

**FORM LB-1**

**NOTICE OF BUDGET HEARING**

A public meeting of the **CITY OF MOLALLA** will be held on **JUNE 12, 2018 at 7:00 pm** at the MOLALLA ADULT CENTER 315 Kennel Avenue, Molalla, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2019 as approved by the City of Molalla Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at the Molalla City Hall, 117 N. Molalla Avenue, Molalla, Oregon, between the hours of 8:30 a.m. and 4:30 p.m. or online at [www.cityofmolalla.com](http://www.cityofmolalla.com). This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

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| <b>FINANCIAL SUMMARY - RESOURCES</b>                           |                            |                                       |  |
|--|----------------------------|---------------------------------------|--|
| <b>TOTAL OF ALL FUNDS</b>                                      | Actual Amount<br>2017/2018 | Adopted Budget<br>This Year 2018/2019 | Approved Budget<br>Next Year 2019/2020 |
| Beginning Fund Balance/Net Working Capital                     | \$ 11,915,912.83           | \$ 12,263,768.00                      | \$ 13,966,797.00                       |
| Fees, Licenses, Permits, Fines, Assessments & Service Charges  | \$ 6,233,289.19            | \$ 5,488,551.00                       | \$ 5,609,210.00                        |
| Federal, State and all Other Grants, Allocations and Donations | \$ 2,334,526.93            | \$ 5,347,300.00                       | \$ 8,501,400.00                        |
| Interfund Transfers / Internal Service Reimbursements          | \$ 1,674,147.36            | \$ 6,253,940.00                       | \$ 12,630,905.00                       |
| All Other Resources Except Current Year Property Taxes         | \$ 537,640.52              | \$ 242,000.00                         | \$ 425,600.00                          |
| Current Year Property Taxes Estimated to be Received           | \$ 2,960,332.00            | \$ 3,050,500.00                       | \$ 3,200,000.00                        |
| <b>Total Resources</b>   | <b>\$ 25,655,848.83</b>    | <b>\$ 32,646,059.00</b>               | <b>\$ 44,333,912.00</b>                |

| <b>FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION</b> |                            |                                       |  |
|--|----------------------------|---------------------------------------|--|
| <b>TOTAL OF ALL FUNDS</b>  | Actual Amount<br>2017/2018 | Adopted Budget<br>This Year 2018/2019 | Approved Budget<br>Next Year 2019/2020 |
| Personnel Services   | \$ 4,933,166.00            | \$ 5,766,919.00                       | \$ 6,199,600.00                        |
| Materials and Services   | \$ 3,509,755.00            | \$ 4,425,409.00                       | \$ 4,437,507.00                        |
| Capital Outlay   | \$ 1,070,514.00            | \$ 10,184,369.00                      | \$ 14,359,205.00                       |
| Debt Service   | \$ 877,740.00              | \$ 1,033,996.00                       | \$ 560,614.00                          |
| Interfund Transfers  | \$ 1,367,991.00            | \$ 5,858,940.00                       | \$ 12,265,943.00                       |
| Contingencies  | \$ -                       | \$ 1,006,093.00                       | \$ 2,205,103.00                        |
| Reserve  | \$ -                       | \$ 3,370,333.00                       | \$ 4,305,940.00                        |
| Unappropriated Ending Balance Reserved for Future Expenditure    | \$ -                       | \$ 1,000,000.00                       | \$ -                                   |
| <b>Total Requirements</b>  | <b>\$ 11,759,166.00</b>    | <b>\$ 32,646,059.00</b>               | <b>\$ 44,333,912.00</b>                |

| <b>FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *</b> |                         |                         |                         |
|--|-------------------------|-------------------------|-------------------------|
| <b>Name of Organizational Unit or Program</b>  |                         |                         |                         |
| <b>FTE for that unit or program</b>  |                         |                         |                         |
| Administration   | \$ 1,006,803.00         | \$ 1,092,700.00         | \$ 1,108,700.00         |
| FTE  | 4.75                    | 4.75                    | 5.25                    |
| Police Services  | \$ 2,534,895.00         | \$ 2,976,350.00         | \$ 3,214,536.00         |
| FTE  | 17.00                   | 18.50                   | 18.50                   |
| Parks  | \$ 163,477.00           | \$ 250,157.00           | \$ 216,652.00           |
| FTE  | 1.00                    | 1.00                    | 0.76                    |
| Planning   | \$ 111,934.00           | \$ 145,526.00           | \$ 312,750.00           |
| FTE  | 1.00                    | 1.00                    | 2.00                    |
| Municipal Court  | \$ 164,941.00           | \$ 196,300.00           | \$ 201,050.00           |
| FTE  | 1.00                    | 1.00                    | 1.00                    |
| Library  | \$ 779,623.34           | \$ 3,432,500.00         | \$ 3,511,100.00         |
| FTE  | 7.00                    | 8.40                    | 8.52                    |
| Public Works (Street, Storm, Water, Sewer)   | \$ 6,099,718.00         | \$ 14,881,495.00        | \$ 21,953,374.00        |
| FTE  | 15.30                   | 15.62                   | 17.74                   |
| Not Allocated to Organizational Unit or Program  | \$ 897,774.66           | \$ 8,671,031.00         | \$ 13,815,750.00        |
| FTE  | 0.00                    | 0.00                    |                         |
| <b>Total Requirements</b>  | <b>\$ 11,759,166.00</b> | <b>\$ 31,646,059.00</b> | <b>\$ 44,333,912.00</b> |
| <b>Total FTE</b>   | <b>47.05</b>            | <b>50.27</b>            | <b>53.77</b>            |

The approved budget for FY 2018/2018 for the City of Molalla has been prepared in accordance with Oregon budget law and generally accepted accounting principals. This is a lean budget with continued focus on expenditure reduction, building working capital and operating reserves, and a focus on capital improvements to City infrastructure.

| <b>PROPERTY TAX LEVIES</b>                            |                        |                        |                         |
|---|------------------------|------------------------|-------------------------|
|   | Rate or Amount Imposed | Rate or Amount Imposed | Rate or Amount Approved |
| Permanent Rate Levy (rate limit \$5.3058 per \$1,000) | \$5.3058               | \$5.3058               | \$5.3058                |
| Local Option Levy                                     | \$0.00                 | \$0.00                 | \$0.00                  |
| Levy For General Obligation Bonds                     | \$68,163.00            | \$30,300.00            | \$0.00                  |

| <b>STATEMENT OF INDEBTEDNESS</b> |  |  |
|----------------------------------|--|--|
| <b>LONG TERM DEBT</b>            | Estimated Debt Outstanding<br>on July 1. | Estimated Debt Authorized, But<br>Not Incurred on July 1 |
| General Obligation Bonds         | \$0                                      | \$0.00   |
| Other Bonds                      | \$1,650,000                              | \$0.00   |
| Other Borrowings                 | \$1,412,305                              | \$0.00   |
| <b>Total</b>                     | <b>\$3,062,305</b>                       | <b>\$0.00</b>  |