



Keizer Urban Renewal District

Adopted
Budget

Fiscal Year 2012-2013

KEIZER URBAN RENEWAL AGENCY

FISCAL YEAR 2012-2013

Lore Christopher
Chair

Members of the Budget Committee

Council Members:

Lore Christopher, Chair
Cathy Clark, President
Mark Caillier
Joe Egli
David McKane
Brandon Smith
James Taylor

Public Members:

JoAnne Beilke
Ronald Bersin
Kim Freeman
Joseph Gillis
Ronald Hart
Dale Henson
Jeff Lewis

Chris Eppley, City Manager
Shannon Johnson, City Attorney

Management Team:

H. Marc Adams, Chief of Police
Nathan Brown, Community Development Director
Tracy Davis, City Recorder
Machell DePina, Human Resources Director
Susan Gahlsdorf, Finance Director
Bill Lawyer, Acting Public Works Director

“We’re Building a Better Community - Together!”

FISCAL YEAR 2012-13 BUDGET QUOTES ON DEMOCRACY

No man is good enough to govern another man without that other's consent.

~Abraham Lincoln

Majority rule only works if you're also considering individual rights. Because you can't have five wolves and one sheep voting on what to have for supper.

~Attributed to Larry Flynt

Democracy is the only system that persists in asking the powers that be whether they are the powers that ought to be.

~Sydney J. Harris

The most important political office is that of the private citizen.

~Louis Brandeis

People often say that, in a democracy, decisions are made by a majority of the people. Of course, that is not true. Decisions are made by a majority of those who make themselves heard and who vote - a very different thing.

~Walter H. Judd

Man's capacity for justice makes democracy possible; but man's inclination to injustice makes democracy necessary.

~Reinhold Niebuhr

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BUDGET OVERVIEW

Welcome to Keizer Urban Renewal Agency's Fiscal Year 2012-2013 Budget Document. This document was prepared to assist you in understanding the Financial Plan and Operation of the Agency. It is the financial tool which enables the Agency to allocate its resources, a policy tool to communicate decisions to the staff and citizens, and a communication tool to express the goals and priorities for the next fiscal year. The staff uses the budget document as an accounting tool to ensure financial integrity and as a management audit tool to measure performance. In summary, this budget document will serve many purposes.

BASIS OF BUDGETING

The budget is prepared on a line-item basis. However, the budget is adopted by object within all funds (e.g. Personnel Services, Materials & Services, Capital Outlay, Debt Service). Generally, the budget is prepared on a modified accrual basis. Revenues are recognized when they become measurable and available, and Expenditures are recognized when they are incurred. While the Agency reserves funds to replace equipment, depreciation is not shown in the budget, although the full price of equipment and Capital Improvements is and the purchase of Capital Improvements is depreciated in the Annual Financial Report. All appropriations lapse at fiscal year-end to the extent that they have not been expended or lawfully re-budgeted.

The Agency adopts the budget on a fund basis; therefore, cash disbursements of a fund may not legally exceed that fund's appropriations for cash disbursements. Public hearings before a Budget Committee and the Board as well as formal newspaper publications of certain budgetary information must be conducted prior to the formal adoption of the budget by Agency Resolution. The Board may amend the budget to expend unforeseen receipts by Supplemental Appropriations. Supplemental Budgets require approval by the Board prior to enactment. All Supplemental Appropriations are included in the budget comparison statements. Appropriations lapse at year-end and may not be carried over. Appropriations are made by object for all funds.

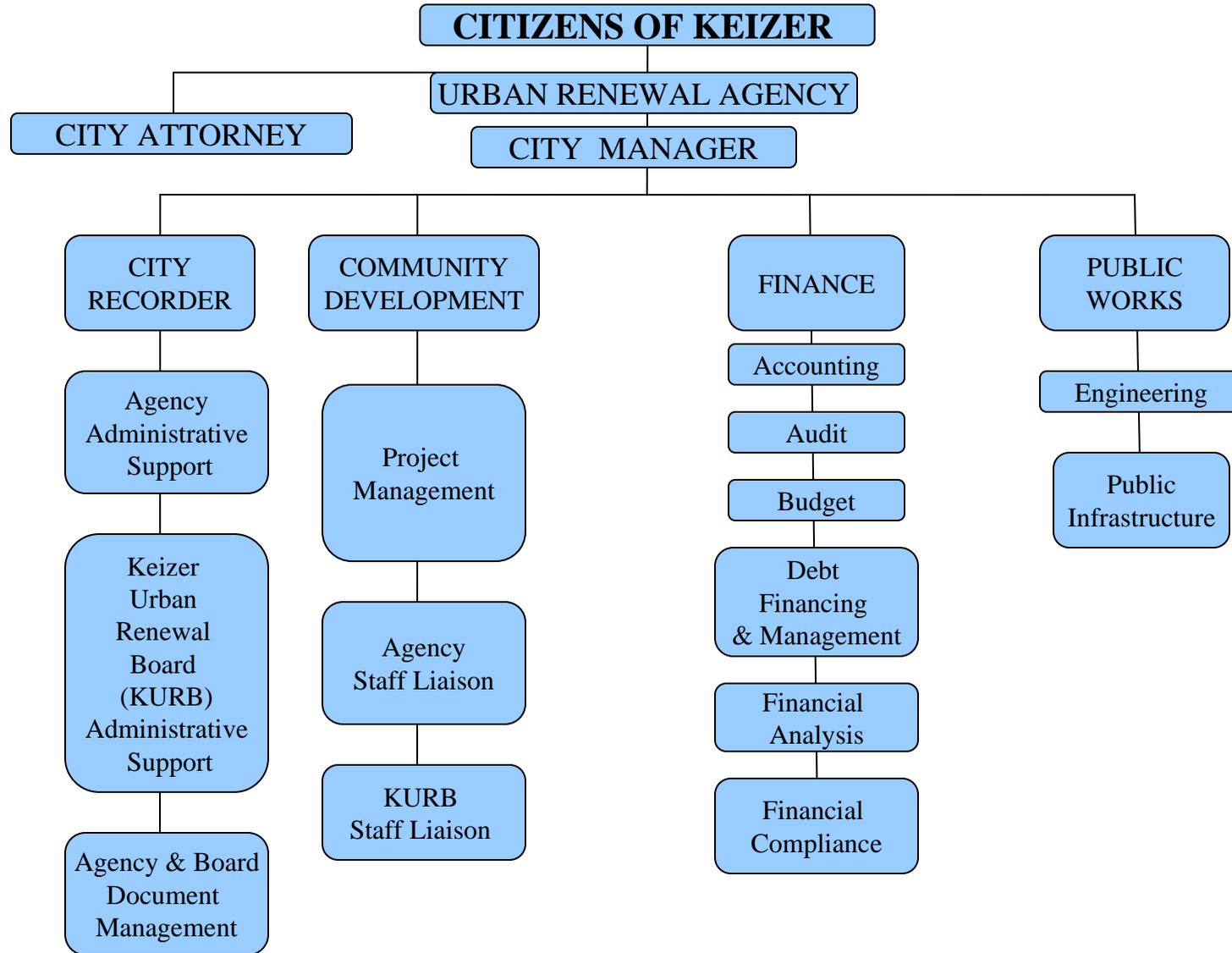
BUDGET PROCESS

This document was prepared under the guidelines set forth under Oregon's Local Budget Law. This law establishes the standard procedures for preparing, presenting, and administering the budget. It also requires citizen involvement in the preparation and public disclosure before final adoption. Staff works together with the City Manager to develop the annual City Manager's Recommended Budget taking into consideration the projects specified in the Urban Renewal Plan. Once complete, the document is presented to the Budget Committee for deliberation and approval, as amended.

KEIZER URBAN RENEWAL AGENCY FISCAL YEAR 2012-2013 BUDGET CALENDAR

Tuesday, April 10 th	Notice of Budget Committee meeting on Urban Renewal Budget to Keizertimes for publication on Friday, April 13 th and Friday, April 20 th for meeting on Tuesday, May 8 th at 6:00 p.m.
Tuesday, May 1 st	Urban Renewal Budget Document distributed to Budget Committee
Tuesday, May 8 th – 6:00 p.m.	Urban Renewal Budget Committee Meeting <ul style="list-style-type: none"> ◆ Election of Urban Renewal Budget Committee Chair ◆ Approval of Urban Renewal Budget Calendar ◆ Public Testimony ◆ Presentation of Keizer Urban Renewal District Budget Message ◆ Discussion of Urban Renewal Agency Budget
Tuesday, May 15 th – 6:00 p.m.	Alternate meeting to complete Urban Renewal Budget (if needed)
Tuesday, May 22 nd	Financial Summaries and notice of budget hearing in the Keizertimes for publication on Friday, May 25 th .
Monday June 4 th – 6:30 p.m.	Public hearing on Urban Renewal Budget. Board adoption of Budget.
Monday June 18 th – 7:00 p.m.	Alternate public hearing on Urban Renewal Budget (if needed)

ORGANIZATIONAL STRUCTURE



FINANCIAL POLICIES

General

- ◆ The Agency shall keep government costs and services to a minimum by providing services to the community in a coordinated, efficient and least cost fashion.

Revenue

- ◆ Revenue forecasts are based on actual historical data adjusted for any known changes in the underlying assumptions.

Fund Balance

- ◆ At June 30 of each year, sufficient reserves shall exist to adequately cover the cash flow needs of the fund and to adequately provide for economic uncertainties for the upcoming year. Should the fund balance fall below the targeted amount in a given fund, a plan for expenditure reductions and/or revenue increases shall be submitted to the Urban Renewal Board via the Budget Committee. If, at the end of a fiscal year, the fund balance falls below the target, then the Agency shall develop a plan to restore the fund balance.

Accounting Policies

- ◆ The City manages the Urban Renewal District and it is the City's policy to establish and maintain a system of internal controls that is designed to provide reasonable assurance that the City is achieving the following objectives:
 - ◆ Effective and efficient operations,
 - ◆ Reliable and accurate financial information,
 - ◆ Compliance with applicable laws and regulations, and safeguarding assets against unauthorized acquisition, use or disposition.

- ◆ The financial system shall be used as the means of recording and reporting financial transactions in a way that will assist users in assessing the service efforts, costs and accomplishments of the City. The City's accounting and reporting system shall be designed to reasonably ensure the following:
 - ◆ Effectiveness and efficiency of operations,
 - ◆ Reliability of financial reporting, and
 - ◆ Compliance with applicable laws and regulations.
- ◆ The Agency will establish and maintain only those funds that are necessary by law and for sound financial management.
- ◆ The City shall annually prepare and publish, by December 31st of each year, a Comprehensive Annual Financial Report (CAFR) in conformity with generally accepted accounting principles.
- ◆ The City shall annually prepare and publish, by December 31st of each year, an Annual Financial Report in conformity with generally accepted accounting principles for the Keizer Urban Renewal District.
- ◆ In accordance with Oregon State law, the City shall hire an independent external auditor to perform an annual audit of the financial statements, including tests of the system of internal controls.
- ◆ The Agency shall prepare and adopt an annual budget by June 30th of each year.

FINANCIAL POLICIES

continued

- ◆ The Agency shall invest funds subject to arbitrage regulations, Bond Indenture requirements, and the Prudent Person Rule which states that “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”
- ◆ General Obligation Debt issued by the City shall not exceed three percent of the total assessed value of property in the City, in accordance with Oregon State law (ORS 287.004).

* Where applicable, the City of Keizer’s financial policies are adhered to in administering the Keizer Urban Renewal Agency

“PRIDE, SPIRIT, AND VOLUNTEERISM”

Motto of the City of Keizer

Volunteers are the foundation of the Keizer community. Many volunteers assist the City in performing a multitude of duties, often providing services that would be reduced or non-existent. Beginning with the citizens of this former rural area who tried seven times at incorporation to the many individuals who serve in various volunteer positions today, volunteerism has served as a successful basis for our City. These volunteer efforts grow out of the leadership of creative, committed people who believe in working together to solve issues for the betterment of our community.

Some of the most prevalent and dedicated volunteers are the members of the City Council. Each of these seven elected officials volunteer numerous hours attending City Council meetings, work sessions, committee meetings, community gatherings, as well as meeting with residents to discuss concerns, ideas, and other important issues facing the community. As one Council member noted, “We really don’t view ourselves as politicians, only neighbors who care about the community, working together as a team to do what is best for the citizens.” During our 30-year history, Keizer has elected 5 Mayors and 36 individuals to serve as City Councilors.

Assisting the City Council in setting policy and guiding the future development of the community are many volunteers who serve on various boards and commissions. Such volunteers are members of the Planning Commission, Budget Committee, Keizer Urban Renewal Board, Bikeways Committee, Volunteer Coordinating Committee, Traffic Safety Commission, Keizer Points of Interest Committee, Storm Water Advisory Committee and the Parks and Recreation Advisory Board. Most of these Boards meet on a monthly basis gathering information and forming recommendations to assist the City Council in guiding the City.

In addition to the various boards and commissions, the City Council regularly forms citizen task forces to assist with specific projects or

events. During the last year, citizen groups have participated in the Keizer Rotary Amphitheatre operation, Good Vibrations Motorcycle Event, Keizer Chamber of Commerce Iris Festival, and the Holiday Festival of Lights Parade.

Additionally, volunteerism has enriched our community in a number of other ways. The independently established Keizer Parks Foundation supports parks and recreation in the city of Keizer. This dedicated group of individuals organizes a community garden program benefiting the Keizer Community Food Bank, a Roving Recreation Summer Program for youth, and through their legacy donation program, provided funds for benches and trees to Keizer parks. Some other community events that City volunteers have assisted in this year were Claggett Creek Watershed projects and the Mayor’s Art Gala. Another exciting volunteer project coming to fruition is the oral history project being coordinated through the Keizer Points of Interest Committee in conjunction with the Keizer Channel 23 Advisory Committee. Filmed interviews are conducted with some of our life long citizens and broadcast over Keizer Channel 23. This project will help preserve the history of our community for generations to come. The Keizer community has also benefited from the number of volunteers who have contributed their time and energy to the Keizer Community Library located in the Keizer Heritage Building. This small all volunteer library has doubled their space and inventory over the last year. Volunteers also work with City staff in the information technology area, records management, park maintenance, and police services. Services and projects such as these truly show the pride, spirit and volunteerism of our community.

Heartfelt thanks to all of those volunteers who have built a community of which every resident should be proud to be a part. Volunteerism in the City of Keizer is alive, healthy and growing.

THANK YOU KEIZER VOLUNTEERS!!!!



Keizer Urban Renewal Agency

May 1, 2012

Honorable Chair Christopher, Board Members, Budget Committee, and Citizens of Keizer:

We are pleased to submit to you the Manager Recommended Budget for fiscal year 2012-2013. This budget will continue to strengthen the overall economic health of the commercial corridors, and enhance the aesthetic appeal and safety within the district.

The Urban Renewal Agency is managed and operated by the City of Keizer. The Agency Board is comprised of the City Council members. The budget of the City of Keizer is disclosed in a separate document. Detailed Financial Policies, compiled in a separate section of this document, set forth the basic framework of the overall fiscal management of the Agency.

Urban Renewal Districts in the state of Oregon are required to establish a maximum indebtedness which is the total cost to complete all of the projects in the Urban Renewal Plan. Once it reaches its maximum indebtedness the District has theoretically

completed its purpose and stops collecting tax increment revenue for new projects.

The Keizer Urban Renewal District was scheduled to reach its maximum indebtedness in FY11-12 however, in February 2012, the City Council passed the ninth amendment to the District which increased the maximum indebtedness to \$51,653,891, an additional \$5,763,507. The ninth amendment narrows the immediate purpose of the district to dealing exclusively with the Keizer Station Local Improvement District (LID). Two property owners are in default on their assessment payments and the City is pursuing foreclosure and ownership of these properties. The extension of the Urban Renewal District is to raise cash to pay down on the City's debt because assessment payments on these properties are not coming in as scheduled.

The following is a summary of the financial highlights of the 2012-2013 fiscal year budget.

Revenues

Prior to adopting the ninth amendment, the District sought and obtained concurrence with all the District's overlapping taxing jurisdictions to allow it to extend the maximum indebtedness. The ninth amendment provides for a set amount of tax increment revenues to be raised over the next four years, \$1,395,600 each year. The District will use these funds, combined with reserves, property sales proceeds and all other urban renewal cash resources to deal with the Keizer Station Property defaults. Once the real estate market recovers to an acceptable level, the City plans to sell the foreclosed properties and use the proceeds to repay the taxing jurisdictions their foregone revenues.

Expenditures

The city entered into reimbursement agreements with each jurisdiction (except the City of Keizer) which provides that the increase in maximum indebtedness of \$5,763,507 be used solely for the purpose of addressing the default by the current property owners in making payments on account of the LID including costs and fees in the administration and issues dealing with the default of the LID, or to reimburse the taxing districts.

Personnel Services

There are no Program Expenses planned for FY12-13, therefore no program staff costs are allocated to the Project Fund. Personnel Services related to general administration are now budgeted in the City of Keizer's Administrative Services Fund.

Materials and Services

Materials & Services related to general administration are budgeted in the City of Keizer's Administrative Services Fund

and are charged to the Agency on a monthly basis. Details of the Administrative Services Fund are located in the City of Keizer budget document. Administrative staff most directly involved with the LID default includes the City Attorney, Finance Director, and Legal Assistant.

The Agency anticipates a 33% decrease in Materials & Services in fiscal year 2012-2013 as compared to fiscal year 2011-2012. The decrease is primarily attributed to a decrease in Administrative Service costs reflecting a decrease in administrative staff time spent on urban renewal related projects.

Capital Outlay

River Road Renaissance Projects and related grant programs have been suspended until the District resolves the Keizer Station LID issues. The only capital outlay project planned for FY12-13 is for completion of a wall at Keizer Station Area B west which is needed to honor a commitment to the property owners in Area B. Funds used for this project are from property sales proceeds.

Debt Service

Debt Service is primarily for assessment payments on the Keizer Station LID debt. Loan payments are needed for debts incurred in the project fund related to the administration of the district and interest owed on the District's outstanding line of credit.

Summary

We would like to compliment and thank everyone involved in the development of the fiscal year 2012-13 Manager Recommended Budget. We appreciate the thoughtfulness that the Chair, Board Members, and Budget Committee take in

reviewing this document, the important questions they ask and the requests for details needed to understand and appreciate the Agency services and to provide a document that is easily read by the citizens we serve.

On behalf of the entire staff of the City of Keizer, we pledge to you our very best efforts to help the Agency operate effectively and efficiently during the next fiscal year.

Respectfully submitted,

Chris Eppley
City Manager

Susan Gahlsdorf
Budget Officer

KEIZER URBAN RENEWAL AGENCY

RESOURCE AND EXPENDITURE SUMMARY

ACTUAL 2009-10	ACTUAL 2010-11	AMENDED 2011-12	PROJECTED 2011-12
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RECOMMENDED 2012-13	APPROVED 2012-13	ADOPTED 2012-13	PERCENT INC (DEC) PROJECTED
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RESOURCES

1	\$	952,792	\$	15,322	\$	2,809,500	\$	1,374,300	<i>Capital Carryforward</i>	\$	5,003,500	\$	5,003,500	\$	5,003,500	264.08%
2																
3									TAXES & ASSESSMENTS							
4		3,961,468		3,885,851		3,973,400		4,052,600	Tax Increment Revenue		1,261,800		1,261,800		1,261,800	-68.86%
5		161,837		159,985		143,000		146,300	Prior Year Taxes		133,800		133,800		133,800	-8.54%
6	\$	4,123,305	\$	4,045,836	\$	4,116,400	\$	4,198,900	TOTAL TAXES & ASSESSMENTS	\$	1,395,600	\$	1,395,600	\$	1,395,600	-66.76%
7																
8									DEBT PROCEEDS							
9		650,000		260,000		-		-	Loan Proceeds		-		-		-	
10		1,697,166		356,790		1,503,900		315,500	Bond Proceeds		150,000		150,000		150,000	-52.46%
11	\$	2,347,166	\$	616,790	\$	1,503,900	\$	315,500	TOTAL DEBT PROCEEDS	\$	150,000	\$	150,000	\$	150,000	-52.46%
12																
13									MISCELLANEOUS							
14		-		2,253,919		-		-	Land Sale Proceeds		-		-		-	
15		11,665		11,653		5,100		7,600	Miscellaneous		3,600		3,600		3,600	-52.63%
16	\$	11,665	\$	2,265,572	\$	5,100	\$	7,600	TOTAL MISCELLANEOUS	\$	3,600	\$	3,600	\$	3,600	-52.63%
17																
18	\$	7,434,928	\$	6,943,520	\$	8,434,900	\$	5,896,300	TOTAL RESOURCES	\$	6,552,700	\$	6,552,700	\$	6,552,700	11.13%

REQUIREMENTS

21									EXPENDITURES							
22																
23	\$	92,797	\$	90,632	\$	96,300	\$	95,100	Personnel Services	\$	-	\$	-	\$	-	-100.00%
24		278,854		300,698		242,600		205,900	Materials & Services		128,400		128,400		128,400	-37.64%
25		2,218,694		1,576,341		2,936,800		206,400	Capital Outlay		40,300		40,300		40,300	-80.47%
26		4,829,261		3,601,660		4,233,800		385,400	Debt Service		6,285,700		6,285,700		6,285,700	1530.95%
27		-		-		474,000		-	Contingency		10,000		10,000		10,000	
28	\$	7,419,606	\$	5,569,331	\$	7,983,500	\$	892,800	TOTAL EXPENDITURES	\$	6,464,400	\$	6,464,400	\$	6,464,400	624.06%
29																
30									FUND BALANCE							
31		15,322		1,374,189		451,400		5,003,500	Fund Balance		88,300		88,300		88,300	-98.24%
32																
33	\$	7,434,928	\$	6,943,520	\$	8,434,900	\$	5,896,300	TOTAL REQUIREMENTS	\$	6,552,700	\$	6,552,700	\$	6,552,700	11.13%

**KEIZER URBAN RENEWAL AGENCY
SPECIAL REVENUE FUND**

PROJECT FUND

	ACTUAL 2009-10	ACTUAL 2010-11	AMENDED 2011-12	PROJECTED 2011-12		RECOMMENDED 2012-13	APPROVED 2012-13	ADOPTED 2012-13	PERCENT INC (DEC) PROJECTED
RESOURCES									
1	\$ 240,702	\$ -	\$ 258,200	\$ 171,100	<i>Capital Carryforward</i>	\$ 76,600	\$ 76,600	\$ 76,600	-55.23%
2									
3	DEBT PROCEEDS								
4	650,000	260,000	-	-	Loan Proceeds	-	-	-	
5	1,697,166	356,790	1,503,900	315,500	Bond Proceeds (from Tax Increment Fund)	150,000	150,000	150,000	-52.46%
6	\$ 2,347,166	\$ 616,790	\$ 1,503,900	\$ 315,500	TOTAL DEBT PROCEEDS	\$ 150,000	\$ 150,000	\$ 150,000	-52.46%
7									
8	MISCELLANEOUS								
9	399	337	100	100	Interest	100	100	100	0.00%
10	2,078	4,060	-	-	Miscellaneous	-	-	-	
11	\$ 2,477	\$ 4,397	\$ 100	\$ 100	TOTAL MISCELLANEOUS	\$ 100	\$ 100	\$ 100	0.00%
12									
13	\$ 2,590,345	\$ 621,187	\$ 1,762,200	\$ 486,700	TOTAL RESOURCES	\$ 226,700	\$ 226,700	\$ 226,700	-53.42%

- 4 Loan Proceeds are from a line-of-credit primarily for Civic Center construction. The Agency drew the final amount on this line in fiscal year 2010-2011.
- 5 Funds come indirectly from tax increment revenues (line 17 of Tax Increment Budget). This revenue is not received until early December each year, after property tax payments are due. River Road Renaissance projects will be on hold from July through November 2011 until proceeds can be deposited into the Project Fund.

**KEIZER URBAN RENEWAL AGENCY
SPECIAL REVENUE FUND**

PROJECT FUND

ACTUAL 2009-10	ACTUAL 2010-11	AMENDED 2011-12	PROJECTED 2011-12
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RECOMMENDED 2012-13	APPROVED 2012-13	ADOPTED 2012-13	PERCENT INC (DEC) PROJECTED
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REQUIREMENTS

	ACTUAL 2009-10	ACTUAL 2010-11	AMENDED 2011-12	PROJECTED 2011-12		RECOMMENDED 2012-13	APPROVED 2012-13	ADOPTED 2012-13	PERCENT INC (DEC) PROJECTED
14					<i>PERSONNEL SERVICES</i>				
15	\$ 5,395	\$ 5,396	\$ 5,400	\$ 4,200	Public Works Director	\$ -	\$ -	\$ -	-100.00%
16	4,227	4,228	4,300	4,300	Public Works Superintendent	-	-	-	-100.00%
17	3,332	3,360	3,300	3,300	Municipal Utility Worker	-	-	-	-100.00%
18	39,642	39,661	39,600	39,600	Community Development Director	-	-	-	-100.00%
19	5,337	5,339	5,400	5,400	Associate Planner	-	-	-	-100.00%
20	6,363	6,366	6,400	6,400	Senior Planner	-	-	-	-100.00%
21	4,484	2,705	4,500	4,500	Administrative Support Staff	-	-	-	-100.00%
22	-	-	-	-	Overtime	-	-	-	-
23	357	377	500	500	Cell Phone Stipend/Clothing Allowance	-	-	-	-100.00%
24	1,063	1,035	1,100	1,100	Medicare	-	-	-	-100.00%
25	13,280	11,946	14,400	14,400	Retirement	-	-	-	-100.00%
26	9,126	10,059	11,200	11,200	Insurance Benefits	-	-	-	-100.00%
27	191	160	200	200	Workers Compensation	-	-	-	-100.00%
28	\$ 92,797	\$ 90,632	\$ 96,300	\$ 95,100	TOTAL PERSONNEL SERVICES	\$ -	\$ -	\$ -	-100.00%

Notes:

14 There are no Program Expenses planned for FY12-13, therefore no Program Staff costs are allocated to the Project Fund.

**KEIZER URBAN RENEWAL AGENCY
SPECIAL REVENUE FUND**

PROJECT FUND

	ACTUAL 2009-10	ACTUAL 2010-11	AMENDED 2011-12	PROJECTED 2011-12		RECOMMENDED 2012-13	APPROVED 2012-13	ADOPTED 2012-13	PERCENT INC (DEC) PROJECTED
29					MATERIALS & SERVICES				
30	\$ 116	\$ -	\$ -	\$ 1,900	Postage & Printing	\$ -	\$ -	\$ -	-100.00%
31	421	337	500	500	Association Memberships	-	-	-	-100.00%
32	279	85	200	200	Meetings, Training & Travel	-	-	-	-100.00%
33	649	693	1,100	1,100	Public Notices	1,500	1,500	1,500	36.36%
34	494	924	31,000	15,000	Legal Services	40,000	40,000	40,000	166.67%
35	269,795	260,178	167,300	166,900	Administrative Services Charges	86,600	86,600	86,600	-48.11%
36	4,350	37,919	30,000	20,000	Contractual Services	-	-	-	-100.00%
37	250	250	-	300	Audit	300	300	300	0.00%
38	121	-	-	-	Telephone	-	-	-	
39	2,028	(39)	2,500	-	Engineering	-	-	-	
40	351	351	10,000	-	Bond Issue Costs	-	-	-	
41	-	-	-	-	Miscellaneous	-	-	-	
42	\$ 278,854	\$ 300,698	\$ 242,600	\$ 205,900	TOTAL MATERIALS & SERVICES	\$ 128,400	\$ 128,400	\$ 128,400	-37.64%

Notes:

33 Advertising costs are for legal notices for budget hearings and property improvement issues.

34 Legal Services provide \$26,000 for foreclosure of Keizer Station Properties in FY11-12 and an additional \$15,000 to be expended in FY12-13.

35 Materials & Services related to general administration are budgeted in the Administrative Services Fund (AFS). Each Operating fund is charged for the services provided by AFS based on various cost allocation plans. These plans are to be revised each year based on anticipated benefits received. The plans are based on a range of factors including number of personnel, percent of effort expended by administrative personnel to the benefiting fund, current operating budgets, pieces of information technology equipment, software and maintenance fees.

(1)	\$ 6,400	\$ 5,800	City-wide Administration	\$ 4,800	\$ 4,800	\$ 4,800	-17.24%
(2)	31,500	31,600	City Manager	3,800	3,800	3,800	-87.97%
(3)	9,300	9,100	Information Systems	3,200	3,200	3,200	-64.84%
(4)	41,100	41,200	Attorney's Office	35,000	35,000	35,000	-15.05%
(5)	31,500	31,600	City Recorder	3,700	3,700	3,700	-88.29%
(6)	5,300	5,300	Human Resources	1,700	1,700	1,700	-67.92%
(7)	36,500	36,700	Finance	32,000	32,000	32,000	-12.81%
(8)	5,600	5,600	Facility Maintenance	2,400	2,400	2,400	-57.14%
	100	-	Rounding	-	-	-	
	<u>\$ 167,300</u>	<u>\$ 166,900</u>		<u>\$ 86,600</u>	<u>\$ 86,600</u>	<u>\$ 86,600</u>	-48.11%

**KEIZER URBAN RENEWAL AGENCY
SPECIAL REVENUE FUND**

PROJECT FUND

	ACTUAL 2009-10	ACTUAL 2010-11	AMENDED 2011-12	PROJECTED 2011-12		RECOMMENDED 2012-13	APPROVED 2012-13	ADOPTED 2012-13	PERCENT INC (DEC) PROJECTED
43					<i>CAPITAL OUTLAY</i>				
44	\$ -	\$ -	\$ 50,000	\$ -	Gateway/Signage (RRR)	\$ -	\$ -	\$ -	-
45	-	-	159,000	-	Grant Programs (RRR)	-	-	-	-
46	643,314	771	-	100	Property Acquisition & Development	-	-	-	-100.00%
47	181,182	57,705	470,000	109,000	River Road Renaissance Projects (RRR)	-	-	-	-100.00%
48	13,380	(13,380)	-	-	Master Plan	-	-	-	-
49	1,362,903	9,917	-	-	Civic Center	-	-	-	-
50	17,915	3,773	-	-	Kitchen Design	-	-	-	-
51	<u>\$ 2,218,694</u>	<u>\$ 58,786</u>	<u>\$ 679,000</u>	<u>\$ 109,100</u>	TOTAL CAPITAL OUTLAY	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-100.00%</u>
52									
53	-	-	474,000	-	Contingency	10,000	10,000	10,000	
54									
55					<i>FUND BALANCE</i>				
56	-	171,071	270,300	76,600	Fund Balance	88,300	88,300	88,300	15.27%
57									
58	<u>\$ 2,590,345</u>	<u>\$ 621,187</u>	<u>\$ 1,762,200</u>	<u>\$ 486,700</u>	TOTAL REQUIREMENTS	<u>\$ 226,700</u>	<u>\$ 226,700</u>	<u>\$ 226,700</u>	<u>-53.42%</u>

Notes:

- 44 Gateway/Signage expenses are part of the River Road Renaissance Project Costs.
- 45 Grant programs are part of the River Road Renaissance project costs and are the District's matching funds to local businesses who participate in property enhancements such as
- 47 Sufficient funds are available to cover approximately \$1.2 million in projects plus administrative staff costs for two years (through fiscal year 2012-2013).
- 53 Contingency funds are available should additional River Road Renaissance Projects get underway.
- 56 Fund balance includes Administrative costs for one year in anticipation of project costs carrying over into fiscal year 2012-2013.

**KEIZER URBAN RENEWAL AGENCY
DEBT SERVICE FUND**

TAX INCREMENT FUND

ACTUAL 2009-10	ACTUAL 2010-11	AMENDED 2011-12	PROJECTED 2011-12
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RECOMMENDED 2012-13	APPROVED 2012-13	ADOPTED 2012-13	PERCENT INC (DEC) PROJECTED
------------------------	---------------------	--------------------	-----------------------------------

RESOURCES

1	\$ 712,090	\$ 15,322	\$ 293,500	\$ 464,200	<i>Capital Carryforward</i>	\$ 4,282,900	\$ 4,282,900	\$ 4,282,900	822.64%
2									
3					TAXES & ASSESSMENTS				
4	3,961,468	3,885,851	3,973,400	4,052,600	Tax Increment Revenue	1,261,800	1,261,800	1,261,800	-68.86%
5	161,837	159,985	143,000	146,300	Prior Year Taxes	133,800	133,800	133,800	-8.54%
6	\$ 4,123,305	\$ 4,045,836	\$ 4,116,400	\$ 4,198,900	TOTAL TAXES & ASSESSMENTS	\$ 1,395,600	\$ 1,395,600	\$ 1,395,600	-66.76%
7									
8					MISCELLANEOUS				
9	9,188	4,656	5,000	5,200	Interest	1,300	1,300	1,300	-75.00%
10									
11	\$ 4,844,583	\$ 4,065,814	\$ 4,414,900	\$ 4,668,300	TOTAL RESOURCES	\$ 5,679,800	\$ 5,679,800	\$ 5,679,800	21.67%

REQUIREMENTS

14					DEBT SERVICE				
15									
16	\$ 132,094	\$ 144,870	\$ 69,900	\$ 69,900	Interest	\$ 79,800	\$ 79,800	\$ 79,800	14.16%
17	1,697,167	356,790	1,503,900	315,500	Loan Payment (Project Fund)	150,000	150,000	150,000	-52.46%
18	-	-	-	-	Assessment Payment on Foreclosed Property	5,450,000	5,450,000	5,450,000	
19	3,000,000	3,100,000	2,660,000	-	Bond Principal Payment (line of credit)	-	-	-	
20	\$ 4,829,261	\$ 3,601,660	\$ 4,233,800	\$ 385,400	TOTAL DEBT SERVICE	\$ 5,679,800	\$ 5,679,800	\$ 5,679,800	1373.74%
21									
22					FUND BALANCE				
23	15,322	464,154	181,100	4,282,900	Fund Balance	-	-	-	-100.00%
24									
25	\$ 4,844,583	\$ 4,065,814	\$ 4,414,900	\$ 4,668,300	TOTAL REQUIREMENTS	\$ 5,679,800	\$ 5,679,800	\$ 5,679,800	21.67%

Notes:

- 4 The District's Ninth Plan Amendment provides for collection of approximately \$1,395,600 in Tax Increment Revenues each year for the next four years (FY12-13 through FY15-16).
- 16 Interest expense is for the line of credit the Agency has outstanding. At July 1 the balance outstanding is \$2.66M. Interest is a variable rate and is estimated at 3% for FY12-13.
- 17 Tax Increment Fund moneys are restricted for the payment of debt. Loan payments are for debts incurred by the Project Fund.
- 19 The Line of Credit was issued in 2008 primarily to finance the Civic Center. The balance outstanding on the line of credit is \$2.66M. The Agency is requesting a waiver from the bank to allow it to pay interest only on this debt until maturity in December 2015. In the interim, revenues will be used to pay assessments on the foreclosed Keizer Station LID properties which accrue at a higher interest rate (5.2%).

**KEIZER URBAN RENEWAL AGENCY
SPECIAL REVENUE FUND**

PROGRAM INCOME FUND

	ACTUAL 2009-10	ACTUAL 2010-11	AMENDED 2011-12	PROJECTED 2011-12		RECOMMENDED 2012-13	APPROVED 2012-13	ADOPTED 2012-13	PERCENT INC (DEC) PROJECTED
<u>RESOURCES</u>									
1	\$ -	\$ -	\$ 2,257,800	\$ 739,000	<i>Capital Carryforward</i>	\$ 644,000	\$ 644,000	\$ 644,000	-12.86%
2									
3	<u>MISCELLANEOUS</u>								
4	-	2,253,919	-	-	Land Sale Proceeds	-	-	-	
5	-	2,600	-	2,300	Interest	2,200	2,200	2,200	-4.35%
6	\$ -	\$ 2,256,519	\$ -	\$ 2,300	TOTAL MISCELLANEOUS	\$ 2,200	\$ 2,200	\$ 2,200	-4.35%
7									
8	\$ -	\$ 2,256,519	\$ 2,257,800	\$ 741,300	TOTAL RESOURCES	\$ 646,200	\$ 646,200	\$ 646,200	-12.83%
9									
10	<u>REQUIREMENTS</u>								
11									
12	<u>CAPITAL OUTLAY</u>								
13	\$ -	\$ 1,517,334	\$ 1,734,500	\$ -	Property Acquisition & Development	-	-	-	
14	-	221	96,900	97,300	Area B Development Costs	40,300	40,300	40,300	-58.58%
15	-	-	426,400	-	Unanticipated Expense	-	-	-	
16	\$ -	\$ 1,517,555	\$ 2,257,800	\$ 97,300	TOTAL CAPITAL OUTLAY	\$ 40,300	\$ 40,300	\$ 40,300	-58.58%
17									
18	<u>DEBT SERVICE</u>								
19	\$ -	\$ -	\$ -	\$ -	Assessment Payment on Foreclosed Property	\$ 605,900	\$ 605,900	\$ 605,900	
20									
21	<u>FUND BALANCE</u>								
22	-	738,964	-	644,000	Fund Balance	-	-	-	-100.00%
23									
24	\$ -	\$ 2,256,519	\$ 2,257,800	\$ 741,300	TOTAL REQUIREMENTS	\$ 646,200	\$ 646,200	\$ 646,200	-12.83%

Notes:

- 4 Land Sale proceeds in FY10-11 includes Area B property sales to the Transit District and RJMEW.
- 13 Property Acquisition & Development included purchase of the Buchanan and Buchholtz properties in FY10-11.
- 14 Area B Development costs are for project commitments to the Transit District and RJMEW from the land sales proceeds received from these entities.

BUDGET NOTES

TAX INCREMENT FUND

Revenues

Each year the Agency is required to assess taxes at least equal to upcoming debt service regardless of the cash balances in the fund.

Debt Service

Tax Increment Funds shall only be used for payment of debt service.

Reserves

Reserve amounts are provided for in the bond documents and must be fully funded until extinguishment of the related debt if any.

PROJECT FUND

The FY08-09 Urban Renewal Budget for the Civic Center construction includes \$150,000 for public art in the form of the T.D. Keizer statue.

The River Road Renaissance Projects are on hold until the Keizer Station Property Foreclosure project is completed.

Note: The Keizer Urban Renewal Agency has passed nine amendments for the district.

STAFFING HISTORY - FULL TIME EQUIVALENTS

AS OF JUNE 30, 2012

	Actual FY08-09	Actual FY09-10	Actual FY10-11	Actual FY11-12	Budget FY12-13	Monthly Salary Range (1.0 FTE)
CITY MANAGER						
City Manager	1.0	1.0	1.0	1.0	1.0	\$8,556 - \$11,164
Total	1.0	1.0	1.0	1.0	1.0	
ASSISTANT TO THE CITY MANAGER						
Assistant to the City Manager	1.0	1.0	1.0	0.0	0.0	6,081 - 7,933
Total	1.0	1.0	1.0	0.0	0.0	
CITY ATTORNEY						
Attorney	0.0	1.0	1.0	1.0	1.0	8,148 - 10,631
Legal Assistant	0.0	1.0	1.0	1.0	1.0	3,387 - 4,420
Total	0.0	2.0	2.0	2.0	2.0	
CITY RECORDER						
City Recorder	1.0	1.0	1.0	1.0	1.0	4,765 - 6,217
* Deputy City Recorder	1.0	1.0	1.0	1.0	1.0	3,073 - 4,007
Total	2.0	2.0	2.0	2.0	2.0	
HUMAN RESOURCES						
Human Resources Director	1.0	1.0	1.0	1.0	1.0	6,384 - 8,330
* Human Resources Generalist	1.0	1.0	1.0	1.0	1.0	3,387 - 4,420
Total	2.0	2.0	2.0	2.0	2.0	
FINANCE						
Finance Director	1.0	1.0	1.0	1.0	1.0	6,705 - 8,748
* Assistant Controller	0.0	1.0	1.0	1.0	1.0	5,515 - 7,197
Network Administrator	1.0	1.0	1.0	1.0	1.0	4,765 - 6,217
* Accountant	1.0	0.0	0.0	0.0	0.0	3,920 - 5,113
* Accounting Technician	1.0	1.0	1.0	1.0	1.0	3,073 - 4,007
* Utility Billing Technician	1.0	1.0	1.0	1.0	1.0	3,073 - 4,007
* Utility Billing Clerks	3.0	3.0	3.0	3.0	2.5	2,787 - 3,637
Court Clerk I	1.0	1.0	1.0	1.0	1.0	2,654 - 3,461
Court Clerk II	1.0	1.0	1.0	1.0	0.5	2,926 - 3,817
* Office Assistant/Receptionist	1.0	1.0	1.0	1.0	1.0	2,527 - 3,299
Total	11.0	11.0	11.0	11.0	10.0	

STAFFING HISTORY - FULL TIME EQUIVALENTS

AS OF JUNE 30, 2012

	Actual FY08-09	Actual FY09-10	Actual FY10-11	Actual FY11-12	Budget FY12-13	Monthly Salary Range (1.0 FTE)
COMMUNITY DEVELOPMENT						
Community Development Director	1.0	1.0	1.0	1.0	1.0	7,391 - 9,643
Senior Planner	1.0	1.0	1.0	1.0	1.0	4,538 - 5,921
Planner	1.0	1.0	1.0	1.0	1.0	3,921 - 5,113
Code Enforcement/Zoning Technician	1.0	1.0	1.0	0.0	0.0	3,226 - 4,209
* Permit Specialist	1.0	1.0	1.0	1.0	1.0	2,926 - 3,817
Total	5.0	5.0	5.0	4.0	4.0	
PUBLIC WORKS						
Public Works Director	1.0	1.0	1.0	1.0	1.0	7,041 - 9,185
Public Works Superintendent	1.0	1.0	1.0	1.0	1.0	5,515 - 7,197
Facility Maintenance	1.0	1.0	1.0	1.0	1.0	2,926 - 3,817
Municipal Utility Worker I - Parks	1.0	1.0	1.0	1.0	1.0	2,955 - 3,857
Municipal Utility Worker II - Parks	1.0	0.0	0.0	0.0	0.0	3,104 - 4,047
Municipal Utility Worker I - General	8.0	8.0	8.0	8.0	8.0	3,104 - 4,047
Municipal Utility Worker II - Customer Service	1.0	1.0	1.0	1.0	1.0	3,259 - 4,250
Municipal Utility Worker II - General	3.0	3.0	3.0	3.0	3.0	3,423 - 4,463
Municipal Utility Worker III - Parks	0.0	1.0	1.0	1.0	1.0	3,921 - 5,113
Municipal Utility Worker III	3.0	3.0	3.0	3.0	3.0	4,321 - 5,639
Environmental Program Coordinator	1.0	1.0	1.0	1.0	1.0	4,538 - 5,921
Storm Water Technician	0.0	0.0	1.0	1.0	2.0	3,387 - 4,420
Senior Storm Water Technician	0.0	0.0	1.0	1.0	1.0	3,921 - 5,113
* Permit Specialist	1.0	1.0	1.0	1.0	1.0	2,926 - 3,817
Total	22.0	22.0	24.0	24.0	25.0	

STAFFING HISTORY - FULL TIME EQUIVALENTS

AS OF JUNE 30, 2012

	Actual FY08-09	Actual FY09-10	Actual FY10-11	Actual FY11-12	Budget FY12-13	Monthly Salary Range (1.0 FTE)
POLICE						
Chief	1.0	1.0	1.0	1.0	1.0	7,391 - 9,643
Captain(s)	2.0	1.0	1.0	1.0	1.0	6,384 - 8,330
Lieutenants	0.0	0.0	2.0	2.0	2.0	5,791 - 7,556
Sergeants	7.0	8.0	7.0	7.0	7.0	5,252 - 6,854
Police Officers	31.0	30.0	26.0	26.0	26.0	4,089 - 5,348
<i>Total Sworn Positions</i>	41.0	40.0	37.0	37.0	37.0	
* Administrative Assistant	1.0	1.0	1.0	1.0	1.0	3,387 - 4,420
* Investigative Services Specialist	1.0	1.0	1.0	1.0	1.0	3,292 - 4,293
Community Services Officer	1.0	1.0	1.0	1.0	1.0	3,292 - 4,293
* Property & Evidence Specialist	1.0	1.0	1.0	1.0	1.0	3,136 - 4,089
* Police Support Supervisor	1.0	1.0	1.0	1.0	1.0	2,983 - 3,893
* Police Support Specialists	3.0	3.0	3.0	3.0	3.0	2,707 - 3,531
<i>Total Non-sworn Positions</i>	8.0	8.0	8.0	8.0	8.0	
<i>Total</i>	49.0	48.0	45.0	45.0	45.0	
<i>Grand Total</i>	93.0	94.0	93.0	91.0	91.0	

(1) Due to staff reorganizations, this position previously reported to a different Department but full FTE history is listed in its current Department for comparative purposes.

* Classified as Administrative Support in budget document.
Actual FTE numbers represent positions funded in the year represented.

CITY OF KEIZER
SALARY ALLOCATIONS
FISCAL YEAR 2012-2013 BUDGET

TITLE	General Fund					Other Funds							TOTAL
	Admin	Parks	Comm Dev	Police	Muni Court	Street	Comm Center	Sewer	Water	SLD	Storm Water	Urban Renewal	
	102	106	108	111	115	012	021	040	042	043	046	050	
CITY MANAGER*													
City Manager	78.9%					8.0%	2.6%	2.2%	3.8%	0.7%	1.8%	2.0%	100%
CITY ATTORNEY*													
Attorney	69.2%					6.8%	2.2%	1.9%	3.3%	0.6%	1.5%	14.5%	100%
Legal Assistant	69.2%					6.8%	2.2%	1.9%	3.3%	0.6%	1.5%	14.5%	100%
CITY RECORDER*													
City Recorder	56.4%					8.0%	25.0%	2.2%	3.8%	0.7%	1.8%	2.0%	100%
Deputy City Recorder	56.4%					8.0%	25.0%	2.2%	3.8%	0.7%	1.8%	2.0%	100%
HUMAN RESOURCES**													
Human Resources Director	65.5%					3.8%	1.5%	3.0%	15.9%	0.4%	9.1%	0.7%	100%
Administrative Assistant	65.5%					3.8%	1.5%	3.0%	15.9%	0.4%	9.1%	0.7%	100%
FINANCE													
Finance Director*	69.2%					6.8%	2.2%	1.9%	3.3%	0.6%	1.5%	14.5%	100%
Assistant Controller	34.0%					10.0%	1.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%
Accounting Technician	34.0%					10.0%	1.0%	20.0%	15.0%	5.0%	10.0%	5.0%	100%
Municipal Court Clerks					100.0%								100%
Utility Billing Technician								47.0%	43.0%		10.0%		100%
Utility Billing Clerks								47.0%	43.0%		10.0%		100%
Utility Billing Clerk/Municipal Court					50.0%			23.5%	21.5%		5.0%		100%
Receptionist/Administrative Assistant**	4.0%					5.0%	70.0%	7.0%	7.0%	1.0%	5.0%	1.0%	100%
INFORMATION SYSTEMS**													
Network Administrator	65.5%					3.8%	1.5%	3.0%	15.9%	0.4%	9.1%	0.7%	100%
*Hours are tracked in the Legal Department on a project basis													
**Hours are based on Full-Time Equivalents within each fund													

CITY OF KEIZER
SALARY ALLOCATIONS
FISCAL YEAR 2012-2013 BUDGET

	General Fund					Other Funds							
	Admin	Parks	Comm Dev	Police	Muni Court	Street	Comm Center	Sewer	Water	SLD	Storm Water	Urban Renewal	
TITLE	102	106	108	111	115	O12	O21	O40	O42	O43	O46	O50	TOTAL
COMMUNITY DEVELOPMENT													
Community Development Director			87.0%			10.0%		1.0%	1.0%	0.0%	1.0%	0.0%	100%
Senior Planner			97.0%					1.0%	1.0%		1.0%		100%
Planner			100.0%										100%
Permit Specialist/Utility Billing			75.0%					12.0%	12.0%		1.0%		100%
POLICE DEPARTMENT													
All Staff				100.0%									100%
PUBLIC WORKS													
Public Works Director		1.0%				44.0%		5.0%	27.0%	5.0%	18.0%		100%
Public Works Superintendent	7.0%	5.0%	0.0%	0.0%	0.0%	28.0%	0.0%	5.0%	40.0%	5.0%	10.0%		100%
Permit Specialist						43.0%		12.0%	30.0%	10.0%	5.0%		100%
Facility Maintenance	65.5%					3.8%	1.5%	3.0%	15.9%	0.4%	9.1%	0.7%	100%
Municipal Utility Worker I (2)											100.0%		100%
Municipal Utility Worker I (1)		100.0%											100%
Municipal Utility Worker I (1)						75.0%					25.0%		100%
Municipal Utility Worker I (4)									100.0%				100%
Municipal Utility Worker II (1)		100.0%											100%
Municipal Utility Worker II (4)									100.0%				100%
Municipal Utility Worker III (1)						40.0%					60.0%		100%
Municipal Utility Worker III (1)						25.0%			65.0%		10.0%		100%
Municipal Utility Worker III (1)									100.0%				100%
Environmental Program Manager											100.0%		100%
Storm Water Technician											100.0%		100%
Senior Storm Water Technicians (2)											100.0%		100%
**Hours are based on Full-Time Equivalents within each fund													
Municipal Utility Workers (#) = number of staff													

GLOSSARY OF COMMON BUDGET TERMS

Administration: The group of departments and positions including the City Manager, City Attorney's Office, City Recorder's Office, Finance Department and Human Resources Department.

Adopted Budget: The financial plan adopted by the City Council which forms the basis and limits for appropriations for the fiscal year.

Approved Budget: The budget recommended by the Budget Committee and reviewed by the City Council prior to adoption.

Appropriation: The legal authorization granted by the City Council to spend specific amounts of public funds for specific purposes during specific periods of time.

Arbitrage: The investment of proceeds, of a relatively low interest rate state or municipal obligation, in taxable market securities which bear a higher interest rate.

Assessed Value: The portion of value of real or personal property which is taxable. It is the lesser of the property's real market value or the constitutional value limit (Maximum Assessed Value – MAV). The value limit may increase 3% annually unless qualifying improvements or changes are made to the property. These improvements or changes allow the value limit to increase by more than 3%.

Audit: A review of City accounts by an independent auditing firm to substantiate year-end fund balances, reserves and cash in hand.

Balance Budget: "The...total resources in a fund equal the total of expenditures and requirements for that fund." Oregon Administrative Rule 150-294.352(1)-(B),

Ballot Measure 50: In May 1997 voters approved Ballot Measure 50 which fundamentally changed the structure of property taxes in Oregon from a tax base system to a permanent tax rate.

Bonds: A written promise to pay a sum of money, called principal or face value at future date, called the maturity date, along with periodic interest paid at the specified percentage of the principal (interest rate). Bonds are typically used to finance long-term Capital Improvements.

Budget: The City's financial plan for a period of one year. By statute, the budget must be balanced and include a statement of actual revenues and expenditures for each of the last two years. Also required are estimated revenues and expenditures for the current and forthcoming year.

Budget Committee: The fiscal planning board of the local government, consisting of the Mayor and City Council plus an equal number of legal voters from the district.

Budget Message: An explanation of the budget and the City's financial priorities. Prepared by or under the direction of the City Manager.

Budget Officer: Person appointed by the City Council to be responsible for assembling the budget. For City of Keizer, the Finance Director serves this role.

Budget Resolution: The budget is adopted each year by the City Council through passage of a Resolution. This Budget Resolution is the guiding document for compliance with budget law and for any necessary adjustments during the fiscal year.

GLOSSARY OF COMMON BUDGET TERMS

continued

Capital Outlay: Items which generally have a useful life of one or more years, such as machinery, land, furniture, computers and other equipment, and buildings.

Contingency: A special amount set aside for necessary unforeseen and unplanned expenses. Contingencies may not be spent without City Council approval via a Transfer Resolution or Supplemental Budget.

Debt Service: The payment of general long-term debt, consisting of principal and interest payments.

Debt Service Fund: Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Department: An organizational unit of the City.

Enterprise Fund: A fund established to account for operations financed and operated in a manner similar to private business enterprises (e.g., water and utilities).

Expenditure: The payment for goods and services, debt service, and Capital Outlay from a governmental fund.

Expenses: The payment for goods and services from a Proprietary Fund.

Fiscal Year: The twelve months beginning July 1 and ending June 30 of the following year.

Franchise Fee: A fee charged each year to utilities as a payment in lieu of permit fees for the use of City streets. The fee is generally based on a percentage of revenues.

Fund: A fiscal and accounting entity with balancing revenues and appropriations.

Fund Balance: The difference between fund assets and fund liabilities of governmental and similar trust funds.

FTE: An abbreviation for full-time equivalent employees. Staffing levels are measured in FTE to give consistent comparison from year to year.

General Fund: Accounts for all financial resources except those required to be accounted for in another fund.

Internal Services Fund: Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Line-Item Budget: The traditional form of budgeting, where proposed expenditures are based on individual objects of expense within a department or division.

Materials & Services: An object classification which includes contractual and other services, materials and supplies and other charges.

Net Working Capital: Funds which allow the City to meet current cash flow requirements, shortfalls in revenues or unexpected demands until tax revenues or other major revenues are available.

Ordinance: Written directive or act of a governing body. Has the full force and effect of law within the local government's boundaries, provided it does not conflict with a State Statute or Constitutional Provision. See "Resolution."

Personnel Services: Costs associated with employees, including salaries, overtime and fringe benefit costs.

GLOSSARY OF COMMON BUDGET TERMS

continued

Property Taxes: Amounts imposed on taxable property by a local government within its operating rate limit, levied under local option authority, or levied to repay bonded debt.

Proposed Budget: The proposed budget is the one proposed by the City Manager and is reviewed by the Budget Committee.

Proprietary Fund: A fund classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector (i.e., Enterprise Funds).

Rate Limit: A district's permanent ad valorem property tax rate for operating purposes. This rate levied against the assessed value of property raises taxes for general operations. Permanent tax rate limits were either computed by the Department of Revenue for districts existing prior to 1997-1998 or are voter-approved for districts formed in 1997-1998 and later.

Real Market Value: Value set on real and personal property as a basis for imposing tax.

Reserve Fund: Established to accumulate money from one fiscal year to another for a specific purpose.

Reserves: An accumulation of funds for a specific future purpose. Reserves may only be spent during the fiscal year with City Council approval through a Transfer Resolution or a Supplemental Budget.

Resolution: An order of a governing body. Requires less legal formality and has lower legal status than an Ordinance. Statutes or Charter will specify which actions must be by ordinance and which may be by resolution. (For cities, revenue raising measures such as taxes, special assessments and service charges always require ordinances.) See "Ordinance."

Resources: Total funds available which include the estimated balances on hand at the beginning of the fiscal year plus all revenues anticipated being collected during the year.

Revenue: Moneys received during the year to finance City services.

Special Assessments: A way to finance a local improvement which allows benefited property owners to pay the City back over time. Special assessments may be bonded through a special bond or unbonded.

Special Revenue Fund: Accounts for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specified purposes.

Supplemental Budget: An amendment to the adopted budget that is prepared to meet unexpected needs or to appropriate revenues not anticipated at the time the budget was adopted. The supplemental budget may not increase the tax levy.

Tax Levy: The total amount of property taxes required by the City to meet requirements.

Tax Rate: The amount of tax stated in terms of a unit of the district's assessed value. For example, the City of Keizer's tax rate is \$2.0838 per \$1,000 of assessed value of taxable property.

Transfer: An amount distributed from one fund to finance activities in another fund. It is shown as an expenditure in the originating fund and a resource in the receiving fund.

Unappropriated Ending Fund Balance: An amount set aside to be used as cash carry-over for the next fiscal year's budget.

