



*City of Tualatin*

## CITY OF TUALATIN Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**THROUGH:** Sherilyn Lombos, City Manager  
**FROM:** Don Hudson, Assistant City Manager/Finance Director  
**DATE:** June 14, 2021

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### **SUBJECT:**

Consideration of **Resolution No. 5550-21** Declaring the City's Election to Receive State Revenue Sharing Funds During Fiscal Year 2021-22

### **RECOMMENDATION:**

Staff recommends adopting the attached Resolution after conducting the required public hearing.

### **EXECUTIVE SUMMARY:**

In order for the City to receive state shared revenues, the City must have levied property taxes in the prior fiscal year, pass a resolution approving participation in the program, and hold two public hearings on the use of state revenue sharing funds. The first public hearing, before the budget committee, is to discuss possible uses of the funds. That public hearing was held on May 25, 2021. The second public hearing, before the City Council this evening, is to discuss the proposed uses of the funds.

The City is set to receive \$413,890 in State Revenue Sharing Funds in 2021-22. This amount is a portion of the Liquor Tax and is apportioned to cities based upon a calculation defined in Oregon Revised Statutes (ORS) 221.770 using factors such as adjusted population and state per capita income.

The City also receives allocations for another portion of Liquor Tax funds, as well as Cigarette and Gas Taxes, based upon a per capita distribution. These funds are governed under ORS 221.760. The law provides that cities located within a county having more than 100,000 inhabitants, must provide four or more municipal services (out of a list of seven types of services) to be eligible to receive these revenues. Ability to receive these revenues are not part of tonight's public hearing.

These revenues are not restricted by the State and are therefore used as a General Fund revenue source.

### **OUTCOMES OF DECISION:**

If the Council approves the Resolution, the City will be eligible to receive state shared revenues. If the Council does not approve the Resolution, the City will not receive state shared revenues and will need to reduce its expenditures or contingencies.

**FINANCIAL IMPLICATIONS:**

The City has budgeted \$413,890 of state shared revenues in the General Fund for general city operations in Fiscal Year 2021-2022.

**ATTACHMENTS:**

- Resolution No. 5550-20