\$0.00
\$0.00	\$18,661.46	\$18,000.00	INSURANCE	\$19,000.00	\$0.00	\$0.00
\$0.00	\$392.60	\$0.00	UNEMPLOYMENT LIABILITY	\$0.00	\$0.00	\$0.00
\$0.00	\$2,407.50	\$2,500.00	PW DIRECTOR	\$3,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	PROJECT ENGINEER	\$2,500.00	\$0.00	\$0.00
\$0.00	\$6,459.49	\$9,000.00	PW OPERATIONS SUPERVISOR	\$10,500.00	\$0.00	\$0.00
\$0.00	\$650.48	\$8,000.00	CREW-FOREMAN	\$8,000.00	\$0.00	\$0.00
\$0.00	\$54,452.15	\$45,000.00	CREW-PARKS	\$35,000.00	\$0.00	\$0.00
\$0.00	\$10,944.00	\$13,000.00	CREW-SEASONAL	\$13,000.00	\$0.00	\$0.00
\$0.00	\$785.82	\$2,000.00	OVERTIME	\$2,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$500.00	EXEC ADMIN ASSISTANT	\$700.00	\$0.00	\$0.00
\$0.00	\$115,213.08	\$122,155.00	TOTAL PARKS PERSONNEL SERVICES	\$112,700.00	\$0.00	\$0.00
1.25	1.25	1.20	FTE	0.76		

Historical Data			GENERAL FUND		Budget for Next FY 19-20		
Actual			PARKS				
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS - cont		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			MATERIALS & SERVICES				
\$0.00	\$212.00	\$1,000.00		POWER	\$1,000.00	\$0.00	\$0.00
\$0.00	\$576.02	\$1,000.00		PHONE	\$700.00	\$0.00	\$0.00
\$0.00	\$0.00	\$500.00		NATURAL GAS	\$500.00	\$0.00	\$0.00
\$0.00	\$10,625.08	\$44,450.00		OPERATIONS & MAINTENANCE	\$39,750.00	\$0.00	\$0.00
\$0.00	\$13.98	\$5,000.00		BUILDING MAINTENANCE	\$5,000.00	\$0.00	\$0.00
\$0.00	\$85.00	\$500.00		TRAINING & CERTIFICATES	\$500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$250.00		DUES & MEMBERSHIP	\$500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$50.00		POSTAGE	\$50.00	\$0.00	\$0.00
\$0.00	\$0.00	\$3,352.00		COMPUTER NETWORK	\$3,352.00	\$0.00	\$0.00
\$0.00	\$6,264.80	\$10,000.00		PROFESSIONAL SERVICES	\$25,000.00	\$0.00	\$0.00
\$0.00	\$6,900.00	\$7,700.00		INSURANCE/LIABILITY/GEN	\$6,000.00	\$0.00	\$0.00
\$0.00	\$3,311.12	\$4,000.00		GAS & VEHICLE MAINTENANCE	\$2,500.00	\$0.00	\$0.00
\$0.00	\$3,825.08	\$6,500.00		VEHICLE REPAIR	\$6,500.00	\$0.00	\$0.00
\$0.00	\$843.23	\$800.00		UNIFORM & SAFETY GEAR	\$1,200.00	\$0.00	\$0.00
\$0.00	\$845.32	\$1,000.00		SMALL EQUIPMENT/TOOLS	\$1,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$2,000.00		SIGNS	\$2,500.00	\$0.00	\$0.00
\$0.00	\$33,501.63	\$88,102.00		TOTAL PARKS MATERIALS & SERVICES	\$96,052.00	\$0.00	\$0.00
			CAPITAL OUTLAY				
\$0.00	\$14,762.00	\$32,000.00		CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$0.00	\$14,762.00	\$32,000.00		TOTAL PARKS CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00
			TRANSFERS OUT				
\$0.00	\$0.00	\$7,900.00		TRANSFER TO FLEET REPLACEMENT	\$7,900.00	\$0.00	\$0.00
\$0.00	\$0.00	\$7,900.00		TOTAL ADMIN TRANSFERS OUT	\$7,900.00	\$0.00	\$0.00
\$0.00	\$163,476.71	\$250,157.00		TOTAL PARKS REQUIREMENTS	\$216,652.00	\$0.00	\$0.00

PLANNING DEPARTMENT

The Planning Department manages the current and long-range planning program for the City of Molalla. The Planning Department also assists in master planning, community outreach, Development Code administration, Comprehensive Plan administration, development review and processing. In many cases the Planning Department is the flagship of our city connection for service to the public.

This budget includes and upgrade to the Planner position, addition of 1 (FTE) for a Planning Tech/Assistant Planner and funding for an Economic Development Plan. We will also be examining our Parks Master Plan and potentially a Greenway Plan.

Historical Data			GENERAL FUND		Budget for Next FY 19-20	
Actual			PLANNING			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			PERSONNEL SERVICES			
\$0.00	\$7,933.95	\$11,000.00	PERS	\$26,000.00	\$0.00	\$0.00
\$0.00	\$224.41	\$280.00	SAIF	\$300.00	\$0.00	\$0.00
\$0.00	\$4,333.48	\$5,470.00	FICA	\$9,950.00	\$0.00	\$0.00
\$0.00	\$15,931.87	\$16,500.00	INSURANCE	\$31,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	SENIOR PLANNER	\$85,000.00	\$0.00	\$0.00
\$0.00	\$56,217.99	\$65,276.00	COMMUNITY PLANNER	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	PLANNING TECH	\$42,500.00	\$0.00	\$0.00
\$0.00	\$204.25	\$0.00	PLANNING INTERN	\$0.00	\$0.00	\$0.00
\$0.00	\$777.86	\$1,000.00	OVERTIME	\$500.00	\$0.00	\$0.00
\$0.00	\$85,623.81	\$99,526.00	TOTAL PLANNING PERSONNEL SERVICES	\$195,250.00	\$0.00	\$0.00
0.00	1.00	1.00	FTE	2.00		

Historical Data			GENERAL FUND		Budget for Next FY 19-20		
Actual			PLANNING				
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS - cont	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
			MATERIALS & SERVICES				
\$0.00	\$1,249.05	\$1,500.00	POWER	\$1,300.00	\$0.00	\$0.00	
\$0.00	\$2,903.27	\$3,000.00	PHONE	\$3,000.00	\$0.00	\$0.00	
\$0.00	\$3,342.35	\$4,000.00	OPERATIONS & MAINTENANCE	\$4,000.00	\$0.00	\$0.00	
\$0.00	\$120.20	\$1,000.00	BUILDING MAINTENANCE	\$1,000.00	\$0.00	\$0.00	
\$0.00	\$494.60	\$800.00	TRANING & CONF. TRAVEL	\$1,500.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$300.00	DUES & MEMBERSHIP	\$600.00	\$0.00	\$0.00	
\$0.00	\$1,524.32	\$2,000.00	POSTAGE	\$2,000.00	\$0.00	\$0.00	
\$0.00	\$2,295.55	\$2,500.00	PRINTING & PUBLICATIONS	\$2,500.00	\$0.00	\$0.00	
\$0.00	\$4,926.06	\$15,000.00	PROFESSIONAL SERVICES	\$20,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$0.00	ECONOMIC DEVELOPMENT PLAN	\$60,000.00	\$0.00	\$0.00	
\$0.00	\$1,498.00	\$1,600.00	INSURANCE/LIABILITY/GEN	\$1,700.00	\$0.00	\$0.00	
\$0.00	\$845.25	\$1,000.00	CUSTODIAN	\$1,100.00	\$0.00	\$0.00	
\$0.00	\$1,077.52	\$1,500.00	OFFICE SUPPLIES	\$1,500.00	\$0.00	\$0.00	
\$0.00	\$5,097.20	\$10,000.00	CITY ATTORNEY	\$15,000.00	\$0.00	\$0.00	
\$0.00	\$936.53	\$1,500.00	COMPUTER SERVICES	\$2,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$300.00	MEETINGS AND BOARDS	\$300.00	\$0.00	\$0.00	
\$0.00	\$26,309.90	\$46,000.00	TOTAL PLANNING MATERIALS & SERVICES	\$117,500.00	\$0.00	\$0.00	
\$0.00	\$111,933.71	\$145,526.00	TOTAL PLANNING REQUIREMENTS	\$312,750.00	\$0.00	\$0.00	
TOTAL GENERAL FUND							
\$5,139,903.78	\$5,880,474.98	\$5,861,155.00	TOTAL GENERAL FUND RESOURCES AND FB	\$6,880,937.00	\$0.00	\$0.00	
\$3,628,860.13	\$3,899,902.55	\$5,861,155.00	TOTAL GENERAL FUND REQUIREMENTS	\$6,880,937.00	\$0.00	\$0.00	
\$1,511,043.65	\$1,980,572.43	\$0.00	TOTAL NET GENERAL FUND	\$0.00	\$0.00	\$0.00	



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SPECIAL REVENUE FUNDS



LIBRARY NARRATIVE

The Molalla Public Library continually looks to the future when planning for programs and services. The primary source of revenue for the Library is the Clackamas County Library District. The District is projecting a slight increase for revenue for FY 2019/20. We are establishing a fund for future needs. As part of the Clackamas County Library District, we have to keep pace with other libraries in the County for certain technologies and services. Future needs include regular computer and other upgrades in keeping with library best practices and trends on county, state, national, and international levels. We are projecting an ability to plan for the future and provide services without a significant increase in our overall budget.

Historical Data			LIBRARY FUND			Budget for Next FY 19-20		
Actual		Adopted Budget This Year Year 2018-2019	RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
Second Preceding Year 2016-2017	First Preceding Year 2017-2018							
\$1,396,039.47	\$1,533,336.48	\$1,650,000.00	BEGINNING FUND BALANCE	\$1,700,000.00	\$0.00	\$0.00		
			REVENUE					
\$839,950.00	\$873,119.00	\$905,500.00	COUNTY FUNDS	\$935,000.00	\$0.00	\$0.00		
\$0.00	\$0.00	\$850,000.00	LIBRARY DISTRICT CAPITAL FUNDS	\$850,000.00	\$0.00	\$0.00		
\$3,866.00	\$4,073.00	\$5,000.00	GRANTS	\$5,500.00	\$0.00	\$0.00		
\$2,878.70	\$2,978.03	\$3,000.00	COPIER INCOME	\$3,000.00	\$0.00	\$0.00		
\$2,742.29	\$5,441.96	\$2,500.00	MISC	\$100.00	\$0.00	\$0.00		
\$16,921.36	\$14,676.18	\$15,000.00	FINES	\$14,500.00	\$0.00	\$0.00		
\$1,151.74	\$1,468.60	\$1,500.00	DONATIONS	\$3,000.00	\$0.00	\$0.00		
\$867,510.09	\$901,756.77	\$1,782,500.00	TOTAL LIBRARY FUND REVENUES	\$1,811,100.00	\$0.00	\$0.00		
\$1,396,039.47	\$1,533,336.48	\$1,650,000.00	TOTAL BEGINNING FUND BALANCE	\$1,700,000.00	\$0.00	\$0.00		
\$2,263,549.56	\$2,435,093.25	\$3,432,500.00	TOTAL LIBRARY FUND RESOURCES	\$3,511,100.00	\$0.00	\$0.00		

Historical Data			LIBRARY FUND			Budget for Next FY 19-20		
Actual		Adopted Budget This Year Year 2018-2019	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
Second Preceding Year 2016-2017	First Preceding Year 2017-2018							
\$48,186.45	\$55,051.17	\$65,000.00	PERSONNEL SERVICES					
\$804.75	\$1,489.75	\$1,000.00	PERS	\$70,000.00	\$0.00	\$0.00		
\$23,442.54	\$26,803.37	\$28,000.00	SAIF	\$500.00	\$0.00	\$0.00		
\$59,353.40	\$74,593.81	\$85,000.00	FICA	\$31,000.00	\$0.00	\$0.00		
\$6,087.60	\$17.94	\$1,000.00	INSURANCE	\$90,000.00	\$0.00	\$0.00		
\$69,460.08	\$72,995.19	\$75,338.00	UNEMPLOYMENT LIABILITY	\$0.00	\$0.00	\$0.00		
\$0.00	\$28,248.00	\$48,000.00	LIBRARY DIRECTOR	\$77,600.00	\$0.00	\$0.00		
\$62,448.52	\$62,750.31	\$68,500.00	CHILDRENS LIBRARIAN	\$48,000.00	\$0.00	\$0.00		
\$356.97	\$0.00	\$0.00	LIBRARY ASSISTANT DIRECTOR	\$63,000.00	\$0.00	\$0.00		
\$78,230.05	\$87,146.51	\$95,000.00	OVERTIME	\$0.00	\$0.00	\$0.00		
\$95,939.94	\$98,826.52	\$118,000.00	CIRCULATION ASSISTANT II (FTE)	\$97,000.00	\$0.00	\$0.00		
\$0.00	\$0.00	\$25,000.00	PART TIME ASSISTANTS	\$118,000.00	\$0.00	\$0.00		
\$444,310.30	\$507,922.57	\$609,838.00	ACCRUED PAYROLL LIABILITY	\$0.00	\$0.00	\$0.00		
6.50	7.00	8.40	TOTAL LIBRARY PERSONNEL SERVICES	\$595,100.00	\$0.00	\$0.00		
			FTE	8.52				

Historical Data			LIBRARY FUND			Budget for Next FY 19-20		
Actual		Adopted Budget This Year Year 2018-2019	REQUIREMENTS - <i>cont</i>	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
Second Preceding Year 2016-2017	First Preceding Year 2017-2018							
\$8,799.34	\$10,139.33	\$12,500.00	MATERIALS & SERVICES					
\$9,267.87	\$8,598.39	\$12,000.00	POWER	\$13,000.00	\$0.00	\$0.00		
\$1,488.17	\$1,229.89	\$2,000.00	PHONE	\$8,000.00	\$0.00	\$0.00		
\$1,094.61	\$1,085.18	\$15,000.00	NW NATURAL GAS	\$1,500.00	\$0.00	\$0.00		
\$16,190.93	\$12,337.62	\$50,000.00	OPERATIONS & MAINTENANCE	\$3,500.00	\$0.00	\$0.00		
\$2,342.40	\$3,295.74	\$5,000.00	BUILDING MAINTENANCE	\$30,000.00	\$0.00	\$0.00		
\$0.00	\$99.00	\$500.00	TRAINING & CONF. TRAVEL	\$5,000.00	\$0.00	\$0.00		
\$80.50	\$286.34	\$300.00	DUES & MEMBERSHIP	\$500.00	\$0.00	\$0.00		
\$17,401.86	\$3,207.00	\$50,000.00	POSTAGE	\$500.00	\$0.00	\$0.00		
\$6,975.00	\$6,964.00	\$10,000.00	PROFESSIONAL SERVICES	\$10,000.00	\$0.00	\$0.00		
\$0.00	\$55,887.66	\$67,000.00	INSURANCE/LIABILITY/GEN	\$11,000.00	\$0.00	\$0.00		
\$0.00	\$8,480.03	\$10,000.00	BOOKS	\$62,000.00	\$0.00	\$0.00		
\$0.00	\$3,840.52	\$5,000.00	E-PUBLICATIONS	\$12,500.00	\$0.00	\$0.00		
\$0.00	\$20,181.89	\$22,000.00	READY TO READ MATERIAL	\$5,000.00	\$0.00	\$0.00		
\$0.00	\$6,296.91	\$15,000.00	AUDIO-VISUAL MATERIAL	\$28,000.00	\$0.00	\$0.00		
\$9,791.80	\$9,522.20	\$12,500.00	DATA BASES	\$9,000.00	\$0.00	\$0.00		
\$9,771.85	\$10,799.61	\$15,000.00	CUSTODIAN	\$21,600.00	\$0.00	\$0.00		
\$1,200.00	\$1,200.00	\$1,200.00	OFFICE SUPPLIES	\$18,000.00	\$0.00	\$0.00		
\$78,939.12	\$80,894.81	\$90,000.00	MOLALLA FIRE READER BOARD	\$1,200.00	\$0.00	\$0.00		
\$713.96	\$2,361.88	\$5,000.00	COST ALLOCATION AGREEMENT	\$95,000.00	\$0.00	\$0.00		
\$4,002.82	\$4,579.67	\$6,000.00	FURNITURE & FIXTURES	\$5,000.00	\$0.00	\$0.00		
\$8,588.45	\$11,523.89	\$15,000.00	COPIER EXPENSES	\$7,000.00	\$0.00	\$0.00		
\$2,730.07	\$2,941.25	\$5,000.00	PROGRAMS	\$22,000.00	\$0.00	\$0.00		
\$822.74	\$5,947.96	\$13,000.00	PERIODICALS	\$2,500.00	\$0.00	\$0.00		
\$180,201.49	\$271,700.77	\$439,000.00	TOTAL LIBRARY MATERIALS % SERVICES	\$396,800.00	\$0.00	\$0.00		
			CAPITAL OUTLAY					
\$24,467.49	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00		
\$0.00	\$0.00	\$2,310,000.00	CAPITAL PROJECT - CONSTRUCTION	\$2,416,320.00	\$0.00	\$0.00		
\$51,093.72	\$0.00	\$0.00	BOOKS	\$0.00	\$0.00	\$0.00		
\$5,343.75	\$0.00	\$0.00	E-PUBLICATIONS	\$0.00	\$0.00	\$0.00		
\$2,459.95	\$0.00	\$0.00	READY TO READ MATERIAL	\$0.00	\$0.00	\$0.00		
\$12,407.34	\$0.00	\$0.00	AUDIO-VISUAL MATERIAL	\$0.00	\$0.00	\$0.00		
\$9,929.04	\$0.00	\$0.00	DATA BASES	\$0.00	\$0.00	\$0.00		
\$105,701.29	\$0.00	\$2,310,000.00	TOTAL LIBRARY CAPITAL OUTLAY	\$2,416,320.00	\$0.00	\$0.00		
			TRANSFERS OUT					
\$0.00	\$0.00	\$0.00	TRANSFER TO FLEET REPLACEMENT	\$5,000.00	\$0.00	\$0.00		
\$0.00	\$0.00	\$0.00	TOTAL LIBRARY TRANSFERS OUT	\$5,000.00	\$0.00	\$0.00		
			CONTINGENCY					
\$0.00	\$0.00	\$73,662.00	OPERATING CONTINGENCY	\$97,880.00	\$0.00	\$0.00		
\$0.00	\$0.00	\$73,662.00	TOTAL OPERATING CONTINGENCY	\$97,880.00	\$0.00	\$0.00		
\$730,213.08	\$779,623.34	\$3,432,500.00	TOTAL LIBRARY REQUIREMENTS	\$3,511,100.00	\$0.00	\$0.00		
\$2,263,549.56	\$2,435,093.25	\$3,432,500.00	TOTAL FUND RESOURCES AND FUND BAL	\$3,511,100.00	\$0.00	\$0.00		
\$730,213.08	\$779,623.34	\$3,432,500.00	TOTAL FUND REQUIREMENTS	\$3,511,100.00	\$0.00	\$0.00		
\$1,533,336.48	\$1,655,469.91	\$0.00	TOTAL NET LIBRARY FUND	\$0.00	\$0.00	\$0.00		

STREET FUND

The *Street Fund* has two primary revenue sources; State Gas Tax and Franchise Fees. Public Works expects State gas tax revenues to increase slightly and PGE Franchise Fee revenues remain flat. The beginning fund balance is estimated to decrease by approximately 27% due to expenditures from the Capital Projects Fund. Personnel Service expenses increased and a wage increase has been included for some Public Works positions. The wage increases are based on contract required and merit-based increases. Materials & Services expenses have increased to better represent the actual operating expenditures. Capital Improvements and transfers to the Capital Project Fund have decreased. Transfers for fleet replacement remain flat and the Contingency line item has grown to 16.6% of revenue.

Historical Data			STREET FUND			
			Budget for Next FY 19-20			
Actual	Actual	Adopted Budget	RESOURCES			
Second Preceding	First Preceding	This Year	Proposed By	Approved By	Adopted By	
Year 2016-2017	Year 2017-2018	Year 2018-2019	Budget Officer	Budget Committee	Governing Body	
\$398,151.75	\$586,855.95	\$688,299.00	BEGINNING FUND BALANCE	\$498,152.00	\$0.00	\$0.00
			REVENUE			
\$539,873.51	\$593,789.91	\$596,000.00	STATE GAS TAX	\$720,000.00	\$0.00	\$0.00
\$228,678.11	\$177,492.35	\$177,500.00	PGE FRANCHISE FEE	\$177,000.00	\$0.00	\$0.00
\$13,949.37	\$4,106.25	\$1,000.00	MISCELLANEOUS	\$1,000.00	\$0.00	\$0.00
\$40,032.69	\$43,574.58	\$9,000.00	PLAN REVIEW AND PERMITS	\$1,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	ODOT/213 & TOLIVER	\$5,200,000.00	\$0.00	\$0.00
\$45,000.00	\$0.00	\$0.00	STATE REVENUE SHARE	\$0.00	\$0.00	\$0.00
\$867,533.68	\$818,963.09	\$783,500.00	TOTAL STREET FUND REVENUES	\$6,099,000.00	\$0.00	\$0.00
\$398,151.75	\$586,855.95	\$688,299.00	TOTAL BEGINNING FUND BALANCE	\$498,152.00	\$0.00	\$0.00
			TOTAL STREET FUND RESOURCES	\$6,597,152.00	\$0.00	\$0.00
\$1,265,685.43	\$1,405,819.04	\$1,471,799.00	PERSONNEL SERVICES			
\$31,485.14	\$28,031.87	\$48,500.00	PERS	\$48,500.00	\$0.00	\$0.00
\$7,618.10	\$4,637.66	\$12,000.00	SAIF	\$10,500.00	\$0.00	\$0.00
\$15,596.69	\$13,292.64	\$18,500.00	FICA	\$18,500.00	\$0.00	\$0.00
\$45,215.46	\$40,471.46	\$64,500.00	INSURANCE	\$72,000.00	\$0.00	\$0.00
\$0.00	\$2,174.40	\$0.00	UNEMPLOYMENT LIABILITY	\$0.00	\$0.00	\$0.00
\$26,304.00	\$28,890.00	\$30,000.00	PW DIRECTOR	\$35,500.00	\$0.00	\$0.00
\$11,791.91	\$19,654.84	\$21,000.00	SENIOR ENGINEERING TECHNICIAN	\$21,500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	PROJECT ENGINEER	\$27,500.00	\$0.00	\$0.00
\$0.00	\$16,148.67	\$22,000.00	PW OPERATIONS SUPERVISOR	\$26,000.00	\$0.00	\$0.00
\$0.00	\$964.04	\$9,800.00	QA/QC ANALYST	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$17,500.00	GIS ANALYST	\$19,000.00	\$0.00	\$0.00
\$17,638.24	\$6,504.74	\$18,500.00	CREW - FOREMAN	\$19,000.00	\$0.00	\$0.00
\$57,311.62	\$79,882.60	\$94,500.00	CREW - STREETS	\$91,000.00	\$0.00	\$0.00
\$58,044.75	\$0.00	\$0.00	CREW - PARKS	\$0.00	\$0.00	\$0.00
\$7,079.01	\$0.00	\$0.00	CREW - SEASONAL	\$0.00	\$0.00	\$0.00
\$0.00	\$16,966.31	\$0.00	GIS MAPPING/CODE DEVELOPMENT	\$0.00	\$0.00	\$0.00
\$14,585.42	\$10,236.04	\$15,000.00	OVERTIME	\$15,000.00	\$0.00	\$0.00
\$960.72	\$7,266.87	\$6,000.00	EXEC ADMIN ASSISTANT	\$7,500.00	\$0.00	\$0.00
\$293,631.06	\$275,122.14	\$377,800.00	TOTAL PERSONNEL SERVICES	\$411,500.00	\$0.00	\$0.00
3.57	3.57	3.00	FTE	3.10		

Historical Data			STREET FUND			
			Budget for Next FY 19-20			
Actual		Adopted Budget				
Second Preceding	First Preceding	This Year	REQUIREMENTS- <i>cont</i>			
Year 2016-2017	Year 2017-2018	Year 2018-2019	Proposed By	Approved By	Adopted By	
			Budget Officer	Budget Committee	Governing Body	
			MATERIALS & SERVICES			
\$75,841.59	\$89,808.51	\$93,000.00	POWER	\$93,000.00	\$0.00	\$0.00
\$6,548.18	\$5,880.73	\$7,500.00	PHONE	\$7,500.00	\$0.00	\$0.00
\$1,983.68	\$1,961.76	\$2,200.00	NATURAL GAS	\$1,500.00	\$0.00	\$0.00
\$15,266.83	\$3,522.32	\$9,000.00	O&M	\$10,000.00	\$0.00	\$0.00
\$24,440.32	\$0.00	\$0.00	O&M (PARKS)	\$0.00	\$0.00	\$0.00
\$1,285.83	\$2,191.56	\$6,100.00	BUILDING MAINTENANCE	\$10,500.00	\$0.00	\$0.00
\$1,005.41	\$865.91	\$4,700.00	TRANING & CONF. TRAVEL	\$5,100.00	\$0.00	\$0.00
\$387.75	\$585.20	\$1,200.00	DUES & MEMBERSHIP	\$1,200.00	\$0.00	\$0.00
\$13.45	\$0.00	\$200.00	POSTAGE	\$200.00	\$0.00	\$0.00
\$6,793.14	\$7,823.21	\$8,600.00	COMPUTER NETWORK	\$8,300.00	\$0.00	\$0.00
\$15,078.54	\$5,389.30	\$16,000.00	PROFESSIONAL SERVICES	\$13,300.00	\$0.00	\$0.00
\$0.00	\$0.00	\$5,000.00	LEGAL & RECORDING	\$5,000.00	\$0.00	\$0.00
\$22,512.50	\$24,152.00	\$30,000.00	INSURANCE/LIABILITY/GEN	\$25,000.00	\$0.00	\$0.00
\$3,554.74	\$3,991.47	\$7,000.00	VEHICLE FUEL	\$9,500.00	\$0.00	\$0.00
\$2,788.73	\$0.00	\$0.00	VEHICLE FUEL (PARKS)	\$0.00	\$0.00	\$0.00
\$3,504.37	\$14,283.47	\$27,700.00	VEHICLE REPAIR	\$25,500.00	\$0.00	\$0.00
\$210.36	\$0.00	\$0.00	VEHICLE REPAIR (PARKS)	\$0.00	\$0.00	\$0.00
\$4,433.45	\$3,021.51	\$4,000.00	UNIFORMS & SAFETY GEAR	\$2,700.00	\$0.00	\$0.00
\$335.98	\$0.00	\$0.00	UNIFORMS & SAFETY GEAR (PARKS)	\$0.00	\$0.00	\$0.00
\$68,082.17	\$62,765.58	\$70,000.00	COST ALLOCATION AGREEMENT	\$70,000.00	\$0.00	\$0.00
\$78,310.26	\$65,167.26	\$105,500.00	SIDEWALK / STREET REPAIRS	\$165,500.00	\$0.00	\$0.00
\$2,267.05	\$1,366.27	\$2,150.00	SMALL EQUIPMENT / TOOLS	\$2,500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$500.00	PERMITS	\$500.00	\$0.00	\$0.00
\$2,940.23	\$32,346.92	\$35,500.00	SIGNAGE & STRIPING	\$33,500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	NEW STREET LIGHTS	\$10,000.00	\$0.00	\$0.00
\$337,584.56	\$325,122.98	\$435,850.00	TOTAL MATERIALS % SERVICES	\$500,300.00	\$0.00	\$0.00
			CAPITAL OUTLAY			
\$47,613.86	\$66,992.07	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$22,600.00	STREET EQUIPMENT	\$6,500.00	\$0.00	\$0.00
\$47,613.86	\$66,992.07	\$22,600.00	TOTAL CAPITAL OUTLAY	\$6,500.00	\$0.00	\$0.00
			TRANSFERS OUT			
\$0.00	\$26,582.38	\$494,000.00	TRANSFER TO CAPITAL PROJECT F	\$5,524,000.00	\$0.00	\$0.00
\$0.00	\$23,700.00	\$19,800.00	TRANSFER TO FLEET REPLACE FUND	\$19,800.00	\$0.00	\$0.00
\$0.00	\$50,282.38	\$513,800.00	TOTAL TRANSFERS OUT	\$5,543,800.00	\$0.00	\$0.00
			CONTINGENCY			
\$0.00	\$0.00	\$121,749.00	OPERATING CONTINGENCY	\$135,052.00	\$0.00	\$0.00
\$0.00	\$0.00	\$121,749.00	TOTAL OPERATING CONTINGENCY	\$135,052.00	\$0.00	\$0.00
\$678,829.48	\$717,519.57	\$1,471,799.00	TOTAL STREET FUND REQUIREMENTS	\$6,597,152.00	\$0.00	\$0.00
\$1,265,685.43	\$1,405,819.04	\$1,471,799.00	TOTAL FUND RESOURCES AND FUND BAL	\$6,597,152.00	\$0.00	\$0.00
\$678,829.48	\$717,519.57	\$1,471,799.00	TOTAL FUND REQUIREMENTS	\$6,597,152.00	\$0.00	\$0.00
\$586,855.95	\$688,299.47	\$0.00	TOTAL NET STREET FUND	\$0.00	\$0.00	\$0.00

PD RESTRICTED FUND

The account category titled PD Restricted Funds houses several smaller accounts designed to be protected or set-aside. For example, when citizens or a business entity donates money for a particular cause (like K9) those funds need to be held separately to ensure they are used for the reason they were designated. When funds are donated to the police department and are not designated to a particular area, they go into a Youth Athletic or Activity fund which the Department uses to pay for registration fees for families that otherwise could not afford to let their children participate. This category is also funded from any auctions or sales of surplus equipment. Similarly, our officers and staff personally donate monthly funds to a Youth Scholarship fund which awards an annual \$1000 college scholarship to a worthy graduating senior at Molalla High School. There is also a small portion of revenue that comes from traffic citations that is directed to be used for emergency vehicle replacement and related issues.

Historical Data			PD RESTRICTED FUND	Budget for Next FY 19-20		
Actual	Actual	Adopted Budget		Proposed By	Approved By	Adopted By
Second Preceding	First Preceding	This Year	Budget Officer			
Year 2016-2017	Year 2017-2018	Year 2018-2019	RESOURCES		Committee	Body
\$23,400.50	\$29,955.57	\$17,250.00	BEGINNING FUND BALANCE	\$31,351.00	\$0.00	\$0.00
			REVENUE			
\$7,105.07	\$16,919.45	\$13,750.00	EMERGENCY VEHICLE FUND	\$14,000.00	\$0.00	\$0.00
\$590.00	\$2,347.54	\$1,000.00	POLICE PAYROLL DONATIONS	\$1,400.00	\$0.00	\$0.00
\$100.00	\$3,848.00	\$800.00	POLICE AUCTION / YOUTH FUND	\$1,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$50,000.00	SHARED REVENUES	\$50,000.00	\$0.00	\$0.00
\$0.00	\$50,000.00	\$0.00	TRANSFER FROM GENERAL FUND	\$0.00	\$0.00	\$0.00
\$7,795.07	\$73,114.99	\$65,550.00	TOTAL STREET FUND REVENUES	\$66,400.00	\$0.00	\$0.00
\$23,400.50	\$29,955.57	\$17,250.00	TOTAL BEGINNING FUND BALANCE	\$31,351.00	\$0.00	\$0.00
			TOTAL PD RESTRICTED FUND RESOURCES	\$97,751.00	\$0.00	\$0.00

Historical Data			PD RESTRICTED FUND	Budget for Next FY 19-20		
Actual	Actual	Adopted Budget		Proposed By	Approved By	Adopted By
Second Preceding	First Preceding	This Year	Budget Officer			
Year 2016-2017	Year 2017-2018	Year 2018-2019	REQUIREMENTS		Committee	Body
			MATERIALS & SERVICES			
\$0.00	\$0.00	\$1,751.00	K9 (Donation)	\$1,751.00	\$0.00	\$0.00
\$0.00	\$80,396.57	\$79,249.00	PD EMERGENCY VEHICLE FUND	\$14,000.00	\$0.00	\$0.00
\$240.00	\$750.00	\$800.00	YOUTH ATHLETIC FUND	\$1,000.00	\$0.00	\$0.00
\$1,000.00	\$1,000.00	\$1,000.00	YOUTH SCHOLARSHIP (eeDonation)	\$1,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	SUPPLIES / EQUIPMENT	\$20,000.00	\$0.00	\$0.00
\$1,240.00	\$82,146.57	\$82,800.00	TOTAL MATERIALS % SERVICES	\$37,751.00	\$0.00	\$0.00
			CAPITAL OUTLAY			
\$0.00	\$0.00	\$0.00	EMERGENCY VEHICLE	\$50,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$50,000.00	\$0.00	\$0.00
			TRANSFERS OUT			
\$0.00	\$0.00	\$0.00	TRANSFER TO FLEET REPLACEMENT	\$10,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL TRANSFERS OUT	\$10,000.00	\$0.00	\$0.00
\$1,240.00	\$82,146.57	\$82,800.00	TOTAL PD RESTRICTED FUND REQUIREMENTS	\$97,751.00	\$0.00	\$0.00
\$31,195.57	\$103,070.56	\$82,800.00	TOTAL FUND RESOURCES AND FUND BAL	\$97,751.00	\$0.00	\$0.00
\$1,240.00	\$82,146.57	\$82,800.00	TOTAL FUND REQUIREMENTS	\$97,751.00	\$0.00	\$0.00
\$29,955.57	\$20,923.99	\$0.00	TOTAL NET PD RESTRICTED FUND	\$0.00	\$0.00	\$0.00

Historical Data			CAPITAL PROJECTS			Budget for Next FY 19-20		
Actual		Adopted Budget This Year Year 2018-2019	RESOURCES			Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018							
\$0.00	\$0.00	\$0.00	BEGINNING FUND BALANCE		\$0.00	\$0.00	\$0.00	
			REVENUE					
\$0.00	\$0.00	\$2,000,000.00	USDA GRANT		\$0.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$132,000.00	CDBG GRANT		\$0.00	\$0.00	\$0.00	
\$0.00	\$26,582.38	\$494,000.00	TRANSFER FROM STREETS		\$5,524,000.00	\$0.00	\$0.00	
\$0.00	\$228,209.32	\$353,000.00	TRANSFER FROM SEWER		\$359,000.00	\$0.00	\$0.00	
\$0.00	\$40,019.09	\$1,220,900.00	TRANSFER FROM WATER		\$1,019,520.00	\$0.00	\$0.00	
\$0.00	\$7,786.86	\$100,000.00	TRANSFER FROM STORMWATER		\$123,000.00	\$0.00	\$0.00	
\$0.00	\$242,964.04	\$350,000.00	TRANSFER FROM SEWER SDC		\$685,000.00	\$0.00	\$0.00	
\$0.00	\$12,251.10	\$1,221,147.00	TRANSFER FROM WATER SDC		\$1,979,480.00	\$0.00	\$0.00	
\$0.00	\$52,813.59	\$479,000.00	TRANSFER FROM STREET SDC		\$731,000.00	\$0.00	\$0.00	
\$0.00	\$125,736.08	\$1,000,000.00	TRANSFER FROM PARKS SDC		\$1,000,000.00	\$0.00	\$0.00	
\$0.00	\$4,626.37	\$60,240.00	TRANSFER FROM STORM SDC		\$100,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$0.00	TRANSFER FROM GF-POLICE DEPT		\$100,000.00	\$0.00	\$0.00	
\$0.00	\$740,988.83	\$7,410,287.00	TOTAL FUND REVENUES		\$11,621,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$0.00	TOTAL BEGINNING FUND BALANCE		\$0.00	\$0.00	\$0.00	
\$0.00	\$740,988.83	\$7,410,287.00	TOTAL CAPITAL PROJECTS FUND RESOURCES		\$11,621,000.00	\$0.00	\$0.00	

Historical Data			CAPITAL PROJECTS			Budget for Next FY 19-20		
Actual		Adopted Budget This Year Year 2018-2019	REQUIREMENTS			Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018							
\$0.00	\$0.00	\$2,000,000.00	CAPITAL OUTLAY					
\$0.00	\$125,736.08	\$1,000,000.00	USDA PROJECT		\$0.00	\$0.00	\$0.00	
\$0.00	\$79,395.97	\$1,105,000.00	PARK CAPITAL PROJECTS		\$1,000,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$0.00	STREET CAPITAL PROJECTS		\$1,055,000.00	\$0.00	\$0.00	
\$0.00	\$471,748.36	\$703,000.00	HWY 213 & TOLIVER INTERSECTION		\$5,200,000.00	\$0.00	\$0.00	
\$0.00	\$51,695.19	\$2,442,047.00	SEWER CAPITAL PROJECTS		\$1,044,000.00	\$0.00	\$0.00	
\$0.00	\$12,413.23	\$160,240.00	WATER CAPITAL PROJECTS		\$2,999,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$0.00	STORM WATER CAPITAL PROJECTS		\$223,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$0.00	POLICE FACILITY CAPITAL PROJ		\$100,000.00	\$0.00	\$0.00	
\$0.00	\$740,988.83	\$7,410,287.00	TOTAL CAPITAL OUTLAY		\$11,621,000.00	\$0.00	\$0.00	
\$0.00	\$740,988.83	\$7,410,287.00	TOTAL CAPITAL PROJECT FUND REQUIREMENTS		\$11,621,000.00	\$0.00	\$0.00	
\$0.00	\$740,988.83	\$7,410,287.00	TOTAL FUND RESOURCES AND FUND BAL		\$11,621,000.00	\$0.00	\$0.00	
\$0.00	\$740,988.83	\$7,410,287.00	TOTAL FUND REQUIREMENTS		\$11,621,000.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$0.00	TOTAL NET CAPITAL PROJECTS FUND		\$0.00	\$0.00	\$0.00	

CAPITAL PROJECT FUND NARRATIVE

The Capital Improvement Fund for FY 2019-20 is made up of a combination existing projects that began in FY 2018-19 and new projects beginning in FY 2019-20. The following is list of those projects with a brief explanation of their purpose:

Street Projects

- Shops Facility Improvements – This project will replace existing water, sewer and stormwater systems at the Maintenance Facility, construct a fleet building to house the vector truck and street sweeper, provide security improvements and lighting to existing structures, and plan for future facility expansion and construction of a debris decant facility.
- OR 211 Pedestrian-Bicycle Improvements – This project is partially funded with a Multimodal Transportation Enhance Program (MTEP) grant to provide a pedestrian and bicycle connection from the Safeway Shopping Center to east of Ona Way on the north side of Highway 211.
- OR 213 All Roads Transportation Safety (ARTS) Project – This project is a state delivered federal project to install safety upgrades, such as lighting and signage, to improve intersection safety along the Hwy 213 corridor. The project is focused mainly on the intersection of Hwy 213 and Toliver Road.
- Shops Decant Facility – This project will construct a drying bed for street sweeping materials to reduce the trucking and disposal costs of street sweeping debris.
- Center Avenue Alley – This project will improve the alley on the east side of Center Avenue between Hwy 211 and Ross Street. It is part of a reimbursement for conditions applied to a private development to cover one half of the alley reconstruction.
- City Hall Remodel Ph 3 – This project will replace single pane windows in the conference room, upgrade portions of the HVAC system, add office space and improve material storage and clerical work areas.

Sewer Projects

- Shops Facility Improvements – See Street Projects above.
- WWTP Headworks – This project will rebuild the existing headworks, add a secondary headworks, make improvements to the headworks gates, and provide a gate lift system.
- WWMP Phase 1 Project 7 Fenton Ave – This project will design and reconstruct the sewer at the south end of Fenton Avenue.
- WWMP Phase 1 Project 2 Patrol Street – This project will design and reconstruct the sewer on Patrol Street.
- City Hall Remodel Ph 3 – See Street Projects above.

Water Projects

- Shops Facility Improvements – See Street Projects above.
- Fenton Ave Waterline – This project will design and reconstruct the waterline at the south end of Fenton Avenue.).
- Patrol Street Waterline – This project will design and reconstruct the waterline on Patrol Street.
- WTP New Trident 1400 GPM Filter – The project will design and construct a new 2 MGD water treatment plan filtration unit bringing the plant treatment capacity to 4 MGD.
- WTP Sodium Hypochlorite & Controls Upgrade – This project will upgrade the chemical delivery system for the treatment plant and supervisory control and data acquisition (SCADA) to better control the water treatment process, replace aging equipment, and reduce maintenance costs.
- City Hall Remodel Ph 3 – See Street Projects above.
- Trout Creek Monitoring Station – This project will install a flow monitoring station on Trout Creek as part of the City's monitoring requirements for water rights.
- Trout Creek Water Right Transfer – This project will move the water right from Trout Creek to the Molalla River intake so that the City's water right is in one location at the point of access.
- Water Master Plan-Water Management & Conservation Plan – This project will update the 1996 Water Master Plan and develop a new water management plan meeting State of Oregon requirements.

CAPITAL PROJECT FUND NARRATIVE-continued*Stormwater Projects*

- Shops Facility Improvements – See Street Projects above.
- City Hall Remodel Ph 3 – See Street Projects above.
- Shops Decant Facility – See Street Projects above.
- Creamery Creek Video Inspection – This project will review the condition of the Creamery Creek pipe from the east end of the City downstream. This project is in preparation for the upcoming Stormwater Master Plan update in two years.

Park Projects

- Clark Park Improvements Ph 2 – This project will construct sidewalks along the east side of Cole Avenue, construct curb extensions at the intersection of Shirley Street and Cole Avenue, and construct parking improvements at the south end of Clark Park.
- Creamery Creek Park – This project will design and construct a small neighborhood park on Mary Drive next to Creamery Creek.
- Park Acquisition – This project will allow the City to acquire land for a future park. No specific location has been determined at this time.

FLEET REPLACEMENT FUND

This fund is for purchase of replacement vehicles and equipment. Funds will be transferred each year from enterprise funds, governmental funds, and the Park Fund for future purchases. The intent is to set aside funding each year for a cash replacement of vehicles and equipment in an effort to avoid administrative and interests fees associated with financing vehicles and equipment.

Historical Data			FLEET REPLACEMENT			
Actual			Budget for Next FY 19-20			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
\$0.00	\$0.00	\$72,100.00	BEGINNING FUND BALANCE	\$125,425.00	\$0.00	\$0.00
			REVENUE			
\$0.00	\$0.00	\$20,000.00	TRANSFER FROM GENERAL FUND	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TRANSFER FROM POLICE	\$60,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$7,900.00	TRANSFER FROM GF PARKS	\$7,900.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TRANSFER FROM LIBRARY	\$5,000.00	\$0.00	\$0.00
\$0.00	\$23,700.00	\$19,800.00	TRANSFER FROM STREETS	\$19,800.00	\$0.00	\$0.00
\$0.00	\$23,700.00	\$21,725.00	TRANSFER FROM SEWER	\$21,725.00	\$0.00	\$0.00
\$0.00	\$23,700.00	\$22,000.00	TRANSFER FROM WATER	\$22,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$7,900.00	TRANSFER FROM STORMWATER	\$7,900.00	\$0.00	\$0.00
\$0.00	\$71,100.00	\$99,325.00	TOTAL FUND REVENUES	\$144,325.00	\$0.00	\$0.00
\$0.00	\$0.00	\$72,100.00	TOTAL BEGINNING FUND BALANCE	\$125,425.00	\$0.00	\$0.00
\$0.00	\$71,100.00	\$171,425.00	TOTAL FLEET REPLACEMENT FUND RESOURCES	\$269,750.00	\$0.00	\$0.00

Historical Data			FLEET REPLACEMENT			
Actual			Budget for Next FY 19-20			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
\$0.00	\$0.00	\$25,000.00	CAPITAL OUTLAY			
\$0.00	\$0.00	\$0.00	ADMIN FLEET	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$8,900.00	POLICE FLEET	\$60,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	PARKS FLEET	\$7,500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$42,250.00	LIBRARY FLEET	\$5,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$44,175.00	STREET FLEET	\$13,750.00	\$0.00	\$0.00
\$0.00	\$0.00	\$44,450.00	SEWER FLEET	\$13,750.00	\$0.00	\$0.00
\$0.00	\$0.00	\$6,650.00	WATER FLEET	\$13,750.00	\$0.00	\$0.00
\$0.00	\$0.00	\$171,425.00	STORM FLEET	\$13,750.00	\$0.00	\$0.00
\$0.00	\$0.00	\$171,425.00	TOTAL CAPITAL OUTLAY	\$127,500.00	\$0.00	\$0.00
			RESERVES			
\$0.00	\$0.00	\$0.00	RESERVE-PARKS	\$8,300.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	RESERVE-STREETS	\$48,300.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	RESERVE-SEWER	\$52,150.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	RESERVE-WATER	\$32,700.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	RESERVE-STORMWATER	\$800.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL RESERVE	\$142,250.00	\$0.00	\$0.00
\$0.00	\$0.00	\$171,425.00	TOTAL FLEET REPLACEMENT FUND REQUIREMENTS	\$269,750.00	\$0.00	\$0.00
\$0.00	\$71,100.00	\$171,425.00	TOTAL FUND RESOURCES AND FUND BAL	\$269,750.00	\$0.00	\$0.00
\$0.00	\$0.00	\$171,425.00	TOTAL FUND REQUIREMENTS	\$269,750.00	\$0.00	\$0.00
\$0.00	\$71,100.00	\$0.00	TOTAL NET FLEET REPLACEMENT FUND	\$0.00	\$0.00	\$0.00

ENTERPRISE FUNDS



SEWER FUND

The Sewer Fund anticipates Monthly User Fee to increase based on new rates effective July 1, 2019 for FY 2019-20. Public Works is continuing its I&I and biosolids removal work and cost savings through repairs and efficiency improvements have been realized at the Wastewater Treatment Plant operations. The beginning fund balance increased from FY 2018-19 due to less than anticipated project related expenses. Personnel Service expenses increased due to the addition of a new Wastewater Treatment Plant Operator and a wage increase has been included for some Public Works positions. The wage increases are based on contract required and merit based increases.

The Materials & Services expenses increased in the Maintenance and Operation Divisions due to increases in I&I work and biosolids removal. Lab equipment and supplies for the WWTP were added to the Operation section to track laboratory material costs which were removed from the O&M line item. Other line items adjustments have been made to better match existing expenditures. Transfers to the Sewer Debt Service and CWSRF Fund, Capital Project Fund, and Fleet Replacement Fund have remained flat. Contingency line item has dropped from 15% to 14% due to the amount of mandated sewer projects.

Historical Data			Budget for Next FY 19-20			
Actual			RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019				
\$457,625.13	\$777,735.36	\$703,247.00	BEGINNING FUND BALANCE	\$740,584.00	\$0.00	\$0.00
			REVENUE			
\$3,269.33	\$722.93	\$1,000.00	MISCELLANEOUS	\$1,000.00	\$0.00	\$0.00
\$33,500.00	\$62,500.00	\$25,000.00	WASTEWATER DECREE ALLOCATION	\$25,000.00	\$0.00	\$0.00
\$17,636.23	\$3,762.42	\$9,000.00	PLAN REVIEW AND PERMITS	\$1,000.00	\$0.00	\$0.00
\$2,298,334.41	\$2,508,139.33	\$2,650,000.00	MONTHLY USER FEE	\$2,750,000.00	\$0.00	\$0.00
\$9,000.00	\$36,600.00	\$1,000.00	SERVICE CONNECTIONS	\$1,000.00	\$0.00	\$0.00
\$2,361,739.97	\$2,611,724.68	\$2,686,000.00	TOTAL FUND REVENUES	\$2,778,000.00	\$0.00	\$0.00
\$457,625.13	\$777,735.36	\$703,247.00	TOTAL BEGINNING FUND BALANCE	\$740,584.00	\$0.00	\$0.00
\$2,819,365.10	\$3,389,460.04	\$3,389,247.00	TOTAL SEWER FUND RESOURCES	\$3,518,584.00	\$0.00	\$0.00

Historical Data			Budget for Next FY 19-20			
Actual			REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019				
\$48,416.41	\$56,982.91	\$78,000.00	PERSONNEL SERVICES			
\$7,903.11	\$8,426.11	\$17,000.00	PERS	\$100,000.00	\$0.00	\$0.00
\$26,267.65	\$30,119.84	\$31,000.00	SAIF	\$21,000.00	\$0.00	\$0.00
\$71,784.30	\$85,660.00	\$116,000.00	FICA	\$41,000.00	\$0.00	\$0.00
\$10,426.12	\$4,057.56	\$0.00	INSURANCE	\$137,000.00	\$0.00	\$0.00
\$26,304.00	\$28,890.00	\$30,000.00	UNEMPLOYMENT LIABILITY	\$0.00	\$0.00	\$0.00
\$11,791.91	\$19,654.84	\$20,500.00	PW DIRECTOR	\$35,500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	SENIOR ENGINEERING TECHNICIAN	\$21,500.00	\$0.00	\$0.00
\$0.00	\$16,148.67	\$22,000.00	PROJECT ENGINEER	\$27,500.00	\$0.00	\$0.00
\$0.00	\$1,871.38	\$18,900.00	PW OPERATIONS SUPERVISOR	\$26,000.00	\$0.00	\$0.00
\$66,336.70	\$66,143.76	\$70,000.00	QA/QC ANALYST	\$0.00	\$0.00	\$0.00
\$62,759.08	\$64,980.54	\$49,100.00	WWTP PLANT OPERATOR	\$76,500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	PLANT OPERATOR II	\$119,000.00	\$0.00	\$0.00
\$20,055.36	\$7,805.69	\$20,000.00	PLANT OPERATOR I	\$51,000.00	\$0.00	\$0.00
\$78,924.89	\$97,150.14	\$104,000.00	CREW - FOREMAN	\$21,000.00	\$0.00	\$0.00
\$28,198.64	\$22,576.50	\$25,000.00	CREW - SEWER	\$79,500.00	\$0.00	\$0.00
\$25,440.72	\$16,219.07	\$22,000.00	CREW - SEASONAL	\$29,000.00	\$0.00	\$0.00
\$0.00	\$16,966.31	\$18,000.00	OSIV-UTILITY BILLING	\$23,500.00	\$0.00	\$0.00
\$28,385.87	\$36,017.73	\$50,000.00	GIS ANALYST	\$19,000.00	\$0.00	\$0.00
\$960.72	\$7,266.87	\$6,500.00	OVERTIME	\$50,000.00	\$0.00	\$0.00
\$513,955.48	\$586,937.92	\$698,000.00	EXEC ADMIN ASSISTANT	\$7,500.00	\$0.00	\$0.00
4.37	4.37	6.03	TOTAL PERSONNEL SERVICES	\$885,500.00	\$0.00	\$0.00
			FTE	7.78		

Historical Data

SEWER FUND

Budget for Next FY 19-20

Actual			Adopted Budget This Year			Proposed By Budget Officer			Approved By Budget Committee			Adopted By Governing Body			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS- <i>cont</i>			Proposed By Budget Officer			Approved By Budget Committee			Adopted By Governing Body			
			SEWER MAINTENANCE DIVISION												
			MATERIALS & SERVICES												
\$140,261.83	\$137,082.72	\$155,000.00	POWER			\$145,000.00		\$0.00		\$0.00			\$0.00		
\$8,749.08	\$7,810.23	\$9,500.00	PHONE			\$5,000.00		\$0.00		\$0.00			\$0.00		
\$1,409.44	\$416.51	\$2,000.00	NATURAL GAS			\$1,000.00		\$0.00		\$0.00			\$0.00		
\$153,074.70	\$47,372.87	\$23,500.00	OPERATIONS & MAINTENANCE			\$24,750.00		\$0.00		\$0.00			\$0.00		
\$11,420.15	\$7,271.20	\$6,500.00	BUILDING MAINTENANCE			\$10,500.00		\$0.00		\$0.00			\$0.00		
\$1,888.90	\$2,671.95	\$4,600.00	TRANING & CONF. TRAVEL			\$4,000.00		\$0.00		\$0.00			\$0.00		
\$3,023.00	\$467.30	\$2,500.00	DUES & MEMBERSHIP			\$2,500.00		\$0.00		\$0.00			\$0.00		
			SEWER MAINTENANCE DIVISION												
			MATERIALS & SERVICES-Continued												
\$5,595.98	\$6,546.02	\$7,000.00	POSTAGE			\$6,000.00		\$0.00		\$0.00			\$0.00		
\$6,793.12	\$7,713.84	\$9,500.00	COMPUTER NETWORK			\$8,300.00		\$0.00		\$0.00			\$0.00		
\$212,394.99	\$123,637.90	\$14,200.00	PROFESSIONAL SERVICES			\$63,300.00		\$0.00		\$0.00			\$0.00		
\$7,740.00	\$396,050.25	\$100,000.00	LEGAL & RECORDING			\$50,000.00		\$0.00		\$0.00			\$0.00		
\$36,895.00	\$24,152.00	\$25,000.00	INSURANCE/LIABILITY/GEN			\$25,000.00		\$0.00		\$0.00			\$0.00		
\$6,705.96	\$1,274.09	\$2,500.00	VEHICLE FUEL			\$5,000.00		\$0.00		\$0.00			\$0.00		
\$2,990.82	\$5,940.20	\$23,000.00	VEHICLE REPAIR			\$20,000.00		\$0.00		\$0.00			\$0.00		
\$6,425.63	\$1,442.45	\$3,795.00	UNIFORMS & SAFETY GEAR			\$2,700.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$0.00	\$25,000.00	LITIGATION PAYOUT			\$30,340.00		\$0.00		\$0.00			\$0.00		
\$134,279.43	\$107,195.91	\$120,000.00	COST ALLOCATION AGREEMENT			\$100,000.00		\$0.00		\$0.00			\$0.00		
\$14,952.40	\$87,796.22	\$134,000.00	INFLOW & INFILTRATION			\$189,500.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$10,538.10	\$5,000.00	SEWER LINE REPAIR			\$5,000.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$0.00	\$2,500.00	NEW SEWER CONNECTIONS			\$2,500.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$2,887.00	\$3,000.00	PERMITS			\$5,000.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$617.05	\$1,950.00	SMALL EQUIP/TOOLS			\$2,500.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$19,034.65	\$37,500.00	LIFT STATION MAINT			\$33,000.00		\$0.00		\$0.00			\$0.00		
\$754,600.43	\$997,918.46	\$717,545.00	TOTAL SEWER MAINTENANCE-MATERIALS & SERVICES			\$740,890.00		\$0.00		\$0.00			\$0.00		
			SEWER OPERATIONS DIVISION												
			MATERIALS & SERVICES												
\$0.00	\$122,238.15	\$70,000.00	OPERATIONS & MAINTENANCE			\$89,500.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$37,274.77	\$5,000.00	BUILDING MAINTENANCE			\$10,000.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$906.28	\$1,200.00	TRANING & CONF. TRAVEL			\$1,200.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$181.00	\$1,000.00	DUES & MEMBERSHIP			\$1,000.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$4,979.21	\$2,500.00	VEHICLE FUEL			\$2,500.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$1,917.44	\$8,000.00	VEHICLE REPAIR			\$2,000.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$9,573.57	\$11,000.00	IRRIGATION FUEL			\$20,000.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$1,060.74	\$2,000.00	UNIFORMS & SAFETY GEAR			\$2,200.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$6,275.85	\$500,962.00	BIOSOLIDS REMOVAL			\$400,000.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$0.00	\$5,000.00	EFFLUENT MONITORING			\$5,000.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$0.00	\$0.00	LAB SUPPLIES/EQUIPMENT			\$18,500.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$217,360.09	\$192,000.00	CHLORINE & CHEMICALS			\$198,000.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$19,766.00	\$9,000.00	PERMITS			\$9,000.00		\$0.00		\$0.00			\$0.00		
\$0.00	\$421,533.10	\$807,662.00	TOTAL SEWER OPERATIONS-MATERIALS & SERVICES			\$758,900.00		\$0.00		\$0.00			\$0.00		

Historical Data			SEWER FUND	Budget for Next FY 19-20		
Actual				REQUIREMENTS-cont	Proposed By	Approved By
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019		Budget Officer	Budget Committee	Governing Body
\$255,715.56	\$65,729.07	\$0.00	CAPITAL OUTLAY			
\$0.00	\$0.00	\$22,600.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$255,715.56	\$65,729.07	\$22,600.00	SEWER EQUIPMENT	\$6,500.00	\$0.00	\$0.00
			TOTAL CAPITAL OUTLAY	\$6,500.00	\$0.00	\$0.00
			TRANSFERS OUT			
\$315,550.00	\$316,350.00	\$316,000.00	TRANSFER TO SEWER DEBT	\$316,000.00	\$0.00	\$0.00
\$0.00	\$57,085.00	\$49,815.00	TRANSFER TO CWSRF	\$44,575.00	\$0.00	\$0.00
\$0.00	\$228,209.32	\$353,000.00	TRANSFER TO CAPITAL PROJECT F	\$359,000.00	\$0.00	\$0.00
\$0.00	\$23,700.00	\$21,725.00	TRANSFER TO FLEET REPLACE FUND	\$21,725.00	\$0.00	\$0.00
\$315,550.00	\$625,344.32	\$740,540.00	TOTAL TRANSFERS OUT	\$741,300.00	\$0.00	\$0.00
			CONTINGENCY			
\$0.00	\$0.00	\$402,900.00	CONTINGENCY	\$385,494.00	\$0.00	\$0.00
\$0.00	\$0.00	\$402,900.00	TOTAL OPERATING CONTINGENCY	\$385,494.00	\$0.00	\$0.00
\$1,839,821.47	\$2,697,462.87	\$3,389,247.00	TOTAL SEWER REQUIREMENTS	\$3,518,584.00	\$0.00	\$0.00
\$2,819,365.10	\$3,389,460.04	\$3,389,247.00	TOTAL FUND RESOURCES AND FUND BAL	\$3,518,584.00	\$0.00	\$0.00
\$1,839,821.47	\$2,697,462.87	\$3,389,247.00	TOTAL FUND REQUIREMENTS	\$3,518,584.00	\$0.00	\$0.00
\$979,543.63	\$691,997.17	\$0.00	TOTAL NET SEWER FUND	\$0.00	\$0.00	\$0.00

WATER FUND

The Water Fund anticipates Monthly User Fee to increase based on new rates effective July 1, 2019 for FY 2019-20. Public Works is currently working on a Water Treatment Plant upgrade, waterline replacements, a Water Master Plan and a Water Management and Conservation Plan update. The beginning fund balance increased from FY 2018-19 due to less than anticipated project related expenses. Personnel Service expenses increased and a wage increase has been included for some Public Works positions. The wage increases are based on contract required and merit-based increases.

The Materials & Services expenses decreased in the Maintenance and Operation Divisions due to efficiencies and reduction in overall costs. Lab equipment and supplies for the WTP were added to the Operation section to track laboratory material costs which were removed from the O&M line item. Other line items adjustments have been made to better match existing expenditures. Transfers to the Capital Project Fund have reduced and Fleet Replacement Fund have increased to the minimum required. Contingency line item has increased from 15% to 37% and a \$1,000,000 reserve has been set up for upcoming water replacement projects.

Historical Data			Budget for Next FY 19-20			
Actual		Adopted Budget	RESOURCES	Proposed By	Approved By	Adopted By
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	This Year Year 2018-2019				
\$804,255.25	\$1,082,121.85	\$1,689,645.00	BEGINNING FUND BALANCE	\$2,104,752.00	\$0.00	\$0.00
			REVENUE			
\$8,071.96	\$722.93	\$1,000.00	MISCELLANEOUS	\$1,000.00	\$0.00	\$0.00
\$16,088.38	\$3,373.45	\$9,000.00	PLAN REVIEW AND PERMITS	\$1,000.00	\$0.00	\$0.00
\$1,698,883.05	\$1,740,531.42	\$1,810,336.00	MONTHLY USER FEE	\$2,050,000.00	\$0.00	\$0.00
\$10,200.00	\$37,225.00	\$1,000.00	SERVICE CONNECTIONS	\$1,000.00	\$0.00	\$0.00
\$1,733,243.39	\$1,781,852.80	\$1,821,336.00	TOTAL FUND REVENUES	\$2,053,000.00	\$0.00	\$0.00
\$804,255.25	\$1,082,121.85	\$1,689,645.00	TOTAL BEGINNING FUND BALANCE	\$2,104,752.00	\$0.00	\$0.00
\$2,537,498.64	\$2,863,974.65	\$3,510,981.00	TOTAL WATER FUND RESOURCES	\$4,157,752.00	\$0.00	\$0.00

Historical Data			Budget for Next FY 19-20			
Actual		Adopted Budget	REQUIREMENTS	Proposed By	Approved By	Adopted By
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	This Year Year 2018-2019				
\$63,240.10	\$66,638.00	\$79,000.00	PERSONNEL SERVICES			
\$8,090.64	\$8,531.75	\$17,000.00	PERS	\$84,000.00	\$0.00	\$0.00
\$30,027.44	\$33,196.89	\$31,000.00	SAIF	\$18,500.00	\$0.00	\$0.00
\$88,320.02	\$95,390.09	\$114,000.00	FICA	\$34,000.00	\$0.00	\$0.00
\$0.00	\$3,140.80	\$0.00	INSURANCE	\$120,000.00	\$0.00	\$0.00
\$26,304.00	\$28,890.00	\$30,000.00	UNEMPLOYMENT LIABILITY	\$0.00	\$0.00	\$0.00
\$11,791.82	\$19,654.77	\$21,000.00	PW DIRECTOR	\$35,500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	SENIOR ENGINEERING TECHNICIAN	\$21,500.00	\$0.00	\$0.00
\$0.00	\$16,148.58	\$22,000.00	PROJECT ENGINEER	\$28,000.00	\$0.00	\$0.00
\$0.00	\$1,871.38	\$19,000.00	PW OPERATIONS SUPERVISOR	\$26,000.00	\$0.00	\$0.00
\$70,595.56	\$78,093.83	\$76,000.00	QA/QC ANALYST	\$0.00	\$0.00	\$0.00
\$62,682.44	\$66,864.24	\$66,000.00	PLANT OPERATOR	\$76,500.00	\$0.00	\$0.00
\$28,220.98	\$7,805.69	\$20,000.00	ASST. PLANT OPERATOR	\$65,500.00	\$0.00	\$0.00
\$141.74	\$0.00	\$0.00	CREW - FOREMAN	\$21,000.00	\$0.00	\$0.00
\$135,937.98	\$100,256.72	\$104,000.00	CREW - SEASONAL	\$0.00	\$0.00	\$0.00
\$0.00	\$16,966.08	\$18,000.00	CREW - WATER	\$79,500.00	\$0.00	\$0.00
\$25,440.70	\$16,218.92	\$18,000.00	GIS ANALYST	\$19,000.00	\$0.00	\$0.00
\$33,936.57	\$41,444.73	\$38,000.00	OSIV-UTILITY BILLING	\$19,000.00	\$0.00	\$0.00
\$960.72	\$7,266.87	\$6,000.00	OVERTIME	\$60,000.00	\$0.00	\$0.00
\$585,690.71	\$608,379.34	\$679,000.00	EXEC ADMIN ASSISTANT	\$7,500.00	\$0.00	\$0.00
5.25	5.25	6.03	TOTAL PERSONNEL SERVICES	\$715,500.00	\$0.00	\$0.00
			FTE	5.67		

Historical Data

Budget for Next FY 19-20

Actual		
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019
\$66,171.06	\$69,886.14	\$74,000.00
\$7,067.89	\$6,493.79	\$7,000.00
\$71,369.33	\$26,801.93	\$24,000.00
\$23,889.35	\$2,478.95	\$6,500.00
\$2,621.48	\$3,589.93	\$4,500.00
\$2,066.16	\$1,629.24	\$3,000.00
\$5,546.76	\$6,450.81	\$8,500.00
\$6,747.79	\$7,674.63	\$9,500.00
\$42,081.71	\$4,501.90	\$19,000.00

REQUIREMENTS

Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
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WATER MAINTENANCE DIVISION

MATERIALS & SERVICES

POWER	\$90,000.00	\$0.00	\$0.00
PHONE	\$7,500.00	\$0.00	\$0.00
OPERATIONS & MAINTENANCE	\$24,500.00	\$0.00	\$0.00
BUILDING MAINTENANCE	\$10,500.00	\$0.00	\$0.00
TRANING & CONF. TRAVEL	\$4,500.00	\$0.00	\$0.00
DUES & MEMBERSHIP	\$3,000.00	\$0.00	\$0.00
POSTAGE	\$7,500.00	\$0.00	\$0.00
COMPUTER NETWORK	\$8,300.00	\$0.00	\$0.00
PROFESSIONAL SERVICES	\$16,000.00	\$0.00	\$0.00

Historical Data

Budget for Next FY 19-20

Actual

WATER FUND

Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019
\$0.00	\$0.00	\$2,000.00
\$23,005.56	\$24,152.00	\$30,000.00
\$5,760.55	\$1,291.33	\$8,000.00
\$2,395.48	\$3,017.99	\$23,000.00
\$1,644.88	\$799.10	\$4,000.00
\$118,069.38	\$81,169.49	\$100,000.00
\$38,993.48	\$1,930.19	\$3,000.00
\$5,995.16	\$43,154.42	\$55,000.00
\$6,142.56	\$42.69	\$5,000.00
\$0.00	\$0.00	\$500.00
\$0.00	\$799.98	\$3,000.00
\$1,902.82	\$46,776.80	\$25,000.00
\$431,471.40	\$332,641.31	\$414,500.00

REQUIREMENTS-cont

Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
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WATER MAINTENANCE DIVISION

MATERIALS & SERVICES-Continued

LEGAL & RECORDING	\$2,000.00	\$0.00	\$0.00
INSURANCE/LIABILITY/GEN	\$30,000.00	\$0.00	\$0.00
VEHICLE FUEL	\$8,000.00	\$0.00	\$0.00
VEHICLE REPAIR	\$20,000.00	\$0.00	\$0.00
UNIFORMS & SAFETY GEAR	\$2,700.00	\$0.00	\$0.00
COST ALLOCATION AGREEMENT	\$80,000.00	\$0.00	\$0.00
CHLORINE & CHEMICALS	\$1,000.00	\$0.00	\$0.00
WATER LINE REPAIR	\$65,000.00	\$0.00	\$0.00
NEW WATER CONNECTIONS	\$10,000.00	\$0.00	\$0.00
PERMITS	\$500.00	\$0.00	\$0.00
SMALL EQUIP/TOOLS	\$2,500.00	\$0.00	\$0.00
NEW WATER METERS	\$35,000.00	\$0.00	\$0.00
TOTAL WATER MAINTENANCE-MATERIALS & SERVICES	\$428,500.00	\$0.00	\$0.00

WATER OPERATIONS DIVISION

MATERIALS & SERVICES

OPERATIONS & MAINTENANCE	\$78,500.00	\$0.00	\$0.00
BUILDING MAINTENANCE	\$10,500.00	\$0.00	\$0.00
TRANING & CONF. TRAVEL	\$3,500.00	\$0.00	\$0.00
DUES & MEMBERSHIP	\$1,000.00	\$0.00	\$0.00
VEHICLE FUEL	\$5,000.00	\$0.00	\$0.00
VEHICLE REPAIR	\$5,000.00	\$0.00	\$0.00
UNIFORMS & SAFETY GEAR	\$3,500.00	\$0.00	\$0.00
LAB SUPPLIES/EQUIPMENT	\$30,000.00	\$0.00	\$0.00
CHLORINE & CHEMICALS	\$36,500.00	\$0.00	\$0.00
PERMITS	\$2,500.00	\$0.00	\$0.00
WATER RESERVOIR MAINTENANCE	\$27,000.00	\$0.00	\$0.00
TOTAL WATER OPERATIONS-MATERIALS & SERVICES	\$203,000.00	\$0.00	\$0.00

Historical Data			WATER FUND			
Actual			Budget for Next FY 19-20			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS- <i>cont</i>	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			CAPITAL OUTLAY			
\$139,109.60	\$24,077.07	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$22,600.00	WATER EQUIPMENT	\$6,500.00	\$0.00	\$0.00
\$139,109.60	\$24,077.07	\$22,600.00	TOTAL CAPITAL OUTLAY	\$6,500.00	\$0.00	\$0.00
			TRANSFERS OUT			
\$299,105.08	\$0.00	\$0.00	TRANSFER TO WATER EXPANSI	\$0.00	\$0.00	\$0.00
\$0.00	\$40,019.09	\$1,220,900.00	TRANSFER TO CAPITAL PROJECT F	\$1,019,520.00	\$0.00	\$0.00
\$0.00	\$23,700.00	\$2,000.00	TRANSFER TO FLEET REPLACE FUND	\$22,000.00	\$0.00	\$0.00
\$299,105.08	\$63,719.09	\$1,222,900.00	TOTAL TRANSFERS OUT	\$1,041,520.00	\$0.00	\$0.00
			CONTINGENCY			
\$0.00	\$0.00	\$273,200.00	OPERATING CONTINGENCY	\$762,732.00	\$0.00	\$0.00
\$0.00	\$0.00	\$273,200.00	TOTAL OPERATING CONTINGENCY	\$762,732.00	\$0.00	\$0.00
			RESERVE			
\$0.00	\$0.00	\$632,081.00	RESERVE	\$1,000,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$632,081.00	TOTAL RESERVE	\$1,000,000.00	\$0.00	\$0.00
\$1,455,376.79	\$1,185,578.33	\$3,510,981.00	TOTAL WATER REQUIREMENTS	\$4,157,752.00	\$0.00	\$0.00
\$2,537,498.64	\$2,863,974.65	\$3,510,981.00	TOTAL FUND RESOURCES AND FUND BAL	\$4,157,752.00	\$0.00	\$0.00
\$1,455,376.79	\$1,185,578.33	\$3,510,981.00	TOTAL FUND REQUIREMENTS	\$4,157,752.00	\$0.00	\$0.00
\$1,082,121.85	\$1,678,396.32	\$0.00	TOTAL NET WATER FUND	\$0.00	\$0.00	\$0.00

STORM WATER FUND

The Storm Fund anticipates Monthly User Fee to increase based on new rates effective July 1, 2019 for FY 2019-20. Public Works is currently finishing up some existing stormwater projects and is preparing for a Stormwater Master Plan update in two years. The beginning fund balance increased from FY 2018-19 due to less than anticipated project related expenses. Personnel Service expenses increased and a wage increase has been included for some Public Works positions. The wage increases are based on contract required and merit-based increases.

The Materials & Services expenses increased due to line item adjustments to better match existing expenditures. Transfers to the Capital Project Fund have increased and Fleet Replacement Fund have remained flat. Contingency line item has increased from 6% to 18% of revenue.

Historical Data			Budget for Next FY 19-20			
Actual			RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019				
\$51,243.11	\$104,296.90	\$150,914.00	BEGINNING FUND BALANCE	\$152,845.00	\$0.00	\$0.00
			REVENUE			
\$2,303.23	\$0.00	\$0.00	MISCELLANEOUS	\$0.00	\$0.00	\$0.00
\$32,815.59	\$9,484.27	\$2,000.00	PLAN REVIEW AND PERMITS	\$500.00	\$0.00	\$0.00
\$139,014.96	\$236,691.54	\$243,225.00	MONTHLY USER FEE	\$255,000.00	\$0.00	\$0.00
\$174,133.78	\$246,175.81	\$245,225.00	TOTAL FUND REVENUES	\$255,500.00	\$0.00	\$0.00
\$51,243.11	\$104,296.90	\$150,914.00	TOTAL BEGINNING FUND BALANCE	\$152,845.00	\$0.00	\$0.00
\$225,376.89	\$350,472.71	\$396,139.00	TOTAL STORM WATER FUND RESOURCES	\$408,345.00	\$0.00	\$0.00

Historical Data			Budget for Next FY 19-20			
Actual			REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019				
			PERSONNEL SERVICES			
\$6,911.33	\$10,807.86	\$20,500.00	PERS	\$18,000.00	\$0.00	\$0.00
\$1,562.45	\$1,948.07	\$5,000.00	SAIF	\$4,000.00	\$0.00	\$0.00
\$3,257.29	\$5,086.28	\$8,000.00	FICA	\$7,000.00	\$0.00	\$0.00
\$9,421.62	\$15,361.20	\$27,500.00	INSURANCE	\$23,500.00	\$0.00	\$0.00
\$0.00	\$549.64	\$0.00	UNEMPLOYMENT LIABILITY	\$0.00	\$0.00	\$0.00
\$8,768.00	\$7,222.50	\$7,500.00	PW DIRECTOR	\$9,000.00	\$0.00	\$0.00
\$3,930.60	\$6,551.65	\$7,000.00	SENIOR ENGINEERING TECHNICIAN	\$7,500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	PROJECT ENGINEER	\$7,000.00	\$0.00	\$0.00
\$0.00	\$9,689.19	\$13,500.00	PW OPERATIONS SUPERVISOR	\$16,000.00	\$0.00	\$0.00
\$0.00	\$964.04	\$10,000.00	QA/QC ANALYST	\$0.00	\$0.00	\$0.00
\$4,938.58	\$3,252.38	\$7,500.00	CREW - FOREMAN	\$8,000.00	\$0.00	\$0.00
\$22,463.43	\$39,635.26	\$38,000.00	CREW - STORM	\$29,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	GIS MAPPING / CODE DEVELOPMENT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$2,100.00	OSIV-UTILITY BILLING	\$2,500.00	\$0.00	\$0.00
\$0.00	\$5,655.38	\$6,000.00	GIS ANALYST	\$6,500.00	\$0.00	\$0.00
\$3,128.00	\$5,143.02	\$5,000.00	OVERTIME	\$5,000.00	\$0.00	\$0.00
\$320.25	\$2,422.30	\$1,500.00	EXEC ADMIN ASSISTANT	\$2,000.00	\$0.00	\$0.00
\$64,701.55	\$114,288.77	\$159,100.00	TOTAL PERSONNEL SERVICES	\$145,000.00	\$0.00	\$0.00
0.87	0.87	1.48	FTE	1.19		

Historical Data			STORM WATER FUND	Budget for Next FY 19-20		
Actual		Adopted Budget		REQUIREMENTS- <i>cont</i>	Proposed By	Approved By
Second Preceding	First Preceding	This Year			Budget Officer	Budget Committee
Year 2016-2017	Year 2017-2018	Year 2018-2019				
			MATERIALS & SERVICES			
\$3,771.70	\$5,134.77	\$7,000.00	OPERATIONS & MAINTENANCE	\$7,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$2,100.00	BUILDING MAINTENANCE	\$2,000.00	\$0.00	\$0.00
\$0.00	\$372.79	\$2,900.00	TRAINING & CONF. TRAVEL	\$1,500.00	\$0.00	\$0.00
\$0.00	\$37.20	\$500.00	DUES & MEMBERSHIP	\$500.00	\$0.00	\$0.00
\$0.00	\$575.38	\$500.00	POSTAGE	\$500.00	\$0.00	\$0.00
\$583.68	\$2,533.91	\$3,200.00	COMPUTER NETWORK	\$3,000.00	\$0.00	\$0.00
\$1,881.50	\$3,909.67	\$13,500.00	PROFESSIONAL SERVICES	\$11,000.00	\$0.00	\$0.00
\$0.00	\$36.50	\$500.00	LEGAL & RECORDING	\$500.00	\$0.00	\$0.00
\$6,543.00	\$6,900.00	\$7,500.00	INSURANCE/LIABILITY/GEN	\$7,500.00	\$0.00	\$0.00
\$1,137.46	\$1,264.35	\$1,500.00	VEHICLE FUEL	\$3,000.00	\$0.00	\$0.00
\$836.99	\$771.22	\$11,100.00	VEHICLE REPAIR	\$8,500.00	\$0.00	\$0.00
\$49.00	\$127.80	\$1,200.00	UNIFORMS & SAFETY GEAR	\$1,000.00	\$0.00	\$0.00
\$10,027.61	\$13,528.23	\$18,000.00	COST ALLOCATION AGREEMENT	\$15,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$500.00	PERMITS	\$500.00	\$0.00	\$0.00
\$0.00	\$0.00	\$700.00	SMALL EQUIP/TOOLS	\$1,000.00	\$0.00	\$0.00
\$0.00	\$400.00	\$1,000.00	STORM DRAINS	\$20,000.00	\$0.00	\$0.00
\$24,830.94	\$35,591.82	\$71,700.00	TOTAL MATERIALS & SERVICES	\$82,500.00	\$0.00	\$0.00
			CAPITAL OUTLAY			
\$31,547.50	\$49,677.74	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$22,857.00	STORM EQUIPMENT	\$4,000.00	\$0.00	\$0.00
\$31,547.50	\$49,677.74	\$22,857.00	TOTAL CAPITAL OUTLAY	\$4,000.00	\$0.00	\$0.00
			TRANSFERS OUT			
\$0.00	\$7,786.86	\$100,000.00	TRANSFER TO CAPITAL PROJECT F	\$123,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$7,900.00	TRANSFER TO FLEET REPLACE FUND	\$7,900.00	\$0.00	\$0.00
\$0.00	\$7,786.86	\$107,900.00	TOTAL TRANSFERS OUT	\$130,900.00	\$0.00	\$0.00
			CONTINGENCY			
\$0.00	\$0.00	\$34,582.00	CONTINGENCY	\$45,945.00	\$0.00	\$0.00
\$0.00	\$0.00	\$34,582.00	TOTAL OPERATING CONTINGENCY	\$45,945.00	\$0.00	\$0.00
\$121,079.99	\$207,345.19	\$396,139.00	TOTAL STORM WATER REQUIREMENTS	\$408,345.00	\$0.00	\$0.00
\$225,376.89	\$350,472.71	\$396,139.00	TOTAL FUND RESOURCES AND FUND BAL	\$408,345.00	\$0.00	\$0.00
\$121,079.99	\$207,345.19	\$396,139.00	TOTAL FUND REQUIREMENTS	\$408,345.00	\$0.00	\$0.00
\$104,296.90	\$143,127.52	\$0.00	TOTAL NET STORM WATER FUND	\$0.00	\$0.00	\$0.00



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SDC FUNDS



Historical Data			STORM WATER SDC FUND				Budget for Next FY 19-20		
Actual		Adopted Budget This Year Year 2018-2019	RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018								
\$134,685.37	\$50,288.55	\$112,738.00	BEGINNING FUND BALANCE	\$125,884.00	\$0.00	\$0.00			
			REVENUE						
\$1,141.00	\$3,438.00	\$820.00	STORM SDC - REMBURSEMENT FEE	\$410.00	\$0.00	\$0.00			
\$25,562.00	\$63,638.00	\$16,660.00	STORM SDC - IMPROVEMENT FEE	\$8,330.00	\$0.00	\$0.00			
\$26,703.00	\$67,076.00	\$17,480.00	TOTAL FUND REVENUES	\$8,740.00	\$0.00	\$0.00			
\$134,685.37	\$50,288.55	\$112,738.00	TOTAL BEGINNING FUND BALANCE	\$125,884.00	\$0.00	\$0.00			
\$161,388.37	\$117,364.55	\$130,218.00	TOTAL STORM WATER SDC FUND RESOURCES	\$134,624.00	\$0.00	\$0.00			

Historical Data			STORM WATER SDC FUND				Budget for Next FY 19-20		
Actual		Adopted Budget This Year Year 2018-2019	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018								
\$2,132.69	\$0.00	\$0.00	MATERIAL & SERVICES						
\$2,132.69	\$0.00	\$0.00	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00			
			TOTAL MATERIALS & SERVICES	\$0.00	\$0.00	\$0.00			
			CAPITAL OUTLAY						
\$108,967.13	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00			
\$108,967.13	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00			
			TRANSFERS OUT						
\$0.00	\$4,626.37	\$60,240.00	TRANSFER TO CAPITAL PROJECTS	\$100,000.00	\$0.00	\$0.00			
\$0.00	\$4,626.37	\$60,240.00	TOTAL TRANSFERS OUT	\$100,000.00	\$0.00	\$0.00			
			RESERVE						
\$0.00	\$0.00	\$65,720.00	RESERVE - IMPROVEMENT SDC	\$26,389.00	\$0.00	\$0.00			
\$0.00	\$0.00	\$4,258.00	RESERVE - REIMBURSEMENT SDC	\$8,235.00	\$0.00	\$0.00			
\$0.00	\$0.00	\$69,978.00	TOTAL RESERVES	\$34,624.00	\$0.00	\$0.00			
\$111,099.82	\$4,626.37	\$130,218.00	TOTAL STORM WATER SDC FUND REQUIREMENTS	\$134,624.00	\$0.00	\$0.00			
\$161,388.37	\$117,364.55	\$130,218.00	TOTAL FUND RESOURCES AND FUND BAL	\$134,624.00	\$0.00	\$0.00			
\$111,099.82	\$4,626.37	\$130,218.00	TOTAL FUND REQUIREMENTS	\$134,624.00	\$0.00	\$0.00			
\$50,288.55	\$112,738.18	\$0.00	TOTAL NET STORM WATER SDC FUND	\$0.00	\$0.00	\$0.00			

Historical Data			WATER SDC FUND	Budget for Next FY 19-20			
Actual				RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019					
\$1,989,591.63	\$1,852,277.05	\$2,081,037.00	BEGINNING FUND BALANCE	\$2,057,792.00	\$0.00	\$0.00	
			REVENUE				
\$29,068.00	\$41,696.00	\$12,380.00	WATER SDC - REIMBURSEMENT FEE	\$6,190.00	\$0.00	\$0.00	
\$38,382.00	\$199,315.32	\$62,480.00	WATER SDC - IMPROVMENT FEE	\$31,240.00	\$0.00	\$0.00	
\$67,450.00	\$241,011.32	\$74,860.00	TOTAL FUND REVENUES	\$37,430.00	\$0.00	\$0.00	
\$1,989,591.63	\$1,852,277.05	\$2,081,037.00	TOTAL BEGINNING FUND BALANCE	\$2,057,792.00	\$0.00	\$0.00	
\$2,057,041.63	\$2,093,288.37	\$2,155,897.00	TOTAL WATER SDC FUND RESOURCES	\$2,095,222.00	\$0.00	\$0.00	

Historical Data			WATER SDC FUND	Budget for Next FY 19-20			
Actual				REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019					
\$2,132.93	\$0.00	\$0.00	MATERIAL & SERVICES				
\$2,132.93	\$0.00	\$0.00	PROFESSIONAL SERVICES	\$5,000.00	\$0.00	\$0.00	
			TOTAL MATERIALS & SERVICES	\$5,000.00	\$0.00	\$0.00	
			CAPITAL OUTLAY				
\$202,631.65	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00	
\$202,631.65	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00	
			TRANSFERS OUT				
\$0.00	\$12,251.10	\$1,221,147.00	TRANSFER TO CAPITAL PROJECT F	\$1,979,480.00	\$0.00	\$0.00	
\$0.00	\$12,251.10	\$1,221,147.00	TOTAL TRANSFERS OUT	\$1,979,480.00	\$0.00	\$0.00	
			RESERVE				
\$0.00	\$0.00	\$911,624.00	RESERVE - IMPROVEMENT SDC	\$31,287.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$23,126.00	RESERVE - REIMBURSEMENT SDC	\$79,455.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$934,750.00	TOTAL TRANSFERS OUT	\$110,742.00	\$0.00	\$0.00	
\$204,764.58	\$12,251.10	\$2,155,897.00	TOTAL WATER SDC FUND REQUIREMENTS	\$2,095,222.00	\$0.00	\$0.00	
\$2,057,041.63	\$2,093,288.37	\$2,155,897.00	TOTAL FUND RESOURCES AND FUND BAL	\$2,095,222.00	\$0.00	\$0.00	
\$204,764.58	\$12,251.10	\$2,155,897.00	TOTAL FUND REQUIREMENTS	\$2,095,222.00	\$0.00	\$0.00	
\$1,852,277.05	\$2,081,037.27	\$0.00	TOTAL NET WATER SDC FUND	\$0.00	\$0.00	\$0.00	

Historical Data			SEWER SDC FUND	Budget for Next FY 19-20			
Actual				RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019					
\$851,406.00	\$754,785.31	\$681,347.00	BEGINNING FUND BALANCE	\$780,682.00	\$0.00	\$0.00	
			REVENUE				
\$32,673.00	\$16,097.00	\$3,960.00	SEWER SDC - REIMBURSEMENT FEE	\$1,980.00	\$0.00	\$0.00	
\$55,995.00	\$285,896.00	\$90,040.00	SEWER SDC - IMPROVEMENT FEE	\$45,020.00	\$0.00	\$0.00	
\$88,668.00	\$301,993.00	\$94,000.00	TOTAL FUND REVENUES	\$47,000.00	\$0.00	\$0.00	
\$851,406.00	\$754,785.31	\$681,347.00	TOTAL BEGINNING FUND BALANCE	\$780,682.00	\$0.00	\$0.00	
\$940,074.00	\$1,056,778.31	\$775,347.00	TOTAL SEWER SDC FUND RESOURCES	\$827,682.00	\$0.00	\$0.00	

Historical Data			SEWER SDC FUND	Budget for Next FY 19-20			
Actual				REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019					
\$2,132.69	\$0.00	\$5,000.00	MATERIAL & SERVICES				
\$2,132.69	\$0.00	\$5,000.00	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00	
			TOTAL MATERIALS & SERVICES	\$0.00	\$0.00	\$0.00	
			TRANSFERS OUT				
\$183,156.00	\$132,467.00	\$135,513.00	TRANSFER TO SEWER CWSRF FUND	\$140,043.00	\$0.00	\$0.00	
\$0.00	\$242,964.04	\$350,000.00	TRANSFER TO CAPITAL PROJECTS	\$685,000.00	\$0.00	\$0.00	
\$183,156.00	\$375,431.04	\$485,513.00	TOTAL TRANSFERS OUT	\$825,043.00	\$0.00	\$0.00	
			RESERVE				
\$0.00	\$0.00	\$274,083.00	RESERVE - IMPROVEMENT SDC	\$2,484.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$10,751.00	RESERVE - REIMBURSEMENT SDC	\$155.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$284,834.00	TOTAL RESERVE	\$2,639.00	\$0.00	\$0.00	
\$185,288.69	\$375,431.04	\$775,347.00	TOTAL SEWER SDC FUND REQUIREMENTS	\$827,682.00	\$0.00	\$0.00	
\$940,074.00	\$1,056,778.31	\$775,347.00	TOTAL FUND RESOURCES AND FUND BAL	\$827,682.00	\$0.00	\$0.00	
\$185,288.69	\$375,431.04	\$775,347.00	TOTAL FUND REQUIREMENTS	\$827,682.00	\$0.00	\$0.00	
\$754,785.31	\$681,347.27	\$0.00	TOTAL NET SEWER SDC FUND	\$0.00	\$0.00	\$0.00	

Historical Data			PARK SDC FUND	Budget for Next FY 19-20			
Actual		Adopted Budget This Year Year 2018-2019		RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018						
\$1,378,859.60	\$1,476,440.59	\$1,787,785.00	BEGINNING FUND BALANCE	\$2,287,929.00	\$0.00	\$0.00	
			REVENUE				
\$213,698.78	\$437,080.00	\$144,460.00	PARK SDC - IMPROVEMENT FEE	\$72,230.00	\$0.00	\$0.00	
\$213,698.78	\$437,080.00	\$144,460.00	TOTAL FUND REVENUES	\$72,230.00	\$0.00	\$0.00	
\$1,378,859.60	\$1,476,440.59	\$1,787,785.00	TOTAL BEGINNING FUND BALANCE	\$2,287,929.00	\$0.00	\$0.00	
			TOTAL PARK SDC FUND RESOURCES	\$2,360,159.00	\$0.00	\$0.00	
\$1,592,558.38	\$1,913,520.59	\$1,932,245.00					

Historical Data			PARK SDC FUND	Budget for Next FY 19-20			
Actual		Adopted Budget This Year Year 2018-2019		REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018						
\$19,768.75	\$0.00	\$0.00	MATERIAL & SERVICES				
\$19,768.75	\$0.00	\$0.00	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00	
			TOTAL MATERIALS % SERVICES	\$0.00	\$0.00	\$0.00	
			CAPITAL OUTLAY				
\$96,349.04	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00	
\$96,349.04	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00	
			TRANSFERS OUT				
\$0.00	\$125,736.08	\$1,000,000.00	TRANSFER TO CAPITAL PROJECTS	\$1,000,000.00	\$0.00	\$0.00	
\$0.00	\$125,736.08	\$1,000,000.00	TOTAL TRANSFERS OUT	\$1,000,000.00	\$0.00	\$0.00	
			RESERVE				
\$0.00	\$0.00	\$932,245.00	RESERVE	\$1,360,159.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$932,245.00	TOTAL RESERVES	\$1,360,159.00	\$0.00	\$0.00	
\$116,117.79	\$125,736.08	\$1,932,245.00	TOTAL PARK SDC FUND REQUIREMENTS	\$2,360,159.00	\$0.00	\$0.00	
\$1,592,558.38	\$1,913,520.59	\$1,932,245.00	TOTAL FUND RESOURCES AND FUND BAL	\$2,360,159.00	\$0.00	\$0.00	
\$116,117.79	\$125,736.08	\$1,932,245.00	TOTAL FUND REQUIREMENTS	\$2,360,159.00	\$0.00	\$0.00	
\$1,476,440.59	\$1,787,784.51	\$0.00	TOTAL NET PARK SDC FUND	\$0.00	\$0.00	\$0.00	

Historical Data			STREET SDC FUND	Budget for Next FY 19-20			
Actual				RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019					
\$468,428.85	\$606,476.22	\$813,583.00	BEGINNING FUND BALANCE	\$812,688.00	\$0.00	\$0.00	
			REVENUE				
\$9,486.00	\$0.00	\$0.00	TRANSPORTATION SDC	\$0.00	\$0.00	\$0.00	
\$22,027.00	\$52,935.00	\$15,380.00	TRANSPORTATION - REIMBURSEMENT	\$7,690.00	\$0.00	\$0.00	
\$122,581.00	\$206,985.00	\$63,060.00	TRANSPORTATION - IMPROVEMENT	\$31,530.00	\$0.00	\$0.00	
\$154,094.00	\$259,920.00	\$78,440.00	TOTAL FUND REVENUES	\$39,220.00	\$0.00	\$0.00	
\$468,428.85	\$606,476.22	\$813,583.00	TOTAL BEGINNING FUND BALANCE	\$812,688.00	\$0.00	\$0.00	
\$622,522.85	\$866,396.22	\$892,023.00	TOTAL STREET SDC FUND RESOURCES	\$851,908.00	\$0.00	\$0.00	

Historical Data			STREET SDC FUND	Budget for Next FY 19-20			
Actual				REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019					
\$6,311.69	\$0.00	\$5,000.00	MATERIAL & SERVICES				
\$6,311.69	\$0.00	\$5,000.00	PROFESSIONAL SERVICES	\$0.00	\$0.00	\$0.00	
			TOTAL MATERIALS % SERVICES	\$0.00	\$0.00	\$0.00	
			CAPITAL OUTLAY				
\$9,734.94	\$0.00	\$0.00	CAPITAL IMPROVEMENTS	\$0.00	\$0.00	\$0.00	
\$9,734.94	\$0.00	\$0.00	TOTAL CAPITAL OUTLAY	\$0.00	\$0.00	\$0.00	
			TRANSFERS OUT				
\$0.00	\$52,813.59	\$479,000.00	TRANSFER TO CAPITAL PROJECTS	\$731,000.00	\$0.00	\$0.00	
\$0.00	\$52,813.59	\$479,000.00	TOTAL TRANSFERS OUT	\$731,000.00	\$0.00	\$0.00	
			RESERVE				
\$0.00	\$0.00	\$389,043.00	RESERVE - IMPROVEMENT SDC	\$30,485.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$18,980.00	RESERVE - REIMBURSEMENT SDC	\$90,423.00	\$0.00	\$0.00	
\$0.00	\$0.00	\$408,023.00	TOTAL TRANSFERS OUT	\$120,908.00	\$0.00	\$0.00	
\$16,046.63	\$52,813.59	\$892,023.00	TOTAL STREET SDC FUND REQUIREMENTS	\$851,908.00	\$0.00	\$0.00	
\$622,522.85	\$866,396.22	\$892,023.00	TOTAL FUND RESOURCES AND FUND BAL	\$851,908.00	\$0.00	\$0.00	
\$16,046.63	\$52,813.59	\$892,023.00	TOTAL FUND REQUIREMENTS	\$851,908.00	\$0.00	\$0.00	
\$606,476.22	\$813,582.63	\$0.00	TOTAL NET STREET SDC FUND	\$0.00	\$0.00	\$0.00	

of when that population growth is realized. In periods of high growth, SDC revenues will accrue more quickly to allow construction of needed improvements earlier to support the accelerated growth. In periods of low growth, revenues will accrue more slowly, but the need for infrastructure improvements to support this growth is also protracted.

SDCs are typically collected with the issuance of building permits. As a result, the unit of measure for allocating SDC costs is defined in various unique forms for each utility, but is generally based on the impact of one single family residential unit which is adopted to be one Equivalent Dwelling Unit (EDU).

SDC ADMINISTRATION REQUIREMENTS

Per ORS 223.311, System Development Charge revenues must be deposited in dedicated accounts for each utility and an annual accounting prepared identifying amounts collected for each utility, amounts spent on each qualified project, and the annual cost of complying with these requirements.

The statute mandates that Reimbursement fees may be expended on any capital improvements or associated debt service within the subject infrastructure. Improvement Fees may only be spent on projects included in the Capital Improvement Plan for each infrastructure, including associated debt service. Accordingly, it is important to account for reimbursement and improvement fees separately.

LOOKING FORWARD INTO 2019/2020

Several projects have been identified for FY 2019/20 that will utilize system development charge fees for increasing system capacity. The following is a list of those projects:

Sewer SDC

Shops Facility Improvements and WWTP New Headworks Screen.

Water SDC

Fenton Avenue Waterline Replacement, Patrol Street Waterline Replacement, Shops Facility Improvements, WTP New 1400 GPM Trident Filtration Plant, WTP Sodium Hypochlorite & Controls Upgrade, and WTP ACH Feed System Improvements.

Street SDC

Shops Facility Improvements, OR 211 Pedestrian & Bicycle Improvements (213 to Ona Way), OR 213 ARTS Project, TSP Projects, Shops Decant Facility, and Center Avenue Alley Improvement.

Parks SDC

Clark Park Improvements Ph 2, Creamery Creek Park and Future Park Land Acquisition

Stormwater SDC

Shops Facility Improvements and Shops Decant Facility.

The City of Molalla anticipates construction of homes in Bear Creek and Twin Meadows Subdivisions to be completed during FY 2019/20. Two new commercial project applications were received in FY 2018/19 and it is anticipated that those two projects will begin and possibly completed during FY 2019/20. There are no industrial developments anticipated at this time.

Full SDC Budget Summary of SDC (Water, Sewer, Street, Storm, and Parks):

System Development Charges

In June 2016, the Molalla City Council examined and adopted the City's Capital Improvement Plans (CIP) and in July 2016 adopted an update the System Development Charge (SDC) methodologies and fees to maintain compliance with state statutes. These Capital Improvement Plans are based on the Master Plans for each area of the municipal infrastructure as supplemented by an inventory of projects identified by City staff subsequent to adopting the plans.

The City of Molalla's System Development Charges are divided into five areas of infrastructure in compliance with the requirements of the Oregon Revised Statutes, to include:

1. Water supply, treatment, distribution, and storage system;
2. Wastewater collection, treatment, and disposal;
3. Storm water and flood control systems;
4. Transportation systems;
5. Parks and recreation facilities.

SDC METHODOLOGY OVERVIEW

Oregon Revised Statutes 223.297 through 223.314 provide the statutory basis for application of System Development Charges. This statute is intended to provide a uniform framework for development of equitable funding to support orderly growth.

Based on the statutes, SDCs are composed of:

- Reimbursement Fees to address the value of existing improvements,
- Improvement Fees to address the cost of needed future improvements, or
- Combination of both Reimbursement and Improvement Fees.

The City's updated methodologies identify current "replacement value" for all existing improvements to establish the basis of the Reimbursement Fee. The basis for the Improvement Fee is the "estimated cost" of improvements not yet constructed, but needed, to serve future populations.

Existing improvements typically have surplus capacity for future users as well as deficiencies in serving the existing users. Similarly, projects on the Capital Improvement Plan listing are required to provide capacity for future users. They also frequently resolve deficiencies in service to the existing users. To account for the available capacity in the City's infrastructure and the concurrent need to undertake capital improvements to resolve deficiencies, the Molalla SDC Methodologies include a combination of both Reimbursement Fees and Improvement Fees.

To assure an equitable allocation of costs between existing and future users, the value of all existing facilities and the estimated cost of all future improvements are allocated to all users, current and future equally, based on their proportionate use of the available capacity. This methodology avoids double charging for capacity and is also independent of current population. With this approach there is no need to identify percentage of remaining capacity to serve future users, nor to estimate future population growth. This allocation is dependent only upon the ultimate capacity of the facility and the value or cost of the facility.

Although all SDCs are primarily related to population, the rate of population growth has no impact on calculation of the fee. The fee is based on funding needed for improvements to support growth, independent

DEBT SERVICE FUNDS





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SEWER DEBT RETIREMENT

In 2010, the City of Molalla refinanced the 1995 and 2000 Sewer Revenue Bonds into one bond at a lesser interest rate. The 2010 loan amount was \$3,545,000 and it is to be paid in full in 2025. Two requirements of the bond exist which affect the budget. First, the City must always keep in reserve the next fiscal year’s principal and interest payment. Second, the City is to create a rate stabilization line item and the balance may be zero. Those funds must be expended before any rate changes are implemented. Those funds carry no criteria for expenditure and can be used at the City’s discretion for sewer related operations and projects. The budget is reflecting a reduction in the rate stabilization amount as the sewer proprietary fund now funds both the sewer revenue debt retirement and the CWSRF loan. CWSRF is historically and correctly funded through Sewer SDC’s.

Issue Date – 05/25/2010 (Refinanced)
 Final Maturity – 03/01/2025
 Initial Loan Amount - \$3,545,000.00
 Interest Rate – 3.0% FY 10-17, 4% FY 18-25
 Remitted from – Sewer Proprietary

The following table shows the debt service repayment schedule for the 2010 Sewer Revenue Bonds:

Fiscal Year	Principal	Interest	Reserve	Total Debt Service
2019-2020	\$ 250,000.00	\$ 66,000.00	\$316,000.00	\$ 316,000.00
2020-2021	\$ 260,000.00	\$ 56,000.00	\$315,600.00	\$ 316,000.00
2021-2022	\$ 270,000.00	\$ 45,600.00	\$314,800.00	\$ 315,600.00
2022-2023	\$ 280,000.00	\$ 34,800.00	\$313,600.00	\$ 314,800.00
2023-2024	\$ 290,000.00	\$ 23,600.00	\$312,000.00	\$ 313,600.00
2024-2025	\$ 300,000.00	\$ 12,000.00	\$ -	\$ 312,000.00
TOTAL	\$1,650,000.00	\$ 238,000.00		\$ 1,888,000.00

The following is the Sewer Debt Retirement budget:

The revenue source for the Sewer Debt Retirement is the Sewer Proprietary Fund and that revenue sources is primarily utility bills.

Historical Data			SEWER DEBT RETIREMENT	Budget for Next FY 19-20		
Actual				RESOURCES	Proposed By	Approved By
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	BEGINNING FUND BALANCE	Budget Officer	Budget Committee	Governing Body
\$315,050.00	\$314,050.00	\$315,600.00		\$316,000.00	\$0.00	\$0.00
\$315,550.00	\$316,350.00	\$316,000.00	REVENUE			
\$315,550.00	\$316,350.00	\$316,000.00	TRANSFER FROM SEWER FUND	\$316,000.00	\$0.00	\$0.00
\$315,050.00	\$314,050.00	\$315,600.00	TOTAL FUND REVENUES	\$316,000.00	\$0.00	\$0.00
			TOTAL BEGINNING FUND BALANCE	\$316,000.00	\$0.00	\$0.00
\$630,600.00	\$630,400.00	\$631,600.00	TOTAL SEWER DEBT RETIREMENT FUND RESOURCES	\$632,000.00	\$0.00	\$0.00

Historical Data			SEWER DEBT RETIREMENT	Budget for Next FY 19-20		
Actual				REQUIREMENTS	Proposed By	Approved By
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	DEBT SERVICE	Budget Officer	Budget Committee	Governing Body
\$91,550.00	\$84,800.00	\$75,600.00	2010 SEWER REV BOND - INTEREST	\$66,000.00	\$0.00	\$0.00
\$225,000.00	\$230,000.00	\$240,000.00	2010 SEWER REV BOND - PRINCIPA	\$316,000.00	\$0.00	\$0.00
\$316,550.00	\$314,800.00	\$315,600.00	TOTAL DEBT SERVICE	\$382,000.00	\$0.00	\$0.00
			RESERVE			
\$0.00	\$0.00	\$316,000.00	2010 SEWER REV BOND - RESERVE	\$250,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$316,000.00	TOTAL RESERVE	\$250,000.00	\$0.00	\$0.00
\$316,550.00	\$314,800.00	\$631,600.00	TOTAL SEWER DEBT RETIREMENT FUND REQUIREMENTS	\$632,000.00	\$0.00	\$0.00
\$630,600.00	\$630,400.00	\$631,600.00	TOTAL FUND RESOURCES AND FUND BAL	\$632,000.00	\$0.00	\$0.00
\$316,550.00	\$314,800.00	\$631,600.00	TOTAL FUND REQUIREMENTS	\$632,000.00	\$0.00	\$0.00
\$314,050.00	\$315,600.00	\$0.00	TOTAL NET SEWER DEBT RETIREMENT FUND	\$0.00	\$0.00	\$0.00

CWSRF

CWSRF (Clean Water State Revolving Fund) was used for capacity improvements at the waste water treatment plant. This is a 20 year loan that began in 2008. The loan may be re-paid using sewer SDC's or revenues from sewer proprietary. Original loan amount was \$2,670,000 with a final payment due 01/10/2028. The loan also maintains a next fiscal year principal and interest reserve requirement.

Issue Date – 08/01/2008

Final Maturity – 01/10/2028

Initial Loan Amount - \$2,670,000.00

Interest Rate – 2.8%

Remitted from – Sewer Proprietary / Sewer SDC

The following table shows the debt service repayment schedule for the Clean Water State Revolving Fund:

Fiscal Year	Principal	Interest	Admin Fee	Reserve	Total Debt Service
2019-2020	\$ 140,043.00	\$ 38,571.00	\$ 6,714.00	\$ 184,618.00	\$ 185,328.00
2020-2021	\$ 143,991.00	\$ 34,623.00	\$ 6,004.00	\$ 183,888.00	\$ 184,318.00
2021-2022	\$ 148,051.00	\$ 30,563.00	\$ 5,274.00	\$ 183,137.00	\$ 183,888.00
2022-2023	\$ 152,226.00	\$ 26,388.00	\$ 4,523.00	\$ 182,365.00	\$ 182,137.00
2023-2024	\$ 156,518.00	\$ 22,096.00	\$ 3,751.00	\$ 181,572.00	\$ 182,365.00
2024-2025	\$ 160,931.00	\$ 17,683.00	\$ 2,958.00	\$ 180,756.00	\$ 181,572.00
2025-2026	\$ 165,469.00	\$ 13,145.00	\$ 2,142.00	\$ 179,917.00	\$ 180,756.00
2026-2027	\$ 170,135.00	\$ 8,479.00	\$ 1,303.00	\$ 179,063.00	\$ 179,917.00
2027-2028	\$ 174,941.00	\$ 3,682.00	\$ 440.00	\$ 0.00	\$ 179,063.00
Total	\$1,412,305.00	\$195,230.00	\$33,109.00		\$1,639,344.00

The revenue source for the CWSRF can come from Sewer SDC as the project completed met the Sewer SDC methodology requirements for system expansion or the Sewer Proprietary. The 2018/2019 budget reflects the full payment from the Sewer SDC.

Historical Data			CWSRF DEBT RETIREMENT	Budget for Next FY 19-20		
Actual				RESOURCES	Proposed By	Approved By
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	BEGINNING FUND BALANCE	Budget Officer	Budget Committee	Governing Body
\$187,343.00	\$183,156.00	\$186,018.00		\$185,328.00	\$0.00	\$0.00
			REVENUE			
\$183,156.00	\$132,467.00	\$135,513.00	TRANSFER FROM SEWER SDC FUND	\$140,043.00	\$0.00	\$0.00
\$0.00	\$57,085.00	\$49,815.00	TRANSFER FROM SEWER	\$44,575.00	\$0.00	\$0.00
\$183,156.00	\$189,552.00	\$185,328.00	TOTAL FUND REVENUES	\$184,618.00	\$0.00	\$0.00
\$187,343.00	\$183,156.00	\$186,018.00	TOTAL BEGINNING FUND BALANCE	\$185,328.00	\$0.00	\$0.00
\$370,499.00	\$372,708.00	\$371,346.00	TOTAL CWSRF DEBT RETIREMENT FUND RESOURCES	\$369,946.00	\$0.00	\$0.00

Historical Data			CWSRF DEBT RETIREMENT	Budget for Next FY 19-20		
Actual				REQUIREMENTS	Proposed By	Approved By
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	MATERIAL & SERVICES	Budget Officer	Budget Committee	Governing Body
\$8,729.00	\$8,076.00	\$7,404.00	CWSRF - ADMIN FEE	\$6,714.00	\$0.00	\$0.00
\$8,729.00	\$8,076.00	\$7,404.00	TOTAL MATERIALS % SERVICES	\$6,714.00	\$0.00	\$0.00
			DEBT SERVICE			
\$49,779.00	\$46,147.00	\$42,411.00	CWSRF - INTEREST	\$38,571.00	\$0.00	\$0.00
\$128,835.00	\$132,467.00	\$136,203.00	CWSRF - PRINCIPAL	\$140,043.00	\$0.00	\$0.00
\$178,614.00	\$178,614.00	\$178,614.00	TOTAL DEBT SERVICE	\$178,614.00	\$0.00	\$0.00
			RESERVE			
\$0.00	\$0.00	\$185,328.00	CWSRF - RESERVE	\$184,618.00	\$0.00	\$0.00
\$0.00	\$0.00	\$185,328.00	TOTAL RESERVE OUT	\$184,618.00	\$0.00	\$0.00
\$187,343.00	\$186,690.00	\$371,346.00	TOTAL CSWRF DEBT RETIREMENT FUND REQUIREMENTS	\$369,946.00	\$0.00	\$0.00
\$370,499.00	\$372,708.00	\$371,346.00	TOTAL FUND RESOURCES AND FUND BAL	\$369,946.00	\$0.00	\$0.00
\$187,343.00	\$186,690.00	\$371,346.00	TOTAL FUND REQUIREMENTS	\$369,946.00	\$0.00	\$0.00
\$183,156.00	\$186,018.00	\$0.00	TOTAL NET CWSRF DEBT RETIREMENT FUND	\$0.00	\$0.00	\$0.00

INACTIVE FUNDS



Historical Data			HISTORY ONLY BONDED DEBT RESOURCES	Budget for Next FY 19-20		
Actual Second Preceding Year 2016-2017	Actual First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
\$66,539.00	\$65,714.00	\$31,050.00	BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
			REVENUE			
\$67,337.50	\$30,300.00	\$0.00	CURRENT PROPERTY TAXES	\$0.00	\$0.00	\$0.00
\$67,337.50	\$30,300.00	\$0.00	TOTAL FUND REVENUES	\$0.00	\$0.00	\$0.00
\$66,539.00	\$65,714.00	\$31,050.00	TOTAL BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
\$133,876.50	\$96,014.00	\$31,050.00	TOTAL BONDED DEBT FUND RESOURCES	\$0.00	\$0.00	\$0.00

Historical Data			HISTORY ONLY BONDED DEBT REQUIREMENTS	Budget for Next FY 19-20		
Actual Second Preceding Year 2016-2017	Actual First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
\$3,162.50	\$1,050.00	\$1,050.00	DEBT SERVICE			
\$65,000.00	\$30,000.00	\$30,000.00	2010 GO WATER BOND INTEREST	\$0.00	\$0.00	\$0.00
\$68,162.50	\$31,050.00	\$31,050.00	2010 GO WATER BOND PRINCIPAL	\$0.00	\$0.00	\$0.00
			TOTAL DEBT SERVICE	\$0.00	\$0.00	\$0.00
			TRANSFERS OUT			
\$0.00	\$0.00	\$0.00	RESO 2018-13 TRANSFER TO CLOSE	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL TRANSFERS OUT	\$0.00	\$0.00	\$0.00
\$68,162.50	\$31,050.00	\$31,050.00	TOTAL BONDED DEBT FUND REQUIREMENTS	\$0.00	\$0.00	\$0.00
\$133,876.50	\$96,014.00	\$31,050.00	TOTAL FUND RESOURCES AND FUND BAL	\$0.00	\$0.00	\$0.00
\$68,162.50	\$31,050.00	\$31,050.00	TOTAL FUND REQUIREMENTS	\$0.00	\$0.00	\$0.00
\$65,714.00	\$64,964.00	\$0.00	TOTAL NET BONDED DEBT FUND	\$0.00	\$0.00	\$0.00

Historical Data			HISTORY ONLY	Budget for Next FY 19-20		
Actual			UTILITY DEPOSIT FUND			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
\$10,940.00	\$16,500.00	\$0.00	BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
			REVENUE			
			Deposits	\$0.00	\$0.00	\$0.00
\$37,850.00	\$30,000.00	\$0.00	TOTAL FUND REVENUES	\$0.00	\$0.00	\$0.00
\$37,850.00	\$30,000.00	\$0.00	TOTAL BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
\$10,940.00	\$16,500.00	\$0.00				
\$48,790.00	\$46,500.00	\$0.00	TOTAL STORM WATER FUND RESOURCES	\$0.00	\$0.00	\$0.00

Historical Data			HISTORY ONLY	Budget for Next FY 19-20		
Actual			UTILITY DEPOSIT FUND			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			MATERIALS & SERVICES			
			Deposits	\$0.00	\$0.00	\$0.00
\$31,384.21	\$46,500.00	\$0.00	TOTAL MATERIALS & SERVICES	\$0.00	\$0.00	\$0.00
\$31,384.21	\$46,500.00	\$0.00	TRANSFERS OUT			
			TRANSFER TO GENERAL FUND	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	TOTAL TRANSFERS OUT	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00				
\$31,384.21	\$46,500.00	\$0.00	TOTAL UTILITY DEPOSITS REQUIREMENTS	\$0.00	\$0.00	\$0.00
\$48,790.00	\$46,500.00	\$0.00	TOTAL FUND RESOURCES AND FUND BAL	\$0.00	\$0.00	\$0.00
\$31,384.21	\$46,500.00	\$0.00	TOTAL FUND REQUIREMENTS	\$0.00	\$0.00	\$0.00
\$17,405.79	\$0.00	\$0.00	TOTAL NET STORM WATER FUND	\$0.00	\$0.00	\$0.00

Historical Data			HISTORY ONLY	Budget for Next FY 19-20		
Actual			WATER DEBT RETIREMENT			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	RESOURCES	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
\$400,694.92	\$359,725.00	\$0.00	BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
			REVENUE			
\$299,105.08	\$0.00	\$0.00	TRANSFER FROM WATER FUND	\$0.00	\$0.00	\$0.00
\$299,105.08	\$0.00	\$0.00	TOTAL FUND REVENUES	\$0.00	\$0.00	\$0.00
\$400,694.92	\$359,725.00	\$0.00	TOTAL BEGINNING FUND BALANCE	\$0.00	\$0.00	\$0.00
\$699,800.00	\$359,725.00	\$0.00	TOTAL SEWER DEBT RETIREMENT FUND RESOURCES	\$0.00	\$0.00	\$0.00

Historical Data			HISTORY ONLY	Budget for Next FY 19-20		
Actual			WATER DEBT RETIREMENT			
Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019	REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
			DEBT SERVICE			
\$15,075.00	\$5,200.00	\$0.00	2010 REVENUE BOND - INTEREST	\$0.00	\$0.00	\$0.00
\$325,000.00	\$340,000.00	\$0.00	2010 REVENUE BOND - PRINCIPAL	\$0.00	\$0.00	\$0.00
\$340,075.00	\$345,200.00	\$0.00	TOTAL DEBT SERVICE	\$0.00	\$0.00	\$0.00
\$340,075.00	\$345,200.00	\$0.00	TOTAL WATER DEBT RETIREMENT FUND REQUIREMENTS	\$0.00	\$0.00	\$0.00
\$699,800.00	\$359,725.00	\$0.00	TOTAL FUND RESOURCES AND FUND BAL	\$0.00	\$0.00	\$0.00
\$340,075.00	\$345,200.00	\$0.00	TOTAL FUND REQUIREMENTS	\$0.00	\$0.00	\$0.00
\$359,725.00	\$14,525.00	\$0.00	TOTAL NET WATER DEBT RETIREMENT FUND	\$0.00	\$0.00	\$0.00

URBAN RENEWAL AGENCY FUNDS





City of Molalla – Urban Renewal Agency
Director's Office
117 N Molalla Avenue | PO Box 248 | Molalla, Oregon 97038
Phone: (503) 829-6855 Fax: (503) 829-3676

May 2, 2019

Honorable Chair and Urban Renewal Board
Members of the Budget Committee
Citizens of the City of Molalla

RE: City of Molalla – Urban Renewal Agency

I am pleased to submit the proposed budget for the City of Molalla Urban Renewal Agency for fiscal year 2019-2020. This proposed budget reflects action items and projects that will promote transportation projects and take a proactive role in community economic development and revitalization.

Urban Renewal is a tool used to help improve and spur economic development within a specific district by using tax increment financing to implement capital improvements and other projects within the district. The basic purpose of Urban Renewal is to increase the total assessed value of the district, and during the district timeline, use the funds derived from that increase in assessed value to fund various projects in the Urban Renewal Plan. Once the District expires, the full assessed value of the district comes back on the tax rolls and the increased revenue goes into the City's General Fund.

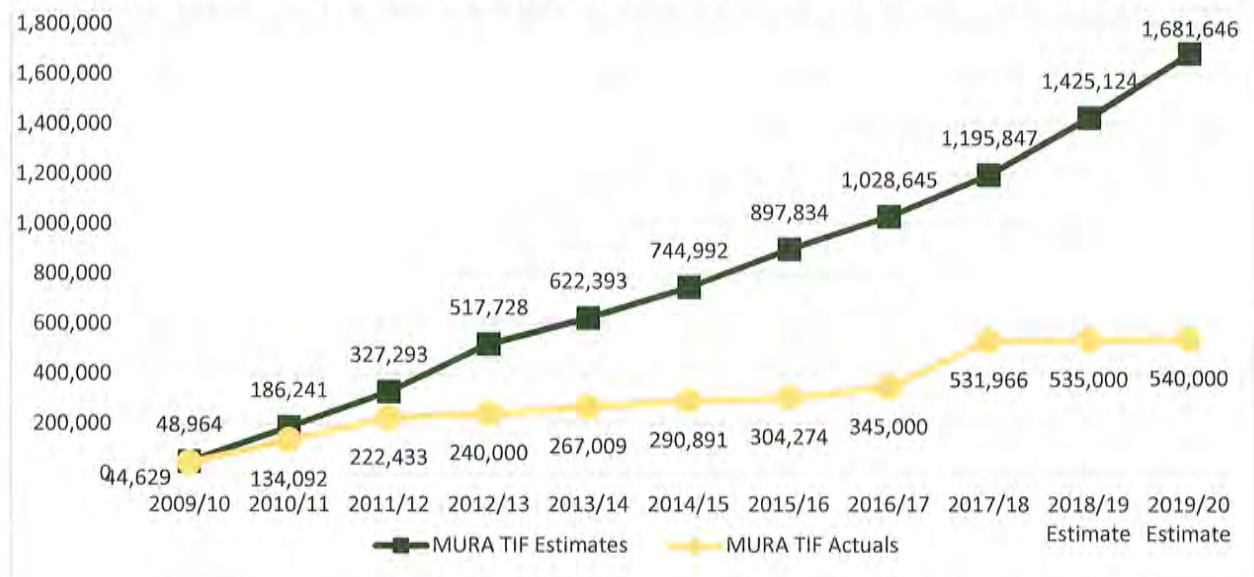
The Molalla Urban Renewal District (MURD) has received tax increment revenue since 2008. Some of you will recall that in 2012-2013 the City reexamined expected revenue and severely limited potential available financing for projects. We exhausted the majority of our available resources in 2015-2017 with the Heintz Street extension and Molalla Avenue reconstruction.

However, the MURD increment tax revenue the 2018-2019 tax year has continued to increase at a greater rate than anticipated. Within the 2018-2019 Budget we anticipated \$500,000 in tax increment revenue and by the midpoint of our fiscal year. We have recognized \$507,000 in currently and expect that number to increase to \$535,000 by the end of the fiscal year. Based on anticipated development and redevelopment within the District we will likely see revenue increase to \$550,000 - \$600,000 over the next few years.

The significance of Molalla's level of revenue is that we are generating funds to pay back debt. This tax financing option is used to create debt to initiate development and

projects that would not be financially feasible without the infrastructure improvements made possible by urban renewal. In this budget we are proposing to use the revenue we have developed to create additional debt to promote economic development.

At the beginning of the Urban Renewal Agency, original projections (in green) regarding Tax Increment Financing were highly inflated. The Agency administration uses the TIF recalculation in 2012 and the actual resources (in yellow) received to identify trends and make projections. The following graph represents the tax increment revenue trend:



The Agency continues to value the District and focus on original goals when the original bonded indebtedness occurred in 2014 and 2015. This bond partnered with the City of Molalla municipal corporation with a full faith in credit bond to lock in a more competitive interest rate allowing for more tax increment revenue to be available for projects rather than just debt repayment. The constraints on the MURA plan define that all project debt is paid off and all projects are complete by FY 2028-2029, the final year of the Agency. There is a possibility to extend or alter the District at that point, but we will reconsider that issue in future years following revenue projections.

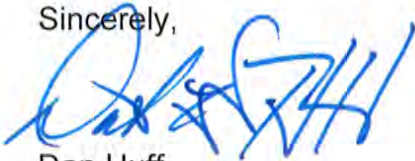
Following a fiscal year of no urban renewal projects this year’s capital project commitments include a number of transportation improvement partnerships including Leroy Avenue Extension and signal, Molalla Avenue/Main Street signal and potentially the proposed new Police Station. Each of these projects fall within the original URA goals and promote revitalization of the community.

1. Molalla Ave/Hwy 211 Signal – \$773,000
2. Leroy Ave/Hwy 211 Signal – \$1,060,000
3. Leroy Ave Sewer – \$80,000
4. ½ Leroy Ave Extension – \$337,000

With each of these projects there are a myriad of funding sources from transportation SDC's, developer contributions, etc. However, in order to participate and facilitate revitalization it is imperative that the City manage the process and have funding for the community portion required. Urban Renewal provides a local government a funding source to pay debt that would otherwise be attributable to separate funds generated from users and developers. The City Council will have an opportunity to either authorize or not authorize this proposal at a future Council meeting.

The proposed FY 2019-2020 Budget for the MURA is balanced as required by State Law. Debt repayment account exists in requirements to acknowledge the Agency intent to close a bond at the early repayment mark.

Sincerely,



Dan Huff
Agency Director

Historical Data			URBAN RENEWAL	Budget for Next FY 19-20		
Actual Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019		RESOURCES	Proposed By Budget Officer	Approved By Budget Committee
\$2,098,958.92	\$747,500.18	\$1,000,000.00	BEGINNING FUND BALANCE	\$900,000.00	\$0.00	\$0.00
			REVENUE			
\$345,311.49	\$531,966.32	\$500,000.00	PROPERTY TAX	\$540,000.00	\$0.00	\$0.00
\$884.74	\$997.31	\$1,000.00	INTEREST	\$1,500.00	\$0.00	\$0.00
\$346,196.23	\$532,963.63	\$501,000.00	TOTAL FUND REVENUES	\$541,500.00	\$0.00	\$0.00
\$2,098,958.92	\$747,500.18	\$1,000,000.00	TOTAL BEGINNING FUND BALANCE	\$900,000.00	\$0.00	\$0.00
\$2,445,155.15	\$1,280,463.81	\$1,501,000.00	TOTAL URBAN RENEWAL FUND RESOURCES	\$1,441,500.00	\$0.00	\$0.00

Historical Data			URBAN RENEWAL	Budget for Next FY 19-20		
Actual Second Preceding Year 2016-2017	First Preceding Year 2017-2018	Adopted Budget This Year Year 2018-2019		REQUIREMENTS	Proposed By Budget Officer	Approved By Budget Committee
\$831.69	\$796.25	\$25,000.00	MATERIAL & SERVICES			
\$116,045.94	\$24,181.00	\$100,000.00	OPERATION & MAINTENANCE	\$25,000.00	\$0.00	\$0.00
\$116,877.63	\$24,977.25	\$125,000.00	PROFESSIONAL SERVICES	\$100,000.00	\$0.00	\$0.00
			TOTAL MATERIALS % SERVICES	\$125,000.00	\$0.00	\$0.00
			DEBT SERVICE			
\$120,000.00	\$130,000.00	\$140,000.00	URA BOND- PRINCIPAL	\$155,000.00	\$0.00	\$0.00
\$98,735.24	\$95,144.43	\$91,250.00	URA BOND- INTEREST	\$87,050.00	\$0.00	\$0.00
\$218,735.24	\$225,144.43	\$231,250.00	TOTAL DEBT SERVICE	\$242,050.00	\$0.00	\$0.00
			CAPITAL OUTLAY			
\$1,362,042.10	\$0.00	\$500,000.00	CAPITAL IMPROVEMENTS	\$642,450.00	\$0.00	\$0.00
\$1,362,042.10	\$0.00	\$500,000.00	TOTAL CAPITAL OUTLAY	\$642,450.00	\$0.00	\$0.00
			CONTINGENCY			
\$0.00	\$0.00	\$100,000.00	CONTINGENCY	\$100,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$100,000.00	TOTAL CONTINGENCY	\$100,000.00	\$0.00	\$0.00
			RESERVE			
\$0.00	\$0.00	\$302,700.00	RESERVE	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$242,050.00	URA BOND - RESERVE	\$332,000.00	\$0.00	\$0.00
\$0.00	\$0.00	\$544,750.00	TOTAL RESERVES	\$332,000.00	\$0.00	\$0.00
\$1,697,654.97	\$250,121.68	\$1,501,000.00	TOTAL URBAN RENEWAL FUND REQUIREMENTS	\$1,441,500.00	\$0.00	\$0.00
\$2,445,155.15	\$1,280,463.81	\$1,501,000.00	TOTAL FUND RESOURCES AND FUND BAL	\$1,441,500.00	\$0.00	\$0.00
\$1,697,654.97	\$250,121.68	\$1,501,000.00	TOTAL FUND REQUIREMENTS	\$1,441,500.00	\$0.00	\$0.00
\$747,500.18	\$1,030,342.13	\$0.00	TOTAL NET URBAN RENEWAL FUND	\$0.00	\$0.00	\$0.00



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Appendix - Financial Policies

Financial Goals

The City of Molalla's financial goals seek to:

- Ensure the financial integrity of the City
- Improve financial information for decision makers at all levels
- Assist policy makers as they contemplate decisions affecting the City on a long-term basis, and be a manager as they implement policy on a day-to-day basis

Financial Objectives

The City of Molalla's fiscal policies address the following major areas:

1. Revenue policy - Addresses property taxes, user charges, and other sources to adequately fund desired services
2. Operating budget policy - Relating to budgeting guidelines
3. Accounting policy - Relating to reporting financial transactions and preparing financial reports
4. Debt policy - Dealing with long-term financing of the City's capital needs and its bond rating
5. Reserve policy - For establishing reserves and contingency funding as needed for the various activities of the City
6. Management of fiscal policy - Dealing with approval, recommendation, review, and implementation of policies including monitoring compliance

Long-Term Financial Policies

The City of Molalla's long-term financial policies are as follows:

1. REVENUE MANAGEMENT POLICY

A. General Guidelines

1. Dedicated revenue sources shall be used only for the purposes for which funds are being collected. For example: gasoline tax revenue shall be used only for street maintenance, improvements and operations.
2. One time revenue sources will not be used to fund ongoing operations of the City.
3. The City will closely manage the collection of its revenues. In the event of non-payment of obligations such as utility bills, the City shall discontinue service using collection agencies, liens, and other methods of collection as necessary.

B. System Development Charges, User Fees and Other Charges

1. General:

System Development Charges (SDCs) are levied on new developments to finance capacity improvements to sewer, water, streets, storm drainage, and parks due to growth. System Development Charges may be a reimbursement fee, an improvement fee, or a combination thereof assessed or completed at the time of increased usage of a capital improvement or issuance of a development permit/building permit in connection to the capital improvement.

To the extent practical, the City of Molalla will use SDCs to pay for additional service capacity, rather than levying taxes and/or imposing service charges on all city residents. As a result,

SDCs have been established that reflect the costs of providing roads, storm drains, water, sewer, and parks improvements needed to service demands of the growing community.

2. Fee Increases/Reviews:

Fees and charges should be reviewed on an annual basis to determine whether the fees being charged are adequate to cover the entire cost (operating, direct, indirect, and capital) of providing the service. Before fees and charges are adjusted, the City shall consider rates assessed by comparable cities.

C. Utility Rates

1. Charges for providing water, sewer, and street lighting shall be sufficient to finance all operating, capital outlay, and debt service expenses of the City's enterprise funds, including operating contingency and reserve requirements. Projects funded with SDCs and general obligation bonds shall be excluded from this requirement. It is the City's position that if a system's capacity needs to be expanded as a result of growth, the cost of the expansion should be borne by those causing the growth. On an annual basis, the City shall review and, if necessary, revise the rates it charges to its utility customers.

D. Interest Income

1. Interest earned from the investment of City money shall be distributed to the appropriate fund in accordance with the equity balance of the particular fund from which the money was provided for investment.

2. OPERATING BUDGET POLICY

A. Compliance with Local Budget Law

The City shall prepare, present, adopt, and amend its annual operating budget in accordance with Oregon Budget Law.

B. Budgetary Control System

1. The City shall maintain a budget system to monitor expenditures and revenues on a monthly basis, with a thorough analysis and adjustment (if required).

2. The City shall not adopt an operating budget that is greater than the amount of resources available to fund it. Current operating resources will be sufficient to support current operating expenditures, reimbursement transfers, reserves, and contingencies.

3. Long-term debt or bond financing shall only be used for the acquisition of capital facilities or specialized equipment. Long-term debt or bond financing shall not be used to finance current operating expenditures.

3. ACCOUNTING POLICY

A. Maintenance of Accounting Records

The City shall establish and maintain its accounting systems according to Generally Accepted Accounting Practices (GAAP) and shall adhere to generally accepted accounting principles and standards promulgated by the Government Finance Officers Association (GFOA), Government Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

B. External Audit

1. An annual audit shall be performed by an independent public accounting firm, which will issue an official opinion on the annual financial statement, along with a management letter identifying as needing improvement, if appropriate.
2. Full disclosure of the City's financial condition shall be provided in the financial statements and bond representations.

C. Financial Reporting

1. A Comprehensive Annual Financial Report (CAFR) shall be submitted to present the results, financial position, and operations of the City for the prior fiscal year.
2. Quarterly budget reports showing the current status of revenues and expenditures shall be prepared and distributed to appropriate legislative, staff, and management personnel in a timely manner and made available for public inspection.

4. DEBT SERVICE

A. Uses of Debt

Debt shall not be used for operating purposes. No debt shall be in existence for longer than the useful life of the capital investment for which the debt was incurred.

B. Debt Margins

The City shall ensure that its debt margins are within the 3% true cash value limitation as set forth in ORS 287.004.

C. Financing Alternatives

The City will examine all financial alternatives in addition to long-term debt. These alternatives will include pay-as-you-go, reserve funds, lease-to-purchase, local improvement districts, borrowing from other funds, and system development charges. Before a decision is made, a cost benefit analysis will be performed for each alternative being considered with the goal of minimizing the cost of the financing to the City. All financial analysis shall be reviewed by the finance director prior to any final decision.

5. RESERVE POLICY

A. Budget Contingency Plan

The City shall maintain a contingency plan in order to respond to significant shortfalls within the City's budget. The plan shall outline an appropriate course of action that management should consider in response to significant gaps between revenues and expenditures.

B. Minimum Fund Balances (Reserves)

The City's goal shall be to maintain a non-appropriated fund balance in the general fund of at least 5% of the annual operating expenditures. This goal will also apply to the City's other operating funds. The reserve shall be used to avoid cash flow interruptions, generate interest income, and reduce the need for any short-term borrowing.

C. Operating Contingency

The City shall attempt to establish an operating contingency that will be used to provide for unanticipated expenditures of a non-recurring nature or to meet unexpected increases in service delivery costs. This contingency budget shall be at least 5% of each fund's original

budget estimate for the fiscal year. This policy does not apply to debt service, trust, capital projects, and temporary or certain special purpose funds.

6. MANAGEMENT OF FISCAL POLICIES

1. Fiscal policies and changes in policies shall be approved by the City Council and adopted by resolution at a public hearing.

2. The City Manager shall recommend fiscal policy and changes in policy to the City Council.

3. The City Manager shall prepare a report explaining the substantive impact of all recommendations and their impact on the City's operations, service levels, and/or finances.

4. The City Manager shall implement fiscal policies and monitor compliance.

5. If the City Manager discovers a material deviation from policy, he/she shall inform the City Council in a timely manner.

6. As a part of the City's annual budget document, the City Manager's budget message shall identify:

- (a) all major changes in policy since the previous budget year;
- (b) any material variations from policy in the ensuing year's budget;
- (c) any deviation from established policies in the previous fiscal year.

Appendix - Acronyms

AED	Automated External Defibrillator
AV	Assessed Value
BLM	Bureau of Land Management
CAFR	Comprehensive Annual Financial Report
CIP	Capital Improvement Projects
CPI	Consumer Price Index
CWSRF	Clean Water State Revolving Loan Fund
DEQ	Department of Environmental Quality
DHS	Department of Human Services
DMV	Department of Motor Vehicles
FASB	Financial Accounting Standards Board
FTE	Full Time Employee
FY	Fiscal Year
GAAP	Generally Accepted Accounting Practices
GASB	Government Accounting Standards Board
GFOA	Government Finance Officers Association
LEDS	Law Enforcement Data System
LOC	League of Oregon Cities
MAC	Molalla Aquatic Center
MCC	Molalla Communications Company
OACA	Oregon Association of Court Administrators
OAMR	Oregon Association of Municipal Recorders
ODOT	Oregon Department of Transportation
OSHA	Oregon Safety & Health Association
OSP	Oregon State Police
PERS	Public Employees Retirement System
PGE	Portland General Electric
SAIF	State Accident Insurance Fund
SDC'S	System Development Charges
STP	Surface Transportation Program
TAP	Tourism Action Plan
TEAM	Team for Economic Action in Molalla
UPS	United Parcel Service
UR	Urban Reserve
URA	Urban Reserve Area
W & S	Weed & Seed
WTP	Water Treatment Plant
WWTP	Wastewater Treatment Plan

Appendix - Glossary

Accrual basis. Method of accounting recognizing transactions when they occur without regard to cash flow timing [ORS 294.311(1)].

Activity. That portion of the work of an organizational unit relating to a specific function or class of functions, a project or program, a subproject or subprogram, or any convenient division of these. [ORS 294.311(2)].

Adopted budget. Financial plan that is the basis for appropriations. Adopted by the governing body [ORS 294.435].

Ad valorem tax. A property tax computed as a percentage of the assessed value of taxable property.

Agent. Generally, someone who is authorized to act for the local government, or who can make commitments or sign contracts in the name of the local government. Agency is the fiduciary relationship that arises when one person (a 'principal') manifests assent to another person (an 'agent') that the agent shall act on the principal's behalf and be subject to the principal's control, and the agent manifests assent or otherwise consents so to act.

Appropriation. Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body [ORS 294.311(3)].

Approved budget. The budget which has been approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing [ORS 294.406].

Assessed value. The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property's maximum assessed value or real market value.

Assessment date. The date on which the value of property is set, January 1 [ORS 308.210, 308.250].

Audit. The annual review and appraisal of a municipal corporation's accounts and fiscal affairs conducted by an accountant under contract or the Secretary of State [ORS 297.425].

Audit report. A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government's financial statements, and compliance with requirements, orders, and regulations

Balanced budget. A budget in which the resources equal the requirements in every fund.

Bequest. A gift by will of personal property; a legacy.

Biennial budget. A budget for a 24-month period.

Billing rate. The tax rate used to compute ad valorem taxes for each property

Budget. Written report showing the local government's comprehensive financial plan for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(5)].

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters appointed from the district [ORS 294.336].

Budget message. Written explanation of the budget and the local government's financial priorities. It is prepared and presented by the executive officer or chairperson of the governing body [ORS 294.391].

Budget officer. Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget [ORS 294.331].

Budget period. For local governments on a biennial budget, the 24-month period beginning July 1 and ending June 30 of the second following calendar year. See also "Fiscal year."

Budget transfers. Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.

Capital outlay. Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings [ORS 294.352 (6)].

Capital projects fund. A fund used to account for resources, such as bond sale proceeds, to be used for major capital item purchase or construction [OAR 150-294.352 (1)].

Cash basis. System of accounting under which revenues are accounted for only when received in cash and expenditures are accounted for only when paid [ORS 294.311 (9)].

Category of limitation. The three categories in which taxes on property are placed before the constitutional limits can be tested—education, general government, excluded from limitation [ORS 310.150].

Consolidated billing tax rate. The combined total of the billing rates for all taxing Districts in a code area. Does not include the billing rate for any urban renewal special levies or non-ad valorem taxes, fees, or other charges.

Constitutional limits. The maximum amount of tax on property that can be collected from an individual property in each category of limitation (Art. XI, sect. 11b, OR Const.).

Debt service fund. A fund established to account for payment of general long-term debt principal and interest [OAR 150-294.352 (1)].

Devise. A gift by will of the donor of real property.

District. See “Local government.”

Division of tax. Division of tax refers to the process of, and revenue from, apportioning tax to urban renewal agencies based on the relationship of the excess to frozen value, a.k.a. tax increment revenue.

Double majority. A term that refers to an election where at least 50 percent of the registered voters eligible to vote in the election cast a ballot and more than 50 percent voting approve the question.

Education category. The category for taxes that will be used to support the public school system and are not used to pay exempt bonded indebtedness [ORS 310.150(2)].

Encumbrance. An obligation chargeable to an appropriation and for which part of the appropriation is reserved [ORS 294.311(10)].

Enterprise fund. A fund established to account for operations financed and operated in a manner similar to private business enterprises. They are usually self-supporting. Examples of enterprise funds are those for water, gas, and electric utilities, swimming pools, airports, parking garages, transit systems, and ports [OAR 150-294.352(1)].

Estimate. (v) To arrive at a rough calculation or an opinion formed from imperfect data. (n) The resulting amount.

Excluded from limitation category. The category for taxes used to pay principal and interest on exempt bonded indebtedness [ORS 310.150(2)].

Exempt bonded indebtedness. 1) Bonded indebtedness authorized by a specific provision of the Oregon Constitution, or 2) bonded indebtedness issued as a general obligation on or before November 6, 1990, incurred for capital construction or capital improvements, or 3) bonded indebtedness issued as a general obligation after November 6, 1990, incurred for capital construction or capital improvements with the approval of the electors of the local government. Bonded indebtedness issued to refund or refinance any bonded indebtedness described above is also included [ORS 310.140(7)].

Existing plan. An existing urban renewal plan is defined as a plan that existed in December 1996 and 1) chose an option and 2) established a maximum amount of indebtedness by July 1998 and has not been amended to increase the land area or maximum indebtedness [ORS 457.101(4) (a)].

Expenditures. Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis [ORS 294.311(16)].

Fiscal year. A 12-month period to which the annual operating budget applies. The fiscal year is July 1 through June 30 for local governments [ORS 294.311(17)].

Fund. A fiscal and accounting entity with self-balancing accounts to record cash and other financial

resources, related liabilities, balances, and changes, all segregated for specific, regulated activities and objectives.

Fund balance. The fund equity of government funds.

Fund type. One of nine fund types: General, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and agency, and reserve [OAR 150-294.352 (1) and ORS 280.100].

Gap bonds. Any portion of a local government's property tax levy used to repay qualified taxing district obligations. This portion was exempted from the calculation of the permanent rate limit. When the debt is paid, the permanent rate is adjusted. Qualified obligations include principal and interest on certain bonds or formal, written borrowings of moneys issued before December 5, 1996, and pension and disability plan obligations that commit property taxes to fulfill those obligations.

General fund. A fund used to account for most fiscal activities except for those activities required to be accounted for in another fund [OAR 150-294.352 (1)].

General government category. The category for taxes used to support general government operations other than schools that are not for the purposes of paying exempt bonded indebtedness [ORS 310.150(1)].

Good Faith. The standard for estimating budget resources and requirements. Good faith estimates are reasonable and are reasonably likely to prove accurate, based on the known facts at the time.

Governing body. County court, board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit [ORS 294.311(15)].

Grant. A donation or contribution in cash by one governmental unit to another unit which may be made to support a specified purpose or function, or general purpose [ORS 294.311(19)].

Inter-fund loans. Loans made by one fund to another and authorized by resolution or ordinance (ORS 294.460).

Internal service fund. A fund used to account for fiscal activities when goods or services are provided by one department or agency to other departments or agencies on a cost-reimbursement basis (ORS 294.470).

Legal opinion. The opinion as to legality rendered by an authorized official, such as the Oregon attorney general or city attorney.

Levy. (v) To impose a property tax. (n) Ad valorem tax certified by a local government.

Local government. Any city, county, port, school district, education service district, community college, special district, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipality or municipal corporation under ORS

294.311(25).

Local option tax. Voter-approved taxing authority in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose, or capital projects. It is limited to five years unless it is for a capital project, then it is limited to the useful life of the project or 10 years, whichever is less [Art. XI, section 11(4) OR Const.].

Maximum assessed value (MAV). A constitutional limitation on the taxable value of real or personal property. It can increase a maximum of 3% each year. The 3% limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction.

Maximum authority. The limitation on the amount of revenue an existing urban renewal plan may raise from the property tax system [ORS 457.435(3)]. The assessor calculated this amount for the 1997-98 tax year for each existing plan based on the taxes each urban renewal plan area would have been entitled to prior to Measure 50. This amount is adjusted each year based on the growth of excess value in the plan area.

Maximum indebtedness. The amount of the principal of the indebtedness necessary to complete an urban renewal plan. This does not include indebtedness incurred to refund or refinance existing indebtedness [ORS 457.010(10)]. It is specified in dollars and cents and based on good faith estimates of the scope and costs of the anticipated project or projects. All existing plans are required to have an ordinance which establishes a maximum indebtedness.

Measure 5. A constitutional amendment (Art. XI, section 11b OR Const.) passed in 1990 that limits the amount of operating tax which can be imposed on a property to \$5 per \$1,000 of real market value for education and \$10 per 1,000 for general government.

Measure 50. A constitutional amendment (Art. XI, section 11 OR Const.) passed in 1997 that limits the growth in a property's assessed value to 3% per year. It also limits a local government's taxing authority by creating permanent rate limits.

Municipal Corporation. See "Local government."

Municipality. See "Local government."

Net working capital. The sum of the cash balance, accounts receivable expected to be realized during the ensuing year, inventories, supplies, prepaid expenses less current liabilities and, if encumbrance method of accounting is used, reserve for encumbrances [ORS 294.311(26)].

Object classification. A grouping of expenditures, such as personal services, materials and services, capital outlay, debt services, and other types of requirements [ORS 294.311(28)].

Operating rate. The rate determined by dividing the local government's operating tax amount by the estimated assessed value of the local government. This rate is needed when a local government wants to impose less tax than its permanent rate will raise.

Option, urban renewal. Financing arrangement chosen by existing urban renewal plans. Cannot be changed. The options are as follows:

Option 1 [ORS 457.435(2) (a)], allows the plan to collect division of tax as computed under ORS 457.440. If the amount collected from the division of tax is insufficient, a special levy may be imposed against all taxable property of the municipality that activated the urban renewal agency. Option 1 plans are “reduced rate” (do not divide local option or bond levies approved by voters after October, 2001).

Option 2 [ORS 457.435(2) (b)]. The Cascade Locks Plan in Hood River County was the only Option 2 Urban Renewal Plan and that plan has been completed. May impose a special levy, but does not collect division of tax.

Option 3 [ORS 457.435(2) (c)], provides that Option 3 plans can obtain funds from both the division of tax and a special levy. Like Option 1, the agency may limit the amount to be received from the special levy, but unlike Option 1 the agency limited the amount of funds received from the division of tax when the Option was chosen. Option 3 plans are “standard rate” (divide all tax levies).

Other “standard rate” plan was adopted between December 1996 and October 2001. Receives division of tax, but no special levy.

Other “reduced rate” plan was adopted after October 2001, or was an Option 1 or 2 plan that was substantially amended. Receives division of tax only.

Ordinance. A formal legislative enactment by the governing board of a municipality.

Organizational unit. Any administrative subdivision of the local government, especially one charged with carrying on one or more specific functions (such as a department, office, or division) [ORS 294.311 (30)].

Personal services expenses. Expenses related to the compensation of salaried employees, such as health and accident insurance premiums, Social Security and retirement contributions, civil service assessments.

Permanent rate limit. The maximum rate of ad valorem property taxes a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government or its voters can change a permanent rate limit.

Principal act. The Oregon Revised Statutes which describe how a certain type of municipal corporation is formed and selects its governing body, the powers it may exercise, and the types of taxing authority its voters may authorize.

Prior years’ tax levies. Taxes levied for fiscal years preceding the current one.

Program. A group of related activities to accomplish a major service or function for which the local government is responsible [ORS 294.311 (32)].

Program budget. A budget based on the programs of the local government.

Property taxes. Ad valorem tax certified to the county assessor by a local government unit.

Proposed budget. Financial plan prepared by the budget officer. All funds must balance. It is submitted to the public and the budget committee for review.

Publication. Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by first class mail to each street address within the boundaries of the local government; and hand delivery to each street address within the boundaries of the local government [ORS 294.311 (34)].

Real Market Value (RMV). The amount in cash which could reasonably be expected by an informed seller from an informed buyer in an arm's-length transaction as of the assessment date. For most properties, the value used to test the constitutional limits [ORS 308.205].

Reserve fund. Established to accumulate money from year to year for a specific purpose, such as purchase of new equipment [ORS 294.525].

Resolution. A formal order of a governing body; lower legal status than an ordinance.

Resource. Estimated beginning funds on hand plus anticipated receipts [ORS 294.361].

SAL Report. Summary of Assessments and Levies [ORS 309.330].

Special levy. A special levy is an ad valorem tax, imposed for an urban renewal plan on the entire municipality that adopted the plan. It is not a result of a division of tax.

Special revenue fund. A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) legally restricted to expenditure for specific purposes [OAR 150-294.352 (1)].

Special payment. A budget expenditure category for pass-through payments, grants made to other organizations and other one-time or unusual expenditures which do not fall into the other categories of personal services, materials and services, capital outlay, etc.

Supplemental budget. A financial plan adopted during a budget period to meet unexpected needs or to appropriate revenues not anticipated when the regular budget was adopted. It cannot be used to authorize a tax [ORS 294.480].

Tax increment financing. A financial mechanism for urban renewal plans which captures the tax from the growth in property value within a designated geographical area by dividing the taxes of local governments.

Tax on property. Any tax, fee, charge, or assessment imposed by any government unit upon property or upon a property owner as a direct consequence of ownership of that property [ORS 310.140(1)].

Tax rate. The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable

property.

Tax roll. The official listing of the amount of taxes imposed against each taxable property.

Tax year. The fiscal year from July 1 through June 30.

Trust fund. A fund used to account for fiscal activities of assets held in trust by a local government.

Unappropriated ending fund balance. Amount set aside in the budget to be carried over to the next year's budget. It provides the local government with cash until tax money or other revenues are received later in the year. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency [ORS 294.371, ORS 294.455].