PARKS AND RECREATION COMMISSION MEETING

Wednesday, May 21, 2025
Community Auditorium Conference Room
1915 Main Street (enter on east side of bldg.)
7:00am

Brad Bafaro, Chair
Joe Offer, Vice Chair

Tom Robinson
Aaron Johnson
Mackenzie Johnston Carey
Mallory Hiefield
Glenn VanBlarcom
Julian Garfias, Student Advisor
Mike Marshall, Council Liaison

Zoom Webinar:
Link: https://us06web.zoom.us/j/86184566322?pwd=4Icd2sbVsCqL4yVIvGgDrw74XMu0ri.1
Meeting ID: 861 8456 6322
Passcode: 701728

A. Call to Order

B. Public Comment Anyone wishing to speak on an item not on the agenda or on the agenda may be heard at this time. In the interest of time, please limit comments to two minutes.

C. Consent Agenda: Items under the Consent Agenda are considered routine and will all be adopted with a single motion, without separate discussion. Councilors who wish to remove an item from the Consent Agenda may do so prior to the motion. Any item(s) removed will be discussed and acted upon following the approval of the remaining item(s).

1. Approve Parks & Recreation Commission meeting minutes from April 16, 2025 meeting.

D. Additions/Deletions

E. Discussion/Decision Items

1. Biennial budget
2. Annual Parks & Recreation Commission update to City Council - June 23, 2025
3. Forest Grove Forward - 2040 Vision Project

F. Council Liaison Report (Councilor Marshall)

G. School District Representative Report (Brad Bafaro)

H. Commission Communications (Commission Chair - Brad Bafaro)

I. Staff Communications

1. Parks & Recreation Department Report

J. Announcement of Next Meeting

1. Wednesday, June 18, 2025, at 7:00am in the Forest Grove Community Auditorium Conference Room

K. Adjournment

Americans with Disabilities Act (ADA) Notice: The City of Forest Grove will make reasonable accommodations for participation in the meeting. Requests for assistance can be made by contacting the City Recorder’s Office, 503-992-3235, mwoods@forestgrove-or.gov, at least 48-hours in advance of the meeting.

Parks & Recreation Commission Meeting
Wednesday, April 16, 2025
City Auditorium Conference Room, 1915 Main St.

Minutes are unofficial until approved by the B/C.

A. CALL TO ORDER:

The meeting was called to order at 7:02 a.m. by Brad Bafaro, Chair of the Parks and Recreation Commission.

ROLL CALL: Brad Bafaro, Chair; Joe Offer, Vice Chair; Mackenzie Johnston Carey; Aaron Johnson; Tom Robinson; Mallory Hiefield; Glenn VanBlarcom; Julian Garfias, Student Advisor; Mike Marshall, Council Liaison
ABSENT: Michelle Beck; Shari Exo
STAFF PRESENT: Anne Lane, Parks & Recreation Director; Tom Martin, Parks Supervisor; Sherri Mead, Aquatics Supervisor; Cody Jeffers, Recreation Coordinator; Melissa Williams, Administrative Specialist II

B. PUBLIC COMMENT: none

C. CONSENT AGENDA:

a. *Approve Parks & Recreation Commission meeting minutes of March 19, 2025.*

MOTION: Glenn VanBlarcom moved to approve minutes from March 19, 2025, meeting. Joe Offer seconded. MOTION CARRIED unanimously.

D. ADDITIONS/DELETIONS:

E. DISCUSSION/DECISION ITEMS:

F. COUNCIL LIAISON REPORT: A judicial hearing was held regarding a tree removal on Ash St. City Council voted to remove the tree.

G. SCHOOL DISTRICT REPRESENTATIVE REPORT: Cornelius Elementary is on schedule to open in the Fall. Currently, seven to eight playground updates are slated for summer and the district has decided to go with hard surfaces instead of bark chips. Tons of work being done by FG Youth Baseball/Softball programs on district fields. Lights are being installed at NAMS this summer and should be ready by fall. This will increase available use hours of this athletic field.

H. COMMISSION COMMUNICATIONS (COMMISSION CHAIR – BRAD BAFARO):
none

I. STAFF COMMUNICATIONS: Staff briefly reviewed some of the items contained in the Department Report.

J. ANNOUNCEMENT OF NEXT MEETING:

Wednesday, May 21, 2025, at 7:00am at the City of Forest Grove Community Auditorium, Conference Room, 1915 Main St, Forest Grove.

K. ADJOURNMENT: The meeting was adjourned at 7:34am.

AQUATICS								
	Revenue							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Charges for Services								
	Aquatic User Fees	407,247	490,472	380,000	370,800	324,600	432,800	441,500
	Facility Rental Fees				51,500		50,000	51,500
	Merchandis Sales	852	429	3,000	3,400	250	350	350
Miscellaneous Revenue					1,500		1,500	1,500
	Donations				1,500		1,500	1,500
Transfers								
	Transfer from OtherFunds		800					
TOTAL		$ 408,099	$ 491,701	$ 383,000	$ 428,700	$ 324,850	$ 486,150	$ 496,350
	Expenditure							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Personnel Services								
	Regular Employee Wages	170,012	199,246	186,193	204,733	208,822	216,472	224,234
	Part-Time Employee Wages	17,007	33,900	33,673	30,648	36,015	37,524	38,280
	Intermittent Employee Wages	206,307	219,991	189,288	186,851	202,157	227,000	242,600
	Intermittent Employee Wages - Cashiers				26,173	12,550	27,000	56,080
	Overtime	60						
	Health & Dental Benefits	16,771	34,327	23,425	33,362	37,073	35,223	37,441
	Health Reimb Arrangement	3,276	3,825	2,058	2,621	4,101	2,158	2,195
	Retirement (Defined Ben Plan)	63,058	70,107	69,905	86,975	86,975	77,406	77,406
	Defined Contribution Plan	469	4,432	3,664	7,640	6,887	8,730	8,927
	PERS	8,206	3,240	9,592	11,443	12,660	13,697	14,109
	FICA/Medicare	30,047	34,522	31,300	34,311	30,638	35,714	37,139
	Workers Comp	7,161	4,868	4,868	4,868		4,868	4,868
	Other Benefits	1,095	1,097	4,611	2,246	1,759	1,160	1,168
	Other Payroll Taxes	4,163	5,691	5,129	5,621	4,589	6,119	6,648
Materials & Supplies								
	Operating Supplies	8,396	10,180	11,500	11,500	12,500	11,700	12,000
	Organization Business Expense	237	55	400	400	400	400	800
	Personnel Uniforms & Equipment	1,914	1,515	2,000	2,500	2,500	2,600	2,700
	Utilities	73,049	79,554	83,750	83,750	75,700	84,600	85,500
	Computer Software				8,100	8,242	8,100	8,100
	Small Equipment	3,790	2,403	5,500	5,500	5,500	5,600	5,700
	Printing	2,071	2,524	3,200	3,200	3,200	3,200	3,200
	Postage	5	22	600	500	500	1,000	500
	Telecommunications	2,178	2,219	1,200	2,600	2,000	2,600	2,600
	Public Information	916	966	1,150	1,000	1,000	1,000	1,100
	Memberships	750	733	1,700	550	800	800	800
	Recruiting Expenses	5						
	Intergovernmental Services			1,900	1,900	1,900	1,900	1,900
	Insurance & Bonds	13,321	15,017	15,017	16,858	16,858	18,204	19,485
	Training/Conferences	5,562	3,676	6,500	6,500	6,000	6,500	7,000
	Professional Services	11,017	9,578	9,700	9,700	9,700	9,900	10,100
	Bank Service Fees	12,013	20,811	7,500	15,000	16,000	37,000	38,000
	Equipment Maint & Oper Supplies	3,688	(798)	3,500	3,500	1,300	2,000	2,000
	Equipment Fund Charges		970	970	724	724	611	627
	Information System Fund Chgs	6,491	6,857	6,857	8,493	8,493	8,493	8,493
	Facility Maintenance Supplies	32,011	33,907	32,000	32,000	37,000	32,700	33,300
	Facility Mnt/Repairs	24,967	31,970	25,000	30,000	35,000	40,600	31,200
TOTAL		$ 730,013	$ 837,405	$ 783,650	$ 881,767	$ 889,543	$ 972,579	$ 1,026,200

PARKS								
	Revenue							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Charges for Services								
	Facility Rental Fees	21,784	20,035	25,000	25,000	20,860	22,000	25,750
	Recreation User Fees				33,200			
	General Fund Admin Serv (6370)	100,437	20,000	20,000	20,000	20,000	20,000	20,000
Miscellaneous Revenue								
	Donations		10,175	1,000	1,000		500	1,000
	Miscellaneous Revenue					783		
Licenses, Permits & Fees								
	Misc - Licenses, Permits & Fees	428	506	100		600	500	
TOTAL		$ 122,649	$ 50,716	$ 46,100	$ 79,200	$ 42,243	$ 43,000	$ 46,750
	Expenditure							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Personnel Services								
	Regular Employee Wages	416,951	475,156	465,399	510,622	509,970	539,132	564,927
	Part-Time Employee Wages			7,146	11,616		11,844	12,084
	Intermittent Employee Wages	5,014	6,098			7,680		
	Intermittent Employee Wages - Cashiers				4,362	3,855	9,000	9,400
	Overtime	9,352	6,859			152		
	Health & Dental Benefits	131,302	151,443	141,653	163,203	176,680	172,961	183,857
	Health Reimb Arrangement	5,832	7,293	6,342	7,430	9,060	8,104	8,176
	Retirement (Defined Ben Plan)	36,604	40,978	40,828	51,836	51,836	46,133	46,133
	Defined Contribution Plan	24,518	25,609	31,424	19,508	18,464	1,409	1,444
	PERS	18,175	31,203	25,197	50,539	52,157	46,500	49,407
	FICA/Medicare	32,413	36,661	36,170	40,285	39,042	42,838	44,857
	Workers Comp	8,097	9,566	9,566	9,566	9,566	9,566	9,566
	Other Benefits	2,169	2,493	4,524	2,962	2,495	2,908	2,934
	Other Payroll Taxes	4,503	6,061	5,841	6,549	8,252	7,022	7,404
Materials & Supplies								
	Operating Supplies	20,543	21,777	22,000	22,000	22,000	23,000	23,000
	Organization Business Expense		20	100	100	100	100	100
	Personnel Uniforms & Equipment	2,974	3,070	3,000	3,000	3,000	3,500	3,500
	Utilities	12,673	12,591	25,073	25,100	14,000	14,300	14,400
	Computer Software				675	687	6,075	6,075
	Small Equipment	9,273	8,300	10,200	10,200	10,200	22,000	20,700
	Printing	5	498	200	200	200	200	400
	Postage	311	91	100	100	100	100	200
	Telecommunications	4,484	4,760	4,260	4,962	4,500	4,600	4,700
	Public Information	1,216	685	1,500	1,500	1,500	1,300	1,300
	Memberships	825	733	1,500	2,000	800	800	800
	Intergovernmental Services			250	250		250	250
	Insurance & Bonds	8,221	9,498	9,498	10,582	10,582	11,394	12,161
	Training/Conferences	4,234	8,340	4,000	5,000	5,100	6,000	6,500
	Professional Services	28,280	26,568	30,000	47,000	52,000	48,000	49,000
	Misc Medical Services	622	410	300	300	200	300	600
	Equipment Maint & Oper Supplies	888	608	1,500	1,500	1,700	1,800	1,800
	Fuel/Oil	1,869	929	1,200	1,200	500	1,200	2,400
	Equipment Fund Charges	90,627	154,154	154,154	119,110	119,100	143,608	146,585
	Information System Fund Chgs	1,485	3,849	3,849	4,633	4,633	4,633	4,633
	Rents & Leases	2,552	1,204	3,000	3,000	1,500	1,200	1,200
	Facility Maintenance Supplies	21,463	27,067	21,000	22,000	22,000	23,000	23,000
	Facility Mnt/Repairs	15,342	10,226	15,000	15,000	15,000	15,000	15,000
TOTAL		$ 922,817	$ 1,094,798	$ 1,085,774	$ 1,177,890	$ 1,178,611	$ 1,229,777	$ 1,278,493

RECREATION								
	Revenue							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Local Taxes								
	Local Option Levy						51000	52000
Charges for Services								
	Facility Rental Fees	54,078	(43)					
	Recreation User Fees		98,622		48,000	74,800	157,500	157,500
Transfers								
	Transfer from Other Funds	33,620	31,598	161,118	55,000	36,683		
TOTAL		$ 87,698	$ 130,177	$ 161,118	$ 103,000	$ 111,483	$ 208,500	$ 209,500
	Expenditure							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Personnel Services								
	Regular Employee Wages	60,817	113,358	110,553	124,389	128,787	132,448	139,316
	Part-Time Employee Wages				35,892			
	Intermittent Employee Wages	9,889	46,693	36,384		65,406	67,000	67,000
	Intermittent Employee Wages - Cashiers				13,087	3,855	9,000	9,400
	Overtime	20						
	Health & Dental Benefits	6,998	21,403	27,201	25,145	28,070	26,684	28,364
	Health Reimb Arrangement	400	1,073	1,152	1,152	1,155	1,152	1,152
	Defined Contribution Plan	156	1,766	4,298	1,321	7,247	1,409	1,444
	PERS	8,215	16,823	9,310	22,796	21,341	26,279	27,536
	FICA/Medicare	5,327	12,064	11,241	13,263	14,830	15,946	16,499
	Workers Comp	1,195	982	982	982	982	982	982
	Other Benefits	401	705	1,585	650	839	587	594
	Other Payroll Taxes	779	1,999	1,824	2,179	2,362	2,611	2,721
Materials & Supplies								
	Operating Supplies	997	25,780	20,000	11,000	5,000	100	100
	Rec Program Mat'ls & Supplies						28,700	28,700
	Organization Business Expense		404			100	100	100
	Personnel Uniforms & Equipment			999	1,000	500	300	200
	Computer Software				5,400	4,808	5,400	5,400
	Small Equipment	457		500	500	500	500	500
	Printing		473	4,000	2,000	2,000	1,000	1,000
	Postage			1,000	500		500	500
	Telecommunications	78	577	500	1,000	700	1,000	1,000
	Public Information	200	18	1,000	1,000	500	1,000	1,000
	Memberships		853			500		
	Training/Conferences	60	895	600	2,000	2,000	2,000	2,000
	Professional Services	1,152	18,316	60,000	31,000	17,000		
	Rec Program Professional Servs						93,800	93,800
	Equipment Maint & Oper Supplies				200	200	200	200
	Information System Fund Chgs				1,539	769	1,539	1,539
	Rents & Leases				19,000	5,000		
	Facility Maintenance Supplies			500	700	200	300	300
TOTAL		$ 97,141	$ 264,182	$ 293,629	$ 317,695	$ 314,651	$ 420,537	$ 431,347

TRAIL SYSTEM (special revenue funds)								
	Revenue							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Miscellaneous Revenue								
	Interest				4500	26716	4500	
	WM Trail Sponsorship	34640	129675					
Fund Balance Available								
	Fund Bal Avail for Approp	48,627	83,267	83,267	219,483	211,937	152,412	
TOTAL		$ 83,267	$ 212,942	$ 83,267	$ 223,983	$ 238,653	$ 156,912	$ -
	Expenditure							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Materials & Supplies								
	Trail Maintenance		77,821	83,267	223,983	86,511	101,912	
Transfers								
	Transfer to Other Funds						55,000	
TOTAL		$ -	$ 77,821	$ 83,267	$ 223,983	$ 86,511	$ 156,912	$ -

PARKS ACQUISITION & DEVELOPMENT (capital projects)								
	Revenue							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Intergovernmental Revenue								
	Metro Bond Proceeds		1,420,103	1,602,103	200,000		200,000	
Charges for Services								
	System Development Charge	516,860	444,740	650,000	350,000	1,125,040	350,000	350,000
Miscellaneous Revenue								
	Interest	79,125	125,796	40,000	40,000	140,218	132,500	122,500
Fund Balance Available								
	Fund Bal Avail for Approp	5,062,696	5,110,257	5,204,696	4,015,467	4,448,841	5,338,099	
TOTAL		$ 5,658,681	$ 7,100,896	$ 7,496,799	$ 4,605,467	$ 5,714,099	$ 6,020,599	$ 472,500
	Expenditure							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Materials & Supplies								
	Professional Services	25,000	31,366	455,000	455,000	215,000	375,000	375,000
Capital Outlay								
	Parks Projects - General	523,424	2,620,688	7,041,799	4,150,467	161,000	5,645,599	97,500
TOTAL		$ 548,424	$ 2,652,054	$ 7,496,799	$ 4,605,467	$ 376,000	$ 6,020,599	$ 472,500

BIKE & PEDESTRIAN PATHWAYS (capital projects)								
	Revenue							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Intergovernmental Revenue								
	State Gas Tax	20,695	21,358	20,801	22,128	22,128	22,088	21,949
Miscellaneous Revenue								
	Interest	675	2,571	1,000	2,500	2,450	2,500	2,500
Fund Balance Available								
	Fund Bal Avail for Approp	63,112	84,482	83,596	107,683	108,411	132,989	
TOTAL		$ 84,482	$ 108,411	$ 105,397	$ 132,311	$ 132,989	$ 157,577	$ 24,449
	Expenditure							
		22-23 Actual	**23-24 Actual**	**23-24 Adopted**	**24-25 Adopted**	**24-25 Year End Estimate**	**25-26 Proposed**	**26-27 Proposed**
Capital Outlay								
	General Capital Outlay			105,397	132,311		157,577	24,449
TOTAL		$ -	$ -	$ 105,397	$ 132,311	$ -	$ 157,577	$ 24,449

To: **The Budget Committee and the Residents of Forest Grove**

Re: **Fiscal Year 2025-27 Proposed Budget**

From: **Jesse VanderZanden, City Manager**
Paul Downey, Assistant City Manager/Finance Director

Date: **May 13, 2025**

FY 25-27 BUDGET MESSAGE

SUMMARY:

It is my pleasure to submit the City of Forest Grove's first biennial Proposed Budget for the Fiscal Years (FY) 2025-27 for review and consideration. This year marks a departure from the past practice of budgeting one fiscal year at a time and meets the City Council's objective to switch to a biennial budget to promote longer-term and more strategic planning, as well as financial sustainability. By all accounts, the biennial process has achieved these goals by facilitating conversations that are connected to a longer planning horizon such as the Local Option Levy, 5-year Capital Improvement Program, and the upcoming 2040 Vision.

The themes of this budget are: 1) meeting the City's commitment in the Local Option Levy to improve public safety; 2) ensuring staffing decisions are based on sound performance metrics tied to service levels, and 3) finding innovative and efficient ways to deliver services in often difficult staffing situations.

The overall fiscal health of the city remains stable, resilient, reserves are adequate, and our bond rating is strong and unchanged.

Forest Grove's population continues to grow at just over 1% annually or 4.2% over the past four years, from 26,200 in 2020 to 27,551 at present. Despite higher interest rates, housing activity picked up this year from initial estimates, matching 2021 levels at 102 constructed residential units, but down from 2023 levels of 437 units, nearly 300 of which were multi-family. Building is expected to continue at this pace with 534 available lots permitted to build on.

Commercial and Industrial vacancies remain near zero, indicating strong business demand. In 2024 thus far, the city has received land use applications for 450,000 square feet in industrial space and 50,000 square feet in commercial space. Industrial and commercial development typically brings in more revenue in comparison to the demands it places on City services. Tourism has also bounced back as evidenced by lower vacancy rates and higher tourism lodging tax revenues.

As a full-service city that provides a vast array of services, the City's budget can appear complex, especially noting it is comprised of 30 different active funds and 5 inactive funds. To make consideration of the budget as easy as possible, this message is comprised of seven different sections, each described in its respective section, namely:

1) Overall Budget
2) General Fund
3) Light and Power Fund
4) Public Works Funds
5) Special Revenue Funds
6) Internal Service Funds
7) Capital Projects Funds

This budget targets strategic improvements in focused areas to address City Council values, goals, and objectives, while maintaining sustainable service levels responsive to city growth. The City has four Core Values that influence all actions by the City, from high-level policy making to day-to-day operations. The four Core Values are:

- **Financial Stewardship** – we will be responsible stewards of the City's financial resources.
- **Community Engagement** – we will invite members of the community in developing City policies and programs.
- **Equity, Diversity, and Inclusion (DEI)** – we are committed to fair inclusion where all diverse members of our community can participate and thrive.
- **Strategic Planning** – we are dedicated to proactive long-term planning that anticipates evolving political, economic, and environmental conditions.

From these values the Council adopted the following Goals for FY 2025-26 with outcomes for each goal:

Goal 1: Address Long-Term growth and Support Housing and Economic Stability

Outcomes:

- Proactive and strategic planning that meets community needs.

- Robust business community.
- Environmentally sustainable policies programs

Goal 2: Ensure an Inclusive, Accessible, and Sustainable Community

Outcomes:

- Community growth and enhancement that considers the needs of the diverse community.

Goal 3: Maintain Community Safety and Well-Being

Outcomes:

- Plans that support consistent community safety services that align with projected City growth.

Goal 4: Enhance Recreation Opportunities for All

Outcomes:

- Increased quality of life for a happy and healthy community.
- Fiscal sustainability for maintenance and operations.
- Accessible recreation opportunities for all ages and abilities.

Each goal has specific objectives to help attain the goal. Taken in combination, the values, goals and objectives are what staff use to develop the proposed budget. The 23 objectives associated with the four goals were presented at the Informational Budget Meeting and include initiating policy discussions on an urban reserve growth strategy, adopting a 2040 Vision, passing the Police Station Bond Measure, creating a parking demand plan and community academy, clarifying a strategic direction for downtown, and updating the Comprehensive Plan and Parks Master Plan, among others. The results of the 2040 Vision are expected to be adopted this summer and will have a large influence on the goals and objectives this year and into the future.

The staff projected to be funded by the five-year Local Option Levy which expires on June 30, 2028, were also reviewed when this budget was prepared. It is the goal of Council and staff to fund the additional personnel in the levy while assuring that the changes are made in a financially sustainable way. Additional staff means the City can better provide services to meet the goals and objectives and achieve the objectives from the Local Option Levy. This budget proposes increases in public safety staff as well as proposing other changes in staffing.

OVERALL BUDGET

This year's Proposed Budget document follows the same format as last year except there are two years of proposed expenditures and a total for the two-year period. The FY 2025-27 Proposed Budget is available as an online budget book on the City's website. Printed copies of the budget book are available upon request. The two-year budget process differs from the one-year process in that the Council adopts expenditures for the two-years instead of doing a complete budget process each year. In the two-year budget process, a review will be done towards the end of the first year to see if any changes need to be made for the second year. This reconciliation and supplemental process will mirror the existing budget process including the Budget Committee and City Council approval of any changes.

The total proposed two-year budget is $253.6 million compared to the current year's adopted budget of $162.2 million. The biennial budget is not 2x the annual budget because the fund balances are not counted twice over two years. Dollar or percentage increase comparisons will not be made as it would be comparing one year of information to two years of information. If the bond measure for the new police facility passes on May 20, staff will add changes to the Proposed Budget for the design and construction of the facility and the payment of the initial debt services prior to the Budget Committee being asked to approve the Proposed Budget.

Staffing:

The City continues to be responsible stewards of the City's financial resources when adding new services to ensure those services can be sustained during the biennium and beyond. For this coming two-year period, staff is proposing to add 4.30 full-time-equivalent (FTE) employees from 188.45 in FY 2024-25 to 192.75 FTE by the end of FY 2026-27. The proposed changes are noted below, followed by explanations for each proposed change.

Prior to detailing these changes, it is important to note that Forest Grove founds its budget on hiring all positions within the budget. Unless expressly detailed otherwise, as shown below, Forest Grove does not carry vacancies and as a result, provides a very accurate, detailed, and transparent assessment of what the city intends to do in the coming year.

In FY 2025-26, the first year of the two-year budget period, the proposed changes include:

- +3 FTE: new firefighters that were included in the Local Option Levy increase.
- +1 FTE: new police officer that was included in the Local Option Levy increase.
- +1 FTE: split the Assistant City Manager/Finance Director into two positions.
- +0.30 FTE: intermittent lifeguard positions to increase training for lifeguards.
- -1 FTE: Information Technology Manager will be removed

- -1 FTE: Water Treatment Plant (WTP) Operator/Engineering Technician.

In FY 2026-27, the second of the two-year budget period, the proposed changes include:

- +1 FTE: Associate Planner in the Planning Department

The City is also proposing to keep the following positions vacant until at least December 31, 2025:

- 1 FT Library Assistant
- 1 FT Fire Division chief
- 1 PT (.6) Accountant

Local Option Levy / General Fund Staffing:

Thus far the City has been able to meet its commitment to voters under the Local Option Levy (LOL). In accordance with the staffing and timing expectations established in the first two fiscal years of the LOL, beginning July 1, 2023, the City has added 1 firefighter, 2 police officers, 1 part-time parks maintenance worker, 1 full-time recreation coordinator, and additional funds for recreation services and the Library.

When LOL positions would be added was based on a key assumption that salary, benefits, and other cost increases would average three percent (3%) per year over the life of the new levy. This assumption was made prior to the inflationary environment that peaked at 8.7% in late 2022 and hovered at 6% in early 2023. Payroll costs thus far have exceeded the 3% assumption. The levy also projected assessed property values would increase by 3% per year. Fortunately, assessed value increased by 6.27% in FY 2024-25 and by 4.8% in FY 2025-26 resulting in higher than projected property tax revenues. This additional revenue has helped to offset some of the increases in wages and benefits.

3 Full-time Firefighters: to meet the City's commitment under the LOL, staff is proposing to add three firefighters in the third year of the LOL, beginning July 1, 2025. The additional firefighters would increase the number of firefighters on each shift from six to seven, thereby increasing the frequency of having two response vehicles to answer simultaneous calls from approximately 45% to 90% of the time. In turn, this is expected to reduce response times by enabling a second apparatus to reach the second call sooner during simultaneous calls. The fire station remains the busiest in Washington County as measured by calls per firefighter so having two response vehicles has the added benefit of reducing the number of calls per firefighter and significantly reducing overtime. Having two emergency response vehicles available more frequently and thereby reduced response times was one of the primary outcomes the City discussed when requesting the increased LOL.

Full-time Police Officer: similarly, staff is proposing to add one police officer position beginning July 1, 2025. The levy had projected adding two police officers in FY 2026-27, however, staff is proposing to modify this slightly by bumping one officer forward to FY 2025-26 and the other police officer back to FY 2027-28. Doing so will allow the general fund to fully absorb the above additions and allow for the additional officer to be in the first year of the next biennial budget. The additional police officer will enable Police to increase from 6 on one shift and 7 on two shifts to 7 officers on each shift. This in turn will help lower response times, decrease overtime, and increase police presence as discussed in LOL.

Lifeguards: while not called for in the LOL, staff is proposing to add 2 hours per month of training for each lifeguard for a total of 3 hours per month or 36 hours per year. Adding this training responds to a recent safety audit and brings the Aquatic Center closer to our peers and to industry standards.

Parks Maintenance: City Council objective 2.6 asked staff to evaluate staff capacity in parks maintenance. In response, Parks did an extensive analysis comparing FTE per acre for metro-area cities. The analysis showed that Forest Grove averages fewer FTE's per acre, however, it also acknowledges difficulty in accounting for variances resulting from structures, equipment, and play areas. For example, a small park with more amenities may require more staff to maintain the same level of service as a larger park with fewer amenities. To respond further to this objective: 1) a more complete staffing analysis is proposed as part of the Parks Master Plan starting in FY 25-26 which can tie staffing to proposed park development, 2) provided the Eastside Park design remains proximal to the existing design, maintenance can be absorbed with existing staff without a reduction in service, 3) any additional parks or change in design of existing parks that requires more maintenance would require additional staff, likely in the form of part-time seasonal position(s), and 4) notwithstanding further efficiencies in equipment or reduced maintenance elsewhere (for example, less frequent mowing of unimproved areas), an improved level of service from existing service levels would require more staff.

Non-Local Option Levy Staff:

Full-time Assistant City Manager: City Council objective 2.6 also asked staff to evaluate staff capacity in City administration. The proposal to split the Assistant City Manager/Finance Director into two separate positions of Assistant City Manager and Finance Director is a result of that evaluation.

There are two underlying factors for this proposal. The first is workload volume. No other city in Washington County offers more services than Forest Grove, resulting in the City Manager having more direct reports than any peer position with 11 compared to an average of 5-7. No other city has a municipal power department and many cities' police, fire, water, and parks services are provided by special districts such as Tualatin Valley Fire and Rescue, Tualatin Parks and Recreation District, Tualatin Valley Water District, and the Sheriff's office. Having 11 direct reports, as well as seven City Councilors, results in less responsive management and a diminished ability to strategically plan and account for Council objectives.

The second factor is resiliency. The current Assistant City Manager/Finance Director has six direct reports and is solely responsible for critical functions such as risk management, budget, purchasing, IT, GIS, municipal court, utility billing, communications, finance, and contracting. Creating an Assistant City Manager and separately a Finance Director will allow risk management, contracting, Information Technology, GIS, and possibly communications to move from under the Assistant City Manager/Finance Director directly to the Assistant City Manager. This in turn reduces the risk that these functions, including the budget, are the sole responsibility of one position. It also allows the Finance Director to focus on finance, purchasing, budget, utility billing, accounting, court, and payroll.

While the organizational chart has yet to be finalized, discussions have centered on the Assistant City Manager being responsible for Public Works/Engineering and Community Development. Reflecting the current economic themes in the 2040 Vision, Economic Development would move from under the Community Development Director and report directly to the Assistant City Manager, allowing for more focus on tourism, urban renewal, downtown, and economic development.

The resulting picture is the City Manager would have 9 direct reports including the Assistant City Manager, all general fund departments (Police, Fire, Parks, Library), Light and Power, Human Resources, City Recorder, and Executive Assistant. The Assistant City Manager would have 7 direct reports including Public Works/Engineering, Community Development, Communications, Information Technology, GIS, and Finance; as well as contracting and risk management functions. Spreading the existing responsibilities of the City Manager and Assistant City Manager/Finance Director to the City Manager, Assistant City Manager, and Finance Director will build latent resiliency into a city that is one-deep in critical areas.

Lastly, this organizational change is consistent with peer cities. Examples of cities that have an Assistant City Manager include, Sherwood, Hillsboro (3), Milwaukee, Newberg, Lake Oswego, Oregon City, Tigard, Wilsonville, Tualatin and Cornelius (also Finance Director). Staff have worked to keep this change as cost neutral to the General Fund as possible.

Full-time Associate Planner: to help meet Council objectives regarding an urban reserve growth strategy and comprehensive plan, as well as meet state mandates pertaining to housing capacity and reporting, staff is proposing the addition of an Associate Planner in FY 26-27. Community Development did a comparative analysis of 9 local and similar sized cities and found that all of them had 4 or more planners compared to 3 for Forest Grove. Further, Forest Grove had fewer technicians than peer cities.

Full-time IT Manager: the attrition of this position and contracting a portion of IT was based on significant difficulties attracting and retaining this position. The position was being used as a steppingstone to other higher paying positions and it suffered from several failed recruitments where a qualified candidate could not be found. By contracting certain IT services, the City hopes to get more thorough and knowledgeable management of the IT network, system, and applications, and be able to more securely address ever-changing technology that one position cannot sufficiently maintain. The city plans to retain desktop support and other everyday functions in-house. The Assistant City Manager will directly oversee the IT contract and remaining IT staff.

Full-time Water Treatment Plant/Engineering Technician: with the addition of the Gartrell Group GIS consultants, funded by ARPA monies, the city was able to improve the city's data to the point that a full-time GIS Analyst position is no longer needed and a portion of it can be reappropriated back to an Engineering Technician, where it originated. Additionally, the Water Treat Plant portion of this position is no longer needed as it was not hired and was added largely in response to an urgent and temporary staffing issue that has since been resolved. As a result, staff is proposing to reapportion the full time GIS Analyst position from 100% GIS to 75% GIS and 25% Engineering Technician, and attrition the above position. This change is also responsive to increased demands associated with civil inspections over the next several years.

Vacancies:

Full-time Library Assistant: staff is proposing to keep this position vacant until more is known about the County's library funding, governance, and collection centralization efforts, a function which a portion of this position performs. A portion of the funding for this position may be used to temporarily augment schedules of existing part-time employees to maintain current services.

Full-time Fire Division Chief: staff is proposing to keep this position vacant until more is known about the delineation of services, responsibility, and volume of work impacts associated with Cornelius hiring its own Fire Chief in 2025 after being in an IGA for Fire Chief services with Forest Grove since 2010.

Part-time (.6) Accountant: this position is being held vacant until a Finance Director and Assistant City Manager is hired, reorganization has occurred, and work volume can be assessed.

Rates and Fees:

Various rates and fees are currently under review or will be under review in the coming months:

- The fee study for parks, aquatics, and recreation is nearing completion. The Parks and Recreation Commission have made their recommendations in preparation for a City Council work session in the near future.
- A study for water rates and water system development charges (SDC) was scheduled to be completed in 2024, however, was delayed due to staffing workload and is now scheduled to be completed in Summer, 2025 followed by a City Council work session to review the results in September 2025. Proposed changes in water rates would be effective July 1, 2026. Any proposed change in the Water SDC would occur after the City goes through the required state process to increase an SDC.
- A 3% increase in water rates will be proposed for July 1, 2025, to address the Council's concern for smaller and more regular increases in utility rates instead of less frequent and larger rate increases.
- Clean Water Services, like last year, is proposing to increase sewer and stormwater rates by 4% this year. Staff will propose the same increase in the City's separate SWM rates and a 3% increase in the City's separate sewer rates. The proposed increase in sewer rates is slightly less due to a healthy fund balance and waiting until the sewer master plan update is complete.
- Electric rates will be reviewed now that the City knows the proposed BPA preliminary power rate increase of 10.5% for Forest Grove which will be effective on October 1, 2025, for the next three years. The preliminary transmission rate increase is 17.9% over the same time. The power rate comprises 6/7 of the expense and the transmission rate 1/7. BPA will finalize its rate increases in August 2025 at which time staff will finalize its review and hold a work session with Council to review any proposed rate increases.

Wage Increases:

The Forest Grove Police Officers Association contract is currently being negotiated so any wage and benefit increases for that bargaining units is unknown. The Firefighter Association's wages will increase by 4.0% on July 1, 2025, and again on July 1, 2026. AFSCME wages will increase by 2.7% and IBEW wages will increase by 3.5% on July 1, 2025. The AFSMCE and IBEW wages increases for July 1, 2026, are not yet known as the contracts expire on June 30, 2026. In addition, a 3.0% cost-of-living allowance increase is being proposed for non-represented employees for both fiscal years. This compares to a 2.7% increase in the Consumer Price Index (CPI) for All Urban Consumers (West); the metric the city uses for CPI and a comparison of what other comparable cities are doing. If the CPI continues to decline and other cities comparables follow suit, staff may propose a lower second year cost-of-living allowance in the mid-cycle adjustment. Known or estimated wage increases have been included in the FY 2025-27 Proposed Budget.

Retirement:

For FY 2025-26, the contribution to the City's Defined Benefit Retirement Plan (DB Plan) is decreasing by $532,000 to a total of $4,738,000. The decrease is based on actual investment returns being higher than the assumed actuarial rate of return. The retirement plan contribution for 2026-27 will not be known until early 2026 but staff does not expect the contribution to increase unless the actual earnings for year ending June 30, 2025, are lower than the assumed rate of return of 5.25%. Staff budgeted the same contributions for both fiscal years. The General Fund's portion of that decrease is $377,00 comprised of a $145,000 decrease for general employees, a $91,000 decrease for Police, and a $141,000 decrease for Fire. The Light & Power Fund and the Public Works Fund decreases are $96,000 and $59,000, respectively. Recall, the DB Smoothing Account for the General Fund which was established to mediate fluctuations in investment returns within the DB Plan, only activates if the rate of return is lower than 5.25%. The DB Plan investment earnings were 11.82% for the year ended June 30, 2024.

PERS rates are increasing approximately 8% on July 1, 2025, and will not change until July 1, 2027. The rates are: 1) 24.22% for Oregon Public Service Retirement Plan (OPSRP) public safety employees, 2) 25.35% for Tier1/Tier2 employees, and 3) 18.95% OPSRP rate for general employees covered by PERS. All regular employees are now either covered by the City's Defined Benefit Plan, which is closed to new participants, or PERS, with twelve employees who elected to remain in the Defined Contribution Plan whose contribution rate is 12.0%.

Insurance:

Health and dental insurance premiums are expected to change as follows:

- On January 1, 2026, a 13% increase to Kaiser Medical and a 7% increase to Regence medical insurance premiums.
- On January 1, 2026, a 7% increase to Delta Dental and Willamette Dental and a 3% increase to Kaiser dental premiums.
- On July 1, 2025, a 8% increase to medical and dental insurance premiums for members of the police and firefighters bargaining units.

Worker's compensation premiums are projected to increase by 10% as of July 1, 2025, or about $20,000. Worker's compensation charges are not changing as reserves in the Risk Management Fund for Worker's compensation are sufficient to fund the increase. Insurance premiums increases as of July 1, 2025, are: 6.0% for general liability premiums, 9% for property insurance premiums, and 6% for auto liability and physical damage insurance premiums. For FY 2026-27, staff is lowering each of the premium increases by 1% and applying those increases.

Voluntary Employees' Benefit Association (VEBA):

The unrepresented do not have a VEBA contribution based on an employee's longevity as do the Police, AFSCME, and IBEW bargaining associations. The Firefighters Association chose to negotiate a different VEBA contribution. The unrepresented employees have an annual contribution plan based on an employee's level of health care coverage. In an effort to increase staff retention for unrepresented employees, staff is proposing to provide unrepresented employees with the same longevity plan as the Police and IBEW bargaining associations and to drop the annual unrepresented employee contribution plan. The increased costs for the longevity plan compared to the current annual plan are not significant and may even be lower if employees leave before they are eligible for the longevity payment.

Geographic Information Systems (GIS):

The City is not proposing major changes to the GIS program, but wanted to update the Committee on the changes it approved for the current fiscal year. The progress made is: 1) Contracting for GIS management, moving the GIS system to the cloud, Light & Power's (L&P) conversion to the UN is almost complete, and Public Works (PW) data has been significantly cleaned up and conversion to the utilities network will begin this summer. Contract management services are speeding up the progress of changes to GIS. Staff are meeting with the management contractor to discuss how to further improve the system and start making it more available to staff and the public. One staffing change to be made on July 1, 2025, is to move the GIS Analyst position to the Engineering Department which used to manage that position and is explained in detail above.

The narratives below discuss the significant changes to all the Funds' operating and capital budgets.

GENERAL FUND

Revenue:

The major sources of General Fund revenue are property taxes, payments from other governments (e.g., WCCLS and Forest Grove Rural Fire District), payments from other City funds for the allocation of administrative expenses, and utility franchise fees, including City-owned utilities.

The City's total tax rate is $5.91 per $1,000 of taxable assessed value consisting of $3.96 for the City's permanent rate, and $1.95 for the Local Option Levy, which will expire on June 30, 2028.

Forest Grove's assessed value is projected to grow by 4.5% to a total of $2.374 billion for FY 2025-26, and 4.5% to a total of $2.482 billion for FY 2026-27. All property tax revenue goes into the General Fund and is projected to account for 41.9% of the General Fund's operating revenue in the FY 2025-27 budget period. The Local Option Levy accounts for 14.1% of the General Fund's operating revenue in FY 2025-27.

The total FY 2025-27 General Fund Proposed Budget of $67,420,393 compared to a FY 2024-25 Adopted Budget of $36,665,929. For the coming two-year budget period, the proposed operating expenditures of $60,756,143 are budgeted to exceed the proposed operating revenues of $57,392,345 by $3,363,798. The proposed budgeted deficit assumes full employment and all departments spend all their budgeted funds, which has yet to occur in any year.

For example, in FY 2024-25, the adopted budget assumed an operating deficit of $591,922 while the projected budget will have a surplus of $2,724,238. Increased revenues in property taxes and interest income, position vacancies, and departments not spending all their budgets were the main reason for the surplus. The City does not budget for any position that it does intend to fill. Any deficit that occurs, however unlikely, will come out of the fund balance or savings described below.

The General Fund beginning fund balance or savings on July 1, 2025, is projected to be $10,028,048. The ending fund balance on June 30, 2027, is projected to be $6,664,250 for a reduction in Fund Balance of $3,363,798 which consists of the operating deficit discussed above.

Based on the minimum Fund Balance Policy and the Defined Benefit (DB) Plan Smoothing Reserve, the City will have a required GF Fund Balance on June 30, 2027, of $8,640,113 compared to a projected ending fund balance of $6,664,250 on June 30, 2027, or $1,987,863 under the minimum Fund Balance. As shown at the Informational Budget Committee meeting, the City's General Fund always performs better than what was budgeted. Based on past budgets, the actual Ending Fund Balance will be closer to the required Ending Fund Balance than the budgeted Ending Fund Balance.

The current minimum Fund Balance is 25% of operating expenses. This compares to the Government Finance Officers Association (GFOA) recommended minimum of 16% or two months operating expenditures. Staff will be discussing the minimum Fund Balance requirement with Council during the upcoming fiscal year to determine if the 25% of operating expenses is an appropriate level for the minimum Fund Balance based on recommended fund practices for a City of Forest Grove's size.

Legislative and Executive (L&E):

Training for the Mayor and City Councilors has been budgeted over a two-year period with specific dollars allocated for the Mayor and each Councilor instead of all the dollars being in one pool. The dollar amount for the biennium was based on the current practice of in and out of state conferences for Councilors and the Mayor. The budget also includes one trip to the National League of Cities Annual Conference for three students and a chaperone over the biennium.

The addition of the Assistant City Manager position was covered above.

Administrative Services:

Proposed personnel changes in this department include:

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    - The addition of the Assistant City Manager position as described above.
    - The attrition of the IT Manager position. The contract with the proposed contractor is being discussed with the goal of finalizing the contract in June 2025.
    - Keeping the 0.6 FTE Part-Time Accountant vacant until the Assistant City Manager and Finance Director structure is in place and staffing can be reassessed. The position is not being budgeted in FY 2025-26 but is budgeted again in FY 2026-27.
    - Moving the GIS Analyst back to the Engineering Department as previously discussed. The Public Works Manager will be able to dedicate more time to managing the position and working with the GIS contractor on the upcoming PW conversion of its GIS to the Utilities Network format.
    - Another personnel change that does not change the overall FTE is the 1.0 FTE Administrative Services Specialist assigned to Municipal Court will be split into 0.5 FTE in the Court and 0.5 FTE in Administrative Services where the position currently assists with Utility Billing functions. The change is not a shift in duties but is more accurate reflection of how it should be funded.

Funding for the Community Academy was reviewed and staff believes it can be covered with existing funding. Professional services are increasing to account for the IT management service contract and funding for facilitation services between Forest Grove, Corneilus, the School District, and Pacific University on recreation coordination. The increase in dollars for those services is being offset by the elimination of wages and benefits for the IT Manager position and reduction in funding for the 2040 Vision and Action Plan which is due to be completed this summer.

Library:

Funding from WCCLS is again expected to increase by 1% in 2025-26, which is a reduction from the normal 3% annual increase in prior years. City staff are budgeting for another 1% increase in WCCLS funds in FY 2067-27 although that reduction is not known as the County is likely placing an increased Library Local Option Levy on the November 2025 ballot. Funding for FY 2026-27 will not be known until the results of the levy are known and a potential new funding allocation is approved by the Board of Commissioners. In FY 2024-25, the City made up for the loss of WCCLS funds with City General Fund money. For the upcoming biennial budget, the library was asked to propose $40,000 in reduced funding from the normal increase over the two-year period to make up for the loss in funding. The reduced funding is coming from the reduction of remaining Pool 2 monies which were not allocated for a specific purpose ($18,000) and a $10,000 (or 11%) reduction in materials each year. The General Fund is making up the balance of $2,000. The library is reviewing changing a vacant 1.0 FTE Library Assistant position into two 0.5 FTE Library Assistant positions to help with scheduling flexibility. This would also save about $12,000 per year which could be used to absorb the reduction in WCCLS funding instead of reducing the Materials budget line item. The Library's Budget will be reviewed at the end of the first year of the two-year budget period based on the outcome of the County's proposed levy and funding allocation.

Aquatics:

A risk assessment of the Aquatic Center has been performed over the last eighteen months that consisted of an initial assessment and then a follow-up visit. Staff have implemented many of the recommended changes that took current staff time or small amounts of funding to implement. One recommendation that requires additional funding is to increase the number of training hours for lifeguards and instructors. The proposed budget includes adding an additional 600 hours each year for that additional training.

The current repairs on the Aquatic Center are going well with the pool expected to reopen as scheduled. The Aquatic Center will require additional major maintenance that has been budgeted in other funds and will be discussed in those funds.

Parks:

Development of future parks, with the exception of the Eastside Park, will be subject to the Parks Master Plan udpate beginning in FY 2025-26. With significant community and council engagement planned, as well as staffing metrics for parks maintenance, the master plan update will take 18-24 months to complete. Current design efforts for Kyle Park and the Loop Trail will be completed, however, construction is not proposed to occur until after the master plan update which includes other future park facilities and the priority for their construction. Parks management has indicated they can maintain Eastside Park with current maintenance staff.

The Department is still using a few old surplus trucks from other departments to do its maintenance work. The City has been trying to purchase newer vehicles to replace those old vehicles. In December 2024, the City used some remaining American Rescue Plan Act (ARPA) funds to purchase a Ford F-150 Lightning truck for the department. The department has requested to replace one of the current remaining old trucks as well. The purchase of the truck will be proposed from the Trail Systems Fund as it will be used to haul a Bobcat that was purchased to do trail maintenance. The Equipment Fund charges are increasing as the Parks Division is being charged to build a replacement fund for the new vehicles and some of the operating costs such as insurance are higher.

Recreation:

A kids' summer recreation program is being prepared by the Recreation Division. The program is planned for ten weeks this summer. The summer recreation program was previously funded using ARPA funding. For the proposed budget period, the summer and other recreation programs are being planned to occur with the registration fees collected, scholarships funds awarded from the Fun for All Fund, and the dollars included in the LOL to fund recreation supplies and program ($51,000 in FY 2025-26 and $52,000 in FY 2026-27).

Police:

Personnel expenditures are not known as the contract for the police officers and sergeants is currently being negotiated. The COPS Grant funding will continue into FY 2026-27 and $130,000 in revenue from that grant is expected in the coming biennial budget.

The LOL proposed adding two officers in FY 2026-27. Staff are proposing to change that to adding one officer in FY 2025-26 and adding the second officer in FY 2027-2028. This will allow the department to add an officer on patrol one year sooner to help address response times.

The only other item of note in the Police Department's budget is that Equipment Fund charges are increasing to reflect the increasing costs of operating and maintaining the fleet.

Fire:

Per the intergovernmental agreement with the Forest Grove Rural Fire District, the funding split for operational costs is modified based on a five-year rolling average of calls in the City and the District. For the coming budget period, the Forest Grove Rural Fire District (District) share of operating costs will increase from 12.0% to 12.4%. It is not a large percentage change, but it will result in about $30,000 in additional revenue for the City. The City and the District will continue to each pay for 50% of the capital costs.

As was discussed earlier in this budget message, the City is proposing adding the three additional firefighters proposed in the LOL. There is currently a vacant Division Chief position in the department. The position will remain vacant while the department evaluates the need for the position based on not managing the Gaston Rural Fire District and the City of Cornelius hiring its own Fire Chief. Forest Grove and Cornelius are currently discussing what management activities, if any, will continue to be shared by the departments. The authorization and funding for the Division Chief position are included in the proposed budget, however, the position will not be filled until more information is known about changes with Cornelius.

The Tools 50/50 line item, which derives its name from the District paying one-half of the costs of these items, can vary from year to year depending on the items proposed to be purchased. Some items will be removed from the budget while new ones are added. Ongoing items include turnouts and other safety equipment, pager replacement, rescue equipment replacement and payments for heart monitor leases. The $25,000 in funding to study a proposed northern fire station location is being carried over to the upcoming budget and $20,000 in funding is proposed to be added to complete the replacement of light fixtures to LED fixtures. Other proposed maintenance projects will be discussed in those funds. The District will pay 50% of the costs even though the projects are being budgeted in other funds.

Vehicle maintenance and operating supplies are being increased by $10,000 in FY 2025-26 and an additional $11,000 in FY 2026-27 to better reflect the actual costs of maintenance.

Planning:

A new Associate Planner position is proposed to be added as of July 1, 2026, to help meet the need for additional staff due to the increased planning goals objectives established by the City Council and to meet the additional planning requirements from the State.

One-half of this position is proposed to be funded by the Building Permit Fund as the position will be doing current planning and permitting for new housing and other developments. As noted earlier, if a vacancy occurs in a technician position, it will be evaluated for reclassification prior to hiring this position.

Professional services in FY 2025-26 has $25,000 for a Westside Planning Area financial feasibility study. The FY 2026-27 includes $50,000 to complete an Urban Reserve Concept Plan which includes the Westside Planning Area. If the Westside Planning area is not financially feasible to develop, the City will have to look to other areas and the Urban Reserve Concept Plan is part of that effort. Also included is $150,000 in proposed funding in FY 26-27 to begin the Comprehensive Plan Update which is expected to take a couple years due to all the items included in the Comprehensive Plan and the amount of community engagement needed.

Economic Development:

The Economic Opportunity Analysis (EOA) and the update of the Economic Development Commission's Strategic Plan will help to refine economic development objectives in the coming fiscal year. Staff will also participate in the upcoming URA property development discussions.

Engineering:

The only major change in Engineering is the previously discussed transfer of the GIS Analyst to Engineering. During the budget process for FY 24-25, the potential addition of the equivalent of a 0.50 FTE Engineering Technician to perform Engineering inspections year-round combined with a 0.50 FTE position as a Water Treatment Plant Operator was approved. Ultimately staff decided that the position was not needed as the City was able to hire a new Water Treatment Plant operator and ameliorate the concerns that precipitated approval of the position. The position is proposed to be removed from the upcoming budget.

Non-Departmental:

This budget contains expenses that are not assignable to any department and accounts for the City's reserves (Contingency and Unappropriated Fund Balance).

As previously directed by Council, the budget proposes to continue payments of opioid settlement funds received by the City to the Washington County Center for Addictions Triage and Treatment (CATT) which is to be a comprehensive substance abuse center with additional support services for adults in Washington County.

The City used Light & Power (L&P) Funds to build the Community Auditorium, and the General Fund is repaying L&P those funds over a fifty-year period. The repayment started in 2003. Staff are proposing to accelerate the repayment of those funds and has again budgeted an additional payment in each of the next two years.

When there is a surplus of revenues over expenditures, the City's practice has been to transfer a portion of that surplus to the Major Maintenance Fund. These transfers and interest earnings on those transfers have been the source of funding for the Major Maintenance Fund. Staff is proposing to transfer $250,000 of the $2,724,238 FY 2024-25 surplus from the General Fund to the Major Maintenance Fund to help fund some upcoming major maintenance in the Aquatic Center and leave a small balance for emergencies.

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LIGHT AND POWER (L&P) FUND

This fund is funded by charges for electricity provided within L&P's operating area. A 6% increase effective for January 1, 2025, has already been approved by the City Council when it approved rates for 2024 and 2025 when the rate study was completed at the end of 2023. Staff will review that rate increase prior to January 1, 2025, to determine if the 6% rate increase is needed or can be adjusted down. The budget for power purchases from BPA is increasing by $1 million or 8% to account for the increases in Bonneville Power Adminstration (BPA) rates in October 2023.

Staff has been working with BPA over the past few years to get more information from BPA about the availability of Federal power for large industrial projects and BPA's ability to transmit the power to Forest Grove. Staff has also been discussing what improvements can be made to the City's distribution system to improve its reliability.

Through September 2024, the City will have received $2.6 million in power dividend distributions from BPA. The funds are being used for major maintenance projects and other system needs. A major project nearing completion is replacement of underground electric cables that had been scheduled to be replaced over the next several years. Those projects were contracted out and completed this year. The department has been purchasing replacement transformers as well. There is about $1.4 million remaining in these funds which are planned to be used to bury overhead cabling in areas with potential wildfire danger areas and to begin the process to switch the electric meters to 2-way instead of the current 1-way.

The budget proposes beginning the process to replace the substation transformer at Filbert substation by ordering the transformer and beginning the design work related to the project. The transformer is anticipated to take a few years to be delivered. The total cost of that project is about $3.5 million. L&P will pay for the initial deposit of the transformer and the design work with accumulated funds but is planning on borrowing funds to complete the project. The funds will be borrowed when future payments on the transformer are needed.

Another potential project under review but related to the Filbert substation is the possibility of constructing an internal transmission line from the Oak Street substation to the Filbert substation. There are no funds budgeted in the coming fiscal year for this project which is expected to cost about $2 million. The project will increase the overall reliability of the City's system. The long-term plan is to have an internal transmission line that connects all three substations, and this line would be the second phase of the project. The transmission line from the Filbert substation to the Thatcher substation was the first phase of this project. This project is waiting to see if the proposed data center project near TTM proceeds and is there a way to partner on this project.
This year's budget includes another $200,000 in revenue from Clean Fuel Credits which comes from revenues based on the number of electric vehicles registered in the department's service area. These credits will continue to be spent on electric vehicles and bicycle rebate programs approved by the City Council. This program has been very popular with L&P customers. The department will also be reviewing changes to the program and what rebates are offered.

Building Improvement expenses include the carryover of $320,000 for the construction of a modular steel storage building located on the B Street site near Kyle Park and $50,000 for repaving the front parking lot at the L&P main building. Vehicle replacement includes $350,000 carryover for the purchase of a bucket truck and $60,000 for the replacement of a pick-up truck. The department is proposing to purchase a tree stump grinder to make its tree trimming function more effective. The City is exploring replacing its current utility billing (UB) software system, which is nearing twenty years old with a more up-to-date system. To that end, $150,000 has been budgeted in the L&P budget for a new system with additional funds being budgeted in the Public Works funds.

PUBLIC WORKS FUNDS

The Public Works Funds consist of the Sewer Fund, Water Fund, Surface Water Management (SWM) Fund, Street Fund, and the related System Development Charges (SDC) Funds. All these funds except the Street Fund are enterprise funds, and the revenue comes from utility charges or, for the SDC funds, charges for development that are paid when a building permit is issued. The Street

Fund’s revenue comes from distributions of State and Washington County gas taxes and Washington County vehicle registration fees.

The allocation of Public Works employees’ salaries and benefits has been changed between funds to more accurately reflect the time employees are working in the Sewer, Water, Street, and SWM Funds. This accounts for some of the differences from last year’s budget.

One common expenditure in the Sewer, Sewer SDC, SWM, and SWM SDC are updates to Sewer and Surface Water Management Master Plans. These funds have been carried over from the prior budget year. Staff had hired a consultant to begin preparing the master plan updates when the project was put on hold and Clean Water Services was completing the sewer flow modeling for the City as part of CWS’ sewer master plan updates. Staff is expecting to restart its master plan updates by the end of 2025.

Sewer Fund:

Clean Water Services (CWS) is proposing a 4.0% increase to sewer rates as of July 1, 2024. The City will propose a 3.0% increase to its portion of the sewer rates. The fund Balance is beginning to increase so staff wants to keep the rate increase the city can control lower but still have a small increase to reflect future capital purchases.

Sewer SDC Fund:

CWS is proposing to increase sewer SDC by 1.9% to $7,139 per equivalent dwelling unit. The City collects that charge as part of issuing a building permit and the City retains 20% of the charge for its Sewer SDC Fund. The city does not have a separate SDC for sewer.

The last of three projects designed to reduce inflow and infiltration (I&I) of groundwater into the sewer system is expected to start this coming fiscal year. For the past two projects, the City has been responsible for paying 50% of the cost of each project and is repaying CWS for the City’s share over a ten-year period. CWS has received federal funding through a congressional directed spending request for a portion of the third I&I and announced the grant would be used to fund the City’s portion resulting in the City not having to pay for any of the third I&I project.

Water Fund:

The Water Fund has developed a healthy fund balance of approximately $17.3 million due in large part to sustainable harvest practices in the watershed in accordance with the Watershed Master Plan and increased timber prices. The City has been purposely building fund balance in anticipation of significant future capital projects which will start to occur in the coming biennium.

Currently, there is a 5-million-gallon storage tank at the Water Treatment Plant (WTP) that was built when the plant was constructed in the 1940's and is not seismically sufficient. The plan is to replace one half of the current storage tank with a 5-million-gallon tank and then in several years replace the remaining half of the current storage tank with another 5-million-gallon tank. The costs of the tanks have increased significantly as the consultant has been able to do more complete cost estimates as the design has progressed. One factor affecting the cost is the size of the site. Staff and the consultant are looking at ways to lower the cost.

Professional services include $2,000,000 in design fees in the upcoming budget for the first replacement storage tank at the WTP and related infrastructure for a second replacement storage tank. The City has been preparing to apply for a $27,000,000 federal Building Resilient Infrastructure and Community (BRIC) grant when the grant was cancelled by FEMA last month. If secured, the grant would have paid for 75% of the estimated tank construction costs. Staff is planning to reduce the pace of design to see of the BRIC grant program or something similar will be offered.

Construction of the expansion and remodeling of the Public Works offices is expected to begin if the construction dollars are approved as part of the adopted budget. The costs of the project have increased to approximately $6 million. Staff, the architects, and the Construction Manager/General Contractor (CM/GC) have been working to reduce the costs of the project but staff are requesting the $6 million estimated construction costs in the proposed budget. The funding for the project will come the accumulated fund balance in the Water Fund. No funds will be borrowed for the project. The costs of the project will be paid using accumulated savings, so no borrowing is needed for this project.

Water SDC Fund:

The budget includes $3.6 million to complete the construction of the emergency intertie to the 72-inch Joint Water Commission (JWC) waterline. This project will allow for improved water flow for fires in the 24 Street industrial area and provide the City with an emergency connection to the JWC system. Construction on this project has begun and these funds are being carried forward from the prior fiscal year.

SWM Fund:

Storm Sewer Construction includes carrying over $300,000 for the construction of improvements at Alyssum and Twinflower to address drainage and flooding issues.

SWM SDC Fund:

CWS is proposing to increase the SWM SDC by 1.9% to $691. CWS sets the fee but the City retains all SWM SDC collected in the City. The City does not have a separate SWM SDC.

Street Fund:

The ARTS Signal Illumination and Pedestrian Signal Head Replacement project for $226,000 is being carried over from the current fiscal year.

Street overlays are proposed to remain at $1.2 million per year over the next two years as taxes from gasoline have also remained flat. This amount includes ADA curb ramp improvements associated with the overlay projects that are not arterials or collector streets.

Transportation Development Tax (TDT) Funds:

The County is increasing the TDT on a single-family detached residence by 8.32% on July 1, 2025, from $11,478 to $12,433. The TDT Fund includes $500,000 for curb ramp improvements and ARTS project improvements for overlay projects.

The City received a Safe Routes To School (SRTS) Grant for the Mountain View Lane/Highway 8 project after the project ranked #2 among 100 total projects. The total cost of the project is estimated at $1.6 million with $1.2 million in funding from the SRTS Grant and a $400,000 City match which will come from the City's Transportation Development Tax Fund.

SPECIAL REVENUE FUNDS

Building Permits Fund:

This fund is fully funded by revenues generated by building permit fees. The fund balance continues to grow and is estimated to be approximately $5.5 million at June 30, 2025. This amount is equivalent to almost 4 years of operating expenses if no additional building permit revenue is collected. The Community Development Department has been asked to review building permit fees in light of Council's goal to support housing stability.

Facility Major Maintenance Fund:

This fund was established in FY 2010-11 to accumulate funds for major maintenance on General Fund facilities that do not have a dedicated funding source. Funding has come from transfers of one-time savings in the General Fund. Staff is proposing a $250,000 transfer from the General Fund to the Facility Major Maintenance Fund in the FY 2025-27 Proposed Budget. Specific projects include: 1) $89,390 for a unisex bathroom remodel project at the fire station which will be 50% paid by the FG Rural Fire Protection District; 2) $30,000 to do stucco repairs and repaint the Aquatic Center; 3) $232,000 to replace galvanized piping and remodel the bathrooms at the Aquatic Center; and 4) $250,000 to replace the pool deck at the Aquatic Center. These are the last large, anticipated maintenance projects at the Aquatic Center.

Tourism Lodging Tax (TLT) Fund:

The City has been charging a TLT since January 1, 2018, when the Council approved a 2.5% city-wide TLT. Overall TLT has been relatively flat for several fiscal years, reflecting a static vacancy rate. By Council resolution, the TLT funds are spent as follows: 1) 40% on tourism marketing; 2) 40% on event sponsorship; and 3) 20% on capital programs with one-half of that amount dedicated to fixed art installations managed by the Public Art Commission and the other half for the Tourism Capital grant program. The City takes $20,000 of TLT funds to fund part of the Economic Development Program Coordinator's salary and 7.5% of the funds for administrative overhead. The TLT's remaining capital funds are being spent on the downtown "glow-up' project by Council resolution. During the upcoming budget period, there is approximately $190,000 in undesignated funds that has not been spent in prior years.

Trail System Fund:

This fund receives payments from Waste Management (WM) when WM's rate of return exceeds a certain amount. In the coming budget, there is a $55,000 transfer to the Equipment Fund to purchase a new truck for the Parks Department and approximately $102,000 in funds available for trail maintenance projects.

Community Enhancement Program (CEP) Fund:

This fund receives revenue from a $1.00 per ton fee charged by Metro on waste disposed at the Forest Grove Transfer Station. The City expects to receive $130,000 in total funding in the coming biennium budget period. Additionally, the City has been receiving funds from a $0.50 per ton Community Investment Fee (CIF) charged at the transfer station. The City expects to receive $65,500 in total CIF funds in the coming biennium budget period. Currently, the CIF funds can be part of the CEP. The CIF funds are not as flexible as the CEP funds as Waste Management can decide to stop collecting the CIF so staff is recommending that CIF funds not be budgeted to be spent until after they are received.

The CEP committee awarded a three-year Community Impact of $40,000 per year through June 30, 2027, to the Chamber of Commerce for a business development center, so $40,000 per year of the proposed expenditures are owed on that grant. In FY 2025-26, there is $76,500 available in funding for other CEP grants. In FY 2026-27, there is $70,000 in available funding for other CEP grants. The City will do a grant process this fall. The CEP Committee, which consists of the City Council, Metro Councilor Juan Ganzales, and two residents, will meet prior to that grant process to set the program and the number and amounts of grants that will be available.

INTERNAL SERVICE FUNDS

Equipment Fund:

This fund accounts for the purchase and maintenance of vehicles and related equipment for the General and Public Works Funds. These funds are charged for operating expenses and replacement charges based on the expected useful life of each vehicle. Fire and L&P vehicles and apparatus are accounted for separately due to their fund sources. Several vehicles and other equipment are planned for replacement in the FY 2025-27 budget. Staff will detail the vehicle and equipment at the second budget committee meeting. The Vehicle Maintenance and Equipment line item is being increased to better reflect the actual costs of costs of parts and supplies.

Fire Equipment Replacement Fund (FERF):

The major sources of funding are transfers from the CIP Excise Tax Fund and funds from the Forest Grove Rural Fire Protection District, which is responsible for fifty percent (50%) of this fund's expenses. Fire management staff have been reviewing the mix of apparatus to determine the appropriate apparatus for the department given the needs to serve the City and surrounding rural area. As a result of the review, the Fire Department is considering selling the aerial apparatus (ladder truck) as this piece of equipment has never been used at a Forest Grove fire and is a secondary aerial apparatus at other fires when it is sent. The department is challenged to get the firefighters sufficient training time on this apparatus. The sale has been discussed with the County Fire Defense Board, which has no objections. Purchases of fire equipment over the next two years include the scheduled replacement of a fire command vehicle for $110,000 and a new Type VI engine (brush rig) for $340,000.

Information Systems Fund:

This fund accounts for the purchases of all computer equipment and general software used by City departments. The source of funding is rent charges for the equipment and expense allocation for supplies and software. The intent of this fund is similar to the Equipment Fund in which the departments are charged annual rent on equipment so when an item needs to be replaced the funding is available. Over the next two years, significant dollars are being budgeted to replace desktops and laptops as the City is behind on upgrading equipment due to prolonged shortages of IT staff. The City will be contracting IT management services starting June or July and one of the first things the new management consulting firm will do is make recommendations on how to upgrade the equipment as the City's main server hardware needs replacement.

CAPITAL PROJECTS FUNDS

Parks SDC Fund:

This fund receives its revenue from a $6,010 system development fee collected at the time a building permit is issued. The proposed biennial budget contains $500,000 for a Parks Master Plan Update over two years and $1,000,000 for the construction of Eastside Park. All other park construction projects are being placed on hold until after the completion of the Parks Master Plan Update and a review to determine the needed maintenance staff for future park projects and how that staff will be funded.

Capital Improvements (CIP) Excise Tax Fund:

This fund accounts for the Capital Improvements Excise Tax charged on utility bills within the City limits. According to City ordinance, ninety percent of the revenue collected goes to public safety projects with the remaining portion going to general projects. For each year in the coming two-year budget, $194,000 will be transferred to the Fire Equipment Replacement Fund for the purchase of fire apparatus, and $178,830 will be transferred to the Equipment Fund to pay for the purchase of police vehicles.

Other proposed public safety purchases include: 1) $8,900 for a fire lobby remodel which will be 50% paid by the Forest Grove Rural Fire Protection District; and 2) $12,300 for Command Central Evidence which is part of the Police Department's Body-Worn Camera System. General projects purchases include: 1) $85,000 to replace the carousel is Rogers Parks; and 2) $9,500 for additional security cameras at the Aquatic Center.

CONCLUSION:

Going into this biennial process for the first time, staff knew it would be additional work but didn't know exactly what to expect. What we found and learned is that what proponents of biennial budgeting said was true – it led to more thoughtful, strategic discussions; additional time sometimes changed the outcome, moving some items forward and others back; challenges which would be difficult to solve over 12 months became clearer over 24 when continuity could play a part; and while mid-cycle adjustments will need to be made, they will be familiar and allow for more informed decision making.

The adoption of the proposed biennial budget for FY 2025-27 will allow the City to maintain and enhance services in some areas, meet the City's commitment under the Local Option Levy, and build resilience in critical and complex areas that are "one deep". In keeping with the City's values, its responsible and transparent stewardship of public resources has allowed it to meet these objectives in a sustainable way.

Challenges and pressures on the City budget remain. While inflation has gone down, it remains over the Federal Reserve's target of 2% and past inflation continues to place "catch-up" pressure on wages, benefits, equipment, materials, supplies, and capital projects.

Healthy property tax growth has relieved some of the funding pressures and allowed the City to meet its commitments under the Local Option Levy despite inflationary and cost pressures. Looking ahead, there is considerable interest in industrial development on vacant land zoned for industrial purposes. Industrial development typically has a positive impact on the General Fund and associated building funds and will warrant further budget considerations if these revenues materialize.

Overall, the City is proposing to add 4.3 positions over the biennium comprised of 3 firefighters, 1 police officer, 1 Assistant City Manager, 1 Associate Planner, and .3 Lifeguards; and attrition 2 vacant positions including the IT Manager and Water Treatment Plant/Engineering Technician. Additionally, the City plans to hold 2.6 positions vacant until more is known about operational and/or funding changes, including the Fire Division Chief, Library Associate, and part-time Accountant. Staffing decisions for these areas, as well as all other areas, were based on a several factors including work volume, risk/resiliency, performance metrics, level of service, and comparative analysis to peer cities.

My sincere appreciation to the City Council for foresight to approve a biennial budget process. Similarly, my appreciation to the Budget Committee, City Council, Department Directors and staff for collaboration during long meetings to find compromise and for leadership to responsibly manage and guide Forest Grove's public resources. The City's ethos and value of sustainable financial stewardship permeates the decision-making process from start to finish.

In closing, I'm pleased to report the financial health of the city is stable and well-poised for the next biennium. I would like to especially thank Paul Downey, Assistant City Manager/Finance Director, whose tireless efforts have given Forest Grove a stable and resilient budget that routinely passes annual audits, maintains a high credit rating, and perhaps most important, increases the public's trust, confidence and accountability in city operations.

Jesse VanderZanden, City Manager
Paul Downey, Assistant City Manager/Finance Director

FOREST GROVE
FORWARD
YOUR VOICE, YOUR VISION

City Council Meeting
May 12, 2025

SSW CONSULTING

01
Forest Grove Forward Project Overview

02
Community Engagement +Outreach Snapshot

03
Community Input for Vision of Forest Grove in 2040

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05
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01

Forest Grove Forward Project Overview

What is Forest Grove Forward?

FOREST GROVE
FORWARD
YOUR VOICE, YOUR VISION

Forest Grove Forward is a community visioning project where we will translate community aspirations into a clear vision for 2040 to guide the City's strategic planning and decision-making.

This is an inclusive process to engage community members to have a voice in how they want Forest Grove to look, feel, and function in the future.

What does the community vision include?

- A shared vision that describes the community residents want Forest Grove to be in 2040

- A set of community values that describe what is important to people in Forest Grove and what should guide us in implementing the vision

- An action plan with specific goals that describe the future conditions for the community and supporting actions that outline focused approaches to achieving the goals.

Why is having a community vision important?

Cities have many complex priorities to juggle in creating vibrant, resilient, and inclusive communities.

As Forest Grove considers topics – such as housing, roads, utilities, economy, parks and recreation, public safety, and climate – it is important to have broadly supported direction and an actionable plan that is aligned with the values and aspirations of the people who live and work in Forest Grove.

Process Overview

1 SCOPING + PLANNING

- Project Charter
- Project Game Plan + Timeline
- Review background materials
- Steering Committee recruitment materials

2 ENGAGEMENT STRATEGY

- Updated Community Profile
- Stakeholder Map
- Project Brand + Key Messages
- Communications + Engagement Plan
- Steering Committee kick-off meeting

3 ENGAGE COMM. + ORG.

- Vision outreach materials
- Conduct engagement
- Engagement summary
- Engagement evaluation report
- Steering Committee Meeting

4 VISION DEVELOPMENT

- Engagement database
- Draft Vision, Values, and Goals
- Present draft VVG to City Council, Steering Committee, staff, and community
- Gather input + refine

5 ACTION PLANNING

- Vision lab focus groups
- Develop supporting actions for each goal area
- Incorporate comments from public review to refine VVG
- Steering Committee meeting
- Draft Vision + Action Plan
- Outline implementation structure

6 FINALIZE VISION + ACTION PLAN

- Final public comment period
- Finalize Vision, Values, Goals, and Initiatives
- Present Community Vision + Action Plan to City Council for adoption

7 IMPLEMENT + CELEBRATE

- Implementation memo with recommendations
- Training templates and materials
- Progress reporting tools
- Launch Vision!

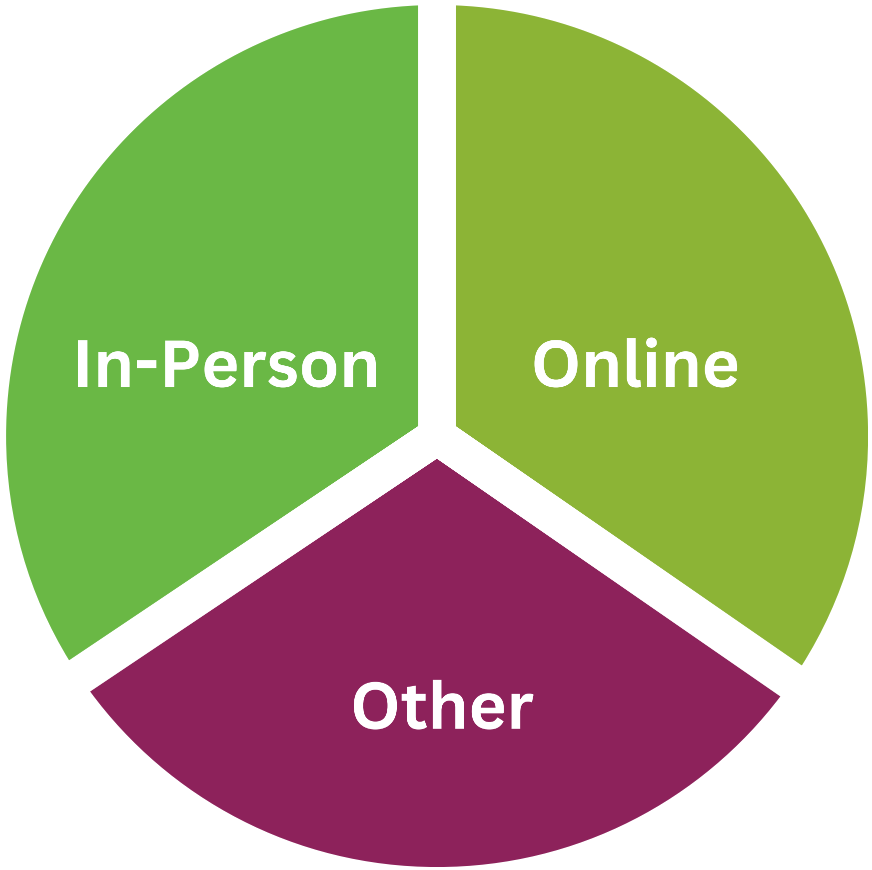
Project Schedule

1	SCOPING + PLANNING	April + May 2024
2	ENGAGEMENT STRATEGY	June 2024
3	ENGAGE COMM. + ORG.	July - Dec 2024
4	VISION DEVELOPMENT	Jan-March 2025
5	ACTION PLANNING	April - May 2025
6	FINALIZE VISION + ACTION PLAN	June - July 2025
7	IMPLEMENT + CELEBRATE	August 2025

02 Engagement + Outreach Snapshot

How have we engaged Forest Grove?

- Community Events
  - Farmers Markets, National Night Out, Festival of the Arts, High School Football Game, Annual Town Hall, Sidewalk Chalk Art Festival, Corn Roast, Oktoberfest, and more!
- Business Community
  - Engaging with Local Businesses
  - Economic Development Commission
  - Chamber Events
- Partnership with Veritas
  - 1:1 Interviews
  - Group Event
- Youth Engagement
  - FGHS Football Game
  - Teen Library Council
  - Mayor Youth Council
  - FGHS Lunch Engagement
- Steering Committee Meetings
- Rotary Club



- Community Survey
- Forest Grove Social Media Pages
- Forest Grove E-Newsletter
- City Website
- Chamber partnership - social media and e-newsletter
- Pacific University - distributed content and survey link to all University Clubs and organizations

- Utility bill inserts
- Posters, flyers, table tents
  - Local businesses, Pacific University, apartment complexes, senior living communities, + City facilities
- Community Leader Interviews

Who did we hear from?

- 9 Community Leader Interviews
- 4 Community Group Meetings
- 60 Participants at Community Meetings
- 1,597 Community Survey Respondents
- 25 Community Events
- 2,300+ Engaged at Community Events
- 1 Latino Outreach Event
- 57 Latino Intercept Surveys
- 59 Businesses Visited
- 26 Apartments and 2 Senior Living Facilities Visited
- 7 Pacific University Student Meetings/Events
- 5 Youth Meetings/Events

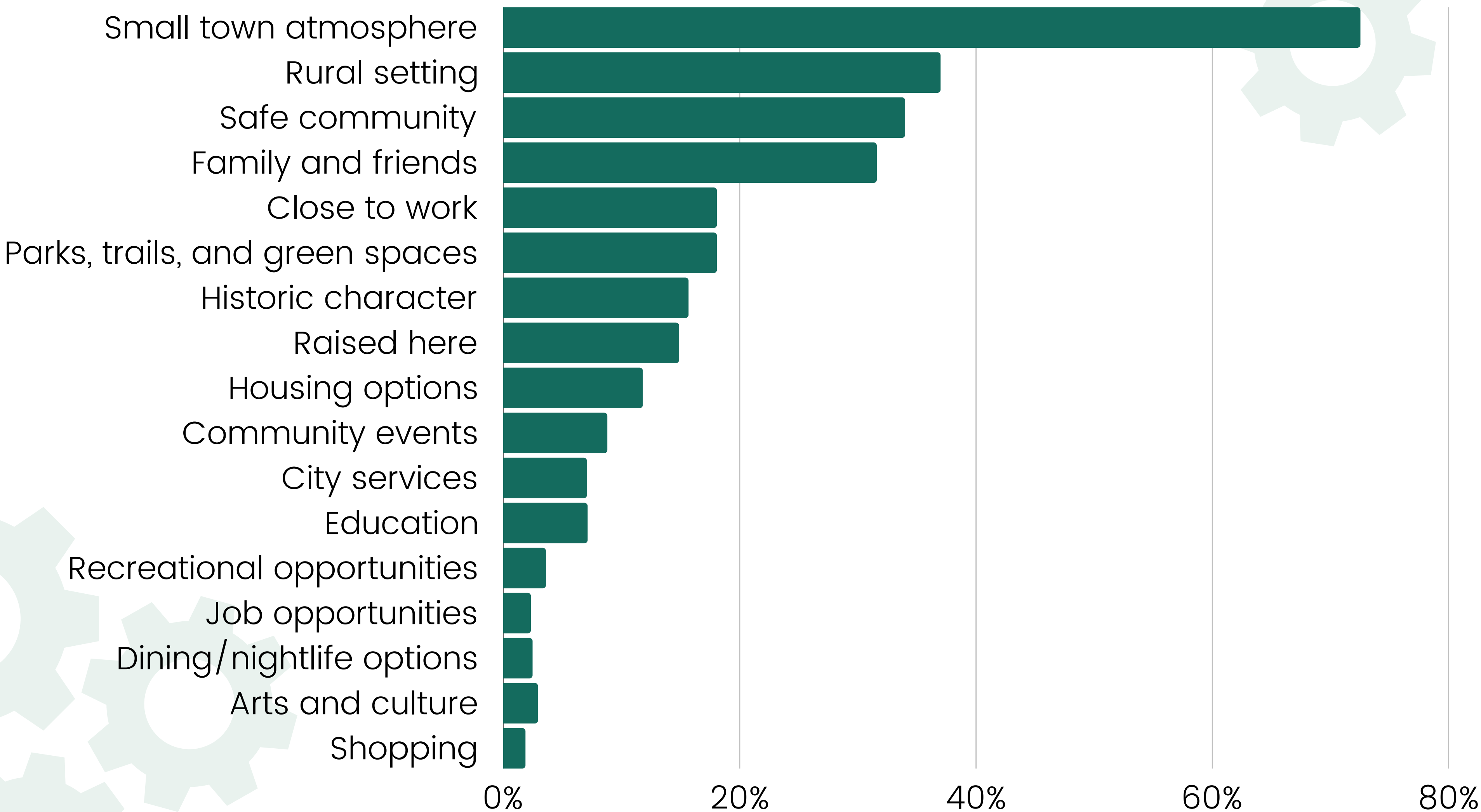
03
Community input for Vision of Forest Grove in 2040

What should we preserve into the future? What do people love about Forest Grove?

What do you like most about Forest Grove? What should we preserve into the future?

- Size of community/small-town feel (43%)
- Downtown/Local businesses (7%)
- Environment (9%)
  - Trees, natural environment, rural setting, trees, farmland, open spaces
- Community Events (5%)
- Parks + Recreation (5%)
  - Preserve the parks/green spaces, add more parks/amenities
- Maintenance and cleanliness
- Historic Preservation (5%)
  - Houses, neighborhoods, downtown, businesses, trees
- Transportation/Mobility (5%)
  - Walk-ability, easy to get around, minimal traffic, GroveLink/Tri-Met

What are the top three reasons why you live, work, learn, play, or visit in Forest Grove?



Vision: What is our desired state in the next 15 years?

Vision Themes from Community Survey + Events:

- Unique identity, not a Portland suburb
- Preserves the warmth, charm, and close-knit spirit that people love about small-town living
- Thoughtful growth - Intentional about the kind of businesses and housing that are brought into Forest Grove
- Preserve natural environment – trees, green spaces, farmland
- Historic character – homes, neighborhoods, trees, downtown
- Family friendly - Great schools, activities for youth, parks, events
- Bike friendly/walkable + easy to get around town
- Vibrant downtown - Honors historic feel, clean, locally owned businesses, full occupancy
- Safe
- Lots of community events and opportunities for residents to gather, spend time together

Vision: What is our desired state in the next 15 years?

Vision Themes from Veritas Outreach:

- Tranquil, small-town feel
- Cleanliness
- Parks
- Job opportunities
- Affordable housing
- Lack of homelessness and crime

Vision Themes from Youth Outreach:

- More opportunities to shop, eat, play, and gather in town
- Connected and supportive community
- Preserve natural beauty and access to nature

Vision: What is our desired state in the next 15 years?

Vision Themes from Business Outreach:

- Better access to stores downtown (parking and sidewalks)
- Beautiful and aesthetically-pleasing downtown to draw in residents and tourists
- Tourism
- Support for small businesses
- Active communication between City and business community

04

Draft Vision, Values, Goals + Outcomes

Definition of Vision + Values

VISION

The community's desired future state. Vision statement attributes include:

- Aspirational
- Clear and concise
- Future-oriented
- Inclusive
- Inspiring
- Values-based
- Serves as "North Star"

VALUES

Guide decisions, behaviors, and culture within a community or organization. The values serve as a compass in implementing your vision and goals. Values should:

- Clear and understandable
- Actionable
- Enduring
- Shared
- Aligned with vision

Draft Vision

ROOTED IN CONNECTION, GROWING WITH PURPOSE.

In 2040, Forest Grove serves as the gateway to Oregon's rural tranquility and urban innovation, situated between mountains and metropolis. We are a destination with a vibrant downtown and local economy where independent businesses thrive, education inspires and provides opportunity, recreation amenities abound, and neighbors truly connect. Through thoughtful, sustainable growth and collaborative spirit, we cultivate a high-quality, safe, and affordable life honoring our history and welcoming all who visit and call Forest Grove home.

Draft Values

SUSTAINABLE

Together, we strive toward a sustainable future—where our commitment to environmental care, responsible financial choices, thoughtful community growth, and resilient infrastructure ensures a thriving, inclusive city for generations to come.

SAFE

We aspire to be a community where everyone feels secure, supported, and prepared—where public safety is a shared priority, health is nurtured, and we stand resilient in the face of emergencies, united in our care for one another.

CONNECTED

We envision a deeply connected community—where neighbors know and care for one another, where inclusive engagement thrives, and where thoughtfully designed spaces and infrastructure bring people together, preserving a small-town spirit as we grow.

Goals, Outcomes, + Actions

GOALS + OUTCOMES

There are five proposed goal areas for Forest Grove Forward. Each goal area will have a goal statement describing the overall goal focus, followed by outcomes which describe the specific results the 2040 Vison aims to achieve. These outcomes translate the broad goal area into specific targets.

ACTIONS

Specific actions will support the advancement of each outcome. Actions are specific projects, programs, initiatives, policies, or operational changes the 2040 Vision undertakes to achieve the desired outcomes. They are the concrete steps towards achieving the vision.

Goal Area: Economy

DRAFT OUTCOMES

1. Attract higher paying job opportunities
2. Connected business community
3. Revitalized downtown
4. Foster a community identity and sense of place
5. Support access to high-quality education for all

Goal Area: Community Growth

DRAFT OUTCOMES

1. Increase the supply of diverse and affordable housing options to meet current and future needs
2. Improve major thoroughfares with balanced traffic management and safety enhancements
3. Improve public safety response in Forest Grove

Goal Area: Healthy + Active Community

DRAFT OUTCOMES

1. Increased recreation opportunities for all
2. Increased accessibility and safety for all recreation amenities
3. Improved health and well-being for all Forest Grove residents

Goal Area: Infrastructure

DRAFT OUTCOMES

1. Build and maintain resilient, efficient, and financially sustainable infrastructure
2. Enhance mobility and safety through thoughtful planning and design
3. Enhance walkability and community connectivity through pedestrian and bike friendly infrastructure and enhanced transit options

Goal Area: Community Connection

DRAFT OUTCOMES

1. Inclusive and accessible spaces for people of all ages to gather and connect
2. Increased engagement through community wide awareness of news and events
3. Active civic engagement and increased collaboration among community organizations, volunteers, and the City

05

Questions, Discussion + Next Steps

Next Steps

- MAY 21
  - Staff Leadership Team Workshop
- JUNE 9
  - City Council Update
- JUNE 9-22
  - Community Review
- JUNE 17
  - Steering Committee Meeting
- JUNE 23
  - City Council Review
- JULY 14
  - City Council Adoption

Thank you

PARKS & RECREATION DEPARTMENT REPORT

Parks & Recreation Director – Anne Lane

1. Knox Ridge Park – Update presentation to Parks & Recreation Commission is scheduled for the June meeting. The community vote on the swing feature is live and will close on May 25th.

2. Hazel Sills Park – Final corrections and inspections are complete, and the park is now open!

3. Biennial Budget – Parks & Recreation budget was presented on May 13th to the Budget Committee. City Council is scheduled to adopt the proposed two-year budget at the June 9th meeting.

4. Cost Recovery Play – The Mayor is scheduling a listening session with representatives from the athletic facility user groups in early June. A work session on this topic is currently scheduled for June 9th.

5. Commission Recruitment – Two members have recently resigned their positions, and an open recruitment has been announced. As applications come in, Councilor Marshall and Director Lane will review and interview.

Parks Supervisor – Tom Martin

1. There may be a slight delay in hanging the baskets downtown this spring. We are working closely with the contractor to ensure we can get them up promptly and not impede their progress.

2. The Parks Team and the Urban Forestry Commission conducted this year's Arbor Day planting on Friday, April 25th, in Thatcher Park. We planted three trees: one replacement tree in the parking lot and two dedicated Magnolia trees in the park. Additionally, seven trees were planted around city hall, to replace those killed by the Emerald Ash Borer.

3. Starting the week of May 19th, the Parks Team will demo a 60" electric zero-turn mower from Stihl.

4. The removal of three trees on the west side of the Aquatic Center is taking place during the week of May 12th. Eduardo's Tree Service had to delay the project due to an equipment issue.

5. Staff met with Community Development and the developer to address the erosion of trails at Thatcher Park, caused by the concrete steps of the adjacent development.

Aquatics Supervisor – Sherri Mead

1. We have officially announced our re-opening date on June 9th. The Aquatic Center is coming together. The first coat of paint on the main pool went down on May 14th and the second coat started May 15th. It will take some drying time before we can start filling the pool, but great progress continues. Feel free to stop by for a quick tour and see everything we've been up to.
2. We have done some refreshing in the spray park as well, with a few trees being removed for safety reasons. We will be adding two gazebos to provide guests with great shade options for the outdoor space. The planter beds have been refreshed, which will help expand our grassy areas and make them better usable spaces.
3. Our summer programming includes a Lifeguard Certification Course running June 5th-8th and another session for our Jr. Lifeguard Program running Tues.-Thurs., June 17th-26th. These programs are critical to help us maintain our current staffing and encourage youth to be ready to take the certification course down the road and support our future staffing needs.

Recreation Coordinator – Cody Jeffers

1. **Summer Kick-Off Success**

- Our first ever Summer Kick-Off event at Rogers Park was a big success, with an estimated 400 guests attending throughout the afternoon. Families enjoyed free BBQ, live music, story time, touch-a-truck activities, arts and crafts, raffles, and more. Thank you to all our partners and staff who helped make this event a vibrant and welcoming celebration of the season ahead.

2. **Summer Registration Now Open!**

- Registration is now open for all summer camps and programs. We're excited to introduce new offerings this year including:

  Aqua Camp – a full-week camp, blending water safety, paddle sports, and recreation

  Adult Pickleball League – Recreational league play for all skill levels.

  Adult Ultimate Frisbee League – A team-based league focused on fun and friendly competition.

3. **Spring Session Wrap-Up**

- Spring programming is nearing completion, with Skyhawks sports wrapping up after a strong outdoor season.
- We have one final Kids Night Out planned before the summer schedule kicks off in full swing.

  We're looking forward to a fun, active, and well-attended summer!

Administrative Specialist II – Melissa Williams

1. The current Fun For All Fund application period ends June 30th. We will accept new applications until June 15th, which give us time to process applications and the recipients time to utilize any funds received. Reminders are sent periodically to recipients in the hopes of encouraging them to use their awarded funds. Unused funds are returned to the account for future awards.

2. Re-opening training: we are holding a training day for our cashier team as a refresher before opening day. After a three-month closure, it’s good to go through our processes and give them all a chance to visit our refreshed space and offer updates for any processes or information that we have revised during the closure. Training will be held on Saturday, June 7th.